



Female entrepreneurship in rural Vietnam: an exploratory study

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Abstract

Purpose – The purpose of this study was to explore the impact of governmental support policies and socio-cultural influences on female entrepreneurship in rural Vietnam. As such, the study addresses an important literature gap concerning female entrepreneurship within rural communities in South East Asia.

Design/methodology/approach – Qualitative in-depth interviews were conducted with six female entrepreneurs and six female non-entrepreneurs in northern Vietnam to examine the influence of various environmental factors on female entrepreneurship in a rural setting.

Findings – The results suggest that government pro-entrepreneurship policies, together with private sector interventions, have had an impact on rural Vietnam. Yet females in rural and remote Vietnam are still constrained by societal prejudices, financial limitations, and limited entrepreneurship educational opportunities.

Originality/value – The paper's originality lies in its review of the circumstances confronting women in rural Vietnam and its findings concerning the impact of environmental factors on female entrepreneurship in this setting.

Keywords Family business, Rural areas, Female entrepreneurship, Environmental factors

Paper type Research paper

Introduction

During the last few decades female entrepreneurship has been expanding in most parts of the world (Driga *et al.*, 2009) and is considered one of the fastest growing entrepreneurial populations worldwide (Brush *et al.*, 2009). This development is seen as particularly important for low-income countries (Bushell, 2008). For example, both the Micro-Credit Summit in Washington in 1997 and the Global Microcredit Summit in Canada in 2006 emphasised the need to enable female entrepreneurs (and their families) to gain access to credit for self-employment and to other financial and business services as a means of lifting hundreds of millions of people out of extreme poverty (Bushell, 2008). Similarly, female entrepreneurship development is also a part of “ongoing national efforts to alleviate poverty in developing countries in relation to the Millennium Development Goals” (Tambunan, 2009, p. 27). In rural areas, the growing number of female new business founders is contributing to the utilisation of an untapped source of productivity for the local economy (Anthopoulou, 2009) and to the development of new income sources on the farm (Bock, 2004). The aim of this paper, therefore, is to attempt to find answers to two important questions:



- (1) What contextual facilitators support rural women engaging in entrepreneurial activities?
- (2) What contextual constraints exist that prevent/inhibit rural women from engaging in entrepreneurial activities?

As female entrepreneurship in rural regions is generally under-researched, and this is particularly true of rural Vietnam, we expect the results from this study to contribute to a better understanding of the environmental factors influencing entrepreneurial participation among rural women in Vietnam. It should also be noted that, unlike much of the prior research which has generally been survey based (Brush *et al.*, 2003), this study uses the ethnographic interview method. The study aims to develop a model of entrepreneurship that will be useful in enabling rural women in Vietnam (and South East Asia, more generally) to be successfully involved in entrepreneurial activities.

The paper begins by providing the background to this research project, including: a review of the existing literature concerning the importance of entrepreneurship, and female entrepreneurship in particular, to rural development; and some background to the economic context in Vietnam, particularly with respect to women in rural Vietnam. We then discuss a number of entrepreneurship frameworks that we believe are useful in understanding female entrepreneurship in rural Vietnam and how these conceptual frameworks were used in the current study. Next we describe our research method and the results of analysing the responses from our in-depth interviews with six rural female micro-entrepreneurs and six rural female non-entrepreneurs. A discussion of our findings and their implications, together with the study's limitations, concludes the paper.

Research background

The importance of entrepreneurship in rural development

The importance of rural entrepreneurship has been well recognized in developed countries and is considered a key tool for stimulating diversified and endogenous growth in rural development policy (OECD, 2006). In the USA, for example, Dabson (2001) argues that entrepreneurship is important for tackling deep-rooted economic problems in low-income communities and distressed regions within rural areas. Bryden and Hart (2005) and Henderson (2002) note that entrepreneurship facilitates the diversification of (and the synergies associated with) local services and helps to retain local populations by creating local career alternatives. Henderson (2002) suggests that rural entrepreneurship increases local incomes and wealth, and helps to connect the community to the wider (global) economy. Macke and Markeley (2006) and Gladwin *et al.* (1989) emphasise the importance of rural entrepreneurship when they argue that entrepreneurial-based development can play an important part in revitalizing rural areas in America through its significant role in stimulating: human development, rural vitality, civic entrepreneurship development, and economic development policy priorities.

Further, Driga *et al.* (2009) argue that entrepreneurship contributes more to rural development than simply economic and employment growth. In rural Europe, for example, entrepreneurship is considered an important mechanism for overcoming barriers to the development of peripheral rural areas (Labrianidis, 2006) and a source of income to make the rural economies and societies of Central and Eastern European countries viable (Davis and Pearce, 2001). In developing nations, rural entrepreneurship accounts for around 25 percent of full-time rural employment and 40 percent of rural incomes.

Thus, entrepreneurship obviously plays a crucial role in sustaining rural populations and offers an important economic alternative to the rural poor (Haggblade *et al.*, 2002).

The importance of female entrepreneurship in rural development

Female entrepreneurship is consistently viewed as beneficial to rural communities. It is seen as a potential vehicle for alleviating the relative hardship of women in rural areas and as a means of utilising the untapped economic development potential of rural women (Anthopoulou, 2009; Driga *et al.*, 2009). Furthermore, entrepreneurship is expected to bring women economic independence and, as such, is an important key to both the emancipation of women and national development (Chitsike, 2000). Recent research has drawn attention to the contribution of female entrepreneurs to economic development in developing countries; for example, a Malaysian study has found that women's entrepreneurship is increasingly being promoted as a way of creating growth and development (Franck, 2012). Interestingly, a study of six Arab countries (Weeks, 2009) found that women were operating across a range of business sectors and, in some cases, with employment levels ahead of most women-owned firms in Western Europe and North America. Furthermore, the study found that most of the women surveyed were trading internationally and were growth-oriented.

Vietnam's economic context

Vietnam is a densely populated developing country located in South East Asia with around 90 million people. After the introduction of the "Đổi Mới" (renovation) policy in 1986, Vietnam moved to implement the structural reforms needed to modernize its economy and to produce more competitive export-driven industries. Vietnam joined the World Trade Organization (WTO) in January 2007 and is part of the Trans-Pacific Partnership trade agreement created in 2010. In 2010, with a GDP (purchasing power parity) of US\$276.6 billion Vietnam was ranked 42nd in the world and with a GDP per capita of US\$3,100 it was ranked 166th in the world (Central Intelligence Agency, 2011).

Vietnam's economy and its achievements are reviewed by Fan *et al.* (2004) through three time periods: 1975-1980 (reunified, with a centrally planned economy), 1980-1988 (modified-planned economy), and subsequent to 1989 (economy in transition, striving for industrialization and international integration). In the first period, the Vietnamese economy experienced stagnation due to a number of problems, such as the improper government-administered supply of physical inputs and outputs, a lack of business autonomy and the absence of factor markets, highly regulated goods and services markets, an investment bias towards heavy industry, and having a passive financial system with a single government bank. The second period witnessed significant micro-economic reforms, such as the "Three-plan System" for state-owned enterprises and the "Contract System" for the agricultural sector. These breakthroughs in Vietnam's economic policies resulted in a high rate of economic growth and led to the country becoming food self-sufficient in 1985. The third period started with the adoption of a radical and comprehensive reform package aimed at: stabilizing the economy, opening up the economy, enhancing freedom of choice for economic units, and increasing competition. The significant achievements in this last period include: the introduction of macro-economic stabilisation policies, enhanced private sector development, the reform of state-owned enterprises, and reforms in the agricultural, trade and investment, and banking sectors. During the 1990s, Vietnam

became one of the fastest growing economies in the world, *albeit* from a very low base, with an average GDP growth rate of around 7 percent per capita.

Rural Vietnam

Rural Vietnam is best seen in three contexts: agriculture, rural development, and rural livelihoods, with each of these having both positive and negative indicators (Powell *et al.*, 2011). With respect to agriculture, successful economic development over the past 20 years has facilitated the transition of Vietnam's economy from largely agriculture-based to more industry-based. Despite various challenges (such as market price fluctuations, natural disasters and epidemics) the production of agriculture, forestry and aquaculture has increased significantly in recent times. Statistics from the study by Powell *et al.* (2011) indicate that between 2000 and 2007: cereal production increased by 5.5 million tonnes, animal husbandry's annual production increased by 7-8 percent, fish farming (catch capacity and productivity) doubled, deforestation reduced and the actual forest area increased by almost 40 percent, and exported agricultural products grew by 16.8 percent per year. The widespread application of new technology not only improved productivity but also maintained the sustainability of the entire agricultural sector.

In terms of rural development, Powell *et al.* (2011) note that investment in infrastructure in rural areas is continuing. For example, the improvement in irrigation and drainage capacity has increased and this has resulted in good conditions for agricultural production (while preventing natural disasters) and has contributed to an improvement in the livelihoods of rural residents. The networks providing electricity, schools, local markets, medical centres, telecommunication services now cover almost all rural areas. Statistically, the national electricity grid provides electricity to almost all communities and to 97 percent of all households in the country. Almost 100 percent of communities have primary schools, 91 percent have high schools and 88 percent have kindergartens. Local markets are available in most communities. 99 percent of communities have a medical clinic and 55.6 percent have a pharmacy. All communities have telephone lines and 85 percent have a postal service. Significantly, 70 percent of households have clean water for domestic use. Many industrial zones, businesses and urbanized centres are being established in rural areas.

Turning to rural livelihoods, Powell *et al.* (2011) note that rural people account for over 70 percent of the total population in Vietnam, with 54 percent of the rural population employed in either agriculture, forestry or aquaculture. The number of agricultural-forestry-aquaculture cooperatives has increased to over 7,000; providing farmers with irrigation, plant protection and electricity services. The average income of rural people has increased almost threefold in recent years, with the average household savings having doubled between 2001 and 2006 and the number of poor households having reduced from 35.6 percent in 2002 to 18 percent in 2007. Rural people have also gained more entitlements to medical treatment, and rural students are more able to participate in higher education through the provision of student loans at favourable interest rates. As a result, the level of education and professional skills in rural Vietnam is also improving.

Although Vietnam's agricultural sector has achieved good growth in recent times, Powell *et al.* (2011) point to a number of issues/difficulties that need addressing. First, crop production still dominates the sector's total production (57 percent); the other sub-sectors are either developing slowly or are ineffectively managed. Second, an imbalance between production and environmental management has resulted in increased environmental pollution, and this improper exploitation of natural resources

is threatening future development. Third, the total area available for agriculture is being reduced, the rural labour force continues to decline and the price of agricultural inputs continues to increase. Finally, the agriculture sector in Vietnam is particularly vulnerable to global climate change and natural disasters. For example, statistics from Germanwatch Climate Risk Index 2009 (Harmeling, 2008) indicate that Vietnam is one of the top ten countries most affected by extreme climatic events.

Powell *et al.* (2011) also note that development has not yet been built into Vietnam's strategic planning process and, as a result, the development of infrastructure has been slow and this, together with weak labour skills and inappropriate supporting policies, has made rural areas less attractive for investment. Income diversification activities are also limited with the majority of rural households relying on agriculture. Similarly social services (such as education, medical treatment, and insurance), although available, are still poorly provided in rural areas and, consequently, rural residents face numerous problems. In summary, low incomes, low quality of social services (such as healthcare and education), a lack of access to markets and information, and environmental pollution are all contributing to a reduction in the welfare of the rural population in Vietnam and expanding the gap between rural and urban areas. Further, Hang (2008) argues that more practical efforts are required to address gender inequality issues in Vietnam because the gap between verbal commitments to gender equality and actual practice is sizable. It seems that, in Vietnam, the rate of female participation in power at all levels is much lower than that of men, and this is particularly true in rural areas.

The livelihoods of rural women in Vietnam

The 2009 National Population Census (Central Population and Housing Census Steering Committee, 2010) indicated that women accounted for 54 percent of the rural population in Vietnam. Similarly, the Vietnam Women Entrepreneurs Council (VWEC, 2007) reported that over 60 percent of Vietnamese women worked in agriculture in 2002 and Hang (2008) found that 76 percent of female workers in Vietnam were concentrated in agriculture, forestry and fish farming. The urbanization and rural mechanization process in Vietnam has created dramatic changes in rural areas, leading to changes in the livelihoods of rural women. The most significant of these changes has been the conversion of large amounts of farming land to industrial zones, tourism sites or new urban areas. This, in turn, has led a significant increase in the rate of unemployment in rural Vietnam (Hoang, 2010). As a result, a growing number of males and a large proportion of the youth population have left their families to earn a living in urban areas or industrial zones. This trend in migration has exposed rural families and rural communities to substantial structural changes. It has resulted in "feminised agriculture" (that is, women are in charge of almost all agricultural production), an "aging rural sector" (that is, the majority of villagers are now middle-aged or elderly), and "women household heads" (that is, the males have migrated to urban areas) (Hoang, 2010; Thanh *et al.*, 2005).

According to the World Bank (2011), around 90 percent of the poor in Vietnam live in rural areas and the International Fund for Agricultural Development (2010) suggests that the poorest people in Vietnam include: members of ethnic minority groups, residents in remote upland areas, residents in coastal areas with a poor natural resource base and prone to adverse climatic events, households headed by women, households with disabled members, landless people, and migrants. Further, Hoang (2010) found that rural women have higher rates of poverty than rural men and urban women.

Potential frameworks for analysing female entrepreneurship in a rural setting

One of the dilemmas of novel research is to establish a framework, or lens, through which to view, and analyse, the phenomenon in question. Morris *et al.* (2001) wrote an excellent article on how to understand entrepreneurship through frameworks that could help organise the field of entrepreneurship in a systematic way. A framework provides a blueprint that converts abstraction into order, allows prioritisation of variables (or issues) and helps identify relationships. Below we review three frameworks that we feel potentially provide a useful conceptual basis for the examination of female entrepreneurship in rural Vietnam.

The concept of “necessity” versus “opportunity” entrepreneurship

The Global Entrepreneurship Monitor (GEM) framework presented in various GEM reports highlights the concept of “necessity” versus “opportunity” entrepreneurs. GEM refers to “necessity entrepreneurs” as individuals who view entrepreneurship as the best option available but not necessarily their preferred option (Kelley *et al.*, 2012). Such individuals are considered to have been “pushed” into entrepreneurship. By way of contrast, “opportunity entrepreneurs” engage in entrepreneurship out of choice to exploit a business opportunity. Such individuals are considered to have been “pulled” into entrepreneurship (Bosma and Harding, 2006). Prior to GEM, Das (1999) categorised female entrepreneurs into three types: “chance”; “forced”; and “created” or “pulled” entrepreneurs, as depicted in Table I. “Chance” entrepreneurs often started their business as a hobby then, as their friends and relatives started purchasing some of their products, the hobby slowly grew into a fully fledged business operation. “Forced” entrepreneurs are pushed into entrepreneurial activity because they need money (what GEM would describe as “necessity” entrepreneurs). “Created” or “pulled” entrepreneurs (what GEM would describe as “opportunity” entrepreneurs) have a desire to become independent, take a challenge and show others that “I can do this”. In this study, our focus is on “necessity” or “forced” entrepreneurs. Given the conditions facing women in rural Vietnam becoming a “necessity” entrepreneur could be seen as a solution to their financial difficulties and could provide them with individual empowerment. However, although women entrepreneurs in Vietnam may be chiefly necessity-driven, research has shown

Category	Main reason/motivation
“Chance” entrepreneurs	To keep busy Was hobby/special interest Family/spouse had business
“Forced” entrepreneurs	Financial/needed the money Control over time/flexibility Challenge, try something on one’s own Show others I could do it
“Created” or “pulled” entrepreneurs	To be independent Self satisfaction Example to children Provide employment for others/do something worthwhile

Source: Adapted from Das (1999, p. 154, Table 3)

Table I.
Categories of female
entrepreneur by
reason/motivation for
starting a business

that their motives change over time, with many women who originally entered entrepreneurship out of necessity becoming more opportunity-driven (Williams, 2009).

The GEM model of entrepreneurship

A recent GEM report (Kelley *et al.*, 2011) groups countries into one of three categories according to a World Competitiveness Index: factor-driven, efficiency-driven, and innovation-driven. The characteristics of each group are described in Figure 1. From the category descriptions provided in Figure 1, Vietnam can be classified as a factor-driven country that is in transition to the efficiency-driven group. Many (particularly female) entrepreneurs in Vietnam are characterised by the need to satisfy basic requirements and, as such, Vietnam’s economy ranges from subsistence agriculture to the extraction of natural resources. More recently, however, entrepreneurs in Vietnam have sought to create scale-intensive models to advance development and, therefore, Vietnam is in the process of transitioning to an efficiency-driven economy.

Figure 2 describes the entrepreneurship process according to the GEM model of entrepreneurship presented by Kelley *et al.* (2011). As can be seen from Figure 2, to gain an understanding of the entrepreneurship process in any country (regardless of its level of development) the GEM model suggests that you need to start by considering the socio-cultural and political context of the country concerned. Thus, in order to encourage rural women to become involved in entrepreneurship (and to contribute to their personal empowerment and the development of their rural communities) it is first necessary to study the contextual setting in which these women reside.

Hindle’s (2010) bridge

One visual framework that we believe is particularly salient to our study (because it helps analyse the contextual setting of rural women in Vietnam) is provided by Hindle (2010). In what has been called “Hindle’s Bridge”, Hindle (2010) argues that “Community Context” affects the entrepreneurial process through two bases of a bridge, over which criss-cross multiple interactive pathways between community context and entrepreneurial process. Two foundation hold this bridge up. One is called “Generic Structural Factors”, including physical resources, governance and institutes, and property rights and capital management; and the other foundation is called “Generic Human Factors”, including human resources, worldviews and social networks, and boundary spanning. These six factors comprise the pillars of a bridge and are considered independent variables that characterise the community context and facilitate the “Entrepreneurial Process”. These two pillars, one human and the other physical,

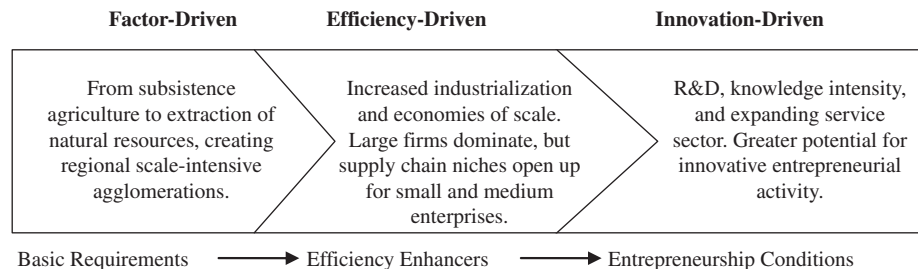
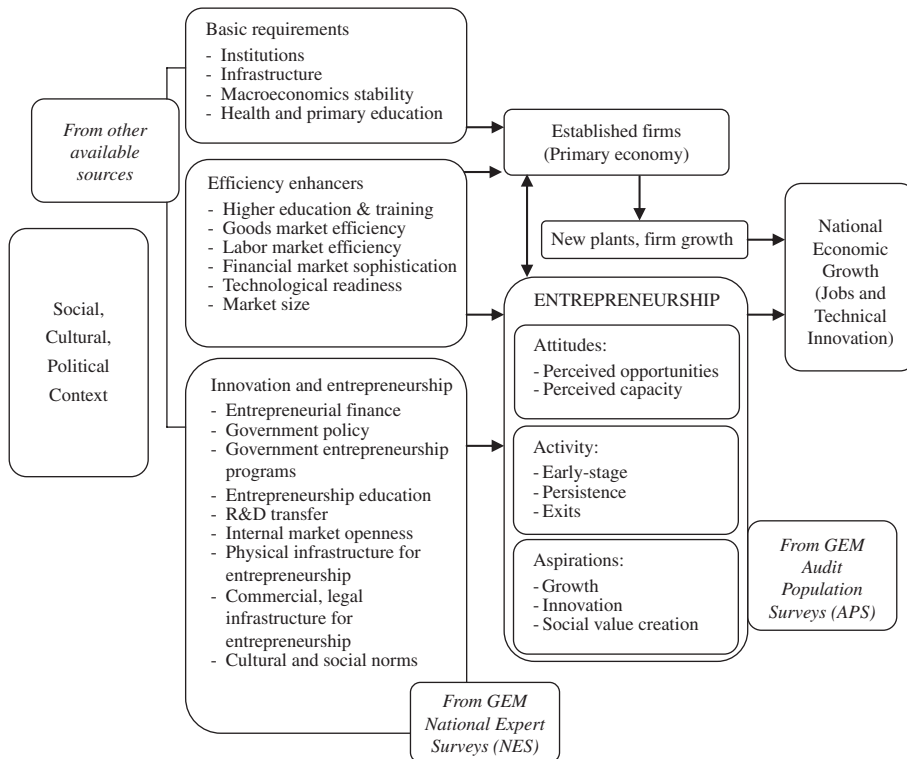


Figure 1.
Country characteristics and key development focus

Source: Kelley *et al.* (2011, p. 14, Figure 2)



Source: Kelley *et al.* (2011, p. 15, Figure 3)

Figure 2. The GEM model focus

are connected and influenced by girders comprising “Facilitation and Programs” and “Task Specific Tools”. Thus, using a visual metaphor, Hindle’s (2010) bridge provides a comprehensive candidate model for studying the influence of the community context on the entrepreneurial process in rural Vietnam.

In collecting the primary data for this study, we focused on several attributes from the GEM and Hindle models (such as social and cultural norms, social networks, governance, and physical resources available) that related to two key constructs, namely: “socio-cultural influences” and “governmental support policies”. The first construct embraces issues concerning current social changes occurring in rural communities and the cultural norms affecting rural women in Vietnam. The second construct deals with the support provided by government for female entrepreneurship in rural Vietnam. Our purpose was to describe the community context through a synthesis of its various components. The end-goal was to articulate any required facilitation initiatives/programmes and any task specific tools that might be required as fundamental prerequisites to improving female entrepreneurial participation in rural Vietnam.

Methodology

We adopted a qualitative research design aimed at examining the cultural phenomena that give meaning to, and guide entrepreneurial participation by, rural

women in Vietnam. Our primary purpose was to identify and describe the potential barriers to, and facilitators of, female entrepreneurship in this setting.

Sample selection

Vietnam is commonly divided into seven regions, which include the: Northern Uplands, Red River Delta, North Central Coast, Central Highlands, Central Coast, South East, and Mekong Delta. The first three regions are considered “the North” while the last four are considered “the South” (Van de Walle and Cratty, 2004). Due to our familiarity with the culture in North Vietnam, our sample of rural female entrepreneurs and non-entrepreneurs was selected from three rural communities in this region: Trang Minh precinct (Kien An, Hai Phong), Dong Mai commune (Thanh Oai, Ha Tay), and Phu Luong commune (Dong Hung, Thai Binh).

While acknowledging the many different types of entrepreneurial activities female entrepreneurs might engage in, the focus of this study was on female “micro-entrepreneurship”. This term can be used interchangeably with “self-employed” female individuals who seek to survive, or to increase their income, through informal self-employment (Tambunan, 2009). Our focus on micro-entrepreneurship is due to the limited individual (as well as regional) resources typically available in rural settings such that micro-entrepreneurship is more prevalent than small or medium enterprises in these regions.

During the period 2009-2010, we conducted in-depth interviews (using a semi-structured questionnaire) with four women (two entrepreneurs and two non-entrepreneurs) in each of the three rural locations noted above. A convenience sampling approach was adopted to identify potential interviewees and we used a filter question to ensure the interviewees were aged between 28 and 50. The entrepreneurs we interviewed were also required to have been engaged in their entrepreneurial activities for more than 12 months. Other demographic questions included: the interviewee’s name (optional), their location, business type and age of business (for entrepreneurs only), marital status, and number of family dependants. The interviews with the entrepreneurs were conducted at their place of business, while the interviews with the non-entrepreneurs were conducted in their homes. Each interview lasted about 30-45 minutes. Tables II and III summarise the demographic details for the female entrepreneurs and non-entrepreneurs, respectively.

The questionnaire items used in our study were selected from previously conducted research on female entrepreneurship in other countries and were obtained either by directly contacting the researchers involved or from appendices in the journal articles they had published. The items were translated and then re-worded to make them more easily understood by rural women in Vietnam. Field notes were also made during the time the researchers conducted the interviews at the three locations.

Results

Responses from the rural female entrepreneurs

Motivations. In answering the question “Why did you decide to start this business?”, all of the women stated that the main reason for them starting their business was to earn more income for their family.

Code	Location	Business type	Age of business (years)	Number of employees	Marital status	Number of dependants
E1	Trang Minh, Kien An, Hai Phong	Waste recycling dealer	2	2	Widowed	4
E2	Trang Minh, Kien An, Hai Phong	Home-based herbalist, traditional medicine manufacturer	15	5	Widowed	0
E3	Dong Mai, ThanhOai, Ha Tay	Home-based local convenient store and motorbike wash services	10	2	Married	2
E4	Dong Mai, ThanhOai, Ha Tay	Fish and poultry trader	5	0	Married	4
E5	PhuLuong, Dong Hung, Thai Binh	Construction materials trader and transport service provider	7	2	Single	1
E6	PhuLuong, Dong Hung, Thai Binh	Confectionary manufacturer and seller	10	3	Married	2

Table II.
Code name and demographic details for the female entrepreneurs

Code	Location	Marital status	Number of dependants
N.E1	TrangMinh, Kien An, Hai Phong	Married	2
N.E2	TrangMinh, Kien An, Hai Phong	<i>De facto</i>	2
N.E3	Dong Mai, ThanhOai, Ha Tay	Married	3
N.E4	Dong Mai, ThanhOai, Ha Tay	Married	2
N.E5	PhuLuong, Dong Hung, Thai Binh	Married	1
N.E6	PhuLuong, Dong Hung, Thai Binh	Married	0

Table III.
Code name and demographic details for the female non-entrepreneurs

E1 frankly shared:

You know, I do not have an official job like those in the city. I also have four kids. Three of my children are now working in footwear companies; their incomes are low so they are still not totally independent financially. The smallest one now is at school. I have to pay him in many ways. You see, I can't rely on my farm, it is just enough for our rice in every day's meals. Now I have to think out a way to do something. Otherwise, we will starve.

E4 was a little shy to tell about her motivation for entering business, but stated that:

My family is poor, and my husband family is poor, they were not able to give us anything when we moved out. My husband has no stable job, just a casual house builder. Now he is working with his relatives in house-building sites in Hanoi. He just came home once or twice a month, but the salary is very limited, he could give me very little after his rent, food, and travel fees sometimes. All the domestic work and responsibilities are left for me. You know, my three kids are at school. There are also a number of remembrance services we have to attend in both of the family sides which cost me a huge amount of money. I need to earn more money apart from my agricultural work to handle all of them.

Training. When asked about the training they undertook before starting their business all the women stated that they had not been involved in any training prior to starting their ventures. Interestingly, some of the women were even surprised when the need for training was raised.

E1 was surprised and laughed:

No, I did not have any training, but I don't think waste recycling business needs any training.

E4 shared:

This is quite simple work, if you saw someone doing it, even for the first time, you also can do it.

However, E2 and E6 mentioned the importance of training when their businesses grew bigger and their reputation developed. In both cases they found and paid for the training courses themselves, no government help was provided.

E2 seriously stressed:

Training is very important for me in this business. I am too old to study, but I tried my best to take part in three training courses in herbal medicine organized by the Municipal Traditional Medicine Association. Even though it cost me quite a large amount of money, I think it is useful. Only with proper training, I can offer more effective medicines to patients so that they will believe in me and come to buy them.

E6 also shared:

I make cakes and sell, but if I sell the same kind of cakes every day, the customers will be fed up. So I need to learn to make them different sometimes, not too much, but some other flavours would be good. It will be better if I can learn about many ways to make them different.

Raising of capital. When asked about government policies designed to help them develop their businesses, all the women mentioned two organizations: the Farmers' Union and the Women's Union. The women seemed very happy with these two organisations because of the financial support they provided in the form of two-year loans. Although these organisations only provided a small amount of credit (from US\$400 to US\$900) it was not too difficult to obtain. Further, provided the applicant was a registered member of the organization, and had a National Identity Card (*Chứng minh thư nhân dân*) and Household Registration Book (*Sổ hộ khẩu*), the funds were generally available in about a week.

E2 also stated that, in Hai Phong city, there were some other associations available for female entrepreneurs (such as the Small Traders Association and the Veterans Association) which could assist in raising funds for individuals involved in entrepreneurial activities. A number of the interviewees also referred to "hụi" or "vào hụi". This is an informal savings plan whereby a group of women contribute a certain amount of money monthly to a fund holder (*chủ hụi*). This person then organizes for those funds to be allocated to one of the contributors (*rút hụi* or *bóc hụi*) with some interest being paid to the other contributors. This process is repeated over time until all the contributors have had their savings returned. This informal process was seen as another way of raising funds to start a new venture. Although this is an illegal and potentially risky method of fund raising, because of the personal trust the women have with each other and the fund holder, it is quite commonly practiced in Vietnam. The interviewees noted that this method of fund raising could provide more funds than would normally be available through the associations referred to previously. Further, the monthly contribution plan also provides some interest income for the individuals and a motivation for better managing their money (savings).

Relationships and networking. When asked "What was most difficult for you in setting up your business?" the two most frequent factors mentioned by the women were "relationships" (the networks of customers) and "information" (about potential target markets).

When asked whether they had a networking system (support system) with other businesswomen (or businessmen) to help develop their business, the answer was almost always “no”.

E2 honestly said:

No, we do not have any official networking system with other businesswomen yet. Anyway, we do different things so there is nothing to share.

E4 stressed:

We do selling in different places, and are busy all day. I do not associate with anyone about the business things.

E6 revealed:

Some of my relatives are also making cakes, but different types. They share with me sometimes their experience, but they will not share with outsiders.

Societal expectations of women. When asked about their role in terms of domestic work (meaning household services for the family) all of the women stated that their role was important. Interestingly, the views expressed by the interviewees appeared to reflect societal expectations and, further, our interviewees did not appear to have a problem with the assumption that, as women, they were expected to carry the major share of domestic responsibilities.

E3 said:

My business here is home-based, so I am very busy. I manage my business and my domestic work at the same time. I can't leave all the domestic work for my husband; he is a man, people will laugh at our family if men have to do housework.

E5 said:

I only do this in the daytime, from 9 am to 11 am, then 1 pm to around 4 pm. I still have to manage my domestic work such as cooking, cleaning, feeding the animals. My mother is too weak now, she cannot help.

E4 also shared:

All of my three kids are at school now, they need to do homework, but if I do not push them, they will not work. I have to spend my evening staying around them to make sure that they finish their work for school. My husband is away most of the time, when he returns, sometimes he helps to take care of the kids, but he hit them many times, he can't push them to study properly.

When asked “What do your husband or family say or show when you can earn more than or the same as your husband?” the women had quite different responses.

E6 said:

It does not matter much. He finds it alright. He helps me sometimes in the business, so in front of neighbours or relatives, I must say that it is him who does most of the work.

E4 said:

He is not happy, of course. No man is happy when his wife does better. When he is drunk, he mentions this. Anyway, he has no choice and he is away most of the time, he does not care, as long as his children and his family are fine.

E3 said:

He supports my work basically. But he said that no matter what I do, I have to pay my most attention to my domestic work.

Responses from the rural female non-entrepreneurs

The set of questions prepared for the non-entrepreneurs was shorter than that for the entrepreneurs. We asked them the questions about governmental support but we also focused on the reasons why they had not been (or felt hesitant to be) involved in entrepreneurial activities. All of the interviewees were well aware of the support provided by the Women's Union and Farmers' Union in terms of their micro-credit schemes. However, there were some differences in the responses provided by the non-entrepreneurs (compared to the entrepreneurs) concerning the role of these two associations. In contrast to the entrepreneurs, the rural female non-entrepreneurs generally did not consider the loans easy to obtain.

N.E5 commented:

In our commune's Women's Union meetings, we do voting for the loans from the Union. Normally, only those who are the poorest will be considered to get the loans.

When answering the question concerning the potential barriers to entrepreneurial activities, our group of non-entrepreneurs pointed to a lack of: time, training, infrastructure (land or natural resources), and personal self-efficacy.

N.E2 said:

Agricultural and domestic work takes almost all of my time. I even do not think about that.

N.E6 said:

I know some rural women entrepreneurs; they can do entrepreneurship because they were trained before.

N.E5 said:

I believe that entrepreneurs are some people with gifted characteristics, I don't think I have. I could only raise animals and grow vegetables.

N.E2 said:

I think younger women should start entrepreneurship as it is easier for them to get training.

N.E5 said:

I know the neighbouring commune is promoting the enterprising activities among women. However, the land is wider there so that women can do larger scale fish farming; pig or poultry growing. In our commune, the land allocation for each individual is very limited, we can't make the place the farmland.

There was a diversity of views expressed by the non-entrepreneurs when asked about the likely views of their husbands should they consider being involved in an entrepreneurial venture.

N.E5 said:

I think he will support me if I can do it. It is good for the family though.

N.E6 said:

He is just worried about my health, he said that doing entrepreneurship will make me very tired.

N.E1 said:

I talked to him sometimes about the intention, but he said that I may not have enough time.

N.E2 said:

He does not believe that I could do it. He said that I'd better concentrate on my farm and domestic work. It is less risky.

Discussion and conclusion

The results from our interviews with rural female entrepreneurs in Vietnam suggest they were “necessity-driven” or “forced” entrepreneurs. For them it was a question of survival and reflected a desire to earn extra-income to cover family expenses. There was no evidence to suggest that any of our female entrepreneurs had been “pulled” into their new venture.

There also appeared to be a notable lack of information and/or training programs available to these rural women. It was not until they began to grow their ventures that some of the women recognised a need for training. In these cases, the women paid for their own training, as there were no government sponsored programmes available that they were aware of. This finding suggests that training programs targeting rural female entrepreneurs are either not widely available or information about programmes that are available has not been widely publicised. On further inquiry we discovered that there was a VWEC (*Đội Mới*) which formed part of the Vietnam Chamber of Commerce and Industry (VCCI) (*Phòng Công nghiệp và Thương mại Việt Nam*). Although this Council was established in 2001, its effectiveness appears to have been rather limited when it comes to rural entrepreneurs; none of the interviewees made any reference to this body. However, the VWEC created “The Gender Economic Development Working Group” on 11 November 2011 and this working group is expected to expand the role of the council to include rural areas. Despite this initiative by the VWEC, we would suggest that the provision of targeted training courses for rural women interested in establishing a new venture might be a useful government initiative to further aid the development of rural communities. The availability of such training courses might also help to overcome the low self-efficacy exhibited by the rural women we interviewed when it came to entrepreneurial activities. Moreover, it might be helpful if the training programmes included a session(s) that involved partners (or their family members) so that they might better understand (appreciate) the challenges facing women starting new ventures and how to support them in their business activities.

In terms of financing a new venture, both interview groups (the entrepreneurs and non-entrepreneurs) were familiar with the Vietnam Women’s Union and the Farmers’ Union; indicating the effectiveness of these organisations in providing financial support to rural female entrepreneurs. However, the funds provided by both these micro-credit schemes were relatively limited and it seems that preference was given to the poorest women. This suggests that, with government support, these schemes could be expanded to provide both a greater level of funding and wider access; for both business start-up and subsequent growth.

Apart from the limited financing initiatives, it would appear that the provision of other supporting activities (such as networking opportunities) is also limited in rural Vietnam. Again this suggests a role for government support agencies if Vietnam is serious about continuing its rapid rate of economic development.

The responses from the interviewees concerning socio-cultural issues indicated that, in Vietnam (as in many other countries), domestic work is assumed to be a woman's job. Interestingly, this assumption was also held by the women we interviewed and was not seen (or at least it was not raised) as a major inequity. Nevertheless, this "saving face" philosophy (whereby it would be considered inappropriate (culturally) to expect a man to undertake domestic duties) may well be holding back many rural women in Vietnam from undertaking entrepreneurial initiatives. On a positive note, however, there did not appear to be any serious community concern about rural women, through their entrepreneurial endeavours, being able to earn more money than their husbands.

In terms of limitations, it is important to acknowledge that our small sample size means that our results cannot be generalised and, therefore, further research with larger samples and in other regions is needed to validate our findings. Never the less, we believe our findings provide a useful first step to a better understanding of the contextual facilitators and constraints impacting women wishing to engage in entrepreneurial activities in rural Vietnam. As such, our findings should be of interest to government policy makers and fellow researchers with an interest in rural entrepreneurship.

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