



**VIETNAM WOMEN ENTREPRENEURS
COUNCIL**

REPORT ON
**NEEDS ASSESSMENT OF WOMEN-OWNED
SMALL AND MEDIUM-SIZED ENTERPRISES
IN VIETNAM**



The Asia Foundation



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ACRONYMS AND ABBREVIATIONS

GDP	Gross Domestic Products
GEM	Global Entrepreneur Monitor Report
IFC	International Finance Corporation
ILO	International Labor Organization
MBI	Mekong Business Initiative
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
SME	Small and Medium-sized Enterprise
TAF	The Asia Foundation
VCCI	Vietnam Chamber of Commerce and Industry
VWEC	Vietnam Women Entrepreneurs Council
WB	World Bank
WOE	Women-Owned Enterprise

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This study was conducted with the cooperation of The Asia Foundation (TAF), the Mekong Region Private Sector Initiative (MBI) and the Vietnam Women’s Entrepreneurs Council (VWEC). This report assesses the needs of women-owned small and medium-sized enterprises (SMEs) in Vietnam to provide evidences for developing efficient women-owned enterprise (WOE) supporting policies under the SME Support Law of Vietnam. It also provides the basis for proposing and advocating for relevant policies.

The study was conducted by a team of experts, including Le Quang Canh, Le Thi Thanh Tam, from National Economics University, Pham Thi Hoai Giang, and Dinh Manh Hung, experts of the VWEC.

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The findings in this report are viewpoints of the research team based on empirical evidences. They do not necessarily reflect the viewpoints of VWEC or the financial and technical support agencies of this study.

EXECUTIVE SUMMARY

The study on "Needs Assessment of Women-owned Small and Medium-sized enterprises in Vietnam" was conducted by VWEC from September 2017 to April 2018 with financial and technical support from The Asia Foundation and MBI. It was conducted in the context that in June 2017, the National Assembly passed the SME Support Law, which came into effect in January 2018 stipulating the support to women-owned SMEs. It would be a critical basis for the development and implementation of support activities for WOE in Vietnam.

Research objective

The objective of the study is to assess the need for support of women-owned SMEs in Vietnam. Specifically, the report explores the obstacles faced by women-owned SMEs, their need for support including supporting services, method of support, and implementation of support to WOE. The empirical results also provide evidences for proposing and developing women-owned SME support policies and advocating for relevant policies in line with the SME Support Law. Business supporting services are very broad, but this study focuses specifically on the need for support of women-owned SMEs in three important service groups stipulated in the SME Support Law: (i) Access to financial resources, (ii) Access to information and knowledge, and (iii) Access to market and business network development.

Research methods

This study uses a combination of methods, including interviews, focus group discussions, and surveys to achieve research objectives. Specifically, eight in-depth interviews with WOE and three interviews with men-owned enterprises in Hanoi, Thai Nguyen, Hue and Ho Chi Minh City were conducted. Focus group discussions were conducted with 33 women entrepreneurs in the three cities of Hanoi, Hue and Ho Chi Minh City. The survey was carried out in nine provinces/cities with 394 enterprises, of which 66% were women-owned and 34% were men-owned enterprises. Micro-sized enterprises account for 34%, small enterprises 59% and medium-sized 7%; industrial enterprises account for 24%, trade and service enterprises constitute 71%, and 5% are agriculture and forestry enterprises. Data collection was conducted by sending questionnaires to business owners and obtaining responses via email.

Research Results

The key findings were synthesized from interviews, focus group discussions and surveys on the needs of women-owned SMEs including: (i) Access to financial resources, (ii) Access to information and knowledge, and (iii) Access to market and business network development.

Main obstacles faced by women-owned SMEs

The results confirm that obstacles faced by WOE are diversified. These include high input costs (62%), high quality labor (49%), enterprise support polices (47%), market and business network (43%), access to financial resources (42%), legal and administrative procedures (32%), knowledge and skills (25%). Women-owned SMEs face more difficulties than men-owned enterprises in

"balancing business and family work" (17% for WOE and 7% for men-owned enterprises), "successor" (11% for WOE and 6% for men-owned enterprises) and "access to financial resources" (42% for WOE and 35% for men-owned enterprises).

Difficulties of WOE and men-owned enterprises do not significantly differ among sectors but significantly among firm sizes. Yet, regardless of sectors or firm sizes, women-owned SMEs still face more difficulties than men-owned SMEs in terms of the "successor", "gender equality in doing business" and "balancing between business and family work".

Support in accessing financial resources

The need for support in accessing financial resources of women-owned SMEs is high. 66% of WOE want to receive support in accessing financial resources, yet, only 20.5% of WOE do receive it. Areas of support include collaterals (57%), terms of loans (51%), priorities for WOE when borrowing (49%) and appropriate interest rates (45%). Compared to men-owned enterprises, WOE require more support in the following areas: development of credit products with priority to WOE (48.5% vs. 5.8%), and access to commercial ODA loans (24.4% vs. 14.3%).

The high need for support in accessing financial resources of women-owned SMEs is high because of obstacles faced by WOE when accessing financial resources. 42% of women-owned SMEs have difficulties in accessing financial resources, and the five biggest difficulties include high interest rates (67%); inappropriate loan application package and collaterals (45%); unsuitable terms of loans (33%) and lack of collaterals (30%). WOE have more difficulties than men-owned enterprises: having no information about available capital sources, lacking relationships to help them access financial services, lacking negotiation skills in borrowing, and lacking support from spouse/family.

Support in accessing information and knowledge

The support that WOE most expect to receive includes information on seeking partners (70%), output markets (45%), and legal consultancy services (38%). The demand for knowledge training focuses on corporate governance (68%), marketing and sales (57%), financial management (38%), and quality management (36%). Forms of supports include training courses (55%), business linkages (43%), direct counseling and mentoring (40%), and supporting networks (36%); online training courses (64%), and 33% of respondents suggested that information should be provided via mass media and outside working hours. Women entrepreneurs expect that associations/clubs of women entrepreneurs/VWEC can help them with information provision and knowledge improvement.

Support in accessing market and business network development

WOE want to receive assistance on trade promotion, especially domestic trade promotion (68%), introduction to production linkages (58%), market information (42%), participation in value chains (41%) and referrals to local and foreign associations. WOE expect to receive more support than

men-owned enterprises in "introduction to production linkages" (58% vs. 47%), "introduction to value chains" (41% vs. 25%), and "referrals to local and foreign associations" (36% vs. 28 %).

The WOE's want a trade promotion program developed specifically for women-owned SMEs (59%) and conferences on supply-demand connection (56%). In addition, other forms of supports such as organizing trade fairs, product introducing events, information provision through organizations/associations, and trade promotion campaigns for purchasing WOE's products/services should also be implemented.

Key findings

Obstacles faced by women-owned SMEs are diversified, and the percentage of WOE's facing these obstacles is relatively high.

Women-owned SMEs have difficulties in accessing inputs/outputs factors of production and business environment. Among those, the biggest obstacles include high input costs, lack of high quality labor, lack of appropriate support policies, access to markets and financial resources.

The need for support of women-owned SMEs is high, and disparity still exists in satisfying this need of WOE's in comparison to that of men-owned enterprises

The percentage of firms requiring support in accessing financial resources, information and knowledge, market and business network is high, but the percentage of firms having actually received this support is much lower. This support is necessary for business development so there is no significant difference between the needs of women-owned enterprises and those of men-owned enterprises. However, the way to satisfy those needs is different for WOE's.

Women-owned SMEs have more difficulties than men-owned enterprises in accessing financial resources & market and business network development.

Access to finance: (i) WOE's have more difficulties than men-owned enterprises: having no information about available capital sources, lacking relationships to help them access financial services, lacking negotiation skills in borrowing, and lacking support from spouse/family. (ii) Most women-owned SMEs use their spouse's savings and borrowings from relatives/friends, and use formal credits less frequently than men-owned enterprises.

Information and training: (i) Women-owned SMEs lack information on new policies, networks, support programs, and modern business skills. They have more difficulties than men-owned enterprises in accessing information on support programs, on financial resources, markets, networks and training. (ii) The proportion of women entrepreneurs without university degree is higher than that of men entrepreneurs for all firm sizes. This denotes a higher demand for knowledge improvement among women entrepreneurs.

Market access and business network development: WOE's appear to be more disadvantaged than men-owned enterprises in terms of market access and business network development. This may

be attributed by limited knowledge, limited financial resources, and time constraints, etc. of women entrepreneurs.

The expected method of support of WOE are significantly different from that of men-owned enterprises.

Access to finance: Women entrepreneurs expect that credit products and borrower appraisal methods to be more suitable to women entrepreneurs, that commercial banks provide unsecured loans to WOE, and alternative credit products are developed for WOE.

Information and training: Appropriate information provision and training programs should be designed to meet the needs of women entrepreneurs who are busy and have resource and time constraints.

Market access and business network development: Women entrepreneurs want trade promotion campaigns for purchasing WOE's products/services.

Gender disparities still exist in business management between women and men-owned enterprises, however they are insignificant

This result is in line with the existing context and implementation of the Gender Equality Law and women's economic empowerment in Viet Nam. However, the research results show that there is still a difference between men and women in terms of the role they play in the family. Women entrepreneurs have to balance their business and family work, to share and discuss with their husbands on business issues and may face culturally gender-based discrimination in doing business.

Recommendations

The recommendations of this study focus on areas of support for WOE related to better access to finance, to information and knowledge improvement, to market opportunities, and business network development with service providers, investors, and state management agencies. The recommendations include:

Access to finance for WOE

- (i) Credit institutions should develop credit products suitable for this specific target client group – WOE, such as multiple and flexible credit terms; unsecured loans through associations/clubs of women entrepreneurs; and implementing a credit rating framework favorable for women entrepreneurs.
- (ii) The government should design specific solutions to promote efficiency of SME Development Fund and Credit Guarantee Fund for SME.
- (iii) Investors should develop alternative financial products to better serve WOE such as access to commercial ODA loans, loans from investment funds and/or angel investment funds, etc.

Access to information and knowledge for women-owned SMEs

- (i) Another suggestion is to provide information on resources, new policies and development of business networks. This information should be publicly available through mass media outlets, enterprise portals, and associations/clubs for women entrepreneurs.
- (ii) Knowledge improvement courses should focus on finding business partners and customers, output markets, and legal consulting services. Support should be tailored to women entrepreneurs in terms of time, resources and method. Training courses should be designed on a web-based/mobile platform to facilitate access, which helps to save resources and time, especially for women entrepreneurs in remote areas.
- (iii) Service developers should consider building a forum/platform for sharing knowledge, good governance and management practices, as well as support programs for WOE.

Access to market and business network development for women-owned SMEs

- (i) Facilitating market access should be conducted via connecting production and consumption (connection between supply and demand); connecting and motivating WOE to join value chains; providing information and encouraging WOE to actively adapt to the 4.0 industrial revolution. Connection should be done with domestic enterprises first and then expand to foreign enterprises.
- (ii) Associations/clubs of women entrepreneurs/Women's Unions should organize events connecting WOE to consumers, facilitate WOE in signing supply/consumption contracts with each other, hosting trade fairs for WOE, and encourage the procurement of products made by WOE.
- (iii) Support should be done for domestic and international trade promotion for WOE by associations and clubs of women entrepreneurs.

The WOE support programs should be designed on the basis of gender inclusiveness rather than gender specific approach.

This approach provides opportunities for both women and men entrepreneurs, taking into account gender differences, thereby enhancing exchanges and expanding business networks for women entrepreneurs.

1. Background and Literature Review

1.1 Context of the study

Women's economic empowerment and gender equality are critical for improving social productivity. The participation of women in business has positive impacts on socio-economic development, poverty reduction, aiming at Sustainable Development Goals. However, in reality, the percentage of WOE is not equivalent to that of women taking part in the labor force. The contribution of WOE to the economy is far from their growth potential. Promoting the development of WOE and increasing their contributions will promote the development of each country.

SMEs play an important role in innovation and economic growth. For Vietnam, SMEs are drivers for economic growth accounting for 97% of total active enterprises, employing 60% of the total labor force, contributing to 50% of GDP and 33% of total state budget revenues (Pham, 2016). Those SMEs not only contribute to economic growth, but also to reducing poverty and inequality, helping the country achieve its development goals. Supporting the development of SMEs would promote economic growth momentum and reach the objective of one million enterprises by 2020.

Women-owned SMEs account for 25% of the total number of active enterprises in Vietnam (MBI and HAWASME, 2016). They are mostly micro and small-sized (98%), working mostly in the service sector (61.4%). These WOE play an important role in achieving social economic development goals and objectives of the National Strategy for Gender Equality 2011-2020 (MBI and HAWASME, 2016). According to MBI and HAWASME (2016), however, the women-owned SMEs are facing many gender-based difficulties, including access to resources, information, knowledge, skills and business network development. Eliminating these obstacles and supporting women-owned SMEs would maximize their potentials for economic growth and contribute to women economic empowerment.

The SME Support Law was passed by the National Assembly and came into effect in January 2018 with provisions on women-owned SMEs. This is an important basis for the implementation of support to WOE. To increase its relevance and effectiveness, the support should be tailored to meet the needs of targeted beneficiaries. This study aims to identify the needs of women-owned SMEs and points out the specific support and support methods that women-owned SMEs expect. The results provide evidences for developing of appropriate support policies to promote women-owned SMEs and provide a basis for proposing other relevant policies.

1.2 Literature review

Women-owned SMEs have received great attention from researchers, practitioners and managers as they have the potential to contribute to economic growth, employment, economic empowerment for women, and help countries achieve their Sustainable Development Goals. According to the Global McKinsey Research Institute (2015), global GDP could increase by \$12 trillion by 2025 if

gender equality is achieved. Greater women economic empowerment helps to increase the number of women entrepreneurs and WOE. This is also an important factor in reducing poverty more sustainably, promoting faster and more equitable economic growth (WB, 2012, OECD, 2014). The contributions of women-owned SMEs to national development have been extensively studied at the global level in the Global Entrepreneur Monitor (GEM) report series as well as research at the national level. For instance, GEM (2017) generally mentions women entrepreneurs at the global level, providing a basis for making decisions and conducting research on WOE. GEM (2017) found that the percentage of WOE that have stopped operations is always higher than that of men-owned enterprises at all stages of business development. This is because most WOE are micro and small-sized, and they face particular obstacles that make them more vulnerable in the process of development.

Recent studies indicate that many barriers make it difficult for WOE to grow. These constraints include financial constraints, lack of skills and lack of business networks (Eurochamber, 2004, UNCTAD, 2014, MBI and HAWASME, 2016); cultural barriers (UNCTAD, 2014; MBI and HAWASME, 2016); and difficulties in balancing work and family (Eurochamber, 2004, MBI and HAWASME, 2016). Thus, regardless of geographical location, WOE share similar obstacles such as limited access to resources, lack of skills and knowledge, limited business network, and cultural barriers. What kind of support WOE need, and how to deliver that support (study the need for support of WOE) are issues of further study.

In developing countries, support for WOE is a necessary requirement for development, including supporting services and good practices for WOE (MBI, 2016). Results of recent studies on WOE's need for support have not yet provided sufficient evidences for the implementation of supporting services. ADB (2014) conducted an assessment of need for business development of WOE in Armenia, showing no significant difference between the need of women and men-owned enterprises. This result is similar to empirical results found by GPF and IFC (2011) when they assessed the need of women-owned SMEs in Mongolia for support in accessing financial resources in developing countries.

The research on women-owned SMEs in Vietnam is diversified. For example, the study on the status and potential development of WOE (VCCI and ILO, 2007, ILO, 2011, Avin and Kinney, 2014, MBI and HAWASME, 2016, IFC, 2017), the study on financial access of WOE (IFC, 2006, WWB, 2015, IFC, 2017), and the study on good support practices for WOE (MBI, 2016). These studies provide a general picture of the situation, trends of development and obstacles to development, international good support practices and propose solutions to promote the development of women-owned SMEs in Vietnam.

In summary, the previous studies just describe the status of development, emphasize difficulties and barriers to development, contributions, good support practices, and solutions for developing WOE, however, they have not sufficiently studied the need for support, what support is needed and how WOE should be supported. This study examines the need for support of women-owned

SMEs and provides more empirical evidences for appropriate policy recommendations to meet the development needs of women-owned SMEs, in accordance with SME Support Law in Vietnam.

2. Research Methodology

2.1 Research objectives

The study aims to assess the need for support of women-owned SMEs in Vietnam. Empirical findings provide evidences for designing support policies for women-owned SMEs and related policy advocacy. Specifically, this study addresses the following research questions:

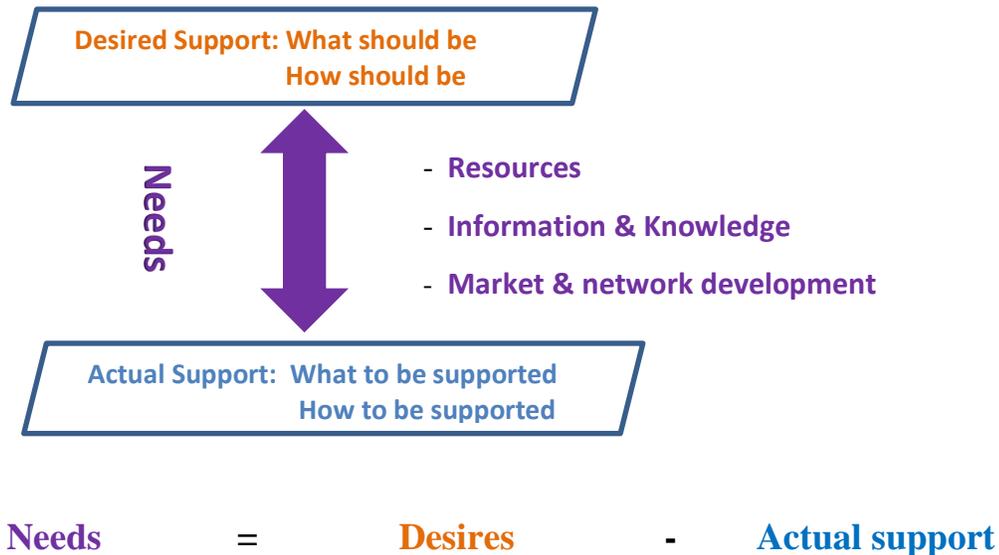
- What are the obstacles faced by women-owned SMEs in their production and business? Do these obstacles differ from those faced by men-owned SMEs?
- What is the gender-specific support that women-owned SMEs need compared to that of men owned SMEs? What is the appropriate method of support to women owned SMEs?
- What support recommendations should be implemented to promote the development of women-owned SMEs in Vietnam?

Enterprise support services are very broad. This study focuses on assessing the needs of women-owned SMEs in three key groups of services covered by the SME Support Law: (i) Access to financial resources, (ii) Access to information and training, and (iii) Access to market and business network development.

2.2 Research framework

Need assessment is the process of identifying needs and their priority (Kaufman, 1994; Rothwell & Kazanas, 2004). In other words, identifying needs means considering differences between the reality (obstacles to overcome, what is available) and desires; or differences between "what" and "what should be" in which "what should be" is the most desired state. Assessing the need for support of women-owned SMEs can be done by identifying the gap between existing business support services, current support services, and desired support services; and by identifying differences between "what to support" with "what should be supported" or between "how to support" and "how support should be done". At the same time, the need assessment indicates support priority for women-owned SMEs in the context of unlimited demand and limited resources.

Figure 1: Research framework used for assessing the need of women-owned SMEs



This report is based on the research framework "Creating a favorable business environment for SMEs" (ILO, 2007) and "Gender Equality and Women Empowerment" (Longwe, 1990, and EU, 2015) to study the needs of and to propose recommendations for supporting women-owned SMEs in Vietnam. According to the ILO (2007), to create a favorable business environment for women-owned SMEs, ten factors need to be addressed¹. Those factors can be arranged into three groups; (i) policy and legal framework; (ii) access to resources, markets and business network; and (iii) studies on women entrepreneurs and women-owned enterprises. The main arguments in the framework of "Creating a favorable business environment for SMEs" are also in line with the provisions of the SME Support Law of Vietnam. Gender equality and women's empowerment are also taken into consideration when assessing the needs for support of women-owned SMEs.

2.3 Research methods

To reach the research objectives, this report uses the combination of the following research methods:

Desk study: This method was used to review previous studies on women-owned SMEs, with a focus on the barriers to development that they have to face with, their needs for support and the best way to support them. This method was also used to design the survey questionnaire.

¹ These factors include: policies and legal instruments; incentives for women entrepreneurs; training; access to finance; business development services; business networking; business infrastructure; market access; and research on women entrepreneurs and women-owned enterprises.

In-depth Interviews: This study conducted in-depth interviews with 8 women-owned and 3 men-owned SMEs in Hanoi, Hue, Thai Nguyen and Ho Chi Minh City. Interviews were conducted directly with the business owner for two purposes; (i) identifying the difficulties, the needs for support, and the way to support, etc. as the basis for designing the survey questionnaire; and (ii) exploring the reasons behind the empirical findings. The contents of interviews can be found in Annex 2.

Focus Group Discussions: Three focus group discussions with women entrepreneurs were held in Hanoi, Hue and Ho Chi Minh City. Thirty-three women entrepreneurs participated in these focus group discussions, through which data on difficulties and reasons behind the difficulties faced by women-owned SMEs were collected. Focus group discussions also tried to find out the need for support and the way to support in business development services such as access to resources, information and training, and access to market, business network development. Combined with the survey results, focus group discussions provided more data to identify the need for support and proposed appropriate support policies suitable for women-owned SMEs in Vietnam. The contents of focus group discussions can be found in Annex 3.

Survey: This was the main data collection method for assessing the needs of women-owned SMEs in Vietnam. There are three important factors determining the reliability of survey results: Questionnaire, sampling, and data collection and processing method.

Questionnaire: The questionnaire was developed following the standard procedures: drafting the questionnaire, discussing, piloting and finalizing the questionnaire. The questionnaire consists of three sections: (i) Collecting information on enterprise characteristics, (ii) Difficulties faced by enterprises, and (iii) Need for support of women-owned SMEs. The questionnaire can be found in Annex 4.

Sampling: The questionnaire was sent via email to approximately 4,000 selected local enterprises, which are members of entrepreneur associations/clubs. The response rate was 10.0%, a response rate similar to many other enterprise surveys through e-mail, such as the enterprise survey for the Provincial Competitiveness Index (PCI) conducted by VCCI (9.8%), or enterprise survey on the "Conflict of Interest" conducted by the World Bank in Vietnam (10.2%) (WB & GI, 2016). Surveyed enterprises were selected through multi-stage stratified sampling.

- Province selection: The survey was conducted in the northern, central and southern regions; in each region three provinces were selected, based on the number of women-owned SMEs and the accessibility to the VWEC and VCCI member network. Accordingly, Hanoi, Hai Phong and Hai Duong were selected in the North; Da Nang, Nghe An and Thua Thien Hue were selected in the Central region; Ho Chi Minh City, Can Tho and An Giang provinces represented the South.

- Enterprises were randomly selected from the member lists of women entrepreneur organizations such as women entrepreneur council, associations/clubs of women entrepreneurs and the Business Network of VCCI, to which invitation letters and questionnaires were sent. The sampling frame includes gender of the enterprise owner, enterprise size, and enterprise's business line.

There were 394 responses to the questionnaire, of which one third were men-owned SMEs and two thirds were women-owned SMEs. The characteristics of the surveyed enterprises are summarized in Table 1.

Table 1: Surveyed enterprises by gender of firm owners, size and sector

	Women-owned enterprises (%)	Men-owned enterprises (%)	Total (%)
Gender	66.0	34.0	100
Firm size			
<i>Micro</i>	37.4	28.2	34.4
<i>Small</i>	56.1	65.0	59.0
<i>Medium-sized</i>	6.5	6.8	6.6
Sectors			
<i>Industry</i>	19.8	31.3	23.7
<i>Trade and Services</i>	74.4	65.7	71.5
<i>Agriculture</i>	5.8	3.1	4.9

Source: Survey results

Compared to men-owned enterprises, micro-WOEs are dominant and more focused on trade and services. This may be one of the factors that affects the need for support of WOEs.

Data collection and entry: Data collection was conducted by sending questionnaires through e-mail and face-to-face meetings with selected enterprise owners through VCCI's regional network and representative offices in 8 cities and provinces, members of the VWEC, members of local associations of women entrepreneurs, and/or Women Unions. So, closed questions were designed to make it easier to answer the questionnaire, answers were then sent to the research team by email or direct submission. The respondents are the owners, or persons authorized by the owners of selected enterprises. The selected enterprises were contacted up to three times to be reminded of answering the questionnaire. If an enterprise did not respond after three tries at different times, calling was stopped. The answered questionnaires were checked for relevance and completeness. This work was undertaken by a member of the research team.

Microsoft Excel was used for all data entry. Data were immediately entered after questionnaires were completely answered with codes provided in the questionnaire and data entry instructions. To eliminate possible entry errors, the research team randomly checked to confirm whether data entry was reliable. Data was preliminarily processed in Excel to avoid errors caused by data entry; data processing, calculation and analysis were completed using Stata 14 software.

2.4 Limitations

The report on assessing the need for support of women-owned SMEs was made on the basis of surveying women-owned SMEs in Vietnam, compared with men-owned SMEs. This research has the following limitations.

First, the survey does not cover all needs for support. Due to limited resources, the survey was not able to include questions about all needs for support of women-owned SMEs but focused only on three important factors mentioned in the study.

Second, the sample is not representative as designed. The study was conducted in the northern, central and southern regions and selected provinces with different levels of enterprise development (high, medium, low). However, the sample could not represent difficult, mountainous and remote areas because limited resources do not allow access to enterprises in these areas. In addition, currently active surveyed WOEes have already overcome gender-specific problems. Thus, the sample does not represent the WOEes that face difficulties and are no longer operating.

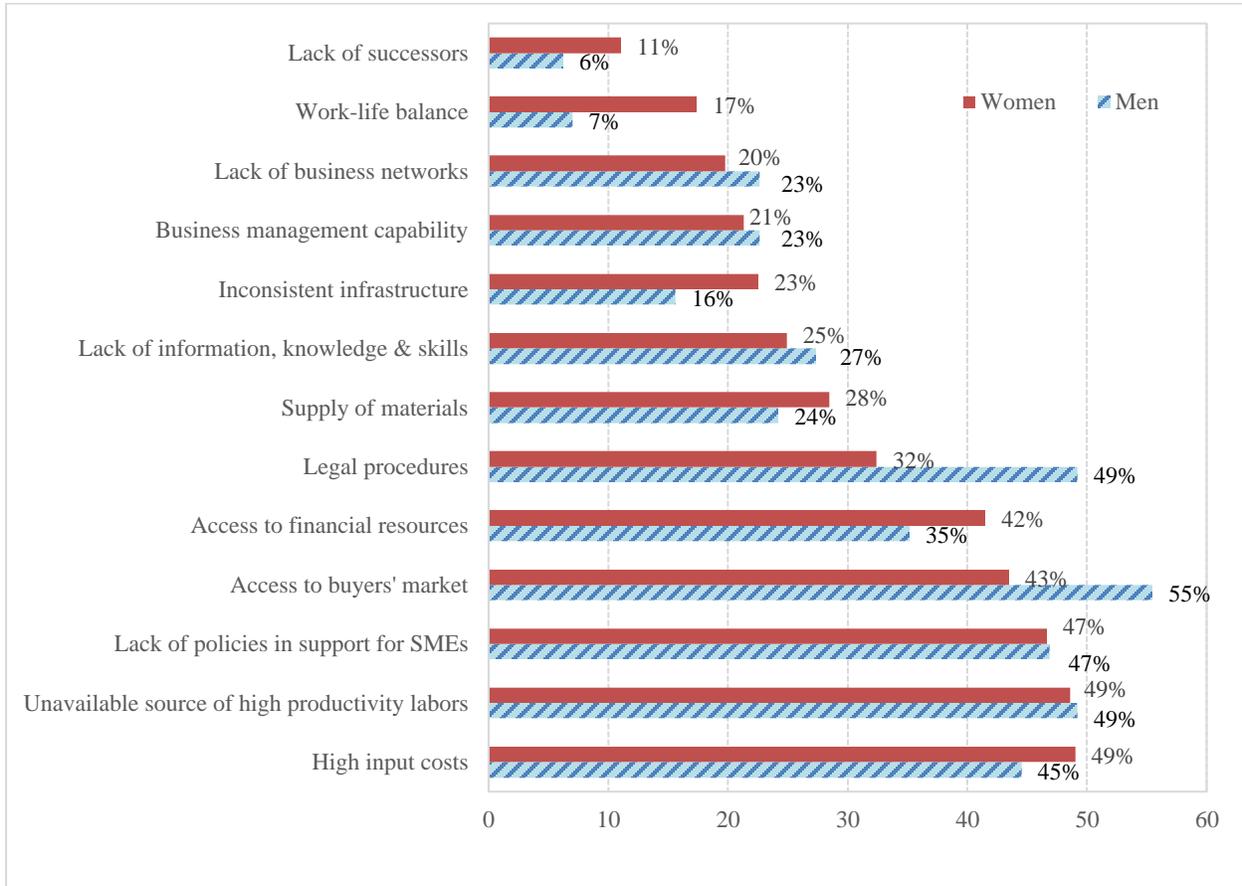
3. Main research results

3.1 Key obstacles of women-owned SMEs

Business development is both an objective and a driving force for economic growth. In recent years, the business environment in Vietnam has significantly improved; the ease of doing business ranking of Viet Nam has improved from 99th in 2013 to 68th among 190 countries in 2017 (WB, 2017). Policies supporting SMEs have been implemented through government programs at local level and have achieved some results (Agency for Enterprise Development, 2016). Nevertheless, in practice, SMEs still face various challenges.

The survey asked enterprises about the top five challenges in production and business that they were facing. The results confirmed that the difficulties encountered by enterprises in production and business are quite diverse with issues related to high cost of inputs, lack of high quality labor (49%); support policies for SMEs (47%); market access and business network (43%); access to finance (42%), legal administrative procedures (32%), knowledge and skills, etc... (Figure 2).

Figure 2: Percentage of SMEs having difficulties in doing business



The results reflect unfavorable business environment for SMEs in general, and they also show that women-owned and men-owned SMEs face rather similar challenges². However, women-owned SMEs face more difficulties than men-owned SMEs in terms of "business and family balance," "lack of successors" and "access to finance." SMEs operated by women are also more concerned about local infrastructure, supply of raw materials, and the high cost of inputs. When being asked during interviews and group discussions about the underlying reason for those challenges, they responded that those challenges are common among women-owned SMEs.

² Men-owned enterprises face more difficulties than WOE in terms of administrative/legal procedures and market access. This is the biggest difference.

*"The price for input is too high. Big businesses can stand, but smaller companies like mine cannot."
[interview with a female entrepreneur]*

"My product is the result of my passionate research, and it passes all testing standards, but it is still difficult to expand the market." [interview with a female entrepreneur]

"For women, raising children is hard, but raising children and managing the company at the same time is like "raising 2 children." [comment of a female entrepreneur during the focus group discussion].

The surveyed men-owned enterprises have more difficulties in administrative/legal procedures, market access/selling. It is because 31.3% of men-owned enterprises (compared to 19.8% of WOE) are involved in manufacturing and industrial production with many requirements and fiercer competition. In addition, male entrepreneurs are more likely to make the business environment transparent to better compete, thus they are stricter with regulatory/administrative procedures.

European partners imported our products, this implies that they accepted our company's product quality and our compliance with environment protection standards. However, explaining about and meeting administrative requirements make me exhausted [Comment of a male entrepreneur during the focus group discussion].

Difficulties that SMEs are facing are different across business sectors. However, in any sector, general challenges consist of "high input costs", "market access", "lack of appropriate support policies" and "access to finance" (Table 2).

Table 2: Percentage of SMEs having difficulties in doing business by sector and owner's gender

	Men-owned SMEs			Women-owned SMEs		
	Industry	Trade-Services	Agriculture	Industry	Trade-Services	Agriculture
Access to financial services	39.0	32.6	0.0	31.4	41.1	66.7
Supply of materials	26.8	19.8	50.0	29.4	27.1	33.3
High input costs	46.3	41.9	25.0	51.0	47.9	40.0
Market access	51.2	52.3	75.0	45.1	41.1	53.3
Lack of information, knowledge & skills	14.6	31.4	25.0	27.5	22.9	26.7
Lack of support policies for SMEs	43.9	47.7	0.0	41.2	47.4	33.3

Lack of business network	17.1	23.3	50.0	11.8	21.4	13.3
Lack of successors	2.4	8.1	0.0	17.6	9.9	0.0
Perception of gender inequality in doing business	4.9	1.2	0.0	5.9	5.7	0.0
Work-life balance	0.0	9.3	0.0	15.7	17.7	13.3
Numbers of SMEs	41	86	4	52	195	15

Based on data shown in Table 2, women-owned SMEs in agriculture face many difficulties in accessing capital (66.7%); women-owned SMEs in industry and trade-services sector face challenges in terms of cost of input for production (51% vs. 47.9%); and women-owned SMEs in all business sectors face with more obstacles than men-owned SMEs in terms of "lack of successors" (17.6% vs. 2.4% in the industry sector), or "work-life balance" in doing business (17.7% vs. 9.3% in Trade and Services) (Table 2). Therefore, supporting women-owned SMEs can help businesses to overcome difficulties, boost productivity, and increase motivation for economic growth.

The biggest challenges that businesses encounter are different according to business size. Medium-sized firms have difficulty assessing high-quality labor (65.4% and 60.7% for men-owned enterprises and WOEes respectively); high input costs (57.7% and 53.6% for men-owned enterprises and WOEes respectively); lack of appropriate support policies for SMEs (57.7% and 53.6% for men-owned enterprises and WOEes respectively), market access (38.5% and 42.9% for men-owned enterprises and WOEes respectively) and legal procedures (42%). For micro-enterprises, it seems that they are facing difficulties at all levels with high percentages. This shows the disadvantage of micro-enterprises in doing business (Table 3).

Table 3: Percentage of SMEs having difficulties in doing business by firm-size and owner's gender

	Men-owned SMEs			Women-owned SMEs		
	Micr o	Smal l	Mediu m	Micr o	Smal l	Mediu m
Supply of materials	24.2	21.1	26.9	25.0	27.5	32.1
High input costs	48.5	32.9	57.7	42.4	47.8	60.7
Unavailable high quality labor	45.5	40.8	65.4	38.0	50.7	60.7
Access to financial resources	39.4	31.6	34.6	38.0	42.0	39.3
Lack of information, knowledge & skills	27.3	31.6	11.5	30.4	20.3	25.0
Market access	66.7	51.3	38.5	45.7	39.9	42.9
Lack of support policy for SMEs	36.4	43.4	57.7	33.7	51.4	53.6
Lack of business networks	39.4	14.5	19.2	23.9	18.1	10.7
Lack of successors	0.0	7.9	3.8	10.9	10.1	14.3

Perception of gender inequality in doing business	0.0	1.3	7.7	4.3	5.8	7.1
Work-life balance	15.2	5.3	0.0	18.5	16.7	10.7
Numbers of SMEs	33	76	25	94	138	28

On a different aspect, gender-based enterprise analysis shows that small and medium-sized women-owned enterprises are often confronted with more setbacks than men-owned ones in accessing financial resources, markets for outputs, raw materials and high input costs of production. Meanwhile, micro enterprises face similar difficulties (Table 3). The WOE, regardless of firm size, find it more difficult than men-owned firms to solve matters regarding "lack of successors", "gender inequalities" and "work-life balance." (Table 3).

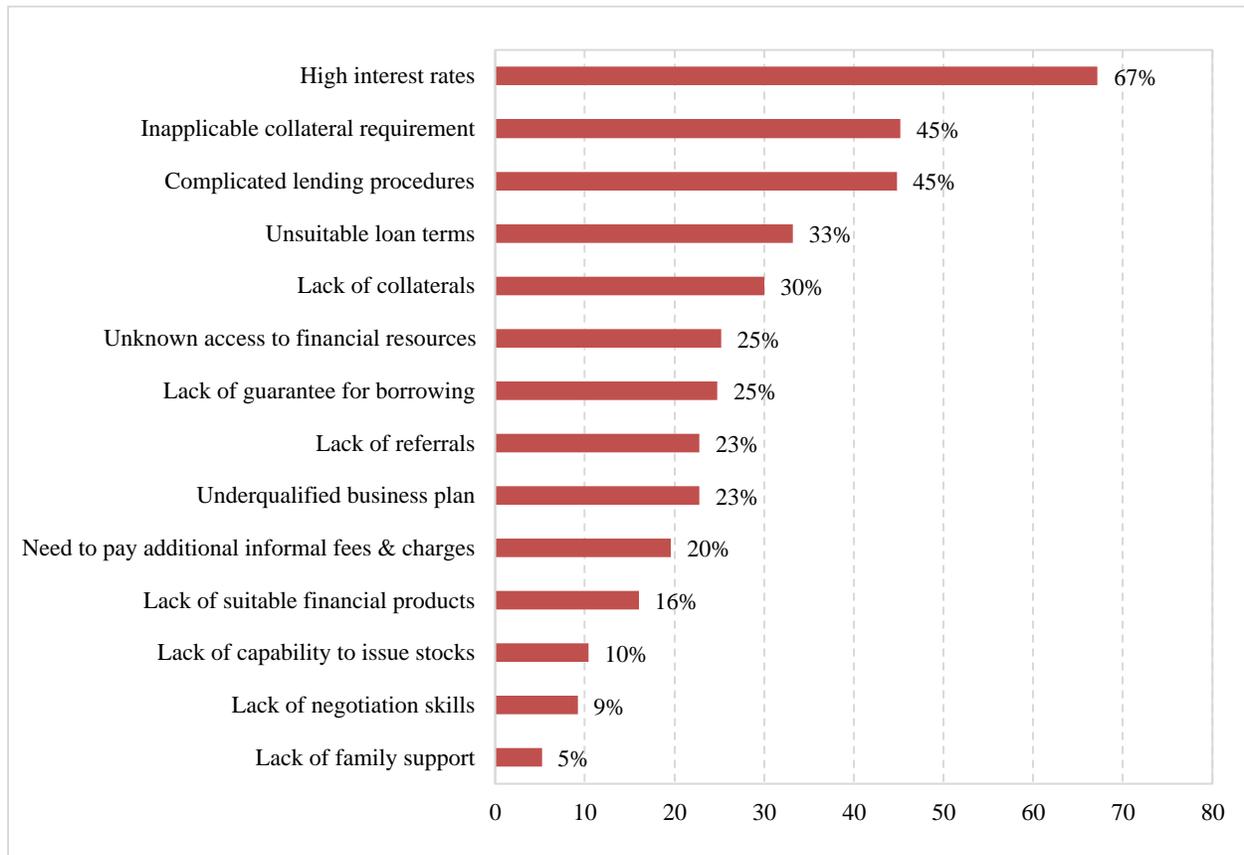
In summary, the survey results show that SMEs, regardless of the gender of business owners, size or type of business, generally have difficulty accessing resources (finance and inputs), information, knowledge and markets for outputs and business networks. These results are even more viable for WOE. Women-owned SMEs deal with more severe challenges compared to men-owned SMEs in matters regarding "access to financial resources," "work-life balance," and "lack of successors." Women entrepreneurs also stated that they encounter difficulties at any stage of the production process.

"Difficulties for us happen all the year round" [comment of a woman entrepreneur in the group discussion]

3.2 Access to financial resources of women-owned SMEs

The survey found out that 42% of women-owned SMEs have difficulty accessing financial resources (Figure 2). Top 5 challenges include high interest rates (67%); inappropriate loan application and mortgage requirements (45%); unsuitable loan term (33%) and lack of collateral (30%) (Figure 3).

Figure 3: Percentage of women-owned SMEs facing financial challenges



Difficulties in accessing financial services more frequently reported by women-owned SMEs than men-owned SMEs include: no information about source of funds (25% for women-owned SMEs and 16.7% for men-owned SMEs), no network of referrals in accessing financial services (23% vs. 6.3%), lack of negotiation skills (9% vs. 1.6%) and lack of support from husband/family (5% vs. 3.2%) (Figure 3). This is resulted from the general lack of information, lack of business networks, and lack of support from the family. This supports the findings from the interviews and focus groups with business owners who claimed that they do not know where to look for information about financial resources.

"I have heard of the SME Development Fund, but I do not really know who to ask about it and where can I borrow?" [Comment of a woman entrepreneur in the group discussion]

Additionally, women-owned SMEs experience difficulty accessing financial resources. For instance, businesses have access to credit from the SME Development Fund, but they are unable to borrow because of high interest rates, complicated borrowing procedures, and collateral requirements, which are very similar to commercial banks'. SME borrowers are often approved for short-term loans by commercial banks, but are given unsuitable repayment schedules.

"I asked the SME Development Fund representatives about the loan application process. They told me that I need to ask the BIDV, which is the trust bank. I asked BIDV and received a no clearer answer. The SME Development Fund requires a lot of paperwork for loan application, which does not reflect the nature of a support fund." [Comment of a women entrepreneur in the group discussion].

"Although it is a long-term loan, it still requires borrowers to make immediate monthly/quarterly payment of principal and interest although the construction has not been completed." [Interview with a female entrepreneur].

In addition, borrowing procedures are still challenging for women entrepreneurs because the lending institutions require the husband and children to co-sign the loan agreement and restrict the age of the loan applicants. In short, borrowing from formal financial sources, women entrepreneurs have to face a lot of difficulties from finding the source of funds to the borrowing procedures and conditions of the loan.

"My husband does not support this business; how can I persuade him to co-sign my loan application?" [Interview with a female entrepreneur].

"I filled out a loan application, the bank refused to lend because they told me I was too old to be qualified." [Interview with a female entrepreneur].

The study asked women-owned SMEs about their top five desired supports. The results show that 66% of them want to receive financial support. This is the most desirable support of the WOE. The survey asked if the firm actually received support in accessing capital. 19.5% of respondents said that they did, of which 20.5% were women-owned SMEs and 18.7% men-owned SMEs. It is important to note that women-owned SMEs are willing to pay an informal payment or additional service fee to get a slightly higher loan amount than male-owned firms (39.5% vs. 36.6%). This suggests that the need for loans (lack of capital) of women-owned SMEs is more severe than that of men-owned ones (Table 4).

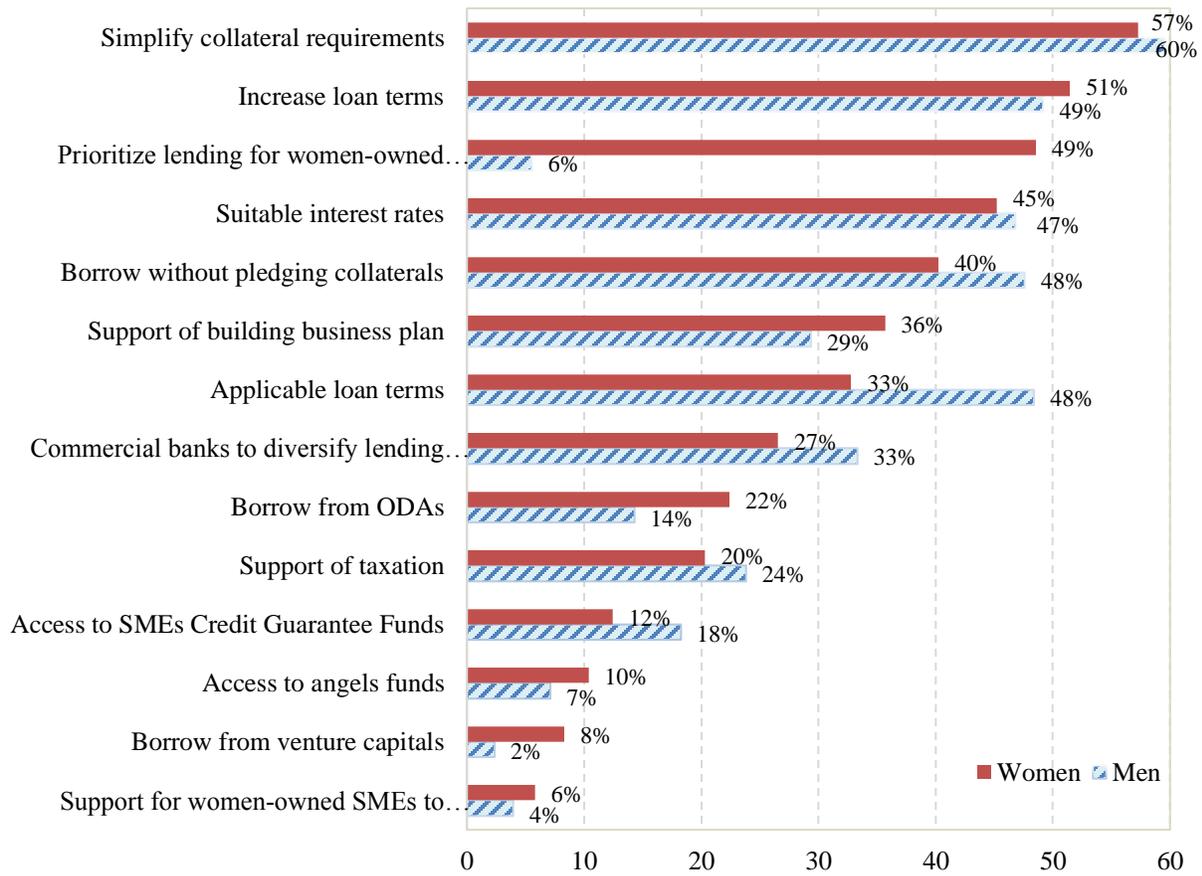
Table 4: Percentage of SMEs which need and actually received financial support

	Men-owned SMEs (%)	Women-owned SMEs (%)	Total (%)
Desire to receive financial support	71.0	66.3	67.9
Percentage of SMEs actually receiving financial support	18.7	20.5	19.5
Willingness to pay additional informal fees & charges to get access to financial resources	36.6	39.5	38.5

According to the survey results, 77% of women-owned SMEs are operating on personal funds/family savings of business owners; 43% of women-owned SMEs borrows from formal financial institutions; and 4.3% of women-owned SMEs borrows from the SME Development Fund and other supporting funds. Women-owned SMEs often seek support to get access to the SME Development Fund to receive financial advice as well as answers to their questions from the Fund representatives. However, not many women-owned SMEs were granted a loan in the end. According to a report by SME Development Fund from December 2016, only 12 businesses could borrow from this Fund so far, among which there was only one WOE, which managed to borrow 9.56 billion VND, equivalent to 9.5% of the total amount of fund disbursement (SME Development Fund, 2017).

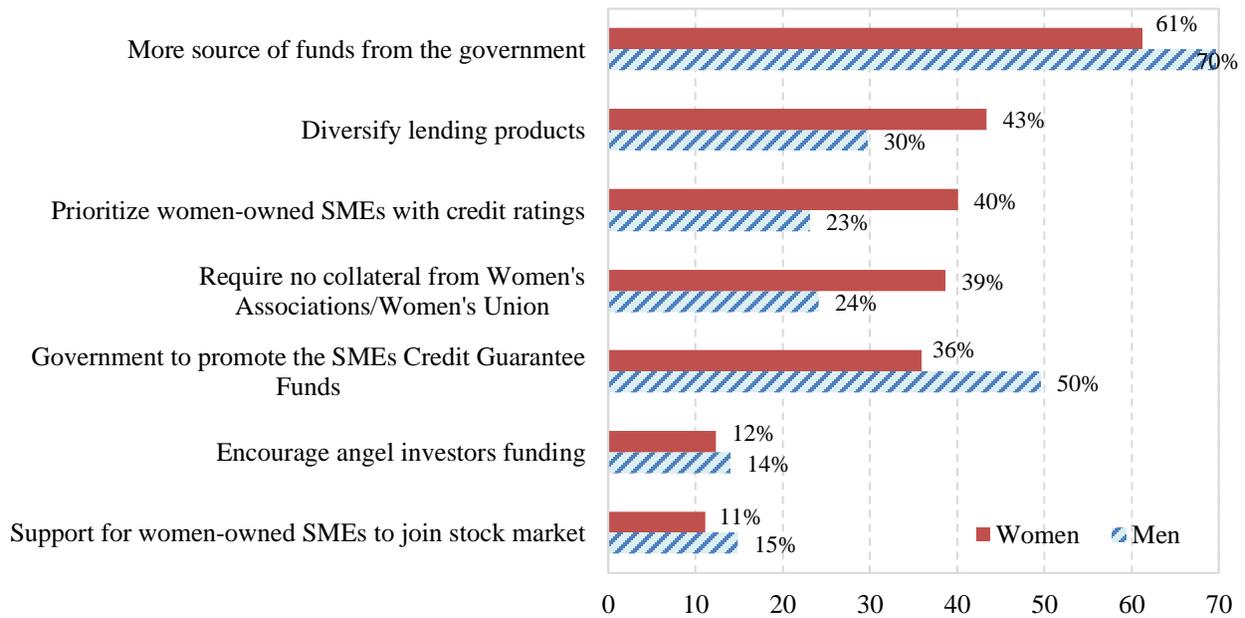
The study also asked women-owned SMEs about their need for getting access to financial resources. The supports they desire to receive are related to: collateral conditions (57%), duration of loans (51%), and lending priority for women-owned SMEs (49%), and appropriate interest rates (45%) (Figure 4). These results are consistent with access to finance challenges that women-owned SMEs are currently facing. Among the listed requests for support, women-owned SMEs wish to receive more guidance than men-owned SMEs on the matters regarding suitable loan products (48.5% answered by women-owned SMEs and 5.8% answered by men-owned SMEs), and access to commercial ODA funds (22.4% vs. 14.3%).

Figure 4: Percentage of women-owned SMEs requesting support for financial access



Women-owned SMEs stated that the government should provide funding support from the state budget (61%), particularly via the SME Development Fund and Credit Guarantee Fund for enterprises. In addition, the SME Development Fund should consider making unsecured loans via Women Entrepreneur Association or Women’s Union to Women-owned SMEs. Commercial banks can consider introducing more flexible loan products that are suitable for women-owned SMEs and their borrowing needs. While building customer evaluation programs, banks should pay more attention to and give more support to women-owned SMEs so that they can get access to financial resources, because women entrepreneurs are often more reliable, with less bad debts than men entrepreneurs (MBI & HAWASME, 2016) (Figure 5).

Figure 5: Percentage of Women-owned SMEs Requesting Methods of Financial Support



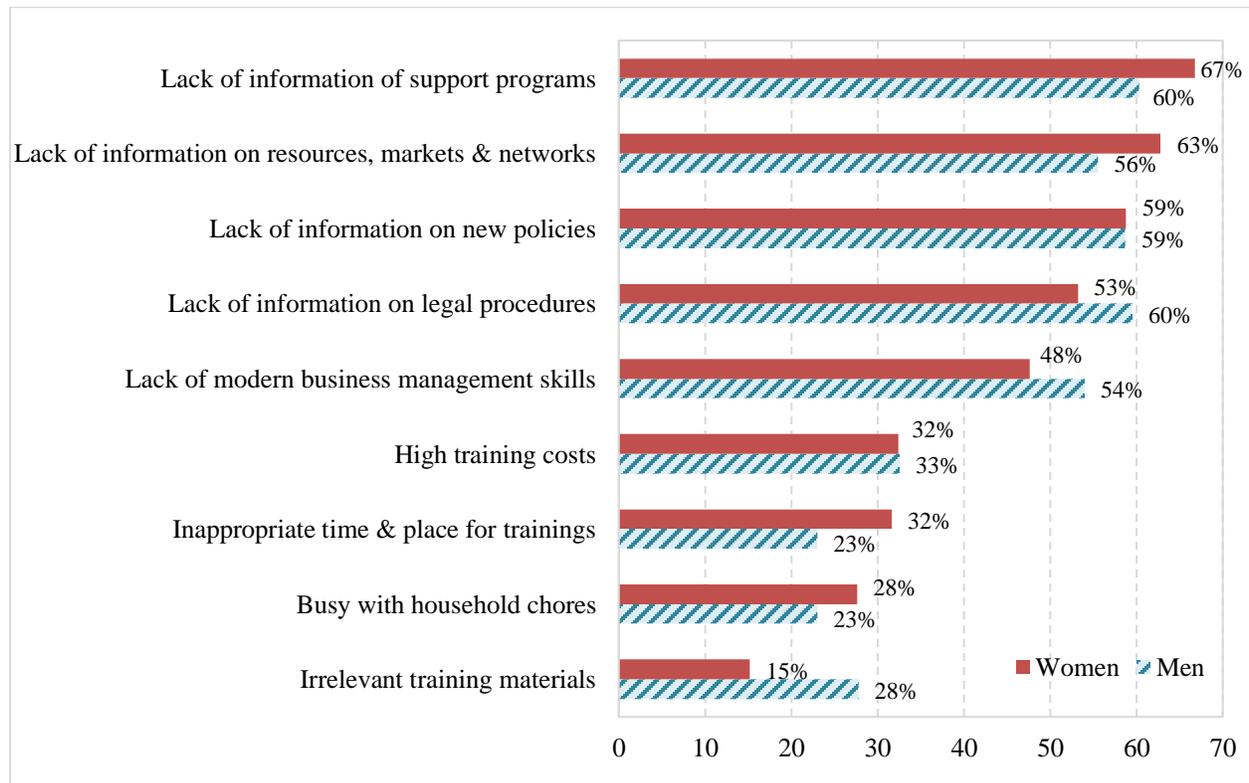
3.3 Access to information and training support

Providing information and training support are officially mentioned in the SMEs Support Law. However, 25% of women-owned SMEs are still facing challenges in doing business because of the lack of information and trainings (Figure 2). According to the survey, 28.1% of women entrepreneurs do not have above high school education, while only 15.9% of men do not. The high percentage of women entrepreneurs without a college education correlates with small business size. Additionally, the percentage of women without a college education is always higher than that of male entrepreneurs with any business size. For instance, the proportion of entrepreneurs with lower than university-level education in women-owned micro-enterprises is 39% and that of men-owned enterprises is 10%; for small businesses, those percentages are 25% and 20%; and for medium-sized firms, they are 27% and 0%. These results, coupled with the results found in Table 3, explain that the lower education level of business owners, the higher need for access to information and knowledge. The survey also found that women-owned SMEs lack general information about new and updated policies, business networks, support programs, and modern business skills. Similar results were found from the group discussions and interviews with SME owners.

"It is said that we are in the Industrial Revolution 4.0, but we still manage our business mostly by experiences" [Comment of a woman entrepreneur from the group discussion].

When asked, women-owned SMEs claimed that they have less access to information about the support programs compared to men-owned SMEs (67% vs. 60%); less information on resources, markets and networks (63% vs. 56%); fewer opportunities to participate in training (28% vs. 23%); and inconvenient times for training (32% vs. 23%) (Figure 6).

Figure 6: Percentage of SMEs having difficulty accessing information, knowledge and skills



Similar results were received from personal interviews and focus group discussions. Women entrepreneurs shared that they are business managers but still lack knowledge, skills, and information for management purposes.

"I run a business but lack a lot of things. Whenever I need something, I found out that it's a gap." [comments of women entrepreneurs in the interview].

"We are business managers, we have to pay loan interest, salaries, social insurance, health insurance, etc. We do not have time to seek information or support policies" [Comments of women entrepreneurs from the group discussion].

The respondents were asked whether they received information and training support in practice. The survey shows that there is no significant difference between WOE and men-owned

enterprises in their needs for support, and that the percentage of women-owned enterprises receiving information and legal support is much lower than expected. However, the proportion of women-owned enterprises receiving training support related to management, accounting, taxation is higher than expected (Table 5). The difference between the percentage of enterprises that expect to receive information support and knowledge enhancement, and the percentage of enterprises actually receiving assistance, have reflected the need for support in terms of information and knowledge improvement, as well as the need to adjust the information and training content to meet the business's desire.

Table 5: Percentage of desirable and actual support to SMEs in terms of information and knowledge

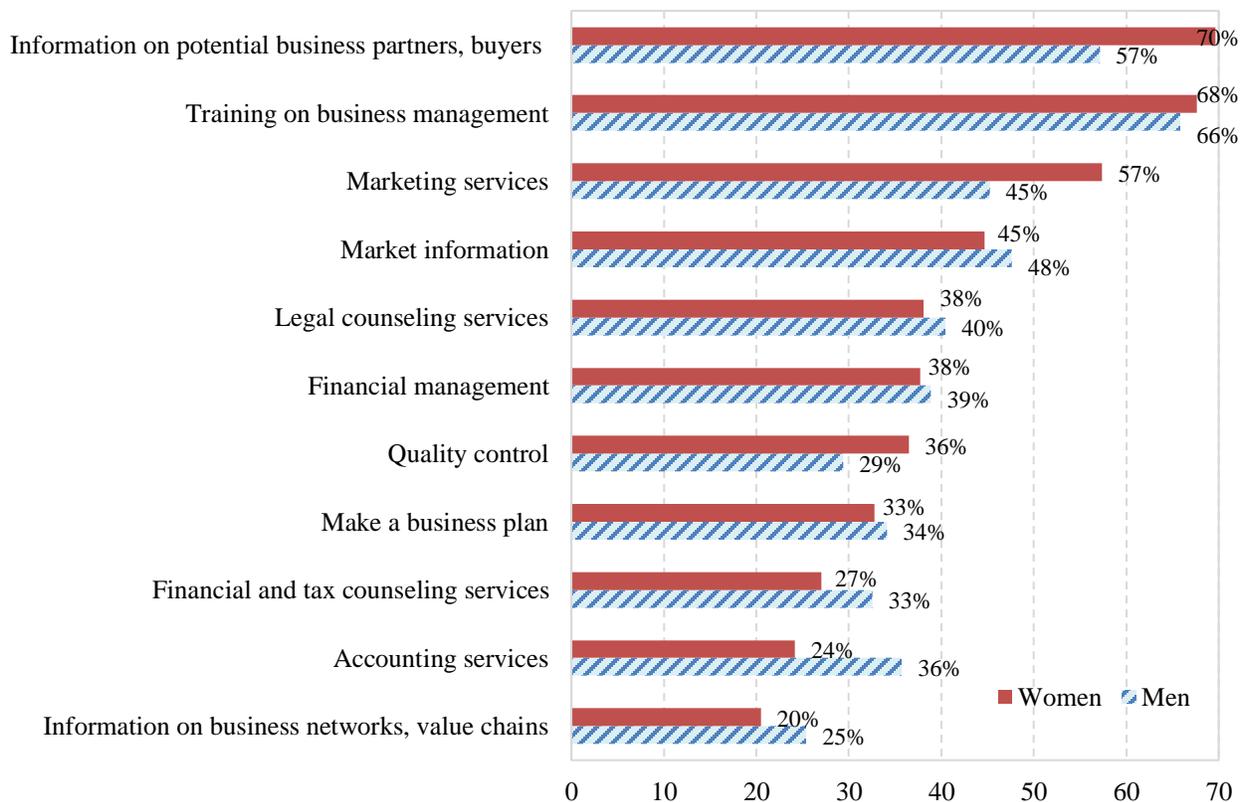
	Men-owned SMEs (%)	Women- owned SMEs (%)	Total (%)
Desire to receive new policy information	58.0	56.2	56.8
Actual percentage of SMEs receiving new policy information	32.5	33.3	33.1
Desire to receive support on procedures, legal advice	34.4	42.2	44.7
Actual percentage of SMEs receiving support on procedures, legal advice	22.2	32.5	29.0
Desire to receive knowledge on management, accounting, taxation, etc.	38.2	30.1	33.7
Actual percentage of SMEs receiving knowledge on management, accounting, taxation, etc.	49.2	52.5	51.4
Willingness to pay for information and training	85.5	81.5	82.9

Women entrepreneurs often receive support in the form of training and coaching. Although the number of training/fostering sessions may seem to exceed the desire level of enterprises, however, only 52% of women-owned SMEs are included, and the training content is not closely linked to business practices. However, the desire for knowledge/training support of male and female business owners remained at 38.2% and 30.1% respectively. Meanwhile, support for information in terms of new policies, legal procedures, etc. did not meet expectations. The study found that the percentage of WOE, which are willing to pay for informational services is high (81.5% of respondents). This reflects the desire to receive and the willingness to pay for informational services and trainings by businesswomen.

*"I'm tired of training. There is no practical content, but I do not feel at ease if not attending it."
 "[comments by a woman entrepreneur in a group discussion]."*

The study also asked respondents about the support related to information provision and training. The type of support that women-owned SMEs want to receive most is information on potential business partners, buyers (70%); information on output markets (45%), and legal consulting services (38%). The need for knowledge training focuses on corporate management (68%), marketing and sales (57%), financial management (38%), and quality management (36%) (see also Figure 7). Thus, the needs for information access and training focus on providing market information for products, while the need for fostering knowledge focuses on corporate governance.

Figure 7: Percentage of enterprises requesting access to information and training



Women-owned SMEs have higher needs for information and knowledge than male-owned firms in some areas. For instance, support in seeking information on partner network (70% vs. 57%), corporate management and marketing/sales training (57% vs. 45%) or quality management (36% vs. 29%). This result suggests that information, knowledge and skills training support should be provided based on the specific needs of the business, especially where there is a difference in demand for information between women-owned and men-owned SMEs. According to surveyed enterprises, these supports should be implemented in a suitable and specific manner for each topic.

Figure 8: Percentage of SMEs selecting forms of information and training support

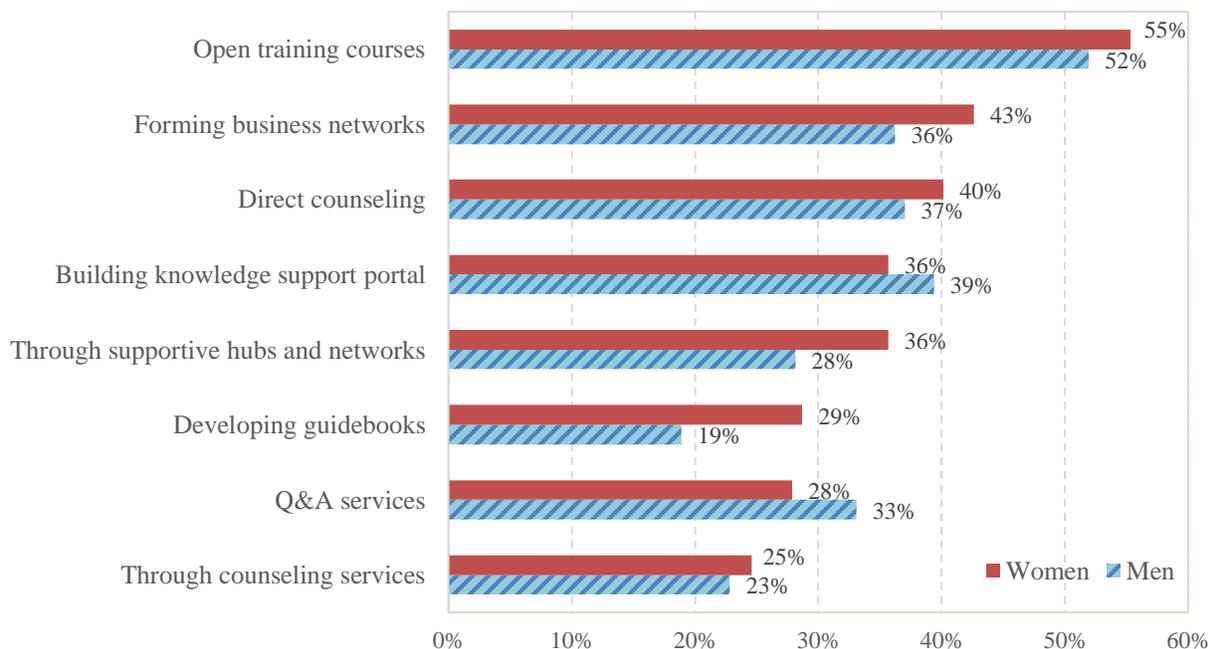


Figure 8 shows the demand for different types of support in terms of access to information and knowledge. There is no significant difference in the type of support requested by women and men business owners. However, the most popular ways to support WOE are to provide training courses (55%), provide business-networking opportunities (43%), direct counseling services (40%), and supporting hubs and business network (36%). The survey asked female entrepreneurs about the appropriate timetable to receive training courses and 64% of respondents stated that training courses should be offered online. Additionally, 1/3 of enterprises want to receive training through mass media and outside working hours.

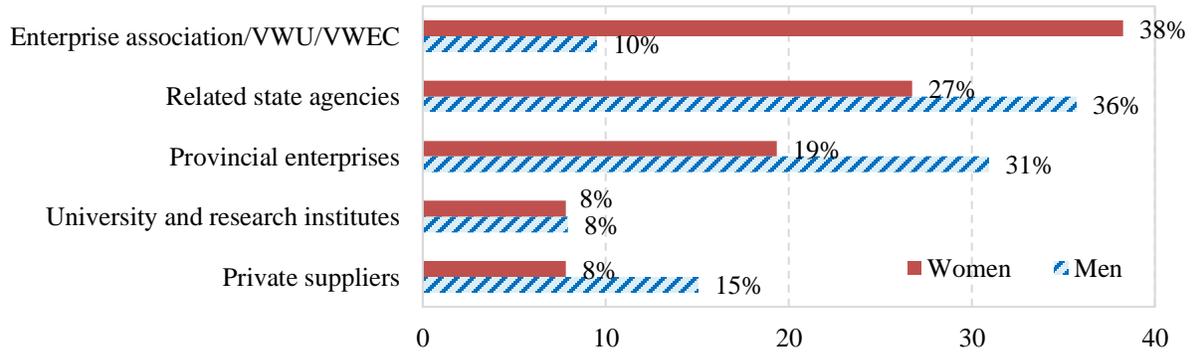
"I want a guidebook, maybe online or a handbook so that when I need advice, I can look it up. It is very tiresome to go and ask someone." [comments of a female entrepreneur in group discussion].

"The training and fostering classes both provide new knowledge and increase network connection. Training and fostering, however, must be based on the needs of the business." [comment of a female entrepreneur in group discussions].

The study asked enterprises about the partners that provided them with knowledge training and the results are shown in Figure 9. Women-owned SMEs rely on partners who are women's

organizations and women entrepreneur groups such as Women's Union, Women's Business Association, and Women Entrepreneurs Council to provide knowledge, support, and services (38%). Men-owned enterprises trust the information provided by the provincial business associations (31%), government agencies (36%), and the private sector (15%).

Figure 9: Percentage of SMEs selecting partners to provide knowledge training services

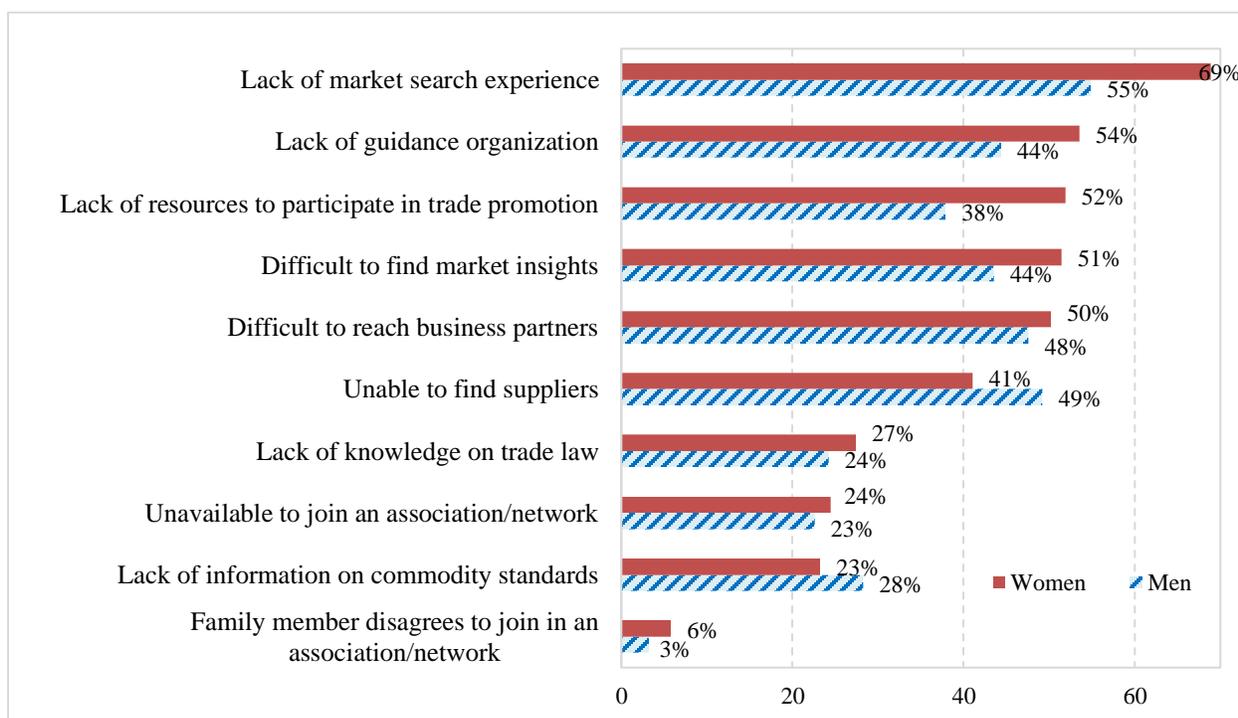


3.4 Access to market and business network

Product consumption is the last, but important stage of the production process. The SMEs Support Law stipulates the support for SME's market and business network expansion. The survey found that 43.5% of women-owned SMEs have difficulty accessing markets and 20% of them find it difficult to connect to business networks (market and trade promotion – see more in Figure 2).

The study also asked businesses about the top five challenges in market access and business connection. The results show that women-owned enterprises are more likely to experience difficulties than men-owned enterprises in both market access and business network development (Figure 10).

Figure 10: Percentage of SMEs having difficulty accessing markets and business networks



A large number of women-owned enterprises have encountered difficulties in accessing markets and business connection such as lack of market development experience (69%), lack of guidance (54%), lack of resources for trade promotion (52%), lack of access to market information (51%) and lack of access to business partners (50%). These are also problems that were more commonly faced by women-owned enterprises than men-dominated enterprises. There is clearly a challenge for WOE in accessing market information and business connection. The main reasons directly related to gender-specific characteristics of women entrepreneurs are that they were unable to participate, or do not have time, resources and ability to participate in network development and market access. For example, they have to balance taking care of the family and business, they face insufficient family support, and have gender stereotypes; research shows that 16% of businesswomen encounter gender inequality in business. For small and micro-enterprises, they not only have limited opportunities for trade information but also limited resources and time to implement trade promotion (see also Table 3). This result was shared by businesswomen in both interviews and focus group discussions.

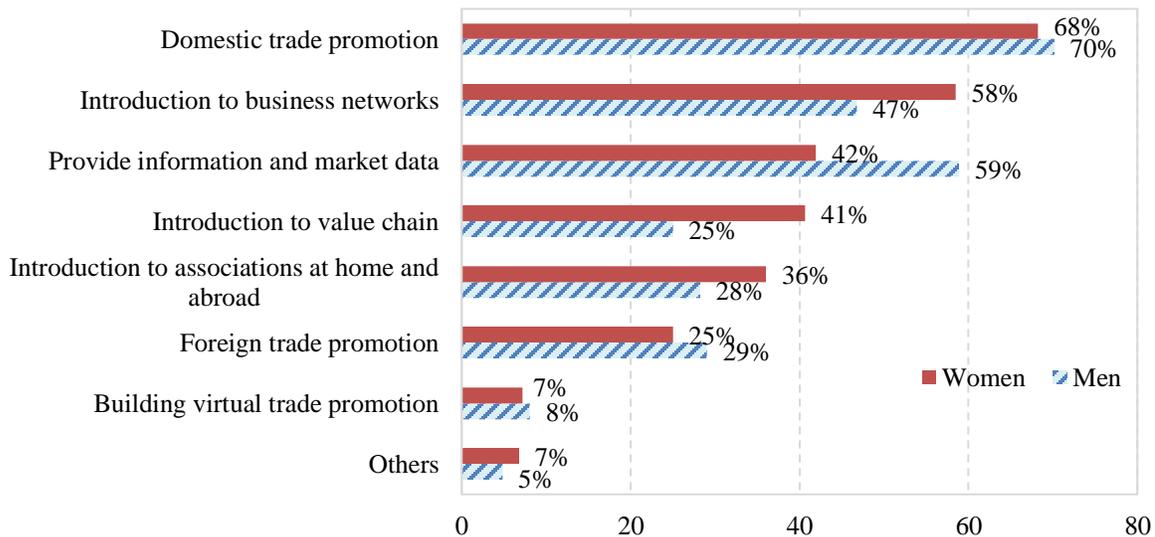
“Market information, trade opportunities and business connections are asymmetrical. They are available for people [who] do not need [them], but people who need them do not know about them. Information is now very worthy!” [comments of women entrepreneurs in the interview].

"My product is good, but I have no chance to join promotional events. No one is more responsible for their product than the product's owners themselves. Having no opportunity to participate in promotion is a big disadvantage for us "[comment of women entrepreneurs in the group discussion].

"That said, I do not always have time to participate in business network development. Business workload and family chaos consume all my time."[comments of women entrepreneurs in group discussions].

With such difficulties, women-owned SMEs look forward to receiving support on what is most relevant to market access and network development. The study asked women-owned enterprises about the top three most desired supports and the results are shown in Figure 11.

Figure 11: Percentage of SMEs requesting for support on market access and business network development



Women-owned enterprises wish to receive support on trade promotion, especially domestic trade promotion (68%), introduction to business connection (58%), market information (42%), introduction to value chains (41%) and referrals to associations at home and abroad, etc. The desires for support of women-owned enterprises are higher than those of men-owned enterprises including introduction to production partnership (58% vs. 47%), introduction to value chain (41% vs. 25%), and referrals to local and foreign associations (36% vs. 28%). This also reflects the fact that women-owned enterprises have fewer relationships and networks for market access and business network development than men-owned enterprises.

The study asked entrepreneurs whether they had received support related to market access and business network development. The results in Table 6 compare between support desired and support given for market access and business network development.

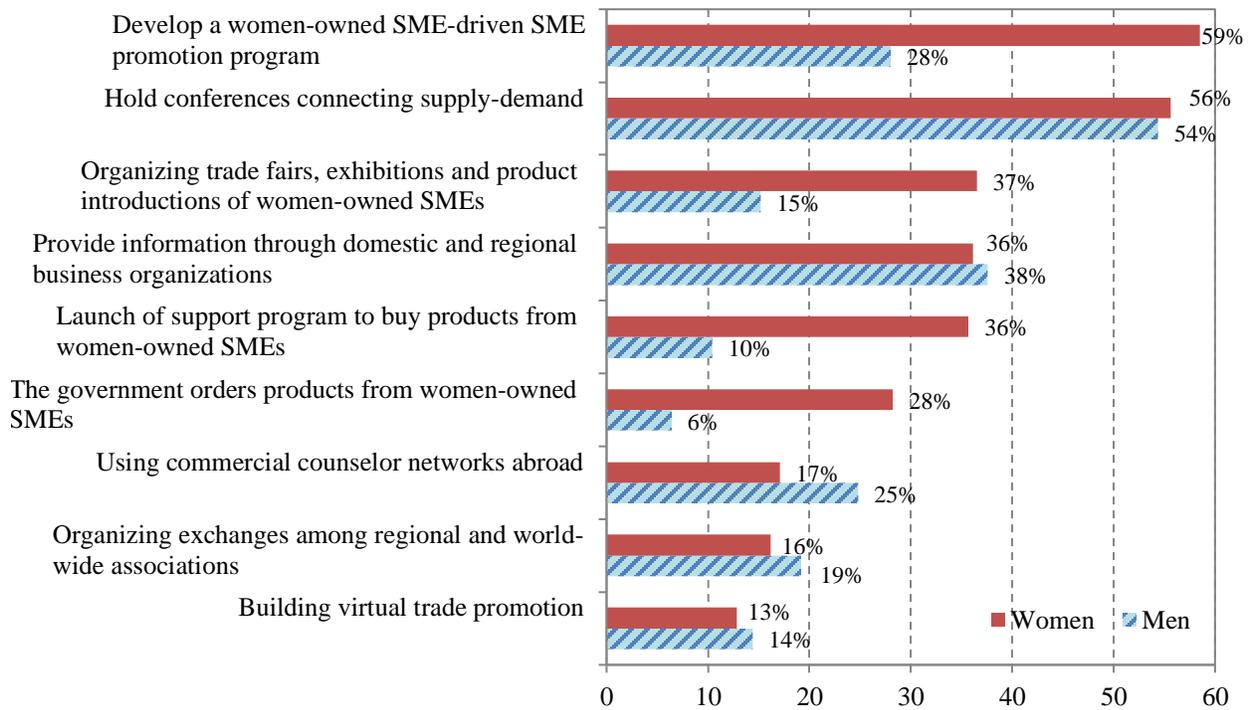
Table 6: Differences between desirable and actual support for market access and business network development

	Men-owned SMEs (%)	Women-owned SMEs (%)	Total (%)
Desire to participate in domestic trade	70.2	68.2	68.9
Actual percentage of SMEs participating in domestic trade	22.2	23.0	22.8
Desire to receive support for market expansion	43.0	45.1	44.4
Actual percentage of SMEs receiving support for market expansion	10.3	20.2	16.8
Percentage of SMEs willing to pay for market access support	52.9	68.0	62.8

The survey confirmed that there is a big difference between the percentage of desirable and actual support received by SMEs, especially in terms of access to domestic trade (68.9% vs. 22.8%). The difference in demand for support in market access and business network development is not significant between men-owned and women-owned enterprises. For instance, the demand for domestic trade promotion is 48% for men-owned enterprises and 45.2% for women-owned enterprises. The demand for market development in general for men-owned and women-owned entrepreneurs is 32.7% and 24.9% respectively. However, the proportion of women-owned enterprises, which are willing to spend money on market access and network development is higher than men-owned firms (68% vs. 52.9%). This reflects that the need for market access and business network development of women-owned SMEs is much more urgent than that of men-owned SMEs.

The study also asked about the form of support for market access and network development for women-owned enterprises. The results are shown in Figure 12.

Figure 12: The form of support for market access and business network development for women-owned SMEs



The results show that women-owned SMEs focus on two main forms of support for market access and business network, namely: proposing the development of trade promotion programs for women-owned SMEs (59%) and holding conferences connecting business production and consumption (56%). In addition, other methods such as organizing trade fairs, introducing products, providing information through organizations and associations, and launching procurement programs for women-owned SMEs are also suggested.

4. Conclusion and recommendations

SME development is both an objective and a driving force for economic growth, and women-owned SMEs are an essential component of Vietnam's economic growth. Combined with interviews and focus group discussions with women entrepreneurs, the survey was conducted on WOEes to assess their: (i) needs for financial support; (ii) needs for information and knowledge; and (iii) needs for market access and business network development of women-owned SMEs.

This study initially provided evidences for the differences in the needs for support of women-owned SMEs, whereby policy makers and government officials can design appropriate support policies to meet those needs. The results of this study will be even more important when the SME

Support Law comes into effect and SME supporting programs under this Law are developed and implemented.

4.1 Conclusion

Obstacles faced by women-owned SMEs are diversified, and the proportion of those facing obstacles is high

The empirical results show that women-owned SMEs have difficulties accessing input/output of production and business environment. Among those obstacles, the biggest difficulties include high input costs, lack of high quality labor, lack of appropriate supporting policies, lack of access to output market, and lack of access to financial resources. These are the challenges in the development of women-owned SMEs and the goal to reach 35% of WOE in Vietnam by 2020

The needs for support of women-owned SMEs is high but not significantly different from those of men-owned enterprises

Research results show that the percentage of respondents asking for assistance in accessing financial resources, information and knowledge, and market and business network development is high, but the percentage of firms actually receiving this support is much lower. These needs for support are necessary for business development, thus, there is no significant difference between the needs of women and men-owned enterprises.

Women-owned SMEs have more difficulties than men-owned enterprises in accessing financial resources, markets, and business network development

Most women-owned SMEs use their spouse's savings, borrowings from relatives and friends, and/or use less formal credits than men-owned enterprises. WOE have more difficulties than men-owned enterprises in accessing information on financial resources, because they have limited relationships and connections, lack of mortgage; and lack of support from spouse/family in making borrowing decisions.

Women-owned SMEs lack information on new policies, networks, support programs, and modern business skills. They have a more difficult time than men-owned enterprises when it comes to accessing information on assistance programs, gaining financial resources, accessing markets and business networks, and participating in trainings.

WOEs are more disadvantaged than men-owned enterprises in terms of market access and business network development. This is the result of limited knowledge, financial resources, and time that women entrepreneurs have. Supporting women-owned SMEs in market access and business network development should be one of the priorities for promoting their development.

The ways of support for WOE significantly differ from those of men-owned enterprises

Women-owned SMEs have more difficulties than their men-owned counterparts in gaining access to finance and business network development. Therefore, the way in which WOE receive support should be specifically designed for women entrepreneurs. For example, women entrepreneurs expect that credit products and borrower appraisal methods to be more suitable to women entrepreneurs, that commercial banks provide unsecured loans to WOE, and alternative credit products are developed for WOE. Regarding support on information and training, it is necessary to design programs providing information and training based on the needs and appropriate delivery methods to women entrepreneurs who are busy and have limited time and resources. With regard to market access and business network development, women entrepreneurs are eager to participate in trade promotion and procurement programs for the WOE.

There are gender differences in business and management between women and men-owned enterprises, but they were found to be insignificant

This result is consistent with the context and implementation of the Gender Equality Law, as well as overall Economic Empowerment for women in Viet Nam. However, the results of the study show that there is still a difference in the roles that women play in the family. Therefore, the percentage of women entrepreneurs balancing their business and family, sharing and discussing with their husbands about their business issues, and being discriminated against in doing business because of their gender is higher than that of men entrepreneurs. This gender difference in business and management may lead to obstacles for WOE in doing business.

4.2 Recommendations

The research shows that WOE have many difficulties in doing business and their need for support is huge, especially the proportion of women-owned enterprises which are willing to pay for support is high. This is the potential for business support service programs. The recommendations of this study include increasing access to finance, information and knowledge, and business network development from the perspective of service providers, investors, and state management agencies.

WOE's access to financial resources for: The objective of these recommendations is to increase the percentage of WOE that can have access to formal loans with reasonable costs and terms. Recommendations include:

- Credit institutions should develop credit products suitable for WOE. For instance, credit products such as unsecured loans through associations/clubs of women entrepreneurs, women support organizations, credit products with flexible maturity terms. In addition, credit institutions should use a credit rating framework favorable for women entrepreneur clients.
- The Government has specific solutions to enhance the efficiency of the SME Development Fund and Credit Guarantee Fund for SMEs. It is suggested to study why the SME Development Fund is unable to lend to enterprises, especially WOE and then to make appropriate adjustments to better serve their financial needs. The Credit Guarantee Fund

for SMEs, with appropriate organizational structure and financial resources, should operate soon to provide guarantee loans to meet the needs for financial access of WOE's.

- Investors should develop alternative financial products to support WOE's, helping them access commercial ODA loans, loans from investment funds and/or angel investment funds, etc.

Support on access to information and knowledge for women-owned SMEs.

Recommendations include:

- Provide information on access to resources, new laws, regulations and policies, legal procedures, development, and business network development. This information is highly needed by WOE's. This information should be publicly available through mass-media, business portals, and associations/clubs for women entrepreneurs or Women Entrepreneur Council, since these agencies have insight and understanding about the needs of women-owned SMEs.
- Management knowledge training should be carried out to be suitable for women entrepreneur's time and resources. The content of training should be based on demand and provide practical knowledge to WOE's. Training courses should be designed on a web-based/mobile-based platform to increase access, save resources and time for women entrepreneurs, especially for those in remote areas.
- Service developers and enterprises should consider jointly building a forum/platform for knowledge sharing. Good governance and management practices and/or business development services for WOE's or any information necessary to business development could be shared on this platform.

Access to market and business network development for the women-owned SMEs

- Market access facilitation should be provided through introduction of production linkages and participation in value chains. Business network development among WOE's as well as between WOE's and domestic enterprises and foreign invested enterprises should be promoted. Additionally, joint ventures with foreign enterprises through export should also be promoted. This requires an available database and proactive actions of associations/clubs of women entrepreneurs, VWEC, and commercial counselors in Vietnam and abroad.
- Associations and clubs of women entrepreneurs/Women's Unions should promote WOE's products. International experience suggests that public procurement should give priority to similar products made by WOE's. In addition, hosting trade fairs and product promotion events for the WOE's also helps those enterprises gain access to various markets.
- Implementation of trade promotion for women-owned enterprises should focus on domestic trade promotion activities since most WOE's are micro and small-sized and engaged in service provision. International trade promotion should focus on WOE's that have competitive advantages in the international market.

WOEs support programs should be designed with inclusive approach taking into account gender differences.

WOEs support programs should be designed for SMEs with gender considerations to ensure that female and male entrepreneurs can participate in and benefit equally from support programs. This approach provides opportunities for both women and men entrepreneurs to take into account gender differences, thereby enhancing exchanges and expanding business networks for women entrepreneurs.

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ANNEXES

Annex 1: Number of surveyed firms by location, sex of business owners, size and business sectors

	Hanoi	Hai Phong	Hai Duong	Da Nang	Hue	Nghe An	Ho Chi Minh	Can Tho	An Giang	Total
<i>Observations</i>	51	39	30	39	38	63	68	36	30	394
Female owners	29	24	18	22	24	46	48	24	23	258
Male-owners	22	15	12	17	14	17	20	12	7	136
Micro	18	12	7	5	10	20	33	10	10	125
Small	30	23	14	25	23	40	25	19	15	214
Medium-sized	3	4	7	7	6	2	10	7	5	51
Industry	11	12	1	13	4	9	18	7	11	86
Service	37	26	27	24	32	48	45	26	18	283
Agriculture	3	1	0	1	3	4	3	3	1	19

Annex 2: Interview questions for women-owned enterprises

1. Briefly introduce yourself and your company: (name, position, enterprise, year of establishment, production and business...)
2. What are the difficulties faced by your enterprise? (very short about difficulty / obstacle and please elaborate each difficulty)
3. Difficulties, needs for support and ways to support in financial access of women-owned enterprises?
4. Difficulties, needs for support and ways to support in access to information and fostering of women-owned enterprises?
5. Difficulties, needs for support and ways to support in market access and business network development of women-owned businesses?
6. The successor of a woman-owned business? Recognize the economic role of women in business?
7. Difficulties and other needs that enterprises encounter in production and business? Suggestions to overcome?

Annex 3: Focus group discussion questions for female entrepreneurs

1. Briefly introduce yourself and your company: (name, title, company name, production, business...)
2. What are the difficulties faced by your enterprise? (Very short: name, difficulty / obstacle)
3. The needs for and method of support in access to finance (Specific difficulties in access to finance for women-owned enterprises? Why is it difficult? How to support?)
4. The needs and how to support in access to information and training (What are the difficulties in accessing information and training for women-owned enterprises? What specific support? How to support?)
5. The needs and how to support in market access and business network development (What are the constraints in market access and business network development for women-owned enterprises? How difficult is it? What is supported? How to support?)
6. Propose general support to women-owned enterprises, conditions for providing support to women-owned enterprises and putting the SME Support Law into practice.

This survey is being conducted by the Vietnam Women Entrepreneurs Council in order to understand the needs of women-owned SMEs, specifically, the difference between the needs of men-owned SMEs and woman-owned SMEs. The study provides evidences for proposing support programs that are consistent with the characteristics of women-owned SMEs and related proposals. The research team would like your cooperation in completing this questionnaire. Your opinion is important to help formulate appropriate and feasible support programs. All private information about businesses and individuals is confidential and the information provided will only be used for the purposes of this research. Thank you very much for your cooperation.

I. GENERAL INFORMATION ON ENTERPRISES

1. Name of firm

Address

Telephone number.....

Year of establishment.....

2. Types of firms

1. Limited company 2. Joint-stock company 3. One-owner company
4. Joint venture company 5. Collectives 6. Other (specified).....

3. Gender of manger of firm?

1. Male 2. Female

3b. Age of manager of firm:

4. Education level of firm's manager?

1. Lower secondary school and below (c2) 2. High school (c3) 3 College
4. University 5 Post graduate 6 Others

5. Capital structures of the company?

1. State 2. Private 3. Foreign 4. Others (specified).....

6. Main business sector of the firm? (Select one appropriate option)

1. Industry/manufacturing 2. Trade and Services 3. Agriculture

7. Ownership of women in your firm?

1. Less than 51% 2. From 51% or higher

8. Are there any women who sit on the management board (general director/vice director)?

1. (General) Director 2. Vice (General) Director
3. Both (General) Director and vice (general) director 4. None

9. Number of workers in you company?

1. Less than 10 2. From 10 to 100
3. From 101 to 200 4. 200 and higher

9b. What is the proportion of female workers in your company?

10. Total assets of your firm?

1. Less than 10 bil dong 2. From 10 to 20 bil dong 3. From 20 to 30 bil
 4. From 30 to 50 bil dong 5. From 50 to 100 bil dong 6. 100 bil and higher

11. Total revenue of the firm in 2016?

1. Less than 10 bil. 2. From 10 to 20 bil dong 3. From 20 to 50 bil dong
 4. From 50 to 100 bil. 5. From 100 to 200 bil. 6. From 200 to 300 bil 7. 300 bil. & more

12. Revenue prospect of the firm compared to 2016?

1. Increase 2. Unchanged 3. Decrease 4. Do not know

13. Does the firm have an investment plan to expand its production for the following year?

1. Yes 2. No 3. Do not know

14. Number of associations/clubs/organizations that you participate in?

1. From 1 to 3 2. From 3 to 6
 3. From 6 to 10 4. over 10 5. None

15. Which financial resources does your firm use? (choose appropriate options)

1. Savings of spouse 2. Loans from family/friends
 3. Loans from official credit institutions 4. Loans from pawn shops, usury lenders
 5. Loans from SME development Fund 6. Loans from venture and angel funds
 7. Mobilization from stock market 8. Debts from suppliers
 9. Other (specified).....

II. OBSTACLES OF SMES

16. Main obstacles faced by your firm? (select the 5 most difficult ones and rank them)

1. Material inputs 2. Weak infrastructure system
 3. High input costs 4. Lack of high quality labor
 5. Access to finance 6. Lack of information/knowledge
 7. Access to markets 8. Lack of working spaces
 9. Technology 10. Corporate governance
 11. Administration and legal procedures 12. Lack of supportive policies
 13. Lack of recognition 14. Lack of network
 15. Successor issue 16. Gender inequality in doing business
 17. Balancing family and work 18. Other (specified).....

16b. Do you think that enterprises with managers having different gender have different answers?

1. yes 2. no 3. do not know

16c. If yes, what are the differences?.....

17. Difficulties in accessing financial resource your company is facing? (select 5 most difficult ones and rank them)

1. High interest rates 2. No collateral
 3. Inappropriate requirements on mortgages 4. Cannot sell stocks
 5. Inappropriate mutual terms 6. No loans guarantee
 7. Lack of spouse support 8. Unsuitable business plan

- 9. Complicated loan application/procedures
- 10. Make unofficial payments
- 11. Lack of relevant credit products
- 12. Do not know financial resources
- 13. Lack of negotiation skills
- 14. No relationships
- 15. Other (specified).....
- 16. None

17b. Do you think that enterprises with managers having different gender have different answers?

- 1. yes
- 2. no
- 3. do not know

17c. If yes, what are the differences?.....

18. Problems faced by your firm when accessing information, knowledge, skills and training (select 5 most difficult ones and rank them)

- 1. Lack information on new policies
- 2. Lack administrative and legal procedures
- 3. Lack information on resource, market and network
- 4. Lack information on support programs
- 5. Lack modern governance knowledge
- 6. Busy taking care of family
- 7. High training costs
- 8. Unsuitable training contents
- 9. Unsuitable training time and places
- 10. Others (specified).....
- 11. None

18b. Do you think that enterprises with managers having different gender have different answers??

- 1. yes
- 2. no
- 3. do not know

18c. If yes, what are the differences?.....

19. Problems faced by your firm when accessing market and business network development (select 5 most difficult and rank them)

- 1. Cannot access to market information
- 2. Do not know business laws
- 3. Difficult to find relevant suppliers
- 4. Lack resources to joint trade promotion
- 5. Lack of guiding hub
- 6. Hard to connect to business partners
- 7. No experiences on searching for markets
- 8. Lack information on quality standard
- 9. Do not have time to joint associations/clubs/network
- 10. Spouse do not agree to participate in any network
- 11. Others (specified).....
- 12. None

19b. Do you think that enterprises with managers having different gender have different answers??

- 1. yes
- 2. no
- 3. do not know

19c. If yes, what are the differences?.....

III. NEEDS OF SMES

20. What does your firm need for its development? (select 5 most important needs and rank them)

- 1. Access to finance
- 2. Access to working space
- 3. Support on technology innovation
- 4. Human resource training
- 5. Support on information access
- 6. Family service assistance
- 7. Administrative and legal assistance
- 8. Enterprise incubator

- 9. Assistance on management, taxation
- 10. Assistance on market access
- 11. Assistance on network and value chains
- 12. Training successors of firm
- 13. Social insurance policy
- 14. Educating awareness on women doing business
- 15. Enhancing gender equality in the family
- 16. Others (specified).....
- 17. NONE

21. *Please give explanation for your first ranked needs.*

.....

22. *Regarding financial support, what do you desire to receive? ((select 5 most desired needs and rank them)*

- 1. Increasing maturity terms
- 2. Appropriate time to repay
- 3. Diversified credit products
- 4. Simplify conditions for collaterals
- 5. Development of unsecured loans
- 6. Use SME Credit Guarantee Fund
- 7. Assistance on business plan development
- 8. Assistance on tax accounting
- 9. Loans from venture funds
- 10. Loans from commercial ODA
- 11. Support firm to participate in the stock market
- 12. Priority for women-owned enterprises
- 13. Access to Engel Funds
- 14. Reasonable interest rates
- 15. Others (specified).....
- 16. NONE

23. *Please give explanation for your first ranked needs.*

.....

24. *How to support SMEs to access financial resources? (choose appropriate options)*

- 1. Access to state loans
- 2. Making use of the SME Credit Guarantee Fund
- 3. Credit rating favorable to WOE's
- 4. Diversified credit products for WOE's
- 5. Supporting firms to participate in the stock markets
- 6. Promoting venture and angel funds
- 7. Provide unsecured loans via association/clubs of women entrepreneurs/ VWEC/Vietnam Women's Union
- 8. Others (specified).....

25. *Are you willing to pay extra (excluding interests) to borrow money from commercial banks?*

- 1. yes
- 2. no

26. *Regarding to information and training, what do you desire to receive? (select 5 most desired needs and rank them)*

- 1. Training on cooperate governance
- 2. Business planning
- 3. Financial management
- 4. Legal consulting services
- 5. Accounting services
- 6. Financial and taxation consulting services
- 7. Quality control
- 8. Marketing/sales training
- 9. Searching for business partners
- 10. Providing market information
- 11. Introduction of production linkages and value chain
- 12. Others (specified)

27. *Please give explanations for your first ranked needs?*

.....

28. *How to support SMEs in terms of providing information and training? (choose appropriate options)*

- 1. Via training classes
- 2. Supporting hubs and network
- 3. Providing consulting services
- 4. Information support (Q&A)
- 5. Establishing business linkages
- 6. Direct consulting/guidelines
- 7. Preparing manual guidelines
- 8. Website to share business development services
- 9. Others (specified).....

29. Which agencies are appropriate to provide training services? (select ONLY one appropriate option)

- 1. State agencies
- 2. Private suppliers
- 3. Associations/clubs/VWEC/VWU
- 4. Provincial enterprise association
- 5. University and research institutes
- 6. Others (specified).....

30. What are the appropriate time and manners to provide information and training? (select appropriate options)

- 1. Online (website)
- 2. Traditional classes (Offline)
- 3. Training class in working time
- 4. Part-time training classes
- 5. Using mass-media
- 6. Others (specified).....

31. Are you willing to pay extra fees to receive information and training?

- 1. yes
- 2. no

31b. if yes, how much are you willing to pay?

- 1. Under 5 mil dong
- 2. From 5 to 10 mil dong
- 3. From 10 to 30 mil dong
- 4. From 30 to 50 mil dong
- 5. Higher 50 mil dong

32. Regarding to access to market and business network development, what do you need? (select 3 most desirable needs and rank them)

- 1. Domestic trade promotion
- 2. International trade promotion
- 3. Introduction to business linkages
- 4. Introduction to value chains
- 5. Development of virtual trade promotion
- 6. Providing market data
- 7. Introduction to joint domestic and foreign association
- 8. Others (specified).....

33. Please give explanations for your first ranked needs.

.....

34. What are appropriate supporting method in market access and business network development? (select appropriate options)

- 1. Making use of commerce counselors abroad
- 2. Organizing virtual commerce delegations
- 3. Developing trade promotion programs for women-owned SMEs
- 4. Providing information on local and international associations, organizations for entrepreneurs
- 5. Hosting workshops/meetings with international associations, organizations for entrepreneurs
- 6. Hosting meetings for demand-supply connection
- 7. State procuring products made by women-owned SMEs
- 8. Launch campaigns on buying products made by women-owned SMEs
- 9. Trade fairs and product promotion for women-owned SMEs
- 10. Others (specified).....

