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VIETNAMESE WOMEN ENTREPRENEURS AND GLOBAL SUPPLY CHAIN

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General Secretary
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Born To Buy
Among those who are starting a business, 58% are men and 42% are women.

At the growth stage of business development, these proportions are almost the same, even the proportion of women is a bit higher (50.2%) than of men (49.8%) – however, women often engage in small business activities such as household businesses and small trades. Meanwhile, men engage more in larger business activities, especially in ENTERPRISE sector.

Among approx. 500 thousand operational enterprises, only 25.4% are women-led businesses.

Age is not an obstacle for Vietnamese women entrepreneurs

The chart illustrates the distribution of Vietnamese women entrepreneurs across different age groups. The age categories are divided into:

- Under 25
- 25-34
- 35-44
- 45-54
- 55-64
- Above 64

The y-axis represents the count of entrepreneurs in each age group, while the x-axis indicates the age categories. The chart is color-coded to distinguish between male (blue) and female (red) entrepreneurs.
Vietnamese women entrepreneurs are not inferior to male entrepreneurs in term of qualifications.
BUI THI HY - Extraordinary woman in XV century
- Chu Dau ceramics manufacturing
- International maritime trading
Proportion of Businesses led by women (%)

- Men-led businesses: 75.00%
- Women-led businesses: 25.00%

Participate in export activities (%)

- Men-led businesses: 91.78%
- Women-led businesses: 92.1%
## Labour use efficiency in women-led businesses (2014)

<table>
<thead>
<tr>
<th></th>
<th>Men-led businesses</th>
<th>Women-led businesses</th>
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<tbody>
<tr>
<td></td>
<td>2014</td>
<td>Increase compared to 2010 (times)</td>
</tr>
<tr>
<td>Percentage of businesses</td>
<td>74.58</td>
<td>-</td>
</tr>
<tr>
<td>Average number of employees</td>
<td>33.9</td>
<td>0.43</td>
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<tr>
<td>Percentage of female employees</td>
<td>32.92</td>
<td>0.77</td>
</tr>
<tr>
<td>Average income per employee (VND mil.)</td>
<td>70.15</td>
<td>1.75</td>
</tr>
<tr>
<td>Average revenue per employee (VND mil.)</td>
<td>1094</td>
<td>1.6</td>
</tr>
<tr>
<td>Labour Use Efficiency (Average revenue/Average income)</td>
<td>15.6</td>
<td>0.9</td>
</tr>
</tbody>
</table>
In general, equity turnover and profit margins of women-led businesses are still limited in comparison to men-led businesses.
Business line characteristics

- Sectors with highest proportion of women-led businesses including: retail, services, accommodation and catering services.

- Export and manufacturing enterprises with challenges regarding
  - Science and technology application
  - New management processes
  - Requirements on quality standards/food safety
  - Small scale and inadequate capacity to meet large orders

Cooperation with Walmart / Join the Global Supply Chain.
CHAPTER 1

Women’s participation in entrepreneurship across multiple phases of activity

GEM emphasizes entrepreneurial ability as a continuous process rather than a single event. The GEM Population Survey (GPS) is designed to allow measurement and assessment of individual participation across a range of phases concerning entrepreneurial activity: entrepreneurial intentions, new venture creation, established business owners, and business discontinuation.

Potential entrepreneurs need to identify opportunities for starting a business and to develop capabilities, such that, they have the necessary skills, knowledge and experience to do so. However, identifying an opportunity and having the skills to pursue it does not necessarily lead to intentions to start a business. Individuals will assess the opportunity costs, risks and rewards of starting a business versus the current variability of employment preferences and options. GEM therefore acknowledges that entrepreneurs may be motivated by either necessity.

ENTREPRENEURS’ STORIES

Ninh Thi Ty (Vietnam): Ho Guom Garments and Chien Thang Garments

The area of these facilities currently ranges from 300-350 m² (4,000-4,700 ft²) and this “may manage roughly 5,000 people (of which 80% are women). Over the past 30 years, Ho Guom (Garment Company) has been registered by government and other organizations as a big and
As in many countries around the world, Vietnamese women are quite confident when starting their business but generally more afraid of failure than men.

Women-led businesses' capacity for innovation is also lower (there are only 35% of young women-led businesses selling goods over the Internet whereas the figure of men-led businesses is 48%)

Women-led businesses are less active in international business (the proportion of export enterprises is low)
An important message of GEM 2014 Women's special report indicates:

- The diversity in business activities of women entrepreneurs and their enterprises.

- The importance of values created by these women through team work (inside and outside the enterprises).

According to Patricia Greene, Professor of Babson University.
What is happening?

WTO, EVFTA, TPP, AEC......

Integration?

The transition orientation of global value chains?
Fundamental changes of global value chain

a) *Consolidation*. Leading enterprises are trying to reduce the number of suppliers, making it difficult for new entrants (especially small and medium sized enterprises).

b) *Convergence*. Leading enterprises in various sectors often source from the same suppliers.

c) *Critical responsiveness ability*. To a certain extent, large enterprises may reduce their orders from the Vietnamese SMEs.

d) *The trading & service sector is becoming more important and more complex* (increasingly dependent on R&D, design and production processes)

e) *The emergence of e-commerce and IT*. Internet-based services provide SMEs the opportunities to become suppliers.

- Emerging economies are becoming end markets
Three phases for joining the Global Value Chain (GVC)

1- Preparation: to be ready to enter foreign markets as a direct exporter or as a supplier in the global value chain.

2- Active engagement: Application of internationalization activities.

3- Growth and expansion: Strengthening and expanding the product's position in foreign markets, or the enterprise's position as a supplier in the global value chain.
Acting with AmCham: What to do?

- Developing Women-led Business profile
- Performing benchmarking to evaluate the supplying capacity of Women-led Businesses.
- Supporting women entrepreneurs in access to technology, capital and market; Capacity building in business administration and governance; Disseminating technical standards, technology information, etc.
- Encouraging the entrepreneurship of female students.
Acting with AmCham - Who to do?

- The members of AmCham - Walmart, Coca-Cola, 3M, Suntory Pepsi; GE; Microsoft, Intel, Exxon Mobil... provide information on Buyer Opportunity / women-led businesses will be given the priority.

- The Vietnamese women-led businesses should actively take full advantage of professional supporting services (including the services provided by AmCham' members: DUNS numbers, accounting, auditing and consulting services, Software, Hardware, etc.)

- Developing networks of women entrepreneurs participating in the supply chain via VCCI and associations of women-led businesses.
... and through ACTION PLAN

Thank you for your attention!