

REPORT

Gender, decision making, and socio-cultural norms against female entrepreneurs in business growth

Micro & Small Enterprises in Vietnam



About the research

Objectives

To better understand social norms and gender-based barriers facing female entrepreneurs, we have conducted research with 1,449 owners of micro & small business entities in 7 provinces in Vietnam to dissect:

- the disproportionate burden of domestic care;
- gender-related confidence gaps;
- unconscious bias in business-related decision making; and
- hidden norms-related to women's business capacities.

Methodology

RESEARCH PARTICIPANTS

Who?

The survey was conducted among 1,449 entrepreneurs in seven provinces in Vietnam, who met the following criteria:

- Own/manage a household, micro or small enterprises
- No. of employees: 2-20, at least 2 full-time staff
- Years in business: at least 2 years
- Have ambition to growth
- Average revenue (2019 & 2020): VND500 million - VND10 billion (USD22,000 ~ USD 430,000)

How to reach?

Three ways of sampling research participants include:

- Systematic sampling: Enumerator directly approached enterprises with set qualifications
- Peer-referral sampling: A respondent introduced another business owner with similar characteristics for screening and interviewing
- Random sampling: A list of enterprises was selected randomly from the lists provided by CARE in Vietnam's partners for screening and interviewing.

How to get information?

Face- to- face interviews using a semi-structured questionnaire on a tablet with 1,449 entrepreneurs, together with 17 in-depth interviews focusing on norms, decision making, business movements, business development barriers, and future prospective.

Limitation

■ There was inconsistent sampling across seven provinces. In particular, the sample from the province of Thanh Hoa came from a provided list focusing on women-led MSEs as clients of Thanh Hoa MFI (financial service provider partner). This different methodology may cause problems when comparing the data across 7 regions; however, the analysis found that the data from Thanh Hoa did not influence the overall results.

■ Given the survey was conducted before the Tet vacation in Vietnam when MSEs were busy and not available to participate, the research subjects' refusal rate (35%) is also a limitation that made the findings not representative of the MSE population in Vietnam.

■ Sensitive issues were asked in the research including business revenue, profit and income which have direct links to taxation making MSEs potentially unwilling to share accurate information.

■ This was a cross-sectional study measuring shock impacts and resilience, which should be followed up over time in a longitude study to confirm sustainability and growth.

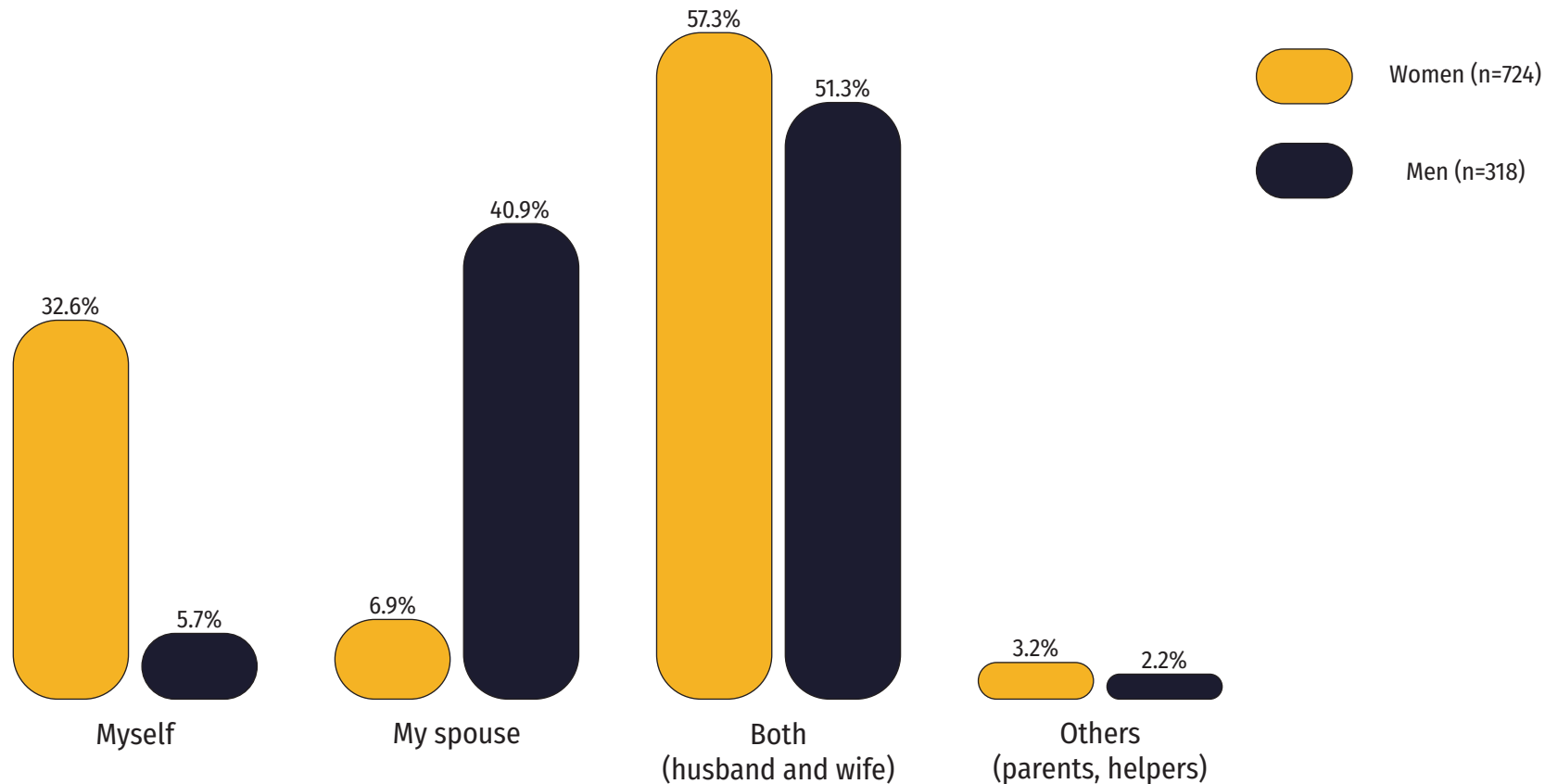
Key findings

- 1 Perception and practice that childcare and unpaid care work are women's duties, limiting female entrepreneurs' time to grow their businesses.
- 3 Both female and male entrepreneurs define success similarly; yet, females care more about their staffs' well-being and 'family atmosphere' in the companies they own.

- 2 Self-perception of having inadequate business experience and professional knowledge – often seen more among female entrepreneurs – holding back many promising business opportunities.
- 4 Female entrepreneurs tend to undervalue their contribution to both family and business.

Gender and socio-cultural norms, especially the ones related to unfavorable business environments, constrain female entrepreneurs' business skills and capacity development.

Dispropotionate burden of domestic care



Who is the main caretaker of your children in your family?
(n=1,042 entrepreneurs having children at school age)

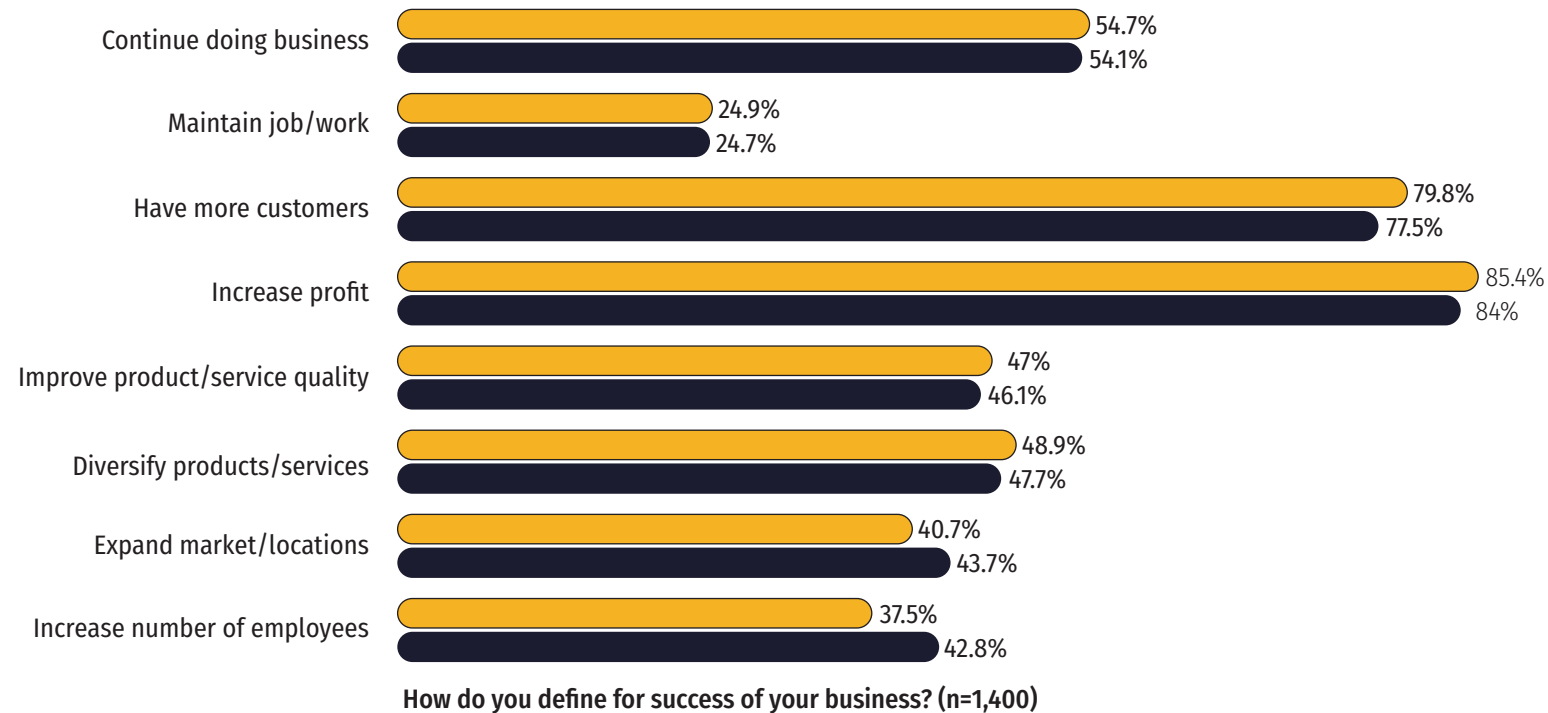
Among entrepreneurs with school-age dependents of, **32.6%** of female entrepreneurs reported that they are **the main caretaker** of their children; only 5.7% of their male counterparts reported the same.

“My wife is the main caretaker of my baby. I can support, but only when my wife gives detailed instructions or notes. But even then, I still need to ask again sometimes, and she needs to give constant reminders”

– a male entrepreneur in Hue.

Gender-related confidence gap

The definition of business success between female and male entrepreneurs



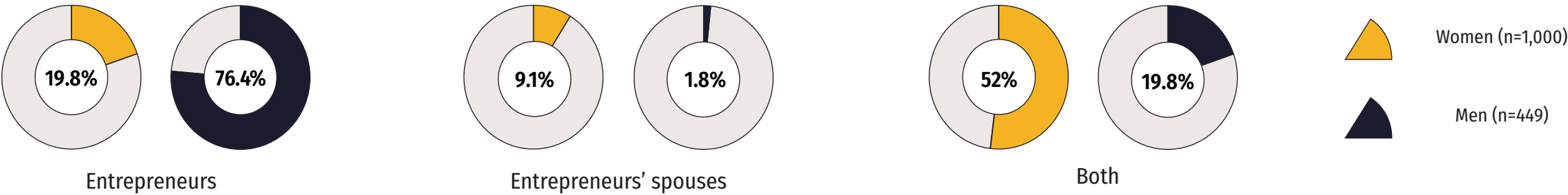
“I do business to secure job for myself first, for others also important but I usually have to think carefully when I recruit people to ensure **good working condition, long-term contract, reasonable payment** for them and suitable with their capacity and family conditions”

– a female entrepreneur in HCMC.

Gender-related confidence gap

Female entrepreneurs often undervalue their contribution to both family and business

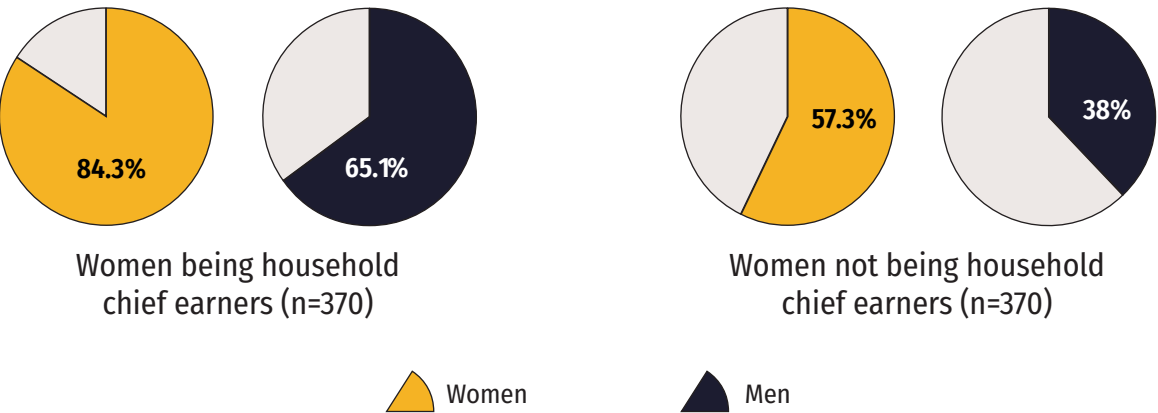
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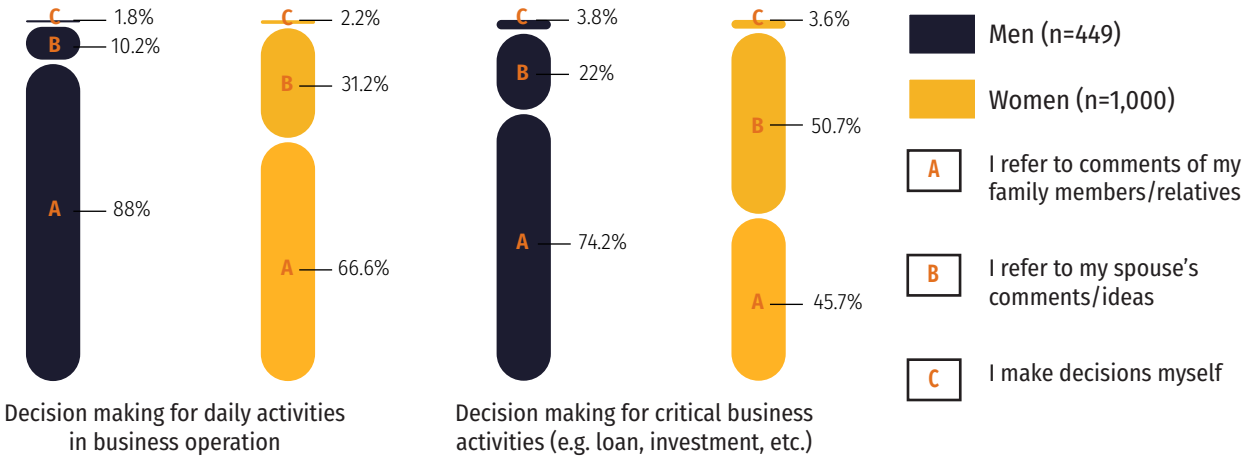
Who is the chief earner in your household?

In the household, **entrepreneurs are the chief earners**, and the main household income source is from their business (87.8%). However, there is a big difference in male and female entrepreneurs' perspectives on who is the chief earner in their family. While **76.4% of male** entrepreneurs confirmed being the chief earner, only **19.8% of female** entrepreneurs confirmed. Female entrepreneurs usually checked the “both husband and wife” option rather than themselves alone.

BUSINESS DECISION-MAKING



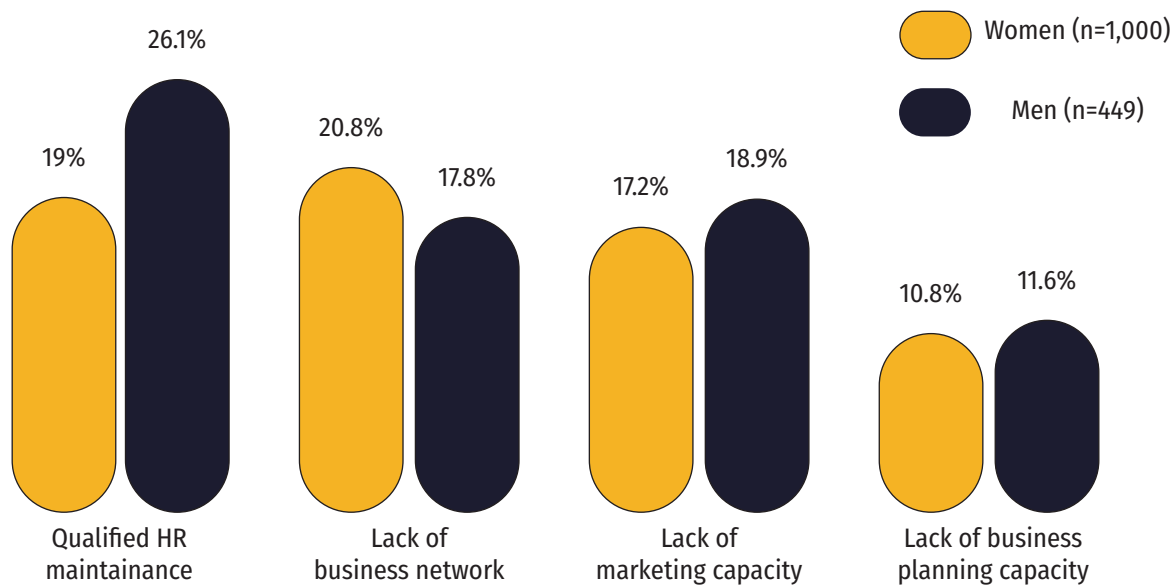
Differences in decision making between women and men as household chief earner



Who makes decisions in your business?

Hidden norms around women's business capacity

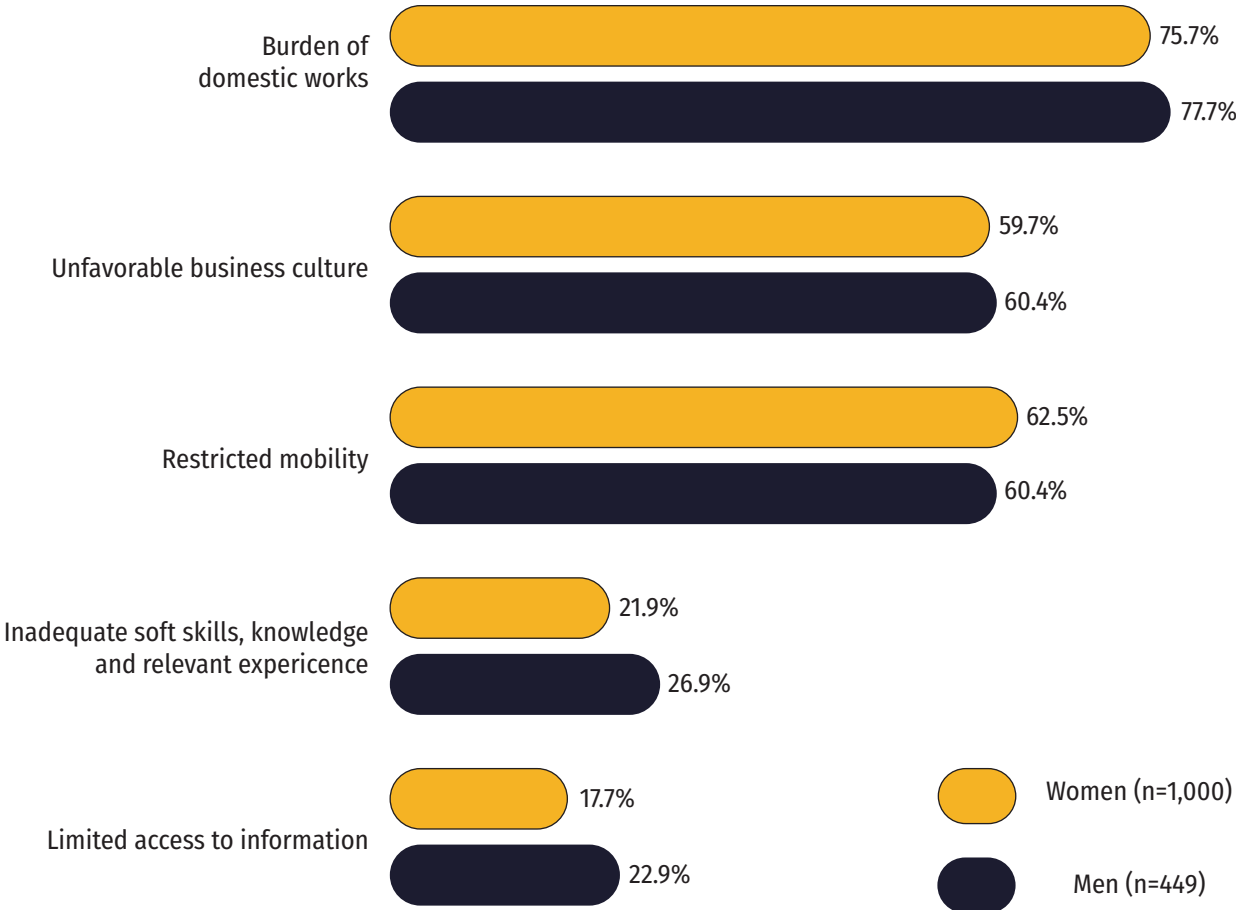
Challenges to women in business



Four key challenges to business development related to capacity identified by entrepreneurs

The **top 3 challenges** to women doing business **identified by entrepreneurs** are:

- (i) **burden of domestic work**
- (ii) **unfavorable business practices and culture** (i.e. drinking alcohol, unwritten agreements between female entrepreneurs and stakeholders) and
- (iii) **limited mobility**, all of which are more likely associated with **social norms** concerning women's roles and values



Top 5 challenges to women in business identified by entrepreneurs