GENDER RESPONSIVENESS IN DISTRICT AND DEPARTMENT COMPETITIVENESS INDEX FOR FEMALE ENTREPRENEURSHIP: A COMPARATIVE STUDY IN TWO MOUNTAINOUS PROVINCES OF VIETNAM

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ABSTRACT

Objective: The District and Department Competitiveness Index (DDCI) has its main focus on the development of Enterprises and Women Entrepreneurs, towards inclusive socio-economic growth and development. How about the level of gender responsiveness that DDCI has in reality?

Theoretical Framework: The DDCI in a Vietnam-related initiative, which aims to assess the reality of economic management capacity and to improve the business environment in districts, cities and provincial departments in provinces/cities of Vietnam. The theoretical formation of it becomes a major source for analytical framework used.

Method/design/approach: This study has been conducted in both qualitative and quantitative approaches, mainly based on measuring the DDCI in a survey of 1000-1500 samples in each of the two Vietnamese mountainous provinces throughout 2019 - 2022. Findings and conclusions are derived from the combination of the two approaches.

Results and conclusion: From a gender perspective, we notice some major differences in the assessment of the business environment, the impact of natural disasters and epidemics, business prospects and confidence in the market’s recovery for the genders.

Research implications: This affects the viability of business models, the sustainable development of enterprises, and in the immediate future, the prospects for recovery of businesses that are owned and led by women, who have suffered from many disadvantages in work and life.

Originality/value: The study provides effective tools to enliven a picture of local production, businesses and business environment, as an input for public policy evaluation and improvement.

Keywords: Competitiveness Index, Female Entrepreneurship, Gender Responsiveness, Inclusive Growth, Mountainous Region, Vietnam.

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CAPACIDADE DE RESPOSTA DE GÊNERO NO ÍNDICE DE COMPETITIVIDADE DISTRITAL E DEPARTAMENTAL PARA O EMPREENDEDORISMO FEMININO: UM ESTUDO COMPARATIVO EM DUAS PROVÍNCIAS MONTANHASAS DO VIETNÃ

RESUMO

Objetivo: O Índice de Competitividade de Distritos e Departamentos (DDCI) tem como foco principal o desenvolvimento de empresas e mulheres empreendedoras, visando ao crescimento e desenvolvimento socioeconômico inclusivo. Qual é, na realidade, o nível de capacidade de resposta de gênero do DDCI?

Estrutura teórica: O DDCI é uma iniciativa relacionada ao Vietnã, que visa avaliar a realidade da capacidade de gestão econômica e melhorar o ambiente de negócios em distritos, cidades e departamentos provinciais em províncias/cidades do Vietnã. A formação teórica dessa iniciativa se torna uma fonte importante para a estrutura analítica utilizada.

Método/design/abordagem: Este estudo foi realizado com abordagens qualitativas e quantitativas, principalmente com base na medição do DDCI em uma pesquisa com 1.000 a 1.500 amostras em cada uma das duas províncias montanhosas do Vietnã entre 2019 e 2022. Os resultados e conclusões são derivados da combinação das duas abordagens.

Resultados e conclusões: Do ponto de vista do gênero, notamos algumas diferenças importantes na avaliação do ambiente de negócios, no impacto de desastres naturais e epidemias, nas perspectivas de negócios e na confiança na recuperação do mercado para os gêneros.

Implicações para a pesquisa: Isso afeta a viabilidade dos modelos de negócios, o desenvolvimento sustentável das empresas e, no futuro imediato, as perspectivas de recuperação das empresas que pertencem e são lideradas por mulheres, que sofreram muitas desvantagens no trabalho e na vida.

Originalidade/valor: O estudo fornece ferramentas eficazes para dar vida a uma imagem da produção local, das empresas e do ambiente de negócios, como um insumo para a avaliação e o aprimoramento de políticas públicas.


1 INTRODUCTION

In the recent years, Vietnam has been considered as one of the leading progressive countries in the field of gender equality (WB & MPI, 2016). This is because Vietnam has appropriate policies in place to ensure equal rights for women and has made significant progress to reduce gender gaps in health and education and improve the situation of women in general (IFC, 2017). However, these achievements have not been completely synchronized. Moreover, the growth of the market economy has brought about new chances to people, but it has negatively raised the gender inequality in getting access to productive resources and training opportunities that has limited women's ability to compete (Aimée Hampel-Milagrosa et al., 2010; VWEC, 2018).

Women-owned small and medium enterprises (SMEs) in Vietnam are mainly micro and small-scale enterprises (98.8%). Up to 61.4% of these are operating in the service sector (OECD, 2021). The research results show that women-owned SMEs account for one-quarter of all SMEs operating in Vietnam (about 800,000 enterprises), a much higher proportion than other countries in the regions, such as South Asia, Middle East, North Africa, and Sub-Saharan
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Africa (Trung Xuan Hoang & Cuong Viet Nguyen, 2022). The fact also shows that Vietnamese female entrepreneurs all claim to lack knowledge and skills, market information, resources, trade promotion tools, network building and development skills. One main reason is that though the policy to support women-owned SMEs has been promulgated, but the implementation process has encountered many problems (Le Thu Truc Nguyen, 2020). For instance, the Decree 39/2018/ND-CP detailing the law on supporting the development of SMEs has not really paid attention to enhancing the women-owned SMEs’ development. Meanwhile, the National Strategy on Gender Equality for the 2021–2030 period (Resolution No. 28/NQ-CP, 2021) has also mentioned the goal of developing women-owned businesses. However, these policies have not been perfectly put in practice.

Son La and Lao Cai are two mountainous provinces in the northwest of Vietnam. These two provinces have a lot of potential for economic and social development, but they are still facing many difficulties (An Thinh Nguyen et al., 2022). In particular, in the context of the Covid-19 pandemic, the local economy has suffered many impacts, posing many challenges not only to the business community, cooperatives, and business establishments here but also to the community and to the whole local authorities with the problem of improving the business environment, administrative reform, delivering appropriate, timely and effective policies in a more sustainable way to reduce negative impacts from such "shocks" (Quang, P. D., & Duc, P. M., 2023).

In Vietnam in general, and in Son La and Lao Cai in particular, women's participation in economic development has not really been a focal point of the policy implementing process (Thi Bich Tran et al., 2009). Especially for women from ethnic minorities in remote areas, not only women who own officially registered business entities but also women who own individual business households are also an object of concern (Tran Van Thanh et al., 2021). Because both SMEs and household businesses are an economic component that actively contributes to the sustainable development of the local economy by creating jobs for workers (Tien Vu & Hiroyuki Yamada, 2020). In fact, female owners of production and business establishments attract more female workers to participate in their establishments than male owners do (according to Economica's annual DDCI survey in Lao Cai and Son La in the period of 2019 - 2022). In addition, the household business model also plays an important role in generating income, attracting idle labour in villages and hamlets, where registered businesses have not been able to access (Ha Thi Thuy Nong et al., 2020). In Son La and Lao Cai, the proportion of vulnerable groups (ethnic minorities, women, and people with disabilities) participating in economic development is permanently low, still requiring more incentives from the local governments (Le Van Loi & Hoang Thi Lan, 2019).

2 LITERATURE REVIEW

2.1 DDCI, The Necessity

Improving the business environment and creating favourable conditions for production and business establishments is both a requirement of reality and an inevitable trend to help promote strong socio-economic transformation in the northern mountainous provinces of Vietnam (Le Quoc Phuong, 2018). Enhancing the competitiveness of enterprises and local key products to focus on investing in development of production and consumption is the right direction, a necessary job, and an important contribution to sustainable development, especially in the context of the complicated virus movements (Nguyen Phuong Le & Luu Van Duy, 2021). Without drastic solutions, any locality is at risk of falling behind, while the efforts of other localities and the expectations of production and business establishments are all high (Diep Thanh Tung, 2014). The above-mentioned reforms have become even more important
when the Covid-19 pandemic has had a significant impact on the production and business of the local enterprises, cooperatives, business households and investors.

The DDCI index is one of the important highlights of such localities in the process of improving the business environment. Its ultimate goal is to bring benefits to production and business establishments through creating a more open and transparent business and investment environment for production facility owners, and increasing confidence in the governmental system and increasing economic development incentives in the measurable localities (Ourania Notta & Aspasia Vlachvei, 2018). In parallel with the process of improving competitiveness, key activities in conducting DDCI data collection and analysis also contribute to fostering gender equality and the enhanced roles of women in economic development. With gender equality, the values that they can create for society, their community, and their families can be highly appreciated.

In particular, this new approach has supplemented the analysis contents in highlighting the gender aspect to assess the level of responsiveness to the prepositions reflected by business establishments, in terms of operation and management of the economy conducted by the district governments or the municipal departments and agencies (Popov, V., 2023). This approach is built on the principle of women's economic empowerment, focusing on (1) Access: Involving women in all activities, (2) Benefits: Improving women's economic conditions, and (3) Empowerment: Strengthening women's capacity to make decisions, choices and actions (GREAT, 2022). To achieve these goals, a GREAT framework is introduced for better reference in Table 1:

<table>
<thead>
<tr>
<th>Table 1: Toolbox for implementing women's economic empowerment</th>
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<tr>
<td>Implementation Tools (Access to Resources)</td>
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<tr>
<td>Access to Assets</td>
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<tr>
<td>Land, trees, tools</td>
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<tr>
<td>Network and market information</td>
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<td>Infrastructure and facilities</td>
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Thus, the potential impact of using DDCI is to create incentives for districts and departments in promulgating and implementing policies to improve the business environment in general and to enhance the improvement of living conditions of rural women and ethnic minorities in particular (Guilherme Amaral & Mario Sergio Salerno, 2019). These results are also the basis for promoting economic benefits and empowering businesswomen. In addition, one of the major DDCI’s targets is to develop its own topics, focusing on presenting the situation and solving difficulties, bringing the voice of women who are doing their business closer to the government levels. Through collected results, governmental units and localities will be able to make appropriate assessments and adjustments to improve the business environment in their provinces.
2.2 DDCI, a System of Component Indices

DDCI is built with two sets of indicators: (i) DDCI index for district governments and (ii) DDCI index for municipal departments (a.k.a. department DDCI). Because the tasks and functions of management and administration between district-level governmental agencies and provincial departments are different. Moreover, the main targets of these entities are not alike, so DDCI uses two separate groups of indicators to assess their administrative capacity in unique approaches (Malesky Edmund et al., 2021). These component indexes are universal and suitable as a common scale for all subjects in each group of government agencies to be evaluated.

On one hand, the shortened list of component indexes of DDCI that is used to assess the administrative capacity of the districts includes 11 indicators: (1) Cost of market entry; (2) Access to land and business venues; (3) Quality of public services in licensing and efficiency of inspection and examination; (4) Efficiency of tax procedures; (5) The dynamism and pioneering of district leaders; (6) Effective dialogue and accountability; (7) Information transparency and fair treatment; (8) Effectiveness of administrative procedure reform, quality of public services and efficiency of the one-stop shop transactions; (9) Effective business support activities; (10) Informal costs and (11) Effectiveness of security work to ensure a safe business environment.

On the other side the lessened group of component indexes of DDCI at departmental and sectoral level includes 6 indexes: (1) Effective implementation of legal documents and plans; (2) Quality of public services; (3) Transparency of information and fair treatment; (4) The dynamism and accountability of leaders of departments; (5) Informal costs and (6) Business and enterprise support performance. In addition, department DDCI can also be built to include a number of expanded component indexes such as: (i) Information technology application, e-government, digital transformation in governance and administration; and (ii) Focus on sustainable and inclusive development in governance and administration.

Each component index is further subdivided into indicators to deeply and comprehensively assess the fields and aspects of public administration, governance and economic management for each district and/or department (Nguyen Van Thanh, 2020). The current standard and complete set of indicators of DDCI include approximately 100 indicators for district DDCI and nearly 50 indicators for department DDCI. The extended component indexes, then, are built on the basis of information collected from the survey for the questionnaire. Since the components of the sub-index are already integrated in the core indicators, the extended sub-indices can be easily constructed by sifting from the existing indicators of the core indexes. This helps develop meaningful broad-based indicators to provide a more in-depth and prominent assessment of certain aspects of economic governance that are specific to each province, subjecting to provincial concerns. Extended indicators may include those suggested above, or be newly developed on the basis of individual discussion and agreement with each province.

2.3 Gender Responsiveness on Female Entrepreneurship in DDCI

DDCI is also built and developed in the direction to cover extremely important issues in the development process and in economic management and business administration. New contents and approach of DDCI have paid special attention to issues of gender equality, gender responsiveness, environment and social aspects, sustainable development and inclusive growth through the integration of these factors into the entire process of questionnaire survey, investigation, publication of results, planning and implementation of the action plan (Nguyen Quy Quyen & Pham Thi Hong Yen, 2017). DDCI raises awareness and concerns on issues such as gender equality, doing business with women, female entrepreneurs, environmental and
ecological issues in the development process, social issues, sustainable development, ethnic minorities, and vulnerable groups position. Going beyond the traditional approach, DDCI assesses the quality of economic management and business administration of local government agencies from these angles (Milica Maricic & Milica Kostic-Stankovic, 2016). By doing so, DDCI encourages local economic authorities to pay due attention to these issues, ensuring that local governments at the provincial and district levels will take action, specifically enough to ensure the harmony of gender equality, social and environmental issues in the process of local socio-economic development. This can be seen as the gender-responsive perspective that DDCI brings with regards to female entrepreneurs, instead of male entrepreneurs in a traditional view.

In this aspect, 12 indicators of general information of production situations and business prospects, 9 indicators of gender responsiveness through integrated questions and a system of 6 sub-indices and other indicators have been coined. The corresponding criteria for assessing gender responsiveness will be collected and analysed. In general, the main groups of contents that need to be addressed in relation to gender responsiveness in the DDCI are: (1) Characteristics of business establishments in terms of gender in department DDCI; (2) Assessment of the level of gender responsiveness in the quality of local management and administration as perceived by business owners; (3) Assessment of gender responsiveness in component indicators at department DDCI.

3 METHODOLOGY

To achieve the research objectives, the paper has used a number of suitable research methods, which are commonly applied in similar studies and research contexts in Vietnam, especially in remote areas, with rugged terrain, inconvenient traffic, and backward digital means. Nevertheless, it is better to look at the researched results with a comparative approach between the male and female relevant figures. Specifically, the methods taken are:

(1) Document study (Fang-Yi Lo et al., 2020): Legal documents related to SMEs and women-owned enterprises are reviewed and analysed by the members of the research group. Texts are compiled to review regulations on women-owned SMEs. Here, the authors are very interested in the content that mentions women in economically disadvantaged areas, but with particularly important geopolitical characteristics. The data used for the analysis are also extracted from the reports of the Department of Planning and Investment as well as the provincial Statistics Office with a special task of serving the assessment of DDCI.

(2) In-depth interviews and focus group discussions (Reinecke, J. et al., 2016): These are conducted to collect opinions from women-owned SMEs. In-depth interviews with officials of relevant departments and agencies have been conducted to compare with the results from the two methods used with local female business owners.

(3) Questionnaire survey (A Curnock, 1997): Statistical analysis is also used to characterise women-owned SMEs and to add empirical evidence to the claims that have been determined from the results of the interviews and group discussions. The questionnaire is designed according to the system of component evaluation criteria that have been pre-set in developing the DDCI. The survey sample of Lao Cai is 1,500. In which, the research team has synthesised (i) 1,000 opinions from business establishments (mainly individual business households, some enterprises and cooperatives) in the district-level DDCI and (ii) 500 comments from business owners, cooperatives, some individual business households in department DDCI. The survey sample of Son La is 1,300 with about 800 at the district level and 500 at the department level. Sampling in both Son La and Lao Cai has to maintain key principles in sampling, assessing and monitoring procedures, in which business households, enterprises, and
cooperatives are selected by the random sampling method to ensure the representativeness of sample chosen. However, the research team also found that it is necessary to ensure that business establishments have performed administrative procedures and used kinds of public services and have got a clear understanding of the evaluation process they are asked to respond.

(4) Some others: Structured observation and collective consultations from relevant agencies can also be taken (Duc, P. M., 2022). The contents of this paper are also selectively synthesised from the discussions in scientific seminars with respect to women-owned SMEs, women business associations, and clubs of local female entrepreneurs.

4 RESULTS AND DISCUSSION

4.1 Characteristics and Production/Business Situation of the Survey Samples in Department DDCI

With 500 enterprises/cooperatives participating in the DDCI survey of departments, agencies and sectors, DDCI Lao Cai is considered as an information channel that effectively reflects the voice of the business community/cooperatives in the province. The proportion of enterprises owned by women has accounted for 31.86%, and the remaining 68.14% are owned by men. This, in fact, proves that Lao Cai women have been actively contributing to local economic development. By ethnic group, the majority of male-owned enterprises/cooperatives are operated by the Kinh people (95%) while other ethnic groups account for merely 5%. This rate for women-owned enterprises/cooperatives is 79.87% with Kinh-rooted owners and 20.13% with other ethnic groups.

In terms of age, the majority of enterprises/cooperatives owned by both sexes are concentrated in middle-aged groups of 31-44 years old and 45-60 years old. However, under the age of 30, male-owned business owners/cooperatives (8.82%) are somewhat higher than that of the women (5.66%). Regarding the percentage of female members on the board of directors/management, there is a clear divergence in the two groups of female-owned and male-owned enterprises/cooperatives. While female-owned enterprises/cooperatives have a relatively high percentage of women at the highest positions of 45.28%. This rate in corresponding male-owned enterprises/cooperatives is only 4.41%. That is, with female-owned enterprises/cooperatives, the participation of women in management board is much higher than that of the male-owned.

![Figure 1: Percentage of enterprises/cooperatives owned by men/women in the period of 2019-2021, Lao Cai province](source)

**Source:** Lao Cai Statistical Office and Economica Vietnam (2022)
By labor size, the average number of employees in female-owned enterprises/cooperatives is 11.79 employees/enterprise, much lower than the ratio of 33.26 employees/enterprise in the male’s similar section. This illustrates that the size of female-owned enterprises/cooperatives are still smaller than those of male. However, the rate of workers with disabilities in female-owned enterprises is 0.21% (nearly 3 times higher than the same rate at the male-owned enterprises, 0.08%). In female-owned enterprises/cooperatives, the proportion of female employees is 51.15% while for the enterprises/cooperatives owned by men, this proportion only accounts for 37.39%. It can be seen that female-owned enterprises are playing a better role in creating jobs for female workers, and the workers with disabilities. It is their sense of corporate social responsibility.

With 500 enterprises/cooperatives taking part in the DDCI survey at departmental and sectoral levels, DDCI Son La has witnessed the proportion of enterprises owned by women of 28.01% (a little less than in Lao Cai province), while the remaining 71.99% are owned by men. In recent years, local authorities have strongly encouraged female-owned business models for the women in Son La to become an important development force in the economy. Women’s participation in business leadership, thereby, proves that the role of female entrepreneurs in the economy and society have been increasingly being affirmed. By ethnic group, the majority of female-owned enterprises/cooperatives are of the Kinh (85.82%), whereas other ethnic groups possess only 14.18%. This rate is also quite akin in the group of enterprises/cooperatives owned by men. In Son La, a small portion of enterprises/cooperatives owners are from ethnic minorities, especially in the group of male-owned ones, while the enterprises/cooperatives owned by ethnic minority women seem to be much more actively involved in local production and business.

In terms of age of the business owners, the majority of enterprises/cooperatives are governed by 31-44 years old and 45-60 years old. This is identical to the case of Lao Cai. However, at the age of under 30, female-owned enterprises/cooperatives (10.64%) are higher than those of men (6.59%), showing to some extent that an early women's active participation in the economy has been observed.

Regarding the percentage of female members in the management board of the enterprises/cooperatives, there is a clear disparity in the two groups, while the female-owned have a relatively high percentage of 35.84% but the male-owned enterprises/cooperatives is at only 3.85%. That is, the same situation has happened here with Son La province when with female-owned enterprises/cooperatives, the participation of women in the leadership is much higher than that of the corresponding male-owned.

![Figure 2: Proportion of enterprises/cooperatives owned by men/women in the period of 2019-2021, Son La province](image)

**Source:** Son La Statistical Office and Economica Vietnam (2022)
As for the number of employees, female-owned enterprises/cooperatives only employ 1,214 employees, whereas the male-owned have 16,575 working employees. Within that labour size, the average number of employees in female enterprises/cooperatives is 8.55 employees/enterprise, much lower than the rate of 45.41 in the male’s counterparts. This has revealed that the size of female-owned enterprises/cooperatives are still smaller than that of the male-owned. DDCI Son La in 2021 has conducted a survey of enterprises/cooperatives but has not recorded any case of disabled workers participating in the production force. This reflects the fact that workers with disabilities still face many difficulties while having few opportunities to be recruited with enterprises/cooperatives here whether they are under male’s or female’s ownership. Moreover, in female-owned enterprises/cooperatives, the ratio of female employees accounts for 45.39%. As for the male-owned enterprises/cooperatives, this portion has only reached 35.06%. It can be seen that the percentage of female employees in female-owned enterprises/cooperatives is much higher than in male-owned ones, indicating that women’s enterprises/cooperatives still continue to create more jobs for female workers.

In Lao Cai, based on the time of establishment, there is not much difference between female-owned and male-owned enterprises/cooperatives in the DDCI 2021 survey. While the majority of enterprises/co-operatives which are owned and run by women (74.68%) have been formed within the last 10 years, this rate in the male-owned is 65.19%. Regarding the level of industry concentration, the survey results show quite resemblance in both groups of the enterprises/cooperatives with the majority of in the field of trade - services, followed by industry - construction, agriculture, forestry, fisheries and tourism. In terms of the female-owned alone, the proportion of enterprises/cooperatives operating mostly in the trade - service sector accounts for 76.73%, industry - construction for 18.24 %, agriculture, forestry and fishery for 3.14% and 1.89% for tourism. Meanwhile, only 67.06% of enterprises/cooperatives owned by men are engaged in the field of trade - services, 25.88% in industry - construction, 5% in agriculture, forestry, fisheries and 2.06% in doing tourism. In terms of annual revenue, male/female-owned enterprises/cooperatives are mostly of less than one billion Dong (47.17% for women-owned and 30.88% for men-owned). The proportion of enterprises/cooperatives with a larger turnover of over 10 billion is 17.61% for women and 24.71% for men (n.b. 1 billion VND is equivalent to about 42,000 USD). This has shown that the size of female-owned enterprises/cooperatives is, in fact, normally smaller than that of male.

Regarding the production and business situation, 35.22% of female-owned enterprises/cooperatives have reported profits, not much different to the rate of 35.29% of enterprises/cooperatives with male domination; 15.72% of the female-owned and 14.71% of the male-owned are at their break-even. On the contrary, the rate of enterprises/cooperatives suffering from losses is very high (nearly 50%) for both sexes’ ownership. This is a big challenge for Lao Cai in the post-Covid-19 pandemic era, while being asked to give assessment to the business prospects in the next 1 to 2 years, both groups want to maintain the current business scale (63.61% for men and 64.15% for women). In general, both male and female-owned enterprises/cooperatives are quite cautious in their decision to expand their business in the time to come.

In Son La, based on the time of establishment, the majority of female-owned enterprises/cooperatives (65.25%) have been established within the last 10 years, while just over a half of the male-owned have been formed during this period of time. The male-owned that have been in operation for more than 10 years account for more than 40%, which is higher than 34.04% of the female’s counterparts. However, it is undeniable that in recent years, the active participation of women entrepreneurs in the local economy has been increasingly promoted, showing the passion for business and the desire of women to assert themselves in this province. Regarding the level of industry concentration, the survey results show a similarity in both groups of enterprises/cooperatives when the majority are in the field of trade - services,
followed by industry - construction, agriculture, forestry, fisheries and tourism. In terms of female-owned enterprises/cooperatives alone, the ratio of enterprises/cooperatives operating mostly in the trade - service sector has been up to 84.4%, industry - construction of 10.64 %, agriculture, forestry and fishery of 3.55% and tourism of 1.42%. Meanwhile, there are 53.33% of enterprises/cooperatives owned by men in the field of trade - service, nearly 34% in industry - construction, 10% in agriculture, forestry, fisheries and 2.5% in tourism. Thus, the female-owned enterprises/cooperatives still mainly focus on the trade - service group, but there are still many advantages for men in such industry and construction traditional fields of businesses. In terms of revenue, most of the enterprises/cooperatives have annual revenue of less than one billion Dong (47.06% for women and 32.31% for men). The enterprises/cooperatives with a larger turnover of over 10 billion have a portion of 25.73% for women and 38.16% for men. This may be partly because the business size of female-owned enterprises/cooperatives is still more humble.

The impacts of the global epidemic have turned out to be a common difficulty that many enterprises/cooperatives have to share and overcome. But with durable efforts, enterprises/cooperatives of both gender groups in Son La have achieved quite a good level of business, though compared to previous two-year time it is still worse. Specifically, the survey shows that 60.87% of female-owned enterprises/cooperatives have reported profit, only a little lower than 61.08% of the male-owned. The breakeven rate has also been obtained in 14.49% of female-owned enterprises/cooperatives and 12.5% of the male-owned. But 24.64% of the former have lost in their businesses, while the latter is even higher than 26.42%. Being asked to give comments on the business outlook for the next 1 or 2 years, both groups want to maintain the current business scale (67.12% for men and 71.83% for women). It can be seen that although the proportion of female-owned enterprises/cooperatives being negatively affected is lower than that of the male-owned, they are still quite cautious in expanding their scale of businesses after the Covid-19 epidemic.

4.2 Assessment of the Level of Gender Responsiveness in the Quality of Local Government’s Management and Administration, as Perceived by Business Owners

For Lao Cai, from the perspective of enterprises/cooperatives, which are specifically owned by women, ethnic minorities, and disadvantaged people, regarding activities of economic management (e.g. focus on listening to the opinions/problems of women and disadvantaged groups (people with disabilities, people in the remote and poor areas of the country), the governmental authorities need to do things to support those entities to improve their business capacity, to get adequate and equal access to information/market/capital. This idea has been highly appreciated by a large proportion of enterprises/cooperatives in both gender groups (over 97%-98%, which has been relatively stable over 3 years of evaluation), but there is a slight difference between men and women when the approval rate of men is higher than that of women.

Positive comments on the effectiveness of the provincial departments’ reforms to reduce time and costs for businesses, and to ensure that women and disadvantaged groups (the poor, disabled, ethnic minorities, etc.) have equal access to public services, being safe when performing administrative procedures at the local governmental offices, have been made by both groups of enterprises/cooperatives. The survey results show that the proportion of 91.46% of the male-owned enterprises/cooperatives has rated this cutdown. This is higher than that of the female-owned (87.28%). Meanwhile, there are still 12.72% of enterprises/cooperatives (female-owned) who think that there is little effectiveness in trying to reduce the cost and time of implementing administrative procedures, this rate is 8.54% in male-owned ones. This implies that female-owned enterprises/cooperatives have not yet seen the clear impacts of reforms in
helping bring about access economical, efficient and safe public services for disadvantaged groups, compared to the men-owned.

Figure 3: Focus on business establishments of women, ethnic minorities, and disadvantaged groups in economic management and business administration activities, Lao Cai province

Source: Lao Cai Statistical Office and Economica Vietnam (2022)

The integration of contents on inclusive growth (gender, ethnic minorities, and society) in the process of implementing legal documents and plans has been one of the criteria for assessing socio-economic development of a region. The survey results have made it clear that both groups largely agree with the factual integration in the province with the rate of 89.49% (higher than the rate of 78.68% in 2020). However, there is a slight difference between the sexes, while the percentage of ‘agree/strongly agree’ in male-owned enterprises/cooperatives (90.26%) is higher than that of the female-owned (88.14%).

Regarding the support in case of difficulties/barriers for businesswomen, ethnic minorities, and the disabled, concerning qualifications, communication and language ability, level of information technology applications, 89.83% of females strongly agree with this support, while males take it at 87.30%. About the assessment of the facts that the leaders of provincial departments have facilitated and encouraged the participation of women in policy dialogues within the framework of the law, both have quite agreed with a high consensus rate of 88.55% in females at 7.87 points and 91.25% in males, scored 8.08 points. About equal treatment and opportunities to access information between male and female-owned enterprises/cooperatives, both groups have reported that they have not been treated discriminatorily by agencies. However, the rate of ‘agree/totally agree’ among women was 89.41%, lower than that of men (91.46%). Going into details on the scores of the departments and sectors, it is easy to see that the scores of most of them have fairly balanced between men and women respondents, except for the Department of Planning and Investment, Department of Natural Resources and Environment, Department of Science and Technology, Market Management Department and the provincial State Bank. In general, the leadership of departments and agencies has been proactive, showing interests in ethnic minorities, gender equality, female entrepreneurs, and assisting female businesses to participate equally in the process of formulating and implementing regional policies, programs and plans.

Another indicator is related to promoting and continuously improving the role and dynamism of female leaders in the process of economic management and business administration (e.g., focusing on training, improving professional skills, leadership skills, creating conditions for women to balance their work-life-family relationship) in provincial
departments. This has achieved 87.28% ‘agree/strongly agree’ by women-owned enterprises/cooperatives. The rate is higher among the men-owned ones at 90.68%. The Department of Natural Resources and Environment, the Department of Industry and Trade and the Department of Justice should note that this indicator has a lot of difference between the assessment of male and female entrepreneurs.

For Son La, from the perspective of enterprises/cooperatives, which are specifically owned by women, ethnic minorities, and disadvantaged people, regarding activities of economic management, the governmental authorities also need to do things to support those entities to improve their business capacity, to get adequate and equal access to information/market/capital. This idea has been highly recognized and supported by a large portion of enterprises/cooperatives in both gender groups. However, male respondents are with a higher rate (86.03%) than that of the female ones (78.17%). This result shows that women-owned enterprises/cooperatives still expect more from the local government’s policies.

Positive comments on the effectiveness of the provincial departments’ reforms to reduce time and costs for businesses, and to ensure that women and disadvantaged groups have equal access to public services, being safe when performing administrative procedures at the local governmental offices, have also been made by both groups of enterprises/cooperatives. The survey results show that a high proportion of male-owned enterprises/cooperatives (81.67%) has rated this cutdown, higher than that of the female-owned (78.77%). Meanwhile, there are still 20.28% of enterprises/cooperatives (female-owned) who think that there is little effectiveness in trying to reduce the cost and time of implementing administrative procedures, this rate is 17.17% in male-owned ones. Only about 1% of the enterprises/cooperatives in both groups think that these reforms have increased the cost and time of the administrative procedures. The above figures have posed a quite high rate of little confidence and trust in the reforms of the provincial departments. This requires careful consideration from those organizations’ leaders.

As for the integration of contents on inclusive growth, the survey results have revealed that both groups have largely agreed with this, while the rate of ‘agree/strongly agree’ of male-owned enterprises/cooperatives is so high (90.16%), a little more than that of the females’ ones (83.1%). Again, this implies that males have more information than females on the programs.

Regarding the support in case of difficulties/barriers for businesswomen, ethnic minorities, and the disabled, 82.63% of female-owned enterprises/cooperatives strongly agree with this support while this rate in the male-owned is higher with 91.84%. The score of this indicator also reflects quite clearly the difference in perception when males rate higher with the average score of 8.16 points while women only give a good score of 7.79 points. About the assessment of the facts that the leaders of provincial departments have facilitated and encouraged the participation of women in policy dialogues within the framework of the law, both have quite agreed with a high consensus rate of 83.41% in females at 7.88 points and 90.49% in males, scored 8.29 points. However, it can also be easily noted that most of the indicators related to the level of gender responsiveness of the enterprises/cooperatives are rated higher by men than women, partly reflecting the fact that women's organizations currently do not have access to as much information on policies related to sustainable development and inclusive growth as men's.
Both groups have also reported that they were treated equally by governmental agencies. This is clearly shown when the consensus rate in enterprises/cooperatives is 86.32% for women and 89.46% for men. The score of this indicator is rated at a good level of over 8 points with 8.15 points assessed by males, higher than 8.01 points by females. However, going into more specific details on the scores of the Departments, it is easy to see that the scores of most departments are higher for men than women, especially in some agencies such as the State Bank, Public Security, and Electricity.

Indicators related to leadership, in which the local government has played an important role in the implementation of programs to support and encourage the participation of women and disadvantaged groups in production and business activities, have all received the support from the majority of enterprises/cooperatives in both gender groups. In particular, the leaders of departments and agencies have actively paid attention to ethnic minorities, gender equality, female entrepreneurs, and have encouraged female enterprises to participate equally in their process of formulating and implementing policies, programs, and plans. This has been highly approved by 89.87% of male-owned enterprises/cooperatives, but is slightly lower for females at 82.16%. With such a good assessment, the score of this indicator is truly positive when the male-owned have rated 8.26 points and the females have given it at a very close score (7.99 points), showing that the care which has been taken by the leaders of the governmental department to the vulnerable groups in the locality has received good feedback. Another indicator relates to the promotion and continuous improvement that the governmental departments bring to the role and dynamism of female leaders in the process of economic management and business administration. This indicator has received 83.57% of female-owned enterprises/cooperatives at ‘agree/strongly agree’ option, while a higher rate is found with the male-owned at 90.04%. The score of this has become higher than the previous years with rating of 7.92 points (females) and of 8.3 points (males).

4.3 Assessing Gender Responsiveness in the Component Indicators of Department DDCI

If compared at the local level, the component indicators have similar scores according to the assessment of men and women; then at the departmental level, there has been some differences in the evaluation of the two sexes.
In Lao Cai, the assessment of male-owned enterprises/cooperatives in 2021 is more positive than that of the female groups when the average score of the male-owned is 8.11 points, higher than the average score of 7.96 points of the females. Therefore, the provincial departments and agencies should prioritize and pay attention to creating conditions for women to own their businesses, and to carry out administrative procedures in a transparent and convenient business environment.

![Figure 5: Rankings of Department DDCI by female entrepreneurs, Lao Cai province](image)

**Source:** Lao Cai Statistical Office and Economica Vietnam (2022)

Analysing the component indicators more thoroughly, the informal costs and efficiency in the implementation of legal documents, master plans, and plans, assessed by men and women's enterprises/cooperatives all scored good points out of 8. For all indicators, the evaluation of male business owners is higher than that of women. Remarkably, information transparency and fair treatment are the indicators with the highest score disparity.

In Son La, the rating of male-owned enterprises/cooperatives in 2021 is more positive than that of the female group when the average score of the male-owned is 8.23 points, higher than the average score of 7.93 points of the females. Within that context, the Department of Education and Training has received positive reviews from both sexes. The Departments of Culture, Sports and Tourism, the Departments of Agriculture and Rural Development, and the Departments of Planning and Investment have all had scores in the “good” evaluation levels, though there is still a slight difference in judgement between the sexes.

Meanwhile, the State Bank should pay more attention to the business environment according to women's assessment. Analysing more with the component indicators, all 6 sub-indexes have been rated by male-owned enterprises/cooperatives at well above 8 points, higher than those of the female respondents. On the part of the females’ judgement on the sub-indices, though the scores are lower, they are very close to the positive level. Among the 6 sub-indices is an informal cost index, which has been rated as good out of 8 points. In both sexes’ responses, the component indicators have been evaluated quite well, concerning informal costs, policy implementation, legal documents and quality of public services.
Besides, the group of sub-indexes that need to be improved in the near future includes authorities’ support for production, business and enterprises, and dynamism and accountability of leaders. Especially, the component indicators that have a noted difference in the assessment by these two groups, such as informal costs and quality of public services, really need to be concentrated on by the corresponding departments, agencies and sectors. Below are the judgment results on the 6 respective sub-indices.

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**Figure 6:** Rankings of Department DDCI by male entrepreneurs, Lao Cai province  
**Source:** Lao Cai Statistical Office and Economica Vietnam (2022)

**Figure 7:** Rankings of Department DDCI by female entrepreneurs, Son La province  
**Source:** Son La Statistical Office and Economica Vietnam (2022)

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4.3.1 Effective implementation of legal documents, master plans and plans

As for Lao Cai, the effectiveness of the implementation of policies and legal documents has a score of 8.21 in the assessment of male respondents and 8.05 in the assessment of females. In which, the departments that have a less positive judgement of women are the Customs Department, Social Insurance, Department of Education and Training, Department of Health Service, Department of Justice, Market Management Department and the provincial State Bank. The Bank is the unit that has many positive improvements in 2021 though.

As for Son La, the survey results in 2021 have been of many improvement compared to previous years, mostly reaching a good score of over 8 points. Judging on the quality and effectiveness indicators of supporting policies, programs, initiatives, and plans by the departments, a large number of enterprises/cooperatives of both genders have rated it as quite good at respective points of 73.11% and 77.04% with female and male respondents. However, it should also be noted that there is still about 1% of the enterprises/cooperatives in the two gender groups who consider the implementation ineffective. On a 10-point scale, the score for this indicator is 7.96 points (males) and 7.65 points (females). Among which, the group of departments and sectors that female-owned enterprises/cooperatives urge to improve are the State Bank, Department of Construction, and the Public Security.

![Figure 8: Rankings of Department DDCI by male entrepreneurs, Son La province](image)

Source: Son La Statistical Office and Economica Vietnam (2022)

4.3.2 Public service quality

As for Lao Cai, when being asked about the level of satisfaction with public services, there has been a disparity according to women's assessment (7.94 points) and men’s (8.02 points). This becomes more evident when analyzing the scores of each department. In general, in the roadmap for reforming the quality of public services in Lao Cai province, the female-owned enterprises/cooperatives have not been given equal attention as the males’ ones.
As for Son La, about the level of satisfaction with public services, 87.85% of male-owned enterprises/cooperatives have been quite satisfied, whereas this rate is lower in the female group at 82.63%. In terms of the scores, the males have rated it quite well at 8.3 points, while the females’ score is only 7.89 points. Especially, the following departments need to improve their quality of services to better serve the female-owned enterprises/cooperatives. They are the Taxation Department, Department of Construction, and the State Bank.

4.3.3 Transparency and fair treatment

As for Lao Cai, this indicator has been rated differently according to the assessment of men and women. Accordingly, the males have scored 7.85 points, while the females have only marked 7.67 points on average for the provincial departments and agencies. The variation in scores also partly shows signs of less equality in terms of information access and procedural treatment between the sexes. The units with high disparity are the Department of Industry and Trade, the Department of Science and Technology, the Department of Justice, and the provincial State Bank. In proportion, 80.85% of female-owned enterprises/cooperatives and 82.14% of the males’ ones have admitted that information is easy to access. However, there are still a number of enterprises/cooperatives consider it difficult to access (2.13% for women and 1.39% for men). This, on the other side, shows that access to information for women is somewhat more difficult than that of men.

As for Son La, most enterprises/cooperatives in both gender groups have found it easily accessible, 82.63% of female-owned enterprises/cooperatives and 81.53% of the males. Even so, there are still some enterprises/cooperatives that consider it difficult to access (0.94% for women and 1.83% for men). The scores of these two groups are not too different and are quite close to the good score (7.84 points by the females and 7.99 points by the males), showing that there is not much distinction between the two.

4.3.4 The dynamism and accountability of leaders of the departments

As for Lao Cai, the overall average score for this component is 7.77 points with female owners and 7.92 points with male owners. The Department of Planning and Investment, the Department of Natural Resources and Environment, and the Department of Science and Technology are the units that still have a large score difference when studying this component index (the score is rated lower by women than men). Regarding the statement "Leaders of departments have actively and proactively implemented initiatives and programs to improve the quality of management, administration and quality of public services", 66.52% of the female respondents think that the leadership has many initiatives and 70.04% of the males share the same thought. The enterprise community here has acknowledged the significant reform efforts to improve the business environment by the departments, agencies and sectors, but there is still an ongoing needs to continue with new initiatives that focus on disadvantaged groups, and women in doing business. Especially in some units, there is still a high difference in evaluation such as Social Insurance, Department of Industry and Trade, and Department of Education and Training.

As for Son La, regarding the aforementioned statement, 69.81% of female respondents think that the leadership has a lot of initiatives, but it is still lower than that of the male respondents with the same opinion (76.87%). In addition, there are also many female-owned enterprises/cooperatives (accounting for 4.25%) that assess that there are quite a few new programs and initiatives from the leadership, compared to the male group (1.67%). This has led to the score of only 7.65 points with females, lower than that of 7.87 points by the male counterparts. But compared to the previous years, these scores have improved in both gender
groups. This implies that there is still an ongoing need to continue with new initiatives that focus on disadvantaged groups, and the women who are doing businesses, especially at the Department of Transport, Department of Construction, Department of Justice, and Social Insurance.

4.3.5 Informal expenses

As for Lao Cai, informal costs have an overall average score of 8.73 points per males’ judgement. Meanwhile, the rating of women is 8.56 points. In general, there is a difference in scores in some departments such as the Customs Department, the Department of Industry and Trade, the Department of Education and Training, the Department of Health Services, the Department of Justice and the Market Management Department, figuring out some hidden expenses. Informal costs paid by enterprises/cooperatives are higher among women than men. Considering the popularity of this expense when enterprises carry out administrative procedures and work with departments and/or agencies, the majority of enterprises/cooperatives still believe that informal costs still exist. The rate done by female respondents is 41.53%, while by males it is 49.01%. However, 0.79% of male-owned enterprises/cooperatives consider this to be the implicit default requirement, while this rate among women is 1.69% (nearly twice as high), resulting in a lower score for informal expenditure indicators. This implies that although informal costs tend to decrease due to the rise in transparency, it seems that women-owned enterprises/cooperatives still have to pay more informal fees while working with state agencies than the male counterparts.

As for Son La, most enterprises/cooperatives have admitted that there is little or even no informal costs. Specifically, 82.16% of female-owned enterprises/cooperatives believe that there are some cases or none at all, while the corresponding male-owned enterprises/cooperatives’ is 88.33%. On the other hand, up to 8.92% of the females said that informal payments were still quite common for them while this rate was recorded at only 3.17% with males. The difference is also clearly shown in the scores when female-owned enterprises/cooperatives rate this indicator as 8.15 points, lower than that of 8.7 points with the males’ ones. Although informal costs tend to decrease, it seems that women owners have to pay more informal fees when working with state departments and/or agencies than men business owners. This rate is still remarkably high in some departments such as Department of Justice, Department of Science and Technology, provincial State Bank, and Department of Construction.

4.3.6 Enterprise support

As for Lao Cai, enterprise support has not been highly appreciated by both genders, with a score of 7.77 points and 7.91 points for female and male respondents respectively. According to the assessment, the Department of Science and Technology, the provincial State Bank are the units with a high score gap between the two sexes (the scores assessed by women are lower than those by men). Analysing further with the impact of support activities for enterprises/cooperatives on the production and business performance, male-owned enterprises/cooperatives show that they have not seen much favourable policies in assisting their businesses. For women's enterprises/cooperatives, departments, agencies and sectors which need more active support measures are the Department of Industry and Trade, the Department of Information and Communication, and the Department of Justice.

As for Son La, this index has witnessed an improvement in comparison with the previous years, but it has not received much attention at the provincial level. Analysing further, the judgments of the two groups of enterprises/cooperatives are quite similar, up to 71.83% of
females and 73.04% of males have agreed on the assistances that help their activities quite a lot. Correspondingly, the score of female-owned enterprises/cooperatives is 7.57 points, and the score of the male-owned is 7.72 points. In which, for women’s enterprises/cooperatives, departments, agencies and sectors which need more active support measures are the provincial State Bank, the Department of Construction, and the Department of Health Services.

5 CONCLUSION

Due to the global Covid-19 pandemic, the production and business activities of enterprises in Lao Cai and Son La provinces have been greatly affected. Although economic growth is still being maintained, the socio-economic indicators are still low. Moreover, the impacts on women-owned SMEs in these areas are very serious. This fact affects the viability of business models, the sustainable development of enterprises, and in the immediate future, the prospects for recovery of businesses that are owned and led by women, who have suffered from many disadvantages in work and life. Survey data also shows that more than 60% of enterprises in these two regions think that they will continue to do business with their current scale, and about more than 20% commit to expand their business a little to seize the opportunities of the post-epidemic ‘new normal’. Although there exists the percentage of businesses intending to reduce the size of their operations or even to suspend their business close to 10%, but we all hope that these intentions are only temporary for the female businesses.

This study has shown the actual level of gender responsiveness in the index measuring the competitiveness of localities, especially with the unique circumstances of Vietnam. Therefore, the contributions made are the step-by-step verification of a model for assessing the intrinsic strength of the regional economies, incorporating a gender perspective in sustainable development. This is an input for more effective government policy ideas in all countries, taking into account issues related to women. However, the study still has limitations as the number of tested samples is still in the northern mountainous area of Vietnam within a period of 3-4 years. Further studies with a larger survey scale, wider scope, and longer duration will contribute to an objective assessment and more accurate views on the issue of gender responsiveness in the measurement indicators like DDCI.

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