

Abstract

This study analyses the dynamism and its characteristics of small enterprises in the province of Thua Thien Hue, central part of Vietnam. It focuses on the analysis of the growing and the surviving enterprises during period 1995-2002. It turns out that among a cohort of enterprises resurveyed, 105 enterprises have been closed down, 50 enterprises were declined, 9 enterprises were stagnated, and 46 enterprises were growing in 2002. The dynamism of the small enterprises has shown in the transformations of their ownership forms, economic sectors, major characteristics of the owners/managers, economic performance and their linkages to the markets as well as the inter-firm linkages. The typical entrepreneurs representing the survival enterprises are male, between 41 to 60 years old with primary and secondary educational background and past experiences as a farmer and worker in other economic activities. On the other hand, the typical entrepreneurs representing the fast growing enterprises are male, between 31 to 50 years old with secondary and high school educational background and previous experiences as framers and workers in the other economic activities. The study also shows that the small enterprises are less likely to survive in the urban areas than in the rural ones. The younger the owners/managers, the better the survival enterprises are found in this study. The educational background of owners/managers has inverse relation and insignificant to the survival enterprises. The past experience of the entrepreneurs has a positive and significant impact on the survival of the small enterprises. The scale of enterprises measured by total capital has a positive and significant relation to the enterprises survival.