

**STARTING A BUSINESS FOR VIETNAMESE YOUTH FROM THE
ACTIVITIES OF THE HO CHI MINH COMMUNIST YOUTH UNION,
HANOI, VIETNAM**

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ABSTRACT

Over the past time, many young Vietnamese have started their careers, especially after the Covid-19 epidemic. The Ho Chi Minh City Communist Youth Union is a socio-political organization belonging to the political system of Vietnam. The goal of this organization is to raise awareness, aspiration to start a business, develop the start-up capacity of young people in the capital, support young people to start a business, develop the country on the basis of science, technology, innovation and digital transformation. This article analyzes the main activities of the Ho Chi Minh Communist Youth Union in Hanoi in the process of supporting Hanoi youth to start a business.

Keywords: Youth, entrepreneurship, Ho Chi Minh Communist Youth Union, digital transformation, Hanoi, Vietnam

1. Introduction

The Ho Chi Minh Communist Youth Union is a socio-political organization of Vietnamese youth founded, led and trained by the Communist Party of Vietnam and President Ho Chi Minh. The delegation consists of advanced youths, striving for the Party's goals and ideals of national independence associated with socialism, rich people, strong countries, democracy, justice and civilization.

Built, trained and matured through the periods of revolutionary struggle, the Delegation has gathered a large number of young people to promote revolutionary heroism, make excellent contributions to the cause of national liberation, national unification, construction and defense of

the Fatherland. Entering a new period, the delegation continues to promote the precious traditions of the nation and its good nature, building a generation of Vietnamese youth rich in patriotism and national self-reliance; steadfast in the ideals of national independence and socialism; have revolutionary ethics, a sense of law enforcement, live culturally, for the community; have capacity and bravery in international integration; have health, knowledge, skills and industrial manners in collective labor, become good citizens of the country; shocking, creatively mastering advanced science and technology, rising to the level of the times. The Ho Chi Minh Communist Youth Union faithfully and excellently succeeded the glorious revolutionary cause of the Party and President Ho Chi Minh; regularly adding young forces to the Party; organize the mobilization of union members and youth nationwide to take the lead in the cause of industrialization, modernization of the country, international integration and defense of the socialist Fatherland of Vietnam.

In Vietnam today, the number of individual investors who are interested as well as have enough experience and knowledge to invest in technology startups is limited. Some difficulties in the policy environment, such as the lack of regulations on surplus income tax, also make investors less interested in investing in venture capital for innovative start-ups. About the capacity of startups themselves: In general, the start-up capacity of young people is not high, especially in innovative businesses. Many young people are unable to coherently present their business ventures. They are still too focused on their ideas and do not understand about developing an effective business model. The training and support to improve start-up capacity has been available but is still fragmented and has not met the needs of businesses.

About entrepreneurship training activities: Short-term training programs have been implemented but mainly stop at the level of "training", providing basic knowledge in entrepreneurship and corporate governance. There are no intensive training courses, especially start-up skills training. About consulting, supporting and incubation activities: Young people who want to start a business often look to friends, even search for the above information themselves, some look to the Union and Association. However, it is often difficult to meet the needs of young people because each young person requires a field, while the basic knowledge of business and entrepreneurship of the staff of the Union and the Association is still very limited. Units and organizations capable of meeting the support needs of startups are units, incubators and business promotion organizations. However, in Vietnam, the number of effective units is not much. Private incubators are usually only interested in the field of information technology. Even in recent times, there are many organizations that put names like state funds to consult, exchange with start-up youths, sign cooperation with provinces and cities on start-up support, causing information about start-up support to be transmitted incorrectly. Regarding the connection of components of the startup ecosystem: Although developing rapidly, most startup activities in

Vietnam still take place spontaneously, without a system and close connection, even suggesting that many activities and events are only momentary, has not really helped the activities of startups. Young people are using the system of elements in the "startup ecosystem" to be able to easily access and find accurate information. Especially among rural youth, young entrepreneurs and students in universities need elements in the startup ecosystem to be implemented in the most accessible way, thorough advice and even detailed instructions to be able to start a business. It is for the reasons mentioned above, the development of the Youth Start-up Project to support young people to start a business, building support elements and connecting resources to support youth such as capital, finance to capacity support, material and technical facilities and legal environment so that young people can go from the first idea steps for Until they become strong enterprises, it is necessary to renew the economic, scientific and technological picture of the country.

2. Methodology

The main method in this article is that the author team conducts an overview of secondary literature for analysis on the topic of the article. Vietnam's business environment in recent years has changed significantly, continuing to attract domestic and foreign investment, contributing to maintaining macroeconomic stability and creating jobs for millions of workers each year despite fluctuations in the world economy and internal challenges.

The entrepreneurial spirit and entrepreneurial bravery have contributed to promoting the flourishing business environment in Vietnam. Recently, "Startup" is one of the phrases mentioned a lot among young people and society. According to the recently released AGER survey report in 45 countries with 50,861 people aged 14 and over, Vietnam ranks first in the world in the Entrepreneurship Index (AESI) and 2nd in positive attitudes towards startups.

Specifically, 91% of Vietnamese respondents said they consider starting a new business as a desirable career opportunity. 95% have a positive attitude to the spirit of entrepreneurship and mastery. At the same time, 96% said they were completely comfortable with finding and attracting potential customers. In addition, 76% answered that the reason for starting a business is "to be independent in business and self-reliant in their business.

The report on Vietnam's start-up index in 2017-2018 conducted by VCCI showed the following results: - Awareness of startup opportunities for adults has decreased from 56.7% in 2015 to 46.4% in 2017 but still increased compared to 36.8% in 2013 and 39.4% in 2014. However, the business awareness rate in Vietnam in 2017 was still higher than the average in countries in the Asia-Pacific region in 2017 of 44.2%.

In terms of business ability, the number of self-assessed adults with the knowledge, skills and experience needed to start a business in Vietnam according to the survey tends to decrease from 58.2% in 2014 to 56.8% in 2015 and to 53% in 2017. Vietnam ranked 19th out of 54 economies in terms of business awareness in 2017, this rate of Vietnam is still higher than other countries in the region such as Thailand 48.9% and Malaysia 46.1%. Report at the Young Entrepreneurs Forum 2017 organized by Technische Universitat Munchen (TUM) and market research company GfK.

Vietnam's fear of startup failure index in 2017 rose slightly to 46.6% after falling sharply from 56.7% in 2013 to 50.1% in 2014 and 45.6% in 2015. This shows that the Government's efforts to improve the business environment in recent years have regained the trust of business people. According to the report, in Vietnam, the proportion of people intending to start a business has tended to increase since 2014 and reached 25% in 2017, ranking 19th out of 54 economies, which means that 01 in 04 people intend to start a business within the next 03 years in Vietnam. This is one of the important factors to realize the goal of having one million businesses operating by 2020 according to the Government's Resolution 35/NQ-CP. Thus, start-up activities in Vietnam have been organized and maintained for more than 10 years. However, these startup programs only focus on a few activities such as entrepreneurship, innovative startups and focus on some key areas. New start-up activities have only attracted a very small number of young people to participate (according to statistics of the Ministry of Science and Technology in 2017, the country has about 3,000 innovative start-up projects in recent years compared to about 25 million Vietnamese young people at home and abroad).

The Government has approved and created favorable conditions for the Project "Building an innovative start-up ecosystem" to be implemented, approving the Project "Supporting women to start a business" and the Project "Supporting students to start a business". Decrees guiding the implementation of the Law on Support for Small and Medium Enterprises and decrees on investment in start-up activities were also promulgated. This shows that the environment for Vietnamese people in general and young people in particular to start a business is increasingly favorable. Therefore, with the task of protecting the legitimate rights and interests of youths, the Ho Chi Minh Youth Union needs to have many solutions to participate in consulting, supporting young people in economic work, accompanying young people in starting a business and starting a business. On the one hand, helping young people master professional knowledge in economics, enhancing the exchange of experiences in starting a business, managing and operating a business that creates many jobs for society.

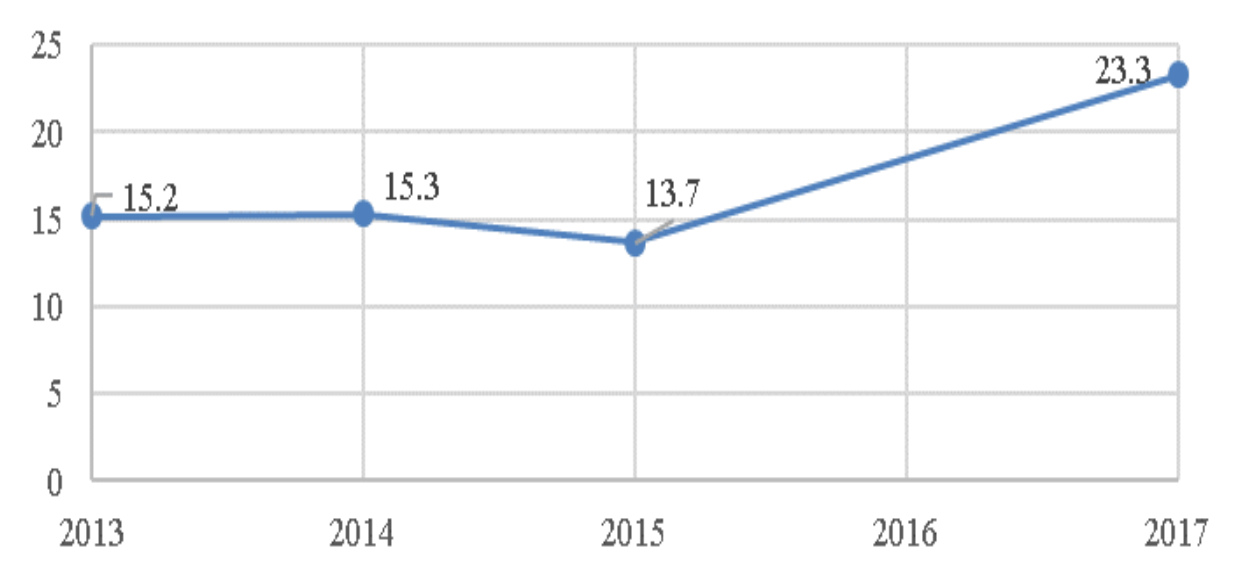
3. Result

Raising awareness of union officials at all levels and young people about entrepreneurship; diversification of forms of communication about startups. Every year, the Central Government organizes training for the cadres of the provincial and city-level specialized associations to support young people to start a business; provinces and delegations organize training for district and grassroots officials and assign specialized teams to support start-ups. Build a Bookcase for Youth Start-ups to provide information on start-up knowledge for union officials, union members and youth. Continuing to coordinate with Vietnam Television to implement the program "Start-up country" on the program of building specialized pages and sections in the newspapers of the Delegation, the Association introduces typical youth start-up examples, effective business models of young people, thereby contributing to encouragement, encourage young people to emulate entrepreneurship, entrepreneurship, raise society's awareness of entrepreneurship and innovation.- Propagating entrepreneurship activities, encouraging the start-up movement among young people on mass media and social networks.

Organizing seminars and dialogues between the government and businesses and young people; organizing exchanges between young people and successful entrepreneurs; talk on entrepreneurship among young people. Organize youth startup journeys once a year to travel to provinces and cities nationwide to conduct startup investor agreements and startup forums. Develop evaluation criteria and voting channels for successful startups. Regular monthly honors of typical startups. Honoring individuals and organizations in supporting young people to start a business.

Every year, the organization commends typical young entrepreneurs and organizations honor outstanding startup consultants. Find, develop and support innovative start-up ideas among young people into practice, form databases and develop startup ecosystems among youth. Organizing the contest "Creative ideas for entrepreneurship" among young people and students (continuous organization; periodic appraisal, screening and support for idea completion). Building and creating an environment and opportunities for ideas to be expressed and realized Building start-up youth communities in the fields of exchange, exchange, learn and support each other to perfect ideas and products. Connecting startup ideas with potential investors; organize a startup idea exchange (regularly connect information, publish on the investment floor to "auction", introduce and connect startup "addresses"; reflect the results of the nationwide youth startup program; ensure the functions of the exchange and start-up investment in accordance with regulations).

Figure 1: The rate of business activities at the start-up stage in Vietnam

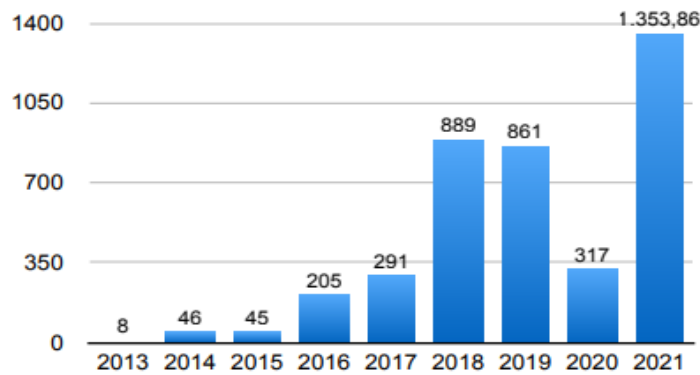


Source: Vietnam Startup Index Report 2017/2018, (<https://vcci.com.vn/>)

Establish a network of links between agencies, organizations, enterprises, training institutions, research institutes, experts ... through the establishment of an expert advisory council to support young people to start a business. Guiding the establishment of "Startup Youth Incubator" models at the provincial and city levels. The Central Delegation piloted the model of "Startup Youth Incubator" and linked the network of start-up incubators in the country to create system strength, introduce the strengths of start-up youth support models to start-up youth to actively seek support.

Establish start-up clubs in universities and colleges, especially business and technical training schools. Consulting, training, supporting information, knowledge and skills for start-up youths, officials of the delegation in charge of start-up work - Promote the operation of the network of startup consultants on the website of the Union, the Association, focusing on the St. Giong Knowledge Portal.- Building a direct connection system from youth support centers to young people start-up year, monthly statistics on the number of young people in need of support, the content in need of support and the number of young people who have been supported during the month. At the same time, create an effective channel to contribute to the commercialization of startup ideas: introduce and bring startup ideas to investors; valuing startup ideas into value. Effectively operate and promote the Youth Start-up Company to perform well the function of consulting, supporting and connecting young people and the startup community.

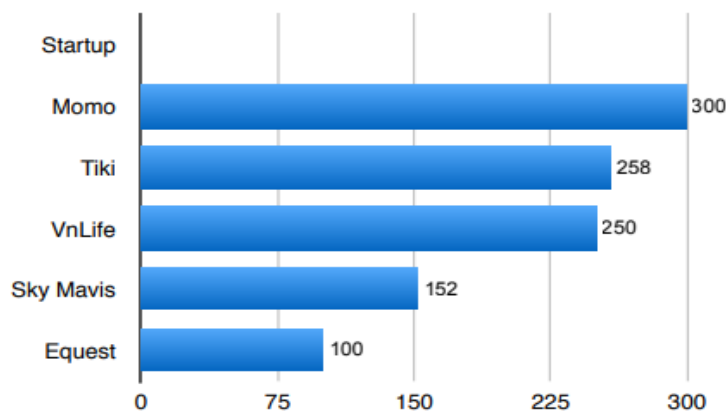
Figure 2: Investment capital in startups in Vietnam over the years (million USD)



Source: Perfectial.com

Released a set of start-up support manuals including books for union staff, for young people to start a business, for young people to start creative businesses. Connecting the network of training institutions, mainstream support for entrepreneurship and start-up innovation. Coordinate in organizing training courses to start businesses among youths (focusing on young people in need); business capacity building training courses for start-ups; training on technology transfer, commercialization, intellectual property... Training and training skills and proper awareness for young people and students before starting a business on knowledge, skills, challenges, overcoming the psychology of failure in entrepreneurship.

Figure 3: Number of notable startups in Vietnam



Source: Perfectial.com

Promote the role of individuals and organizations participating in supporting and accompanying startups in each object. Develop a capital support program for start-up youths Build a central youth start-up support fund in a socialized manner; At the same time, mobilizing and connecting enterprises and economic groups to invest directly in the Fund and connecting and connecting with existing start-up support funds of enterprises, economic groups and venture capital funds, international financial institutions. Seek partnerships with local and international NGOs, start-up support investment funds such as "Venture Capital Fund", "Angel Investment Fund" to support young people to start a business and build businesses.

Supporting start-up youths to build channels for consuming start-up products Training, equipping knowledge about marketing, branding, building a product identity for young startups. Support young start-ups to register intellectual property for trademark, trademark and patent protection. Open youth start-up booths in supermarkets and stores such as Big C, Coopmark, Trung Nguyen coffee shop system, online system.- Periodically organize exhibitions, support start-up products. Organizing trade promotion, start-up products, creating many distribution channels for product consumption. Support startup products to participate in retail channels, available distribution channels, new communication channels.- Build a digital map system of startup products. Promote the role of the system of union and commune-level officials in regularly updating data on this map, connecting this digital map with e-commerce channels and businesses to support the consumption of start-up products of young people.

4. Discussion

Building the Youth Entrepreneurship Support Center of the Central Union to become the top of each connection, supporting young people to start a business. Guide provinces and delegations to build models to support young people to start a business suitable for their localities. Applying new technology to directly receive and support young people wishing to start a business through channels to reach the Youth Entrepreneurship Support Center of the Central Union. Support and replicate the central model at all levels of the delegation with model tour programs, activities connecting support models and posting sample documents, sample processes guiding the operation of the youth start-up support model.

Operating business incubators, incubating ideas and building startups, linking startup incubators. Receiving typical startup ideas through competitions and supporting organizations, completing business ideas and schemes. Organize exchange programs, transactions connecting investors and young startups at the center every month. It is an intermediary to support young startups to negotiate investment sources, transactions to buy and sell startup ideas and products. Manage and operate the Youth Start-up Support Fund, connecting start-up support sources and credit

capital for start-ups. Build data on startup groups and the needs of businesses and localities to order startup groups, connect supply and demand specialties in the region.

Develop guidance documents, advise on the implementation of business support activities, be a place to organize training courses, training and training on online startups. Recommendations for start-up policies for young people. Every year, the "Youth Start-up Forum" is organized so that the young entrepreneurial community and young start-ups have the opportunity to have policy dialogues with the Government and State management agencies to remove difficulties and gradually improve policies on business development and entrepreneurship. Provinces and cities organize dialogue programs between start-up youths and leaders of departments and agencies of provinces and cities to remove difficulties for young people to start a business. Coordinate with relevant departments and agencies in establishing mechanisms and favorable conditions to support young people to start a business Establish regular communication channels to consult, exchange and propose policies with State management agencies to accompany the startup community, especially participating in the development of policies to attract high-quality human resources from overseas Vietnamese youths and international students to start creative businesses.

5. Conclusion

The Ho Chi Minh Communist Youth Union has effectively implemented orientation programs, providing information on local advantages, potentials, strengths, local incentives and supports for youths based on their professional capacity and existing work experience, research, determined to choose the right business model and start a business in his homeland. When young people start a business, starting a business will face many challenges such as lack of knowledge of corporate governance, lack of capital, technology, lack of understanding of laws related to business, lack of experience in marketing products. In order to support young people to overcome these challenges, the Association at all levels has implemented many programs to accompany young people in entrepreneurship, entrepreneurship and economic development such as: organizing business start-up training courses, training courses to improve business knowledge; supporting technology transfer; support loan documentation, access to preferential capital sources.

The delegation also encourages the sharing of experiences and replication of youth models for economic success; establishment of clubs, cooperative groups and youth cooperatives for economic work; training and training knowledge on product marketing, especially e-commerce for young people. Many localities have set up specialized units to support local startups such as the Center for Supporting Youth Entrepreneurship, or the Startup Youth Incubator to organize counseling and support for young people to start a business. These efforts of the Association

organizations have actively contributed to supporting young people to return to their localities after graduation to work in economics and start businesses.

It can be said that in addition to vocational training for young people as at present, it is very important to orient and support young people to choose a reasonable industry structure, suitable to market needs and development requirements of localities. This is a task that the Association determines that it will need to continue to focus on coordinating with the union, relevant ministries, sectors and partners to help young people identify career trends in the future. At the same time, nurture passion, moral qualities, thinking foundation, good professional style and fully and timely equip information, knowledge and skills suitable to the profession they choose.

In particular, in the next phase, the Ho Chi Minh Communist Youth Union will continue to implement solutions to adapt to the new situation such as: supporting to improve business administration capacity for young people; in-depth training and fostering for young people on digital transformation, applying digital technology in corporate governance, product production, service provision, transportation, promotion, consumption of products and other contents in the production and business process.

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