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Greetings from President of National University of Laos (NUoL).

First and foremost, it is indeed my pleasure and honor to have my words of greetings given, I, on behalf of National University of Laos, would like to express my sincere thanks and appreciation to the invited guests, speakers, presenters and participants joining the 9th SMEs in a Global Economy Conference, Congress of Rising to the Global Challenge: Entrepreneurship and SMEs Development in Asia, 8th – 11th November 2012.

As you may know that the National University of Laos, known as NUOL, is the first public university of Lao PDR. Since its establishment in late 1995, the NUOL has developed to become a leading university in the country. The aim of the establishment of the NUOL was to reform and consolidate higher education in Lao PDR and to gradually improve the country’s quality of higher education, while moving towards the regional and international education standards. By having our vision and mission set, we are trying hard for achieving and realizing our goals and having partnerships and collaborating with the universities, institutions and international organizations from the countries around the world.

As we are all aware, social, technological and economic changes in the world today are occurring at a very rapid pace. The impact of globalization upon us is just becoming fully manifest as we move towards economies which are based far more in service industries and the new knowledge economies. Economic and technological changes interact to produce not only new knowledge but new ways of working. Because of this development, the economics and such fields related in particular, have to play a dual function. On the one hand, they need to prepare the citizens of tomorrow, on the other, to develop the nation’s workforce as a form of investment in human capital. For Lao PDR, the path taken to develop human resources and higher education strategies has been keen and exciting for us. Like many other nations, many of our educational development strategies are based upon the nation’s interests. As part of ASEAN as regional and international community, we are strongly committed and have a lot more to be done at the moment in the part of human resources development, for instance joining the ASEAN
Economic Community by 2015, accession to the World Trade Organization (WTO) and so on.
I, as being fully coordinated by the National University of Laos, have been informed that the 9th SMEs in a Global Economy Conference, Congress of Rising to the Global Challenge: Entrepreneurship and SMEs Development in Asia is the first international conference of its kind held in Laos, and the call for paper for the congress has attracted a substantial number of abstract submissions which covers the various topics and issues of discussion (as given in the theme) on rising global challenge for entrepreneurship and SMEs in ASIA. As it is the international conference congress attentively organized for the local and international presenters and participants, there are a number of distinguished guests and presenters from the ASEAN region and other parts of the world.

We, the National University of Laos as the host organizer of the conference, are fully supporting this academic movement and collaboration, and we dually think this kind of work and collaboration among the research and academic community and institutions should be promoted and boosted in the future. We also do hope that the 9th SMEs in a Global Economy Conference, Congress of Rising to the Global Challenge: Entrepreneurship and SMEs Development in Asia will, as the platform of research and academic discussion, be fruitfully and successfully held with your kind cooperation and supports, and your active participation and cooperation in this international conference should be highly appreciated indeed.

Once again, I, on behalf of the National University of Laos, would like to sincerely thank all invited distinguished guests, speakers, presenters and participants as well as the team of staff working on preparation of the 9th SMEs in a Global Economy Conference, Congress of Rising to the Global Challenge: Entrepreneurship and SMEs Development in Asia held in Laos this time. We wish you happiness, good health and all every success.

Thank you very much!

Prof. Dr. Soukkongseng Saignaleuth
President
National University of Laos
Greetings from Vice President of National University of Laos (NUoL).

On behalf of National University of Laos as the Host Organizer, I wish to express our sincere thanks and appreciation to the distinguished guests, speakers, presenters and participants for your attendance and it is indeed our pleasure and honor to warmly welcome you to the 9th SMEs in a Global Economy Conference, Congress of Rising to the Global Challenge: Entrepreneurship and SMEs Development in Asia held during 8th – 11th November 2012 in Vientiane, Lao PDR.

By taking your time to join this inter-national conference, I hope you may explore and learn something about our charming city of Vientiane. The city is in the country’s central region it is called as a city of peace and indeed its unique, remarkably well-preserved historical identity illustrates a key stage of the distinct historical and cultural tradition. Again, I would say it is truly a city of history and culture that we are proud of and I think it is also the place where you should explore and enjoy while staying in Vientiane.

In connection to the field and area of economics, the development of diverse and competitive small and medium enterprises (SMEs) is a central theme towards achieving sustainable economic growth in Laos and SMEs is crucial to the economic growth and it plays an important role in the country’s poverty reduction. The 9th SMEs in a Global Economy Conference, Congress of Rising to the Global Challenge: Entrepreneurship and SMEs Development in Asia is expected to provide useful knowledge of SMEs, including entrepreneurship research and development, entrepreneurial motivation and behavior, entrepreneurial training, application of research and development by regional SMEs and SME networking and dissemination of information, and it therefore should be regarded as a significant gathering for university academics, researchers, scholars, entrepreneurs, SME owners, policy-makers, financial institutions, governmental agencies, consultants and practitioners from the ASEAN region and all over the world.

For National University of Laos and Laos as an ASEAN member country, I think 9th SMEs in a Global Economy Conference, Congress of Rising to the Global Challenge: Entrepreneurship and SMEs Development in Asia is held in the right timing for our educational cooperation and efforts made as we are
now in the process and preparing our respective country to integrate to the regional community - ASEAN Economic Community (AEC) by 2015 that all the member countries are to be bound for the partnerships and cooperation in many areas of social and economic development as well as that of science and technology transfer. Therefore, the higher educational cooperation and collaboration between the ASEAN member countries as to produce good quality manpower and this should be taken as priority in the way to prepare ourselves and respond to the regional integration.

This international conference is made possible with the supports and cooperation provided by the partners and parties concerned such as the ADB-Supported Private Sector and SME Development Program, members of scientific and program committee, lecturers and students of NUOL’s Faculty of Economics and Business Management, and other partners of cooperation. Finally, as the Host Organizer, I would like to sincerely thank all invited distinguished guests, speakers, presenters and participants for your active participation and attendance, my sincere thanks and appreciation is also expressed to the team of working staff and partners for their hard work of the conference preparation.

Let’s hope for the great success of the 9th SMEs in a Global Economy Conference, Congress of Rising to the Global Challenge: Entrepreneurship and SMEs Development in Asia held in Vientiane, Lao PDR.

I wish you happiness, good health and all the best!

Assoc. Prof. Dr. Phetsamone Khounsavath
Vice President
National University of Laos
Greetings from Dean of Faculty of Economics and Business Management (FEBM), National University of Laos (NUoL).

Dear participants of the SMEs Global Conference,

On behalf of the Faculty of Economics and Business Management, National University of Laos. We would like to welcome you to Vientiane Capital, Lao PDR, for the 9th SMEs in a Global Economy Conference, Conference of Rising to the Global Challenge: ENTREPRENEURSHIP AND SMEs DEVELOPMENT IN ASIA, 8th – 11th November 2012.

Faculty of Economics and Business Management has been well known to be a pioneer in economics and business research in both academic and policy agenda in Laos. The Faculty of Economics and Business Management is active in human resource development for SMEs development in Laos.

It is an honour that we are hosting this very important conference, a gathering of the region’s SMEs researchers devoted to inquiries into the cause and innovative solutions of many SMEs problems. SMEs development is very important factors for sustainable economic development in Laos. However, we need more study and research in order to strengthen our SMEs’ competitiveness in region and global level. We believe that this conference can contribute toward those much needed solutions for SMEs development. Your role in this conference is elemental in this endeavour. Finally, we would like to thank you all for your participation in this conference and wish you a pleasant and memorable stay in Vientiane.
Greetings from Local Organizing Committee

Dear friends and Colleagues,

On behalf of the Local Organizing Committee, it is a great pleasure to welcome you to Vientiane Capital, Lao PDR, for the 9th SMEs in a Global Economy Conference, Conference of Rising to the Global Challenge: ENTREPRENEURSHIP AND SMEs DEVELOPMENT IN ASIA, 8th – 11th November 2012.

The call for paper for the conference attracted a substantial number of abstract submissions. The scientific and program committee selected approximately 31 papers to presented in the conference. The topics of the paper cover for rising global challenge for Entrepreneurship and SMEs in ASIA. The presenters come from ASEAN and other parts of the world. The conference will also feature the world distinguished speakers to talk in keynote and plenary sessions. It is worth mention that this is the first conference of the association that is held in Lao PDR. This is an opportunity for researchers in Southeast Asian countries to share and exchange research findings with their colleagues from more developed countries in ASIA and beyond. We are delighted to inform that more than half of the papers will be presented by researchers from Southeast Asian countries. Since the commencement of the conference preparation, it has been supported by various parties, particularly the Faculty of Economics and Business Management, National University of Laos, and especially Asian Development Bank (ADB) kindly provides funding support for this conference. We are thankful for this generous supports. The conference has also been prepared by many tireless individuals for almost a year. Many of them were motivated by a willingness to learn and to share. The success of the conference could not be possible without them. However, we also acknowledge that things do not always turn out as we expected. We are thankful for your understanding that there are so many limitations in various aspects concerning the preparation of the conference. On the behalf of the local organizing committee and all of our colleagues who have contributed to the success of this conference, we wish that you will enjoy the conference program and your visit to this wonderful country. Welcome to Lao PDR.

Assoc. Prof. Dr. Phouphet Kyophilavong
Chair of Local Organizing Committee
Committees

Scientific Committee
Prof. Dr. Za'Faran Hassan
Assoc. Prof. Dr. Charles Harvie
Assoc. Prof. Dr. Rosita Haji Suhaimi
Assoc. Prof. Dr. Phouphet Kyophilavong
Dr. Michael Schaper
Dr. Aimée Hampel-Milagrosa
Dr. Aimee Zhang
Dr. Ali Saleh
Dr. Jarrod Ormiston
Dr. Kawpong Polyorat
Dr. Kelly Bird
Dr. Khorshed Chowdhury
Dr. Nittana Southiseng
Dr. Nurhani Aba Ibrahim
Dr. Phanphakit Onphanhdala
Dr. Richard Seymour
Dr. Viet Le
Dr. Xayphone Kongmanila
Dr. Yot Amornkitvikai
Mr. Teerawat Charoenrat

Program Committee
Assoc. Prof. Dr. Phouphet Kyophilavong
Assoc. Prof. Dr. Charles Harvie
Dr. Michael Schaper
Mr. Teerawat Charoenrat

Advisory Board
Assoc. Prof. Phosy Thipdavanh
Assoc. Prof. Somchith Souksavath
Assoc. Prof. Sengchanh Chanthasene
Assoc. Prof. Lavanh Vongkhamhsane
Assoc. Prof. Thongpheth Chanthanivong
Assoc. Prof. Boonheng Silakoon
Ms. Bounthanh Fongnambeng
Ms. Sykham Phongsavath
**Local Organizing Committee**

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<tr>
<th>Role</th>
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<tr>
<td>Chair</td>
<td>Assoc. Prof. Dr. Phouphet Kyophilavong</td>
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<td>Mr. Monethong Bouasengthong</td>
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About the Conference

The 9th SMEs in a Global Economy Conference 2012: "Rising to the Global Challenge: Entrepreneurship and SMEs development in Asia"
will be held at the Faculty of Economics and Business Management, National University of Laos, Vientiane, Laos in 2012.
The SMEs in a Global Economy Conference was initiated in 2002 by the University of Wollongong, Australia. The aim of the conference is to bring together Professionals worker in universities, entrepreneurs, SME owners, policy-makers, financial institutions, government agencies, consultants, practitioners and scholars from all over the world to provide a platform where entrepreneurs, practitioners, academicians and policy makers can discuss and analyze the prospects and challenges faced by the regional SMEs in the wake of globalization.

The Conference Objectives

The main objective of the conference is to provide a platform where entrepreneurs, practitioners, academicians and policy makers can discuss and analyze the prospects and challenges faced by the regional SMEs in the wake of globalization.

The Conference Host

The Conference will be hosted by: the Faculty of Economics and Business Management, National University of Laos (NUoL) and be held at Vientiane capital, Lao PDR. Founded in 1995, NUoL is the first University of Lao PDR.

The Conference Theme

The conference will feature presentations of theoretical or empirical works in any area of SMEs.

Delegates

It is also expected that the conference will be attended by delegates and invitees, which include, but not limited, to: Representatives from Faculty of Economics and Business Management, National University of Laos (NUoL), Universities, Non-governmental organizations, Representatives from relevant national government agencies and researcher institutes.
# Programme Information

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<th>Thursday 8 November 2012</th>
<th>Friday 9 November 2012</th>
<th>Saturday 10 November 2012</th>
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<td>Small Business Sector:</td>
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<td>Some General Issues</td>
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<td>Lao SMEs Development</td>
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<td>Overview of Competition</td>
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* For Lao Ph.d Students

** Please note that you need to register during your registration or at information desk
# The Conference Agenda

**Competition Regulation And Policy: The Implications For SMEs In ASEAN**
Held in conjunction with the 9th annual "SMEs In A Global Economy" conference
Co-host with Asian Development Bank (ADB)

<table>
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<tr>
<th>Time</th>
<th>Thursday, 8 November 2012</th>
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| 8:30 – 8:50| **Welcome**  
Assoc. Prof. Dr. Phetsamone Khounsvath, Vice President, National University of Laos.  
Dr. Chi Nai Chong, Country Director, ADB-Lao PDR Resident Mission. | Room B |
| 8:50 – 9:20| **Session 1: competition Policy and Impact on SMEs**  
How do we develop competitive SMEs in the ASEAN economies  
by: Assoc. Prof. Dr. Charles Harvie, University of Wollongong, Australia. | Room B |
| 9:20 – 9:50| **Competition and the Small Business Sector: Some General Issues**  
By: Dr Michael Schaper, Deputy chairman of Australian Competition &Consumer Commission, Australia. | Room B |
| 9:50 – 10:10| **Coffee Break**  
10:10 - 10:40  
**Overview of Competition Policy in Lao PDR**  
By: Dr. Kelly Bird, Principal Economist, ADB. | Room B |
| 10:40 – 11:30| **Open Forum**  
Session 2: Regulatory Reform and Impact on SMEs | Room B |
| 11:30 – 12:00| **Overview of regulatory reform programs in the region and impact on SMEs**  
By: Dr. Sani Ismail, Financial Specialist, ADB. | Room B |
| 12:00 – 13:00| **Lunch**  
13:00 – 13:30  
**Viet Nam’s Regulatory Review Program**  
By : Dr. Nguyen Cung, CIEM. | Room B |
| 13:30 – 14:00| **Cambodia’s Regulatory Impact Assessment program**  
| 14:00– 14:20| **Coffee Break**  
14:20 – 14:50  
**Lao PDR’s Regulatory Review Project**  
By : Mr. Sirisamphanh Vorachith, Director General, Department of Planning and Corporation, Ministry of Industry and Commerce (MOIC). | Room B |
| 14.50 - 15.50| **Open Forum**  
15.50: - 16:10  
**Summary: What Have We Learnt?**  
By : Assoc. Prof. Dr. Phouphet Kyophilavong, National University of Laos  
Dr. Kelly Bird, ADB. | Room B |
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<td>8:00 – 9:00</td>
<td>Registration</td>
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<td>9:00 – 9:15</td>
<td><strong>Open Ceremony and Welcome</strong>&lt;br&gt;Assoc. Prof. Somchith Souksavath&lt;br&gt;Vice Dean, Faculty of Economics and Business Management, National University of Laos</td>
<td>Room B</td>
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<tr>
<td>9:15 – 9:55</td>
<td><strong>Keynote Lecture 1:</strong> Assoc. Prof. Dr. Charles Harvie&lt;br&gt;Head of School, Director, Centre for Small Business and Regional Research School of Economics, Faculty of Commerce, University of Wollongong, Australia.</td>
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<td><strong>Open Forum</strong></td>
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<td>10:20 – 11:00</td>
<td><strong>Keynote Lecture 2:</strong> Dr. Michael Schaper Deputy chairman of Australian Competition &amp;Consumer Commission, Australia.&lt;br&gt;Adjunct Professor, School of Management, Curtin University, Australia.</td>
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<td><strong>Open Forum</strong></td>
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<td>11:10 – 11:50</td>
<td><strong>Keynote 3:</strong> Assoc. Prof. Dr. Rosita Haji Suhaimi&lt;br&gt;Deputy Rector Academic Affairs&lt;br&gt;Universiti Teknologi MARA Samarahan Campus, Malaysia.</td>
<td>Room B</td>
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<td><strong>Parallel Session 1-B</strong>&lt;br&gt;(ID 034, 029 &amp; 001)</td>
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<td><strong>Parallel Session 1-C</strong>&lt;br&gt;(ID 010, 002 &amp; 021)</td>
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<td>14:30 – 14:45</td>
<td>Coffee Break</td>
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<td>14:45 – 16:15</td>
<td><strong>Parallel Session 2-A</strong>&lt;br&gt;(ID 025, 027 &amp; 007)</td>
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<td><strong>Parallel Session 2-B</strong>&lt;br&gt;(ID 009, 037 &amp; 030)</td>
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<td><strong>Parallel Session 2-C</strong>&lt;br&gt;(ID 022, 014 &amp; 008)</td>
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<td>18:30 – 21:00</td>
<td><strong>Gala Dinner</strong>&lt;br&gt;(at Salongxay Restaurant - Lanexang Hotel)</td>
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<td>Time</td>
<td>Saturday, 10 November 2012</td>
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| 9:00 – 10:20 | **Lao SMEs Development**  
Chair By Assoc. Prof. Dr. Phouphet Kyophilavong  
Presented by Mr. Somdy Inmixai, Director General, SMEPDO.  
Mr. Richard Record, Word Bank.  
Dr. Kelly Bird/ Dr. Sani Ismail, ADB.  
Mr. Michael Schultze, Consultant for GIZ-HRDME III. | Room B |
| 10:20 – 10:45 | **Open Forum**                                                                     | Room B |
| 10:45 – 11:00 | **Coffee Break**                                                             |      |
| 11:00 – 12:00 | **Parallel Session 3-A** (ID 024 & 033)                                        | Room D |
| 11:00 – 12:00 | **Parallel Session 3-B** (ID 028 & 012)                                        | Room B |
| 11:00 – 12:00 | **Parallel Session 3-C** (ID 023 & 005)                                        | Room C |
| 12:00 – 13:00 | **Lunch**                                                                           |      |
| 12:00 – 13:00 | **Parallel Session 4-A** (ID 019, 020 & 015)                                    | Room D |
| 13:00 – 14:30 | **Parallel Session 4-B** (ID 003, 035 & 036)                                    | Room B |
| 13:00 – 14:30 | **Parallel Session 4-C** (ID 031, 026 & 018)                                    | Room C |
| 14:30 – 14:45 | **Coffee Break**                                                           |      |
| 14:45 – 16:15 | **Plenary Session**  
*How can we achieve competitive and sustainable SMEs in ASEAN and East Asia?*  
Chair By Dr. Nurhani Aba Ibrahim Universiti Teknologi MARA  
Panelist: Assoc. Prof. Dr. Charles Harvie, Dr Michael Schaper,  
Prof. Dr. Za'faran Hassan, Dr. Kelly Bird, Dr. Aimée Hampel-Milagrosa. | Room B |
| 16:15 – 16:30 | **Closing Ceremony**  
Assoc. Prof. Dr. Phouphet Kyophilavong  
Faculty of Economics and Business Management,  
National University of Laos. | Room B |

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<tr>
<th>Time</th>
<th>Sunday, 11 November 2012 (CITY TOUR)</th>
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<tr>
<td>8:30</td>
<td><strong>Meeting Point at Lao Phaza Hotel Lobby</strong></td>
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| 8:30 – 12:00 | **Sightseeing**  
Ho Phra Keow Temple, Patuxai Arch, Pha That Luang                                               |
| 12:00 – 13:00 | **Have lunch at KopChaiDer Restaurant**                                                        |
| 13:00 – 16:00 | **Morning Market and Silk Factory**                                                                |
| 16:20       | **Arrive at Lao Phaza Hotel and Sabaidee@Lao hotel**                                               |
Keynote and Plenary Speakers
Dr. Chong Chi Nai

Dr. Chong Chi Nai is Country Director of the Asian Development Bank (ADB) Lao People’s Democratic Republic (Lao PDR) Resident Mission (LRM) in Vientiane. He oversees the work of LRM including preparation of the new Country Partnership Strategy (CPS), 2012-2016 which is aligned with the 7th National Socioeconomic Development Plan of Lao PDR. The overarching objective of the CPS is inclusive and sustainable economic growth and poverty reduction which is line with ADB’s Strategy 2020 to help realize ADB’s vision of an Asia Pacific Region free from poverty.

During 1999-2003, Dr. Chong was assigned as Deputy Country Director of the ADB Nepal Resident Mission in Kathmandu. He also served for several years as Principal Procurement Specialist in the ADB Central Operations Services Office to ensure the integrity and efficiency of ADB-financed procurement of goods and works, and engagement of consultants.

Dr. Chong obtained his Bachelor Degree with first class honors in electrical and electronic engineering from Canterbury University, New Zealand and his Doctor of Philosophy Degree in power systems engineering from Newcastle University, Australia. After three years as a lecturer at Auckland University, New Zealand, Dr. Chong joined an international consulting firm based in New Zealand and worked for over five years in Asia on many ADB-financed and World Bank financed projects before joining ADB.
Assoc. Prof. Somchith Souksavath

Assoc. Prof. Somchith Souksavath is vice dean of Faculty of Economics and Business Management. He obtained bachelor degree at Vietnam and obtained master degree in Economics at Kasetsart University. Assoc. Prof. Somchith Souksavath teach and wrote and several textbooks such as labor economics, macroeconomics, project assessment. Currently Assoc. Prof. Somchith Souksavath is Ph.D candidate.
Assoc. Prof. Sengchanh Chanthasene

Assoc. Prof. Sengchanh Chanthasene is a professor of Economics at the faculty of Economic and Business Management, National University of Laos, and currently is Vice Dean of the faculty. Assoc. Prof. Sengchanh Chanthasene is graduate engineer mechanical, economics and she received her postgraduate from University of Chemitz-zwickau in Germany and writing some textbook such as Macro Economics, Comparative Economics and Monetary theory. She had co-research with IDRC project with the faculty of Forestry, National University of Laos and Currently doing research in micro finance. Currently she is Ph.D. candidate in Economics.
Assoc. Prof. Dr. Charles Harvie

Dr. Harvie obtained a Ph.D degree in Economics from the University of Warwick, UK in 1986. He is currently an Associate Professor and Head of the School of Economics at the University of Wollongong, NSW, having held the latter position since 2010. He is also the Director of the Centre for Small Business and Regional Research based in the Faculty of Commerce at the University of Wollongong, a position which he has held since 2000. Dr. Harvie’s research focus is primarily on the contribution of entrepreneurship and small and medium sized firms to economic growth and development, particularly in the context of the economies of East Asia but also for Australia.

Dr. Harvie has published his research outcomes in a number of leading international and domestic academic journals, including Applied Economics, Australasian Accounting Business and Finance Journal, Studies in Economics and Finance, Journal of Asian Business, Energy Economics, Manchester School and the Journal of Policy Modeling amongst others. He has also co-edited a four volume book series on Small and Medium Sized Enterprises and their contribution to the economies of East Asia, published by Edward Elgar, in the UK. More recently he has completed three research projects for the Economic Research Institute for ASEAN and East Asia (ERIA), the research arm of ASEAN based in Indonesia, on SME projects focusing upon the development of production networks in East Asia, SME access to finance and the development of an SME policy index for the ASEAN economies.
Dr. Michael Schaper

Dr. Schaper is the Deputy Chairman of the Australian Competition and Consumer Commission. His work has a special focus on small business, franchising, industry associations and business liaison. Dr. Schaper was appointed to this role in July 2008 for a period of five years.

Dr. Schaper is also an Adjunct Professor of Entrepreneurship with Curtin University of Technology in Western Australia. Dr. Schaper brings extensive experience in the area of small business through his previous roles as ACT Small Business Commissioner, Dean of Murdoch University Business School in Western Australia and head of the School of Business at Bond University in Queensland. He has served as chairperson of the ACT Small & MicroBusiness Advisory Council, and also been on the management boards of several not-for-profit organisations, business development agencies and business incubators. A previous president of the Small Enterprise Association of Australia and New Zealand, he has been a member of the board of directors of the International Council for Small Business and has held the foundation professorial chair in Entrepreneurship and Small Business at the University of Newcastle. Prior to this, he was employed as a senior lecturer at Curtin University, responsible for the university’s entrepreneurship degree programs. Between 2001 and 2003 Dr. Schaper held several posts as visiting Professor at the Ecole de Management Lyon, France, and the University of St Gallen in Switzerland. In Australia he has served as an Adjunct Professor at both Curtin University and the University of Canberra. In addition to his extensive academic career, Dr. Schaper has worked as a professional small business advisor and as the owner of a number of new business start-ups. In 2009 he was recipient of the “National Small Business Champion Award” by the Council of Small Business Organisations of Australia. The Author or co-Author of ten business management books and over forty research journal article, he has been a regular columnist in a number of national magazines, newspapers and journals on business issues. He has also worked as a policy advisor to government at both the state and federal level. He holds a PhD and a Master of Commerce degree from Curtin University, as well as a Bachelor of Arts from the University of Western Australia.
Assoc. Prof. Dr. Rosita Haji Suhaimi

Associate Professor Dr. Rosita Hj. Suhaimi holds a Bachelor Degree in Social Sciences from Universiti Sains Malaysia (USM), majoring in Management and minor in Economics in 1986 and a Master in Economics from Universiti Kebangsaan Malaysia (UKM), in 1996. She obtained her Phd. (Economics) also from Universiti Kebangsaan Malaysia.

In 2006. Assoc. Prof. Dr. Rosita has served Universiti Teknologi MARA (UiTM) as an economics lecturer both at the undergraduates and post graduates levels for over 26 years, the Deputy Director of Research and Industrial Linkages of UiTM Sarawak branch from February 2009 to November 2011, and currently she is Deputy Director Academic Affairs. Besides holding both academic and administrative posts, she is heavily involved in conducting various researches, seminars and training mainly in the areas of macro-economics, socio-economics, and human resources management. Among others, she had conducted studies on Profit Efficiency of Commercial Banks in Malaysia in the Globalization and Liberalization Era, Developing a national Quality Index for the Banking Industry in Malaysia, Factors influencing successful Export performance: An Empirical Investigation on Malaysian Exporting Manufacturing Firms, Employment Occupational Mobility and Earnings of Women in Kuching Urban Market, Study to determine the relationship between Knowledge workers and productivity in the commercial banking sector in Kuching.

Currently, she has a few ongoing research projects funded by the Ministry of Higher Education such as ‘Impact of Intellectual Human Capital and ICT on Bank Efficiency in Malaysia, ‘The Causality of Economic Stimulus Packages and Downsizing on Productivity and Profitability of Manufacturing Firms in Malaysia’, ‘Borrower Repayment of Behaviour of Development Financial Institution’ and ‘Efficiency of Commercial banks in Malaysia using VAIC method’.
Dr. Kelly Bird

Dr. Kelly Bird is Principal Economist, Public Management, Financial Sector, and Trade Division Southeast Asia Department, Asian Development Bank. Dr. Kelly Bird has been at the ADB since 2006. Prior to the ADB he was adviser to the Minister of Trade, Republic of Indonesia (2005-2006). He was policy adviser to the Indonesian government (1999 to 2005) funded under a USAID-funded project.

At the ADB he is mission leader for several loan programs, grant projects and technical assistance in the Philippines, Cambodia, Lao PDR and Republic of the Union of Myanmar. He was the mission leader for the first Private Sector and SME Development Program (2007 to 2009) with the Government of Lao PDR. His areas of expertise include macroeconomic policy, public finance, investment, trade, SME development, competition policy and employment policy.

He has a Bachelor of Laws degree and Bachelor of Commerce degree (first class honours) from the University of Otago, New Zealand and a PhD in Economics from the Australian National University. He has also published on a wide range of topics including on Lao PDR, trade and labor policy in international journals such as World Development, World Economy, Journal of Development Studies, Oxford Journal of Development, and Applied Economic Letters.
**Dr. Mohd Sani Ismail**

Dr. Mohd Sani is a Financial Sector Economist in the Asian Development Bank (ADB) in the Public Management, Finance and Trade division of Southeast Asia. He is the Mission Leader for the SME and Private Sector Development Program in Lao PDR and was also the Mission Leader for ADB’s Regional Capital Market Integration Technical Assistance which includes the project on the ASEAN Corporate Governance Scorecard. He has also been involved in the Philippines Financial Sector program, the ‘Promoting Economic Diversification’ Program in Cambodia and the Justice Sector Program in Philippines.

Prior to joining ADB, Sani was the Assistant Manager in the Market Development Department in Securities Commission, Malaysia. Some of his responsibilities include developing guidelines for new capital market products, preparing guidelines for the establishment of Malaysia’s capital market development fund and developing the framework for cross border offerings of Exchange Traded Funds. He was Malaysia’s focal person for trade negotiations in financial services (capital market) and represented the Malaysian government for trade negotiations in WTO, Geneva and several other FTAs including the ASEAN-Australia-New Zealand FTA and the Malaysia-US FTA. On the regional level, he represented SC Malaysia in the Working Committee on Financial Services Liberalization in ASEAN.

Dr. Sani completed his LLB degree in law from International Islamic University Malaysia and has a Masters LLM degree in International Trade & Commercial Law from Durham University, UK. He also holds a professional certificate of practice in Islamic Finance. He has written several papers including Investment Incentives Reforms in Lao PDR and the Assessment, Strategy and Roadmap for Islamic finance and for the trade and industry sector of Cambodia. He has been recipients of several scholarships including the prestigious Chevening Scholarship for his LLM in UK, awarded by the Foreign & Commonwealth Office. He was also invited by the US State Department to visit US as an international visitor for their “Future Leaders of Asia” program in 2002.
Prof. Dr. Za’faran Hassan

Dr. Za’faran Hassan is a Professor in Organization Management at the Faculty of Business and Management, Universiti Teknologi MARA. She obtained her BBA at Idaho State University, USA; MBA at Saint Louis University, Missouri, USA; and Doctorate in Business Administration at National University of Malaysia (UKM).

Her past administrative experience includes being the Head of the Faculty of Business Management, Dean of the Faculty of Hotel and Tourism Management, Director for Business Development, as well as Head of the Malaysian Entrepreneurship Development Center at her university and Director for the Institute of Malay Thoughts and leadership. She is also an industry member for the Malaysian Productivity Corporation’s Consultative Panel of Expertise for Tourism. She has presented papers at conferences and also published in various publications, both locally and internationally. Prof. Dr. Za’faran Hassan has also written textbooks on Management and TQM at both degree and doctorate levels. She currently lectures in the field of strategic management and organization analysis. She is also a member of various local and international professional associations such as the Malaysian Institute of Management (MIM), Malaysian Society for Training and Development (MSTD), and the Academy of International Business (AIB). Her research interest includes areas related to Management, Strategic Management, SMEs, Entrepreneurship, Supply Chain Management and Quality Management.
Dr. Aimee Hampel-Milagrosa

Dr. Aimee Hampel-Milagrosa finished Agricultural Economics (BSc) and Development Economics (MSc, cum laude) from the University of the Philippines at Los Banos and the University of Gent, Belgium respectively. She finished her PhD in Social Science specializing in Institutional Economics at Wageningen University and Research Centre in the Netherlands. After obtaining her doctorate in 2006, she worked as a Senior Researcher at the Department of Economic and Technological Change at the Center for Development Research (ZEF) in the University of Bonn. She transferred to the Department of Competitiveness and Social Development of the German Development Institute (DIE) in 2007 and alongside working under BMZ-funded projects has consulted for BICC, DANIDA and UNIDO. Her specialization includes private sector development, gender and regulatory.
List of Authors
Australia
Charles Harvie - University of Wollongong
Geoff Gallop - University of Sydney Business School
Jarrod Ormiston - University of Sydney Business School
Khorsheed Chowdhury - University of Wollongong
Leanne Howie - University of Sydney Business School
Malcolm Abbott - Swinburne University of Technology
Megan Donnelly - University of Sydney Business School
Nguyen Hong Nga - The University of Queensland
Robert J.S. Beeton - The University of Queensland
Richard Seymour - University of Sydney Business School

China
Zhou Changchun - Kunming University of Science and Technology

Germany
Aimée Hampel-Milagrosa - German Development

India
Kiran Pedada - Indian School of Business
Pranay Veer - Narsee Monjee Institute of Management Studies
SPR Vitta - Narsee Monjee Institute of Management Studies

Japan
Piya Wongpit - Kobe University

Lao PDR
BounYou Sisane – National University of Laos
Kongfa Phoummasack - National University of Laos
Lavanh Vongkhammsane - National University of Laos
Malaykhum Philaphone, Economic Research Institute for Trade
Manysot Lianepaseuth - National University of Laos
Oukham Sisounonth - National University of Laos
Phanphasa Lomchathanla - National University of Laos
Phaythone Phomvixay - National University of Laos
Phokham Phommavong - National University of Laos
Phouudsady Choumaly - National University of Laos
Phouphet Kyophilavong - National University of Laos
Saysamone Phoyduangsy - National University of Laos
Silichanh Phommasan - National University of Laos
Sisomphet Kanorphet - National University of Laos
Somchith Souksavath - National University of Laos
Thongsavanh Nakhavith - National University of Laos
Vanxay Keokhamphan - Ministry of Industry and Commerce
Viengsavang Thipphavong, Economic Research Institute for Trade
Xayphone Kongmanila - National University of Laos
Xaysomphet Norasingh - Economic Research Institute for

Malaysia
Abg Zainoren Abg Abdurahman - Universiti Teknologi MARA
Anizah Zainuddin - Universiti Teknologi MARA
Arawati Agus, Universiti Kebangsaan Malaysia.
Azila Azmi - Universiti Teknologi MARA
Chong Fen Nee - Universiti Teknologi MARA
Faridah Abdul Halim - Universiti Teknologi MARA
Firdaus Abdullah - Universiti Teknologi MARA
Hasan Abdullah - Universiti Teknologi MARA
Irwan Ismail - Universiti Teknologi MARA
Jamil Hj Hamali - Universiti Teknologi MARA
Malina Hanum Mohd Kamal - Universiti Teknologi MARA
Mohd Amin Ahmad - Universiti Teknologi MARA
Mohd Sazili Shahibi - Universiti Teknologi MARA
Muhammad Rozi Malim - Universiti Teknologi MARA
Najihah Abdullrahim - Universiti Teknologi MARA
Nina Farishsa Isa - Universiti Teknologi MARA
Norhusniyati Husin - Universiti Teknologi MARA
Nurhani Aba Ibrahim - Universiti Teknologi MARA
Rabiah Abdul Wahab, Universiti Teknologi MARA.
Rafidah Aida Ramli - Universiti Teknologi MARA
Rasiah Aripin - Universiti Teknologi MARA
Rosfatihah Che Mat - Universiti Teknologi MARA
Rosita Suhaimi - Universiti Teknologi MARA
Silverina Anabelle Kibat - Universiti Teknologi MARA
Syakirah Mohd Rodzi - Universiti Teknologi MARA
Za’faran Hassan, Universiti Teknologi MARA.
The Philippines
Steve Z. Almeda - Asian Institute of Management Policy
Ivyrose Baysic-Pobre - Asian Institute of Management Policy Center

Thailand
Kawpong Polyorat - Khonkaen University
John Walsh - Shinawatra University
Nittana Southiseng - Mekong Institute, Khon Kaen
Suvenus Sophonsiri - Ramkhamhaeng University
Teerawat Charoenrat - Khon Kaen University
Yot Amornkitvikai - Rangsit University

Vietnam
Hien Tran Thi - Fisheries College
Nguyen Anh Xuan - Fisheries College
Presentation Papers
Obstacles and Opportunities Confronting Small and Medium Sized Vietnam Enterprises after Integrating into the Global Economy Enterprises.

Authors: Hien Tran Thi, Fisheries College, Vietnam.
Malcolm Abbott, Swinburne University of Technology, Australia.
Nguyen Anh Xuan, Fisheries College, Vietnam.

In 2007, Vietnam officially became a member of World Trade Organization (WTO). This was seen as an opportunity to create employment, increase income for workers and improve living standards for the Vietnamese people, as well as develop the economy in whole, particularly the development of small and medium sized enterprises (SMEs). In this process small and medium SMEs continue to play an important role in the development of society and the economy. Integrating into the global economy, however, brings more opportunities and also creates more challenges to the development of the economy; including state-owned enterprises and SMEs. This paper discusses the obstacles and opportunities confronting SMEs since 2007.
Building an SME Portfolio—A VC’s Perspective.

Authors: SPR Vittal, Narsee Monjee Institute of Management Studies, Hyderabad, India.
Kiran Pedada, Indian School of Business, Hyderabad, India.
B. Pranay Veer, Narsee Monjee Institute of Management Studies, Hyderabad, India.

Small and Medium Enterprises (SMEs) are the engines of growth for Indian economy. However, SMEs in India face many challenges such as information asymmetry, finance, marketing, quality management, and access to other infrastructure facilities. SMEs in India generate employment for 2.8 million people i.e. 30% of total employment of total MSME sector, contribute 63% of total Fixed Assets, and 55% of the Gross Output. All this is generated by only 79 thousand SMEs, which account to just 5% of the total MSMEs in India.

Investment Scenario in SMEs
It will be difficult for many SMEs to get conventional funding, as these companies are more of Intellectual Property based and have less asset base. They also take high risks. These reasons pullback many lenders from financing these SMEs. Hence, venture capital will be a savior of such SMEs: whose focus is more on growth prospects and not on security; where the investment will be for a long term horizon; whose investment scenario is high risk, high return, and there is a possibility of high failure.

The purpose of this paper is to:

(1) Identify if there exist any potential sectors for investment in SME sector

(2) Critically evaluate the identified sectors and suggest highly potential sectors for investment

(3) Build a portfolio of the identified potential sectors and project future Cash Flows of the fund

The sectors were evaluated on various parameters including growth rate of the sector, size of the sector, gross output to plant and machinery ratio, % of sick enterprises etc. Cash flows of the identified potential sectors are projected by giving weightages to each sector based on their attractiveness score.
Based on the results, 6 potential sectors are identified in both Manufacturing and Services. Projected Cash Flows elicit good returns to Venture Capital fund.

**Key Findings:**

Identified Sectors:
- Manufacturing Segment – Food Products & Beverages, Textiles and Publishing, Printing & Reproduction of Recorded Media
- Services Segment – Education; Retail and Hotels & Restaurants

CAGR of Investment:
- In 5 year Exit Scenario, CAGR of the Portfolio (without Hit loss ratio) is **18.59%**
- In 5 year Exit Scenario, CAGR post Hit/Loss ratio (20% loss ratio) is **13.42%**

Author: Aimée Hampel-Milagrosa, German Development Institute, Germany.

Donors and policy-makers stylize small enterprises as drivers of private sector development. However empirical observations suggest that most micro and small enterprises are stagnating. Only a minority of firms will manage to upgrade their businesses to the next level of productivity, assets and employment. Exceptional cases which manage progressing from micro and small into medium enterprises are referred to in the literature as ‘upgraders’. The overarching research questions of the project are 1) Why do some enterprises succeed in making progress while others do not? 2) What are the critical success factors that facilitate the increase in employment, assets and production capabilities? And 3) How does the process of enterprise upgrading unfold? Around 50 successful upgraders were identified to trace back critical incidences that explain their above-average performance. After having identified the critical success factors the study cross-checks their relevance with a group of 50 micro enterprises in the same activities and location that have not (yet) upgraded and explores what prevents those firms from pursuing the same upgrading strategies.

Survey results from the Philippines show that upgrading is possible and easy if the enterprise is located in certain sectors. Among the four sectors covered – Food Processing, Footwear and Leather, Textiles and Garments and Tourism – only enterprises in food processing and in tourism sector exhibit characteristics of upgrading. Enterprises in the footwear and leather and textiles and garments sector had difficulties growing in employment or in sales. Nine factors were found to influence enterprise upgrading in the Philippines: 1) proactive search for information 2) re-inventing entrepreneurial expertise 3) having highly skilled workers 4) producing goods that cater to local taste 5) diversification of product lines 6) maximized network connections 7) strong relationship with upstream and downstream networks 8) family involvement from beginning to end 9) altruistic or noble motivations. With regard to the business environment, after issues on infrastructure and security, the incidence of bribery and corruption was the third major hindrance to upgrading. The following policies could be pursued by the government, private sector, donors and entrepreneur organizations: make market information available to SME owners 2) offer trainings and
seminars to improve skills of entrepreneurs and workers 3) support R&D and technology development for the production of goods catering to local tastes 4) emphasize importance of memberships in chambers and industry associations 5) constant public private dialogue between government agencies and associations 6) campaign for work life balance.
Relationship Between SMEs Entrepreneurs and Business Associations: Participation, Perception and Satisfaction.

Authors: Rasimah Aripin Universiti Teknologi MARA Shah Alam, Selangor, Malaysia.  
Hasan Abdullah Universiti Teknologi MARA Shah Alam, Selangor, Malaysia.  
Anizah Zainuddin Universiti Teknologi MARA Shah Alam, Selangor, Malaysia.

More than ninety per cent of businesses in Malaysia are made up of micro, small or medium enterprises (SMEs). Being very small in size, fragmented and with limited access to markets, they face various challenges, particularly, limited financial resources and productive capacity. Some of these challenges can be addressed by collective action through organizations such as cooperatives or business associations. Currently, there are a large number of business associations in Malaysia of various membership strengths. They range from nationwide associations to those that encompass businesses in individual states, cities, towns or smaller neighbourhoods. Whatever its scope, a business association can provide a number of benefits to business owners who pay dues and participate as members. This paper presents the results of an exploratory study to determine the participation of SMEs Entrepreneurs in Business Associations, their perception and satisfaction towards these associations. The data for this study was obtained through focus group discussions and a sample survey of SMEs entrepreneurs and business associations from four states in Malaysia. Slightly more than half of the entrepreneurs surveyed were members of at least one association, but, they were divided on the benefits of being members. Among the satisfied members, they were grateful with the various opportunities extended to them through the associations in the form of courses, technical advice and marketing channels. On the other hand, their counterparts felt that associations should not limit their roles as merely training providers. Instead they should play a more active role as a collective action organization to address challenges and problems faced by members. Such organizations are more effective in providing members with the networking, collaboration and joint initiatives needed to sustain their businesses. Those who were not affiliated with any associations were either not aware of a suitable one to join or not convinced that it would benefit them in any way. These results pave the way for a more comprehensive study on promoting cooperation among entrepreneurs through their associations.
The Emergence of Social Entrepreneurship and its Supporting Environment in the Lao People’s Democratic Republic (Lao PDR).

Author: Lavanh Vongkhamhsane, National University of Laos, Laos.

A social enterprise, which incorporates a business scheme in its system and tries to address significant social issue, is emerging globally in general and in its infant stage in Laos in particular. It is observed that the social entrepreneurship concept is very new and its potential has not yet been explored in Laos. Despite of many Non-Government Organization (NGO), Non-profit Organization (NPO), and many international organization are operating in Laos, the local people are not yet eligible to register their activity as NGO or NPO, due to the lack of legal and administrative support in Social Entrepreneurship context. A few entrepreneurs are conducting their activity in the domain of social entrepreneurship environment, but registered as private enterprises. Therefore, this paper focuses on examining the emergence of social Entrepreneurship; its environment (political, legal, social-cultural, economics, and education environment); attitudes of the social entrepreneurs, and subsequently, the prospective social entrepreneurship development focusing on the welfare state context, Laos. The research employs a mixed method (survey and case study) conducted through distributing questionnaires and in-depth interviews with existing social entrepreneurs in Vientiane Capital and big cities in three parts of Laos (North, Central, and South). The concept scope covers supporting environment, types of social entrepreneurs, personal attributes and skills, enterprise activities, and method of training social entrepreneurs. The data analysis will be presented in synthesizing the information, descriptive statistics, and storytelling technique. It is expected that the results signify the infantry supporting environment (insufficient support legally, socially, economically, and financially). Personal intent, ambitions, attribute, and skills are also limited in the Lao context; and the scope in which social entrepreneurs serve is very narrow. Incentives in participating in social entrepreneurial activity may be low due to the intensifying economic activity competition and upcoming ASEAN community preparation phenomena. The existing social entrepreneurs will provide good guidelines and recommendation for preparing education program for prospective social entrepreneurs.
Success Factors of SME in Vientiane Capital, Lao PDR.

**Author:** BounYou Sisane, National University of Laos, Laos.

In the Lao People’s Democratic Republic, the small and medium-sized enterprises (SMEs) consist the vast majority of the Laotian enterprises. Around 98 percent of manufacturing and service sector firms in Laos are small and medium-sized enterprises, and nearly all of the retail, service and product sectors are small and medium-size enterprises. Some of these enterprises stay small forever, while others are in the situation of living-dead or successfully growing their enterprises. This research attempts to identify the main factors that reflect the success of Lao PDR small and medium-sized enterprises. The research also aims to find out how examine the management aspect for effected indicators from their point view, which are the most important factors of success for SMEs. This research project on the analysis of SME success factor in the Lao PDR through one sectors; namely service. The overall framework covers four fundamental areas: skills, attitudes, management and experiences. Skills include Management, Marketing strategy, Resource Creation, Technical Skills. The research also looks into how SMEs are operated in terms of technical procedures, structure of the firm, financial structures, marketing and productivity, and human resources, and entrepreneurial characteristics of the business owners. The target group of the survey is 4 districts (Chanthabouly, Sikottabong, Sisatanak, Saisettha) in Vientiane Capital. Samples were classified into the firms that were considered as well running businesses after 8 years and SMEs have employee from 5-99 persons. The study confirms that the entrepreneurs educational level, working experience and whether their parents own business have a positive relationship with their success. Business founders, management skills, customer focus and resources creation are more important than their technical skills. In addition, the soft attitudes, skills and operating methods were more important in small and medium enterprises success than for hard equipment. Customer orientation, product quality, efficient management, supportive environment, capital accessibility and marketing strategy are also vitally important in the success of SMEs.
Going International: Benchmarking as a Strategic Tool for Malaysian SMEs.

Authors: Irwan Ismail, Universiti Teknologi MARA Terengganu, Malaysia.
Norhusniyati Husin, Universiti Teknologi MARA Terengganu, Malaysia.
Najihah Abdul Rahim, Universiti Teknologi MARA Terengganu, Malaysia.
Malina Hanum Mohd Kamal, Universiti Teknologi MARA Terengganu, Malaysia.
Rosfatielah Che Mat, Universiti Teknologi MARA Terengganu, Malaysia.

The Small and Medium (SME) sector in Malaysia comprises 99.2% of total business establishments and employs more than 5.6 million workers, hence promoting entrepreneurship and SMEs is an important thrust to support the Government’s aim of achieving balanced economic development and enhancing Malaysia’s competitiveness. In order to exploit advantages and opportunities in the global arena, SMEs need to adopt a specific approach or tool for which can enable them to grow and become more competitive in the global marketplace. This paper was intended to empirically explore the relationship between the capabilities of Malaysian SMEs and the potential of these SMEs to go international. It was hypothesised that by benchmarking, it will enable the SMEs to continue improving performance by applying the best methods and practices required to achieve world-class performance levels.

A sample of 248 selected Food and Beverages SMEs in Klang Valley, Malaysia have been obtained to study the relevance of benchmarking to be used as a tool for going international. Food and Beverages industry was chosen because of its major contribution on development of halal food industry and being the biggest SME industry in Malaysia. Using factor analysis and regression analysis, it was found that there is significantly positive response of using benchmarking among Malaysian SMEs. The paper also verifies that some companies have already adopted benchmarking and it enables them to stay competitive and continue to improving their operations. However, it is without doubt that the companies were still having problem engaging in international ventures and sustaining competitiveness. Therefore, future research maybe conducted in finding other ways for these SMEs to successfully compete should they wish to enter foreign market. In addition, the focus of F & B industry in the current study may be shifted to other relevant industries.
The Factors that Influence Entrepreneurship Among the Generation Y in Malaysia.

Author: Mohd Amin Ahmad, Universiti Teknologi MARA Johor, MALAYSIA.

Entrepreneurship is the act of being entrepreneur or one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods. The most obvious form of entrepreneurship is that of starting new businesses. The purpose of this research was to understand the perceptions of Malaysia Generation Y toward the entrepreneurial activities, to know the factors that increase their desire to become an entrepreneur, and to predict the barriers that might obstruct them from entering into entrepreneurship. Generation is a group of individuals, most of whom are the same approximate age, having similar ideas, problems, and attitudes. There were four types of generation, Traditionalist, Baby Boomer, Gen-X, and Gen-Y. To investigate this problem, a quantitative method was used to survey the respondents' perception. Total respondents selected for this study comprise of 360 respondents born between 1981 and 2000. The Wang & Wong (2004) instrument was used to measure the respondent entrepreneurship perception and Li (2000) questionnaire was used to measure other dependent variables. The results of this study have indicated that overall Generation Y had a positive view of entrepreneurship. Respondents choose to involve in business because of the motivation factors that drive some of the basic needs of life, environmental factors, demographic factors, and public perception. This finding also shows that respondents agreed with the strategy of strengthening an entrepreneurial culture among the student included in their study. So we recommend to the top management in the institutions of higher learning to offer the comprehensive entrepreneurship course to keep the students up-to-date on their entrepreneurship skills and must link the student industrial practical training to the management strategic plan.
The Role of Homestay Owners (Malay) Towards Community Based Tourism in Kelantan, Malaysia.

Authors: Hasan Abdullah, Universiti Teknologi MARA Shah Alam, Selangor, Malaysia.
Rasimah Aripin, Universiti Teknologi MARA Shah Alam, Selangor, Malaysia.

One of the most successful programmes that have been identified by the Ministry of Tourism to develop community based tourism in Malaysia is the Homestay Programme. The tourism programme recorded a significant increase with 38.4% occupancy rate compared to 24.9% for the same period last year. A total of 133,689 tourists visited the Malaysian Homestay from January to May 2012 of which 110,322 were domestic tourists and the rest 23,367 were foreigners. This is a 70.7% increase compared to the same period last year where only 78,333 homestay tourists were recorded. Tourist receipts from homestay programme for the first five months of 2012 also proliferated to RM 7,376,446 (+53.1%) compared to RM 4,817,158 in January to May 2011. The homestay tourism programme has encouraged local communities to be a part of community based tourism whilst maintaining their traditions and identities. Increased spending by these tourists has stimulated the rural economy. Currently, there are six (6) Homestay owners (Malay) in Kelantan which include Homestay Seterpa (kota Bharu), Homestay Kampung Kubang Telaga (Bachok), Homestay Bukit Jering (Jeli), Homestay Kg. Batu Papan, Homestay Renok Baru (Gua Musang) and Homestay Nelayan Pantai Suri (Tumpat), Kelantan. Whatever its scope, a tourism programme can provide a number of benefits to owners and the communities within. This paper presents the results of an exploratory study to evaluate the level of involvement of homestay owners (Malay) towards the community based tourism, identifying their success and failure factors in terms of homestay local activities and issues related to homestay owners in developing their homestay. The data for this study was obtained through face to face interviewed and telephone. The study can be seen from three perspectives that is the level of involvement, design of activities and also the economic contribution towards the communities. Indirectly, the involvement of homestay owners can lead to job opportunities for the communities. Besides that, traditions and identities can be maintained through homestay program. Every programme organized by homestay owners have their own uniqueness and attractiveness. The activities offered are traditional games/pastimes, traditional foods, handicrafts, dances, marriages and so forth. In terms of economic contribution, it can increased
their income and also providing opportunities for communities to carry out SMEs business which includes the setting-up of SMEs industries, cultural activity, traditional cake business, catering, infrastructures, handicrafts making and others. Among the success and failure factors of the homestay owners includes leadership, cleanliness and happiness, joyfulness, security, promotion, cooperations, location, agent, payments, facilities, communications and so on. Issues related towards tourism activities are water supply, infrastructure, skill, participants’distribution, etc. These results pave the way for a more comprehensive study in knowing and improvised issues in increasing quality and economic level for homestay owners and communities.
The Impact of Beliefs on Business Practice in the Lao People’s Democratic Republic.

Author: Thongsavanh Nakhavith, National University of Laos, Laos.

The Lao PDR is multi-ethnic groups and cultural diversity country. The government of Lao PDR reserves this multi-ethnic and diversity as the core economic development. The beliefs of Lao vary from one group (geographic and demographic) to another throughout the country. The comparative analyses of factors: religions, beliefs, myths, culture, level of economic development, business development, natural resource use, and education, influencing the business management has never been carried out in Laos. Thus, this study aims at firstly examining to what extent and how background beliefs affect the business practices. Secondly, the research attempts to identify whether one group beliefs nurture the characteristics associated with entrepreneurship more than others. Finally, the paper analyzes the degree of respects to successful entrepreneurs in certain ethnic beliefs. Samples are selected in different domain (District level, provincial level, and capital city level) and also classified in terms of demography. Source of belief, if it is human, are also interviewed. The results shows that astrological belief and religion is greatly influencing the livelihood of people in the society; including business practices, which have been mainly influenced by management science, human resource management, economics, psychology, and other. In business practices, the entrepreneurs who need to make decision consider the uncertainty and problems. They decide the solution option from many alternatives which have been analyzed and think that which alternative is the best one. Astrological, religious, and animism belief is one option that the entrepreneurs choose to support their confidence in the case of risky decision making in business practices, as has been seen from entrepreneurs checking appropriate timing with fortune tellers, monks, or clan leaders. From various phenomena that have been explained by the source of belief (astrological and/or religious) and entrepreneurs, the belief enhance confidence and sometimes resulted in miracle outcome. The results, nevertheless, show that different groups of people have different level of religious and astrological practices, both in geography and demography.
Impact of FDI on the Export of the Manufacturing Industry in Thailand: Substitute or Compliment.

Author: Piya Wongpit, Kobe University, Japan.

Thailand was one of the fastest growing in the export of the manufacturing industry among Asian economies after the financial crisis in 1997. Previous studies support that FDI is the factor that increase the export of the manufacturing in Thailand. The objectives of this paper are to examine the impact of FDI on the export of manufacturing industry and to investigate whether the FDI substitutes or complements the export of the manufacturing industry. The extended gravity model is the main model in this paper. The exchange rate and tariff are included in the model in order to find the impact of these factors on the export of the manufacturing industry. The results show that the FDI has a positive impact on the export of not only from host country to source country but also from host country to other countries. In addition, the FDI is complimented the export of the manufacturing industry in Thailand.
Does Downsizing and the Global Financial Crisis Affects SMIs Labour Productivity in Malaysia?.

Authors: Nurhani Aba Ibrahim, Universiti Teknologi MARA, Malaysia.
Rosita Suhaimi t, Universiti Teknologi MARA, Malaysia.
Chong Fen Nee, Universiti Teknologi MARA, Malaysia.

This paper examines the effect of downsizing and global financial crisis on the labour productivity of the manufacturing industries in Malaysia. Due to the crisis, many industries retrenched their workers to adjust to the declining demand in their respective industries. Two distinctive sub-industries that have the highest retrenchment rates are the manufacturing of radio, television and communication (27%) and the manufacturing of rubber and plastics (13.3%) out of total retrenchments within the last three years (2009-2011). The main reason for the downsizings is the deteriorating demand for their products. Using panel data analysis with fixed effects on monthly data from 2003 till August 2011, the study finds that the global financial crisis has positively affected labour productivity of the SMIs but it has negatively affected the large ones. Downsizing activities among the SMIs did not have a significant impact on labour productivity of industries in general.
SMEs play an important role to economic development. In order to promote SMEs as engines of growth, it is crucial to have appropriate SMEs policy and strategy and understand the current situation and issues of SMEs. The main objectives of this paper is overview Lao government policy toward SMEs and analyze the current situation and issues of SMEs development in Laos. The results show that Lao government has clear strategy and policy to development SMEs and the main issues of SMEs is financial accession, tax and workforce education.
The Model of Service Quality GAPs in Hotel and Guesthouse Service Providers in Luang Prabang Province, Lao PDR.

Authors: Phokham Phommavong, National University of Laos, Laos.
Manysot Lianepaseuth, National University of Laos, Laos.
Phanphasa Lomchathanla, National University of Laos, Laos.
Phoudsady Choumaly, National University of Laos, Laos.
Silichanh Phommasan, National University of Laos, Laos.
Sisomphet Kanorphet, National University of Laos, Laos.

This paper attempts to apply the model of service quality gaps from survey the customers’ expectation and service providers’ perception by using the SERVQUAL scale and methodology developed by Parasuraman et al. and five broad dimensions of service quality (tangibility, reliability, responsiveness, assurance, and empathy), this research study aims to examine the overall service quality of hotel and guesthouse service in Luang Prabang Province, Lao P.D.R.
Small businesses employ millions of people in Indonesia and are a major driver of economic growth and poverty alleviation. According to the Asia Foundation, businesses employing fewer than 20 people employ roughly 90 percent of the population in Indonesia. Small businesses have contributed to poverty alleviation through employment generation ensuring economic survival for many.

While academic programmes exist for those wishing to study the business of large and state owned companies, limited tertiary programmes are offered in Indonesia to those wishing to start up new businesses.

This paper presents an in-depth case study that evaluates a programme presented by the University of Sydney and funded by AusAid that trained 25 lecturers from the State Institute of Islamic Studies (IAIN - Sunan Ampel) in entrepreneurship, business ecosystems, leadership and political skills, business start-ups, challenges faced and managing growth. This aim of the programme was to build academic capacity and individual skills to support tertiary education programmes in entrepreneurship teaching, research and outreach.

This paper analyses to what extent this type of programme has the potential to address the issue of economic growth in Indonesia by helping to develop commercially aware and empowered entrepreneurs. Our evaluation explores to what extent participants gained the skills and experience necessary to understand the activities and issues associated with building and growing a business in a variety of industries. These knowledge areas include:

- Identifying and understanding opportunity, change and innovation;
- Growing successful and sustainable businesses locally and internationally;
- Building cross-functional management competencies, including: marketing, intellectual property management, strategy and finance; and
- Establishing the relationships and engaged practices required from entrepreneurial leaders, including communication, teamwork and reporting/pitching.
This paper should provide practical insights for practitioners hoping to build the capacity of universities in the region to develop their entrepreneurship programmes.
Entrepreneurial Women in Myanmar.

Authors: Richard Seymour, University of Sydney, Australia.
        Jarrod Ormiston, University of Sydney, Australia.
        Megan Donnelley, University of Sydney, Australia.

Research suggests that women are less likely to have the ability to start a business. Typically women in developing countries have lower education levels; they start businesses that offer less access to capital and less ability to scale; and they surprisingly may have higher access to self-financing capital. GEM 2010 data indicates they are less likely to report having the ability to run a business.

Research also suggests that women in developing economies are less likely to have the desire and confidence to start businesses or to grow 'high-growth' businesses. This may be because they are more likely to put family first, have less interest in starting business, and/or are less likely to undertake risk (and high growth) businesses. It may also relate to the self-reporting that they are lacking the skills to start a business.

In light of contextual backdrop, our research aims to address a gap in the literature by proving rich and thick description of the undertakings of small enterprises run by women in Asia. This paper presents the findings from two case studies of entrepreneurial women and their businesses in Myanmar. The case studies focus on a retail enterprise and a textile enterprise. Given the limited literature on entrepreneurial women in Myanmar, case study research is an appropriate methodology as it is particularly well suited in early stages of research on a new topic or for research areas where existing theory seems inadequate (Eisenhardt, 1989). Also, case studies are most suitable when the focus is on a contemporary phenomenon within some real-life context such as that posed by this study (Yin, 2003). Given the emerging field of women entrepreneurship and the dynamic environments in which it takes place, the case study permits the development of theory through in-depth analysis.

The paper begins by providing an overview of the state of play for entrepreneurial women in Myanmar. We review the terminology surrounding entrepreneurship in Myanmar and compare these with the OECD Entrepreneurship Indicators Program definitions. We then detail the two cases focusing on the enterprise, the entrepreneur and success factors and lessons.
The Influence of Consumer Relationship Proneness on the Perceived Importance of Relationship Benefits in a University Canteen Context in Thailand.

Author: Kawpong Polyorat, Khonkaen University, Thailand.
Suvenus Sophonsiri, Ramkhamhaeng University, Thailand.

Relationship benefits can be defined as the benefits consumers receive as a result of long-term relationships in addition to those derived from the core service performance. The importance of relationship benefits for SMEs in a service industry has increased since the marketplace has become more competitive and SMEs often lack ample financial resources to invest in costly marketing strategies. Therefore, SMEs may instead turn to establish long-term relationship and loyalty with consumers especially when the large corporations or service providers may lack a personal touch with consumers.

Relationship benefit can be classified into three dimensions. First, confidence benefits reflect the decreased uncertainty in transactions and the increased realistic expectations for the received service. Next, social benefits represent the affective angel of relationships between consumers and service providers. Finally, special treatment benefits involve advantages and privileges received by loyal customers.

Consumer relationship proneness reflects the consumers’ relatively stable tendency to establish a long term relationship with a service provider. Using a university canteen context, this study attempts to examine if consumers with high vs. low level of consumer relationship proneness differently perceive the importance of each of the three dimensions of relationship benefits.

A survey research was conducted with 437 undergraduate students in a major Northeastern university in Thailand. Factor analysis is conducted to refine the measures drawn from previous published studies while T-test is used to test the main hypotheses. The study results reveal that consumers with high relationship proneness perceived the three dimensions of relationship benefits to be significantly higher than consumers with low relationship proneness. Research implications especially those for an SME in a service context are discussed. Finally, future research directions conclude the study report.
Leadership Capability of Malay SMEs in Malaysia.

Authors: Muhammad Rozi Malim, Universiti Teknologi MARA Shah Alam, Malaysia.
Mohd Sazili Shahibi, Universiti Teknologi MARA Shah Alam, Malaysia.
Faridah Abdul Halim, Universiti Teknologi MARA Shah Alam, Malaysia.
Syakirah Mohd Rodzi, Universiti Teknologi MARA Shah Alam, Malaysia.

Leadership capability measures the leadership skills and competences to the total organizational performance. Excellent in leadership capability leads to sustainable performance and business growth. Small and medium-sized enterprises (SMEs) in Malaysia, especially the Malays, are often confronted with leadership problems. Improving the leadership skills of SMEs contributes to their survival and growth. This paper aims to evaluate the leadership skills and competences of Malay SMEs in Malaysia based on three major drivers using Leadership Capability Index (LCI). A total of 274 Malay SMEs have taken part in the study, and the Malay SMEs LCI is registered at 65.9 out of 100.
Business Strategies Used by Micro-SMEs in a Bangkok Street Location: Tawanrung Market.

Author: John Walsh, Shinawatra University, Thailand.

Although a reasonable number of studies of street market vendors have taken place, in both developed and developing markets around the world, these have mostly been conducted from a sociological perspective. They have aimed to explicate issues such as the relationship between vendors and the state, the use of space in an urban setting, the resistance demonstrated by vendors against oppression and the value of street-vending in the struggle against poverty. However, there have been fewer attempts at describing street vendor systems from a business perspective and from, in particular, collaborative and cooperative means of increasing business within a particular geographical area. This study uses an ethnographic and qualitative research method to describe and analyse a specific street vending area located in and around the Ladprao 62 region of Bangkok. This area consists of several different discrete street vending regions that are distinct in terms of time of operation, type of goods sold and relationship with other vending operations. The demographic details of the street vendors also varies, to a certain extent, on these variables. Operations are managed with respect to business objectives and personal and familial circumstances: for example, seasonality of agricultural production in the home towns of migrants means there are periods when production is temporarily although predictably halted. Other halts are less predictable. In order to increase business success, street vendors will generally maintain cooperative relationships with each other and share information so as to increase aggregate sales, rather than seeking to gain short-term competitive advantage over neighbours or competitors. Since the pool of customers is comparatively limited over a fixed period of time, there is little benefit to individual vendors seeking to drive out competitors since network externalities exist, particularly in the case of takeaway meal choices. This paper describes a variety of business strategies enacted within the Tawanrung Market area and indicates how these have been changing over time and with respect to new entrants and potential substitute products. In a system of creative destruction typical of capitalism, it is found that there are both winners and losers.
Emerging Opportunities and Challenges for CLMV SMEs and Integration into the ASEAN Economic Community.

Author: Nittana Southiseng, Mekong Institute, Thailand.

Small and Medium Enterprises (SMEs) are integral to the economic development and growth of the ASEAN Member States. SME plays important role to promote national economy through employment generation and incomes. In most cases, SMEs account for more than 90% of all enterprises, accounting 50%-85% of domestic employment in ASEAN states, accounting for GDP contribution of 30% -53%, and contribution of SMEs to exports ranges 19%-31%. SMEs are regarded as backbone of ASEAN and SME development is integral to achieve long-run and sustainable economic growth of the region. The Mekong Institute conducted a study to identify business opportunities and challenges of SMEs in CLMV countries in the beginning of 2012 in order assess the capacities of SMEs and to build up their readiness for integration the CLMV economies into the ASEAN Economic Community (AEC) in 2015. The study revealed that the prospect of SMEs in the four countries for an integration of SMEs into the regional and global value chain in 2015 was very high, and they had common promotional products, such as vegetable and fruits, garments, footwear, wood furniture etc. However, the promotion activities for those SMEs remained relatively weak, specifically in Laos, Myanmar and Cambodia, mostly due to lack of knowledge and support services. Although several Free Trade Agreements (FTAs) and bilateral agreements in CLMV, mostly through ASEAN, have been signed, their advantages had not yet been fully utilized by export-oriented SMEs. The awareness of FTAs and related policies in both governments and private sectors was relatively low and very few initiatives on those issues were conducted or if any, the number of SMEs engaged was also limited.

The study revealed useful recommendations that it is important to promote the SMEs in the CLMV countries through the SME cluster development jointly to bid, produce and expand market as a cluster enables to promote the SMEs and export networks to improve SME participation in RVCs and GVCs through export consortia by fostering and strengthening linkages. The SMEs exporters should increase the utilization of FTAs. Enabling business environment is another important factor to expedite economic development in CLMV, narrow development gaps within and among ASEAN countries and facilitate their economic integration in to AEC. The development of these three interrelated factors should be facilitated and enhanced by public and private sectors of the CLMV.
Towards the Promotion of Agro-Based SME in Northern Laos: The Case of NRI Capacity Building Approach to Develop Farmers to Entrepreneurship.

Author: Phaythoune Phomvixay, National University of Laos, Laos.

The paper attempts to establish the interconnectivity between agriculture and industry. It presents the contours of a pragmatic approach to promote a sustainable development of agro-based SME in Northern Laos from practitioners’ views. The study covers the case of contract farming investors both domestic and Chinese traders in Phongsaly, Sing, Bountai, Houaxay and Phaoudom districts.

The paper identifies both an opportunity and economic agenda that should be acted upon with dispatch. The opportunity to focus on niche markets (e.g. organic rice, fruits and vegetables) and grab a share of this market by linking with GOL’s regional economic partners to avail of the much needed capital and other support services by the more advanced countries is a promising area for agro-based SME. On the one hand, to take advantage of this opportunity, the need to: (i) reform the current organizational systems of two leading ministries, MAF and MoIC in order to improve inter and intra-sector linkages towards a united direction to promote agro-based SME; and (ii) accelerate the implementation of policy and operational reforms, especially the restrictive regulatory environment that deters private investment, and considered the key drivers in the promotion of agro-based SME are both deemed essential and urgent.

Nurturing the skills of farmer production group (FPG) to become entrepreneurs and eventually manage their agro-based SME is a gradual process. It is better achieved by leveraging with the private sector through contract farming performing agro-value chain activities than government doing the entire process of skills’enhancement. The government will serve its purpose if it limits its role to facilitator and coordination. This is the essence of the capacity building programme of NRI. Train government front liners (PAFO/DAFO) as facilitators by making the environment friendly and link the FPG and their members to markets through contract farming based on technical and economic considerations and mutual consensus among the parties involved. FPGs being linked to markets served as catalyst to learn the fundamental rudiments of entrepreneurship and eventually manage their own agro-based SME.
Many entrepreneurs have set up their businesses in Luang Prabang (LPB) town with a high growth rate since it was listed by UNESCO as World Heritage Site in 1995. The visitors to LPB have been remarkably and annually increased. Entrepreneurs and tourists have caused many socio-economic to community. This study examines the Socio-Economic Impact of Tourism and Entrepreneurs in LPB province, Lao PDR by conducting the field survey of 100 entrepreneurs who related to tourism. A questionnaire was designed in form of both closed-end and open-end in order to collect data coupled with some interviews. Descriptive method of research was used in this study.

The results of the study found that most of the respondents are in the middle-aged, more female entrepreneurs, married and undergraduate of education level. There are more than 50 percent of respondents had been in business for more than 5 years. The informants addressed that the development of tourism in LPB force them to improve their entrepreneurs’ skills. Most entrepreneurs posited that tourism influence them to improve their skills in managing businesses, in which were increased their income and personal improvement. Therefore, tourism has impact on their businesses and society changes. However, entrepreneurs’ perception extents to which tourism and entrepreneurship have addressed their socio-economic goal have been achieved to high extent.

The study also illustrated that the most entrepreneurs are facing with both of positive and negative impacts of tourism. However, some of them do not want to change their own life-styles and society. They have agreed to promote and develop tourism in order to support local economic growth and local resident’s income. On the contrary, they need to maintain their traditional society. In short, entrepreneurs’ perception extents on tourism and entrepreneurship have enhanced their socio-economic condition.
Micro, Small and Medium Enterprises (MSMEs) in the Philippines: What We Know and What We Don’t Know.

Authors: Steve Z. Almeda, Asian Institute of Management Policy Center, Philippines.

Ivyrose Baysic-Pobre, Asian Institute of Management Policy Center, Philippines.

The availability of national firm level data particularly on micro enterprises in many developing countries still remains limited up to this date. The Philippines is no exception, which in turn limits the extent of empirical analysis on the economic contributions of micro, small and medium scale enterprises. This paper presents a novel dataset of Philippine micro, small and medium enterprises and the existing literature concerning the challenges and development issues of MSMEs in the industrial and developing countries. Using a dataset on over 1,700 MSMEs collected as part of the AIM Policy Center’s Enterprise Survey 2009, this paper discusses the characteristics of these firms and their perceptions on government policies on improving the business environment. This paper also draws on the wider literature on this topic in order to map out key areas where further information and evidence on Philippine MSMEs could be useful in informing more nuanced and possibly better-fitting policies.

Author: Oukham Sisounonth, National University of Laos, Laos.

This research attempts to illustrate the current situation of SMEs in Laos. The particular concentration has been put on the investigation of SMEs’ performance in Laos, especially in Vientiane Capital. In order to address the primary objective of the present paper, the nation-wide SME survey from GTZ is solely employed. The result shows that number of SMEs in commercial sector have been sharply growing over the years. However, a large number of SMEs in this research are experiencing difficulties in the accession to financial sources and adaptation to high pressured competition. In addition, the finding indicates that most of Lao SMEs in commerce sector are not ready for the regional and international integration.
Success Strategies in Managing Customer Preference: The Case of Food Service Industry.

Authors: Abg Zainoren Abg Abdurahman, Universiti Teknologi MARA Sarawak, Malaysia.
Firdaus Abdullah, Universiti Teknologi MARA Sarawak, Malaysia.
Jamil Hj Hamali, Universiti Teknologi MARA Sarawak, Malaysia.

In the dynamics of today business environment, foodservice establishments have to abide with current market scenarios which shape sophisticated foodservice customer demand for their services. The foodservice industry is considered as the one of the fastest growth industries in the global market. Hence, foodservice establishments must place a high priority on understanding the growing markets resulting from rapid urbanization and rising numbers of tourists. Managers need to gain and sustain strategic advantage in this highly competitive industry, thus a local customer preference assessment is crucial. This paper presents the dimensions of customer preference in the food service industry, tested empirically for unidimensionality, reliability and validity using both exploratory and confirmatory factor analysis. A 30-item questionnaire was designed and distributed to foodservice customers. Factorial analysis confirmed five dimensions of customer preference, and using multiple regression, their order of importance are Halal (permissible in Islam), Price, Quality of Service, Branding and Tangibles. All the five dimensions have positive correlation with customer satisfaction, which in turn correlates highly with customer loyalty. Ultimately, strategies for success were proposed for practitioners and authorities in enhancing the success of the foodservice industry.

Authors: Azila Azmi, Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia.
Silverina Anabelle Kibat, Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia.
Rafidah Aida Ramli, Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia.
Nina Farisha Isa, Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia.

Border town have been famous for both positive and negative activities. On the blessed side, it is one of the platforms that unites and promotes peace and understanding between the neighbouring countries. On the other hand, it is a hub for the gamblers, smugglers and terrorists. Retailing activities come along with these activities. Among the famous retailing activities at the border town of Malaysia-Thailand are shopping. People shops for groceries, imitation goods, and clothing, as visitors perceived it to be cheaper. Some prefer to obtain illegal items that might not be available or difficult to get in their home country. It is a challenge for the retailers to keep a balance between the blessed and blight retailing activities. This paper gives particular attention to the issues and challenges of retailing activities in a border town; focusing on retailer survival within the economic, safety, political instability, and social culture issues surrounding the border areas.
Measuring the Technical Efficiency of Thai Small Manufacturing Enterprises.

Authors: Teerawat Charoenrat, Khon Kaen University, Thailand. Charles Harvie, University of Wollongong, Australia.

This study measures the technical efficiency of Thai small manufacturing enterprises by using a stochastic frontier model and technical inefficiency effects model. Cross-sectional firm-level data from an industrial census conducted in 2007 is utilised. Average technical efficiency levels for aggregate small firms and by manufacturing sector are found to be low, indicating a high degree of technical inefficiency in production. Small enterprise production is heavily labour dependent. The technical inefficiency effects model reveals that firm age, skilled labour, firm location, ownership type, foreign investment and exporting are key factors contributing positively to the technical efficiency of small manufacturing enterprises. The paper concludes that government policy should place more attention on creating an enabling environment to foster small manufacturing enterprise growth, enhance technology, and encourage the development of an environment, infrastructure and facilities conducive to enhancing the technical efficiency of small manufacturing small enterprises.
The Technical Efficiency of Thai Manufacturing SMEs: Evidence from Industrial Census.

Authors: Teerawat Charoenrat, Khon Kaen University, Thailand. Charles Harvie, University of Wollongong, Australia.

This paper employs a stochastic frontier production function and technical inefficiency effects model to measure and explain the technical efficiency of Thai manufacturing SMEs. Cross-sectional firm-level data from the industrial census conducted in 2007 is used. A simple average technical efficiency levels in all categories of manufacturing SMEs analysed in 2007 is found to be low, indicating a high degree of technical inefficiency in the production process. Despite reform measures aimed at improving firm performance, Thai manufacturing SMEs have remained predominantly labour intensive. The technical inefficiency effects model reveals that firm size, firm age, skilled labour, firm location, ownership type, foreign investment and exporting are key factors contributing to SME technical efficiency. The paper concludes that government policy have been largely ineffective and should place more attention on creating an enabling environment to foster SME growth, enhance technology and encourage the development of an environment, infrastructure and facilities conducive to enhancing the business operation of SMEs in order to enhance their technical efficiency.
Firms’ export is one of the crucial elements that can increase income of a firm in a tremendously large amount instead of or other than just only selling to its domestic market. Export is very challengeable task; however, firms are still keen to export due to the fact that international market is the huge markets which can enable firms to expand their production base extensively so as to generate larger income for the company. The term export can be defined as “the production of goods within the country and sell to oversea buyers”. Although many firms are willingly to export as much as possible, it still depends on various factors that will enable or disable the ability of firm to expand its export in term of level and quantity it can export.
If firms were confronting with the business limitation due to the unexpanded export or export expanded in just small amount that create problem for company requiring to be solved. Firms need to seek and identify those factors surrounding the business environment that are affecting their export performance because these factors are the determination of firms’ export and also are the variable to the export of the company in term of the shrinking and expanding according to the changing of these factors.
These factors are extremely important as they are the determinants of the ability of firms’ export; which they cover both major and minor factors that largely and slightly effecting exports. However, this research will focus only on the major factors which can be measured in a form of number in order to examine them in the hypothesis testing according to the theory and modelling appropriately. Hence, the purpose of this research is to seek and identify the factors which determine the increase and decrease of a particular firm’s exports. The study in this occasion will be done in the macro level year 2011, where data will be collected from various exporting firms located in Vientiane Capital, Luangprabang Province, Champasack Province and will partly utilise some information that GIZ has gathered and has utilised secondary data from various sources such as: export date (Asia Development Bank), domestic sell data (collecting from 50 export companies), R&D information (by using secondary data), GDP information from the World Bank, information on
raising awareness expenditure (collecting from 50 export companies) and information of businessmen (collecting from Lao National Chamber of Commerce and Industry). The model was estimated by Logit model of analysis for which the study employs Stata software version 11, Panel OLS regression estimates was the main tool for the quantitative analysis.
Promotion of SMEs access to finance is one of the most important issues in developing countries including Laos. However, there are still debating whether financial accession help to improve firm’s productivity and export in regional and national context. In addition, according to our best knowledge, there is no study on this relationship in Laos. Therefore, the main objective of this study is to assess the impact of financial access on productivity and export in Lao SMEs using data from GIZ survey in 2012. We use multi-regression model and logit model to model for this study. The empirical result shows that financial accession could promote labor productivity of SMEs. Moreover financial accession also contributes to SMEs’ export. Therefore, it is important for policy maker to help SMEs to access to financial sources in order to promote their productivity and export.
Adaptation under Chaos: Small and Medium Sized Enterprises in Developing Economies in East Asia – A Review and Critique.

Authors: Nguyen Hong Nga, University of Queensland, Australia. Robert J.S. Beeton, University of Queensland, Australia.

The pressure on Small and Medium sized Enterprises (SMEs) to adapt their production and management to meet the global industrial standards is enormous. These pressures come from both the international supply chain and the government’s environmental legislation. Yet, an effective way to help SMEs adapt to these challenges in emerging economies is not reported. This paper aims to review research studies that have investigated strategies to environmental adaptation from SMEs in both developed and developing economies with an emphasis on East Asia. The purpose is to identify key success factors for the adaptation process and consider them in the context of Vietnam.

Research journals, project documents and workshop proceedings were selected and studied to identify the diversity of views. Surprisingly, most of the East Asia literature discussed the challenges that SMEs were facing when pursuing greener growth and eco-innovation. Elsewhere the emphasis was across the whole spectrum of enterprise building. Examples of challenges are limited awareness of the scale and implications of the adaptation process, limited information and knowledge about adaptation methods, lack of skills, and limited access to finance. Some solutions proposed include that the governments and international development agencies could help SMEs to overcome those challenges. There was a lot of discussion about the role of public networks and SME clusters. However, current literature was unable to explain the adaptation process with required knowledge and skills. This is probably a reflection of its aid based and NGO origin.

The paper concludes that existing evidence is not adequate to identify key success factors for the adaptation process of SMEs in developing economies in general and in Vietnam in particular. Further studies are needed to address this gap in knowledge and propose socially and culturally appropriate strategies for East Asian SMEs in their cultural and developmental context.
Estimation of Technical Efficiency in Thai Manufacturing SMEs.

Authors: Teerawat Charoenrat, Khon Kaen University, Thailand. 
       Charles Harvie, University of Wollongong, Australia. 
       Khorsheed Chowdhury, University of Wollongong, Australia.

This study applies data envelopment analysis (DEA) approach and a two-limit Tobit model to measure the technical efficiency of Thai manufacturing SMEs and examine firm-specific factors contributing to it by using firm-level industrial censuses data in 1997 and 2007. The empirical results revealed that the overall average technical efficiency in 1997 and 2007 are relatively low and labour intensive, which can potentially reduce their output contribution. Results also indicated that firm size, firm age, skilled labour, location, type of manufacturing ownerships, cooperatives, foreign investment and exports are important firm-specific factors contributing to the technical efficiency of Thai manufacturing SMEs. Therefore, specific policies are required to improve the technical efficiency of SMEs and these include easier access to financial services, credit facilities, equity in terms of the political operation, educational system, extensive infrastructural development, and technological upgrading, marketing and management.
Malaysian SMEs in the Food Processing Industry: An Strategic Analysis of TQM Strategies for Enhanced Performance.

Authors: Za’faran Hassan, Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia. 
Arawati Agus, Universiti Kebangsaan Malaysia, Bangi, Malaysia. 
Rabiah Abdul Wahab, Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia.

This paper examines the importance of incorporating TQM in Malaysian SMEs in the Food Processing industry. The paper specifically investigates relationships between TQM, production performance and customer-related performance and the associations were analyzed through statistical methods such as Pearson’s correlation and structural equation modeling (SEM). In the stiff competition faced by industries nowadays, Total Quality Management (TQM) is seen as the key enabler towards achieving competitive advantage. In fact, many global and International SMEs achieved of their world class status largely due to their strong focus on TQM. An effective Total Quality Management will ensure that SME business processes will achieve its ultimate of aim of complying with the final consumer value requirement and therefore ensuring customer satisfaction, overall improvement and sustainability of the particular business or organization. The findings suggest that TQM and its adoptions have significant correlations with production performance and customer-related performance. In addition, TQM variables namely ‘quality measurement’, ‘benchmarking’, ‘continuous process improvement’ and ‘supplier relations’ appear to be of primary importance and exhibit significant impact on production performance and customer-related performance. These observations were revealed through the SEM analysis of this study. Findings of the study provide empirical evidence of the importance of TQM in enhancing performances of Malaysian SMEs. The result indicates that Food Processing SMEs should emphasize greater attention to quality measurement aspects of TQM and a greater degree of management support for TQM initiatives.
Stochastic Frontier Production and Technical Efficiency of Thai Manufacturing and Exporting Small and Medium Sized Enterprises.

Authors: Yot Amornkitvikai, Rangsit University, Thailand.
Teerawat Charoenrat, Khon Kaen University, Thailand.
Charles Harvie, University of Wollongong, Australia.

This paper employed the 2007 Thai Industrial Census to empirically estimate the stochastic frontier production, the output elasticities of inputs and the returns to scale, and measure the technical efficiency performance of 3,803 Thai manufacturing and exporting SMEs which are classified into seven sub-exporting groups, such as ASEAN, East Asia, South Asia, Europe, OCEANIA, North & South America. The results of this study reveal that Thai manufacturing and exporting SMEs including all sub-exporting SME groups predominantly rely on labour input to increase their output. The evidence of the estimated output elasticities of capital and labour inputs also suggest that capital input has the highest output (production) elasticity, followed by labour input, implying that capital input is more important than that of labour input in increasing the output. The production of Thai manufacturing and exporting firms also exhibit a mild increasing returns to scale, including the production of SMEs exporting to ASEAN, Europe, and Middle East & Africa. A strong increasing returns to scale was also found for the production of manufacturing SMEs exporting to OCEANIA. The production of Thai manufacturing SMEs exporting to North & South America was found to have a constant returns to scale, except those SMEs exporting to East Asia and South Asia which face decreasing returns to scale. More importantly, Thai manufacturing and exporting SMEs operated at a moderate level of technical efficiency at 0.5411 (54.11 %). Comparing with each sub-exporting group of Thai manufacturing SMEs accounting for 89 countries, SMEs exporting to OCEANIA obtain the highest level of technical efficiency at 0.7596 (75.96 %), followed by SMEs exporting to East Asia (0.6040 or 60.40%), SMEs exporting to Middle East & Africa (0.5742 or 57.42%), SMEs exporting to ASEAN (0.5509 or 55.09%), SMEs exporting to South Asia (0.5472 or 54.72), SMEs exporting to Europe (0.5278 or 52.78%), and SMEs exporting North & South America (0.4807 or 48.07%). Finally, evidence-based policies are provided to facilitate improvement in the technical efficiency performance of Thai manufacturing and exporting SMEs.
Supported by: Private Sector and SME Development Program

The Asian Development Bank's Private Sector and SME Development Program aims to support Lao PDR create an enabling environment for small and medium-sized enterprises to grow and develop.

Description
The Program's expected impact is to double the number of SMEs that are formally registered during the Program period of 2010 to 2015. The Program's expected outcome is an improved business environment. To achieve these impact and outcomes the Program has three core outputs: (1) Improved SME policy development and improved SME access to services; (2) Increased competition and regulatory efficiency and (3) Trade policy for SME growth.

The Program is supported by technical assistance of $1 million funded by the Japan Fund for Poverty Reduction. The technical assistance provides both policy advisory and capacity development support for enhancing competition and regulatory efficiency, SME policy development, rollout of a modern enterprise registry office, research on technology adoption, SME access to accounting and other business development services, trade policy for SME growth and mainstreaming gender in SME development.

The Program also includes the establishment of the Lao Economists Study Group. The aim of the Group is to promote research among Lao economists. It also convenes a monthly seminar series on the Lao economy.

The Executing Agency for the Program and TA is the Small and Medium-sized Enterprises Promotion and Development Office (SMEPDO) at the Ministry of Industry and Commerce.

General Information
The ADB team comprises:

Kelly Bird (Principal Economist) is the task manager for the TA.
Sani Ismail (Financial Sector Specialist) and task manager for the PSME Program,
Phanmany Khamphilavong (National Economist)
Chanmaly Rattanavong (Project Coordinator)

The PSME Project has a Project Management Unit located at SMEPDO. For more information on the Project please contact:

Kelly Bird at Kbird@adb.org or Ms. Phanmany Khamphilavong at panmany@yahoo.com