

ABSTRACT

Thesis Title : Success Factors of Thai Businessmen in Vietnam
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Degree Sought : Master of Business Administration Academic Year 1996
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The objective of this research is to study all factors, both internal and external, which influence the success of Thai businessmen in doing business in Vietnam. This research also includes the analysis of the impacts of various factors on Thai investment overseas and the prioritization of these factors. We believe that the findings of this research will enable us to develop suggestions to Thai businessmen regarding doing business overseas, and will provide information useful to their decision making to successfully invest aboard.

The research is based on surveys among businessmen who have established their business in Vietnam which can be divided into two categories: mail and interview surveys. As for the mail survey, a total of 42 Thai companies have been found to have invested in Vietnam at the moment, and questionnaires were sent to all of these companies in order to achieve the maximum confidence and accuracy. Additional questionnaires were also sent to 3 companies that experienced failures in investing in Vietnam to compare the information on success and failure stories. The interview survey aimed at examining additional details through interviews with 20 parent companies in Thailand. These companies were among the 31 questionnaire respondents.

The descriptive method is mainly used to explain and describe the analysis and findings. The quantitative method is applied in processing some data. The quantitative analysis involves the calculation of mean values to determine the importance of each motivation and success factor. The "t statistic" and "Mann-Witney Method" are applied in the hypothesis testing by running -- the Statistical Package for the Social Science (SPSS).

The results of the research are in line with the objectives set and can be summarized as follows:

1. The most important motivation to invest in Vietnam is the search for new markets. Cheap labor is ranked the second, followed by lower overall production costs.

2. The most critical internal factor which determines business success is the clear-cut management strategies; well-defined human resource development policy is ranked the second, followed by Thai shareholders having more management power.

3. The prioritization of external factors is very difficult due to the slight differences in the derived mean values among various factors. However, external factors can be divided in the following groups: (1) laws and regulations; (2) factors related to the appropriate timing of investment, the understanding on market situation in Vietnam, suitable business activities for Vietnam's market and monitoring of relevant economic information; (3) language and culture factors; (4) labour factors; (5) location factors; and (6) financial and production stability.

4. The hypothesis testing to determine the importance of each factor indicates that external factors with significant influence on business success include government laws, regulations and taxation; language and cultural factors; location factors, appropriate timing of investment; potential and growth of the

Vietnamese market; as well as the regular monitoring of Vietnam's economic situation. The first two factors are confirmed by the interview survey to be the most important. As for internal factors, clear management strategies and human resource development policies are the most crucial factors.

5. The comparison of opinions on success factors expressed by successful companies and those that fail indicates that both groups accord the same or similar degree of importance to each factor.

6. The interview survey presents a case study showing the importance of various factors to business success, and depicts the reasons for failure experienced by some companies such as wrong marketing projections, ambiguous rules and regulations related to doing business in Vietnam, some Thai companies' business practices that are not straightforward, and lack of determination to plan and control businesses in line with the targets set.

The interview survey also depicts problems and obstacles in doing business in Vietnam such as rules and regulations that constantly change, inadequate infrastructure, and insufficient sources of financing. Recommendations regarding the government policy to promote Thai investment overseas include the formulation of concrete promotion policies, taxation measures and loans, and information services.