

Research Article

Analysis of Strengths, Weaknesses, Opportunities and Challenges to Promote Start-Ups Activities of the Youth in Laocai

Vu Quynh Nam¹, Nguyen Hai Dang²

¹University of Economics and Business Administration, Thai Nguyen University, Vietnam.

²Lao Cai Provincial Youth Union.

I N F O

Corresponding Author:

Vu Quynh Nam, University of Economics and Business Administration, Thai Nguyen University, Vietnam.

E-mail Id:

Quynhnam@tueba.edu.vn

How to cite this article:

Nam VQ, Dang NH. Analysis of Strengths, Weaknesses, Opportunities and Challenges to Promote Start-Ups Activities of the Youth in Laocai. *J Adv Res Acct Fin Mgmt* 2022; 4(1): 14-18.

Date of Submission: 2022-06-22

Date of Acceptance: 2022-07-25

A B S T R A C T

Lao Cai is the northern border province of the country. In recent years, Lao Cai's economy has developed rapidly, in 2021 the whole country is affected by the Covid-19 epidemic, but the growth rate is estimated at 5.33%, GRDP is estimated at 33,643.48 billion VND. This includes the role of youth in local economic development. Despite the difficult economic situation, Lao Cai province has always paid attention to and encouraged youth start-up activities. Up to now, the province has nearly 500 economic development models owned by young people with incomes of VND 50 million or more; there are 10 youth clubs for economic development at district level, 85 clubs at commune level; 49 cooperative groups and 25 start-up cooperatives, nearly 600 start-up businesses. This has confirmed the great role of young people in establishing themselves and starting a business. However, for young people to have a clear orientation in starting a business, it is extremely important to study strengths, weaknesses, opportunities and challenges and combine those factors together in entrepreneurship activities for young people. importance. Thereby, helping the government have appropriate support policies for young entrepreneurs in the future.

Keywords: Start-up, Youth, SWOT Matrix, Lao Cai Province

Introduction

Lao Cai is an important transit point on the Kunming -Lao Cai -Hanoi -Hai Phong - Quang Ninh economic corridor and a gateway and bridge connecting Vietnam with the Southwest region, China.

Lao Cai has a highly stratified terrain with a strong degree of division, with many high peaks of Phan Xi Pang in the Hoang Lien Son range with an altitude of 3,143 m above sea level, in addition, there are 2 high points above 3,000 m. Ta Giang Phinh: 3,090 m and Pu Ta Leng: 3,049 m, creating a majestic and cool natural landscape. In addition, the population of Lao Cai province in 2020 is 746,355

people, of which young people account for nearly 27% of the population, with 51 different ethnic groups with many unique traditional cultures. At the same time, Lao Cai has a tropical monsoon climate, but because it is located deep in the continent, there are many different altitude stratifications, so the climate has very different changes in space. This is a favorable condition for local socio-economic development and promotion of start-up activities. Therefore, over the years, start-up activities in general and entrepreneurship activities among young people in Lao Cai province in particular have grown quite rapidly with nearly 500 start-up models and 600 enterprises. This has confirmed the great role of youth and local authorities in

promoting entrepreneurship. However, since 2019 due to the Covid-19 epidemic situation, which has seriously affected youth start-up activities (especially startups in the field of tourism), from the end of 2021 until now, the epidemic situation has been increased. disease is under control, these patterns begin to work again. To have a comprehensive picture of youth entrepreneurship activities in Lao Cai province, it is extremely necessary to analyze and evaluate the combination of strengths, weaknesses, opportunities and challenges in youth entrepreneurship. Propose some solutions to promote entrepreneurship activities among young people in Lao Cai province in the coming time.

Research Methods

Methods of collecting information: The information used in the research is secondary information: Lao Cai Statistical Yearbook, report on youth entrepreneurship activities from Lao Cai Provincial Youth Union. The study uses the S-W-O-T strategic matrix analysis model (Strengths - Strengths, Weaknesses - Weaknesses, Opportunities - Opportunities, Threats - Threats) to analyze strengths combined with opportunities (O/S). ; weaknesses and opportunities (O/W); strengths and threats (S/T); Weaknesses and threats (W/T) for youth entrepreneurship in Lao Cai province. From there, propose solutions to promote entrepreneurship activities for young people in Lao Cai province.

Table 1. S-W-O-T Strategic Matrix

Opportunities and Strengths (O/S)	Opportunities and Weaknesses (O/W)
Lao Cai is an important transit point on the Kunming Lao Cai, Hanoi, Hai Phong, Quang Ninh economic corridor and is a gateway and bridge connecting not only Vietnam, but also ASEAN countries with the market. China's vast southwestern region, this is a strong point that needs to be fully exploited to develop the border economy	Lao Cai is one of the provinces located inland and farthest from the sea of Vietnam, very far from Hanoi and Hai Phong, and also very far from Kunming. In addition, the terrain of Lao Cai is a high mountainous area, which is divided too complicatedly, making transportation very difficult and expensive. It is necessary to invest a lot to develop infrastructure, especially transport infrastructure to develop a worthy border economy
Advantages of geo-economic, geo-political, geo-cultural location; tourism resources both natural and human are very unique, diverse and abundant; converging all types of transport, such as railways, roads, waterways and future air routes, including international traffic routes; Having favorable international cooperation relationships are strong points to take advantage of opportunities to develop tourism into a spearhead economic sector	Lao Cai has not brought into full play its potential and advantages in tourism development; destination management has not been implemented synchronously and effectively; the state of insecurity and safety still occurs; tourism infrastructure is still modest, there are no large-scale and breakthrough projects; Transportation infrastructure to tourist destinations is not convenient, lacks wharfs. Tourist products and activities are still monotonous, not diversified, infrastructure is not commensurate with potentials and professionalism in tourism services is not high
The unique topography and climate of Lao Cai creates a number of sub-climates interspersed between subtropical, subtropical and temperate regions. This is a favorable point for the development of agriculture, forestry and fisheries, especially for crops and livestock with high economic value. High-tech application in startup development belongs to four specific strengths of Lao Cai, which are potential directions in innovative start-ups	The production of temperate and subtropical agro-forestry-fishery products is often located on locations with high altitudes and steep slopes, difficult to accumulate land for concentrated production, product preservation and Transportation of products to the place of processing and consumption is very difficult and expensive

<p>The forestry land area of Lao Cai accounts for 65% of the natural area, the source of raw materials for forest products is abundant and abundant; combined with favorable trade conditions both by railway and by highway connecting Hanoi capital and Hai Phong port. These are favorable conditions to attract investment, promote trade and export forest products</p>	<p>Forest product processing is not commensurate with the development potential, only focusing on processing raw products for export, not creating a product link chain</p>
<p>Lao Cai is rich in mineral resources, in which many kinds of precious and high-quality minerals are the leading reserves in Vietnam such as apatite, iron, copper, graphite, and rare earths. This is an opportunity for the mining, metallurgy and chemical industries to develop. The dense system of rivers and streams with abundant, good quality and dynamic water reserves is a great opportunity for Lao Cai to develop hydroelectricity industry, especially small and medium hydropower projects in the coastal areas, remote areas</p>	<p>Difficulty in investment capital for hydropower is a big challenge leading to slow construction progress; small and medium hydropower projects are mainly located in remote areas, but the power transmission system has not yet met the connection demand from hydropower plants. There are still a number of organizations and individuals that have not fully complied with the provisions of the law: Mining activities in excess of the permitted capacity, mining beyond the permitted boundaries and locations; failure to determine actual catches; some grassroots officials are not fully aware of policies and laws on minerals; Mineral management is still not tight</p>
<p>Strengths and Threats (S/T): Developing the border gate economy contains great challenges in terms of security protection and development of integrated products to meet demand. In the condition that the country's export of goods has increased, the clearance capacity at Lao Cai border gate has not yet been able to meet the requirements. It is necessary to have more active investment attraction policies to promptly upgrade logistics infrastructure and upgrade border gates</p>	<p>Weaknesses and Threats (W/T): In the condition that the geographical location is far from major economic centers and transportation is difficult and expensive, the issue of ensuring security, enhancing customs clearance capacity and upgrading logistics infrastructure is very difficult, so it is difficult to can be impatient for rapid development of the border economy, but it is necessary to have the right long-term development strategy</p>
<p>Advantages of geo-economic, geo-political, geo-cultural location; tourism resources, transportation, international cooperation, the diversification of international tourist flows pose urgent issues of ensuring security and politics. It is necessary to have measures to ensure stable and effective political security without disturbing tourism development</p>	<p>The "hot" development of tourism, especially the number of domestic tourists booking Lao Cai tourism, causes great challenges: local traffic congestion, overload in restaurants and hotels, service facilities, the risk of tourists' change in quality, the pollution of the ecological environment and the loss of traditional cultural heritage, the gradual loss of flora and fauna of the forest</p>
<p>There are not many high-tech temperate and subtropical agricultural commodity production areas, the processing, preservation and consumption of products have not been promoted, and there are not many products with strong brands in Lao Cai Plantation forest productivity is low due to not focusing on intensive farming, not bringing into full play the potential advantages of abundant forest land fund and very good quality forestry soil</p>	<p>The rural areas of Lao Cai where high-tech temperate and subtropical agricultural production take place are often remote, very sensitive and vulnerable areas, where the world hostile forces take advantage of propaganda and distort to cause disorder and social safety. The allocation of land and issuance of forest land use right certificates is still slow, especially by the protection forest management boards. The area that has been assigned and issued with certificates has many errors, causing disputes between people and organizations</p>
<p>The technological level of the mining, metallurgy and chemical industries is still very low.</p>	<p>In the mining industry, there are still a number of organizations and individuals that have not fully complied with the provisions of the law: Mining activities beyond the permitted capacity, mining beyond the permitted boundaries and locations; failure to determine actual catches</p>

The construction of hydropower plants can cause many serious consequences: the discharge of floods can cause great damage to people's houses, properties and crops; many areas of forest, production land, people's living works were lost due to water surge from hydroelectric power plants; Natural landscape is destroyed, adversely affecting tourism development

In the hydropower industry, many investors do not conduct thorough field surveys, leading to many problems arising in the implementation of hydropower projects. This, in turn, leads to investors having to spend more money and risk causing more consequences to people's lives, landscape and environment



Figure 1. Topographical regions of Lao Cai province

Research Result

Research results will be presented on the strategic matrix S-W-O-T on the combination of strengths, weaknesses, opportunities and challenges for entrepreneurship activities among young people in Lao Cai province. (source: authors analysis).

Conclusion and Recommendations

With its economic and geo-political location; natural and socio-economic conditions; importance in international relations; relationship with domestic provinces; The mechanisms and policies of the central and local governments have made Lao Cai province have great opportunities in developing entrepreneurship for young people. Start-up development opportunities lie in the following areas: border economy; travel; high-tech application of temperate and subtropical agriculture; forestry; mining, metallurgy and chemical industries; and hydropower industry. Each opportunity in these areas is associated with strengths, weaknesses, opportunities and threats. For each startup field, Lao Cai province needs to maximize strengths, overcome weaknesses as best as possible in order to fully take advantage of opportunities and minimize challenges in order to bring young people's startup careers to life. Lao Cai year develops fast, strong and steady.

References

1. Bao T. Lao Cai: Implications from the hot development of small and medium hydropower. Ethnicity and Development Newspaper, 2021. [https://baodantoc.](https://baodantoc.vn/lao-cai-he-luy-tu-phat-trien-nong-thuy-dien-vua-va-nho-1618824984936.htm)

[vn/lao-cai-he-luy-tu-phat-trien-nong-thuy-dien-vua-va-nho-1618824984936.htm](https://baodantoc.vn/lao-cai-he-luy-tu-phat-trien-nong-thuy-dien-vua-va-nho-1618824984936.htm)

2. DT Tinh et al. Doing Business Research and Teaching Methodology for Undergraduate, Postgraduate and Doctoral Students-Case in Various Markets Including Vietnam, Elementary education Online 2021; 20(1).
3. Dung M. Lao Cai industry affirms its important role, 2022. Lao Cai newspaper online, <https://baolaoai.vn/bai-viet/353690-cong-nghiep-lao-cai-khang-dinh-vai-tro-quan-trong>
4. Linh NH. To build Lao Cai into a growth pole, a center connecting economic trade between Vietnam and ASEAN countries and the Southwest region-China, 2021. Portal of Lao Cai Provincial Party Committee Office, <http://laocai.org.vn/1366/95264/70021/646767/tin-tuc-tong-hop/xay-dung-lao-cai-tro-thanh-cuc-tang-truong-trung-tam-ket-noi-intervention-thuong-king-te-giua-viet-nam-v>
5. Hoa NT et al. Implementation of students's scientific research policy at universal education institutions in Vietnam in today situation and solutions. *Review of International Geographical Education Online* 2021; 11(10): 73-80.
6. Thach NN et al. Measuring the Volatility of Market Risk of Vietnam Banking Industry After the Low Inflation Period 2015-2017. *Review of Pacific Basin Financial Markets and Policies* 2020; 23(4).
7. Thang HV. Lao Cai tourism Opportunities and challenges to develop a spearhead economic sector, 2019. Portal of Lao Cai province, <https://laocai.gov.vn/1233/27665/48228/369816/du-lich-trong-tinh/du-lich-lao-cai-co-hoi-va-thach-thuc-de-phat-trien-nganh-king-te-mui-nhon>
8. Hanh HT et al. Impact of macro economic factors and financial development on energy projects-case in ASEAN countries. *Management* 2020; 24(2)
9. Website of Lao Cai province, accessed on August 30, 2018, <https://laocai.gov.vn/Default.aspx?sname=ubnd-laocai&sid=4&pageid=468>
10. Lao Cai Statistical Yearbook 2020.
11. Thao TX. Lao Cai develops information and communication technology to meet development and integration requirements 2021.
12. <https://laocai.gov.vn/1272/28952/43178/574463/nguyen-cuu-trao-doi-lao-cai-phat-trien-cong-hear->

thong-tin-va-truyen-thong-dap-ung-yeu-cau-phat-trien-va-hoi-inhap

13. Ha TTH et al. Modern corporate governance standards and role of auditing-cases in some Western European countries after financial crisis, corporate scandals and manipulation. *International Journal of Entrepreneurship* 2019; 23(1).
 14. Nam VQ et al. Solutions to Promote Startup for the Youth in Minority and Mountainous Region of Thai Nguyen Province-Vietnam. *Journal of Contemporary Issues in Business and Government* 2021; 27(3).
 15. Lao Cai Provincial Youth Union, report on youth work, 2021.
-