

Western Kentucky University

TopSCHOLAR®

Honors College Capstone Experience/Thesis
Projects

Honors College at WKU

2010

Institutional Inconsistencies and Microentrepreneurial Intent to Quit a Business: Street Vendors in Vietnam

Mai N. Tran

Western Kentucky University

Follow this and additional works at: https://digitalcommons.wku.edu/stu_hon_theses



Part of the [Business Administration, Management, and Operations Commons](#)

Recommended Citation

Tran, Mai N., "Institutional Inconsistencies and Microentrepreneurial Intent to Quit a Business: Street Vendors in Vietnam" (2010). *Honors College Capstone Experience/Thesis Projects*. Paper 259.
https://digitalcommons.wku.edu/stu_hon_theses/259

This Thesis is brought to you for free and open access by TopSCHOLAR®. It has been accepted for inclusion in Honors College Capstone Experience/Thesis Projects by an authorized administrator of TopSCHOLAR®. For more information, please contact topscholar@wku.edu.

INSTITUTIONAL INCONSISTENCIES AND MICROENTREPRENEURIAL INTENT
TO QUIT A BUSINESS: STREET VENDORS IN VIETNAM

A Thesis Project

Presented in Partial Fulfillment of the Requirement for

the Degree Bachelor of Science with

Honors College Graduate Distinction at Western Kentucky University

By

Mai N. Tran

Western Kentucky University

2010

CE/T Committee:

Professor Scott Droege, Advisor

Professor Gary Benton

Professor Craig T. Cobane

Approved by



Advisor

Department of Management

Copyright by

Mai N. Tran

Scott Droege

2010

ABSTRACT

Beyond actual institutional influences, entrepreneurs' perceptions of institutions and their potential inconsistencies in interpreting institutional change may influence entrepreneurial intent to quit a business. Especially at the microentrepreneurial level, inconsistencies in perceptions of institutional change may variously affect individuals' intent to abandon their business, seek jobs in other sectors, or even continue in business despite regulatory institutional changes making their business legally untenable. Our goal in this research is to empirically measure these intents in the face of inconsistent perceptions of institutional change with a sample of 660 street vendors from different cities in Vietnam. We find that perception of the two theoretical constructs, actions as rules and diminished utility of regulatory control, are negatively correlated with intent to quit a business, which is consistent with our hypotheses. Contrary to what we hypothesized, however, microentrepreneurial intent to exit their business is positively correlated with perceptions of retrospective legitimization. Implications for future research and public policy are also discussed.

Keywords: Institutions, Meso-institutions, Microentrepreneurs, Street Vendors, Vietnam

This thesis is dedicated to my family

ACKNOWLEDGEMENT

The making of this thesis project was laboriously wearisome yet delightfully rewarding. It would not have been possible without the help, support, and encouragement of so many people. I first acknowledge and thank my family. Without their tireless support and encouragement, I would not have survived this tough experience. Thank you for always being there when I called despite the time zone difference. Many thanks to my dear sister whose optimistic spirit never failed to support me during my hardest times.

I am indebted to Professor Scott Droege. Professor Droege served as my advisor, enriched my knowledge as a teacher, and supported me as a friend. Thank you for accepting to work with me on my thesis and for a learning experience outside classroom. Thank you for giving up so much of your valuable time to spend on the thesis and for always being there to answer all my questions and helping me with every single step in the process. Thank you for giving me endless encouragement during the tiring and stressful process of working in a time constrained situation. I cannot imagine the completion of my thesis without your help. I am also grateful to the members of my committee. Special thanks to Professor Craig Cobane for encouraging and pushing me to get the thesis done. I am also appreciative to Professor Gary Benton for his willingness to engage in the project. My sincere gratitude also to Professor LeAnne Coder and Professor Michelle Lane for their generous helps with running the statistics and analyzing the results.

This thesis would not have been possible were it not for the support of Honors College and Gordon Ford College of Business. I would like to thank the Honors College for creating a supportive and intellectual community and for its generous financial support of my thesis project through an Honors Development Grant. I am also thankful to

Professor Zubair Mohamed, Management Department chair, for his endless encouragement, support, and career advice.

Lastly, I would like to thank all those involved in this thesis project. Many thanks to my friends in the United States and in Vietnam for their precious friendship and unceasing support. Special thanks to the survey team without whom this thesis would most certainly not have been possible. Thank you!

VITA

Mai N. Tran

Department of Management
Western Kentucky University
1906 College Heights Blvd. #11059
Bowling Green, KY 42101-1059

Phone: (214) 606-7713
Email: mai.tran189@wku.edu

EDUCATION

Bachelor of Science, International Business and Marketing, Western Kentucky University, Bowling Green, KY, May 2010.

HONORS AND AWARDS

President's List for four consecutive years
National/International Academic Scholarship 2006-2010
Outstanding International Business Student 2009-2010
Honors Development Grant 2010
Honors Travel Abroad Grant 2009
WorldTopper Scholarship 2009
Gordon Ford College of Business Study Abroad Scholarship 2009
College Heights Foundation Scholarship 2008-2009
Robert J. Wurster Scholarship for Outstanding International Students 2007-2008

TABLE OF CONTENTS

Abstract	ii
Dedication	iii
Acknowledgements	iv
Vita	vi
Table of Contents	vii
Lit of Tables	viii
Introduction	1
Literary Review and Hypotheses	4
Methods	17
Results	22
Discussion and Implications.....	34
Conclusion.....	39
Appendix	40
References	48

LIST OF TABLES

<u>Table</u>	<u>Page</u>
Table 1: Survey Item Factor Loadings.....	18
Table 2: Summary Demographic Characteristics of Respondents	20
Table 3: Descriptive Statistics	23
Table 4: Coefficient Correlations.....	24
Table 5: Regression Results.....	29

INTRODUCTION

Walking down the bustling streets in Vietnam's big cities, one is likely to see street vendors wearing the cone shaped *non la* (leaf hat), pushing carts or carrying shoulder poles with baskets containing a wide range of items from prepared snack food, to fresh fruits, vegetables, meat, fish and many more. Buying and selling on Vietnam's city streets is part of Vietnamese culture (Dana, 1994). This type of retailing has thrived because it satisfies Vietnamese consumers' needs. It is fast; it is easy; and it adds the convenience of being right at the doorsteps.

As Vietnam transitions from a controlled market toward a more open market, institutional changes have had substantial impacts on the many businesses of street vendors—the quintessential microentrepreneurs of Vietnamese culture. However, in an attempt to create a modern look for big cities, the Vietnamese government has tried to clear streets by imposing a ban on streets vending. In addition, Vietnamese consumers are changing their shopping habits toward more Western means of retail distribution favoring modern shopping outlets such as Big C or Metro Cash and Carry (Lincoln, 2008; Jensen & Peppard, 2007).

Further, WTO membership requires that Vietnam gradually open its markets to international players. Regulations in the retailing industry have been loosened to encourage foreign investors to enter the market but tightened to reduce the number of

street vendors to create a more “Western look” for Vietnamese cities. While street vending has, at least, in part continued, it is now done in a less favorable institutional environment. We explore in this research whether multilevel institutional changes (Seo & Creed, 2002) have affected street vendors’ intentions to stay in the business or to switch to other occupations. In fact, beyond actual institutional influences, microentrepreneurs’ perceptions of institutions and potential institutional inconsistencies (Seo & Creed, 2002) may influence these microentrepreneurs’ quit intentions. Inconsistencies in perceptions of institutional change may variously affect individuals’ intent to abandon their business or even continue in business despite regulatory institutional changes making their business legally untenable.

Our goal in this research is to measure these sociocognitive intentions (Gustafsson, 2009) in the face of inconsistent perceptions of institutional change (Seo & Creed, 2002). This blending of micro-level entrepreneurialism with macro-level institutional data provides a rich theoretical context that enhances the multifaceted theoretical context faced by microentrepreneurs and provides a more nuanced answer to our research question. In addition, this micro-macro approach treads the ground from micro-focused organization behavior as such as microentrepreneurs’ intent to quit to theory typically used to explain the bases of compliance and order, mechanisms, logics, indicators, and bases of legitimacy of institutional features of national importance (Scott & Davis, 2007, p. 258-261). By blending these two seemingly disparate literatures, we believe we can test some novel questions. Indeed, the three constructs that are at the root of our hypotheses—actions as rules, retrospective legitimization, and diminished utility of administrative controls—have never been tested empirically. Although they emerged

from the in-depth qualitative work of Droege and Brown-Johnson (2007) for the action as rules and retrospective legitimization contracts and the Droege and Marvel (2010) qualitative construct of diminished utility of administrative controls, our research is the first to empirically test these qualitatively-derived constructs.

The next section will present the conceptual background for our research question and hypotheses. We then report our results using scales drawn from the meso-institutional theory literature (Droege & Brown-Johnson, 2007, Droege & Marvel, 2010). Our scales measured perceived changes in Vietnam's institutional environment; we then use these microentrepreneurs' intents to react in the face of these perceived institutional changes in light of correlations and multiple regression to dig out the nuances that may have been hidden or gone unrecognized in the original qualitative data. Following this, we (1) explain how our results extend extant institutional theoretical perspectives, (2) infer potential public policy implications these perspectives may have going forward in Vietnam's efforts toward perceived economic progress, and (3) draw conclusions based on our findings.

LITERATURE REVIEW AND HYPOTHESES

Introduction

Microentrepreneurial facets of street vending belong to the informal sector of a society's economic activities. These microentrepreneurs consist of enterprises that usually are unregistered, operated by individuals or families, do not generate any taxes, and consist of persons who cannot secure regular employment (Woodworth, 2000). Although some regard this type of microentrepreneurship as a gray market distinguished by "disguised unemployment" (Harris & Todaro, 1970), others affirm that street vending is a vital means in helping the poor feed their families and sustain day-by-day survival (Tinker, 1997). It is worth noting that street vending is not just a temporary, spontaneous business practice. Street vendors use the same mechanics as other business activities. They raise capital through various institutional arrangements. They develop and make innovations in selling techniques. They try to protect the property that they informally acquired (Jaffe, Carciente, & Zaroni, 2007). In short, they are institutional entrepreneurs (Droege & Marvel, 2010), those whose en masse methods are serendipitously brought together through individualistic needs for survival as they assail the boundaries of formal institutional norms (Droege & Brown-Johnson, 2007) and where dialectic processes mitigate the pressures between institutionalization and de-institutionalization (Koane, 2006). This is a typical institutional route taken despite its seeming lack of efficiency

(Selznick, 1984) when bridges are still being build between former and emerging institutions (Oliver, 1992).

The informal economic activities of street vendors are conducted both in developed and developing countries (Bromley, 2000). For examples, New York City now houses about 12,557 street vendors (The Street Vendor Project, 2006). These microentrepreneurs come from a variety of backgrounds including Chinese, Senegalese, Bangladeshi, Egyptian, Afghani, Mexican, Russian, and many other ethnicities (The Street Vendor Project, 2006). Street vending is highly regulated in New York City with rules governing types of goods, locations, operating hours, and licensing. Although such regulations makes it easier for the government to control the number of street vendors and their practices, the cap on the number of street permits restricts the number of want-to-be street vendors. The number of migrants—which constitutes the majority of street vendors in New York City— who want to street vend far exceeds the number of permits issued. Also, the complex system of regulations and restrictions enforced by seven different city agencies makes gray market street vending more difficult than in emerging markets with less formalized institutional frameworks.

From an emerging market perspective, street vending in Mexico City, Mexico, for example, is not regulated directly by the local government; instead, there are vendor organizations to help street vendors deal with bureaucracies and help settle conflicts among vendors (Crossa, 2009; Menocal, 1998). In Kumba, the largest town in the Southwest province in Cameroon, however, vendors do not have any organizations to regulate or manage their activities. This informal sector in the economy of Kumba,

although providing an important means of supporting the poor's life, received little formal institutional support from the government due to the many associated street vending problems such as traffic congestion and street cluttering. Local government has recently changed regulations from banning street vending activities to helping street vendors with food safety and vendor health information (Acho-Chi, 2002), a clear example of the negotiated structuration of institutionalization (Barley & Tolbert, 1997) and negotiated boundaries of institutional space (Droege & Brown-Johnson, 2007). Street vendors in Vietnam are now facing the same situation that vendors in Kumba were in (Acho-Chi, 2002), providing support for the statement that microentrepreneurialism is a global phenomenon (Chossudovsky, 1998) but that its particular local character is path dependent (Sydow, Schreyögg & Koch, 2009), on national institutional culture (Hayton, George & Zahra, 2002) with national institutions having predominant effects even over local cultural adaptation (Tan, 2002).

Vietnamese Street Vendors and Institutional Interference

Street vending represents a small yet highly visible part of the Vietnamese economy and plays an important role in the life of many poor people (Lincoln, 2008). This informal economy of Vietnam provides a diverse portfolio of products and employs a significant portion of workers. The goods that street vendors sell vary from prepared foods to fresh produce and other household tools. Contrary to the demographics of New York street vendors who were generally male and well-educated (The Street Vendor Project, 2006), Vietnamese participants in the street vendor sector were mainly uneducated and rural women (Lincoln, 2008). Most of the workers came to bigger cities

with the hope of changing their life. Jensen and Peppard (2007) recognized that street vendors left their small towns because the incomes their families earned from farming were inadequate. However, because these rural-to-urban immigrants lack the necessary education and skills to find a job in the formal sector, they end up becoming vendors on streets—jobs requiring little formal education or skills. Although the income they earn from selling food and other items on the streets is not very high, it is enough for them to make contributions to their families.

Vietnamese local governments, however, look at street vending in a different way. They see street vending as “pre-modern, undisciplined urban commercial patterns” (Lincoln, 2008, p. 263). Stricter policies have been enforced in an attempt to resolve street vending related problems such as traffic jams, reduced food safety, visual pollution, and environmental pollution (SBTN, 2008). Regulations have been imposed to limit the activities of street vending in areas proximate to of tourists attractions or government buildings (SBTN, 2008). Street vendors inappropriately approaching, following, and begging visitors to buy goods from tourists has created negative images for tourist destination cities. Moreover, field observations reveal that even on streets that are not listed as street vending free zones, the police still have the authority to confiscate street vendors if they see the potential of these vending businesses to generate crowds. The government also refers to public health concerns as a reason for the elimination of vending on streets. Street foods and roadside restaurants are cited to be principal sources of contagion of public health diseases. Some sources, however, pinpointed that in such big cities as Ha Noi, it was the antiquated sewer system and the lack of water treatment facilities that were to blame for the outbreak of public contamination (Lincoln, 2008). In

his book *Wards of Hanoi*, Koh describes the government's effort to enforce order on the streets in 1983, 1986, 1991 and 1995 (2005). In July 2008, in an attempt to beautify the city and improve urban sanitation, food hygiene, and traffic congestion, Ha Noi's city government announced a partial ban on street vendors and sidewalk-based commerce. According to the ban, street businesses in some streets and areas would be forbidden (Lincoln, 2008). The Peoples' Committee of Da Nang City also had plans to control the activities of street vendors. Vending is banned on main streets such as Bach Dang, Tran Phu, and Le Duan. Street vendors are also not allowed in some strategic areas such as Cham Museum or March 29 Square (The People Committee of Da Nang City, 2006). The reason is because most of the government buildings are concentrated in these areas. Also, these are also popular tourist attractions. In addition, because the number of people from rural to urban locales has increased rapidly in recent years, the government has encountered difficulty in controlling and managing rural-to-urban migrants, the majority of whom become street vendors soon after arriving (Asian Development Bank, 2007).

Increasingly Competitive Business Environment

Traditional street markets are the most common type of retailing in Vietnam. Jensen and Peppard's (2007) study reveals that traditional markets were very important to Vietnamese consumers. Results from their survey show that, on average, virtually all of the interviewed shoppers went to traditional markets 362 times a year. Besides, Vietnam joined the WTO in 2007, which makes it easier for foreign retailers to enter the market. According to 2009 A.T. Kearney Global Retail Development Index, although Vietnam topped the index in 2008, now stands in 6th place in term of retail development potential

among emerging economies. The country now has about 400 supermarkets and 2,000 convenience stores operating by both domestic and global companies. Many global retailers are established in Vietnam including South Korea's Lotte, Japan's Seiyu, Malaysia's Parkson, Thailand's Big C, Hong Kong's Dairy Farm, Thailand's CP All and Germany's Metro Cash and Carry. It is expected that more international retailers will be entering the market in the next few years (Nielsen, 2009). Nielsen Retail Audit reveals that the number of modern retail trade outlets in Vietnam increased by 16 per cent from 2007 to 2008. Also, the central Vietnamese authorities have been introducing new policies favoring international players. On January 1, 2009, the Vietnamese government allowed 100 percent foreign owned retailers to set up. Earlier this year, January 2010, the door to the entire Vietnamese retail industry is completely open. Foreign traders are now allowed to execute all kinds of wholesale and retail business in Vietnam (Nielsen, 2009) but are still banned from traditional state owned business which tend to be related to infrastructure, oil, banking, and similar industries that are more given to wild swings in price that, at this time, the Vietnamese government would be more comfortable controlling.

Supermarket chains such as Big C from Thailand and Metro Cash and Carry from Germany have entered the market and are expanding their operations. They provide the Vietnamese consumers with modern, Western-styled shopping experiences. These big supermarkets serve as one-stop shopping sites. Products are presented in an eye catching way and offered at fixed prices as opposed to the negotiation typical of buying from street vendors. Customers are also exposed to wider and deeper assortments of merchandise. These new stores, although still constituting a small fraction of the retail

industry, are gaining an increasing number of customers and growing at a rapid pace. These foreign competitors have put street vendors in a different and harder environment than they were before. In addition, fast-food chains such as the Philippines Jollibee, Korean Lotteria and U.S.-based Pizza Hut (part of Yum! Brands) are penetrating the Vietnamese market, posing significant threat to street food vendors. These foreign-based restaurants bring new tastes to Vietnamese dining and claim to provide guaranteed quality. New food items offered in modern dining rooms where young people or families can sit down and enjoy a meal with their friends are something that Vietnamese street vendors simply cannot offer.

Consumer's Changing Shopping Behavior

Traditional markets, street vendors, and mom-and-pop stores are no longer the only options available to Vietnamese consumers. The new wave of incoming modern shopping centers has offered shoppers new alternatives. Consumers now shop at supermarkets such as Big C more often and spend more money there. They believe they have access to higher quality items at supermarkets. Jensen and Peppard (2007) published an interesting study about the Vietnamese consumers' attitudes towards street vendors given the introduction of large retailers. The study shows that roaming vendors are at a disadvantage compared to other retail forms. For example, the quality of goods from street vendors was rated poor; 44 per cent of the interviewees complained about the lack of freshness and the uncertainty about the origin of the goods.

Besides, consumers go to supermarkets so that they do not have to deal with the hassle of bargaining at traditional markets or on streets. Life is going at a faster pace,

making time and convenience increasingly valued in Vietnamese culture. Moreover, the young generations of Vietnam are vulnerable to new trends coming from outside, especially Western styles. Their shopping habits are different from those of their parents or grandparents. They are interested in new styles and enjoy the comfort and modern feel that fast-food restaurants and supermarkets offer. Even older generations with increasing purchasing power favor shopping at big retail stores that offer a one-stop shopping experience. According to the World Bank (2009), Vietnam has recently enjoyed an increase in GNI per capita from US\$770 to US\$890, an increase of about 16 percent. The rate of poor households decreased from 13.4% in 2008 to 12.3% in 2009 (The World Bank, 2009).

In conclusion, although representing a significant part of the Vietnamese informal economy, street vendors are now fighting a harder battle than they were previously with little institutional support. Regulations are becoming stricter; competition is more intense, there are newer, more reliable, and more convenient types of retailing and consumers are changing their shopping habits in favor of modern outlets.

Theory and Hypotheses

Much of the intent literature in entrepreneurship “refers to the intention of an individual to start a new business” (Engle et al., 2010, p. 38) and the many factors that influence such entrepreneurial intentions including motives, attitudes, and behaviors as captured in the entrepreneurial orientation construct (Lumpkin & Dess, 1996) or success predictors such as adaptive and generative learning as captured in the learning orientation construct (Senge, 1990). These types of constructs have sometimes been combined in

efforts to better understand firm performance such as Wang's (2008) research providing evidence that learning orientation mediates between entrepreneurial orientation and firm performance. Choo and Wong (2006) studied the key motives as well as barriers to starting a business among mid-career individuals using data from military officers from the Singapore Armed Forces. Liñán and Chen's (2009) recent research used the Entrepreneurial Intention Questionnaire (EIQ) to test an individual's intention of starting a business in Spain or Taiwan using attitude toward start-up, subjective norms, and perceived behavior control. In addition, although an individual's drive and commitment plays an important role in setting up a business, Smallbone and Welter (2001) have mentioned how social, economic, political and institutional environments dominantly influence the creation of new businesses.

Our research, however, looks at the other side of the question: Do perceptions of changing institutions influence microentrepreneurs to quit? That is, rather than considering the intent to form a business, do certain institutional characteristics correlate with the intent to quit a microenterprise?

Meso-Institutional Impact on Microentrepreneurial Intent to Quit

Although the extent of institutional effects are likely to vary depending on a nation's market reform stages particularly in transitional economies along with various, cultural influences and path dependent historical values, empirical evidence suggests small enterprises still develop despite hostile and unstable national institutional cultures during market reforms (Smallbone & Welter, 2001). Scott (2008, p. 48) defines institutions as "regulative, normative and cultural-cognitive elements that, together with

associated activities and resources, provide stability and meaning to social life.” Each institutional element—regulative, cultural-cognitive, and normative—has different effects on social behaviors and economic activities. Entrepreneurship is certainly not immune from this influence. It is worth noting that institutional factors, rather than being stable, experience changes over time (Scott, 2008). Such changes can be observed in transition countries such as Vietnam, which is moving from a planned economy toward an open market. When such events occur, certain former institutions tend to disintegrate while new institutions begin to take shape. This typically, however, does not occur quickly. Instead, “meso-institutions,” the bridges that hold together element of the old with elements of new institutions are themselves “weak, intermediate forms of institutions that bridge the gap between institutional disintegration and the development of new, more firmly established institutions” (Droege & Brown-Johnson, 2007, p. 81). Similarly to the case of the Chinese economy discussed in Droege and Brown-Johnson’s (2007) research, the current institutional condition in Vietnam also provides an illustrative example of meso-institutions where weak bridges are all that are holding the old and the new together.

Since *Doi Moi* (Reformation), the socialist-driven market reforms initiated in Vietnam in 1986, the Vietnamese economy has undergone a radical change from centrally planned to market oriented. Old regulations no longer effectively work in new situations and new institutions are under way to form new order for the society. Meso-institutions, however, are not “in themselves change agents” but provide an environment for changes to take place with the goal of providing incentives for “institutional entrepreneurship” (Droege & Brown-Johnson, 2007, p. 83).

Droege and Brown-Johnson (2007, p. 93) elucidate meso-institutional characteristics including actions-as-rules and retrospective legitimization. The meso-institutional characteristic of actions-as-rules suggests that rather than having “institutions give stability to actions, it is actions that give stability and meaning to institutions.” The institutional rules of the game (North, 1990) are built through the many trials and errors of meso-institutional experiments whether or not such experimentation is or is not intentional. Experimentation provides the benefit of allowing actions and resultant rules to become more in tune with reality. Formal institutionalization is legitimized *post hoc* by formal power holders as results are known, lessening risk to power holders while passing on risk to institutional entrepreneurs in a dialectic and recursive process of retrospective legitimization (Droege & Brown-Johnson, 2007). The drawback, however, is that leaders might be perceived as vacillating for their reluctance in implementing new rules prior to allowing unwitting institutional entrepreneurs to “piecemeal” actions and institutions together. These power-holding decision makers, on the other hand, gain the advantage of knowing the results of the regulatory institutional decisions before making any moves (Droege & Brown-Johnson, 2007).

The present research is concerned with how microentrepreneurs’ perception of these two meso-institution characteristics—actions-as-rules and retrospective legitimization—affects microentrepreneurs’ intent to exit their business. Researchers have shown that economic, regulatory, and legal institutions play an important role in entrepreneurial activities and economic development and that institutions can either constrain or support various economic activities (Hayton *et al.*, 2002). For example, according to Manolova, Eunni, and Gyoshev’s study (2008), institutional environments

were deemed relatively unfavorable in Latvia, Bulgaria, and Hungary, yet there were still microentrepreneurs present in these institutionally hostile environments. What is not known, however, is how many more microentrepreneurs might have contributed to economic growth had institutions been more malleable toward microentrepreneurs. In this research, we are interested in discovering whether there are relationships between perception of institutions and microentrepreneurs' intent to get out of business. We thus hypothesize that:

H1: The likelihood of microentrepreneurial intent to quit will be lower as perceptions of actions-as-rules among microentrepreneurs increase.

H2: The likelihood of microentrepreneurial intent to quit will lessen as perceptions of retrospective legitimization increase.

Addressing the problem of multi-level institutional change that has been discussed in recent studies (Seo & Creed, 2002), Droege and Marvel (2010) proposed two process mechanisms to help explain the link between institutional entrepreneurial participation and institutional change. Specifically, they are interested in how institutional entrepreneurial action results in diminished utility of regulatory controls and creates negotiated boundaries of institutional space. Diminished utility of regulatory controls is particularly salient to the present study and is defined as "a condition in which institutions lack sufficient strength to guide collective action" (Droege & Marvel, 2010). Although former institutions might regain control under conditions of social disorder, diminished utility of regulatory controls allows collective actions to guide the creation of more effective institutions, or a "controlled chaos" type of situation (Droege & Brown-

Johnson, 2007). In this study, we investigate whether the perception of diminished utility of regulatory controls affects the intent to quit a business.

Because diminished utility of administrative controls is counterintuitive to traditional schema of institutions as guides of social order (e.g., Scott, 2008), applying this construct in the context of microentrepreneurship is particularly appropriate. Especially given that (1) the microentrepreneurial street vendors in our sample operate in the gray market of the economy and (2) recent Vietnamese regulations designed to clean the streets of street vendors are beginning to be enacted, we question whether microentrepreneurs' intent to quit may be shaped by these recent actions. On the other hand, if regulatory controls are indeed diminished and actions-as-rules have more power to guide social action than formal regulatory institutions, we hypothesize:

H3: The likelihood of microentrepreneurial intent to quit will lessen as perceptions of diminished utility of administrative controls increase.

METHODS

Survey Design and Methods

The survey was originally developed in English and was then translated into Vietnamese (Survey copies, in English and Vietnamese, are available in Appendix). We drew on the available literature for the independent variables of actions-as-rules, retrospective legitimization (Droege & Brown-Johnson, 2007), and diminished utility of administrative controls (Droege & Marvel, 2010). Because the literature regarding our dependent variables of intent to quit a business was sparse, we relied on our experience living and working in Vietnam to develop the dependent variables.

After developing multiple possible survey items for each construct, we used exploratory factor analysis via principle components analysis using varimax rotation to uncover the structure of the items via data from a pilot study of 66 Vietnamese street vendors. We first used principal components analysis to determine the loadings of each item on each extracted factor. The loadings were then rotated using Varimax rotation. The factor analysis is shown in Table 1.

Table 1: Survey Item Factor Loadings

	Component		
	1	2	3
Diminished Utility of Regulatory Control			
1. Regulations will never stop street vending.	0.831		
2. As rural to urban migration increases, the number of street vending will also increase.	0.764		
3. I would continue to be a street vendor even if the government tells me to quit.	0.684		
4. It is more important to earn a living than to follow regulations.	0.591		
Actions As Rules			
5. Street vending regulations are ambiguous.		0.749	
6. Street vending is only temporarily stopped when the police come in but then continues once the police leave.		0.678	
7. In the future, there will be zones where street vendors are allowed and there will be zones where street vendors are not allowed.		0.611	
8. People are still selling on streets regardless of regulations against street vending.		0.555	
Retrospective Legitimization			
9. Restrictions on street vending will be reversed if they are unpopular among street vendors' customers.			0.811
10. As long as my vending does not generate a crowd, the police will leave me alone.			0.575
11. If street vending increases employment rates, lawmakers will likely make street vending legal.			0.559
12. Regulations restricting street vending will be changed if current regulations have little effect on street vending activities.			0.531

** Indicates Chronbach's alpha > 0.531 (Range = .531 - .831).*

We subsequently ran stepwise multiple regression to simultaneously test and model multiple independent variables.

Data Collection and Sample

Our sample consisted of 660 street vendors in Vietnam to determine whether a relationship exists between street vendors' perception of meso-institutions characteristics and their intentions to engage in increased or decreased microentrepreneurial activities or to switch to other services or sectors. Data were collected in four Vietnamese cities: Hanoi, Hue, Da Nang, and Ho Chi Minh City. These are among the largest cities in Vietnam. Compared to street vending in rural areas, many street vendors reported that they made more money in the urban areas despite the problems they would have to face. This phenomenon led us to create one dependent variable addressing whether street vendors intend to return to the rural areas if that was where they were from.

A survey team with research and data collection experience carried out the data collection process to help ensure the credibility of the data. Table 2 shows summary demographic data of our respondents.

Table 2: Summary Demographic Characteristics of Respondents

Description of the Item	Number	Percentage (N=660)
Gender		
Male	182	27.58%
Female	478	72.42%
Age		
<20	21	3.18%
20-29	117	17.73%
30-39	251	38.03%
40-49	177	26.82%
50-59	62	9.39%
>=60	32	4.85%
Education		
None	83	12.58%
Elementary	275	41.67%
Secondary	247	37.42%
High School	51	7.73%
College and Higher	4	0.61%
City		
Ha Noi	20	3.03%
Hue	20	3.03%
Da Nang	222	33.64%
Ho Chi Minh City	398	60.30%
Experience		
<1 year	64	9.70%
1-5 years	275	41.67%
5-10 years	202	30.61%
>10 years	119	18.03%
Income Level (compared to average)		
More	31	4.70%
Less	437	66.21%
About the same	192	29.09%

As can be seen from the summary in Table 2, the majority of street vendors in Vietnam are female. They make up about 72.42% of the total number of respondents. Most street vendors are reported to be between 20 and 50 years old. About one third is in the 30s. As several studies have pointed out (Jensen & Peppard, 2007), most vendors do not acquire much formal education. About 13% never attended school. Meanwhile, almost half of vendors on streets just finished elementary school; very few completed high school, and not even 1% went to college. On the contrary, according to The Street Vendor Project (2006), about 43% of street vendors in New York City had a college education or higher. Most Vietnamese vendors have been on streets for about 1 to 5 years. About one-fifth has street selling experience of 10 years or more. When asked about income level, the majority (66.21%) said they earned less than the average worker in the city. Only about 5% thought their incomes were higher than the average income level in Vietnam.

RESULTS

Descriptive statistics are summarized in Table 3. As can be seen from the table, the majority of street vendors intended to continue street vending in the future even if the political and business environment might not be favorable for them. Descriptive statistics show a mean of 4.28 and a median of 5 (1 denotes totally disagree and 5 totally agree) for intent to continue street vending. Besides, if the government prohibited street vending, most street vendors believed they were more likely to be unemployed than to successfully find another job in other sectors. Mean values show that most street vendors surveyed did not intend to forsake their business in the cities to find jobs in other sectors or go back to their hometown. Besides, correlations matrix is presented in Table 4. The summary tells that multicollinearity is not a problem as all correlations show values of less than .7.

Table 3: Descriptive Statistics

	N	Range	Min	Max	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic
INT1	660	4	1	5	4.28	1.181
INT2	660	4	1	5	3.19	1.537
INT3	660	4	1	5	2.40	1.529
INT4	660	4	1	5	1.79	1.256
INT5	660	4	1	5	1.90	1.306
INT6	660	4	1	5	4.02	1.421
AAR	660	4.00	1.00	5.00	3.8947	1.10930
RL	660	4.00	1.00	5.00	3.6899	0.99220
DU	660	4.00	1.00	5.00	4.2408	0.74786

INT1: Intent to continue street vending

INT2: Intent to find a permanent location

INT3: Intent to find a job in another sector

INT4: Intent to go back to hometown and start a new business

INT5: Intent to go back to hometown and find a job in another sector

INT6: Think that they would be unemployed

AAR: Actions as rules

RL: Retrospective legitimization

DU: Diminished utilities of regulatory control

Table 4: Coefficient Correlations

		Correlations								
		AAR	RL	DU	INT1	INT2	INT3	INT4	INT5	INT6
Spearman's rho	AAR Correlation Coefficient	1.000	.085*	.102**	.315**	-.144**	-.248**	-.144**	-.181**	.122**
	Sig. (2-tailed)	.	.030	.009	.000	.000	.000	.000	.000	.002
	N	660	660	659	660	660	660	660	660	660
RL	Correlation Coefficient	.085*	1.000	.089*	.044	.164**	-.037	.062	.091*	.164**
	Sig. (2-tailed)	.030	.	.022	.258	.000	.345	.113	.019	.000
	N	660	660	659	660	660	660	660	660	660
DU	Correlation Coefficient	.102**	.089*	1.000	.214**	-.079*	-.093*	-.119**	-.194**	.126**
	Sig. (2-tailed)	.009	.022	.	.000	.044	.017	.002	.000	.001
	N	659	659	659	659	659	659	659	659	659
INT1	Correlation Coefficient	.315**	.044	.214**	1.000	-.168**	-.306**	-.276**	-.328**	.220**
	Sig. (2-tailed)	.000	.258	.000	.	.000	.000	.000	.000	.000
	N	660	660	659	660	660	660	660	660	660
INT2	Correlation Coefficient	-.144**	.164**	-.079*	-.168**	1.000	.340**	.084*	.095*	-.049
	Sig. (2-tailed)	.000	.000	.044	.000	.	.000	.031	.015	.211
	N	660	660	659	660	660	660	660	660	660
INT3	Correlation Coefficient	-.248**	-.037	-.093*	-.306**	.340**	1.000	.237**	.232**	-.137**
	Sig. (2-tailed)	.000	.345	.017	.000	.000	.	.000	.000	.000
	N	660	660	659	660	660	660	660	660	660
INT4	Correlation Coefficient	-.144**	.062	-.119**	-.276**	.084*	.237**	1.000	.772**	-.222**
	Sig. (2-tailed)	.000	.113	.002	.000	.031	.000	.	.000	.000
	N	660	660	659	660	660	660	660	660	660

INT5 Correlation Coefficient	-.181**	.091*	-.194**	-.328**	.095*	.232**	.772**	1.000	-.245**
Sig. (2-tailed)	.000	.019	.000	.000	.015	.000	.000	.	.000
N	660	660	659	660	660	660	660	660	660
INT6 Correlation Coefficient	.122**	.164**	.126**	.220**	-.049	-.137**	-.222**	-.245**	1.000
Sig. (2-tailed)	.002	.000	.001	.000	.211	.000	.000	.000	.
N	660	660	659	660	660	660	660	660	660

*. Correlation is significant at the 0.05 level (2-tailed).

** . Correlation is significant at the 0.01 level (2-tailed).

Regression Analysis

Multiple regression results support hypothesis 1 and hypothesis 2; that is, street vendors' perception of actions as rules and diminished utility of regulatory controls are statistically significant in predicting their intention to continue street vending ($p < 0.0001$ for both variables). In the INT1 Model Summary from Table 5, it is shown that intent to continue street vending can be predicted by perception of actions as rules and diminished utilities of regulatory control. The output reveals that 9.5% of the variance in the intent to give up a business can be explained by the regression on perception of actions as rules; when data about perception of diminished utilities is added, they together explain 11.6% of the variance in the intention. The Sig. column from the Coefficients table for INT1 again tells that both actions as rules and diminished utilizes are significant as predictors of intent to continue their business. Also, because these independent variables are significant, 0's are not found between the lower and upper bounds for 95% confidence interval for B's. It can also be interpreted from the table that as perception of actions as rules increases, the intent to continue business increases or in other words, intent to quit street vending decreases. The same logic applies to perceptions of diminished utility of regulatory control when the variable is added in model 2.

Intent to settle down at a permanent location scores are regressed on three independent variables; only retrospective legitimization and actions as rules show statistical significance. In the first model from INT2 Model Summary, the result reveals that 1.9% of the variance in this intent is explained by perception of retrospective legitimization. When perception of actions as rules is added in model 2, these two predictors account for approximately 2.6% of the variance in street vendors' intention to

find a permanent location for their businesses. Perception of diminished utilities is not statistically significant in predicting this intention. In addition, it is worth noticing that perception of retrospective legitimization positively correlates with the intent to vend at a legal permanent location or in other words, to quit roaming in streets (Beta= .153). Meanwhile, this intent among street vendors has a negative correlation with their perception of actions as rules. Therefore, as perception of actions as rules increases, intent to find a permanent spot, or in other words quit street vending, decreases.

It is shown from the INT3 Model Summary that only perception of actions as rules is statistically significant in explaining the variance in the intent to find jobs in other sectors in the cities (R Square= 4.3%). In INT4 Model Summary, the predictor of actions as rules explains for about 1.5% of the variance in intent to go back to hometown and establish a new business. When data about perception of retrospective legitimization is added, the two together explains for 2.7% of the variance in this intent. Similar to INT2 Model Summary, statistics shows a negative correlation between perception of actions as rules and intent to quit street vending in the cities and a positive correlation between perception of after the fact legitimization and intent to go home. Moreover, it is worth noting from INT5 Model Summary that the three independent variables are significant in explaining street vendors' intent to go back to their hometown and find a job in another sector. About 2.5% of the variance is predicted by the most significant variable: diminished utilities of regulatory control. When perception of actions as rules is added, 4.6% of the variance is explained. When the intent to find another job in hometown is regressed on the three variables, 6.2% of the variance can be predicted by the three variables. Besides, it is shown from the Beta column in INT5 Coefficients that actions as

rules and diminished utilities of regulatory control are negatively correlated while retrospective legitimization is, however, positively correlated with the intent to quit street vending and go back to hometown and find jobs in other industries. Hypothesis 1 and hypothesis 2, therefore, are supported from the results found in the different multiples regression models.

Regarding thoughts about the likelihood of being unemployed if the government put a complete ban on street vending, it is showed in INT6 Model Summary that the three factors are statistically significant in predicting their thoughts about unemployment. Actions as rules alone explained 1.8% of the variance in the belief about unemployment; when retrospective legitimization is added, the two accounts for 3.6% of the variance; when the intent is regressed on all three independent variables, 4.1% of its variance is explained.

Table 5: Regression Results

INT1 Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.310 ^a	.096	.095	1.124	.096	69.960	1	657	.000	
2	.344 ^b	.118	.116	1.111	.022	16.379	1	656	.000	1.573

a. Predictors: (Constant), AAR

b. Predictors: (Constant), AAR, DU

c. Dependent Variable: INT1

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations		
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part
1 (Constant)	2.992	.160		18.715	.000	2.678	3.306			
AAR	.330	.039	.310	8.364	.000	.253	.408	.310	.310	.310
2 (Constant)	2.050	.281		7.287	.000	1.497	2.602			
AAR	.316	.039	.297	8.059	.000	.239	.393	.310	.300	.295
DU	.235	.058	.149	4.047	.000	.121	.350	.176	.156	.148

a. Dependent Variable: INT1

INT2 Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.145 ^a	.021	.019	1.521	.021	14.033	1	657	.000	
2	.171 ^b	.029	.026	1.516	.008	5.666	1	656	.018	1.319

a. Predictors: (Constant), RL

b. Predictors: (Constant), RL, AAR

c. Dependent Variable: INT2

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations		
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part
1 (Constant)	2.364	.228		10.358	.000	1.916	2.812			
RL	.224	.060	.145	3.746	.000	.106	.341	.145	.145	.145
2 (Constant)	2.814	.296		9.514	.000	2.234	3.395			
RL	.236	.060	.153	3.950	.000	.119	.353	.145	.152	.152
AAR	-.127	.053	-.092	-2.380	.018	-.232	-.022	-.079	-.093	-.092

a. Dependent Variable: INT2

INT3 Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.207 ^a	.043	.042	1.497	.043	29.494	1	657	.000	1.501

a. Predictors: (Constant), AAR

b. Dependent Variable: INT3

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations		
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part
1 (Constant)	3.511	.213		16.492	.000	3.093	3.929			
AAR	-.285	.053	-.207	-5.431	.000	-.389	-.182	-.207	-.207	-.207

a. Dependent Variable: INT3

INT4 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.122 ^a	.015	.013	1.249	.015	9.844	1	657	.002
2	.164 ^b	.027	.024	1.242	.012	8.234	1	656	.004

a. Predictors: (Constant), AAR

b. Predictors: (Constant), AAR, RL

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	2.325	.178		13.091	.000	1.976	2.674
AAR	-.138	.044	-.122	-3.138	.002	-.224	-.051
2 (Constant)	1.849	.242		7.630	.000	1.373	2.325
AAR	-.148	.044	-.131	-3.390	.001	-.234	-.062
RL	.140	.049	.111	2.869	.004	.044	.237

a. Dependent Variable: INT4

INT5 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.158 ^a	.025	.023	1.291	.025	16.815	1	657	.000
2	.213 ^b	.046	.043	1.279	.021	14.173	1	656	.000
3	.249 ^c	.062	.058	1.269	.016	11.443	1	655	.001

a. Predictors: (Constant), DU

b. Predictors: (Constant), DU, AAR

c. Predictors: (Constant), DU, AAR, RL

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	3.074	.290		10.603	.000	2.504	3.643
DU	-.276	.067	-.158	-4.101	.000	-.408	-.144
2 (Constant)	3.638	.324		11.235	.000	3.002	4.274
DU	-.253	.067	-.145	-3.782	.000	-.385	-.122
AAR	-.170	.045	-.144	-3.765	.000	-.258	-.081
3 (Constant)	3.128	.355		8.818	.000	2.432	3.825
DU	-.270	.067	-.154	-4.048	.000	-.400	-.139
AAR	-.182	.045	-.154	-4.051	.000	-.270	-.094
RL	.170	.050	.129	3.383	.001	.071	.268

a. Dependent Variable: INT5

INT6 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.141 ^a	.020	.018	1.395	.020	13.377	1	657	.000
2	.189 ^b	.036	.033	1.385	.016	10.730	1	656	.001
3	.204 ^c	.041	.037	1.382	.006	3.909	1	655	.048

a. Predictors: (Constant), AAR

b. Predictors: (Constant), AAR, RL

c. Predictors: (Constant), AAR, RL, DU

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	3.328	.198		16.771	.000	2.938	3.717
AAR	.179	.049	.141	3.657	.000	.083	.275
2 (Constant)	2.722	.270		10.073	.000	2.191	3.252
AAR	.165	.049	.130	3.389	.001	.070	.261
RL	.179	.055	.126	3.276	.001	.072	.286
3 (Constant)	2.175	.386		5.628	.000	1.416	2.933
AAR	.157	.049	.124	3.217	.001	.061	.253
RL	.171	.055	.121	3.130	.002	.064	.278
DU	.143	.073	.076	1.977	.048	.001	.286

a. Dependent Variable: INT6

DISCUSSION AND IMPLICATIONS

Regression results strongly support hypothesis 1 and hypothesis 2. They give evidence for the negative correlations between perceptions of actions as rules and diminished utilities of regulatory control and intent to quit micro-entrepreneurial venture among street vendors in Vietnam. According to Dreoge and Brown-Johnson's theory of meso-institutions (2007, p. 91), actions serve as "rule makers" and institutions "followers" in transition economies. It is the actions that give stability to institutions rather than institutions giving stability to actions. Results from our survey of microentrepreneurial street vendors in Vietnam reveal that as their perception that actions are becoming the *de facto* rules, microentrepreneurs' intent to exit their business decreases.

Vietnamese businesses have recently faced increasing regulations in attempts to control their activities. These regulations, although are intended to better the community as stated by the government (The People Committee of Da Nang City, 2006), do not reflect the wishes of the majority of Vietnamese street vendors. One vendor put it: "I'm used to selling on streets. I don't know what I would do without my street vending. Nobody is going to hire me." Another added: "I will street vend till my feet can't move anymore." Our study finds that as street vendor's perception of actions as rules increases, their intent to continue their business also increases. As street vendors perceive that

potential new regulations supporting street vending and based on social actions could replace old ones, they would be more likely to remain in the business.

Similarly, the survey results show a positive correlation between perception of diminished utilities of regulatory control and microentrepreneur's intent to quit their business. One street vendor noted: "If I get caught, I will just pay the fines and continue to street vend because my whole family rely on my income." Regulatory controls, as inferred from street vendors' responses, although do affect their business, do not have much power to prevent these microentrepreneurs from continue their business. These regulations, in fact, do not have practical implication.

Our second hypothesis about the relationship between perception of retrospective legitimization and intent to quit a business, however, is not supported by regression results. Multiple regression reveals positive correlation between street vendors' perception of legitimization after the fact and their intent to abandon their vending. This could be explained by the distinct socialist political system in Vietnam where the rules are most of the time created without the will of the people. Although street vendors hoped that their persistent resistance to follow street vending rules can lead to the changes in government policies, they were not very optimistic about new regulations emerging from social actions. Dreoge and Johnson-Brown has mentioned the risk of retrospective legitimization undermining existing authorizes "because it may imply leaders are reactive or indecisive" (2007, p. 96).

Results from the survey in Vietnam have helped confirm two of our prepositions in the relationships between perceptions of meso-institutions and entrepreneurial intent to

quit business. Our study, however, is subjective to several limitations. First, our data come from snowball sampling of street vendors in Vietnam, which is not representative of the whole street vendor population. A cross study would provide us with a more comprehensive set of data. Besides, street vendors are only a part of what makes up microentrepreneurs as Rojas and Siga defines “own-account workers and owners of firms with less than 16 employees” (2009, p. 2667). These limitations have prevented us from making a decent generalizability of our study.

Our study has implications for microentrepreneurship theory and public policy. We try to explore the most ignored part of entrepreneurship and microentrepreneurship fields: intent to quit business. Most entrepreneurship studies are centered in entrepreneurial intent to start a new venture; very little research is carried out on the other end of the subject where entrepreneurs have to think about giving up business because of the unfavorable institutional factors. We find a statistically significant correlation between microentrepreneurial perception of actions as rules and microentrepreneurial intent to quit a business. We also find that as perception of diminished utilities of regulatory control increases, intent to exit a business decreases. Future research could go further to generalize the findings on a cross-country study or expand to other micro business activities. Research about the fractured ideology factor in meso-institution theory also needs to be extensively studied to see if it has any important roles in entrepreneurial intent to quit a business. Studies to explain the unconformity of retrospective legitimization to the theory of meso-institutions are also needed.

Vietnamese street vendors are facing more problems than they were before because of new regulations restricting the activities for the many reasons discussed in earlier sections. Stricter street vending regulations once implemented will force many street vendors out of their only means of income, which consequently raises unemployment rate. A number of street vendors admitted that they would be sure unemployed if they were not allowed to vend on streets. Among the many reason that they stated were their inadequate education and lack of funds to rent a permanent location. “I depend on my vending for my income,” one street vendor told us. Another added:” My family relies on my vending. My kids' education relies on my vending. I can't imagine my family without my vending.” One of the major effects of stricter street vending regulations, therefore, is their influence on street vendors’ livelihood. Besides, ban on street vending will adversely affect consumers who are used to and prefer street buying rather any other kinds of modern shopping. Street vending is also a valuable piece of Vietnamese culture. It is what makes a trip to Vietnam more appealing to a large number of foreign travelers. A post on southeastasianfood.about.com started with the phrase:”A trip to Vietnam is not complete without tasting the street food” (Sim, n.d., para.1). Travelers Eckhardt and Hagerman also wrote about street food in South East Asia: “if you haven't experienced SE Asian street food, ... you've missed out on an important part of the region's culinary culture” (Eckhardt & Hagerman, 2007, para. 3). In addition, if street vendors are forced out of work, they will be potentially involved in gray or black market activities. Since these people do not have the resources to do otherwise, they are vulnerable to taking part in other illegal business activities. Besides, “social vices might increase if ban is put on street vending” as one vendor shared her thoughts. ”

If the government put a ban on street vending, I think I would end up being a street beggar or a theft,” another vendor rhetorically said.

We, therefore, propose the following solutions. First, if lawmakers see the potential of street vending interfering with the development of modern cities, their regulations should phase in period rather than be implemented rapidly. Vocational educational education opportunities should also be provided to street vendors to provide them with the necessary skills to find other jobs. Besides, street vendors that are over 60 year old (4.85% of the total street vendors surveyed) should be given a helping hand in finding a place where they can be taken care of for the rest of their lives. Also, we recommend that street vendors be treated like real entrepreneurs. Zones for street vending should be extended and defined clearly. Street vending should be legally protected and taxes are collected in these areas. A number of street vendors revealed that they were willing to pay taxes as long as the government let them street vend. In addition, there should be an organization to protect street vendors’ rights. A big number of street vendors confessed that they did not understand all the regulations that have direct effects on them. “When the police approach, I just run away. I do not know whether I am wrong or not”, one street vendor told us.

CONCLUSION

In this paper, we have sought to explore the relationships between meso-institutional elements and the intent to quit business among microentrepreneurs. We have found a statistically significant relationship between actions as rules and street vendor's intent to give up their businesses. As their perception of actions as rules increases, their intent to quit a business decreases. Besides, results suggest a negative correlation between perception of diminished utilities of regulatory control and intent to exit business. Contrary to what we hypothesized, retrospective legitimization, however, does not negatively correlate with microentrepreneurs' intent to quit their business. Given the changing institutional environment in Vietnam, we find this study of relative importance to the survival of vendors alongside streets in big cities in Vietnam. Some street vendors asked us if this survey served them any good; we are in great hope that this paper will be of considerable value for policy makers in Vietnam.

APPENDIX



Western Kentucky University

A Leading American University with International Reach

Survey of Vietnamese Street Vendors

The purpose of this survey is to better understand the challenges of running a street vending business. Your expertise is highly valued and will help us become more aware of some of the difficulties you and other street vendors encounter.

Your answers are completely confidential. The researchers are the only ones who will see the surveys. Surveys from a large number of street vendors will be combined in the final report. The final report will not identify any individual street vendors to be certain that your answers are completely confidential.

If you would like a copy of the final report, please contact the principal investigator, Mai Tran, using the following contact information.

Mai Tran
169/1 Tran Phu, Da Nang
(0511) 3827578
mai.tran189@wku.edu

Part A: Please indicate the degree to which you agree or disagree with the following statements.

	Strongly Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Strongly Agree
1. Regulations will never stop street vending.	1	2	3	4	5
2. As rural to urban migration increases, the number of street vending will also increase.	1	2	3	4	5
3. I would continue to be a street vendor even the government tells me I must quit.	1	2	3	4	5
4. It is more important to earn a living than to follow regulations.	1	2	3	4	5
5. Restrictions on street vending will be reversed if they are unpopular among street vendors' customers.	1	2	3	4	5
6. As long as my vending does not generate a crowd, the police will leave me alone.	1	2	3	4	5
7. If street vending increases employment rates, lawmakers will likely make street vending legal.	1	2	3	4	5
8. Existing regulations restricting street vending will be changed if they have little effect on street vending activities.	1	2	3	4	5
9. Street vending regulations are ambiguous.	1	2	3	4	5
10. Street vending is only temporarily stopped when the police come in but then continues once the police leave.	1	2	3	4	5
11. In the future there will be zones where street vendors are allowed and there will be zones where street	1	2	3	4	5

vendors are not allowed.

12. People are still selling on the streets regardless of regulations against street vending. 1 2 3 4 5

In the future,

13. I will continue street vending. 1 2 3 4 5
14. I will find a permanent location for my business. 1 2 3 4 5
15. I will find another job in the city. 1 2 3 4 5
16. I will return to my hometown and start a new business. 1 2 3 4 5
17. I will return to my hometown and find a job in another sector. 1 2 3 4 5
18. If the government prohibits street vending, I will be unemployed. 1 2 3 4 5
19. Others.
(Please specify) _____ .

Part B: Please provide additional information about you.

1. Is this place your only location?

_____ Yes _____ No

2. Are you male or female?

_____ Male _____ Female

3. How old are you?

_____ Less than 20

_____ 20 – 29

_____ 30 – 39

_____ 40 – 49

_____ 50 – 59

_____ 60 or more

4. What is your highest level of formal education?

None
 Elementary
 Secondary

High School
 College
 Higher

5. Where do you live now?

Ha Noi
 Hue

Da Nang
 Ho Chi Minh City

6. How long have you been street vending?

Less than 1 year
 1 – 5 years
 5 – 10 years
 More than 10 years

7. Do you believe you are making more, less, or about the same as the average person in your city?

More
 Less
 About the same

Thank you very much for your participation!



Western Kentucky University

A Leading American University with International Reach

Nghiên Cứu về Người Bán Hàng Rong và Vĩa Hè ở Việt Nam

Mục đích của bài khảo sát này là để hiểu rõ hơn những thử thách của việc kinh doanh hàng rong và vĩa hè ở Việt Nam. Những ý kiến đóng góp của anh/chị sẽ giúp chúng tôi hiểu rõ hơn về những khó khăn mà anh/chị và những người buôn bán hàng rong khác gặp phải.

Câu trả lời của anh/chị sẽ được giữ hoàn toàn bí mật. Những người nghiên cứu là những người duy nhất tiếp cận kết quả khảo sát. Kết quả thu được sẽ được tóm tắt trong một bản báo cáo tổng kết chính thức. Bản báo cáo chính thức sẽ không tiết lộ thông tin cá nhân người tham gia khảo sát.

Nếu anh/chị muốn tham khảo bản báo cáo chính thức, xin vui lòng liên hệ Trần Nhật Mai theo những thông tin sau:

Trần Nhật Mai
169/1 Trần Phú, Đà Nẵng
(0511) 3827578
mai.tran189@wku.edu

A. Xin anh/chị hãy cho biết ý kiến về những ý sau đây. (Đánh dấu vào câu trả lời tương ứng)		Hoàn toàn không đồng ý	Phần nào không đồng ý	Không có ý kiến	Đồng ý phần nào	Hoàn toàn đồng ý
1.	Quy định về hạn chế hàng rong cũng không chấm dứt được buôn bán hàng rong.	1	2	3	4	5
2.	Nếu người nhập cư từ nông thôn lên thành phố tăng lên, số lượng người bán hàng rong cũng sẽ tăng lên.	1	2	3	4	5
3.	Tôi vẫn sẽ tiếp tục buôn bán hàng rong ngay cả khi chính quyền bắt tôi phải bỏ nghề.	1	2	3	4	5
4.	Theo tôi, kiếm sống quan trọng hơn là tuân theo những quy định.	1	2	3	4	5
5.	Những quy định ngăn cấm buôn bán hàng rong sẽ bị bãi bỏ nếu người dân không ủng hộ.	1	2	3	4	5
6.	Công an sẽ không can thiệp việc buôn bán của tôi nếu gian hàng của tôi không làm tụ tập đám đông gây mất trật tự.	1	2	3	4	5
7.	Nếu buôn bán hàng rong giúp tạo thêm việc làm, nhà nước sẽ cho phép hàng rong trở thành hợp pháp.	1	2	3	4	5
8.	Những quy định hiện tại về hạn chế hàng rong sẽ được thay đổi vì nó không ảnh hưởng nhiều đến hoạt động buôn bán hàng rong.	1	2	3	4	5
9.	Những quy định về buôn bán hàng rong còn mơ hồ đối với tôi.	1	2	3	4	5
10.	Ở một số nơi, buôn bán hàng rong chỉ tạm thời dừng khi công an can thiệp, nhưng sẽ lại tiếp tục khi công an bỏ đi.	1	2	3	4	5
11.	Trong tương lai sẽ có những khu vực mà buôn bán hàng	1	2	3	4	5

rong là hợp pháp và có những khu vực mà buôn bán hàng rong là bất hợp pháp.

- 12 Ở một số nơi, hàng rong vẫn diễn ra bất chấp luật cấm. 1 2 3 4 5

Trong tương lai,

- 13 Tôi vẫn sẽ tiếp tục bán hàng rong. 1 2 3 4 5

- 14 Tôi sẽ tìm một nơi buôn bán hợp pháp cố định. 1 2 3 4 5

- 15 Tôi sẽ tìm một việc khác trong thành phố. 1 2 3 4 5

- 16 Tôi sẽ về quê để buôn bán. 1 2 3 4 5

- 17 Tôi sẽ về quê và tìm một công việc khác. 1 2 3 4 5

- 18 Nếu nhà nước cấm buôn bán hàng rong, tôi sẽ bị thất nghiệp. 1 2 3 4 5

- 19 Ý kiến khác.

(Xin vui lòng làm rõ) _____ .

B. Xin vui lòng cung cấp thêm thông tin về anh/chị. (Đánh dấu vào câu trả lời tương ứng)

1. Anh/chị chỉ buôn bán tại địa điểm này?

_____ Đúng

_____ Sai

2. _____ Nam _____ Nữ

3. Anh/chị bao nhiêu tuổi ?

_____ Dưới 20 tuổi

_____ 40-49 tuổi

_____ 20-29 tuổi

_____ 50-59 tuổi

_____ 30-39 tuổi

_____ 60 tuổi trở lên

4. Trình độ học vấn chính quy cao nhất của anh/chị :

_____ Không

_____ Cấp 3

_____ Tiểu học

_____ Đại học

_____ Cấp 2

_____ Trên đại học

5. Anh/chị hiện đang ở :

_____ Hà Nội

_____ Huế

_____ Đà Nẵng

_____ TP Hồ Chí Minh

6. Anh/chị đã bán hàng rong được bao lâu ?

_____ Dưới 1 năm

_____ 1-5 năm

_____ 5-10 năm

_____ >10 năm

7. Anh/chị nghĩ mình thu nhập cao hơn, thấp hơn, hay tương đương với mức trung bình của thành phố ?

_____ Cao hơn

_____ Thấp hơn

_____ Tương đương

Cảm ơn anh/chị rất nhiều !

REFERENCES

- Acho-Chi C. (2002). The Mobile Street Food Service Practice in the Urban Economy of Kumba, Cameroon. *Singapore Journal of Tropical Geography*. 23(2):131-148.
- Asian Development Bank. (2007). Street vending in Hanoi: Reconciling contradictory concerns. *Market and Development Bulletin*. 13, 1-4.
- A.T. Kearney. (2009). Windows of hope for global retailers: The 2009 A.T. Kearney Global Retail Development Index.
- Barley, S. R., & Tolbert, P. S. (1997). Institutionalization and structuration: Studying the links between action and institution. *Organization Studies*, 18(1): 93-117.
- Bromley, R. (2000). Street vending and public policy: A global review. *International Journal of and Social Policy*, 20:2: 1-28.
- Choo, S. & Wong, M. (2006). Entrepreneurial Intention: Triggers and Barriers to New Venture Creations in Singapore. *Singapore Management Review*. 28(2), 47-64.
- Chossudovsky, M. (1998). Global poverty in the late 20th century. *Journal of International Affairs*, 52(1): 293-312.

- Crossa, V. (2009). Resisting the entrepreneurial city: Street vendors' struggle in Mexico City's historic center. *International Journal of Urban and Regional Research*, 33(1), 43-63.
- Dana, L. P. (1994). A Marxist mini-dragon? Entrepreneurship in today's Vietnam. *Journal of Small Business Management*, 32(2), 95-102.
- Droege, S. B. & Brown-Johnson, N. (2007). Broken rules and constrained confusion: Toward a theory of meso-institutions. *Management and Organization Review*, 3(1), 81-104.
- Droege, S. B. & Marvel, M. R. (2010). Process mechanisms of institutional entrepreneurship. Accepted for publication at *Journal of Developmental Entrepreneurship*.
- Eckhardt, R. & Hagerman, D. (2007). Hygiene Police in Overdrive. Retrieved from <http://eatingasia.typepad.com/about.html>
- Engle, R. L., Dimitriadi, N., Gavidia, J. V., Schlaegel, C., Delanoe, S., Alvarado, I., ... , Wolff, B. (2010). Entrepreneurial intent: A twelve-country evaluation of Ajzen's model of planned behavior. *International Journal of Entrepreneurial Behavior & Research*, 16(1), 35-57.
- Gustafsson, R. (2009). Awareness, institutional entrepreneurship, and contradictions in emerging technological fields. Dissertation at Helsinkin University of Technology. Poland.

- Harris, J., & Todaro, M. (1970). Migration, Unemployment & Development: A Two-Sector Analysis. *American Economic Review*. 60(1), 126-42.
- Hayton, J. C., George, G., & Zahra, S. A. (2002). National culture and entrepreneurship: A review of behavioral research. *Entrepreneurship: Theory and Practice*, 26(4): 33-53
- Jaffe, K., Carciente, S. L., & Zanoni, W. (2007). The economic limits of trust: The case of a Latin-American urban informal commerce sector. *Journal of Developmental Entrepreneurship*. 12(3), 339-352.
- Jensen, R., & Peppard, D.M. (2007). Food buying habits in Hanoi. *Sojourn: Journal of Social Issues in Southeast Asia*, 22(2): 230-254.
- Koane, B.A.S. (2006). Situated human agency, institutional entrepreneurship and institutional change. *Journal of Organizational Change Management*, 19(3): 365-382.
- Koh, D. W. H. (2005). Wards of Hanoi. Singapore: Institute of Southeast Asia Studies Publications.
- Lincoln, M. (2008). Report from the field: Street vendors and the informal sector in Hanoi. *Dialectical Anthropology*, 32(3): 261-265.
- Liñán, F & Chen, Y. (2009). Development and Cross-Cultural Application of a Specific Instrument to Measure Entrepreneurial Intentions. *Entrepreneurship: Theory and Practice*.

- Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of Management Review*, 21(1): 135-172.
- Manolova, T. S., Eunny, R. V., & Gyoshev, B.S. (2008). Institutional environments for entrepreneurship: Evidence from emerging economies in Eastern Europe. *Entrepreneurship: Theory and Practice*.
- Menocal, A. R. (1998). The politics of marginalization: Poverty and the rights of the indigenous people in Mexico. *Journal of International Affairs*, 52(1): 850-901.
- Nielsen. (2009). Modern trade and the retail business. The Nielsen Company.
- North, D. (1990). Institutions, Institutional Change and Economic Performance: Political Economy of Institutions and Decisions. Cambridge: Cambridge University Press.
- Oliver, C. (1992). The antecedents of deinstitutionalization. *Organizational Studies*, 13(4): 563-588.
- Rojas, G. V. M., & Siga, L. (2009). On the nature of micro-entrepreneurship: Evidence from Argentina. *Applied Economics*. 41, 2667-2680.
- SBTN. (2008). *Hà Nội: Hà Nội: Luật Cẩm Bán Hàng Rong Bắt Đầu Có Hiệu Lực*. Retrieved from <http://www.sbtn.net/default.aspx?LangID=0&tabId=61&ArticleID=24817>

- Sim, D. (n.d.). *Popular street food of Vietnam*. Retrieved from <http://southeastasianfood.about.com/od/foodfromvietnam/tp/VietnamStreetFoodHub.htm>
- Scott, W. R. (2008). *Institutions and organizations: Ideas and interests*. California: Sage Publications, Inc.
- Scott, W. Richard & Davis, Gerald F. (2007). *Organizations and Organizing: Rational, Natural and Open Systems Perspectives*. Pearson Prentice Hall: Upper Saddle River, NJ,
- Selznick, P. (1984). *Leadership in Administration: A Sociological Interpretation*. University of California Press.
- Senge, P. M. (1990). *The Fifth Discipline: The Art and Practice of the Learning Organization*. New York: Doubleday.
- Seo, M.G., & Creed W.E. D. (2002). Institutional contradictions, praxis, and institutional change: A dialectical perspective. *Academy of Management Review*. 27(2), 222-247.
- Smallbone, D., & Welter, F. (2001). The distinctiveness of entrepreneurship in transition economies. *Small Business Economics*. 16(4), 249-262.
- Sydow, J., Schreyögg, G. & Koch, J. (2009). Organizational path dependence: Opening the black box. *The Academy of Management Review*, 34(4): 689-709.

- Tan, J. (2002). Culture, nation, and entrepreneurial strategic orientations: Implications for an emerging economy. *Entrepreneurship: Theory & Practice*, 26(4): 95-112.
- The People Committee of Da Nang City. Decision 43/2005/QD-UB. (2005).
- The Street Vendor Project. (2006). Peddling uphill: A report on the conditions of street vendors in New York City. The Urban Justice Center.
- The World Bank. (2009). World Development Indicators Database, 2009. Washington D.C: The World Bank.
- Tinker, I. (1997). Family survival in an urbanizing world. *Review of Social Economy*, 55(2): 251-260.
- Wang, C. L. (2008). Entrepreneurial orientation, learning orientation, and firm performance. *Entrepreneurship: Theory & Practice*, 32(4): 635-657.
- Woodworth, W. B. (2000). Third world economic empowerment in the new millennium: Microenterprise, microentrepreneurship, and microfinance. *SAM Advanced Management Journal*. 65(4), 19-28.

