

Promoting SMEs Through Enterprise Networks

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Small Firm Success in Italy

- SMEs can be dynamic and competitive in international markets
- SMEs create dynamic industries and regions
 - ◆ Italy - population and employment growth, rising incomes, rising exports
- challenge - apply this experience more widely

Create Local Connections

- Cooperating firms provide mutual support
- Cooperating firms emulate best practice
- Cooperation allows SMEs to gain scale
 - ◆ cooperation in dealing with suppliers
 - ◆ cooperation in meeting large orders

The “Triple C” Approach to SME Promotion

- Customer orientation
 - ◆ support targeted towards market requirements
- Collective
 - ◆ working with groups of firms, promoting networks
- Cumulative
 - ◆ create capacity for upgrading

Networking Programmes

- Keep networks small and organized around practical goals
- The network broker
 - ◆ overcoming resistance to cooperation
 - ◆ providing practical benefits for participants
- Collaboration opens up new market opportunities

Results: Networking Reaches SMEs

- Danish network program
 - ◆ 5000 enterprises involved in networks
 - ◆ raising the ability to compete
 - ◆ participation in networks continues after program
- United Kingdom networking initiative
- Network promotion in Cear 
- Chilean PROFO program

The Role of Government

- Small entrepreneurs distrust government
- Start by providing practical support
 - ◆ Initial finance for network brokers
 - ◆ Facilitate access to existing schemes
- Channel support through private sector and business associations
- Government procurement - insist on high standards