



Business Support Services for Entrepreneurs

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ABSTRACT

Services tailored to meet the needs of very small businesses can be financially viable and effective as well. It is evident, however, that small businesses are constrained by non-financial factors such as little or no education, inadequate technical skills, poor access to markets, etc. Recognizing this, research has been done to propose Business Support Services for entrepreneurs which comprise "all formal and informal non-financial services that can help young entrepreneurs starting up their businesses to transform their fledgling ventures into successful enterprises". The study defines the objectives that must be achieved to provide business support services to entrepreneurs in an effective manner. For this purpose, strategies for each service and activities for each strategy have been developed. As the objectives set out "what" needs to be achieved, the competency framework has been developed to set out the professional attributes, knowledge and skills to achieve the objectives.

**KEYWORDS :** Market access, policy advocacy, input supply, training assistance.

| SERVICES                       | DESCRIPTION   | STRATEGIES   | ACTIVITIES   |
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| ACCESS TO MARKET               | One of the most common and critical difficulties facing new entrepreneurs is how to broadly market their products or services. Recognizing that, a number of ways have been developed to help entrepreneurs link their goods and services to the market.  | Provide multiple services to ensure market readiness for MSMEs.                  | Helping entrepreneurs market their businesses by offering branding service, pricing strategies to gain competitive advantage in market, promotional planning and identification of effective distribution channels. Identifying opportunities for profitable business linkages, usually between large enterprises and MSMEs, but including other relationships that benefit MSMEs. Supporting entrepreneurs' participation in trade shows and product exhibitions which provide opportunities for selling products, developing business relationships, launching new products, increased industry visibility and gather information about new industry innovations and competitor products and/or services. Development of samples for buyers Provide market information to entrepreneurs by generating directories such as "Yellow pages" listing suppliers, facilitating business links that provide information, hold conferences and networking events so that they can respond more readily to market changes, pursue new market opportunities, and ultimately become more competitive. Arrangements for subcontracting and outsourcing Marketing trips and meetings Market research which provides important information to identify and analyze the market need, market size and competition. Market space development Showrooms Packaging services Advertising to publicize the image of a certain enterprise as well as advantages of its products/services in various media to ensure that more products/services are bought by the customers/clients  |
| DEVELOPMENT OF INFRA-STRUCTURE | Adequate infrastructure facilities are necessary for the overall development of every sector of the economy. Continuous efforts should be made to upgrade the infrastructural set up of the micro, small and medium scale entrepreneurs to help them overcome the problems of infrastructural bottlenecks, which restricts their day-to-day business operations as well as their future growth prospects. | Provide infrastructure facilities to MSMEs contributing to their overall growth. | Arranging space for storing goods, equipments and material. Provide good transport facilities to help entrepreneurs deliver goods, equipment or material from source location to destination without any inconvenience Business incubation which includes the programs designed to support the successful development of entrepreneurs through an array of business support resources and services, developed and orchestrated by incubator management and offered both in the incubator and through its network of contacts. An incubator usually provides the following services: (a)Office spaces and business equipment; (b)Business plan development; (c) Technical support; (d) Marketing assistance; (e)Financial management; (f) Access to capital; (g)Linkage with university/corporate partners/inputs providers; (h) Business training; (i)Mentoring and coaching. Special offers on telecommunication--on services such as telephone and fax. Offer customized courier packages Services for easy money transfer Collecting relevant information through mass media related to operation of enterprises and disseminate the same to the entrepreneurs Provide internet access to retrieve information to be used for business such as market information, legal documents, information on sellers, etc Computer services which includes physical maintenance and repairs of computers, software adaptation and other computer services necessary for business development. Secretarial services which include filing of documents, Statutory Registers including minutes books, professional certifications, e- filing, statutory audits, etc. |

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| POLICY ADVOCACY                    | In the current scenario, fostering entrepreneurs has become one of the prime concerns of the government policy makers. Thus, the most reliable tool for policy implementation to promote entrepreneurship should be thought of rather than focusing solely on microeconomic conditions or access to finance. Recognizing that, ways to create a conducive policy environment for development of MSMEs has been worked out.                                    | Identify processes of policy formulation and implementation to improve the policy and regulatory environment.  | Training entrepreneurs in policy advocacy to make them understand the key policy processes. They will also be able to apply a range of tools in influencing policy processes and how evidence based policy analysis is used to advocate for policy changes.<br>Analyze and communicate policy constraints and opportunities to improve policies, laws, regulations, procedures or administrative practices and processes, hence improving the business environment for MSMEs.<br>Sponsorship of conferences well-targeted for entrepreneurs on key policy issues<br>Engage in policy studies seeking assistance of individuals having regulatory, legal, economic, or financial expertise, including members of the academic community, the ultimate purpose of which is to create a favorable policy environment for sustainable development of MSMEs.  |
| SUPPLY OF INPUTS                   | Continuous efforts should be made to support micro, small and medium enterprises to access inputs in a cost effective manner. This includes providing information about suppliers facilitating collaborative or joint procurement and also facilitating negotiations with suppliers.  | Facilitating quality supply of inputs to MSMEs.  | Introducing MSMEs to input suppliers<br>The services that help suppliers to improve capacity to provide regular input supply such as transportation and quality assurance services to improve quality.<br>Facilitating the establishment of bulk buying groups<br>Providing such information as name of suppliers, type of material, price, quality, origin for the selection of suppliers.  |
| TRAINING AND TECHNICAL ASSISTANCE  | Training and technical assistance covers a range of teaching activities for facilitators, trainers and groups of trainees. The aim is to develop MSMEs' knowledge and skills in operational areas (e.g., marketing, accounting, finance, production and product development), in dealing with problems (e.g., attracting new pools of customers and lowering operating costs), and in finding useful partners (e.g., customers, suppliers and collaborators). | Enhancing the knowledge and technical competencies of entrepreneurs.   | Professionals, who come from business, legal, financial and other professions, acting as mentors provide guidance, advice, and training to new entrepreneurs by sharing their business knowledge, skills, experience, and most importantly, serve as respected role models.<br>Conduct feasibility studies.<br>Arrange exchange visits and industrial tours to help entrepreneurs seek business opportunities.<br>Help entrepreneurs in franchising i.e. assignment of trademark, technology, mode of management to other entrepreneur be it a manufacturer or a service provider.<br>Training activities related to various aspects of business establishment and operation such as entrepreneurship, general management, marketing, etc.<br>Training activities delivered by professional(s) to: (a)provide information on how to use and take full advantage of a machine or an equipment (b)improve the expertise of entrepreneurs in a certain skill or trade.<br>Counseling and advisory services where the counselor guides and assists the client to identify problems, opportunities and resources, define options and select a course of action<br>Legal advice and services related to laws, rules and regulations related to business establishment, operations, taxation and exports, litigation.<br>Advisory services in term of finance and taxation<br>Services related to financial matters, book keeping, auditing and making financial reports for the enterprise owner. For example, engaging a company to review accounting books, develop an accounting system, etc. |
| PRODUCT DEVELOPMENT AND TECHNOLOGY | Research and development of technologies to be used by entrepreneurs; promoting, distributing and installing technologies, developing distribution channels for the technologies and advising on appropriate technologies. Product development includes support to small enterprises to develop, test and launch new products or services.  | Provide professional services for technology transfer and product development in order to enhance market competitiveness of micro, small and medium enterprises and promote sustainable development. | The services related to the selection of the best technology for the enterprise, transferring technology procedure. It also includes instructing the enterprise how to use the new technology.<br>Maintain and provide data base on technology options available from different suppliers and facilitating linkages to MSMEs.<br>The service related to advisory and arrangement activities for technology transfer such as execution of technology transfer agreement, technology transfer registration.<br>Training activities and advice delivered by professional(s) in order to improve the quality of the products and processes. Quality circles are formed as formal groups aiming at understanding the impact of technology on occupational safety and health, improving product design, and improvement in the workplace and manufacturing processes.<br>Equipment leasing and rental which enables the use of capital equipment in particular for new/young enterprises without credit track record and with limited possibilities to provide collateral.   |

**COMPETENCY FRAMEWORK**

| KEY FUNCTIONAL AREAS          | COMPETENCIES   |
|-------------------------------|--|
| Access to Market              | Design and implement an education programme on utilizing information for access to markets<br>Build a strong network of collaborative relationships and partnerships to facilitate better access to markets<br>Encourage and assist MSMEs to participate in trade fairs and exhibitions<br>Facilitate better flow of useful information between MSMEs, large firms and other service providers to have improved access to markets<br>Quality analysis of market need, market size and competition<br>Gather and analyze data on how the market is moving; problems of quality, price and acceptability<br>Awareness of the potential benefits of subcontracting, of potential subcontractor capacities and of potential subcontracting opportunities |
| Development of Infrastructure | Ability to identify and access sources who can provide quality and affordable infrastructure support to entrepreneurs<br>Actively nurture good relationships with service providers<br>Customize service packages to encourage entrepreneurs avail the services<br>Enhance the use of the internet through implementation of a legal and regulatory framework for e-commerce<br>Gather and disseminate relevant information related to operation of various enterprises  |

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| Policy Advocacy                    | <p>Understanding of key policy processes relevant to entrepreneurship development</p> <p>Effective analysis of policy constraints and opportunities</p> <p>Sufficient knowledge to advocate for policy changes</p> <p>Actively involved in policy studies and identify key policy issues</p> <p>Clearly communicate policy constraints and opportunities to policy makers for improvement in policy making</p>   |
| Supply of inputs                   | <p>Facilitating linkages to a variety of input suppliers</p> <p>Proactively seek all the required information, resources and support from input suppliers</p> <p>Disseminate the required information to entrepreneurs in a transparent and effective manner</p> <p>Explore options to improve supplier's capacity to provide better input supply</p>  |
| Training And Technical Assistance  | <p>Networking with professionals to provide technical assistance and training to entrepreneurs</p> <p>Assist entrepreneurs to access such services</p> <p>Seek opportunities to organize industrial tours and exchange visits to guide and assist prospective entrepreneurs on various entrepreneurial aspects</p> <p>Focus resources on technical knowledge/ skills gaps</p> <p>Liaise with experts for advice on specialized technical issues</p> <p>Provide technical supervision in the establishment of client's database and using them to prepare useful analysis and reports</p> <p>Stay abreast of emerging technical issues that may impact businesses</p> |
| Product Development and Technology | <p>Review current technologies used in different businesses and maintain database on technology options</p> <p>Gather market information on specific product ideas</p> <p>Build supplier capacity to research and deliver new products</p> <p>Stay abreast of technology trends and developments</p> <p>Create awareness and understanding among entrepreneurs about new products and latest technology</p> <p>Identify, prioritize and assist with technology and product related issues</p>  |

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