

Are the Needs of SMEs being Met? What's Missing?

Winston Whervin

Creative Ideas Jamaica

www.CreativeIdeasJa.com

Recommendations

1. Expand Financing Options
2. Expand Technical and Other Support
3. Promote and Develop New Enterprises

Expand Financing Options

1. Introduce/Expand Equity Financing

Advantages

- Venture Capital
 - Angel Investment
- Solves Collateral Issues
 - Lowers Debt Burden
 - No Payback Obligations
 - Support from Investor

Expand Financing Options

2. Expand/Restructure Loan Facilities

- More Flexible or No Collateral Requirements
- Longer Repayment Periods
- Lower Interest Rates
- Access Based on Strength of Business Plan

Expand Business Support

1. Improve Quality
2. Broaden Range
3. Improve Access

Expand Business Support

1. Improve Quality

- Use Retired Executives / Angel Investors as Advisors and Consultants
- Mentoring and Monitoring
- Consulting and Business Assessment by University Students (post grad)

Expand Business Support

2. Broaden Range

- Market Research and Feasibility Studies
- Product Testing
- Human Resource Development and Training
- Business Plan Development
- Financial Evaluation and Promotional Support

Expand Business Support

3. Improve Access

- Increase Number of Access Points
- Chambers of Commerce Offices
- Libraries
- Post Offices

Promote and Develop New Enterprises

Opportunity Entrepreneurs

- More Educated, More Skills
- More Developed Countries
- Higher Export Potential

Necessity Entrepreneurs

- Less Educated, Less Skilled
- Less Developed Countries
- Lower Export Potential

Promote and Develop New Enterprises

Encourage and Develop Opportunity Entrepreneurs

- Education Curriculum: Tighter Integration of Technical and Skills Training
- Stimulate Development of Project Ideas
- Promote Best Practices and Success Stories
- Match Universities' R&D and Consulting Capabilities and Industry Needs
- Fast Track Window for High Potential Projects

Recommendations

1. Expand Financing Options
 - Introduce Equity Financing
 - Restructure Loan Facilities
2. Expand Support
 - Improve Quality
 - Broaden Range
 - Improve Access
3. Promote and Develop New Enterprises
 - Develop Opportunity Entrepreneurs