

Chapter 6

Small and Medium Enterprises (SMEs)

Small and Medium Enterprises (SMEs)

- SMEs are firms that are **independently** owned and operated, and are **not dominant** in their markets.
- Definitions of SME
 - The Mainland of China, Korea and the UK define SME by the **number** of employees.
 - Japan, the US and Canada use a combination of the number of employees and **turnover** to define SMEs.
- Definitions of SME by three international organisations
 - World Bank
 - ✧ No. of employees : < 300 persons
 - ✧ Annual sales : < US\$15 million
 - ✧ Total assets : < US\$15 million
 - European Commission
 - ✧ No. of employees : < 250 persons
 - ✧ Annual sales : < EUR €50 million
 - ✧ Total assets : < EUR €43 million
 - APEC
 - ✧ No. of employees : < 1000 persons

SMEs in Hong Kong

- In Hong Kong, according to the Trade and Industry Department, an SME is
 - an enterprise which employs fewer than **100** persons in the manufacturing sector.
 - an enterprise that employs fewer than **50** persons in the non-manufacturing sector.
- Types of industry SMEs engaged in
 - SMEs can be found in both the secondary and **tertiary** industries.
 - SMEs can operate as **sole proprietorships**, **partnerships** or **limited companies**.
- Distribution of SMEs in Hong Kong
 - Most of the SMEs were in the import/export trading and wholesaling industries in 2013, followed by the retail industry.
 - Accounted for over 50% of the SMEs in Hong Kong and represented nearly half of SME employment

Characteristics of SMEs in Hong Kong

1. **managed by owner and/or their families**
 - Most SMEs are owned and managed by owner and/or their families.
 - Their **family members** often take part in management, even though they may lack **experience** and management skills.
2. **Limited resources and capital**
 - Most SMEs are financed solely by their **owners**.
 - They have limited resources and capital to finance their operations and expand their businesses.
 - It is also difficult for them to get **loans** from banks because of their small size.

第 6 章

中小型企业

中小型企业

- 中小型企业是**獨立**擁有和運作，而在同行中並非佔**主導**市場地位的企業。
- 中小型企業的定義：
 - 中國內地、韓國和英國以**僱員數目**作為準則
 - 日本、美國和加拿大按僱員數目和**營業額**兩個標準來界定中小型企业
- 三個國際組織對中小型企業的定義
 - 世界銀行
 - ✧ 僱員數目 : < 300 人
 - ✧ 年度銷售額 : < 1,500 萬美元
 - ✧ 資產總值 : < 1,500 萬美元
 - 歐盟委員會
 - ✧ 僱員數目 : < 250 人
 - ✧ 年度銷售額 : < 5,000 萬歐羅
 - ✧ 資產總值 : < 4,300 萬歐羅
 - 亞太經濟合作組織
 - ✧ 僱員數目 : < 1000 人

香港的中小型企业

- 根據工業貿易署的定義，中小型企业是指：
 - 從事製造業的企業中，僱用少於 **100** 人的企業；
 - 從事非製造業的企業中，僱用少於 **50** 人的企業。
- 中小型企业從事的產業
 - 香港的中小型企业多從事次級生產和**第三級**生產。
 - 擁有權形式包括**獨資企業**、**合夥企業**和**有限公司**。
- 中小型企業的業務分佈
 - 香港大部分的中小型企业從事進出口貿易和批發業，其次是零售業。
 - 兩者佔香港的中小型企业總數超過 50%，僱用近 50% 的中小型企业勞工。

香港中小型企業的特徵

1. **由東主和其家庭成員管理**
 - 大部分中小型企业由東主擁有和由東主和其家庭成員管理。
 - 雖然他們的**家庭成員**欠缺管理**經驗**和技巧，也會參與管理。
2. **資源和資金有限**
 - 大多數中小型企業的資金來自**東主**一人
 - 只能以有限的資源和資金維持日常運作和擴展業務
 - 由於規模細小，較難獲得銀行**貸款**。

3. Focus on narrow markets

- SMEs often focus on **narrow** markets which are not attractive to **large** companies.
- They can **tailor** their products and services to a particular group of customers (e.g., maternity wear for pregnant women).

4. Greater flexibility

- SMEs have greater flexibility than large companies.
- SMEs have simple organization structure and flexible decision making.
- SMEs can responsive to market changes.

5. Innovative

- SMEs are **more innovative** than large companies.
- SMEs are eager to explore new **opportunities** in the market and are more **receptive** to new ideas.
- To attract customers, they are willing to introduce **new** products and services.
- New products or services can create new markets so that direct **competition** with large companies can be avoided.

Contributions of SMEs to the local economy

1. Providing specialised goods and services

- It is costly for large companies to produce specialised goods and services with little market demand.
- As SMEs are small in scale and their **operating** costs are usually lower, they can specialise in serving **small** markets and still make a **profit**.

2. Providing jobs

- SMEs offer jobs to **unskilled** and **inexperienced** labour.
- The owners of SMEs are **self-employed** as they manage the companies themselves.

3. Introducing new products and services

- Although SMEs are **small** in size, they are important sources of new products and services.
- SMEs are more willing to be **innovative** to compete with large companies.

4. Supporting large companies

- Provide goods and services to large companies
- **Subcontractors** of large companies
 - ✧ Hired by large companies to perform **specific** tasks
 - ✧ The large companies can reduce their **workload** and concentrate on **core** tasks.
- Wholesaling and retailing stores help large companies **distribute** their products and provide **after-sales** service to their customers.

3. 專門服務狹小的市場

- 大多專注**大型**企業不感興趣的**狹小**市場。
- 為特定類型的顧客**度身訂造**產品和提供服務（例如 孕婦服裝）。

4. 靈活性較大

- 中小型企業的運作比大型企業靈活
- 中小型企業組織結構簡單，決策靈活。
- 中小型企業可以應付市場急劇的轉變。

5. 勇於創新

- 中小型企業比大型企業**更敢於創新**
- 積極在市場上尋找**新機會**，並願意**接受**新意念。
- 為了吸引顧客，都樂於引進**新**的產品和服務。
- 由於新產品和服務能夠創造新市場，中小型企業便可 避免與大型企業直接**競爭**。

中小型企業對本地經濟的貢獻

1. 提供專門化的產品和服務

- 市場對某些專門化的貨品和服務需求不大，大型企業的**營運成本**高，生產這類貨品和服務往往無利可圖。
- 中小型企業規模較小，營運成本亦較低，所以可專注服務**狹小**的市場，提供專門化的產品和服務，並且能從中獲利。

2. 提供就業機會

- 中小型企業為大量缺乏**技能**和工作**經驗**的勞工提供就業機會
- 東主都是**自僱**人士，他們一手管理自己的企業

3. 引進新的產品和服務

- 雖然中小型企業的規模較小，但它們是新產品和服務的重要來源。
- 中小型企業為了與大型企業競爭，它們一般較勇於**創新**，以新的產品和服務吸引顧客。

4. 支援大型企業

- 為大型企業提供物品和服務
- 中小型企業是大型企業的**承包商**
 - ✧ 為大型企業執行某些**特定**的工作
 - ✧ 減輕大型企業的工作**負擔**，讓它們專注於**核心**業務。
- 中小型批發商和零售商亦可幫助大型企業**分銷**產品和提供**售後**服務

Entrepreneurs

What is an entrepreneur?

- An entrepreneur takes **risks** to start a business for the purpose of making a **profit**.
- Entrepreneurs can be men or women of any age and any race.
 - Example: Lai Chee Ying Jimmy, the founder of Giordano and Next Media

Importance of entrepreneurship to business development

- Entrepreneurs create major **innovations**, set up well-known **enterprises**, and provide the world with goods and services that have improved people's living standards.
- **Promoting market competition**
 1. Firms operate more efficiently
 - ✧ Brings more and newer **products** and **services** to us
 - ✧ Promotes **competition** in the market
 - ✧ To compete and survive, firms need to make continuous improvements (e.g., reducing **costs** and improving product **quality**).
 2. Consumers can enjoy cheaper and higher quality goods
 - ✧ Many products are sold for **lower** prices and are of **better** quality.
- **Organising production and enhancing production efficiency**
 - Entrepreneurs provide more high-quality products or service to consumers.
 - They put **people** and **resources** together to start a business.
 - Entrepreneurship makes business **flourish** and uses resources more **efficiently**. These lead to **economic growth**.
- **Innovating new products and services**
 1. Satisfy customer demand with new products and services
 - ✧ New products and services are created to satisfy customer **demand**.
 - ✧ Entrepreneurs always look for and are able to seize market **opportunities**.
 - ✧ By turning their innovative ideas into products and services, they build many successful businesses.
 2. Create a new business and even a new market
 - ✧ Innovative products or services can create a new **business** and even an entirely new **market**.
 - ✧ Example: The growing markets of smartphones and tablet computers have made significant contribution to the economies of countries such as the **US** and **Korea**.

企業家

甚麼是企業家？

- 企業家是為了賺取**利潤**而承擔創業**風險**的人
- 企業家沒有性別、年齡和種族之分，與社會上其他人一同生活和工作。
 - 例子：黎智英是佐丹奴和壹傳媒的創辦人

企業家精神對商業發展的重要性

- 企業家勇於創新，建立無數知名**企業**，並為世界各地的人提供產品和服務，以改善他們的生活**水平**。
- **促進市場競爭**
 1. 企業營運更具效率
 - ✧ 為我們帶來更多新的**產品**和**服務**
 - ✧ 促進市場的**競爭**
 - ✧ 企業面對競爭，必須不斷地改進，例如降低**成本**和改善產品**質量**。
 2. 為消費者提供較便宜和品質較高的產品
 - ✧ 企業為了增加產品和服務的市場競爭力，**提升**品質，**降低**售價。
- **組織生產活動和提升生產效率**
 - 企業家為消費者提供更多優質的產品或服務。
 - 企業家把**人才**和**其他資源**集合和起來。
 - 企業家精神不但**振興**商業，還利用更有**效率**的方式運用資源，幫助**經濟增長**。
- **推動企業創新**
 1. 推出新產品和服務以滿足顧客需求
 - ✧ 企業必須推陳出新，才能滿足顧客的**需求**。
 - ✧ 企業家不斷地在市場上找尋**機會**，往往能掌握先機。
 - ✧ 不少成功企業的建立都是源於創新的意念
 2. 創立新企業和創造新市場
 - ✧ 創新的產品和服務不但能造就**新企業**的成立，甚至能創造出全新的**市場**。
 - ✧ 例子：智能電話和平板電腦的相關行業迅速發展，對個別國家（例如**美國**和**韓國**）的經濟帶來重大的貢獻。