

REVIEW ON BUSINESS SERVICE INSTITUTIONS IN GERMANY

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Germany is highly developed, also on economic terms. For that the organizational structure of the business community has been and still is helpful and useful within a free market environment. Nowadays numerous institutions are as service suppliers at disposal on national, regional or even local level.

Business Associations can and do assist and support in particular small and medium-sized enterprises by practice-oriented promotion measures of high quality. Such contributions are favourable to companies that are interested in the enhancement of their competitiveness and general success in their business operations. Some organizations understand their existence mainly as political advocacy-body or as informal forum for exchanging information. Others are active as welcomed service centres.

In Germany the Chambers of Industry and Commerce as well as the Chambers of Skilled Crafts - both non-profit-making - can enjoy an advantageous state because they are based due to public laws on legally prescribed mandatory membership of all businesses. Although both organizations, financially well fitted out, offer comprising services, apart from taking care of selected public tasks, they are often exposed to criticism in view of the compulsory membership regulation. Besides the chambers, introduced also for liberal professions such as architects, engineers, lawyers, medical doctors, pharmacists, auditors, tax consultants etc, additional privately composed business membership organizations address the SMEs or attempt at least to relieve their problems by intervening at public authorities. For that purpose, associations with SME departments play an important part:

- Bundesverband der Deutschen Industrie (BDI)
- Hauptgemeinschaft des Deutschen Einzelhandels (HDE)
- Bundesverband des Deutschen Gross und Aussenhandels (BGA)
- Zentralverband des Deutschen Handwerks (ZDH)
- Bundeszentralgenossenschaft Strassenverkehr (BZG)
- Deutscher Hotel- und Gaststättenverband (DEHOGA)
- Deutscher Reisebüro-Verband (DRY)

Moreover, there are dedicated small business federations available, like:

- Arbeitsgemeinschaft Selbständiger Unternehmer (ASW)
- Bundesverband der Selbständigen (BDS)
- Bundeverband der Dienstleistungswirtschaft (BDVi)
- Bundesverband Mittelständische Wirtschaft (BVMW)
- Union Mittelständischer Unternehmen (UMU)

As business service partners university SME research and education sections gain increasingly in significance, i.e.:

- Institut für Mittelstandsforschung (IfM), University Bonn
- European Business School (EBS), Chair for Entrepreneurship, Wiesbaden
- Institut für Mittelstandsforschung (IfM), University Mannheim
- Lehrstuhl für Mittelstandsökonomie (PROMIT), University Trier
- Lehrstuhl für KMU Management, Mittelstandsinstitut, University Siegen

Besides it has to be named the German Productivity Centre, called "Rationalisierungs- und Innovationszentrum der Deutschen Wirtschaft (RKW)". The RKW acts as publicly sponsored body relying on the co-operative support of the social groups (the employers and the employee's organizations) and also academia. It occurs in a dual role: it represents, on the one hand, a private management institute based on members (firms and individual persons). As such it enhances the future determined performance of companies in the technical, economic and manpower areas mainly by consultation and recurrent training services. On the other hand, RKW operates subsidized at the behest of public authorities in order to improve business productivity of SMEs.

Reviewing service institutions in Germany it is appropriate to consider likewise the SME promotion programmes of commercial and of saving banks as advisors or as publishers of manuals demonstrating how to prepare and how to run a business, and as hosts of conferences.

Finally, it should not be disregarded the participation of governments - above all the ministries of economic affairs - and of politicians in their interest to lessen SME bottlenecks. Both are directive information resources: they disseminate i.e. brochures and textbooks as instruction materials that recommend the adjustment of entrepreneurial management in alterable surroundings because of globalization influences.

With regards to the politicians and political parties it is remarkable the presence of the Small Business Association (MIT: Mittelstandsvereinigung) of the Christian-Democratic and the (Bavarian) Christian-Social Union (CDU/CSU) in Germany. This MIT shapes also the Federal Parliamentarian SME Circle (Parlamentarischer Mittelstand der CDU/CSU-Bundestagsfraktion). The Social Democrats have (only) the Working Committee of the Self-employed (SPD-Arbeitsgemeinschaft der Selbständigen). Business Service Institutions are subject to competition. The better their demand-oriented services, the greater the number of enterprises that accept not only the supply but will wish to become association member.