

Integrated Business Service for Enterprise Development

István Kovács

Chairman

Hungarian Enterprise Development Network Consortium



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My main points

- Need for SME development policy based on principles
- Minimal requirements of business development programs
- Multi-layered support policy as a requirement
- Most important tools of developing micro-enterprises: counselling and microcredit program
- Benefits of integrated services and a service providing non-profit network (LEA)
- The present and future of the JEREMIE program initiated by the European Commission

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Principles in SME development

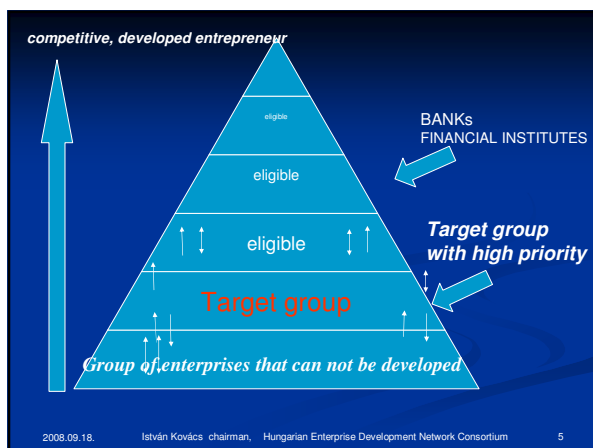
- The impact of SME development on economy dynamisation and increase of employment
- Need for a set of tools differentiated according to size and stage of development. Specific needs of micro-enterprises
- Major problems: lack of knowledge and funds
- Benefits of integrated services, non-profit service providing network
- Countries differ, especially East and West
- and so on

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Minimal requirements of business development programs

- Professional elaboration,
- reliability,
- durability, consistency,
- good finance,
- continuous monitoring, development, refining
- etc.

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Multi-layered support policy as a requirement

- Layer 1: Providing indirect support through free services
- Layer 2: Indirect, non-free but supported services
- Layer 3: Direct support with smaller amounts and intensity
- Layer 4: Providing direct support with greater amounts and intensity to innovative „gazelle” type enterprises
- Layer 5: a combination of the above

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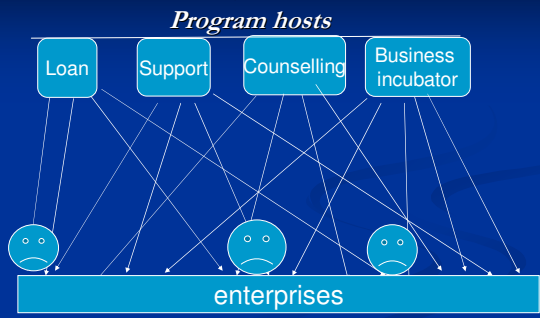
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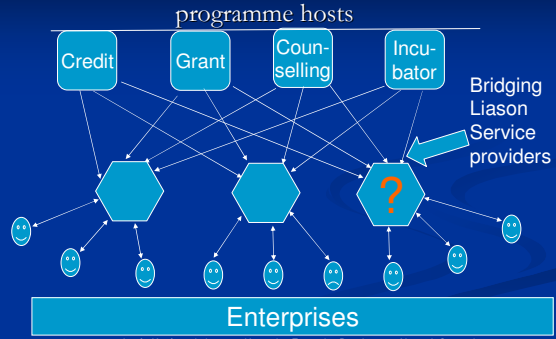
Most important tools for developing micro-enterprises

- **counselling** → which eases up the lack of knowledge
- **and the microcredit program** → which resolves the lack of funds

Non-integrated service



Integrated service model:



EFFICIENT MICROFINANCE:

WITH INTEGRATED SERVICES !!!!!

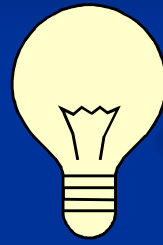
- MICROCREDIT
- +Information
- +Counselling
- +Training
- +Business incubator services



ADVANTAGES OF INTEGRATED SERVICES

- MICRO ENTREPRENEURS without an apparatus can receive MORE services as well
- SYNERGY effect
- MORE COST-EFFICIENT
 - PARTIAL WORK HOURS
 - Marketing, etc.

HOW MUCH MONEY AND TIME DOES IT TAKE TO CREATE SUCH A SERVICE PROVIDER NETWORK ?



IT COSTS NOTHING!!

BECAUSE THE EU PHARE PROGRAMME

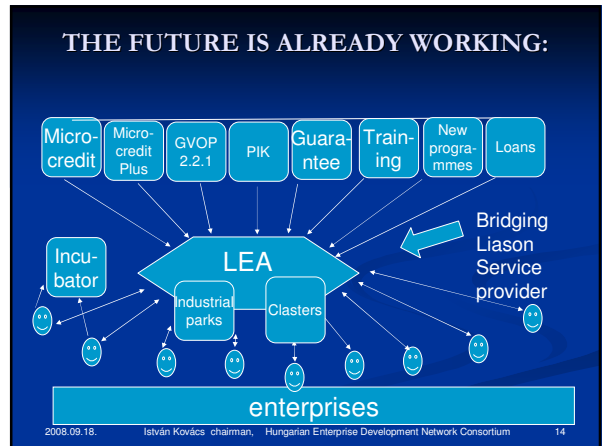
CREATED THE

LEA NETWORK

FOR THE ENTERPRISE PROMOTION

17 YEARS AGO!!!

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Hungarian Enterprise Development Network Consortium Hungarian Microfinance Network

COUNTY AND CAPITAL CITY
ENTERPRISE PROMOTION FOUNDATIONS
(Local Enterprise Agencies)

LEA

LEA

LEA

LEA

LEA

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HUNGARIAN MICROFINANCE network®

Hungarian Enterprise Development Network Consortium

BRIDGE between:

- Entrepreneur-entrepreneur
- Entrepreneur-financial inst.
- Entrepreneur-government programmes

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The present and future of the JEREMIE program initiated by the European Commission

The recommendation of the European Commission to the member states:

- improving the legal and institutional environment of micro-finance
- further measures in support of enterprise promotion
- motivating the dissemination of best practices
- providing additional funds to new and non-bank micro-finance institutions

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Thank you for your kind attention !

István Kovács

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