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PRESS

The SMEs – Small and Medium Businesses

– what really matters to get us out of the recession!

By Per Troen



We are taught at business school that FOCUS is one of the important keys to success in the business world. In these quite difficult times, focus becomes even more important. Our politicians want to focus on health, the poor, education, the armed forces, the elderly and global warming.

Is that right?

Neil Armstrong, the first man on the moon, once said that money was not that important – it comes a close second to oxygen!

And how true that is, particularly when we consider the recession and the dreadful year that 2009 was for many businesses. A 12% drop in world trade output in 2009. That has simply never happened before, in such a short amount of time.

If we are talking about focus and apply it to our current economic crisis, I would suggest that we need to be honest and open about 'how' and 'who' is going to lift us out of recession.

The drive behind our business model is money, and in order to make it and create sustainable jobs, you need to have policies that help privately-owned businesses set up, and which allow these companies to grow, creating income for themselves and the local communities they operate in.

For some reason, no one seems to understand just how important Small and

Medium size companies are to the success of our national economies. Cast your eye over the facts set out on this page.

In addition, the fact is that 80% of all innovation comes from the smaller companies and not from the bigger ones.

The aim of this article is to set a new FOCUS:

To get everyone, including the politicians, to support people that set up and run businesses, create jobs and exports which at the end of the day is the basis for the well-being of our economies. The Banks are important, but only as distributors of capital to the right companies.

We need to make the life of SMEs easier, to raise capital and loans, and remove all the red tape!

- In the UK 3 million businesses are sole proprietors
- In DK 170,000 businesses are sole proprietors
- There are over 4.8 million businesses in the UK
- There are over 300,327 (2007) businesses in DK
- In the UK over 99% of firms employ less than 49 people
- In DK over 96% of firms employ less than 49 people
- In the UK 59% of the workforce (13.7 million) is in the SME Sector
- In DK 50.5% of the workforce (approximately 700,000) is in the SME Sector.

Source: Federation of Small Businesses and Håndværkerrådet.

UK/DK Small Business Profile

	Small [0-49]		Medium [50-249]		Large [250+]	
	UK	DK	UK	DK	UK	DK
No. of Businesses	99.30%	96.90%	0.60%	1.90%	0.10%	1.20%
Employment	49.90%	32%	11.50%	26.50%	40.60%	41.50%
T/O	36.60%		13.60%		49.90%	

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