



TOP 10 TRENDS FOR 2018 FOR MICRO-, SMALL, AND MEDIUM SIZED ENTERPRISES (MSMEs)

Number Ten: MSMEs TO MEET THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

INSIGHT: MSMEs are the fabric of communities, reaching many sustainable development goals without realizing it. Yet, they can be empowered to do more. MSMEs can become the measuring stick of how we are achieving SDGs.

ICSB RECOMMENDATION: MSMEs should make the SDGs a prominent selling point to demonstrate why consumers should buy from them. If a consumer sees an MSME engaged in the SDGs, they will further support it. Like buying organic or recycling, MSMEs should allow consumers to contribute to a sustainable world.

Number Nine: SMEs: DOING GOOD AND DOING WELL CAN CO-EXIST

INSIGHT: This is also known as social entrepreneurship. Yet, why give it a label if this can be the norm for all MSMEs? MSMEs should have social entrepreneurship as standard operating procedure and not a diversion from their core business strategy.

ICSB RECOMMENDATION: Educators, policy-makers, and consultants should educate, encourage, and assist MSMEs to develop the framework for this new operating model.

Number Eight: A GROWING ECONOMY REQUIRES A FORMAL ECONOMY

INSIGHT: Bringing businesses from the informal to the formal economy must occur through incentives, not threats. The best way to attract MSMEs is through direct benefits, such as loans, government contracts, and access to the global marketplace.

ICSB RECOMMENDATION: Governments need to propose a set of clear and enticing incentives to encourage informal companies to switch. Until then, it is a missed opportunity for both parties.

Number Seven: GROWTH IS EASIER THAN EVER FOR MSMEs

INSIGHT: MSMEs now have the opportunity to expand their reach and influence through more mediums than ever before. If you have a website, you are a global firm. If you accept online payments, you can export. The impediments to grow are shrinking every day. However, competition and the ability to build a successful strategy is increasing daily.

ICSB RECOMMENDATION: Plan to grow your business through smart strategies that leverage today's technology and ease of doing business. If you do not have a plan, someone else will steal your customers.

Number Six: MSMEs TO ADJUST FOR DISRUPTION

INSIGHT: Unforeseen events will happen; how MSMEs adjust to them will determine their long-term survival and effectiveness. SMEs must plan to handle unexpected disruptions more quickly and creatively. A contingency plan is no longer optional.

ICSB RECOMMENDATION: MSMEs should build contingency plans to accommodate major temporary disruptions in to their operations. This is done through preplanning and not after the fact.

Number Five: MSMEs ARE ABOUT DOING BUSINESS IN A HUMANE WAY

INSIGHT: MSMEs hold a special place in people's hearts because they are as human as we are. Industrialization, robots, and artificial intelligence are the fad now and will continue to stay and grow. Yet, the heart will always yearn for a human touch.

ICSB RECOMMENDATION: Technology is a tool to improve your operations; the human element is what makes MSMEs unique and long-lasting. Treat your employees with dignity and respect and engage your customers with the warmth of a human smile. Humane entrepreneurship is all encompassing

Number Four: PERSONALIZATION IS THE NEW HOT TOPIC FOR MSMEs

INSIGHT: MSMEs can no longer compete on price or convenience of location as big businesses have discovered how to deliver their products to their clients on the same day and at a lower price. Given their size, big businesses have developed one-size fits all for many products for mass consumption. MSMEs cannot compete at this level.

ICSB RECOMMENDATION: MSMEs should brainstorm and develop products and services that are personalized for their customer needs and preferences. The benefits of new technologies like 3D printing and being close to the consumer will allow MSMEs to offer them a new and more attractive option.

Number Three Trend: ATTRACTING A NEW WORKFORCE FOR SMEs

INSIGHT: SMEs should jump on the opportunity to hire millennials by offering them the stability of a quality job, but with the benefits of innovation, encouraging creativity, and opportunity to grow. As millennials are the workforce of the future, they will be able to offer the best skillset, mindset, and productivity to SMEs. Its HIP to work for an SME!

ICSB RECOMMENDATION: SMEs should identify ways to engage millennials and think about how to offer compelling jobs to attract them. The jobs need to be better than what are offered in the GIG economy and more innovative than the strict corporate environment.

Number Two Trend: ACCESS TO FINANCE AND NEW OPTIONS AVAILABLE

INSIGHT: MSMEs and entrepreneurs will have more options available than ever before to finance their companies. Many banks will launch new financial products aimed at micro, small, and medium-sized enterprises. Additionally, new mediums such as peer-to-peer lending, crowd funding, invoice-factoring, and corporate finance are expected to increase rapidly. Economists also anticipate that new and much unregulated financing options will appear via crypto-currencies.

ICSB RECOMMENDATION: MSMEs should begin exploring these new financing options, but understand the inherit risks of each.

ICSB NUMBER ONE TREND FOR 2018 MSMEs PROTECTING THEIR ASSETS

INSIGHT: The value of MSMEs lies in their assets. The assets can range from the customer base and know-how, to location, business service, and reputation. These unique assets need to be protected now more than ever before because more threats are coming that no one has ever experienced.

ICSB RECOMMENDATION: Protect your core assets! Do not think that because you are an MSME you are not a prime candidate for an attack. Also, own and protect your brand.



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