



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org



06720



Distr.
LIMITED

ID/WG. 210/19
12 November 1975

ORIGINAL: ENGLISH

United Nations Industrial Development Organization

Meeting on Self-Help Programmes for
Small-scale Industries in Developing Countries
Vienna, Austria, 10 - 14 November 1975

A SHORT INTRODUCTION TO SELF-HELP PROGRAMMES
FOR SMALL AND MEDIUM INDUSTRIES IN SWEDEN 1/

by

Yngve Svensson *

* Deputy Director, Swedish Employers' Confederation, Stockholm, Sweden

1/ The views and opinions expressed in this paper are those of the author and do not necessarily reflect the views of the Secretariat of UNIDO. This document has been reproduced without formal editing.

id.75-8341

We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards even though the best possible copy was used for preparing the master fiche

We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards even though the best possible copy was used for preparing the master fiche

Sweden

- Population 8 million
- Labour force 4 million
- Private enterprise 90 % of industrial employment
- 200 000 enterprises (excl farming and forestry)
- 85 000 small firms in crafts, industry and related service trades with 1-50 employees

During the last five years there has been a big increase in offering service to small and medium industry. Before that we had some important surveys and analyses of the situation for that particular sector. Also in the last years there has been much research about problems and prospects for small business in Sweden.

Self-Help Programmes are to be found in governmental as well as in private institutions.

Governmental

To start with the governmental the service activities are since a couple of years connected to the National Industrial Board. This is subordinated to the Ministry of Industry. Its main tasks are to promote technical and economic development of industry, with particular attention to small and medium sized industry. This shall be done through service to companies by means of

- information regarding finance, taxation, standardization, patents, environments, etc,
- training in technical, economic and administrative questions inclusive marketing,
- advisory service in the same topics,
- technical service regarding product development, testing etc.

The Board has the responsibility to coordinate the services from other institutions regarding aim and direction as well as means to contact the companies. One important task is to coordinate the regional service activities.

- 2 -

There are many state institutions which offer service to small and medium industry regarding technical development, training, export, finance and regional support. Several of the financing institutions are half state and half private owned.

Non-governmental

Also on the non-governmental side there are many institutions offering Self-Help Programmes. Just the most important will be mentioned. Let us start with the biggest organisation for the small firms.

The Swedish Federation of Crafts and Small Mediumsized Industries (SHIO) is formed as a private organization to represent trade and local associations of artisans and small industrialists in governmental matters, and to provide a technical, economic and artistic development of small enterprises. The Federation have some 40 000 members, drawn from National Trade Associations and 400 Local Associations.

Among the most important fields of SHIO-supervision are improved credit and finance resources of private enterprises, better professional education, vocational rapid, technical and economical development of small enterprises etc. The Federation also has information service regarding tax legislation, business law, accounting, budgeting, cost control, sales etc. The SHIO also carries on extensive course and lecture activity in the fields of economy, law and other business administrative subjects. A great deal of the Federation's regular service activity is handled by their Economy Service Department through some 40 local offices around the country.

Perhaps the most important business organization in Sweden is the Swedish Employers Confederation (SAF). It is the principal organization for about 10 000 enterprises of all sizes. About 60 % of the members are less than 10 employees. The enterprises function as part-owners of SAF and are also members in one of the 40 employer associations affiliated with SAF. SAF embraces the majority of firms which operate in Swedish manufacturing, building and construction, distributive trades, transportation and services. The object of SAF is to safeguard the interests of employers. Its main purpose is to assist affiliated employers or employer associations in negotiations with organizations of employees.

SAF also seeks to maintain and develop a free enterprise system where firms, by competing at home and abroad, can make their production increasingly efficient and thereby create opportunities for a higher standard of living. In recent years great efforts have been made to help small and mediumsized companies to get better control of the activity and to be more profitable. Among other things the working material "Look after your firm" has been produced and has been a success both in Sweden and abroad.

One of the main business organizations in Sweden is the Federation of Swedish Industries (SI). This is an association of trade organizations representing all major branches of Swedish industry. Its main role is to safeguard the general political and economic interests of industry in all matters other than management/labour relations. The Federation represents Swedish industry in dealings with government, parliament, public authorities, other branches of the economy and the general public.

The Federation has more than 3 000 companies as affiliate members through 26 trade associations which are the members of the Federation. About two thirds of the member companies have less than 50 employees.

The trade associations speak for the members on specific branch issues, and several associations also conduct comprehensive research as a service to members. Some of them have also more direct advisory service to the members.

Examples of services from the business organizations are training, accounting, book-keeping, advice in legal and tax questions as well as general economic and technical matters.

Most service to the industry however mainly comes from the professional private service companies. In total there are about 16 000 such companies. The most important private service companies are law offices, architect bureaus, banks, accounting and auditing bureaus, computer service bureaus, consulting engineers and patent bureaus. There are also particular debt collecting agencies, leasing and factoring companies as well as general management consultants.

Professional training in management is performed by the Swedish Institute of Management (IFL). This is founded by SAF, S1 and university and professional organisations. Since 1971 there is a special course for entrepreneurs in small and medium companies. It is based on the material "Look after your firm" and is called "Develop your firm". It lasts for 21 days with periods of 3 days a month. From 1975 a course for very small firms is practised. It is based on "Look after your firm, Mini-version", lasts for 20 days during two semesters and is half of the time located to the companies.

Trade Development Associations

Of perhaps most interest in this context may be the so-called Trade Development Associations (one in each of 24 counties). They are independent, economic associations with the main task to support the development of small industry, handicraft and enterprise within the county. They are partowners of SAF.

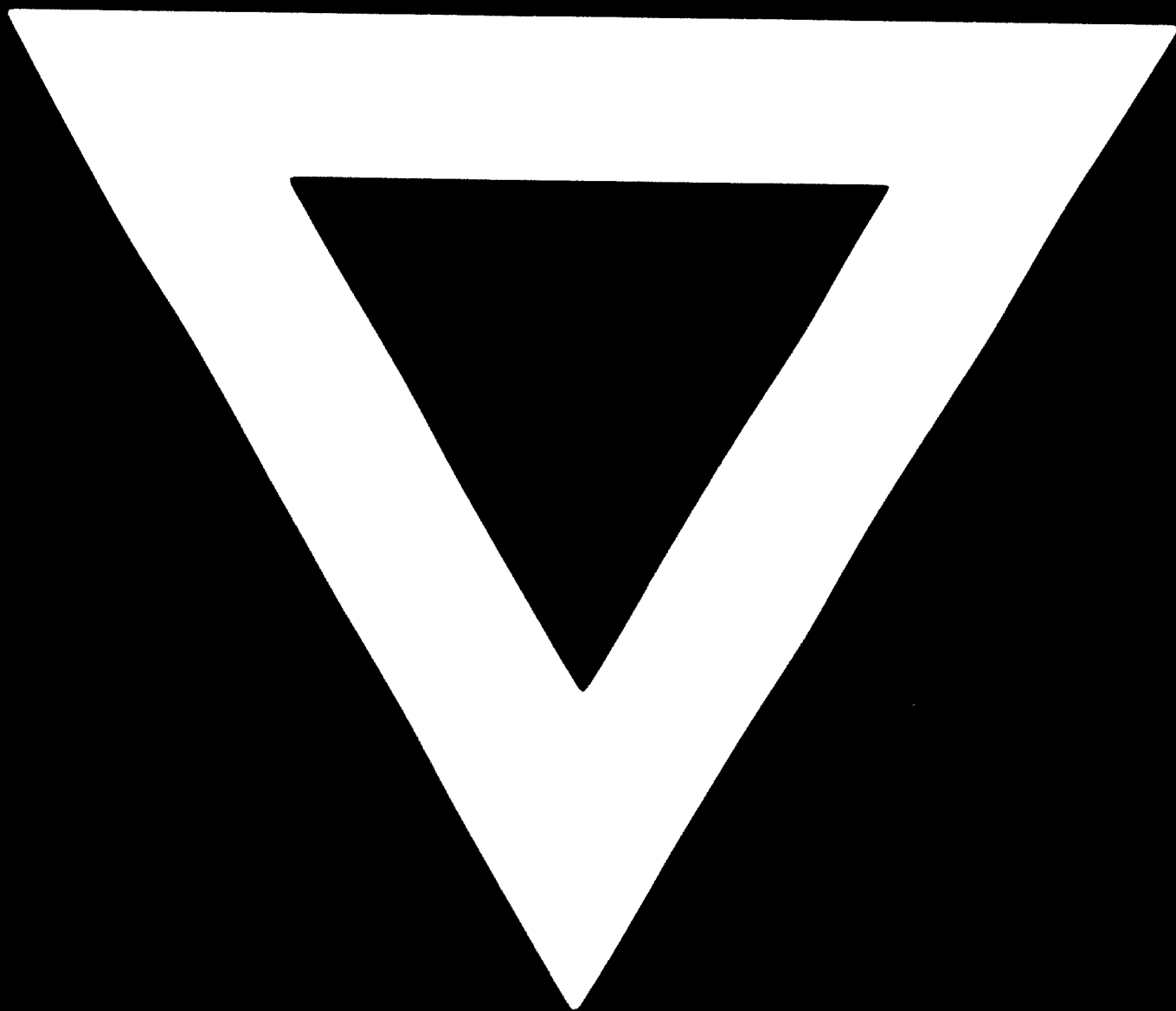
The administration of the associations is financed by contributions from the state and the county council and by own profits. The activity is governed by state regulations.

The developing and supporting work of the National Industrial Board is carried out in close co-operation with these associations. They are used more and more as contacts with enterprises regarding information about available service and training.

The activities of the associations are to some extent consultative, but one of their main tasks is to grant loans and credits (state money) to small industries and craftsmen. In their work they often use the material "Look after your firm". They also arrange training courses for entrepreneurs in using the material.

Each county association has a staff of field 10-20 officers, chosen because they are good engineers and good economic advisors.





76.01.16