

7<sup>th</sup> Annual Seminar: BDS Markets and Value Chains

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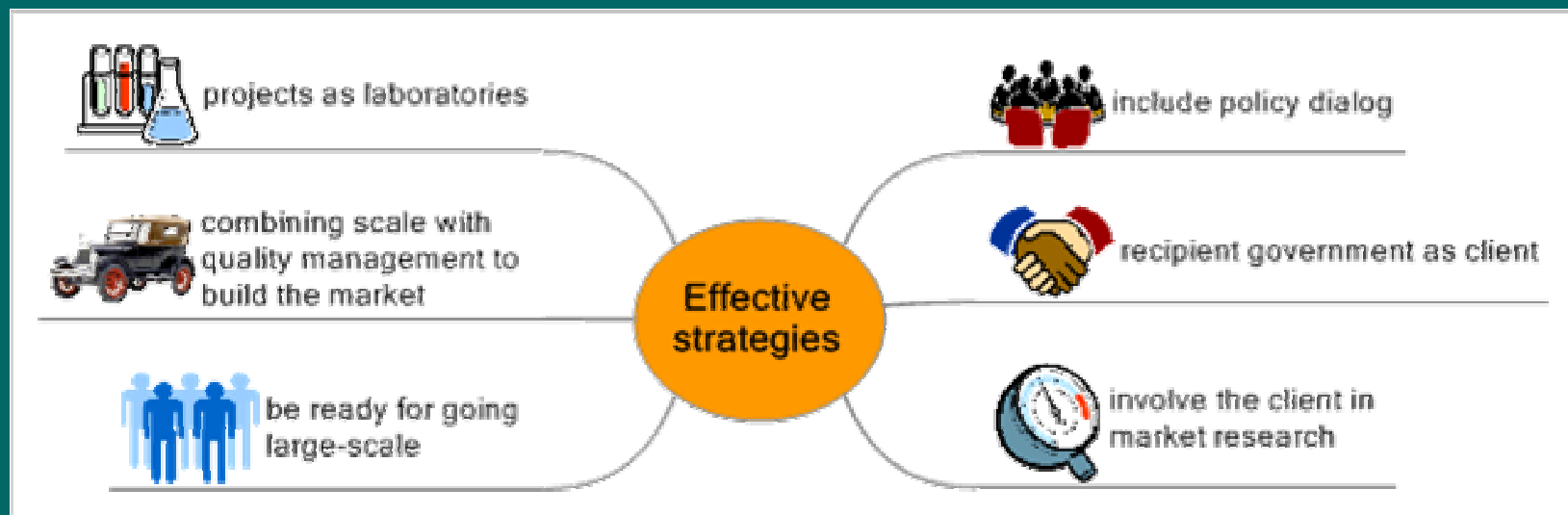
# Effective strategies for developing BDS markets

Experiences of the SIYB China Project (and related initiatives)

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(魏尔曼)

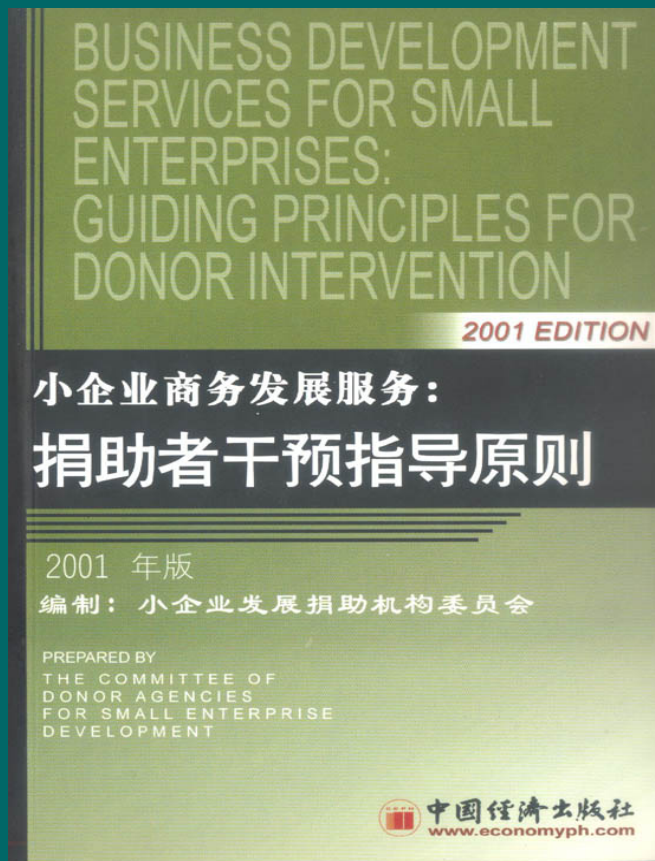
Chiang Mai, 2006-09-20

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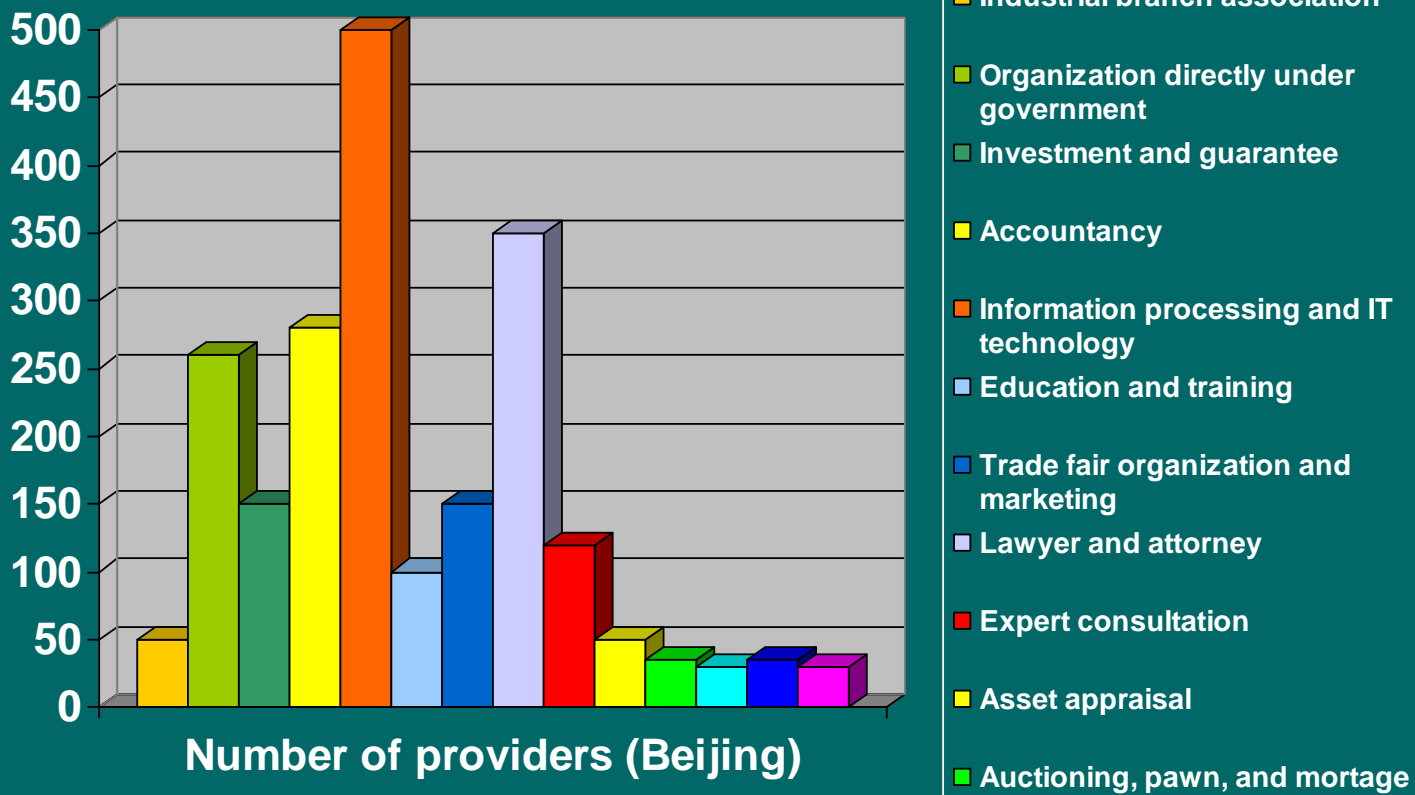


# Policy dissemination (example)





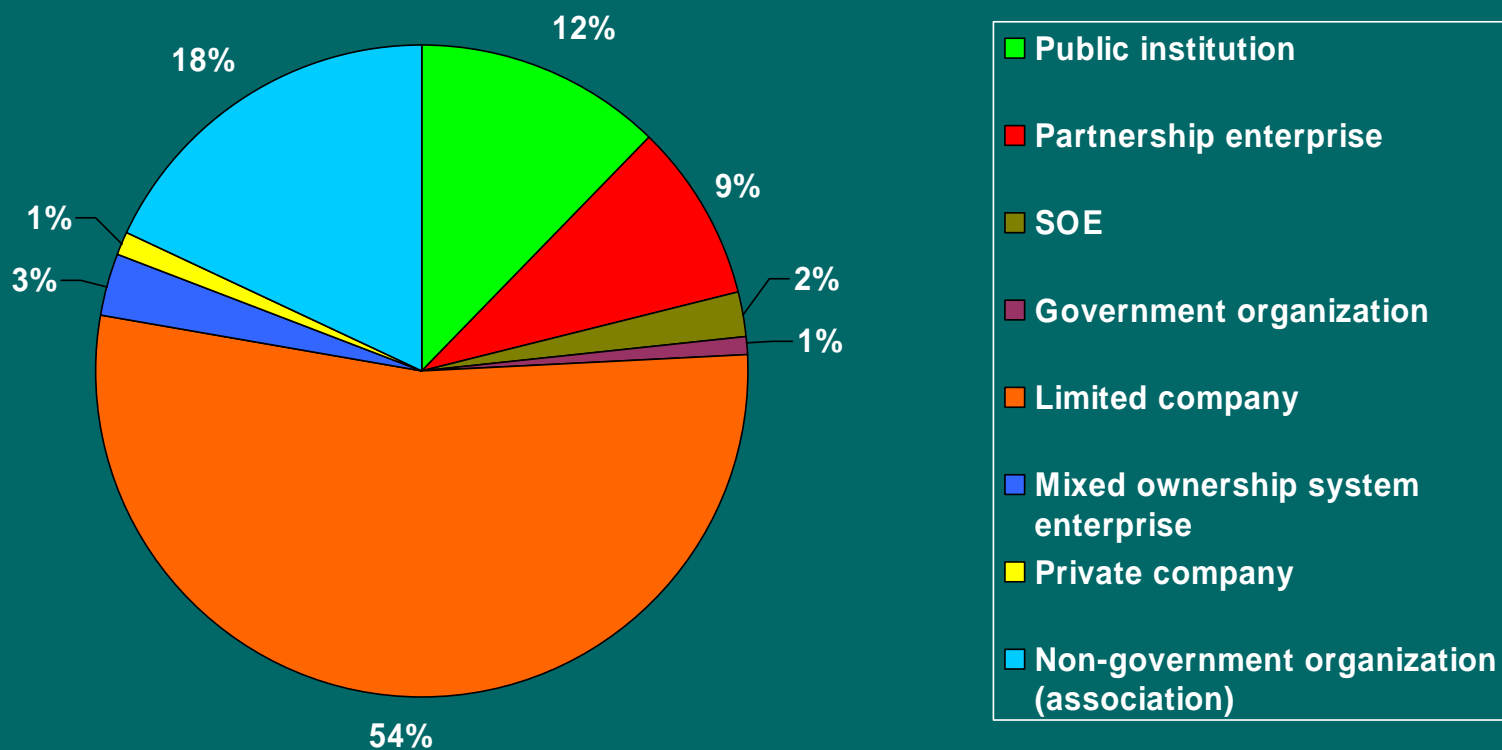
# Supply analysis against paralysis





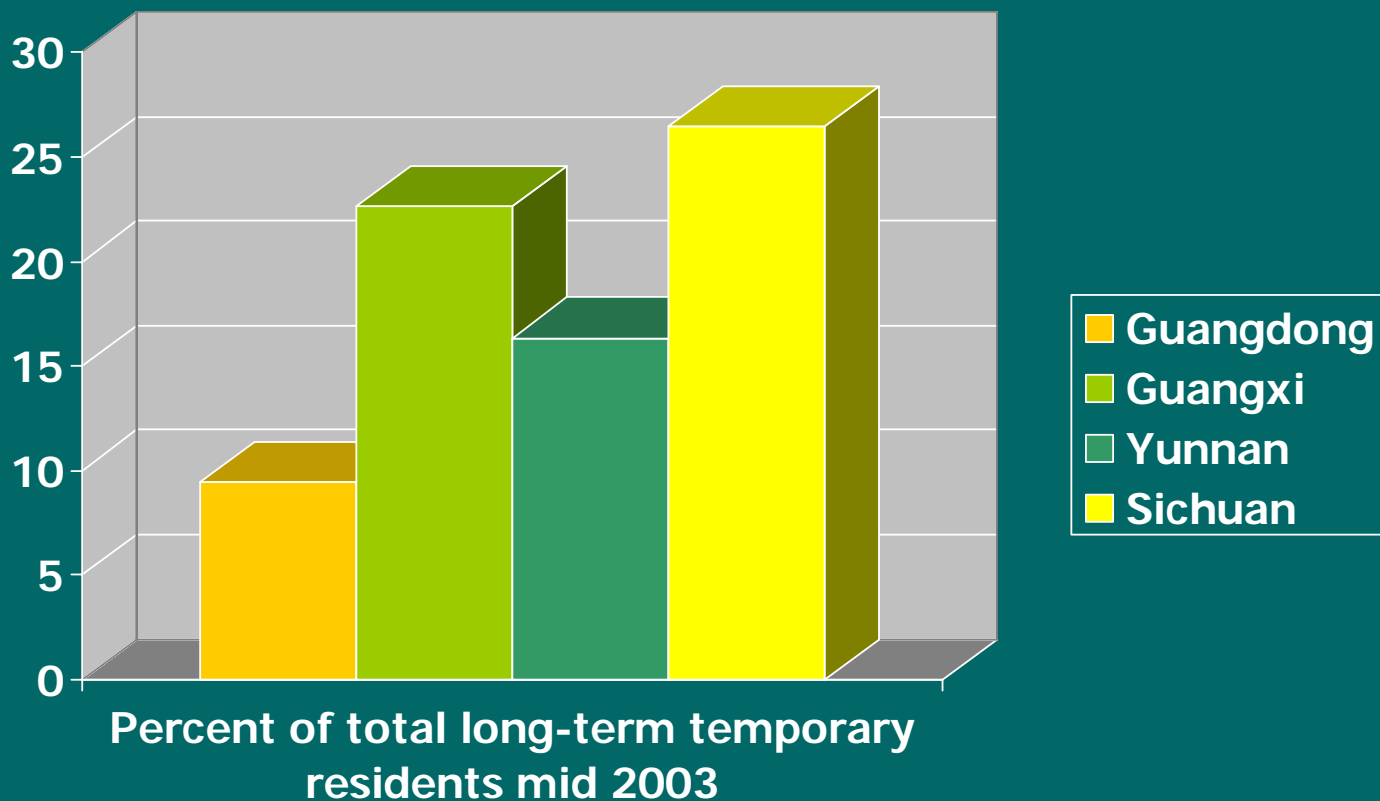
# Supply analysis against paralysis

## Organizational forms chosen by providers (Beijing)





# TG analysis against paralysis



Long-term temporary residents "on business" mid 2003



# Middle kingdom out of sync



foreign donors' interest

interested in business development

interested in other topics

1998

2003

becoming acquainted with business development issues

interested in implementing business development

government interest





# Do-it-yourself market research

- Client acquires skills
- Client needs to commit
- Client increases exposure to target group
- Is it relevant?
- Can you do it?
- Not just another expert study





# Adjusted previous contributions of small business owners to training (CNY)

City	low end	high end	median
Anshan	1	20,000	80
Baotou	60	2,000	350
Changchun	20	500	50
Chengdu	20	7,000	535
Harbin	5	60,000	285
Nanchang	5	3,000	10
Suzhou	30	30,000	250
Tianjin	10	4,500	80
Tongliao	20	60,000	170
Urumqi	1	50,000	980



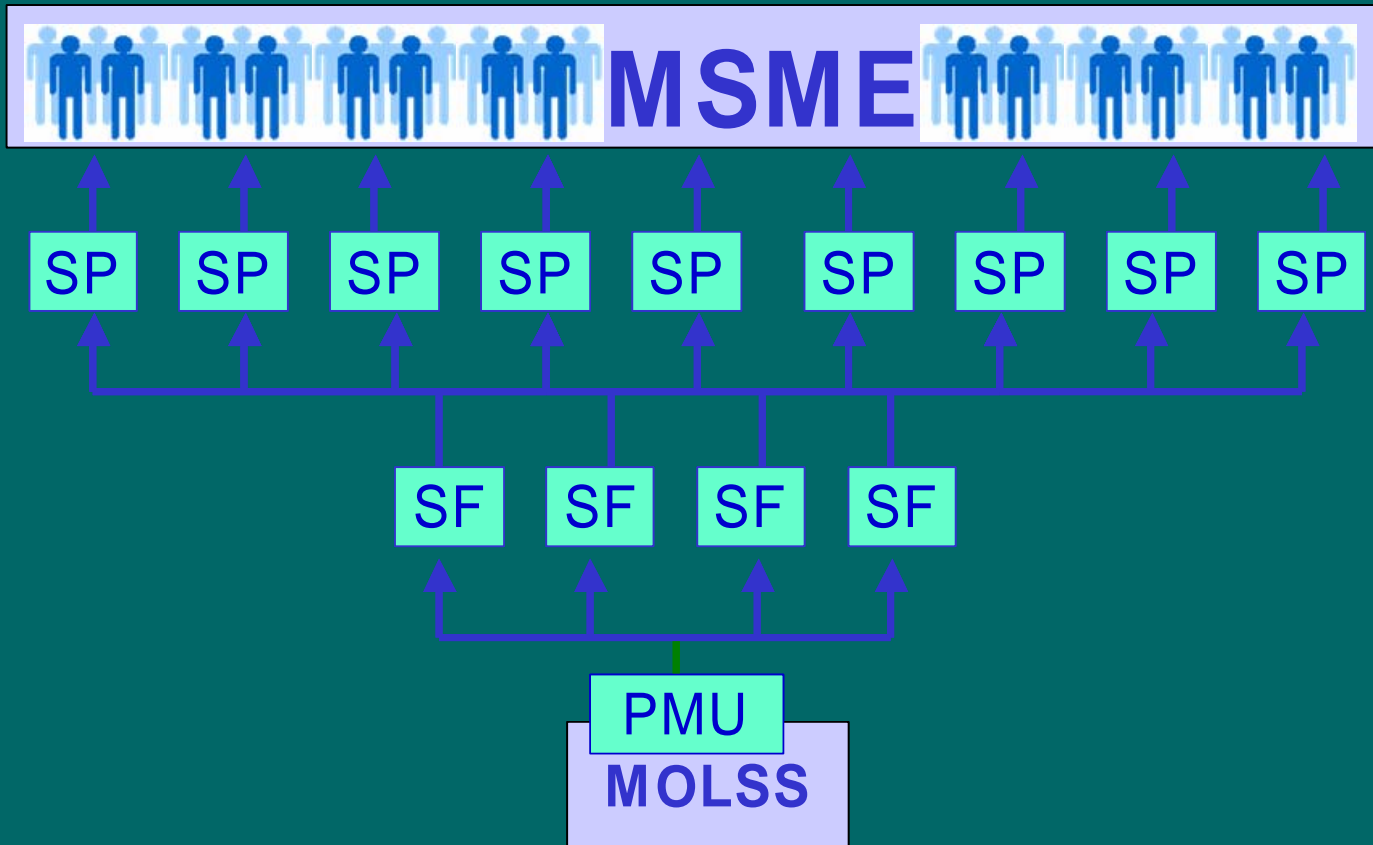
# Degrees of faith of small business owners in local providers of training services

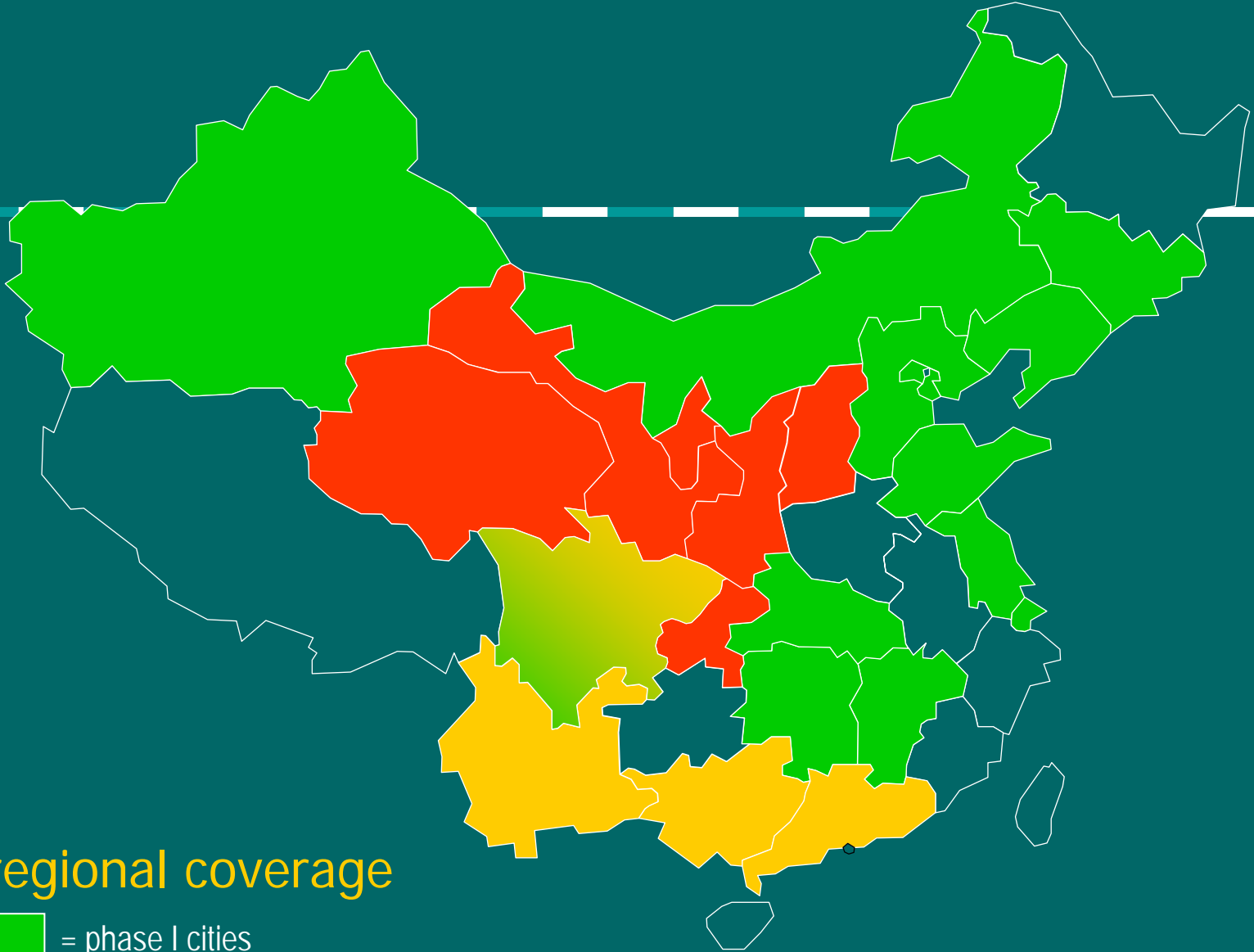
CITY	RANK A	RANK B	RANK C	LAST
Anshan	domestic training organization	AIC	local university	foreign consulting firm
Baotou	domestic training organization	local university	domestic consulting firm	AIC
Changchun	industry federation or association	local university	foreign training organization	foreign consulting firm
Chengdu	foreign training organization	domestic training organization	foreign consulting firm	individual practitioner
Harbin	ETC/DRC	local university	AIC	individual practitioner
Nanchang	local university	AIC	ETC/DRC	foreign training organization
Suzhou	local university	domestic training organization	AIC	individual practitioner
Tianjin	ETC/DRC	AIC	domestic training organization	individual practitioner
Tongliao	local university	ETC/DRC	industry federation or association	foreign consulting firm
Urumqi	AIC	industry federation or association	ETC/DRC	domestic training organization
Yichang	local university	industry federation or association	ETC/DRC	individual practitioner








# SIYB China organization





## regional coverage

-  = phase I cities
-  = phase II provinces
-  = phase III provinces



# SIYB China outreach 2004/5

output / outcome	total for 14 cities	remark
assistant master trainers (MT)	59	
trainers (T)	477	by 2005-03-31 (after 9 months)
trainees (start-up entrepreneurs)	31,875	by 2005-04-30 (after 10 months)
businesses started	12,431	by 2005-05-31 (after 11 months)
jobs created	51,000	estimate based on sample (600 trainees in 3 out of 14 cities)



# SIYB China outreach 2005/6

province	licensed MT	MT	certified T	trained T	trainees	jobs created
Guang-dong	1	3	42	248	40,133	60,210
Guangxi	0	5	27	122	8,035	4,847
Sichuan	5	10	34	216	34,634	77,000
Yunnan	0	3	3	118	8,488	4,244
other	n.a.	72	n.a.	1,962	189,530	n.a.
<b>TOTAL</b>		<b>93</b>		<b>2,666</b>	<b>280,820</b>	



# “Mass production”



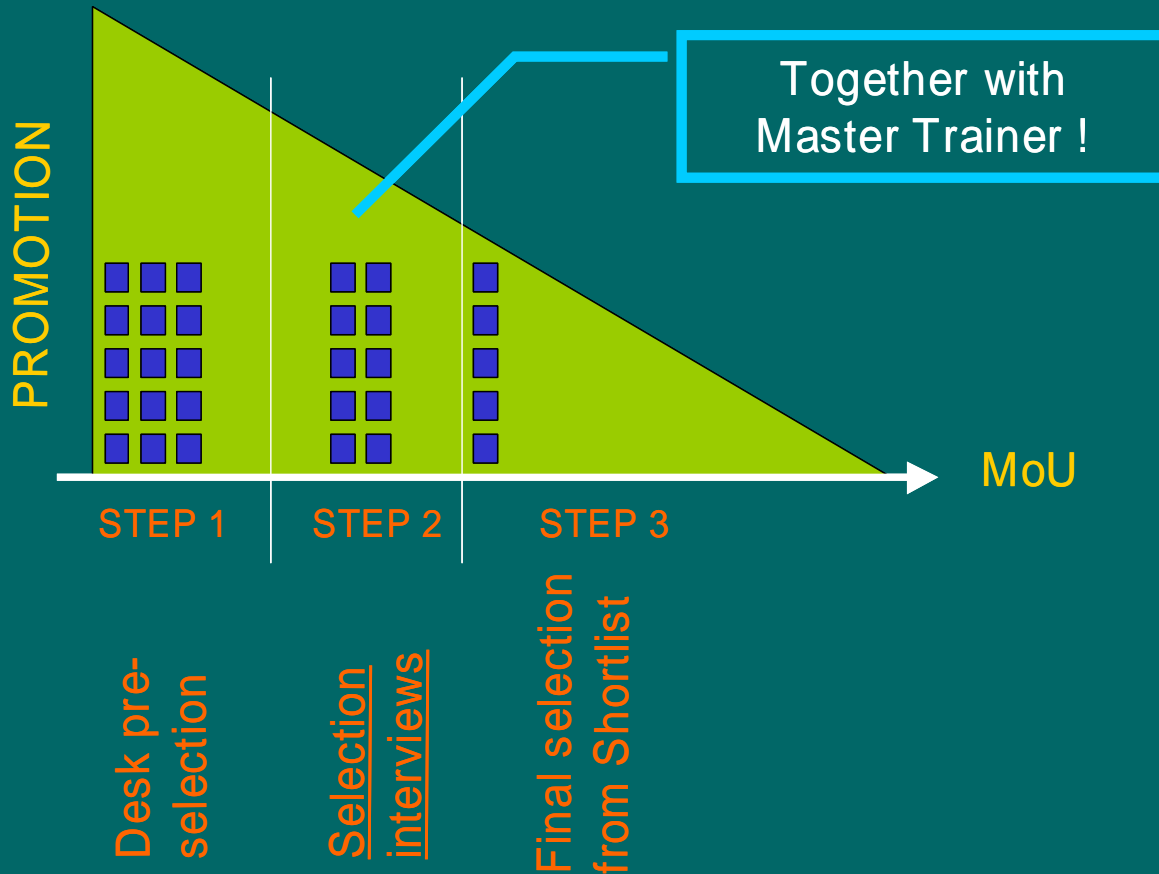


# Managing quality



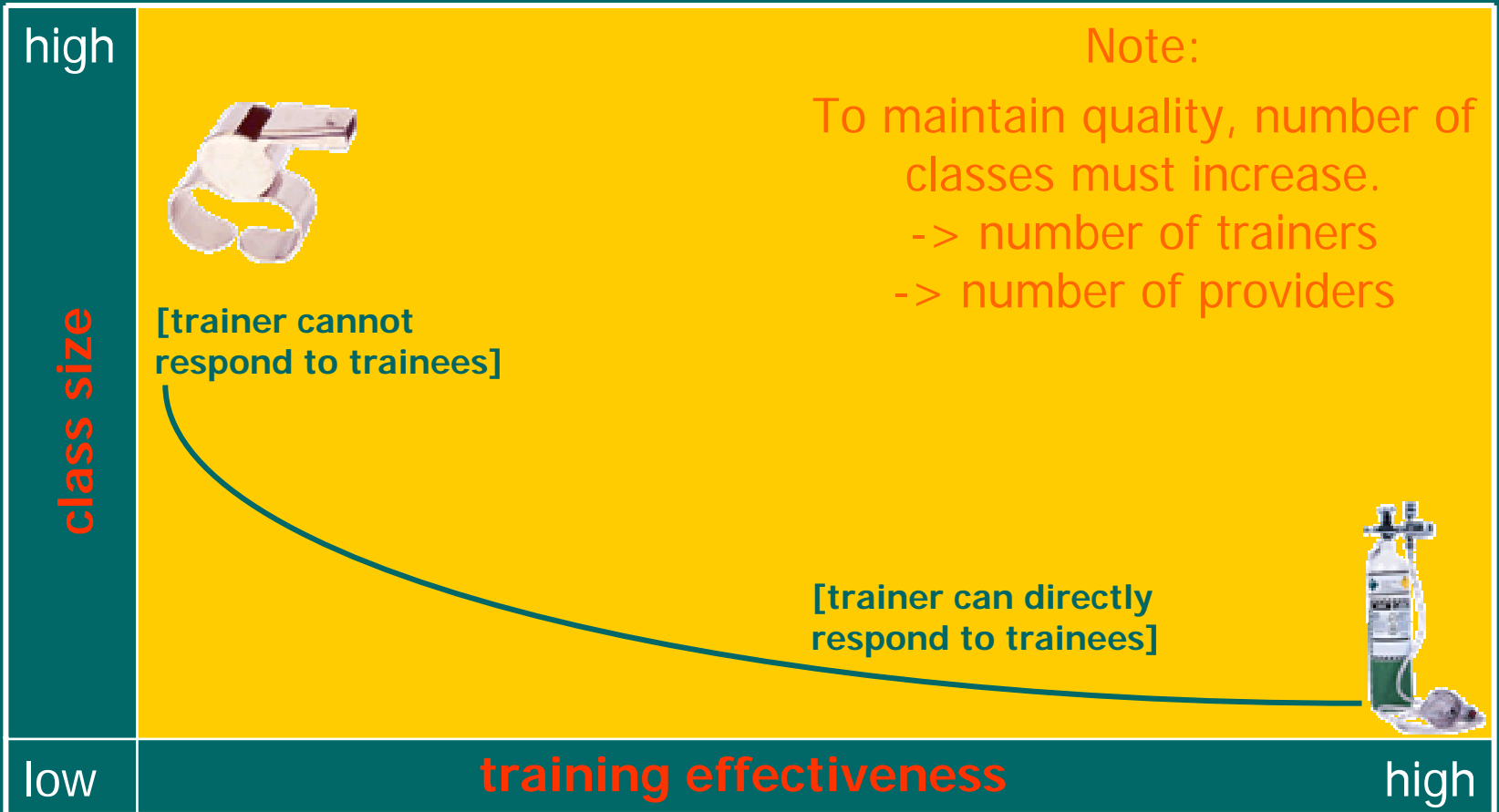


# Selecting partner organizations







# Increasing outreach dilemma





# Increasing level dilemma

Expand				EYB
Improve			IYB	
Start			SYB	
Generate	GYB			

- Starting, improving, and expanding business require different skills.
- Where do you find the trainers with the required experience?
- Opening up to other organizations is the only choice.



# New to the firm: TV broadcast



- Trial for new product line
- Challenge: reaching mobile population
- Basis: research on migrant worker free-time habits
- Objectives: encourage migrants to consider business start-up, building links to local SIYB providers
- Genre: drama, comedy
- Basic format: closed end, miniseries

# Main conclusions

- political dialog should be part of project design
- beware: demand-based BDS market development may be another supply-side approach
- achieving scale is a core competency
- large scale targets increase pressure to involve other stakeholders and build markets
- firm quality standards increase pressure to involve competent providers

# Contact

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