

Outline of Small and Medium-sized Enterprise Consultant (SMEC)

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History of SMEC

1948 Small and Medium-sized Agency is established.

Three pillars of SME policy (Finance, Organize, Diagnosis & instruction)
To overcome poor SME management & technology, The government regulated “SME basic diagnosis implementation manual”. System of using for consulting professionals, SME diagnosis was started.

1952 The registration system of SMEC was established

To ensure high quality and quantity, excellent consultants were registered by Minister of MITI. The local governments could use them to diagnosis SMEs.

1963 SME basic law is enacted

To strengthen SME business foundation & improve industrial structure, enforcing for SME modernize measures.

SME instruction (advising) act (Law) was enacted

To Promote SME guidance (instruction) activities from central & local government more efficiently, 16 kinds of diagnosis implementation manuals (e.g. modernize organization management, equipment & development) were regulated.

[SMEC was established as advising professional for SME promoting activities by Law.](#)

The examination for SMEC by J-SMECA & SME consultant training programs by SME university (SMRJ) was started.

1986 “Information” class was added SMEC exam and training program.

1999 SME basic law was revised.

2000 SME guidance (instruction) law was revised.

} **SMEC status by law was changed**

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**Old SME instruction law
(1963 revised)**

**SME guidance law
(2000 revised)**

Gov's top down
"Instruction"

Change doctrine

Using private sector capacity "Guidance"

"Instructing"----Diagnosis & instruction by Gov. officers at general advising office.
(SME uniformity measure menu)

Change Assisting system

"Guidance"----Diagnosis & Guidance to collaborate with local & area SME guidance Centers by using private sector capacities such as SMEC.
(Provide guidance for wide SMEs demand)

Certificate ability system for in charge of instructing SME by local Gov. officers.
(Target for Gov. officers)

Change the subject of SMEC

Certificate ability system for private sector & public who is in charge of SME diagnosis & guidance.
(Target for private sector SME consultants)

Diagnosis (existing condition)

Change priority

Diagnosis (present) plus Guidance
(Emphasize strategy guidance for growth)

About SMEC (Small & Medium sized Enterprises Consultant) system

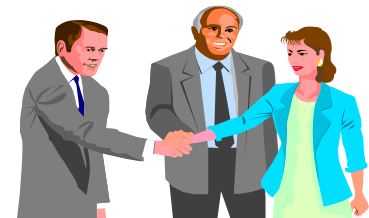
1. The status of SMEC

SMEC is a specialist who diagnoses and gives guidance (advice) to the SMEs, concerning their various management issues.

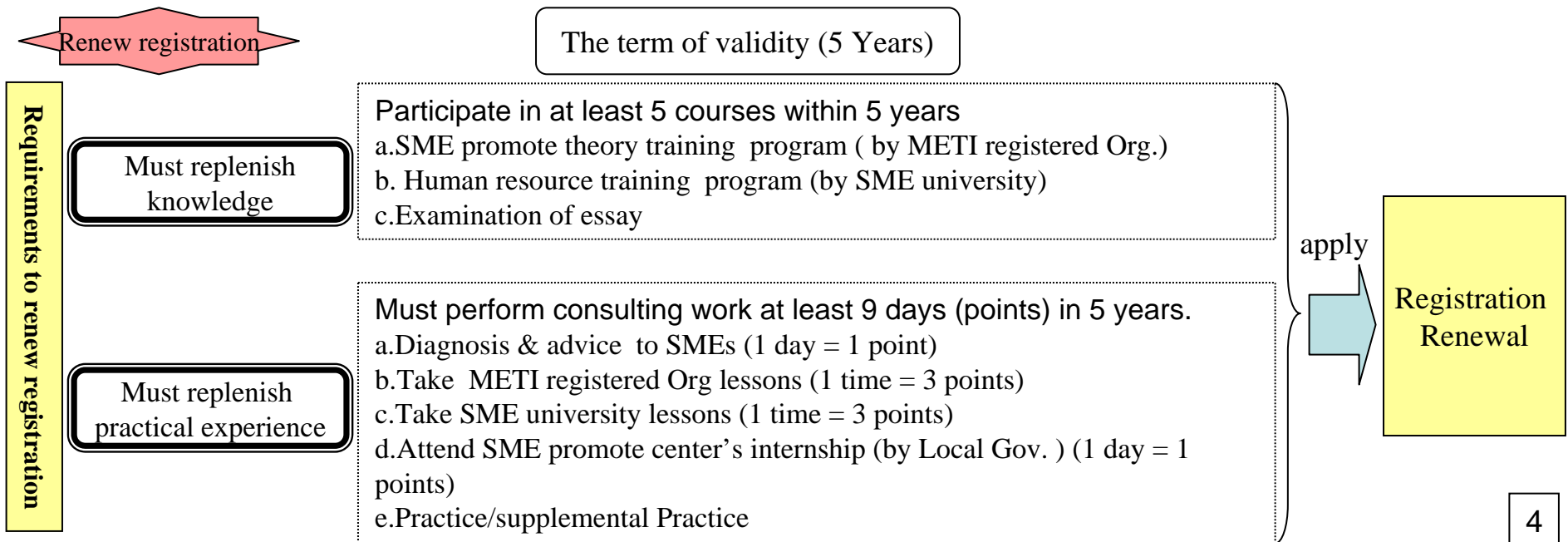
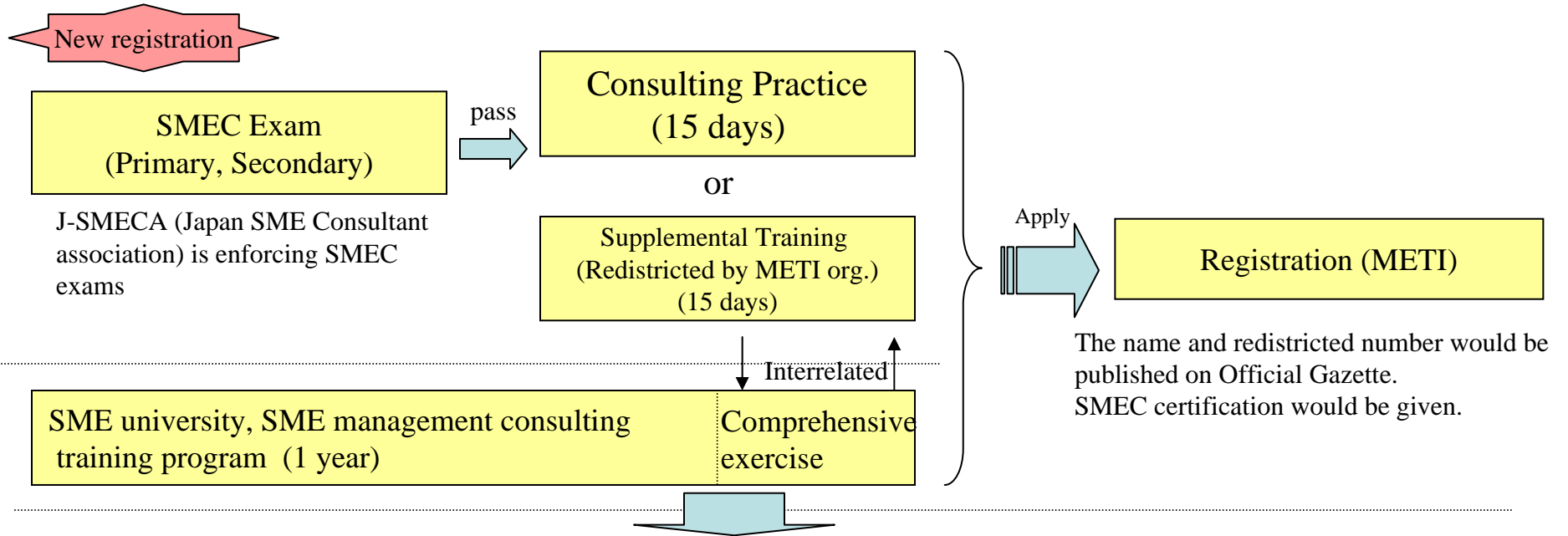
SMEC is a state qualification to be registered by the Minister of the Ministry of Economy, Trade and Industry(METI) based on the article 11 of the Small and Medium Enterprise Guidance Law.

2. Role and mission of SMEC

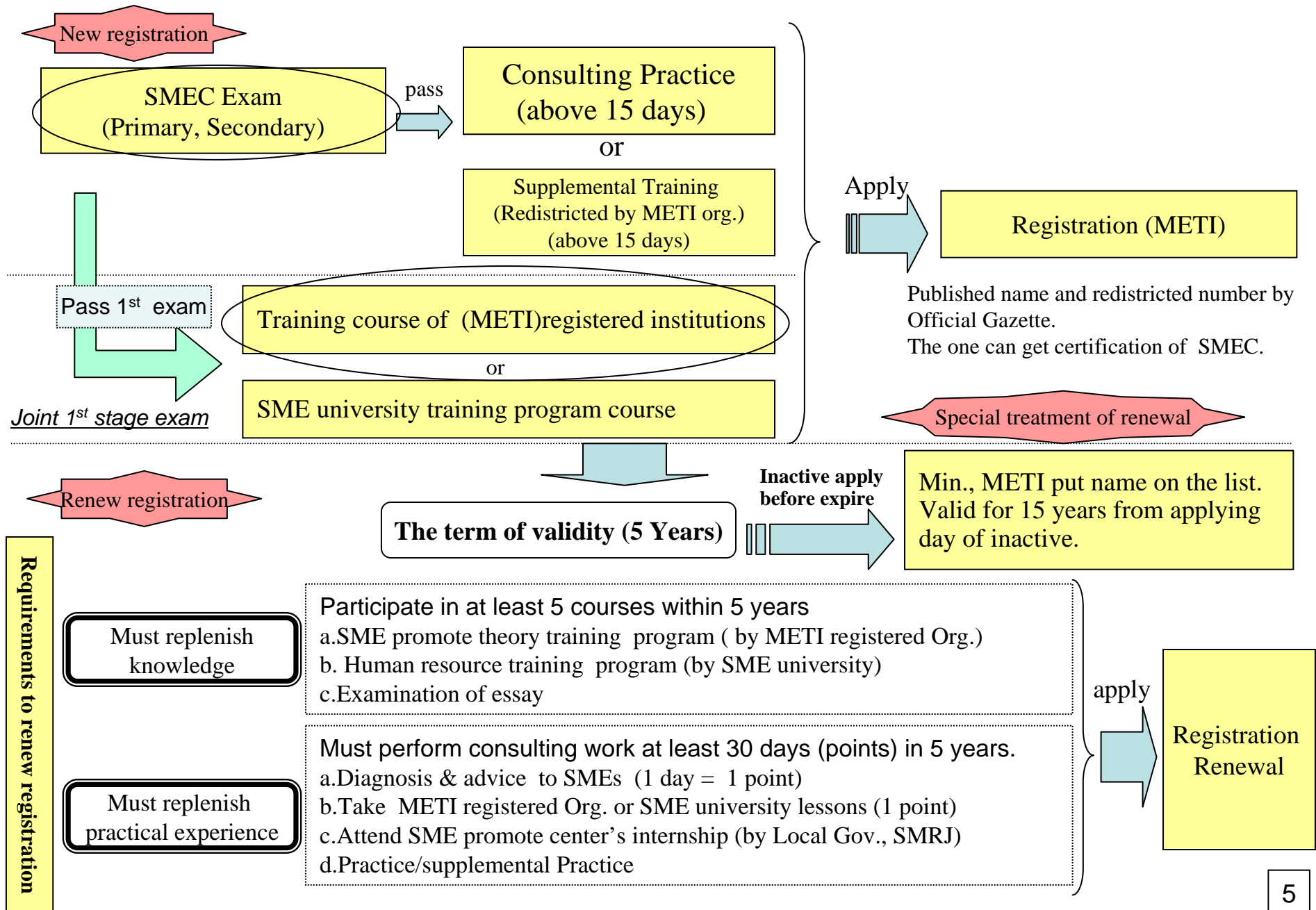
The basic role of SMEC is to help SMEs in drafting their growth strategies and give guidance (advice) for their implementation, and at the same time, to work in wider fields such as a liaison between SMEs, the Administration and the Financial Institutions, or as a facilitator for the proper SME policy implementation by use of their expertise.



3. Previous SMEC registration scheme (Till 2005)



4. New SMEC registration scheme (from 2006)



Viewpoints of revising SMEC

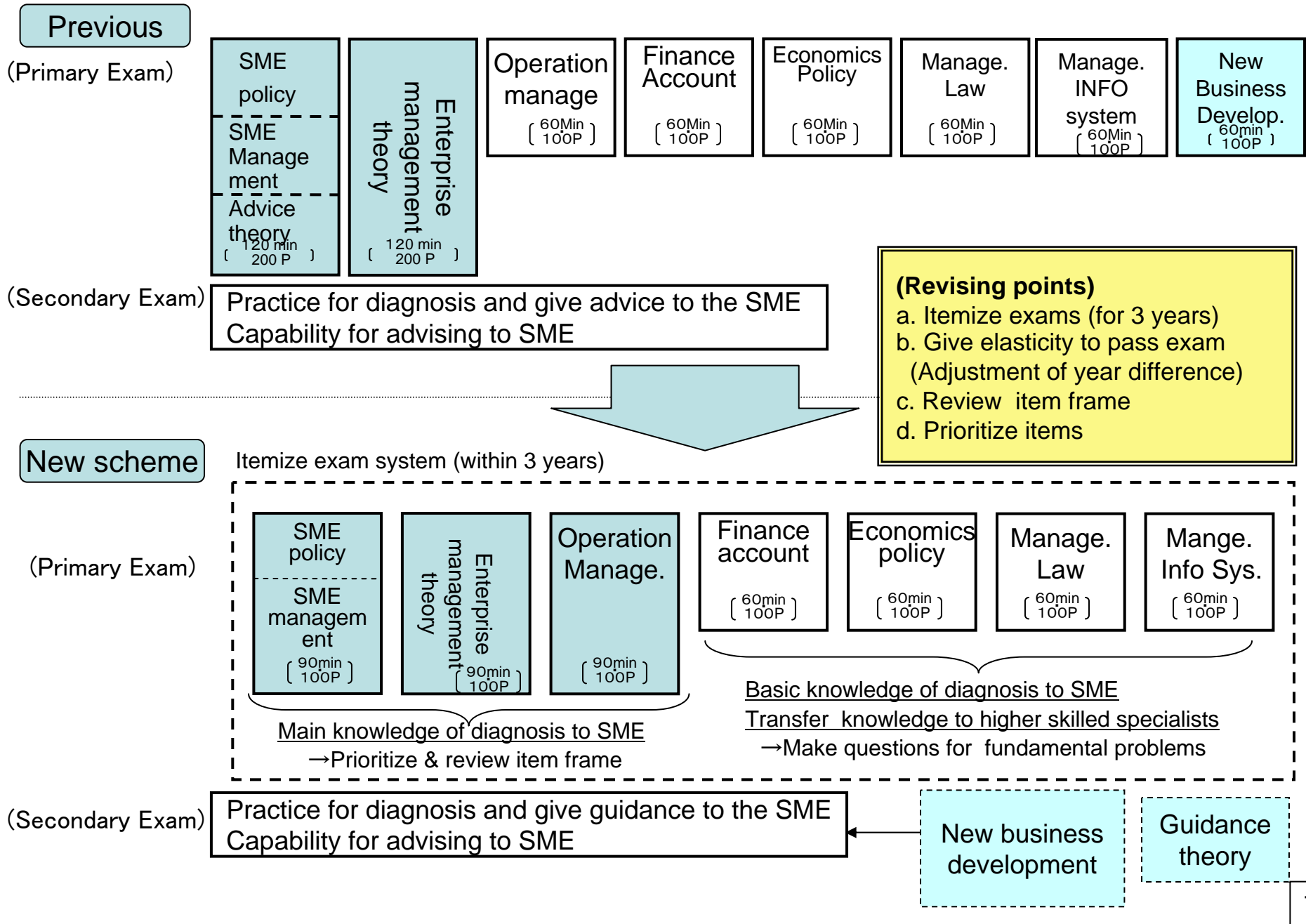
■ The *problem issues*

- ◆ In the presence, there are not enough number of SMECs to support SMEs that are recognized the source of economic dynamisms of growth.
- ◆ Securing and improve SMEC quality that are requested to support SMEs revitalization and financial professionals.

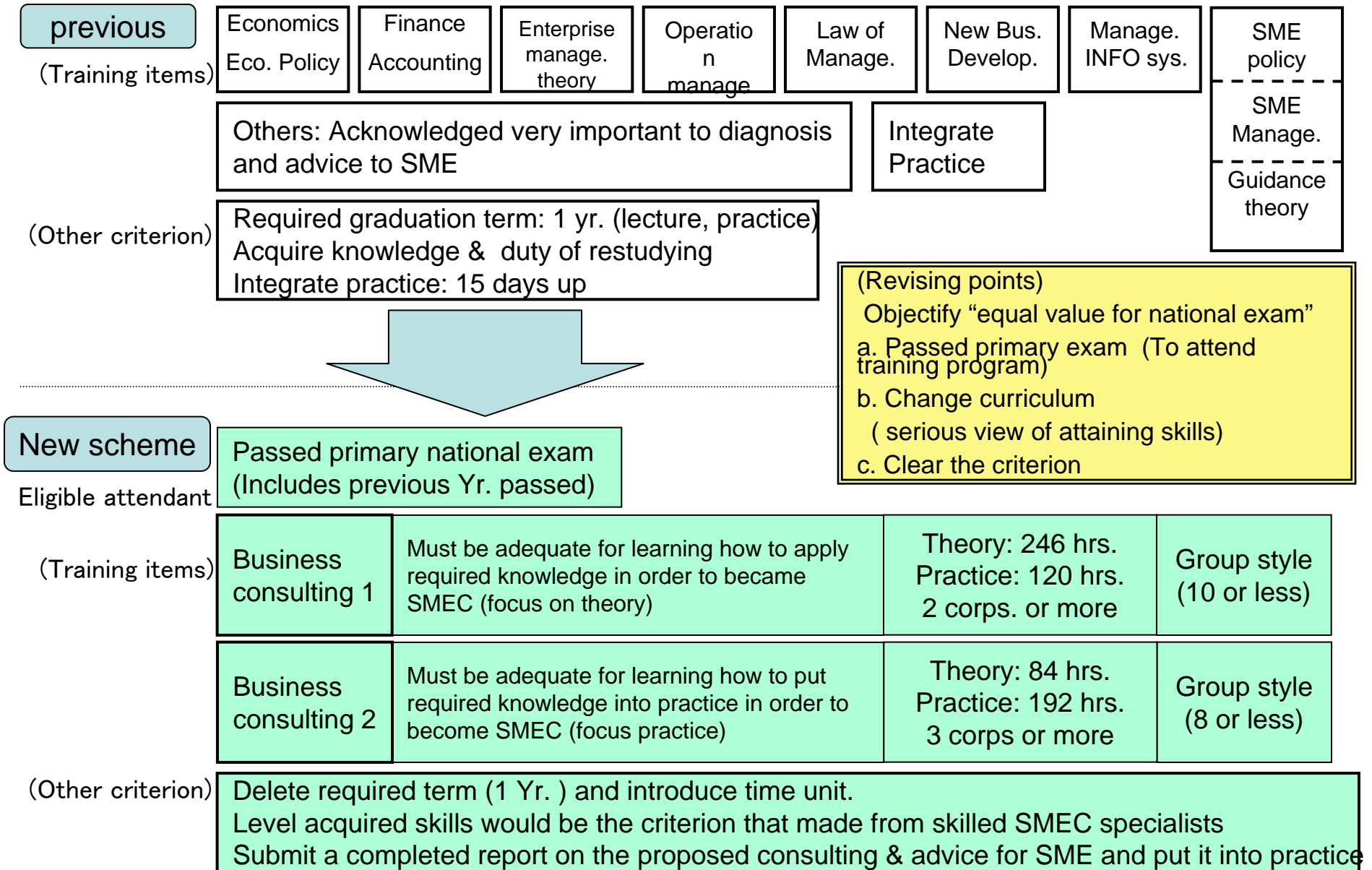
■ Viewpoints of *Revised system*

1. Increase the number of SMECs
2. To secure & improve SMECs qualities
3. Develop the renewal registration system for inactive SMECs, who can not work as SMEC, to update registration as SMEC in the future.

Renewal point of National examination for SMEC



Renewal point of training programs (SMRJ) for SMEC



Basic philosophy of SMEC sys. revising

To retain “National exam” to approve the skill of SMEC by Gov. and “Training programs”, that has equal value of passed the national exam, to train SMEC.

Sys. Review point	National exam	Training programs	Renewal sys.
Increase the number of SMEC	Easy to take Exam a. Itemize exams (for 3 years) b. Give elasticity to pass exam c. Prioritize items	Easy to take lesson program a. Shorten training term (1 yr. to 6 mo.) b. Open private org.	(Make new registration system (Increase SMEC in the future))
Secure and improve SMEC quality and trusty	Enrich practice a. Prioritize items (review lesson frame, time & allot) b. increase consulting work practice (c. Enlarge practice Adapted for actual business diagnosis)	Objectify “equal value for national exam” a. Passed primary exam (To attend training program) b. Change curriculum (serious view of attaining skills) c. Clear the criterion	Enrich consulting work required conditions Extend consulting work practice (9 days to 30 days) (Enlarge practice Adapted for actual business diagnosis) (Develop the renewal registration system for inactive SMECs)

The present situation of SMEC sys.

a. Registered number of people

18,682 (Apr. 2008)

b. Working place

Management consultant company -----17%

Financial institute -----20.3%

SME assisting organizations (Public)- 6.9%

Central & local Gov. -----4.2%

Private enterprises ----- 38.3%

c. Ages

Middle ages (40 to 50) ----- Above 50%

SMEC National Exam in 2007

Passed Primary Exam 12,776 people

a. Work at private enterprises 54%

b. Age (from 20s to 40s ----- 80%)

30s ----- 40%

40s ----- 20%

Passed Secondary Exam 799 people

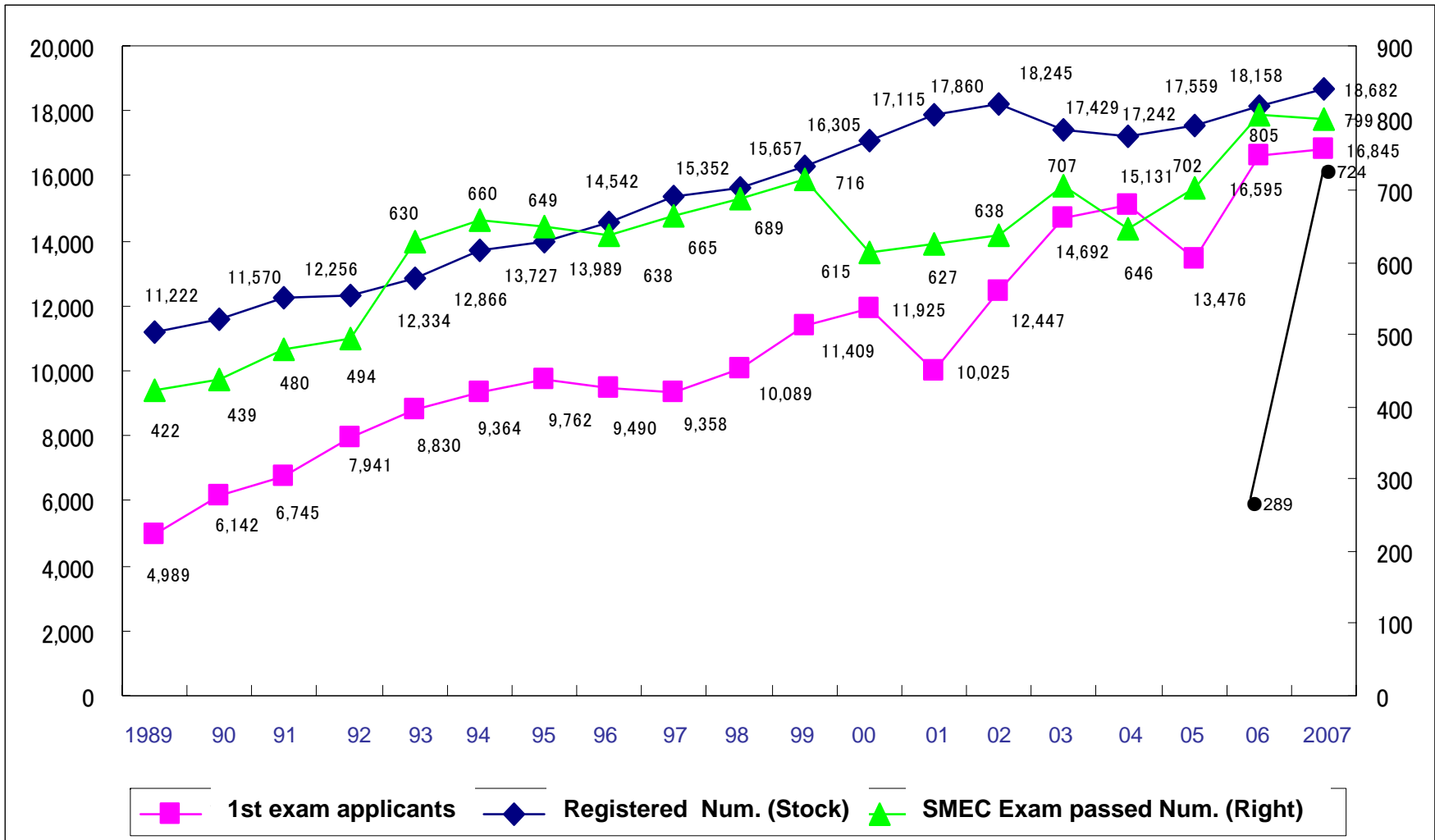
a. Work at private enterprises 66%

b. Age (from 20s to 40s ----- 90%)

30s ----- 50%

40s ----- 20%

SMEC numbers transition



Thanks for your attention!

Attention: Original documents were come from SME Agency (METI) , Japan that written in Japanese language.
Kobayashi translated the slides to English personally. Therefore, Kobayashi has a full responsibility of them.