

The Role of German Chambers in Providing Consultancy Services for SME's

- **Reasons for Public Support**
- **The Chambers' Consultancy Network**
- **Former and Present Guidelines for Public Support**
- **Strengths and Weaknesses**

Reasons for public support

- **Small is beautiful, but does it justify interference into market?**

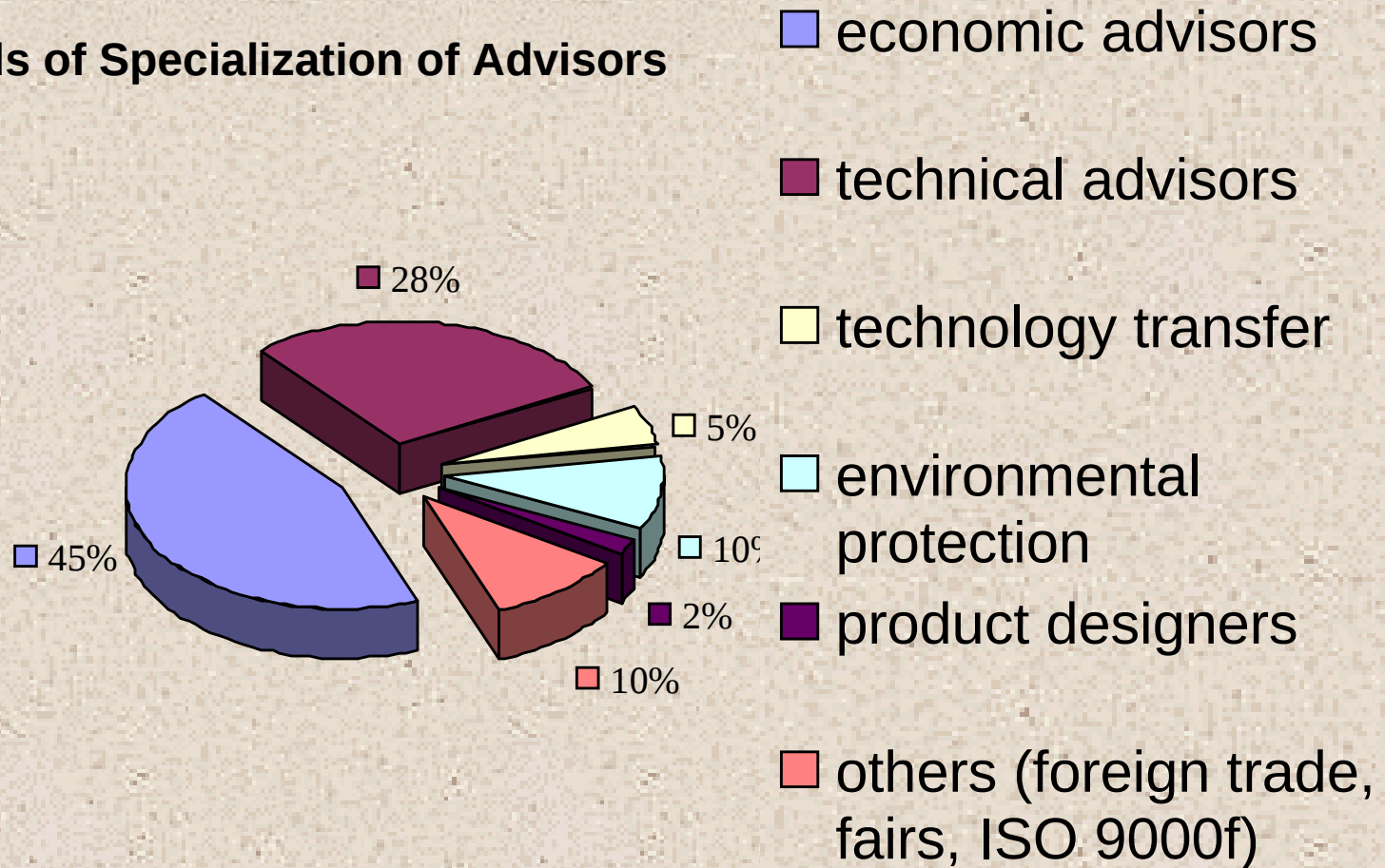
reasons for public support:

- **market imperfections**
- **positive external effects**

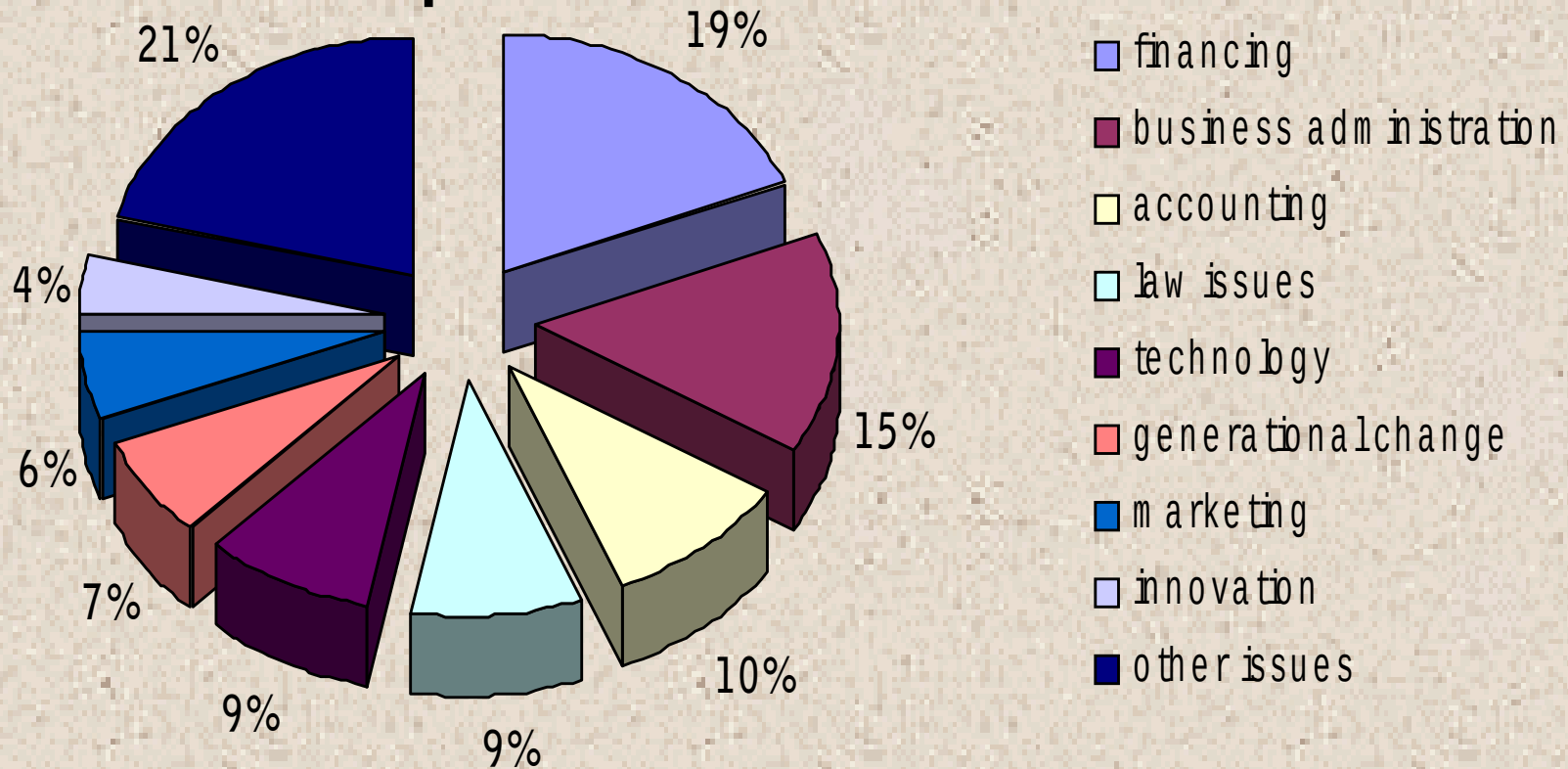
- **The Chambers' Consultancy Network**

-  **55 regional chambers of small business**
-  **850.000 member enterprises**
-  **6,5 million employers**
-  **800 consultants**

Fields of Specialization of Advisors



Topics of Consultation Sessions



Consultancy Network

-  **170.000 consultancies given per year**
-  **on average five hours per consultancy**
-  **38 % of consultancies are given to start-ups**
-  **external evaluation**
 -  **84 % clients are satisfied**
 -  **80 % of clients come again**

3) Former and Present Guidelines for Public Support

Before: supply-side approach

-  lump sum per consultant
-  public support: 25,000 US \$ per year per consultant

Now: demand-side approach

-  support on basis of consultation hours delivered
-  public support: 200 US \$ per person day

- **Strength / Weaknesses**

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 decentralized approach  easy access to clients through chambers  clear exit strategy  demand-orientation	 service is for free  direct intervention only second best solution