

Towards a Systemic Assessment and Evaluation of SMEs

Mario G.R. Pagliacci^a

^a Professor in charge of courses at the Faculty of Economics, Seat of Terni, Università degli Studi di Perugia (Italy). Member of the International Scientific Committee of Réseau PGV-Grenoble (France)*

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* auteur à qui envoyer la correspondance, corresponding author

Abstract

The purpose of this paper is to point out that the importance of SMEs can be correctly evaluated if those are considered as members of a "natural" system: connections among enterprises can be formal relationships or informal ones. Still, intangible connections are created by the transfer of competences, which is particularly important when some enterprises of the system are engaged in innovation and internationalization processes. According to this systemic vision, the assessment and evaluation of SMEs should take the intangible value of relationships and role of intellectual capital into account.

Résumé

L'objectif de cet article est de montrer que les PME peuvent être mieux prises en compte lorsqu'on les considère en tant qu'éléments d'un système "naturel" : les liaisons entre entreprises peuvent être de nature formelle ou informelle, mais des liaisons intangibles sont créées lors de transferts de compétences, qui sont particulièrement importants dans le cadre de processus d'innovation et d'internationalisation. Sur la base de cette vision systémique, l'évaluation des PME devrait tenir compte de la valeur intangible de ces liaisons et du rôle du capital intellectuel.

Introduction

The "discovery" of the importance of SMEs in economic systems is rather recent, and it is still discussed by a part of the economic doctrine, including at European Union level. In fact most scholars express more interest for big firms and consider small enterprises as future big ones or, alternatively, as irremediable dwarfs. Another part of doctrine recognizes that small enterprises are a source of new employment opportunities, stimulate the development of entrepreneurial skills, contribute to competition and the reduction in regional discrepancies related to economic efficiency.

SMEs therefore play a fundamental role in stability and growth of economic systems, although they are characterized by a lot of weaknesses and disadvantages:

1. *Limited possibility to exploit economies of scale*: low levels of production do not permit to take advantages of specialisation and mass production. Small enterprises can generally not make use of technologically advanced machinery, face poor conditions in supplying raw materials, have problems in optimizing production costs.
2. *Limited self-financing funds for research and development*: high level of competition among small enterprises and pressure from big firms, reduce the possibility to set aside part of profits for innovation.
3. *Limited possibilities of diversification*: small enterprises typically operate in niche markets, where a high level of diversification is requested; at the same time SMEs suffer from a limited access to the necessary human, financial, technological resources that would allow optimal diversification in products, services and markets.