

Idea: “Offset” model from supporting local big companies

Number in the database: 109

Area: 18

Idea description

Title:	“Offset” model from supporting local big companies
Idea objective	<p>This activity draws attention to the possibility of using the potential of large companies located in the City: local operators of office infrastructure (office buildings), shopping centers, logistics or manufacturing companies. The aim of the initiative is to generate an "offset" effect of the support of a large company by local public institutions. The essence of generating "offset" effect is the assumption that large companies have resources that can positively support mSMEs, in particular:</p> <ol style="list-style-type: none"> form local value chains, have knowledge of the state of technology and the market, have a developed network of contacts from local to international, have office, production, logistics and other infrastructure. <p>In practice, values can emerge at the interface between large companies and mSMEs to help the latter maintain business processes in times of recession. The role of a public institution is to establish a relationship with a local large entity and define the space (conditions) in which, through the transferred support of this/these institutions, a large company will set aside resources to support small businesses in their environment.</p> <p>The list of potential ways to engage large companies in the process of supporting mSMEs includes:</p> <ol style="list-style-type: none"> using the mechanism of Corporate Social Responsibility to involve corporations in the development of community entrepreneurship, organization of thematic meetings, e.g. on technology, market, trends, etc. organization of networking meetings in search of mutual benefits of cooperation between corporations and local companies, providing access to intellectual values (patents, designs, etc.), that developed by local mSMEs can generate additional benefits for both companies. <p>A key issue is to verify which companies in the City are interested in joining the process of supporting small local businesses. It will also be crucial to define the parameters of the win-win model, i.e. those factors that, when taken into account, will generate value for each cooperating party.</p> <p>Options for implementing the activity: In the case where a large company generates demand for support from public institutions from two or more territorial units (cities), it is possible to launch an action at the level of several units.</p>
Sharing process (max 1000 characters)	<p>Implementation of the measure requires several activities:</p> <ol style="list-style-type: none"> identification catalog of the value of large companies located in the City (its neighborhoods), in the context of the needs and opportunities to support small local companies identifying the possibilities of public institutions in the city (cooperating cities, territorial units), in terms of providing support to a large entrepreneur, to determine the catalog of ways that can be applied within the framework of the "off-set" mechanism, to prepare “off-set” mechanism plan of support implementation for a large entrepreneur carrying out formal procedures to launch the measure, implementation of the plan, monitoring and analysis of effects for mSMEs
Restrictions/rules (law, skills, time, other)	<p>The measure doesn’t specify conditions that may limit its implementation. In the case of the need to establish a relationship with the owner of a large enterprise that is a foreign investor, language and negotiating competence at a higher level may be required.</p>

<p>Procedures (if applicable)</p>	<p>Taking the action may require administrative procedures triggering a form of support for a large enterprise that initiates an "offset" effect, including dedicated formal and informal consultations. Since the operation of large entities at the local level may be linked to the delegation of limited tasks to local management from a foreign investor/owner, taking other initiatives may require communication procedures at the international level.</p> <p>In the case where a large company is located in the immediate vicinity of the City, however, in another administrative unit or in another City (but with strong ties in the nature of supply chains, industry or location), it may be necessary to carry out an administrative procedure for joint implementation of the action by 2 or more territorial units (cities, etc.)</p>
<p>Costs for public institutions (if applicable)</p>	<p>The measure may generate costs on the part of the public institution in the event that the provision of support to small entrepreneurs by a large entity will require public institutions to undertake specific measures with a financial effect (e.g., additional financial concessions, social/educational programs for residents working in this company, and others).</p>
<p>Expected result (if possible)</p>	<p>Involvement of a large entity from the City in tasks supporting the activities of small entities. The activity should be long-term.</p> <p>Support is expected to maintain business processes in small local businesses.</p>