

THE HONG KONG POLYTECHNIC UNIVERSITY  
DEPARTMENT OF MANAGEMENT & MARKETING  
DEPARTMENTAL RESEARCH SEMINAR

**Developing China's SMEs:  
Insights into ICT policy initiatives**

By

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All interested are welcome

# Developing China's SMEs: Insights into ICT policy initiatives

## ABSTRACT

In the narrative of China's three decades of growth the role of non SOEs, and in particular the importance of the collective and private enterprises including Township and Village Enterprises (TVEs), is well documented. Until recently there was considerable confusion over the classification of enterprises but the non state sector, which is effectively the private sector, now contributes some 70 per cent of the economy. The ability of China to achieve sustainable growth of 8 per cent is crucially dependent on this sector. The Government recognises this and productivity increases from improved technology, especially the role of ICT or 'informatization', is a central strand of their policy for the promotion of SMEs. It is in this context that the paper explores Chinese Government ICT policy initiatives for SMEs and the reality of their implementation. The findings suggest that China's policy for SMEs is at an early stage and is characterised by supply-push initiatives. The reliance on intermediaries for policy implementation poses a particular challenge for the Government and its ability to manage this will directly impact on the rate at which SMEs adopt and make effective use of ICT for sustainable productivity gains.

*Keywords: SMEs, ICT, informatization, ICT policy, ICT implementation, training*