SME INNOVATION AWARD 2017

Inspiring a Nation of Innovative Entrepreneurs

Guidelines for Participation

Ministry of Business, Enterprise and Cooperatives
(Business and Enterprise Division)

April 2017
1. INTRODUCTION

One of the key performance drivers for Small and Medium Enterprises (SMEs) Development is the adoption, promotion and enhancement of innovative and technological advances in system, processes and procedures. Innovation stands out as being the ingredient that will safeguard the sustainability of SMEs. Innovative SMEs tend to be market-driven rather than research-driven, and quicker in responding to new opportunities than large firms.

With a view to recognising SMEs, which have during the last three years of their operation, brought significant innovation in terms of product or process development, the Ministry of Business, Enterprise and Cooperatives (Business and Enterprise Division) is organising an SME Innovation Award 2017.

2. OBJECTIVES

The objectives of the SME Innovation Award 2017 are to:

- enhance the competitiveness and productivity of the SME sector;
- promote and reward innovative SMEs; and
- encourage local SMEs to be creative and adopt innovative practices, leading to business transformation.

3. DEFINITION OF INNOVATION FOR THE AWARD 2017

Many researchers, scientists and professionals have segregated innovation approaches and practices into four main categories while others have further broadened them into fifteen different categories. However, most of them agreed that the different types of innovative approaches mainly aim at:

- business transformation;
- capturing new markets;
- productivity improvement; and
- attracting investment.

There is also an agreement to the fact that innovation is about novelty or changes in product or production processes.

Based on the above, the SME Innovation Award 2017 will be of two types, namely Best Product Innovation and Best Process Innovation.

- Best Product Innovation - recognising the introduction of new products and/or improvement of existing products through new product designs, dimensions, material quality and packaging to suit customer requirements; and
• **Best Process Innovation** - recognising new process development or improvement in methods of production as well as development related to operational processes, such as process reengineering and innovative production with a view to achieving efficiency and productivity.

4. **PRODUCT INNOVATION**
Product innovation involves creating new products or improved versions of existing products that increase their uses.

New product innovation is an innovation in the offering of a product or service to the market, in which customers exchange their money to acquire the new product or service offered by an enterprise. The definition of new products includes radical innovations (i.e. totally new products) and more innovative projects (i.e. new product lines).

**Examples of Product Innovation**

- **Single-Server Coffee maker**
The introduction of single-server coffee maker is an example of innovation of product through improvement of existing products through changing designs and functionality from the initial traditional multiple-server coffee maker.

Whether it's 6 a.m. or 2 p.m., and you are in need for just one cup of your favorite form of caffeine, the single-serve coffee brewer has your back. Just pop in a one of the pods or bags, fire it up, and in seconds you've got your fix. They're faster than conventional machines, keep the unused portions fresher, and reduce the amount of discarded coffee. This innovation landed in the 80s, caught fire in the 90s, and has been keeping homes and offices buzzing ever since.
- **Wireless Headphones**
Hitting the road with your tunes in tow has been a key part of our lives since the first Walkman debuted, but it's always come with a leash: that cord that connects your ear buds to your device. Every runner has a story of getting tangled up in their cords while he ran or snagged his headphones on a passing branch. The development of wireless tech has culminated in headphones that effortlessly connect to your smartphone via Bluetooth. This is perhaps the most sorely-needed recreational application of Bluetooth technology.

5. **PROCESS INNOVATION**
Process innovation is a new or significantly improved way of doing things in a business that typically increase production levels and decrease costs. Process innovation might come in the form of new processes or techniques, new equipment or software.

Imagine you're a small business owner with several stores, a headquarters that houses your administrative offices and a small warehouse. What types of process innovations could you envision to make your business better? It could range from a more effective way to deliver payroll checks to a simpler method of store ordering to a more streamlined way to move things inside your warehouse.

The process of innovating new solutions could fall into one of these areas:

**Production:** This is where you'd find processes, equipment and technology to enhance manufacturing or production processes. This includes computer software to aid in production design and development or new equipment that makes a process run more efficiently or effectively.

**Delivery:** Delivery process innovations involve tools, techniques and software solutions to help in supply chain and delivery systems. Barcodes, tracking systems or shipping software would be useful innovations in this category.
Support services: Innovations in processes aren't limited to simply production or delivery, but also include new product development, purchasing, maintenance and accounting. If it is a business process, innovative solutions could be pursued or developed to improve methods and deliver better results.

Example of Process Innovation

Textile: Moving from manual pattern making/gradation and marker planning to CAD software for pattern design, automated material spreading systems and computer-controlled cutting systems.

<table>
<thead>
<tr>
<th>Manual Patter making and marker planning</th>
<th>CAD software</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Manual Patter making and marker planning" /></td>
<td><img src="image" alt="CAD software" /></td>
</tr>
</tbody>
</table>

6. ELIGIBILITY FOR PARTICIPATION

To be eligible for participation, an enterprise shall satisfy the following:

- annual turnover of the enterprise should not be more than Rs 50M for the last three (3) years;
- it should hold a valid trade license;
- it should be engaged in any legal economic activity, other than pure trading;
- innovation should have taken place within the last three (3) years;
- it should not be subject to any litigation or proceeding for any law infringement; and
- the Application Form should be signed by the CEO or his representative, with the official seal of the enterprise affixed.
7. HOW TO APPLY?

Step 1: Fill in and sign the Application Form

The enclosed Application Form in this information pack requires basic details about your organization. Please ensure that it is duly filled in and signed by the CEO or Representative of the Organisation.

Step 2: Fill in Questionnaire

A supplementary questionnaire will have to be filled which will enable the Technical Assessment Committee (TAC) to evaluate your enterprise. It will give you the opportunity to write on your technological capabilities, self-management diagnosis with regard to productivity, profitability, efficiency and growth potential.

Step 3: The Letter of Commitment duly signed by the CEO or his Representative should be submitted along with other relevant documents.

Step 4: Deadline for Submission is 31 July 2017.

Once you have filled in and sign the Application Form, the Questionnaire, and the Letter of Commitment, you will need to submit them along with all the required documents to the Permanent Secretary, Ministry of Business, Enterprise & Cooperatives, 16th Floor, Newton Tower, Sir William Newton Street, Port Louis, at latest by 31 July 2017.

8. EVALUATION PROCESS

8.1 A five (5) step evaluation procedure will be used to assess your application.

- First Evaluation by a Technical Assessment Committee (TAC): Compliance with minimum criteria.
- Eligibility Check.
- Evaluation and grading of Questionnaires; Cross-evaluation; and Calculation of new Scores.
- Site visits by TAC members; Calculation of final scores; Final due diligence; and Recommendations to Jury Panel.
- Final Evaluation by Jury Panel, site visits, and selection of winner.
8.2 The evaluation criteria for the Award will be as follows:

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Model</td>
<td>20 %</td>
</tr>
<tr>
<td>Financial Analysis</td>
<td>5 %</td>
</tr>
<tr>
<td>Growth Strategy</td>
<td>5 %</td>
</tr>
<tr>
<td>Social Impacts and Benefits to the Society and Environment</td>
<td>10 %</td>
</tr>
<tr>
<td>Product Innovation</td>
<td>30 %</td>
</tr>
<tr>
<td>Process Innovation</td>
<td>30 %</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100 %</td>
</tr>
</tbody>
</table>

9. ORGANISING COMMITTEE

An Organising Committee has been set up to ensure the proper organization of the event.

10. TECHNICAL ASSESSMENT COMMITTEE (TAC)

A Technical Assessment Committee (TAC) has been set up and assigned the responsibilities to:

- finalise and validate the schema depicting the ideal application process;
- receive and assess the applications received; and
- recommend to the Jury Panel the most deserving enterprises in the respective categories after the evaluation assessment carried out and site visits conducted for short listed enterprises.
11. JURY PANEL
A Jury Panel will be constituted and will have the task of deciding on the most deserving enterprises in each category for the Award.

Additional visits and due diligence may be carried out.

The decision of the Jury Panel will be final.

12. AWARD CATEGORY AND PRIZES

<table>
<thead>
<tr>
<th>Main Category</th>
<th>Sub Category</th>
<th>Cash Prize (Rs)</th>
</tr>
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<tbody>
<tr>
<td>Overall</td>
<td>Overall (excellence in both product and process innovation)</td>
<td>300,000</td>
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<tr>
<td></td>
<td>Product Innovation</td>
<td></td>
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<tr>
<td></td>
<td>Small Enterprise (Turnover &lt; Rs 10 m) Winner</td>
<td>200,000</td>
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<tr>
<td></td>
<td>Small Enterprise Runner Up</td>
<td>100,000</td>
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<tr>
<td></td>
<td>Medium Enterprise (Rs 10 m ≤ Turnover ≤ Rs 50 m) Winner</td>
<td>200,000</td>
</tr>
<tr>
<td></td>
<td>Medium Enterprise Runner Up</td>
<td>100,000</td>
</tr>
<tr>
<td></td>
<td>Process Innovation</td>
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<td>100,000</td>
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Note:

- Trophies will also be awarded to all the winners including Special Jury Awards.
- Certificates of participation will be presented to all participants.