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## Editorial Note

In Bangladesh, Small and Medium Enterprises (SMEs) play a pivotal role in national industrialization and economic growth. SMEs are large in aggregate size, and thus have significant capacity for employment generation and technological innovation & development. The latter promotes inter-sectoral linkages, backward and forward linkages in the value chain, raising exports and developing entrepreneurial skills. Indeed, experience gathered from multilateral, bilateral and national institutions shows that supporting SMEs possesses immense potential as an engine of GDP growth and employment creation. The sector also plays an important role in building socio-economic harmony and minimizes social injustice. Their locational flexibility is also an important advantage in reducing regional imbalances. The future of SMEs is of major policy and imperative concern given their strategic and operational importance in any effort of reshaping industrial sector performance. SMEs in Bangladesh have established their distinct position in different types of production systems and have been getting immense recognition in the country. It is a proven fact that a dynamic SMEs sector is a guarantee for more social cohesion and a better wealth distribution in the country. In Bangladesh, SMEs absorb 70 to 80 percent of industrial workers and constitute over 95 percent of business, while the capital intensive industry just three to four percent.

With a view to spur SMEs sector, SME Foundation has taken an initiative to publish a journal titled 'International Journal of SMEs Development'. This is to impart impulse and momentum in the process of building a robust SMEs sector in the country. One of the prime goals is to capture and disseminate pertinent information exploited from multifarious research endeavour conducted so far on SMEs. Thus the broader objective is to collect and collate state-of-the-art information and cognizance pertaining to SMEs from home and abroad.

It is gratifying to note that this journal is a venture to put forward the essential elements of pertinent SMEs knowledge gained through professional experience and research. In Bangladesh, it is extremely needed to create more and more diversified SMEs having a gamut from the category of using indigenous materials and facilities and on the other end, adorned with modern technology, advanced operation management and new management pattern. The complexities

in the development and application of SMEs technology require a long pursuit and to get best results, it requires efficient technology management, transfer, acquisition, assimilation and diffusion. There is a greater need for experimentation for innovation & creativity. SMEs sector should re-visit the conventional business mindset and be ready to overcome the challenges it brings along with the new opportunities. Thus the journal possesses an aim to become an important impetus for collation and dissemination of state-of-the-art of SMEs knowledge which will be useful for the entrepreneurs, engineers, business planners, academicians, policy makers, technologists, decision makers, researchers, etc., especially those who are in cognition & entangled with practice to devise innovative planning and new implementation modality in various categories of SMEs.

This first issue of the journal has been adorned with invited articles & notes; with a sanguine that the next issues will be furnished with diversified papers in other fields. It is expected that the journal will play a dynamic role in invigorating innovation, productivity & competitiveness and market adaptation for the enterprises. The role-onus of the journal has been planned to render essential data & information of various disciplines of SMEs such as modern operation management, advanced marketing technique, competitive business plan, etc. This will help SMEs to respond in the new & niche market and ultimately to develop business strategy that targets the ‘base of the pyramid’ group as well as the ‘missing middle’ of the enterprises and at the same time to explore the untapped opportunities making effective paradigm shift.

**Prof. M. Kamal Uddin, PhD**

Editor-in-Chief

International Journal of SMEs Development and

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