

Establishment and Promotion of Mentoring Service for Small and Medium Enterprises in the Western Balkans

Serbia, Bosnia and Herzegovina,
Montenegro, North Macedonia



More than a decade of cooperation for SMEs development and the Mentoring service in the Western Balkans with Japan International Cooperation Agency (JICA)

2006-2007 SMEs Supporting Agency Reinforcement Project (Serbia and Montenegro)

2008-2011 The Project on Institutionalization of Mentoring in SMEs (Serbia)

2013-2016 The project on Establishment and Promotion of Mentoring Service for SMEs in the Western Balkans (Serbia, Bosnia and Herzegovina, Montenegro)

2017-2020 The project on Establishment and Promotion of Mentoring Service for SMEs in the Western Balkans – Phase 2 (Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia)

SERBIA

Number of Mentors **70**
Number of Beneficiaries **2462**

BOSNIA AND HERZEGOVINA

Number of Mentors **72**
Number of Beneficiaries **91**

MONTENEGRO

Number of Mentors **32**
Number of Beneficiaries **68**

NORTH MACEDONIA

Number of Mentors **19**
Number of Beneficiaries **42**



TOTAL NUMBER OF MENTORS: 197

TOTAL NUMBER OF BENEFICIARIES: 2663 as of 2019

Key concepts – the Standardized Mentoring in the Western Balkans

The Standardized Mentoring is nonfinancial technical support for SMEs, established as a nationwide scheme/program that involves support of mentors in company diagnosis and action planning.

WHAT IS MENTORING?

The Mentoring represents the process of joint work on analysis of current position and definition of activities for future growth. It is a co-working process; it is not a one-way service, but a joint work between the owner and the mentor to be done on the actual spot, visiting the company.

WHO IS A MENTOR?

Mentors are qualified persons that provide general support to the company - as “home-doctors” including support to company diagnosis and action planning.

WHO ARE BENEFICIARIES?

Beneficiaries of the Mentoring service are SMEs, clusters, business associations and institutions in the field of business development, who are the source of dynamism of nationwide economic development. SMEs are categorized into mature and start-up companies (started the business within the last three years).

WHAT DOES THE MENTOR DO?

Using management diagnosis, mentor identifies the most important goal of the company and provides the SME with support on drawing and implementing the practical plan to realize it.



Overview of the Mentoring Service



ORIENTATION

To have common understanding about mentoring, role of the mentor and how to proceed.



INFORMATION COLLECTION

Fundamental information about the business situation is collected. Additional research is done if necessary.



ANALYSIS

Business status is analysed based on several business frameworks.



REFLECTION

The entire activity is reviewed, lessons are extracted and plans to step further are discussed.



FACILITATING ACTIONS

The action plan is implemented by the company with support of the mentor.



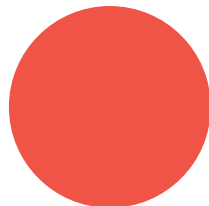
ACTION PLANNING

As an output of information collection and analysis, an action plan is created with the focus on key actions.

What are the results of the Mentoring?

- Increased sales
- Better market presence
- Improved company organization
- Increased number of employees
- Increased number of satisfied customers
- Increased efficiency in the production process
- Increased production volume
- Etc.

Mentoring Cases



Serbia



Company profile: Novatex d.o.o.

Founded in 2006

Activity: Work and protective clothing: work blouses, pants, coats and other occupational safety equipment.

Number of Employees: 17

Challenges before the mentoring:

- Organization
- Human resources
- Marketing

„Impact” by the mentoring:

- Revenue: +320%
- Increased employment from 7 to 17 people

Results after the mentoring:

- PRODUCTION IMPROVEMENT
 1. Introduction of Kaizen
 2. New equipment
 3. Application of 5S
- HUMAN RESOURCES
 1. New organization / upgraded
 2. Employment
- MARKETING / STRATEGY
 1. New web site, online shop
 2. New markets



Serbia



Company profile: Milan Blagojevic Smederevo a.d.
Founded in 1923

Activity: Manufacture of electric and non-electric household appliances

Number of Employees: 394

Challenges before the mentoring:

- Diagnostic report
- Insufficiently reliable production process that caused further problems
- Action plan

Results after the mentoring:

- Introduced 5S
- Introduced Kaizen
- Set short-term goals
- Redundancy elimination

„Impact” by the mentoring:

- Formed 5S Team
- Motivation of workers and management to implement 5S



Serbia



Company profile: Afrodite Mode Collection d.o.o.

Founded in 1989

Activity: Textile industry, design and sale of women clothes

Number of Employees: 122

Challenges before the mentoring:

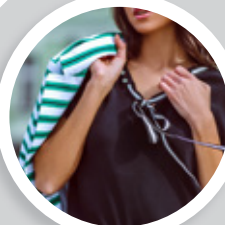
- Marketing strategy
- Human resources management
- Organization of business processes

Results after the mentoring:

- Introduced Kanban as a planning model
- Defined competencies for jobs and positions
- More efficient investment in the education of managers and employees
- Revenue increased by 16.2%

„Impact” by the mentoring:

- Defined new marketing strategy (introduced loyalty program)
- Improved organizational structure and more clearly defined connection between processes
- Improved business organization system through the introduction of work organization tools



Serbia



Company profile: Ključ d.o.o.

Founded in 2003

Activity: Production and sale of homemade pies and bakery products without added additives and preservatives

Number of Employees: 10

Challenges before the mentoring:

- Business organization
- Sale improvement
- Market visibility
- Insufficient utilization of production capacities
- Human Resources

Results after the mentoring:

- Improved sale process
- Improved measurement of Financial indicators - ratio of costs and incomes
- Developed Private Label

„Impact” by the mentoring:

- The products are starting to be sold in large supermarkets
- Improved Business process, management received more balanced activities
- Increased number of employees from 10 to 13
- Developed company Brand
- Increased revenue by 50%



HANIBAL



Serbia



Company profile: Hanibal d.o.o.

Founded in 1989

Activity: Production of wires for the furniture industry, as well as production of high quality handmade orthopedic mattresses.

Number of Employees: 10

Challenges before the mentoring:

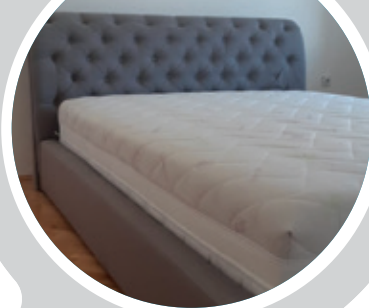
- Human resources sector (job systematization)
- Finding a skilled workforce
- Organization of business activities

Results after the mentoring:

- Introduced KAIZEN
- Started implementation of 5S

„Impact” by the mentoring:

- Finalized standardization of process activities
- Accelerated duration of individual processes
- Improved organization of work
- Improved organization of the work environment
- Identified potential labor market



LIFE BALANCE GYM



Serbia



Company profile: Life Balance Gym d.o.o.
Founded in 2017

Activity: Personal fitness trainings, facial and body treatments, wellness education

Number of Employees: 1

Challenges before the mentoring:

- Introduction of new products
- Marketing and promotion development
- Marketing positioning

„Impact” by the mentoring:

- Introduced new products (food and teas)
- Implemented promotion on social media
- Started promotion at events
- Increased revenue by 76,91%

Results after the mentoring:

- Hired technologist
- Conceptualized recipes and introduced new products
- Tested products at the Institute of Public Health
- Created packaging, labels and promotional material
- Improved visibility through implemented promotional activities and presentation of new products
- Researched market for product placement in catering and retail facilities



Bosnia and Herzegovina, Republika Srpska



Company profile: Monting Energetika d.o.o.

Founded in 2001

Activity: Manufacture and installation of process equipment, metal structures and spare parts for various industrial buildings.

Number of Employees: 61

Challenges before the mentoring:

- Seasonal character of business activities
- Management of business processes
- Marketing

„Impact” by the mentoring:

- Participation in at least one renowned international fair (eg. Germany), during 2020
- Renting a part of the space and equipment that was not in function (which was established during the mentoring) to the newly established business entity

Results after the mentoring:

- Raising awareness of key people in the company, about the need for continuous adaptation to changes in the business environment
- Initiative for the introduction of ERP systems
- Investing in marketing activities (creation of website, catalogues, participation in trade shows)
- Optimisation of utilization of production capacities (finding new business opportunities / markets; possibility of renting unemployed capacities to another entity)



Bosnia and Herzegovina, Republika Srpska



Company profile: Ekosfera d.o.o.

Founded in 2015

Activity: Collection and transport of non-hazardous waste and water supply

Number of Employees: 30

Challenges before the mentoring:

- Optimization of transport route management and utility logistics with a focus on 3R (Reduce, Reuse and Recycle)
- Company management organization
- Defining the main points of interest for waste collection and calculating the time for waste collection and transport from the municipality of Stanari

Results after the mentoring:

- Relocation of the garage from which the utility vehicles start and a special plan for the repair of the vehicle fleet (projection of cost reduction by 50%)
- Optimization of the transport route for the municipality of Stanari (reduction of fuel costs by 40)
- Stimulating the population to separate useful secondary raw materials in relation to mixed municipal waste and collection free of charge

„Impact” by the mentoring:

- Mapping of transport routes for optimal collection and transport of municipal waste
- Creation of optimal route for collection and transport of municipal waste - reduction of “idling”





Bosnia and Herzegovina, Republika Srpska



Company profile: Imaginarium sp
Founded in 2017

Activity: Design and sale of clothes, fashion accessories, furniture and toys made from natural materials.

Number of Employees: 10

Challenges before the mentoring:

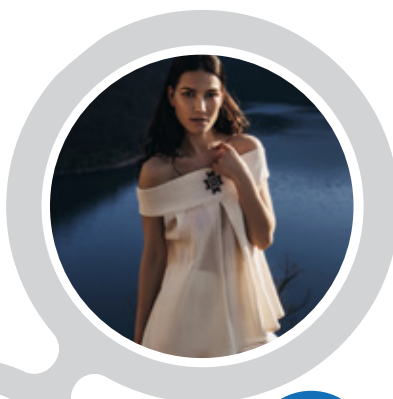
- Independent execution of all activities by the owner, from design, development, distribution, website development, management of social networks, etc.
- Marketing strategy
- Focusing production on the product range, by which this company will become recognizable.

„Impact” by the mentoring:

- Hired 9 new employees
- Introduced a new organizational structure.
- Defined new product distribution channels.

Results after the mentoring:

- Completed the registration of the activities as the old crafts, which provides a number of additional benefits in business.
- Adopted marketing strategy for promotion on social media
- Defined a specific promotional message, emphasizing the uniqueness of the products, price, method of delivery and benefits for the customers
- Introduced new distributors



Bosnia and Herzegovina, Federation



Company profile: Delta Trade d.o.o.

Founded in 2002

Activity: Operating in the following three divisions

Delta Trade - wholesale of spices, nuts and dried fruits and vegetables,

Delta Frost - production, purchase, and placement of fruits, and

Sanday - retail of spices, fruits, vegetables and nuts

Number of Employees: 23

Challenges before the mentoring:

- Improvement of standards of business and organization of work
- Better understanding of markets, customers, suppliers and farmers
- Expansion to Bosnian market and abroad
- Organizational chart and structure
- Lack of middle management
- Retail brand “Sanday” without vision

Results after the mentoring:

- Defining the “Sanday” brand
- Defining Market identification, Key objectives, Recognized uniqueness
- Defining Product values
- Action Planning
- Reorganization of the organizational chart

„Impact” by the mentoring:

- Introduced regular staff meetings
- Delegated tasks to middle management
- Started with free trainings for staff
- Started free basic Excel course for educating and recruiting staffs
- Initiated Team Buildings - employees of the company participated in the race in town Zenica



Bosnia and Herzegovina, Federation



Company profile: Hayat d.o.o.

Founded in 1992

Activity: Production and broadcasting of television programs

Number of Employees: 177

Challenges before the mentoring:

- Human resources
- Quality policy
- Lack of clear delegation of rules - skipping or bypassing people in the hierarchy
- Lack of formal meetings, as well as informal joint gatherings, both vertically and horizontally

„Impact” by the mentoring:

- Selected 2 people for an HR department
- Created HRM software solutions
- Introduced soft skills education for employees

Results after the mentoring:

- Introduced regular workshops for employees
- Negotiations for entry into the standardization process (ISO 9001) started, preparation of internal procedures and policy document for their implementation started
- A new organizational chart was developed and the organizational structure changed. A new department has been created that connects two sectors including a new software solution
- Decentralization of management



Bosnia and Herzegovina, Federation



Company profile: Eurosan d.o.o.
Founded in 2002

Activity: Import and distribution of professional hygiene and workplace hygiene products / workplace hygiene maintenance services

Number of Employees: 172

Challenges before the mentoring:

- Human resources - Lack of job classification with job descriptions for each job
- Absence of strategic development plans
- Lack of adequate software tool to facilitate monitoring of business and business development
- High percent of labour fluctuation

„Impact” by the mentoring:

- Created a systematization of jobs with job descriptions for each position
- Created financial analyses for financial planning
- Developed a system of Balanced Scorecard (BSC)

Results after the mentoring:

- Developed workplaces systematization
- Developed strategic development plan
- Developed a rulebook and plan for human capacity development
- Developed plan of implementation of the system of balanced goals





Montenegro



Company profile: Olivmont d.o.o.
Founded in 2009

Activity: Production of natural soaps and olive oil cosmetics

Number of Employees: 4

Challenges before the mentoring:

- Sale
- Cost reduction - Recruitment of new workers in production
- Lack of clarity regarding the direction of development– Trade vs. Production -lack of development vision

Results after the mentoring:

- Improved sales, on track for further growth and plans
- Creation of two new products
- Increased sales of corporate gifts and sales at trade shows

„Impact” by the mentoring:

- Introduced a new range of products in smaller packages
- Started cooperation with large business clients and 1 distributor for cosmetic chain stores
- Through mentoring, decided to move to a new premises that is larger and closer to materials and to unite production and packaging.





Montenegro



Company profile: SIP d.o.o.

Founded in 1992

Activity: Tourist agency family owned, selling flight tickets and hotel accommodation.

Number of Employees: 4

Challenges before the mentoring:

- Lack of clear vision and mission
- Poor job organization
- „Outdated“ way of business
- Generational conflict
- Lack of information regarding external sources of financing

Results after the mentoring:

- Created a new web site with an online shop
- Started ticket sale for low cost companies
- Increased number of hotel bookings for 1,283%
- Employees are motivated to work with additional bonuses

„Impact“ by the mentoring:

- New contracts with low cost companies
- Hotel accommodation introduced in offer
- Agreements for representation have been signed with several agencies from Croatia and Montenegro



Montenegro



Company profile: Minuta Consulting d.o.o.
Founded in 2017

Activity: Business and management consulting activities,
Professional resume writing services

Number of Employees: 3

Challenges before the mentoring:

- Strategic planning and implementation of tools for successful planning
- Having a clear financial situation and monitoring finances

Results after the mentoring:

- Investment by a foreign investor, who offered to expand operations, international cooperation and connection with centers in the region
- Created Activity plan
- Created Client base

„Impact” by the mentoring:

- Provided a clear and concise scheme of all services
- Prepared a clear overview of responsibilities and tasks of employees as well as evaluations of their work.
- Established Financial monitoring tools





North Macedonia



Company profile: Letra Design d.o.o.e.l

Founded in 1992

Activity: Printing and publishing

Number of Employees: 9

Challenges before the mentoring:

- Information about access to finances for the purpose of procuring digital equipment that would enable design and production of smaller quantities of products at a cheaper cost price
- Competitive advantage of the company.

„Impact” by the mentoring:

- Entering new markets
- Created Action Plan

Results after the mentoring:

USING THE INTRODUCED TOOLS FOR:

- Sales analysis of regular customers in order to develop a marketing strategy
- Analysis of Finances

ACCESS TO:

- sources of funding
- support person for access to funding sources





North Macedonia



Company profile: Izida d.o.o.e.l.
Founded in 1994

Activity: SPA center with laser and radio frequency technology and a team of professionals, physiotherapists, cosmetologists and aesthetician

Number of Employees: 8

Challenges before the mentoring:

- Improvement of the work process of the company
- Creating development plans
- Achieving the company's goals based on current challenges and opportunities

Results after the mentoring:

- Defined vision and mission
- Set goals and developed action plan for implementation of the goals
- Improved the operation of the company with an emphasis on the key point of human resource management - by involving employees to better understand their needs

„Impact” by the mentoring:

- Introduction of tools for improving the work of the staff in order to increase their satisfaction with the daily work.



North Macedonia



Company profile: Eskon-Inženering d.o.o.e.l
Founded in 2010

Activity: Performing electrical installations, video surveillance systems, alarm systems and integrated management systems for domestic and residential installations.

Number of Employees: 9

Challenges before the mentoring:

- Entering foreign markets
- Growth of the enterprise
- Development of innovative products and services
- Problems with warehousing

„Impact” by the mentoring:

- Realistic insights into the situation in which their company finds itself through a structural analysis of the financial indicators
- Activities aimed at supporting the company for the introduction of ISO quality standards by improving the warehouse operation
- Activities aimed at the possibility of providing co-financing of costs for the introduction of innovative products and services
- Increased the number of employees from 7 in 2018 to 9 in 2020

Results after the mentoring:

- Improved warehousing
- Penetration of the company on foreign markets
- Application with one innovative product to the Innovation and Technological Development Fund



Establishment and Promotion of Mentoring Service for Small and Medium Enterprises in the Western Balkans

Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia

PARTNERS

