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ASSOCIATION REGIONAL CENTER OF COOPERATION
SPECTAR

REVIEW OF THE BUSINESS PLANS

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REVIEW OF THE BUSINESS PLANS

presented at the competitions in Macedonia and Bulgaria

On September 28th, 2014 in Kriva Palanka, Macedonia and on November 22nd, 2014 in Kraiste, Bulgaria, competitions were organized for business plans of the trainings participants. This document provides an overview of the business plans created and presented by the participants from Macedonia.

The reviews of the business plans are constructed on the basis of: contribution of the training to an improvement of the participant's business skills; the type of social needs met; a need for the business's support and the chances for the business's market success.

A) Macedonia, Kriva Palanka 28th September 2014

1) Go Green – a company for bicycle rent, for visits of the tourist and cultural/historical sites in Kriva Palanka

Proposed by: Nikolce Petkovski, Elena Spasovska and Eleonora Dimitrovska. They are from different age groups and educational backgrounds. A significant improvement on their side are the capabilities for use of the business planning tools, presenting and communication skills, and execution of the given tasks. They are competent in the usage of the methodology and tools for a business plan creation.

The business plan is focused on domestic and foreign tourists in Kriva Palanka, with an idea to improve the tourist service in the municipality, through new values, such as usage of bicycles and tourist guides. Answers were provided to all the questions related to planning and leading a business for satisfying particular social needs.

For the realization of this business plan, a small initiative capital is proposed (10 000 euros), but more important is the technical support for a presentation on the market and the sale of the services. The probability of starting a business is: 60% , if the participants are encouraged to start this specific business.

There is a market potential and the chances of success are related to two factors: dedication of the participants to the business and abilities for networking with associations for biking, environmental protection, tourist unions and tourist agencies. The demand of the planned services is not sensitive to the price, but to the organization and quality of the values offered to tourists.

The business could provide 3-5 job positions (trainers, tourist guides, trade and services), higher valorization of the municipal resources (cultural/historical sites) and increase in the municipality's income for 50 000-70 000 euros annually.

Weaknesses are: unclearly calculated capacity of the company and the structure of the service fee.

High level of innovation.

2) Maxi Clean- local laundry for the citizens and the tourist accommodation facilities, to exploit the benefits of cheaper washing

Proposed by: Jordanco Minevski, completed high education, work experience at home and in the US. A significant improvement was made in the application of acquired knowledge to a concrete business initiative, and application of communication skills. Highly competent in the usage of methodology and the tools for a business plan creation.

The business plan is focused on the citizens of Kriva Palanka, including a new need of the customers for washing and drying clothes. Answers were provided to all questions related to planning and leading a business for satisfying the chosen social needs.

For the realization of the business plan, an initial capital of 20 000 euro is needed, of which most would be used for the equipment. The probability of starting this business is 70-80% if cheaper sources of funding could be provided.

There is a limited local market potential and the chances of success are related to two factors: the capacity of individual orders and the cost control. The demand of planned services is highly sensitive to the price.

The business could provide 5-10 job positions and increase in the municipality's income for 70 000-100 000 euros annually.

Weaknesses are: unclearly calculated capacity of the company, the structure of the service fee and the initial costs for promotion and marketing of the new service.

High level of innovation.

3) Edelfajs – a company for baked goods, for using the professional skills of the citizens in Kriva Palanka and attracting the attention of a big number of tourists

Proposed by: Dragana Velinovska. Completed high education and work experience closely related to the business plan. A significant progress is the improvement of the practical experience with applicable knowledge for planning new products.

The business plan is focused on the domestic and foreign tourists in Kriva Palanka, including improvement of the offer of pastries. Answers were provided to all questions related to the planning and leading a business for satisfying the chosen needs.

For realization of the business plan, an initial capital of 20 000 euros is needed, of which most will be used for equipment and transport. The probability for starting this business is 70% if the participant is encouraged to lead an independent business.

There is a local market potential and the chances for success are related to three factors: the capacity of orders, location and cost control. The demand for the planned services is highly sensitive to the price.

The business could provide 2-4 job positions, higher valorization of human resources in the municipality and increase in the municipality's income for 150 000-200 000 euros annually.

Weaknesses are: unclearly calculated structure of the service fee and the system for following the consumers' satisfaction.

Low level of innovation.

B) Bulgaria, Kraiste 22nd November 2014

4) *New VISION*- company for intellectual services and trade

Proposed by: Natasa Stojanovska and Kristina Velickovska. They are from a different age group and educational background. A significant progress are the capabilities for using business planning tools and presenting and communication skills. They are competent in the usage of methodology and the tools for a business plan creation.

The business plan is focused on the local citizens in Kriva Palanka, including a permanent need for informal education of the citizens. Answers were provided to most questions related to planning and leading a business for satisfying the chosen needs.

For the realization of this business plan, a small initial capital is needed (5 000 euros). The probability of starting this business is 40% if the participants are encouraged to compete with the already existing companies.

There is a limited market potential and the chances for success are related to guarantees for success of the consumers. The demand for the planned services is sensitive to the price.

The business could open 2-3 job positions, higher valorization of the human resources in the municipality and increase in the municipality's income for 20 000-30 000 euros annually.

Weaknesses are: unclearly calculated capacity of the company and the structure of the service fee.

Low level of innovation.

1) *White Car* - company for providing a luxury car to festivities

Proposed by: Nikolco Nikolovski. Completed secondary education and work experience related to the business plan. A significant progress is the improvement of practical experience with applicable knowledge for planning new products.

The business plan is focused on the citizens in Kriva Palanka and the region, including an improvement of the offer for transport services in the case of festivities and events.

Answers were provided to most questions related to planning and leading a business for satisfying the chosen needs.

For realization of the business plan, an initial capital of 7 500 euros is needed, for an order of a luxury car. The probability of starting this business is 60% if the participant provides the initial capital.

There is a local and regional market potential and the chances for success are related to the promotion and the good service. The demand of the planned services is not very sensitive to the price.

The business could provide 1-2 job positions and increase in the municipality's income for 15 000-20 000 euros annually.

Weaknesses are: unclearly identified service promotion.

Medium level of innovation.

1) Guest House FAGUS- a company for providing tourist services for rural tourism

Proposed by: Dimitar Petrovski. Completed high education and working experience related to the business plan. A significant progress is the improvement of the practical experience, with an applicable knowledge for planning new and innovative products.

The business plan is focused on domestic and foreign tourists, including an improvement of the offer for rural tourism services. Answers were provided to all questions related to planning and leading a business for satisfying the chosen needs.

For realization of this business plan, an initial capital of 10 000 euros is needed, for renovating rooms in a village and acquiring equipment. The probability for starting this business is 80% if the participant provides long-term funds.

There is a big market potential and the chances for success are related to promotion and the capabilities for networking with associations for biking, environmental protection, tourist unions and tourist agencies. The demand for the planned services is not very sensitive to the price.

The business could provide 4-8 job positions and increase in the municipality's income for 100 000-120 000 euros annually.

Weaknesses are: unclearly identified promotion and sale of the services.

High level of innovation.

Conclusions:

- The groups created high-quality business plans and are capable for using the methodology and tools for business planning
- All the participants need encouragement through mentoring or training for starting the business, i.e. realizing the business plan

- The initial investments for each of the presented businesses are not a limiting factor for starting the businesses. The lack of security for providing the income and the costs of the current work, scares the participants in continuing the initial business idea
- One of the possible ways for realization of the business ideas is establishing a social enterprise through which all the services will be conducted, while the financing, managing and promoting of the market will be conveyed by more experienced managers. The carrier of this social enterprise could be the Association RCC Spectar from Kriva Palanka.