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“Market Changer”

“MarCh”

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Operating BuSSes

***Supporting the effective operation
of the BuSSes***



*Agency for Transnational Training
and Development*

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1 PREFACE

The project MarCh - Market Changer- aims at strengthening the local Collective Business Bodies in the areas of its implementation, so as for them to become able to effectively respond to their institutional role, in supporting the businesses – members of theirs- to coping with the current challenges and strengthening their competitiveness.

MarCh, taking into account the inability of local businesses in its area of implementation to compete with the multinational chains and the increase of the international competition, as derived from the globalization of the economy and the internationalization of the trade, draws up development strategies for its areas of intervention. Furthermore MarCh creates “Business Supporting Structures” which, under the guidance of the local Collective Business Bodies, carry out pilot actions to improving the competitiveness of businesses in the project area.

MarCh is implemented as a project of the INTERREG VA Cooperation Program Greece – Bulgaria 2014 – 2020 and is co-financed by European Union (ERDF) resources, at 85% of its budget, and at a rate of 15% from resources of the member states of the EU participating in the Programme.

MarCh project is implemented in Greece in the Regional Units of Thrace (Regional Units of Xanthi, Rhodope and Evros) and in the Administrative District of Kardzhali in Bulgaria.

The following organizations participate as partners (Project Beneficiaries – PBs) in the MarCh project:

- Agency for Transnational Training and Development - TRANSCOOP, as Coordinator
- Center for the Development of Commerce and Entrepreneurship - KAELE
- Federation of Commerce and Entrepreneurship of Thrace – OEE,
 - in Greece and
- Regional Industrial Association of Kardzhali – RIA Kardzhali,
 - in Bulgaria.

The budget of MarCh amounts to € 628,708.77.

2 Introduction

Businesses, especially in the EU periphery, have been severely affected by the globalization of the economy over the past 20 years, as the global retail trade has become concentrated in a small number of multinational chains, while local economies suffer the consequences of the penetration of multinationals into the local markets.

As a result, local businesses have lost significant market shares, entire supply chains have collapsed, and the local productive and economic fabric has been torn apart.

Especially in remote and less competitive areas, such as the two regions participating in the MarCh project (Thrace region in Greece and Kardzhali Administrative Unit in Bulgaria), this development had particularly significant effects. Business closures, shrinkage of the incomes of the local population, high unemployment rates, migration of skilled labor force and economic crisis are some of the results of this phenomenon.

Despite this, however, local businesses have a number of comparative advantages, such as e.g. their long presence in the local market, proximity and trustful relationships with the customers, along with a number of other characteristics (product quality, low prices, etc.), which if properly exploited can boost their competitiveness and support their sustainability.

In order to achieve this goal, MarCh envisages the establishment and operation of Business Supporting Structures (BuSSes), which aim to systematically provide assistance and guidance to businesses in the project areas, in order to utilize their comparative advantages and strengthen their competitiveness.

The operation of the BuSSes, their goal and subject, the opportunities they provide to the local entrepreneurship along with an indicators' system for measuring performance is described in the present document.

3 ΠΕΡΙΛΗΨΗ

Οι επιχειρήσεις ιδιαίτερα στην περιφέρεια της ΕΕ έχουν επηρεαστεί σοβαρά από την παγκοσμιοποίηση της οικονομίας τα τελευταία 20 χρόνια, καθώς το παγκόσμιο λιανικό εμπόριο έχει συγκεντρωθεί σε μικρό αριθμό πολυεθνικών αλυσίδων, ενώ οι τοπικές οικονομίες υφίστανται τις συνέπειες από την διεύδυση των πολυεθνικών επιχειρήσεων στις αγορές τους.

Ως αποτέλεσμα, οι τοπικές επιχειρήσεις έχουν χάσει σημαντικά μερίδια της αγοράς, ολόκληρες αλυσίδες εφοδιασμού κατέρρευσαν, ενώ ο τοπικός παραγωγικός και οικονομικός ιστός έχει διαρραγεί.

Ειδικά σε απομακρυσμένες και λιγότερο ανταγωνιστικές περιοχές, όπως οι δύο περιοχές που συμμετέχουν στον έργο MarCh (περιοχή Θράκης στην Ελλάδα και Διοικητική Ενότητα Kardzhali στη Βουλγαρία), η συγκεκριμένη εξέλιξη είχε ιδιαίτερα σημαντικές επιπτώσεις. Κλείσιμο επιχειρήσεων, μείωση των εισοδημάτων του τοπικού πληθυσμού, υψηλά ποσοστά ανεργίας, μετανάστευση ειδικευμένου εργατικού δυναμικού και οικονομική κρίση είναι κάποια από τα αποτελέσματα αυτού του φαινομένου.

Παρόλ' αυτά ωστόσο, οι τοπικές επιχειρήσεις διαθέτουν μια σειρά από συγκριτικά πλεονεκτήματα, όπως π.χ. μακροχρόνια παρουσία στην τοπική αγορά, εγγύτητα και σχέσεις εμπιστοσύνης με τους πελάτες, μαζί με μια σειρά άλλα χαρακτηριστικά (ποιότητα προϊόντος, χαμηλή τιμή κ.λπ.), που εφόσον αξιοποιηθούν κατάλληλα μπορούν να ενισχύσουν την ανταγωνιστικότητά τους και να υποστηρίξουν την βιωσιμότητά τους.

Για την επίτευξη του σκοπού αυτού το MarCh προβλέπει τη σύσταση και λειτουργία δομών στήριξης της επιχειρηματικότητας (Business Supporting Structures – BuSSes), που προσβλέπουν στην συστηματική παροχή βοήθειας και καθοδήγησης στις επιχειρήσεις των περιοχών του έργου, ώστε να αξιοποιήσουν τα συγκριτικά τους πλεονεκτήματα και να ενισχύσουν την ανταγωνιστικότητά τους.

Το αντικείμενο της λειτουργίας των BuSSes, το είδος των υπηρεσιών που προβλέπεται να παρέχουν και ο τρόπος υποστήριξης των επιχειρήσεων και των Συλλογικών τους Φορέων που συμμετέχουν στο έργο παράλληλα με ένα σύστημα δεικτών παρακολούθησης της απόδοσης των συγκεκριμένων δομών αποτελούν το αντικείμενο του παρόντος κειμένου.

4 The BuSSes

Foreseen under Activity 4.1.2 of the MarCh project

The main Subject of the BuSSes

➤ **Provide services to Businesses so as to strengthen their competitiveness**

The operation of the BuSSes (Business Supporting Structures) is envisaged as an activity within Work Package 4 of the MarCh project, Devising Business Supporting Structures' (BuSSes) Infrastructure, while their mode of intervention and operation is specified in WP 3 (Development of Strategies) WP 4 and WP 5 (Pilot Implementation).

The aim of the BuSSes is to rise to mechanisms for providing support services to the businesses – members of the Collective Entrepreneurship Bodies of the project in order for them to meet the businesses' needs in relation to their competitiveness.

The services that the BuSSes are expected to provide, in principle in the context of their pilot operation within the project, and later as structures of the Collective Business Bodies of the project partnership, refer to the following types of interventions:

- Studies, in principle as situation analyses and drawing up development strategies for the project areas and their businesses
- Conducting field surveys to recording business needs
- Elaboration of diagnostic reports for businesses in order to identify their strong and weak points
- Designing Business Plans for local enterprises
- Provision of counseling services to businesses
- Training of human resources
- Operation and maintenance of three digital platforms developed in the framework of MarCh in each of the two cross border areas in the form of:
 - Labor market platforms
 - Platforms for seeking external associates for businesses
 - Platforms for the extroversion and promotion of the businesses in the project areas
- Networking of businesses
- Hosting events addressing local enterprises and competitiveness.

Based on the above detailed description of the services that BuSSes are planned to provide, the above activities can be grouped into intervention categories in dependence on the subject of these activities.

More specifically, the activities concern the following categories of interventions:

- A. Studies
- B. Surveys
- C. Counselling services to businesses
- D. Training of human resources
- E. Maintenance of the digital infrastructure (platforms)
- F. Networking of businesses with
 - a. Research institutions
 - b. Other similar or complementary businesses
 - c. Financial institutions
 - d. Bodies of local and regional government
- G. Hosting events related to entrepreneurship.

Interventions' category A (Studies) and **B** (Surveys) are obviously, considering the staff and the potential of the local Collective Entrepreneurship Bodies participating in the project, at least in the current phase, related to actions implemented by the other project partners or specialized external consultants.

In this context, and in the period after the completion of the project, the involvement of the collective business entities is limited to the planning level (design of specifications), to the procedures of selecting the contractor and assigning the project to him and, above all, to the receipt and utilization of the results of the actions. In any case, and with regard to the initial period of operation of the BuSSes, given that the actions in question are planned to be implemented by other project partners than the local Collective Bodies, no operational involvement of the BuSSes is required, beyond monitoring the implementation of the actions in question and the utilization of their results. Also, the lifespan of the results of the interventions in question should be taken into account, which can certainly be estimated as more than two years and therefore, for the time being, with today's data, it is not necessary to carry out any additional studies or field research in the framework of the BuSSes.

Category of Interventions E (Digital infrastructure maintenance) is a service that can be provided within the framework of the operation of BuSSes, even with the technical support of external IT partners.

Interventions' Category D (training of human resources) refers to a service for which it is planned to use the spaces and equipment of the BuSSes.

Accordingly, the services within the **category of interventions C** (Interventions directly to businesses) refer to services that will be partially provided at the BuSSes facilities, as they refer either to collaborations between consultants and individual businesses or consultants with small groups of entrepreneurs, and partially at other places and with other means of communication, taking account of issues as the distance and the lack of time, especially for businesses that are in operation.

Finally, as far as **category of interventions F** (Business Networking) and **G** (Hosting events related to entrepreneurship) are concerned, under the condition that the number of participants does not exceed a certain limit (e.g. 30 participants), they can be organized at the premises of the BuSSes.

5 The Project Tools Deployed

During the lifetime of the March project a number of “tools” for supporting entrepreneurship and business competitiveness have been prepared.

These tools are the following:

Project “tools” deployed for supporting the effective operation of the BuSSes:

- The Mapping Areas study – in form of a Desk Analysis
- The Document: Elaborating Vision and Strategies with Local Stakeholders
- The Field surveys to Agri Food Businesses in the project areas
- The Diagnostic Reports for businesses to investigating their strengths and weaknesses
- The Business Plans designed for certain businesses
- The provision of Counselling to entrepreneurs
- The Networking actions at cross border level between similar & supplementary businesses from the two project areas.

6 The Project Digital Tools Deployed

Following the project plan, as laid down in the approved Application Form, and in accordance with the results of the survey on the needs of businesses, carried out in the project area, three digital platforms were developed for each of the two Cross Border project areas.

Aim of the three platforms is to facilitate the operation of the local businesses, meeting distinct difficulties raised by the businesses themselves as stated in the interviews carried out in the context of the field surveys.

The three digital platforms developed are the following:

- a) an e-market place aiming at the extroversion of the local enterprises and their promotion,
- b) an e-platform for hiring professionals and experts so as to facilitate the access to know how and expertise,
- c) an e-labor market platform to facilitating the recruitment of staff, one of the major problems raised by the entrepreneurs in the surveys.

The development of the above digital tools was assigned to external subcontractors, while their operation and maintenance is subject of the BuSSes and the involved project partners.

7 Main Results of surveys, studies, meetings considered for supporting the effective operation of the BuSSes:

The surveys, the studies compiled, the meetings organized in the framework of the MarCh project, provided significant results for the entrepreneurship in the area. The most important of these results that have been taken into account for supporting the BuSSes, are presented below:

First: the Main Strengths of the Local Businesses

- The special quality of the local products – the existence of a strong agricultural tradition and of a significant number of businesses for processing agricultural products as well as the use of local raw materials,
- The existence of important research entities in the project area, such as the Democritus University in Thrace and the recently launched initiatives (Memorandum of Cooperation between Democritus University and the Association of Businesses and Industries for the cooperation on research, education and entrepreneurship as well as the creation of the incubator – “THINC -Thrace Incubator”, which facilitates the start-up of new entrepreneurs to set up and develop new innovative businesses,
- The natural environment of the area, which sets the conditions for "green" sustainable practices in all facets of entrepreneurship,
- The possibility of approaching different markets due to the particular geographic location of both project areas (in GR and in BG),
- The very good relations between Greece and Bulgaria and the great willingness of the businesses of the 2 countries to cooperate with each other,
- The new NSRF, an option that can substantially contribute to boosting the local entrepreneurship, the promotion of innovation, the cooperation of businesses with each other as well as with research institutions,
- The new NSRF, as an opportunity to contribute to the utilization of vocational training programs for the acquisition of technical skills, the upgrade of know-how.

Second: Main Weaknesses for the Entrepreneurship

- The insufficient promotion of special local products; there is the possibility of further development of the Secondary sector through the establishment and operation of local product manufacturing companies,
- Lack of business innovation,
- The businesses' digital services are very limited,
- Difficulties in finding suitable staff, a very important problem for the development of the entrepreneurship in the region,
- Lack of trustful relationships, low recognition of the services that the entrepreneurship supporting bodies can offer to the businesses,
- The local bodies do not provide all the appropriate tools to prepare studies, projects and policies that could change the image of the entrepreneurship in their area.

8 Cooperation and consultations with the local coordinators and the operators of the BuSSes on applying interventions on the ground

Based on the above displayed main strengths and weaknesses for the Entrepreneurship in the project area, the following topics have been selected to become subject of the consultations with the local coordinators and the operators of the BuSSes.

- **1. New Technology – Innovation in Business**
- **2. "Green" Practices in Business**
- **3. Strengthening the businesses extroversion**
- **4. Improving Recognizability of the Local Products**
- **5. Development of Human Resource**
- **6. Support to Young Entrepreneurs**
- **7. Financing Opportunities**

The interventions proposed on applying for each of the above topics:

1. New Technology – Innovation in Business

- Development of actions to raise awareness and inform businesses about opportunities from new technologies and innovation in traditional sectors of the area (agri-food sector, tourism), in order to create conditions for the diffusion of innovation and strengthening the related demand
- Presentations on successful examples (good practices) - demonstration projects of small businesses
- Continuous recording of business needs for new products, new technologies
- Cooperation with local research bodies and recording of the services they offer to connect them with local businesses - Relevant information of the businesses in order to launch personalized collaborations and targeted information on matters of interest based on the individual business profile

- Organizing thematic meetings (e.g. by product) of representatives of the business and research community, for new products, new technologies, modern processing techniques etc.

2. "Green" Practices in Business

- Cooperation with scientific bodies, with the Regional or other Authorities, in order to timely recognize opportunities at the level of technology and markets, as well as to plan strategies and actions for the area, e.g. "green" practices in the agri-food sector
- Organizing awareness-raising and information actions for businesses on "green" practices"
- Presentation of successful examples on "green" practices - demonstration projects of small businesses on "green" practices

3. Strengthening the businesses extroversion

- Organization of workshops for presenting the e-market place platforms (developed by March project) so as for the local businesses to valorize the specific digital tool and use the market place as a vehicle to facilitating their promotion
- Organization of thematic (e.g. by product) business missions to the neighboring country (Greek businessmen in Bulgaria and Bulgarian businessmen in Greece)

4. Improving Recognizability of the Local Products

- Preparing proposals for the promotion of the local products of the area and cooperation with relevant bodies (e.g. Regional Authorities) for financing the proposals or for undertaking the promotion themselves
- Organization of events highlighting local products in each country as well as events highlighting Greek products in Bulgaria and vice versa Bulgarian products in Greece

5. Human Resource Development

- Organization of workshops on presenting the e-labor market platform which will facilitate the local businesses in recruiting staff

- Continuous monitoring of the e-labor market platform regarding the professions that are mainly requested by businesses and for which they do not find response
- Organizing training seminars in specializations that are mainly demanded by the businesses and for which they do not find a response
- Cooperation with Universities to establishing connections with the local labor market

6. Support to Young Entrepreneurs

- Organizing special days for young entrepreneurs (with the participation of executives, e.g. business Incubator)
- Presentations of good practices of young entrepreneurs
- Workshops with a small number of young entrepreneurs in order to provide the possibility of more personalized consulting

7. Financing Opportunities

- Informing businesses about national and European financing programs and other funding tools
- Creation of a register of External Experts - Business Consultants to support businesses in taking advantage of the actions of the new NSRF, the new programming period etc.
- Cooperation with competent bodies (e.g. Regional Authority) for the preparation of financing programs adapted to the needs of the small businesses.

9 Measuring Achievements

Measuring the achievements is important. It is a process that should be present throughout the development and implementation of an approach, informing and influencing it as it develops. It is a process that needs performance indicators which should be an indication of the success of the approach carried out.

There are often clear outcome indicators used, relating to the extent of the take-up of the services offered, the extent of the dissemination achieved or the actual use of the knowledge developed or expertise gained by the intended beneficiaries.

Indicators should be simple, precise, objective, direct, adequate and quantifiable. But also indicators for the quality of the project work are also important.

Any indicator set should include some coverage of immediate outputs expected from the measures or activities under consideration. These short-term outputs can often be seen as indicators at least of the potential for subsequent results and longer term outcomes. On other occasions they can serve as early warnings of potential problems in achieving the objectives of the approach.

A set of indicators has been selected on Measuring Achievements of the BuSSes operation and is presented below by topic:

1. New Technology – Innovation in Business

Output

- No. of informational local events organised on new technologies and innovation
- No. of good practices presented
- No. of SMEs participating in the events
- No. of business contacts for recording their needs for new products, new technologies
- No. of expressions of interest of business for new products, new technologies
- No. of thematic meetings (e.g. by product) of representatives of the business and research community, for new products, new technologies
- Attendance at thematic workshops

Result

- Number of SMEs having benefited through active involvement in the testing of the new concepts and the impact on their innovation performance
- Number of new methods and tools proposed and used by the enterprises

2. "Green" Practices in Business

Output

- No. of informational events on "green" practices" organised
- No of good "green" practices presented
- Attendance at informational events
- No of discussions with Competent Bodies on plan strategies and actions for the area on "green" practices

Result

- Number of SMEs having benefited through active involvement in "green" practices
- Number of strategic actions prepared

3. Strengthening the businesses extroversion

Output

- No. of company missions co-organised
- No. of SMEs participating in company missions
- No. of expressions of interest on cooperation proposals

Result

- Number of enterprises participating in the e-market place platform (prepared by March project)
- Usage of platforms (number of users, hits and downloads)

4. Improving Recognizability of the Local Products

Output

- No. of proposals for the promotion of the local products, discussed with the Competent Authorities
- No of events highlighting local products in each country
- No of events highlighting Greek products in Bulgaria
- No of events highlighting Bulgarian products in Greece

Result

- Number of proposals for the promotion of the local products that have been financed and implemented
- Number of partnerships between Greek and Bulgarian SMEs

5. Human Resource Development

Output

- No of workshops on presenting the e-labor market platform
- No of participating SMEs
- No of training seminars in professions that are mainly requested by businesses and for which they do not find a response
- No of participants in the training seminars

Results

- Number of SMEs having benefited by finding adequate professions as they needed
- Number of enterprises participating in the e-labor market platform
- Usage of platforms (number of users, hits and downloads)

6. Support to Young Entrepreneurs

Output

- No of special days for young entrepreneurs

- No of participants
- No of executives, e.g. business Incubator, with presentations
- No of good practices presented
- No of workshops with a few young entrepreneurs

Result

- Number of young entrepreneurs receiving support services

7. Financing Opportunities

Outputs

- No of events on informing businesses about national and European financing programs & other funding tools
- No of participants
- No of External Experts Business Consultants at the Register
- No of contacts with competent bodies (e.g. Region) for the preparation of financing programs adapted to the needs of small businesses

Results

- No. of SMEs receiving advisory services by the Experts Business Consultants of the Register
- Number of small businesses receiving new financing
- Number of start-ups receiving new financing.