

MENTORING NEWS



FEDERALNO MINISTARSTVO RAZVOJA,
PODUZETNIŠTVA I OBRTA



Strengthening and Expanding the Mentoring Service for
Small and Medium Enterprises in the Western Balkan Countries



Classroom Training for the standardized mentoring service

What is mentoring?

- * Mentoring is timely, continuous, wide-ranging non-financial support developed and standardized during long time cooperation between Serbian Agency and JICA.
- * Since 2013, the SME Mentoring Service has been introduced to BiH and Montenegro. From 2017, it has been offered in North Macedonia. As of 2023, the SME Mentoring Service is available in these four Western Balkan countries.
- * It is a professional service, with an emphasis on growth potential and with the aim to help, micro and SMEs.
- * Mentoring represents the process of joint work of certified mentors and entrepreneurs on analyses of current position and definition of further activities for future growth.
- * Comprehensive support of 25 – 50 free of charge hours through an individual approach at the company.

Who are the mentors?

- * The service is provided by the mentors, certified for successfully completed theoretical and practical standardized mentoring trainings.
- * Mentors have valuable experience in supporting SME sector gained through the years of professional work.



Developing Agency of Serbia and Japan International Cooperation Agency (JICA) conducted a Workshop on General guidance for Classroom Training (CRT) in Belgrade Hotel IN on June 6th 2023. Representatives of 17 RDA (regional development agencies) – CRT trainers and On the Job Training Instructors, had the opportunity to learn about new and upgraded processes and proce-

dures concerning CRT for new mentors as well as CRT for new trainers. General Guidance for CRT, developed in Serbia, will be explained and transferred to all partner countries under Project “Strengthening and expanding the Mentoring Service to SMEs in the Western Balkan Countries (Serbia, Montenegro, North Macedonia, Bosnia and Herzegovina”.



Mrs. Ana Žegarac

- It is of great importance to advance the capacities of our mentors and trainers. Since it is necessary for us to make more trainers in Serbia, besides already fifteen current trainers for seven modules, it is meaningful progress, because we are expanding our capacities. In addition, it is important for us because of this regional aspect where we will be obligated to convey Serbian knowledge and experience, which has been generated for sixteen years with a JICA to all our regional partners. This means that our trainers of trainers will actually train in Bosnia and Herzegovina, North Macedonia, and Montenegro, where the colleagues will become trainers for new mentors - Mrs. Ana Žegarac, RAS expert for standardised Mentoring Service Design said.

- We want to share 17 years of Mentoring program experience in Serbia with the other Western Balkans region countries.

So far, especially for last and this year is that we are dispatching our official counterpart of Serbia to Western Balkans countries for a system design, to establish the system in each region country there - Mr. Shinichiro Kato JICA expert said. He added that, at the same time, pool of qualified trainers and mentors in Serbia exists. So it is opportunity to dispatch those qualified mentors and trainers to the region. Mr. Kato underlined that at this point is priority to have clear standardized mentoring processes and clear guidelines and documentation for further implementation of program.

He added that program is „on track“, and he hopes that within this project goals will be achieved to create a system of mentoring in each country.

- At a same time, we want to develop this mentoring services as a regional brand. So hopefully this will contribute for the Western Balkans region, especially to developing the SMEs – explained Mr. Kato.



Mr. Shinichiro Kato

FESTA d.o.o. Tešanj: Strengthening Entrepreneurship in the FBiH through Mentoring

All companies, regardless of size, developmental stage, and success, face challenges and require support for further growth and achieving business goals. Thanks to a collaborative project between the Japan International Cooperation Agency (JICA) and the Federal Ministry of Development, Entrepreneurship, and Crafts, which provided mentoring services to small and medium-sized enterprises, a significant advancement has been made in the Bosnian-Herzegovinian business environment.

The need for modernization and the excellent prior collaboration with the Tešanj Development Agency (TRA) led to the involvement of FESTA d.o.o. in the mentoring project. The results are remarkable, as confirmed by Vahid Festa, co-owner and director of this family company with a tradition spanning nearly a century.

"At the recommendation of the Tešanj Development Agency, we joined a mentoring program and were assigned a mentor who conducted a thorough analysis of our operations. The initial result of the mentoring process was the identification of the need to adopt ISO quality standards and enhance the organization of our



Introduced ISO standards, increased turnover, and reduced costs – outcomes of the mentoring project

business processes. We mapped out several areas in which we could make significant progress and gradually initiated organizational changes and process optimization," explained Festa. The introduction of ISO standards facilitated market presence, and the early adoption of the "5S" methodology for workshop and warehouse organization resulted in changes, eased operations, and significantly improved processes within these two crucial areas. The director also attested to improved financial results and reduced costs.

"Mentoring represents support for small and medium-sized

enterprises as defined by the Japan International Cooperation Agency. Within this structured expert support, companies are provided the opportunity to assess their current status and business operations, create growth plans, and define strategies for achieving that growth in the upcoming period," said Maid Suljaković, a certified mentor from the Tešanj Development Agency.

Small and medium-sized enterprises in Bosnia and Herzegovina are highly adaptable and are offered the chance to enhance their businesses through mentoring services. Mentoring

is a specific offering for our labor market because it doesn't address problems external to the company; rather, it collaboratively engages with owners or specific managers within the company to resolve specific issues or define the subsequent actions for addressing those problems.

"Our case illustrates the power of the mentoring process in assisting companies in achieving their goals. This project has not only connected mentors and entrepreneurs but has also fostered a community of collaboration and support," concludes Director Festa. Mentoring represents a standardized set of non-financial services for small and medium-sized enterprises, delivered through development agencies that have their own expert, certified mentors. Mentors are trained in both practical and theoretical aspects of providing mentoring services, with the support of tools and expertise from experts in Japan in areas such as financial and production management, marketing, business plan writing, business communication, and human resources development.

Sead Džiho, Assistant Minister: The benefits of this project are manifold.



"The Federation of BiH recognizes the significance of small and medium-sized enterprises as the foundation of economic sustainability. The benefits of this project are manifold. All companies that have received mentoring support thus far have spoken favorably about this form of assistance, particularly in terms of the achieved results. We hope that in the upcoming period, more small and medium-sized enterprises will recognize the importance of this service and strengthen the mentoring system in the Federation of BiH," emphasizes Sead Džiho, Assistant Minister in the Entrepreneurship Sector of the Federal Ministry of Development, Entrepreneurship, and Crafts.

Mentoring support contributes to an increase in profitability and liquidity

The representatives of micro, small and medium-sized enterprises ought to be aware which departments of their business could be improved and to use mentoring support, which is free, as a help in increase in profitability and liquidity of their enterprise. Mentor Ivana Tomašević clarified that the representatives of micro, small and medium-sized enterprises encounter different challenges, mostly coming with the desire for marketing and sales support.



have development plans and programs, they are unable to obtain favorable financial resources and they look for our support to help them access various funds. At the moment, all companies are facing the challenge of digitization," said Tomašević.

The user of mentoring support, the director of the Bar Oil Mill, Marija Markoč, said have identified the positive and negative sides of the company's management in the work with the mentor, as well as what are the advantages and disadvantages of the sector of olive growing and olive oil production in Montenegro



Bar Oil Mill: Identified positive and negative sides of management

"Aside from that challenge, there is often a lack of funding. When they

"This is a story that will not end with this mentoring program. When we started working, we had one plan, and then we saw how many other doors and possibilities open up in our work", Markoč said.



Enterprises to use mentoring to a greater extent in order to improve their business



Mentoring support for micro, small and medium-sized enterprises (MSME) as a free form of non-financial support provided by the Ministry of Economic Development and Tourism through programs of support to the economy is important for the improvement of their business and they should use it to the greatest extent possible", the head of the Directorate for Strengthening Entrepreneurship and Cooperation with the business community in that department, Anđela Gajević announced.

"We have witnessed that representatives of the MSME sector are most interested in the financial aspect

support. If we want Montenegrin enterprises to be more competitive and innovative on the domestic and international market, a package of non-financial and financial support is offered by the Ministry of Economic Development and Tourism", Gajević stated.

The executive director of Expeditio architects, Biljana Gligorić, considers the mentoring support, to be significant, because it gives enterprises' representatives the feeling that they are not alone on the development path.

"Anyone who has set out to develop

a company knows how many challenges there are, because you have to solve problems from different areas. Mentoring support helps you to deliver easily make decisions, because the mentor has knowledge that is neutral, and you often think that you have some knowledge, and you actually don't have," Gligorić said.

Certified mentor, Filip Mihailović, said that Expeditio architects is the fourth enterprise that he mentors and that it

was particularly interesting to him because in his work he did not meet with a an enterprise that provides services in the field of architecture.

"My role as a mentor is to establish good communication through working with users, and after that, let's jointly make diagnoses, do certain economic analyses, and come up with a joint action plan that they can apply in their future business", Mihailović said.



Mrs. Anđela Gajević



MTK OMORIKA: Mentoring as development support

Mr. Žarko Mitrović, MTK Omorika: "If it weren't for mentoring, we certainly wouldn't have embarked on expansion."

Over the course of 25 years in business, the company MTK OMORIKA d.o.o. has been focused on primary wood processing. Thanks to the mentoring program developed by the Development Agency of the Republika Srpska, with the support and collaboration of the Japan International Cooperation Agency (JICA), the business has expanded and the team has grown in the past two years.

Slavica Ašonja, the head of the Department for Development Management, Economy, Finance, and Social Activities in the municipality of Han Pijesak, one of the mentors trained within this project, initiated collaboration, invited the founder and director of the company Žarko Mirović, which was the first step towards the application.

The climatic conditions in the eastern region of the Republika Srpska significantly influence economic activities and largely dictate what entrepreneurs can engage in. This is why a major part of the economic structure of the municipality of Han

Pijesak is forestry and primary wood processing, as anything involving new stages requires significant infrastructure investment and considerably higher production costs. These factors demotivate entrepreneurs from venturing into expansion processes. "The location of my company is in Han Pijesak, which means

To be honest, I thought that we wouldn't be competitive if we embarked on expanding our operations. However, after long and detailed discussions and analysis with my mentor, we decided to move towards a new phase of wood processing. As a result of this effort, a new product was developed, which also meant

Through strategic planning and the identification of development potentials, the mentor, together with the director, worked on devising a strategy that would enable them to move beyond primary production.

Dedicated work during the mentoring process led to the opportunity to apply for the "Challenge to Change" program, as well as for the public call by the Ministry of Economy and Entrepreneurship of the Government of the Republika Srpska, with the help of collected data and prepared development strategy. Both applications were successful, securing funds for necessary mechanization and the opportunity to implement the strategic plan.

"If it weren't for mentoring, which enabled us to see the complete picture with our mentor - the obstacles and opportunities for diversification while maintaining competitiveness - we certainly wouldn't have embarked on expansion. We, entrepreneurs, especially in small and medium enterprises, often perform multiple roles and don't have much time to consider the bigger picture and gather data. Introducing even the smallest change seems like a huge burden and a significant risk to us. The opportunity for the company to be examined externally, realistically, and professionally with a mentor is a significant relief and more than just support," said Mirović.

The example of MTK OMORIKA d.o.o. is one of the excellent instances of how the mentoring process can provide the expertise needed to recognize potential and empower individuals within the company, encouraging them to take steps towards improvement and expansion.

Slavica Ašonja: Project required adaptability and resilience during pandemic situation

"The mentoring training project followed by a collaboration with MTK Omorika required adaptability and resilience since everything started during the time of the pandemic. However, optimism and a desire to learn won. During the mentor training phase, and after acquiring the knowledge, it was important for me to motivate people from my environment, offer them mentoring services, and transfer the skills and knowledge I had acquired to their companies. That's how I reached out to Mr. Mirović, who recognized this opportunity and had confidence in the process," says mentor Slavica Ašonja.

that we are far from developed infrastructure. Every step towards change results in increased production costs, particularly due to significant energy requirements for the subsequent production phases.

hiring additional staff, mostly women, enriching our team. It became clear that this move was a great success as it brought positive changes to our business," emphasizes Mirović.



Koloid: Fast growing success in cosmetics market niche

Representatives of RAREI (regional development agency founded by City of Belgrade, Belgrade Chamber of Commerce and Institute of Economic Sciences), Serbian Development Agency and Japan International Cooperation Agency (JICA) visited company Koloid from Belgrade on July 7th 2023.

The main activity of that high-tech company is the production of colloidal silver and zeolite clinoptilolite, as well as their integration into prod-

ucts for health and beauty preservation. Koloid is company which participate in SME Mentoring service and for the very short time becomes

one of the fastest growing companies in market niche with great potential. Representatives of Koloid provided by mentors from RAREI guests about impact of mentoring and implementing of KAIZEN (Japanese method for the quality and productivity improvement) on business performances.





Goce Robev from Enjoy Balkans: After the first meeting with our mentor, several ideas for new products were developed

Work enrichment, benefits from foreign experiences, comparison of current and future trends in the field in which the company operates are only a small part of the benefits of mentoring services highlighted by users. The opportunity for an external expert to scan the daily processes in a company and to advise in which directions the company can act in order to improve

performance is invaluable, says Goce Robev, "Enjoy Balkans" company manager.

He points out that, although he did not expect much from the mentoring services at the beginning, he was surprised by the positive impact that was achieved after the first meeting.

The benefits of mentoring services is

a long-term process, so he adds: The results will not come overnight, we have started a process for new unique product development, a new experience for foreign tourists in Macedonia.

A detailing program process follows, further presentation and promotion to the English market, FAM tours for operators, etc.

Read the entire interview with Goce Robev [here](#)



Mr. Goce Robev, Enjoy Balkans



Presentation of new guideline for OJTI

Workshop „General guidance – OJT Instructor (OJTI) Training“ was organized in Belgrade on March 17th 2023. as a part of project „Strengthening and Expanding the Mentoring Service for Small and Medium Enterprises in the Western Balkan Countries“.

Workshop was focused on presentation of updated processes, procedures and training of trainers for On-the-job-training and it was organized by Development agency of Serbia: Ana Žegarac and Srđan Beljan (RAS experts for standardized Mentoring Service Design) – RAS and Mr. Yuki Tanno (Japanese expert) – Japan International Cooperation Agency (JICA). On-the-job training is a structured and practical learning approach in which a more experienced mentor, guides and supports a new certified mentor, in professional development. This form of training is conducted within the actual work environment, allowing the mentor to acquire essential skills, knowledge, and competencies while performing activities of standardized mentoring process in the beneficiary company. The benefits of OJT with mentoring services are numerous. For the new mentors, it offers an opportunity to learn in a practical and relevant context, accelerates their professional growth, and fosters a sense of belonging and engagement within the organization.

For the experienced mentors – OJT Instructors, it provides a chance to share their expertise, contribute to the development of future talent, and enhance their leadership and communication skills.



KIREVSKA: To increase sales and conquer new markets with mentoring



Mrs. Svetlana Kirevska

Analysis of the companies and the environment in which they work, in order to make quality decisions that will increase the efficiency of operations, are a key part of the mentoring procedures of the Foundation for the Support and Development of Small and Medium Enterprises. We work in an environment in which entrepreneurs are constantly looking for some kind of support, mostly financial, while their dominant opinion is that there is no business environment that supports them in their work, says Svetlana Kirevska.

According to her, it is the greatest challenge of every mentor and she adds: In cooperation with the mentor, future development activities, plans or projects are going to be defined to achieve the set goals, and the mentor is going offer different types of help for their implementation.

That help and support is, first of all, in the form of advice on accessing different types of financial and non-financial assistance, which can be provided by national SME support programs, from existing credit lines offered by banks and/or from the international community projects funds.

Read the entire interview with Svetlana Kirevska [here](#)