

Republic of Serbia : Ministry of Economy (MOE), Development Agency of Serbia (RAS)
Bosnia and Herzegovina : Ministry of Foreign Trade and Economic Relations (MOFTER),
Sarajevo Economic Region Development Agency (SERDA)
Montenegro : Directorate for Development of Small and Medium-sized Enterprises (DDSME)

Serbia, Bosnia and Herzegovina, Montenegro

**The Project on Establishment and
Promotion of Mentoring Service**

**The Project on Establishment and
Promotion of Mentoring Service for
Small and Medium Enterprises
in the Western Balkans**

Project Completion Report

May 2016

Japan International Cooperation Agency (JICA)

**Nomura Research Institute Co. Ltd.
Kijiku Consulting k.k.**

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Abbreviation

Abbreviation	English
BC	Business Center
BiH	Bosnia and Herzegovina
DDSME	Directorate for Development of Small and Medium-sized Enterprises
EBRD	European Bank for Reconstruction and Development
FBiH	Federation of Bosnia and Herzegovina
FTCBH	The Foreign Trade Chamber of Bosnia and Herzegovina
GIZ	German Agency for International Cooperation
IBRD	International Bank for Reconstruction and Development
JICA	Japan International Cooperation Agency
JTI	Japan Tobacco International
MOFTER	Ministry of Foreign Trade and Economic Relations
NARD	National Agency for Regional Development
OCM	Overall Coordinating Meeting
OECD	Organization for Economic Co-operation and Development
PDCA	Plan Do Check Action
RAS	Regional Agency of Serbia
RBC	Regional Business Center
RDA	Regional Development Agency
REDAH	Regional Development Agency for Herzegovina
RS	Republika Srpska
SERDA	Sarajevo Economic Region Development Agency
SME	Small and Medium Enterprise
SOTC	Special OJT through Professional Consultant
TL	Team Leader
UNDP	United Nations Development Program
USAID	United States Agency for International Development

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1 Outline of the project

1-1 Background

1-1-1 Background of the three countries on implementing the mentoring system

In Western Balkan region, SMEs contribute to the national economy and the work issue and also put significant influence on the local economy such as developing market economy and improving the jobless rates. However, these local SMEs have faced a lot of challenges such as few financing measures, difficulties of accessing support programs provided by the government, unclear tax systems and lack of management know-how which are necessary to keep their competitiveness up. The governments have looked for effective solutions in order to solve these problems, but they have faced many difficulties in the implementation stage of the solutions, because the institutions, which are expected to provide support to SMEs, could not have sufficient capability and capacity (budget, human resources, necessary skills and so on).

1-1-2 Summary of the project's history



Fig. The map of Western Balkan countries.

JICA and NARD launched Mentoring Service Project in 2008 in order to challenge the issues mentioned above, lasting until 2011, and it ended as a successful achievement. With that achievement, the Government of Serbia asked the Government of Japan to provide further support in order to enhance Mentoring service system. At the same time, Bosnia and Herzegovina and Montenegro also asked the Government of Japan to provide technical support in order to establish their own system of Mentoring service, inspired by the success of Serbia. As an answer to the requests coming from BiH and MNE, the Government of Serbia promised to provide the knowledge on mentoring service and

human resources who were trained in the previous project, in order to support BiH and MNE. Also, the Government of Serbia promised to shoulder the expenses to improve its own system. With the requests for technical support from the three countries, JICA dispatched a special team in order to draw a practical plan of the project from September to November 2012 and, through many discussions with the counterparts, the three countries and JICA agreed on the final plan of this project.

1-1-3 Scope of the project

The scope of the project in Serbia is to improve the mentoring system and provide mentoring service in entire Serbia. On the other hand, the scope of the project in BiH and MNE is to improve the capability of SME support institutions and promote the development of local SMEs by introducing the Mentoring service.

1-2 Objectives and Expected Output

1-2-1 Overall goal and Project purpose

(1) Regions targeted for implementation

Serbia (entire country), the Sarajevo Macro Region (SMR) in Bosnia and Herzegovina, and Montenegro (Podgorica, Municipality, Bar Municipality, Cetinje Municipality and others).

(2) Overall goal

The mentoring service for small and medium-sized enterprises (SMEs) is maintained and expanded in Western Balkan region (Serbia, Bosnia and Herzegovina (BiH), and Montenegro), and SMEs in the region continue to survive and develop.

Objectively verifiable indicators:

1. Serbia: Mentoring services are continuously available in the once targeted area.
BiH and MNE: Mentoring services are continuously available in the once targeted area and beyond the targeted area.
2. Serbia: Number of SMEs receiving the mentoring services has increased by 100% compared to 2013 achievement.
BiH: Number of SMEs receiving the mentoring services has increased by 200% compared to 2015 achievement.
MNE: Number of SMEs receiving the mentoring services has increased by 100% compared to 2015 achievement.
3. Serbia: More than 75 % of SMEs which received the mentoring services evaluate that their business has been improved through the services.
BiH: More than 80 % of SMEs which received the mentoring services evaluate that their business has been improved through the services.
MNE: More than 70 % of SMEs which received the mentoring services evaluate that their business has been improved through the services.

(3) Project purpose

With the establishment of the mentoring system and its implementation, target SME support organizations improve their SME support capacities.

Objectively verifiable indicators:

1. Serbia: Compared to the starting year of the Project, more than 75% of the mentors improved mentoring ability by implementing mentoring system.
BiH: Compared to the starting year of the Project, more than 75% of the mentors improved mentoring ability by implementing mentoring system.

MNE: Compared to the starting year of the Project, more than 75% of the mentors improved mentoring ability by implementing mentoring system.

2. JICA Evaluation Team evaluates that the target SME support organizations are capable of modifying the mentoring system strategy/plan, mentoring implementation guideline, training curriculum and evaluation method for mentors by organizations themselves.

(4) Expected output, verifiable indicators and planned activities

The four outputs, their verifiable indicators and activities are shown as follows.

Output	Indicator	Activities
Serbia Output 1 According to the of SMEs in Serbia, system is improved.	<p>1.1 Improved mentoring system mentoring implementation guideline, training curriculum and evaluation for mentors are developed.</p> <p>1.2 Revised version of qualification system mentor is developed.</p>	<p>1-1 To organize a support team for BiH and Montenegro (NARD, Mentor trainers, JICA,</p> <p>1-2 To conduct studies of SMEs and SME support institutions on their situation and capacity (including other donor support programs) in Serbia</p> <p>1-3 To identify and analyze the problems and to study the good practices of Serbia's current mentor system</p> <p>1-4 To sort out the related activities of SME mentoring in Serbia, such as support from EU and other organizations, and tools for SME development</p> <p>1-5 To organize seminar/workshop for designing mentor system for BiH and Montenegro</p> <p>1-6 To assist the development and the revision of the strategy/plan for mentor service, implementation guideline for mentoring, and the training curriculum for the mentors Bosnia and Herzegovina, Montenegro</p> <p>1-7 To revise Serbia's strategy/plan for the mentor system in Serbia</p> <p>1-8 To revise the implementation guideline for the mentoring in Serbia</p> <p>1-9 To revise the training curriculum and textbooks for training mentors in Serbia, and to develop the textbooks for the new mentoring area</p> <p>1-10 To develop revised qualification system for mentors in Serbia</p>
BiH/Montenegro Output 1 According to the needs and situation of SME in BiH and Montenegro, mentor system is developed and	<p>1.1 Mentor system strategy/plan, mentoring implementation guideline, training curriculum and evaluation method for mentors are developed and revised.</p>	<p>1-1 To conduct studies of SMEs and SME support institutions on their situation and capacity (including other donor support programs) in BiH and Montenegro.</p> <p>1-2 To participate in the seminar/workshop organized in Serbia.</p> <p>1-3 To develop and modify strategy/plan for mentoring service through discussions with stakeholders.</p> <p>1-4 To develop and revise the implementation guideline for mentoring.</p> <p>1-5 To develop and revise the training curriculum for mentors.</p> <p>1-6 To develop textbooks.</p> <p>1-7 To consider the qualification system for mentors</p>
Serbia/BiH/Montenegro Output 2 Mentors who provide solutions for SMEs and mentor trainers are produced in Serbia, BiH and Montenegro.	<p>2.1 More than xx persons are newly trained acquire the ability of conducting services. Serbia:50, BiH:12, MNE:8</p> <p>2.2 More than xx are newly trained to be mentor trainers. Serbia:10, BiH:10, MNE:5</p> <p>2.3 More than xx % of mentor trainers are evaluated by the management/trainees that their ability is high enough to train mentors. Serbia:80, BiH:80, MNE:70%</p>	<p>Serbia</p> <p>2-1 To conduct the lectures for training mentors in Serbia</p> <p>2-2 To conduct OJT of mentoring through practicing the mentoring services in Serbia</p> <p>2-3 To cooperate conducting lectures for Montenegro and BiH</p> <p>2-4 To select the candidate of mentor trainers from the trained mentors in Serbia</p> <p>2-5 To conduct the trainings for mentor trainers in Serbia</p> <p>BiH/Montenegro</p> <p>2-1 To participate in the lectures for training mentors by the project team and NARD</p> <p>2-2 To conduct OJT of mentoring through practicing the mentoring services.</p> <p>2-3 To select the candidate of mentor trainers from the trained mentors .</p> <p>2-4 To conduct the trainings for mentor trainers.</p>
Serbia/BiH/Montenegro Output 3 The mentoring service is practiced in Serbia, BiH and Montenegro.	<p>3.1 More than xx SMEs received the mentor services. Serbia:550, BiH:30, MNE:30</p>	<p>3-1 To select the SMEs which receives OJT of mentoring.</p> <p>3-2 To practice the mentoring service based on output 1.</p> <p>3-3 To conduct evaluation of mentoring services from companies which received the service.</p>
Serbia/BiH/Montenegro Output 4 Information and knowledge for strengthening mentor service is accumulated shared among mentors, implementation bodies SMEs.	<p>4.1 Meetings for sharing experience among the 3 countries are held at least once a year.</p> <p>4.2 More than 80 % of mentored cases are stored in the data base. All mentor meeting is held at least once a year.</p> <p>4.3 Stored mentored cases can be accessed mentors and implementing bodies.</p> <p>4.4 Good practices of mentoring cases are introduced to SMEs through seminars or lectures.</p>	<p>4-1 To share the experience and evaluation of Mentoring services of each country.</p> <p>4-2 To establish the database of mentoring services.</p> <p>4-3 To facilitate mentors and mentor trainers to utilize the database</p> <p>4-4 To collect good practices of mentoring services in Serbia, BiH and Montenegro</p>

Table: The requisites of the Project (Output, verifiable indicators and activities)

1-3 Schedule of the project

The flow of the main activities of the project is shown as follows.

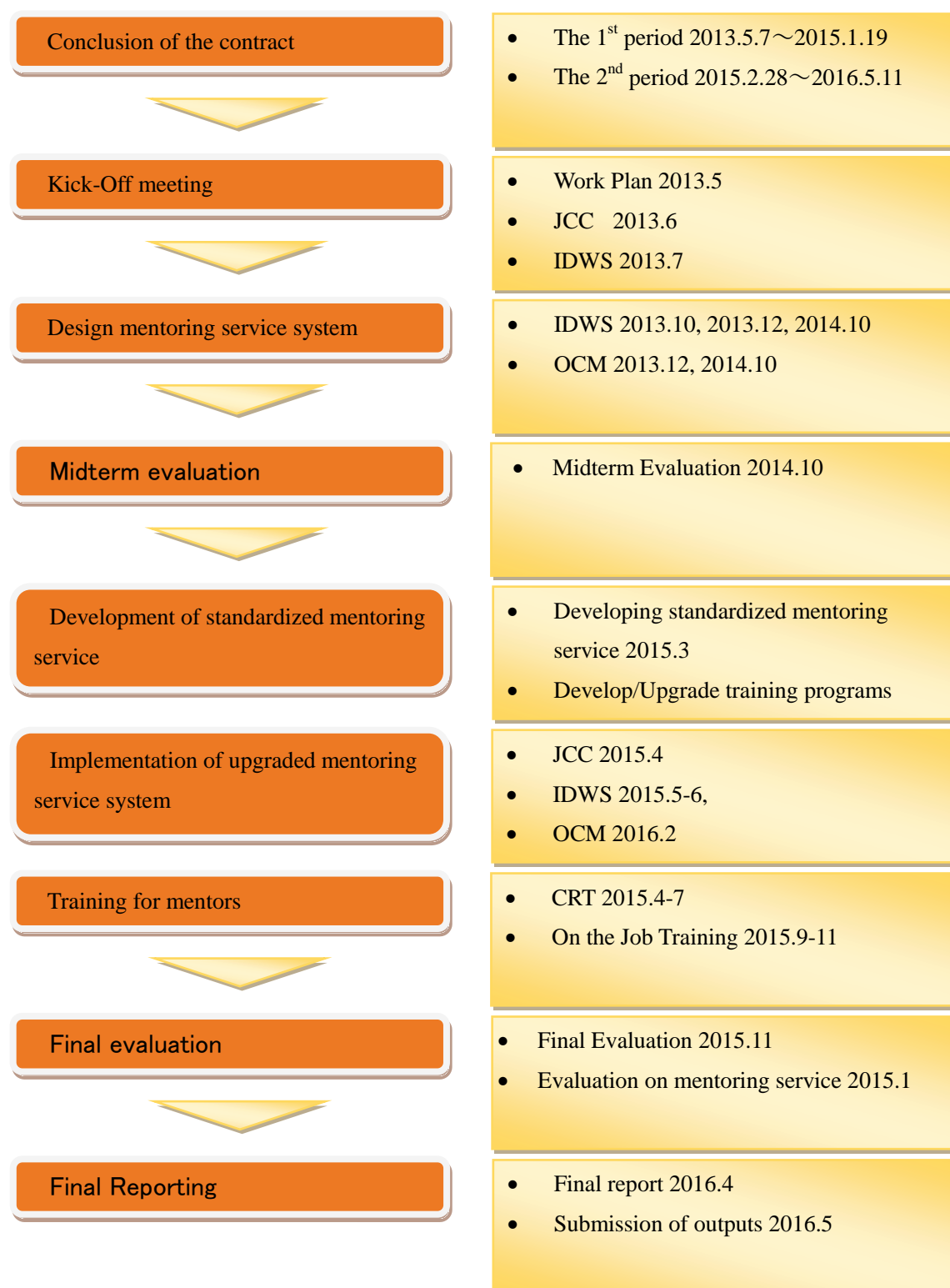


Fig. The flow of activities on the project

1-4 Achievement of Methodology Transfer

During the project, JICA Consultant transferred the following methodologies regarding mentoring service in three countries.

1-4-1 Implementation guideline of mentoring service customized corresponding to the status of SMEs in each country.

JICA Consultant developed “Implementation manual” and “Operation manual,” clearly defining the key concepts such as “What is mentor?” and “What is mentoring”, which are necessary for developing consistent mentoring system as a whole. On the other hand, JICA Consultant developed two guidelines: “Mentoring guideline for Start-Ups” and “Mentoring guideline for Mature SMEs”, clearly defining the standardized mentoring process, and also developed “Mentoring guideline for overall understanding“, which contains the key definitions of key concepts on mentoring service that all mentors should understand well and also instructions of necessary procedures which mentors have to know in order to manage the mentoring service.

Table: Summary of the manuals and guidelines (Scope, main user, summary, others)

Name	Scope	Main user	Summary	Others
Implementation Manual Appendix 2: C-1 Equivalent to Implementation guideline as indicated in contract	Clearly state the fundamental policy of mentoring system	Administrators of mentoring service	The key definitions of key concepts on mentoring system. Summary of training system, qualification system and other activities.	This document is the constitution of whole mentoring system. Each country developed its own manual.
Operation Manual Appendix 2: C-4	Facilitate planned activities		Instruction of necessary preparations of planned activities on mentoring service and key points to be considered.	As three countries have same operation manual, they can share many documents and procedures such as application form and application process.
Mentoring Guideline for Mature SMEs Appendix 2: B-1	Standardize mentoring service	Mentors	Instruction of the standardized mentoring service for Mature SMEs.	With the standardized mentoring process
Mentoring Guideline for Start-Ups Appendix 2: B-3			Instruction of the standardized mentoring service for Start-Ups.	With the standardized mentoring process
Mentoring Guideline for Overall Understanding Appendix 2: B-2			Contains the definitions of key concepts which mentors should know and necessary procedures of providing mentoring service.	Necessary forms and procedures on administration are included.

JICA Consultant developed these guidelines by country and each C/P has the printed version of them. In this project completion report, the English version of Serbia and each country's version are attached as appendix 2.

As for updating the guidelines, it is required to update Implementation manual and Operation manual when the system or operational procedures have changes. On the other hand, the guidelines are expected to be updated once in several years corresponding to the status at that time.

The training and tools indicated in these guidelines are as follows:

Table: Structure of Mentor Training

Title	Objectives	For	Overview	Materials
Classroom training (CRT)	Initial training for new mentors	New mentor candidates	Following 7 subjects 1 Overall Understanding for Mentoring/ Mentoring for Mature SMEs 2 Mentoring for Start-Ups 3 Marketing 4 Financial Management and Business Plan 5 Production Management 6 Human Resource Management 7 Communication Skills	There are materials for each subject within the mentoring guidelines Appendix 2: B
On-the-Job Training (OJT)	Training applied for mentors	Mentors	OJTTs join mentors to SMEs to train mentors on mentoring in the field.	None
Special Training for CRT Trainer (ST for CRTT)	To learn classroom training skill	CRT Trainer candidates	To learn trainer skills for classroom training.	Material for CRTT Appendix 2: A-5
Special training for OJT Trainer (ST for OJTT)	To learn skill for OJT	OJT Trainer candidates	To learn trainer skills for On-the-Job Training.	Material for OJTT Appendix 2: A-7:

There are 2 versions of “Standardized Mentoring Process” prescribed in this guideline for matures and start-ups. The structures are as following pages, where there are “Steps in the process”, “Aim of the step”, “Objectives”, “Tools and Method” and “Main activities”. The major differences of the 2 versions are the following 2 points.

- For Mature SMEs, 3 year financial statements shall be used for company diagnosis, while for Start-Ups business owner interviews values as financial statements are not readily available.
- For Start-Ups, company diagnosis is more on marketing point of view.

Table: Standardized Mentoring Process for Mature SMEs

Steps in the process	Time	Visit	Aim of the step	Tools and Methods	Main activities
Orientation					
1 Explanation of Mentoring service	1	1	<ul style="list-style-type: none">Get trust from the ownerBuild good relationship with the ownerMake sure what is mentoring	<ul style="list-style-type: none">Explanation of mentoring serviceMentoring Schedule	<ul style="list-style-type: none">Introduce yourself to the owner.Explain the aim and objectives of mentoring.Explain the mentoring process.
2 Collect fundamental information.	0.5		<ul style="list-style-type: none">Get information to understand the companyGet reliable information of the companyGet financial information	<ul style="list-style-type: none">Kick-off ReportBrochuresBS,PL, other figures	<ul style="list-style-type: none">Get fundamental information on the company.Get fundamental information about business environment of the company.Get general financial statements and other significant figures.
3 Interview to the owner	0.5		<ul style="list-style-type: none">Understand the owner's character, personality, wishes, the reason of starting the business.		<ul style="list-style-type: none">Ask the owner about the reason of choosing this business area.Ask the profile of the owner.Ask the owner about his vision, which he want to realize.
Collect Fundamental Information					
4 Study the company	1		<ul style="list-style-type: none">Understand the character of the businessUnderstand the character of the company	<ul style="list-style-type: none">Point "Company"Point "Customer"Point "Competitor"	<ul style="list-style-type: none">Read and understand the company's fundamental informationStudy the company's business and its business environment.
5 Financial analysis	2	2	<ul style="list-style-type: none">Get solid figures to study the businessUnderstand the financial status of the companyRecognize the changes of sales and profit.	<ul style="list-style-type: none">Financial analysis	<ul style="list-style-type: none">Conduct general financial analysis with BS and PL.Understand the company's status of debt.Study the result of sales and marketing of the last three years.
6 Interview to the key persons	4	3-4	<ul style="list-style-type: none">Collect opinions of the key personsIdentify main interests of the key personsIdentify main problems of the key persons	<ul style="list-style-type: none">Functional Points and check lists	<ul style="list-style-type: none">Give interview to the key persons and collect their opinions.Ask the key persons about their main interests in their business.Ask the key persons about their main problems in their business.
Analysis : Identifying The key to success an					
7 Goal setting	1	5	<ul style="list-style-type: none">Set clear objectives in three yearsLead the SME to focus on the objectives		<ul style="list-style-type: none">Define the mission and vision of the company.Set numerical objectives such as sales, productivity in three years.Add proper description to nonnumeric objectives.
8 Further analysis	4	5-7	<ul style="list-style-type: none">Study the characteristic points which seem to be significant in the business.Collect more detailed information.	<ul style="list-style-type: none">Functional Points and check lists	<ul style="list-style-type: none">Conduct appropriate analysis corresponding to the status of the SME.Collect necessary information in order to identify the key to success.
9 SWOT analysis	2	8	<ul style="list-style-type: none">Identify the SME's strength, weakness, opportunity, threat towards the objectives.	<ul style="list-style-type: none">Output of each analysisSWOT analysis	<ul style="list-style-type: none">Conduct SWOT analysis based on the objectives in three years time.
10 Identify the key to success	3	9-10	<ul style="list-style-type: none">Identify the key to success to solve the most significant problem.Lead the SME to focus on that point.	<ul style="list-style-type: none">Cross SWOT analysis	<ul style="list-style-type: none">Discuss the result of previous analyses and key to success with key persons.Identify the key to success in order to solve the problem and achieve the objective.
11 Find out the actions	1		<ul style="list-style-type: none">Identify concrete actions to get the key to success and achieve the objectives.	<ul style="list-style-type: none">KJ method	<ul style="list-style-type: none">Find out concrete actions required to get the key to success.Find out concrete actions in order to achieve the objectives.
12 Draw Diagnosis Report	4		<ul style="list-style-type: none">Identify the most important point within the SME's business and lead it to focus its management resources towards it.	<ul style="list-style-type: none">Diagnosis Report	<ul style="list-style-type: none">Write Diagnosis ReportClarify the SME's mission, vision, objectives, the most important problem, the key to success and the concrete action plan to achieve the goal.
13 Diagnosis reporting	2	11	<ul style="list-style-type: none">Help the SME understand the current status, actions to be taken.Encourage the SME to challenge the actions.	<ul style="list-style-type: none">Diagnosis Report	<ul style="list-style-type: none">Explain the result of company diagnosis.Encourage the SME to believe the action plan and challenge the activities within it.
Intervention on implementation					
14 Interventions	15	12-16	<ul style="list-style-type: none">Encourage the SME to challenge the plan.Provide comprehensive support in order for the SME to proceed to the action plan.	<ul style="list-style-type: none">Action Plan included in the Diagnosis Report	<ul style="list-style-type: none">Provide appropriate support to the SME corresponding to the status.
Final Report					
15 Summarize the mentoring	2	17	<ul style="list-style-type: none">Confirm the result of the mentoringPrepare for post-mentoring	<ul style="list-style-type: none">Wrap up Report	<ul style="list-style-type: none">Review the result and activities of mentoring.Advise the client upon what he/she has to do next and how to prepare for the next challenge.
16 Write Final Report	3		<ul style="list-style-type: none">Conclude the mentoring serviceReport to NARD	<ul style="list-style-type: none">Completion ReportEvaluation Report	<ul style="list-style-type: none">Write final report and submit it to NARD.
Total	46	17			

Table: Standardized Mentoring Process for Start-Ups

Steps in the process	Time	Visit	Aim of the step	Tools and Methods	Main activities
Orientation	Hours	No			
1 Explanation of Mentoring service	0.5	1	<ul style="list-style-type: none">Get trust from the ownerBuild good relationship with the ownerMake sure what is mentoring	<ul style="list-style-type: none">Explanation of mentoring serviceMentoring Schedule	<ul style="list-style-type: none">Introduce yourself to the owner.Explain the aim and objectives of mentoring.Explain the mentoring process.
2 Collect fundamental information.	0.5		<ul style="list-style-type: none">Get information to understand the companyGet reliable information of the companyGet financial information	<ul style="list-style-type: none">Kick-off ReportBrochuresBS,PL, other figures	<ul style="list-style-type: none">Get fundamental information on the company.Get fundamental information about business environment of the company.Get general financial statements and other significant figures.
3 Interview to the owner	2		<ul style="list-style-type: none">Understand the owner's character, personality, wishes, the outline of the business.	<ul style="list-style-type: none">Client Interview Sheet 1	<ul style="list-style-type: none">Ask the necessary information based on client interview sheet. (Business Domain, Products & Services, Customers, Channel [Distribution/Sales], Accounting)
Collect information					
4 Interview to identify main challenges	2	2	<ul style="list-style-type: none">Identify the points the owner is interested in.	<ul style="list-style-type: none">Client Interview Sheet 2	<ul style="list-style-type: none">Ask the necessary information based on client interview sheet. (Market Definition, Focusing on core targets, Making products different from others, Strengthening Sales, Plan Creation)
5 Collect facts	3	3	<ul style="list-style-type: none">Identify what are facts and what are assumptions among the owner's opinions collected in the previous interview.	<ul style="list-style-type: none">Genchi-Genbutsu	<ul style="list-style-type: none">Collect solid data in order to understand the real status of the business.
Analysis					
6 Reflect on the interview with the beneficiary	3	4	<ul style="list-style-type: none">Check all the information collected and identify the reliable data.Understand the meaning of the information.	<ul style="list-style-type: none">Reflection Sheet	<ul style="list-style-type: none">Evaluate each topic with the facts collected through discussion with the beneficiary. (10th-grade evaluation, from "Can be challenged" to "No problem")
7 Identify the most important challenges	2	-	<ul style="list-style-type: none">Identify the most important challenges.	<ul style="list-style-type: none">Reflection Sheet	<ul style="list-style-type: none">Draw a radar chart and identify the most important Key Challenges.
8 Agreement on the Key Challenges	2	5	<ul style="list-style-type: none">Make consensus with the owner to challenge them in following mentoring.	<ul style="list-style-type: none">Reflection Sheet	<ul style="list-style-type: none">Explain to the beneficiary your evaluation results towards each topic.Make an agreement with the owner on challenging them in the following mentoring.
Diagnosis Report					
9 Draw Diagnosis Report	3		<ul style="list-style-type: none">Identify the most important point within the SME's business and lead them to focus their management resources towards it.	<ul style="list-style-type: none">Diagnosis Report	<ul style="list-style-type: none">Write Diagnosis ReportClarify the SME's mission, vision, objectives, the most important problem, the key to success, concrete action plans to achieve the goal.
10 Diagnosis reporting	2	6	<ul style="list-style-type: none">Help the SME understand the current status, actions to be taken.Encourage the SME to challenge the actions.	<ul style="list-style-type: none">Diagnosis Report	<ul style="list-style-type: none">Explain the result of company diagnosis.Encourage the SME to believe in the actions planned and challenge them.
Intervention on Implementation - Increase : select 2 or 3 topics among 5 keys corresponding to the previous analysis. Each topic is supposed to take 7 hours and 3 visits.					
11 Market Definition Assumed Time ; 2-3 hours * 3 visits	21	7-16	<ul style="list-style-type: none">Find out the appropriate market which has much potential and chances for success.	<ul style="list-style-type: none">Positioning Map	<ul style="list-style-type: none">Explain how to identify the market to the owner.Support and discuss with the owner to draw the Positioning Map.
12 Focusing on core target Assumed Time ; 2-3 hours * 3 visits			<ul style="list-style-type: none">Identify the core target to which the owner has to draw improvement plan on marketing.	<ul style="list-style-type: none">PERSONA Marketing	<ul style="list-style-type: none">Explain how to identify the core target.Support and discuss with the owner to draw the Persona.
13 Making product different from others Assumed Time ; 2-3 hours * 3 visits			<ul style="list-style-type: none">Emphasize the uniqueness of the product/service.	<ul style="list-style-type: none">Value Curve	<ul style="list-style-type: none">Explain how to emphasize uniqueness.Support and discuss with the owner to draw Value Curve.
14 Strengthening Sales Assumed Time ; 2-3 hours * 3 visits			<ul style="list-style-type: none">Deliver the company's value more effectively to customers.	<ul style="list-style-type: none">FAB factors	<ul style="list-style-type: none">Explain how to deliver the value to clients.Support and discuss with the owner to consider FAB factors and find a way to approach customers.
15 Plan Creation Assumed Time ; 2-3 hours * 3 visits			<ul style="list-style-type: none">Strengthen client's planning skills in order to increase his learning and improving speed.	<ul style="list-style-type: none">Action Planning (KPI, 7W2H1G, PDCA)	<ul style="list-style-type: none">Explain how to create a concrete and feasible plan.Support and discuss with the owner to complete planning sheet.
Reviewing Results					
16 Summarize the mentoring	2	17	<ul style="list-style-type: none">Confirm the result of the mentoringPrepare for post-mentoring	<ul style="list-style-type: none">Wrap up Report	<ul style="list-style-type: none">Review the result and activities of mentoring.Advise the client upon what he/she has to do next and how to prepare for the next challenge.
17 Write Final Report	3	-	<ul style="list-style-type: none">Conclude the mentoring serviceReport to NARD	<ul style="list-style-type: none">Completion ReportEvaluation Report	<ul style="list-style-type: none">Write final report and submit it to NARD.
Total	46	17			

1-4-2 Mentors who are able to provide mentoring service based on the guidelines

JICA Consultant trained and certified 50 mentors in Serbia, 15 mentors in Montenegro and 15 mentors in Bosnia and Herzegovina (102 mentors total) , who have undergone the classroom training and On-the-Job training organized by JICA Consultant based on the Implementation Guideline. The mentor list of 3 countries is in Appendix 1-N.

1-4-3 Training materials and programs in order to train mentors.

JICA Consultant newly developed training programs and materials of “Human Resource Management” and “Communication”, adding to the existing classroom training programs which were developed in the previous project. And also JICA Consultant newly developed “Special Training for Classroom Training Trainers (hereinafter CRTT)” in order for them to learn effective and interactive training skills, and then “Special Training for On-the-Job Training Trainers (hereinafter OJTT)” in order for them to learn practical training methods on OJT. Through these trainings, JICA Consultant trained and certified 18 CRTTs in Serbia, 9 CRTTs in Montenegro, 7 CRTTs in Bosnia and Herzegovina (33 CRTTs Total) and also 17 OJTTs in Serbia.

1-4-4 Infrastructure of knowledge sharing among mentors

JICA Consultant developed a database (Mentor Master) in order to collect and store best practices on mentoring service in Serbia and donated it to Regional Agency of Serbia (hereinafter RAS).

In BiH and Montenegro, where history of mentoring is short, we organized All Mentor Meeting of three countries in September 2015, in order to promote knowledge sharing among mentors for introducing their best practices, as well as Mentor Award for each country in February 2016. The needs for database in these countries were high at the end of the project, but carried over to the next phase of the project.

1-4-5 Brochures of mentoring service

JICA Consultant developed brochures and leaflets of mentoring service, which can be easily downloaded by SMEs who get interest in the service, in order to promote mentoring service to SMEs. These promotion tools are developed as PDF files, considering flexibility of adding new best practices and also cost of dissemination.

Table: Brochures for promotion of mentor service

Title	Objectives	For	Contents	Materials
Pamphlet	Introduction of mentoring service, how and where to apply	SME	<ul style="list-style-type: none"> • Overview of mentoring service • How and where to apply 	Brochure for each county (Appendix 2-D)
Leaflet	Introduction of mentoring service, how and where to apply	SME	<ul style="list-style-type: none"> • Overview of mentoring service • How and where to apply 	Leaflet for each country (Appendix 2-D)

2 Achievement of the Project

2-1 Outline of the Project

This project was implemented based on the Record of Discussion (RD) between JICA and NARD of Serbia (Nov. 13, 2012), MOFTER of Bosnia and Herzegovina (Nov.9, 2012) and DDSME of Montenegro (Nov.12, 2012), respectively. The Project was composed of two phases; those are the 1st Phase during May 2013 to December 2014 for 20 months and the 2nd Phase during February 2015 to May 2016 for 16 months. The consulting services provided by JICA Consultant were at 43.25 man-months (MM) for the 1st Phase and at 32.57 MM for the 2nd Phase, respectively.

This report explains the progress and achievement of the activities of actual field work conducted by JICA Consultant during the period of May 2013 to November 2014 for 19 months and the 2nd Phase during March 2015 to March 2016 for 14 months.

JICA Consultant started intensive discussion with C/P agencies of each country regarding the "Objectively Verifiable Indicators" on PDM. On the process of such discussion, it was found that initially-written indicators were not fit with the status quo of each country. It was also agreed with C/P agencies that the direction of JICA Consultant's activity of the 2nd Phase was getting clearer by changing a set of indicators tentatively put upon RD conclusion. Therefore, JICA Consultant together with C/P agencies formulated a set of draft indicators by country on October 2014. These draft indicators were approved by the JCC of each country held during April and May 2016. The outline of PDM change was tabled and shown in next page and newly approved PDMs by country are shown in Appendix 1-A of another volume.

JICA provided the input including a total of 75.82 man-months of consulting services by JICA Consultant, certain volume of hired local consultant, necessary equipment (printer) and so on (refer to Appendix 1-C).

Major activities provided by the Project are viewed through the figure of "Activity Flow of the Project" in the succeeding pages.

Also the timing of input for required activities was compared on "plan" and "achieved" basis. From the beginning of the Project, JICA Consultant has followed "Work Plan" specified by country. This work plan has sometimes changed (advanced or postponed) as the result of discussion with the client. Therefore, there are several outstanding differences of work schedule between "plan" and "achieved" (refer to "Work Plan/Achievement" as attached in the succeeding pages).

The plan/achievement of activities in Chapter II of this report followed the order of that and it was itemized in the figure of "Work Plan/Achievement" in question.

Table: Outline of new indicators of PDM by country

Part	Item #	Indicator	Target Indicator		
			Serbia	BiH	Montenegro
Overall Goal	1	Target Area	Mentoring services are continuously available in the once targeted area.	Mentoring services are continuously available in the once targeted area and beyond the targeted area.	
	2	Increased % of Recipient SMEs	100% compared to 2013 achievement	200% compared to 2015 achievement.	100% compared to 2015 achievement
	3	% of SMEs improved their business through Mentoring	75%	80%	70%
	4	% of Survival Rate Higher than National Average	Deleted	Deleted	Deleted
Project Goal	1	% of Mentors Improved their Skill through mentoring system	75%	80%	70%
	2	CP Agencies can manage/modify mentoring System by themselves.	No Change	No Change	No Change
Output 1 Institutional Improvement / Development	1.1	Strategy/Plan, Guideline, Curriculum etc. are developed/Improved.	No Change	No Change	No Change
	1.2	(Serbia only) Mentor Qualification is developed.	No Change	NA	NA
Output 2 Cultivating Mentors	2.1	Number of Newly Trained Mentors Increased	50	10	8
	2.2	Number of Newly Trained Mentor Trainers Increased	10 ※New MTs are selected from Jan.2015	12	5
	2.3	% of Mentor Trainer are Goodly Evaluated	80% ※New MTs are selected from Jan.2015	80%	70%
Output3 Provision of Mentoring Service	3.1	Number of SMEs received Mentoring Service	>550	>30	>30
	3.2	% of Entire SMEs received Mentoring Service	Deleted	Deleted	Deleted
Output4 Sharing Mentoring Info	4.1	Three(3) countries' Meeting at Once in a Year	No Change	No Change	No Change
	4.2	Method to share info among mentors	More than 80 % of mentored cases are stored in the data base.	All mentors meeting is being held every year.	
	4.3	Mentoring case is accessible by mentors and CP agency	No Change	No Change	No Change
	4.4	Frequency and method of Good Practice introduced to SMEs	Frequency is deleted. Added "media appearance" as one of methods of introduction.		

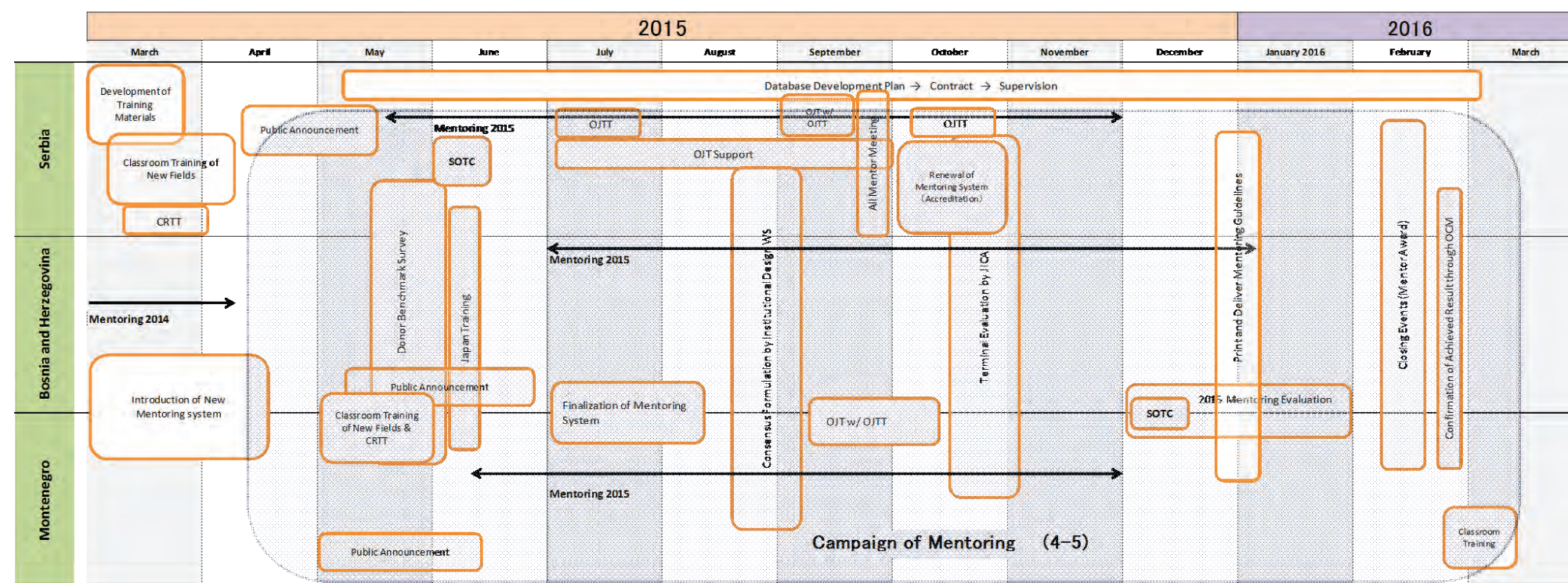
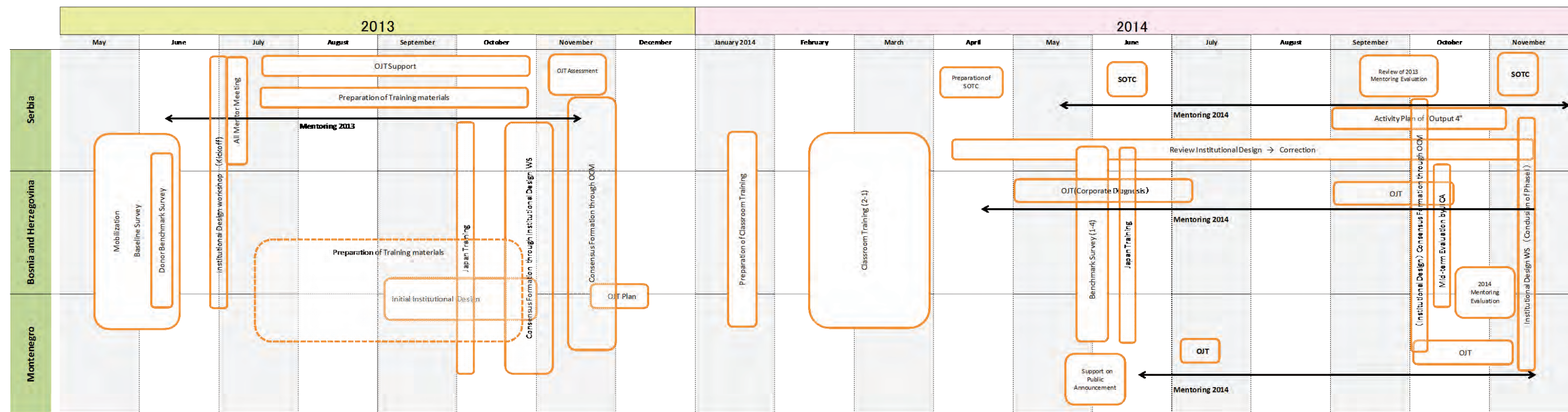


Fig. Activity Flow on “The Project on Establishment and Promotion of Mentoring Service for Small and Medium Enterprises in the West Balkans”
 ~ Activity Flow Chart of Serbia, Bosnia and Herzegovina and Montenegro ~

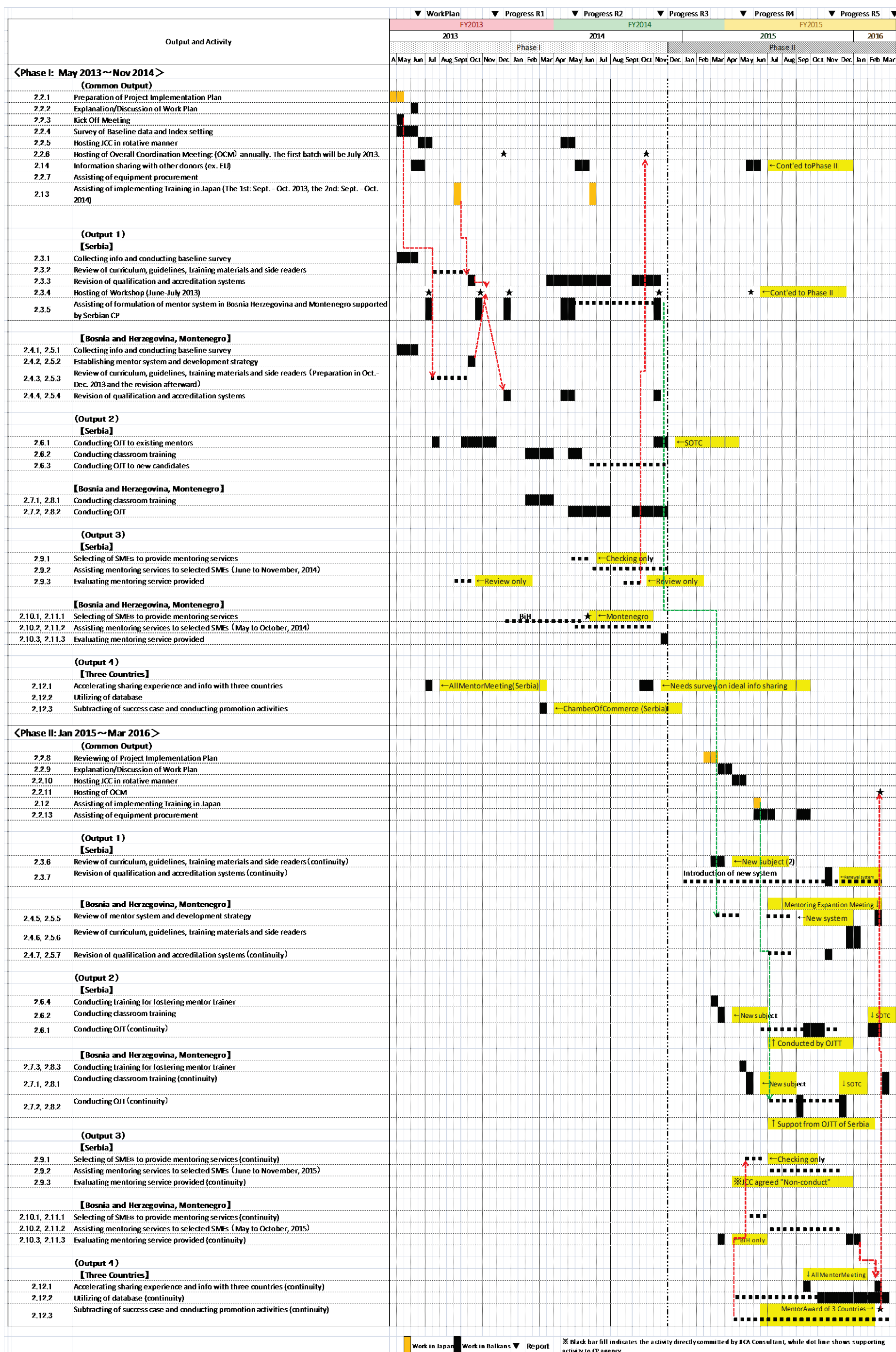


Fig. Entire Work Plan/Achievement

2-2 Activities towards all Outputs

<The 1st Contract Term: From May 2013 to November 2014>

2-2-1 Draw Work Plan

In May 2013, JICA consultant collected materials and information which were possible to get in Japan, considering the aim of the project and basic policy of implementation plan (topics and those contents, methods, implementation scheme, schedule of the consultants), and then drew the draft version of Work Plan with the approval of the department of industrial development and public policy of JICA, referring to the report on detailed project design study and the outputs of the previous project in Serbia.

2-2-2 Explanation and discussion regarding Work Plan

Through the studies in each country, which were conducted from 2013 May to June, and discussions with C/P, which took place in June, 2013, JICA Consultant revised the draft version of Work Plan, and then discussed it with each C/P at the first JCC, and then got approval from the stakeholders. After that, JICA Consultant redesigned the activities of the whole project based on the updated work plan and identified the necessary actions.

2-2-3 Kick-off meeting

JICA Consultant held Kick-off meeting with C/P in May 2013, and organized Strategy Formulating Workshop in July 2013 as an event in which the summary and expectation of the project were introduced to the stakeholders, inviting key persons from the governments of three countries and media, helping them understand the project and mentoring service and requesting them to provide their support to the project.

2-2-4 Collect the baseline data and set verifiable indicators.

JICA Consultant identified verifiable indicators from May to June, 2013 in order to monitor and evaluate the outputs of the project and set the data of baseline at the beginning of the project.

2-2-5 Hold JCC (in each country)

JICA Consultant held JCC in July, 2013, April and May, 2014 in each country and reported on the progress of the project and got approval from the stake holders on the Implementation policy.

2-2-6 Hold Overall Coordination Meeting

Considering Institutional Design Workshop, which was held in Serbia in October, 2013 JICA

Consultant held the first OCM in BiH, not in Serbia. After that, JICA Consultant held the 2nd OCM in MNE in October, 2014, introducing the current status of the project of each country and sharing the case of mentoring service in Serbia.

2-2-7 Donation of necessary equipment

As all C/Ps of three countries had in plan to move their offices during the 1st project period, JICA Consultant decided to procure necessary equipment in the 2nd project period. Therefore, JICA Consultant did not conduct the procurement during the 1st project period.

<The 2nd Contract Term: From March 2015 to March 2016>

2-2-8 Design Work Plan

In February 2015, JICA Consultant collected materials and information which are possible to get in Japan, considering the aim of the project and basic policy of implementation plan (topics and those contents, methods, implementation scheme, schedule of the consultants), and then drew the draft version of Work Plan with the approval of the department of industrial development and public policy of JICA, referring to the report on detailed project design study and the outputs of the previous project in Serbia.

2-2-9 Explanation and discussion regarding Work Plan

After the discussion with C/P in March, 2015, JICA Consultant revised the draft version of Work Plan, and then discussed it with C/P at JCCs in April and May 2015, and then got approval from the stakeholders.

2-2-10 Hold JCC (in each country)

JICA Consultant held JCC in April and May, 2015 in each country and reported on the progress of the project and got approval from the stakeholders on the Implementation policy.

2-2-11 Hold Institutional Design Workshop

JICA Consultant organized Institutional Design Workshop in May and June in 2015 in order to promote further cooperation among three countries, sharing the current status of mentoring system of the three countries involved in the project.

2-2-12 Hold Overall Coordination Meeting

JICA Consultant organized OCM in Serbia in February, 2016 in order to promote further cooperation among three countries, sharing the current status and policy of mentoring service in each country.

2-2-13 Donation of necessary equipment

JICA Consultant procured the planned printers and donated them to Serbia in June 2015, Bosnia and Herzegovina in July 2015 and Montenegro in November 2015.

Table: Procured printers

Item	Name	Specification	Price	Note
Printer	Develop Ineo +454e	Color copier, color printer, color scanner, Include stand and GRATIS 100.000 Black/White copies and 27.500 color copies	1,296,216. 00 YEN	Serbia EUR 9180 1EUR=141.2YEN
Printer	Lexmark MX 4100E MFP	Color copier, color printer, color scanner	59,882.62 YEN	Bosnia and Herzegovina 859.95KM 1KM=69.635YEN
Printer	MFP M225DN	Color copier, color printer, color scanner	39,310.92 YEN	Montenegro EUR 297 1EUR=132.36YEN

2-3 Improvement of Mentoring System (Serbia)

<The 1st Contract Term: From May 2013 to November 2014>

2-3-1 Collect basic information of the countries and the status of the project.

In 2013 May, 2014 June and 2015 May, JICA Consultant conducted “Donor Benchmark Survey” in order to study activities of institutions which provide various kinds of support to SMEs in each country. JICA Consultant studied the current status of mentoring service of Serbia at the beginning of the project. The result was described in “Three Countries Overview.”

- (i) Study the current status and capability of SMEs and institutions (including other international donors) which provide their support to SMEs, and discuss on the needs of SMEs and how to cooperate with other donors and institutions.
- (ii) Understand the current status and contents of present mentoring system of Serbia.
- (iii) Collect support programs and support tools which are provided by governmental institutions and other donors in Serbia.

2-3-2 If necessary, discuss and update training programs, implementation guidelines, training materials, and supplementary materials.

JICA Consultant studied the present training programs, materials, supplementary materials since May, 2013. It was told that the contents of present training materials did not meet enough with the actual activities of mentoring service, so that NARD had to check the detail of the matter. Therefore, JICA Consultant studied the actual status of mentoring service especially for Start-Ups through OJTs, which were conducted in 2013, and identified key points to be challenged.

As described in the later part of this report, JICA Consultant newly systemized the training programs and the guidelines, developing new training modules; Human Resource development and communication during the project period. As for supplementary texts, Serbia shared their texts with Bosnia and Herzegovina and Montenegro, and they decided to utilize same texts among three countries.

Table: - Outline of Three Countries at June 2013

Target Countries	Super ordinate Plan	The main strategy of super ordinate plan	Support system for SME	Support Projects	Current status of SME					Main Issue	
					Definition of SME	By scale distribution	By industry distribution	By area distribution	Current status	SMEs issues	Current status and Issues of the SME
Serbia	Strategy of SME 2008 -2013	1.Entrepreneurship and promotion support of entrepreneurs 2.Human resources for the competitive SME 3. Tax and finance for SME 4. Strengthen competitiveness of SME in export markets 5. Arrangement of law, system, business environment of the service for SME	1.Ministry of Finance and Economy(MFE) 2.Ministry of Regional Development and Local Self-Government (MRDLSG) 3.National Agency for Regional Development (NARD) 4.RA/C•RDA	(NARD) •Entrepreneur support •Entrepreneurs training •Mentoring •Financial support •Application support of Start-up financing •EU support program (EEN, WENS, WEM (Others) •BAS (EBRD) •Sole proprietor support financing of Serbia Development Fund	The number of workers Micro: 1-9 Small: 10-49 Medium: 50-249	The number of companies: 320,000 (Breakdown) Large: 500 Medium: 2,000 Small: 10,000 Micro: 300,000	Commerce 30% Manufacturing 17% consultant 10% Transportation 10% Construction 10%	Belgrade 30% Following northern area Southwest area is less	Corporate profits are recovering Employment has decreased	•Time required for the collection of accounts receivable is long •Finance access •Unequal competition from gray economy	No major problems in institutional aspects There are some needs of the following •Nurturing new mentors •Improvement of mentor system •Skill development of mentors •OJT •Entrepreneurs mentoring •Share experience of mentors •New training
	New edition will be created in 2013						The number of workers in SME: 1,900,000			The number of days that are needed to start a business :13 The number of procedures that are needed to start a business :7	
Bosnia and Herzegovina	No plan: Two (2) entities have their own strategies. 1.The development strategy of SME 2009-2012 :FD entity 2.The development strategy of SME 2011-2013 :RS Entity	1.Establishing legal frame work 2.Improving business efficiency 3.Adopt the definition of EU about SME, improve the statistical system 4.Developing an organization and a system for business support 5.Build cross and longitudinal organization	1.Ministry of Foreign Trade and Economic Relations : State level 2.Ministry Of Development, Entrepreneurship And Crafts :FD 3.Ministry of Economic Development and Energy :RS 4.SERDA	(SERDA) •Financing for agriculture business and young entrepreneurs •Business Incubation •Metal processing industry support (EUMETAL) •Consulting Service (VS :abolition) •Information service through BDC (Others) •17 BDC (operated by city) •EGP&BAS (EBRD) •Export support (FTC)	Undefined They are willing to adopt the definition of EU about SME	Unorganized (old information) The number of companies: 160,000 Large: - Medium: 1,500 Small: 9,000 Micro: 150,000	Unorganized (old information) Commerce 40% H&R 13% Manufacturing 13% Transportation 10%	unclear	unclear	•Policy disorder for SME •Moral hazard (Bureaucracy) •inefficient support for production companies •Support gap by area •Delay of privatization •Political intervention	NA
	The development strategy of SME expired.(2009-2011)		The salary of SERDA workers is paid from this project. RS Side doesn't have a will to use RDA that was established by EU, and due to it, there is no consistency in policies.				The number of workers in SME: 400,000			The number of days that are needed to start a business :40 The number of procedures that are needed to start a business :12	
Montenegro	The development strategy of SME (2011-2015)	1.Organizing business environment for small companies 2.Improvement of financial support 3.Enhancement of competitiveness of SME, Facilitate to start a business 4.Entrepreneurship support	1.Ministry of Economic Department of Industry and Entrepreneurship (Policy making) 2.Ministry of Education and Sports 3.Department of Small and Medium Enterprises 4.European Center for Information and Innovation Montenegro 5.Local self-governing body(Bar, others) 6.RBC, BC, Info-Center • BSCB • BC Cetinje	(DDSME) •Support for hiring consultants (VS) •Networking with 50 countries in the world •Information service about foreign market •Trainings (Others) •EGP&BAS (EBRD) •Multiple support (CEM) •syndicated loans (IDFM)	Unclear They seem to use the same definition of Serbia.	Unorganized There are big differences by source The number of companies: 15,000 Large: - Medium: 450 Small: 1,500 Micro: 13,000	Unorganized There are big differences by source Commerce: 45% Real estate: 15% H&R 10% Manufacturing 10%	Podgorica 30% Most of them are in capital and in bayside's tourist resorts	unclear	The difficulty of collecting account receivables The lack of the tax exception Salary Financial access Unfair tax due to gray economy Anxiety in business due to insufficient information	NA
		There are action plans and performance indicators	EU takes leadership. RBC is similar to RDA in Serbia and BiH BSCB, BC Cetinje is a target BC in this project.				The number of workers in SME: 110,000			The number of days that are needed to start a business :10 The number of procedures that are needed to start a business :6	

Blue Bold characters refer to the partners that directly drive benefit from this project in target groups. In each countries, Small and Medium-size enterprises in target area indirectly derive benefit .

Source)"Detailed Plan of Establishing and Prevailing mentor service for small and medium enterprises in the West Balkan area: Serbia, Bosnia and Herzegovina and Montenegro", JICA, Dec., 2012

2-3-3 Update qualification system

JICA Consultant discussed on the qualification system of mentors in 2014 and updated qualification system in November, 2014. The decisions were described in Implementation Manual. This system has three types of qualifications.

- (i) Mentor: A person who provides mentoring service.
- (ii) CRTT(Classroom Training Trainer): A trainer who provides classroom training for mentors in order to learn basics of mentoring knowledge.
- (iii) OJTT(On the Job Training Trainer): A trainer who provides practical trainings to mentors.

Table: Types of qualification and required conditions.

Qualification	Required Training	• Other conditions	• Conditions for updating
Mentor	Classroom Training	<ul style="list-style-type: none"> • Candidates have to pass the examinations at Classroom Training. 	<ul style="list-style-type: none"> • Mentors have to undergo “All Mentor Meeting” and “SOTC” over required times during the last 5 years.
CRTT	Special Training for CRTT	<ul style="list-style-type: none"> • Candidates have to pass the examination at ST for CRTT • CRTT has to have provided at least 10 mentoring services. 	<ul style="list-style-type: none"> • Update every 5 years. • CRTT has to provide CRT at least one time in the last 5 years.
OJTT	Special Training for OJTT	<ul style="list-style-type: none"> • Candidates have to pass the examination at ST for CRTT • CRTT has to have provided at least 10 mentoring services. 	<ul style="list-style-type: none"> • Update every 5 years. • CRTT has to provide OJT at least 5 times in the last 5 years.

2-3-4 Hold Workshop (July in 2013)

JICA Consultant held Strategy formulating workshop in July, 2013 (this event was also the first Institutional Design Workshop) and introduced Serbian mentoring system to C/Ps of BiH and MNE. At the workshop, JICA Consultant introduced training materials of Serbia that were developed in the previous project to C/Ps of BiH and MNE and requested to tailor them.

2-3-5 NARD provides DDSME and SERDA with support on establishing mentoring system during the period of from 2013 to 2014.

JICA Consultant held Institutional Design Workshops in October and December 2013 and October 2014, in order for NARD to advise BiH and MNE regarding drawing strategy of establishing mentoring system, updating Implementation guideline, developing training programs. JICA Consultant attended the workshop in order to introduce the experiences of Japan and Serbia and provide advice to BiH and MNE, suggesting that they will tailor the system based on the conditions of each country. As the result, the C/Ps of three countries shared the knowledge of public call, and report formats on mentoring service.

<The 2nd Contract Term: From March 2015 to March 2016>

2-3-6 If necessary, discuss and update training programs, implementation guidelines, training materials and supplementary materials.

In April, 2015 JICA Consultant updated the training programs of classroom training based on the evaluation which was conducted in the 1st project period. And also, JICA Consultant developed two training programs for mentor trainers: Special training for Classroom Training Trainers and Special Training for On the Job Training Trainers.

On the other hand, JICA Consultant met many SMEs which have severe problems in Human Resource management and Communication with employees during the 1st project period. Therefore, in April, 2015 JICA Consultant newly developed two training programs: Human Resource Management and Communication, and then provided the classroom trainings for 28 mentors in May, 2015. These training materials were developed from the scratch in order to meet the actual status and make the materials practical.

As for the mentoring guideline, JICA Consultant had developed “Mentoring guideline for overall understanding,” ” Mentoring guideline for Mature SMEs” and “Mentoring guideline for Start-Ups” through discussions with NARD from 2014 to 2015.

2-3-7 Update qualification system

New qualification system was developed in November, 2014 and started from 2015. The decisions are described in the Implementation Manual.

2-4 Improvement of Mentoring System (MNE)

<The 1st Contract Term: From May 2013 to November 2014>

2-4-1 Draw Work Plan (From 2013 April to July)

JICA Consultant visited institutions in MNE, which provide SMEs with support programs, and conducted Donor Benchmark Survey in 2013 May, 2014 June and 2015 May in order to discuss on how to cooperate with them.

2-4-2 Develop the mentoring system in Montenegro and its strategy.

JICA consultant discussed with DDSME on the contents and period of mentoring service, the themes to be included in the standardized mentoring knowledge, the balance of difficulties on mentoring knowledge and the type of SMEs to be targeted from September to October 2013. And also the stakeholders discussed the matters at Institutional Design Workshops which were held in 2013 October and December, sharing the cases of Serbia and Japan and lessons from Japan training in September, 2013. The system which was developed at this point was just a tentative system which was used to administrate the project in the first project period. In the 2nd project period, JICA Consultant developed standardized mentoring service and system of three countries, and then described them into the Implementation Manual.

2-4-3 Update training programs, implementation guidelines, training materials, and supplementary materials.

JICA Consultant studied the present training programs, materials, supplementary materials of Serbia and tailored them corresponding to the conditions of MNE, after that utilized them at Classroom Training in February 2014. After developing them, JICA Consultant upgraded the materials based on the result of the Classroom training, cooperating with DDSME.

2-4-4 Discuss on qualification system

Referring to Serbian qualification system, JICA Consultant discussed the qualification system of MNE, utilizing Institutional Design Workshop, considering the necessity of Montenegro's own qualification system.

<The 2nd Contract Term: From March 2015 to March 2016>

2-4-5 Update training programs, implementation guidelines, training materials, and supplementary materials.

DDSME introduced new mentoring system from February, 2015 and added the changes of the system to the Implementation Manual. JICA Consultant newly developed training modules and materials of “Human Resource Management,” “Communication” and “Mentoring for Start-UPS” for new mentors.

2-4-6 Discussion on qualification system

DDSME developed its own qualification system at April, 2015 referring to Serbian qualification system, utilizing Implementation Manual. DDSME updated the manual when they found necessary system changes during the testing period.

2-5 Improvement of Mentoring System (BiH)

<The 1st Contract Term: From May 2013 to November 2014>

2-5-1 Collect basic information of the countries and the status of the project.

In May 2013, June 2014 and May 2015, JICA Consultant conducted “Donor Benchmark Survey” in order to study activities of institutions which provide various kinds of support to SMEs in each country. JICA Consultant studied the current status of mentoring service of Serbia at the beginning of the project. The result was described in “Three countries overview.”

2-5-2 Develop the mentoring system in BiH and its strategy.

JICA Consultant discussed with SERDA on the contents and period of mentoring service, the themes to be included in the standardized mentoring knowledge, the balance of difficulties on mentoring knowledge and the type of SMEs to be targeted from September to October 2013. And also, the stakeholders discussed the matters at the Institutional Design Workshops which were held in October and December 2013, sharing the cases of Serbia and Japan and lessons from Japan training in September, 2013. The system which was developed at this point was just a tentative system which was to be used to administrate the project in the first project period. In the 2nd project period, JICA Consultant developed standardized mentoring service and system of three countries, and then described them into the Implementation Manual.

2-5-3 Update training programs, implementation guidelines, training materials, and supplementary materials.

JICA Consultant studied the present training programs, materials, supplementary materials of Serbia, and tailored them corresponding to the conditions of BiH, after that utilized them at Classroom training in February 2014. After developing them, JICA Consultant upgraded the materials based on the result of the Classroom training, cooperating with SERDA.

2-5-4 Discuss on qualification system

Referring to Serbian qualification system, JICA Consultant discussed the qualification system of BiH, utilizing Institutional Design Workshop, considering the necessity of BiH's own qualification system.

<The 2nd Contract Term: From March 2015 to March 2016>

2-5-5 Update the mentoring system and its strategy

New mentoring service has been implemented since March 2015 based on the mentoring system which was developed within the 1st contract period. JICA Consultant added corrections and modifications which were found through the administration in the 2nd contract period to the Implementation Manual.

2-5-6 Update training programs, implementation guidelines, training materials and supplementary materials.

SERDA introduced new mentoring system from February 2015 and added the changes of the system to the Implementation Manual. JICA Consultant newly developed training modules and materials of "Human Resource Management," "Communication" and "Mentoring for Start-UPS" for new mentors.

2-5-7 Discussion on qualification system

SERDA developed its own qualification system in April 2015 referring to Serbian qualification system, utilizing the Implementation Manual. SERDA updated the manual when they found necessary system changes during the test period.

2-6 Output 2 Nurturing of Mentor (Serbia)

2-6-1 Implementation of OJT for the existing mentors

<The 1st Contract Term: From May 2013 to November 2014>

(1) 2013

The OJT was implemented for 16 RA/Cs, 35 mentors including 18 new mentors, 45 companies from the first half of July 2013 to the first half of November 2013. Not only the mentor who was in charge of the client, but also the other mentors in the same region joined the OJT.

The JICA Consultant and the mentor had two meetings for one visitation, pre-meeting and the review meeting, to give the suggestion from JICA Consultant.

In addition to this basic OJT activity, to share the key findings in OJT activities with all the mentors, OJT feedback was held in February 2014, in Belgrade. The reaction of the participants was very positive, especially because the training was provided with practical cases and the examples collected in the OJT activity.



Pic. OJT feedback

(2) 2014

Judging from the OJT activity in 2013, the general capability of the Serbian mentors was considered to be at a certain level. Therefore, the OJT by the JICA Consultant was mainly implemented in BiH and Montenegro in 2014.

In Serbia, instead of the OJT by the JICA Consultant, SOTC (Small OJT Through Consultant) was implemented to facilitate the understanding of the post-mentoring activity. The SOTC was implemented in 10 RA/C, 10 companies from June 2014 to November 2014. The themes of the SOTC were selected based on the experience of the OJT 2013, as follows: 6 SOTCs for the Corporate Diagnosis, 3 SOTCs for the Production Management, 1 SOTC for the Human Resource Management.

Not only the mentors in the region, but also the mentors in the nearby regions participated to the SOTC and it was considered to be one of the most effective training ways.

<The 2nd Contract Term: From March 2015 to March 2016>

(3) 2015

OJT was implemented with the support of JICA Consultant. JICA Consultant did not take the role of the trainer to the mentors, but accompanied to the OJT, which was implemented by the local OJTT. This OJT was implemented in 16 RA/Cs, from July to September 2015.

JICA Consultant engaged in the OJT not by providing the mentoring service directly to the company, but by giving the suggestion in the before/after meeting sessions with the mentor. Basically, JICA Consultant visited two companies per day. Generally the OJTT has enough capability and commitment to engage in the OJT activity.

Table: The list of companies of the OJT in Serbia

No	Beneficiary	RA/RDA	Mentor	OJTT	JICA Consultant	Visitation
1	Plodovi pak	Raxvoj – Banat	Lazar Droskov	–	Naoya Sakamoto	14-Jul
2	Kyoooprema	Raxvoj – Banat	Dragana Momcilovic	Lazar Droskov	Naoya Sakamoto	14-Jul
3	Stolarija Ljilja	Ruma	Jasmina	Tanja Milajlovic	Naoya Sakamoto	15-Jul
4	Panonska Pcela	Novi Sad			Naoya Sakamoto	17-Jul
5	Gepardvis	Novi Sad			Naoya Sakamoto	17-Jul
6	Distillery	Regional Development Agency “Braničevo–Podunavlje” Požarevac	Saša Dedeić	–	Naoya Sakamoto	18-Jul
7	Oligo Grozde	Regional Development Agency “Braničevo–Podunavlje” Požarevac	Saša Dedeić	–	Naoya Sakamoto	18-Jul
8	CYBER SOLUTION	RA Vranje	Leposave Pejčova	Biljana Stojanovic	Masashi Takano	18-Sep
9	MOSKOW doo	RA Vranje	Leposave Pejčova	Biljana Stojanovic	Masashi Takano	18-Sep
10	Center for The Dev	Leskovac	Jelena Pavlovic	Dragana Belenzada	Masashi Takano	21-Sep
11	Stolovi Miletic	Krusevac	•Sonja Jevremovic •Maja Dzunic	Vladan Nikolic	Masashi Takano	22-Sep
12	Wake Up	Krusevac	•Sonja Jevremovic •Maja Dzunic	Vladan Nikolic	Masashi Takano	22-Sep
13	Cluster of creative industries of Vojvodina Novi Sad	Novi Sad	Ana Lazarevic	Milica Vracaric	Masashi Takano	23-Sep
14	EPRO Novi Sad	Novi Sad	Ana Lazarevic	Milica Vracaric	Masashi Takano	23-Sep
15	MRM Fruit	Kragujevac	Goran Miljkovic	Milica Cukaric	Masashi Takano	24-Sep
16	Mihajlovic Milk Pro	Kragujevac	Goran Miljkovic	Milica Cukaric	Masashi Takano	24-Sep
17	Vactba	Kraljevo	Ana Peterson	Radojka Savic	Masashi Takano	25-Sep
18	Papir Print	Kraljevo	Ana Peterson	Radojka Savic	Masashi Takano	25-Sep
19	Pestar Cluster	Novi Pazar	Emina Music	Dzamila Krusevljani	Masashi Takano	28-Sep
20	Bread Company EN	Novi Pazar	Emina Music	Dzamila Krusevljani	Masashi Takano	28-Sep
21	Drenovac	Zlatibor Uzice	•Danijela Panic •Jelena	Natasa Knezevic	Masashi Takano	30-Sep

2-6-2 Implementation of CRT

<The 1st Contract Term: From May 2013 to November 2014>

(1) Development of the learning material for Mentoring for Start-ups

JICA Consultant developed the learning material for Start-ups, which has less than two years of history after its introduction, until the December 2013, and provided the training for all the mentors.

The mentor trainer for this subject was also selected. Considering the result of the exam, leadership during the training, the two mentors, Mr. Dragan Josic and Ms. Nikolina Pupavac, were selected as the CRTT on this subject (Refer to Appendix 2 A-1, 2, B-3, 6, 9, 12 for the details).

<The 2nd Contract Term: From March 2015 to March 2016>

As the result of the discussion during the 1st contract term, the mentor trainer was divided into two categories, the classroom training trainer and the OJT trainer.

(1) Development of the learning program for CRTT

The learning material for CRTT, which includes the instruction of skills and know-how to facilitate the classroom training effectively, was developed. The participation to the Special Training for CRTT, which is provided with this newly developed material, is defined to be the condition of becoming a CRTT..

16 CRTT were trained and certified on March 2015. The participants were the mentor trainers who had provided the classroom training as a trainer.

Table: List of the classroom training trainers in Serbia

NO	NAME	ORGANIZATION
1	Nikolina Pupavac	RRA Backa
2	Dragana Momcilovic Tupanjac	RRA Banat
3	Lazar Doroškov	RRA Banat
4	Dragan Josic	Subotica
5	Milos Najcevic	RRA Branicevo
6	Sasa Dedeić	RDA „Branicevo-Podunavlje“
7	Sonja Jeremovic	RRA Krusevac
8	Vladan Nikolic	RRA Krusevac
9	Olga Radulovic	RRA Beograd
10	Ivan Mihajlović	Nis
11	Tanja Mijajlovic	RRA Srem
12	Dragana Belenzada	Leskovac
13	Ljubica Mesaros	Subotica
14	Danijela Panic	Uzice
15	Natasa Knezevic	Zlatibor
16	Enes Turkovic	Zlatibor

(2) Development of the learning program for CRTT

The learning material for OJTT, which includes the instruction of skills and know-how to facilitate the OJT effectively, was developed. The participation to the Special Training for OJTT, which is provided with this newly developed material, is defined to be the condition of becoming an OJTT. This material can be also utilized for self-learning.

17 OJTts were trained and certified from July 2015 to September 2015.

Table: List of the OJT trainers in Serbia

NO	NAME	ORGANIZATION
1	Natasha Knezevic	RA Zlatibor
2	Milica Čukarić	Kragujevac
3	Lazar Doroškov	Banat
4	Dragan Josic	Subotica
5	Olga Radulovic	Belgrade
6	Tanja Mijajlovic	RRA Srem
7	Vladan Nikolić	RRA Krusevac
8	Ivan Mihajlović	Nis
9	Boban Kostandinovic	RARIS
10	Džamila Kruševljanin	RDA „SEDA“, Novi Pazar
11	Bojan Boskovic	APPOKO, Lajkovac
12	Nikolina Pupavac	RDA Bačka
13	Sasa Dedeić	RDA „Branicevo-Podunavlje“
14	Srboslav Jagodić	ARRA PPPR doo Loznica
15	Dragana Belenzada	Leskovac
16	Radojka Savic	ARDA from Kraljevo
17	Biljana Stojanovic	RA VEEDA

(3) Development of the learning program for Human Resource Management and Communication

Through the OJT experience in the 1st contract term, it is considered that the knowledge of organizational development needs to be added. Therefore, the learning program for “Human Resource Management” and “Communication” were newly developed as formal subject of the classroom training for mentors.

These two new trainings were provided for the existing mentors on March 2015.



Pic. Learning material of Human Resource Management

2-6-3 Implementation of OJT for new mentors

<The 1st Contract Term: From May 2013 to November 2014>

The OJT was implemented for 16 RA/Cs, 35 mentors including 18 new mentors, 45 companies from the first half of July 2013 to the first half of November 2013. In the OJT in Serbia, the experienced mentors willingly gave the practical suggestions to the new mentors.

There are two ways of training by the experienced mentor, one is to form a pair of the experienced mentor and the new mentor to tackle to the mentoring project together, whereas another is to assign the new mentors to an easier client and support their mentoring. These two ways of training were adopted in the field, by the experienced mentors. And since it depends on the capability of the new mentor, it cannot be specified which is the better process. This situation did not change in 2015, after the adoption of the standardized mentoring process.

The OJT was not implemented in Serbia in 2014.

<The 2nd Contract Term: From March 2015 to March 2016>

The OJT was implemented to support the newly trained OJTTs to train the mentors in the region. The JICA consultant checked if the OJTT works effectively in the training or not, and if the OJT is provided based on the standardized mentoring process. The JICA consultant implemented the OJT for OJTT from July 2015 to October 2015, for 18 RA/Cs. Basically, the JICA consultant accompanied to the two company visitation per day, spending one day per RA/C.

At first, the JICA consultant had a pre-meeting before the visitation, with the OJTT and the mentor to share the problem of the company, proceedings of the mentoring and the objective of the visitation on the day. After the company visitation, the review meeting was held to share the suggestions.

Through this OJT for OJTT, the JICA consultant confirmed that the OJTT provides OJT in a high level based on the standardized mentoring process.

2-6-4 Nurturing of Mentor Trainer

<The 1st Contract Term: From May 2013 to November 2014>

No activity.

<The 2nd Contract Term: From March 2015 to March 2016>

16 CRTT were trained and certified on March 2015 in Belgrade.

Regarding the two CRT subjects, which are newly developed, the trainers were chosen based on the exam implemented at the end of the training. The new CRTT provided the training to the new mentors on these two subjects on May 2015. The JICA consultant supported the facilitation. It is considered to be possible that all the CRT subjects can be provided only by the Serbian CRTT from next year.

2-7 Output 2 Nurturing of Mentor (Montenegro)

2-7-1 Implementation of the classroom training

<The 1st Contract Term: From May 2013 to November 2014>

The classroom training was implemented from February to March 2014, under the subject of Corporate Diagnosis, Business Plan, Financial Management, Marketing, Production Management. To utilize the advantage of the project scheme, the Serbian mentor trainers were dispatched to Montenegro to be the facilitators of the CRT for all the subjects but Business Plan. Since the subject Business Plan includes the contents which has to be trained by the local expert, an university professor in the local university took the role of the facilitator for Business Plan.

The dispatch of the Serbian mentor trainers was welcomed by the Montenegrin mentors for their practical lecture based on the field experience.

DDSME proposed to implement the CRT for “Mentoring Start-ups” from the 2nd contract term.

Table: Agenda for the classroom training 2014

Subject	Main Trainer	Co-Trainer	Date
1 Finance Management	Sanela	Ljiljana	11,12-Feb
2 Marketing	Enes	Milos	18,19-Feb
3 Production Management	Kimura	Ivan/Saša	20,21-Feb
4 Enterprise Diagnosis	Nataša	Dragana/Lazar	24,25-Feb
5 Business Plan	LT:Nemanja		26-Feb

<The 2nd Contract Term: From March 2015 to March 2016>

The eight CRTT were newly trained and certified on the special training for CRTT, held on 8th April 2015.

The CRT for the new mentor was held on April 2015, facilitated by the Montenegrin CRTT, on Corporate Diagnosis, Business Plan, Financial Management, Marketing and Production Management. The two subjects, Human Resource Management and Communication, newly developed in 2015, were facilitated by the JICA consultants. The CRT on Mentoring for Start-ups was also provided with the facilitation of the JICA consultant.

2-7-2 Implementation of the OJT

<The 1st Contract Term: From May 2013 to November 2014>

The OJT was implemented three times, from July 2014 to November 2014.

The JICA consultant accompanied with the mentors to the company visitation in each OJT, therefore, there were three visitations by the JICA consultant from the view point of the company. The objective of the first visitation was to understand the status quo of the client and to clarify the

needs for mentoring. The objective for the second visitation was to check the proceeding of the mentoring. The third visitation was for wrapping up the mentoring activity.

The six out of eight mentors submitted the final report on mentoring. Two mentors could not finalize the report because of the interruption/cancellation of the mentoring. One case was due to the accident of the owner, another case was due to the hard schedule of the owner. However, based on the evaluation on mentoring 2014 which was implemented by the JICA consultant, the communication between the mentor and these owners were good and both owners expressed their concern to participate in the mentoring activity again in 2015.

<The 2nd Contract Term: From March 2015 to March 2016>

(1) Implementation of the OJT with the Serbian OJTT

The OJT 2015 was implemented with the participation of the newly trained Serbian OJTT.

The eleven OJTTS were dispatched from Serbia to Montenegro. Each dispatch consists of five days, including two days of transportation day. Practically, three days were assigned to the OJT activity. Basically, the OJTT visited two companies per day.

In the OJT, the experience and the knowledge of Serbia was transferred to the Montenegrin mentors. The JICA consultant took role of the total coordination and to support the Serbian OJTT to act in an appropriate way as OJTT.

Table: List of the companies for OJT activity

	Beneficiary	Business Fields	No. of Employee	Mentor	New mentor	Visitation	OJTT	JICA Consultant
1	EDEX	Consulting Service	5	Zarko Scekcic	Yes	2015/9/15	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						20/10/2015	Biljana Stojanovic	Alexander Silnitsky
2	MESARA MEDJEDOVIC	Processing of meat products	5	Zarko Scekcic	Yes	2015/9/15	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						20/10/2015	Biljana Stojanovic	Alexander Silnitsky
3	MIKROMONT	Wholesales of metal goods	30	Blazo Vlaovic	Yes	2015/9/16	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						21/10/2015	Biljana Stojanovic	Alexander Silnitsky
4	KONATAR	Furniture manufacturing	2	Blazo Vlaovic	Yes	2015/9/16	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						21/10/2015	Biljana Stojanovic	Alexander Silnitsky
5	Vib-Bas	Metal products manufacturing	25	Biljana Zoric, Milica Radojicic	Yes	2015/9/17	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						22/10/2015	Biljana Stojanovic	Alexander Silnitsky
6	ANGLJAN	Furniture manufacturing	11	Vesna Antunicevic	Yes	2015/9/22	Sasa Dedeic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
7	DR. MASONIC	Medical treatment (Inner medicine)	3	Ivana Tomasevic, Vesna Tomasevic	Yes	2015/9/22	Radojka Savic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
8	ENTERIJER DESIGN STUDIO	Furniture manufacturing	6	Sasa Jovanovic	No	2015/9/22	Sasa Dedeic	Masashi Yamanaka
						28/10/2015	Dragana Belenzada	Alexander Silnitsky
9	ART OF BIZ	Accounting service, Restaurant	1	Ivana Tomasevic	No	2015/9/22	Radojka Savic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
10	Multiprint	Retail (Computer and office supply)	16	Ivana Tomasevic	Yes	2015/9/23	Radojka Savic, Sasa dedeic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
11	Pro Invest	Whole sales	17	Sasa Jovanovic	No	2015/9/23	Radojka Savic, Sasa dedeic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
12	MIANJA	Meat Processing of meat products	13	Nikola Mijanovic, Savo Borozan	Partially yes	2015/10/29	Radojka Savic, Sasa dedeic	Masashi Yamanaka
13	ANJA COSMETICS	Cosmetics, Retail	26	Pavle Simovic, Milo Vujanovic	Partially yes	23/7/2015	Lazar Doroskov, Tanja Mijalovic	Masashi Yamanaka
14	FORBA	Constructing, Retail	4	Natasa Batricevic	No	21/7/2015	Lazar Doroskov, Tanja Mijalovic	Masashi Yamanaka
15	BALKAN T&M	Retail	4	Ljiljana Belada	No	2015/9/7	Olga Radulovic	Masashi Yamanaka
16	AMPLITUDO	ICT engenering , digital marketing	5	Andjela Gajevic, Sanja Varajc	No	21/7/2015	Lazar Doroskov, Tanja Mijalovic	Masashi Yamanaka

(2) Implementation of SOTC

SOTC was implemented in the Production Management field, since the engagement of Japan is more important. The Montenegrin mentors who participated in the SOTC expressed their positive feedback to the SOTC.

Table: List of the companies for SOTC activity

Organization	Area	Beneficiary	Theme	Date	Consultant
Business Center Cetinje	Cetinje	Interproduct	Production Management	27-30/11/2015	T. Kimura

2-7-3 Nurturing of Mentor Trainer

<The 1st Contract Term: From May 2013 to November 2014>

No activity.

<The 2nd Contract Term: From March 2015 to March 2016>

The eight CRTTs were newly trained and certified on the special training for CRTT, held on 8th April 2015.

Since the Montenegrin mentors can have at most two years of mentoring experience within this project term, to train the OJTTs was considered to be too early. As the result of the discussion with the C/P, it is agreed that the JICA consultant delivers the learning materials for becoming the OJTT, and the C/P will train the OJTTs when it is considered to be ready.

One thing to be noted is that DDSME expressed the strong expectation that the OJTT should be trained with the engagement of the JICA consultant. Therefore, it should be smoother to put the OJTT training activity in the first stage of the possible next project.

2-8 Output 2 Nurturing of Mentor (Bosnia and Herzegovina)

2-8-1 Implementation of the classroom training

<The 1st Contract Term: From May 2013 to November 2014>

The classroom training was implemented from February to March 2014, under the subject of Corporate Diagnosis, Business Plan, Financial Management, Marketing, Production Management and Mentoring for Start-ups. To utilize the advantage of the project scheme, the Serbian mentor trainers were dispatched to BiH to be the facilitators of the CRT for all the subjects but Business Plan. Since the subject Business Plan includes the content which has to be trained by the local expert, a local expert took the role of the facilitator for Business Plan.



Pic. CRT on Mentoring for Start-ups

Table: Agenda for the classroom training 2014

Subject		Main Trainer	Co-Trainer	Date
1	Finance Management	Olga	-	18,19-Feb
2	Marketing	Sonja	-	20,21-Feb
3	Production Management	A Saša	Kimura	25,26-Feb
3	Production Management	B Ivan	Kimura	4,5-Mar
4	Enterprise Diagnosis	A Dragana	-	27,28-Feb
4	Enterprise Diagnosis	B Lazar	-	6,7-Mar
5	Business Plan	A LT:Fikret	-	5-Mar
5	Business Plan	B LT:Fikret	-	12-Mar
6	Start-ups	A Yamanaka	Nikolina	6-Mar
6	Start-ups	B Yamanaka	Dragan	13-Mar

<The 2nd Contract Term: From March 2015 to March 2016>

The seven CRTT were newly trained and certified on the special training for CRTT, held in the latter half of May 2015.

The CRT for the new mentor was held on June 2015, facilitated by the Bosnian CRTTs, on Corporate Diagnosis, Business Plan, Financial Management, Marketing, Production Management and Mentoring for Start-ups. The two subjects, Human Resource Management and Communication, newly developed in 2015, were facilitated by the JICA consultants.

2-8-2 Implementation of the OJT

<The 1st Contract Term: From May 2013 to November 2014>

The OJT was implemented four times, from May 2014 to October 2014.

Basically the JICA consultant accompanied with the mentors to the company visitation in each OJT, however, based on the situation of the mentoring, sometimes the 1 on 1 meeting with the JICA consultant and the mentor was held instead of the company visitation.

The objective of the first visitation was to understand the status quo of the client and to clarify the needs for mentoring. The objective for the second visitation was to decide the outline of the action plan to increase the sales. During the third visitation, the action plan of the company and the mentor was created. In the fourth visitation, the action plan was brushed up and finalized.

The uniqueness of the OJT in BiH is the objective of the whole activity, that is, “to increase the sales by 30%”. This objective encouraged mentors to make a commitment to the growth of the company.

<The 2nd Contract Term: From March 2015 to March 2016>

(1) Implementation of the OJT with the Serbian OJTT

The OJT 2015 was implemented with the participation of the newly trained Serbian OJTT.

The eleven OJTTS were dispatched from Serbia to BiH. Each dispatch consists of five days, including two days of transportation day. Practically, three days were assigned to the OJT activity. Basically, the OJTT visited two companies per day.

Generally, the current Bosnian mentors have a certain amount of experience of supporting the SMEs. Therefore, the Bosnian mentors have a basic capability to support SMEs, however, it is likely provided not in the standardized manner. Therefore, during the OJT, the importance of the standardized mentoring process was emphasized.

Table: The list of the companies for OJT activity

	Visitation	Beneficiary	Business Fields	No. of Employee	Mentor	New mentor	OJTT	JICA Consultant
1	2015/7/21	MEGAMIX	Whole-selling	182	Dragisa Marek	No	Natasa Knezevic , Milica Ćukarić	Toru Ishioroshi
2	2015/7/22 2015/10/29	ALIM	Printing and producing goods	21	Senad Hromic	No	Natasa Knezevic , Milica Ćukarić Srboslav Jagodić	Toru Ishioroshi Naoya Sakamoto
3	2015/7/22	FIN PROFI	Accounting	4	Armina Arslanagic Cengic	No	Natasa Knezevic , Milica Ćukarić	Toru Ishioroshi
4	2015/7/23	MIBRAL	Construction	56	Sinisa Obradovic	No	Natasa Knezevic , Milica Ćukarić	Toru Ishioroshi
5	2015/10/6	MS & WOOD	Wood processing industry	181	Sanela Dževlan	No	Mr. Vladan Nikolic	Chie Koga
6	2015/10/7	ANI-BH d.o.o	Operation of school and market	7	Asad Karisik	No	Mr. Vladan Nikolic	Chie Koga
7	2015/10/7	INTERMER d.o.o.	Furniture manufacturing	7	Faruk Cerić	No	Mr. Vladan Nikolic	Chie Koga
8	2015/10/7	DIOPTIC d.o.o	Retail (Optical products)	38	Zinaida Porobić	No	Mr. Vladan Nikolic	Chie Koga
9	2015/10/20	S.M.C. d.o.o	Retail (Aparel)	15	Amila Šehić	Yes	Boban Kostandinovic	Naoya Sakamoto
10	2015/10/20	Gramas d.o.o	Retail (Construction Material)	14	Stanislava Sorajić	Yes	Boban Kostandinovic	Naoya Sakamoto
11	2015/10/21	Congress Service Centre	Business services (Event management, consulting, translation)	3	Zlatan Saracevic	Yes	Boban Kostandinovic	Naoya Sakamoto
12	2015/10/22	Respect DOO	Accountancy	24	Belma Pašić	Yes	Boban Kostandinovic	Naoya Sakamoto
13	2015/10/28	Idego	eLearning	6	Asmir Kosovac	Yes	Srboslav Jagodić	Naoya Sakamoto
14	2015/10/28	Unis Fagas	Manufacturing Gas Mesurement and Control Equipment	26	Aida Cremencic	No	Srboslav Jagodić	Naoya Sakamoto
15	未	Dekom	Software Services and Web Programming	4	Slaviša Ćeranić	No		

(2) Implementation of SOTC

SOTC was implemented in the Human Resource Management field, since it is the newly developed CRT subject and the engagement of JICA consultant is more important. The Bosnian mentors who participated in the SOTC expressed their positive feedback to the SOTC.

Table: List of the companies for SOTC activity

Organization	Area	Beneficiary	Theme	Date	Consultant
FTCBH	Sarajevo	Benetton Sarajevo	Human Resource Management	8/12/2015	M. Yamanaka
SERDA	Sarajevo	Mibral	Human Resource Management	9/12/2015	M. Yamanaka
FTCBH	Sarajevo	Gramas	Human Resource Management	10/12/2015	M. Yamanaka

2-8-3 Nurturing of Mentor Trainer

<The 1st Contract Term: From May 2013 to November 2014>

No activity.

<The 2nd Contract Term: From March 2015 to March 2016>

The seven CRTT were newly trained and certified on the special training for CRTT, held in the latter half of May 2015.

Since the Bosnian mentors can have at most two years of mentoring experience within this project term, to train the OJTT was considered to be too early. As the result of the discussion with the C/P, it is agreed that the JICA consultant delivers the learning materials for becoming the OJTT, and the C/P will train the OJTTS when it is considered to be ready.

2-9 Output 3 Implementation of Mentoring Service (Serbia)

2-9-1 (Serbia) Selection of beneficiary for mentoring service

<Phase I: From May 2014 to November 2014>

In 2013, we reviewed the selection process of beneficiaries done by NARD and pointed out some issues. In 2013, the SME selection process was as follows:

May-Jun : Decide the number of beneficiaries

Jun-Jul : Public call (through generally circulated newspapers)

Jul : Selection of companies

NARD selected beneficiaries from the applications to the public call, limited by predetermined number of beneficiaries for each region to maintain equality among regions, checking the completeness of application documents, certificate of remittance of social security, proof of payment of tax, and positive net income of the immediate preceding year, as well as considering their business overview, financial conditions and recommendation from RA/Cs.

As for the selection procedure of SMEs by NARD, it is observed that a proper PDCA cycle is in place. We did not see any needs of intervention there. On the other hand, NARD requested delivery of SOTC strongly as it had concerns on further enhancement of capability of mentors, such as for cases with difficulties for mentoring supports.

Based on the situation above mentioned, JICA consultants proposed during the JCC held in Serbia in May 2014 that “Selection of beneficiary for mentoring service” in Serbia has been functioning well and activities of JICA consultants in Phase I (to be ended in November 2014) shall be limited to the selection of beneficiaries for SOTC, which was approved.

<Phase II: From March 2015 to March 2016>

Selection of beneficiaries for mentoring service in Serbia in 2014 has been functioning well and activities of JICA consultants in Phase II were limited to the selection of beneficiaries for SOTC¹.

The concerns on the selection activities of NARD, however, was not in its selection procedures itself, but number of applications. Public awareness on Mentoring Service was not necessary high, and number of applicants varied by region. Some RA/Cs ended up to offer mentoring service to all applicants, considering equal allocation of mentoring services among regions.

In Phase II, JICA Consultant enhanced nationwide PR activities for SME in Serbia. Rather than assisting selection process directly, we wanted to improve equality and quality of selection process by contributing to the increase of applicants especially in countryside through PR activities. The background and results of the activities were as follows:

¹ For actual selection procedure, please refer 2.9.2.

(1) Number of businesses selected

Following number of businesses had been selected as beneficiaries of mentoring service of NARD as the results of prior JICA project starting year 2010.

Table: Trend on number of beneficiaries and applications

Year	2010	2011	2012	2013
No of Beneficiaries	46	135	135	108

Number of applications in 2010 to 2012 were not recorded. Based on discussion with NARD, JICA consultants recognize those as almost the same number as those who were selected.

In 2013, NARD seemed to have secured enough budget to cover the same number of beneficiaries as those in 2012 (130++). However, it turned out that only 114 businesses applied and all applicants were adopted. There was a trend that the number of applicants was not increasing, which made NARD impossible to choose beneficiaries strategically. It was an issue that this service was not well known by SMEs in general public because of lack of PR of the mentoring service.

In mentoring of prior periods, manufacturing occupied 45% as the biggest majority, while professional/technical service was 12% and trading was 9%. 94.1% of beneficiaries were micro enterprises with 10 or less employees, while 5.9% were small with 11 or more employees.

(2) Effect of PR activities

Major PR activities were as follows:

- Distribution of pamphlet introducing mentoring
Developed a pamphlet describing the overview of mentoring for SMEs and distributed through RA/Cs. It was prepared in PDF format, so that it can be emailed to SMEs.
- Distribution of leaflet introducing mentoring
Developed a leaflet describing the overview of mentoring for SMEs and distributed through RA/Cs.
- Direct mails for introducing mentoring
Listed up 200 SMEs appropriate for mentoring, but located in areas where PR over internet was not efficient, and sent direct mails to their address to introduce mentoring service.
- PR over internet
Information dissemination through Facebook, website, and other SNS.
- PR over TV program
PR over major TV stations. 7 times appeared on TV during the application period.

Table: Number of mentoring beneficiaries

	2013	2014	2015
Applications	114	128	159
Beneficiaries	108	105	101

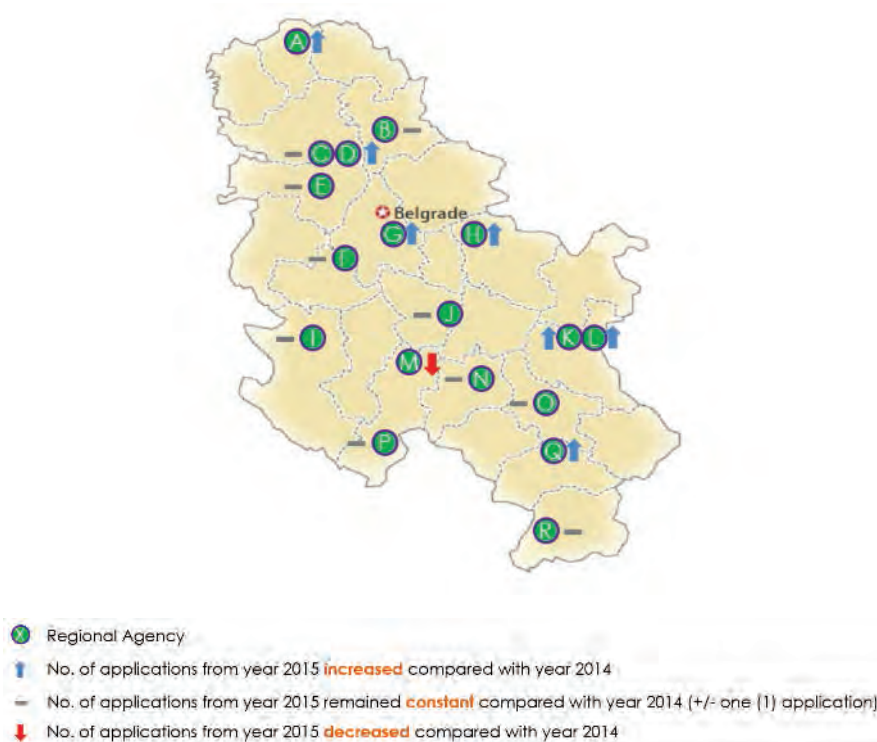


Fig. Changes of number of applications by region in Serbia

In 2015, we observed an increase of voluntary applications by SMEs as a result of PR activities. Increase of number of applications was observed in 7 RA/Cs out of 18.

2-9-2 Mentoring Service to SMEs

<Phase I: From May 2014 to November 2014>

JICA consultants directly involved in mentoring service through OJT for mentors. The number of mentoring service delivered through the project period was indicated above. Among those OJTs, SOTC were only cases where JICA consultants directly delivered services to the SMEs (please refer 2.3.1).

In SOTC, JICA consultants analyzed additional needs² of SMEs who were the beneficiaries of mentoring service in 2013 and identified consulting needs of 1) production improvements (including Kaizen), 2) marketing and 3) finance. We planned to deliver SOTC for each field of consulting in 3 different regions, where 9 SMEs (3 fields x 3 regions) to be selected. The potential SMEs for SOTC were prioritized by a) the field of their consulting needs, b) location³ and c) capability analyzed by OJT records, in this order, and the following 7 SMEs were chosen.

Table: Selected Beneficiaries of OJT

RDA	Area	Beneficially	Needs
RDA „Jug“, Niš	South	Yumis	KAIZEN
„ARROKO“, Lajkovac	North/South	Bosis	KAIZEN
REDASP, Kragujevac	North/South	Vinarija Dacić	Marketing
RDA „Zlatibor“, Užice	West	The Dubliner	Marketing
RDA Kraljevo	South	Šampinjon centar	Finance
„Alma Mons“, Novi Sad	North	Pana Comp-Zemlja Čuda	Finance
RDA „Zlatibor“, Užice	West	Hostel Republik 031	Finance

SOTC were delivered during January to May 2014. JICA consultants informed the schedule to NARD 1 to 2 months in advance, NARD announced this to surrounding RA/Cs, and willing mentors came on the day on the spot to join the discussion. Participating mentors appreciated SOTC very much. Additional SOTC were delivered in November 2014 to answer the strong request from NARD⁴.

² Based on the list of requests from SMEs to NARD as of October 2013

³ Central cities of south, north and central regions were chosen for the participating mentors to be able to join easily.

⁴ In Serbia in 2014, almost no OJTs related to Output 2 and 3, as approved in JCC in May 2014, except 3 SOTCs to improve the quality of mentoring service.

Public call for SOTC among SMEs was done by NARD in mid of September 2014. Among the 7 SMEs that applied, 3 were selected through the following selection criteria. Clients and mentors that participated at the 3 SOTC showed high satisfaction to the service delivered, represented in feedbacks such as “Practical advice for tangible results, understanding the situation of our company” by a client, and “I could understand the process at site from company diagnosis to action plans” from a mentor.

Selection Criteria

- A. Regional Balance
- B. Possible number of the guest mentors
- C. Relationship of the theme and beneficiary
- D. Potential of being a model case for the other mentors

Table: Selected beneficiaries of SOTC

RDA	Area	Beneficiary	Theme
RRA Bačka	Novi Sad	Kortex Ltd. (Recycling of materials)	Marketing
Kruševac	Kruševac	B.O.S. Kompany doo Krusevac (Manufacture of metal sheet)	Production Management
RARIS	Zajecar	Measuring Transformers Factory – FMT (Manufacture of electrical equipment)	Human Resource Management

<Phase II: From March 2015 to March 2016>

SME beneficiaries tended to expect know-how on Japanese production management system such as KAIZEN and 5S. There was the same trend observed in 2015 and NARD requested SOTCs to include production management as one of the topics. JICA consultants selected 1 SME for each north, central and south regions using the same selection criteria from 2014 and delivered 3 SOTCs in March 2016 as follows:



Table: Selected beneficiaries of OJT

RDA	Area	Beneficiary	Theme
Banat	Zrenjanin	Krio oprema Pančevo Manufacture of cooling devices	Production Management
Kruševac	Kruševac	FrigoOprema Manufacture of cooling devices	Production Management
SEDA	Novi Pazar	Avis Manufacture of springs	Production Management

2-9-3 Evaluation of Service

<Phase I: From May 2013 to November 2014>

NARD had been evaluating mentoring service continuously and thoroughly. To maintain high reliability, NARD hired independent third party consultants for the evaluation. The independent consultants visited beneficiaries in regions to interview them directly to understand correct situation, in addition to review reports from mentors. Their evaluation was detailed enough, covering not only mentor's service, but also the evaluation per RA/C. JICA consultants reviewed the evaluation report and interviewed independent evaluator who prepared the report and concluded that the evaluation was fair.

JICA consultants concluded on the evaluation of mentoring service by NARD as follows:

- Current evaluation of mentoring service is performed by a third party periodically in a transparent way.
- Thus, the need of assistance to NARD for their evaluation system is low.
- JICA consultants shall focus on the evaluation of SOTCs which are delivered in addition to the current mentoring service and report to NARD, so that to contribute to the evaluation system.

These were proposed in JCC on May 12, 2014 and approved. JICA consultants confirmed that the evaluation report of 2013 prepared by a third party in September 2014 was fair. JICA consultants also reported evaluation of SOTCs to NARD as agreed.

<Phase II: From March 2015 March 2016>

JICA consultants expected the same evaluation in Phase 2 as the one from Phase 1. However, it turned out that NARD could not secure budget for evaluation in 2015 and could not perform their evaluation. Furthermore, NARD was dissolved by the end of 2015 and consolidated to the new organization, Serbian Development Agency. Due to this situation, it is unknown at the end of this project if the evaluation of mentoring service will be revived and continued.

Mentoring evaluation by NARD until 2014 was mainly based on interview to beneficiaries of mentoring from the past two years on impact of mentoring to their business. NARD secured annual budget of around RSD 2M for outsourcing this to independent third party.

Mentoring evaluation of 2013 (for mentoring 2012) completed in January 2014 and expanded its coverage to include individual evaluation of each mentor. It summarized mentoring activities and its evaluation for each mentor, describing 1) name of mentor, 2) project name and 3) performance and evaluation. This is based on the research of all beneficiaries by independent consultant, as the evaluation of 2012.

The report describes the framework of mentoring service, a summary of the satisfaction survey based on mentoring records prepared by mentors and questionnaire survey to mentors and beneficiaries. This includes changes of business performance of beneficiaries after mentoring period, satisfactory covering efficiency and impact in the terms of DAC 5 elements of evaluation. But it does not cover analysis of efficiency and sustainability fully, as it requires discussion on involvement and process of NARD itself.

2-10 Output 3 Implementation of Mentoring Service (Montenegro)

2-10-1 Selection of beneficiary for mentoring service

<Phase I: From May 2014 to November 2014>

Series of activities on Mentoring started in May 2014.

A pre-announcement event held in May 2014 gathered lots of SMEs as well as participants from NARD and SME beneficiaries of mentoring service in Serbia, for them to talk about overview and benefit of the mentoring. JICA consultants also attended the event to meet with several Montenegrin SMEs to verify their suitability for mentoring. Public call for the first mentoring service started after this event in June 2014 in Podgorica, Cetinje and Bar.

While many mentors are not sure yet on “what is mentoring”, and lacking for supporting system, Montenegrin way of mentoring service delivery system had been developed side by side. To start with, JICA consultants started their assistance from the selection of beneficiaries to make sure that suitable SMEs were to be selected.

Number of applications for mentoring 2014 was 20 on the record, but this shall be analyzed carefully as such in BiH. In 2014, as not enough number of applications was generated initially, DDSME and regional business centers paid extra effort to reach SMEs through their contacts and requested those companies to fill in application forms. Finally, 13 SMEs were selected as beneficiaries. The selection criteria were almost same as those in Serbia, which included “proof of payment - social security”, “proof of payment – tax” and “positive financial statement for immediate prior year”, among others. The last criteria made SMEs, especially the recently established ones, to hesitate to apply to this service.

<Phase II: From March 2015 to March 2016>

While delivery of mentoring service to each beneficiary was relatively smooth, one of the main agenda in Montenegro became expansion of service area.

Table: Change of numbers of SMEs for mentoring

	2013	2014	2015
Applications	n/a	20	19
Beneficiaries	n/a	13	16

The number of application is almost the same in 2014 and 2015, but the situation was changed as follows:

1) Applications in 2014

- DDSME called SMEs with existing contacts for participating to mentoring service.
- SMEs answered to the request from DDSME, rather than voluntarily applied.
- SMEs applied to mentoring service without enough knowledge on mentoring service, and it caused an expectation gap between SMEs and mentors on delivery of mentoring service.

2) Applications in 2015

- Mentor service was publicly announced to SMEs in service area.
- Interested SMEs inquired on mentoring service and participated voluntary.
- Participating SMEs generally understood mentoring service and had smaller expectation gap comparing to 2014.

16 SMEs were selected as beneficiaries in 2015, composed of: 6 manufactures, 2 wholesalers, 3 retailers and 5 service providers. They have 30 or less employees, and 8 out of 16 beneficiaries, i.e. 50% of them, have only 5 or less employees. The assistance provided by JICA consultants in 2015 for selection phase was mainly on PR activities.

2-10-2 Mentoring Service to SMEs

<Phase I: From May 2014 to November 2014>

After beneficiaries were selected through the public call, mentoring services were delivered by newly trained Montenegrin mentors. Those mentors individually took care of beneficiaries using 50 hours of allocated budget for the mentoring service, while JICA consultants visited beneficiaries with the mentors 3 times (on July, October and November 2014) for follow up. This was the first year for DDSME to deliver mentoring service, while mentors in business center in Bar already accustomed to provide resemble service under a highly capable leader. The actual stance of mentoring varies by area and mentors.

The results of the 3 visits by JICA consultants with mentors were as follows:

(1) 1st visit

The first visit of JICA consultants for mentoring in Montenegro covered all 13 beneficiaries selected through public call during one whole month of July 2014, with 8 newly trained mentors who passed mentor examination after classroom trainings. The main purpose of the visit was to understand current status and needs of those SMEs.

Table: the list of selected beneficiaries of mentoring service visited with JICA Consultant

Mentor	Beneficiary	No of Employees	Industry	Visit with JICA cons.
Nataša Batrićević	ALNET D.O.O.	3	Engineering and technical consultancy	18/7/2014
	Millennium	5	Real estate broker	21/7/2014
Sanja Varajic	DARMA D.O.O.	12+(4)	Food production	23/7/2014
	Happy People	5	Decoration and services	22/7/2014
Anđela GAJEVIĆ	FineArts d.o.o.	3	Specialized shop of painting materials, picture framing studio	9/7/2014
	GS COMPANY DOO	21	Restaurant and moving catering facilities business	10/7/2014
Ljiljana Belada	Flotalba d.o.o.	10	Painting and glazing, glass processing and finishing	22/7/2014
	GORATON FILM DOO PODGORICA	2	Sale and distribution of computer equipment, audio and video CDs and DVDs	21/7/2014
Ivana Tomasevic	DOXY HEM D.O.O.	1	Production of chemical and hygiene products	16/7/2014
Sasa Jovanovic	TAP JOVIC BR.1 D.O.O. BAR	8	Production and distribution of paper products	17/7/2014
Nikola Mijanovic Pavle Simovic	EM PLUS d.o.o	1	Trade and services	7/7/2014
	INTERPRODUC T D.O.O.	6	Production of delicatessen	23/7/2014
	OBODICE - MNE	15	Production of cooling devices	23/7/2014

All mentors shared the mentoring need of their beneficiaries with JICA consultants, and agreed with beneficiaries to further continue mentoring. The results were reported to Mr. Goran Scepanovic, the under-secretary of MOE, through DDSME.

(2) 2nd Visit

JICA consultants made 2nd visitation with mentors in Montenegro for 10 days from October 6 to 15. The main purpose of the visit was for follow up of mentoring activities.

Table: Selected beneficiaries of mentoring service visited with JICA consultant

Mentor	Beneficiary	2nd visit with JICA consultants
Nataša Batrićević	ALNET D.O.O.	13/10/2014
	Millennium Business Group	15/10/2014
Sanja Varajic	DARMA D.O.O.	14/10/2014
	Happy People d.o.o.	14/10/2014
Anđela GAJEVIĆ	FineArts d.o.o.	13/10/2014
	GS COMPANY DOO	-
Ljiljana Belada	Flotalba d.o.o.	-
	GORATON FILM DOO PODGORICA	8/10/2014
Ivana Tomasevic	DOXY HEM D.O.O.	7/10/2014
Sasa Jovanovic	TAP JOVIC BR.1 D.O.O. BAR	-Note 1
Nikola Mijanovic Pavle Simovic	EM PLUS d.o.o. CETINJE	6/10/2014
	INTERPRODUCT D.O.O.	-
	OBODICE - MNE	6/10/2014

Note 1: Cancelled due to accident of the owner (injured in test run of a new machine)



Pic. Visit of a beneficiary by JICA Consultant

At this point, all mentors had been decided their plan of support of their beneficiaries. The planned actions were, however, not necessarily mentoring, but included employees' survey for a service company⁵ and request of a regulation on pirated software⁶. Although these were recognized as issues to be resolved in selection of beneficiaries in 2015, as discussed in later portion of this report, JICA consultants decided to continue supporting those activities of mentors to maintain the connection with the SMEs.

(3) 3rd Visit

JICA consultant visited beneficiaries of Montenegro with mentors third time in November 2014, to wrap-up mentoring activities of the year.

⁵ The owner of the company was not satisfied the performance of their staff. Mentor in charge recommended the employees' survey on no name basis, but due to strong request from the owner, performed the survey with name.

⁶ This is not within the scope of mentoring, but rather a national policy. But the mentor was able to satisfy the beneficiary by promoting cooperation with companies suffered by the same issue. JICA consultant also reported to Mr. Goran Scepanovic, who coincidentally was the person in charge of intellectual property policy of Montenegro, that there are this kind of issues affecting the local SMEs.

Table: The list of beneficiaries of mentoring service visited with JICA consultant.

Mentor	Beneficiary	3rd visit with JICA consultants	Drafting of Mentoring report
Nataša Batrićević	ALNET D.O.O.	7/11/2014	Yes
	Millennium Business Group	3/11/2014	No
Sanja Varajic	DARMA D.O.O.	4/11/2014	Yes
	Happy People d.o.o.	-	No
Anđela GAJEVIĆ	FineArts d.o.o.	7/11/2014	Yes
	GS COMPANY DOO	-	No
Ljiljana Belada	Flotalba d.o.o.	-	No
	GORATON FILM DOO PODGORICA	7/11/2014	Yes
Ivana Tomasevic	DOXY HEM D.O.O.	6/11/2014	No
Sasa Jovanovic	TAP JOVIC BR.1 D.O.O. BAR	6/11/2014	No
Nikola Mijanovic Pavle Simovic	EM PLUS d.o.o. CETINJE	5/11/2014	Yes
	INTERPRODUCT D.O.O.	5/11/2014	Yes
	OBODICE - MNE	5/11/2014	Yes



Pic: Factory Visit

We targeted to make each mentor to finish mentoring service for at least one beneficiary and prepare a mentoring report. 6 out of 8 mentors achieved the target. The 2 that remained belonged to Business Center Bar, where one beneficiary cancelled mentoring due to a severe injury of the owner, while owner of another beneficiary could not take enough time for actions agreed during initial phase of mentoring, as the owner could not hire any employee and she performed everything from production to sales. The mentors in Bar continued support for these SMEs in 2015.

<Phase II: From March 2015 to March 2016>

Mentoring 2015 in Montenegro extended to Niksic and Bijelo Polje as additional areas for service and 7 new mentors were trained to cover these areas, including 1 in Bar, 2 in Cetinje, 2 in Niksic, and 2 in Bijelo Polje. All in all, 15 mentors served for 16 beneficiaries selected through public call, including 3 in Podgorica by DDSME, 6 in Bar, 1 each in Cetinje, Budva and Niksic, and 4 in Bijelo Polje. Mentors in Bar and Bijelo Polje served 2 beneficiaries at once.

One of the objectives of Mentoring 2015 in Montenegro was to localize the training process by dispatching Serbian OJT Trainers to Montenegro to assist mentors in Montenegro to implement standardized mentoring process. This was realized by dispatching 7 OJTTs from Serbia to Montenegro during September to October 2015 to deliver mentoring service with Montenegrin mentors.

JICA consultants visited Montenegro in July and during the time when Serbian OJTTs were organized in Sep-Oct. In July, JICA consultants introduced mentoring to 16 beneficiaries, and analyzed their needs. In September, JICA consultants trained 7 new mentors through OJT, as well as assisted all mentors to finalize their action plans.

Table: List of beneficiaries for Mentoring 2015 in Montenegro

	Beneficiary	Business Fields	No. of Employee	Mentor	New mentor	Visitation	OJTT	JICA Consultant
1	EDEX	Consulting Service	5	Zarko Scekcic	Yes	2015/9/15	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						20/10/2015	Biljana Stojanovic	Alexander Silnitsky
2	MESARA MEDJEDOVIC	Processing of meat products	5	Zarko Scekcic	Yes	2015/9/15	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						20/10/2015	Biljana Stojanovic	Alexander Silnitsky
3	MIKROMONT	Wholesales of metal goods	30	Blazo Vlaovic	Yes	2015/9/16	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						21/10/2015	Biljana Stojanovic	Alexander Silnitsky
4	KONATAR	Furniture manufacturing	2	Blazo Vlaovic	Yes	2015/9/16	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						21/10/2015	Biljana Stojanovic	Alexander Silnitsky
5	Vib-Bas	Metal products manufacturing	25	Biljana Zoric, Milica Radojicic	Yes	2015/9/17	Ivan Mihajlović, Bojan Bošković, Džamila Kruševljanin	Masashi Yamanaka
						22/10/2015	Biljana Stojanovic	Alexander Silnitsky
6	ANGLIAN	Furniture manufacturing	11	Vesna Antunicevic	Yes	2015/9/22	Sasa Dedeic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
7	DR MASONCIC	Medical treatment (Inner medicine)	3	Ivana Tomasevic, Vesna Tomasevic	Yes	2015/9/22	Rodojka Savic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
8	ENTERIJER DESIGN STUDIO	Furniture manufacturing	6	Sasa Jovanovic	No	2015/9/22	Sasa Dedeic	Masashi Yamanaka
						28/10/2015	Dragana Belenzada	Alexander Silnitsky
9	ART OF BIZ	Accounting service, Restaurant	1	Ivana Tomasevic	No	2015/9/22	Rodojka Savic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
10	Multiprint	Retail (Computer and office supply)	16	Ivana Tomasevic	Yes	2015/9/23	Radojka Savic, Sasa dedeic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
11	Pro Invest	Whole sales	17	Sasa Jovanovic	No	2015/9/23	Radojka Savic, Sasa dedeic	Masashi Yamanaka
						27/10/2015	Dragana Belenzada	Alexander Silnitsky
12	MIANJA	MeaProcesing of meat products	13	Nikola Mijanovic, Savo Borozan	Partially yes	2015/10/29	Radojka Savic, Sasa dedeic	Masashi Yamanaka
13	ANJA COSMETICS	Cosmetics, Retail	26	Pavle Simovic, Milo Vujanovic	Partially yes	23/7/2015	Lazar Doroskov, Tanja Mijailovic	Masashi Yamanaka
14	FORBA	Construlting, Retail	4	Natasa Batricevic	No	21/7/2015	Lazar Doroskov, Tanja Mijailovic	Masashi Yamanaka
15	BALKAN T&M	Retail	4	Ljiljana Belada	No	2015/9/7	Olga Radulovic	Masashi Yamanaka
16	AMPLITUDO	ICT engenering , digital marketing	5	Andjela Gajevic, Sanja Varajic	No	21/7/2015	Lazar Doroskov, Tanja Mijailovic	Masashi Yamanaka

2-10-3 Evaluation of Service

<Phase I: From May 2013 to November 2014>

The first mentoring service was delivered in Montenegro in 2014. As this was the first time, level of involvement and output of the service were different by mentors. 2 out of 8 mentors could not finish their final report. JICA consultants interviewed mentors to identify their issues and artifices on mentoring, while DDSME collected client feedback. It was premature to evaluate mentoring service in Montenegro as a whole, but the information collected, such as needs for capacity development for mentoring, was used as inputs for Phase II of the project, in development of new training material and Japan training.

<Phase II: From March 2015 to March 2016>

We conducted evaluation on mentoring service in 2015 during December 2015 to January 2016. For DDSME to be able to continue the evaluation activity by themselves, special attentions were paid to formulate a methodology for the evaluation and its reporting.

(1) Methodology

To maintain objectiveness of the evaluation, JICA consultants not directly involved in OJT were assigned as evaluators and started preparation from December 2015 through the following steps.

- a) Review of evaluation method by all member of JICA Consultant and preparation of evaluation sheet
- b) Set appointments with beneficiaries through interpreter, not involving mentors
- c) Direct interview to beneficiaries based on evaluation sheet in January 2016, not involving mentors
- d) Collected self-evaluation of mentors at the same period of c), not involving beneficiaries, and
- e) Consolidated the result of c) and d) for evaluation

Evaluation sheets were structured and formatted for easy comparison of answers from beneficiaries and mentors. The questions were designed to have both quantitative and qualitative results.

The results of evaluation of individual mentors were delivered by mail individually for their feedback and further improvement by themselves. To DDSME, following results were reported in January 2016.

(2) Major Results

- PR activities through TV program done by JICA has small impact, and most of the beneficiaries come to know the mentoring project through introduction mails from business centers and DDSME.
- Mentors explained how to process mentoring in accordance with the mentoring guideline. As the understanding of the beneficiaries was not enough, there shall be a tool to be developed to assist easier understanding of mentoring.
- Mentors were evaluated to be capable for basic methodology of mentoring such as information gathering, SWOT and financial analysis, but need more training for market analysis and analysis of competitors, which requires overview of the market.
- Beneficiaries appreciated mentors on problem identification and generally satisfied the work mentors. But 4 out of 18 beneficiaries evaluated the solution provided from mentors as “poor”.
- Beneficiaries tend to expect mentors to have insights into their business environment.

Highly appreciated mentoring were as follows. As these are cases in mentoring 2015, it is too early to expect tangible impact on any management index of their businesses.

Table: Highly evaluated mentoring services

Company	Mentor	Reasons for high evaluation
AMPLITUDO (Accounting)	Andjela Gajevic & Sanja Varajic	Expanded client network by mentor's coordination for meetings with government agencies such as department of agriculture.
MULTIPRINT (Sales and service of PC and goods)	Ivana Tomasevic	Introduced EU fund for women managers on their website renewal and opening of online shop. EU assisted 50 – 60% of the cost.
PRO INVEST GROUP (Consulting)	Sasa Jovanovic	Introduced 2 potential clients from abroad (Greek)
ANGLIAN (Manufacture of Furniture)	Sasa Jovanovic	Demonstrated inventory management method (such as FIFO) as a training. It was later implemented and contributed for easier inventory management.

(3) Feedback (Comments from DDSME)

- The evaluation was well planned and the result is reasonable. By having interview to the beneficiaries without mentors, we could know the honest opinion of the beneficiaries.
- It is clear to see the gap between mentoring and opinion of the beneficiaries at a glance.
- For the beneficiaries that pointed out that the mentoring was not finished yet, DDSME shall take care.
- The evaluation method and questions can be a model for future evaluations. We will use the same format from next year.

2-11 Output 3 Implementation of Mentoring Service (BiH)

2-11-1 Selection of beneficiary for mentoring service

<Phase I: From May 2013 to November 2014>

Series of activities on Mentoring started in December 2013. JICA consultants held an orientation on mentoring 2014 in December 2013. JICA consultants requested mentor candidates to “select SMEs with potential increase of sales by 30%” at that time, but ended up selecting SMEs from applications got through an website, as mentor candidates were not accustomed to the selection procedure.

There were 20 applications on record, but this is a result of extra efforts by SERDA and FTCBH to involve SMEs from their own networks. 12 beneficiaries were selected for 12 mentor candidates.

In the first OJT delivered from mid of May to early June 2014, JICA consultants requested mentor candidates to use 2 formats (“Client Assessment Sheet” and “Mentoring Planning Sheet”) to evaluate if their beneficiaries have potential to increase sales by 30% in 300 days of mentoring period. If a mentor came to a conclusion that his beneficiary had no potential to achieve the goal, JICA consultants assisted the mentor to change their beneficiary.

<Phase II: From March 2015 to March 2016>

As the mentoring service in BiH was limited to Sarajevo Macro Region, PR activities in 2015 were performed through website of SERDA and SNS, utilizing PDF version of pamphlet and leaflet customized from the Serbian version. The applications for mentoring 2015 were not so many, despite PR activities. This was mainly due to the selection criteria set by SERDA which included “proof of payment - social security”, “proof of payment – tax” and “positive financial statement for immediate prior year”. SERDA decided to omit these conditions when extended their application period, paid extra effort to call SMEs through their network to collect enough number of applications for selection. There were 18 applications at the end of the period and 15 SMEs were selected as beneficiaries.

Table: Change of numbers of SMEs for mentoring

	2013	2014	2015
Applications	n/a	20	18
Beneficiaries	n/a	12	15

Although the number of applications exceeded the planned number of beneficiaries, there were several issues that remained. The extension of the application period caused 3 weeks delay in the start of mentoring service from early July 2015. The PR process of SERDA is not stable enough, but it is

the only agency in BiH for the PR activity with their limited resources after JICA assistance is over. JICA consultants are not optimistic for the future selection activities of beneficiaries in BiH.

For example, in the course of PR activities in 2015, it was turned out that public call requires an “approval from secretary of MOFTER”. This was requested just before the planned start of public call, and took more than one month. Approval for usage of logo of MOFTER was not granted several months after the request. As same type of things may happen in future PR activities, SERDA should fully understand the procedure of PR activities involving government agencies to avoid unexpected delays.

Among 16 beneficiaries in 2015, there were 4 manufacturers, 1 wholesaler, 2 retailers, 8 service providers, with 5 or less employees for 3 companies, 6-30 for 8 companies, and 31 and more for 4 companies. The biggest company employed 182 staff.

2-11-2 Mentoring Service to SMEs

<Phase I: From May 2014 to November 2014>

Mentoring services were delivered to 12 beneficiaries in 2014. Mentor candidates⁷ individually took care of their beneficiaries, while JICA consultants visited beneficiaries with the mentors 4 times (on May, June-July, September and October 2014) for follow up.

Among 12 mentor candidates, 10 belonged to SERDA, which is a private organization founded by public sector and is not like the JICA counterparts in Serbia and Montenegro. There was no specific time budget allocated for the mentoring, such as 50 hours in other countries, and each mentor candidate had multiple tasks assigned, others than this project. This made the mentor candidates tend to wait and react to the request of JICA consultants when the latter visited BiH.

The results of 4 visitations by JICA consultants for mentoring were as follows:

(1) 1st Visit

JICA consultants visited BiH for 20 days in May 2014 to join the mentoring service. The objective of the first visit was to create a relation with beneficiaries and introduce mentoring to them. During this visit, 11 out of 12 mentor candidates identified beneficiaries with high potential of increase of sales and agreed with them to start the mentoring.

⁷ Only classroom training was required to be recognized as a certified mentor in Serbia and Montenegro. In BiH, however, it was required a longer training period and OJT to be a mentor, so that the mentor in SERDA can provide mentoring service with fee in the future. Classroom training was considered not enough to provide expected service to beneficiaries. Thus, there were only mentor candidates, at that time as mentoring system in BiH defines that mentor shall be the one who successfully finished OJT of mentoring.

Table: Schedule of 1st visit for Mentoring 2014 in BiH

Mentor Candidate	Beneficiary	Pre-meeting	Visitation	Follow-up
Zinaida Porobić	MI system	3/6/2014	4/6/2014	-
Dragiša Marek	MAKROVITA	22/5/2014	27/5/2014	-
Sinisa Obradović	Lamperija Enterijer d.o.o. Pale	23/5/2014	3/6/2014	-
Asad Karišik	COMP-IT d.o.o.	19/5/2014	21/5/2014	30/5/2014
Slaviša Čeranić	IRGET OD	30/5/2014	3/6/2014	-
Armina Arslanagic Čengić	Lamers doo	22/5/2014	4/6/2014	5/6/2014
Aida Džamalija Duran	Unis Fagas	19/5/2014	28/5/2014	2/6/2014
Sanela Dževlan	Nebo Tours	21/5/2014	29/5/2014	30/5/2014
Lejla Sirbubalo	HDI doo	23/5/2014	2/6/2014	-
Faruk Cerić	Harysoft	21/5/2014	27/5/2014	-
Senad Hromić	Woodteam	19/5/2014	20/5/2014	2/6/2014
Aida Klemencić	Buljsać doo	22/5/2014	29/5/2014	-

(2) 2nd Visit

JICA consultants visited Sarajevo for 2 weeks during June-July 2014 for second follow-up of mentoring in BiH. They assisted mentor candidates to explain to their beneficiaries the mentoring action plans that were created based on company diagnosis. Mentor candidates presented their results of company diagnosis and actions to be taken for increase of sales to Mr. Ševkija Okerić, Director of SERDA, for his approval on their planned actions. These activities were done following the schedule from below.

Table: Schedule of 2nd visit for Mentoring 2014 in BiH

Mentor Candidate	Beneficiary	Pre-meeting	Visitation	Presentation
Zinaida Porobić	MI system	30/6/2014	7/7/2014	10-11/7/2014
Dragiša Marek	MAKROVITA	26/6/2014	-	-
Sinisa Obradović	Lamperija Enterijer d.o.o. Pale	3/7/2014	-	10-11/7/2014
Asim Karišik	COMP-IT d.o.o.	3/7/2014	8/7/2014	10-11/7/2014
Slaviša Čeranić	IRGET OD	7/7/2014	-	-
Armina Arslanagic Čengić	Lamers doo	7/7/2014	-	10-11/7/2014
Aida Džamalića Duran	Unis Fagas	3/7/2014	-	10-11/7/2014
Sanela Dževlan	Interclima doo	3,7/7/2014	2/7/2014	10-11/7/2014
Lejla Sirbubalo	HDI doo	1/7/2014	-	10-11/7/2014
Faruk Cerić	Harysoft	30/6/2014	-	10-11/7/2014
Senad Hromić	Woodteam	8/7/2014	-	10-11/7/2014
Aida Klemencić	Buljsać doo	27/6/2014	3/7/2014	10-11/7/2014

All 12 mentor candidates selected their beneficiaries and 10 finished presenting their direction of action to Mr. Ševkija Okerić to secure his consent. For 2 candidates who could not present during the JICA consultants' visit due to other tasks, JICA consultants followed them up during their third visit and confirmed that they finished their presentation and secured consent from the Director.



Pic. OJT with Serbian mentor

(3) 3rd Visit

JICA consultants visited Sarajevo for the third visitation for one week in mid September 2014, when summer vacation season ended in BiH. They assisted mentor candidates to finalize Client's Action Plan and Mentor's Action Plan⁸ and followed-up the result of presentation to Mr. Ševkija Okerić. 4 mentor candidates finished preparing action plans, while 4 others were in preparation of doing it.

(4) 4th Visit

JICA consultants made the forth visit to Sarajevo for three weeks in October 2014, aiming to follow-up mentor candidates for their implementation of action plans and to advise them on issues they were facing in the field. The target of this visit was to complete action plans for all mentors and agreements with beneficiaries⁹ by providing individual support for each mentor candidate, including visitation of beneficiaries if needed.

⁸ 4 documents were requested to be completed by mentor candidates to complete OJT in BiH to achieve “30% increase of sales in 300 days for selected beneficiary through action plans created with the SME.”, which are i) Mentoring Assessment Sheet, ii) Mentoring Planning Sheet, iii) Client’s Action Plan and iv) Mentor’s Action Plan. The objectives of the third visit was to complete iii) and iv), for approval of Mr. Ševkija Okerić on their plans.

⁹ The agreement, including non-disclosure agreement, was signed between the beneficiary, mentor and the director of the organization where the mentor belongs to. This is a fundamental activity for SERDA, who considers providing mentoring service with charge in the future.

Table: Schedule of 4th visit for Mentoring 2014 in BiH

Mentor Candidate	Beneficiary	Pre-meeting	Visitation	Follow-up
Zinaida Porobić	MI system	21/10/2014	-	-
Dragiša Marek	MAKROVITA	22/10/2014	-	-
Sinisa Obradović	Lamperija Enterijer d.o.o. Pale	24/10/2014	-	-
Asad Karišik	Frigor	27/10/2014	28/10/2014	30/10/2014
Slaviša Čeranić	IRGET OD	21/10/2014	-	-
Armina Arslanagic Čengić	Lamers doo	24/10/2014	-	-
Aida Džamalića Duran	Unis Fagas	-	-	-
Sanela Dževlan	Interclima doo	21/10/2014	-	-
Lejla Sirbubalo	HDI doo	20/10/2014	-	31/10/2014
Faruk Cerić	Harysoft	24/10/2014	-	-
Senad Hromić	Woodteam	17/10/2014	22/10/2014	-
Aida Klemencić	Buljsać doo	17/10/2014	23/10/2014	23/10/2014

JICA consultants followed-up again in mid of November 2014 to confirm if all mentor candidates completed action plans approved by Mr. Ševkija Okerić, Director of SERDA, and prepared mentoring agreements with beneficiaries, signed by Mr. Ševkija Okerić and the mentor candidates.

In practice, creation of an action plan for the increase of sales in agreement with a beneficiary is already an enough output of a mentoring service. Mentoring could have been terminated at this stage, but some mentor candidates wanted to continue involving to support their beneficiaries. JICA consultants left decision to SERDA, if they allow their mentor candidates to continue the implementation of the plan.

<Phase II: From March 2015 to March 2016>

During mentoring 2015, 15 new mentors were trained (11 from SERDA and 4 from FTCBH) and they provided mentoring service for 15 beneficiaries selected through public call, where SERDA took 11, while FTCBH took 4. Each mentor served for 1 to 2 beneficiaries.

Mentoring in BiH is delivered by SERDA and FTCBH by their own resources and not financially supported by budget of national governments like in Serbia and Montenegro. Because of this, mentors in BiH are not mandated to spend 50 hours in mentoring nor number of expected visitation for objectives of each timing, as indicated in the standardized mentoring process.

During mentoring 2015, JICA dispatched OJT trainers trained in Serbia for the standardized mentoring process to BiH, expecting Serbian OJTTs to assist mentoring in BiH¹⁰. Three Serbian OJTTs visited Sarajevo in October 2015 to provide mentoring service to beneficiaries in BiH in coordination with mentors from BiH¹¹. Due to the delay of the start of mentoring period caused by SMEs' low interests on participation for mentoring in BiH, most of the beneficiaries at the visitation of Serbian OJTTs were in their early stage of mentoring.

Serbian OJTTs and JICA consultants joined 5 new mentors in BiH (3 from SERDA and 2 from FTCBH) to visit and deliver mentoring services to their beneficiaries, advising on company diagnosis to the new mentors. Assistance provided by Serbian OJTTs was highly appreciated by the new mentors, as described in the Figure below.

¹⁰ The plan of providing mentoring with fee was abandoned by SERDA at the end of 2015, as they accepted the appeal from Serbia during system design WS on creation of standardized mentoring process over 3 countries. Thus, OJT in 2016 was performed with beneficiaries selected through public call using the standardized mentoring process, instead of “finding a company with high potential of increase of sales by 30% within 300 days, set action plan with the company for implementation” (refer footnote of this section under Phase I).

¹¹ Affected by a threat of ISIS against Japan's delegates in BiH, only one OJTT per week (reduced from 2 as originally planned) was dispatched for 3 weeks.

Mentors in BiH showed appreciation to the advice coming from OJTT from Serbia during their interview performed in November and December 2015 by JICA expert, saying that their advice was based on their actual experience and practical enough to provide a key to solve the difficulties of new mentors in proposing directions to beneficiaries.

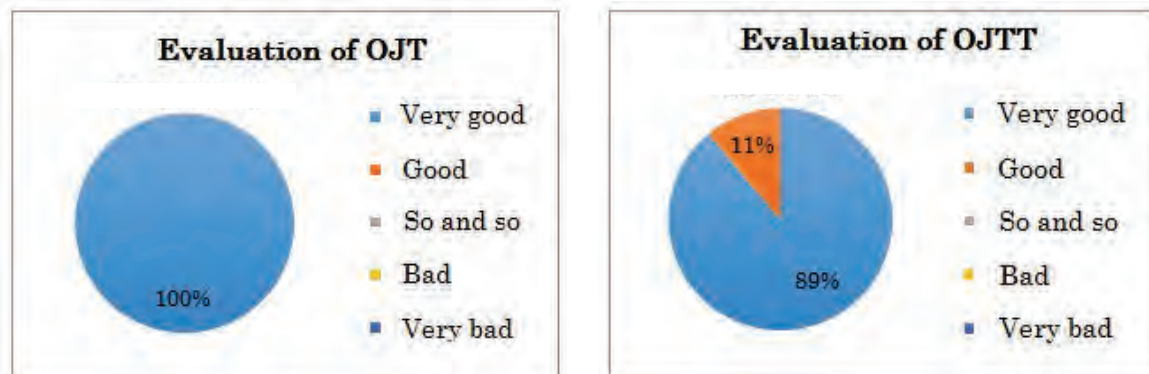


Fig. Evaluation Result of Mentors in BiH on OJT (100% answered positively)

Mentoring 2015 in BiH started in early July 2015 and mostly finished in January 2016. List of beneficiaries and OJT performed in Mentoring 2015 are as follows:

Table: List of beneficiaries for Mentoring 2015 in BiH

	Visitation	Beneficiary	Business Fields	No. of Employee	Mentor	New mentor	OJTT	JICA Consultant
1	2015/7/21	MEGAMIX	Whole-selling	182	Dragisa Marek	No	Natasa Knezevic , Milica Ćukarić	Toru Ishioroshi
2	2015/7/22 2015/10/29	ALIM	Printing and producing goods	21	Senad Hromic	No	Natasa Knezevic , Milica Ćukarić Srboslav Jagodić	Toru Ishioroshi Naoya Sakamoto
3	2015/7/22	FIN PROFI	Accounting	4	Armira Arslanagic Cengic	No	Natasa Knezevic , Milica Ćukarić	Toru Ishioroshi
4	2015/7/23	MIBRAL	Construction	56	Sinisa Obradovic	No	Natasa Knezevic , Milica Ćukarić	Toru Ishioroshi
5	2015/10/6	MS & WOOD	Wood processing industry	181	Sanela Dževlan	No	Mr.Vladan Nikolic	Chie Koga
6	2015/10/7	ANI-BH d.o.o	Operation of school and market	7	Asad Karisik	No	Mr.Vladan Nikolic	Chie Koga
7	2015/10/7	INTERMER d.o.o.	Furniture manufacturing	7	Faruk Cerić	No	Mr.Vladan Nikolic	Chie Koga
8	2015/10/7	DIOPTIC d.o.o	Retail (Optical products)	38	Zinaida Porobić	No	Mr.Vladan Nikolic	Chie Koga
9	2015/10/20	S.M.C. d.o.o	Retail (Aparel)	15	Amila Šehić	Yes	Boban Kostandinovic	Naoya Sakamoto
10	2015/10/20	Gramas d.o.o	Retail (Construction Material)	14	Stanislava Sorajić	Yes	Boban Kostandinovic	Naoya Sakamoto
11	2015/10/21	Congress Service Centre	Business services (Event management, consulting, translation)	3	Zlatan Saracevic	Yes	Boban Kostandinovic	Naoya Sakamoto
12	2015/10/22	Respect DOO	Accountancy	24	Belma Pašić	Yes	Boban Kostandinovic	Naoya Sakamoto
13	2015/10/28	Idego	eLearning	6	Asmir Kosovac	Yes	Srboslav Jagodić	Naoya Sakamoto
14	2015/10/28	Unis Fagas	Manufacturing Gas Mesurement and Control Equipment	26	Aida Cremencic	No	Srboslav Jagodić	Naoya Sakamoto
15	未	Dekom	Software Services and Web Programming	4	Slaviša Ćeranić	No		

2-11-3 Evaluation of Service

<Phase I: From May 2013 to November 2014>

The first mentoring in BiH was delivered in 2014 and its evaluation was performed in April 2015. JICA consultants prepared the evaluation form in advance, and filled it in by interviewing to beneficiaries and mentors for their self-evaluation, for final evaluation. As the interviews of beneficiaries were conducted with mentors in charge, it was not clear for JICA consultants if beneficiaries were open to negative feedbacks to the mentors. As far as the results, they were generally appreciated for their mentoring in 2014. These results were reported to Mr. Ševkija Okerić, Director of SERDA.

Collected needs of mentors through evaluation form such as for capacity development for mentoring, were used as inputs for Phase II of the project, in development of new training material and Japan training.

<Phase II: From March 2015 to March 2016>

We conducted evaluation on mentoring service from 2015 in January 2016. For DDSME to be able to continue the evaluation activity by themselves, special attention was paid to formulate a methodology for the evaluation and its reporting.

(1) Methodology

- a) Review of evaluation method by all members of JICA Consultant team and preparation of evaluation sheet
- b) Set appointments with beneficiaries through interpreter, not involving mentors
- c) Direct interview to beneficiaries based on evaluation sheet in January 2016, not involving mentors
- d) Collect self-evaluation of mentors at the same period of c), not involving beneficiaries, and
- e) Consolidate the result of c) and d) for evaluation

Evaluation sheets were structured and formatted for easy comparison of answers from beneficiaries and mentors. The questions were designed to have both quantitative and qualitative results.

The results of evaluation of individual mentors were delivered by mail individually for their feedback and further improvement by themselves. To Ms. Edita of MOFTER and Mr. Ševkija Okerić of SERDA, following results were reported in January 20, 2016.

(2) Major results

- In application of mentoring, PR through internet and radio contributed for SMEs to be aware of

the project, whereas TV program did not directly contribute. This is the same for Montenegro and for future consideration of PR activities.

- Mentors considered “Japanese know-how” as a major motivation for SMEs to apply for the mentoring, but beneficiaries were not so interested in Japan¹².
- Mentors with low evaluation from their beneficiaries did not allocate time for explanation of mentoring and its schedule. Scheduling as general was a common issue and beneficiaries had difficulties what to anticipate for the next step.
- Mentors with low evaluation from their beneficiaries answered that they allocated long time for desk work for mentoring, but beneficiaries did not appreciate this at all.
- There were cases where a wide gap existed in evaluation of mentors from beneficiaries and those from self-assessment from mentors. The bigger the gap, the lower the evaluation of the mentor was.
- Number of visitation during mentoring period was not considered enough by beneficiaries. Mentors evaluated the number of visitation as reasonable considering their tight schedule, while beneficiaries expected mentoring service to be delivered on site more often.
- Tangible effect of mentoring service with impact to management index was not observed in the interview, as there was not enough time from mentoring due to delay of start of the mentoring period due to extension of the application period in 2015.

(3) Feedback (Comments from SERDA)

- The evaluation was well prepared and the result is reasonable.
- During Mentor Award in February 2016, the case of 5 mentors with high score in this mentoring evaluation shall be reported.
- Considering the results to be reflected in human resources evaluation (in the form of salary increase or warnings)
- The best mentor was invited to the Mentor Award and OCM in Serbia on February 23 to 25 as the representative of mentors from BiH.

¹² This was a comment of an SME interviewed, but not necessary represented SMEs as general. As described in “2.15 Coordination with Japanese Companies”, most of SMEs applied for mentoring being interested in knowing Japanese management, as the cases in Serbia.

2-12 Output 4 Information Sharing

2-12-1 Facilitation of the information sharing among the three countries

<The 1st Contract Term: From May 2013 to November 2014>

The information sharing was facilitated among the decision makers, project managers and the mentors.

(1) OCM

The OCM was held twice to facilitate the information sharing among the decision makers from the three countries.

1 st OCM:	3 rd December 2013, Sarajevo
2 nd OCM:	9 th October 2014, Podgorica

(2) Institutional Design Workshop

The Institutional Design Workshop (hereinafter, IDWS) was held four times to facilitate the information sharing among the project managers from the three countries.

1 st IDWS:	4 th July 2013, Belgrade
2 nd IDWS:	21 st October 2013, Belgrade
3 rd IDWS:	3 rd December 2013, Sarajevo
4 th IDWS:	18 th November 2014, Belgrade

(3) Communication facilitated by Japan Training

The cross-border team was organized during the Japan Training. Each team consisted of 3 persons, one mentor from each of the three countries. The mentors were advised to cooperate as a team in the training and the action planning process.

During the Japan training 2013, the participants (top level persons in the C/Ps) were requested to discuss the topics including; 1) The role of themselves in the institutional design in each country 2) Who will be in charge of the institutional design, budget, personnel affairs 3) When the meeting for institutional design setting should be held.

As the conclusion of this discussion, the Institutional Design Strategic Plan was created. This Institutional Design Strategic Plan was effective to involve the top management of each C/P more. And as the top management participated in this discussion, a kind of authority was given to the institutional design process, which enabled the project managers to create the institutional design in the short period.

During the Japan training 2014, each participant formed a group with the mentors from the other two countries and tackled to the exams together. This activity deepened the

communication among the mentors, and information sharing among three countries was facilitated. (Refer to 2.13 for the outline of the Japan Training, appendix 1-C for the details of the schedule and achievement.)

As the result of these activities, the project managers from the three countries started to communicate each other without the intervention of the JICA consultants, to discuss how to manage and develop the mentoring system.

Some mentors also started to communicate to the colleagues from the other two countries in the mentoring process, to discuss the possibility of expanding their client's business in the other two countries.

<The 2nd Contract Term: From March 2015 to March 2016>

The information sharing was facilitated among the decision makers, project managers and the mentors.

(1) OCM

The OCM was held once to facilitate the information sharing among the decision makers from the three countries.

3rd OCM: 25th February 2016, Belgrade

(2) Institutional Design Workshop

The IDWS was held twice to facilitate the information sharing among the project managers from the three countries.

5th IDWS: 26th May 2015, Belgrade

6th IDWS: 15th July 2015, Podgorica

(3) All Mentor Meeting

All Mentor Meeting (hereinafter: AMM) was held on 29th September 2015 in Belgrade, with the presence of the mentors from all the three countries. On AMM, the experience from the Japan Training was presented and shared, the discussion and information sharing by the topics of the classroom training was facilitated.

The outline of the agenda is the following three topics:

- a) Entire session: 1) greeting from the C/P, 2) Experience sharing of the Japan Training 2015
- b) Group session: Best practice sharing among the mentors, by the group for the subject of classroom training
- c) Entire session: Wrap-up 1) Presentation from the group session 2) Outline of the following project activity (Refer to Appendix 2E-18 for the details)

As the result of these activities, information sharing was well facilitated not only among the decision makers and the project managers. Now each country can communicate to each other to discuss how to solve their problem regarding the mentoring service, even without the intervention of the JICA consultants.

2-12-2 To establish the database of mentoring service

<The 1st Contract Term: From May 2013 to November 2014>

The needs survey was held in September 2014, with the cooperation of all the mentors from the three countries.

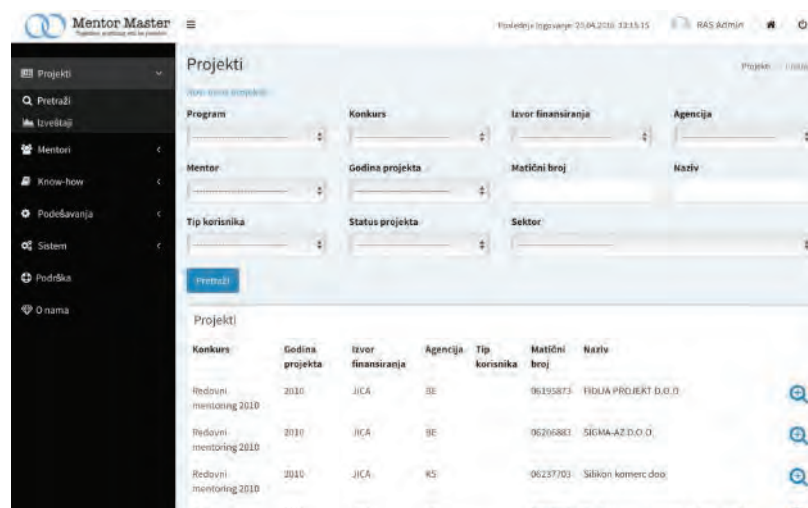
From the result of the survey, it turned out that the demands from the mentors was put on the face-to-face communication, rather than the online database (hereinafter: DB). At the same time, there was strong demand to improve the old database in Serbia.

Based upon the result of the survey, the activity plan for information sharing during the second contract term was agreed with each C/P.

<The 2nd Contract Term: From March 2015 to March 2016>

To facilitate the information sharing, the new DB was developed in Serbia.

The project outline of the mentoring including the corporate diagnosis report, action plan, and tools and know-how are stored in the newly developed DB, and the mentor can search, view and edit them by mentor name, category and so on (Refer to Appendix 1-M for the System Requirements Specification).



Pic. Screenshot of the newly developed DB

Since the other two countries, Bosnia and Herzegovina and Montenegro, have only two years of mentoring experience, the development of the DB was not planned in this contract term. However, when the development of the DB will be needed in the future, it can be developed smoothly based upon the Serbian experience.

2-12-3 To collect the good practices of mentoring service

<The 1st Contract Term: From May 2013 to November 2014>

Through the discussion with the C/P, it turned out that there is no systematic way to extract the successful case and facilitate the promotion with it. The activity plan to extract the best practice and to facilitate the promotion was newly developed.

<The 2nd Contract Term: From March 2015 to March 2016>

The extraction of the best practice and the promotion activity were achieved.

(1) All Mentor Meeting, Mentor Award

To facilitate the extraction of the best practice, the All Mentor Meeting (hereinafter: AMM) and the Mentor Award (hereinafter: MA) were added as official activities in the Implementation Manual of each country.

The AMM is held in September, the MA is held in the next February. The name is different, but practically these meetings have the same purpose and structure: to facilitate the information sharing and the mentor delivers the presentation to be voted.

In September 2015, AMM was held with the presence of all the mentors from the three countries together. In February 2016, the MA was held in each country. The extracted best practices were used for the promotion activity, and also stored in the newly developed DB in Serbia. In BiH and Montenegro, since these countries have not developed the DB, the best practices were shared with emails and on paper.

(2) Promotion Activity

Promotion activity was implemented in all the three countries.

This activity was implemented through the contract with ProPR, the promotion consulting company from Serbia. The promotion was facilitated through all types of media including TV, newspapers, magazines, radio and the online advertisements.

- **Appearances in Serbia:**
12 times on TV show, 4 times of magazine articles, 71 times of the online advertisements.
- **Appearances in Bosnia and Herzegovina:**
1 time of TV show, 2 times of magazine articles, 34 times of the online advertisements.
- **Appearances in Montenegro:**
times of magazine articles, 40 times of the online advertisements.

The best practices selected in the Mentor Award were printed as the brochure to be utilized in the future promotion activity. It includes the problem of the company, actions through mentoring activity and the achievement.



Pic. Brochures to introduce the best practices
(From the left, for Serbia, Bosnia, Montenegro)

2-13 Japan Training

< 1st Contract : May 2013 to November 2014 >

2-13-1 Japan Training 2015

1) Objective and other details

Among the three counterpart countries, Bosnia and Herzegovina and Montenegro, did not have an existing mentor system and the aim was to introduce and provide a mentoring service for SMEs in order to improve the ability of SME support bodies to offer support, and to contribute to the firm establishment and development of SMEs in those countries. The objective of the Japan training was to involve key people at the early stage of the project by selecting and train in Japan high-ranked officials who had a significant influence on matters like “policy decision”, “human resources allocation” and “budget allocation”, with information and know-how regarding support systems and projects for SMEs in Japan, in order for them to be able to conduct appropriate policies corresponding to the conditions from each of their countries.

Table: Year 2013 Japan Training Details

Period	Sept. 1, 2013 (Sun)~Sept. 10, 2013 (Sun)
Attendees	14 trainees (Serbia 3, Bosnia and Herzegovina 6, Montenegro 5)
Objective	Provide training in Japan to high-ranked officials who are in charge of institutional design, budgeting, and personnel matters on know-how regarding policies, support systems and projects for SMEs in Japan
Entities Visited	(10 entities) Organization for Small and Medium Enterprises and Regional Innovation, Japan (SMRJ), Tokyo SME University, University of Shimane, Sunbridge Global Ventures, TKC Tax Management Consultants' National Union, Japan Small and Medium Enterprises Management Consultants Association (J-SMECA), Japan Chamber of Commerce and Industry (JCCI), Yokohama Industrial Development Corporation (IDEC), Kanagawa Science park, Inc. (KSP), Nissin Precision Instruments Co., Ltd.

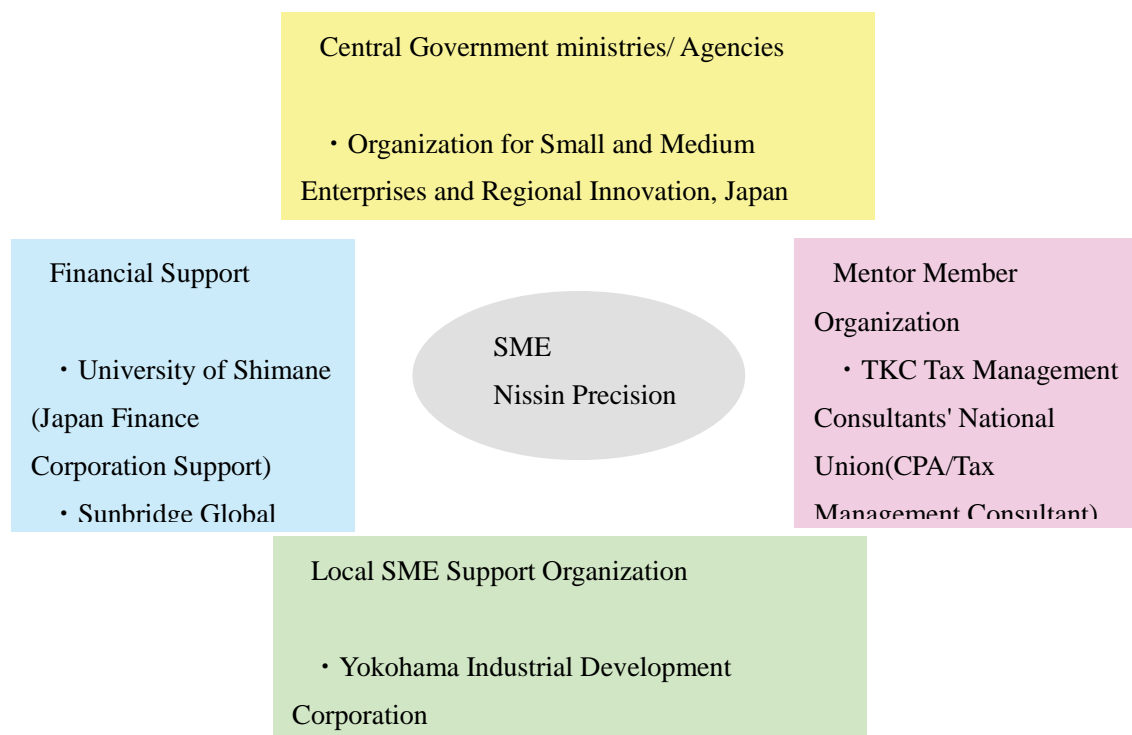


Fig. Overall Training Concept

2) Activities

During the Japan Training, the Institutional Design Strategy Paper which was modeled after the Japanese example was finalized. Bosnia and Herzegovina's and Montenegro's trainees to Japan Training had established the "Steering Committee", the policy framework parent organization, which supervises institutional design and its operation.

Following this one, Japan Training for high ranked officials from three countries, who had authority on institutional design, was conducted (from Aug.3 to Sept.10, 2013). After this, the trainees of Japan Training formed Steering Committees which is the base organization of institutional design in both BiH and Montenegro. By the effort of both countries, the draft institutional design on mentoring system was completed by the mid-Oct and it was presented and shared by three countries in the second Institutional Design WS held on Oct. 21, 2013, in Belgrade. During this event, NARD from Serbia proposed that all three countries need to share the various formats and procedures developed by Serbia, and thus, the third Institutional Design Workshop was determined to take place in Sarajevo on Dec.3, 2013.

3) Important Lessons

One of the most critical and common issues in the institutional design project is how to involve the high rank people to the institutional design. In this project, Japan Training played important role for it.

On the last day of Japan Training, JICA Consultant raised three issues for team discussion and the team-leader of each country (usually the highest position among trainees of each country) strategized the following issues, namely: i) the role of team-leader on institutional design of each country, ii) who among the trainees will be in charge of institutional design, budgeting and personnel matters, and iii) how the institutional design meeting will be organized. The result of team discussion was summarized as "Strategy Paper for Institutional Design", that was being considered as "the expression of will" by high-ranked officials of each country.

"Strategy Paper for Institutional Design" sought for the signature by the team-leader of Japan Training so that a series of activities on institutional design had something of authority. This is the reason why the CP agencies could achieve drafting of institutional design so quickly and efficiently.



Pic. Seminar Scene



Pic. Ocular Visit

2-13-2 Japan Training 2014

1) Objective and other details

The 2014 Japan Training had continued with the previous year's training theme, focused on deepening knowledge about policy making and frame building for SME support policy and SME environment development and visiting Government offices involved in SME support policy (ex. Small and Medium Enterprise Agency), organization involved in SME environment (ex. Machida Technology Park) and, private and semi-private organization involved in SME development (ex. Chamber of commerce of Japan).

Table: Year 2014 Japan Training Details

Period	June 15, 2014 (Sun)~July 1, 2014 (Tues)
Attendees	14 trainees (Serbia 5, Bosnia and Herzegovina 5, Montenegro 4)
Objective	To improve mentoring skill, implement a practical seminar for the mentees of the countries which is modeled after the management consultants of Japan
Entities Visited	<p><20 Entities></p> <p>(Government offices involved in SME support policy) Organization for Small and Medium Enterprises and Regional Innovation (SMRJ), Small and Medium Enterprise Agency, Kanazawa City Tourism Exchange Division, F-biz (Fuji SMEs support center)</p> <p>(Organization involved in SME environment) Machida Technology Park (Wakoh Co., Ltd., Japan Cell Co., Ltd., Development farm of "Machida Silk Melon"), Kanagawa Science park (KSP), Inc., Kanazawa University Organization of Frontier Science and Innovation, Shinkin Central Bank, Saitama business creation foundation</p> <p>(Private and semi-private organization involved in SME development) Japan Chamber of Commerce and Industry (JCCI), The Shizuoka Chamber of Commerce and Industry, Kanagawa Federation of Small Business Association, Makoto Investments, Ltd., CPTA Firm Sakamoto & Partner</p> <p>(Private Sector 3) Hotel "Kagaya", Hamamatsu "UNAGI-PIE" Factory, Revox Inc.</p>

2) Activities

The characteristics of the 2014 training were visiting Government offices involved in SME support policy (ex. Small and Medium Enterprise Agency), organization involved in SME environment (ex. Machida Technology Park) and, private and semi-private organization involved in SME development (ex. Chamber of commerce of Japan). As compared to last year in which the trainees were mainly policy makers, this year the trainees were mainly front liners, thus, the focus was on showing more

specific policy details.

As part of the training, an evaluation test was conducted as a tool measure for the understanding. The trainees had to prepare an Action Plan on what was learnt during this training and how it will be utilized after they return to their respective home countries. The trainees were grouped by their respective countries and discussed their findings and Action Plan which contributed to their learning on how to apply their new learnt knowledge.

In addition, to strengthen the economic and commercial relationship between the Balkan countries and Japan, the participants had introduced their own countries to the visited entities, thus also achieving culture exchange and promoting comprehensive understanding.



Pic. Fuji industrial support center



Pic. Center head Seminar (Introduction of Support Example)

3) Important Lessons

“Institutional design” as the key theme, to understand the overall framework, Government offices and organization involved in SME support were visited and Japanese progressive support activities to SME were also showcased. In addition, the previous year participants commented that the training lacked specifics, thus, for this year the feedback such as would like to “visit companies who are

actually using the mentor services” and “have a discussion with a mentor who is part of the mentor system” were reflected in the curriculum. By visiting companies who had successfully grown such as Revox Inc., we find that it would directly contribute to the future activities of the trainees. It further gave the opportunity to learn what kind of assistance is needed when assisting SME and the specific policies that should be in place to succeed.

The Japan training was utilized as the information sharing tool among the executives of the CPs. To cultivate and develop the network among mentors, which should be the platform of information sharing, several activities were implemented during the 2014 Japan Training which had proved to be an effective tool:

- Forming the cross national group of the mentors during the training
- Implementation of the problem solving through the cross national group

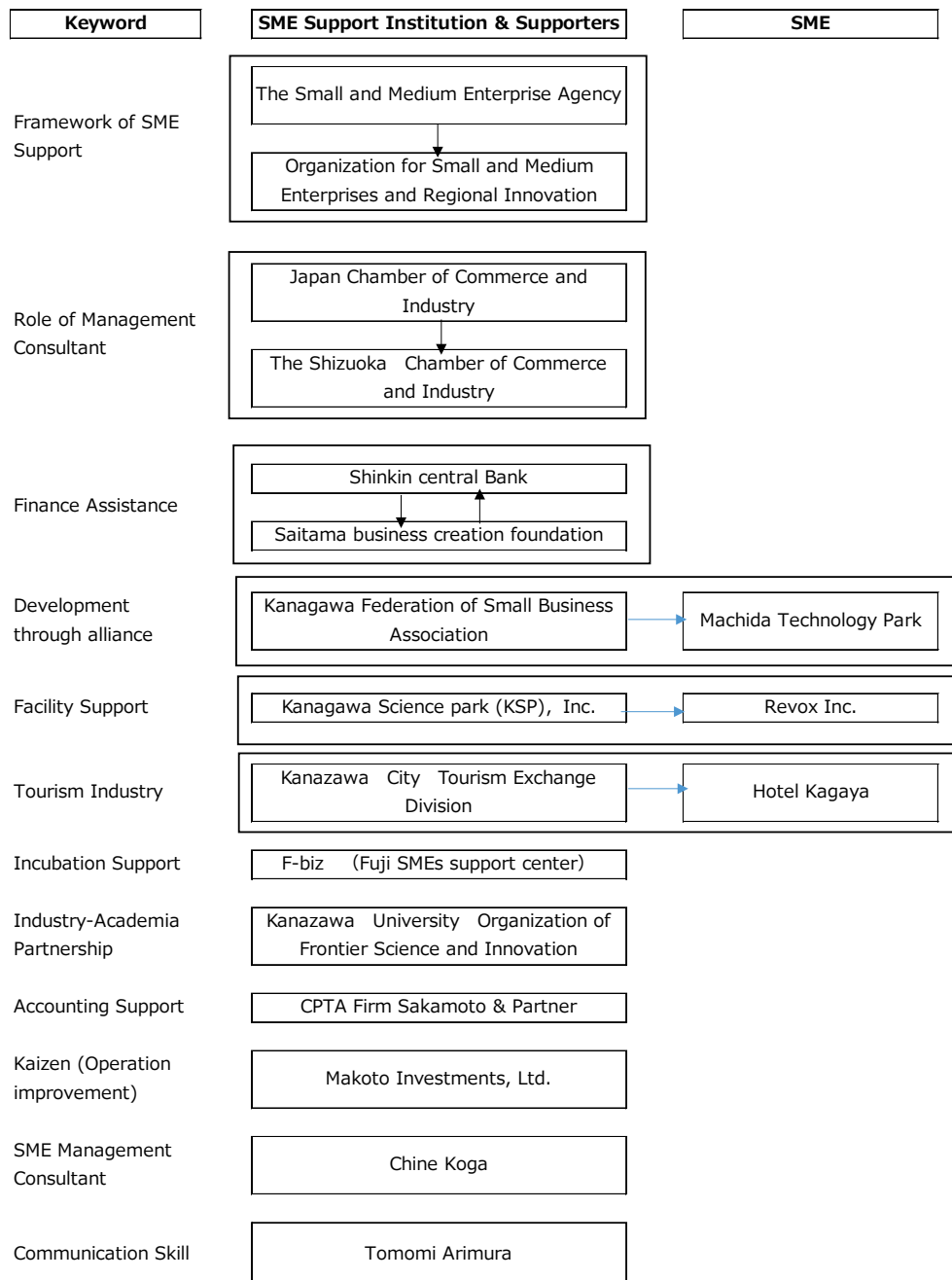


Fig. General Overview of Training

<2nd Contract : March 2015 to March 2016>

2-13-3 Japan Training 2015 aimed for improving production management skills of three countries

1) Objective and other details

The 2nd Japan training focused on the SME support policies and SME environment improvement. However, rather than policy making and framework development, the goal of the 3rd training focused on to acquiring an industry-ready know-how aimed to support the development of mentors that can provide mentoring/coaching on production management, hold classroom lectures on “production management” and factory visits.

Table: Year 2015 Japan Training Details

Period	June 6, 2015 (Sat)~June 20, 2015 (Sat)
Attendees	13 trainees (Serbia 3, Bosnia and Herzegovina 5, Montenegro 3)
Objective	Help development of the Mentors of the 3 countries, mentors that can provide mentoring/coaching on production management
Entities Visited	(9 Factories) Kito Corp., Chateraise Co., Ltd., Mutsumikako, K.K., "Open Kitchen" Kewpie Corporation, Ishizaka Electric Industry Co., Ltd., Re-tem Corp., Wakoh Co., Ltd., Kitajima Shibori Seisakusho Co., Ltd., Nitto Sangyo Co., Ltd. (SME support organization) Excellent Company Award awarding body: Tokyo Chambers of Commerce and Industry, Ota Chapter (2 Industrial Apartments) Ota City Industrial Apartment (Ota Techno Core and Ota Wing)

2) Activities

Focusing on “practical knowledge usable in field”, output focused training was emphasized such as experiential simulation training was conducted using case studies, audio-visual teaching materials and educational games. In addition, factories of private sectors were visited where first hand production management can be observed.

As part of the aggregate learning attained during the lectures and factory visit and summarizing their learning, the Mentors were required to brainstorm, discuss and prepare an action plan on the following:

- a) Individual Plan: How to apply the findings learnt in Japan to the beneficiaries of the mentoring service
- b) Group Plan: How to disseminate the production management know-how learnt in Japan to the other mentors of each respective country.

The action plan and findings were presented and shared at the three-country joint All Mentor Meeting at September 2015 and converted to training materials in each country. Serbia, which has the most developed mentoring service, also prepared training materials of their findings from Japan as well as incorporated their own local experience which was provided to other Mentors. (Appendix 2 E-19)

In addition, to strengthen the economic and commercial relationship between the Balkan countries and Japan, the participants had introduced their own countries to the visited entities, thus also achieving culture exchange and promoting comprehensive understanding.

3) Important Lessons

There are two important lessons from the training in Japan. The first one is that through improvement samples they had seen during the Japan Training, the Mentors learnt practical production management methods and teaching methods, internalized the findings and summarized them as an actual action plan to be taken home and to be applied to their home countries. Another lesson is that it had contributed to a paradigm shift, in a limited way it had contributed to the fostering of “Kaizen Mindset” among the Mentors. This paradigm shift would not have been possible if the Mentors did not experience a “firsthand experience of Kaizen” during the Japan Training.



Pic. Factory Visit at Ishizaka Electric Co., Ltd.



Pic. Examples of the 5S at factory visit

2-14 Coordination with other international donor agencies

(1) Background of Donor Benchmark Survey

First Benchmark survey for the project was implemented in the May of 2013. As a result of it, it was discovered that there are many other international donors implementing different projects in the Western Balkan countries including EU. It was also clarified that many projects do not reach the desired results, as the same type of mistakes is being repeated. It also means that some kind of empirical projects are being implemented each year.

The necessity of appeal to other international programs in order to learn best experience and to discover segments of possible collaboration was confirmed at the 3 countries JCCs in 2014.

As a result of it, after getting understanding from JCC, Donor Benchmark Survey had been implemented at the fixed period of each year for observation purpose. Implementation of the Donor benchmark survey was made in the following periods: May of 2013, June of 2014 and May of 2015. The survey was implemented in all three countries, by conducting interviews with each Organization in charge of international Donor programs. The results were shared with parties in charge of mentoring in each country and JICA. At the same time, Promotion of the current JICA project was delivered to each donor that was the subject of interview. For example, Donors that became subjects of the most recent surveys in 2015 and 2014 consistently in all three countries were EU, EBRD and GIZ. At the same time, additional interviews were held with UNIDO in Montenegro as it had required collaboration for the cluster development project for several times.

(2) Lessons from the Donor Benchmark Survey

Many projects of international donors provide financial support (i.e. funding) for the local SMEs. At the same time SMEs that can be a subject of this kind of support are chosen as a result of a very detailed selection procedure. It can also be mentioned that there is a possibility of collaboration between JICA project and EBRD SME financial support projects in 3 countries and cluster development project implemented by UNIDO in Montenegro. However, other projects basically provide technical and consulting assistance by dispatching their own cultivated and certified specialists. Therefore, it can be assumed that mentors cultivated as a result of the JICA project can be easily assigned to support other International Donor Projects.

As a result of 2015 survey it was clarified that all donors have difficulties implementing projects in BiH. At the same time, it was also confirmed that all recent project in the 3 countries are designed based on either industrial or regional basis or some kind of cluster development.

(3) Sprouting of Donor Cooperation

Mentoring Standards that were developed in Bosnia and Serbia during the time of the JICA project, were used by other Donors and also, some mentors were employed by other Donor projects. It

became a strong contribution to the sustainability of mentoring. As the Main Western Donors will continue support the reforms in the 3 countries of the Western Balkans, development of Human Resources in the SME sector would also contribute to the reforms.

USAID is implementing project in Serbia for the Private Sector Development in the South-East Part of the country. Project has been implemented with NARD since 2013 and it is targeting the establishment of clusters for agriculture processing, apparel and shoes production. JICA mentoring process was introduced to more than 150 companies from the clusters. USAID has provided \$4.1 mln. (EUR 3.65 mln) through the 1st - 2 year - Phase of the project between 2013-2016 period.

Phase 2 is not confirmed due to the deactivation of NARD as a result of the reform, but similar number of mentoring cases comparable to Phase 1 is expected.

In December 2012, SERDA received a project from EU for the "Support to the development of fast-growing small and medium enterprises and local business environment". As a part of the project, EU support is provided to developing SMEs, including 20 newly established companies. SERDA applied for the project with JICA know-how of mentoring. Total budget for the project is EURO 520,000 and 10% will be spent on mentoring.

In this way, mentoring system developed by JICA in Serbia is becoming a recognized important tool in the Western Balkan region and is also expected to play a significant role in the reforms for industrial sectors and Human Development implemented by the Western Donors. ON the other hand, despite the fact that SERDA has the ability and willingness to do the mentoring, there is no real situation when 50 hours of mentoring can be implemented on the commercial basis in the country. At the same time it is possible for Bosnia and Herzegovina to link mentoring project with other Donor and NGO programs implemented in the country.

Table: Outline of Donor Study.

Cou ntry	Donor	Features of Project organization	Synergy with JICA project
BiH	GIZ	<ul style="list-style-type: none"> •Main focus is sustainable development, all Balkan projects are coordinated from Sarajevo •GIZ provides Senior experts (retirees) as mentors on cluster/industry basis •GIZ involves SMEs when projects are applicable 	△
	EU Commission	<ul style="list-style-type: none"> •COSME and other large projects are implemented •Mentoring is on special focus in Herzegovina (HERAG is a main contractor) 	△
	EBRD	<ul style="list-style-type: none"> •Local companies rely on own network rather financial institutions •EBRD selective about recipients of services 	△
	USAID	<ul style="list-style-type: none"> •Had to reduce municipalities from 47 to 13 •Some beneficiaries avoid meetings with donors when do not see potential benefits 	×
	UNDP	<ul style="list-style-type: none"> •Provides \$1.5 mln for SMEs per year. 65% from food sector •New project is to start from September, looking for synergy with JICA 	△
MN T	ACC in Montenegro	<ul style="list-style-type: none"> • US has no plans to provide donor support for Montenegro so far 	
	UNIDO /UNPD	<ul style="list-style-type: none"> • Nationwide Cluster development project. With special focus on underdeveloped regions in the Northern part of the country. 4 types of clusters include metalworking, fishery, diary, honey. 1 of the cluster located within 50km distance and also includes large companies besides SMEs. • Though the Donor is managing this project directly (Ministry of Economy, DDSME do not participate), there is still a chance to connect clusters with JICA project. In order to implement this, Mentors trained in the JICA project in Montenegro can be employed as cluster managers and support the project. 	◎

	EU Commission	•New person in charge appointed, discussion to continue	△
	EBRD	•Offering financial grants and mentoring support using own experts	△
SRB	EBRD	•Establishes directorate to support SMEs •Suggests discussion synergy with JICA projects via Belgrade office	△
	USAID	•Develops project with NARD for South-East Regions	◎
	GIZ	<ul style="list-style-type: none"> Concerned about NARD and SIEPA merger Once project is implemented collaboration can be considered 	△
<p>◎ Collaboration with JICA project is possible △ Additional discussion is recommended</p> <p>× Collaboration is not possible due to the difficulties</p>			

2-15 Coordination with Japanese Companies

【Background and Activities】

Few Japanese companies had their production facilities in the 3 countries at the beginning of the project in 2013, such as Daido Metal Kotor a.d. (DMK) in Montenegro, whose parent company is located in Nagoya Japan, and JTI and Panasonic in Serbia. Also, only a handful of Serbian companies had business relationship with Japanese companies.

On the other hand, the beneficiaries of mentoring service showed strong reliance on Japanese companies and their products. Many SMEs applied to mentoring expecting to be exposed to Japanese Management and possible business relations to Japanese companies. Also, Japan Embassies in Serbia and Montenegro showed strong interest in promoting these countries as investment destinations for Japanese companies and some of JICA consultants are professional in the field of Foreign Direct Investment of Japanese companies. Though investment promotion were not a part of main scope of this project, JICA consultants acted as follows on this matter to facilitate better business relationship of the Western Balkan countries with Japanese companies and promote national interest of Japan.

(1) Tie up of Japanese companies in the project area of the project

As production management was a popular field in SOTC in the project, JICA consultants wanted to utilize local individual and/or companies who have professional know-how in the field as resource speaker as much as possible. We contacted JTI in Centa, Serbia who was known to perform Japanese production management and their philanthropic activities on teaching the know-how, for their

manager in charge of Kaizen activities to be a resource speaker in a SOTC delivered to Yumis in Nis, Serbia in December 2013 for production management. It was not pushed through as the schedule was not met, and we hired a resource speaker on production management from Makoto Investment Co Ltd, a Japanese consulting firm having their office in Belgrade, Serbia at that time.

(2) Appeal of business environment of the project area to Japanese companies during Japan training

During Japan Training, participating trainees were requested to prepare presentations of the current situation of industry and SMEs in their countries to the Japanese organizations and companies to be visited. In 3 Japan trainings during the project, 32 organizations (including 16 Japanese companies) were visited and were introduced the economy and industry of Western Balkan countries.

(3) Facilitate visit by Japanese companies to the project area through network of JICA consultants

JICA consultants tapped their network of their company and voluntarily explained the economic situation of the Western Balkan countries to draw attention of their clients, and some of Japanese companies decided to visit the site. This includes a company in metal industry (Aluminum), real estate and agri-business (importer of honey).

For the Japanese company in aluminum industry, JICA consultant of this project coordinated with another JICA consultant in investment promotion of Serbia who dispatched to SIEPA from 2015, to arrange visitation and presentation on local aluminum industry.

【Output and Lessons】

As located outer rim of V4 countries where Japanese companies have been operating their production and R&D facilities from early 2000, Western Balkan countries are the area for Japanese companies to evaluate potential for their future expansions. The raise of interest among Japanese companies is observed in “Serbia Investment Seminar” held in Tokyo in April 2014, where approximately 30 Japanese companies participated. But there are still gaps between interest and actual investments to the area divided physically and psychologically from Japanese business man, and there were no Japanese companies actually starting business in the region during the project.

There was a Japanese business man who wanted to have a collaboration with local SMEs for their export of honey and wine to Japan, but hindered to realize the plan because of difficulties on transportation and custom requirements. Some SMEs of mentoring service beneficiaries tapped Japanese companies for their products, equipment and technologies, but resulted in vain as their planned volume of transaction was too small to call attention of Japanese companies. Considering these experiences during the project, it seems difficult to expect sizable increase of direct trade and/or foreign direct investment between Japan and the region on business basis.

On the other hand, it was noticeable that some of SMEs of mentoring service beneficiaries successfully increased their sales of their products (such as metal, wood and IT) not only to their region, but also to Russia, Middle East, North Africa and Scandinavian countries during the project. It must be worthwhile for local and Japanese companies to evaluate the possibility of importing Japanese investments and technologies to improve production capacity and quality to strengthen their positioning in these countries with high economic growth potential.

3 Achievement of Project Goals

3-1 Steps to Overall Goals

< Overall goal >

The mentoring service for small and medium-sized enterprises (SMEs) is maintained and expanded in Western Balkan region (Serbia, Bosnia and Herzegovina (BiH), and Montenegro), and SMEs in the region continue to survive and develop.

Objectively verifiable indicators:

1. Serbia: Mentoring services are continuously available in the once targeted area.
BiH and MNE: Mentoring services are continuously available in the once targeted area and beyond the targeted area.
2. Serbia: Number of SMEs receiving the mentoring services has increased by 100% compared to 2013 achievement.
BiH: Number of SMEs receiving the mentoring services has increased by 200% compared to 2015 achievement.
MNE: Number of SMEs receiving the mentoring services has increased by 100% compared to 2015 achievement.
3. Serbia: More than 75 % of SMEs which received the mentoring services evaluate that their business has been improved through the services.

Key challenges¹³ toward the achievement of Overall Goals

Considering the post-project period, the mentoring systems in the three countries¹⁴ seem to be sustainable enough, as each counterpart developed Implementation Manual and started administrating the system based on the manual. NARD has found other scheme of providing mentoring service, adding to the budget from the government, cooperating with other donor such as USAID in 2016, which prepared the budget for mentoring service. In Montenegro, JICA Consultant has observed the expansion of the territory of mentoring service as of December 2015, and believes this tendency will continue even in the post-project period. On the other hand, in BiH, it is necessary to find appropriate service providers in order to expand the territory of the service. SERDA and JICA

¹³ The challenges in Chapter III are the issues which have not been solved during this project period and those possible solutions in the future are described in Chapter V. On the other hand, the challenges in chapter IV have been solved during the project period.

¹⁴ Serbia (entire country), the Sarajevo Macro Region (SMR) in Bosnia and Herzegovina, and Montenegro (Podgorica Municipality, Bar Municipality, Cetinje Municipality and others).

Consultant have discussed with possible partners such as the key persons of RS and FBiH (The first meeting on expansion of mentoring service in BiH was organized by MOFTER in February 2016), and both of them showed high interest to the mentoring service. As the nationwide structure of mentoring service in BiH is supposed to be decided after the completion of the present project, JICA Consultant regards the discussions on the future vision, which should be taken during the present project, as sufficient.

In addition to the achievements from above, a mentoring guideline that is specialized for Start-Ups, which are generally forced to face difficulties, has been developed and mentors have learned mentoring know-how for Start-Ups through this guideline. Therefore, if mentors continue to improve their mentoring skills and also the mentoring system continuously upgrades itself, there are sufficient premises to expect that the survival rate of SMEs in the territory of mentoring service will be improved.

The changes of the number of mentors in each country are shown as following Table.

Table: Changes of the number of mentors

	2014	2015	Changes	Active mentors as of May in 2016
Serbia	50	72	23	50
BiH	0	15	15	15
MNE	8	15	5	14

As seen in the table above, the number of mentors has continuously increased in the three countries, so that JICA Consultant believes mentoring service will become a more important SME support program among others, increasing the number of provided services and expanding the territory of the service.

3-2 Project Purpose

< Project Purpose >

With the establishment of the mentoring system and its implementation, target SME support organizations improve their SME support capacities.

Objectively verifiable indicators:

1. Serbia: Compared to the starting year of the Project, more than 75% of the mentors improved mentoring ability by implementing mentoring system.
BiH: Compared to the starting year of the Project, more than 75% of the mentors improved mentoring ability by implementing mentoring system.
MNE: Compared to the starting year of the Project, more than 75% of the mentors improved mentoring ability by implementing mentoring system.

Key challenges towards Project Purpose

JICA Consultant developed Implementation Manual, which is considered as a mentoring constitution by the decision makers of the system, and Preparation Manual, which helps administrators manage the system, in order for the SME support institutions of each country to appropriately administrate the mentoring service. Implementation manual describes the main structure of the present mentoring system, the key points on maintaining and developing the system, the training materials. Also, the mentoring guidelines are developed based on the Implementation manual. Moreover, the Preparation manual describes necessary actions and steps of preparation through a year in order to transfer the administration know-how from previous administrators to next administrators even though there would be a sudden restructuring of organization and replacement of key persons.

The following systems have been established in order to improve mentors' mentoring skills:

- System for helping mentors understand the basics of mentoring know-how.
(Classroom trainings, Mentoring guidelines)
- System for helping mentors develop their practical mentoring knowledge. (OJT)
- System for helping mentors continuously share practical information and teach each other.
(All Mentor Meeting, Mentor Award)

Through these systems, mentors have succeeded to improve their mentoring skills. According to the questionnaires to mentors that were filled-in after each of the trainings, all mentors expressed that they found improvements in their mentoring skills. With these results, it can be said that the mentors' mentoring skills have sufficiently improved.

As for the skills of counterparts on updating mentoring know-how in the post-project period, it also can be said that they have sufficient capability, because each country has cultivated Classroom Training Trainers and OJT Trainers, and moreover, these trainers understand the variety of skills in the mentoring guidelines and also have experiences of providing trainings to mentors.

On the other hand, there is a challenge that administrators of counterparts have to well understand the whole picture of the system which is described in the Implementation Manual in order to improve the whole system with sufficient consistency.

3-3 Status of Achievement of Each Output

3-3-1 Achievement status of each output in Serbia

Output 1 Mentoring system is updated corresponding to the business environment of SMEs.

1.1 The strategy and plan of mentoring system, Implementation Guideline, training programs and the evaluation method of mentors are updated.

1.2 The qualification system is updated.

Achievement status of Output 1

Output 1 is achieved, but some challenges remain.

Remaining challenges

(1) Evaluation system of mentors

NARD could not conduct the evaluation of mentoring service in 2015 due to lack of budget. And there is no plan of getting the budget for 2016 because of restructuring of NARD.

(2) Visibility of mentoring service among local SMEs.

The visibility of mentoring service among SMEs has been improved since the beginning of the project and the number of applicants was bigger than the capabilities. However, the visibility is still not enough in order to achieve the target number of applicants which is targeted to be at three times bigger than the capabilities.

Key points on the challenges

As for the visibility of mentoring service among local SMEs, a promotion scheme by RA/RC/RDAs was developed in 2015, utilizing the brochures of mentoring service, so that JICA Consultant believes the visibility will be improved enough through the planned promotion activity.

Output 2 Mentors and Mentor trainers who are able to help SMEs challenge their difficulties are trained and certified.

2.1 More than 50 persons are trained and newly certified as mentors.

2.2 More than 10 mentors are trained and newly certified as mentor trainers.

2.3 Administrators and trainees evaluate mentor trainers and consider more than 80% of them as skilled trainers. Note: After January 2015

Achievement status of Output 2

Achieved

Remaining challenges

N.A

Output 3 Provide mentoring service

3.1 More than 550 SMEs received mentoring service.

Note: After the beginning of the project

Achievement status of Output 3

Achieved

Remaining challenges

N.A.

Output 4 Mentors, service providers and SMEs store/share information and knowledge that are useful for mentoring service.

4.1 The three countries hold meetings at least once a year in order to share their experiences on mentoring service.

4.2 More than 80% of mentoring reports are stored in a database.

4.3 Mentoring reports that mentors and service providers stored are shared.

4.4 Best practices are introduced to SMEs through seminars, publications and trainings.

Achievement status of Output 4

Achieved

Remaining challenges

(1) Improvement of DB

The development of DB was finished. However, it is necessary to update the DB based on

findings DB's usage.

- (2) Get the budget for All Mentor Meeting and Mentor Award

It has to be considered that the budget for “All Mentor Meeting” and “Mentor Award” are not secured yet due to the budget constraint.

Key points toward the challenges

It is necessary to update the tools based on findings through using the DB. Therefore, close communication between Service Provider and System Developer are required.

3-3-2 Achievement status of each output in Bosnia and Herzegovina

Output 1 Mentoring system is updated corresponding to the business environment of SMEs.

1.1 The strategy and plan of mentoring system, Implementation Guideline, training programs and the evaluation method of mentors are updated.

Achievement status of Output 1

Achieved

Remaining challenge

- (1) Build a scheme towards expanding the territory of service area.

The present scheme was designed only for Sarajevo Macro Region and consists of SERDA and FTCBH. It is necessary to establish a scheme in which SERDA can cooperate with other organizations, but these discussions may take long time.

- (2) Appropriate evaluation by SERDA

SERDA has to administrate the newly designed evaluation system by themselves in the post project period. However, the budget (both Money and Human Resources) for the evaluation is not assured.

- (3) Have mentors use standardized mentoring service

The standardized mentoring service was developed in BiH, however it cannot be said that all mentors provide the standardized service as expected. Beneficiaries expect mentors to provide their service at a certain quality level and it is a due responsibility of mentors to be able to perform the standardized mentoring service. Therefore, SERDA has to provide trainings for the mentors and lead them to comply to the standard of mentoring service.

Key points towards challenges

In February 2016, MOFTER organized a meeting on the “Development of mentoring service in BiH,” inviting the representatives from RS and FBiH to Sarajevo, and then the attendances agreed to continue the discussions among them after the meeting. As mentioned above, donors who provide support to BiH, such as EU Commission, show interest in the mentoring service, and also SERDA aims to use mentoring service even in the projects supported by other donors.

Output 2 Mentors and Mentor trainers who are able to help SMEs challenge their difficulties are trained and certified.

2.1 More than 12 persons are trained and newly certified as mentors.

2.2 More than 10 mentors are trained and newly certified as mentor trainers.

2.3 Administrators and trainees evaluate mentor trainers and consider more than 80% of them as skilled trainers.

Note: After January 2015

Achievement status of Output 2

Output 2 is achieved, but some challenges remain.

Remaining challenge

OJTT (On-the-Job Training Trainer) was not trained and certified.

Key points towards challenge

The target number of mentor trainers is 10. Through discussions on upgrading the present mentoring system, SERDA decided to have two types of mentor trainers.

CRTT : Classroom Training Trainer (Trainer of basics of mentoring service)

OJTT : On-the-Job Training Trainer (Trainer of practical knowledge)

SERDA developed training programs and qualification system in order to train and certify both trainers but it seemed inappropriate that new mentors become OJTTS, as only experienced mentors should become. Therefore, SERDA decided to postpone to train and certify OJTT for 1 to 2 years in order for mentors to have more experiences as a mentor (over 5 beneficiaries are expected). JICA Consultant believes OJTT in BiH will be trained and certified within 2 years.

Output 3 Provide mentoring service

3.1 More than 30 SMEs received mentoring service.

Note: After the beginning of the project

Achievement status of Output 3

Achieved

Remaining challenge

N.A.

Output 4 Mentors, service providers and SMEs store/share information and knowledge that are useful for mentoring service.

4.1 The three countries hold meetings at least once a year in order to share their experiences on mentoring service.

4.2 All Mentor Meeting is held every year.

4.3 Mentoring reports that mentors and service providers stored are shared.

4.4 Best practices are introduced to SMEs through seminars, publications and trainings.

Achievement status of Output 4

Achieved

Remaining challenge

As a challenge towards further development, SERDA has to obtain the budget for “All Mentor Meeting” and “Mentor Award,” both of them needing a certain amount of budget and human resources.

Key points towards challenge

During the period from 2015 to 2016, SERDA dispatched their representatives to All Mentor Meeting and Mentor Award which were held in Serbia, and these representatives believed these two events are crucial for developing and keeping the quality of mentoring service. JICA Consultant expects SERDA to obtain certain amount of the budget based on the findings from these events.

3-3-3 Achievement status of each output in Montenegro

Output 1 Mentoring system is updated corresponding to the business environment of SMEs.

1.1 The strategy and plan of mentoring system, Implementation Guideline, training programs and the evaluation method of mentors are updated.

Achievement status of Output 1

Achieved

Remaining challenge

(1) Appropriate evaluation by DDSME

DDSME has to administrate the newly designed evaluation system by themselves in the post project period. However the budget (both Money and Human Resources) for the evaluation is not assured.

Key points towards challenge

JICA Consultant conducted “Evaluation on mentoring service 2015” from January to February 2016 and provided MNE and BiH with the evaluation method and tools, which can be performed at low cost. DDSME promised that they will conduct the evaluation from 2017 referring to the evaluation method of JICA Consultant at a meeting in February 2016. This evaluation method does not contain details like the one of Serbia which was conducted by a professional consultant, but has necessary key components and seems to work enough towards the present purpose.

Output 2 Mentors and Mentor trainers who are able to help SMEs challenge their difficulties are trained and certified.

2.1 More than 8 persons are trained and newly certified as mentors.

2.2 More than 5 mentors are trained and newly certified as mentor trainers.

2.3 Administrators and trainees evaluate mentor trainers and consider more than 80% of them as skilled trainers.

Note: After January 2015

Achievement status of Output 2

Achieved (Only CRTTs were trained until this point. DDSME will train OJTTs in near future.)

Remaining challenge

DDSME trained CRTT during the project period, but after the discussions with JICA Consultant, DDSME decided not to train OJTT and leave this topic as a challenge in the future. The reason on the decision was that OJTT is required to have practical experiences as a mentor, so that it seems to be too early for the present mentors to become OJTTs without certain experience.

Key points towards challenge

In the future, DDSME has to train OJTT considering the experience and skill levels of mentors. These OJTts are expected to be a part of key factor of expanding the territory of mentoring service, providing practical trainings to mentors in local regions.

Output 3 Provide mentoring service

3.1 More than 30 SMEs received mentoring service.

Note: After the beginning of the project

Achievement status of Output 3

The target number of provided mentoring service is 30, but the result is 29. DDSME planned to provide 17 mentoring service in 2015 and 19 SMEs applied for the service, but DDSME could not accept 2 SMEs because they came from outside of the territory of the project's coverage.

Remaining challenge

Improvement of the visibility of mentoring service.

Key points on the challenge

JICA Consultant believes the challenge will be achieved in the near future because DDSME has a plan of expanding the territory of the service (Actually DDSME succeeded to expand the territory of service area from 2015.) and also the promotion scheme has been developed already. As an example of the scheme, BCs are able to distribute the prepared brochures and leaflet of mentoring service to local SMEs.

Output 4 Mentors, service providers and SMEs store/share information and knowledge that are useful for mentoring service.

4.1 The three countries hold meetings at least once a year in order to share their experiences on mentoring service.

4.2 All Mentor Meeting is held every year.

4.3 Mentoring reports that mentors and service providers stored are shared.

4.4 Best practices are introduced to SMEs through seminars, publications and trainings.

Achievement status of Output 4

Achieved

Remaining challenge

DDSME has to obtain the budget for All Mentor Meeting and Mentor Award.

Key point towards challenge

As same as SERDA, DDSME also has to obtain certain amount of the budget for Mentor Award and All Mentor Meeting. Based on the lessons from All Mentor Meeting and Mentor Award in Serbia, DDSME is expected to take action to assure the budget.

Achievement status of outputs and the indicators are shown as follows. The status of achievement is drawn by the number of ★, comparing its ideal status and actual status. Indicators which seem to be achieved perfectly have 5★.

Table: Progress status of outputs and indicators of Serbia

Detailed Indicators		Progress	Target status of the 2nd phase	Result
1.1	The strategy and plan of updated mentoring system are drawn.	★ ★ ★ ★ ☆	<ul style="list-style-type: none"> Mentoring service is sustainable enough. The whole system has consistency and the functions are well organized. Mentors provide the standardized mentoring service at an optimum quality in entire Serbia. Many SMEs know the service and the number of applicants is 3 times bigger than the capacity. 	<ul style="list-style-type: none"> Training scheme and qualification system was well designed and administrated. The whole system was established based on the clear definitions of key concepts and each functions are well organized. The standardized mentoring service was developed and all mentors have provided the service based on it. The number of applicants has not reached the number which is three times bigger than the capacity, but the number is increasing.
	The mentoring guidelines are developed.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> Mentoring Guideline "for Mature SMEs" and "for Start-Ups" are developed. "Standardized mentoring process" is developed. The tools and know-hows used in the standardized mentoring process are developed. 	<ul style="list-style-type: none"> Mentoring guideline for Matures and Start-Ups are developed. The standardized mentoring process was developed and announced to all the mentors. Mentoring tools and know-hows are selected based on the standard.
	The training programs are developed	★ ★ ★ ★ ★	<ul style="list-style-type: none"> Training programs for each target such as Mentors and CRTTs are developed. Each training program is developed based on the standardized mentoring process. The necessary training programs for mentors are identified and developed. 	<ul style="list-style-type: none"> Training curriculums are developed based on the targets(Mentors, Trainers) and have used. The standardized mentoring process was developed and announced Necessary modules of training mentors are identified. Necessary materials are developed and have used.
	The evaluation method of mentors is developed.	★ ★ ★ ★ ☆	<ul style="list-style-type: none"> The evaluation by the third party and 360 evaluation are continuously conducted. Evaluates can access the result. The results are explained to the evaluates. 	<ul style="list-style-type: none"> NARD decided to conduct the evaluation by themselves, contracting the third party as the evaluator and applied 360 evaluation method. The counterparts approved that JICA consultant does not need to conduct activities on this topic at JCC in 2014. NARD could not conduct the planned evaluation in 2015 due to lack of the budget.
1.2	The qualification systems are developed.	★ ★ ★ ☆ ☆	<ul style="list-style-type: none"> The qualification requirement and qualification renewal requirement of mentors are clearly stated. The qualification requirement and qualification renewal requirement of Trainers are clearly stated. Each qualification system is administrated systematically and regularly. 	<ul style="list-style-type: none"> Qualification system and Qualification renewal system are developed. (The standardized mentoring guideline) Qualification system and qualification renewal system of trainers are developed. (The standardized mentoring guideline) The operation of qualification system has designed already, but NARD has a plan that NARD will implement the new system after the completion of this project.
2.1	More than 50 persons are trained and newly certified as skilled mentors.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The number of required mentors are identified based on the future vision. Sufficient mentors are trained and certified based on the future vision. 	<ul style="list-style-type: none"> Considering the fact that new RA/C have joined the project, NARD trained new mentors as follows. 2013 49 mentors 2014 23 mentors Totally 72 mentors are trained.
2.2	More than 10 mentors are trained and newly certified as mentor trainers.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The qualification system and the training system for mentor trainers are developed. Types of trainers required in mentoring system are identified. The training programs for each type of trainers are developed. Sufficient mentor trainers are trained and certified based on NARD's training plan. 	<ul style="list-style-type: none"> Based on the new system, the qualification requirement of CRTT and OJTT were defined and new training modules were developed. The trainers of CRT by the themes and of OJT are trained. The training programs by the themes were developed. Each RA/C has a OJTT. (18 CRTT were certified) (17 OJTT were certified)
2.3	Administrators and trainees evaluate mentor trainers and regard more than 80% of them as skilled trainers.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The qualification requirement for mentor trainers are developed. The evaluation scheme of mentor trainers has clear criteria. The evaluation system of mentor trainers, with which administrators and trainees evaluate their trainings, is developed. More than 80% of mentor trainers are regarded as sufficiently skilled trainers through the evaluation. 	<ul style="list-style-type: none"> The evaluation scheme to CRTT was designed and CRTT will be evaluated by the result of the examination and the evaluation in the CRTs. The evaluation scheme to OJTT was designed and OJTT will be evaluated by beneficiaries and trainees. There is no CRTT and OJTT who is regarded as incompetent.

Detailed Indicators		Progress	Target status of the 2nd phase	Current status
3.1	More than 550 SMEs received mentoring service.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> Public announcement duly takes place every year. Mentors conclude the contract of the service with clear conditions and service contents. Over 550 mentoring services has been provided since the beginning of the project. Appropriate scheme of providing mentoring service is identified, considering the current status of Serbia's economy. 	<ul style="list-style-type: none"> NARD decided to provide 101 mentoring service based on the strategy of regional development in 2015. 159 companies applied for the service. NARD are capable for 101 companies due to the constrain of budget. NARD provided 315 mentoring service with their own budget. <ul style="list-style-type: none"> In 2013 109 beneficiaries In 2014 105 beneficiaries In 2015 101 beneficiaries 240 mentoring services were provided with USAID's support. Note: Utilizing the budget of the project on developing private sector <ul style="list-style-type: none"> In 2015 122 beneficiaries In 2016 118 beneficiaries <p>Total number of the service is 555 beneficiaries.</p>
4.1	The three countries hold meetings at least once a year in order to share their experiences on mentoring service.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The three countries frequently communicate between them in order to share information. The three countries gather and hold meetings on a regular basis. All Mentor Meeting takes place at least once a year and mentors share their experiences. 	<ul style="list-style-type: none"> CPs have used to communicate among them with simple communication methods such as calling, and started sharing their knowledge. Institutional Design Workshop were held in May and June. Mentors shared their knowledge at Japan Training and All Mentor Meeting.
4.2	More than 80% of mentoring reports are stored in a data base.	★ ★ ★ ★ ☆	<ul style="list-style-type: none"> As a standard process, mentors store the results of mentoring into Mentoring Database. The details of best practices are shared. (10-20 cases / year) Know-hows developed/improved by mentors are shared. 	<ul style="list-style-type: none"> The current mentoring system is sufficient enough. The development of a Database into which mentors can store best practices and useful knowledge is started. Note: JICA consultant plans to announce the new DB at Mentor Award in February, 2016. NARD plans to start using the DB after April in 2016. The administration scheme of the DB, which make it possible for mentors to store the knowledge that are useful for improving mentors' skills, was developed.
4.3	Mentoring reports that mentors and service providers stored are shared.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The best practices and knowledge are shared through face-to-face communication such as All Mentor Meeting and Mentor Award. 	<ul style="list-style-type: none"> A scheme of information sharing among mentors are developed. Company Diagnosis Report --> All Mentor Meeting Best Practices and Knowledge --> Mentor Award A culture of mentors that they share knowledge was grown through All Mentor Meeting.
4.4	Best practices are introduced to SMEs through seminars, publications and trainings.	★ ★ ★ ★ ☆	<ul style="list-style-type: none"> Mentors select best practices at Mentor Award. Several media collect information of mentoring service based on the best practices and more SMEs recognize the service. 	<ul style="list-style-type: none"> Mentor Award took place in February, 2016. The best practices of mentoring service were selected and disseminated among SMEs Note: TVs, Magazines, News papers and Web sites.

Table: Progress status of outputs and indicators of BiH

Detailed Indicators		Progress	Target status of the 2nd phase	Result
1.1	The strategy and plan of updated mentoring system are drawn.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The mentoring system is developed based on Serbian model. The strategy on expanding the service territory to other regions is drawn. 	<ul style="list-style-type: none"> BiH's system was developed utilizing Implementation Manual of Serbia. SERDA has been discussing on the strategy of expanding the territory of the service and administration scheme. Discussions on expanding mentoring service started among RS, FD, MOFTER and SERDA from February 2016.
	The mentoring guidelines are developed.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The mentoring guidelines which contain the standardized mentoring activities are developed. The tools and know-hows which are required in the standardized mentoring process are developed. 	<ul style="list-style-type: none"> BiH's Mentoring guidelines are developed based on Serbian guidelines (Mature SMEs, Start-UPs) The standardized mentoring service and tools are developed and all the mentors can provide the service based on mentoring guidelines.
	The training programs are developed	★ ★ ★ ★ ★	<ul style="list-style-type: none"> Training programs for each target such as Mentors and CRTTs are developed. Each training program is developed based on the standardized mentoring process. The necessary training programs for mentors are identified and developed. 	<ul style="list-style-type: none"> BiH's Implementation manual was developed and the training scheme and curriculums are developed. The standardized mentoring process was developed and the necessary know-hows and tools are developed. The necessary training materials and modules are developed based on the standardized mentoring process.
	The evaluation method of mentors is developed.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> Evaluation method which can objectively evaluate mentors is developed. The result of evaluation is utilized on keeping/improving the quality of mentoring service. 	<ul style="list-style-type: none"> The evaluation scheme was developed, considering Company Diagnosis Report, Action Plans, Completion Report and Opinion form beneficiaries. The feedback scheme of the evaluation was designed and the evaluation system, which is effective for improving and keeping service quality, is developed. <p>Note: JICA consultant reported the CP on the evaluation of mentoring service 2015 in February, 2016.</p>
2.1	More than 12 persons are trained and newly certified as skilled mentors.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The qualification system and the training system for mentors are developed. The number of required mentors are identified based on the future vision. Sufficient mentors are trained and certified based on the future vision. 	<ul style="list-style-type: none"> BiH's qualification system and training system of mentor trainers are developed, referring to Serbian Implementation manual. 11 mentors from SERDA and 4 mentors from FTCBiH were trained. <p>Note: It is possible to increase the number of mentors based on the new system when the expansion of the territory of the service is decided.</p> <p>The changes of the number of mentors.</p> <p>In 2014 Totally 0 mentors.</p> <p>In 2015 Totally 15 mentors as of December.</p>
2.2	More than 10 mentors are trained and newly certified as mentor trainers.	★ ★ ★ ☆ ☆	<ul style="list-style-type: none"> The qualification system and the training system for mentor trainers are developed. Types of trainers required in mentoring system are identified. The training programs for each type of trainers are developed. Sufficient mentor trainers are trained and certified based on SERDA's training plan. 	<ul style="list-style-type: none"> BiH's qualification system and training system were developed based on Serbian Implementation Manual. CRTT and OJTT were clearly defined and the training programs specialized for them were developed. 7 CRTT were certified, considering the strategy of expanding the territory of the service area in the post project. <p>Note: 3 CRTT covers 2 themes, so that SERDA has trainers for all modules.</p> <p>Note: To certify OJTT, experiences of providing mentoring services at least 5 times are set as a condition in the qualification requirement of OJTT, but there is no mentor who meets the criteria in BiH. Therefore, JICA consultant decided not to train and certify OJTT in this project period.</p>
2.3	Administrators and trainees evaluate mentor trainers and regard more than 80% of them as skilled trainers.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The qualification requirement for mentor trainers are developed. The evaluation scheme of mentor trainers has clear criteria. The evaluation system of mentor trainers, with which administrators and trainees evaluate their trainings, is developed. More than 80% of mentor trainers are regarded as sufficiently skilled trainers through the evaluation. 	<ul style="list-style-type: none"> The evaluation scheme to CRTT was designed and CRTT will be evaluated by the result of the examination and the evaluation in the CRTs. The evaluation scheme to OJTT was designed and OJTT will be evaluated by beneficiaries and trainees. There is no CRTT and OJTT who is regarded as incompetent. In the evaluation, all CRTTs got points over 3 (among 5) , and regarded as competent. As for OJTT, SERDA does not have them at this point. <p>Note: SERDA does not have a plan to train and certify OJTT in this project period.</p>

Detailed Indicators		Progress	Target status of the 2nd phase	Result
3.1	More than 30 SMEs received mentoring service.	★ ★ ★ ☆ ☆	<ul style="list-style-type: none"> Public announcement duly takes place every year. Mentors conclude the contract of the service with clear conditions and service contents. More than 30 mentoring services have been provided since the beginning of the project. A scheme of obtaining the budget of mentoring service have discussed and some possible schemes are identified. 	<ul style="list-style-type: none"> Public call took place from June through July in 2015 and the selection of beneficiaries was duly conducted. There were some cases that the contents of mentoring service were not identified at the point of contract. 27 mentoring services were provided. In 2014 12 beneficiaries In 2015 15 beneficiaries in 2016 20 beneficiaries by EU SERDA obtained the budget of mentoring service from EU. For mentoring 46,000 EUR For expenses 15,000 EUR <p>Note: SERDA provided 20 mentoring services in SMR.</p>
4.1	The three countries hold meetings at least once a year in order to share their experiences on mentoring service.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The three countries frequently communicate between them in order to share information. The three countries gather and hold meetings on a regular basis. All Mentor Meeting takes place at least once a year and mentors share their experiences. 	<ul style="list-style-type: none"> CPs have used to communicate among them with simple communication methods such as calling, and started sharing their knowledge. Institutional Design Workshop were held in May and June. Mentors shared their knowledge at Japan Training and All Mentor Meeting.
4.2	All Mentor Meeting is held every year.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> It is decided to hold All Mentor Meeting every year. 	<ul style="list-style-type: none"> As a standard, SERDA decided to hold All mentor meeting once a year. <p>Note: All mentor meeting took place in September, 2015.</p>
4.3	Mentoring reports that mentors and service providers stored are shared.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The scheme of selecting/storing best practices and knowledge is developed. Mentors can access to the stored information. Mentors find value of the stored information and willingly utilize them. 	<ul style="list-style-type: none"> The scheme of collecting the best practices and knowledges through All mentor meeting and Mentor Award is developed. The scheme that SERDA maintains stored information and all mentors can access the data is developed. JICA consultant believes that mentors willingly use the database because the stored information are best practices selected through All mentor meeting and Mentor Award.
4.4	Best practices are introduced to SMEs through seminars, publications and trainings at least XX	★ ★ ★ ★ ★	<ul style="list-style-type: none"> Mentors select best practices at Mentor Award. Several media collect information of mentoring service based on the best practices and more SMEs in SMR recognize the service. 	<ul style="list-style-type: none"> Mentor Award took place in February, 2016 Best practices of mentoring service are collected and disseminated to SMEs. <p>Note: TVs, Magazines, News Papers and Web sites.</p>

Table: Progress status of outputs and indicators of MNE

Detailed Indicators		Progress	Target status of the 2nd phase	Result				
1.1	The strategy and plan of updated mentoring system are drawn.	★ ★ ★ ★ ★	<ul style="list-style-type: none">The mentoring system is developed based on Serbian model.The strategy on expanding the service territory to other regions is drawn.	<ul style="list-style-type: none">MNE's system was developed utilizing Implementation Manual of Serbia.DDSME obtained the budget of mentoring service from the government and draw the strategy of expanding the territory of the service area. <p>Note: DDSME start expanding the territory of the service area to 6 regions earlier than the first plan.</p>				
	The mentoring guidelines are developed.	★ ★ ★ ★ ★	<ul style="list-style-type: none">The mentoring guidelines which contain the standardized mentoring activities are developed.The tools and know-hows which are required in the standardized mentoring process are developed.	<ul style="list-style-type: none">MNE's Mentoring guidelines are developed based on Serbian guidelines (Mature SMEs, Start-UPS)The standardized mentoring service and tools are developed and all the mentors can provide the service based on mentoring guidelines.				
	The training programs are developed.	★ ★ ★ ★ ★	<ul style="list-style-type: none">Training programs for each target such as Mentors and CRTTs are developed.Each training program is developed based on the standardized mentoring process.The necessary training programs for mentors are identified and developed.	<ul style="list-style-type: none">MNE's Implementation manual was developed and the training scheme and curriculums are developed.The standardized mentoring process was developed and the necessary know-hows and tools are developed.The necessary training materials and modules are developed based on the standardized mentoring process.				
	The evaluation method of mentors is developed.	★ ★ ★ ★ ★	<ul style="list-style-type: none">Evaluation method which can objectively evaluate mentors is developed.The result of evaluation is utilized on keeping/improving the quality of mentoring service.	<ul style="list-style-type: none">The evaluation scheme was developed, considering Company Diagnosis Report, Action Plans, Completion Report and Opinion form beneficiaries.The feedback scheme of the evaluation was designed and the evaluation system, which is effective for improving and keeping service quality, is developed. <p>Note: JICA consultant reported the CP on the evaluation of mentoring service 2015 in February, 2016.</p>				
2.1	More than 8 persons are trained and newly certified as skilled mentors.	★ ★ ★ ★ ★	<ul style="list-style-type: none">The qualification system and the training system for mentors are developed.The number of required mentors are identified based on the future vision.Sufficient mentors are trained and certified based on the future vision.	<ul style="list-style-type: none">MNE's qualification system and training system of mentor trainers are developed, referring to Serbian Implementation manual.15 mentors are trained and certified based on the new system. <p>Note: Mr.Pavle left the office in Dcember, 2015.</p> <ul style="list-style-type: none">The changes of the number of mentors. <table><tr><td>In 2014</td><td>Totally 9 mentors.</td></tr><tr><td>In 2015</td><td>Totally 14 mentors as of December.</td></tr></table>	In 2014	Totally 9 mentors.	In 2015	Totally 14 mentors as of December.
In 2014	Totally 9 mentors.							
In 2015	Totally 14 mentors as of December.							
2.2	More than 5 mentors are trained and newly certified as mentor trainers.	★ ★ ★ ★ ★	<ul style="list-style-type: none">The qualification system and the training system for mentor trainers are developed.Types of trainers required in mentoring system are identified.The training programs for each type of trainers are developed.Sufficient mentor trainers are trained and certified based on DDSME's training plan.	<ul style="list-style-type: none">MNE's qualification system and training system were developed based on Serbian Implementation Manual.CRTT and OJTT were clearly defined and the training programs specialized for them were developed.8 CRTT were certified, considering the strategy of expanding the territory of the service area in the post project. <p>Note: JICA consultant decided not to train and certify OJTT in this project period.</p>				
2.3	Administrators and trainees evaluate mentor trainers and regard more than 70% of them as skilled trainers.	★ ★ ★ ★ ★	<ul style="list-style-type: none">The qualification requirement for mentor trainers are developed.The evaluation scheme of mentor trainers has clear criteria.The evaluation system of mentor trainers, with which administrators and trainees evaluate their trainings, is developed.More than 70% of mentor trainers are regarded as sufficiently skilled trainers through the evaluation.	<ul style="list-style-type: none">The evaluation scheme to CRTT was designed and CRTT will be evaluated by the result of the examination and the evaluation in the CRTs.The evaluation scheme to OJTT was designed and OJTT will be evaluated by beneficiaries and trainees.There is no CRTT and OJTT who is regarded as incompetent.In the evaluation, all CRTTs got points over 3 (among 5) , and regarded as competent. As for OJTT, DDSME does not have them at this point. <p>Note: DDSME does not have a plan to train and certify OJTT in this project period.</p>				

Detailed Indicators		Progress	Target status of the 2nd phase	Result
3.1	More than 30 SMEs received mentoring service.	★ ★ ★ ★ ☆	<ul style="list-style-type: none"> Public announcement duly takes place every year. Mentors conclude the contract of the service with clear conditions and service contents. More than 30 mentoring services have been provided since the beginning of the project. A scheme of obtaining the budget of mentoring service have discussed and some possible schemes are identified. 	<ul style="list-style-type: none"> Public call took place from June through July in 2015 and the selection of beneficiaries was duly conducted. Mentors became able to conclude the contract with clients, assuring the actual service and the clients expectation. 29 mentoring services were provided. In 2014 13 beneficiaries In 2015 16 beneficiaries DDSME is looking for a way of utilize mentoring service to cluster development.
4.1	The three countries hold meetings at least once a year in order to share their experiences on mentoring service.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The three countries frequently communicate between them in order to share information. The three countries gather and hold meetings on a regular basis. All Mentor Meeting takes place at least once a year and mentors share their experiences. 	<ul style="list-style-type: none"> CPs have used to communicate among them with simple communication methods such as calling, and started sharing their knowledge. Institutional Design Workshop were held in May and June. Mentors shared their knowledge at Japan Training and All Mentor Meeting.
4.2	All Mentor Meeting is held every year.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> It is decided to hold All Mentor Meeting every year. 	<ul style="list-style-type: none"> As a standard, DDSME decided to hold All mentor meeting once a year. <p>Note: All mentor meeting took place in September, 2015.</p> <p>There is still uncertainty on holding All mentor meeting, because it is necessary for DDSME to obtain the necessary budget from the government.</p>
4.3	Mentoring reports that mentors and service providers stored are shared.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> The scheme of selecting/storing best practices and knowledge is developed. Mentors can access to the stored information. Mentors find value of the stored information and willingly utilize them. 	<ul style="list-style-type: none"> The scheme of collecting the best practices and knowledges through All mentor meeting and Mentor Award is developed. The scheme that DDSME maintains stored information and all mentors can access the data is developed. JICA consultant believes that mentors willingly use the database because the stored information are best practices selected through All mentor meeting and Mentor Award.
4.4	Best practices are introduced to SMEs through seminars, publications and trainings.	★ ★ ★ ★ ★	<ul style="list-style-type: none"> Mentors select best practices at Mentor Award. Several media collect information of mentoring service based on the best practices and more SMEs in MNE recognize the service. 	<ul style="list-style-type: none"> Mentor Award took place in February, 2016 Best practices of mentoring service are collected and disseminated to SMEs. <p>Note: TVs, Magazines, News Papers and Web sites.</p>

4 Challenges, Artifice, and Findings of the Project

This chapter describes major challenges, actions taken, artifice and findings in implementation of the project. As actions are not necessary taken for each of the challenges, 4.1 describes major challenges and 4.2 describes the actions in detail.

4-1 Major Challenges and Actions taken in the Project

While anticipated outputs for each country in this project were achieved as reported in detail in chapter 3, JICA Consultant team encountered a series of challenges in the course of the project. Major issues were as follows.

4-1-1 Major Challenges and Actions taken for Output 1

○ No common understanding on mentoring system and its effectiveness among policy makers of counter parts	→	Strategic use of Japan training
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As Output 1, mentoring system in Serbia was expected to be updated corresponding to the business environment of SMEs, and mentoring system in MNE and BiH were expected to be created and updated corresponding to the business environments of SMEs. At the beginning of this project, however, there was no common understanding among counterparts, especially on the level of policy makers, on mentoring service itself, as well as its effectiveness, except vague image and expectation in the “Japanese Mentoring System”.

We strategically used Japan training to overcome this issue to achieve “Common understanding on Japanese Mentoring System” and “Commitment of policy makers on mentoring system based on understanding on its effectiveness”. As for the detail please refer “4.2.1 Strategic use of Japan training”.

○ Uncertainty on implementing agency for nationwide roll out of mentoring system	→	Organization in BiH
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NARD in Serbia and DDSME in Montenegro took responsibility as implementing agencies of mentoring system. These are national agencies equivalent to Small and Medium Enterprise Agency in Japan. On the other hand, MOFTER in BiH, took responsibility of project coordination only, due to lack of power and budget for implementing the project at the time of signing of R/D with Japan government. In its place, SERDA was selected as an implementing agency of the mentoring system

in Sarajevo.

SERDA is an independent organization founded by 32 cities and municipalities, including Kanton Sarajevo, and private organizations. It is politically mutual and expected to act as an implementing agency, but there were not enough budget and resources allocated from national government on this project. It should not be considered having equal capacity as NARD or DDSME, but as one of RA/Cs in Serbia.

It was unavoidable for SERDA, from its nature, to expect this project to be a future source of income. Without this project to be profitable in some way, cost incurred related to implementation of mentoring system influenced their budget. In fact, SERDA tapped JICA time to time for any possibility of financial assistance to cover their cost, such as out of pocket expenses for travel and printing for mentoring service. SERDA also has a geographical limitation for roll out of mentoring service nationwide. These elements affect the sustainability of the project in BiH.

The issue and action on implementing agency in BiH for mentoring system is discussed in “4.2.2 Organization in BiH”.

In Serbia, organization for implementing mentoring system become stronger over the project, where a project unit organized in NARD in March 2015 acted as the center. The project unit started with 4 staff (Stefanija Djokic, Sonja Manojlovic, Milan Drobnjak, Nebojsa Radinovic) and they could handle mentoring system using “Implementation Manual” and “Preparation Manual”. This unit was closed, however, in the course of merger of NARD with SIEPA and all of the staff retired. This is discussed in Chapter V “Review and Recommendation”.

○ Unclear concepts on mentoring	→	Organization and Standardization of Mentoring Guidelines
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When updating and creating mentoring system, there was a need to clarify and/or redefine key concepts of mentoring system, such as “Mentor” and “Mentoring”. Without clear definition of these key concepts, existing activities on mentoring system in Serbia had lost their focus. While customization of mentoring system for each country was needed as Output 1 expected to implement/update mentoring system corresponding to the business environment of SMEs, standardization of the system was also required, as Output 4 expected mentors to share information and knowledge that are useful for mentoring service. Creation of mentoring system corresponding to the different business environment of each country, yet easy to share information and knowledge among countries, was recognized as a challenge from the beginning of this project.

If these issues are left unsolved, it will also affect to the delivery of mentoring service in the form of uncontrolled diversification of mentoring method. The latter required actions in system, training,

implementation of mentoring and sharing of know-how. These are collectively discussed in 4.2.4 Organization and Standardization of Mentoring Guidelines.

4-1-2 Major Challenges and Actions taken for Output 2

○ Difficulty on understanding Japan's management know-how, such as production management	→	Strategic use of Japan training
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Output 2 expected “Mentors and Mentor trainers who are able to help SMEs challenge their difficulties are trained and certified” in each country. During the training, however, it was not easy for them to have a clear image on mentoring service in Japan through classroom training and OJT in their country. To facilitate their understanding on the effectiveness of Japanese mentoring service and its know-how, such as production management, we used Japan training as described in 4.2.1 Strategic use of Japan training, for detail.

○ Confusion of business mentoring and management consulting	→	SOTC as a training tool
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In training of mentors, participants tended to confuse business mentoring (which is basic but holistic assistance to business owners) and management consulting (which is to provide a solution for specific field). For this matter, JICA consultant delivered SOTC as a part of training of mentors to show the connection from mentoring to consulting, as well as the limitation of business mentoring. See “4.2.3 SOTC as a training tool” for detail.

○ Variation on how mentoring service to be delivered	→	Organization and Standardization of Mentoring Guidelines
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In the training of mentors, we implemented “Standardized Mentoring Process” and “Mentoring Guidelines” to control variation of mentoring method in the field. Without these, it is impossible to have a common understanding on standard model of mentoring and ideal mentors. This is discussed in “4.2.4 Organization and Standardization of Mentoring Guidelines”.

4-1-3 Major Challenges and Actions taken for Output 3

○ Low interest of SMEs to apply for mentoring due to lack of its recognition	→	Effective use of media appearance
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While Output 3 was to provide mentoring service, only few SMEs in Serbia recognized mentoring as of March 2015. Though Mentoring 2014 could gather 128 applications, they were collected by RA/Cs through their close contacts and personal promotion for the application. This situation made it difficult to select more appropriate SMEs for mentoring. For proper delivery of mentoring service, there is a need of certain level of public awareness on mentoring to generate enough number of participation of SMEs who understand and expect the effect of mentoring correctly, in addition to improvement of service quality of mentors.

In some regions, far away from Belgrade, and where mentoring was not known, number of applications was less than planned number of mentoring services for the region. In such area, NARD approved almost all applications to satisfy equality of mentoring opportunity to nationwide. This caused cases that JICA consultants pointed out in their visit of beneficiaries in OJTs that there are some SMEs who do not have clear motivation or expectation from mentoring.

As an action to solve the situation, we strategically used PR activities. This proved effective in Serbia for facilitating SMEs to apply for mentoring, and Serbian CP is willing to continue by their own budget.

On the other hand, in BiH and Montenegro, the number of applications for mentoring 2015 was not clearly increased compared to 2014. Beneficiaries also commented in their feedback survey that they did not note PR when they applied. The effect of PR in these countries was limited. (4.2.5 Effective use of media appearance)

○ Uncontrolled variation of mentoring service	→	Organization and Standardization of Mentoring Guidelines/ Motivating mentors to share their methods
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As for issues on uncontrolled variation of mentoring method by mentors in their course of delivery of mentoring service, it is not enough to set and make them follow the standard, as discussed in “4.2.4 Organization and Standardization of Mentoring Guidelines”. Most part of the standard mentoring method is not readily applicable, and mentors shall adjust mentoring know-how they learned, to the business situation of their beneficiaries.

JICA Consultant recognized the value of know-how and tools that mentors developed by themselves in their practice, as far as they are in line with the standardized mentoring know-how, and motivated mentors to develop and share new methods in mentoring.

4-1-4 Major Challenges and Actions taken for Output 4

○ Time consuming networking of mentors	→ Smoothening of communication among three countries
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Output 4 expected “Mentors, service providers and SMEs store/share information and knowledge that are useful for mentoring service”. It will take time for this, however, even if implementing agencies take initiatives. To facilitate this, it is important to formulate/strengthen individual network among stakeholders and smoothen information dissemination on the network.

To facilitate communication among implementing agencies in Serbia and other countries, JICA Consultant actively hosted cross-border events for knowledge sharing among mentors. (4.2.6 Smoothening of communication among three countries)

○ Rare occasion to know mentoring	→ SOTC as a training tool/ Effective use of media appearance
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On the other hand, for sharing of information and knowledge that are useful for mentoring service among “SMEs”, the low public recognition on mentoring service was a fundamental issue. This is to be discussed in “4.2.5 Effective use of media appearance”.

NARD believes that SOTC is effective for promotion of mentoring among SMEs. This is to be discussed in “4.2.3 SOTC as a training tool”.

4-1-5 Major Challenges and Actions taken Common for All Outputs

○ Multiple tasks at the same timing for wide area project	→ Operation of JICA Consultant
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Other than those issues discussed above for each output, it was also a practical issue from the beginning of this project on how JICA consultants can be assigned effectively over 3 countries within their limited assignment period. As the project formulated in expectation to roll out know-how of Serbia to other 2 countries, it was a natural consequence to have similar activities in all 3 countries at the similar timing of the year. It was thus become a systematic issue of this project that man-hour of JICA consultants tends to fall short and they could not spare enough time for Serbia.

Also as a seasonal issue, the local custom of long summer vacation affected delivery of mentoring service, as mentors and SMEs have difficulty to set their schedule for mentoring during mid of July

to August. The challenge was how to make activities in September after the summer vacation to be more effective.

In each country, there were regional varieties. As mentors belong to different organizations, some regions had new mentors only, while other had experienced mentors who went through training provided by JICA prior to this project.

As for actions taken for these practical issues on project implementation, we will discuss in “4.2.7 Operation of JICA consultant team over 3 countries”.

Relationship of major issues discussed above and our actions taken are as in the table in the next page.

Table: Comparison Table of challenges, planned actions and lessons on the project

Objectives	Major Issues	Affected Output	Symbolic Example of the Issues	Action Taken	Remarks and Findings
Creation of appropriate system (Related to Output 1)	No common understanding on mentoring system and its effectivity among policy makers of counter parts	1	Appropriate system is not created.	4.2.1 Strategic use of Japan training	Action plans created in the Japan training contributed in smooth roll out of the project involving members without participation to Japan training.
	Uncertainty on implementing agency for nationwide roll out of mentoring system	1	Affecting to the sence of fairness among mentors in BiH, agains those supported by national government in Serbia and MNE.	4.2.2 Organization in BiH	Expansion of mentoring service in BiH needs to increase promotion activities to other donors (beside JICA) for securing the financial resources and stability.
		1	Dissolution of NARD and impact to sustainability of the project	Discussed in chapter5	
Capable mentors are trained (Related to Output 2)	Difficulty on understanding Japan's management know-how, such as production management	2	Difficulty for understanding Kaizen and 5S	4.2.1 Strategic use of Japan training	
	Confusion of business mentoring and management consulting	2	No common understanding when mentoring service to be finished	4.2.3 SOTC as a training tool	
	Variation on how mentoring service to be delivered	2	Don't know what is the ideal mentor	4.2.4 Organization and Standardization of Mentoring Guidelines	
Provide mentoring service appropriate for SMEs (Related to Output 3)	Low interest of SMEs to apply for mentoring due to lack of its recognition	3	SMEs applied to mentoring without clear motivation	4.2.5 Effective use of media appearance	By the promotion, the increase of the applicants came with the companies who have a clear motivation to mentoring service, so that this change improved mentoring service itself.
Mentoring is recognized (Related to Output 4)	Uncontrolled variation of mentoring service	3	Uncontrolled variation on mentoring contents and their outcomes	4.2.4 Organization and Standardization of Mentoring Guidelines	Standardization of Mentoring Guidelines made sharing of experiece easier.
		2	Uncontrolled variation of capacity of mentors		
	Time consuming networking of mentors	1	Difficulty in information sharing among regions	4.2.6 Smoothening of communication among three countries	
	Rare occasion to know mentoring	1	Mentoring system is not rolled out	4.2.3 SOTC as a training tool	
				4.2.5 Effective use of media appearance	
Smooth implementation of the project (Related to all Outputs)	Multiple tasks at the same timing for wide area project	1 to 4	Inefficient operation of the project	4.2.7 Operation of JICA consultant team over 3 countires	"Semi-local (Not just a local)" staff who can easily understand the local culture than Japanese consultants, but yet to maintain independence as a consultant, for continuous information gathering and maintain a good relationship with local people in the project.

4-2 Artifice, and Findings of the Project by Action

4-2-1 Strategic Use of Japan Training

【Important Issues, Policy and Summary of Measures】

The thrice conducted Japan training was strategically utilized to achieve Output 1 which was to create “a common understanding for Japanese style mentor system” and “deepen the understanding of effectiveness of mentoring in the policy maker level”; in addition to achieve Output 2 which is to further the understanding of effectiveness of mentoring in the front line level, deepen the understanding of Japanese style production management. The trainings’ viability increased by putting to account the progress of the project’s policy design and the mentors’ development status as well as considering how it can contribute to the whole project and by clearly establishing the level and the issues of the participant when implementing the training.

【Considerations】

Following considerations were made for important issues.

(1) Understanding the effectiveness of Mentoring (Policy Maker Level)

The initial Japan Training was conducted in September 2013 and high-ranked officials who were in charge of institutional design, budgeting, and personnel matters from each respective counterpart organization from the 3 countries were invited. On the last day of Japan Training, JICA Consultant raised three issues for team discussion and the team-leader of each country (usually the highest position among trainees of each country) has strategized the following issues, namely

- a) the role of team-leader on institutional design of each country,
- b) who among the trainees will be in charge of institutional design, budgeting and personnel matters,
- c) how the institutional design meeting will be organized.

The result of team discussion was summarized as "Strategy Paper for Institutional Design", that was being considered as "the expression of will" by high-ranked officials of each country. The above strategy paper, had acted as an instruction paper to the following framework designing activities. It had also established an unwritten rule that the participants of the Japan Training shall be responsible for essential matters which had also functioned the same way at the 2014 and 2015 trainings.

(2) Understanding the effectiveness of Mentoring (Mentor Level)

Actual frontline mentors providing mentor service to the SMEs were selected as the participants of the 2014 Japan Training. The following were considered:

- To enhance cross-border cooperation and sense of solidarity, each trainees were grouped with the mentors of the 2 other countries to form a cross-national group of mentors to conduct problem solving. As part of the activities toward output 4, the above activities were aimed to cultivate and develop the network among mentors of the 3 countries, which would eventually become the platform of information sharing.
- Simultaneous discussions on the strategy of how the 3 multinational group can contribute to the project in the future were conducted. This had become essential information for the JICA Consultant in planning the activities.
- Training curriculum and selection of entities to be visited focused on know-how that can be immediately used and would greatly contribute in the improvement of the revenue of the companies especially for the tourism industry and the retail industry of the 3 countries.

(3) Understanding the Japanese know-how of Production Management

Although some of the Mentors had classroom training and conducted self-study, the level of knowledge on production management varied among the Mentors. In addition, as the understanding was only theoretical and not through experience, they had a lack of good command of the terminology during the actual mentoring.

Therefore, when designing the 2015 Japan Training, the following points were considered

a) Selected familiar places for factory visit site

Locations which had similar industries and industry size, mainly small to medium factories, with the three countries where specifically selected for the factory visit. At the site, the participating Mentors were able to learn successful KAIZEN improvement cases and coordination within small scale factories.

b) Understanding how an “Ideal mentoring” should be and “common problems” experienced when mentoring

The methodology and techniques of production management consultants utilized at the site and the success stories of the implementation was learnt, thus, had help contributing in getting mentors be able to visualize how mentoring should be ideally done. "Common problems" experienced during mentoring were discussed and solutions were learnt.

c) Output focused training

Focusing on “practical knowledge usable in field”, output focused training was emphasized such as case studies which you can simulate problems that regularly occur in the production management field and in depth discussion on the method of how to utilize the know-how attained. In order to conduct more efficient training, lectures on production management was done in Serbian language by a Serbian consultant specialized in Japanese

production management consultations. Case studies were conducted at the start of the training period and to deepen the understanding, a follow-up training was conducted at the end.

【Miscellaneous】

Concerning the Japan Training, at the OCM of the final year, Ms. Ana Zegarac, the Assistant Director of NARD (the Serbian counterpart organization) had provided the following feedback:

“Please provide special mention in the Final Report that the Japan Training had not only been very contributed in the implementation of the project, it had been an exceptional experience for the participants.”

4-2-2 Institutional Setup in BiH

【Summary of Issue】

SERDA in Bosnia and Herzegovina had a difficulty in its financial stability and could not consider mentoring services as voluntarily contribution to the private sector because the organization has the feature not only as a public entity, but as a private enterprise. Therefore, as for the institutional design of mentoring services, there were the following constrains and limitations compared to Serbia and Montenegro.

(1) Shouldering the cost of services

The structure of mentoring services in Serbia and Montenegro depicts that the central government shoulders mentoring cost (incl. personnel cost of mentor) and the cost firstly paid by the terminal agencies which conduct mentoring services get balanced out through the payment from central government. However, in the case of Bosnia and Herzegovina, the expenses on mentoring services were not subsidized from the central government at all and it is completely shouldered by SERDA. This situation made it difficult for SERDA to assign mentors for 50 hours' of standardized mentoring service.

(2) Restriction of establishing domestic networks brought about by political background

To expand the area coverage of mentoring services, it is necessary for MOFTER/SERDA to communicate with certain agency of two entities. However, it is not so easy. One of the reasons is that the political feature of each agency became stumbling block of mutual communication.

(3) Scarce organization with nationwide network

There are few single organizations which have nationwide communication network. It made difficult to choose institutions for the increase of mentoring services to nationwide.

【Measures and Artifice by Issue】

Toward (1) to (3) above, the following measures and artifice (1) to (3) correspond orderly.

(1) Measures and artifice toward cost shouldering

SERDA could continue mentoring services at its own cost throughout the Project due to the following three reasons.

- ✓ Strong pressure from NARD through a series of Institutional Design Workshop (NARD advised to SERDA conduct mentoring services without charging to client SMEs)
- ✓ There was a prospect by SERDA to be profitable on the nationwide expansion.
- ✓ Mentoring services could be provided on fee basis to the project(s) of other donor.

As a result, SERDA's experience of voluntary provision of mentoring services created the in-house knowledge of differences between mentoring and consulting. It triggered obtaining the projects from EU's "Fast Growing SMEs Project", which includes 20 mentoring services toward 20 Start-up companies in the target area (related to the third bullet of above)..

(2) Measures and artifice toward restriction of human network

The Project overcame this issue. JICA Consultant took a lead on this issue and just simply shown "the Ideal direction to go on". Toward such direction, both MOFTER and SERDA worked for. Since this project was intended for the SME support by the public sector, MOFTER communicated to two entities based on JICA's policy, and took an initiative on "Mentoring Expansion Meeting" on Feb. 2016.

(3) Measures and artifice toward the shortage of nationwide network

Allowing for this issue from the initial stage of the Project, JICA Consultant has proposed FTCBH to join the Project. FTCBH has willingly joined the Project and SERDA also accepted to this institutional setup. By so doing, an option to choose nationwide organization was secured, because FTCBH was scarce organization which has 19 affiliates all over the nation. FTCBH also had needs to expand mentoring service internally.

The discussion of post-project mentoring expansion started around the end of the Project and FTCBH has cultivated 4 mentors by the end of the Project. FTCBH has a possibility to expand mentoring system among 19 affiliates.

【Findings】

Expansion of mentoring service in Bosnia and Herzegovina cannot work by introducing the mechanism through SERDA, unless the developed mentor cannot at least earn economic benefit through rendered services. Since the state government of BiH has lesser capacity to subsidize the service, there are only two options to realize this; i) client SMEs pay for it, or ii) sponsor donor pays for it. The lesson of the Project indicates that the expansion of mentoring service needs to increase promotion activities to other donors (besides JICA) for securing the financial resources and stability. By increasing fund for mentoring services from other donors and incorporate it into SME development, mentoring system will be further recognized and mentoring service can count as the beneficial service.

4-2-3 SOTC as a training tool

【Summary of challenges and artifices】

Mentoring can never be a perfect fit-in-all-size method to solve all issues of SMEs. There may be a need of hiring professional consultants specialized in a field for efficient solution for specific issues identified in mentoring of relatively larger SMEs. For enabling smooth linkage from mentoring to consulting, SOTC was included in the training to show the approach of specialized management consultants on those issues identified in mentoring.

【Additional challenges and artifices】

A system of hiring local consultants to perform STOC is critical for sustainability of the project after the assistance from JICA. To realize this, it was planned to choose consultants of major field of SOTC from the list of consultants which NARD had.

It was JICA consultants who performed SOTC in 2014, however, to answer strong requests from counterparts. According to them, the opportunity of SMEs to receive consultation from Japanese consultants is critical for the mentoring service to be accepted by local SMEs.

In 2015, it was planned to decrease involvements of Japanese consultants by following steps;

- a) JICA consultants to select SMEs for SOTC, to deliver SOTC evenly among regions for all mentors to be able to join SOTC at least once.
- b) To develop a system to utilize local consultants for the major field of SOTC, JICA consultants to choose appropriate consultants from the list of consultants which NARD maintained, and deliver SOTC jointly with JICA consultants.
- c) Gradually decrease involvement of JICA consultants for the selected local consultants from the list of NARD to deliver SOTC, where JICA provide financial assistance only.

In reality, JICA consultants performed all SOTCs to the last occasion performed in March 2016, as the local consultant selected as (b) was notable to participate due to a loss in his family. Due to this fact, the methodology transfer for SOTC was not completed as planned.

4-2-4 Organization and Standardization of Mentoring Guidelines

【Summary of Major Challenges】

One of the major challenges for Output 3, as mentioned in 4.1, was inconsistency of application of mentoring service. The cause of the inconsistency was not simple, and consisted from factors related to Output 1 to 4 as follows;

For Output 1: Fuzziness of key concepts of the mentoring system

For Output 2: Lacking of standardized mentoring process and mentoring guideline

For Output 3 and 4: Treatment of unique methods developed by mentors and variation of mentoring skill among regions

【Counter measures for each challenges and artifice】

Following measures were taken for each of above challenges;

(1) Revision of mentoring guideline and development of implementation manuals

The mentoring system developed in the previous project in Serbia was not clear for its key concepts, such as “Mentor” or “Mentoring”. This led tasks of the mentoring system floating around and lost their focus as a whole. We proposed NARD to redefine the key concepts and to amend existing mentoring guideline from its basis.

NARD might not agree to the major revision of the mentoring system of Serbia if not supported by convincing theoretical background and basis of the discussion. JICA consultants took enough time to discuss the importance of re-definition of the key concepts and obtained understanding of NARD first on the matter. Then JICA consultants prepared a proposal which include current major issues of mentoring system in Serbia, key points for solutions, and expected results from the improvements.

NARD showed full support for the proposal and decided for a major revision of their system.

At the same time, it was one of the major challenges for the project to develop a system for easy collaboration among 3 countries with different economic situation. Consistency in basic understanding of mentoring was also an important step for the purpose. “Standardized Mentoring Concept” for mentoring, mentor and training of mentors was developed to realize this objectives.

As NARD and JICA consultants were fully aware of the importance of definition of each key word

and considered them as the cornerstone of the project, they did not mind allocating long time for discussion on all key words used in guidelines. We highly appreciate NARD for their understanding of the importance of basic design and their contribution for improvements of the system design through discussion.

According to this “Standardized Mentoring Concept”, we developed “Standardized mentoring service Implementation Manual” and “Operation Manual”. The former describe Key Concepts of Mentoring, training system, certifications, and brief description of related tasks, while the latter describes the detail of tasks needed to move the system to enable any person involved in to handle the task properly. These were shared in System Design Workshop (WS) ¹⁵ in May and July 2015 for mutual understanding among person in charge of the projects in 3 countries on the background and idea behind the manuals. Through this WS, BiH designed future vision of the mentoring with cooperation with RS, while Montenegro decided to expand mentoring nationwide ahead of their original timeline.

(2) Implementation of standardized mentoring process and mentoring guideline

JICA consultants set standard number of visitation of SME, major objectives of each visitation, all steps through 50 hours of mentoring including preparations between the visitations and their length of time through research of actual practices of mentors in Serbia and illustrated them in “Standardized Mentoring Process”. This consists of a part of 2 Mentoring Guidelines to be used in the training of mentors and mentor trainers, which are “Mentoring Guideline for Mature SMEs” and “Mentoring Guideline for Start-Ups”. Experiences of application of the standardized mentoring process by mentors were shared in All Mentor Meeting, where all mentors in the field gathered after the delivery of mentoring service for the year to facilitate sharing of know-how on application of the standard process.

Mentoring guidelines were prepared by each country to reflect the wordings of their own language. As there may be future conflicts between flexibility for each country and benefits from standardization, variation of the guideline by language shall be controlled somehow for effective collaboration of the 3 countries.

(3) Treatment of unique methods developed by mentors and variation of mentoring skill among regions

Simple application of standardized mentoring method is not enough for a mentor. Major part of mentoring process shall be adjusted to SMEs’ business situation. These adjustments are difficult for

¹⁵ There was no discussion with RS at this time but just for future consideration. The first discussion with Federation and RS on roll out of mentoring service was in “Expanded Mentoring Meeting” held in February 2016.

new mentors who just graduated the training course, as accumulation of experience as a mentor make it possible. To facilitate the sharing of know-how through experience, JICA consultants picked up some experienced mentors in Serbia to be trained to be OJTT, who handle OJT of mentoring in other regions in place of JICA consultants.

Unique know-how and tools developed by mentors in their practice were considered valuable, as far as they are based on standardized mentoring methodology. OJTTs were allowed to share their tools to new mentors on top of the training of standardized mentoring process. Good practices were recognized in Mentor Award.

There are high risks of experienced mentors to retire. Project administration office shall check if there are any RA/Cs with new mentors only when implementing mentoring system to facilitate sharing of mentoring experience between experienced and new ones.

4-2-5 Effective use of media appearance

【Summary of the key challenge】

In the 2nd project period, JICA Consultant contracted with local promotion consultant in order to strategically conduct the promotion. Mentoring service has been provided since 2005, but the visibility of the project was not enough as of 2013. It seems necessary to take some drastic actions in order to improve the visibility of the project.

Main problems on mentoring service caused by the low visibility were as follows. JICA consultant found the matter as common challenges of three countries.

- SMEs applied for mentoring service without understanding the contents enough, and it caused mismatches between SMEs' expectation and the service contents of mentoring service after starting mentoring service. As a result, each mentor provided different service under the name of mentoring service.
- The number of applicants was quite low, so that mentors could not select appropriate clients among the applicants. It put a negative impact on the result of service.

【Actions and artifices toward each key challenge】

(1) Improvement of the visibility of mentoring service in the target areas

JICA Consultant developed a promotion strategy of the year, and tried to improve the visibility of mentoring service among SMEs in targeted area by developing promotion tools and promotion activities cooperating with various kinds of Media. The developed promotion tools were utilized as follows.

- At the same time with public announcement of mentoring service, JICA Consultant promoted mentoring service to SMEs in targeted areas by promotion tools and appearances on various kinds of media.

- JICA Consultant built a promotion scheme by disseminating the tools in advance in which each RA/RC/RDA can easily distribute necessary information to local SMEs and stakeholders.

(2) Artifice on promotion tools

- As the contents of a leaflet and brochures, JICA Consultant described the expectations from the service provider towards applicants in order to prevent problems, such as the applicants have too much expectations from the mentoring service or attend the service without their leadership. The promotion tools clearly stated following information; “Standardized mentoring process,” “Expectable result of the service” and “Expectations from the service provider to applicants.”
- Brochures are developed as PDF in order for RA/RC/RDAs to disseminate it to local SMEs via e-mail, and also SMEs can download it on the web-sites of C/Ps.



Pic. Brochure of mentoring service in Serbia

(3) Result of promotion

Increase of the number of applicants to mentoring service. The number of applicants for mentoring service 2015 is as follows.

Serbia: The capacity was 105. The number of applicants was 158.

BiH : The capacity was 15. The number of applicants was 18.

MNE : The capacity was 17. The number of applicants was 19.

While almost no clients applied for mentoring service from client's side and mentors asked local SMEs to apply for the service in 2014, almost all clients applied for the service from their side in 2015.

【Findings】

By the evaluation of mentoring service 2015 in BiH and MNE, JICA Consultant found a preferable improvement cycle; the increased number of applicants by promotion gave mentors a chance of selecting appropriate clients, and it improved the quality of mentoring service and brought higher satisfactions of the clients. Through the promotion, the increase of the applicants came with companies who have a clear motivation to the mentoring service, so that this change improved the mentoring service itself.

4-2-6 Smoothing of communication among three countries

【Summary of the key challenge】

Serbia, Bosnia and Herzegovina and Montenegro formed one country, Yugoslavia, before. Serbia and BiH fought a heavy war to split up, Montenegro also decided to be independent from Serbia although the process was rather peaceful and democratic.

Based on the understanding of these backgrounds, it is considered to be very important to facilitate the communication and the mutual understanding among the C/Ps.

【Actions and artifices toward each key challenge】

(1) Communication among the decision makers

OCM was held three times to facilitate the communication among the decision makers through the face-to-face communication. It could be considered to be natural to hold the OCM in Belgrade, which is the regional centre, however, to pay respect equally to each country, OCM was held in all the three countries, once for each country.

(2) Communication among the project managers

Institutional Design Workshop was held six times to facilitate the communication among the project managers through the face-to-face communication. Since the project managers have the critical influence to the project, it is considered to be important to build the personal trust, not just the business-like relationship, among the project managers.

As a result, based on the deepened mutual understanding, the workshop was implemented with no formal proceeding, but the practical way of discussion. For example, the project managers from BiH and Montenegro asked the project manager of Serbia of the cooperation for negotiating the budget in each country, and the cooperation for the public call process.

(3) Communication among the mentors

The uniqueness of this project implementation is the focus on the communication among the

mentors. Even though the standardized mentoring process was developed, there is still know-how which belongs to the implicit knowledge. Therefore, the information sharing should be implemented not only on the document, but through the actual communication among the mentors.

When the project started, the mentors in BiH and Montenegro did not know what the mentoring actually is, what is the true value of mentoring, and if it can be applicable in the Balkan countries. It was difficult to understand these things only by the explanation. Therefore, to creation of a network between the mentors in Serbia and the mentors from the other two countries was considered to be essential to achieve the transfer of the Serbian experience.

To facilitate the network creation, the following activities were implemented.

(a) Classroom training in BiH and Montenegro by Serbian mentors

The classroom training 2014 in BiH and Montenegro was expected to be facilitated by the JICA consultants in the initial plan. However, to facilitate the knowledge transfer from the Serbia, the Serbian mentors were dispatched to BiH and Montenegro to take role of the facilitator. JICA consultant took the role of total coordination and the quality management.

As a result, the classroom training was provided with the actual mentoring experiences in Serbia and it enabled Bosnian and Montenegrin mentors to have the clear image of the mentoring in the field. Even after the classroom training, some trainees and the Serbian mentor contacted each other via email.

(b) OJT in BiH and Montenegro by Serbian OJTT

The OJT 2015 in BiH and Montenegro was implemented with the support of the dispatched Serbian OJTT. The Serbian OJTT accompanied to the company visitation to demonstrate the mentoring process and to give the feedback after the visitation.

Through the OJT, the mentors from the three countries shared the knowledge and experience more practically and effectively than in the classroom training, since they could discuss based on the actual condition of the company.

(c) All Mentor Meeting

The All Mentor Meeting was held in September 2015. In the AMM, all the mentors from the three countries got together in Belgrade to share the mentoring experience and to discuss the methodology of mentoring. AMM is the biggest event in the project, and it was also the biggest chance to facilitate the cross-border communication among the mentors in the region.

After the AMM, many mentors from BiH and Montenegro expressed their gratitude to this event referring that they learnt a lot from the Serbian experience.

(d) Cross-border team in Japan Training

The cross-border team was organized during the Japan Training. Each team consisted of three members, one mentor from each country. The mentors were advised to cooperate as a team in the training and the action planning process.

This cross-border team ended in success and the communication in the team continued even after the Japan Training.

(4) Experience sharing between Bosnia and Serbia, Montenegro

The future challenge of the mentoring implementation in Bosnia is, since SERDA focuses on the regional development for Sarajevo region, to develop it as a nationwide project and it should be essential to involve other public organizations in that point.

To prepare for this future development, a meeting was held on the 10th of February 2016, with the participation of SERDA, MOFTER, Federal Ministry of Development, Entrepreneurship and Craft, Agency for the Development of SME of Republic of Srpska, JICA Balkan Office and JICA Consultant.

The experiences of Serbia and Montenegro were introduced on the meeting and the feedback from the participants was very positive.

【Findings】

As a conclusion, undoubtedly the facilitation of the communication was one of the key of success of this project. It enabled the smooth implementation of the activities.

Therefore, it should be considered as very important to continue the regular event to facilitate the information sharing among three countries, to deepen the communication among the decision makers, project managers and mentors.

The database can also be utilized for this purpose. There are two kinds of information stored in the DB, project information and the know-how information. As for the project information, since it should be treated as confidential information with the respect to the client, however, regarding the know-how information, it can be shared among the three countries on the cross-border meeting.

4-2-7 Operation of JICA Consultant team over 3 countries

【Summary of Challenges】

This was a broad area project covering 3 countries. The assignment of JICA Consultant in the best timing and location was an administrative challenge for the effective operation of the project.

【Artifice】

(1) Assignment to 3 countries

In application of know-how developed by Serbia, it is usual for other 2 countries to schedule resembling activities at the same timing of the fiscal year. This made it difficult for JICA consultants to cover all activities at the same time, especially in Serbia, where there was the project administration office.

JICA Consultant foresaw and raised up this issue in JCC and got approval from Serbia that they cannot spare enough time to assist OJT in Serbia in 2014.

(2) Timing of assignment

Visitation to SMEs from mid of July to August has been restricted because of summer vacation. In 2015, Mr. Kimura, the assistant team-leader of the JICA Consultant, entered into the field in August and started preparing activities to be performed in September. Also in BiH, he assisted SERDA for their starting of mentoring service where the public call was closed at the end of July. There was also a need of planning activities for All Mentor Meeting of 3 countries to be held in September. Assigning a consultant during the vacation season turned out to be effective for the smooth starting of activities from September.

(3) Special care for countryside of each country

15 regions in Serbia, as well as 4 regions in Montenegro, participated in the project. Instead of evenly cover all of these regions, JICA Consultant paid special attention to the regions with weakness in training of mentors, such as a region where there are only new mentors suffered from retirement of experienced mentors.

(4) Coordination with other international donors

In most of JICA's technical assistance projects, information sharing with other international donor agencies is performed at the beginning of the project during the baseline survey, but not to continue after. In this project, JICA Consultant had a Russian member to keep communicating with related agencies for information gathering and create occasion for PR of the project. In addition to this, we hired Romanian assistant for translation and coordination, who contributed as a cultural bridge between Japanese consultants and people in the project sites.

【Findings】

In this type of a broad area project, it is valuable to include a “Semi-local (Not just a local)” staff who can easily understand the local culture than Japanese consultants, but yet to maintain independence as a consultant, for continuous information gathering and maintain a good relationship with local people in the project.

5 Review and Recommendation

【Review】

The output that has been identified at the start of this project's planning stage has been achieved as stated in chapter 3. The methodology of the activities that have been implemented during the project has been documented in a guideline and an appropriate training has been conducted to the appropriate personnel. In addition, at the OCM conducted on March 2016, the persons in charge of the counterpart countries had committed a continuance of this project.

As a result, the groundwork and condition so the counterpart can solely manage the mentoring system that this project has established and improved has been put in place.

However, if the activities are to be actually continued, for the project goal to be achieved, the following obstacles have been identified.

(1) Serbia

On January 2016, the counterpart of this project, NARD, has merged with SIEPA and formed the Regional Agency of Serbia (RAS). Mr. Milos Petrovic, the Director who was appointed to this new organization has worked at Toyota Serbia, he has a sense of affinity to Japanese style operation and has been vocal at the March 2016 OCM. Ms. Ana Zegarac, who was the Person in Charge of this project, was also appointed as the Assistant Director of the new organization and had called for the mentoring system to be maintained and developed and continuous support from Japan.

On the other hand, on March 2015 training was conducted to the 4 members of the newly formed project unit within NARD, thus, the operation management of the mentoring system had been put in place utilizing the operation manual which has been revised by the JICA consultant. Unfortunately, 1 of the members resigned on December 2015 and the 3 members left had been relieved of their post due to the organizational change. In addition, the mentoring evaluation which was conducted utilizing the internal budget of NARD in 2014, it was not conducted in 2015 due to the lack of budget. Furthermore, due to the reorganization and dissolution of NARD, the prospect of securing a budget for 2016 and after is not clear. Concerning public relation activities, awareness of mentoring activities among the SME have improved during the project duration contributing to the receiving of applications exceeding the number of SMEs which could be supported. Nonetheless, we find that the awareness has not reached to the level of receiving a continuous amount of applications which exceeds more than the quota.

For the above issues, Serbia has plans to allot part of their own budget. However, it is still uncertain if (1) the budget for evaluation for the year 2015 can be secured, and (2) the budget for All Mentor Meeting and Mentor Award can be secured. Thus, continuous effort on the side of Serbia to

secure the budget for the above activities is necessary. We find that it is necessary that the Japanese government continuously provide support such as follow-up for Serbia on the above, allow Serbian participants to participate in similar mentoring training session of neighboring countries and conduct broad based public relation activities for Japanese style mentoring services.

The counterpart of Serbia had also commented that going forward for further quality maintenance, the Japanese technical assistance is needed to upgrade the mentor qualification system.

(2) Bosnia and Herzegovina

Concerning BiH, the development of OJTT, which is indispensable if it were to develop the mentor by itself, has not been done. Although the program for the developing of both training and the certification system had been developed, there is a fear that the certification system may lose substance if OJTT is being run by a new mentor when actually it should be run by a veteran mentor. That is why we had agreed with the counterpart that for the development of OJTT the current mentor shall experience additional 1~2 more years (mentoring experience of more than 5 cases) to be considered a veteran and be certified. Thus, if the mentor service shall be provided continuously, it is expected that the OJTT shall be certified. This issue is expected to be resolved, but the issue of who shall be lecturing the OJTT trainee's training has not been resolved yet. For this issue, it may be effective that a short-term consultant conducts the training.

(3) Overall

From here on, the person in charge of each country's implementing organization has to be aware and understand the significance of the items written in the Implementation Manual, so it would not lose substance, and it is necessary that the implementers of each country's implementing organization has to further its understanding of the big picture of the system. However, this should not be left to the voluntary efforts of the implementer as it would not be sustainable. It is most ideal that the person in charge of managing a similar system within the country exchanges his own information and experience and create an opportunity of mutual study.

While achieving this goal, to effectively utilize the output of this project, it is suggested to study a mechanism to apply the manual, the output of this project, to former Yugoslavian states with similar economic environment with mutual language that was not the target of this project.

【Recommendation】

Other than the above issues that were identified to be resolved, we recommend the following:

(1) Incorporating mentoring to other donor's projects

Currently NARD from Serbia has provided JICA trained mentoring services to more than 100

companies of the UNDP cluster development project and SERDA from Bosnia has provided to 20 businesses participating in the EU SME Support project. At the OCM held in February 2016, representatives of each country were very positive in applying the mentoring service to other donor's projects and we foresee that this trend will continue.

It is important in this case to explain to the donors the difference between mentoring and consulting and that mentoring is more effective than consulting especially for micro-enterprises (business smaller than small companies) which account for more than 99 % in each country. In this sense, Serbia's experience after 2008 (increase profit of the mentoring beneficiary companies, compared to the e number of bankruptcies) shall act as an effective presentation material.

The introduction of mentoring to other donor projects is particularly an important activity for SERDA from Bosnia for the earnings resulting from the mentoring service, as it can be an essential source of funds and an important part of the organization's business model. In Bosnia, financial support cannot be expected from the central government, thus, the mentoring system's continued existence is dependent on obtaining continuous order from abroad.

When getting orders of mentoring from abroad, an appropriate publicity is important as proven during the project. Furthermore, it is already proven in the Serbian experience that in public offering of mentoring, when the direction of the applicant company is clear the mentoring quality improves. The mentor service of Bosnia should further conduct PR activities and secure the budget.

(2) Utilizing the database developed in Serbia

At the OCM held in February 2016, the representative of Montenegro had proposed an information sharing by hosting "a meeting of SMEs (clients of mentoring) of the three countries".¹ If indeed business matching involving the three Western Balkans countries is conducted, there is also a possibility to greatly expand the business opportunities of the SMEs of the three countries. However, considering that hosting a meeting of clients of the three countries entails some financial cost, it cannot be regularly implemented.

On the other hand, information sharing capabilities between the mentors is added to the existing database (Mentor-Master) of Serbia. There are plans to share mentoring tools, information such as the lessons learnt from good case studies to be gradually maintained and websites where mentors can avail of information are also to be enhanced.² We would like to propose to utilize the database of Serbia as the source of the initial information for business matching. The intention is, not only to use the database as the source of information of Mentors' mentoring of just the three countries, but to utilize it as the initial information for business matching and client's market information.

Many of the donor organization such as USAID had made a website to introduce Montenegro and Croatian SMEs. However, the available information is only general contact information. Information available in the Mentor-Master is more than contact information (ex. Company culture, philosophy

of the owner, etc.) and it is information that companies wanting to be match want most.

¹ In Japan, there are “Keiei Shidojin (business mentors)” who are equivalents to mentors and the regional office of the Ministry of Economic and Trade and Industry plans and manages many events that encourages intra-region, intra-country business matching. There is an increasing trend of such events.

²The overall view of the mentoring services conducted in Serbia is input in the Mentor-Master, but due to confidentiality issue the access was only limited to NARD HQ users.

(3) Promote information sharing and continuous implementation of All Mentor Meeting and Mentor Award

All Mentor Meeting and Mentor Award are important activities to improve the mentoring skill and require securing of a budget. The purpose for the mentor development training is as follows:

- a) Training for fast-tracking the understanding of standardized mentoring service and development of industry-ready mentor
 - Classroom Study :Fasten the acquiring of the standardized mentoring service theory
 - OJT :Strengthen the execution skill of standardized mentoring service
- b) Training on furthering the understanding of standardized mentoring service
 - OJT :Strengthen the execution skill of standardized mentoring service
 - SOTC :Strengthen the application skill of standardized mentoring service
 - All Mentor Meeting :Strengthen the execution and application skill of standardized mentoring service (especially company analysis)
 - Mentor Award :Strengthen the execution and application skill of standardized mentoring service (sharing of case studies)

All Mentor Meeting and the Mentor Award are important opportunities for mutual study, breaking the regional barriers. The mentoring implementing entity should understand that both events are important elements in the process of developing mentors.

(4) Appropriateness review of application condition at the time of public call

Public call requirements greatly affect the number of companies that are applying. Mentoring has been to some extent recognized in Serbia, thus, there was no lack of applicant companies. However, for Montenegro and BiH, the requirements of tax certification (proof that the company is in the black) and the payment evidences of social security premiums were included. Especially for the filing of tax, the local custom is to "pay collectively at the end of the year" and to "pay on a monthly

basis" is a minority. On the other hand, the selection condition was to "pay on a monthly basis", thus, the majority of the company had become ineligible.

This condition limits the number of applicant companies as well as disadvantages the Start-up companies, resulting to take the mentoring opportunities for many small businesses. In particular, also in order to increase the adoption of mentoring for Start-up companies, entry requirements should be appropriately relaxed.

(5) Effective PR activities

It has already been stated at this report that effective PR activities shall increase the number of applicant companies, help companies develop better understanding on the mentoring framework resulting to an increase in product quality. Here are some points to consider for conducting effective PR activities.

a) PR shall be common among the 3 countries.

It is for the following reason:

- It is important to consider the copyrights of the promotion tools but if utilizing 1 agency, the developed tools can be shared among the 3 countries.
- Advertisement theme for the 3 countries can be consistent and the management will become easier.

b) Communication of information between the C/P and the PR agent

For effective PR activities, it is necessary for the PR agent to have as much information from the client as possible. C/P and the PR agent should increase their communication more, even on a daily basis.

c) Mentor deploying organization such as RA/Cs and BCs would more actively use the PR tools

For mentoring to penetrate more in the countryside, the RA/Cs and BCs should always have the pamphlet and leaflet available, and use them as sales tools. In addition, RA/Cs and BCs should maintain a list of SMEs from the countryside and be able to maintain system in order to always update.