

Business Plan for Nassriya SBDC

1.0 ORGANIZATIONAL SUMMARY AND BACKGROUND

Situated in the south east of Iraq, northwest of Basrah, Dhi-Qar is the site of the ancient Sumerian cities of Ur, Eridu, Ngirsu and Lagash. The province is named after a famous battle – the battle of Dhi Qar -- in which the Arabs recorded their first victory over the Persian Empire in the pre-Islamic era (around 609 A.D). The capital of the province is Nassiriyah, which is located 87 miles north-west of Basrah City and approximately 350 miles south of Baghdad. Dhi-Qar Province has 5 districts and 15 sub-districts, with a total population of approximately 1,850,000.

The Zaqora Small Business development Centre (*ZSBDC*) was established in April 2008 as a non-governmental organization to support the SME sector in the province and provide small enterprises with business development services to help them grow their businesses. ZSBDC holds training programs, seminars, and workshops that foster an exchange of information and experience among national, regional and international human rights movements. Women's and human rights, gender equity, economic engagement and political participation are promoted, participation in the development and rebuilding process of Iraq especially in the economic terms and supporting them to locate employment opportunities. ZSBDC has been identified as a regional location to act as Small Business Development Center (SBDC) and has been supported by two USAID-sponsored projects -- IZDIHAR and TIJARA. ZSBDC has earned a unique status in the community in fostering a business learning environment, to serve as a proactive partner in providing for the aforementioned services.

The ZSBDC is focused on rebuilding the business community's vocational capacities through the offering of multiple high quality demand driven business development services. The training and consulting services provided by the ZSBDC include the use of modern technology for communications, the delivery of various types of business training courses, sales and marketing support, and the provision of market research and advisory services.

Vision

The Z-SBDC will become a leading economic development organization in Dhi Qar Province and will play a major role in stimulating the growth of private enterprises and creating new jobs and employment opportunities.

Mission

The mission of the Z-SBDC is to support private sector development in the province by improving the supply of business services to small and medium enterprises and working with local stakeholders to improve the business and investment environment.

Core Values:

- Professionalism
- Transparency
- Advocacy
- Integrity
- Leadership/Pioneering

2.0 MARKET ANALYSIS SUMMARY AND SBDC OPPORTUNITIES:

2.1. The External Environment

1- Technology utilization:

At the present time, utilization rates for new information and communication technologies in Thi Qar Province are low. Only 1% from the SMEs owners can use computer and internet; however use of cell phones is very high, with most businessmen having at least one cell phone account.

Z-SBDC opportunities to Enhance Technology sector:

- Conduct computer training courses
- Providing internet services as we have our own internet system.
- Coordinate our clients' business by making emails for them, finding business opportunities and providing translation for their correspondence if it is needed.

2- Economy and market conditions:

Because of the brutal policies of the former regime and the embargo, the Iraqi economy had been isolated from the global market and the local economy has been particularly affected. During the rule of Saddam Hussein, Dhi Qar was one of the most troublesome spots for the Baath government. Prior to 1991, Thi Qar was home to one of Iraq's largest areas of marshland, and produced large amounts of rice and other agricultural produce. However, when the inhabitants of the marshes supported a Shiite rebellion after the 1991 Persian Gulf War, Saddam retaliated by building dams, dikes and canals that drained large parts of the marshlands between the Tigris and Euphrates and decimated the local economy. After Saddam was ousted in 2003, Iraqi engineers and tribal members began restoring parts of the wetlands by cutting gashes in dikes and re-flooding the marshes. With life returning to the marshlands, the area's agricultural production and fisheries are slowly recovering.

The province contains various types of lands such as agricultural, marshlands, and desert areas. The Furate River crosses the Nassiriyah city and passes by most of the southern towns. Agriculture is the mainstay of Dhi Qar's economy. Grain production, including barley, wheat, and rice, is particularly important, although the province also produces a variety of horticultural products. Fishing is significant activity for communities that live near the marshlands. Fresh-water fish is caught for household consumption and local markets. Animal production is also important.

The commercial sector represents 45% of the total economic activities. 70% of the companies in the province started operating after 2003. The province is home to two large state enterprises – the UR State Company for Engineering Industries and the Textile (Wool Knitting) Company. Throughout the province, small and medium enterprises (SME) are beginning to develop which include unique services such as contracting firms and export/import companies. The major portion of the SME sector in Dhi-Qar consists of small factories and workshops such as blacksmith, carpentry, mechanic services and commercial shops. This sector has faced marginalization during time of war which has had a negative influence on their performance and has also isolated them from the global economy hindering their development in core business practices such as business planning, sales and marketing.

Z-SBDC opportunities:

- Conduct Business training
- Provide commercial consultancies

- Conduct feasibility studies

3- Socio-cultural:

The population of Thi-Qar Province is about 1,850,000; 60% of them use to live in the big cities whereas 40% use to live in the countryside.

5- Political effects on the current Thi-Qar market:

The Iraqi political situation is not stable because of the delay in forming the government which caused many problems in deciding the national budget and identifying investment opportunities. The local government is still incapable of providing the citizens with the essential services because of:

- The lack of terms of references.
- The members of local government are elected according to their tribal affiliations neither to their qualifications, competencies nor vocational experience.

S-SBDC opportunities:

- Collaborate with local government officials and private sector stakeholders to remove constraints to business growth that are the result of local government policies and regulations.

6- Legal issues and laws that affect the current market:

New laws were issued after 2003 regarding trade, industry and other sectors and most of our entrepreneurs do not have a very clear understanding of these rules.

Z-SBDC opportunities:

- Start legal clinic to help our clients register their businesses and comply with other business laws and regulations.
- Provide legal consultancies to help companies deal with contracting issues.

2.2. The internal Environment

Conditions that affect the ability of the Z-SBDC to function as an affective small business development organization are summarized in the following SWOT assessment.

<p>Strengths</p> <ul style="list-style-type: none"> • We have experienced staff with various business specializations and skills acquired from training programs conducted by International NGOs • Distinguishable Location: Z-SBDC lies at the center of Nassiryah City which makes it easy for clients to access our services • 3. Ability to utilize IT applications to organize and document SBDC administrative functions and operations, 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Some of our trainers lack business skills and on-the-job experience • Unstable relation between the Center and Chamber of Commerce • Some of the Board members interfere with SBDC efforts to execute our programs and make it
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<p>including accounting and reporting</p> <ul style="list-style-type: none"> • 4. Facilities and Equipment: Big hall, three classrooms and four offices furnished and equipped with new furniture and equipments that enable the center to provide its services effectively • General Relations: Good relations with the majority of the local ministerial departments, business association and International NGOs working in the province 	<p>difficult for us to fulfill our goals and objectives</p> <ul style="list-style-type: none"> • High operating costs and limited revenues, which make it difficult for us to become financially sustainable
<p>Opportunities</p> <ul style="list-style-type: none"> • We can expand our services to cover all the four big districts and 15 sub-districts of Dhi-Qar province • The Z-SBDC can provide support to investors that are interested in undertaking new business activities in the province. The growing number of investment opportunities in Dhi-Qar Province especially in petrol sector will provide opportunities for the Z-SBDC to attract new customers and think about new projects • We can introduce new services such as marketing and advertising services that will generate income for the Z-SBDC while responding more effectively to client needs • We can develop relationships with other local organizations such as the PICs and thereby qualify for grant-funding from the GOI 	<p>Threats</p> <ul style="list-style-type: none"> • The influence of some radical parties on the attitudes of local people will prevent them from receiving our services because of our relationships with international NGOs • The bureaucratic procedures of local banks limit our ability to help local SMEs obtain financing from banks and other formal financing sources • Declining levels of USG funding • The emergence of competitors

3.0 SBDC SERVICES

4.0 Current Services -- At the present time the Z-SBDC offers the following services:

1. Training programs –
 - How to start-up/improve business
 - Computer training course
 - English language training
 - Accounting and book keeping courses
 - Sewing and income generation training courses for women
2. Translation services
3. Market research and feasibility studies
4. Legal and commercial advisory services
5. Management of conferences and events including renting facilities and equipment
6. Printing services
7. Advertising services (through business newsletter, business directory, and website)

A. Plans for New Services

1. Employment preparation training and job placement services, including language lab and computer learning center
2. Engineering design services
3. Off-set printing services

4.0 GOALS AND OBJECTIVES

Principal goals, objectives, programs, and activities to be pursued during 2011

Goal #1 -- Build the capacity of the SBDC to serve as a leading business development organization in Dhi Qar Province

Strategic Objectives:

- Enhance the technical and administrative capacities of our staff to enable them to provide high quality services to our clients.
- Strengthen our trainers' business skills so that they can deliver practical training programs and advice to help local companies start new businesses and improve their existing business operations.
- Develop partnerships with governmental and non-governmental entities in our local areas to undertake joint efforts to promote economic growth and improve the business and investment environment in our province
- Develop partnerships with local and international companies to help expand market opportunities for local enterprises and create jobs
- Develop a capacity to provide market information and economic data to support local economic planning and business development programs

Implementation Strategy: Invest in capacity development initiatives such as TOT programs, staff training, systems development, and marketing; actively engage in partnerships with other private sector development organizations and stakeholders.

Activities:

1. Participate in Tijara and other donor TOT and certification programs to continue to improve capabilities of our trainers
2. Fully implement Jamsheed accounting system
3. Upgrade our marketing materials, including websites, capability statements, press releases, and brochures and conduct active marketing program directed at clients, sponsors, and business partners
4. Conduct conferences and workshops in partnership with other local organizations to strengthen partnerships and mobilize resources for cooperative program initiatives

Goal #2 Support enterprise formation and growth in Dhi Qar Province

Strategic Objective 2.1: Increase number of business start-ups through training and advisory services to help entrepreneurs plan new business operations and gain access to financial resources

Implementation strategy: As a means of accomplishing these two strategic objectives the Z-SBDC will implement the Iraqi Youth Initiative in Dhi Qar Province

Activities-- As part of the IYI, we will carry out the following activities:

1. Vetting candidates to select those with the best chances for success
2. Training – Conducting 2-3 training programs per month for young entrepreneurs on “How to Start a Business”
3. Counseling – providing following counseling or advisory services to help young entrepreneurs develop their good business plans
4. Access to finance – cultivating relationships with local banks and MFIs and assisting IYI participants in completing loan applications and getting loans from local MFIs or banks.

5. Follow-up advisory services – Developing a roster of experienced entrepreneurs who are willing to serve as mentors or advisors for young entrepreneurs

Resources -- The financial resources required to implement these activities will be provided through grant funds from the USAID-Tijara IYI program through the first half of 2012. After this, we will explore possibilities of obtaining support from corporate sponsors and other donor organizations to continue this program.

Strategic Objective 2.2: Help local SMEs expand sales

Implementation strategy: The S-SBDC plans to open up a new Marketing and Printing Services Center to provide marketing, printing, and advertising services to local entrepreneurs

Activities: the activities the S-SBDC will carry out to help local SMEs expand their sales will include the following:

1. Establish a new service center to provide marketing advisory services and training to help SME owners and managers develop effective marketing and sales strategies
2. Provide design services to help clients design promotional materials, including flyers, banner, signs, posters, announcements, business cards, etc.
3. Provide a full range of printing services to provide clients with high quality products, with reasonable prices and good service
4. Provide outdoor advertising services using an LED billboard, owned and operated by the SBDC, that will provide one of the most effective channels currently available to promote their products and services to local customers

Strategic Objective 2.3: Help improve the business and investment environment in Muthanna Province in order to generate more business and employment opportunities in the province

Implementation strategy: The S-SBDC will develop new partnerships and working relationships with local government organizations, business associations, NGOs, and other private sector stakeholders to identify business environment constraints and cooperative efforts that could be undertaken to remove them.

Activities:

1. Help organize one major conference to discuss the findings of the recently completed Market Assessment report for Muthanna Province and explore possibilities for joint activities to address the constraints identified in this study
2. Organize quarterly business forums to focus on ways of removing particular types of constraints that are affecting business growth in our province
3. Develop a MOU with the Provincial Investment Commission to undertake joint initiatives to expand investments in the province

GOAL # 3: Z-SBDC will become financially sustainable

Strategic Objective 3.1 – Diversify funding sources from donor organizations and sponsors

Implementation Strategy: Attract new donors support by establishing high-valued reputation as leader of economic development programs, building organizational capabilities to manage development programs, improving proposal writing capabilities, and engaging in active fund raising initiatives

Activities:

- Build data-base for all potential donors on both local and international levels
- Develop partnerships with the Provincial Investment Commission and other government agencies to obtain GOI funding support
- Contact international companies to seek sponsorships for local development initiatives
- Actively market our SBDC capabilities through an upgraded website and other promotional channels

Strategic Objective 3.2 – Reduce overhead costs

Implementation Strategy: Implement new accounting system, develop operating budgets, and engage in systematic cost-cutting measures to eliminate unnecessary costs

Activities:

Strategic Objective 3.3 – Increase revenues from for-fee client services

Implementation Strategy: Assess and evaluate the market demands, introduce new fee-based services that respond to these needs

Activities:

- Expand for-fee training programs (accounting training, computer training, English language, etc.)
- Introduce new marketing and advertising services (Marketing and Advertising Services Center)
- Market current services to increase revenues (legal advisory, feasibility studies, translation services, etc.)

Additional details of our plans for revenue-generating services are contained in the Action Plan Summary in Section 7.0 below.

5.0 MANAGEMENT SUMMARY

5.1 (Org Chart)



5.2 STAFF JOB TITLES AND JOB DESCRIPTIONS

Executive Director	Thijeel Kareem	Designing, supervising and developing all the center activities with drawing the vision, mission and the goals of the center and acting as liaison officer with all governmental and international supporting entities.
Admin Assistant	Fatima Ryadh	Holding all administrative affairs including the center business schedule, documenting meetings and providing all logistic support.
Program Coordinator	Nabil Ali	Promoting center activities and deals making with our clients
IT Manager	Muhsen Ali	Promoting the center activities and making deals with the clients
Training Coordinator	Mukhalad Kadhom	Preparing evaluation and registration forms, coordinating the attendance trainees in training courses and arranging data base for the participants.
Trainers	Abdulhadi Razzaq Sa'ad Abbas	Providing training ,developing training skills and interacting with the trainees
Financial advisor	Dr. Abdulhadi	Managing and maintaining all the training demands including computers, data show and all other related works.
Accountant	Khulood Hassan	Keeping all the financial records and managing all the financial reports
Receptionist	Wissam Ali	Coordinate the contacts between our clients and the concerned departments of the center

5.0 FINANCIAL PLAN

ALL CURRENT AND PROJECTED REVENUES AND EXPENCES ARE ATTACHED IN A SEPARATE EXCEL SHEET

6.0 ACTION PLAN SUMMARY

7.1 Legal and Commercial Advisory

Description: Due last request from business men union in Thi-Qar Gov. ZSBDC established new legal and commercial office to find out legal solution to all their contracts matters & intellectual

property Iraqi law as trademark registration...etc. To help the entrepreneurs to have business covered and protected by law and commercially well organized. We shall get revenues to provide such services.

Objectives:

- Provide more awareness to businessmen and investors to Iraqi laws
- Offer solutions to businessmen that have legal problem
- Provide business owners and investors with legal consultancies

Outcome: Starting in March, service 10 people a month for a total 90 customers by the end of 2010. With an average charge of \$20 person this will bring a revenue stream of \$1800.

Impact: The community will have access to legal service previously unavailable. The SBDC will have another source of revenue that will help their sustainability efforts.

Budget: To set up the legal clinic the SBDC will allocate \$900 for marketing and operational expenses per year including signing contracts with local lawyers to service the program.

Timeline: we will need less than a month to set the project together, the project will sustain itself within the first year

7.2 Translation Unit

Description: Translation Unite is very important to offer translation services as much as required to business community in Thi-Qar also adopting translation Tenders, budgeting, projects .etc.

Objectives:

- Provide translation services to businessmen that don't have good English language skills
- Translate contractors tenders to English for fees
- Provide translation services to the sons of ThiQar

Outcome: Providing translating services to business men and private companies that have to work with big investment companies

Impact: Business Community and small investment and contracting companies will get a better opportunity in enhancing their tender writing skills and also to be implemented as a project that can sustain the SBDC

Budget: there will be \$1800 allocated for this project as salaries for translators per one year and it will generate \$300 per month

Timeline: the SBDC will need one month to implement the project, and then the project will be able to sustain it self after the first year is completed

7.3 Feasibility Study Office

Description: Feasibility study is very important for business; it makes an analysis all the aspects of a business including the external and internal factors that influencing them. It also analyzes all the costs associated with the projects and how material would be sourced with analysis of strengths and weakness of the project .We have three of our staff have high degrees in accounting, auditing and economy who have the efficiency and competency in providing such service for our clients .Providing such service is another factor helping in preserving our center sustainability.

Objectives:

- Offering business studies to Small business owners
- Provide feasibility studies to start ups businesses
- Assist business owners in obtaining micro loans

Outcome: we will provide feasibility studies to businessmen whether they were owners or have the intention to start a business also we are expecting to write complete proposals to businessmen and investors for \$50 per person and we are expecting 10 persons per month so the total expected revenues should be \$500 per month

Impact: business owners will have better studies to their businesses, which will encourage them to contact international companies and businesses and make business deals with them

Budget: the project will generate \$5,000 for the first year and it will automatically sustain it self

Timeline: this project is already operational

7.4 Accounting Training Courses:-

Description: Zakura Small Business Development Center working on accounting skills training courses with official employees and teach them Account through expert trainers.

Objectives:

- Marketing the SBDC to government
- Increasing the government employees accounting skills
- Generate revenues to the SBDC

Outcome: Government employees will obtain good experience regarding accounting and also we will improve our relationship with the government that will help us coordinating with them in doing projects together in the future which will help in getting us sustainable

Impact: New methodologies of accounting will be provided to government employees and we will ensure our future sustainability by working with the government

Budget: this project will not requires any expenses because we already have expert accountants that are already on our payroll, we expect this project to start generate \$200 per month starting June 2010 **Time line:** the project implementation will start at June 2010 and will be a life time project

7.5 How To Start Up Business Courses:-

Description: Z-SBDC providing “How to Start Up Businesses “ for Nassiryah Business community by teach the trainees how to start work and projects in right way, this training on going for one week,4 training courses in one month, this program supported by TIJARA USAID.

Objectives:

- Provide new methodologies to SMEs in doing their business planning
- New marketing methodologies will be given to SMEs

Impact: we will encourage SMEs start ups to move on with their business and also new business methodologies will be provided to those who have the intention to improve their business

Budget: this project is will be supported by Tijara youth initiative component and we will generate \$10,000 per month by conducting two training courses per month with counseling session

7.6 Computer Training Courses

Description: Training business community, unemployment youth and official employees, business men in the province on computer skills and internet usage and how it is important in business.

Objectives:

- Increase computer usage awareness to people
- Encourage businesses to use computers on their daily work
- Generating revenues to the SBDC

Outcome: business owners will be more accurate in registering their business and specially putting their financial statements on computer

Impact: if we convinced business owners to use computer then they will have more accurate results in registering their client and their sells as well

Budget: \$600 will be spent per year on this project

Time line: this project will be implemented for the whole year and it is already sustainable

7.7 English Language Teaching Courses :-

Description/ Objective: Business men requested from SBDC in Nassiryah to working on English Language teaching because this is very important for business personality since it is useful to coordination works with other foreign companies, to marketing works with global level

7.8 Sewing learning (women):-

Description: As a part of Z-SBDC activity women have chance in its work since there is training on sewing skill on needy women and teaching them how to support them self economically,

depending on themselves in life by learning this skill this training courses by fees (simple fees) just to sustainability the work of SBDC.

Objectives:

- Women empowerment
- Reduce unemployed women percentage
- Generate revenues to the SBDC

Outcome: we will provide training to 20 women per month starting January 2010

Impact: more women that have business skills that they can use in their daily life as a business

Budget: we expect to spent \$100 per month for this training course

Time line: this is a life time project and will get started on January

7.9 Marketing and Advertising Services Center

Description: This project will involve establishing a marketing services center in the Zakura SBDC to provide the following services:

- Marketing advisory services to help companies develop marketing strategies and identify techniques for effective advertising and promotion
- Design services for various types of marketing materials
- Printing services to print different types of marketing materials such as posters, flyers, banners, business cards, and commercial documents

Objectives:

- To provide our local commercial community with improved access to printed marketing materials and services
- To assist them in developing more effective marketing strategies and employing marketing tactics that help spread their products and services widely using modern techniques.
- To increase their commercial awareness about what they need to do to market their products and services more effectively through various channels
- To enable the Z-SBDC to market its own activities more effectively
- To generate revenues from client fees that will enable the Z-SBDC to become financially sustainable and expand its service offerings

Outcome:

- Local businesses will employ more effective marketing and advertising techniques to expand their sales
- Local businesses will be able to take advantage of cost savings for printing and advertising services
- The SBDC will generate additional revenues to cover operating costs

Budget:

- We are seeking funding for equipment from the PRT DOS grant for approximately \$140,000
- We will request grant funding support for start-up operating costs from the Tijara Performance Grant fund for approximately \$30,000

Timeline:

- Approval expected for DOS grant funding in early February 2011
- Tijara grant funding approval expected by March 2011-01
- Project launch planned for April 1, 2011

Appendix

- Resumes of key staff
- Facilities description
- List of equipment
- Copy of SBDC brochure or website link
- Other relevant information