

Business Plan Outline for **KBDC** 2012

1.0 EXECUTIVE SUMMARY

- Brief summary of the Organization, Services, the Market Mission

Karbala Business Development Center was established in October 2009 as an independent nonprofit, nongovernmental organization (NGO) focused on business & economic development. KBDC is located in Karbala which is located approximately 100 KM southwest of Baghdad. The focus of the center is to be a pioneer and innovator for business development in the Karbala region. The Karbala Business Center has the expertise to provide creditable business information for investors and decision makers.

- Summary of Principal Goals and Objectives

We seek to provide leading edge training and support services which will promote economic development in the private sector. We also provide consultancy services for companies and entrepreneurs, especially in the SME sector. KBDC staff also work with the GOI and other business organizations to arrange and manage economic conferences and trade fairs as well as other various activities that add economic growth in the province of Karbala.

- Keys to Success

Keys to success are development of training programs and other business support services which are viewed as best of breed by the local community. The use of latest technologies and concepts in business development and management are critical. To support this effort KBDC staff will coordinate with SBDC's in Iraq and local universities. Training and services must be viewed as sufficiently valuable to the community to encourage clients to pay appropriate fees to the center to support operations on an ongoing basis.

Joint projects may also be promoted, especially between Karbala, Najaf, and Babylon as all three provinces share great potential for growth in the hospitality sector.

2.0 ORGANIZATION SUMMARY

- History of the organization

Karbala Business Development Center was established in October 2009, as an independent nonprofit organization focused on business & economic development. KBDC is located in Karbala which is located in the southwest of Baghdad. The center was started as a project in cooperation with the local chapter of the Businessmen's Union with funding and support from the Karbala Provincial Reconstruction Team. The KBDC is currently registered under the Karbala IBMU parent organization

Since the opening of the center students have been through the training programs and graduates have gone on to start or expand new businesses.

Description of the organization – current status;

- KBDC is located in Karbala which is located in the southwest of Baghdad. It is focused on being a pioneer and innovator for business development in the Karbala region. Mr. Mustafa Saleh, Chairman of the Businessmen's Union also serves as President of the KBDC on an unpaid basis. The Karbala Business Development Center has eight staff, which include the following:
 - Executive Director.
 - Two YEAF Trainers.
 - Accountant & Reporter.
 - Computer Trainer & IT Specialist .
 - YEP Trainer & Marketing Officer.
 - Office Maintenance.
 - Receptionist.
- The KBDC has started implementation of the Iraqi Youth Initiative in cooperation with Tijara. This project has an objective of reaching up to 450 youth beneficiaries in the period 08/2010 to 07/2011. Specific targets are as follows:
 - 300 youth shall complete business entrepreneurship training
 - 70 youth will complete the YEP training program.
 - 150 youth will receive microfinance business startup loans
 - 84 youth will be placed into apprenticeships.
 - 210 jobs will be created.
 - Outcome:
 - Enhance the participant's capability to develop their own business plan
 - Build capability in project management and project planning
 - KBDC receives training fees from TIJARA to support the sustainability of the center.
 - Income: Each applicant \$500 each person across BRP
 - A new contract will be signed with Tijara and a new grant will be provided to the SBDC to implement the IYI for the new year until June 2012
- **The KBDC has started implementation of the Iraqi Youth Initiative in cooperation with Tijara. This project has an objective of reaching up to 450 youth beneficiaries will started in 05/2011. Specific targets are as follows:**
 - **Outcome:**
 - Computer Skills
 - How to write CV and Resume
 - Interview skills
 - Income:
 - The KBDC will receive \$ 300 for each person from TIJARA

- **English Language course for 2 months 3 days in week**
 - Outcome:
 - 10 person for each course
 - Income
 - 200\$ for each person
- **General business training and development services started in October, 2009, and are still underway. Courses include the following:**
 1. **How to start up/improve business training courses:** The key to a successful project is in the planning. Creating a project plan is the first thing you should do when undertaking any kind of project. Private sector is targeted to develop skills and avoided early failing when starting a business. The targeted beneficiaries are the small business owners in Karbala province.
 - a) This course is 5 days, 8 hours each day.
 - b) The key subjects include Business planning, Marketing, Cash flow analysis, Loans and How to use computers in the business.
 - C) Outcome: The expected impact of this course is:
 - * Enhance the participant's capability to develop their own business plan
 - * Build capability in project management and project planning
 - * KBDC receives training fees from participants to support the sustainability of the center.
 2. **Computer Training Courses:** How to use computers and basic businesses software – Excel applications in managing financial and administrative issues related to business. Hardware and software maintenance, web design, Office programs. Prices for the courses are:
 - Basic computer course(\$ 50).
 - MS Office programs (\$ 50).
 - IT maintenance (\$ 150).
 - Internet and network (\$ 50).
 - Adobe Photoshop (\$ 150).
 - MS Project (\$225).
 - In Design (\$ 150).
- Description of relationships with local, regional and international organizations

Good relationships with the local Government Departments, business organizations , local NGOs and community. Good working relationship with Karbala University professors of Economics. Good support from Tijara .

- Legal Form

Iraq has lived an economic transformation over the past years from Totalitarian economic system to Free economy, this change has coincided with the political transition towards democracy. This means we must have strong development of the Iraqi private sector to replace many jobs previously in the public sector. Development of the private economy and the process of private sector development require the provision of training, support, and mentoring, especially in the SME sector. A strong SME sector will form the core of growth and stability in the national economy. Therefore, this project is to establish the Karbala Business Development Center (KBDC), which will be to foster growth of small and medium enterprises in Karbala. This will help promote an improved civil society. The KBDC will focus on developing projects of all types and specialties in all sectors and will serve as a base for the advancement of the realities of these projects in the local economy in the province of Karbala and all over Iraq.

- Mission, Vision, and Values – what the SBDC is striving to achieve

- 1. Vision :**

Development of the small and medium businesses in Karbala province by offering leading edge training and other business services to entrepreneurs and current business owners. Additionally, we will assist in development of feasibility studies in all sectors in the attempt to attract new investors to the area. The long range goal is to train a new generation of owners of small and medium businesses who will create new jobs in the private sector to achieve economic growth and stability.

- 2. Mission :**

- To provide training, coaching and consulting services which will help enable business owners, their employees, and entrepreneurs in the SME sector to establish and grow successful businesses which result in the improvement of the economy and creation of jobs in Karbala and Iraq. In cooperation with other business organizations and government entities, develop or assist in the coordination of trade fairs and conferences to foster economic growth.

3. Values:

- Maintenance of the highest ethical standards and integrity.
- Excellence in the formulation of policy and program management with room for creative dissent. Implementation of policy and management practices, regardless of personal views.
- Responsibility for meeting the highest performance standards.
- Dedication to teamwork, professionalism, diversity, and the customer perspective.

3.0 MARKET ANALYSIS SUMMARY

1. Industry trends :- There are some big factories of dairy products , canning , cement , bricks , lime stone , lime , tiles and precast concrete factories. However, much of the industry in Karbala is currently not in operation or operating well under capacity.
2. Competitive environment :- There are some training organizations like Al Kafeel institute for training, the Iraqi institute for English language, and the Iraqi Center for Media.
3. Society Trends & Economic Environment :- Karbala is an active commercial province. The most important sector is Tourism which contribute 31 % of GPP and there are another sectors which contribute like Construction, Communications , Agriculture, and Industry.
4. Technological Environment

Most businesses in Karbala do not rely on up to date technology. The KBDC is focused on improving IT use as well as current concepts in business management.

5. Legal & Political Environment

Iraq has had a transformation over the past years from a Totalitarian economic system to Free economy. However, the current GOI has still not embraced the free market economy, and many old laws are still on the books. Iraq is near the bottom of rankings of world economies in areas such as difficulty in starting a new business, and corruption. Many politicians still believe that business and industry must be guided and controlled by the government. Business and contract law is also at a very poor stage in Iraq. Investors do not generally feel comfortable investing as they have little or no recourse through the court system to recoup investments if local partners do not honor their agreements.

However, economic growth and investment is increasing due to the substantial potential for profits. Over USD 2 billion of new investment projects have been

approved by the Provincial Investment Commission in Karbala over the past two years. Unfortunately most of these projects are on hold due to government inability to make land available as promised.

6. Summary of Opportunities and Threats

1. Opportunities:

There are many opportunities in Karbala such as new investments like Lafarge Co. Cement project, Bloom Co. project (\$18 billion), and major construction projects by Noorsoi Turkish Co. and Iraq Can Canadian Co, Manazel Iranian Co. and other investors. There are also substantial opportunities for training and investment growth in the hospitality sector. Over 15 million visitors come to Karbala every year.

2. Threats:

- Lack of funds to continue operations.
- Unstable security situation .
- Lack of cooperation from other business NGOs.

4.0 SBDC SERVICES

- **Tourism & trade services development training .**

Objective:

- a) To enhance services offered in the hospitality sector
- b) Hotel management training

Budget: \$ 15000

Outcome:

- a. Enhance management skills tourism companies owners.
- b. Hotel internet project to get Karbala hotels visible globally
- c. Increased fees for KBDC to help sustain operations
- d. Increased visitors to mid and high level hotels
- e. Increased employment opportunities

- **2012 Karbala Business Directory – Publish a new business directory with all business listed by type.** An upgrade will be taken to the 2011 directory data base will be included and made available on the Karbala Website and will be published on Feb 2012.

Objective:

- a- To enhance trade in Karbala and increase revenues for local businesses

- Write what is in the 2012 action plan, with detailed explanation for each one.

3- Hall Renting : its \$150 per day for trainers and investing & marketing Companies, also Education training classes by using the overhead screen, including the stationery and snakes foe short break.

4- Feasibility Study & Proposals : Certified Commercial professional Advisors, office, Marketing coordinator and its \$200 per month.

5- English Language learning : Classes for grammar, reading, writing and pronunciation, each semester stays for two months to improve more chances to get a job or increase the quality for their business.

6- Photo Shop and design programs courses : IT, Designers, Printing materials, Computers, business owners will have the opportunity to make adds and have fast solutions to increase their income and more, the courses will cost \$150 per person.

7- Maintenance of computers (hardware and soft ware) : IT specialist, maintenance tool kit, other needs (software and hardware), Marketing coordinator, fees will be \$100 per month.

8- Photocopying and Marketing center : colored and black and white printers with printing raw materials.

9- Photographer shop and digital photos : this will use 9 Nikon Cameras, with laptops and photo printer, studio hall will be privet to use for family pictures and unlimited amount of pictures and train for photographers amateurs for cheap prices , Karbala has a lot of visitors and they need this kind of service about how to use this upgraded cameras and how to print with last model machines, this project will Increase employment opportunities and new business for men and women, new income will pay off%70 of for the next 4 months, and will pay %85 off for the next 8 months, and will pay off %100 for the next 12 months and help the center with the rents and bills.

10- Women in Business Assembly : the KBDC will be official place that provide the One of the SBDC's Hall and a basic office supplies and stationary for this assembly

11- UAE Bloom Company Contract for employment : this company will increase employment opportunities and train them and this the project will generate 5% of the salary of each employee hired by the SBDC in the Company and increase the KBDC income.

5.0 STRATEGY AND IMPLEMENTATION SUMMARY (SEE SECTION 5.0 NOTES IN ADDENDUM)

Principal goals, objectives, programs, and activities to be pursued during 2012

Strategic Objectives:

1. Strengthen and support the capacity of small projects in Karbala Province through needs-based training, technical assistance and peer exchanges.
2. Advocate for a positive and conducive microfinance environment and for the inclusion of microfinance in the financial sector.
3. Implementation of the IYI program in Karbala.
4. Publish Visitor Guide and Business Directory

5. Implement new “Karbala” website highlighting all visitor and business information about Karbala on a global basis.
6. Implement new course offerings in hospitality sector
7. Implement customized private business courses for large companies and government Agencies.

6.0 FINANCIAL PLAN

- Sources of revenue and projected earnings for 2012
- Project expenses for 2012
- Balance Sheet

7.0 ANNUAL ACTION PLAN

- Write out each activity in detail, steps needed to be taken
- Determine who will be responsible for carrying out each activity.
- Decide what resources will be required to carry out the proposed activities.
- Check the budget to make sure that adequate funds are available to carry out the activities.

Appendix

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

(Addendum: Notes on section 5.0

- Write out each activity/product/service in detail (This section should be included as instructions for discussing projects, activities, and services that are being implemented to achieve specific strategic goals and objectives)
- Product/service description – provide a general description of the proposed activity, with an indication of the background, scope, reason for program selection and description.
- Clearly identify the purpose of the activity
- Why did you choose to address the issue in the manner that you have? Are there other approaches? If yes, why aren't they appropriate to the situation you are seeking to ameliorate?
- What is the issue you are addressing and why does this matter?

- Why is what you propose necessary and who benefits? Make sure you can indicate the public good achieved.
- Why hasn't this issue been addressed sufficiently in the past? Who else is working in this field, what have they done, and why wasn't that enough? Demonstrate your knowledge of the field.
- Assure that there is no duplication of other work. However, if you are seeking to replicate another's work in a new environment or with a different population, that's legitimate.
- Describe the methodology or approach
 - Provide information on the following that activity: what will be done, by whom, for what purpose, for how long, at what cost, what are the outcomes, and who will benefit?
 - Realistic timetable for undertaking those steps for implementation
 - What will be the specific outcomes achieved?
 - Periodic benchmarks and milestones by which progress toward the goal and objectives can be determined
 - Results and Indicators: describe the expected results or milestones that will be achieved, when they will be completed.
 - Why is your organization the best one to do what you propose to do?
 -

Priority Objective #4: Customized courses for large businesses		Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec		
Organizational Development															
Increase capability of staff	Client fees	x	x	x	x	x	x	x	x	x	x	x	x	Increase revenues for KBDC	<ul style="list-style-type: none"> ▪ # of staff trained ▪ revenues ▪ Profitability/sustainability
Recruit Subject Matter Experts														Increase SBDC capacity & expertise	
Market services to business orgs														Gain clients, increase sustainability	
Market services to NGOs & Gov														Gain clients, increase sustainability	