

2. WRITTEN PARTNER EVALUATION OF PSD-I

A Introduction

During the Final PSD Conference, partners submitted a written evaluation, which had been circulated before the conference. This section provides an overview of the main conclusion of this written partner evaluation, which was completed by 7 (out of 19 official) PSD partners, i.e. 37% of all partners.

The Private Sector Development Project was established to enhance the development of the Private Sector in the Western Balkans and to facilitate regional collaboration. Ministries of economic affairs, trade and industry, chambers of commerce and similar agencies, and Faculties of economy from the Western Balkans took part in the three-year project (2005-2007). The overall objectives of the project include the enhancement of regional private sector development; the improvement of the regional collaboration between businesses, governments and universities; the introduction of EU standards to the Western Balkans and the improvement of quality of research and education. These overall objectives are narrowed-down to specifically aimed objectives for the project results, through which the implementation of the project goes. Below is an overview of the achieved project results and the objectives originally aimed for with these results.

- **PSD organization structure established**

Objective 1: To establish an organizational structure that will implement project activities in an effective, efficient and sustainable way

- **10 PSD-related conferences organized**

Objective 1: To jointly design, plan, present and evaluate PSD project activities

Objective 2: To share experiences

- **6 EU Day events organized/supported**

Objective 1: To discuss and share common challenges related to EU integration

- **9 PSD-related research projects conducted**

Objective 1: To jointly investigate, analyze and discuss PSD-related issues at a regional (SEE) level

Objective 2: To develop new knowledge and study material at partner Universities

- **31 Internships in Western Balkans and the Netherlands organized**

Objective 1: To increase interns' employability

Objective 2: To incorporate internships in University curricula

- **3 Study Visits to the Netherlands and Belgium organized**

Objective 1: To establish collaboration between SEE and Netherlands institutions

Objective 2: To share PSD-related experiences and knowledge from the Netherlands

- **3 Regional Business Plan Competitions organized**

Objective 1: To promote entrepreneurship among students

- **28 Business Skills Training Modules organized**

Objective 1: To increase skills of SEE businesses

Objective 2: To improve the training service delivery of project partners towards SEE businesses

The evaluation comprises five elements i.e. the results of the project, the achievement of objectives per activity, achievement of overall objectives, the partnership with SPARK and possibilities for sustained regional collaboration.

B. Evaluation of project results

1. PSD organizational structure established (PSD partner network, stakeholder committees for internships, research, PSD offices/ project team)

According to the partners of the project, the greatest strength of this results has been the successful establishment of an informal network of institutions, BSOs and universities which leads to established communication among the parties in the Private Sector on a regional level. As pointed out by more than 60% of the partners, the linkages between the people are the key factor to success as well as essential benefit of the project. One of the partners pointed the stable basis for further cooperation created and a synergy effect achieved completely. However, the diversity and heterogeneous nature of the stakeholders has been assessed as a weakness of this project result and a targeted set of institutions has been recommended for the future by one of the partners. Follow up of activities as well as greater cooperation among the partners and deepening of their partnerships is considered to be a necessary element which can still be further developed. However, 25% of the respondents gave the critics to the partners themselves and their commitment to follow up activities and projects, besides the ones of PSD – I.

2. 10 PSD-related conferences organized (Sarajevo, April 2005; Budva, December 2005; Pristina, September 2006; Sarajevo, October 2006; Skopje, March 2007; Skopje, July 2007; Skopje, November 2007; Kragujevac, November 2007; Struga, June 2008, Ohrid, June 2008)

The second component of the project, the 10 PSD-related conferences, has been assessed as an essential factor in building the PSD regional network. According to 50% of the partners, the conferences served as an opportunity for sharing experiences among stakeholders, as well as for launching new ideas, projects and achieving targeted goals. The cooperation between the

organizations participating has been developed on these conferences and there has been a direct involvement and instant creation of results, which facilitates a follow up of activities and projects initiated by stakeholders. One of the partners evaluated the conferences as a good tool for any long-term program due to the offering an opportunity for start and competition of activities. The weakness of this project result evaluated by one of the partners is the limited funding made available for organization of the conferences. Even the length of the conferences has been considered too short by 25% of the partners and greater effectiveness could be achieved with longer, more thorough conferences and greater involvement by participants.

3. 6 EU Day events organized/ supported (Pristina, 2005; Skopje, 2006; Belgrade, 2007; Skopje, 2007; Podgorica, 2008; Pristina, 2008)

This component of the PSD project has been assessed by 30% of the partners as one of the most effective and valuable element that gave an opportunity to the stakeholders for sharing contacts and good practices. Of a significant importance has been the promotion of the EU prospective and the presentation of the best practices from EU countries, which serves the countries from the Western Balkans in the EU accession process, as mentioned in the evaluation by 50% of the partners. The success of the project can be seen in the fact that some partners have incorporated the EU Day as an internal activity of their institution. Consequently, one of the partners gave a recommendation for the future i.e. a better promotion and marketing of the events in order to attract a wider audience from the public and the private sector. By one of the partners the focus of the topics and the target group of the events is considered as the weak element . The long lasting sessions with many different topics, as pointed out by the stakeholder, influence the number of participants per session. Continuation of this activity is desired by 80% of the partners and it is considered essential in order to promote newest developments in EU prospective.

4. 9 PSD-related research projects conducted ('Grey Economy', Checking Interest of SME in the Western Balkans for the FIATA School of Freight Forwarder', 'The Entrepreneurial profile', 'Internet usage by SMEs', 'EU standards, Awareness and Benefits', 'Regional SME database', 'Skills needs analyses in the Western Balkans', 'HACCP standard implementation in the Western Balkan')

Research as a basis for all other activities was pointed out by 37,5% of the stakeholders. On one hand the lack of research is considered to hinder the development in the Western Balkans but on the other, this element is a tool for further activities and their success in the field. The support provided facilitated the studies of under researched topics and consequently enhanced University-level cooperation in the region as stated by 37,5% of the partners. Within the research process, some partners indicate that new methodologies are being delivered in the Western Balkans and cooperation between the companies involved has been increased. In terms of ultimate success of the project component, most of the stakeholders acknowledge the need of follow up projects in relation to the research results and findings. However, the budget could be increased for the future according to 20% of the stakeholders in order to achieve deeper results and improve the scope of

the research field. The communication in terms of informing and disseminating findings among stakeholders has been assessed as a weakness of this project result by 15% of the partners.

5. 31 Internships organized in Western Balkans and Europe

The internships organized as part of the PSD project have been evaluated by 62,5% of the stakeholders, as a great opportunity for students to acquire new knowledge and skills from the region and other European countries. Greater opportunities for future employment, as a result from the internships, is regarded by 25% of the stakeholders to be the most important for the students in consideration with the inter-ethnic conflict developments in the Balkans. At the beginning of the project, the internships have not been prepared and scheduled properly, which further on has been changed and improved, as mentioned by 25% of the partners. In order to be fully effective and successful in achieving the objectives of this project element, it is important to enhance the regional cooperation between universities and the internship host institutions which was emphasized by 30% of the partners.

6. 3 Study Visits organized to The Netherlands and Brussels (October, 2005; October, 2006; April 2008)

The three Study Visits organized provided the stakeholders with an opportunity to meet different institutions and organizations useful for their future work, as well as to get to know each other better and be able to organize future joint activities more effectively according to 25% of the stakeholders. The sharing of experiences and transfer of know-how on the Study Visits between the Western Balkan partners and institutions from the Netherlands have been recognized by 50% of the partners as a tool for acquiring tangible picture and ideas for possible activities in the future. Also the acknowledgement of the theoretical rules implemented in practice were pointed out by one of the participants as the essential element of the Study Visits organized. However, the focus of the meetings and visits during the Study Visit at the beginning was not according to expectations, as pointed out by one stakeholder, which with time was improved and made in accordance to the knowledge and needs of the stakeholders participating. The diversity of the delegation at the Study Visits is assessed as the weakness of this result by one of the partners although it has also been improved throughout the three years. The focus of the meetings and the diversity of the group have also been pointed out as the main elements to be taken into consideration in order to tackle the right issues.

7. 3 Regional Business Plan Competitions organized (2005, 2006, 2007)

The three Regional Business Plan Competitions organized have been very well accepted by the PSD stakeholders and the interest for the competitions in the region has been on a very high level. As pointed out by 25% of the stakeholders, the major strength of this result is obtaining ideas from different countries and establishing a pattern for business ideas coming from the region. One of the stakeholders emphasized the Business Plan Competitions as tools for acknowledging the importance of competitive behavior on the market. The creation of new jobs is also considered to be another strength of this project component as well as the enhancement of regional and

international cooperation as evaluated by 25% of the partners. One of the stakeholder mentioned the lack of information provided and distributed among the PSD stakeholders, which lowered the partner's participation and follow up of the competitions. Therefore, as the stakeholder mentioned, the cooperation between the PSD stakeholders on the basis of this component is on a lower level in comparison to the other components.

8. 28 Business Skills Training Modules organized (Team Work and Team building, Business negotiations, Financing and Accounting for Business, Regional Business Cooperation, Financing Opportunities for Business, Business Plan Writing, Agro Marketing, EU Project development, Introduction to marketing, Introduction to strategic planning, Project Cycle management, EU Market Access Requirement, Effective Trade Fair Participation, Market research, Quality Management, Marketing in Tourism, Public relations, CEFTA workshop)

The Business Skills Training Modules organized in the Western Balkans brought new knowledge and skills to the region according to 50% of the partners and transfer of know-how between the international trainers and the local ones, as pointed out by 25% of the partners. Another benefit from the trainings is the establishment of contacts and exchange of experiences between the participants and the international trainers which was specifically mentioned by 37,5% of the stakeholders. As a possible suggestion for the future, one partner pointed out the involvement of participants from the SME sector in concrete, specialized, tailor made trainings.

C. Evaluation of Achievements of Project Objectives

The evaluation of the achievement of the project objectives was assessed on the basis of every project component. Respectively the stakeholders evaluated the achievement of the objectives on the scale from 1-10 and on the table below the average grades for each objective can be found.

Project Results	Aimed Objectives	Average grade (1-10)
PSD Organizational Structure established	-To establish an organizational structure that will implement project activities in an effective, efficient and sustainable way	8,5
10 PSD-related conferences organized	-To jointly design, plan, present and evaluate PSD project activities	8,3
	-To share experiences	8,4
6 EU Day events supported/organized	-To discuss and share common challenges related to EU integration	8,7
9 PSD-related research projects conducted	-To jointly investigate, analyze and discuss PSD-related issues at regional (SEE) level	8,4
	-To develop new knowledge and study material at partner Universities	7,7
31 internships organized in	-To increase interns' employability (support them in	6,4

Western Balkans and EU	finding employment)	
	-To incorporate internships in University curricula	7,5
3 Study Visits organized	-To establish collaboration between SEE and Netherlands institutions	7,5
	-To share PSD-related experiences and knowledge from The Netherlands	8,4
3 Regional Business Plan Competitions organized	-To promote entrepreneurship among students	8,4
28 Business Skills Training Modules organized	-To increase skills of SEE businesses	8,6
	-To improve the training service delivery of project partners towards SEE businesses	8,2

The comments added to some of the grading generally are aimed at the stakeholders and refer to their will and commitment to the project activities and their objectives. It has been acknowledged that not all participants are equally serious and eager to reach the project objectives and therefore their potential cooperation seems to be limited. Most of the components and the desired objectives to be achieved are considered to be very useful for the Western Balkans, but the majority of the stakeholders point out that reaching the objectives and achieving success with this result usually depends on partners themselves.

D. Evaluation of Overall objectives

1. To enhance regional Private Sector Development: 8

According to partners, regional Private Sector Development has been significantly influenced by the activities of the PSD project and therefore the success of this objective has been graded with an average of 8 by project partners. Relevant remarks made by the stakeholders are concerning the focus of the project and the importance of the development of the private sector in the region. Although this objective has been achieved the need for continuation and constant development has been acknowledged by most of the partners as well as greater effort from their side on PSD and other activities.

2. To improve regional (SEE-level) collaboration between business, Government and Universities: 6,8

The regional collaboration between businesses, Governments and Universities is one of the overall goals of this project, which has relatively been achieved. The partners marked the achievement of this objective with an average of 6,8. According to two of the partners, the collaboration has been established, but on a lower level than expected and the reason for it, is the centralized system of the Universities, which does not leave any space for cooperation and collaboration. Once more, the need for maintenance of the project activities has been recognized by most of the stakeholders in order to be effective and have permanent success.

3. To introduce EU standards: 8

EU Days events organized and the researchers conducted as part of the PSD – I project contributed the most to the achievement of the objective to introduce EU standards in the Western Balkans, as 30% of the stakeholders pointed out. The achievement of this objective is evaluated with an average of 8. The countries in the region have been more informed about the standards for doing business in the EU after these PSD activities which is acknowledged by 62,5% of the partners. Although introduction of EU standards concerning fostering regional cooperation has been improved, there is a need for follow up and preservation of the project activities.

4. To improve the quality of research and education: 7,7

The improvement of the quality of research and education in the Western Balkan region is an important element in the development of the private sector. The achievement of this project objective is rated with an average of 7,7. As pointed out by one of the stakeholders, these activities are pretty much neglected in the Western Balkan countries and this project helped to understand the importance of those activities for development of the countries. However, the core to this objective is to use the lessons learned and develop further project proposals. With improvements in the scope of the research and the budget, some of the stakeholders consider that follow up can be undertaken in order to fulfill this objective fully. Research is very important for regional cooperation as well as for potential regional activities in the future and most of the stakeholders are willing to work on this objective even more in the future.

E. Evaluation of the Partnership with SPARK

During the implementation of PSD – I, both SPARK and the partner institutions have had a significant influence to the success of the project. Their cooperation has been essential to the project and the partnership between SPARK and the stakeholders has been graded as very successful. A total of 100%, agreed (16,6%) or strongly agreed (83,4%) to the statement 'I consider the partnership between SPARK and my organization successful during the implementation of PSD-I'. The cooperation was also described as fruitful and based on common interest, fulfilling the expectations set at the beginning of the project.

Besides the common interests and benefits, the collaboration between SPARK and its stakeholders has been based on a Memorandum of Understanding (MoU), signed at the beginning of the project. On SPARK's side the commitments of the MoU have been delivered accordingly. A total of 100%, agreed (16,6%) or strongly agreed (83,4 %) to the statement 'SPARK has delivered on its commitments as outlined in the MoU between SPARK and my organization'. Relevant comments made by 75% of the stakeholders referred to the accomplishment of all the activities and the lack of complaints and misunderstanding during the implementation process of the project.

The stakeholders opinion on their delivering on the commitments of the MoU is also very satisfactory. To the statement 'My organization has delivered on its commitments, as outlined in the MoU between SPARK and my organization, 100% strongly agreed.

F. Possibilities for sustained regional collaboration

The final part of the evaluation of the PSD- I Project are the suggestions for sustainability of regional cooperation and existing partnerships after the Dutch funding. Recommendations have been given regarding different project components and focusing on various issues: in terms of research, **further support for regional research** could enhance sustained regional collaboration, as well as incorporation of both the private and the social welfare sector in researches. As for trainings, **exchanging programs and trainers with other PSD partners** is considered to be an effective way and also joint training events on socio-economic issues. A **continuity of detailed instructions on EU standards** to local interested partners was given as a suggestion for future projects. **Further cooperation between Chambers of Commerce and Business Alliances** could assist many stakeholders in sustaining the collaboration with the rest of the PSD partners. Other suggestions refer to the partnership between SPARK and the stakeholders, which according to some stakeholders should include **membership fees and income from projects for partners**. Also an **enhanced cooperation among SMEs** was suggested by one of the partners. The **establishment of a Regional Innovation Centre** could facilitate the sustainability of regional collaboration according to one of the stakeholders as well as the inclusion of **Corporate Social Responsibility projects** with PSD activities.

G. Conclusion

In the 3½ year period of implementation of the PSD – I project the above mentioned activities have been implemented. The stakeholders of the project have evaluated and pointed out the main results of every activity through its strengths and weaknesses. Regional network within the Private sector is established and through many activities of the PSD-I project, as conferences and EU Days, the stakeholders acknowledged the opportunity of making contacts and sharing experiences. As for students in the region, through the internship component, opportunities for future employment have been opened and new knowledge and skills offered and gained. Within this component the regional cooperation between universities and companies has been brought to a higher level. Moreover, the University-level corporation has been enhanced with the researchers conducted, which are considered to be a crucial element for the future. PSD follow-up activities are essential for the future as well and main improvements can be made in the communication between the PSD stakeholders and the intensity of initiatives for potential joint activities in the region.

The overall evaluation by the stakeholders on the achievement of the objectives of the project components is high and satisfactory. The overall objective of establishing a PSD organizational structure has been evaluated with an average of 8,6. According to these numbers, the best achieved objectives were of the 28 Business Skills Training Modules organized with an average of 8,8. The least achieved objectives are the ones aimed by the internships organized in the Western Balkans and The Netherlands with an average of 6, 4%.

From the evaluation on the overall objectives of the PSD-I can be seen that according to 50% of the partners the project had a significant influence on the development of the private sector in the Western Balkans. As for the facilitation of regional collaboration between businesses, Governments and Universities, the main obstacle, according to one of the stakeholders can be found within the Universities. In general however, the objective of improving the collaboration among these three parties has been achieved. Introducing EU standards in the region through PSD has been quite successful and it has been recognized by 12,5% of the stakeholders by implementing some of the EU-related activities into their own program. The improvement of the quality of research and education proved to be successful component of the project and the stakeholders consider a follow-up an essential element. The partnership between SPARK and the stakeholders during the implementation of the PSD-I project has been accordingly arranged which shows that their cooperation and working on joint activities has been satisfactory according to all of the stakeholders. Large number of the stakeholders did enjoy the partnership with SPARK and are willing to extend the collaboration in the future.