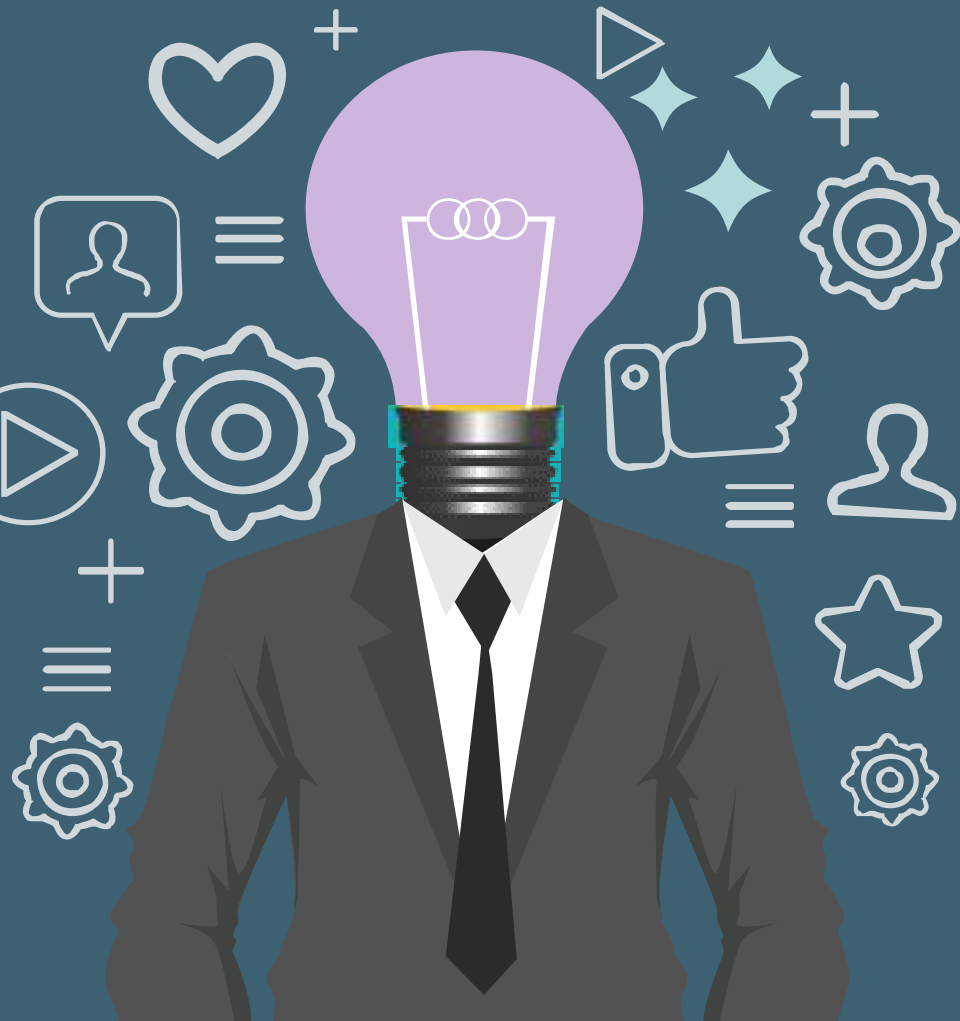


Future Companies Innovation Programs

# Part One : Establishment of Small and Medium Businesses



Future Companies Innovation Programs



# Small and Medium Enterprises

# At the end of the session, we expect the following:



- Learn about the concept of small and medium enterprises, their areas of work, and their importance
- Identify the multiple classifications of small and medium enterprises, and the basis of the classification used.
- Identify the most important difficulties faced by small and medium enterprises.
- Identify the most important reasons for the failure of small and medium enterprises.



# Training Methodology



Success  
Stories



Brainstorming



PowerPoint  
Presentation



Group  
Discussion



Ask Direct  
Questions

# Training Topics



Definition of small and medium enterprises, their areas of work and their importance



Classification of small and medium enterprises



Difficulties faced by small and medium enterprises



Reasons for failure of small and medium enterprises



# Participants' Expectations

Write down the expectations  
on the wallpaper



# Pre-test



# The concept of small and medium enterprises

Classification of  
small and medium  
enterprises

Definition and areas of  
work, and the importance  
of projects

Difficulties and reasons  
for failure

What is the  
definition of  
small and  
medium  
enterprises?

Write the question  
on the wallpaper

Direct Question to Participants



# Definition of small and medium enterprises

A group of investment activities linked together, which are organized in an organized manner and have a specific beginning and life cycle, to achieve some results that meet the needs and aspirations of the business owner.

Small and medium enterprises can be defined as a group of investment activities practiced by the business owner to achieve an economic return.



What are the areas of work for small and medium enterprises and their goals?

Write the question on the wallpaper

## Group/Individual Brainstorming



# Areas of work for small and medium enterprises

Small and medium enterprises may be:

- Industrial project
- Business
- Service project
- Agricultural project



# Industrial Projects:

- Manufacturing of agricultural products such as packing and wrapping agricultural products, drying products, and manufacturing jams.
- Manufacturing spare parts for large industries such as car spare parts, electrical appliances, air conditioners, etc.
- Food industries such as dairy and cheese.
- Wood industry.
- Garments industry.



# Commercial Projects:

- Clothing trading
- Furniture trading
- Electronics trading
- Housewares trading
- Food and vegetable trading
- Cosmetic supplies trading and others.



# Service Projects:

- Auditing and accounting offices.
- Consulting firms.
- Laundries and ironing.
- Tourism offices.
- Engineering offices.
- Advertising agencies.
- Production of accounting programs and various software companies.
- Telecommunications companies and related services.



# Agricultural Projects

- Agricultural Land Reclamation
- Animal farms
- Apiaries
- Decoration and ornamental plants



# Characteristics and Goals of Small and Medium Enterprises

- Each project has a nature, characteristics, and features that distinguish it from other projects, and each project has its own life cycle.
- The goal of the project may be to achieve an economic return, profits, or create a social balance.



Management of small and medium enterprises represents the cornerstone of the life of a project. Some projects get off to a strong start but quickly exit the market despite the availability of the financial and material components of the project. The reason for the failure of these projects is attributed to weakness in management.

# Project Classification

Projects are classified as follows:

- Micro projects.
- Small projects
- Medium projects
- Large projects
- Giant projects
- Transcontinental projects



# Basis of Projects Classification

Some believe that the basis for classifying projects is capital, while others believe that capital is variable and, therefore; relying on the number of workers in the project may be the basis for classifying projects:

- Micro projects - the number of workers does not exceed 5
- Small projects - number of workers from 5 to 16 workers
- Medium projects - number of workers 15-50 workers
- Large projects - the number of workers is more than 50 workers



# Basis of Projects Classification

- Giant projects are labour-intensive projects that cover more than one geographical area and are characterized by high capital and dynamism.
- Multinational projects: These are projects co-founded by partners of different nationalities
- Transcontinental projects: These are projects characterized by a wide geographical spread and covering more than one continent (the number of workers in which can reach 10,000 workers).



# The Importance of Small and Medium Enterprises

The importance of small and medium enterprises is summarized in the following:

- The ability of projects to provide employment openings.
- Competitiveness
- The ability to create and innovate.
- Meeting the needs and aspirations of consumers and buyers.



# Difficulties faced by Small and Medium Enterprises

- Difficulty in attracting experienced people.
- Difficulty related to the nature of human resources.
- Difficulty related to financing.
- Difficulty related to insurance and taxes.
- Difficulty in providing training or product development programs.
- Competition.
- The time factor for establishing small and medium enterprises.



# Reasons of Small and Medium Enterprises Failure

- Lack of experience in project management.
- High prices of raw materials.
- Product pricing.
- Failure of policies followed in production.
- Financing and tax problems.
- Problems associated with selecting and evaluating workers,
- Marketing problems.
- Problems related to the personal characteristics of the project owner.

