

**Erasmus+**  
**Micro-Enterprise and Social Action**  
**international Partnership**  
**(MESAP)**

**'Mikro-Giriřimcilik ve Sosyal Eylem'**



**IO1: Enterprising the Youth Sector**

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## Table of Contents

Introduction	3
Erasmus+ MESAP objectives	5
Enterprising the Youth Sector training programme	5
How to use this manual and methods used	5
Timetable	6
Introduction to Enterprise and Social Action	8
What is Enterprise?	
Enterprise Skills	
Voluntary and Community Sector in Enterprise	
From idea to action: how to start an Enterprise	10
Youth Enterprise in UK, Bulgaria and Turkey	
Different types of Enterprises	
Developing an Enterprise idea	
Development Action Plan	
Creating a Business Plan	
Every day management of a Business	23
Financial Management	
Booking keeping	
Introduction to Digital Tools for Business	
Social Action through Enterprise skills	28
What is Social Action	
Social Action – project ideas	
Asfar – social action model: from youth volunteer project to NGO Social Enterprise	
Bibliography	31



## Giriş

“Mikro-Girişimcilik ve Sosyal Eylem” uluslararası ortaklıklar projesi, Gençlik sektörüne İstihdam ya da Eğitim gibi geleneksel kariyer yöntemlerine alternatif olarak Girişimcilik ve Sosyal Eylemi teşvik etmek için tasarlanmış Erasmus+ tarafından finanse edilmiş bir programdır.

“Gençlik Sektörü Girişimciliği” başlıklı bu el kitabı, faaliyetler süresince geliştirilen, istihdama girişimciliği alternatif olarak teşvik eden ve sosyal eylem gelişimi yanı sıra dijital becerileri arttıran “genç çalışan odaklı” eğitim kılavuzu ve araçlarıdır.

El kitabı, Beceri geliştirme, Mentorluk gibi konularda Genç Çalışanlar tarafından kullanılabilen, girişim stratejisinin üretilmesini kapsayan ve yasalar, sorumluluklar gibi konularda sağlam bilgi, tavsiye ve rehberlik sağlayan – ki bütün bunlar genç girişimcilerin kendi işletmelerini kurması için gereksinim duyduğu şeylerdir - informal öğrenme faaliyetlerine odaklanmaktadır.

Odak alanları:

- Girişimcilik / Serbest meslek nedir;
- Girişimcilik ile serbest meslek arasındaki farklar nelerdir;
- Girişimcilik nasıl başlatılır;
- Bir fikri bir ticari kuruluşa (işletmeye) dönüştürme;
- İşletme hedeflerini oluşturma;
- Yasalar ve İşletmeler / Serbest meslek;
- Neden bir iş planı geliştirilmeli;
- Yeni bir işletmenin ilk 12 ayı içerisinde yapması gereken çok önemli görevler;
- Serbest çalışan bireyin ilk 12 ayı içerisinde yapması gereken çok önemli görevler;
- Temel Muhasebe Öğeleri : Kâr ve Zarar;
- Digital Muhasebe: “Wave” Uygulaması – yeni bir yöntem;
- Diğer Dijital Girişim Araçlarının tanıtımı;
- Sosyal Eylem nedir? ve
- Gençler kendi sosyal eylem projelerini geliştirmek için Girişimcilik Becerilerini nasıl kullanabilirler.

## Erasmus+ MESAP background and objectives

MESAP brought together partners from Western Europe (Asfar), Eastern Europe (NAMCB) and the Middle East (Cukurova Universitesi Adana Meslek Yuksekokulu) to develop youth enterprise training, digital skills, while promoting social action and civic responsibility to develop young people. The project was delivered over a period of 24 months. The project promoted Youth Workers skills and inter-organisational sharing and best practice through Youth Worker Training and partnership meetings.

MESAP's 3 Partners, based in the UK; Bulgaria; and Turkey, worked together to share Youth Work best practice, develop youth professionals skills, attitudes towards Enterprise and Self-employment and develop a training programme to address youth unemployment, through which to



support young people and promote their Enterprise Skills, Digital Skills and Social Action ideas, offering an alternative to traditional modes of employment.

The MESAP delivery model is broken down into 5 stages:

- 1. Partnership Implementation Activity**
- 2. Enterprising the Youth Sector: Youth Worker Training**
- 3. Youth Enterprise Skills**
- 4. Youth Social Action projects**
- 5. Digitalising Enterprise - mobility activities**

**1. Partnership Implementation Activity:** encourages partner cohesion and cooperation, while building strong links and finalising a unique programme design.

**2. Enterprising the Youth Sector:** Youth Worker training will deliver 7 days' worth of training for youth work professionals to develop their skills in Enterprise Skills, Digital Skills and Social Action, while increasing their awareness, knowledge, attitudes and the benefits towards self-employment and social entrepreneurship, and supporting young people to mobilise Digital skills to establish their businesses or social action projects.

**3. Youth Enterprise Skills:** is a 6 week Skills development programme, held in each country for young people interested in learning about Self-Employment, Business and Enterprise, with particular focus on how young people can set up their own business. Young people will develop Basic Skills including: Communication; Budgeting; Inter-personal; Leadership; Team-playing skills; followed by Enterprise-focused Skills including: What is Self-employment; Brainstorming and Business ideas; How to establish a Company; Business Plan development; HMRC, Tax and the Law; Strategy; Fundraising and Investments; Marketing and Competitors; National Enterprise Allowance; Presentation and Selling your ideas Skills; Partnership-working; Book Keeping basics; and many other key Enterprise Skills and themes required to become Self-employed and establish a business. Young People will also develop basic Language Skills in 3 different languages: Bulgarian; Turkish; and English to promote their Unique Selling Points as businesses and also on their CVs. Furthermore, all young people will complete Employability Skills training.

**4. Youth Social Action Projects:** will involve young people working together to understand, develop skills and launch a short Social Action project to benefit their Community, establishing the next generation of Social Entrepreneurs in the UK, Bulgaria and Turkey. This 6 week programme, will allow young people to use their new Enterprise Skills, to develop, mobilise and make a difference in their community.

**5. Digitalising Enterprise:** mobility activity brings young participants from each Country together to learn how digital technology can be used to benefit their Enterprises for 7 days. The activity will involve in-depth Digital Skills training, using systems that can make their Businesses more efficient, reduce costs and improve their general and specialist ICT skills. A long side Digital Skills, key themes will include International Enterprise and Partnerships; Global Business; Cross Cultural Awareness; Language Skills.



The knowledge, expertise and the outcomes will be researched, analysed and published through 3 MESAP Youth Worker instruction publications: *Enterprising the Youth Sector*; *Digitalizing Enterprise*; and the MESAP final manual for use amongst the Youth Sector, promoting Self-employment, work-focused Digital Skills and Social Entrepreneurship throughout Europe, offering real examples through the activities, job shadowing information and tools.

### Key Objectives

- Development of collaborative partnership amongst partners and wider stakeholders;
- Young people with an increased awareness of Enterprise, Social Action and Digital opportunities;
- Increased number of young people from socio-economic disadvantaged backgrounds, BAME communities and throughout the UK participating in Erasmus+ projects;
- Increased number of young people from disadvantaged backgrounds, BAME communities in London, Adana, Sofia, considering Enterprise as a feasible work option;
- Increased awareness of Stakeholders in Enterprise; Digital tools; Social Action; EU ; Erasmus+; and how Strategic partnership relationships can benefit local communities;
- Improvement in local economy through the establishments of new businesses, better skills and socially changing community projects.

### Enterprising the Youth Sector training programme

This manual represents the methods and tools piloted during the Youth Worker training element of MESAP, held in Adana, January 2016. This manual includes the same tools and learning activities which were delivered during the transnational training, and that aimed to develop youth worker skills in Enterprise Skills, Digital Skills and Social Action, while increasing their awareness, knowledge, attitudes and the benefits of self-employment and social entrepreneurship, supporting young people to mobilise Digital skills to establish their businesses or social action projects.

This manual contains introduction materials which a Youth Worker can read and then deliver to their own young people. Alternatively, a HR Manager could use this material to develop their own in-house programme to train Youth Workers to increase their knowledge and awareness of Enterprise and Social Action, which can be used to support aspiring young Entrepreneurs and Social Entrepreneurs.

### How to use this manual and methods used

This manual will provide key information and guidance on how business ideas are developed and then how to take an idea and launch it. It also offers guidance on Social Action and how to



mobilise digital tools to manage a business. This includes example digital tools and how these are used and link to further guidance.

The MESAP programme methodologies and annexes also offers timetables/learning plans/activities a Youth Workers can copy straight from the manual. Structurally and style is accessible.

Further materials, such as original PowerPoint Presentations are available from the MESAP website: [www.mesap.asfar.org.uk](http://www.mesap.asfar.org.uk)

### Timetable

See below the original timetable for Enterprising the Youth sector training pilot.

ENTERPRISING THE YOUTH SECTOR	
City	Country
Adana	Turkey
Activity Programme	
Timetable	Activities
DAY ONE -18/01/2016	
08.00am	Travel to Adana
6.30pm	Arrive in Adana/Orientation/Chills time in Hotel
7pm	Welcome Dinner
DAY TWO -19/01/2016	
08.00am	Breakfast and Travel to Venue
09.30am	Introduction to MESAP, Erasmus+ and Partners
10am	Purpose/Objectives of Enterprising the Youth Sector training course
10.30am	Getting to know each other and partners presentations
11am	Break
11.15am	What is Enterprise?



1pm	Lunch
2pm	Enterprise and Young People
3pm	Visits to local Youth Enterprises/Chambers of Commerce
6.30pm	Reflections
7pm	Dinner
<i>DAY THREE - 20/01/2016</i>	
08.00am	Breakfast and Travel to Venue
09.30am	Today's activities
10am	Youth Enterprise opportunities in UK; Turkey; and Bulgaria
11am	Different types of Enterprises
1pm	Lunch
2pm	Developing an Enterprise Idea
2pm	Starting an Enterprise
6.30pm	Reflections
7pm	Dinner
<i>DAY FOUR - 21/01/2016</i>	
08.00am	Breakfast and Travel to Venue
09.30am	Today's activities
10am	Key Enterprise Skills
10.30am	Accountancy Skills Basics
1.30pm	Lunch
2.30pm	Free Time
6.30pm	Reflections
7pm	Dinner



DAY FIVE - 22/01/2016	
08.00am	Breakfast and Travel to Venue
09.30am	Overview of the day
10am	Digital Tools for Business
1pm	Lunch
2pm	Free Time
7pm	Dinner
DAY SIX 23/01/2016	
08.00am	Breakfast and Travel to Venue
09.30am	Overview of the day
10am	Social Action
10.15AM	Mobilising Enterprise Skills to establish a Social Action project
11am	Delivering in 2016 - sharing ideas
12PM	Reflections on the training/ feedback
1pm	Lunch
2pm	Local Visit to a Social Action project/organisation
7pm	Farewell Dinner and Party
24/01/2016	
08.00am	Youth Workers travel to home countries

## Introduction to Enterprise and Social Action

### What will young people learn through the MESAP skills training programme?

Young People will:

- increased sense of initiative and interest in enterprise and self-employment
- increased Enterprise skills, digital skills and social action skills





- increased competence in foreign languages and sense of social mobility
- greater understanding and appreciation of different cultures and countries
- increased engagement with their peers on a local and international level
- improved level of employability skills and readiness for employment
- increased level of young people's vocational and work-focused skills
- improved level of Life Skills and Life Experiences, especially communication, interpersonal, life and financial management
- increased participation in civic society through volunteering
- increased positive attitude towards the EU and increased active participation as an EU Citizens

### What is Enterprise?

Enterprise is not a Business or an Entrepreneur, but a set of Skills and a willingness to use those skills to go out and do something. Whether this be in/through:

- **Self-employment**
- **Business/Company**
- **Project**
- **For Employer**
- **Voluntary work**
- **Or something else (i.e. House renovation)**

BBC Bitesize further explains and defines Enterprise as:

“Enterprise is a skill. Put simply, enterprise is the willingness of an individual or organisation to:

- Take risks. Setting up a new business is risky. Even if the entrepreneur has carefully researched the market, there's always a chance that customers may reject the product and that a loss will be made.
- Show initiative and 'make things happen'. Successful entrepreneurs have the drive, determination and energy to overcome hurdles and launch new businesses.
- Undertake new ventures. An entrepreneur has to have the imagination to spot business opportunities that will fill gaps in the market.

Enterprise is carried out through the work of an entrepreneur”.

So experience of Enterprise and the development of Enterprise Skills, are long term skills, behaviours and attributes which will support young people, whether they choose to set up a business, enter employment or do something else with their time.

See below further definition examples for Enterprise which can be used in your learning activity:

“Enterprise education is not business studies. Entrepreneurship is only one of the possible outcomes. Instead, enterprise education aims to equip students with a set of capabilities which they can apply to whichever context they choose.” University of Sheffield

“What are Enterprise Skills? Being “enterprising” is not the same as having an ambition to be self-employed. Rather it is someone who is characterised by a particular mix of individuality, creativity, and leadership.” University of Leicester

According to the University of Leicester, “Enterprise is:



- **Authentic Problem Solving**
- **Innovation and Creativity**
- **Risk-taking**
- **Taking Action**
- **True Collaboration”**

### **Enterprise Skills**

- **Intuitive decision making with limited information**
- **Coping with uncertainty and complexity**
- **Building know how and trust relationships**
- **Creative approach to problem solving**
- **Negotiation capacity**
- **Selling/persuasive capacity**

As well as Enterprise Skills, there exists certain Attributes and Behaviours which also contributes to Enterprise Skills:

Enterprise Attributes:

- **Sense of belief in self**
- **Strong sense of independence**
- **Goal/Achievement orientated**
- **Builds own know-how and trusts relationships**
- **Commitment to see things through**
- **Sense of ownership over problems/actions**

Enterprise Behaviours

- **Seeks and takes opportunities**
- **Takes initiatives**
- **Builds and develops networks**
- **Assesses and takes risks**
- **Holistic management of situations**
- **Thinks strategically**

### **From idea to action: how to start an Enterprise**

#### **United Kingdom – Companies and Social Enterprises**

#### **Different types of Enterprises**

Depending on which country you are based, there are lots of different types of Enterprises and structures which can be used to set up a business.

For instance, in the United Kingdom, examples include:



- **Self-employment**
- **Company**
- **Partnership**
- **Social Action business**

**Self-employment:** “A situation in which an individual works for himself or herself instead of working for an employer that pays a salary or a wage. A self-employed individual earns their income through conducting profitable operations from a trade or business that they operate directly.” Investopedia

According to the United Kingdom’s HMRC, a person is self-employed if they run their business for themselves and take responsibility for its success or failure. Self-employed workers aren’t paid through PAYE (the United Kingdom main form of salary distribution, which the government also using to gather income tax and national insurance payments), and they do not have the employment rights and responsibilities of employees. Someone can be both employed and self-employed at the same time, for example if they work for an employer during the day and run their own business in the evenings.

Legal Responsibilities: The owner is personally responsible for their share of: any losses the business makes bills for things that are bought for their business, like stock or equipment.

**Company:** A limited company is an organisation that you can set up to run a business – it is responsible in its own right for everything it does and its finances are separate to an individual’s personal finances. Any profit it makes is owned by the company, after it pays Corporation Tax. The company can then share its profits to its owners/shareholders. Ownership: Every limited company has ‘members’ - the people or organisations who own shares in the company. Directors are responsible for running the company. Directors often own shares, but they do not have to.

Limited by shares: Most limited companies are ‘limited by shares’. This means that the shareholders’ responsibilities for the company’s financial liabilities are limited to the value of shares that they own but have not paid for. Company directors aren’t personally responsible for debts the business cannot pay if it goes wrong, as long as they haven’t broken the law. A Limited by shares company, has Ltd, after its’ name.

Private company limited by guarantee: Directors or shareholders financially back the organisation up to a specific amount if things go wrong. A Limited by guarantee company, has Ltd, after its’ name. This is a popular Company status type for organisations that do not aim to make profit, as this type of Ltd Company has no Share capital. Many charities and social enterprises choose this type of company structure.

Public limited company: The Company’s shares are traded publicly on a market, such as the London Stock Exchange. A Public limited company, has Plc after its’ name, rather than Ltd.



**Partnerships:** In an 'Ordinary' business partnership, there are a minimum of two business partners (or more) personally share responsibility for the business. All of the business's profits can be shared between the partners. Each partner pays tax on their share of the profits.

Legal Responsibilities: the liability for business debt differs depending on whether its a limited partnership or limited liability partnership (LLP). Partners can share all the business's profits between themselves. Each partner pays tax on their share of the profits. LLP The liability for debts that can't be paid in a limited partnership is split among partners. Partners' responsibilities differ as: 'general' partners can be personally liable for all the partnerships' debts; 'limited' partners are only liable up to the amount they initially invest in the business. General partners are also responsible for managing the business. Partners in an LLP aren't personally liable for debts the business can't pay - their liability is limited to the amount of money they invest in the business. Partners' responsibilities and share of the profits are set out in an LLP agreement. 'Designated members' have extra responsibilities.

**Social Action business options:** The Voluntary and Community sector, once known as the Third Sector, was traditionally made up of only charitable bodies. However, enterprise skills are still required to ensure the development of VCS bodies, especially with the decline in funding opportunities for institutions. This has resulted in the development of an Enterprise wing of VCS through: Social Enterprises; Community Interest Companies; Charitable Incorporated Organisation; Charitable Company etc.

Social Enterprises and Community Interest Companies or CICS are generally registered as Limited Companies only. CICs must be registered with the Community Interest Companies Regulator.

While Charitable Incorporated Organisations or CIOs, are registered with the Charity Commission only. While Charitable Companies, are both Limited by Guarantee and registered with the Charity Commission.

There is also a growing Social Action project sector, which are none legal bodies, but also utilise Enterprise Skills to develop and succeed.

## **Bulgaria – launching a Social Enterprise**

In this section of the Enterprising the Youth Sector manual, MESAP partner, the National Association of Municipal and City Administrations in Bulgaria has provided key information on how to establish a social enterprise in Bulgaria, the law a Social Entrepreneur needs to be aware of and the social impact of these organisations, including:

- **Legal framework for social enterprises;**
- **Spectrum of social enterprises;**
- **Non-profit Legal Entities;**
- **Social impact;**
- **Availability of finance; and**



- **Legal forms.**

**Legal framework for social enterprise:** There is no exclusive legal form for social enterprise in Bulgaria. Consequently, social enterprises adopt a variety of legal forms, the three most common ones being:

- **Non-Profit Legal Entities (NPLEs) such as associations and foundations;**
- **Cooperatives for people with disabilities, and**
- **Specialized enterprises for people with disabilities.**

The Not-profit Legal Entities Act 11 allows non-profit organisations to engage in economic activity, subject to certain conditions:

- **The economic activity must be supplementary to the main non-profit activity;**
- **The economic activity should be related to the non-profit objectives of the entity;**
- **The scope of the economic activity must be explicitly stated in the Bylaws/Act of Incorporation;**
- **The economic activity must not be restricted for this legal form by another legal act;**
- **The income from economic activity must be reinvested for achieving the non-profit**
- **Objectives of the NPLE and cannot be distributed in any way.**

There are few tax incentives available to social enterprises that use legal forms other than cooperatives for people with disabilities or specialized enterprises for people with disabilities.

### **Spectrum of social enterprise**

Social enterprises in Bulgaria are typically one of the following kinds:

- **Non-profit Legal Entities with public benefit status (associations and foundations) with**
- **Revenue generating activities;**
- **Cooperatives pursuing a social mission, including cooperatives for the disabled;**
- **Specialized enterprises for people with disabilities;**
- **Social enterprises created by municipalities, and**
- **Other social enterprises (e.g. cultural centers (читалище), lyceums, etc.).**

Mainstream enterprises emphasizing on a social mission in their business models are not well-developed in Bulgaria at present.

### **Non-profit Legal Entities (NPLEs)**

The Non-profit Legal Entities Act 27 came into force in the beginning of 2002. It defines two types of non-profit legal entities: associations and foundations. The Non-profit Legal Entities Act allows NPLEs to perform economic/revenue generating activity, subject to certain conditions. The Act defines the following criteria for economic activity, performed by the NGOs:

- **The economic activity must be supplementary to the main non-profit activity;**
- **The economic activity should be related to the non-profit objectives of the entity;**
- **The scope of the economic activity must be explicitly stated in the Bylaws/ Act of Incorporation;**



- **The economic activity must not be restricted for this legal form by another legal act;**
- **The income from economic activity must be reinvested for achieving the non-profit**
- **Objectives of the NPLE and cannot be distributed.**

According to one of the interviewed stakeholders, because of their access to project financing (e.g. grants received by donors, donations, etc.), for most NPLEs revenue generating activities are only ad-hoc as they are perceived as riskier.

## **Social impact**

Measuring the social impact of social enterprises in Bulgaria is not yet applied in practice. Nevertheless, there are plans for such an assessment in the Action Plan 2014-2015 supporting the implementation of the National Social Economy Concept.

The focus of many social enterprises on work integration implies that their main societal impact is through the disadvantaged groups of people who find employment, such as the disabled and unemployed people. The interviewed social enterprises report different public benefits of their actions. In addition to full work integration of disadvantaged people, these are:

- **Providing/ improving social and health care for disadvantaged people;**
- **Delivering social assistance and care services of general interest;**
- **Facilitating access to and delivering education and lifelong learning, and**
- **Supporting the social integration and personal accomplishment of children, youth and**
- **Other people needing care.**

Apart from voluntary associations/NGOs, social enterprises in Bulgaria largely rely on paid workers. The interviewed social enterprises are micro and medium-sized enterprises, employing a range of 8 to 60 persons, both on a full and part-time basis; only one of them reports employing about 5 volunteers. Cooperatives are mostly medium-sized enterprises.

In general, it is easier to start up a social enterprise in Bulgaria than to scale one up. The interviewed stakeholders comment that accessing finance and markets are clear barriers to both starting and scaling up social enterprises in Bulgaria. This is followed by inability to employ suitably skilled staff and lack of internal skills (e.g. management, etc.) in how to start up a social enterprise. Lack of innovation is also suggested as a barrier to scaling up social enterprises.

The interviewed social enterprises had differing views on the barriers they experienced when starting up or scaling up their activities. One of them reports that the availability of finance is a barrier when starting up a social enterprise, whilst insufficient government support for social enterprises is a barrier to both starting up and scaling up the activities of a social enterprise.

The other interviewed stakeholder representing the sector reports that they experienced the following barriers when starting-up:

- **The terms and conditions attached to bank finance (e.g. personal guarantees on loans);**
- **The amount of finance that banks are willing to provide;**
- **Access to public procurement opportunities (this one is noted as the only barrier experienced**
- **for starting up by another of the interviewed stakeholders (social enterprises);**



- **Lack of social clauses in public procurement practices;**
- **Insufficient government support for social enterprises, and**
- **Availability of skilled workers (paid employees).**

This stakeholder also reports that for scaling up its operations they experienced all of the barriers mentioned above, along with:

- **Availability of finance;**
- **Non-availability of financing on suitable terms from sources other than banks;**
- **General economic conditions, and**
- **Delays in receiving payment for services delivered.**

Another key enabling factor for the development of social enterprise in Bulgaria is the creation of micro-finance institutions that can provide start-up support to social enterprises, for example, loans up to BGN 25,000 (ca. €12,800). Such SIFIs can be created under the innovation strand of the ESF but eligible organisations need to express an interest/apply first. There is a micro-finance institution called Jobs, as part of the Bulgarian Bank for Development, which provides low-interest loans to sole traders but there is no special scheme for financing social enterprises in Bulgaria per se.

An important enabling factor for the development of social entrepreneurship in Bulgaria identified by all interviewed stakeholders is awareness-raising among the wider public and education.

Several universities (e.g. University of Veliko Tarnovo, etc.) have started offering majors in Social entrepreneurship, but one of the stakeholders' comments that it is important to introduce the concept earlier, as part of high school education. Another stakeholder observes that in general in Bulgaria the focus is on money and there is a perception that those who manage to earn "good money" are successful. According to this stakeholder, there needs to be more public talk about people who work for "the greater good" and that they are also successful. He continues that there should be a good understanding of the concept of social entrepreneurship so that the public does not think that those who cannot earn money become socially engaged, instead.

### **Legal forms**

Bulgarian social enterprises take different legal forms primarily cooperatives and associations and foundations undertaking revenue generating activities.

### **Business in Turkey**

Due to the political issues in Turkey from July 2016 to the finalisation of this manual in February 2017, the Turkish partner Cukurova Universite was unable to provide a great guidance on establishing Business in the country. An overview of establishing a business in Turkey can be found in the annex from the Invest in Turkey website. The website can be accessed by visiting this site - <http://www.invest.gov.tr>



## Setting up Business in Turkey – guidance material

Turkey's business focused FDI Law is the key piece of legislation when it comes to non-Turkish enterprises setting up business in the country.

The FDI Law gives international investors the same rights and liabilities as Turkish citizens.

Whereas the Turkish Commercial Code (TCC) indicates how a person can establish an Enterprise.

Company forms under TCC include:

- **Corporate**
- **Non-Corporate**

Corporate: 3 main forms of profit-making organisation type exist under the Turkish TTC:

- **Joint Stock Company (JSC)**
- **Limited Liability Company (LLC)**
- **Cooperative Company**

The method of establishing any of these organisations remain the same in Turkey.

Non-Corporate: 2 main forms of non-profit-making organisation type exist under Turkish TTC:

- **Collective Company**
- **Commandite Company**

JSC and LLC company type are the most popular in Turkey.

## Company set-up

In order to establish an organisation in Turkey, the following procedure must take place:

1. Submission of memorandum and articles of associations to MERSIS
2. Registration of documents at the relevant Trade Registry Office
3. Register for a Tax identity number
4. Deposit a percentage of capital to the Competition Authority account
5. Set up a bank account and deposit 25% of start-up capital
6. Apply for registration at the Trade Registry Office
7. Certification of the organisation's legal books by a Notary
8. Send the Company's Trade Registry Office establishment notification to the Tax office





The foundation of a business in Turkey is a highly demanding procedure, however, with proper guidance and advice, it is no more difficult than any other activity.

Further information as well as what you need to do next can be found in the MESAP Annexes – Learning Support Materials, with a Turkish Government step-by-step guide.

## REVIEW and ACTIVITY

At this stage, a great deal of information has been shared with the youth workers or young people (if this information is been used in an Enterprise training programme for youth).

A review of key Enterprise Skills and an informal learning activity to underpin this will be useful but also assist in their learning.

### Enterprise Skills review table

Identified Skills	General Skills
Intuitive decision making with limited information	Leadership; Initiative; Decision-making; Integrity
Coping with uncertainty and complexity	Self-Motivation; Awareness; Leadership; Stress Tolerance; Drive; Confidence
Building know how and trust relationships	Communication; Initiative; Inter-personal Sensitivity; Teamwork; Analytical; Investigation & Research; Planning & Organisation Skills; Time Management; Numeracy;
Creative approach to problem solving	Creativity; Innovation; Problem Solving Skills; Flexibility;
Negotiation capacity	Negotiation; Communication; Persuasion
Selling/persuasive capacity	Communication; Persuasion

### Suggested thoughts and activity

But is Enterprise, the right route for a young person I am supporting?

Try:

- **Enterprise Skills Self-assessment (recommendation: Belbin's Self-Perception Inventory)**
  - **A Careers Assessment (see example)**



The final results will give the young person more insight on their skills, interests and best choices.

Self-assessment utilising Belbin's Self Perception Inventory  
**See Annex for this activity**

A Careers Assessment (use Mind-tools' version - [www.mindtools.com/rs/CareerChoice.](http://www.mindtools.com/rs/CareerChoice))  
**See Annex for example**

## Developing an Enterprise idea

Key method of developing an Enterprise idea should consider the following elements:

- **Belief:** Believe there is an idea out there which you can develop into a business
- **Be Curious:** Look around, identify problems and search for opportunities
- **Knowledge:** Develop you knowledge and imagine solutions
- **Pilot:** Test your ideas
- **Research:** Research the market
- **Timing:** Plan your business

### Suggested activity – working with young people

**Work together in small groups – discuss develop your Enterprise Ideas**

**Group sizes:** 4-5 per group

**Objective:** to encourage ideas sharing, team work and potentially a business partnership

**Materials:** Paper/Pens

**Feedback:** each group to feedback to the overall group

## Development Action Plan

After an informal team activity, a more formal activity will support in taking an idea to a potential business. Any business or social action idea can benefit from a Development Action Plan. This will support Entrepreneurs to understand what they need to do establish a business.

See below an example Development Action Plan:



Action	How will it be achieved	Who?	Deadline
Set up Business legally	Identify type of organisation Complete necessary documentation	Entrepreneur	18/02/2016
Set up a Bank Account	Identify two signatories and arrange a meeting with a bank	Entrepreneur	
Text for Business Plan	Create suitable text based on the key sectors, research, financials and other persuasive elements	Entrepreneur & adviser	04/03/2016
Identify and Apply for Funding	Consider the type of Funders, make applications	Entrepreneur	End of March 2016
Create an Website and Email	Identify website name, host and create emails – 1 and 1 is good. Use a web content management system	Entrepreneur to identify a web designer	ASAP
Marketing	Creation of marketing to distribute to potential partners/funders	Entrepreneur to identify a marketing designer	April 2016
Meet with Funders	To identify funding stream for initial set up	Entrepreneur	11/04/2016
Go Live	Launch business	Entrepreneur	ASAP

When working with young people, see below a blank version of the above. Youth Workers may wish to adapt this based on their group of young people.

Action	How will it be achieved	Who?	Deadline

Suggested activity – Do you own Development Action Plan
<p><b>Individual task</b></p> <p><b>Group sizes:</b> Not applicable</p> <p><b>Objective:</b> to encourage participant to focus on their idea and consider what needs to be done to turn their idea into a reality</p> <p><b>Materials:</b> This template can be printed or it can be done on a compute</p>



**Feedback:** Each individual to feedback on the activity but also on what they have to do to achieve their goal.

## Creating a Business Plan

Before developing a business plan, a would-be Entrepreneur should carry out some basic Market Research. This is a very useful activity for a young person, as Market Research and awareness of customers' needs is essential to making a business grow and succeed.

The benefits of Market Research include:

- Learn about the Market you plan to enter
- Ask questions such as:
  - How many other businesses are working in the sector?
  - How many are based within 10 miles of my organisation?
  - How many are doing Business online?
  - How much will it cost me to do Business?

**Key question: How many businesses are already working in your sector?**

Example: Coffee Shop

- How many other Coffee shops in the area I plan to establish in?
- Is there any Coffee Shop chains in the area like Costa; Starbucks etc.
- How many coffee drinkers are there in this areas?
- Is the coffee shop market saturated? Will another Coffee Shop be able gain business and make a profit if the market is to full?
- How is my Coffee Shop different from the others?
- Can I afford to work in such a competitive market?

As well as Market Research another useful activity before finalising a Business Plan, is piloting a business idea. The benefits and opportunities of a business pilot include:

- A pilot is a trial run of a business idea in a controlled setting
- It is relatively inexpensive
- It identifies challenges/barriers as well as opportunities
- It will allow those involved to make an informed decision about whether the business/enterprise could be a success
- Can be used to carry out further customer research on the product/service etc.



## What is a business plan?

'A **business plan** is a formal statement of **business** goals, reasons they are attainable, and **plans** for reaching them. It may also contain background information about the organisation or team attempting to reach those goals.'

Business Plan Structure:

1. **Executive Summary**
2. **Aims and Objectives**
3. **Services/Products**
4. **Business Model**
5. **Competition**
6. **Finances**
7. **Structure**
8. **Marketing**
9. **Appendices**

## What is the Executive Summary?

Introduces the Business/Enterprise to a reader and explains briefly what the business is all about. It is an opportunity to sell a Business idea to a potential investor. As well as highlighting the strengths of the Business idea's overall plan.

## What are the Aims and Objectives?

A series of goals that a Business idea/Enterprise aims to achieve.

These may include:

- Financial Goals
- Services/Product Goals
- Organisational development Goals
- Social Goals
- Innovation Goals

## What are Services/Products?

Are what a Business/Enterprise intends to sell to become a successful business.

Service: "A *type of economic activity that is intangible, is not stored and does not result in ownership. A service is consumed at the point of sale. Services are one of the two key components of economics, the other being goods. Examples of services include the transfer of goods, such as the postal service delivering mail, and the use of expertise or experience, such as a person visiting a doctor.*" **Investor Words**

Products/Goods: "The end result of the manufacturing process, to be offered to the marketplace to satisfy a need or want." **Investor Words**



## What is a Business Model?

Is a description how the business operates, from its delivery, functions, revenues and expenses and how these are used. This particularly focuses on USPs or Unique Selling Points of a business. How is it different, why would someone wish to buy it etc. Often this is focused on Finances, when it is referred to as a Financial Model.

## What is Competition?

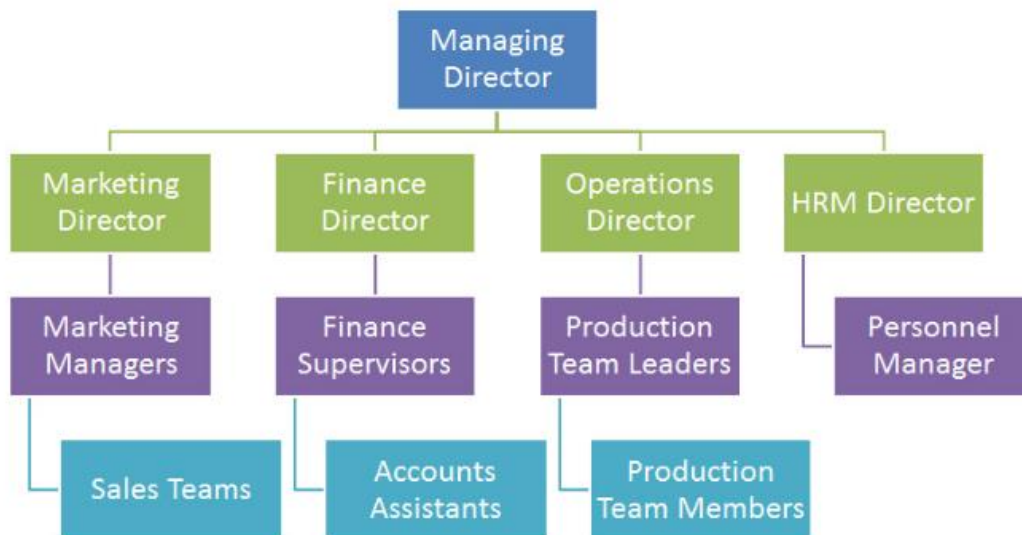
This section identifies what is the sector, what are the current themes, which organisations are working in the sector. It may include both local, national and international organisations, as well as small, medium, large and global competitors. In some cases, it may look particularly at types of products or services already on the market. It could also include future products/services or organisations.

## What is the Finances section?

This will include a Financial Review, focusing on expected financial requirements to set the business/enterprise up. Expected first year expenditure and income and profit. Identification of where sources of funding will come from. Identification of potential losses.

## What is the Structure?

Is a diagram or explanation of how the organisation will be structured. For example:



## What is the Marketing section?

This is an outline of a Marketing Plan which indicates how the Business, Service or Products will be marketed to the Public. This could include information and timescales on:

- Marketing styles
- Marketing tools
- Branding
- Communication
- Social Media



## What is the Appendices section?

Any documents used for research, referred to in the Business Plan or further evidence that the Business Plan producer believes to be essential to gain investment or to explain the product/service etc.

### Suggested activity – Activities to develop a business plan

Activities to develop a Business Plan - **SWOT ANALYSIS**

**See ANNEXES**– for an example SWOT ANALYSIS

**Other activities can include: Boston Matrix and a PEST activity**

**Individual/Group task**

**Group sizes:** Not applicable

**Objective:** support activities to develop a business plan

**Materials:** This template can be printed or it can be done on a computer

**Feedback:** Each individual to feedback on the activity but also on what they have to do to achieve their goal.

## Every day management of a Business

Key areas of business management, include administration, project management, legal responsibilities, providing a service etc. But one of the key roles of managing a business is Financial Management.

In this section, provides an induction on the key activities of Financial Management, as well as an introduction to a useful financial management app: Wavapp.

### Financial Management

Financial Management is the method/tools a Business or Person uses to manage their finances.

In Business the key areas are:

- **Getting a Bank Account**
- **Bookkeeping**
- **Financial Controls and Procedures**
- **Managing Cash Flow**
- **Profit and Loss**



- **Balance Sheets**
- **Debtors and Creditors**

**Getting a Bank Account:** For a young person going into Business for the first time, getting a Bank Account may not be that easy, depending on which country the young person is based in. For example, in the United Kingdom, some young people do not have all the correct documentation to open a personal Bank Account.

For those young people, deciding to develop a Company, a UK Bank will request for legal documentation, including Bills/Invoices with the Company's address on. This should match the Company's legal address. If it is a new Company, the young person may not have any of these documents. This creates a barrier, especially now that the UK's banking system has become much stricter. This is particularly difficult for a new charity or volunteer's project.

**Bookkeeping:** Is the method managing Finances coming in and out of the Business, including collecting receipts. This can either be done by an individual, or by an Accountant. It is essential this is done correctly. If not, it could cause real issues when Accounts or annual Self-Assessments are due.

**Financial controls and procedures:** Whether you're an Individual or a Company, a Business should have identified Financial Controls and Procedures, to:

- **Log all invoices for the Business to pay**
- **Manage the payment of Invoices**
- **Creation of the Business's own Invoices and ensuring they are paid on time**
- **Follow up any non-paid bills**
- **Ensure payroll and tax bills are paid on time**

These Financial Controls and Procedures may involve a simple Spreadsheet which tracks on incoming or outgoings invoices/bills or it may be in-depth. Each Business is different.

**Managing Cash flow:** This is the technique used to ensure a Business is managing its' cash flow correctly. Without cash in an organisation, a Business cannot function:

- **It cannot pay bills**
- **It cannot pay staff**
- **It cannot grow**

If a cash flow deficit lasts for a significant period of time, a Business could be pushed into bankruptcy by those it owes money.

A healthy Cash Flow means:

- **The is enough money in its account to cover all expenses, and more until the Business is next paid**
- **Good reserves for a rainy day**





It is the Business owner's responsibility to ensure Cash Flow remains steady. In cases, where Cash Flow is an issue, the Business owner may have to contact creditors/debtors to either delay payment or request early payments.

**Profit and Loss:** Is part of a Businesses' Accounts and is produced annually. It identifies:

- **The Profit**
- **The Loss**

A business has made every year and how it has been distributed.

Example of Profit and Loss:

	£'000 - Loss	£'000 - Profit
Sales		1,200
Costs of Sales	(330)	
Other Direct Costs	(70)	
Gross Profits		800
Overheads & expenses		(260)
Operating Profit		540
Interest charges		(30)
Net Profit		510
Taxation		(60)
Profit after Tax		450

**Balance Sheet:** Reviews a businesses'

- **Assets**
- **Liabilities**
- **Equity**

Within the Business, while taking into account Profit and Loss for the year. It is part of the annual accounts. See below an example Balance Sheet:

	Year 1	Year 2
<b>CURRENT ASSETS</b>		
Petty cash	£100	£10
Stock	£1000	£100
Debtors	£1000	£1000
Cash in bank	£100	£100
<b>Fixed Assets</b>		
Property	£2000	£1000
<b>CURRENT LIABILITIES</b>		
Creditors	£1000	£500
VAT	£100	£0
PAYE	£1000	£100
<b>TOTAL ASSETS</b>	<b>£2,100</b>	<b>£1,610</b>



**Debtors and Creditors:** A Debtor is a person or enterprise that owes money to another. A Creditor is a person, bank or other enterprise that lent money or credit to another.

## Introduction to Digital Tools for Business

A Digital Tool for Business is any digital tool which is used to achieve a Business objective, for example:

- **Social Media to market a service or product**
- **App to manage Accounts**
- **Mailshot system to communicate our news**
- **App to manage our time and work tasks**

In this section, the following Digital tool will be reviewed, providing key guidance on how to use the tool, which can be used for a future training session:

- **Wavapp for managing Finances**
- **Mailchimp to communicate and market services**
- **Trello to manage a business**

These tools are light alternatives to some of the older and traditional packages out there and are perfect for Young People entering into business.

### Wavapp

It is a free Digital accountancy tool:

- **Dashboard**
- **App**

What it offers

- **Overview of finances**
- **Allows you to upload receipts/bills/invoices and it calculates your profit, loss, expenditure etc.**
- **Can be done via a Computer**
- **You can take photos of your receipts**

Benefits:

- **You accountant can also log on and do your annual accounts using the system**
- **It does the bookkeeping**
- **It means all of your financial documents are immediately uploaded and secure**
- **If you lose your hard copy documents, you have a back up**
- **It is quick, functional and easy to use**
- **Secure and password protected**



Negatives:

- **It does not require bookkeeping skills, so a business without those skills will not notice any mistakes**
- **You need to be digital and app savvy**
- **The documents still have to be uploaded**

## Trello

Trello is a project management tool, ideal for managing a business, a team and yourself. It can be used as a dashboard on a computer or as an app.

Benefits include:

- Free tool
- Self-management
- Work boards can be created
- Deadlines and checklists can be set
- Communicate with your team

Negatives include:

- If it is going to be used for communication, then all team members must be using it
- To update, a user must be online
- For more diverse activities, a user must upgrade their account

## Mailchimp

Mailchimp is an easy to use communication tool for managing contacts and for sending out free mailshots.

Benefits include:

- Free and easy to use
- Professional designs
- Useful for updating and communicating key information to partners/customers

Negatives include:

- The free version is quite basic
- To upload data and send mailshots, new users must prove customers have agreed to be on a mailing list. This can be difficult for older customers.
- A basic IT user may find it difficult to use, however, after practice it is very easy.



## Social Action through Enterprise skills

### What is Social Action?

Social action is the practice of taking action, usually as part of an organised group or community: to create positive change. Sometimes social action can lead to profound social change, as in the case of the **Civil Rights Movement**; sometimes social action seeks more limited and specific changes – the preservation of an **open space**, for example, or **better pay** for a specific group of workers.

The key behind Social Action, is that it is led by people.

Not by:

- **The Government**
- **Local Authorities**
- **Companies or Businesses**
- **Charities or NGOs**

And contributes to our society/communities.

Social Action could be:

- **Campaigning**
- **Fundraising**
- **A project that benefits the Community**
- **Civil Disobedience**
- **Volunteering**

### Social Action example 1:

Active Citizen Masha Al-Airin Khan started a radio show to give a voice to Bangladeshi youth. In Bangladesh, a third of the population are under the age of 18. That's over 50 million young people who will shape the Bangladeshi society of tomorrow. A group of young people from Rajshahi felt strongly about starting an initiative in their own community to allow young people's voices to be heard.

With the positive support of the director of CCD Bangladesh and the chief co-ordinator of Radio Padma 99.2 FM, four Active Citizens participated in a weekly show called Youth Voice, broadcast every Friday at 18.00 for one hour, reaching 60–70,000 listeners.

Ten radio shows have been broadcast so far and each time more Active Citizens are taking part. Through Youth Voice, they are creating a group of people who want to bring about change to their community, improve welfare and help others in difficulty.



“Running a Social Action Project [SAP] requires dedication, commitment and a willingness to bring about change in your society,” says 20-year-old Zahra Ahmad, a dedicated Active Citizen from Lahore, Pakistan.

### **Social Action example 2:**

The SAP, ‘Save A Paper, Save A Tree’ aims to reduce paper wastage in schools around Lahore. “We all believe in bringing about change to create a healthy environment, and the purpose of the campaign is to generate a feeling of responsibility among both students and the school’s administration towards their immediate surroundings and the environment.”

### **Social Action – project ideas**

**Environmental and Green Spaces:** This Social Action Project is aimed at supporting our local environment and improving local parks etc. for the benefit of all. This may involve cleaning up local areas, volunteering on a local horticultural project or assisting with wildlife issues.

**Peer-working:** This Social Action Project is aimed at supporting young people in the local community, i.e. those from a disadvantaged background, those disengaged from school or unemployed young people. Peer-working will involve encouraging and mentoring young people to access opportunities available to them.

**Older generation:** This Social Action Project is aimed at encouraging participants to engage with older people in their communities or those with disabilities. Projects could involve volunteering at local Care centres or community centres or even organising their own coffee mornings or events for older residents. The Project will also give participants to engage with a different generation and learn about different parts of our diverse society.

**Sport in our community:** This Social Action Project is aimed at encouraging participants to organise a local community sports event. This will include promoting healthy lifestyles through participating in sport, or bring people together from different backgrounds through activity. This may involve participating in volunteering at local sports centres and at the end a community day for all involving sports.

**Campaigning: Anti-poverty in our communities:** This Social Action Project will encourage participants to take an interest of what is going on in their local community and encourage them to protect, support and highlight local needs. Anti-poverty in our communities is just an example. As well as building communication and campaigning skills, also supporting local community issues.

**For further guidance, consider playing the National Citizens Service video link below. This example, specifically focuses on how young people can get involved in Social Action within their own communities:** <https://www.youtube.com/user/NCSheroes>



### **Social Action Guidance – how to get young people involved**

**If a young person, you are working with is interested in Social Action, the best way is to identify something they will be interested in for at least 3-6 months.**

**It can take this long to get a project set up and running.  
Enterprise skills, can be used in exactly the same way in Social Action.**

**Furthermore, visits to youth-led Social Action projects are great opportunities for young people to learn about how they can develop their own social action project in an informal setting.**



## Bibliography

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- University of Sheffield – November 2015 - [Link](#)
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