



**REBORN - EMBRACING FAILURE TO
ENCOURAGE ENTREPRENEURSHIP AND
COMPETITIVENESS**



REBORN
Interreg Europe



European Union
European Regional
Development Fund

**IFKA KÖZHASZNÚ
NONPROFIT KORLÁTOLT
FELELŐSSÉGŰ TÁRSASÁG**

REBORN project activities of IFKA

As a result of project **Phase 1 (2017-2018)** implementation IFKA has developed a Regional Action Plan aimed at improving Hungarian EDIOP bases on the good practices learned from Italy, Spain, Poland and Greece.

During project **Phase 2 (2019-2020)** IFKA is putting effort to implement the actions of Regional Action Plan – which is focused on creating an early Warning Program in Hungary based on the experience of the 4 partner countries.

1. Micro and small entrepreneurs, who are drifting towards crisis.

2. Business owners, who are dealing with bankruptcy procedure: before, during, or after bankruptcy.

Achieved by August 2020

- 1) Holding a workshop with Early Warning Europe (EWE) experts from Denmark in Budapest in October 2019;
- 2) Skype calls with organizations responsible for EW implementation in Italy, Greece, Poland, Denmark, Finland;
- 3) Organizing a Hungarian stakeholder group consisting of organizations relevant for EW Hungary implementation;
- 4) Forming a pool of mentors consisting of 15 experts in different fields;
- 5) Pilot launch of the mentoring program for entrepreneurs in the frame of Interreg Danube project;
- 6) Approval of EW Hungary budget and timeline by ITM.

Planned for August – December 2020 (in the frame of GINOP1.1.10)

- 1) National and European assessment;
- 2) Elaborating the model of early warning and crisis management network;
- 3) Employment of consultants in IFKA
- 4) **Establishing the screening and diagnostic system;**
- 5) New web page;
- 5) **Recruitment and training of mentors;**
- 6) Selection and training of legal advisors;
- 7) Launching the call for enterprises in crises

Establishing the diagnostic system

The screening and decision on the further process for the company is done by the consultant.

Consultant has the following important tasks, all with big importance for the quality, development and success of screening process:

- Initial dialogue and screening of companies
- Secure appropriate match with the right volunteer mentor
- Dialogue with volunteer mentors – knowledge of both competencies and personality
- Dialogue with lawyers
- Coordinating different partners' work with the individual company
- Collecting experience allowing him/her to identify and formulate experiences, need for further knowledge and education, input to the training and other arrangements for volunteers.

Recruitment and training of mentors

The volunteer mentors are a cornerstone in an Early Warning Hungary organization. It is thus very important to recruit the right persons from the beginning as this will make it possible to enter into a positive circle. Competent volunteer mentors with the right reasons for being volunteer will attract new qualified persons, getting more and more strong people to join.

One of the **strongest doubts** when building an Early Warning organization is whether or not it will be possible at all to get experienced business people to work for free. For example in when Early Warning was started in Denmark most people it was called 'completely impossible and contradictory to basic Danish business culture'. Nowadays Danish EW program works with 300 volunteer mentors, and there are 8 more EU countries which have the same system with more than 1500 volunteer mentors in total.

Budget planned for 2020-2022

By the end of 2020 EW Hungary program (GINOP-1.1.10 – Second chance sub-project) will be up and running on full speed. According to the timeline IFKA will receive funding for implementing EW Hungary till June 2022:

2020 – 102 599 EUR

2021 – 147 050 EUR

2022 – 116 180 EUR