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REALITIES AND PERSPECTIVES**

## **Strategic Management Solutions - Accessing the Start-Up Financing**

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**Abstract:** In Romania, the focus is on environmental issues related to the threat of infringement proceedings for environmental deficiencies. As a result, companies are looking for specialists prepared to deal with environmental issues or want to improve their own staff. It is also necessary to increase the awareness of the population for the selective collection of waste. In order to set up a firm in this area, managers can adapt the solution to develop a business plan to obtain start-up financing, respecting the Financier's Guide. The newly established company addresses the segment of the market that includes companies with productive activities and which, by nature of the activity, also generates waste. Also, courses can be organized for the general public to get acquainted with the correct way of collecting waste. The research method consisted of applying an age group questionnaire to determine the interest in the type of services offered. On the basis of this survey, it is timely to request a service to contribute to the training of the specialized personnel responsible for environmental protection and environmental monitoring. The service is aimed especially at people who want to know how to manage environmental issues in a company. The service also addresses people who want to develop their environmental protection skills to get new job opportunities. Courses can also be addressed to the general public to familiarize themselves with the correct way of collecting waste.

**Keywords:** selective collection of waste; start-up financing; environmental deficiencies; environmental issues

Obtaining funding through the Start-up Nation Program, a government program to encourage and stimulate the establishment and development of small and medium-sized enterprises, is an important managerial tool to be used by young managers and beyond. Through the procedure of implementation of the program, the minimis aid scheme is established. The granting of the minimis aid within the Program will be done only in compliance with the criteria regarding the minimis aid provided by the Regulations of the European Union. The main objective of this scheme is to stimulate the establishment and development of small and medium-sized enterprises and to improve their economic performance, with priority in the less economically developed geographical areas, in which the density of SMEs is reduced compared to the European average, the creation of new jobs, the insertion on the labor market of disadvantaged persons, unemployed and graduates.

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### **Eligibility Criteria for Potential Beneficiaries of the Program**

- the company established by natural persons who do not have or have not been the shareholder or associate in another small or medium-sized enterprise that carries out or has performed the same authorized activity for which it applies within the program in the year prior to the registration or in the year of registration until at the opening of the registration session;
- the company must have its registered office / business headquarters, carry out authorized activity on the territory of Romania (authorized CANE code), up to 249 employees and achieve a net annual turnover of up to 50 million euros;
- the company must not have debts to the general consolidated budget and to the local budgets;
- the company must create at least one full-time job for an indefinite period and keep the job occupied for at least 2 years after the completion of the project implementation.

### **Types of Financial Aid**

The Program finances the implementation of the Business Plans, in descending order of the obtained scores, with the following condition:

- The Non-refundable Financial Allowance can be of maximum 200,000 lei / beneficiary, amount that can represent 100% of the value of the eligible expenses (including VAT for the non-paying companies) related to the project.

The purpose of the financing must be in one or more of the eligible categories:

- the equipment category includes equipment for playgrounds and gyms, fitness, x-body and force, drones;
- workspaces, production spaces, service and trade spaces are purchased within the program and the evaluation will be based on the expertise of an expert evaluator ANEVAR;
- the software required to carry out the activity for which financing is requested including licenses have an eligible value of maximum 60,000 lei;
- the cars to be purchased must be justified in the business plan and an eligible value of maximum 36000 lei (VAT included) and maximum 1 car / beneficiary.
- salaries, utilities, accounting services and expenses related to rents for workspaces are eligible. The amount of these expenses represents a lump sum of up to 30% of the value of the eligible expenses mentioned in the business plan;
- purchased assets, fixed assets or inventory items, must be new.

## **Case Study**

### **Start-up Financing Strategy**

#### **General Information**

For setting up a company in the field of environmental protection, the managers can adopt the solution of elaborating a business plan in order to obtain a start-up financing, in compliance with the Financing Guide. The newly established company addresses the market segment that includes companies with productive activities and which by nature of the activity generates implicit waste. Also, courses for the

general public can be organized, in order to become familiar with the correct way of collecting the waste of different types and at the same time with the ways of preventing the accidental pollution.

### **Vision, Mission**

The newly established company will become representative in the niche segment for professional training in the field of environmental protection. The strategy that will be adopted will aim at promoting the activity among the companies that might be interested in training in the field of environmental protection and at the same time among the population from the individual households.

### **Management, Human Resources**

The manager of the newly established company must have specialized knowledge in the field of environmental protection and at the same time minimal knowledge of business management. The human resources that can be attracted to the company are not very numerous, the activity can be carried out with a minimum number of employees until it becomes profitable.

### **Presentation of the Project**

The project aims at obtaining financing in order to arrange and equip a space that will be used to organize training courses. As a result of the business plan:

- making the appropriate course supporting documents;
- promotion tools: database for potential clients / trainees, promotional leaflets, website;
- carrying out a minimum of 4 training sessions for a minimum number of 10 persons / session.

Activities required to implement the business plan:

- setting up the company;
- the empowerment of the company for the activity of personal trainer;
- providing an adequate space for offices and the conference / training room or, as the case may be, only the space for offices will be provided, following that for each training session, space is rented in other locations or at the client's premises;
- the arrangement of the space;
- the purchase of furniture, a sufficient number of computers and the corresponding license for their operation, a projector, a multifunctional print;
- staff recruitment and training;
- creating a website;
- carrying out actions to promote services such as (non-exhaustive): participation in various meetings of business groups, meetings organized by authorities, meetings of the Chamber of Commerce.

In order to achieve the business, the following acquisitions will be made:

- four laptops with a license - worth at least 2500 lei each,
- a multifunctional printer with printing, scanning, fax functions;
- video projector - 1500 lei;
- adequate furniture (offices, cabinets, tables and chairs for the classroom).
- a web domain for the site;

- a professional website creation service.

### **Market Analysis**

The segment of vocational training companies is quite small, being observed the lack of companies organizing specialized courses in the field of environmental protection, which represents an advantage for the company.

### **Marketing Strategy**

The service will be presented as a package of courses offered to the interested companies. For companies, but also for interested individuals, subscriptions will be offered on the web page, where they will also receive new or updated information regarding the courses made available, ensuring the continuous training as well as consultancy services regarding the legislative news. Also, courses for the general public will be offered.

The prices are established according to the level of required training. For those interested in a continuous training program, monthly subscriptions and access to the database of courses and news are offered. For the loyal clients discounts will be offered for participating in courses of their interest. Also, if the course is held at the client's premises, a discount can be offered for a larger number of participants. Prices will be at an intermediate level, compared to the maximum and minimum prices of the competition on the market.

Potential customers are first and foremost among companies with productive, storage, medical, etc., waste generating activities.

The sale of the service will be achieved by punctual offer of the courses to the companies and the natural persons interested. Subscriptions will also be provided for companies wishing to carry out a continuous training program for employees, both specialists and non-specialists.

The promotion of services will be done through the web page, but also through the social networks.

Also, for promotion, participation in different business meetings, business seminars will be ensured.

### **Financial Projections**

It is estimated that the grant requested for the implementation of this project will be of approximately 150,000 lei.

After calculating the projected revenues and expenses for the first two years of activity of the company (the period of implementation of the project), it is estimated that the company becomes profitable.

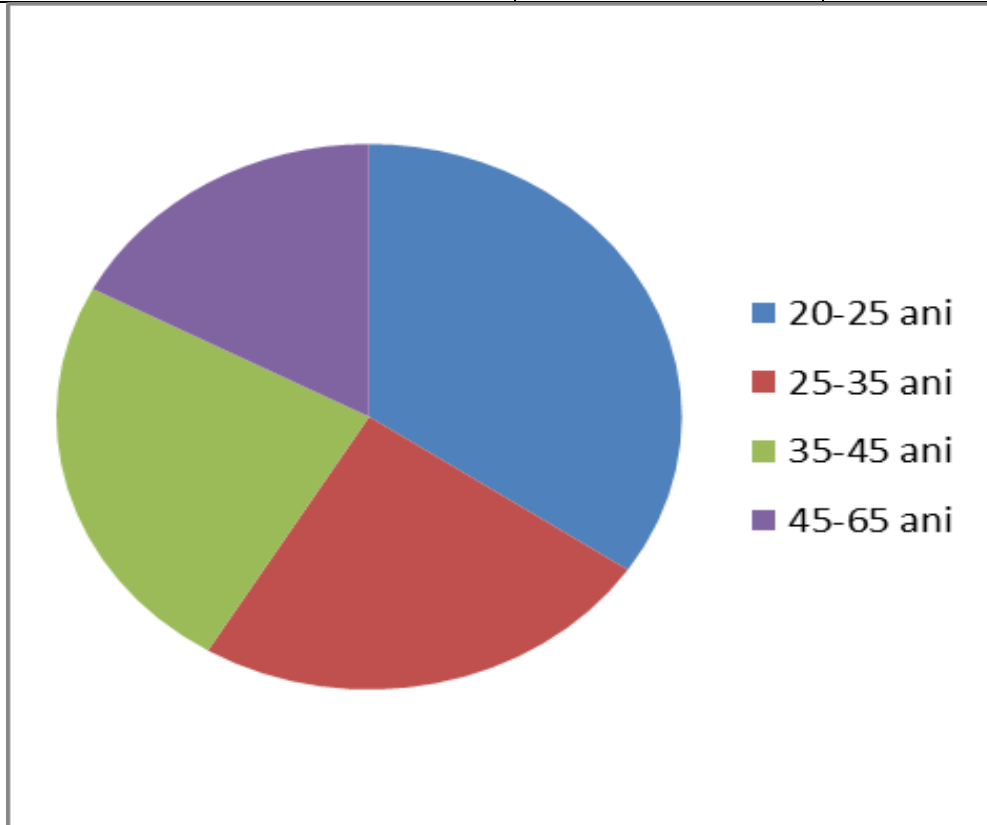
### **Justifying the Need to Finance the Project**

In Romania it is the moment when great emphasis is placed on the problems related to environmental protection, in connection with the threat of infringement procedure for deficiencies related to environmental protection. As a result, companies are looking for specialists who are prepared to deal with environmental issues or want to improve their own staff. It is also necessary to increase the awareness of the population for the selective collection of waste.

The research method consisted of applying a questionnaire on age groups, in order to establish the interest for the type of offered services (table 1).

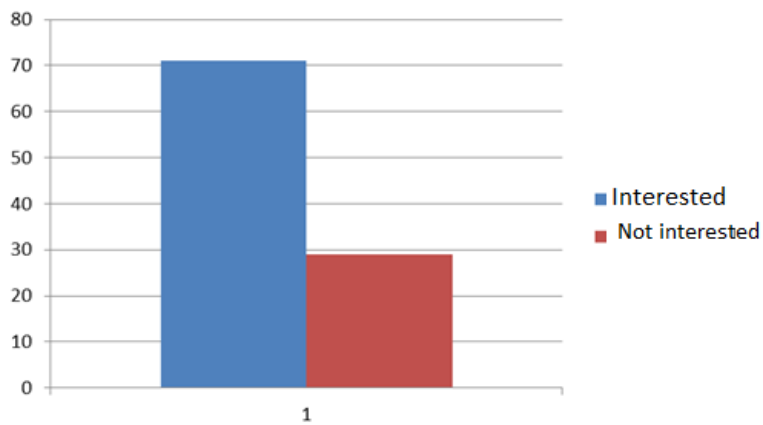
**Table 1. Centralization of questionnaires**

Number of persons	Age group/years old	Not interested	Interested
25	20-25	10	15
25	25-35	7	18
25	35-45	7	18
25	45-65	5	20
Total		29	71



\*Ani – years old

**Chart 1. Distribution of the sample questioned by age groups**



**Chart 2. Distribution of the answers to the questionnaire**

## **Conclusions**

Based on the conducted survey, it is considered appropriate to create a service that will contribute to the training of specialized personnel responsible for environmental protection and environmental monitoring. The service offered mainly concerns people who want to know how to manage environmental problems in a company. The service is also addressed to people who want to develop their skills in the field of environmental protection in order to have new employment opportunities. The courses can also be addressed to the general public, in order to become familiar with the correct way of collecting waste.

The advantages of setting up the company are: developing the online or subscription based training system; organizing courses both at the headquarters and third parties; carrying out environmental audit missions to beneficiaries.

The positive influence of Start-up financing for the management of the company is also appreciated by the opportunities and benefits offered by a business that proposes innovative solutions in areas such as distance learning, environmental protection and waste reduction.

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