

## Preparation of Value Network for SME's (VNV<sub>4</sub>C) in V<sub>4</sub> countries in automotive and vehicle industry Visegrad Fund project # 21920028

### Project aims and objectives

Customer demands force industry and service sector actors to deliver value to their processes in an ever-higher level of competition. If SMEs in the automotive industry today are unable to adapt to the sharpening competition, they will not be able to retain their position in the industry and go bankrupt. In the V<sub>4</sub> region, this would also have a very negative impact on society. "Winners are determined by the attitude and the way of the future." These are likely to be challenges for SMEs, for example. new requirements for vehicle manufacturers and national governments, EU and global rules. How will these companies (SMEs) manage these challenges if their only concern is to continue their day-to-day business? In order to achieve future market positioning, an open mindset in the supply chain is needed and should be acted upon accordingly. The purpose of the Value Network is mapping the SME-level co-operation of this region and to reveal its information and current situation. The Value Network Preparatory Project wants to involve the organizations and research sites of the V<sub>4</sub> countries in the preparatory phase. The purpose of the Value Network project is to explore the possibility of creating a platform and thereby multiplying the chance for businesses in the region to develop and maintain their competitiveness. The preparation will lead to further development of initiatives.

The idea of value network is for a network of SMEs that work together in an environment where there is open communication and trust is created, that active participation results in honest discussions giving the network a broader view of business context and a clearer understanding what the reality of the business world is, making it more capable and complex than just one SME on its own. In the Value Network, we need to identify companies who understand better the shape of their industry. We need to find people who have a similar mindset and approach of working together, knowing that with the network of companies they have a better say in the industry. Our goal is to identify common challenges within the network and solve them together.

Taking V<sub>4</sub> countries as an entity provides the critical mass necessary to make an impact on global automotive industry. As all V<sub>4</sub> countries are members of the European Union, the region is politically and economically stable. Various financial sources for investment or development supported by the EU are available for companies. These countries provide also a link between Western and Eastern Europe with well-developed infrastructure and good transportation connections. Foreign investments are the basis



of the V4 automotive sector, with V4 countries having legal frameworks in place that enable a business to flourish. It is relatively easy to set up a business in the region. High qualified consultant enable investors to make the right and well-founded decisions and set-up new businesses.

