DESIGN-DRIVEN INNOVATION

- concept and tools that inspire business owners to shift from
crisis towards sustainable innovation

By Design School Kolding

RESTART Baltic Sea Region

Design-driven Innovation

May 2020

CONTENT

INTRODUCTION TO CONCEPT

When a company is in a state of crisis, potentially headed towards bankruptcy, this has immediate and far-reaching consequences, not only for the future of the company, but also for its owners, their connections, families and for society as a whole.

When a major, external crisis hits, such as the COVID-19 pandemic, this is more relevant than ever. Company owners and companies need help to be able to adapt to new situations and/or life situations. It is most urgent to alleviate the immediate crisis, but it is equally important to gain insights on how to survive the new reality long-term. This often requires external guidance and tools that can lead and empower you to identify and grasp the potential of situation in relation to your business plan and strategy.

In addition to their economic loss, most owners find themselves in a deep, personal crisis. It is not uncommon that this is accompanied by feelings of guilt and shame. Too many business owners feel isolated with their problems, and because many people consider crisis and failure to be taboo, it is rarely something they talk about openly.

Considering the social stigma, it is entirely understandable that many entrepreneurs are hesitant to ask for help, but sadly, this is very counterproductive. In fact, the sooner business owners can find the appropriate help and support, the better their chances are of turning their crisis into new opportunities for innovation and growth.

For this to happen the business culture needs to change, in the Baltic Sea Region and beyond. Thus, this project argues in favour of a shift towards a more open, trusting business climate in which owners feel confident to talk about the challenges they face.

The primary purpose of the Restart BSR project is this:

"To use empathy and respect to support Baltic Sea Region business owners who are experiencing a crisis in order to bring value to society and motivation for a better future."

With this concept and the tools presented herein, we hope to contribute to a fruitful collaboration to reduce the number of costly and often painful bankruptcies. None of the tools are quick fixes, and they all require a sincere, dedicated effort and a critical look at the current practices. All the tools should be facilitated by a competent mentor in an atmosphere of trust and respect. Under these conditions we believe this concept can help business owners identify the root causes of their crisis, strengthen their reflection, encourage them to see new opportunities and go for them.

Rooted in the practice of design and design thinking, these tools can guide the process from crisis management towards innovation and new growth. It is our experience that design driven innovation has much to offer companies. This was recently validated by McKinsey, the global consulting firm, when they presented the results of a comprehensive five-year research project demonstrating the business value of design. The "McKinsey Design Index" (MDI)[*] shows how a strong MDI performance correlates with "superior business performance" overall. This is true across design for physical and digital products, services and combinations of these approaches.

We hope you will enjoy reading and experiencing the value of design-driven innovation.

Sara Velsing Groth, Alexandra Lindek, Stinna Hougaard Vinther Sørensen and Mathias Poulsen, Design School Kolding, May 2020.

[*]www.mckinsey.com/business-functions/mckinsey-design/our-insights/the-business-value-of-design

SUMMARY OF THE PROJECT

BACKGROUND

The Restart BSR project is a response to the widespread problem with bankruptcies, which not only threatens the company in question, but also companies in its value chain, local communities, the public sector and society at large. Furthermore, a company in crisis with the risk of bankruptcy will almost always have a negative impact on the personal life of the business owner, his/her family, employees and other social relations.

While preventing bankruptcies is already a priority across the Baltic Sea Region, this project directly addresses the lack of an 'innovation dimension' in the existing crisis management and 2nd chance approaches.

The concept described in this publication contributes to the build-up of the institutional capacity for innovation in Poland, Latvia, Lithuania and Estonia. It does so by combining design thinking with experiences from crisis management and 2 nd chance approaches. As a part of this, the business consultants and mentors will be able to provide adequate advice and innovation support to company owners to help them restructure their businesses to avoid bankruptcy and job losses, and – in the medium to long term – also enter a new path of growth and job creation.

For the business owners this means they will be empowered to enhance their capacity for non-technological innovation, identifying and realising their potential for growth, while reducing the risk of bankruptcy. In addition, the concept and tools will enable business owners to pursue a 2nd chance effort in order to launch a new and more successful business venture.

Together, these efforts will help business owners regain their self-esteem and confidence, support the development of new and more competitive business models, and help restarters use their experiences from a business failure to create growth and new jobs in the Baltic Sea Region.

ABOUT THE PARTNERS

The majority of the project partners are based in the Baltic Sea Region where they have substantial experience and expertise in working with crisis management and business support structures. Design School Kolding is based in Denmark and is responsible for the development of the innovation concept.

Together, we are an international network and team of experts and specialists who guide business owners in crisis within an atmosphere of trust and respect. We bring innovative tools and instruments to help business owners find hope and create new possibilities for future growth.

Project partners
- Lower Silesian Intermediate Body, Poland
- Design School Kolding, Denmark
- Vilnius Gediminas Technical University, Lithuania
- Latvian Technological Center Foundation, Latvia
- Ministry of Economics of the Republic of Latvia, Latvia
- Harju County Entrepreneurship and Development Consultancy, Estonia

OUR MISSION

- To support companies in crisis in the Baltic Sea Region
- To bring value to society
- To motivate business owners towards a better future

ETHICAL CODEX

We have developed a set of fundamental values, which inform, guide and shape the project as a whole, the concept and tools and all interactions with business owners:

Trust
We will always maintain a high level of trust in the relationship with the business owner by ensuring confidentiality, keeping promises and generally being trustworthy.

Empathy
We will always respect the business owner, defer judgement, use constructive criticism, establish common ground and show understanding of their emotions and needs.

Community
We will create a network of solidarity between mentors and business owners, sharing knowledge, trusting and helping each, so no one feels alone.

Empowerment
We will always aim to empower mentors and especially business owners, so they see their own resources, regain confidence, show responsibility and take action.

Openness for change
We will motivate business owners to develop an open mindset, to see new opportunities and accept the change required to achieve a desirable future.

Creativity
We will create a space where mentors and business owners can work creatively together to make innovation possible.

SUSTAINABILITY

When a company is in a state of crisis, there is a tendency to focus on the financial dimension. While it is obviously important to ensure a profitable business, profit is hardly enough to run a responsible, healthy and competitive business.

"The triple bottom line is a sustainability framework that examines a company's social, environmental, and economic impact" * - Elkington

In Restart BSR, we apply the widely used concept of the "triple bottom line", which was developed by John Elkington in 1994. Then, as well as now, this approach intends to highlight a focus shift from one bottom line – profit – to three equally important bottom lines: people, planet and profit. This means the business owner should pay as much attention to the needs of people and the Planet as they do to secure profit.

For this to have an impact on a fundamental level, the entire value chain must be scrutinized according to this framework, and every major decision should reflect the three bottom lines. Within the context of our concept, it means that every tool should be used with the awareness that it always addresses the potential growth for not only profit, but also people and planet.

DESIGN THINKING

Design thinking has become quite popular, also outside the field of design. At its core, design thinking is about understanding and addressing the needs of people, particularly potential users and customers. It is generally considered to be important to involve people, including stakeholders such as colleagues, employees, and representatives of the target group(s), in the design process. By engaging in ongoing dialogue, it is possible to reduce the risk of "tunnel vision", challenging your own biases and bringing in fresh perspectives.

In any design process there is an ongoing exchange between what is often called "open mode" and "closed mode", which relates to "divergent thinking" and "convergent thinking", respectively. Open mode is all about exploring what might be possible, boosting the imagination and expanding your horizon. Closed mode, conversely, is about narrowing down the possibilities, moving towards more concrete ideas and taking action. Design thinking is thus about understanding what is in order to design for what might be, giving us the agency to positively impact the world.

Design thinking usually works with cyclical, "iterative processes" rather than linearity. Once you have done one full cycle, from early research to a potential solution, you examine the results and go back to revisit and revise the solution again. Likewise, we suggest revisiting necessary and relevant tools during the process e.g. when gaining new insights, the tools that you already used might have another outcome.

The triple bottom line
People, planet, profit

*www.hbr.org/2018/06/25-years-ago-i-coined-the-phrase-triple-bottom-line-heres-why-im-giving-up-on-it

GROWTH JOURNEY

In the Restart BSR project the primary concern is to improve the situation of the business owners as we want to help them adequately manage their current crisis, both on a professional and personal level. The entire project is centred around the experience the business owner will have of interacting with the Restart BSR programmes, from first learning about its opportunities, becoming onboarded, engaging in sparring sessions and all the way to clarifying the future of the company and potentially launching innovation initiatives.

The progress is visualised by our "growth journey", which describes the journey of the business owner together with the mentor. This journey holds rich opportunities for both professional and personal growth, for mentor and business owner alike.

The growth journey is divided into three overall phases:

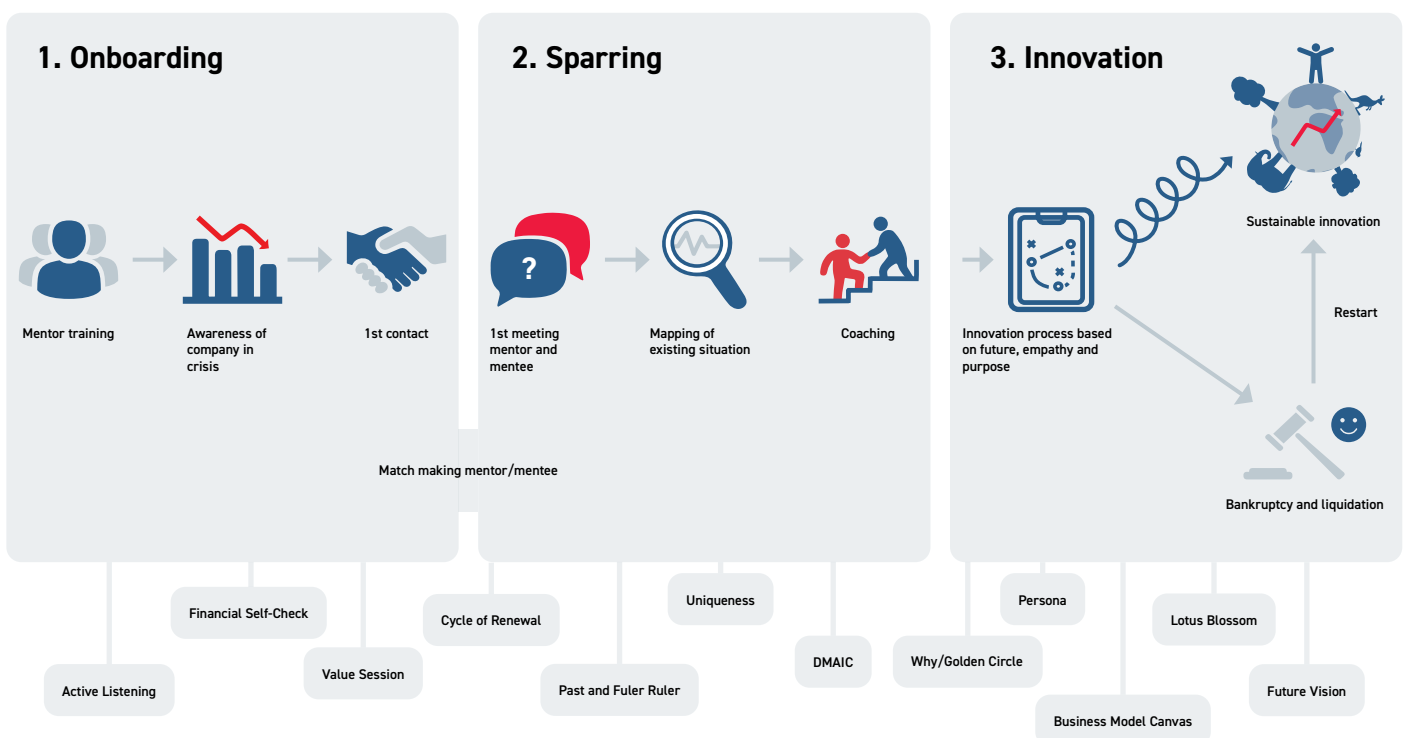• Onboarding
• Sparring
• Innovation

1. ONBOARDING

The onboarding process represents the business owner's first encounter with Restart BSR. He/she is matched with a competent mentor and begins to examine the extent and causes of the crisis.

To achieve good results in the mentorship process, it is important to pay attention to the matchmaking of mentor and mentee. The more we can know about both the mentor and the mentee, the better are the chances of a fruitful match.

Who is the mentee and what characterizes her/his/their current situation? Which mentor has the knowledge and experience to best help the mentee?

Good matchmaking is also a matter of personality and chemistry. Some mentors will work better with some mentees than with others, and a good relationship increases the chances of a successful outcome. One way of making a good match is by aligning the values of the mentor and the mentee by creating a shared "value codex". Another approach, directly addressing the question of personality, can

1. Onboarding

Mentor training → Awareness of company in crisis → 1st contact

Match making mentor/mentee

Active Listening
Financial Self-Check
Value Session

2. Sparring

1st meeting mentor and mentee → Mapping of existing situation → Coaching

Cycle of Renewal
Past and Fuler Ruler
Uniqueness
DMAIC

3. Innovation

Innovation process based on future, empathy and purpose

Sustainable innovation

Restart

Bankruptcy and liquidation

Persona
Why/Golden Circle
Business Model Canvas
Lotus Blossom
Future Vision

Restart BSR, Growth Journey

be to use the knowledge of "the big 5" personality traits and the related personality tests.

It is the job of the consultant to match the business owner in crisis with the right mentor since he/she is most likely the first person to have contact with the business owner.

In some programmes such as Early Warning Denmark, they have set up a digital system for matching mentor and mentee. This is done based on the experience of the mentor and of course also taking into account how many mentees a mentor can help at a time.

Based on the feedback from our associated partners we recommend including a set of personal values as well, especially since it is decisive when working with a person in crisis to have some kind of personal connection, common understanding and empathy.

A challenge when matching people can also be the physical distance, both because of time and money spent on travelling. Though it is nice to meet in person, the COVID-19 pandemic has also improved our digital skills. We have gotten better at facilitating online meetings and working on digital platforms together on a distance. This might be helpful when the right mentor and mentee are positioned far from each other.

In this first phase of the journey the supporting tools implicate both facilitating, collaboration and basic analysis tools to get the right foundation for the further work are: Active Listening, Financial Self-check and Value Session.

2. SPARRING

In this phase, the business owner has been matched with a competent and well-suited mentor, and they engage in sparring sessions, collaborating on understanding and exploring the current situation. At this stage the business owner decides whether to close down and liquidate the company, restart or rethink his/her company. The mentee must trust the mentor and be willing to openly share everything that is related to the crisis.

It is possible to draw on external experts such as lawyers and accountants for specific issues, but the primary work is being done by the business owner in collaboration with the mentor.

The second phase of the journey is supported by the following tools to share learnings, gain insights, identify new perspectives and emphasise the need for mental support during crisis: Cycle of Renewal, Past and Future Ruler, Uniqueness and DMAIC.

3. INNOVATION

When the mentor and mentee have carried out a thorough investigation of the causes of the crisis, it is time to secure a better future for the company and its owner. This often entails acquiring better knowledge of innovation processes in order to be more competitive and ensure future growth.

The previous two phases will sometimes lead to the conclusion that the best solution is to close the company and not found a new one, which may be the right decision. However, this concept focuses primarily on situations where the company either survives, or the owner founds a new and different company through a 2nd chance effort. In both cases, the potential for innovation should be assessed and enhanced in order for the company to be able to compete.

In the Restart BSR project, we focus on "non-technological innovation" as it is defined in the "Oslo Manual":

"Expressed in its simplest form, non-technological innovation covers all innovation activities which are excluded from technological innovation. This means it includes all the innovation activities which do not relate to the introduction of a technologically new or substantially changed good or service or to the use of a technologically new or substantially changed process."

To support the third phase of innovation and progress the following tools are suggested: Why/ Golden Circle, Persona, Business Model Canvas, Lotus Blossom and Future Vision.

PERSONAL JOURNEY

Where the "growth journey" describes how the mentor and mentee "grow" as they progress from onboarding through sparring towards clarification and potential innovation, the personal journey is all about the journey of the business owner.

To visualise this personal focus and underline the importance of being aware of the owner's state of mind during the different phases of the crisis, we draw on 'The Cycle of Renewal' from the Hudson Institute.

The tool employs a holistic approach to personal development and change. It helps determine the psychological condition of the mentee in order to learn how to be a valuable dialogue partner, and what kind of change the mentee is open to. Every relationship between mentor and mentee should be based on trust. It can be used with other tools, e.g. the Active Listening tool.
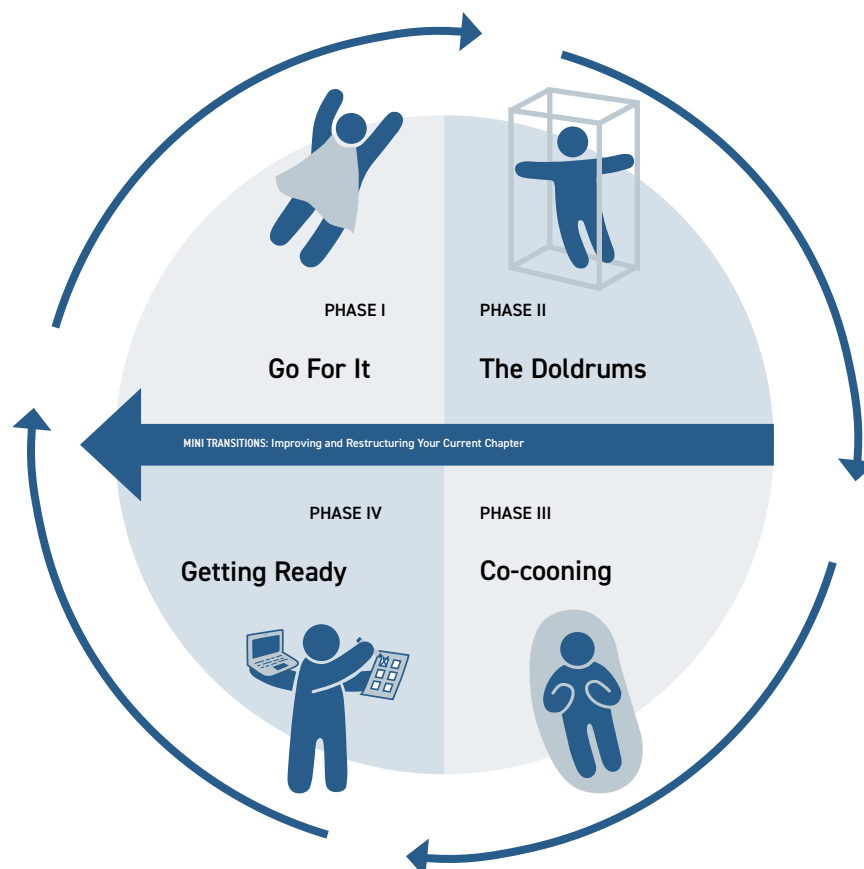
Read more about **The Cycle of Renewal**

COACHING AND FACILITATION

Throughout the "growth journey", the primary goal is to empower the business owner to take charge, clarify the situation, identify the root causes of the crisis and address these. The mentor must never take away the agency of the mentee and should avoid trying to solve his/her problems. Instead, she/he should aim to guide the mentee towards new insights and the capacity to act confidently. This process draws heavily on the disciplines of coaching and facilitation.

The good mentor is also a good coach who is able to create a culture of trust, ask questions, listen actively and help the mentee shift his/her perspective. Within this culture of trust, the taboo of failure can be addressed, making it possible to speak about not just the weaknesses, but also the strengths of the owner and his/her company.

All the tools in this collection require some degree of facilitation, and in most cases, this facilitation is

PHASE I

Go For It

PHASE II

The Doldrums

MINI TRANSITIONS: Improving and Restructuring Your Current Chapter

PHASE IV

Getting Ready

PHASE III

Co-cooning

Cycle of Renewal, Hudson Institute

carried out by the mentors. Facilitation is, in this context, understood as a way of reducing complexity, enabling the mentee to see new opportunities, making decisions and taking action.

When we talk about "tools" in the project, we refer to a wide range of design-based methods and techniques that can help us achieve the goal of the project, which is to empower business owners to manage their crisis, clarify their future and increase their potential for innovation.

None of these tools hold "the truth" and provides no magical cure. They are meant to help the mentors build their capacity for coaching, conversation, facilitation and innovation with the mentees. This, in turn, will allow them to empower the business owner.

In the following section, facilitation tips, we present a collection of more concrete suggestions for facilitating these tools to harness their full potential.

FACILITATION TIPS

The tools in the concept framework are accompanied by a few facilitation tips. These should be a helping hand for the mentor in preparing and facilitating a specific session with the business owner.

Below is a short, general description of the categories we use:

CO-CREATE
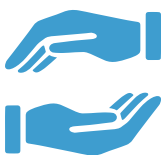
Co-create
Often it is good to apply the tools in a wider social context than just the mentor and the mentee, potentially involving colleagues, employees, external partners and end users. Thereby you ensure diversity in the thinking which add different perspectives and helps innovation on its way. Especially for a company owner in a crisis he/she is often 'locked' in a specific understanding of the situation and will be positively surprised to hear other people's perspectives.

The design tools help the co-creation processes to move forward in an empathic way, where we benefit from each other using a shared language.

Sometimes it might be an idea to separate leaders and employees when you work with a tool, and after the separated session get together and listen to each other, so that we ensure an open explorative mindset where leaders are not 'controlling' the thinking of the employees.

MINDSET

Mindset
Each tool will have the biggest impact if the people involved have the 'right' common mindset when they work together. As a mentor/facilitator of the meeting you have to choose which mindset that is most appropriate according to the purpose of tool and context you work in. At the most basic level this relates to the "closed" and "open" modes of design thinking. Closed mode is analysing 'WHAT IS' by looking at the current business and situation. When we work in a closed mode, we are thinking analytic, structured, logical, using the left side of our brain. Open mode is when we are exploring new opportunities on 'WHAT MIGHT BE' looking forward for changes and possibilities in the future. Here we use the right side of our brain, involving intuition, experiencing, sensing, making.

REVISIT

Revisit
Most tools should be considered part of an ongoing development process where you revisit and potentially revise your earlier decisions and solutions. Thereby you can continually adapt your company strategy to changing circumstances.

STAGE

Stage

It is always important to consider the physical context of working with the tools. Choose the right space/surroundings to create the right atmosphere. If you need a relaxed atmosphere for creating trust it might be a nice idea to go for a 'walk and talk' in the forest. If you meet in an office, which room do you choose and how do you prepare the room to create the right atmosphere? How do you use the tables, chairs, walls during the meeting?

It might be important to do one of the first meetings in the office of the company owner to 'smell' the atmosphere. If you arrange digital meetings, how might you create the right atmosphere according to the purpose? Can you do digital shared white boards in e.g. Miro to share your thoughts and connect in a nice way?

MOVE

Move

In holistic thinking you need to consider how both body, mind and surroundings support your learning and development. Rather than just sitting around a table, it can be helpful to get up, move around the room, use the walls, and maybe go for a walk outside.

It is our experience that the level of energy in a group of people rises, when using both body and mind to think and elaborate on a subject together. The minute you stand up, you are more active, which supports the relational aspect of being together in a room working on a task. This again contributes to a stronger social cohesion and better collaboration. Sometimes it can even add a joyful element to a working session.

To make a change in scenery during a process also encourages to action and thereby supports the workflow. In this case when working with people in

crisis movement has a positive impact too.

In digital meetings it can be a great energizer to think about body movement as well and remember the breaks where people move away from the screen for a while, get some fresh air or some coffee, or maybe you need five minutes of stretching exercises together?

SUPPORTING TOOLS

Supporting tools

This tip suggests combining more tools for bigger impact. Have a look at the GROWTH JOURNEY to get inspired on which tools to use before and after each other. The order should be understood in a flexible way, where most of the tools can be used at different steps of the journey. Always think about where you are in the journey with the business owner, considering the state of mind of the business owner, and what is needed according to the specific company situation.

VISUALISE

Visualize

To get thoughts and ideas "out of your head" in order to refine and share them, it is a good idea to use visualisation, by printing out templates, drawing sketches while discussing, including photos and images along the way. For instance, you can ask people to prepare an image about their vision, or they can choose from images you have spread out on the table.

Visualisations helps people engage in a subject and to have a common focus and understanding in a work process. Many design tools ensure that the process is visualized and thereby also document and save insights and outcomes of the meeting.

When a business owner is in a state of crisis, he can feel stuck and in grief, and sometimes in these situations, images might add a joyful feeling and helps the mindset to open up.

MENTOR TRAINING

To ensure that the mentors are sufficiently equipped to handle the complex and demanding tasks of the mentorship, it is important to provide them with thorough training, both initially and over time.

In this training, the following areas stand out as essential:

• Coaching and facilitation
• Active listening
• "Dual positioning"

The mentors often possess valuable expert knowledge, but they have to learn to act primarily as coaches and facilitators. In this capacity, they cannot simply tell the mentee what to do, but must instead offer support and guidance that empower the mentee to find his/her own solutions.

When we have investigated the most important required skills of the mentors, the ability to listen is usually mentioned first. Active listening skills require the mentor to avoid passing judgement, to be present in the situation, and to respond to what the mentee is actually saying.

An analysis of the Danish Early Warning programme concludes that mentors should be able to shift between the role of "facilitator" and that of an "expert". In fact, this "dual positioning" is considered the one thing that can "lead to the greatest positive changes in the collaboration between business owner and consultant/mentor".

TOOLS FOR DESIGN-DRIVEN INNOVATION

ACTIVE LISTENING

The tool cultivates the ability to listen actively to achieve a better understanding of the crisis and help the mentee accept and deal with the situation.

Suggested time
Minimum 60 minutes

Materials
Post-its, pens

Participants
Mentor and mentee

GROWTH JOURNEY

| 1 | 2 | 3 |

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

| Go For it | The Doldrums |
| Getting Ready | Co-Cooning |

The ability to listen actively is a key skill in mentoring. It prevents misunderstandings and allows you to ask effective questions that demonstrate interest and understanding of your mentee. In everyday life, most of us tend to listen only superficially or hear what we would like to hear. Active listening is about making a conscious effort to hear not only the words a person is saying, but the complete message. To become an effective listener, you should keep the following in mind: Pay attention to the words while also paying attention to the tone of voice and observing the body language. Encourage, smile and keep an open posture. Give feedback by paraphrasing and reflecting on what is being said followed by asking wh-questions. Avoid being judgemental and do not interrupt. E.g. no questions before the person is finished talking. Respond in a respectful and honest way.

STEPS

01 Clear time in your calendar, at best with no fixed end time and choose a location where the mentee feels safe and relaxed.

02 Ask open questions. Such as…

"Tell me about…?"
"How would you describe…?"
"How does your company compare with…?"
"What would happen if…?"
"Why is that…?"
"How could you change…?"
"How would you improve…?"
"How do you feel about…?"
"What does that mean to you…?"
"What is your opinion of…?"
"What do you do differently…?"
"Why do you/don't you support…?"

03 Further reflect on what the mentee says, by asking "What I am hearing is…" or "To me it sounds like you are saying…". Furthermore ask clarifying questions such as "What do you mean when you say…?" and "Do you mean…?"
To gather the different thoughts or highlight some insights, you can summarize the mentee's comments regularly.
Try to take notes in a discrete way and try to sense the mentor's state of mind e.g. in relation to **Personal Journey/The Cycle of Renewal**.

▶

If you would like a more systematic grip in the way you ask questions, take a look at the GROW coaching model.

GROW stands for:
- Goal.
- Current Reality.
- Options (or Obstacles).
- Will (or Way Forward).

The model was developed in the 1980's by the business coaches Graham Alexander, Alan Fine, and Sir John Whitmore.

FACILITATION TIPS

MINDSET

It is of great importance that the mentor has an 'open modus' and takes on a supportive role, rather than forcing the mentee in a specific direction.

VISUALISE

Sometimes it helps the mentee if you draw simple icons explaining their story, or write down keywords you can share. Or you can choose specific prepared images to open up the dialogue.

STAGE

Choose a location with a relaxed atmosphere, where the mentee feels safe and relaxed. You can consider a walk in the forest. Your next meeting could possibly be you visiting the company to perceive the atmosphere in the setting of the situation.

FINANCIAL SELF-CHECK

The tool provides an overview of the financial condition of your company.

GROWTH JOURNEY

| 1 | 2 | 3 |

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

| Go For it | The Doldrums |
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The tool (similar to 'Profit and Loss Statement') presents an overview of revenue, expenses and costs incurred during a specific period of time (normally either for a quarter or fiscal year). The outcome provides information about the company's level of ability, also known as Net Income, which appears on the company's income statement. This serves as an indicator of the company's profitability and is useful for investors.

In this context we recommend that mentor and mentee fill in the figures together (e.g. online by means of shared screen), even though it is called a self-check tool. Both for support, since it might be difficult for the business owner to face the realities, and to have the opportunity to discuss and address the challenges and possibilities as they present themselves. Furthermore, it is crucial to fill in the correct data in order to provide an accurate picture of the situation.

After the introduction to the tool, the business owner is advised to use it on a regular basis. Link to tool: www.ec.europa.eu/research/participants/lfv/lfvSimulation.do

STEPS

The tool requires you to fill in several mandatory fields:
A) Assets: Subscribed capital, Fixed assets, Current assets
B) Liabilities: Capital & reserves, Creditors
C) Liabilities - turnover: Operating income, Gross operating profit or loss, Net operating profit, Profit/loss on ordinary activities, Profit/loss for financial year.

Based on this the tool calculates a Financial Viability Simulation.

01 | You start by filling in the entry for revenue (top line).

02 | Now you work your way down filling in the costs and getting to know the company.

03 | The costs will then be subtracted and result in the company's financial bottom line.

04 | Additionally the ratio's results and analysis hereof are calculated.

05 | Note that the definition of equity for small business owners is simple: It is the difference between what your business is worth (your assets) minus what you owe (your debts and liabilities).

▶

This tool is suggested by the project partner, Lead Expert og Ministry of Entrepreneurship Competitiveness Department in the ministry of Economics of Republic of Latvia.

FACILITATION TIPS

SUPPORTING TOOLS

Personal Journey/The Cycle of Renewal: At this stage the mentee might feel depressed and therefore not open towards new thoughts and actions. The theory of The Cycle of Renewal by Frederic Hudson, might help you to get a deeper understanding about the mentees personal condition.

Active Listening: To ask the right questions and establish a space of trust.

The Past and Future Ruler: To keep a focus on the successes and learnings from the past and have a discussing about what to do less of and what to do more of?

REVISIT

To remain updated on the company's level of ability it is recommended to revisit this tool regularly.

VALUE SESSION

The tool helps to identify the underlying values on which a collaboration is based with the aim to create a shared value codex.

The tool helps to establish common ground between participants in a group that allows them to build trust and develop a shared value codex. To gain and sustain trust between people in an innovative development process is crucial for achieving positive results. Trust is essential when we are working with something new and unfamiliar. Furthermore we also have to align expectations, level of ambition and wishes.

Suggested time
Approx. 4 hours.

Materials
Post-its, pens, markers, A3 paper, wall/flipchart. List of values for inspiration

Participants
Mentor and mentee, the group of mentors, the group of consultants, etc.

GROWTH JOURNEY

| 1 | 2 | 3 |

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

Go For it / The Doldrums / Getting Ready / Co-Cooning

STEPS

01 Starting off with a mindset exercise establishes common ground and gives everyone in the room a voice. The facilitator explains the importance of having a relaxed atmosphere and an open mind, referring to childhood experiences and one specific game: "We're going to Africa, and you can all bring one thing of your own wish, it just has to start with your initial letter" (works better with a large group). The extra benefit from this exercise is it helps you to remember each other.

02 The facilitator (or chosen moderator) present The Dilts Pyramid and explains the different neurological levels to show the importance of making changes that would influence the culture and approach of the project/company etc. towards the future. Moving from Behaviour, Skills, Convictions towards Values, Identity, Mission and Vision/Spirituality.

03 (Working in groups – part I) Now form two groups. One group should work with the Mission. The other group should make a short explanation of who you are, using just one or two sentences. The groups present their work to each other, get feedback and adjust accordingly. Time frame: Groupwork 15-20 minutes, prepare flipchart/paper on wall 10 minutes, presentation 5 minutes, feedback/corrections.

04 Individually everyone must choose 7 values that they believe in within the context of the project/company etc. Write each value on a separate post-it. Time frame: 10-15 minutes. To inspire you to identify your core values, a list of values can be found here: www.scottjeffrey.com/core-values-list.

05 (Working in groups – part II) Gather the individual values/post-its produced by both groups. The groups then discuss, analyse, categorize and condense the values and choose the 7 most important values. The groups prepare a presentation of the chosen values and their meaning. Each group presents. Time frame: 30 minutes.

06 (Working as one big group) The facilitator guides the two groups to

categorize the values and construct a shared list of 6-7 shared values. Write the values on a flipchart.

07 | Explain what the chosen values mean for e.g. mentee and mentor, respectively. Stick large pieces of paper on the wall, one for each value. Divide the participants into smaller groups. Each group starts to elaborate on a value. Write it on the paper (use one colour). Time frame: 20 minutes. Afterwards the small groups circle around to contribute with additional aspects/points, which they add. Time frame: 2 minutes for each value.

08 | The Identity sentences "we are... ", the Mission statement, the values and the meaning to the involved groups are gathered in a Value Codex Document.

FACILITATION TIPS

VISUALISE

When you work with your group on common values, it is beneficial to share thoughts visually by writing on Post Its, sharing it on a wall for a united overview, or draw on hudge papers at the floor. In digital meeting rooms we recommend Miro, where you can work together on a digital bulletin board simultaneuosly.
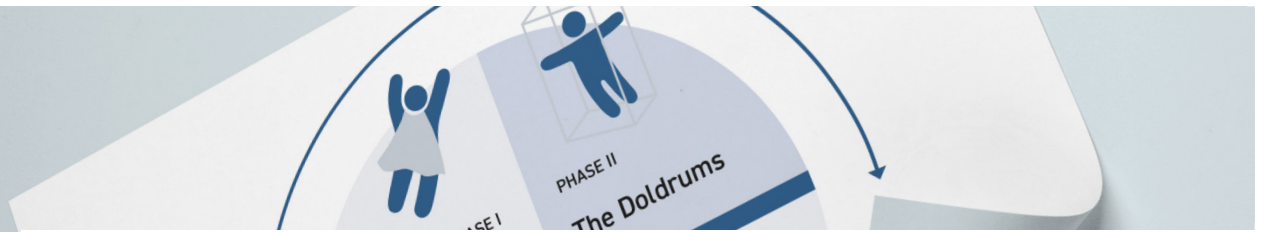
REVISIT

Values change over time, which makes it important to revisit your values from time to time.

MOVE

It might be an idea to hang the papers on the wall and move around while thinking to get the body and mind energized, and keep the group spirit high.

CYCLE OF RENEWAL (PERSONAL JOURNEY)

The purpose of the tool is to help the mentor facilitate the coaching process and guide the mentee/business owner towards new opportunities and a sense of 'renewal'.

Suggested time
90 minutes or more

Materials
Pen, paper for notes, possibly visual template with The Cycle of Renewal (PERSONAL JOURNEY)

Participants
2 people, mentor and mentee

GROWTH JOURNEY

| 1 | 2 | 3 |

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

| Go For it | The Doldrums |
| Getting Ready | Co-Cooning |

The Cycle of Renewal by Frederic Hudson, employs a holistic approach to personal development and change through four different stages. It helps to determine the psychological condition of the mentee in order to learn how to be a valuable dialogue partner, and what kind of change the mentee is open to. The Cycle of Renewal can be applied throughout the collaboration between mentor and mentee, and its particularly useful for addressing the personal/human issues of being in a state of crisis. It is an umbrella tool, which navigate the mentor with applying other tools useful for the process of supporting the company and the person in crisis. Each mentoring session begins by determining the current mental status of the mentee. when you first meet, you never know what state of mind/which phase the mentee is in.

The four stages of The Cycle of Renewal include two different degrees of change: the 1st and the 2nd, according to Paul Watzlawick. The 1st degree change is a change in behaviour, procedures and schemes. It is observable and reversible at the same time, because it does not require any changes in attitudes.

The 2nd degree change is a transformational change based on permanent, autonomous decisions concerning personal beliefs or values reflected in a permanent change of organizational culture. Some of the mentoring processes will be related to the 1st degree changes, while others will be related to the 2nd.

Phases: Mentees enter the mentoring process in one of the four stages:
1: Go for it
2: The doldrums
3: Cocooning
4: Getting Ready

The way a mentor works with an entrepreneur as part of the monitoring process differs depending on the stage of change at which the two parties meet.

Each change cycle starts with the breakthrough, which may result from an external situation, e.g. when a contract is expiring or when something is radically changing (Such as COVID-19 or other future scenarious). This stage may also be the result of internal transformation. It may emerge suddenly and even brutally, but may also emerge slowly, e.g. when we discover that we no longer find pleasure in what we do. Severance is a situation when all previous conduct, procedures, and resolution attempts are not sufficient and fail to produce the desired results.

▶

```
        PHASE I          PHASE II
        Go For It        The Doldrums

   MINI TRANSITIONS: Improving and Restructuring Your Current Chapter

        PHASE IV         PHASE III
        Getting Ready    Co-cooning
```
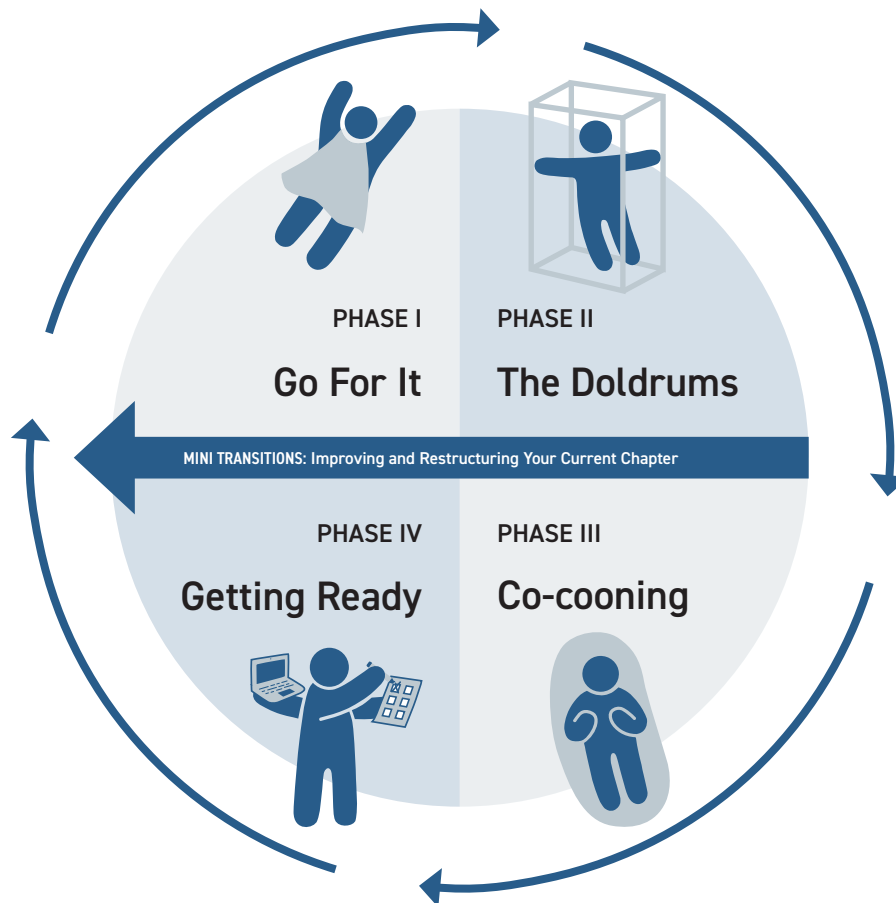
Doldrums (grief)

The mentee feels stuck, restless. To refrain from acting and comforting the entrepreneur and accompanying him in experiencing difficult emotions related to the loss of: trust, money, opportunities, contracts or key employees. Knowledge of the process helps to secure enough time, especially during the first meeting, when the mentee needs to be listened to. The same knowledge also protects the mentor from feeling guilty about not yet taking any action.

During this phase the mentee is not open for change. As a mentor you cannot "fix" grief; you just have to let the mentee experience the emotions. The best thing for the mentor to do is to listen, ask open question and be patient.

- Supportive material: The grief stages by Elisabeth Kubler-Ross
- Tools related to the phase: **Active Listening.**

The Cocooning

During this phase the mentee is offered the space to be introspective and reflective. The key task of the mentor is to assist the mentee in achieving an honest balance in all strategic areas of the company, including their role and responsibility for the position the company is in. The mentor can ask open questions, for instance, what lessons did you take from the crisis? Try to transform the crisis into something positive. The mentee has to answer the most important questions: Where am I? Why am I making changes? Who am I making changes for – myself or someone else? It requires time to explore and reconstruct parts of one's life and dream, values, purpose.

- Tools related to the phase: **Past and Future Ruler, WHY/The Golden Circle, Persona, Uniqueness.**

▶

Getting Ready

This is the time for creating new perspectives and developing a new business strategy. During this phase the mentee gets to test, experiment and take risks. It is similar to the learning we did when we were young of constantly exploring new ways of being, thinking, speaking and dreaming. In fact, these are all necessary steps to lead the mentee back to Phase 1 — the dream. Eventually the mentee will find a way with a renewed sense of purpose (www.aethcoaching.com/the-cycle-of-renewal/).

At the 'Getting ready', the key task of a mentor is to stay in the role of a mentor and not to enter into the well-known role of a manager or investor, and to help make ideas real and to show support in keeping up the motivation to implement change.

- Additional theory - Coaching methodology GROW.
- Tools related to the phase: **Future Vision, Lotus Blossom, Business Model Canvas, DMAIC**.

Go For It

This is a phase of stability. The mentee's energy levels are high and he/she feels focused and confident, accomplished and close to his/her dream.

This stage is composed of consecutive segments:

1. Imagine your dream business rethought.
2. Identify your conditions for its realisation.
3. Analyse your competences, resources, and what is still required to launch the project.
4. Launch your planned business and present to a wider audience.
5. Realise the business towards making it profitable.
6. Reap. If the change is appropriately prepared, designed, and launched, this is where you celebrate your success.

At this stage the mentor can offer: motivation, constructive feedback, find time for celebration.

- Background theory: The Cycle of Renewal can be applied throughout the collaboration between, 1st and 2nd degree change by Paul Watzlawick and The grief stages by Elisabeth Kubler-Ross.

STEPS

01 | Build the first contact and your relationship with the mentee based on trust.

02 | Make the diagnosis: At which stage of The Cycle of Renewal is your mentee?
Understand the basic needs of your mentee according to the phase of renewal.

03 | Adapt your behaviours ,working tools and pace of work to the phase of renewal.

04 | Monitor the status of your mentee, plan your mentoring sessions according to the status and phase of The Cycle of Renewal.

PAST | NOW | FUTURE

People
Profit
Planet
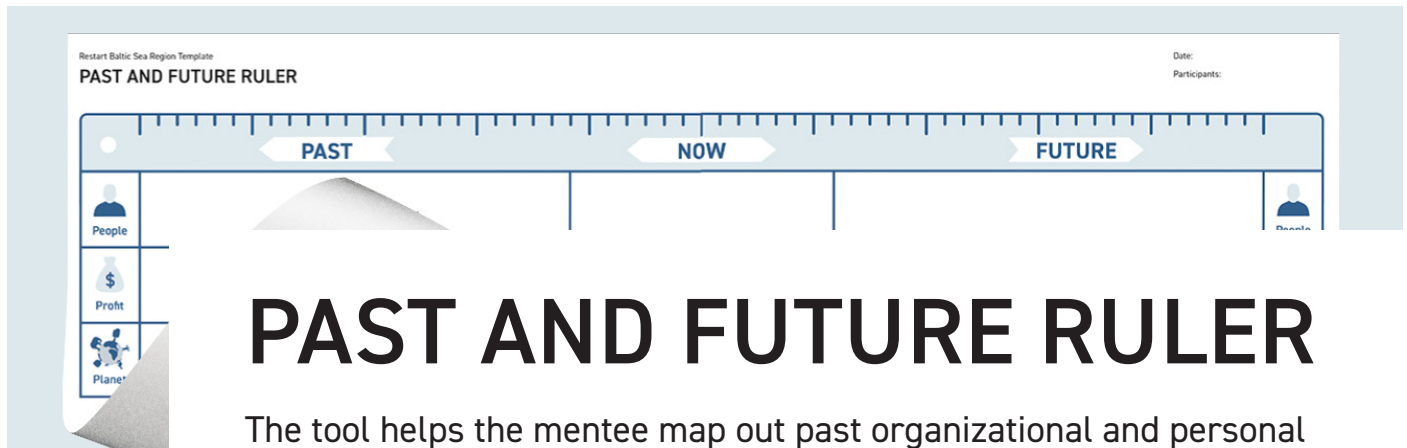
PAST AND FUTURE RULER

The tool helps the mentee map out past organizational and personal successes, which can contribute to effectively overcoming the crisis and moving towards a more sustainable future.

Suggested time
3 hours

Materials
Template Past and Future Ruler, preferable A1 Trendcards and Successcards (see 'visualise' below) Pens, post-its

Participants
Mentor, business owner and possibly colleagues or stakeholders

GROWTH JOURNEY

| 1 | 2 | 3 |

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

Go For it | The Doldrums
Getting Ready | Co-Cooning

The tool can be used to coach the mentee to identify the strengths of her/his past experiences in the company, and further to build upon those when describing and moving towards a desirable future. The approach is similar to appreciative inquiry, which has helped companies expand for years all over the world. The idea is to focus on your successes and your strengths, both at an organizational and a personal level. This mindset will help you to keep a positive and open-minded approach when you look towards the future and take new conditions into consideration. It is suggested that you share the picture of a positive future with the team, to establish common ground and enable you to develop a desirable future together.

As part of the process, the business owner describes what her/his vision for the future might look like, both in a short- and long-term perspective. The tool helps to identify where to focus in relation to people, planet and profit (triple bottom line) and how to move on towards a more sustainable future.

To work with this tool and enhance the learnings for the past, it is important to create a space of trust with a positive focus on successes and shared goals.

Choose a wide range of people: People who are new in the company, and people who have longer experience there. Including diverse perspectives will likely improve the quality of the ideas and solutions that the team is able to produce.

Examples of future trends:
'**2025:** CO_2-friendly meat from insects is generally a supplement to vegetarian food. A frequent alternative to laboratory-grown meat.'

'**2030:** the large desertification in parts of the world generates climate refugees – it is estimated that 200 million will flee each year worldwide.'

'**2022:** good systems for circular economy exist, and trade in waste is common. All waste is considered to be a valuable resource.'

'**2030:** the Chinese stand side by side with the Americans in terms of economy and growth. US GDP is $24,8 trillion, and Chinese GDP is $ 22,2 trillion.'

'**2050:** the number of older people over 80 is 2,5 times greater than it is today. More than every 10 inhabitants is over 80 years old.'

'**2034:** Robots have taken over a number of job functions within the services sector.'

'**2038:** The world's water resources can only meet 60% of the global demand.'

STEPS

01 | Every participant presents the prepared success cards and place them on the Past Ruler template. With inspiration from the success cards, ask every person to add more successful experiences by writing them on individual post-its (what, who, organizational changes, important products/services, team achievements, situations, etc.). Place the Post-Its on the Past Ruler template as well based on year/time and which of the three bottom lines they each relate to.

02 | Similarly, write your gathered data about future events, concerns, important regulations and the company-related events you already know of etc. on individual post-its and place them in the template.

03 | Present your prepared future trends and scenarios to each other and discuss their placement on the ruler.

04 | Now you have a shared overview of potential challenges, constraints and possibilities. Discuss whether or not your current plans meet the trends and scenarios of the future.

05 | Now imagine and brainstorm upon how to meet the needs of the future? In which ways could you develop your business into a more sustainable future. Place the ideas on the ruler/timeline.
If you get stuck, help each other by asking open questions that help you to identify opportunities.

06 | Evaluate your discussions.

FACILITATION TIPS

SUPPORTING TOOLS

Active listening: To help your awareness on asking effective questions to open up the mind of the mentee and create a space of trust.

Why/The Golden Circle: To keep the purpose of the company top of mind.

Future Vision: To elaborate on your findings and unfold them to create a clear vision of your future business.

VISUALISE

It might be of great value to prepare images for this task. Ask every participant to prepare success cards – image and headline to previous successes, that you have experienced in the company (mapping successes of the past).
Ask the team to research upon future trends and scenarios that might impact the future of your business – image, headline and short text.

	People	Profit	Planet
PAST			
NO			

Date:

Participants:

NOW

FUTURE

People

Profit
$

Planet

ALL SOME UNIQUE

UNIQUENESS

The tool helps you map the parameters that make your business truly unique and stand out from your competitors.

Suggested time
Minimum 30 minutes

Materials
A2 or A3 version of
the model, post-its,
pens

Participants
Mentee and mentor,
preferably more
colleagues

GROWTH JOURNEY

| 1 | 2 | 3 |

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

| Go For it | The Doldrums |
| Getting Ready | Co-Cooning |

To maintain a competitive edge in the market, it is essential to identify what makes your business stand out: What is your unique value proposition? Maybe your business used to have an unique position in the market and a clear profile that distinguished it from the competition. The current crisis could be caused or deepened by the loss of that "uniqueness". This again could be linked to internal factors such as old habits, or external factors like technological development and globalization.

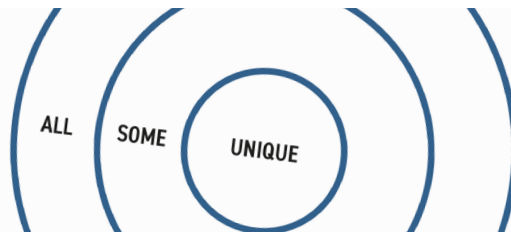The tool describes a simple method to map the characteristics that 1) you share with **all** competitors, 2) you share with **some** competitors, 3) are **unique** to your business. It creates a good starting point for rethinking your value proposition and moving towards innovation and new growth.

The approach is close to the reasoning behind the popular "Blue Ocean Strategy", which suggests that it is preferable to move from the saturated (red ocean) market where everyone competes to the wide open (blue ocean) market of the future. For further information visit www.blueoceanstrategy.com.

STEPS

01 Draw or print the template with three circles showing 1) the parameters shared by **all** companies in the outer circle, 2) the parameters that **some** have in common in the second circle and 3) your **unique** parameters in the inner circle. Hang it on the wall.

02 Start by doing an individual brainstorm: Which solutions, products, knowledge areas, skills and experiences characterise your business? Every item must be noted on a separate post-it.

03 Everyone gathers in front of the template on the wall and briefly presents their post-its while placing them in the proper circle. At this point hold back your comments, to provide an open space for everyone to contribute.

04 Now open up a discussion to gain a common understanding of the current situation and feel free to move the post-its around during the dialogue. Try to build on knowledge rather than assumptions.

05 Use this mapping as a starting point for a discussion of how your business can shift towards becoming more unique in the future. Which parameters could you change? Which activities could be beneficial to close down/stop and which could be beneficial to expand?

▶

FACILITATION TIPS

SUPPORTING TOOLS

Why/Golden Circle: To exame how the unique potential mirrors the core purpose of your business.

Business Model Canvas: To evaluate your unique ideas in relation to the value chain.

Future Vision: To mirror your ideas towards a future perspective.

Persona: Who is the present target group and what are their needs for your unique value proposition now? And in 5 years?

CO-CREATE

Get more people involved, maybe they see unique potentials that you have missed. You could use this tool in individual departments and afterwards share your different insights.
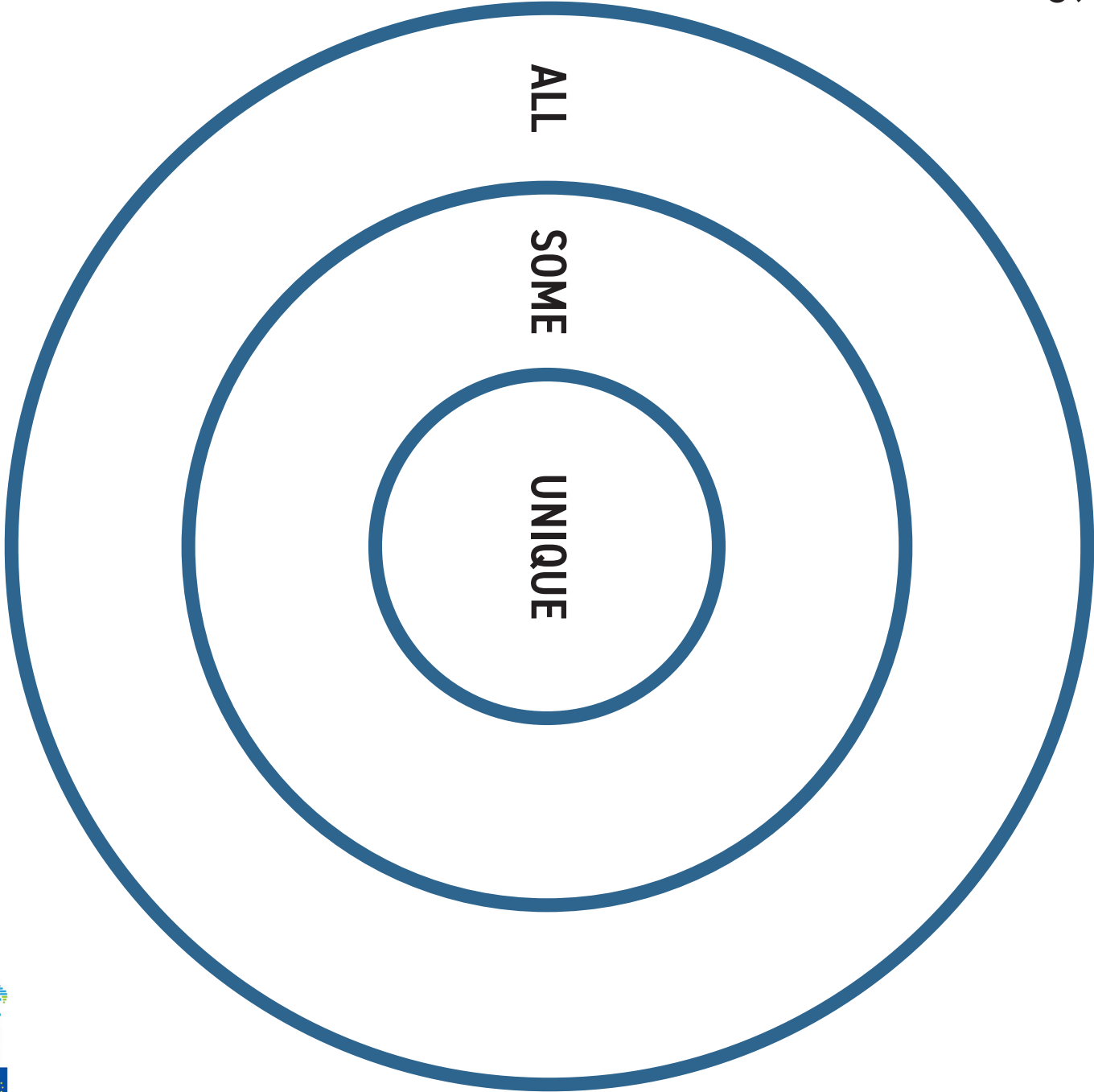
MOVE

Sometimes you should break the routine of always sitting around a table. Consider printing this model and hanging it on the wall.
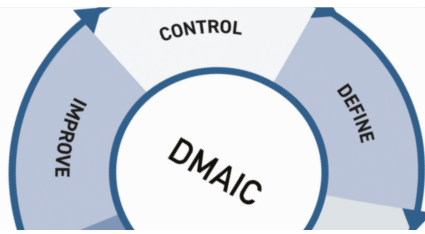
This is a very simple, but surprisingly useful tip to shift the energy in the room from low to high.

UNIQUENESS

Date:

Participants:

ALL

SOME

UNIQUE

DMAIC

DMAIC is a five-step method for identifying and improving an existing process problem in a company.

GROWTH JOURNEY

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

When a company is experiencing a crisis, it is essential to rationally identify and systematically address the root cause of that crisis. This can be challenging for most companies, and naturally the crisis in itself only further complicates the effort.

This is where the comprehensive process method **DMAIC** can be useful. **DMAIC** is an acronym for Define, Measure, Analyse, Improve and Control, and it is meant to guide a company through the steps of resolving an existing process problem.

DMAIC was developed as part of the Six Sigma concept at Motorola in 1980 to drastically reduce the number of defect products in the production process, and it has since proven to be very successful.

For the best result, it is a good idea to involve the whole company and maybe key stakeholders.

STEPS/DAYS

The following steps are based on the five steps of the **DMAIC** approach. Each step requires a number of smaller steps and actions, and throughout the process, it is important to draw on all available data and information. Leave some days between the steps/days, e.g. to gather additional information. For the Control phase, you will often want to come back later and revise the results.

01 | Define: What problem in the company do you wish to fix? You create a project charter, including problem and goal statements, describe business case and customer needs (also: who are the customers?), plot the process ahead, and establish the team to be involved in this process.

02 | Measure: How big is the problem? You gather all the relevant data about the issue you want to address, including any statistical data from the production process, sales, etc. These data can be used to determine the current "baseline" performance.

03 | Analyse: What is the cause of the problem? You analyse all the available data in order to understand the problem. Do not jump to conclusions, but be thorough in getting to the core of the problem – the root cause – before developing a hypothesis for the next step.

04 | Improve: What can you do to fix the problem? You develop ideas and solutions for addressing the root cause(s), which you have identified.

▶

When you have decided on a solution, test it before making the final implementation.

05 | Control: What impact did the solution have? You develop a plan for documenting and keeping track of the changes, as well as a response plan if performance drops.

This tool is provided by the project leader of Restart BSR, Lower Silesian Intermediate Body.
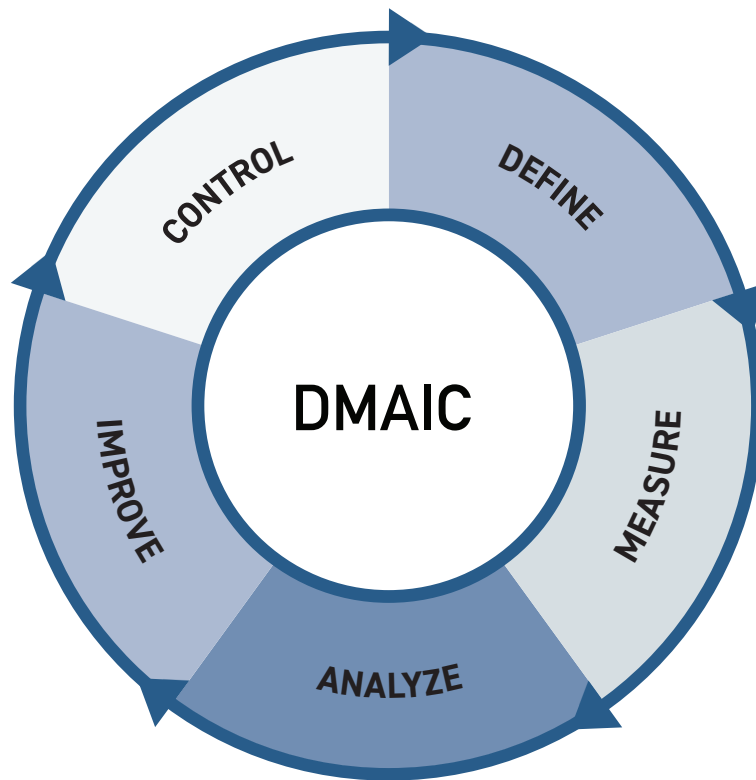
FACILITATION TIPS

SUPPORTING TOOLS

Business Model Canvas: For Define.

Lotus Blossom: For Improve.

VISUALISE

Throughout the project, it is helpful to have a visual model of the **DMAIC** process and the most important data and insights – put it on a wall in the company.

CO-CREATE

Working with **DMAIC** is a collaborative process, which should be managed by a dedicated team, but the more knowledge and insight, the better. Consider involving central stakeholders.
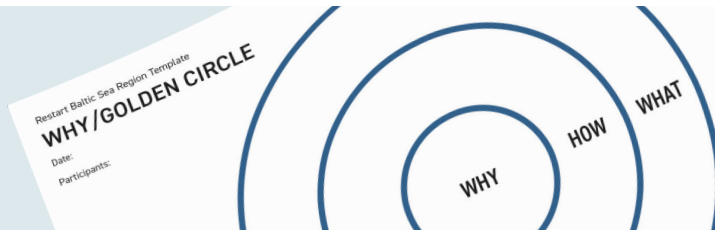
WHY/GOLDEN CIRCLE

By focusing on the **why,** the tool can help you to identify the core purpose of your business.

GROWTH JOURNEY

1	2	**3**

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

Go For it	The Doldrums
Getting Ready	Co-Cooning

We humans generally experience stronger motivation and ownership when we can see clearly **why** we do what we do – when there is a sense of purpose that we can identify with on a deeper level.

In the middle of a crisis, it can be tempting to look for quick fixes and short-term solutions; how can we solve the problems, what can we do here and now? The problem is that this kind of thinking will rarely lead to sustainable, long-term growth. In fact, it may be even more important to have a clearly defined purpose to guide you through a crisis. What is the reason for your company's existence?

The Golden Circle helps to maintain focus on the **why**, putting it at the centre of the circle, asking you to define the purpose of your business before you look for specific solutions. What is it that you hope to achieve in the long run? How does your company contribute to something greater than profit? It is possible to do this alone, but it is recommended to be at least two people for greater effect.

When you have a strong, clear and compelling **why**, you will be able to build a stronger relationship with your target group and thereby reach them on an emotional level.

STEPS

01   Phrase a question that can guide you to identifying your **why**: "What is the purpose of my business? What drives me? What do I hope to achieve? What makes me get out of bed in the morning?"

02   Come up with as many answers as possible to this question and write them on individual post-its.

03   Look at your answers and merge them into a single sentence that captures the essence of your **why**. Write it down on a post-it and stick it in the middle of the circle.

04   With the **why** in the middle, move on to the next circles: **How** can you achieve your why? Which approaches will help you? **What** are the specific products/services that will realise your **why**?

05   Look at all three layers. Do they correspond or do you need to make some adjustments?

▶

06 Re-visit and adjust your purpose/**why** over time. It will be of great value if you try to approach your purpose/**why** with different ways of generating knowledge. It is especially helpful to work with images and/or tangible objects to draw upon insights from your subconsciousness and intuition. E.g. mentor and mentee spend 5 minutes building the **why** in LEGO bricks individually. Then they interview each other. The listener takes notes. Afterwards swap your LEGO models and continue building to strengthen the story. Interview and take notes again. Then gather all notes and try to cluster them. Find insights/phrases that represent your purpose in the best possible way. Or you can work with **why** in a visual way, where you find images that represents your purpose. Base your dialogue upon these stories.

FACILITATION TIPS

SUPPORTING TOOLS

Persona: "Expand" it to also include the who. **Who** are the target audience/end users/clients of the products/services provided?

Uniqueness: To explore whether your purpose/why is unique or not.

Future Vision: To compare your purpose/why against future trends/scenarios to envisage the relevancy in 5, 10 or 15 years.

CO-CREATE

While the business owner is usually the person who has been thinking the most about the main purpose of the company, it can be helpful to include more people in this process. What does the management group think? What do the employees think? What about other professional contacts? How does your purpose affect the end-user and how do they relate to it?
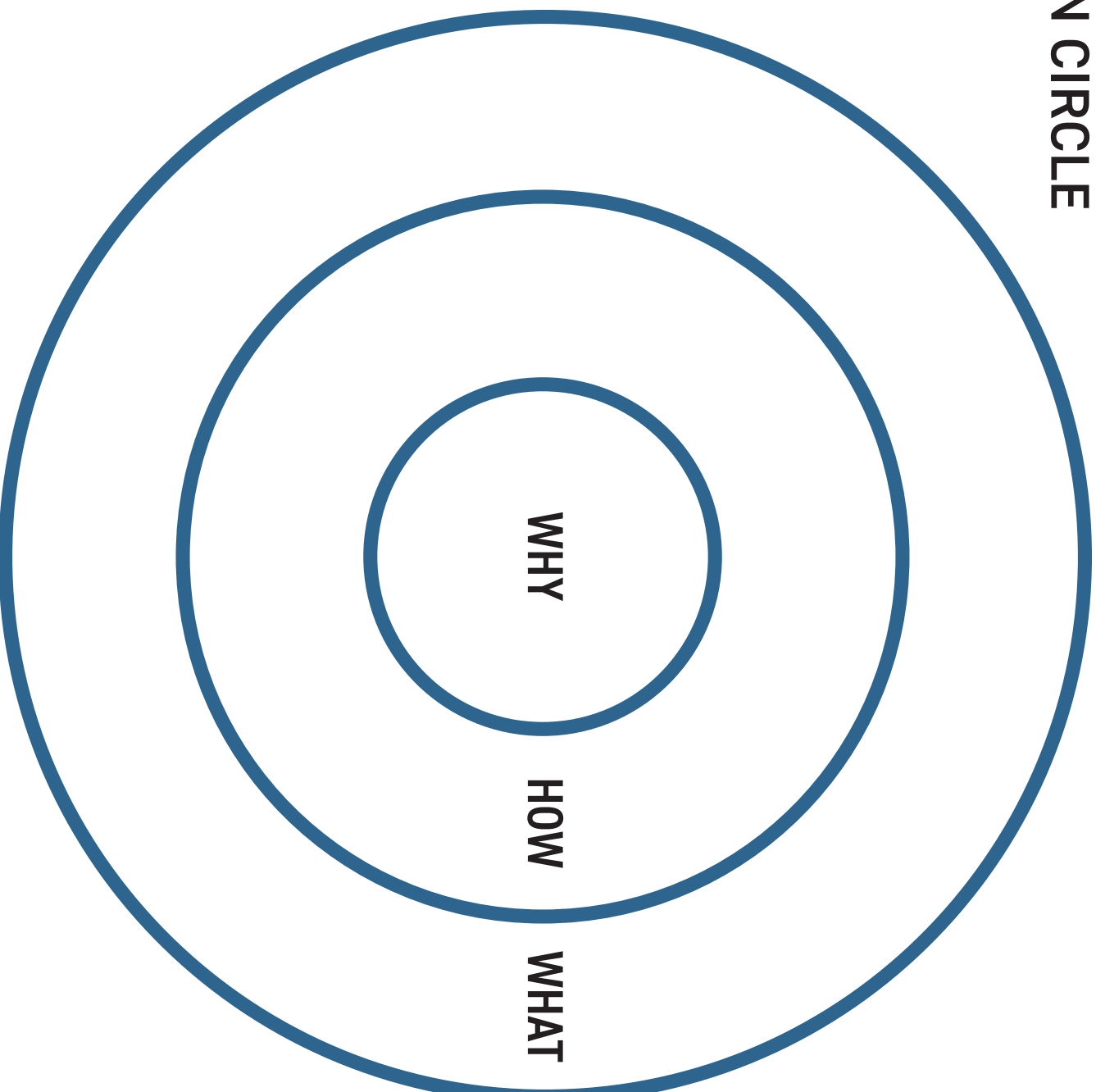
MOVE

Sometimes you should break the routine of always sitting around a table. Consider printing this model and hanging it on the wall. Use post-its when working with possible **why**s before you decide on the final version.

WHY/GOLDEN CIRCLE

Date:

Participants:

Simon Sinek launced his concept of WHY (The Golden Circle)
in a TED Talk in 2009

WHY

HOW

WHAT
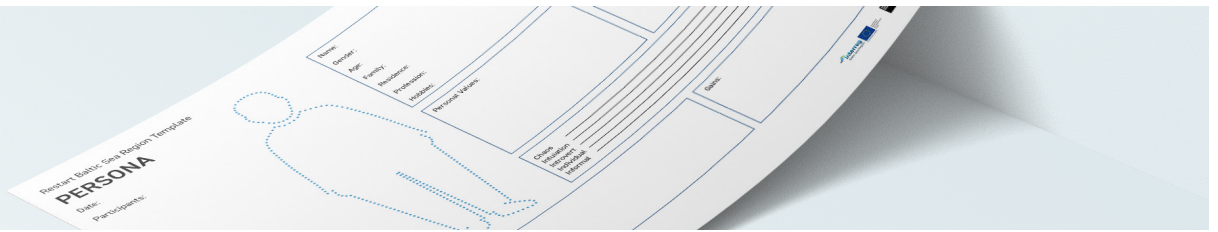
PERSONA

The tool lets you achieve a shared understanding of your end-users and gives you insights, which stimulate your business ideation with a view to the future.

Suggested time
60 minutes per persona

Materials
Post-its, pens, paper (A3 or bigger), collected data, template for inspiration

Participants
Minimum 2 (mentor and mentee)

GROWTH JOURNEY

| 1 | 2 | 3 |

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

Go For it | The Doldrums
Getting Ready | Co-Cooning

A persona is a fictional character that helps you to move from assumptions of end-user needs towards robust knowledge based on qualitative field research. It can be a current end-user group or a group that you would like to target in the future.

By representing data that reflects e.g. how your target group thinks, feels and operates, the persona can provide an overview and a basis to develop from. Most companies will have at least 4-5 personas. To achieve a broader perspective try to merge insights from different stages of the end-user journey, such as sales, customer service, retail, webshop, wholesale, etc.

Often we tend to take on a company perspective approach and forget to take the perspective of the end-user and how they perceive/meet/interact with our product or service. With the persona tool we shift to a receiver perspective and try to understand and empathise with the end-user on a deeper level. Which problems are you solving for him/her? What are their needs and dreams?

STEPS

01 Hang a large piece of paper on a wall and together decide on the end-user group that you would like to elaborate on. It can be a current end-user, or an end-user that you would like to target.

02 Draw a person(ification) that represents your end-user group and write name and age on the paper next to your persona (maybe even add a photo). If you are lacking inspiration, you can use the attached persona template to get started.

03 Write down on post-its everything your mind tells you about this end-user and stick them onto the paper as well. What are the persona's values? How does the persona behave? What does the persona aim for? What skills does the persona have? How is the attitude of the persona? Where does the persona live? What are the persona's challenges? Which interests does the persona have? How does he/she think and feel?

04 When you cannot come up with any more information about your persona, take a step back and go through each post-it and consider/discuss whether it is something you know for sure or whether it is an assumption. Mark the post-its with assumptions. Often you will be surprised how many post-its are actually only assumptions. But not to worry, now you have a list of statements to go out and investigate.

▶

05 | Investigate the statements that are assumptions. Start with the ones that have the highest impact on your business or hold the biggest potential. You have to leave the office and go out into the real world and find your end-user. Here you can for instance use interviews and observations to collect data on your persona. You are allowed to combine real-world experiences with desktop research. Collected data can be anything from keywords and text to photos, illustrations, etc.

06 | When you have tested your assumptions and found new insights, write each new insight on a post-it and add them to your illustration. Put up your persona(s) on a wall where it/they are visible and you are are able to continue to work on them. Your end-user will develop over time. Your persona is not static.

07 | Now try to imagine 5 or 10 years ahead. Draw a new persona imagining your persona in the future. How will future trends and scenarios change their needs? And how will it affect your business?

FACILITATION TIPS

SUPPORTING TOOLS

Why/The Golden Circle: To broaden your shared perspective to include why, how and what.

Future Vision: To elaborate on your findings and unfold them to create a clear vision of your future business.

Business Model Canvas: To explore your customer segments and test how the personas fit the complete business picture, especially your value proposition.

Uniqueness: To make sure the needs of your end-user match the uniqueness of your company.

Active Listening: To help your awareness on asking effective questions to each other while you develop your persona. And further to ask effective questions when you turn to your end-user to gain valuable insights.

VISUALISE

Make a life-size drawing of your persona. It will help spark your creativity and imagination.

MOVE

Stand up while you draw. It will energize both body and mind, and you will get a better drawing result, when you draw on a wall instead of a table.

PERSONA

Date:

Participants:

Pains:

Name:

Gender:

Age:

Family:

Residence:

Profession:

Hobbies:

Personal Values:

Chaos ——————————— Structure

Intuition ——————————— Intellect

Introvert ——————————— Extrovert

Individual ——————————— Community

Informal ——————————— Formal

Biography:

Gains:

Heroes:
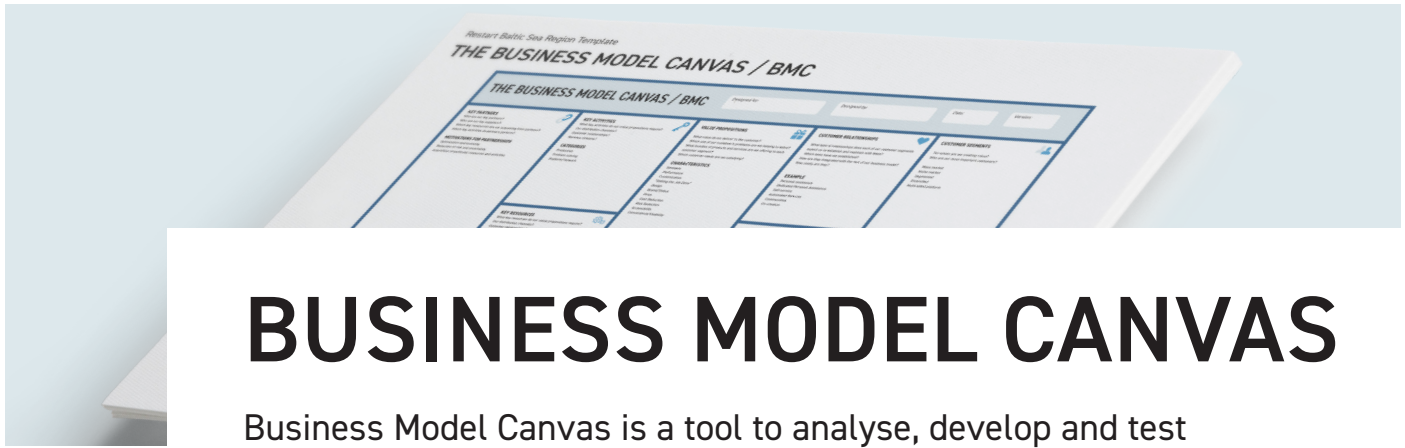
BUSINESS MODEL CANVAS

Business Model Canvas is a tool to analyse, develop and test business models in one poster.

Suggested time
45 - 60 minutes

Materials
Template BMC

Participants
1-5 mentor, business owner and possibly colleagues or stakeholders

GROWTH JOURNEY

| 1 | 2 | **3** |

Onboarding
Sparring
Innovation

PERSONAL JOURNEY

Business Model Canvas is a dynamic way to develop and visualise a business model, which shows a specific strategy towards how to make money. The template takes into consideration who you are developing for, what their needs are (**Persona**), how to reach them, and what the main value proposition is (**Why**).

The tool requires you to map your available resources, who your partners are, etc. This gives you an overview of how you are running your business in terms of different aspects, which can help a group of leaders or colleagues to acquire a shared understanding.

Additionally you can also use the tool to develop your business model and test different ideas. For instance it allows you to explore different types of users. What would happen to your business if you shifted to another target group? Or what would be the potentials of a new external partnership? Or how will it affect your business if your regular sales outlets are restricted?

You can use the model to test the relevance of your business concept in a future perspective by combining the **BMC** tool with the **Future Vision** tool and the trend cards.

Business Model Canvas was developed by Alexander Osterwalder and is described in his book, Business Model Canvas, 2010.

STEPS

01   Map your current business through dialogue and by writing the insights on post-its and placing them on the poster.
Make sure you begin with the right (not left) side of the template. What is the unique value proposition of your company? What types of end-users demand this value? What problem are you solving for them?

02   Discuss the current situation. Where are you eager for change?

03   Work your way through the template considering how the change will fit into your value proposition and affect other aspects of your business. How does it seem to increase your income and what kind of resources does it require?

04   With the **Why** in the middle, proceed to the next layer: how can you achieve the purpose? What are the specific actions you have to take?

05   Hang the poster on the wall, so that it is visible in your everyday work. It is important not to consider this as a final product but more as work in

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progress. Revisit it, make a new poster to try out other aspects or new ideas.

FACILITATION TIPS

SUPPORTING TOOLS

Future Vision: To add the future perspective.

Why/Golden Circle: To go deeper into the value proposition.

Persona: To explore customer segment.

MINDSET

It might be important to articulate when you are analysing your current business (closed modus) and when you are exploring new opportunities (open modus), because it requires two different mindsets.

MOVE

It might be an idea to hang the template on the wall and stand up while thinking to get the body and mind energized and keep the group spirit high.
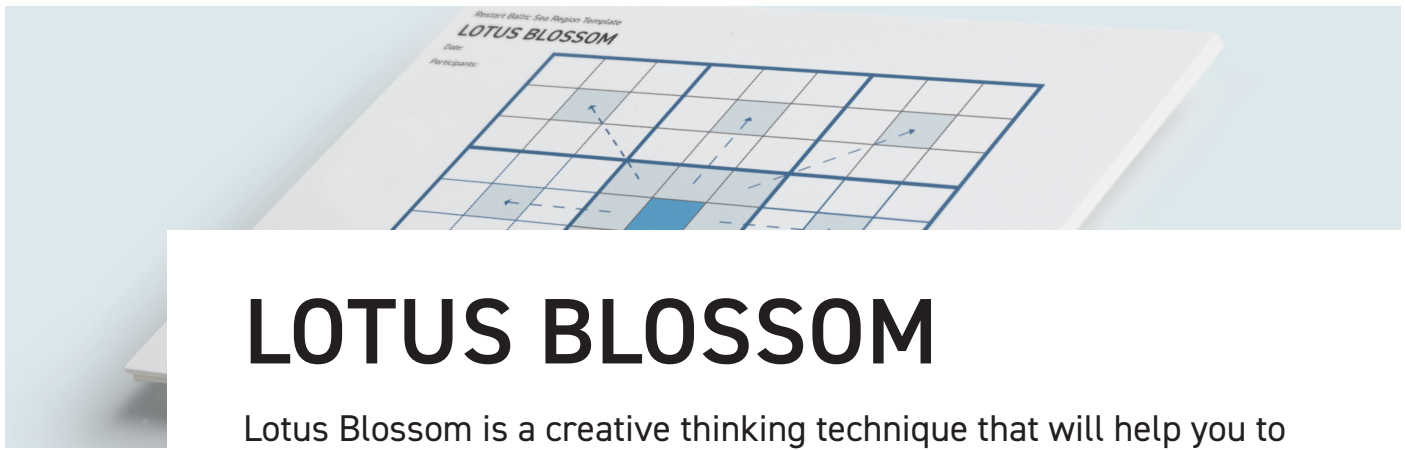
THE BUSINESS MODEL CANVAS / BMC

Designed for:

Designed by:

Date:

Version:

KEY PARTNERS

Who are our key partners?
Who are our key suppliers?
Which key ressources are we acquaring from partners?
Which key activities do partners perform?

MOTIVATIONS FOR PARTNERSHIPS
Optimization and economy
Reduction of risk and uncertainty
Acquisition of particular resources and activities

KEY ACTIVITIES

What key activities do our value propositions require?
Our distribution channels?
Customer relationships?
Revenue streams?

CATEGORIES
Production
Problem solving
Platform/network

KEY RESOURCES

What key resources do our value propositions require?
Our distribution channels?
Customer relationships?
Revenue streams?

TYPES OF RESOURCES
Physical
Intellectual (brand patents, copyrights, data)
Human
Financial

VALUE PROPOSITIONS

What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve?
What bundles of products and services are we offering to each customer segment?
Which customer needs are we satisfying?

CHARACTERISTICS
Newness
Performance
Customization
"Getting the Job Done"
Design
Brand/Status
Price
Cost Reduction
Risk Reduction
Accessibility
Convenience/Usability

CUSTOMER RELATIONSHIPS

What type of relationships does each of our customer segments expect us to establish and maintain with them?
Which ones have we established?
How are they integrated with the rest of our business model?
How costly are they?

EXAMPLE
Personal assistance
Dedicated Personal Assistance
Self-service
Automated Services
Communities
Co-creation

CHANNELS

Through which channels do our customer segments want to be reached?
How are we reaching them now?
How are our channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

CHANNEL PHASES
1. Awareness: How do we raise awareness about our company's products and services?
2. Evaluation: How do we help customers evaluate our organization's Value Proposition?
3. Purchase: How do we allow customers to purchase specific products and services?
4. Delivery: How do we deliver a value proposition
5. After sales: How do we provide post-purchase customer support?

CUSTOMER SEGMENTS

For whom are we creating value?
Who are our most important customers?

Mass market
Niche market
Segmented
Diversified
Multi-sided platform

COST STRUCTURE

What are the most important costs inherent in our business model?
Which Key Resources are most expensive?
Which Key Activities are most expensive?

IS YOUR BUSINESS MORE
Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing)
Value Driven (focused on value creation, premium value proposition)

SAMPLE CHARACTERISTICS
Fixed Costs (salaries, rents, utilities)
Variable costs
Economies of scale
Economies of scope

REVENUE STREAMS

For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

TYPES
Asset sale
Usage fee
Subscription fees
Lending/renting/leasing
Licensing
Brokerage fees
Advertising

FIXED PRICING
List Price
Product feature dependent
Customer segment
Dependent
Volume dependent

DYNAMIC PRICING
Negotiation (bargaining)
Yield management
Real-time-market

Interreg Baltic Sea Region EUROPEAN UNION EUROPEAN REGIONAL DEVELOPMENT FUND

design school kolding

restart Baltic Sea Region

LOTUS BLOSSOM

Lotus Blossom is a creative thinking technique that will help you to explore ideas beyond your usual way of thinking.

The tool helps a group of people to develop ideas in a structured and inclusive setting that allows for mutual inspiration. It offers room for open yet effective brainstorming while bringing a sense of order to the process through its diagrammatic format. Once the brainstorm is finished, it leaves participants with a structured overview of their work. The tool is relevant when you have understood the challenges of the situation your company is in, and formulated these into a question that aim for a new, open direction.

It is of great importance that you choose the right challenge question as a focus of this exercise. Depending on the situation in the company, it can be relevant to explore different dimensions. The importance is that the question contains the challenges and guides us into a world of opportunities. The team who do the poster are ideally mentor, business owner, collegues, stakeholders (e.g. customer). To reach the highest level of innovation potential, it might be a great idea to seperate leaders and employees, if you have invited a team as participants. The two groups work on separate posters, and execute the exercise without interfering each other. After the work is done, the groups share their ideas and reflections. It is also possible to execute this online in the two groups. Eg. using miro where it is possible to import the tool template.

This allows employees to share their thoughts openly in a free way where they do not hold back. Further it allows the leaders to fully listen and explore the minds of their employees. The leaders have the mandate, of course, to choose afterwards, what they prefer.

STEPS

01 | Prepare a large sheet of paper with the Lotus Blossom diagram by printing the template (or drawing it yourself) and hanging it on the wall. Or you can work on it online.

02 | Place your central challenge question in the middle. A challenge question always starts with 'How might we…' and turns the problem into a space of opportunities, e.g. How might we ... help patients (the users) to maintain their identity (purpose) while being hospitalised (context)?

03 | Choose one person to facilitate the exercise. The facilitator explains the codex of brainstorming and writes it on a flip chart, e.g. (based on brainstorming rules from IDEO).
Go for quantity
Defer judgement

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Encourage wild ideas
Build on the ideas of others
Stay focused on the topic
One conversation at a time
We are in the open positive modus where critique is not allowed. The facilitator must guide the participants to keep that in mind throughout the exercise to create a constructive and creative work atmosphere.

04 Each participant now approaches the poster on the wall with a pen and a set of post-its. The facilitator must keep the logic of the proposed solutions. Everyone comes up with ideas for the question, writes them down and says them out loud while putting them around the centre.

05 When the 8 squares around the middle are filled, you move the answers to the outer square and rephrase them into questions to dive deeper into the project. Continue until the diagram is full.

06 Now step back and close the exercise by shifting from the open/opportunity-driven mindset to a closed mindset by analysing, evaluating and choosing the best ideas. Sometimes we need shared categories to evaluate the ideas. Choose for instance 3 parameters (e.g. level of value to the company, value to the user etc.) that have to be considered in the concepts. Sometimes a combination of different ideas suddenly appears as the right answer to the question in the middle, hence look for combinations.

07 Revisit the poster another day and start working on the most valuable ideas, e.g. by unfolding the ideas into **Business Model Canvas**, and test them by sharing and getting feedback from different stakeholders, especially the end users.

FACILITATION TIPS

SUPPORTING TOOLS

Business Model Canvas: To explore the ideas in the context of the company.

Uniqueness tool: To test how unique the ideas are.

Why/Golden Circle tool: To explore how the ideas fit with the purpose of the company. Or you can find some users and pitch the ideas to collect their early feedback.

MINDSET

To get everyone in an open modus, and create a space where every voice in the room is equal, it might often be of great value to have each participant spend 15 minutes on their own before meeting in front of the poster.

1. Tell them to individually write down their thoughts on post-its to explore multiple answers to the question.
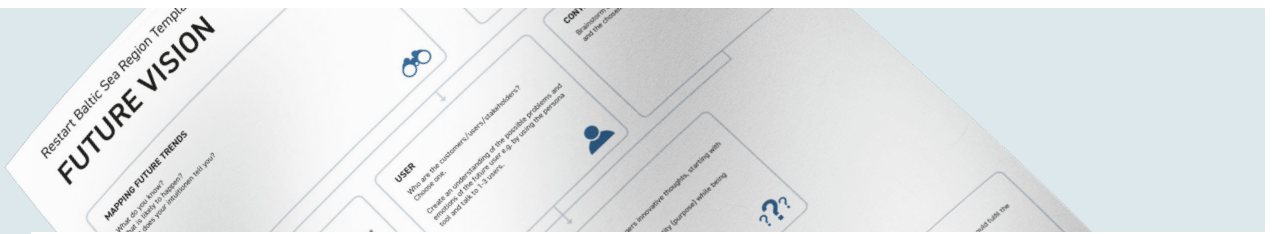
2. Everyone now gathers by the poster on the wall with their notes in their hand. This will oftentimes increase the quality of the ideas, and especially the introvert people will benefit from having an individual space before starting the group work.

LOTUS BLOSSOM

Participants:

Date:
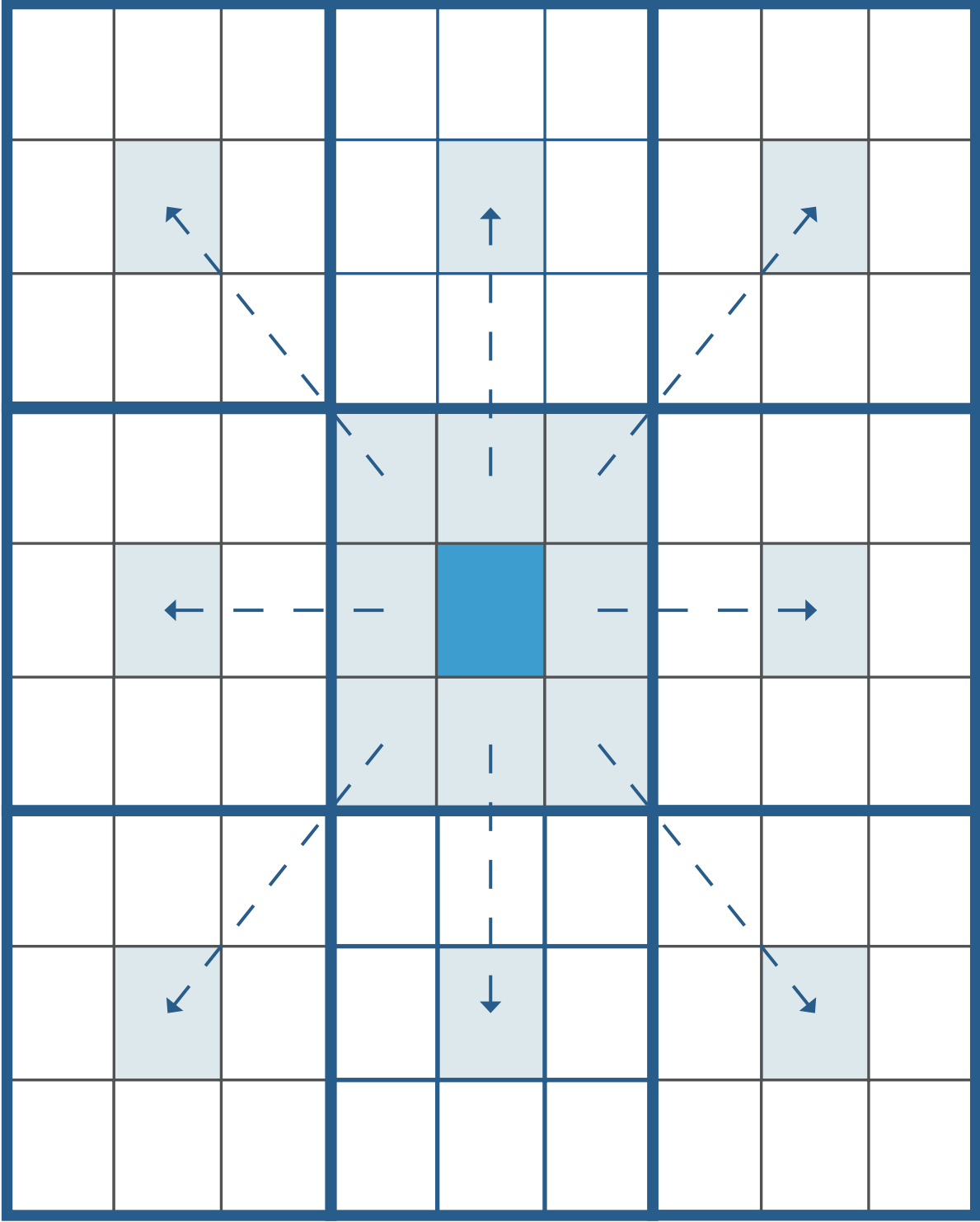
FUTURE VISION

The Future Vision tool helps business owners develop and structure
their plans for a desirable future for the company.

Suggested time
90 minutes or more

Materials
Future vision poster,
Post Its, Pens, Flip
Chart.

Digitally: Draw or drag
the template into Miro.

Participants
2-5

GROWTH JOURNEY

| 1 | 2 | **3** |

Onboarding

Sparring

Innovation

PERSONAL JOURNEY

Go For it · The Doldrums · Getting Ready · Co-Cooning

Future Vision is a framework to structure the complex task of planning for the future
of a company. The tool combines strategic design thinking with concrete action, as it
guides the business owner towards describing her/his big vision and identifying the
next best steps to take.

When you are making plans for the future, you engage in a delicate balancing act,
where a number of different parameters and perspectives must be considered. Future
Vision aims to support this process by using both knowledge and intuition, assessing
the needs of the company and the needs of clients and society, while considering both
the professional ambitions for the company and the personal dreams for the business
owner.

STEPS

You can print this tool on A2 or A3 if you want to use it in a face-to-face
setting, or place the template in a digital platform such as Miro.

01 Start in the upper right corner by examining the trends that are expected to
have an impact on the future of your company. You can use the trend cards
to spark your imagination. Try to draw on both what you know for a fact,
and what your intuition tells you.

02 When you have identified the most important trends, try to destill these into
the major gamechanger. What is likely to cause the biggest change in your
area of business?

03 Now you look at three connected dimensions of your company: Who are
your primary users/clients, in which context does your company operate,
and what is your core purpose for doing business?

04 Based on the previous step, you can phrase the "challenge question" as a
guide towards innovative thinking. This question starts with "How might
we..." and it should always include purpose, users and context.

05 The challenge question encapsulates your big challenge, and lays the
groundwork for describing the vision and mission for the company. What is
the big dream (vision) when you look five or ten years into the future?

06 Finally, you can start taking action, as you describe how this is attained by
transforming it into your mission. What should you should do less of and
what should you should do more of in order to fulfil the vision. This should

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point towards specific steps that you can take in the near future.

Often the process of developing your vision, mission and the allocated task to do or stop doing will be an iterative process. Here you go back an forth between the different levels of your future strategy and the actions you need to take.

FUTURE VISION

MAPPING FUTURE TRENDS

What do you know?
What is likely to happen?
What does your intuitionen tell you?

GAME CHANGER

Based on the trends you have mapped out, what is *the big* game changer?

PURPOSE

What is the visionary purpose (and proposition) in the bigger picture?

USER

Who are the customers/users/stakeholders? Choose one.

Create an understanding of the possible problems and emotions of the future user e.g. by using the persona tool and talk to 1-3 users.

CONTEXT

Brainstorm on contexts that fulfill both the purpose and the chosen users' needs.

CHALLENGE QUESTION

Write your challenge and insights into a question that triggers innovative thoughts, starting with 'How might we..'

E.g How might we help patients (the users) to maintain their identity (purpose) while being hospitalized (context)?

VISION

What is your big dream for the future of the company?
(minimum 5 year perspective)

e.g. LEGO's vision: We want to inspire and develop the builders of tomorrow.

DO LESS OF...

List the actions that are not supporting the vision.
Which actions should we do less of and which should we stop doing.

DO MORE OF...

Brainstorm upon what actions could fulfil the vision

MISSION

How would you do that?

e.g. LEGO's mission: We do this through play which gives children skills to imagine and build a brighter future.