



# **1<sup>st</sup> Restart BSR project online International Learning seminar**

## **21<sup>st</sup> April 2020**

**Venue:** Online skype meeting

**Time:** 9-12 CET time

## CONTENTS

AGENDA .....	3
ABOUT THE AGENDA .....	<b>Błąd! Nie zdefiniowano zakładek.</b>
PURPOSE .....	3
PARTICIPANTS.....	3
MAIN FINDINGS OF THE SEMINAR.....	3
SUMMARY OF SEMINAR ACTIVITIES .....	4

## AGENDA

9.00 – 9.15 Opening the meeting and welcoming participants (Dorota/ Mariusz)

9.15 – 10.00 Present and report the outcomes of the 1<sup>st</sup> National workshop (reporting: LT, LV, EE, PL; 10 minutes per country)

10.00 – 10.40 Present the main insights from the 1<sup>st</sup> Advisory Board and ambassadors (stakeholders) meeting (reporting: LT, LV, EE, PL; 10 minutes for each country)

10.40 – 11.40 Present the progress in designing the national roadmaps (reporting: LT, LV, EE, PL; 15 minutes for each country)

11.40 – 12.00 Other issues and next steps (Dorota/ Mariusz)

## PURPOSE

The purpose of this seminar was to exchange the knowledge and experience of the participants in organizing the first National Workshops. To achieve this, participants from the 4 countries have presented the challenges and outcomes for the local businesses. Another purpose of the seminar was to present the project stakeholders' recommendations, achieved during the local advisory board meetings.

## PARTICIPANTS

Latvian Technological Center Foundation

- Ints Viksna, Agnese Kore

Ministry of Economics of Republic of Latvia

- Sigita Siliņa, Elina Petersone, Ilze Vanka-Krilovska

Vilnius Gediminas technical university

- Margarita Prokopovič, Lina Pečiūrė

Harju County Entrepreneurship and Development Consultancy

- Eduard Laur, Hannes Ojangu, Gerli Veeleid

Dolnośląska Instytucja Pośrednicząca

- Dorota Sało, Mariusz Tomczak, Adam Bujek

Design School Kolding, Denmark:

- Alexandra Harder Lindek, Mathias Poulsen, Sara Velsing Groth, Lene Friis

InnoMatrix - research & innovation, Latvia

- Liga Braskina,

## DISCUSSION

During the International Learning seminar there were 4 presentations from the project representatives of Lithuania, Latvia, Estonia and Poland. In the beginning the participants have

presented their experience in organizing the first National Workshops. Participants from the 4 countries (LT, LV, EST, PL) have presented the challenges and outcomes for the local businesses.

Local Advisory Board meetings have been organized in the 4 countries. The participants have presented these meetings and the recommendations provided for the project by the stakeholders.

Afterwards each country has presented their progress of the local Road Maps.

Also, possible changes to road maps due to the global pandemic of COVID-19 have been presented.

Lastly a presentation on further steps on the project has been given by Dorota Sała.

## MAIN FINDINGS OF THE SEMINAR

The participants of the project have identified that a functional early warning system might help the companies, facing difficulties avoid or mitigate these difficulties. However, the Baltics do not show signs of effective early warning systems in place. Therefore, all participants and organizations they represent, acknowledge necessity of Early Warning measures.

This issue leads to the biggest identified challenge - engaging with entrepreneurs in crisis before it is too late.

## SUMMARY OF THE SEMINAR ACTIVITIES

The following issues have been discussed:

### **Estonian representatives:**

Harju County Entrepreneurship and Development Consultancy have made a report about testing the tools.

**BUSINESS MODEL CANVAS.** Consultants feedback on using this tool. Very good framework to lead discussions with customers about their current and further business models. As well to identify risks and opportunities. To unleash the actual power of Business Model Canvas you have use all other tools introduced by Strategyser. To be become professional in using this tool, you shall take full training provided by Strategyzer. Consultant recommendation: Recommend taking this tool with associated tools into toolbox.

**DMAIC.** Define, measure, analyze, improve, and control (DMAIC) is a data-driven quality strategy used to improve processes. The DMAIC improvement cycle is the core tool used to drive Six Sigma projects. Consultants feedback on using this tool: Excellent methodology to be used in change management and improvement projects. This tool has been used in millions of companies and in many million cases and has been proven tool. In context of Restart can be applied in growth acceleration phase. Risks. This tool needs training and project management skills. If mentor/consultant stay with company in restart phase, this is particularly good tool for consultants. Customers feedback: Little bit complicated; Our project where we used this tool, had long time span; At the certain time we forgot about introduced DMAIC methodology; As project team just felt good project goal setting and project management.

**FINANCIAL SELF-CHECK.** Consultants feedback on using this tool. Must have tool, especially in case where customer do not have accurate data about companies financials. Customers feedback: Together with consultant we put a lot of effort into loading our financial data. As result we got actually same indicators, we have in our ERP system. Perhaps it is for companies who does not use ERP system; Results we got from financial self-check tool were astonishing. We did not anticipate before how bad our situation actual is.

**FUTURE GRAPHIC AND FUTURE TREND CARDS.** Tested customers feedback: Nice tool, make you think out of the box. However, we were expecting concrete suggestions. We collected some valuable ideas to follow up later. For sure, we will use this tool for brainstorming. Consultants feedback on using this tool. This methodology is must for consultant, advisor or any person working with persons gowning through distress. Having no training nor preparation we failed to achieve introduce this tool to customers. It worked well for us when kept in mind human behavior in the cycle steps.

**LOTUS BLOSSOM.** Lotus Blossom is creative-thinking technique that will help you expand your thinking beyond your usual paths of thinking. Tested customers feedback: Lotus Blossom is interesting tool. We collected some valuable ideas. Without consultant, who lead the ideation we would be lost.

**THE GOLDEN CIRCLE – START WITH WHY.** Consultants feedback on using this tool. It is highly recommend to use this tool together Business model canvas. Tested customers feedback: Asking WHY question set everything into absolutely new perspective. Very satisfied.

### **Lithuanian representatives:**

The Advisory Board meeting was organized during the National Workshop. Participants of this meeting represent various industry sectors: energy, electrical engineering, industrial and construction sales and advertising. There were also participants from a law-firm and a founder of a startup. These representatives form the Advisory Board.

Members - ELDES, Ignitis, METIDA, Katalista Ventures, Volatile, Synthesis, Wurth Elektronik, GITANA.

During the Lithuanian National BSR Restart Workshop two main tasks were carried out:

The Advisory Board, consisting of the project participants and representatives from the business sector has been established and utilized to crystalize the existing problems;

The roadmap of the project has been discussed.

The Advisory Board has been assembled in order to better understand the in-depth problems that businesses are facing in the real world. The expertise of the representatives of various businesses has led to identifying the following details, essential for the project:

The correlation of the modeled project activities to the needs of solving real business problems;

Definition of the tools, used in the business activities;

Identification of the universal and region-specific factors.

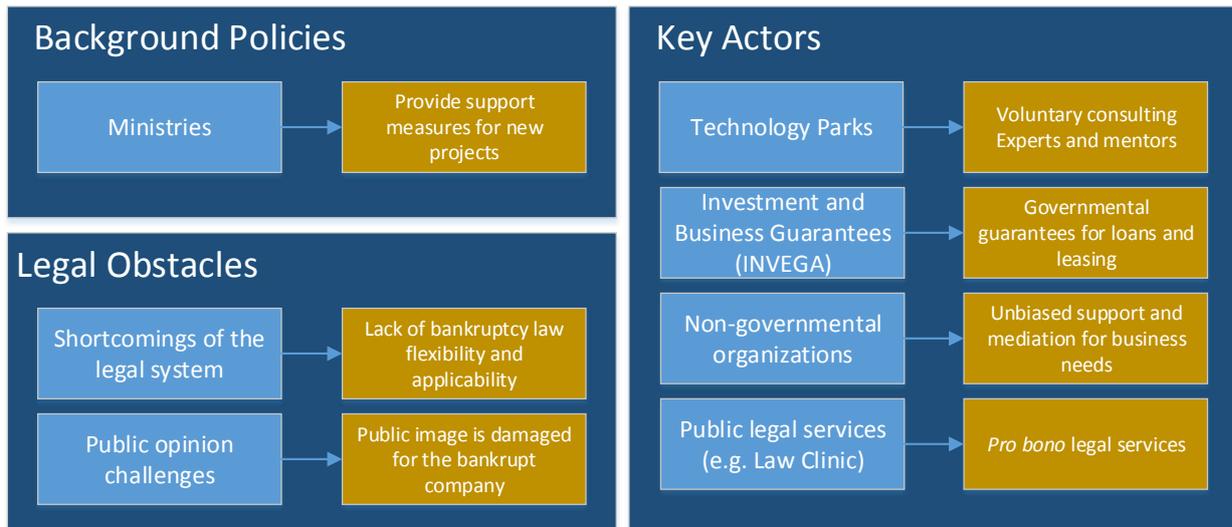
Suggested actions:

A knowledge-sharing community between the financially-challenged companies should be established to help spread the best practices in restarting the challenged organizations;

A mentor-network, consisting of field experts, operating on voluntarily basis should be established to provide the community and its' members with required knowledge that is out of their scope;

New projects arise from support measures of policymakers, therefore policymakers (e.g. ministries) should be involved in the process;

Effort should be put in adjusting the policy alignment to the business needs (e.g. removing legal obstacles, such as overcomplicated process of bankruptcy).

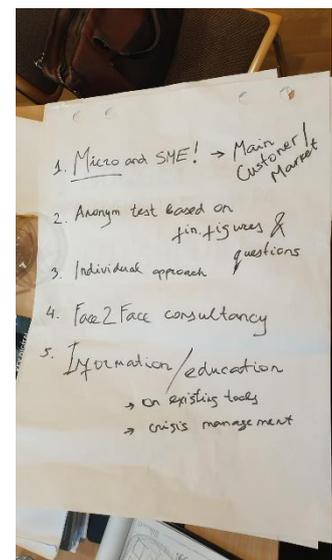
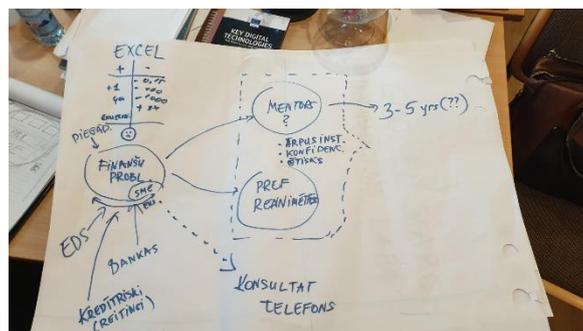
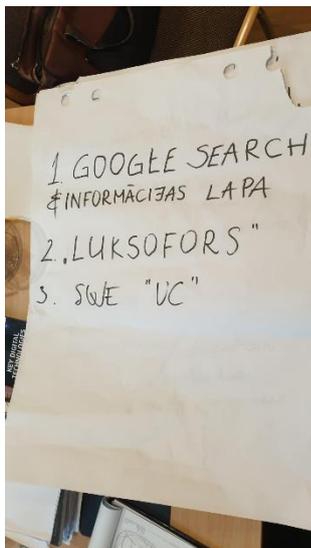


### Latvian representatives:

3 working groups – 30 minutes for group discussions and brainstorming

Group presentation

General discussions with other groups



How SMEs can find information about RESTART possibilities:

- Google search
- Social platforms

- Leaflets
- Business support organisations
- Municipalities and local stakeholders

Identification of companies:

- Suppliers
- State tax office
- Banks
- Credit ratings
- Monitoring of financial wellness by accountant software
- Anonymous test of financial wellness

In view of this, the following conclusions have been reached within the framework of the meeting:

The Ministry of Justice and the Ministry of Economics should cooperate closely in coordinating the implementation of both projects so that both projects complement each other.

Advisory Board members have to assess whether the national Taxpayer rating system needs to be expanded and provided for warning entrepreneurs about approaching financial difficulties.

In the next and ambassadors (stakeholders) meeting stakeholders are going to discuss the progress and results of each projects.

RESTART ROAD MAP – LATVIA

### Strategical

- Identification of company being in distress, utilization of Early Warning Europe or RESTART selected tools.
- Decision – restart or liquidation of company.
- Decision bases on evaluation of company, tool results, owner, board member decisions.
- If «yes» – company starts execution of «Objective» level.
- If «no» – company is forwarded to insolvency process or directly to liquidation.

### Objective

- Appointment of project manager.
- Appointment of up to 3 expert consultants.
- Full audit and evaluation of current situation: management, financial resources, products/services/innovation/R&D etc.
- For each case specific tools, interviews, audits etc..
- After evaluation, experts take decision (decision template) – is it realistic to restart the company, what efforts (financial, technical, etc.) are needed.
- If «yes» – tailored action and implementation plan(s), roadmap(s), time schedules are designed. After certain time re-evaluation of the company is carried out, new decision about company restart is taken.
- If «no» – insolvency process is started.

### Implementation

- Inside the company: audits, brain stormings, interviews, team building, management training, optimization, etc. processes are implemented. Specific tools can be utilized.
- According to action and implementation plan corresponding activities are carried out to restart the company operation.