Project: **ECoC-SME**
City of Kaunas Local Action Plan
Towards new perspectives for Kaunas

July, 2021

Introduction

The Kaunas Local Action Plan (AP) is a product created as an end-result in the Interreg Europe ECoC-SME project. Six Local Learning Labs (LLL) functioned as the forum for local institutions, representing different cultural, educational, public (city's development focus), and business sectors, to share, debate and check the problematics and bottlenecks of Kaunas development, and search for joint tools to improve the situation. The main focus of the LLLs was how to better use the years around the Kaunas European Capital of Culture (KEKS) 2022, as years of higher cultural activities in the city, and the broader opportunity and an inspiration to make a "great leap forward" in Kaunas development by (a) making KEKS 2022 positive effects into a long-lasting change in the city's development, and (b) to create the positive change and cooperation spill over into other sectors via the promotion of multi-sectoral learning and cooperation, especially for SMEs.

LLLs provided a specific model and framework to gather influential institution leaders in Kaunas to adopt a broader time-horizon and city-wide perspective, and also to step out of the traditional institutional and sectoral boundaries. Some of the main socio-economic and socio-cultural problems that Kaunas is facing in its development are (1) the shift to a higher added value generating economy that ensures a faster than EU average economic growth, and (2) talent attraction and retention. Both 1 and 2 are interconnected, as more and better economic opportunities leads to talent attraction and retention, and the latter creates the space for the first to emerge.

As a city of universities (there are 7 Kaunas-operating universities, 4 of them which are Kaunas-based, with 40,000 students), Kaunas has the right institutional setting to achieve both goals, but for the last decades has struggled to fully exploit this advantage by attracting a growing number of students and anchoring graduates. However, it suffers from strong local competition (from the capital city) and strong international competition for talent and businesses (both within and outside the EU). Kaunas – the fourth largest city in the Baltics by its size, cultural, economic, educational, and logistical importance – is similar to other Baltic capitals, but lacks the formal status and national institutions (and their approaches) created by acceleration and the clarity of its profile. The keys to solving these problems lies in Kaunas' new socio-economic and socio-cultural identity formation, cultivation, and communication. Due to its importance, this could be defined as a goal in itself (3), although essentially it is an intermediate goal to solve the main challenges. The creation, or to be more precise, offering the public a new identity/image of Kaunas, as well as inspiring change, are an important part

of the KEKS 2022 program. In this way, the AP extends the mission of KEKS into different contexts and sectors, also helping to bring other sectors' expertise into the cultural domain.

All of the 3 Actions in the AP could be developed as individual, separate actions, but together they form a "full package" covering all of the most important sections. First, "Lessons from business to culture and back" focuses on bringing a market-based approach and operation lessons from the business sector (start-ups and corporate), as well as to deepen its understanding for (young) creators in the cultural and creative sector. At the same time, it potentially provides out-of-the-box approaches to specific business problems. Second, More "Kaunastic Startups"! aims to create and prepare the next generation of start-uppers, by this way fostering the size and quality of the SME sector in the city. Third, "Kaunas is growing talents" is a multi-sectoral, city-level mentorship program that would run in both cultural and business sectors, again anchoring the top talents to stimulate their careers, create more dense and better integrated professional networks, and also potentially strengthening Kaunas' long-term value proposition as a location of studies.

The international profile of the program has greatly helped in the process, as it provided insights into different types of contexts, lessons, post-ECoC examples, and institutional cooperation frameworks. Due to the prolonged length of the program, many meetings, and in-depth feedback on the different versions of the AP plan, it is hard to distinguish every important piece of advice or influence that has shaped or inspired the development of the Kaunas AP. However, the experiences and lessons of Leeuwarden and Matera have stood out as better and longer functioning fruitful practices of how to moderate and lead the discussion between local partners.

Part I – General information

Project: ECoC-SME

Partner organisation: Vytautas Magnus University Centre for enterprise practice

Other organizations involved:

Kaunas IN

Kaunas European Capital of Culture 2022

Kaunas Science and Technology Park

The Kaunas Chamber of Commerce, Industry and Crafts

Country: Lithuania

NUTS2 region: LT02 Central and Western Lithuania region

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Part II – Policy Context

The Action Plan aims to impact:

- Investment for Growth and Jobs programme

- European Territorial Cooperation programme

- Other regional development policy instrument

Name of the policy instrument addressed:

Strategic Development Plan of the Kaunas City Municipality up to 2021-2023

The Strategic Development Plan has three main Priority Areas:

1. **Sustainable Economic Development Promotion and Enhancing Competitiveness**
2. Developing a Smart and Civil Society
3. Sustainable Development of Territories and Infrastructure

The **general, long-term vision of Kaunas** in the plan is a sustainable and civic community inhabited city, which is a leader in smart business and innovations, and a centre for modern and inclusive culture, as well as a home for life-long learning and happy people.

The **main goal** of the **1st Priority Area** is to create the most favourable conditions for business in Lithuania.

The **main objective** (Objective 1.1.1.) is to ensure favourable conditions for business and to encourage entrepreneurship. To achieve it, several **specific goals** are named:

a) to strengthen cooperation between the Municipality, business promotion institutions, associated business structures, and higher education institutions;

b) to develop the system of promotion of business entities and increase the social responsibility of business entities;

c) to organize the dissemination of information promoting entrepreneurship in the population, events, competitions, and training;

d) to promote public-private cooperation, as well as international cooperation.

The Strategic Plan provides the vision, and the more concrete directions of where to allocate the human and financial resources of the Kaunas city municipality. It also functions as the guiding principles of how it should operate in order to achieve specific goals, e.g., what kind of partnerships should be formed, supported and promoted in the city. The main tool to implement is the administration of the municipality (~600 employees) responsible for

approximately a 350 mln. EUR budget. Additionally, a network of municipality-owned and financed public enterprises exists that are vital tools in ensuring the implementation of the Strategic Plan. "Kaunas IN" – an economic and tourism development agency, "Kaunas European Capital of Culture 2022", and Kaunas Artists' House are part of the municipality-owned network, and also important partners in the Action Plan.

In 2016, Kaunas city municipality created the program "Initiatives for Kaunas" in order to achieve the goals and objectives of the Strategic Plan and to invoke the broader network of organizations and public initiatives. It creates a platform to gather and initiate competition between different ideas/initiatives, and finances the best ones. "Initiatives for Kaunas" is divided into 5 different areas from public sports' initiatives to cultural and youth-focused programs and events. The 1st Priority Area falls into the "Kaunas – dashing city" category. The budget differs from year to year, but for example, the latter category's budget in 2020 was 660,000 EUR.

The Kaunas Action Plan focuses on the 1st Priority Area and covers all (a-d) specific goals, especially (b – first part), (c), and (d). Its results should solidly contribute to the main objective and the general vision of the plan. In the preparational work of the Kaunas Action Plan (AP), municipality-financed public enterprises have been rallied and have contributed to its creation. Their own resources play an important role for the Action Plan implementation. Unsurprisingly, additional financial resources needed for the AP are planned to be gained from the "Initiatives for Kaunas" program.

The actions of the AP are developed and structured in a way that they could be multi-year programs with already considered development alternatives. Due to this AP future potential, the actions will be presented in the currently on-going systemic analysis and debate on the new Kaunas city strategy 2030, which will form the new Strategic Plan (2024-2020). However, the AP's actions are much more concrete events/programs, and are praxis-orientated. Thus, it is likely that the strategy and the new Strategic Plan will not include them verbatim, due to their strategic and broader picture focused perspectives. Nevertheless, the general guidelines and principles, areas of cooperation and target audiences with specific development tasks that have been developed in the AP, and the multi-sectoral knowledge developed in its preparation, are likely to strongly influence the new Strategy and the Strategic Plan. One reason

for this is that the plan will be shared and presented to the creators of the new Strategic horizon. Secondly, the people included in the preparation of the AP will have their own voice in the preparation. Thirdly, the protype and the first-year implementations of the actions will influence the general perspective of the future and trajectory of Kaunas' development.

Lessons from business to culture and back

ACTION 1

"Lessons from business to culture and back"

Background

One of the long-term global problems that is faced by the cultural community of Kaunas is its adaptation to a market economy and business skills. The Kaunas – the European Capital of Culture 2022 (KEKS 2022) program will give a big (including financial) boost to the cultural sector of the city, but there is also a risk that this impact can be, to some extent, short-lived.

KEKS 2022 is highly focused on solving rather broader horizon challenges, and making a long-term change to the socio-cultural profile of Kaunas than just one year of higher intensity cultural activities with big international names. These long-term tasks that KEKS is focusing on include: 1) its identity/narrative reconstruction, introducing a more multicultural and multi-ethnic character, as well as new (quasi-)mythological symbols; 2) organizing cultural activities not only in the centre of the city; and 3) raising awareness and equipping communities with the knowledge and tools to preserve and appreciate architectural heritage. One more important field of long-term change is the idea to create the next generation of cultural actors in Kaunas via the dense network of volunteers in KEKS program. Kaunas – the European Capital of Culture 2022 is a good opportunity to start changing this situation by helping youth (and not only) cultural actors to develop such skills by cross-sectoral learning.

The Kaunas Artists' House organizes the event "KAUNAS CCI FAIR" there people from the cultural and creative sector can present themselves and share their ideas with the public. It is a great opportunity, and an event in which a high number of cultural actors participate. In this way, an individualistic crowd is gathered into one place and one organizational structure. This creates an opportunity to initiate an action, via a program that would solve problems through offering an array of events such as workshops and seminars, as a preparation to the event itself.

The idea came up during one of the ECoC-SME project's local learning lab meetings in Kaunas where representatives from both the Kaunas Artists' House and KEKS 2022 (cultural sector), as well as people from MTP, The Kaunas Chamber of Commerce, Industry and Crafts (business sector), VMU Centre for Enterprise Practices (education sector), and Kaunas IN (governmental sectors) have participated.

Also, the experiences received from the consortium partners of the project led to the process of developing the idea and taking the actions. Importantly, the best practices of Matera have provided important knowledge of how to ensure collaboration that is most beneficial for all sides of the stakeholders involved, and the Leeuwarden team's attitude towards entrepreneurship education and their ideas of development have strongly influenced the following action.

Action

The main idea of the action is to share knowledge from the business sectors and start-ups, and then develop the skills through workshops, based on the EQ-Thinking Model which combines "real-life" business challenges and cases together with learning processes and the individual/ group experiences of the "students". The program (action) will take place as a preparation for the joint cultural event, organised jointly by the Kaunas Capital of Culture team and the Kaunas Artists' House.

The first part of the program will be a series of seminars – "Lessons from business for culture". The first seminars would be delivered by representatives from the Kaunas Science and Technology Park, which is the largest innovators community in Lithuania. There are certain features such as creation, development, (constant) rejection and others that closely relate to communities of startups and arts. In this way, the cultural community could learn a lot from the startups and their main working principles. The second part of the seminars will be more traditional. Either partners from the Kaunas Chamber of Commerce Industry and Crafts or the VMU Centre for Enterprise Practices will provide 2–3 lectures/seminars presenting their experiences. Three presenters from the different sectors would share their knowledge. The presenter from the industrial company would introduce the challenges, processes, practices and current trends in manufacturing management. The second presenter from the consumer products sector should focus on the product development stages. The third presentation should provide a marketing overview and lessons of the most effective ways of how to introduce a new product into the market and positioning it, while maintaining and defending its position in the competition, and finally reinventing it after the end of the product-life cycle.

All lectures/ seminars should have a format where the presentation is followed by active question and answer sessions. It should be up to the presenter as to whether questions are asked and answered either during the presentation or afterwards. However, the moderator should

participate in all the seminars/meetings to ensure that discussions happen and that it is more than just a plain presentation.

1. Seminars "Lessons from business for culture"
   a. Lessons from the startups world:
      i. The world and the principals of startups (presenter – MTP)
      ii. How on earth do those startups function? Our story (presenter – matured local start-up company)
   b. Lessons from traditional/corporate business:
      i. Profit and efficiency: the underlying principles and lessons from the contemporary business world (presenter – local manufacturing/industrial company)
      ii. Product development stages and lessons (presenter – local consumer goods manufacturing company)
      iii. Marketing lessons: how to introduce, maintain and reinvent a product or brand (presenter – one of the well-known brand owning local companies CMO)
2. Workshops "Solutions from culture to business"
   a. 1 "real-life" business problem
   b. 4–6 people (artists) groups
   c. 4 hour workshop for a single-problem

The second phase of the program would be workshops, moderated by the VMU Centre for Enterprise Practices, focusing on the analysis of the problem, generating ideas, and creating actionable projects in small teams (4–6 people) that focus on one business case/problem. Traditionally these are organised in multi-disciplinary groups of students and last for 2–3 months. The same methods and techniques (e.g. "Design Thinking", "Lego Serious Play", "Experience Design", "MethodKit") would be used for one 4-hour session, where the groups would be formed from artists and creators from the cultural sector. The differences between the two sectors and the highly developed creative abilities of the cultural sector should create the

similar or same effect as in the original setting, in terms of originality and "out-of-the-box" perspectives, and searching for these kinds of solutions. The shorter time factor will not allow groups to develop potential solutions/ideas/projects deeper for particular cases, but should be long enough to allow groups to explore and pick the best ideas.

There is also an alternative way to organize the part of workshops in the action/ program, where the object of the workshops would be changed from "real-life" business cases to problems of a cultural field or universal artists' problems which would be analysed through the prism of the business world. However, the focus is the same - to share the knowledge and experience drawn from the business sector to cultural artists. Also, it is fully possible to split the participants of the program into two larger groups (that also can consist of several smaller groups) – both following different models.

In both cases, and especially in the workshops of the program, the role of a moderator in a group is crucial, as she/he is not only a mediator within the group, but has to practically ensure mediation between the sectors. In this regard, mentors from the VMU Centre for Enterprise Practices are highly experienced and would be able to deal with this task.

The **"EQ-Thinking" model** is proposed as a core approach of all the activities and programmes. The model consist of three steps which could be described as **"Experience – Create – Initiate"**. Each phase is supported with certain methodologies and equipped with toolboxes. The model is based on the following pedagogical approaches: experiential learning, experience design, human centred, learning by doing, personal development, and inter-disciplinary. The journey through the Model is supported by mentors, coaches, practitioners, teachers, and trainers. Experts from different areas would also accompany them during the process.

Results: even if the program would not fully reach its main goals – to develop more market-economy prepared and adapted creators of culture, regarding their own work, its promotion and searching for its customers – at least it will increase their understanding of private companies, their operating principles, challenges. Instead, it would increase the better cross-sectoral understanding and improve creatives' chances to speak "the same language". This improved understanding would be good for the society-at-large and for the cultural community, as well. It could even (potentially) work as an inspiration for their artistic ideas and cultural projects. At the same time, exposure and encounter with business sector representatives would

not only give marketing lessons for their art projects, but also help them to be better at presenting, understanding and communicating with the business sector.

The implementation of the program (action) will go through the following activities/steps:

1. **Preparation phase: finalization of the program with the partners from the cultural sector**

   Whether to choose double or single models of the workshops should be decided together with the organizers of the joint cultural event – KEKS 2022 and the Kaunas Artists' House, according to the number of the participants from the cultural sector, organizational capabilities (e.g. the number of available potential and capable moderators), and also the first consultations with potential participants from the art community of Kaunas. In this step, the institutional responsibilities for communication with the art community and participants of the joint cultural event should be decided and finalized.

2. **Preparation phase: creation of a list of potential speakers (lecturers)**

   The first step of the formation process should be done by the organizers, including an active role from "Kaunas IN" as an organisation having a good city-wide perspective and connections that would ease the primary task of screening the potential (long) list of speakers. After internal discussions within the organizers and Kaunas IN, the still open long list of potential speakers should be discussed with business sector partners - Kaunas Science and Technology Park, as well as the Kaunas Chamber of Commerce, Industry and Crafts.

   The long list of potential speakers should include at least 2–3 more speakers in each category, as this would ease the process later on when some of the potential speakers might not be available to participate. At the same time, this long list would be a perfect resource for the next years program.

3. **Preparation phase: confirmation of the speakers (lecturers)**

   Once the list is created, it becomes important to confirm the speakers' participation in the seminar. The situation may arise where 2–3 alternatives of speakers might have a lack of interest, thus the availability to offer a payment to the speakers should be considered, although this may potentially reduce the number of seminars due to

budgetary limitations. If that would not be possible and there would be no alternative sources of funding, the organizers could alternatively invite speakers from academic institutions, although this would reduce the general positive effect of the program.

4. **Preparation phase: formation of a moderator's team**

As already mentioned but needs to be emphasized, the role of the moderator would be essential to the success of the whole program as they would be the cross-sectoral 'bridges' and 'translators' during the workshops. The VMU Centre for Enterprise Practices has long-time experts in the field with lots of very similar or identical experience in ensuring communication and understanding between groups while working in small teams on 'real-life' problems. The existence of such competencies within the organizers excludes the problem which could happen in an alternative scenario where organizers would have to pick outside moderators, which would likely create additional costs and would increase the risk of success of the project.

5. **Preparation phase: publication of the finalized program to the cultural community and potential participants of the program**

After the speakers and themes of the workshops are finalized, the final program of the action should be shared with the possible participants of the program from the cultural sector. According to the project and agreed procedures in step 1, registration (if needed) and splitting the participants into workshop groups should be done.

6. **Preparation phase: collection of needed tools and the selection of the physical place of the event**

The methods used in the workshops often require some materials and tools that should be not forgotten in the preparational work of the event. The organization of the physical place (and the equipment needed) where the lectures and workshops would happen is another simple but important task to think about in advance, whether in an open or closed space scenario.

7. **Evaluation phase: 'thank you' note and a short survey of the speakers**

After the event, a 'thank you' gesture whether via phone or/ and email should be done. Also, a short (~3 minutes) survey evaluating their experience should be conducted. This would allow organizers to measure the interest from the business community for the next year's events, and also highlight good or bad practices that would allow organizers to improve the event in the future. If the speaker's company has provided a 'real-life'

challenge, a summary of the findings, ideas, indications and interesting thoughts raised in the workshops should be shared after the workshop. If an idea with clear potential for cooperation has emerged in the workshop group, the contacts and associated guidelines should be shared. In the latter case, a short follow up message for both parties from the organizers checking the status of the cooperation should follow after 4–6 weeks.

8. **Evaluation phase: 'thank you' note and a short survey of the participants from the cultural sector**

   A more general and less personalized 'thank you' note should be sent to the participants from the art/cultural community, together with a short (~5 minute) survey focusing on their experience. This feedback information would indicate the potential base for program participants in the future.

The future (alternatives) of the project

While the action is primarily related to the joint event in 2021 organized by the Kaunas Artists' House and KEKS 2022, the future of the program is naturally closely related, and in the case of a successful "testing year" and the discontinuity of the "KAUNAS CCI FAIR", this does not mean that the program should end. One of the possible future forms would be a particular focus on youth from the cultural sector and the wide network of volunteers from Kaunas – European Capital of Culture. In this case, an extended form of the program (e.g. for several weeks) would be possible. In continuity of both events, the future program could follow the same model and pattern with the same goal – i.e. transferring the lessons and experiences of business to the culture sector.

Benefits for participants from the cultural sector:

➢ Learning possibilities from business practice – product development, business management, marketing.

➢ Better understanding of business processes, thus better communicative possibilities regarding sponsorships, partnerships, while creating and developing artistic projects.

➢ Potential inspiration from experience and exposure, and a better understanding of the world outside of the artistic community or "art bubble".

➢ Chance to gain an "the out of the box" perspective and approach towards their own dilemmas and problems.

Benefits for participants from the business sector:

➢ Opportunity to get acquainted with different approaches and ways of working.

➢ Opportunity to create new connections in the art community that can lead to potential cooperations and partnerships.

➢ Possibility to get different "out of the box" perspectives to standard challenges and/ or "real-life" problems.

Benefits for the city:

➢ Possibility to establish connections and foster cooperation between cultural and business sectors.

➢ Possibility to boost finances for cultural activities from private businesses because of better cross-sectoral communication.

➢ Cross-sectional connections and working experiences for municipal institutions such as the Kaunas Artists' House.

Program's Key Performance Indicators (KPIs):

➢ General evaluation of the success of the program by the speakers: ≥3.5 (survey, 1-5 evaluation scale)

➢ General evaluation of the success of the program by participants from the cultural sector: ≥4 (survey, 1-5 evaluation scale)

➢ Number of the created cooperations and partnerships (≥1)

1. **Players involved**

➢ Kaunas European Capital of Culture 2022

- ➢ Kaunas Artists' House
- ➢ VMU Centre for Enterprise Practices
- ➢ Kaunas Science and Technology Park
- ➢ Kaunas Chamber of Commerce, Industry and Crafts
- ➢ Private business companies from Kaunas
- ➢ Kaunas IN

2. Timeframe

- ➢ All the preparation work. **Start:** 2021 August. **Finish:** 2021 December
- ➢ The event (lecturers and workshops) – 2021 September-November

3. Costs

Not planned.

It is likely that there will be no additional costs for the project, aside from costs linked to the engagement of the VMU Centre for Enterprise (as organizers of the series of lectures and workshops), and in the form of salaries and other working costs related to mentoring and organizational work.

It is likely that the lecturers would give their presentations in the seminars without additional payment because of the valuable experience and potential benefits that includes their companies and personal marketing reasons. Participants from the cultural sector that are considered as recipients in the frames of the project would be gathered in preparation for the joint event by the Kaunas Artists' House and KEKS 2022 without additional costs.

More
"Kaunastic Startups"!

More "Kaunastic Startups"!

Background

This Action was created following findings from LLL1 and LLL2, discussions with the stakeholders, and gained experience from the project consortium partners. The LLLs and input by the Kaunas Science and Technology Park representatives who have the most experience in the field in the whole region, has contributed greatly to a more detailed and better prepared version of the action for implementation. Kaunas city has a start-up incubator which is mainly focused on business sector ideas. However, for the last few years, the concept is changing because ideas developers such as KaunasIN are experimenting with different approaches. To develop an updated version, the "Kaunastic Startups" idea was partially inspired by the project team after a visit to the Leeuwarden incubator. Leeuwarden has an interesting model, where an old prison is used by the CCI sector to develop their small business, and supporting them with know-how. This gave us the insight to look more closely into the concept of a new "Kaunastic Startups", thinking about toolboxes, stakeholders, and a broader spectrum of ideas.

Action

More "Kaunastic Startups"! (Lithuanian: "Kaunas startuoja") is aimed to inspire and equip the next generation of startupers in Kaunas with the right toolbox for the successful start of their enterprises.

The action will be a 7-week program focused on the next generation of potential startupers. Primarily, but not limited to students from the largest Kaunas higher education institutions – Vytautas Magnus University, Kaunas University of Technology, Lithuanian University of Health Sciences, Kaunas University of Applied Sciences, participants will join in with three sets of events focused on the development of entrepreneurship knowledge and skills.

40,000 students in Kaunas higher education institutions: Vytautas Magnus University, Kaunas University of Technology, Lithuanian University of Health Sciences, Kaunas University of Applied Sciences, Vilnius University, Kaunas College, College of social science.

The first part of the program will focus on sharing the best local start-up stories, cases and lessons in an attempt to show individual, just-over-the-corner created real-life examples of startups' creations, different roads to success, and inspiring the participants to follow in the footsteps of already-operating startupers.

The second group of the events could be rightly called "Startupers' boot camp". Its aim will be to give essential, basic, but sufficient knowledge of the local start-up ecosystem, the starting path and the necessary steps for any start-up creation, basic financial and judicial aspects of start-up creation and early operation, financing possibilities, mentorship options, team formation and HR aspects, as well as individual psychological aspects of the process, and so on. Aside from the informative events, the boot camp will try to highlight and then develop and foster the individual skills required in start-up creation, e.g. pitching, and product development planning. The outcome of this part should be that individuals gain a good basic knowledge and understanding of how to establish and successfully start to operate a start-up. Naturally, a better understanding would re-affirm the motivation to follow the road of the successful companies and individuals seen and met in the first part of the program.

The third part of the program will aim to develop potential ideas via problem-solving workshops, including intermediate, very short 2 minute idea-testing sessions with mentors, and, later, test the ideas more fully in two rounds. In the first round, the participants will rate the ideas among themselves with a smart points system, recreating the (start-up) market functioning. The winners will have the possibility to pitch their ideas to a professional jury.

The main audience of the program is the general public of students studying in Kaunas universities. Participants of the Kaunas 2022 volunteering activities and members of their long-time program to develop the next generation of cultural entrepreneurs that would operate in Kaunas after 2022, could be given an advantage in the selection progress. In case of wide popularity and interest, different sections of the program that would be oriented to entrepreneurs in the cultural sector could be organized as the part of a general program.

Main benefits of the program

For students:

➤ Inspires current students to take a (possibly high-reward) risk in their youth days and to start their enterprises and start-ups;

➤ Gives knowledge and develops skills in how to start and run a company/start-up, and what is needed to be able to do it successfully;

➤ Provides clear information and contacts for how the Kaunas ecosystem of startups works, what are the right steps to get into it, and what is the usual roadmap for the further development of a business idea;

➤ Provides better a understanding of what to expect and what kind of skills are rewarded in after-university life and the job market.

For the city of Kaunas:

➤ Will foster the economic life of the city of Kaunas, creating more enterprises and reducing (youth) unemployment, as well as increasing the possibility that newly created companies will grow into being a big employer in the city;

➤ The program should ease the transition from student life to the work world or after-study life for youth that study in Kaunas. Even without starting their own businesses, their skills and adaptivity to the job market will be increased. The program could help to differentiate the more-motivated students at an early stage for potential employers;

➤ It could help to solve one of the problems of Kaunas – that graduates tend to leave the city after their studies. Having business activities or/ and having a clear knowledge of/ contacts in the start-up ecosystem in the city will likely help graduates' integration and settling in Kaunas after their studies;

➤ Has the potential to become a unique advantage for Kaunas, as a location of higher education.

The implementation of the program (action) will go through the following activities/steps:

1. **Preparation phase: Creation of finalized program/concept of the program**

Clarifying the role, input and responsibilities of every stakeholder and participant, as well as setting the date and timeline, as well as the goals to be achieved.

2. **Preparation phase: Organizational work**

Creation of the full list (including backup options) of potential speakers, participants (mentors) of the workshops. Organizational work to get them onboard. Coordination of the physical spaces where the events will take place.

3. **Preparation phase: Creation of communication material**

Once the program with all related details has been settled, the preparation work for all the visual material for the program that will be used for public and external communication, as well as internal communication (i.e. with the participants during the program) and press releases should be created.

4. **Preparation phase: Creation of registration form and information platform**

A system of registration will be required for the action. The "Kaunastic Startups" tab in the "Kaunasin.lt" website could be such a platform which will allow an in-built registration form, as well as providing all the needed information regarding the program.

5. **Active phase: Registration and public communication phase**

The news about the program should reach a wide margin of students, primarily in Kaunas. This would allow the program to gain a higher number of registrations than the planned number of participants. Communication efforts and tools traditionally used by the partners should be applied, as well as the organization of a broader campaign in the public field, including press releases and articles in regional and national media, interviews on popular TV shows, potentially using influencers popular among the youth sector. An important part of the communication efforts are the channels and voice of the Kaunas city municipality, which will not only increase the size of the audience, but will also give clear credibility to the program.

The main communication platforms will be the "Kaunastic Startups" Facebook page and the "Kaunastic Startups" tab on the "Kaunasin.lt" website. However, for successful communication, it is vital to attract the right applicants from a wide talent base, so input from the partners (primarily, but not limited to the higher education institutions of Kaunas) is essential for its success. The media campaign should actively include the face and persona of well-recognizable and respected members of the programs – i.e. mentors. This way it would not only increase the presence of the program among the youth and general public, but also create an additional incentive to the mentors to participate and feel related to the program.

6. **Active phase: Selection of the participants**

Due to the limited group size and with the goal to work with highly motivated and capable students, a selection process for all the registrants would be needed. The registration form will not only collect their contact information, but will also have tools that would allow a selection process which will be done by the organizers.

7. **Active phase: the program**

Different parts of the program could be run and implemented by different stakeholders, according to their field of expertise, and with the supervision of the whole program by a leading partner(s). (*The broader program's description is provided above the actions/ steps part*)

8. **Post-phase: Evaluation of the success of the program**

The program evaluation should be done by all the partners. One side of the evaluation will be numbers-based: i.e. the number of participants, number of events, and the number of applicants. A more qualitative evaluation will come from the subjective experiences of the partners, as well a post-survey of both participants and mentors. Longer term evaluation and the actual results of the success of the program will be determined by the number of enterprises started by the participants. To be able to do that, a survey of the participants after half- or one-year after the program should be conducted.

9. **Post-phase: Decision regarding the future of the program**

According to the evaluation results, it should be agreed whether the program should be limited to one time or be repeated next year. In such a case, it could be adapted according to the feedback received from the evaluation process. It is possible that the

program/ action would be successful and would be seen as such by the partners, but due to a lack of resources could not be repeated the next year. In this case, the program could be repeated after several years.

In case of later repetition and multi-year activity, the program should seek to become a "prestigious" one, potentially narrowing the number of selected applicants. This way, it would ensure and ease its survival and continuity. Its potential long-term goal could be to become the program through which participants become differentiated and recognized in the business/ job market. In that case, it is possible that in the long term, it would become a factor that may improve and act to Kaunas' advantage as a location of higher education.

As a program spin-off, a city-wide mentorship program that goes on for one or two years could be organized. Top performers in the program would later be mentored by successful business representatives who have grown their own companies. This would add to the prestige of the program and enhance its quality over the years. Also, it would enlarge the chances that the participants would later become successful founders of the companies in Kaunas.

Players involved:

➢ Vytautas Magnus University Center for Enterprises – leading partner (General and the third part)

➢ "Kaunas IN" – co-leading partner, creators of the multi-year program of "Kaunastic Startups" (General and communications)

➢ Kaunas Science and Technology Park – one of the leading incubators of innovative companies in the Baltic states, with a deep knowledge and contact network of mentors (Boot camp)

➢ Kaunas – European Capital of Culture 2022 – the official organizers of the KEKS 2022 program (Third part)

➢ Kaunas Chamber of Commerce, Industry, and Crafts – one of the main business associations in the Kaunas region (Mentors and business representatives in the third part)

➤ Vytautas Magnus University, Kaunas University of Technology, Lithuanian University of Health Sciences – leading Kaunas universities that would be the main source of students (Communication)
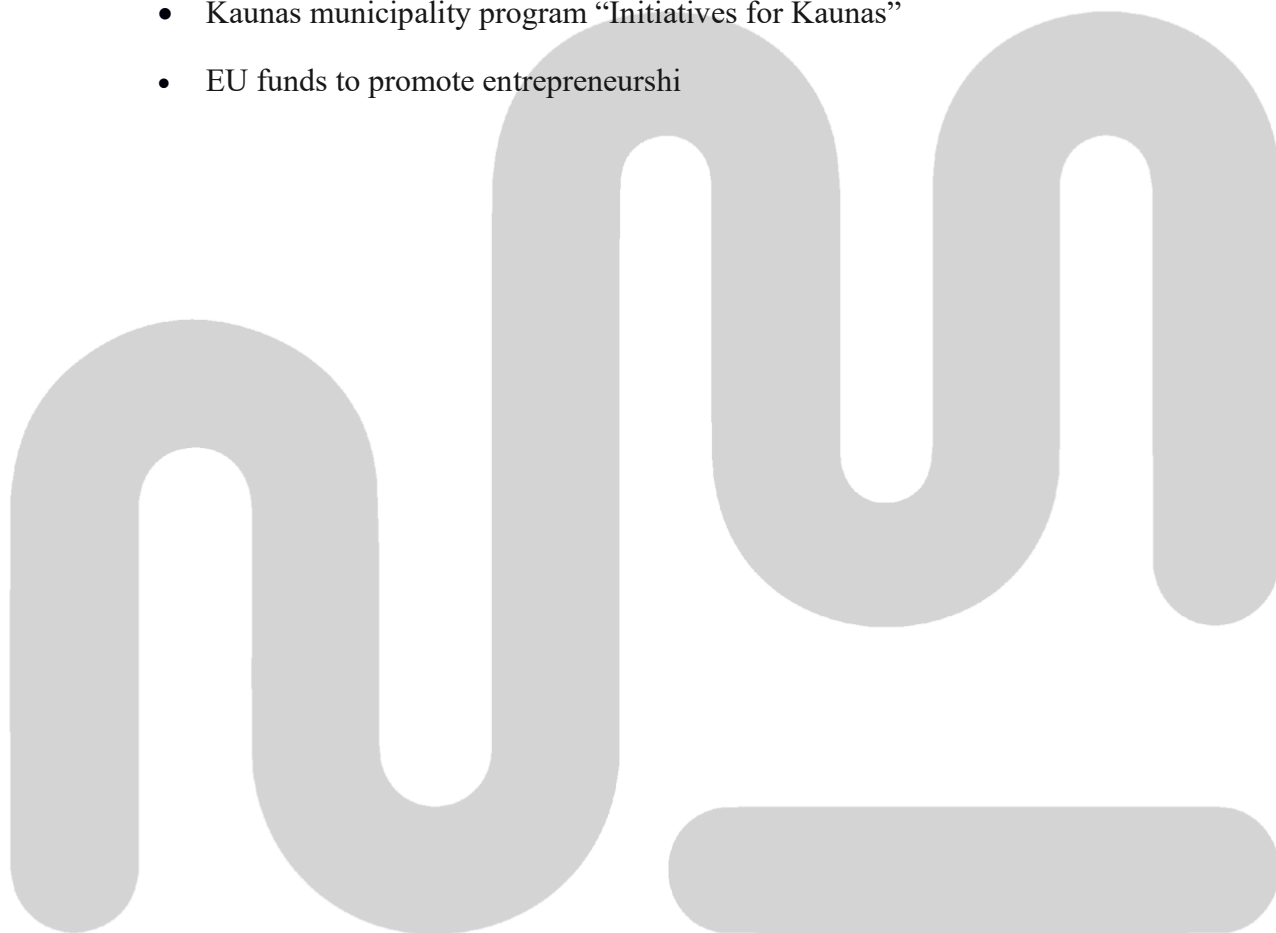
Timeframe – 2021 September (preparation/ coordination) - 2022 February (development)

Costs

- 95,000 Eur.

Funding sources

- Kaunas municipality program "Initiatives for Kaunas"

- EU funds to promote entrepreneurshi

Multi-sectoral, city-level mentorship program – „Kaunas is growing talents"

ACTION 3

Multi-sectoral, city-level mentorship program – "Kaunas is growing talents" (Lithuanian: *Kaunas augina talentus*)

Background

Attracting, developing and anchoring top talents in a city is a primary target for any city's socio-economic development, and a key competitive advantage in today's innovation-driven and globalized economy. In this regard, the increasing challenge for Kaunas is to make the talents that studies and graduates develop in the city stay here after their study years. This is important, regardless of whether the individuals are Kaunas-born, or if they have arrived to the city from other locations inside or outside Lithuania for their studies.

The mentorship program would help to anchor top talents ensuring their early adaptation into the city's professional networks, and show, as well as help start professional careers or businesses early. Additionally, it would enhance and ensure a denser network within the city's innovation, business and cultural communities, easing youth integration into these networks.

The program could be perfectly organized to complement the first and second actions (described above). At the same time, it could be altered to a slightly different version and function as a standalone action plan. Due to the action plan being a comprehensive program where different actions foster each other's impact to maximise the general positive effect for Kaunas' development, the third action's plan is cited as a systemic part of the general program.

The program came into being and got its shape through Local learning labs, organized as part of the ECoC-SME project, stemming from talk about systemic problems in different sectors, Kaunas' perspectives and long horizon challenges, and most of the partners focus on how to better use Kaunas' academic potential, which led a general look towards the youth sector and the future. Afterwards, the process gained the shape of a program/action.

The program

The first and second actions will create a pool of youth talents that will go through some professional and personal development training. At the same time, they will have already gone through the first selection phase (to be enrolled into programs) and a second selection phase that takes a natural, competitive selection via the activities of the programs. Thus, the first and mainstream participants should be the ones that have stood out in the first two actions. This program would follow as a natural continuation of the first two programs, and from an organizational perspective regarding the mentorship program, it would ease the bulk of organizational work required in screening and selecting the program's participants.

In general, the selection phase is critical, as it is key to selecting the highly talented and high potential individuals who would also be well motivated. These are necessary conditions not only for the general long-term effects and success of the program, but also essential components that would keep mentors satisfied with continuing their participation in the program.

However, the mentorship program should not be limited only to those who have participated in the other two programs, and an additional recruiting process should/could be organized via general communication channels and directly via universities. This would help to ensure that more of the city-wide top talents would participate in the program, as due to a variety of reasons, some of them might have not been part of the first two programs. It would thus be a mistake not to bring in a second "fishing net" of talents, due to the aim to limit the organizational amount of work. Moreover, in regard to the long-term success of the program, it is important to create, first, a recognition of the program, especially among university students, and second, to build up the prestige of the program. An additional recruitment process would help both of these needs, separate from the other actions/ programs.

The number of participants could vary according to the budget and the success of attracting and getting commitment from potential mentors. The optimal number, especially for the first year of the mentorship program, would be ~50 with an equal share of participants between business/startups and cultural sectors. However, the program could function, particularly in the first year, with a lower number (e.g. 30 participants) especially if it encounters problems in recruiting mentors or has other organizational limitations.

After the selection and matching procedures, the essence of the program would be regular, continuing for at least 6 months with one-on-one mentoring activities (primarily

meetings) between the mentor and the mentee. Keeping in mind the volunteering aspect of the mentor's participation, and if the recruiting process encounters some difficulties, it would be an option to differentiate the length of the mentorships. According to the preferences of the mentors, there could be 3 levels, with lengths of mentorships of 3 months, 6 months, and 9 months.

The costs of the program could be minimal, mostly organizational, and dedicated mainly towards marketing (especially if the program would be held on a standalone basis, aside from the first and second actions' programs), if the mentors would agree to participate in the program free of charge. While this is a desired outcome for obvious financial reasons, any mentorship as a paid occupation would would bring significant organizational complications, as a more thorough examination of the mentorship activities would be required. However, this situation cannot be prompted without the confirmation of the potential mentors. Thus, organizers should be aware and prepared for extra actions if there are no or too few potential mentors as volunteers. In that case, there would be three options: 1) to limit the scope of the program in the number of participants; 2) to offer financial (or other) incentives for mentors to participate in the program; 3) to cancel the program. These options and the alternative choices should be clarified *a priori* so that the organizers would not be stuck in a situation where they have an obligation and promise to host the program, but no resources to achieve it.

However, there are several scenarios that would require different financial resources, but which would also bring different additional effects:

(a) Mentors are volunteers and are not paid for their participation in the program.

(b) Mentors are not paid, but each mentor and student gets a 1000 EUR budget for the project during the mentoring time. The project would become the central axis for the program, and joint practical experience would be a reward for their cooperation and mentorship. In the cultural sector, it could lead to producing some art objects or cultural events, created and possibly stationed in the city, e.g. an outdoor sculpture or street art object. In the business/startups sector, this may take the form of a small part of broader business project. While it would not be wise to hope, aim or require that all of the projects would create some beneficial results for the city as it is not a primary goal of the program, it is likely that some of them would create real value. Moreover, any provided budget could be just a primary starting point with the real-life possibility to raise additional funding and a bigger budget. In this way, it would also develop the skills and understanding of how to get funding and create value propositions in both sectors.

(c) Mentors are paid for their participation. An important argument for this option would be that indirectly, aside from the goals of the program, the city would be supporting and anchoring its top professionals and talents. This practice, especially in academic and cultural sectors exists (apart from any mentoring activities) on the basis of the pure general value that such individuals create for the cities in which they reside.

The program laid down in this action plan follows the scenario that there are enough mentors who agree to participate on a volunteering basis for a 6 months program, and that it does not provide any additional funding for each mentorship pair.

The implementation of the mentorship program (action) will go through the following activities/steps:

1. **Selection phase: creation of a list of potential mentors**

   The mentors should be selected according to several criteria: a) to be leaders or experts and well-known in their fields, b) to be preferably Kaunas-based or at least working in Kaunas, c) to be likely to participate in the volunteering program. The selection is done by the organizers of the program. Criteria (c) can be checked by removing those who might be known for never participating in any such type of activities.

   The list's creation should include gathering of contact information. Also, it is important to have a longer list than the planned number of mentorships (50), as some invitations to join the program could be declined.

2. **Preparation phase: finalization and confirmation of the program's plan and needed resources**

   As laid down above, the program can take several different forms, and in the case of a multi-year program, it can undergo changes and alterations each year. Thus, before each year, there is a need for a finalization of that year program's concept and its confirmation by all the decision makers, including those providing the resources for the program. This should be done after the creation of the first step's list, as the potential pool of mentors naturally limits the program's scope, and would also be a good indicator of the program's scale and quality for the decision makers.

3. **Preparation phase: formulation of value proposition for the mentors and invitation**

The mentors are the first ones to be picked, as they are program's fundamental resource. Their quality is the most important factor in ensuring the prestige and general quality of the program, including the marketing position among the student participants. Therefore, a clear, well-written and well-presented invitation introducing the value and importance of the program for the city and for a mentor should be prepared.

The initial invitation should be done by both email and telephone, to make sure that the invitation has been received and understood correctly. A period of 2 weeks should be held as a time for a positive/ negative decision from the potential mentor's side. Any declined positions, if possible, should be covered by the alternative candidates. Thus, in the project planning ~1 month should be counted as a time needed between sending invitations and having a confirmed list of mentors.

4. **Preparation phase: confirmation of the mentors**

If the process to fill the vacant spots from the initial list (as mentioned above in step 3) would not be successful, then the general number of mentorships should be reduced.

5. **Creation of the list and confirmation of mentees from the first two actions/programs**

While the process of the first two actions would create the number of potential participants for the mentorship program, naturally, availability and interest should be re-confirmed prior to the official announcement of the program. The number of positive answers would dictate the general number of vacant slots for which additional recruitment should be organized.

6. **Announcement of the program and the additional recruitment of mentees**

Once the full list of mentors and the open slots for mentees are confirmed, the official announcement of the program and marketing campaign to attract students into the program should start. The campaign would take place in the general public field through news websites, social media, etc., as well as directly through online and offline communications means of Kaunas' universities. Students' application forms would be sent to the general email address of the program. Applications should include a CV and half-page standardized written motivational letter, indicating not only the applicant's motivation itself, but the student's idea which needs mentorship.

These files would be used in the recruitment and screening processes. If needed (e.g. in case there would be large number of applicants and/or it would be hard to make

a decision), a second round should be organized, where a selected number of applicants would be interviewed and have to present their ideas in 20 minutes. All of the selection work is done by the organizers.

7. Finalization of the participants' list and matchmaking

Once the list of students participating in the program is be finished, both the mentors and enlisted mentees should participate in a specially created survey which would indicate their preferred style of communication, its regularity, and type or field of mentorship. This would form the base for the matchmaking of mentors with mentees.

8. Official start and mentor-mentee introductions

The official start of the program could be in November or early-December, as the 6 month period would end with the spring semester. Introductions should be done simply by way of introductory letters with the contact information and a short bio/ intro to both the mentor and the mentee, in which the potential and most likely area(s) of cooperation and mentorship would be emphasized.

The mentoring relationship proceeds further without the organizers programming or calendaring, but with an indicated and highlighted possibility to contact the organizers in any case of need.

9. Checking the process

After 1 month, a short confirmation from both sides should be done, as to whether the contact has been initiated and that the process is happening.

10. Mid-point evaluation of the satisfaction of mentors and mentees

A short survey (up to 7 minutes duration) should be conducted for all the participants of the mentorship program to evaluate their satisfaction with the process, indicating any problems, and evaluating their current perception of the process.

11. Finalization of the project

The official project would end at the end of the spring semester. In successful mentorship cases, the official ending of the program would not necessarily mean the end of the mentorship, as it could proceed further on a private basis. In these cases, the initiative to continue the mentorship lies with the mentor.

12. Post-phase: show of gratitude to the mentors

Mentors who have participated in the program on a volunteering basis should be given official "thanks" by the organizers. In the covid-world this should take the form of package, including specially designed attributes of the program, and a "thank you" note signed by the mayor.

13. Evaluation phase: survey of the participants

A survey (up to 12 minutes) should be conducted for all the participants of the mentorship program to evaluate their satisfaction with their personal participation and the program in general, indicating any problems, areas for improvement, and providing potential development ideas for the next year's program (optional).

14. Post-phase: post-project media campaign

The campaign would share and popularize the best mentorship cases of the program. This way, it would be an additional bonus for the mentors in terms of forming (and publicly acknowledging) their positive image, and it would also popularize and develop the image of the program which would be very important in the case of a multi-year program.

15. Evaluation phase: internal revision of the successes and shortcomings of the overall program

With both surveys conducted, the organizers should conduct an internal revision of the program and its success as the "product", and its organizing processes with an emphasis on providing insights and recommendations for the next year's program. The result is a paper emphasizing the successes and shortcoming of the program, its organization, and providing guidelines for the future.

The continuation and potential future of the program

If the program would happen after 2022, the youth volunteers who participated in the Kaunas – European Capital of Culture program could be the basis for the participant recruitment. This way, it would (to some extent and scale) ensure the continuity of the program and its goals, after the official year of the cultural capital.

Moreover, in the future, the program could be broadened by adding other fields e.g. those with a more academic focus, differentiated by different fields like engineering, IT, humanities, and health sciences. This way, it would not only work for the general goals of the program, but would also strengthen Kaunas' academic potential and prepare the next generation

of researchers and professors (as teachers) for Kaunas' universities and universities of applied sciences.

However, similar examples and mentorship programs already exist. For example, the Vytautas Magnus University "Cum Laude" program where the most talented students get additional courses and academic work, and are also assigned to mentors that help and lead them in their academic development during their study years. A similar program "KTU GIFTed" exists in the Kaunas University of Technology. Nonetheless, these programs focus on academic development, thus, the primary fields of "Kaunas is growing talents" as start-ups and cultural sectors are not currently covered. Ultimately, the principle of expanding the program in the future to new sectors would tackle what seems to be a growing, long-term universal problem not only in Kaunas, but globally – to attract and sustain top talents in academic fields, especially in highly-paid sectors, e.g. IT and engineering. This is a critical, long-term risk in sustaining and strengthening the academic potential and strength of the city, so is essential in its general socio-economic development.

To achieve a deeper and long-lasting effect, it would be recommended to run the program for at least 3 years. During this time it would gain recognition, develop better organizational procedures, be tested in no-/post-covid restrictions world, and achieve a larger scale and time-perspective which would allow a broader evaluation of the program's success and the need (or no need) for its further development.

Main benefits of the program

For students:

➢ Unique chance for personal development experience and engaging in a tailored program.

➢ Possibility to gain insights, guidance and critique (for free) from the leaders of their field, regarding their idea/ product/ project.

➢ Big networking possibility (high level, early exposure) for the near and long-term future that could vitally shape a young person's career.

➢ Exposure to a personal, real individual professional example that could shape (either from a positive or negative perspective) their future self-image.

➢ Provides a better understanding of what to expect and what kind of skills, personal traits are rewarded in after-university life.

For mentors:

➢ Personal satisfaction in helping young, aspiring talent.

➢ A sense of giving-back to the community and an indication that their public image comes as a social status and professional success indicator.

➢ The possibility to meet new, young talent early in their professional career.

➢ A chance (albeit low probability) to find a "big idea" in its early stage of development.

➢ Exposure to the new generational approach and perspective.

For the City of Kaunas:

➢ Helps to anchor top talent in the city by their early exposure and integration into the city's professional networks and institutions, and by the (likely) more successful start of their professional activity (either as a start-up or cultural project).

➢ In case of a multi-year program, it would create distinguishing advantage for the city as a studies' location. The knowledge generated in the positive light of such a prestigious program indirectly markets a city as a place for professional success.

Program Key Performance Indicators (KPIs):

➢ Number of mentorships: 50

➢ General evaluation of the success of the program by mentors: >4 (survey, 1–5 evaluation scale)

➢ General evaluation of the success of the program by mentees: >4 (survey, 1–5 evaluation scale)

Timeframe

➢ Presentation Action Plan ideas and draft to Kaunas city municipality and other stakeholders, confirmation of financial and organizational resources, detailization of the Action Plan – August 2021-January 2022

➢ Organizational (pre-start) work – February 2022

➢ Start of the program – March 2022

➢ End of the program – July 2022

Costs

15 000 Eur

Funding sources:

Kaunas municipality program "Initiatives for Kaunas"

DATE: 2021.07.30

ORGANIZATION: Public Enterprise "Kaunas IN", Kaunas city Investment Development, Tourism, and International Marketing Agency

REPRESENTATIVE: Direktorius Tadas Stankevičius

SIGNATURE:

STAMP: