

# Resilience and Rescue Skills for SMEs, strengthening Early Warning Europe, ResC-EWE



# Content of the Toolkit



Toolkit of the ResC-EWE MOOC and Learning through the MOOC



1. Resilience and Rescue Skills for SMEs, strengthening Early Warning Europe [ResC-EWE]



2. Resilience and skills development



3. Customer understanding



4. Infrastructure and operations

5. Financials

6. Management

7. Resilience in action

8. Key learning points

9. References



# TOOLKIT of the ResC-EWE MOOC

## Entrepreneurial Skills for Students, Mentors and Entrepreneurs

The ResC-EWE project presents a MOOC [a Massive Open Online Course], including eight scalable videos and a practice-based Toolkit for innovative formal, non-formal and informal education and training.

The MOOC is developed through an Erasmus+ project, Resilience and Rescue Skills for SMEs, strengthening Early Warning Europe, which continues and integrates the results of a research carried out within five European countries: Denmark, Finland, Greece, Poland and Spain. ResC-EWE follows the on-going work carried out by the [Early Warning Europe Network](#).

Entrepreneurship refers to the ability of an individual to turn ideas into action [European Commission]. Entrepreneurship includes various internal and external attributes and skills, such as creativity, communication, cooperation, innovation, leadership and resilience.

Follow each section of the Toolkit and develop your skills in practice!



# Learning through the MOOC:

## Videos

MOOC includes eight videos offering an overview of the key themes including entrepreneurship, business planning and resilience. Videos are developed within six main themes, each lasting approximately seven minutes. The Business Model Canvas by Alexander Osterwalder serves as the methodology of the MOOC. To develop your skills in practice, watch each video first and then continue to the practical Toolkit sections.

## The Toolkit

The Toolkit includes a section for each theme, following the themes of the videos. The Toolkit includes innovative practical tools for developing your entrepreneurial, business planning and resilience skills – and many more! Each Toolkit section includes a reflection and an action plan – design your own action plan and share your ideas with your colleagues, business partners, mentors, or fellow students.

## Mentors

Use the digital version of the Toolkit or print out the tools and use them for your purpose in coaching, mentoring or teaching. Watch the videos for gaining a coherent understanding of each theme.

## Entrepreneurs

Choose the contents and tools that fit to your needs in business planning and development or use them in challenges that you might be facing with your business. Watch the videos for gaining a coherent understanding of each theme.

## Students

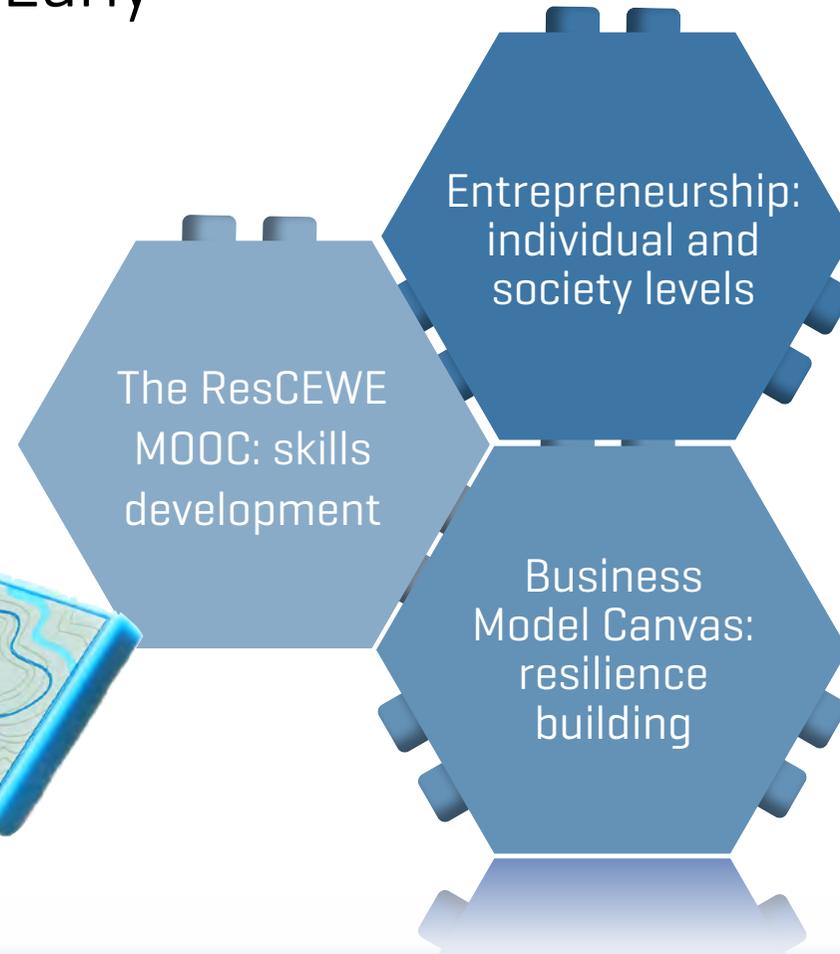
Watch the videos and study the sections of the Toolkit one by one. Each topic presented is related to the previous topic in the purpose of studying them. Use the digital version of the Toolkit or print it out for learning. Choose the tools that most suit your learning situation or skills development in practice.

# Resilience and rescue skills for SME's, strengthening Early Warning Europe

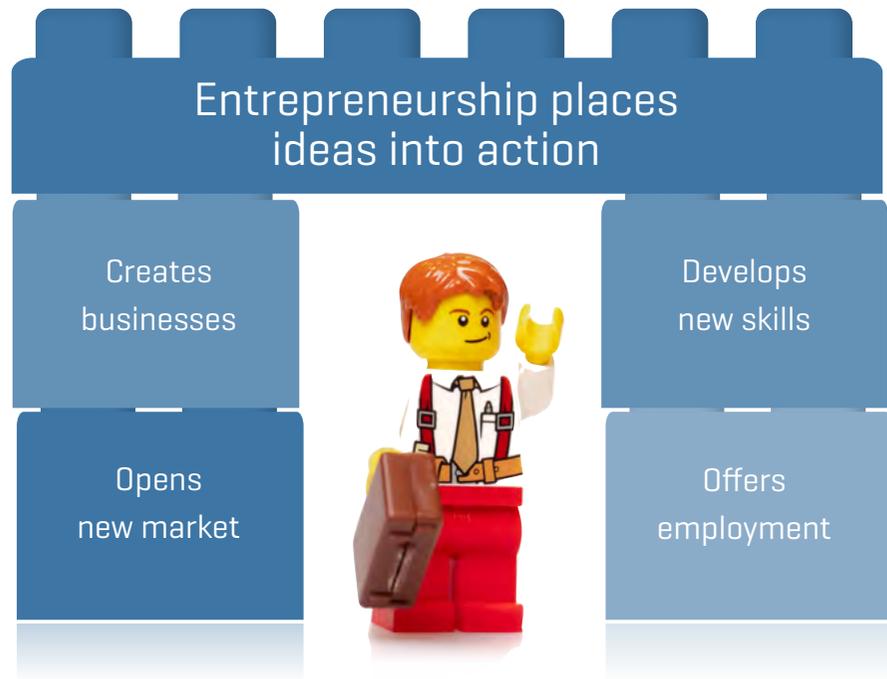


# TOOLKIT 1 - Resilience and rescue skills for SMEs, strengthening Early Warning Europe

Entrepreneurship generates value for entrepreneurs, organisations and for the society as it creates jobs, improves markets and livelihood. Economies rely on entrepreneurs' skills for growth generation.



# Entrepreneurship in a society



Communication Innovation Ability to plan Creativity Risk taking

Small and medium-sized Enterprises [SME's] are the most important sources of employment within the European Union. Our aim is to encourage individuals to become entrepreneurs and support people to set up and grow their businesses sustainably.

Governments and business organisations need to encourage people to become entrepreneurs through support and advice, training and education.

# The ResC-EWE MOOC

Your guide on the journey is a Lego figure entrepreneur. The Lego figure offers a culturally sensitive perspective for learning and skills development through the MOOC. Lego is a family business [established in 1932], that has managed to redesign its strategy repeatedly to sustain competitiveness.

The ResC-EWE MOOC contents include:



1. Resilience and rescue skills for SMEs: Orientation to the MOOC and to the ResC-EWE project, Early Warning Europe Network, methodology, the Business Model Canvas.

2. Resilience and skills development: Meaning of resilience, resilience of an entrepreneur, working life balance.

3. Customer understanding through the Business Model Canvas: Value propositions, customer segments, channels, customer relationships.

4. Infrastructure and operations through the Business Model Canvas: Key activities, key resources, key partners, generating value through business operations.

5. Financials through the Business Model Canvas: Cost structure and revenue streams, pricing structure, the revenue model.

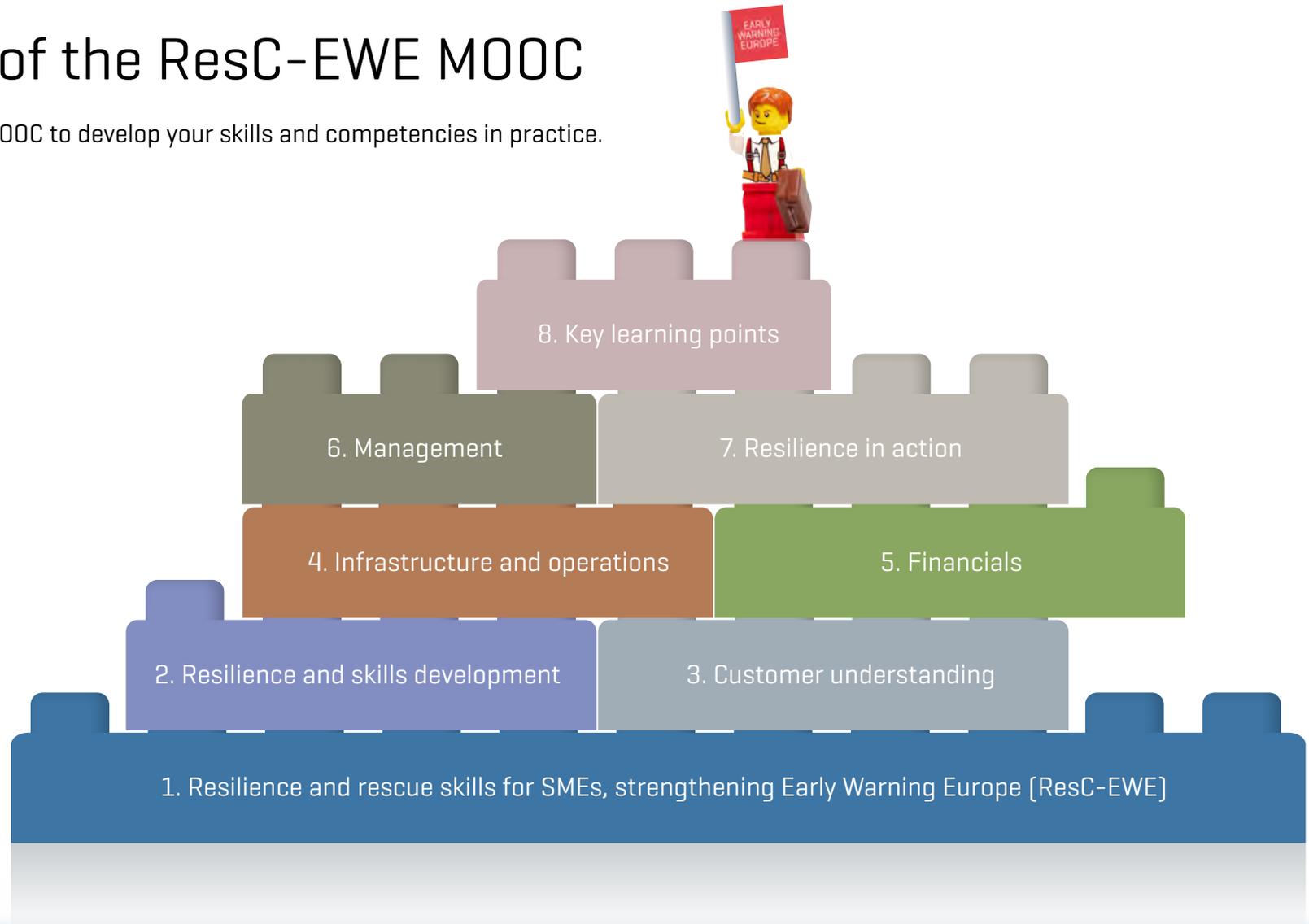
6. Management: Management process, functions of management, business risks, risk management.

7. Resilience in Action: Business resilience in practice, perspectives of resilience planning, strategic planning, continuity management.

8. Key learning points of the ResC-EWE MOOC: summary of the main themes and topics covered.

# The themes of the ResC-EWE MOOC

Enjoy learning through the MOOC to develop your skills and competencies in practice.



# BUSINESS MODEL CANVAS



Key Partners



Key Activities



Value Propositions



Customer Relationships



Customer Segments



Key Resources



Channels



Cost Structure



Revenue Streams



# After reflection

Write down the contents you should put into action in the next phase.

Tool: Action plan – How can I carry out my personal action plan according to the MOOC?

Objective:	
Activities to be taken:	
Resources needed (including knowledge or skills required):	
Time schedule:	
Monitoring, indicators to evaluate achievements:	
Necessary clarifications:	
Other notes:	

# Resilience and skills development



# TOOLKIT 2 – Resilience and skills development

## Resilience in practice:

A resilient entrepreneur learns from difficulties and has the capacity for personal growth.

A resilient entrepreneur can make the most of their strengths and recognise the weaknesses to be developed, in personal and business life.



## Objectives – TOOLKIT 2:

After going through the theme:

You understand the meaning of resilience and the development of personal resilience skills.

You understand the meaning of working life balance.

You are aware of the concept of lifelong learning and understand its meaning in practice.

# The concept of resilience

Resilience refers to the capacity to recover fast from difficulties and to bounce back from challenging experiences.

Every individual has their own personal strengths. Strengths mobilise us to perform and march towards challenging conditions.

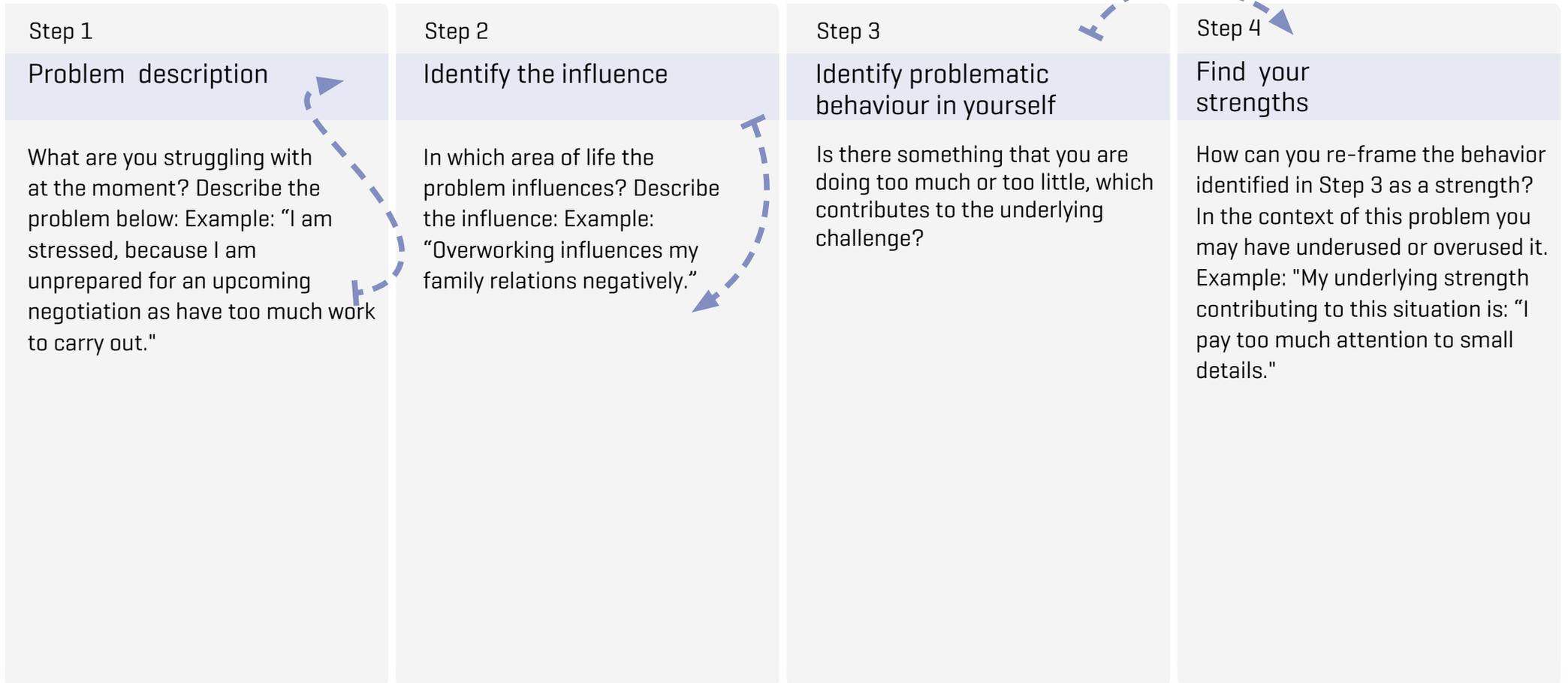
BEND OR BREAK





# Tool: Distilling strengths from problems

**Outcome:** You understand your capabilities to utilise your abilities to accomplish objectives. You will be able to use your own potential more efficiently.



Tip: Small actions build a momentum!



# Tool: Unleashing your inner optimist

**Outcome:** You understand focusing on a positive mindset.



## Step 1

Take a seat in the pessimistic mindset chair.

## Step 2

Now, move into the optimistic mindset chair.

## Step 3

Evaluate your experiences.



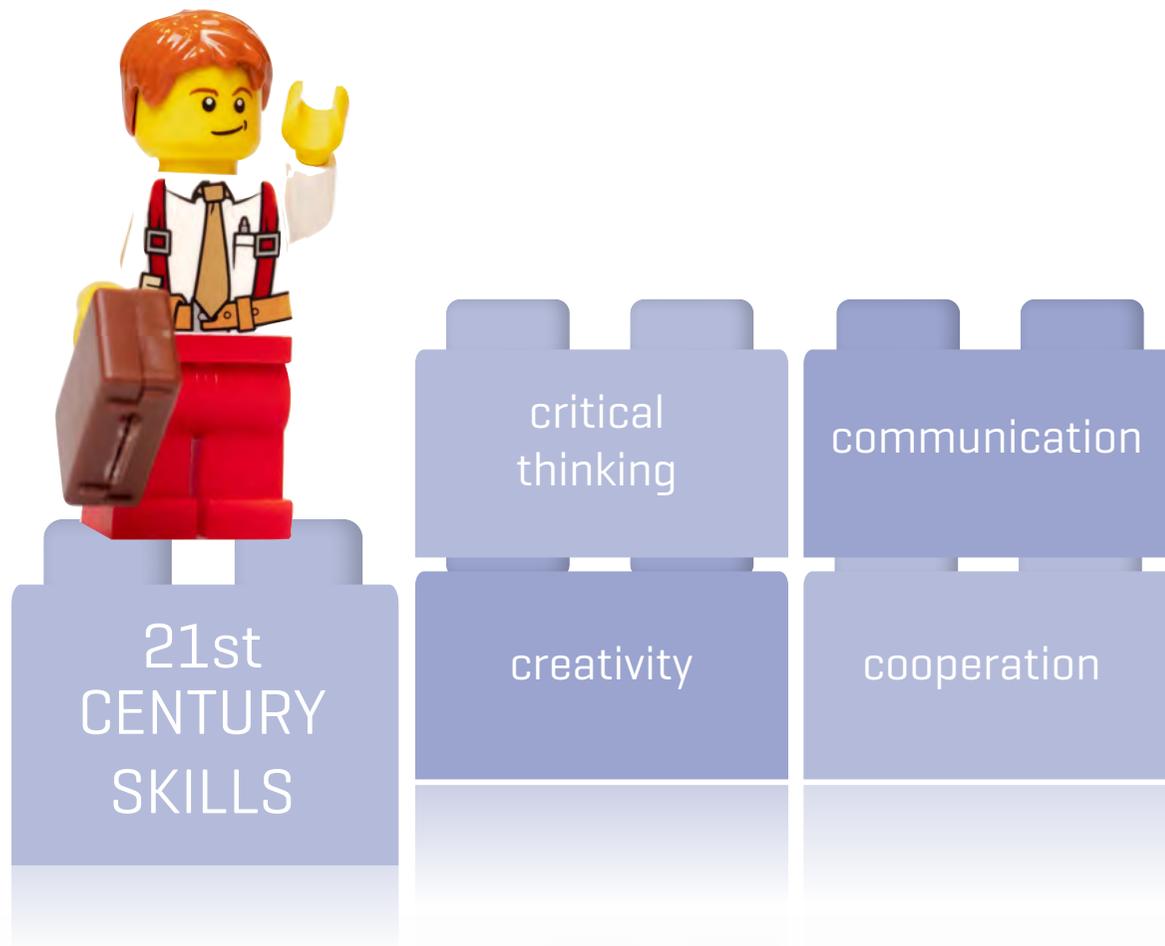
# Skills development – lifelong learning

Resilience has a direct link to continuous skills development.

Skills development contributes to a competitive business.

A competitive business ensures adequate skills development for its employees.

21st century skills include the knowledge, life and career skills, and traits, which are needed to succeed in today's competitive societies and the labor market.





# Tool: Self-efficacy

A tool for developing resilience through efficacy

**Outcome:** You understand your capabilities to utilise your abilities to accomplish objectives. You will be able to use your own potential more efficiently.

## Positive past, Step 1

Gratitude for the past and positive memories. What has been the main career driver for you?

Forgiveness - positive past also requires forgiving and forgetting. What would you like to change if you could? Why?

## Positive present, Step 2

Mindfulness: living in the present and slowing down.

Do you tend to multitask? Why? Savoring: appreciating the present.

What is the most important issue for you currently in your life?

Flow: positive presence requires participation. What makes you happy in this moment?

## Positive future, Step 3

Positive vision of the future. What would you like to achieve in your life?

Optimistic vision of the desired future. What would you like accomplish in the future?

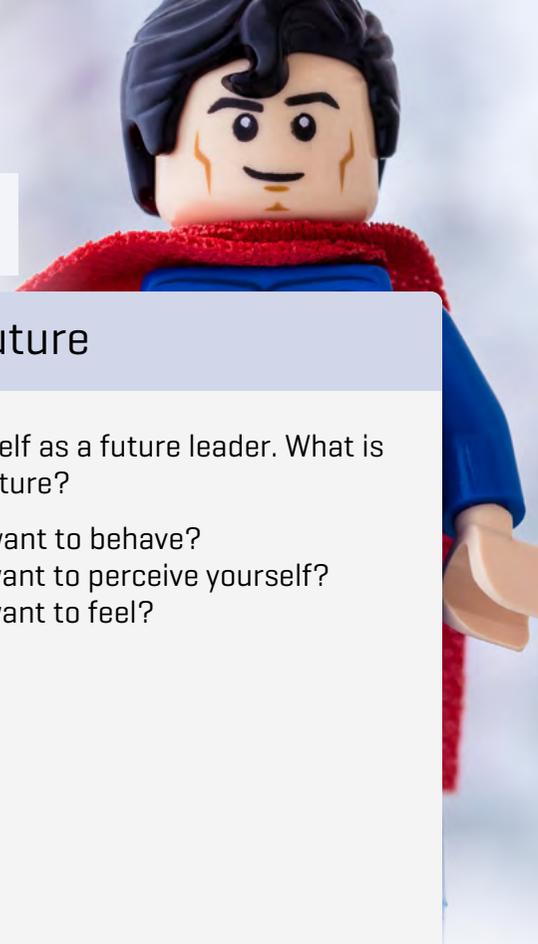


Tip: Work with your memories and emotions.



# Tool: Developing resilience through efficacy

**Outcome:** You understand your capabilities to utilise your abilities to accomplish objectives. You are able to use your own potential more efficiently.



## Positive past

What are you grateful for concerning the past?

To whom would you express your gratitude to concerning past experiences, and how?

Who do you need to forgive to?

## Positive present

Think about the factors that bring joy at work:

Choose one positive task from daily work. Focus on that activity. Take a closer look at the activity

Assess your emotions, get your senses involved.

How can you transfer the positive experience to other areas in life?

## Positive future

Describe yourself as a future leader. What is your desired future?

- How do you want to behave?
- How do you want to perceive yourself?
- How do you want to feel?



Tip: Self-efficacy is an internal belief to initiate and maintain desired action. You can use this tool to evaluate factors valued by your team or management, and make a long-term plan for achieving a desired action.

# Reflection: What have you learnt from the theme?

## FIRST STEP – NOW:

Reflect on the meaningful topics and contents learnt.

What did you learn?

## SECOND STEP – NEXT:

On which topics did you succeed at, what is meaningful?

Were there contents you need to revise further?

## THIRD STEP – FUTURE:

Reflect on the topics you and/or your company need to focus on in the future.

What can you place into practice reflecting the future aims?

How can you implement the learnt contents in practice?  
Write your action plan!

Action plan:

Activities planned

Resources needed (including skills)

Schedule

Monitoring (including indicators for evaluation)

Clarifications for planned activities

Notes

# Customer understanding



# TOOLKIT 3 - CUSTOMER UNDERSTANDING

Customer understanding refers to knowing the customers for creating long-term relationships through value generation.

Value generated is determined by the customers.



## Objectives – TOOLKIT 3:

After going through the theme:

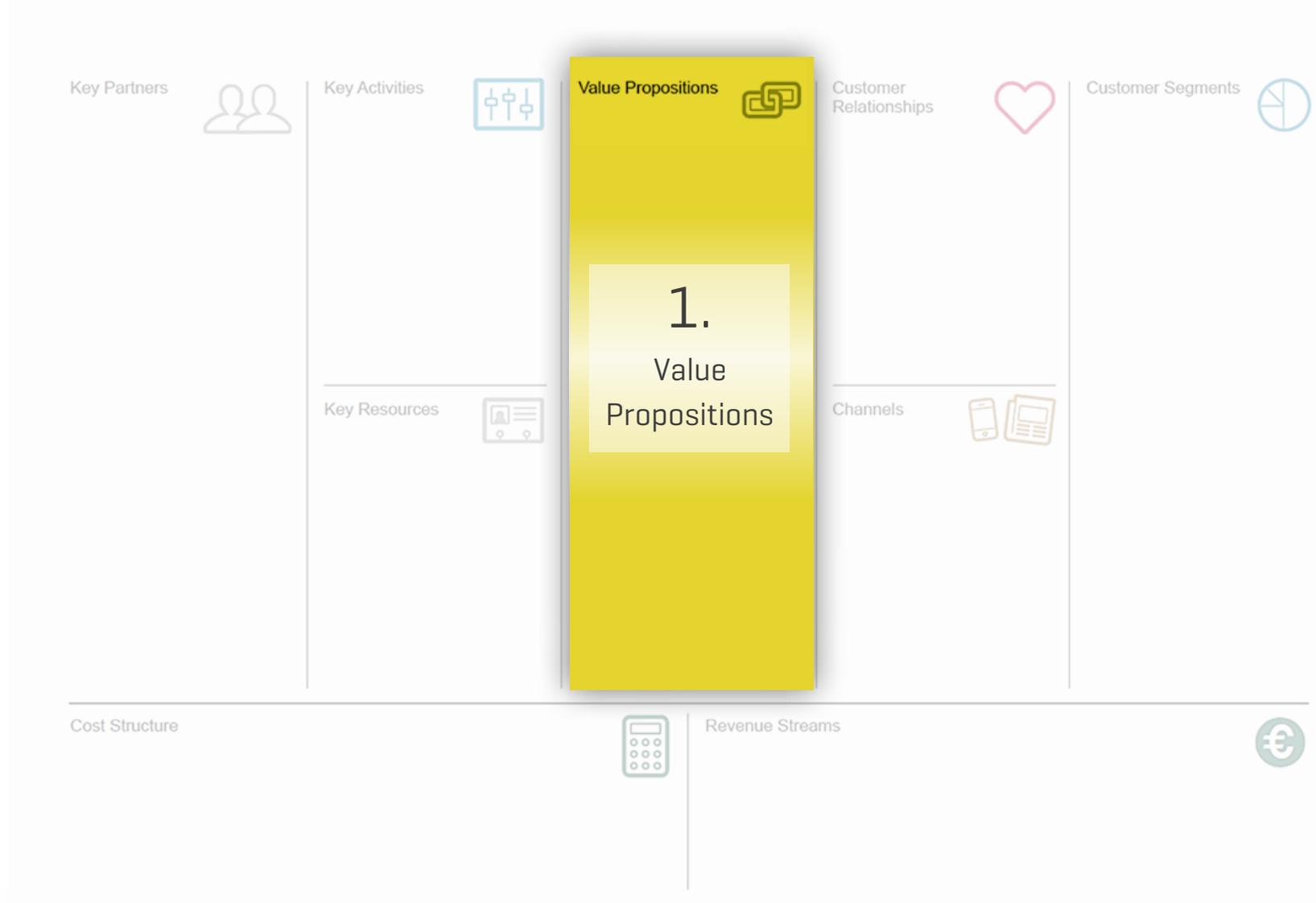
You understand the importance of value in business operations.

You can create an added value for your customers through the services and products offered.

You understand the most suitable channels to reach customers.

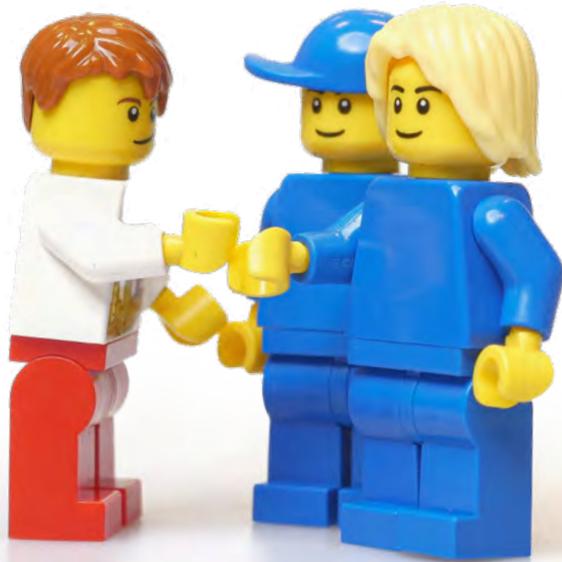
You can group customer segments and communicate with existing, new and potential customers strategically.

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# Value propositions

Value proposition [VP], specifies the value of a product or a service: What makes a certain product or service attractive [valuable to the customers]? How is it experienced, and why does it offer certain benefits over competitors?



**CUSTOMER**  
can be any person or a group with varying motivations.

**GAIN**  
benefits brought to customers through company products or services.

**PAIN**  
customers' needs or problems [to be satisfied through value generation].

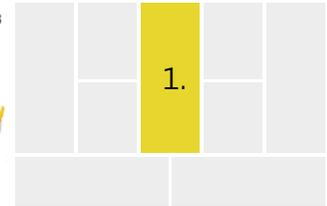
**PRODUCTS OR SERVICES**  
company offerings, which deliver the value to customers.



# Tool: Value creation 1/2

**Outcome:** You understand the importance of value – it helps businesses to reach competitive advantage.

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## Brand / Image

Creates emotional associations and promises functionality and quality. Brands positively shape customers' expectations.

## Reliability

Meets customers' expectations during the time specified. Product or service offers the aspects it is intended to offer.

## Accessibility / Usability

Ensures that customers are able to access and use the products or services regardless of their location, background or life situation.

## Comfort / Safety

Enhances customers' well-being or feeling of comfort and safety.



Tip: You can find topics related to customer understanding from the next page. Creating value to customers is crucial in business activities.

Toolkit 3: Customer understanding

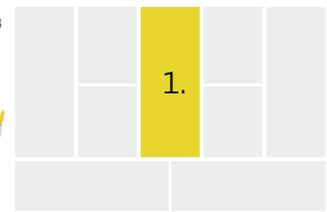
Toolkit  
Start

Table of  
Contents





# Tool: Value creation 2/2



## Getting the job done

Value is created through understanding customers' needs. What do you offer to customers? What can you offer in the future?

## Performance

What is the performance of the product or service in the long-run? Does it function as promised? How could the performance be enhanced?

## Risk reduction

Risk management ensures that risks and challenges are dealt with in accordance to management actions and operations of the business.

## Price

Value of a product or service must consider the quality and the overall price paid by the customer. Operations must be cost effective in relation to design, production, marketing and sales.



Tip: How can you communicate value to customers?

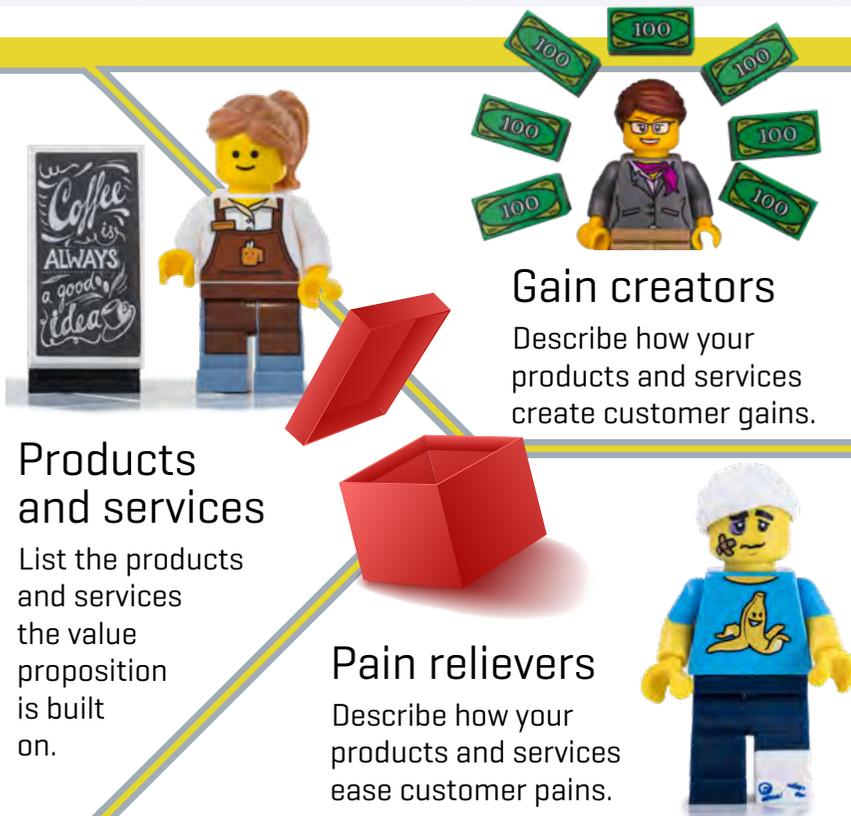
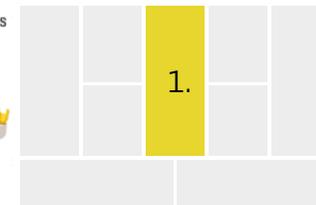


# Tool: The Value Proposition Canvas

## Offering to the customer

**Outcome:** You understand the importance of value – it helps businesses to reach competitive advantage.

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### Products and services

List the products and services the value proposition is built on.

### Gain creators

Describe how your products and services create customer gains.

### Pain relievers

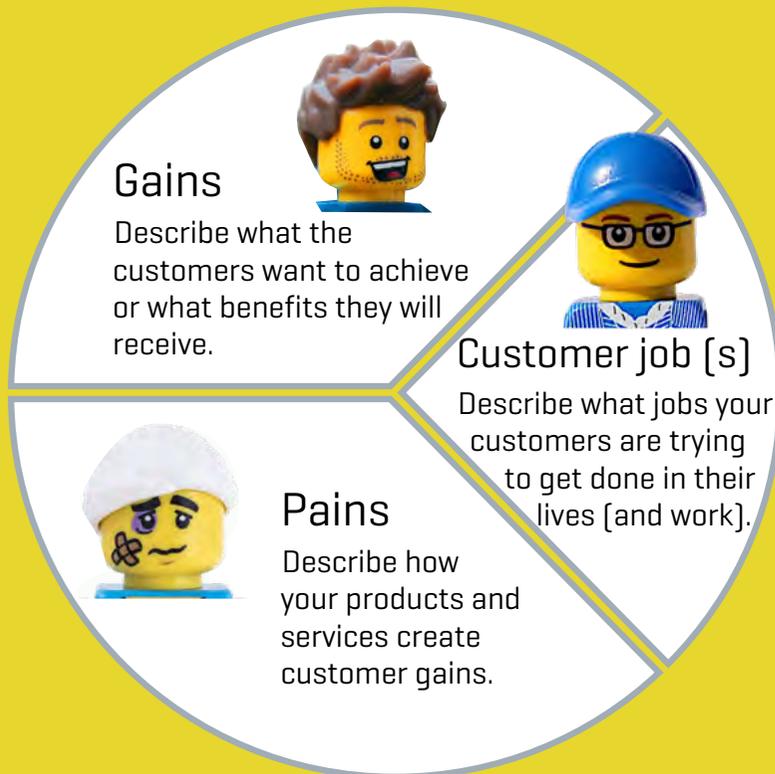
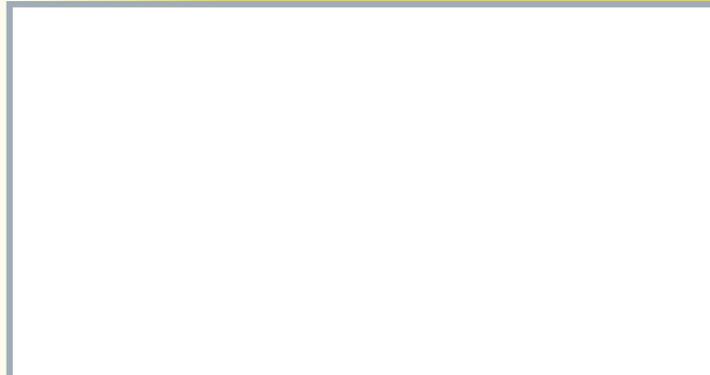
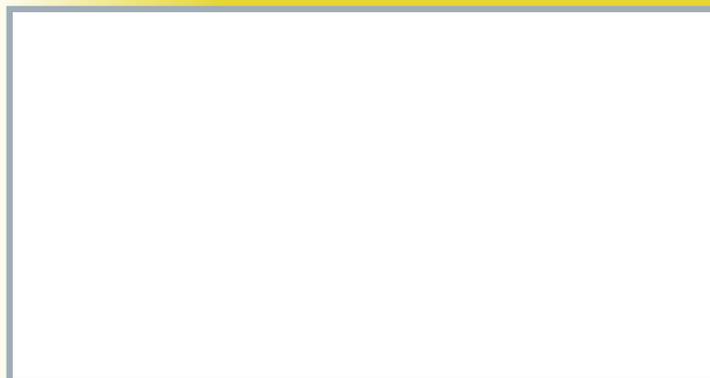
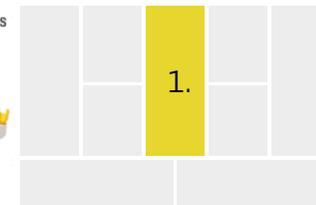
Describe how your products and services ease customer pains.



# Tool: The Value Proposition Canvas

Customer action

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# BUSINESS MODEL CANVAS



Key Partners



Key Activities



Value Propositions



Customer Relationships



Customer Segments



Key Resources



Channels



Cost Structure



Revenue Streams

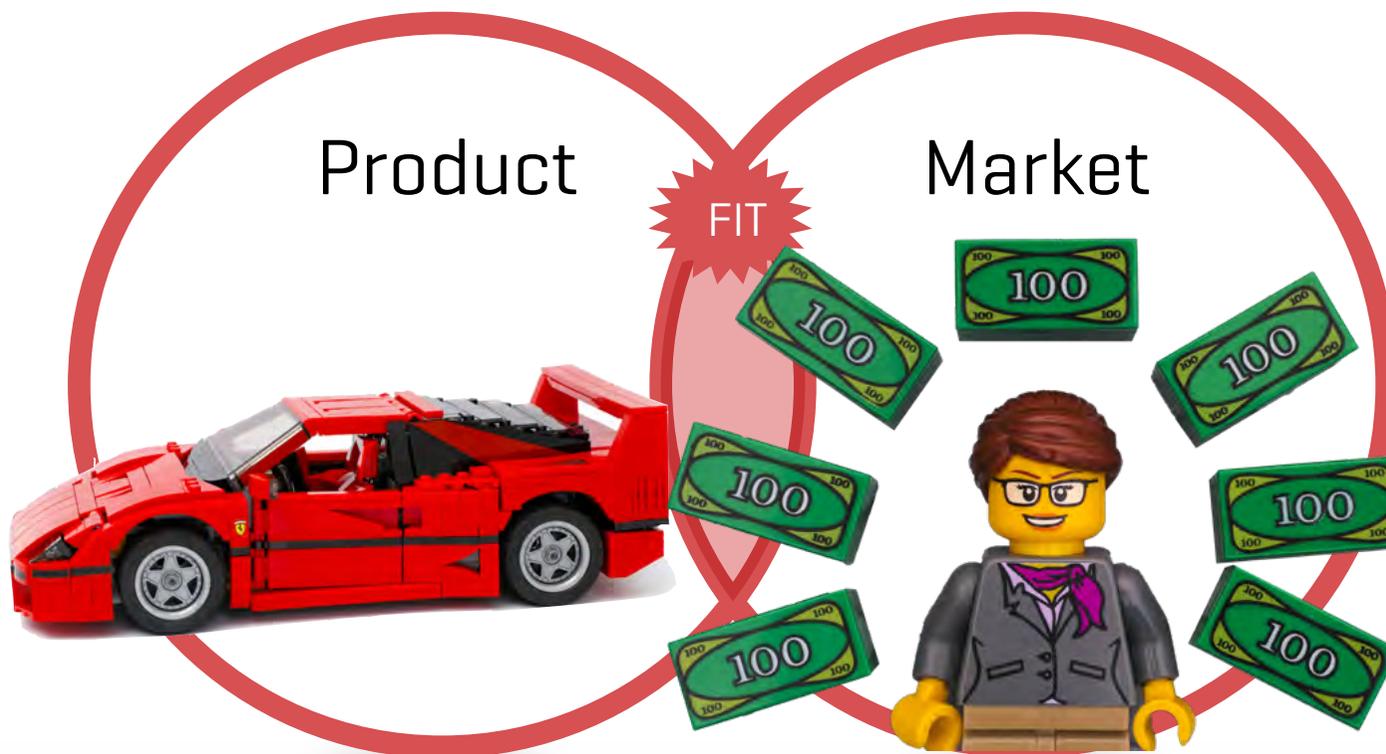
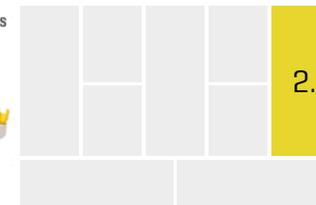


## 2.

### Customer Segments

# Customer Segments 1/2

The value proposition and customer segments create a product-market fit.  
Product-market fit is the fit between the product [offering] and the market [customers].

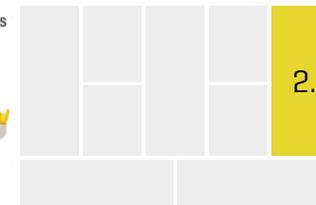


# Customer Segments 2/2

Customers include people with various backgrounds, experiences, needs and motivations. In customer segmentation, customers are divided into certain groups. Segmentation helps companies to develop, market and sell products and services accordingly and to offer after sale services.

Customers are divided into groups based on certain similarities, such as:

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## Needs

The product or service satisfies the whole customer group

## Buying behavior

Sales [frequency of purchase], response to marketing and used channels



## Psychographic factors

Motivation or hobbies



## Demographic factors

Such as age, sex or career background



## Geographical factors

Location





# Tool: The customer - product matrix

**Outcome:** You recognise the importance of products and customers in terms of profitability and potential growth.

Product group	Product 1	Product 2	Product 3	Product 4
Customer group				
Customer 1				
Customer 2				
Customer 3				
Customer 4				
Customer 5				

Check your Customer-Product matrix and analyse the following:

- Product opportunities
- Product replicability
- Product synergy against other products and customer groups
- Product completion speed
- Product efficiency to bring in cashflow

Next:

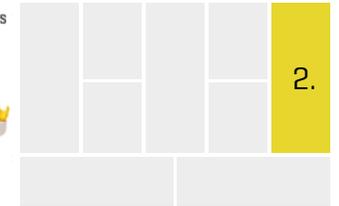
- 1) Select the key products for your business plan.
- 2) Create a monthly plan for developing the first product.
- 3) Create a three-year plan for their development.



# Tool: Competitor data collection

**Outcome:** You learn to visualise the offering, infrastructure and management actions against the market.

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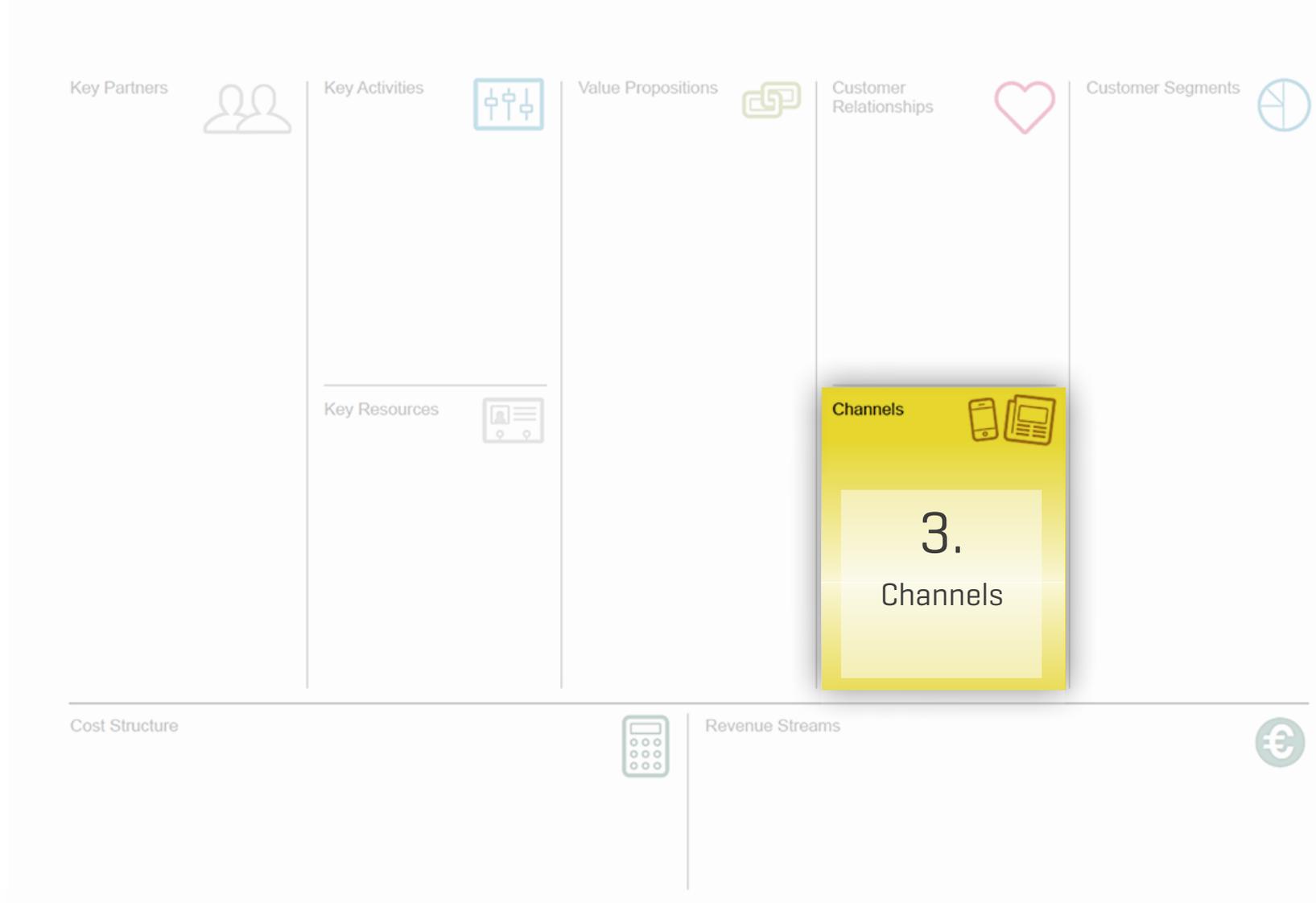


	Competitor 1:	Competitor 2:	Competitor 3:	Reflect your own business against the competitors:
Customer				
Products / services				
Pricing strategy				
Distribution				
Key resources				
Image of the company				
Key skills				
Strategy				
Key technology				
Other				



Tip: How can you communicate value to customers?

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# Channels

Company must choose the best channels to reach customers in order to generate value. Channels include communication, distribution, sales and marketing. Channels must consider the whole customer experience: before, during and after the sale process.

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The communication channels to reach customer segments to deliver the value proposition. Channel phases include:

- Raising awareness
- Evaluation
- Delivery
- After sale

Deciding the most suitable channels to reach customers – The touch points leading to customer satisfaction include:

- Communication
- Distribution
- Sales

Deciding the channel types, which include methods of communication and physical establishments:

- Sale
- Web-Sale
- Stores
- Partner sale
- Wholesale

Sales management is essential to maximise sales performance.

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Sales management requires a qualified sales team, coordination and accurate sales strategy implementation to create competitive advantage.

Sales management tools vary from traditional sheets to on-line tools.

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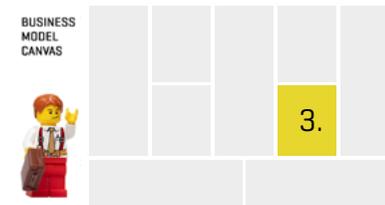
The key issue is to find and use those tools that reach the customers and your business.

Task:



# Tool: Sale implementation and management

**Outcome:** You learn to find and monitor the most suitable channels for your products and services.



	Customer group	Products / Services	Sales target	Sales channel	Support sales channels	Sales channels management [monitoring]
1						
2						
3						
4						
5						
6						



Tip: Understanding customers' needs and wants is essential to manage sales.



# Tool: Sales plan for 5 customers

Sales target Eur:

Product / service name:

Target customer group:

**Outcome:** You learn to plan for sales negotiations with potential customers.

Customer, company / contact person

Customer requirement

Current solution

Attracting interest

Goal in the negotiation

The contact schedule

1.

2.

3.

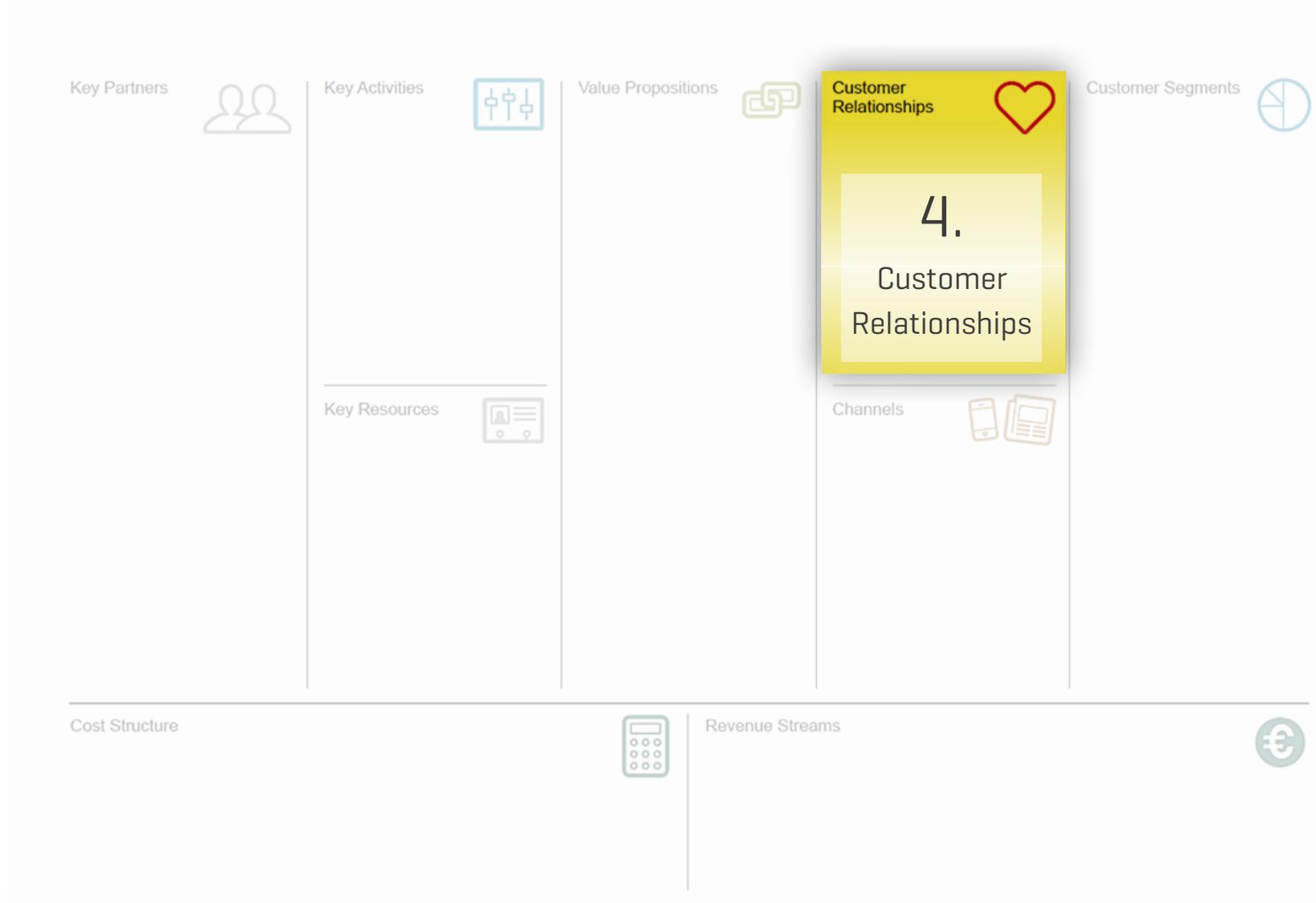
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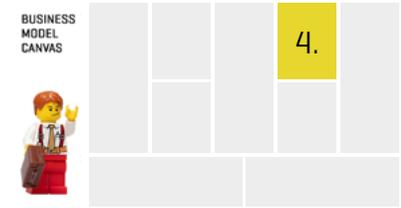


Tip: Think how your customer thinks! Great negotiators have a programme of reasoning that starts well before the actual meeting with clients.

# BUSINESS MODEL CANVAS



# CUSTOMER RELATIONSHIPS



Customer relationships describes the type of relationship a company establishes with the customer segments. Customers have different motivations and needs, therefore customer relationships must be planned according to each customer segment.

Communication is one of the key elements in customer relationships. Communication is used to create a desired image, increase sales and maintain customer relationships.



Marketing communications include:

Advertising and sales

Sales promotion

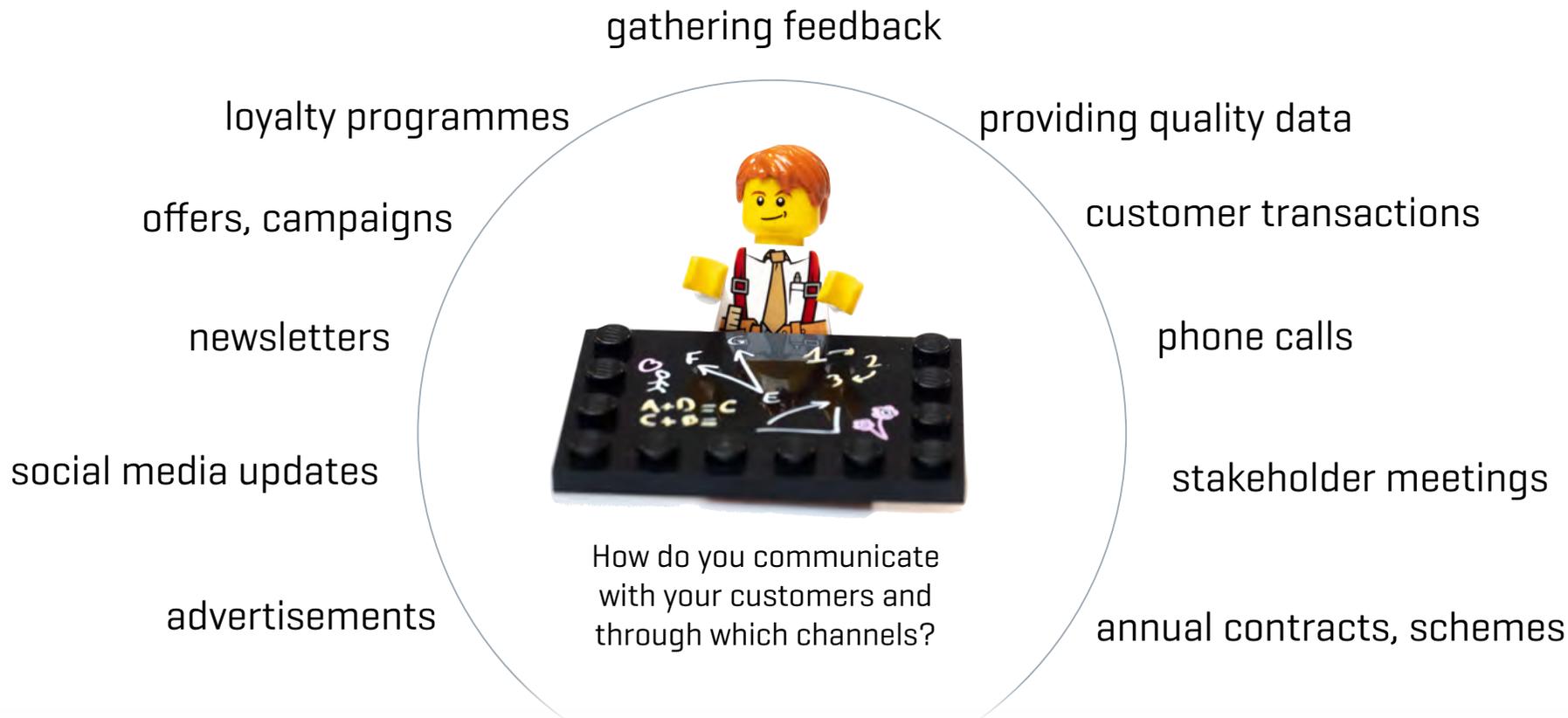
Information sharing

Relationships – e.g. loyalty programmes



# Tool: Enhancing customer relationships (check-list)

**Outcome:** Creating a communication plan helps you to communicate correctly with your customer segments.



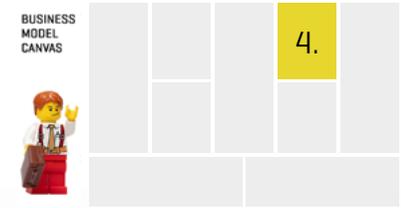
Tip: You do not have to use all contact channels presented. The key is to match the channels with your customer segments.

# Tool: Customer relationships and storytelling

As customer relationships rely on communication, you can enrich communication and customer experience through stories.

Stories create a certain image in our minds and raise customer interest towards products and services. Stories visualising company history or business details increase reliability as company stories reflect company values.

Stories can enhance the operations of sales channels and help you to monitor data to understand where customers find information on products and services and how they use the information to make a purchase.





# Tool: Storytelling 1



**Outcome:** Storytelling helps you to create a certain image of your business to increase customer relationships. A company story can be easily communicated forward using multiple channels [e.g., website, TV, newspapers].

1. Which were the key drivers for establishing the business?

3. What kind of challenges did you face in the establishment process?

5. Which were the key factors that made the business successful? If the business did not succeed, what were the key reasons?

2. Who [business members] took part to the establishment of the business?

4. Did anything surprise you on the way?



Tip: Develop a pitch based on the following task that persuades a customer to buy a certain product or service. Consider, how can you communicate value to customers?



# Tool: Storytelling 2



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## 1. Exposition

Setting the background – What was your life situation before starting the business?

## 3. Rising action

What struggles did you experience before getting the first client or breaking even?

## 5. Climax

What convinced you to continue?  
What did you do?

## 2. Inciting incident

What motivated you to establish a business?

## 4. Crisis

Have you ever considered closing a business?  
What kind of crises have you faced?

## 6. Exposition / Resolution

What is the strategy and vision of your business?



Tips: Go through the story again and decide the most important parts to be emphasised with your stakeholders. Finalise your story and test it with the following internal and external stakeholders. Internal: employees, directors and management. External: customer segments [may vary within], business partners, suppliers, investors, shareholders.

# Reflection: What have you learnt from the theme?

## FIRST STEP – NOW:

Reflect on the meaningful topics and contents learnt.

What did you learn?

## SECOND STEP – NEXT:

On which topics did you succeed at, what is meaningful?

Were there contents you need to revise further?

## THIRD STEP – FUTURE:

Reflect on the topics you and/or your company need to focus on in the future.

What can you place into practice reflecting the future aims?

How can you implement the learnt contents in practice?  
Write your action plan!

Action plan:

Activities planned

Resources needed (including skills)

Schedule

Monitoring (including indicators for evaluation)

Clarifications for planned activities

Notes

# Infrastructure and operations



# TOOLKIT 4 – INFRASTRUCTURE & OPERATIONS

Business operations include various key activities performed by the company to run the business and to add value. Company key activities vary depending on the business and are tied to resources. Company must recognise expertise areas and special features, which offer a competitive advantage over competitors. Company management creates a framework for operations and allocates the necessary resources.

How do you run your business operations so that the key activities bring revenue?



## Objectives TOOLKIT 4:

After going through the theme:

You understand the importance of key activities in business operations.

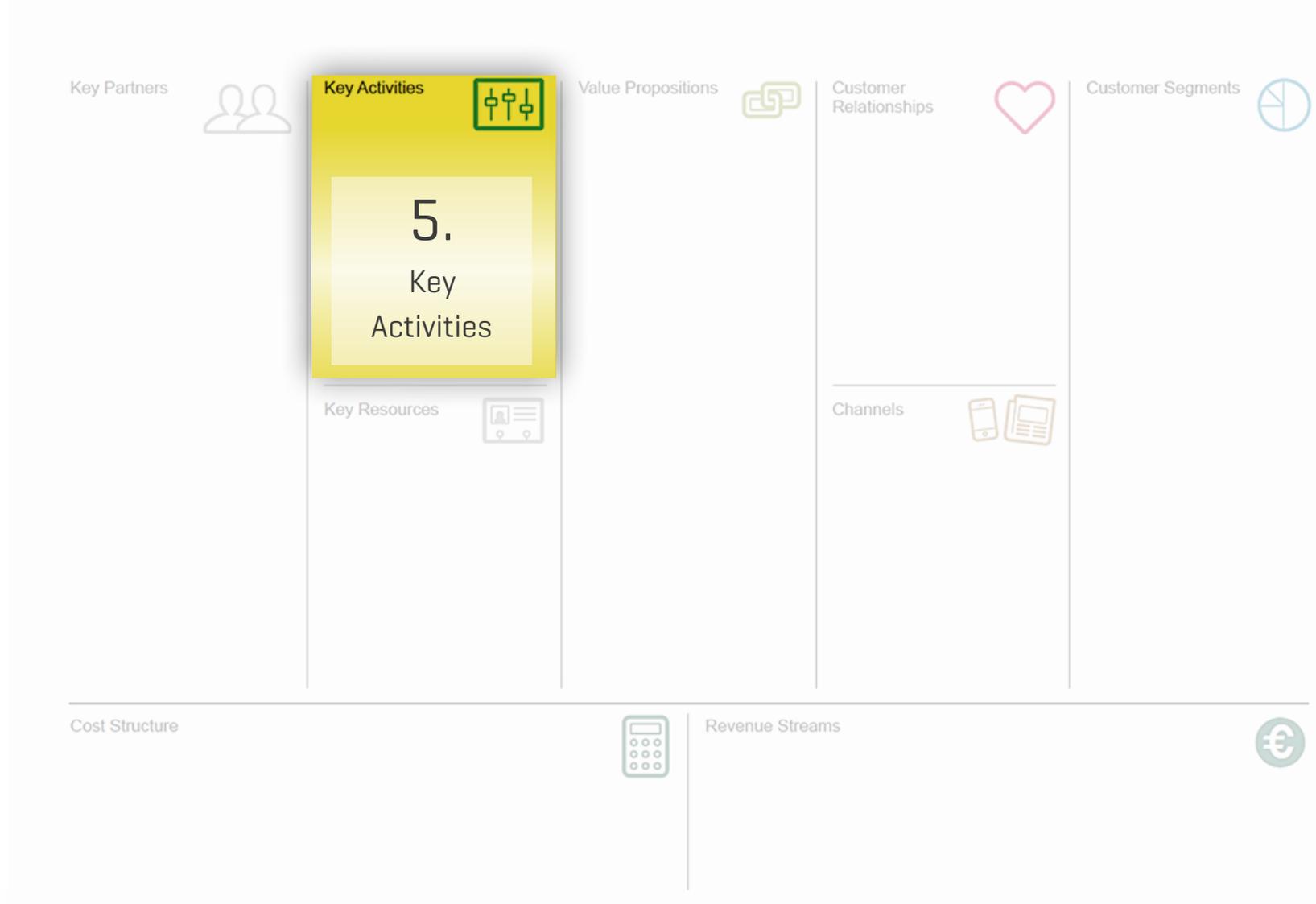
You understand the importance of resources and their influence on business operations.

You can realistically define the necessary resources needed.

You can identify the benefits and opportunities of business partnerships.

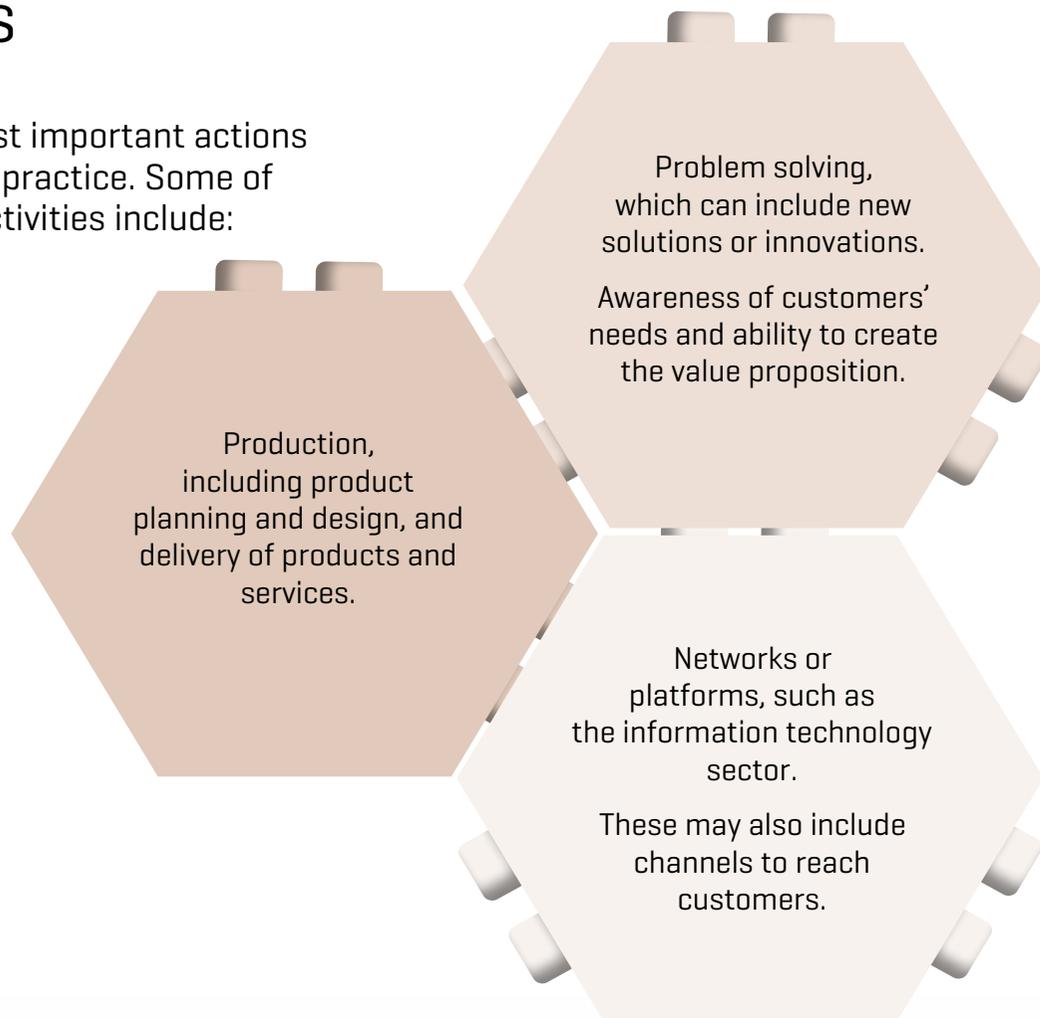
You can co-operate strategically with your partners.

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# Key activities

Key activities are the most important actions a company carries out in practice. Some of the most common key activities include:



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5.





# Tool: Mapping key activities

**Outcome:** You understand how activities influence business operations. You learn to calculate required resources for the activities.

## Organisation of activities

## Key activities needed

## Notes

Innovation & design

Prototype manufacturing/test

Manufacturing - production - design

Product modeling - pricing

Sales and promotion

Storage

Distribution / logistics

Capacity building, trainings

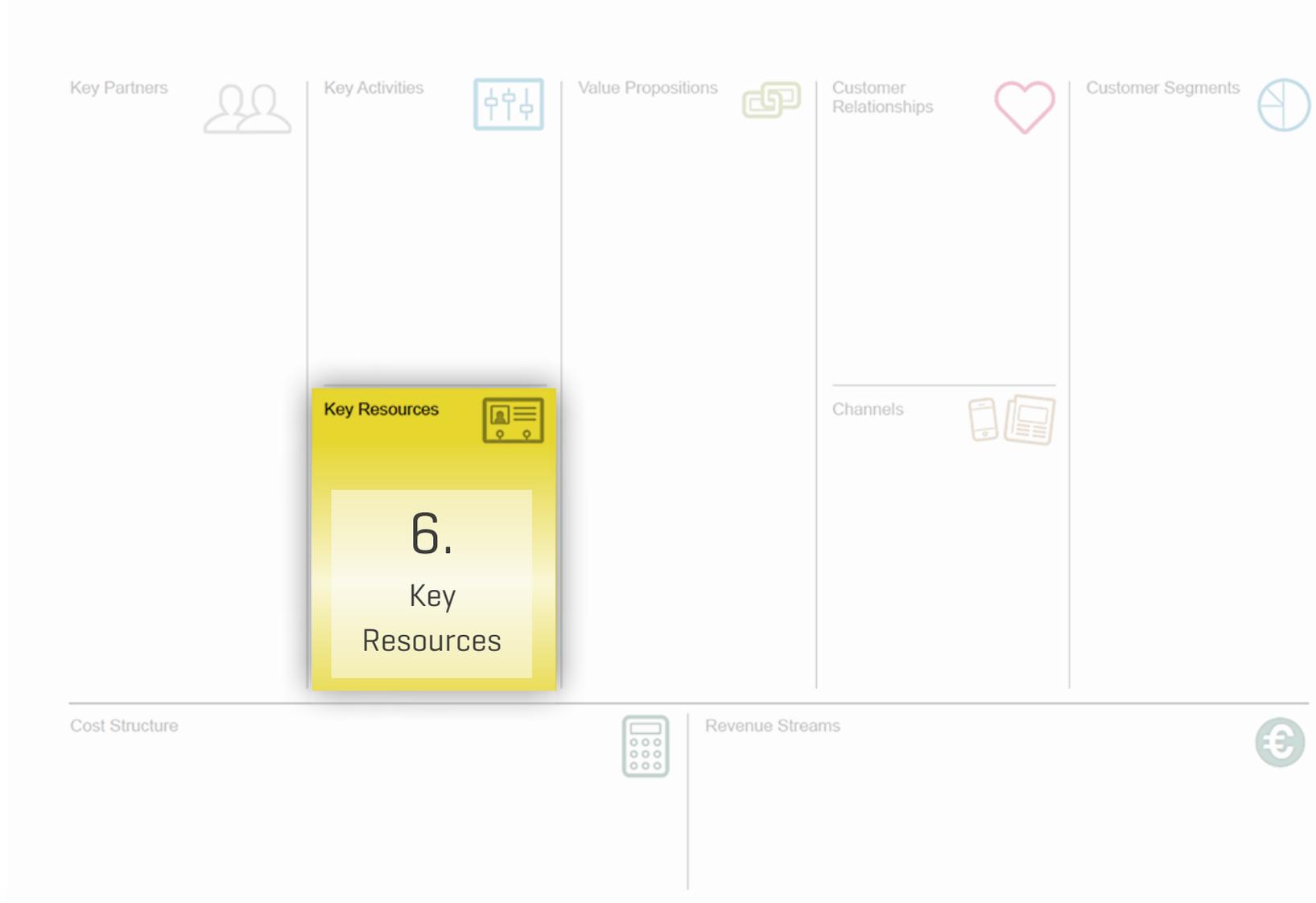
Management

Support services



Tip: Take a look at the Customer/ product matrix in [Toolkit 3](#).

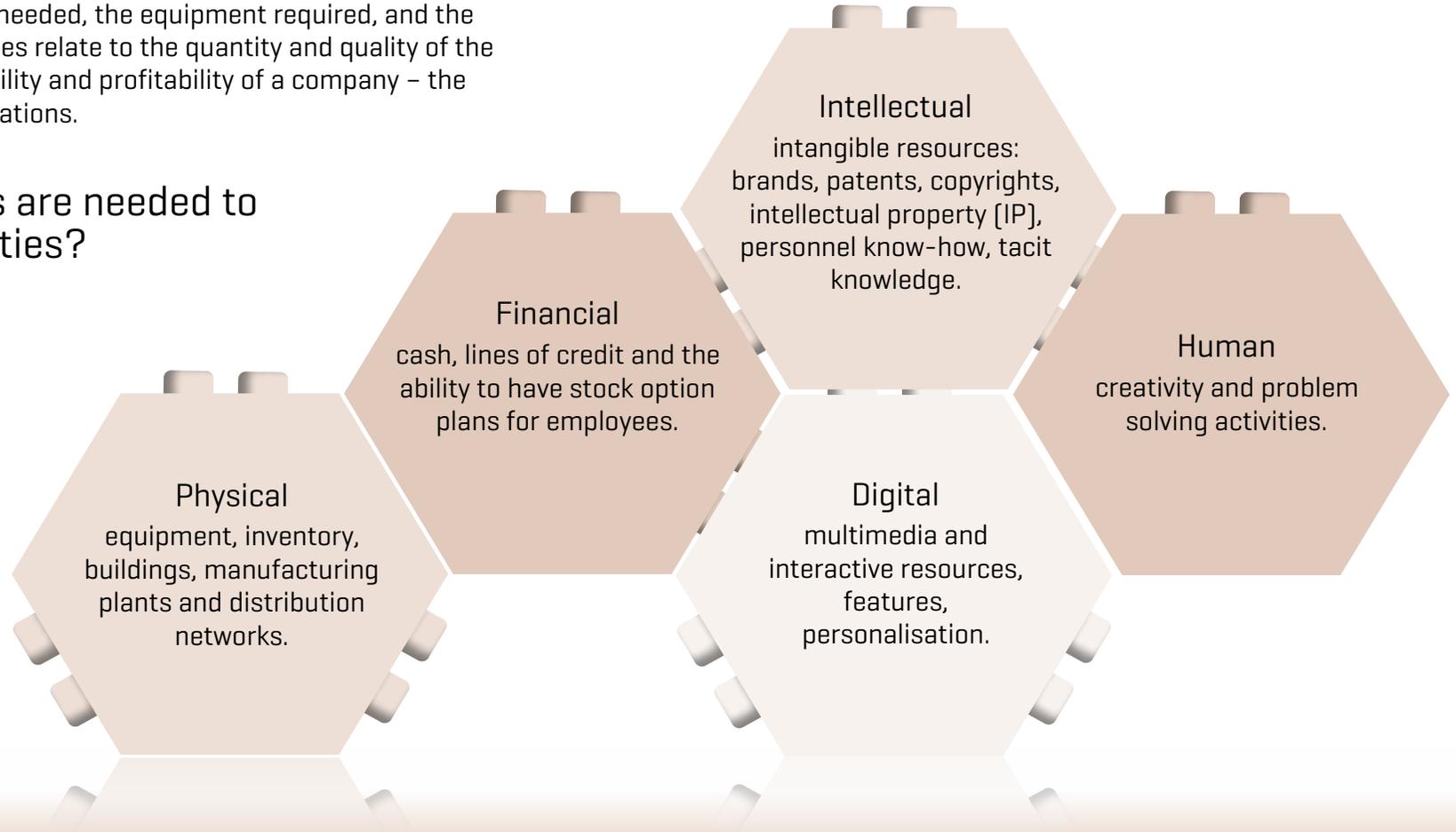
# BUSINESS MODEL CANVAS



# Key resources

Company key resources deal with the operational spectrum of a business and define the types of materials needed, the equipment required, and the personnel to be hired. Key resources relate to the quantity and quality of the activities impacting the sustainability and profitability of a company – the overall resilience of business operations.

What kind of resources are needed to carry out the key activities?





# Tool: Mapping key activities and key resources

**Outcome:** You learn to identify the required resources for each activity and plan for further resources.

Organisation of activities

Key activities planned

Resources needed [see the previous page]

Innovation & design

Prototype manufacturing/test

Manufacturing - production - design

Product modeling - pricing

Sales and promotion

Storage

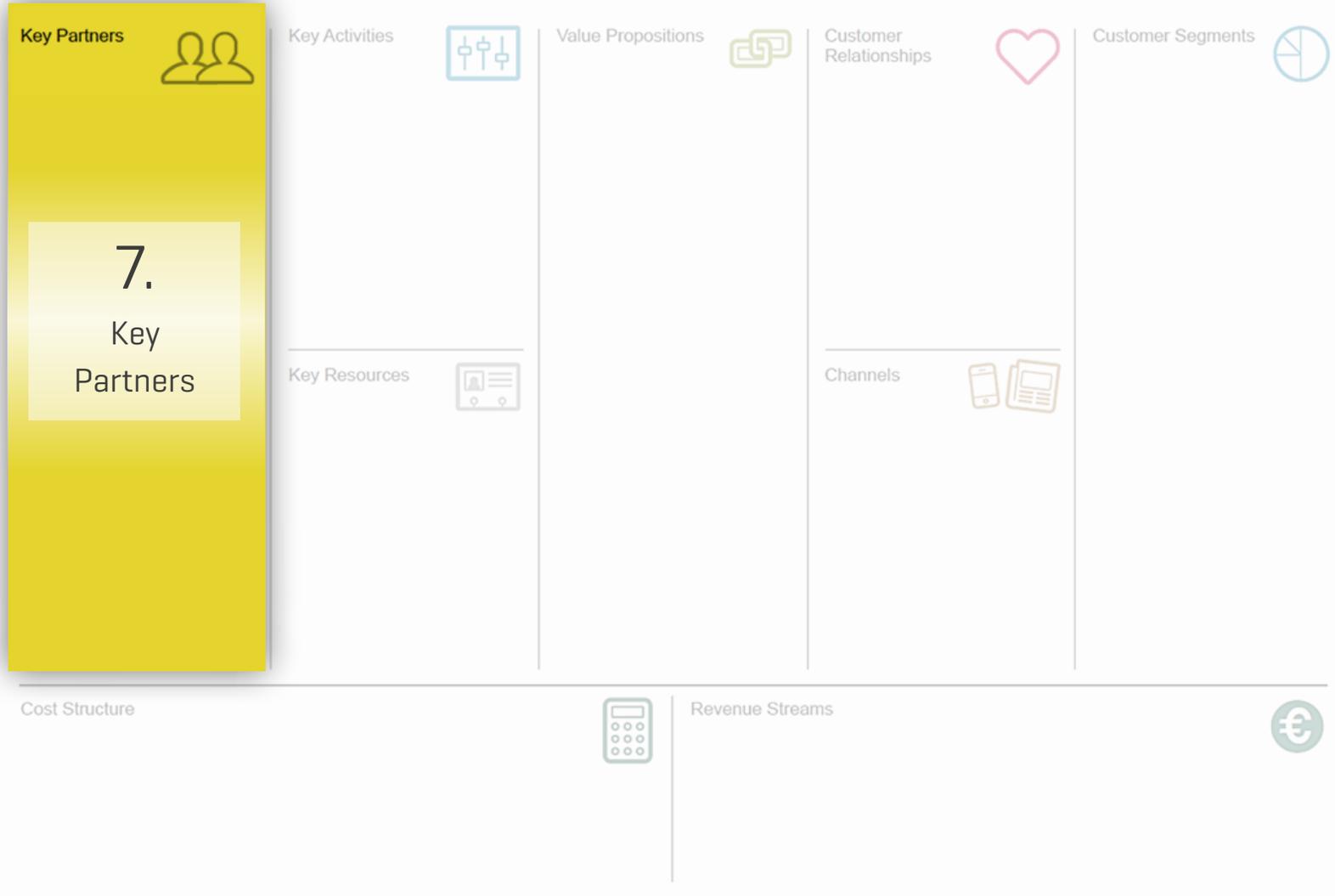
Distribution / logistics

Capacity building

Management

Support services

# BUSINESS MODEL CANVAS

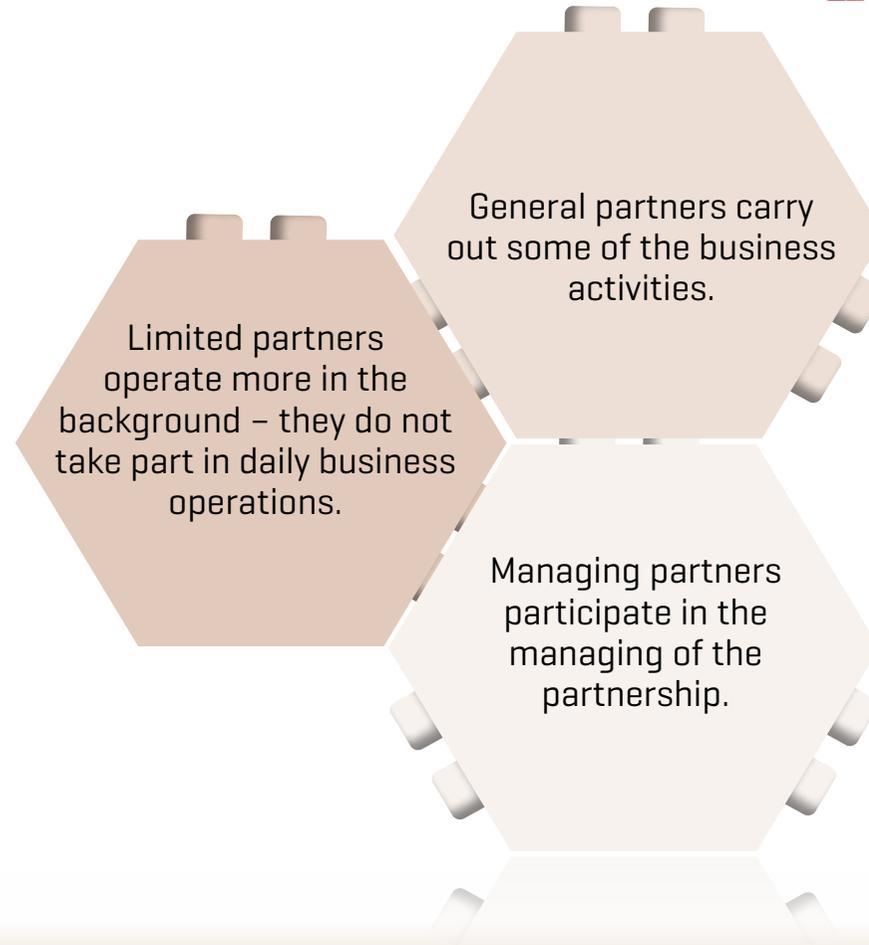


# Key partners

Companies create partnerships for many reasons.

Partners can boost your sales and help you to reduce risks. The forms of partnerships reflect the chosen company strategy. Partnerships are often legal connections between one or two companies, businesses or organisations formed through a joint agreement.

The most common partnerships include general, limited and managing partners:





# Tool: Key partner evaluation 1

Why are you evaluating the partnership or partnerships?

Who are your key partners?

How can you engage the key partners in activities to deepen the partnership? Who will use the results of the evaluation and how?

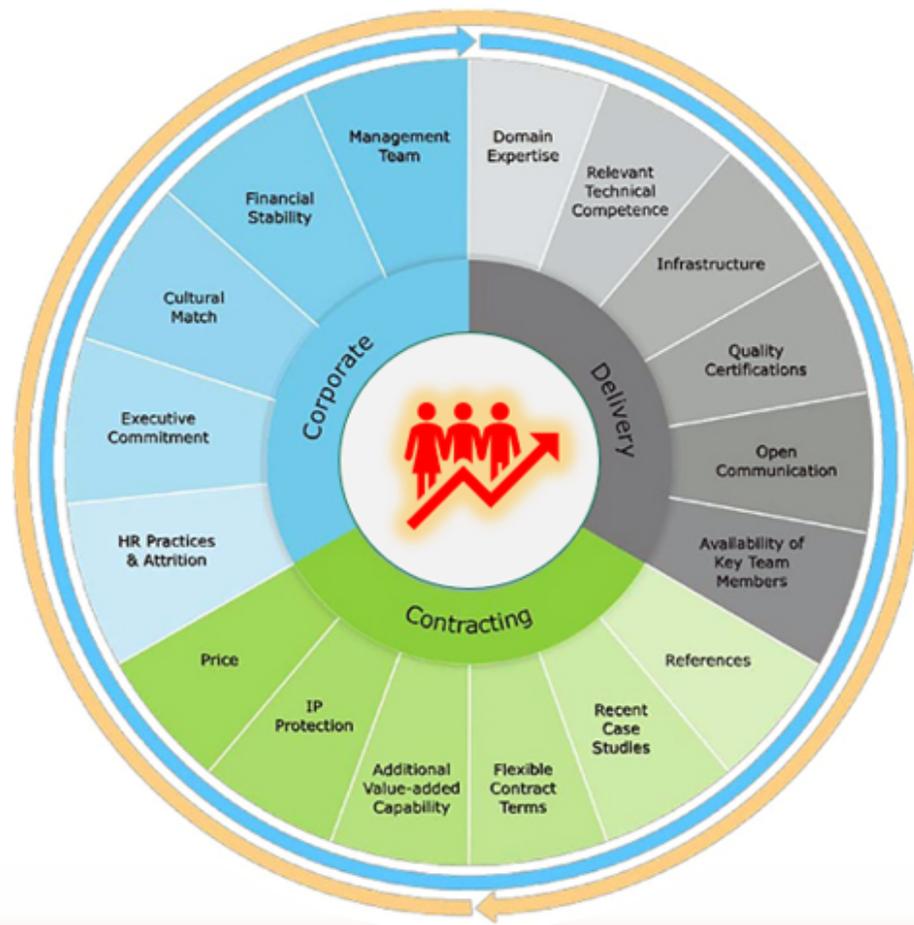
At what stage of development is your partnership? What contextual factors affect the partnership?

The maturity [stage] of the partnership?

What do you expect to gain from the partnership?

What resources do you need to complete your evaluation [f.ex. evaluating questions from the team, different indicators and data, time]?

**Outcome:** You understand the different types of partnerships and learn to evaluate how partners can benefit your business operations.





## Tool: Key partner evaluation 2

The criteria for partnerships: Partner:

Partner has set clear and measurable goals:

Partner carries out efficient communication via various channels:

Partner carries out efficient decision making:

Partner carries out efficient collaboration:

Partner actively plans, implements and evaluates their activities:

Partner carries out risk assessment and monitoring:

Partner has allocated quality resources for their activities:

Other:

Other:

1      2      3      N/A



Based on previous results:

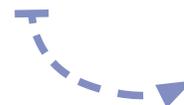
What is the stage of the partnership now?

In what areas does the partnership excel  
[answers were 2 = good or 3 = excellent]?

In what areas does the partnership require improvements  
[answers were 1 = poor or N/A]?



Tip: Seek for prestigious and financially stable partners with experience in the targeted activities and standards. The chosen partner needs to share your company values and provide skilled workforce. The management team needs to understand your company vision and goals.





# Tool: Key partner evaluation 3



7.

**Outcome:** You understand the benefits of your partnerships and the potential for future improvements.

Partner:

Evaluation questions	Indicators	Data source	Data collection	Data analysis	Time frame
1.					
2.					
3.					
4.					
How effective is the cooperation with the partner?	Number of meetings, mutual contracts, value of contracts [sales, turnover], on-going communication, activity sharing, resource sharing.	Memos of the meetings, contracts, financial documents, communication tools.	Management, sales reports, accounting, administration, governance, feedback from partner, feedback from customers.	Number of meetings, sales reports, communication and analysis with a board.	Monthly, bi-monthly, quarterly, annually.

Based on the analysis, create an action plan for each partner ensuring that you make the necessary changes to written agreements and agree on the actions to be taken with partners.

You can also categorise partnerships according to their overall importance [e.g., activities and/or resources shared, technology shared, performance/activity level, reliability].

### Partner categories include:

#### A: strategic partner

Cooperation is based on mutual trust and common goals, is on-going, win-win based and includes various financial commitments.

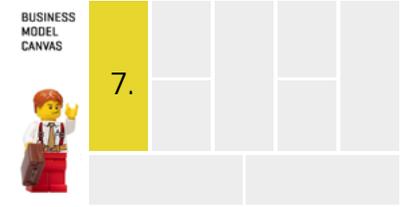
#### B: key partner

Cooperation is on-going, win-win based and includes some financial commitments.

#### C: standard partner

Cooperation takes place occasionally and rarely includes major financial commitments.

Consider: can you develop a key partnership into a strategic level and what resources would it require?



# Reflection: What have you learnt from the theme?

## FIRST STEP – NOW:

Reflect on the meaningful topics and contents learnt.

What did you learn?

## SECOND STEP – NEXT:

On which topics did you succeed at, what is meaningful?

Were there contents you need to revise further?

## THIRD STEP – FUTURE:

Reflect on the topics you and/or your company need to focus on in the future.

What can you place into practice reflecting the future aims?

How can you implement the learnt contents in practice?  
Write your action plan!

Action plan:

Activities planned

Resources needed (including skills)

Schedule

Monitoring (including indicators for evaluation)

Clarifications for planned activities

Notes

# Financials



# TOOLKIT 5 – FINANCIALS



Business financials cover company revenue: how money is spent, the assets, liabilities and management of the cash flow. Financial indicators of the Business Model Canvas include the revenue streams and the cost structure. The cost structure and revenue streams help to assess the operational scalability of an organisation.

## Objectives TOOLKIT 5:

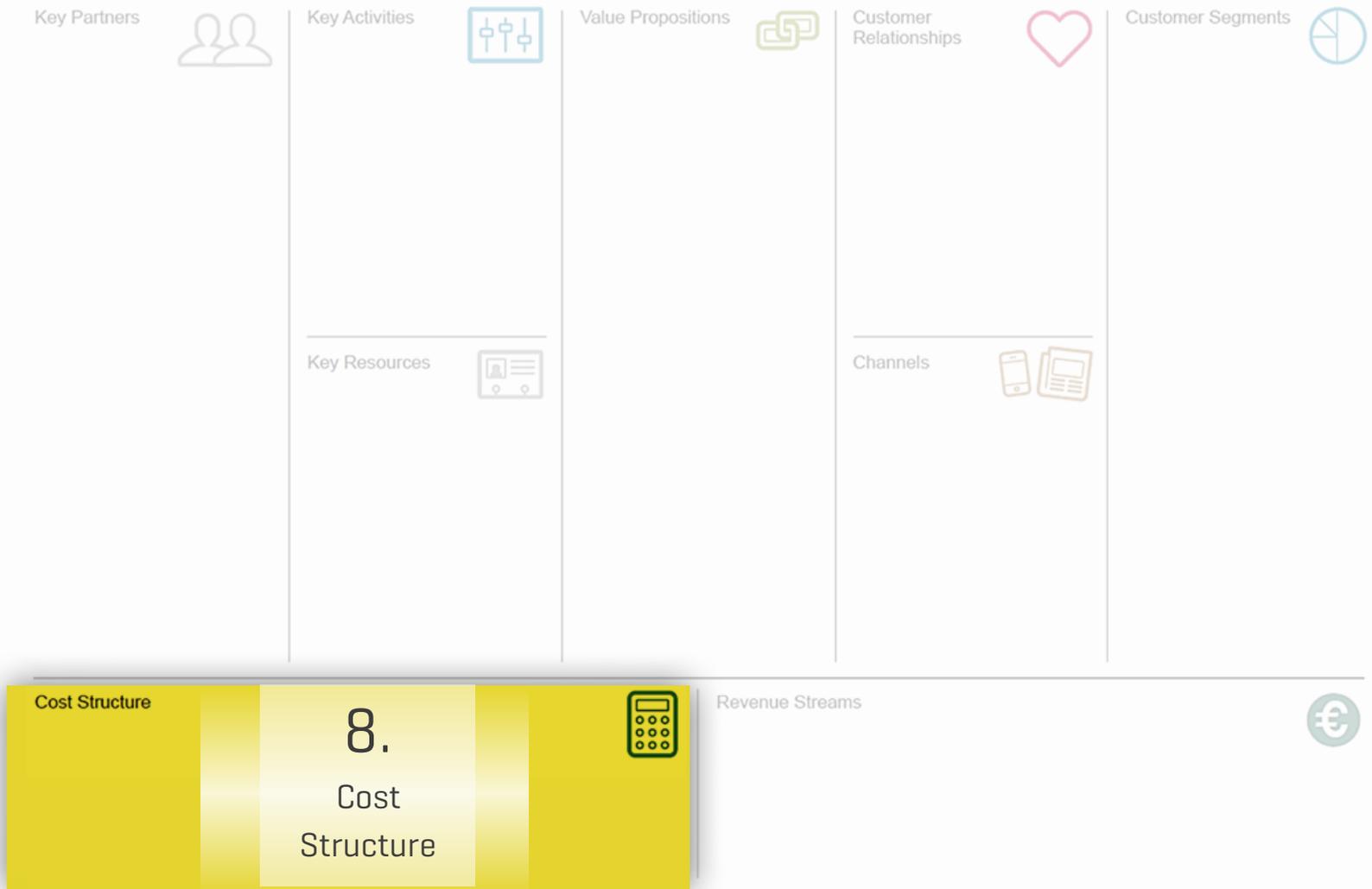
After going through the theme:

You can describe the company situation with financial indicators and carry out analysis.

You can identify the sources of revenue, costs and to calculate them accordingly.

You can make strategic changes to curb the growth of expenses to improve the profitability.

# BUSINESS MODEL CANVAS



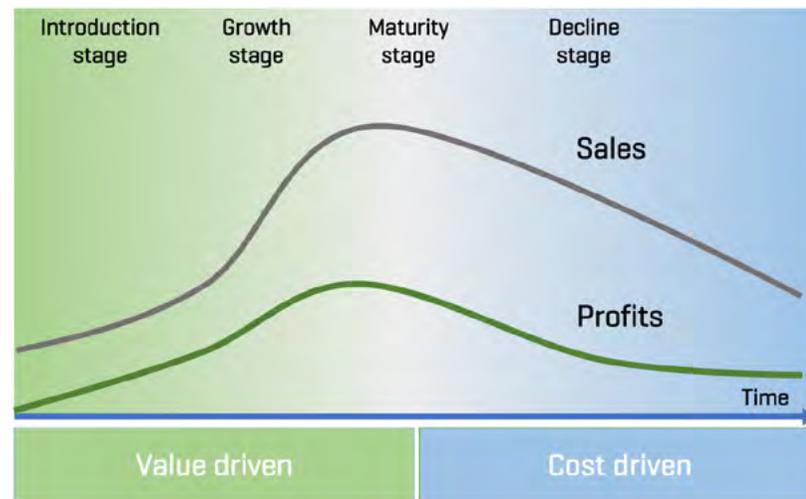
# Cost structure

The cost structure brings together the most important costs of the business. You need to define all the previous blocks of the Business Model Canvas to estimate the cost for value generation. The cost structure indicates how companies use most of their resources to generate demand for their products and services. The cost structure includes all the costs related to the business model.

- The main cost models used include cost and value driven models: the cost driven model aims at minimising costs and the value driven model focuses on creating value.
- The cost structure must be matched with the key activities.
- The fixed and variable costs determine company's overall cost structure and profitability.
- Fixed costs remain the same despite the volume of goods or services produced. Examples include salaries, rents, and physical facilities.
- Variable costs vary according to the volume of goods or services produced.



## Product Life Cycle



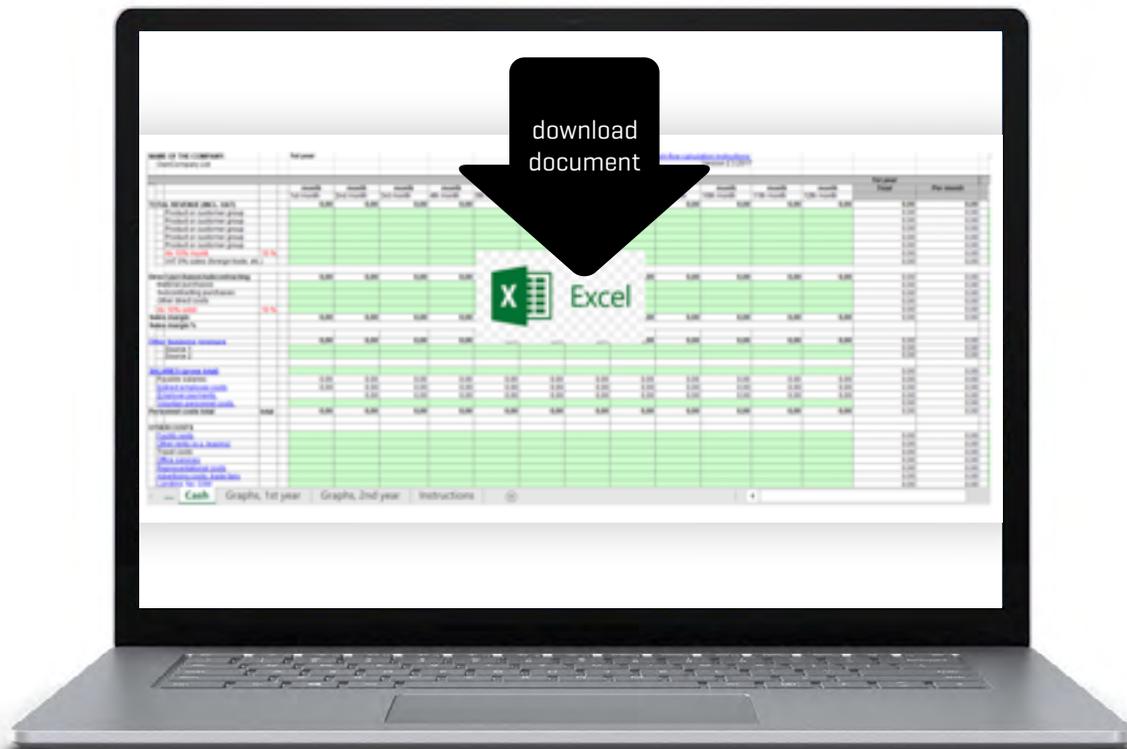
Task:



# Tool: Cash flow statements

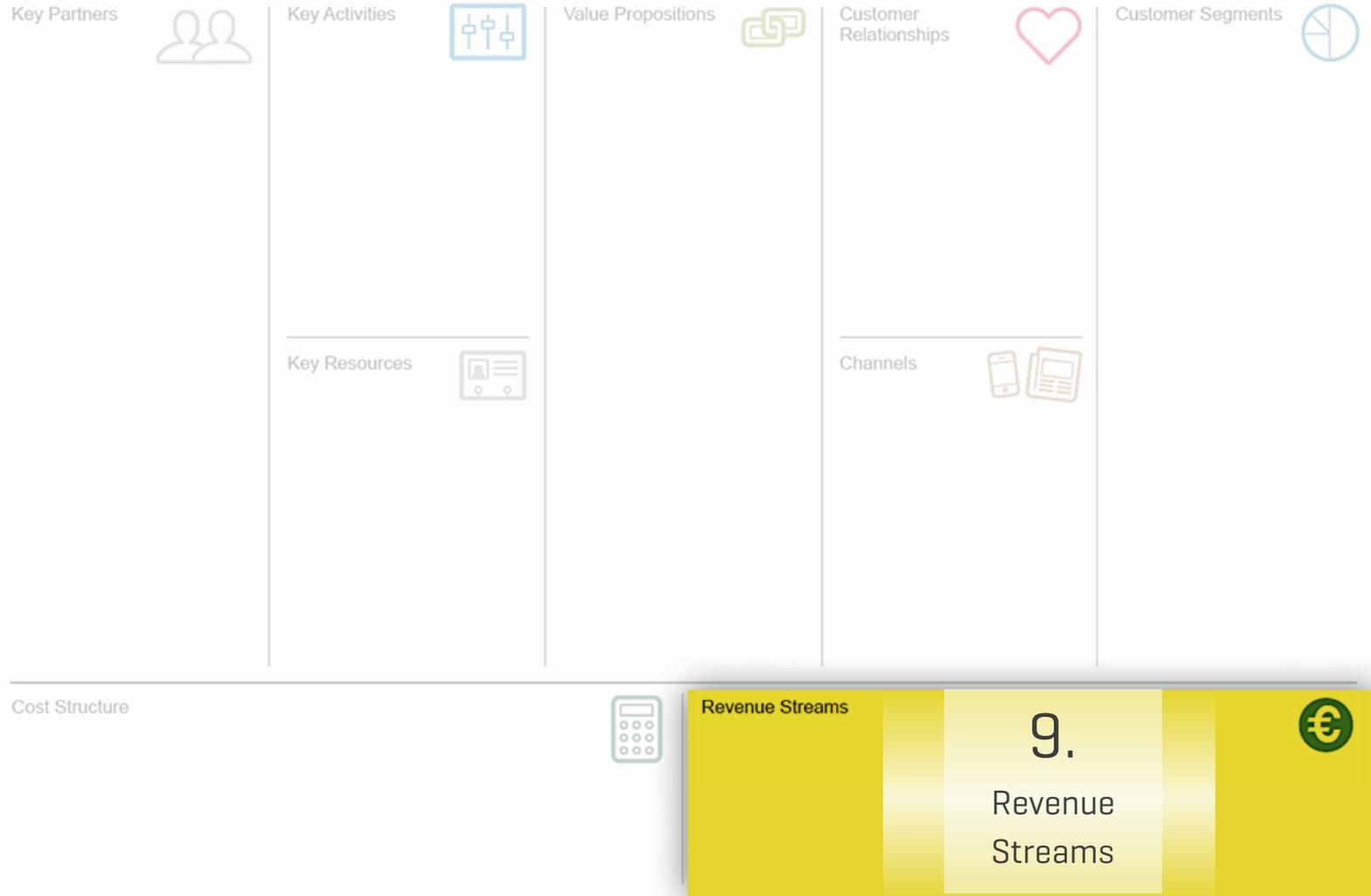
**Outcome:** You learn to calculate company profitability.

The cash flow statement reveals the state of the company profitability.



Tip: You gain the most benefits from the cash flow statement when the expenses are properly calculated – this is necessary to reach business resilience!

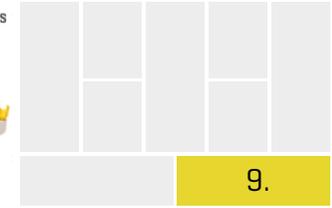
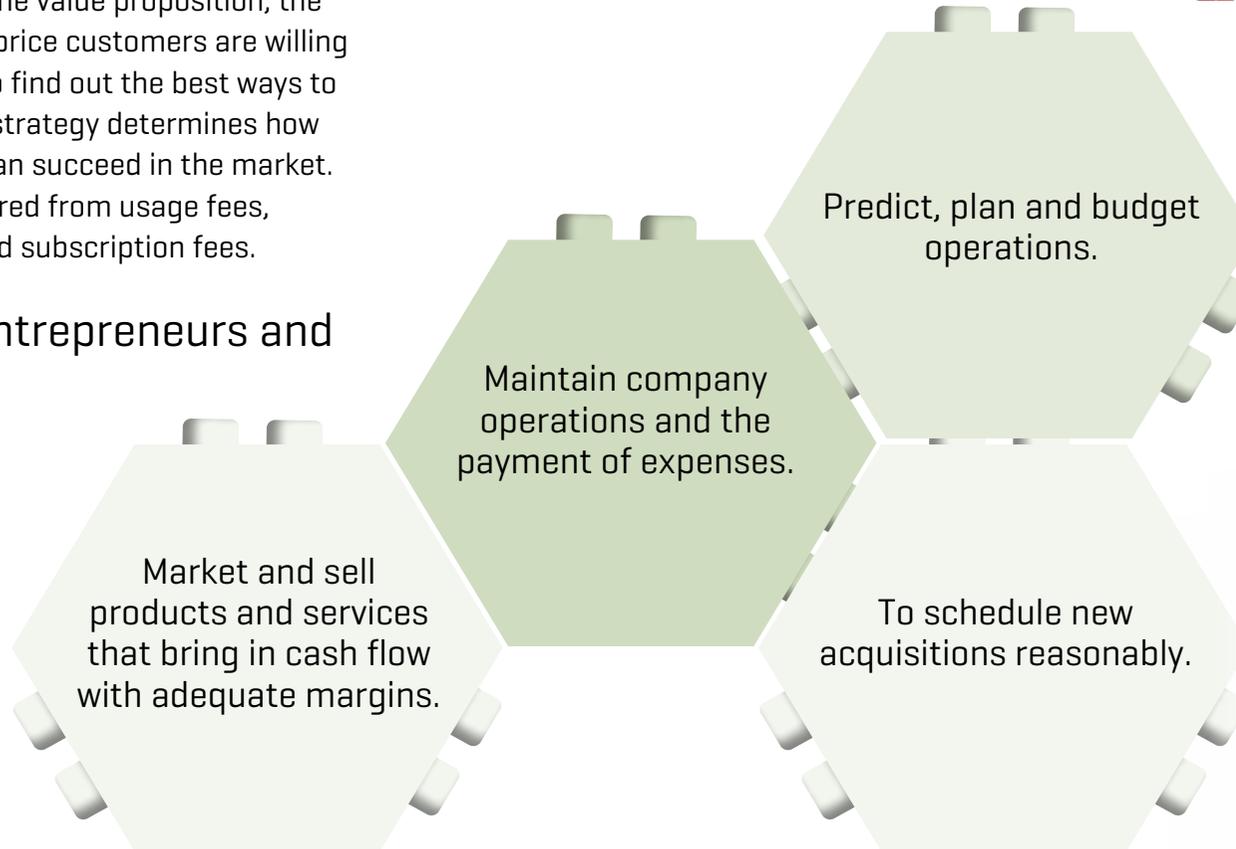
# BUSINESS MODEL CANVAS



# Revenue streams

To map out the revenue streams to the value proposition, the company must consider what is the price customers are willing to pay from the value received and to find out the best ways to generate revenue. Company pricing strategy determines how a company generates revenue and can succeed in the market. Typically, revenue streams are gathered from usage fees, licensing, asset sales, advertising and subscription fees.

Revenue streams help entrepreneurs and businesses to:



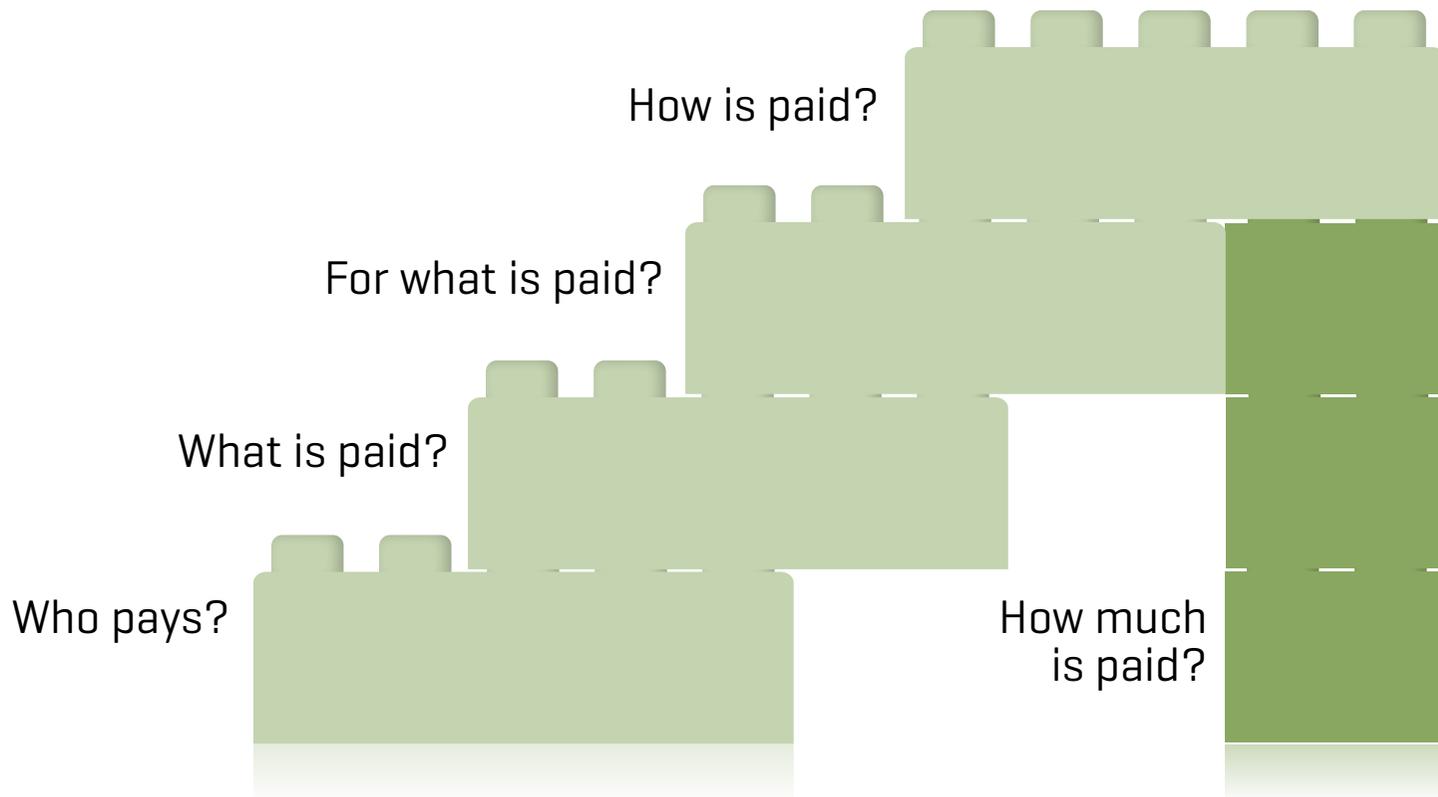


# Tool: Revenue model



				9.

**Outcome:** You understand the contents of the revenue model and can analyse them according to your own business.



Tip: Revenue model helps you to decide the services and products that bring in cash flow with adequate margins.

# Reflection: What have you learnt from the theme?

## FIRST STEP – NOW:

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Action plan:

Activities planned

Resources needed (including skills)

Schedule

Monitoring (including indicators for evaluation)

Clarifications for planned activities

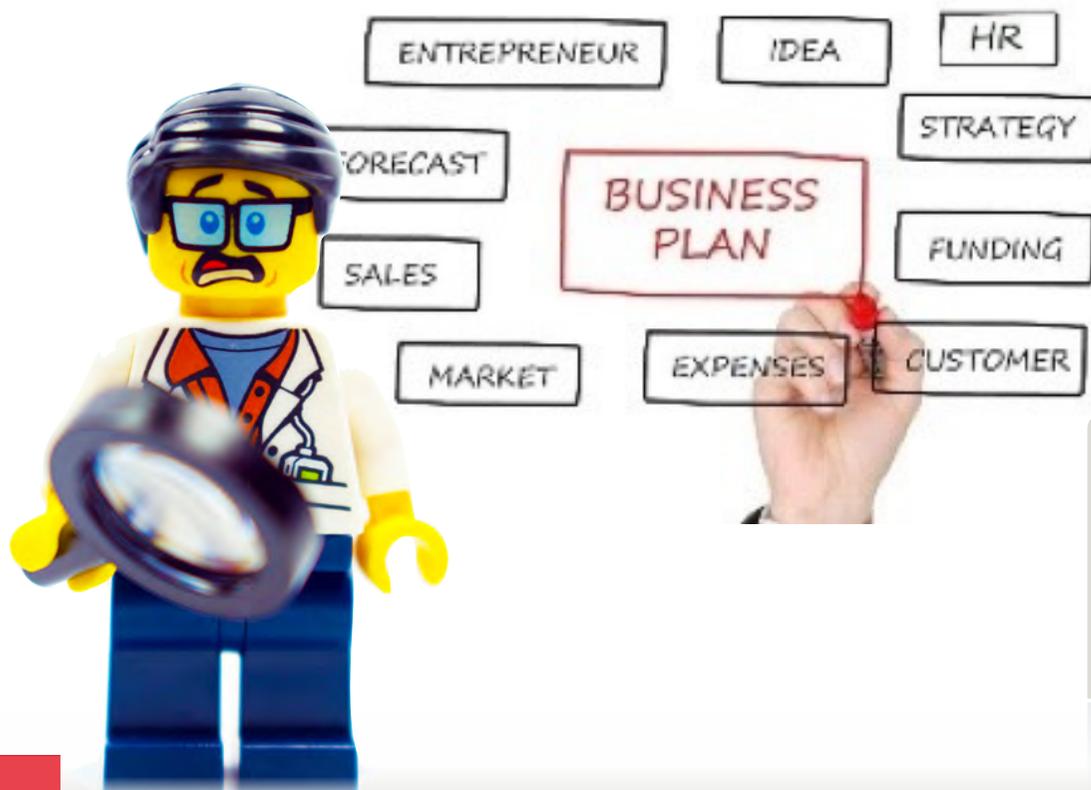
Notes

# Management



# TOOLKIT 6 – MANAGEMENT

Company management is an on-going and goal-oriented process. The company management process indicates how company develops, organises, performs and controls its activities according to set aims. Management actions have a direct impact on resilience and must take into account working culture that promotes resilient behaviors.



## Objectives TOOLKIT 6:

After going through the theme:

You understand the importance of management in company operations.

You understand the different functions of the management.

You are able to identify various business risks and carry out risk analysis.



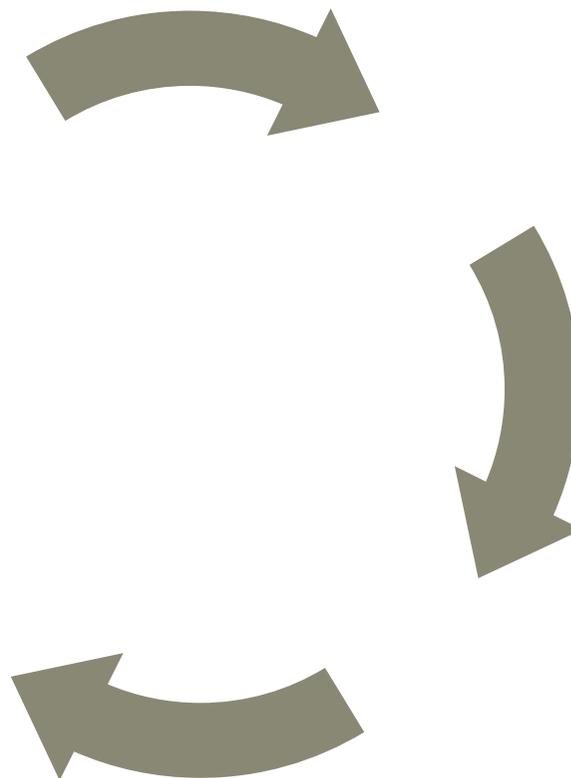
# Tool: Management functions (check-list)

**Outcome:** You become familiar with the different functions of management and can analyse management actions in your business.

CONTROLLING  ACT



**Tip:** The company management processes indicate how a company develops, organises, performs and controls its activities according to set aims. An entrepreneur must have accurate management in place to sustain resilience in business operations.

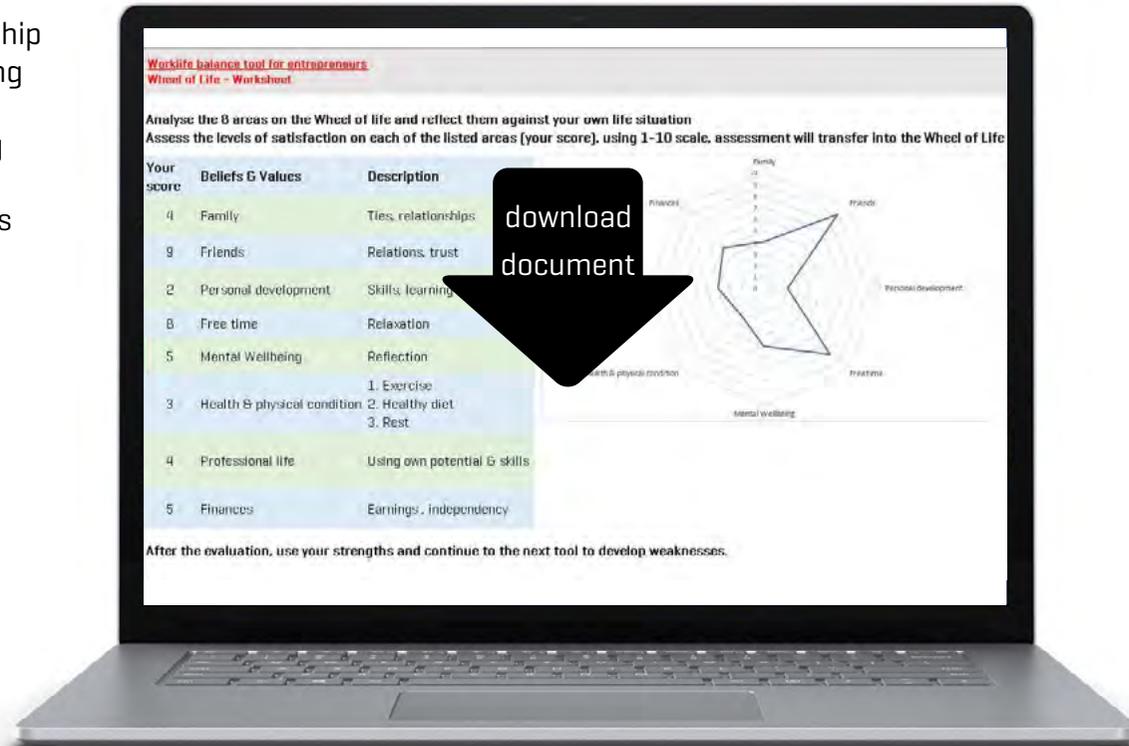




# Tool: Self-management - the Wheel of Life

**Outcome:** You gain a stronger sense of self to lead your own actions in business and personal life.

Management of a company requires good leadership skills. In order to lead others, one must have strong self-leadership skills. The most important aspect in self-leadership is a strong sense of self. Strong sense of self refers to factors how we understand and view ourselves, our goals, strengths and areas of improvement.





# Tool: Risk assessment

**Outcome:** You learn to recognise and analyse the external and internal risks in business operations.



Task:



# Tool: Risk analysis

**Outcome:** You learn to carry out basic risk analysis and assessment.



Tip: When identifying and assessing risks, it is crucial to identify who could be influenced or even harmed by the risks directly and indirectly [if risks occur].



# Tool: Risk management

**Outcome:** You learn to identify, assess and evaluate risks and to develop a risk management plan.

Awareness of risks helps entrepreneurs and businesses to:

Carry out a risk analysis

Identify risk targets

Carry out risk assessment and evaluation

Select the hedging instruments

Draw up a risk management plan

The company can hedge against risks through the following methods:

Avoid them

Reduce them

Share them by transfer [outsourcing, insurances etc.]

Leave them [at their own risk]

The most important risks [high priority]

How to avoid or protect against identified risks

Possible insurance [and price]

Necessary clarifications

1.

---

2.

---

3.

---

4.

---



Tip: Consider, how can you share risks and with whom?

# Reflection: What have you learnt from the theme?

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## Resilience in action



# TOOLKIT 7 – RESILIENCE IN ACTION

Business resilience planning ensures that companies can respond, resume, adapt and restore determined levels of business activities after a certain risk. Through resilience planning, companies can reduce and minimise various losses occurring to the business during a disruption. Resilience planning also helps companies to avoid distress and to recover quicker from a crisis.

Lack of resilience planning can lead to risks in personnel health and safety. Risks may be harmful for reputation.



## Objectives TOOLKIT 7:

After going through the theme:

You are able to understand the concept of business resilience.

You can recognise indicators, which influence business resilience.

You learn how to develop resilience in a business.

# Business resilience planning

Business resilience refers to the ability of a company to anticipate, prepare for, respond and adapt to incremental change and sudden disruptions in order to survive and prosper. Business resilience is influenced by various internal factors, including responsiveness to change, strong organisational culture, dynamic leadership and proactive team work.

Business resilience planning requires risk planning:



Identify  
– Risk assessment



Analyse  
– Business impact analysis



Create  
– Strategy and planning development



Tip: You have developed a risk assessment and management measures in [Toolkit 6](#). Scale these findings into the everyday activities of the company.



# Tool: SWOT analysis

**Outcome:** You learn to identify and analyse internal and external factors influencing the business.

SWOT  
ANALYSIS

STRENGTHS

WEAKNESSES

OPPORTUNITIES

THREATS

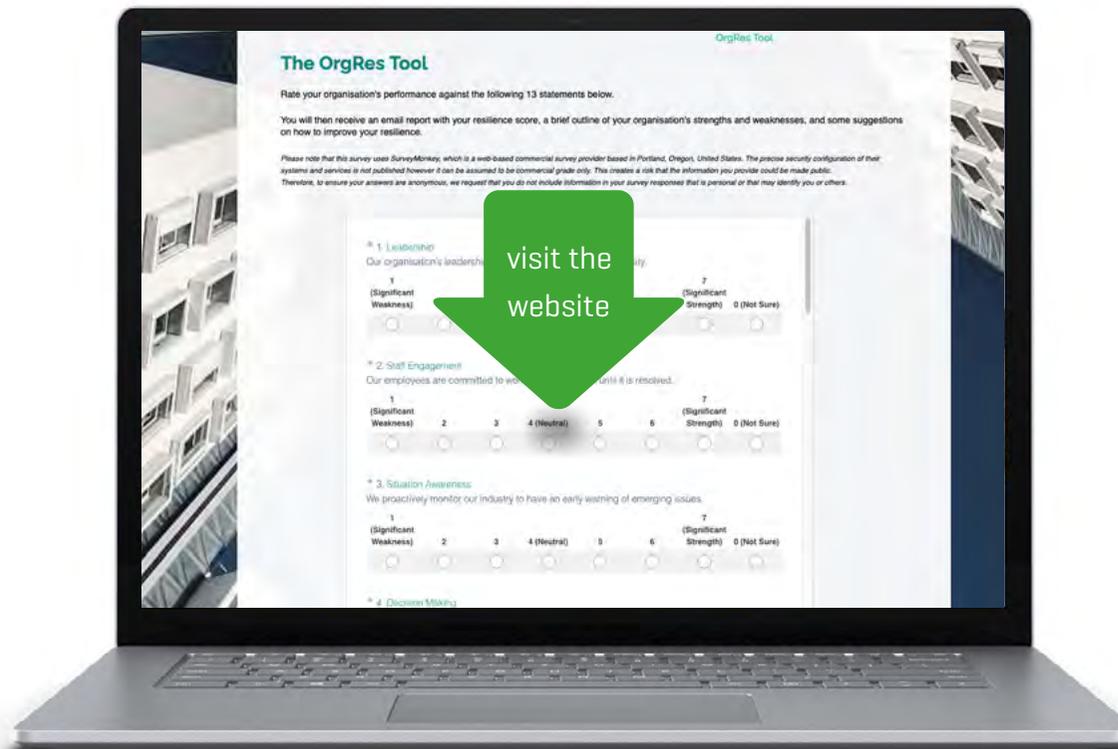


Tip: Use the SWOT analysis to position your company in the market for estimating competitive advantage.



# Tool: Resilience evaluation – the mapping survey

**Outcome:** You understand the importance of business resilience planning, continuity planning and continuity management.



Tip: In the core of the business activities, being it resilience planning or continuity management, is value creation.

# Business resilience

Resilience planning speeds-up decision making, communication and offers flexibility to adapt to up-coming changes. Resilience planning enhances strategic planning and offers financial savings. Resilient organisations operate according to the rules of democracy.

Business resilience planning ensures that companies can:

respond

resume

adapt and

restore determined levels of business activities after a certain risk



At the organisational level, resilience refers to:

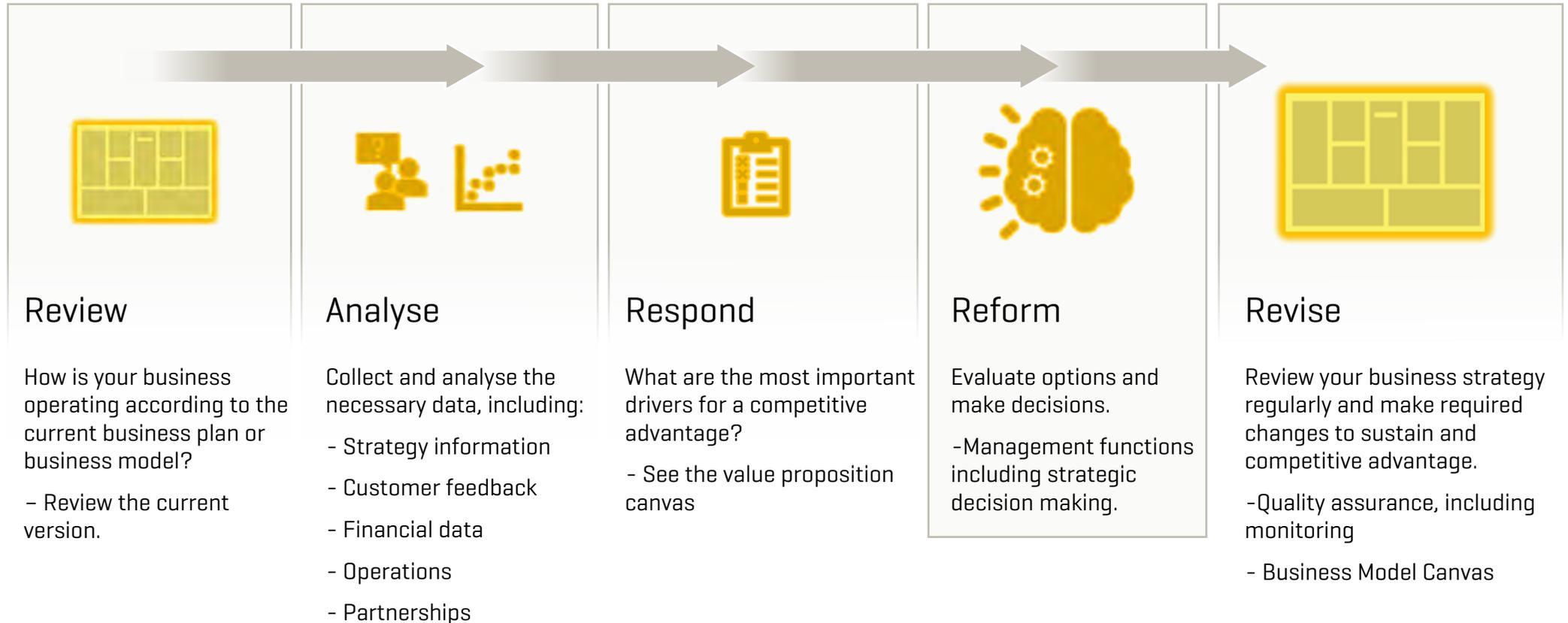
the quality of leadership and working culture

the relationships an organisation can draw on for support

the level of sensitivity to be strategically positioned and change-ready

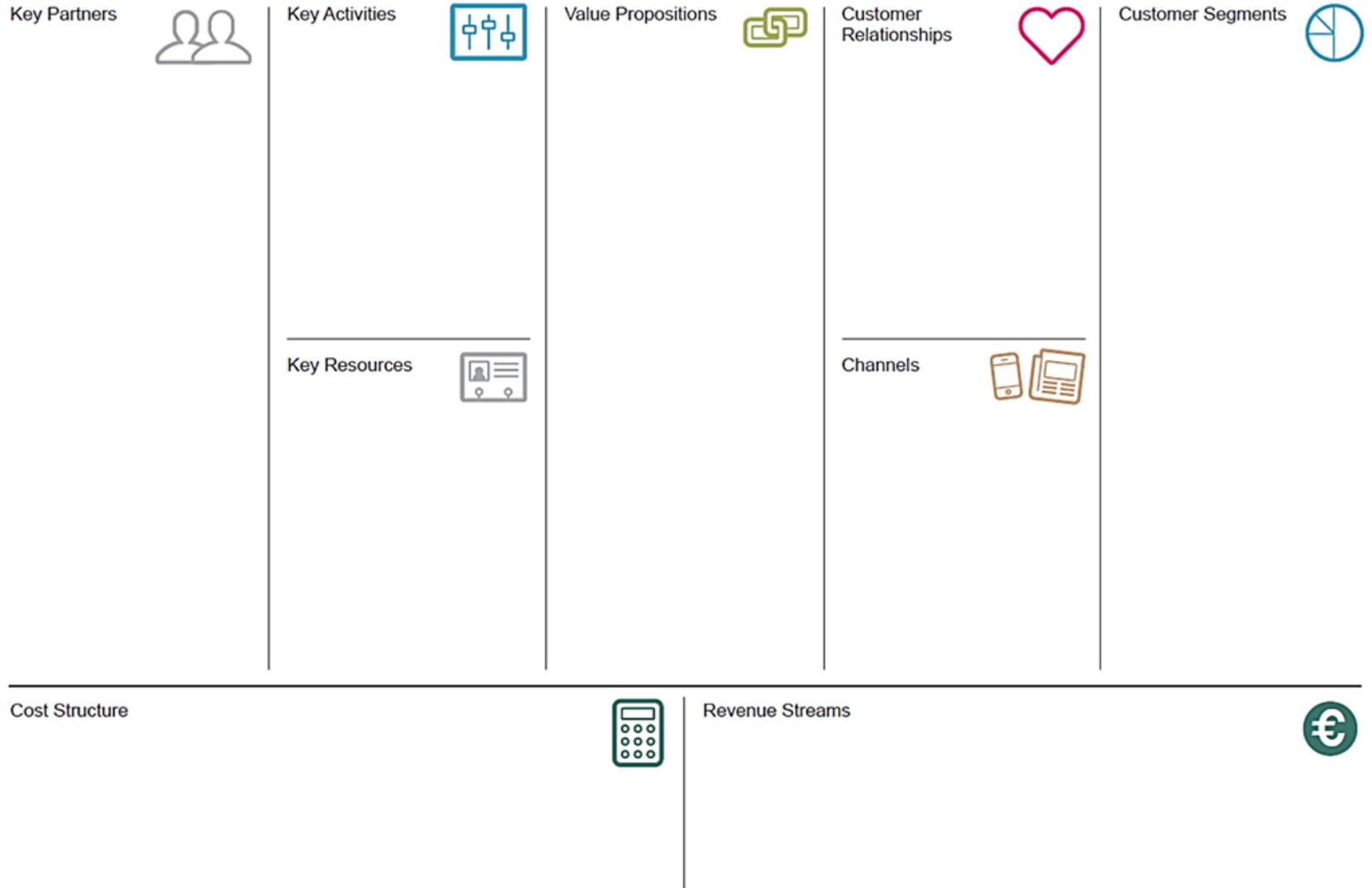


# Tool: Resilience planning



Tip: Resilience planning requires management actions and an open work culture. Networks and business relations can support the recognition of weak signals and enhance strategic decision making.

# BUSINESS MODEL CANVAS





# Tool: Developing a resilience plan

**Outcome:** You understand the resilience factors, which cover the whole business.

Factors	Indicators	Definitions
<b>Adaptive capacity</b>	Internal resources	What are the key resources and how are the resources mobilised by the management?
	Staff engagement and involvement	How do the employees understand the link between their own work, resilience and organisation success?
	Innovation and creativity	How is the staff encouraged, rewarded and acknowledged from their innovate and creative ways of working?
	Leadership	What are the continued management and decision making actions for reaching the set objectives according to strategy?
<b>Planning</b>	Planning strategies	What is the strategy and how is it positioned in terms of business environment and stakeholders?
	Participation in exercises	What are the daily tasks for staffs in risk evaluation and preparation for uncertainties?
	Recovery priorities	What are the priorities in resilience planning? If risks occurs, what are the key actions to be taken not to disturb operations?



Tip: Use the model to define or to develop your business resilience plan.



# Tool: Developing resilience skills

Planning

Action

Improvement

Follow-up and evaluation



# Reflection: What have you learnt from the theme?

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## Key learning points

This section summarises the key contents of the Toolkit.



# 1: Resilience and rescue skills for SMEs, strengthening Early Warning Europe

- Entrepreneurship means acting upon opportunities and ideas for transforming them into value for others. Value generated can be financial, cultural or social [European Commission].
- Small and medium sized enterprises, SME's, act as a driving force for economical resilience. This means that:
  - SME's have the agility for radical innovations to solve wicked problems.
  - Private capital can be mobilised towards nature-based solutions and transitioned towards a nature-positive economy.
  - The European Union offers various support mechanisms and training for SMEs. Some of the organisations include [The Early Warning Europe Network](#), The Enterprise Europe Network, and European Education Entrepreneurship NETWORK.



The Business Model Canvas developed by Alexander Osterwalder [2008] is a tool in modeling a business for value creation. It is a strategic tool comprising the key elements of a business through 9 building blocks: value propositions, customer segments, channels, customer relationships, key activities, key resources, key partners, cost structure, and revenue streams.



## 2: Resilience and skills development

- Resilience refers to the capacity to recover quickly from difficulties and to bounce back from challenging experiences.
- A resilient entrepreneur learns from difficulties and has the capacity for personal growth.
- Resilience has a direct link to continuous skills development. This is needed to sustain a competitive business. Skills development can be approached through lifelong learning, including formal and informal education and training.
- 21st century skills include skills that are required in today's competitive world. They refer to the knowledge, skills, habits and traits that help us to succeed.
- Many of the 21st century skills, such as digital skills or language skills, can be learnt. However, 21st century skills also include life skills, which refer to adaptive and positive behavior. These are often developed informally through cooperation, co-working, communication, and learning in practice.
- Company internal working culture can be enhanced by fostering resilient behaviors. This includes supporting others and giving appraisal for positive achievements.
- Working life balance refers to integrating personally important elements to daily life [= balancing work and free time through meaningful experiences].



# 3: Customer understanding

- Customer understanding is the key for business resilience, which is generated through value creation.
- As entrepreneurs create value for customers, value of a product or service can be based on various factors, [e.g., locality, sustainability, customer service, brand, quality, efficiency, accessibility].
- Value proposition and the customer segments build the Product-Market Fit. It indicates the success of the value delivery process and revenue generation.
- Customer segments include consumers with certain similarities.



- Company must identify and choose the best channels to deliver value to customers. Channels comprise the whole customer experience: before, during and after the purchase.
- Company channels include communication, distribution, sales, and marketing activities.
- Long-lasting customer relations are built through understanding customers' needs. Therefore, companies need to understand how to communicate with their customers, and select the channels used by the customer segments.
- Businesses must acquire, keep, and grow their customer base. Ways of acquiring and keeping customers include engagement and positive recognition [e.g., discounts, and membership rewards].

# 4: Infrastructure and operations

- Company key activities include those activities, which are necessary for running the business for value generation.
- Company key activities must match with the business model and company strategy. Key activities include problem solving, production, networks and/or platforms (e.g., channels).
- Company key activities have a direct link to resources acquired, while resources influence company revenue generated.
- Company key resources include physical, financial, intellectual, digital, and human resources.
- Human resources refer to company personnel. Human resources are the most important and usually the most expensive resource.
- Company activities and resources are influenced by company key partners. Partner networks are important as they can help companies to share activities or resources.
- Partnerships are legal connections between one or two companies, businesses or organisations formed through a joint agreement. The most common partnerships include general partners and limited partners.



# 5: Financials

- Company cost structure includes all the costs of the business model – the activities and resources of the company and their usage for revenue generation.
- Company cost structure includes cost and value driven models. Cost driven value aims to minimise costs while the value driven model aims to generate value.
- Fixed and variable costs determine the company cost structure and profitability.
- Company revenue streams refer to the ways in which company generates revenue.
- Revenue streams include the transaction revenues [gained from one-time customer payment], and the recurring revenues [gained from on-going customer payments or other activities related to value generation, e.g., after sale service].



# 6: Management

- Company management determines the vision, mission, and strategic choices of the organisation.
- Company management process indicates how company develops, organises, performs and controls its activities according to set aims.
- The management activities include informational, decisional, and interpersonal activities. Management activities require constant communication with others, both internally and externally.
- Management actions influence daily work and direct the future of the business. The functions of management include planning, organising, staffing, directing, and controlling.
- A risk can be defined as an event or circumstance that has a negative effect on a business.
- Company must be prepared for internal and external business risks, as they can be unintentional or intentional. Unintentional risks include, for instance, a sudden machine breakage, while intentional risks refer to aimed activities. These risks include, for instance, neglected health and safety protocols or cyber-attacks.
- Company risk management activities focus on identifying, assessing, and treating risks that could affect business operations.
- Company needs to develop a risk management plan that includes strategies for dealing with risks specific to the business. In addition, the management team should seek for external support, when required. The Early Warning Europe Network offers support and advice for thousands of companies in distress and helps businesses in resilience planning.



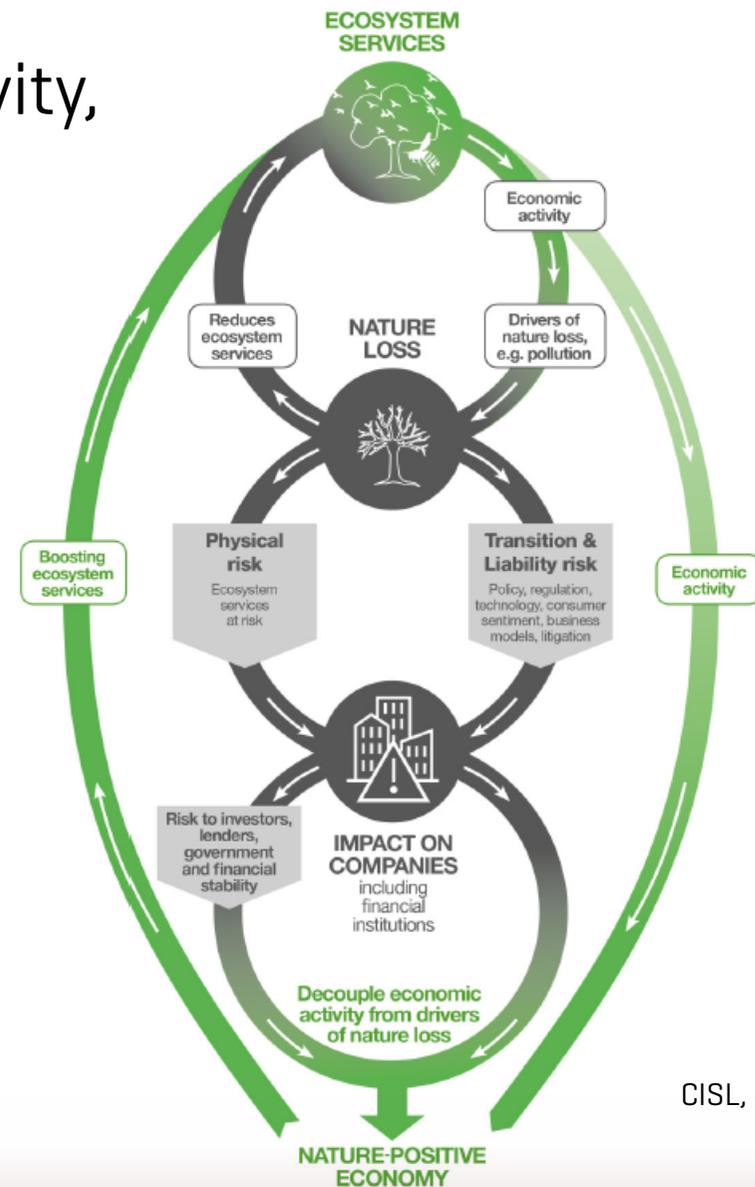
# 7: Resilience in action

- Resilience planning is a strategic process strongly influenced by the company management.
- Business resilience planning ensures that companies can respond, resume, adapt and restore business activities after a certain risk.
- Resilience planning helps companies to reduce and minimise various losses occurring to the business during a disruption.
- Resilience planning ensures continuum of business activities. It enhances communication, problem-solving, and decision making, leading to enhanced management, safety, and financial savings.
- Business resilience planning is essential when developing the business model: resilience planning starts with identifying the possible risks and factors of distress, which are known or can be predicted. Some of the risks to be identified include political, economic, social, technological, environmental risks. Resilience identification is followed by an analysis and evaluation before settling the resilience plan for its implementation.



# Connections between economic activity, nature and financial risks

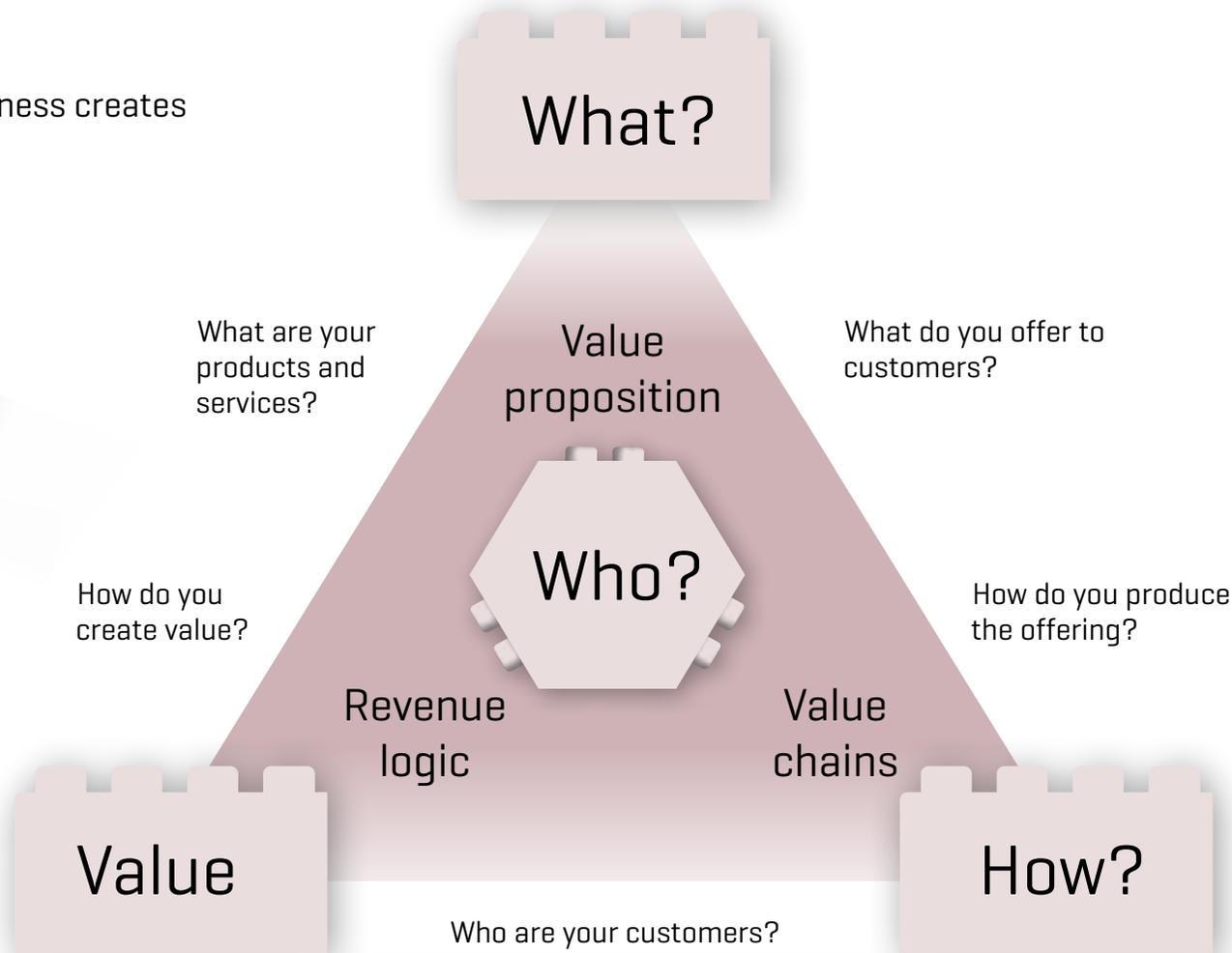
- Our economy depends on the ecosystem services that nature provides. We must understand the linkage and develop solutions for a sustainable economy.
- Climate change is a substantial driver of nature loss and subsequent nature-related financial risks. Others include water pollution and floods, which also cause considerable financial risks.
- Human activity is driving the decline of nature. The financial risks of biodiversity loss and land degradation begin with human activity that drives nature loss.
- By understanding and measuring nature-related risks, in addition to climate risk, also businesses move a step closer to understanding how to manage these risks in their key activities.



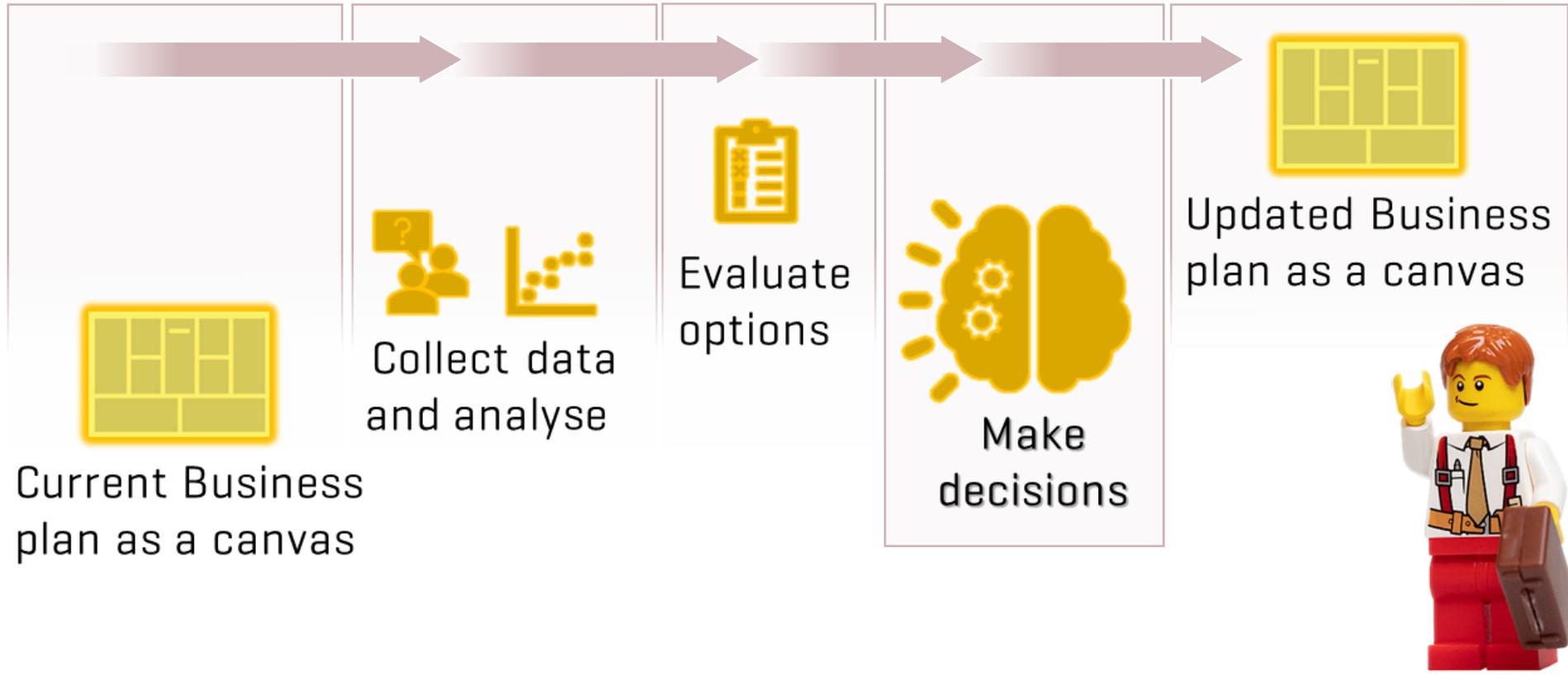
CISL, 2021

# The magic triangle

The magic triangle summarises how a business creates and captures value.



# Business Model Canvas – a model for a resilient business



Tip: 1) Take your Business Model Canvas, 2) collect all necessary data of the company, 3) analyse the most important competitive advantages and disadvantages [see the Value proposition canvas for gain creators and pain relievers], 4) strengthen the spotted competitive advantages and reduce disadvantages.

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