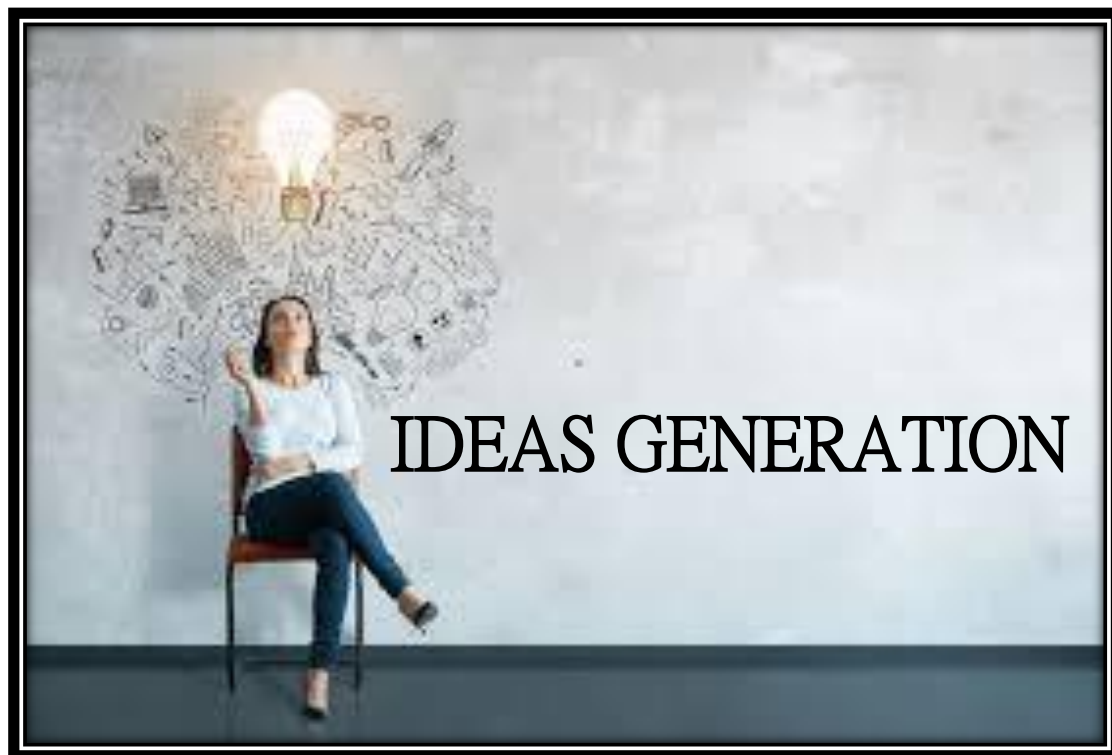


IDEAS GENERATION

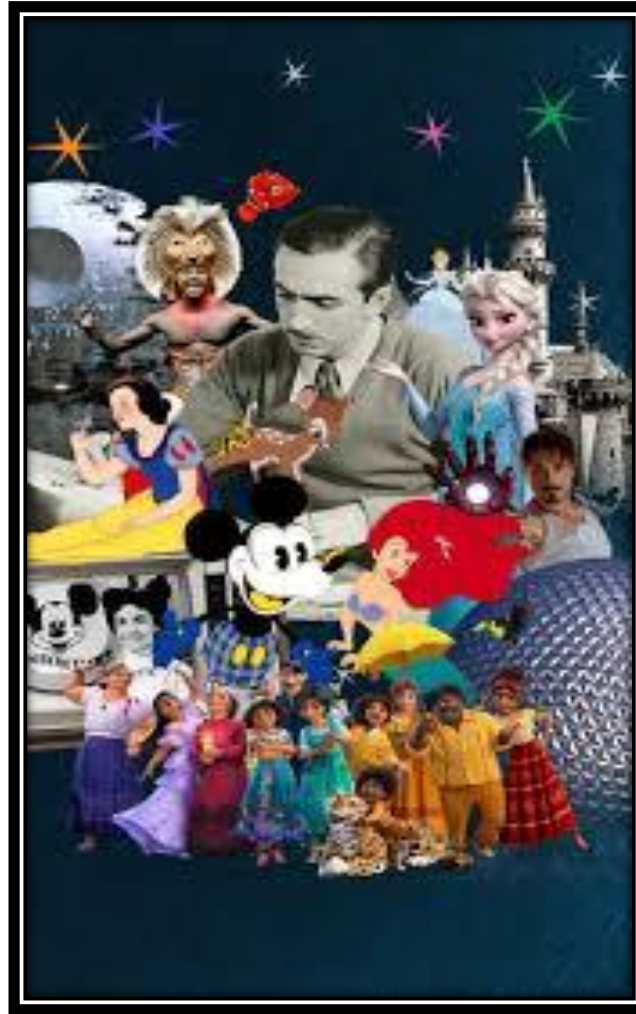
Walt Disney



“If you can dream it
you can do it.”



Every start-up begins with an idea but
what is the way to find it?



We should learn the ideas generating method from Walt Disney



What are these? What are their roles?



The Dreamer, the Realist, and the Critic.

I. Match the roles with the questions they think about:

1. Dreamer 2. Realist 3. Critic

- a) What needs to be done or said?
- b) What dreamlike ideas should be pursued?
- c) What could be improved?
- d) What is needed for the implementation (material, people, resources, knowledge, techniques)?
- e) What are the opportunities and risks?
- f) Can the approach be tested?
- g) What do you feel about this idea?
- h) What are the opportunities and risks?
- i) What was overlooked?
- j) Which basics are already available?

Key to exercise 1:

1. Dreamer What dreamlike ideas should be pursued?

2. Realist

What needs to be done or said?

What is needed for the implementation (material, people, resources, knowledge, techniques, etc.)?

What do you feel about this idea?

Which basics are already available?

Can the approach be tested?

3. Critic

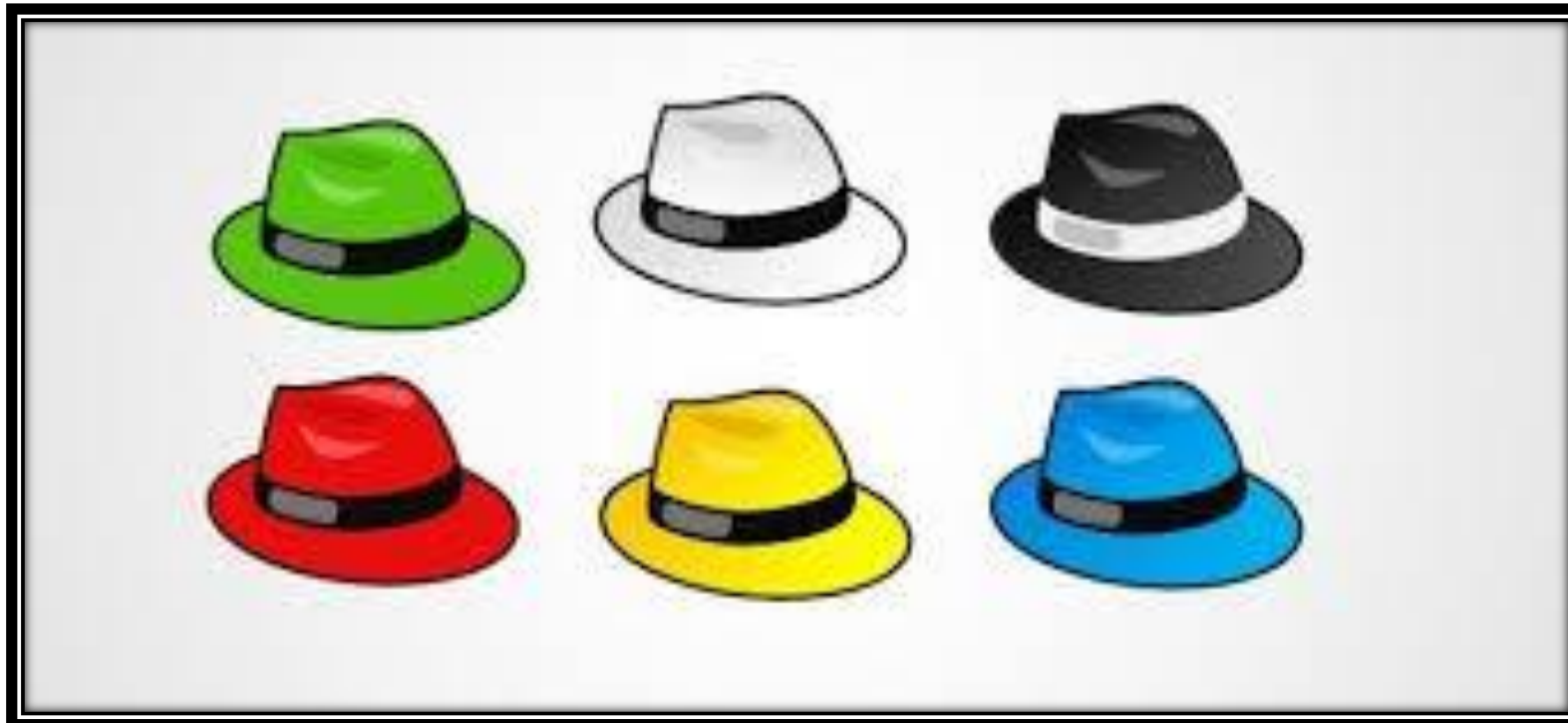
What could be improved?

What are the opportunities and risks?

What was overlooked?

How do I think about the proposal?

II. Method of Six Thinking Hats



Key to exercise 2:

1. True
2. True
3. True
4. False - The Red Hat focuses on legitimizing feelings, not seeking benefits.
5. True
6. True
7. False - The Six Hats concept aims to simplify thinking and make it more effective, not more complex.

Key to exercise 3:

1. B
2. D
3. B
4. C
5. C

What ways of ideas creation have you learned today?



Competition

‘Business in Darwinism:
Only the fittest survive’

Look at the picture, read the words said by a famous Australian entrepreneur Robert Holmes a Court (1937-1990) and say what they mean.



What is competition?

The concept of competition comes from the Latin word “**concurrere**”, which means “to run together”, “to collide”. Competition is the rivalry between market participants to obtain advantages.



The importance of competition in business

Watch the video and say if competition in business is important? Why? Who benefits from competition?



Sellers and buyers

What are sellers fighting for?

Sellers are fighting for making a profit.

Who do they want to attract for making a profit?

They want to attract buyers.

What are buyers fighting for?

Buyers are fighting for benefiting.

What do they want to buy?

They want to buy goods and services of good quality.

Price and non-price competition

There are **two methods** of competition between sellers:

- ❑ price competition - rivalry between sellers by reducing prices – and non-price

- ❑ competition - competition between sellers by:
 - improving the quality of the product;
 - using beautiful packaging;
 - advertising;
 - lotteries;
 - competitions;
 - additional services (free delivery, free installation, free repair, etc.)

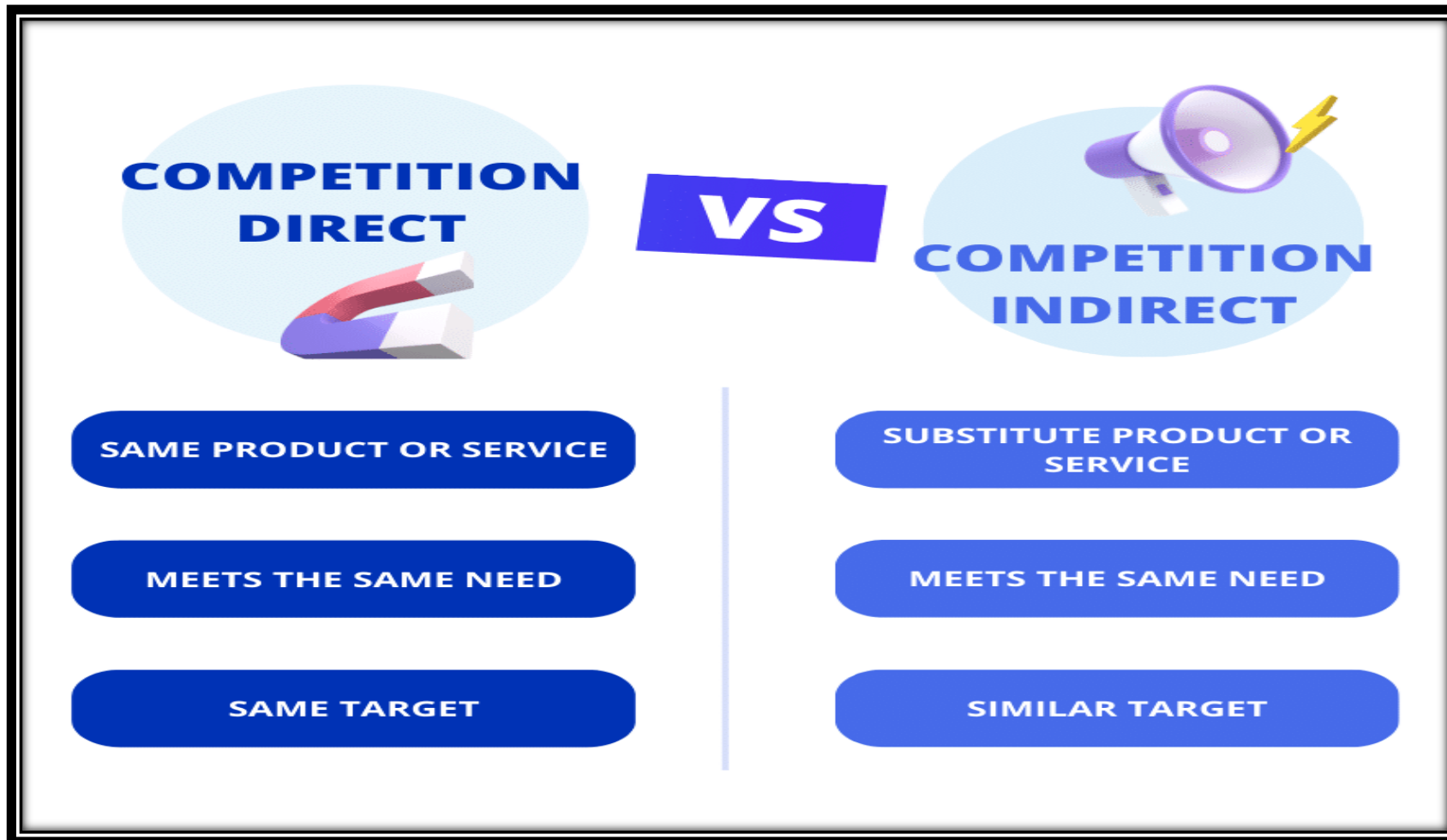
Why did Donut go broke?

What ways can sellers attract buyers' attention by?

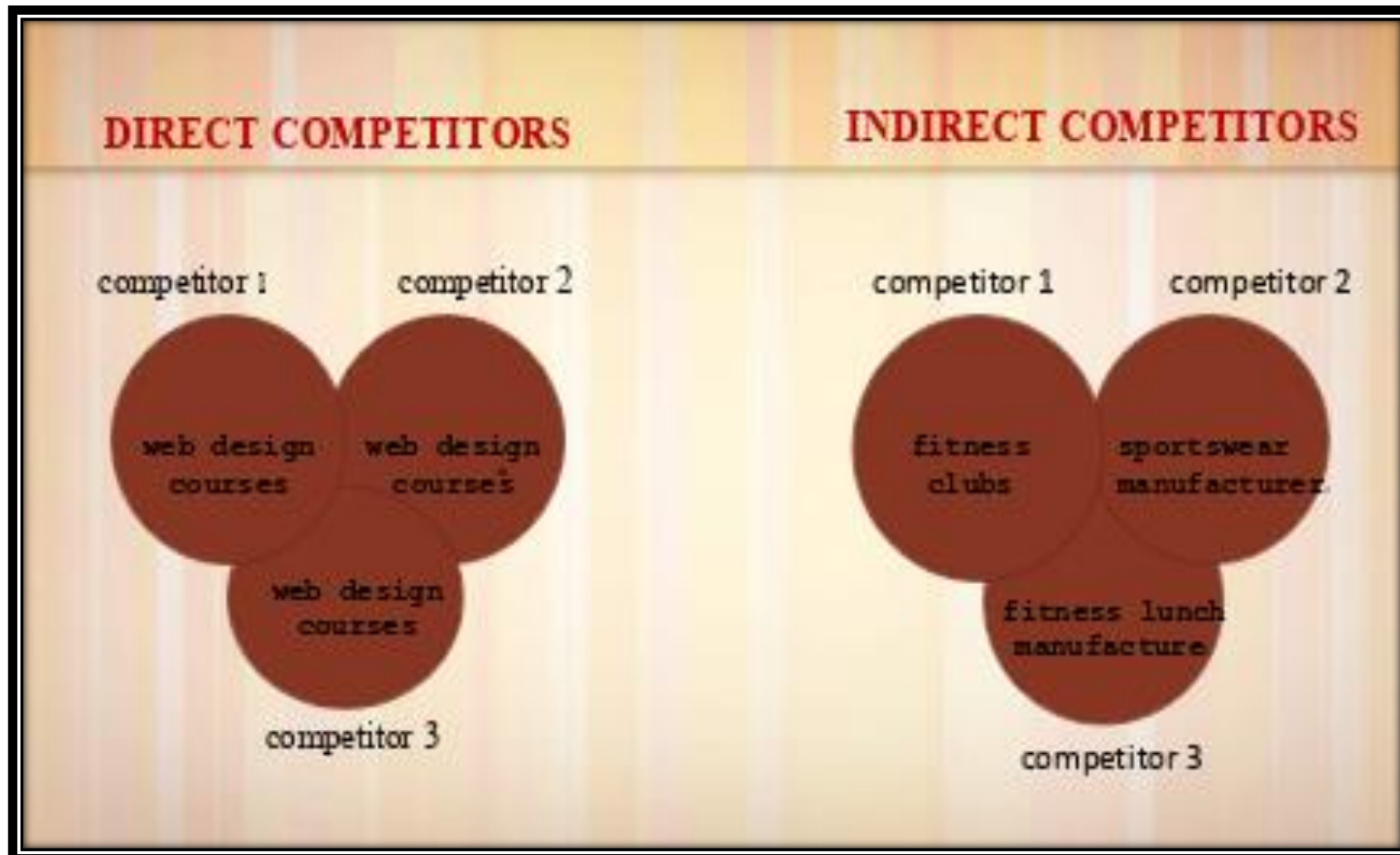
Read the extract from the fairy tale “Dunno on the Moon” and answer the questions. Give Donut advice to improve the situation.



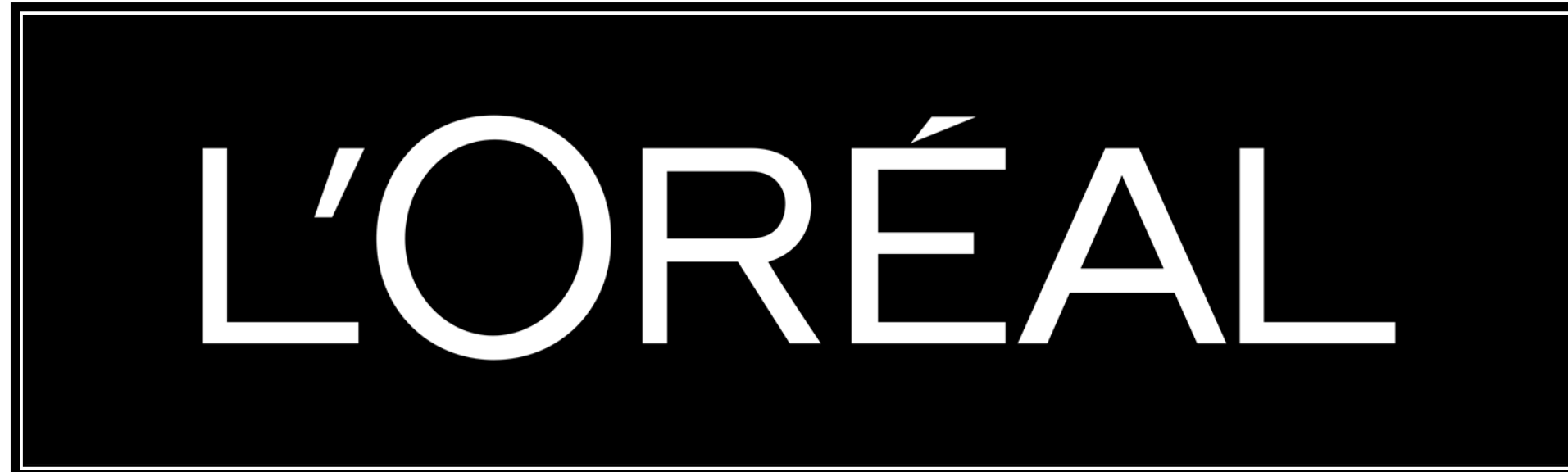
Direct and indirect competition



Direct and indirect competitors









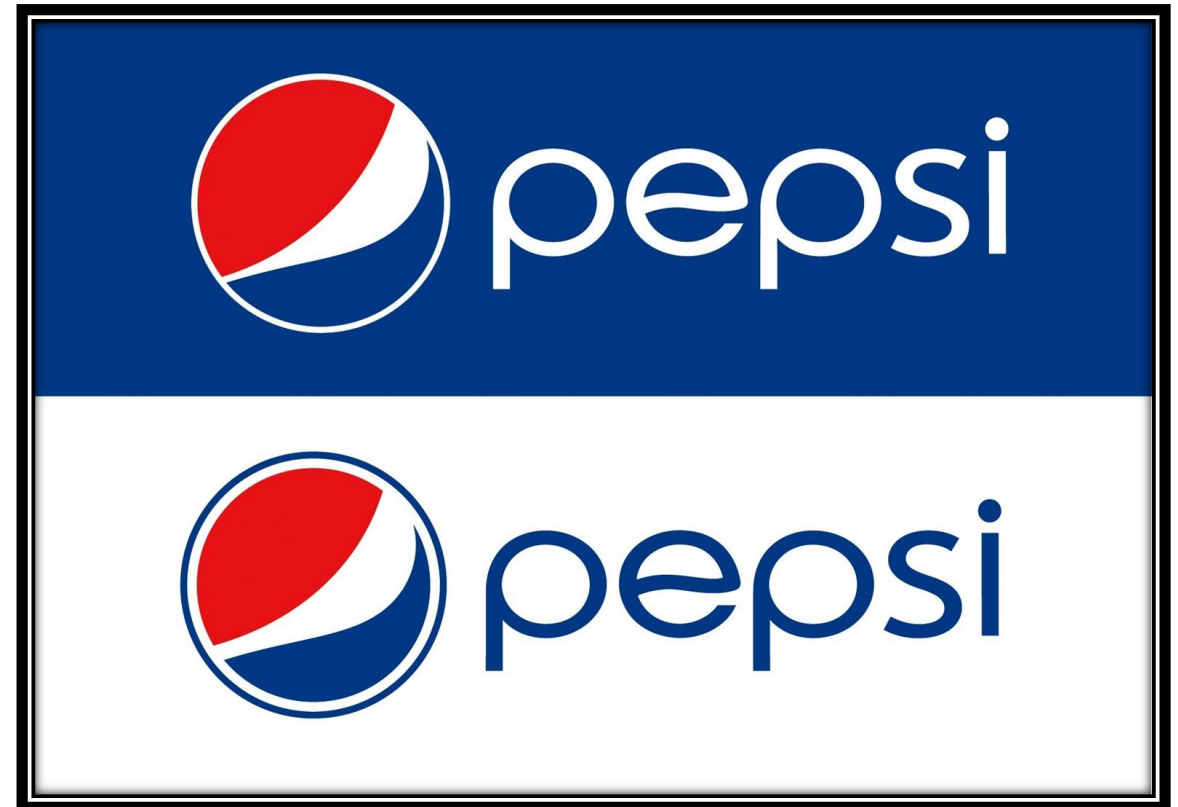
AIRBUS



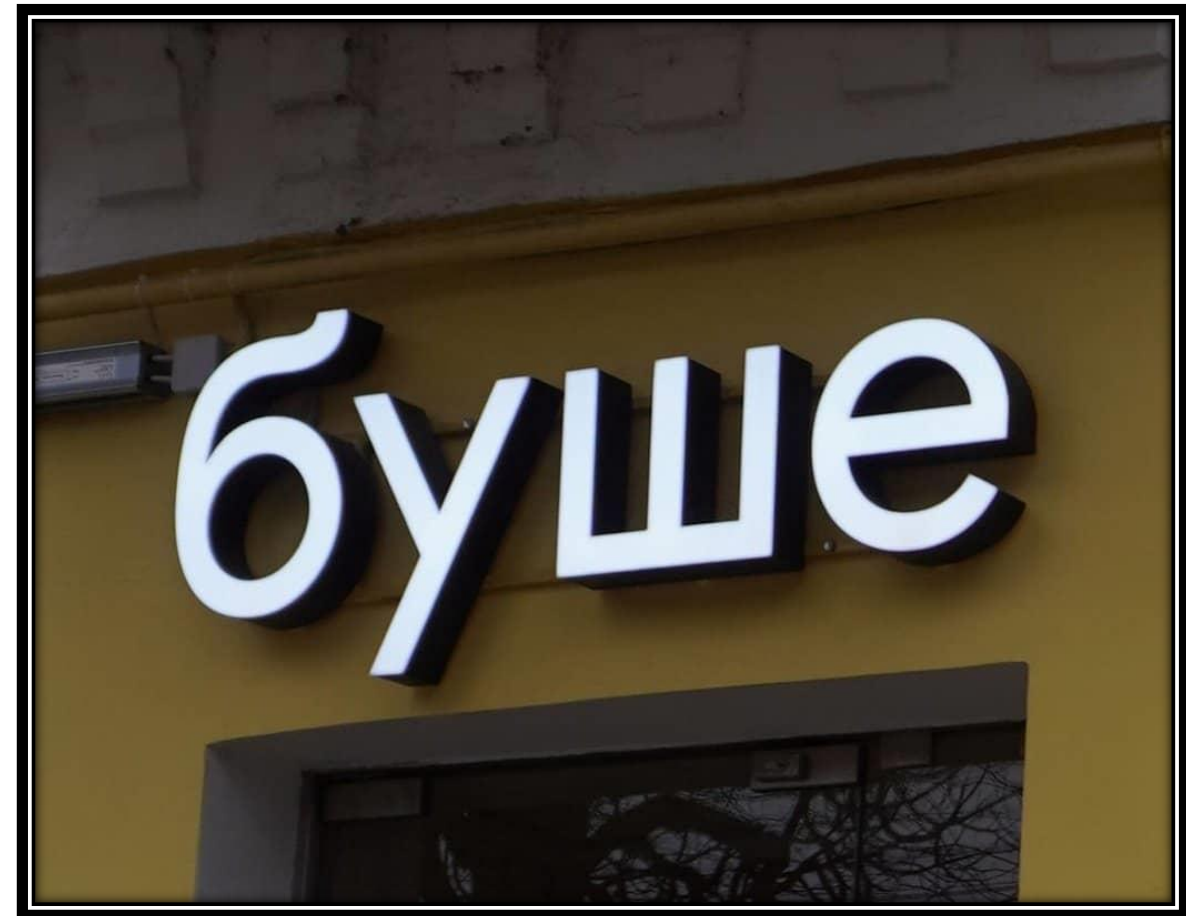


Coca-Cola









Competitive advantages product

Basic factors that give your product an advantage before the others:

uniqueness - a characteristic that is not found in your great opponents (or occurs, but rarely);

long-term - maintaining relevance throughout long period of time to achieve maximum performance;

difficulty in copying - the impossibility of repeating your competitive advantage without significant investments;

credibility-absence of doubt among consumers about the real existence of a competitive advantage due to a set of product properties that inspire confidence among the potential buyer;

vivid manifestation - worthy presentation of the benefits(s) product compared to products from other companies

brevity - simplicity of formulation of the advantage.

Competition in business

Say: true/false. Explain why you think so.

Rivalry between market participants to obtain advantages is called **competition**.

Free delivery of furniture is an example of **price competition**.

Reducing the price of a seasonal product is an example of **non-price** competition.

Industrial espionage, collusion, false information - an example of **unfair** competition.

Increasing product quality refers to the **positive results** of competition.

Non-price competition is related to **after-sales service**.

The ruin of a company as a result of competition is an example of a positive result of competition.

Direct competitors sell different products to the same customers

Business game

| Producers-sellers (group I) | Producers-sellers (group II) | Buyers |
|-----------------------------|------------------------------|-------------------------------------|
| manufacturing school goods | manufacturing school goods | earning money solving the crossword |
| selling school goods | selling school goods | buying the goods |
| summing up | summing up | summing up |

Crossword

| | | | | | | | | | | | |
|----|----|----|----|-----|-----|----|----|----|----|----|---|
| | | 1. | 1 | 1 | 1 | 1 | 1 | | | | |
| | | | 2. | 2 | 2 | 2 | 2 | 2 | | | |
| 3. | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | | |
| | | | | | 4. | 4 | 4 | 4 | 4 | 4 | 4 |
| | | | | 5. | 5 | 5 | 5 | 5 | 5 | 5 | |
| | | | | | 6. | 6 | 6 | 6 | 6 | 6 | |
| | | 7. | 7 | 7 | 7 | 7 | 7 | 7 | | | |
| 8. | 8 | 8 | 8 | 8 | 8 | 8 | | | | | |
| | 9. | | 9 | 9 | 9 | 9 | 9 | 9 | 9 | | |
| | | | | 10. | 10 | 10 | 10 | 10 | 10 | | |
| | | | | | 11. | 11 | 11 | 11 | 11 | 11 | |

Crossword

Read the definitions of the words and complete the crossword

1. The amount of money for which something is sold or bought
2. Things that are produced in order to be sold
3. The study of the way in which money and goods are produced and used
4. Money that you gain by selling thing or doing business.
5. Someone who sells something
6. The activity of buying or selling
7. Ability to choose
8. The system in which all prices and wages depend on what goods people want to buy and how many they buy
9. Providing people with something they need or want
10. Something that you earn by working and that you spend in order to buy things
11. Something that you must have something

Crossword

| | | | | | | | | | | | |
|------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 1. | | | P | R | I | C | E | | | | |
| 2. | | | | G | O | O | D | S | | | |
| 3. | E | C | O | N | O | M | I | C | S | | |
| 4. | | | | | | P | R | O | F | I | T |
| 5. | | | | | S | E | L | L | E | R | |
| 6. | | | | | | T | R | A | D | E | |
| 7. | | | C | H | O | I | C | E | | | |
| 8. | M | A | R | K | E | T | | | | | |
| 9. | | S | E | R | V | I | C | E | | | |
| 10. | | | | | M | O | N | E | Y | | |
| 11. | | | | | | N | E | E | D | S | |



Target Audience



TARGET AUDIENCE

| What? | Who? | Where? | When? | Why? |
|-------------------------------------|--------------------------------|-------------------------|-----------------------------|--------------------------------------|
| What product you are going to sell? | Who are your possible clients? | Where can we find them? | When can we find/meet them? | Why do the clients need our product? |

Define the target audience of every product:



Define the target audience of products and think of the advertisement:

1. A car.
2. Headphones
3. Soft toy
4. Sport equipment
5. New bookshop



HYPOTHESIS TESTING



A hypothesis [haɪ'pɒθɪsɪs] - hypotheses(plural)



A **hypothesis** is a suggestion that is based on some evidence.

A **hypothesis** is a proposed explanation for a phenomenon.

Target audience is a group that is more than likely to buy offered goods and services.



Target audience

CONSUMER



A **consumer** is someone who buys or uses goods or services

A **customer** is a person or company that receives, consumes or buys a product or service and can choose between different goods



A **profit** is money that you get from selling goods or services for more than they cost to produce or provide



An **investor** is an individual that puts money into a business for a financial return. The main goal of any investor is to minimize risk and maximize return.



A bank loan



A **bank loan** refers to the sum of money lent by a bank to a borrower, which must be repaid with interest (percent) over a certain period.



In 90% of cases, the success of the business model depends on the confirmation of 7 hypotheses.

Hypothesis # 1: The suggestion of a need

○ What are your suggestions about consumer needs?

Questions:

- What do your customers need or want?
- What solutions, goods or services are they currently using to satisfy their needs?
- Formulate your suggestion: *I believe (we believe) that people have a need for.*



Example: “We believe that people have a need to be able to listen to music anywhere”

Hypothesis #2: The suggestion of the problem

○ What are your suggestions about the problems that the consumer has when satisfying their needs with the help of products available on the market?

Questions:

- What problems do existing products have?
- Are the existing solutions difficult, expensive, and difficult to access?
- Formulate your suggestion: *I am sure that users, when using existing products on the market, have the following problem....*



Example: We believe that the capacity/the power of existing MP3 players is very small and downloading music to these devices is too difficult, the capacity of the battery is very low, the size of the existing MP3 players is too big.

Hypothesis # 3: The suggestion about potential customers

- Who do you think is the ideal customer?
- These are people who consider the problem you are planning to solve to be very big and important, and they are ready to try new solutions on the market to solve it.

Questions:

- Describe how you see your ideal clients?
- Can other companies be your clients? Name a company that, in your opinion, would be an ideal client.
- Are there any of your ideal clients among your friends or relatives? Describe them.
- State your suggestion: I'm sure. that our ideal customers will be....



Example: We believe that our ideal clients are young people who live in big cities, love music and spend money on fashionable and trendy things.

Hypothesis # 4: The suggestion of a value proposition

- What, in your opinion, will be the best proposition for your customers?
- Which offer will they not be able to refuse?

Questions:

- What advantages does your proposition provide to customers?
 - How is your offer better than others?
 - What makes your offer unique?
- Formulate your suggestion: *I believe that the best proposition for our customers will be....*



Example: We believe that the best proposition for our potential customers will be the opportunity to have more than 1,000 songs in their pocket, recorded on a device with a stylish design, very simple to use for anyone, as well as the ability to simply and quickly download music from a single Internet platform.

Hypothesis # 5: A suggestion about the goods/services offered

- In your opinion, what products/services/functions should be created and offered to customers so that they appreciate your value proposition?

Questions:

- What should your offer to customers include?
 - What products and services do you need to delight your customers?
 - What will make your offer more attractive?
- Formulate your suggestion: *I believe that our proposal should include....*



Example: We believe that our proposal should include free headphones or some quantity of songs which can be downloaded free.

Hypothesis # 6: Revenue/payment model suggestion

- Which payment option would be preferable for your customers? (sale, subscription, etc.)

Questions:

- What will customers pay you for?
- How often will the client pay you?
- Formulate your suggestions: *I think the best revenue model would be....*

Example: We believe that the best revenue model besides the price of the gadget will be “Pay per Song“.



Hypothesis # 7: The suggestion about the wish of customers to pay

○ How much do you think customers are willing to pay?

Questions:

- What is the base price?
- How much can your target audience pay?
- What will be the average check?

➤ Formulate your suggestion: *I believe that the price per unit of product (value proposition) that customers will be willing to pay is....*

Example: We believe that customers are willing to pay for the device and for the song.



Customer development

The customer development method consists of four steps that are designed to help avoid common mistakes and repeat successful business strategies.

The customer development method was created by **Steve Blank** in 1990s. According to Blank, startups are not simply smaller versions of larger, more developed companies. While larger companies realize known and proven business strategies, startups must search for new business models. Customer Development guides the search for a repeatable business model.



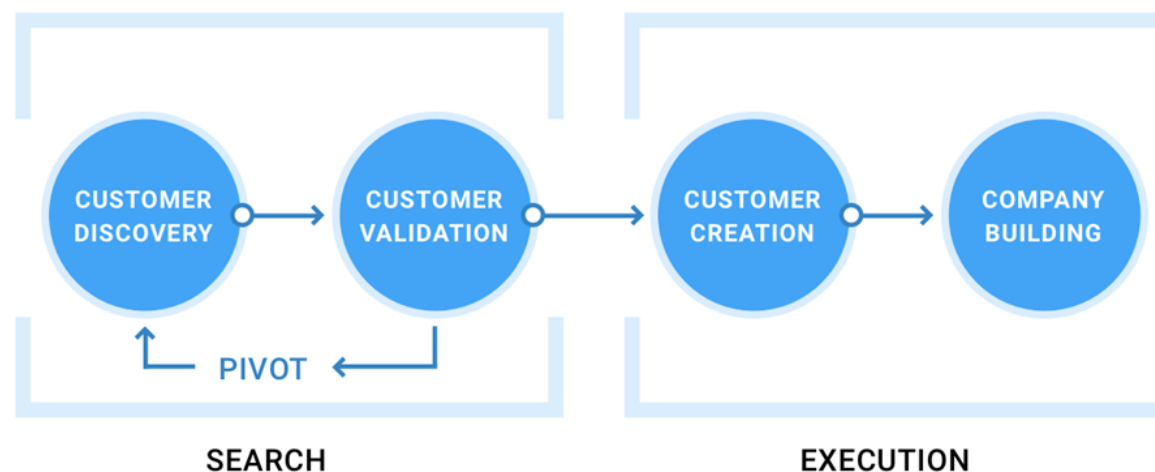
The four-step process:

1. Customer **discovery** first captures the founders' vision and turns it into a series of business model hypotheses. Then it develops a plan to test customer reactions to those hypotheses and turn them into facts.

2. Customer **validation** (approval) tests whether the resulting business model is repeatable. If not, founders should return to customer discovery.

3. Customer **creation** is the start of execution (realization). It builds end-user need and drives it into the sales channel to scale the business.

4. Company **building changes** the organization from a startup to a company focused on realizing a validated (confirmed) model.



Examination of the customer

1 НА 1 ВОПРОС НЕ БОЛЬШЕ 2-3 МИН

≤ 15-30 МИНУТ НА ВСЁ ИНТЕРВЬЮ

2 ЗАДАВАТЬ ОТКРЫТЫЕ ВОПРОСЫ

3 «Почему?»

А ПОЧЕМУ?

4 НЕ ЗАДАВАТЬ ВОПРОСЫ О БУДУЩЕМ ИНАЧЕ СКАЖУТ НЕПРАВДУ

ХОТЕЛИ БЫ ПОЙТИ В СПОРТЗАЛ?

КОНЕЧНО! В СЛЕДУЮЩЕМ ГОДУ

PRODUCTSTAR.RU/CUSTDEV

CUSTOMER DEVELOPMENT

Google

ПРАВИЛА ОТ МИШИ ЕВРОВА

5 БЛАГОДАРИ НЕ ПЕРЕБИВАЙ НЕ СПОРЬ НЕ ОЦЕНИВАЙ

6 CUSTDEV ТОЛЬКО ДЛЯ ПОЛУЧЕНИЯ И ПРОВЕРКИ ИДЕЙ

ЭТО ВСЕГО ЛИШЬ ГИПОТЕЗЫ

7 НЕ МЕНЬШЕ 8 РЕСПОНДЕНТОВ

8 ЗАДАВАТЬ ОДИНАКОВЫЕ ВОПРОСЫ. ЗАНОСИТЬ В ТАБЛИЦУ ИНСАЙТОВ

| ФИО | ВРЕМЯ ОТВЕТА | ОЦЕНКА ОТВЕТА |
|---------------------|--------------|---------------|
| Иванов Иван | 15 сек | 5 |
| Петров Петр | 20 сек | 4 |
| Сидоров Сидор | 10 сек | 3 |
| Климов Климов | 25 сек | 5 |
| Васильев Василий | 18 сек | 4 |
| Мухоморов Мухоморов | 12 сек | 5 |

Value Proposition

Watch the video and fill in the gaps:

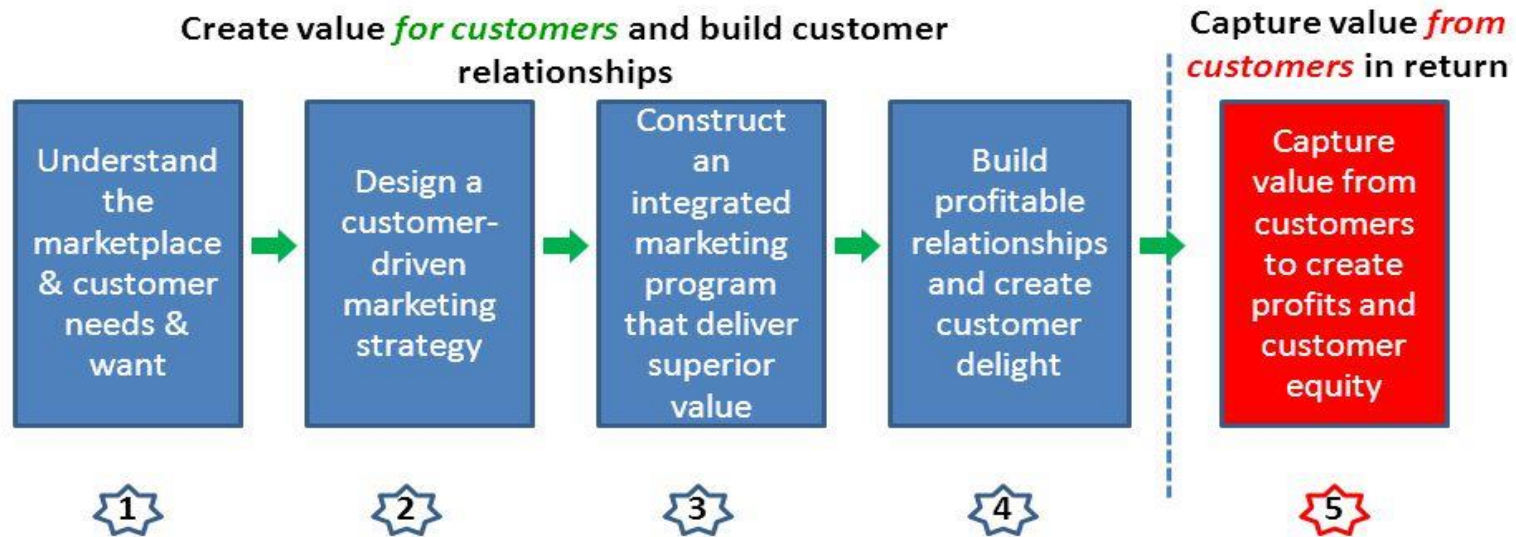
1. Jackie and Justin are thinking of ...
2. Jackie and Justin are curious to know the ...
3. Jackie and Justin can accept an instant competitive ... through Mr. Cali's network



Value Proposition. Features

- ❑ Message that summarizes the advantages a business offers consumers who purchase its products or services
- ❑ A precise solution and the promise of value that consumers might expect from a business
- ❑ Addressing a customer's issue and presenting a business as a problem solver
- ❑ As a result, a value proposition should be viewed as a strategy for attracting clients, earning their loyalty
- ❑ A value proposition can be included in the marketing strategy

Marketing Process



Martin is the marketing manager of a telecommunications company. He is telling his colleagues about the marketing mix for a new product.



I. Listen and take notes on the four PS

Product _____ have everything you need to connect to the Internet,

Price _____

Placement _____

Promotion _____

Did you know?

When people talk about the marketing mix, they often refer to the four Ps: **product, price, placement, and promotion.**



II. Now listen again and complete the phrases from the presentation

1. The _____ of our cable package are that you get...
2. We will be _____ customers through ads on ...
3. Our product will then be immediately _____ to customers in...
4. We will _____ that customers will have ...
5. We haven't _____ a price yet...
6. Because our product is in the _____ phase, our _____ model should...

III. Which words in the box are used to talk about which P? Sort them into the correct category

Advertising appearance channels of distribution discount financing
list price location logistics media public relations quality
service

Product _____

Price _____

Placement _____

Promotion _____

Use the following chart to make notes on the four PS of one of your company's products or services. Then use your notes to give a short presentation of the product or service to the class

| | |
|--|--|
| <p>Product</p> <p>What are the important aspects of your product? Why do people want to buy your product?</p> | |
| <p>Price</p> <p>What factors affect your price?</p> | |
| <p>Placement</p> <p>When and where is your product available to customers?</p> | |
| <p>Promotion</p> <p>List the ways in which you reach customers.</p> | |

- ✓ What is the company's target market?
- ✓ Why is their product superior to other packages?
- ✓ How can they prove that their product is the best?



- ❖ We are _____ customers who are
- ❖ Extensive testing _____ that we provide
- ❖ Speed of access is _____ why our product is better.
- ❖ Another reason is that we _____ every new customer with a free



- Your target customer
- What you do for your customer and how you do it
- How you are better than your competitors

Useful phrases

Our customers are ...

The main benefits our product offers are ...

We provide a superior product by ...



BUSINESS MODEL

WHAT IS BUSINESS?

MAKING MONEY BY
PRODUCING OR
BUYING/SELLING PRODUCTS



WHAT IS BUSINESS MODEL?



BUSINESS MODEL



A STRATEGIC PLAN OF HOW A COMPANY WILL MAKE MONEY OR IN THE OTHER WORDS – PROFIT

IT IDENTIFIES THE PRODUCTS OR SERVICES THE BUSINESS PLANS TO SELL





Watch a [video](#) about business models
After watching do the T/F task



Decide whether the statements are true or false

1. THE SUPPLY CHAIN CONSISTS OF DISTRIBUTORS AND RETAILERS. *FALSE*
2. A DISTRIBUTOR BUYS PRODUCTS FROM THE MANUFACTURERS. *TRUE*
3. THE DISTRIBUTORS SELL THE PRODUCTS TO THE RETAILERS. *FALSE*
4. WHOLESALER SELLS PRODUCTS TO THE RETAILERS. *TRUE*
5. THE RETAILERS ARE AT THE END OF THE CHANNEL IN THE SUPPLY CHAIN. *TRUE*
1. THE RETAILER'S LOCATIONS ARE CLOSE TO THE CUSTOMERS. *FALSE*

Match the words in bold with their definitions

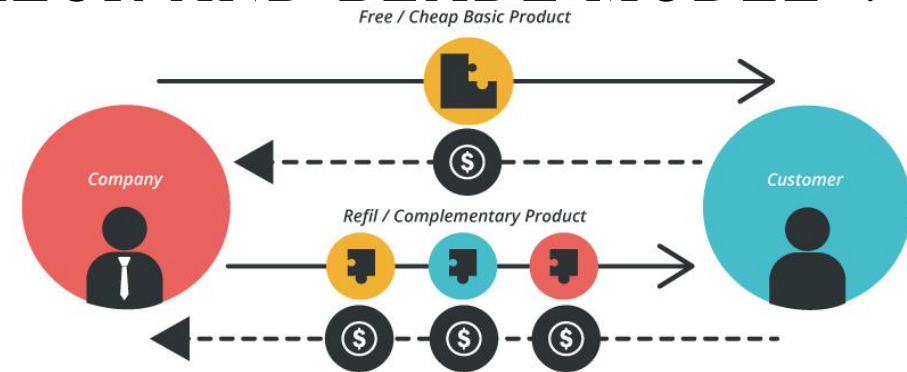
1. A POINT WHERE TWO SUBJECTS OR ORGANIZATIONS MEET AND INTERACT. **INTERFACE**
2. TRADITIONAL BUSINESS THAT HAS A PHYSICAL STORE OR STORES WHERE CUSTOMERS MAKE PURCHASES IN PERSON. **BRICK-AND-MORTAR STORES**
3. A SUM OF MONEY THAT IS PAID TO A WORKER FOR EVERY HOUR OF WORK. **HOURLY RATE**
4. INTENDED TO BE THROWN AWAY AFTER USE. **DISPOSABLE**
5. BEING, EXISTENCE. **ENTITY**
6. PERSON WHO GIVES FINANCIAL OR OTHER SUPPORT TO AN ORGANIZATION. **PATRONS**

Match the words in bold with their definitions

7. PRODUCTS THAT GIVE A HIGH LEVEL OF PROFIT COMPARED TO THE AMOUNT OF MONEY SPENT ON PRODUCING THEM. **HIGH-MARGIN SALES**
8. THE SYSTEM BY WHICH A COMPANY LOOKS INSIDE ITS OWN ORGANIZATION TO FIND A SUITABLE PERSON FOR A SENIOR JOB, INSTEAD OF GIVING THE JOB TO SOMEONE FROM OUTSIDE THE COMPANY. **INTERNAL LABOR**
9. SOMETHING THAT IS NOT VERY GREAT IN AMOUNT, RANGE, OR DEGREE. **LIMITED-SCOPE**
10. TO PERSUADE SOMEONE TO DO SOMETHING OR GO SOMEWHERE BY OFFERING THEM SOMETHING THEY WOULD LIKE TO HAVE. **LURING THEM INTO**

Answer the questions

1. WHICH BUSINESS MODEL CONVERTS CUSTOMERS TO A MORE PREMIUM PRODUCT THAT REQUIRES PAYMENT?
2. WHO CAN SELL GOODS TO DISTRIBUTORS, RETAILERS OR DIRECTLY TO CUSTOMERS?
3. WHAT DO THE RETAILERS DO?
4. HOW DOES THE MARKETPLACE BUSINESS MODEL GET MONETIZATION?
5. WHAT IS THE STRATEGY OF THE "RAZOR AND BLADE MODEL"?





NOW YOU KNOW MORE ABOUT BUSINESS MODELS!

MARKET ANALYSIS



What is MARKET?



The term **market** refers to a place
where people
buy and sell things like goods and
services

Key features of market:

- Markets can be physical like a retail outlet e.g. “Sportmaster”, or virtual like an e-retailer like “OZON”, or “Wildberries”.
- Other examples include illegal markets, auction markets, and financial markets.
- Markets establish the prices of goods and services that are determined by supply and demand.

Market analysis” or “Market research”





Jeremy King
CEO, Attest

Market research:

```
graph TD; A[Market research:] --> B[Personal use]; A --> C[Business];
```

Personal use

Business

How to Conduct a Market Analysis

4 Questions to Answer

- ① What is happening in your market/industry?
- ② Who are your competitors, and when they win, why?
- ③ What customers do you (or can you) serve?
- ④ How are we performing today, and where are external opportunities?

Internal

- * 3 years P&L
- * 3-5 year forecast
- * Marketing Perf.
- * Sales Perf.
- * Staff Insights
- * Customer Insights

External

- * Consumer Data
- * Labor Data
- * Economic For
- * Supply Cha
- * Local Dat
- * Cen

Tip - You Need Br



What is
happening in
your market?



Who are your
competitors,
and why they
win, why?



What customers do
you (or can you)
serve?



How are we performing today and where are external opportunity?



Vocabulary:

| | |
|------------|---------------------|
| Income – | Доход |
| Estimate – | Оценивать |
| Expenses – | Расходы |
| Conduct – | Управлять |
| Evaluate – | Оценивать |
| Demand – | Спрос |
| Allocate – | Распределять |



Questions:



- 1) What does calculating a company's earnings potential involve?
- 2) Can you give an example of a company's income potential?
- 3) What steps does a company take to estimate their income potential?
- 4) Why is market research important in determining a company's income potential?
- 5) How does a company use market research to predict future sales?
- 6) What factors do companies evaluate to assess the competitiveness of their products?
- 7) How can companies use their forecasted income to make decisions?
- 8) Why is calculating a company's income potential important for achieving financial success?

Practice task

The company's potential income
is calculated as the difference between:

Income

Quantity of goods
sold

x

Price

Expenses

variable costs :

- Raw material purchase cost
- Transport costs
- Containers, packing
- Others (specifically for creating a product)

fixed costs :

- Rent
- Salary
- Taxes (Individual Entrepreneur, 6%)
- Other (for business purposes only)



1 kg –
200 rub.

19 lt. –
1 000 rub.



20pcs. –
500 rub.



20pcs - 300 rub.



100 gr. – 350 rub.



1 lt. – 400 rub.



1 kg. – 500
rub.



1 pcs. – 200
rub.

Make a presentation

Market research

- What is happening in your market?
- Who are your competitors, and why they win, why?
- What customers do you (or can you) serve?
- How are we performing today and where are external opportunity?

Final result

- How much money will you put in your wallet?

Answer the questions:

- How many glasses of lemonade will you sell in a month?
- How many oranges, water, etc. do you need for one glass of lemonade?
- How much cost will you have for the purchase of basic components + transportation costs, if any, for sales per month?
- How many costs will you have once before the start of sales: the cost of a counter, a freezer, etc., dishes, a trash can.
- How many expenses will you incur in one month: wages to employees (salesperson, manufacturer, cleaner), rent of a place, income tax of 6% (you can omit the calculation)?
- How much will you pay for other small expenses: advertising, napkins, garbage bags, etc.?
- Sum up all expenses and divide by the number of glasses of lemonade that you plan to sell per month.

At what price will you sell one glass of lemonade?

Ответьте на вопросы:

- Сколько стаканов лимонада вы продадите за месяц?
- Сколько апельсинов, воды и пр. надо на один стакан лимонада?
- Сколько затрат вы понесете на закупку основных составляющих + транспортных расходов, если они есть для продаж в месяц?
- Сколько затрат вы понесете один раз до старта продаж: стоимость стойки, морозильной камеры, графинов и пр., посуды, мусорное ведро.
- Сколько затрат вы понесете за один месяц: заработанная плата сотрудникам (продавец, производитель, уборщица), аренда места, налог с дохода 6% (можно опустить расчет)?
- Сколько затрат вы понесете на прочие мелкие расходы: реклама, салфетки, мусорные пакеты и пр.?
- Сложить все расходы и поделить на то количество стаканов лимонада, которое планируете продать в месяц.

По какой цене вы будете продавать лимонад?

Project Resources



What Project
Resources Do
You Need?

Take a look at this photo and tell me what an enterprise resource planning is?



Enterprise resource planning (**ERP**) is a software system that helps you run your entire business, supporting automation and processes in finance, human resources, manufacturing, supply chain, services, procurement, and more.

LET'S WATCH A VIDEO ABOUT **ERP** SYSTEM IN ORDER TO GAIN MORE DETAILS



ERP ?

AFTER WATCHING DISCUSSION:

- How do you understand the meaning of **ERP** system?
- And why do the companies need it?

Task I: Take a look at your worksheets. Let's decide whether the statements are *true or false*.

Task II: Discuss the advantages and disadvantages of this system in pairs.

- What problems can it cause?
- What aspects will help you in your own business?

Task III: Match the word with its definition.

Let's look whether you understood the meaning of resources' groups or not. (using your worksheets)

Task IV: Match the word with its definition. Let's look whether you understood the meaning of resources' groups or not

Definitions:

- a. activities provided by businesses or organizations for customers, such as repairs, maintenance, or consulting.
- b. the department within a company that deals with hiring, training, and managing employees.
- c. the management of money, including budgeting, investing, and accounting.
- d. the process of making goods or products in large quantities using machinery and labor.
- e. the process of obtaining goods or services from external sources, often through auctions or negotiation.
- f. the network of companies involved in producing and delivering a product to consumers, including suppliers, manufacturers and retailers.
- g. the act of buying goods or services for a business or organization

Words:

1. supply chain
2. procurement
3. services
4. purchasing
5. human resources
6. manufacturing
7. finance

Let's go deeper and read the text about **Project resources**.

Then answer some questions:

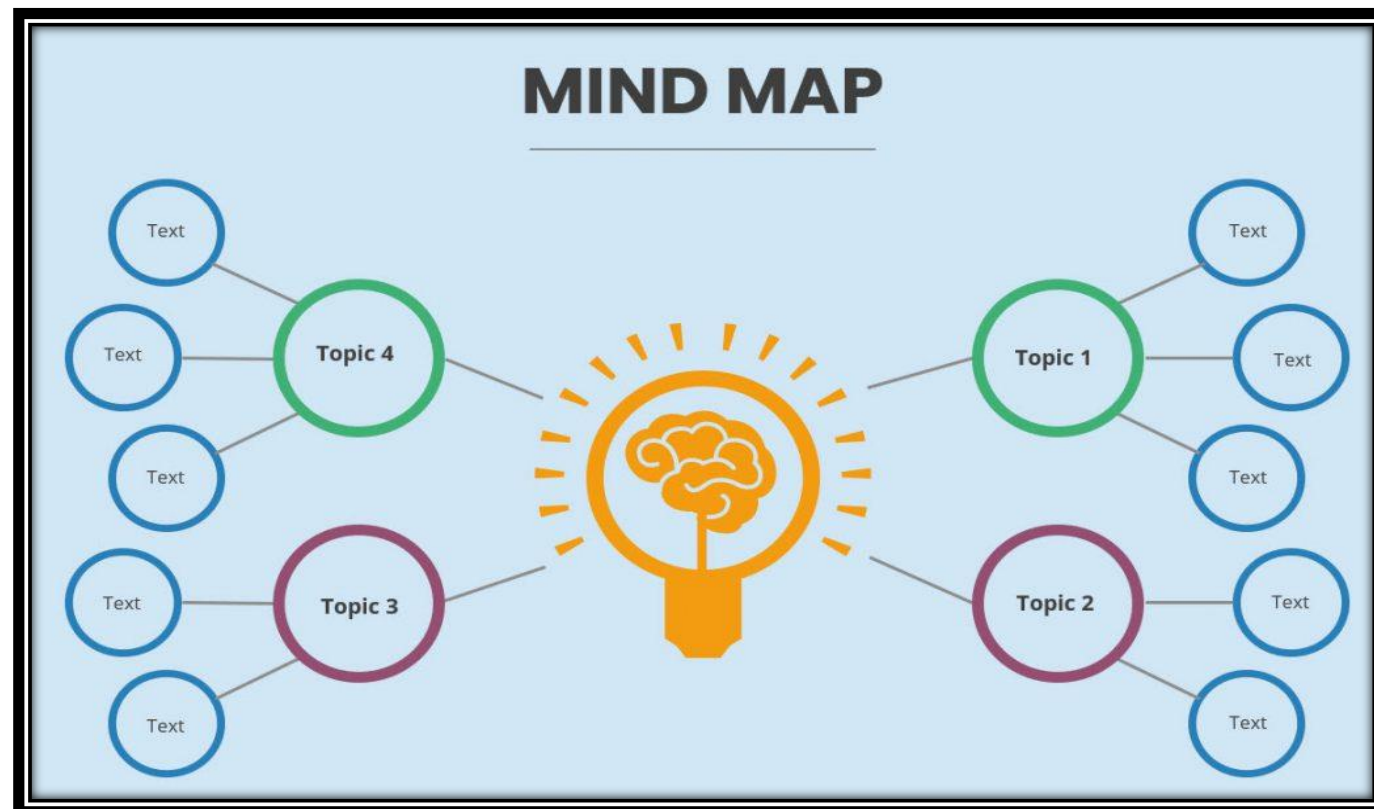
1. What are the four types of project resources?
2. Why is it important to pay close attention to human resources in a project?
3. Who are considered external human resources in a project?
4. What is the project budget and what does it include?
5. Give an example of external funds that can be acquired for a project
6. How can time be considered as a resource in a project?

Now it's time to create your own project using this recourse planning system. Work in two teams, please

1) create your topic for realization.

2) create your own scheme for running your project/business/ use an example of **ERP** system. Adapt it for yourself.

LET'S CREATE A SMALL **MIND MAP** WITH NECESSARY RESOURCES FOR YOUR OWN PROJECT/BUSINESS/STARTUP



Teamwork



"Finally, you will get success with team work, team work always smart work, team work makes the dream work"

If you want to go fast, go alone. If you want to go far, go together.



"I can do any things, I can do any, it is good for personal development, but every time individual performance may not be given ultimate results"

What Is Team Work?

communication



confidence

more innovations

trust increasing

strength of interpersonal relationship

increasing productivity

great working environment

collaboration



What is teamwork?

Teamwork - the combined actions of a group of people working together effectively to achieve a goal.
(Cambridge Dictionary)



What can we do to gain the ability of working in a team?

Teamwork - is ability to work with others and to help others attain their full potential and achieve the shared goal.

Understanding the 5 Types of Team Roles

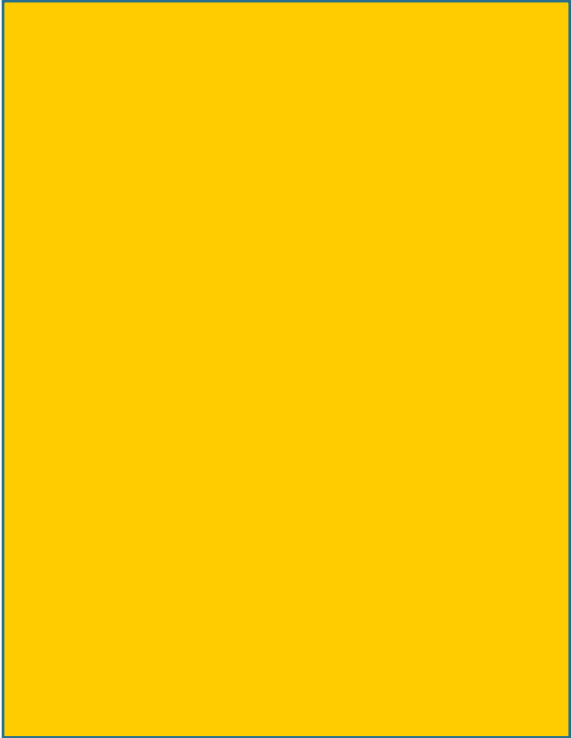
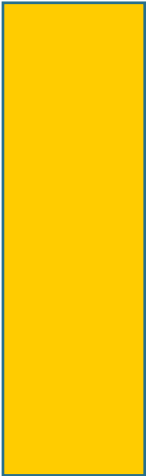
Innovator

Team Player

Executor

Leader

Strategist



5 Types of Team Roles

An effective **leader** plays a critical role in the success of any team. They are responsible for guiding the team towards the end goal, delegating tasks, and ensuring everyone works towards the same objective.

The **strategist** plays a crucial role in the success of any team. They are responsible for planning and strategizing to achieve the team's objectives, analyzing data, and making informed decisions to steer the team in the right direction.

The **executor** plays a critical role in the success of any team. They are responsible for implementing the plans and strategies set by the strategist and ensuring that tasks are completed on time.

The **innovator** plays a crucial role in the success of any team. They bring new ideas and approaches to the team, generate creative solutions, and challenge the status quo.

The **team player** plays a crucial role in the success of any team. They are responsible for supporting the team and ensuring everyone works together effectively.

Let's play!

1. Let's distribute your roles :)

2. "Lost on a Desert Island"

Discuss one item you would bring along with you and explain why?



Let's play!

"21 questions"

Asking random questions to each other

Teamwork



Let's play!

"What do we have in common?"

You have to discover 7 things you have in common ;)



Let's play!

"Whodunit?"

You have to write one interesting thing you've done;)

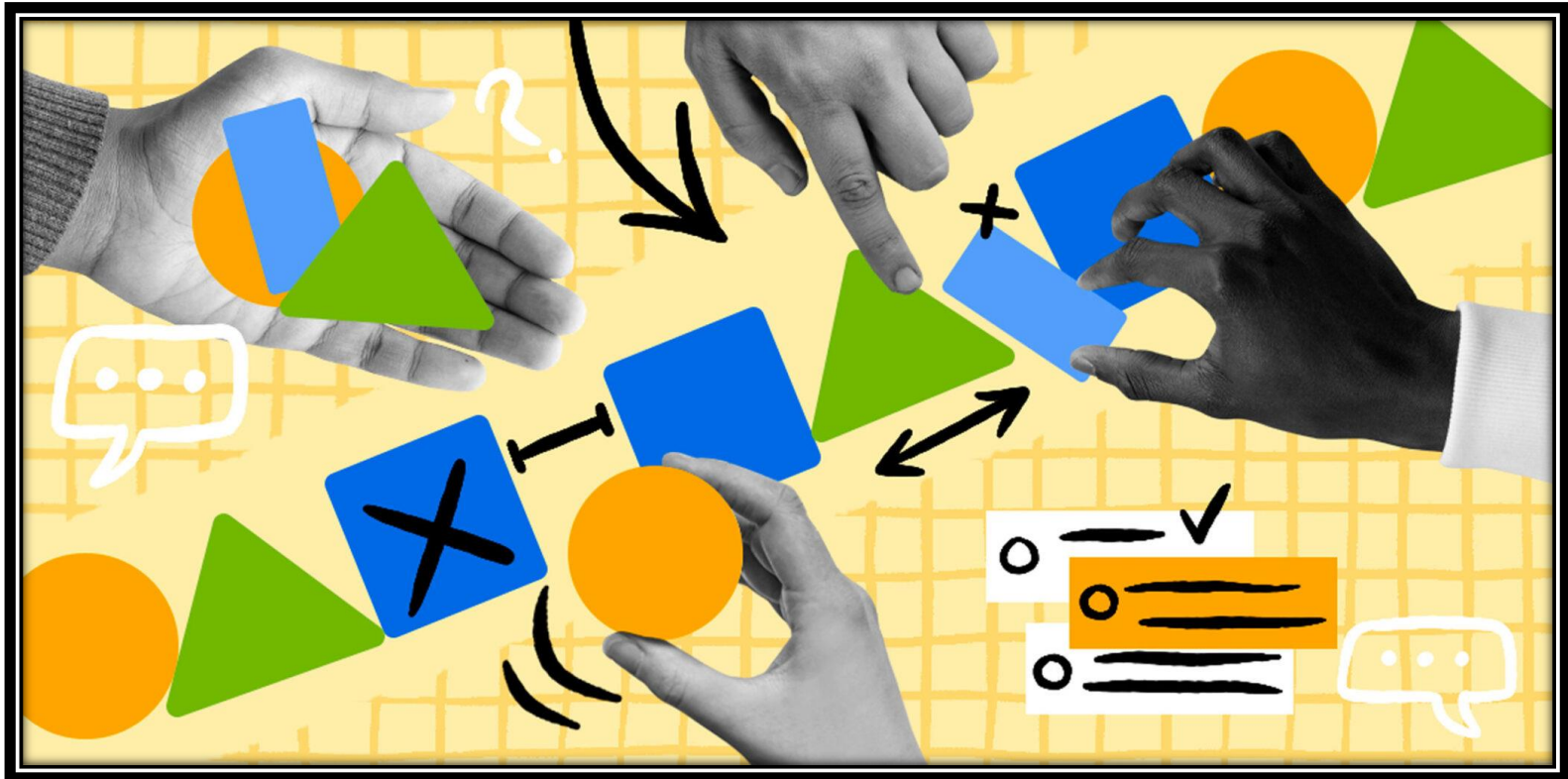


Distribution of areas of responsibility within the team

Drawing up an action plan

"Coming together is a beginning, staying together is progress, and working together is success." – Henry Ford

Many Hands Make Light Work



Useful vocabulary

employee
employer
employ
hire
increase
take advantage



A teamwork is a group of employees that work together on a team to perform specific tasks.

Organizations use work teams to take advantage of several viewpoints and different skills to increase productivity and innovation.

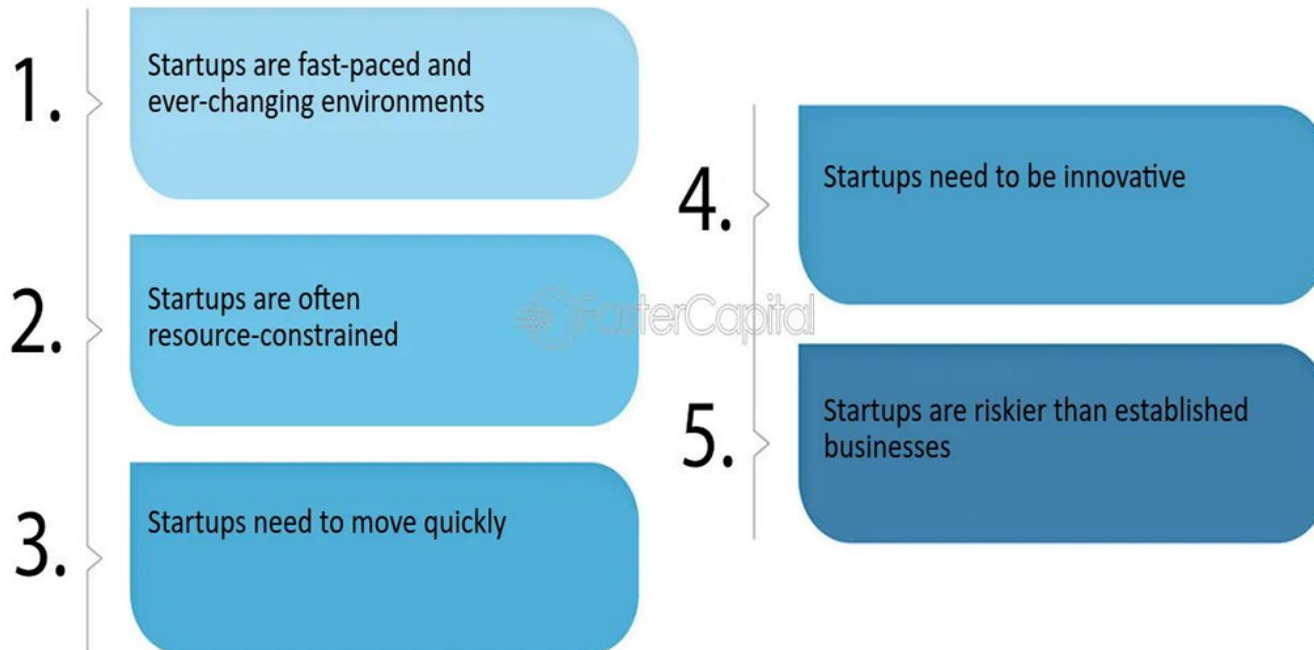
Fast-paced

fast-moving

Resource-constrained

limited resources

The importance of teamwork in startups

1. Startups are fast-paced and ever-changing environments
 2. Startups are often resource-constrained
 3. Startups need to move quickly
 4. Startups need to be innovative
 5. Startups are riskier than established businesses
- 

Foster - to develop particular feeling, situation, or idea

Team morale - the amount of confidence felt by a person or group of people, especially when in a dangerous or difficult situation

Define - to make distinct, clear, or detailed
establish to put into a favorable position

Recruiter - a person who persuades people to work for a company or become new members of an organization

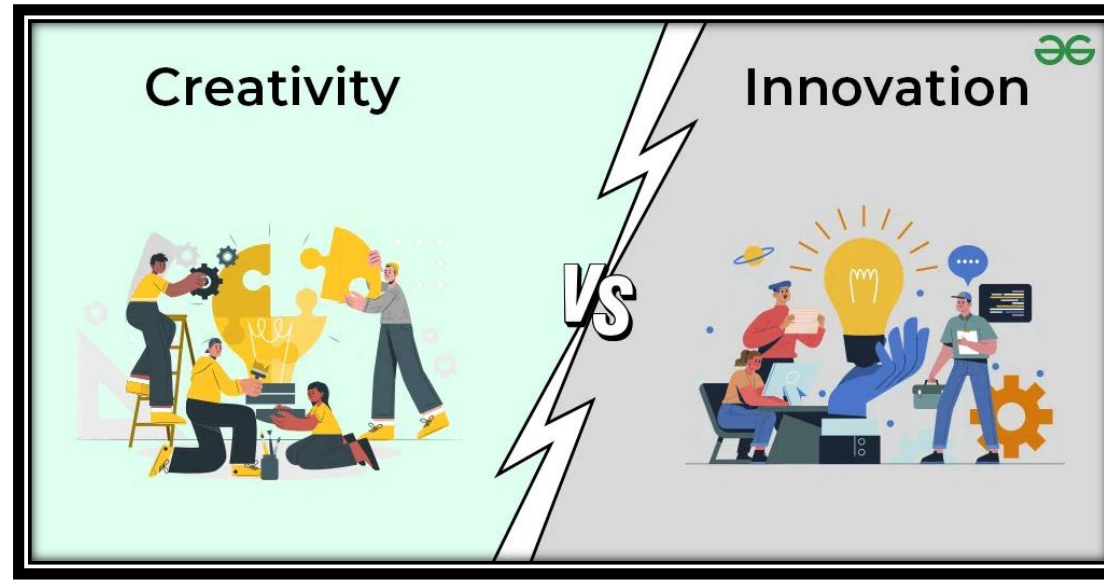
To align - to join with others in a cause

To accomplish - to bring to its goal or conclusion; perform; finish



Tips for improving teamwork within a startup

- Promote a positive attitude
- Foster a spirit of collaboration
- Encourage creativity and innovation
- Encourage open communication
- Define roles and responsibilities



Tips for improving teamwork within a startup

Define roles and responsibilities

Foster a spirit of collaboration

Promote a positive attitude

Encourage open communication

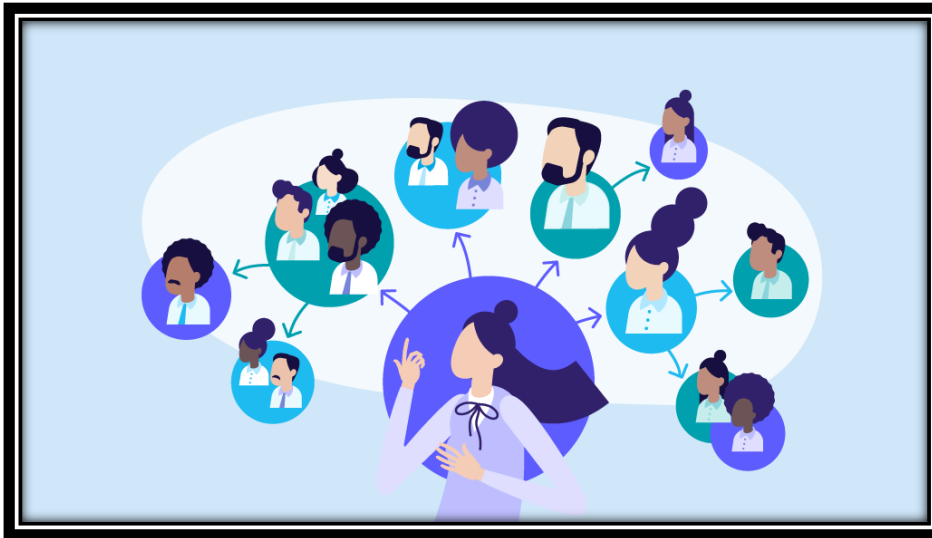
Encourage creativity and innovation



What is the area of responsibility

A **role** is a person's place, or seat, on a team

Responsibilities are the duties and tasks assigned to a role



4 reasons to establish roles and responsibilities

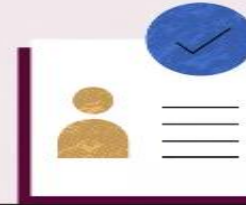


Increased productivity

Clear roles and responsibilities increase team productivity.

Improved hiring process

Clarifying job descriptions makes it easier for recruiters to meet team needs.



Boosted team morale

Giving everyone a specific task to accomplish can boost team morale.

Reduced time and money spent

Aligning team members to correct job roles reduces waste of time and money.



Why are key responsibility areas important?

1. Motivates employees
2. Encourages time management
3. Improves employee satisfaction
4. Increases productivity
5. Promotes understanding



Useful vocabulary:

measurable if something is **measurable**, it means we can assign a value to it and compare it to other similar things based on that value

to assign to give someone a task or responsibility

to reduce to make something smaller

confusion situation in which people are uncertain about what to do or are unable to understand something clearly

relevant connected with what is happening or being discussed

ensure to make something certain to happen

specific relating to one thing and not others; particular

Tips for assigning key responsibility areas

- **Make goals measurable and specific** to help your employees understand their roles

A specific goal is easy to understand and clearly states what you expect of your employee

To make your goals specific you can clearly explain each step and provide deadlines or desired results

- **Use clear language** and divide the tasks by using simple and short phrases

Using clear language that is easy to understand can reduce any confusion employees might have about their responsibilities.

Try reading each key responsibility area out loud to see if what you wrote is logical and clear.

Tips for assigning key responsibility areas

➤ Make it relevant

Ensure that each of your key responsibility areas applies to the employees' positions. Relevant key responsibility areas mean they describe tasks the employee actually performs.

➤ Monitor results

Monitoring results can help ensure your employees are reaching their goals and performing their tasks.

Another option is to hold individual meetings with your employees to discuss their progress.



Useful vocabulary:

A **quota** is a limit on the quantity of a particular product that can be produced, imported, or exported during a specific period.

Compile to collect information from different places and arrange it in a book, report, or list.

Maintain to keep something in good condition.

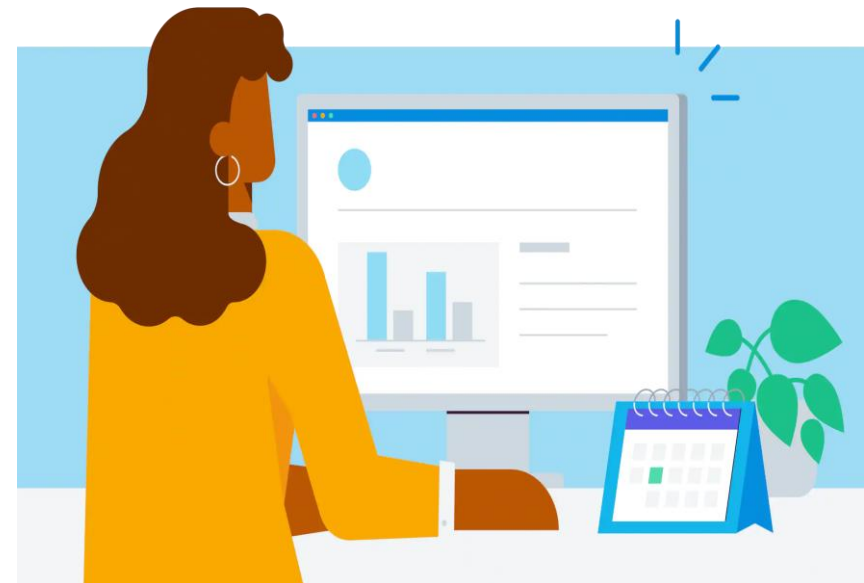
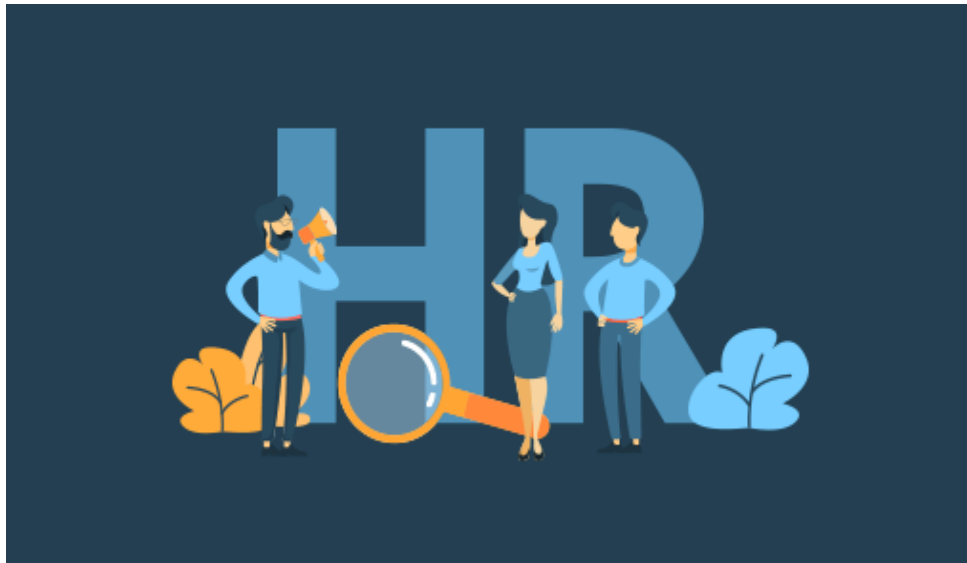
Implement to start using a plan or system.

Undertake to do or begin to do something, especially something that will take a long time or be difficult.

Jack of all Trades



- **Chief Technology Officer** to handle the technical side;
- a **marketing specialist** for promoting the company, and generating leads;
- a **salesperson** for closing deals;
- an **accountant** to handle payrolls and financial operations;
- an **HR manager** for recruiting new people.



| Role: | Responsibilities: |
|-----------------|---|
| Project manager | Plan and develop the project Create and lead the team Monitor and share project progress |
| Visual designer | Produce consistent visual work Keep team members up to date with project milestones Create direction for projects and guiding team members |
| Content writer | Research and write copy Communicate with designers and managers on progress Revise copy after receiving feedback from clients |

| | | |
|-------------------|--|---|
| To accomplish | <u>succeed</u> in doing | realize, produce, effect, finish |
| To approach | <u>get</u> closer to | move towards, come to, <u>reach</u> , <u>near</u> |
| <u>To achieve</u> | cause it to <u>happen</u> , usually after a <u>lot</u> of effort | reach, fulfil, finish, complete |
| <u>Ensure</u> | make certain | <u>guarantee</u> , <u>secure</u> , <u>make sure</u> |
| <u>Clarity</u> | make clear | clearness |
| To identify | prove or recognize as being a certain person or thing | name, remember |
| Allocate | to give some time, money, space, etc., to be used for a particular purpose | grant, distribute |
| Bottlenecks | something that holds up progress | block, hold-up, obstacle |

How to calculate profit and manage expenses

Profit

Revenue

Expenses

Loss

Calculate

Generate

Spend on



Entrepreneurship

1. Unintelligent/stupid- Intelligent
2. Lazy/laid-back- Hard-working
3. Unimaginative- Imaginative
4. Unenthusiastic- Enthusiastic
5. Old-fashioned- Innovative
6. Unconfident- Confident
7. Poorly disciplined- Well-disciplined
8. Pessimistic- Optimistic
9. Disorganized- Organized
10. Hot minded- Cool minded
11. Motivated- Unmotivated
12. Can barely plan- Can plan well

Hard-working or laid-back?

MVP





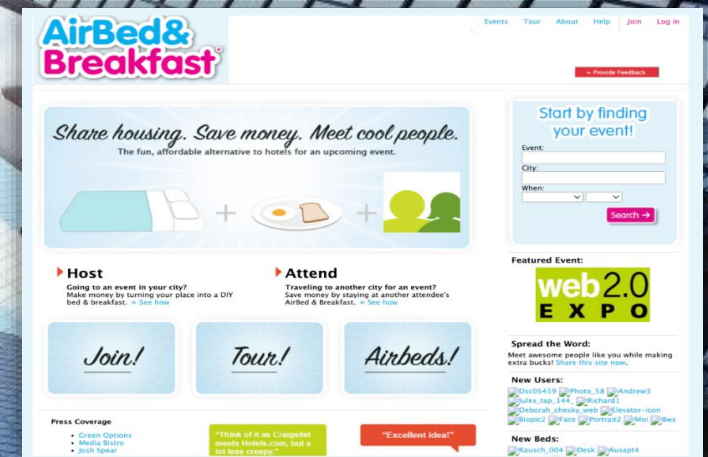
HOW
DOES
THIS
WORK?

WHO
ARE THE
CLIENTS?

HOW
MUCH
MONEY
IS IT?

IF I MAKE THIS
PRODUCT, WILL THEY
NEED IT?





Snapchat

| Key partners | Key activities (what to do) | What the people get | Customer relationships | Customer segments |
|---|---|---|--|-----------------------|
| F.ex. Coffee suppliers Coffee bloggers Drivers Investors Supporters Maps Payment Insurances | Forming advertising Analyzing data Marketing <i>Key resources</i> Skilled staff Machines Brand | <i>The staff:</i> Flexible work hours No boss High income Don't have a car but love to drive <i>The clients:</i> Convenience Rating system Easy transactions Discounts Exclusive Fast | Friendly Conversational Safe Advertisements Want to have a luxury service Prefer a cheap service <i>Channels:</i> Apps Social media Word of mouth | Students Teenagers |
| Cost structure | | | Revenues | |
| Food Gas Promotion | | | Monthly subscriptions More affordable Online sale Consulting | |



Channels of Promotion

start-up



What does a start-up need to become recognizable?

- ❑ **Logo-** a symbol used by a company to advertise its products
- ❑ **Slogan-** a short phrase that is easy to remember
- ❑ **Trademark-** a name that a company uses for its products

What is the function of the logo?

- A logo is a sales tool.
- The main function of the logo is to represent the company in the market: with the help of it, consumers will associate the brand.

- What ways of promotion a start-up do you know?
- Does a start-up need to create its own website for promotion? What do you think?

Task I: Make a list of advantages of using websites to promote your start-up

- What types of business websites do you know?
- Do you think a blog and an online shop will help to attract customers? Why? Why not?
- What about ads? Will it help to promote the start-up?

Task II: Make a table. You have to write different types of advertising and its pros and cons

- online advertising
- flyers
- billboard
- posters in shopping malls and public transport
- ads on television or in magazines and newspapers
- participation of a company in different events, exhibitions and fairs

What kind of advertising is the best from your point of view?

Social Media

- What social networks do you know?
- Where do you often see ads?
- What is your favourite social network?
- Do you think social media is a good way to promote the business?
Why?

Task III: Read the text about Internet Marketing and answer the following questions:

1. What is internet marketing?
2. What is the role of Internet marketing?
3. What are the different types of internet marketing?
4. What is content marketing?
5. What is SMM and its advantages?
6. What is SEO?
7. What are the benefits and disadvantages of Internet marketing?

Task IV: Watch the video about SMM and answer the following questions:

1. What types of advertising were available in 2004?
2. What digital channels do we have today?
3. What are the advantages of SMM?
4. What are common forms of content?
5. What social media platforms can Phil use?
6. What options do social media platforms offer?
7. What else can Phil do with the help of social media platforms?
8. What can you do with social media marketing?

Task V: Imagine that you run a company and you need to promote it

- You should come up with the name, logo and motto of your start-up and choose the two best ways to promote it.
- You should explain why you've chosen these ways of promotion.

What channels of
promotion have you learned
today?





An **investor** is an individual that puts money into an entity(something that exists as a single or complete unit) such as a business for a financial return. The main goal of any investor is to minimize risk and maximize return.



An investment is putting money or allocation of money in different assets (the things that a company owns, that can be sold to pay debts) with an expectation to earn more in the future.

Read the text and try to find reasons why it's really hard to get funding.
There are some words that can be new for you

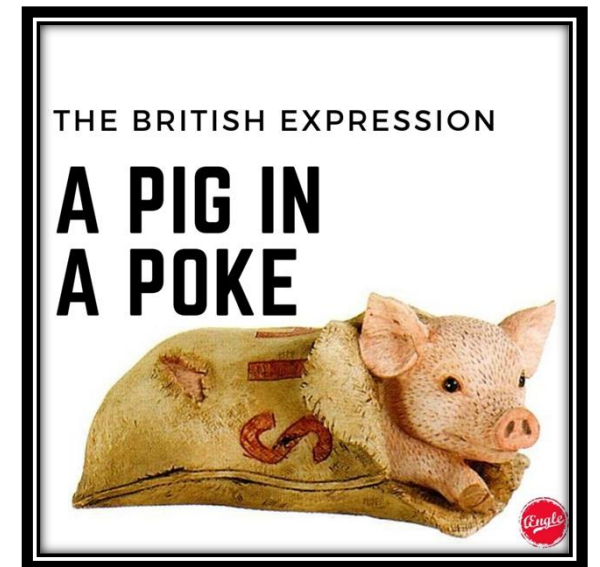
Viability – ability to continue to live or work successfully

To hire – to borrow, to rent smth

A loss (losses) – the fact of no having something you used to have

Tangible – easy to see so that there is no doubt

A pig in a poke is something that is bought without having been thoroughly inspected often with negative consequences. A “poke” is a bag



Why is it hard for startups to raise money?

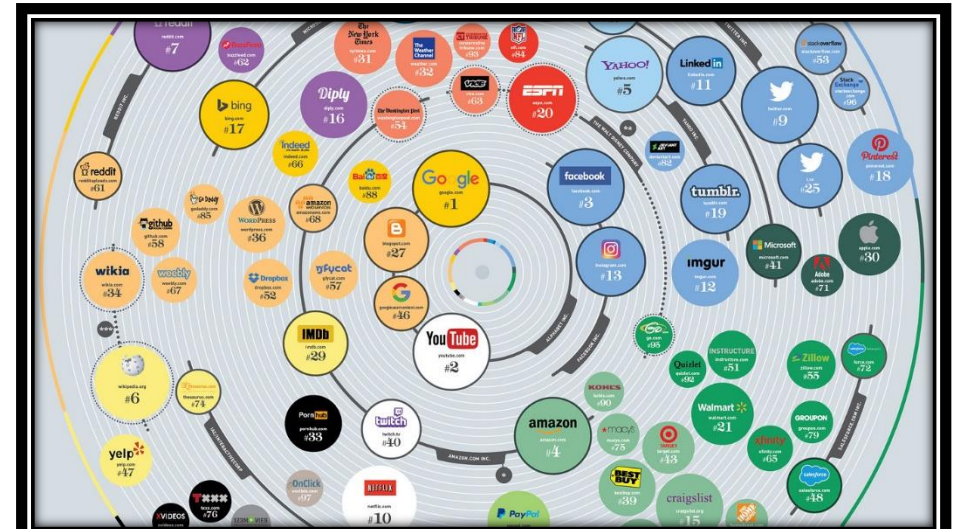
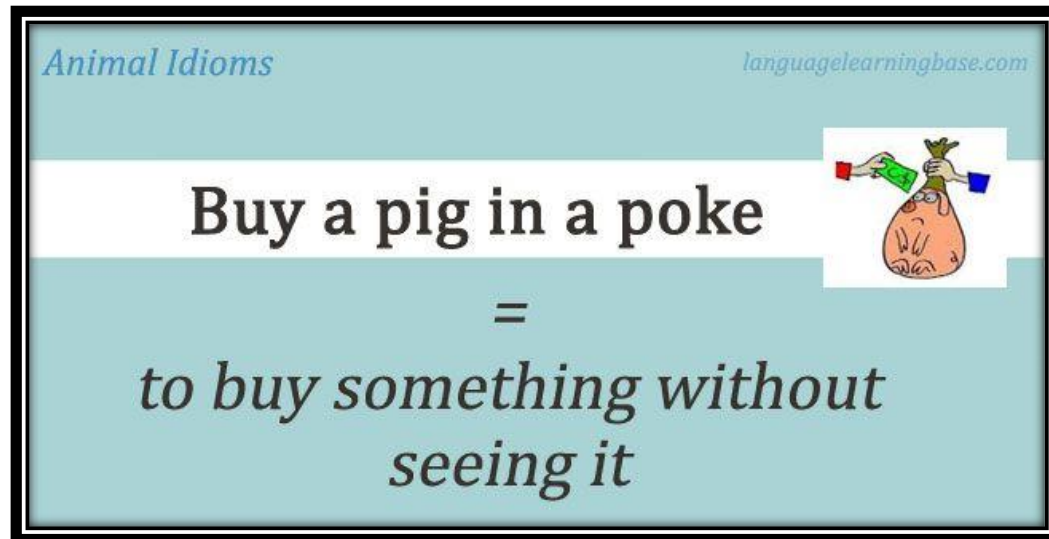
It is clear that the search for investors for a startup takes much longer than we probably think. And it is something completely normal. However, we don't want this to seem overly complicated because these days when we talk about investor research, it really means going through a handful of databases and websites to find potential connections to the investment community. Despite the nice numbers, startups struggle to attract funding. Investing in a startup is a risky business because according to various estimates, from 50% to 90% of all new companies fail. And only 1% will be lucky enough to become the next Tinder or Airbnb. Investors usually pay attention to the following risks:

- **Product or technical risk** — the risk that something will go wrong with the product, or the idea will not be feasible at all.
- **Market risk** — the risk driven by competition and demand, the viability of the product and business model in real market conditions.
- **Human risk factor** — potential losses related to the hiring process and management mistakes.

Also, most startups cannot show any tangible results at the earliest stage: an idea is all they have, and it can be too vague for investors to understand. This is another reason why it's so difficult to get funding. Not everyone would agree to buy a “pig in a poke” from a hardly known small business.

Why is it hard for startups to raise money?

1. You have to go through a handful of databases and websites, it takes a lot of time
2. There are following risks such as product and technical risk, market risk and human risk factor
3. Most startups cannot show any tangible results and not everyone would agree to buy a “pig in a poke”



The reasons you should get funding

Before we move on to how to find investors, let's see why you'd want to find them.

- In theory, you can build a startup without any external funding. But is it worth it?
- After all, a lack of capital is one of the most common reasons small businesses fail.
- On the other hand, investment opens a lot of important doors to startups.



Four essential benefits from external investments

A. Extra PR B. Solid project base C. Higher speed to market D. Additional value

1. Hiring exceptional talent and conducting extensive research is expensive. More funding from the start means more chances to develop your idea into a successful project
2. Additional capital allows you to develop your product faster and increase marketing and sales efforts.
3. If you attract an investor with a big name, it may get your business more media attention. Also, it would make it easier to find more funding in the future.
4. Investors can offer more than just money. Since your success will be their success, they may share some valuable knowledge and connections.

Four essential benefits from external investments

Solid project base

Hiring exceptional talent and conducting extensive research is expensive. More funding from the start means more chances to develop your idea into a successful project

Higher speed to market

Additional capital allows you to develop your product faster and increase marketing and sales efforts.

Extra PR

If you attract an investor with a big name, it may get your business more media attention. Also, it would make it easier to find more funding in the future.

Additional value

Investors can offer more than just money. Since your success will be their success, they may share some valuable knowledge and connections.

Stages

Key characteristics

Types of investors

Pre-seed




- Startups require funding to test the hypotheses about the product, to develop and test the MVP.
- No income and almost no expenses.

Seed

- Startups require funding to turn an idea into a functioning business.
- No income, expenses are growing.

Startup

- Product launch and the first sales.
- Startups require funding for further product development and business growth.
- Expenses are piling up, first income is coming in.

| Stages | Key characteristics | Types of investors |
|---|--|---|
|  Pre-seed | <ul style="list-style-type: none">Startups require funding to test the hypotheses about the product, to develop and test the MVP.No income and almost no expenses. | <ul style="list-style-type: none">Government grants and subsidiesNetwork of acquaintances (Family, Friends, Fools) |
|  Seed | <ul style="list-style-type: none">Startups require funding to turn an idea into a functioning business.No income, expenses are growing. | <ul style="list-style-type: none">CrowdfundingAngel investorsVenture funds |
|  Startup | <ul style="list-style-type: none">Product launch and the first sales.Startups require funding for further product development and business growth.Expenses are piling up, first income is coming in. | <ul style="list-style-type: none">Angel investors |

Summarizing

We've learned with you

1. Who investors are and what an investment is
2. We found out why it is really hard to find investments for startup
3. What the reasons of getting funding and benefits of external investments are
4. You got acquainted with four types of investors

Vocabulary:

- Startup
- Propose a solution
- Target youth audience
- Contribute to advanced regional development
- The potential to scale within/outside the region
- The survey
- The consortium of participants
- Design solution
- Financial plan
- Action plan (Strategy)
- Criteria
- Coworking

STARTUP INTRODUCTION

COMPLETING A PROJECT ASSIGNMENT

An example of completing a project assignment

“Become the designers of your future and propose a solution to create a youth space that will be interesting to you and your friends and will form the future staff of the region.”

Head of the region



The task

It is necessary to develop a project to create a youth space in the region according to the following requirements:

Parameters

The object should:

- be based on the personnel available in the region
- have a target youth audience
- take into account the best Russian/international practices and formats for creating youth spaces
- form the staff resources of the region and/or contribute to advanced regional development
- have the potential to scale within/outside the region

Step 1. The concept of youth space

DETERMINATION AND JUSTIFICATION OF THE CHOICE OF THE CENTER'S SPECIALIZATION

Competencies in several areas were assessed in the region: art space, center for Youth Initiatives and sports center according to the same criteria



ARTSPACE



Step 2. The Survey The target audience and the consortium of participants

- More than 80% of respondents are interested in creating a Ski and Sports Training Centre and more than 72% of respondents are ready to attend the events regularly;
- More than 35% of respondents expressed their willingness to become residents of coworking and try their hand at creating technology startups;
- Among the key success factors of the centre were named: networking and the opportunity to communicate with the well-known athletes in the region (65% of respondents), the opportunity to participate in research and experiments of the centre; (Thus a list of the events for the target audience has been compiled)

The target audience:

- Students studying in the profile of the centre and/or student athletes
- Students aged 13-25 who are interested in sports and medicine

Consortium of participants:

- Medical university with the Department of Physical Therapy and Sports Medicine
- The “Polet” ski complex with a sports training base
- The “Metel” Ski Club
- Regional company for the production of sports equipment

Step 3. Format

| | |
|---------|--|
| Formats | <ul style="list-style-type: none">- Centre for Youth Initiatives- Art space- Sports facility |
|---------|--|

As a result a focus was chosen on the creation of a **Smart Sports Ski Training Center (SportNet)**



Step 4. Design solution

SELECTION OF AN OBJECT/TERRITORY FOR PLACEMENT

Criteria

- The state of the object
- Accessibility for the audience
- Sufficiency of space



Former
cinema






Industrial
zone



Sports and
recreation
complex

Step 4.1. Design solution

SELECTION OF AN OBJECT/TERRITORY FOR PLACEMENT

| | The state of the object | Accessibility for the audience | Sufficiency of space |
|---|-------------------------|--------------------------------|----------------------|
|  former cinema | bad | good | bad |
|  industrial zone | bad | bad | good |
|  sports complex | good | good | good |

Step 4.2. Design solution

SELECTION OF AN OBJECT/TERRITORY FOR PLACEMENT



The state of the object

The facility is in good condition and does not require major repairs

Accessibility for the target audience

The object is located within walking distance (less than 15 minutes) from the university.

The distance to the ski complex is less than 30 minutes by car

Sufficiency of space

The area is 500 sq.m with high ceilings is sufficient and allows the redevelopment of the room

Step 4.3. Design solution

Plan of the Smart Centre

Total area: 500 sq.m

- Experimental training zone: exercise equipment 5-6 sq.m per person (15 items), aerobics 2 sq.m per person (20 people) +10%
- Cinema/ Lectorium 1,5 sq.m per person +30% (50 people)
- Coworking 4.5 – 6 sq.m per person + 20% (15 people + mentor)
- Laboratory
- Utility room about 15% of total area

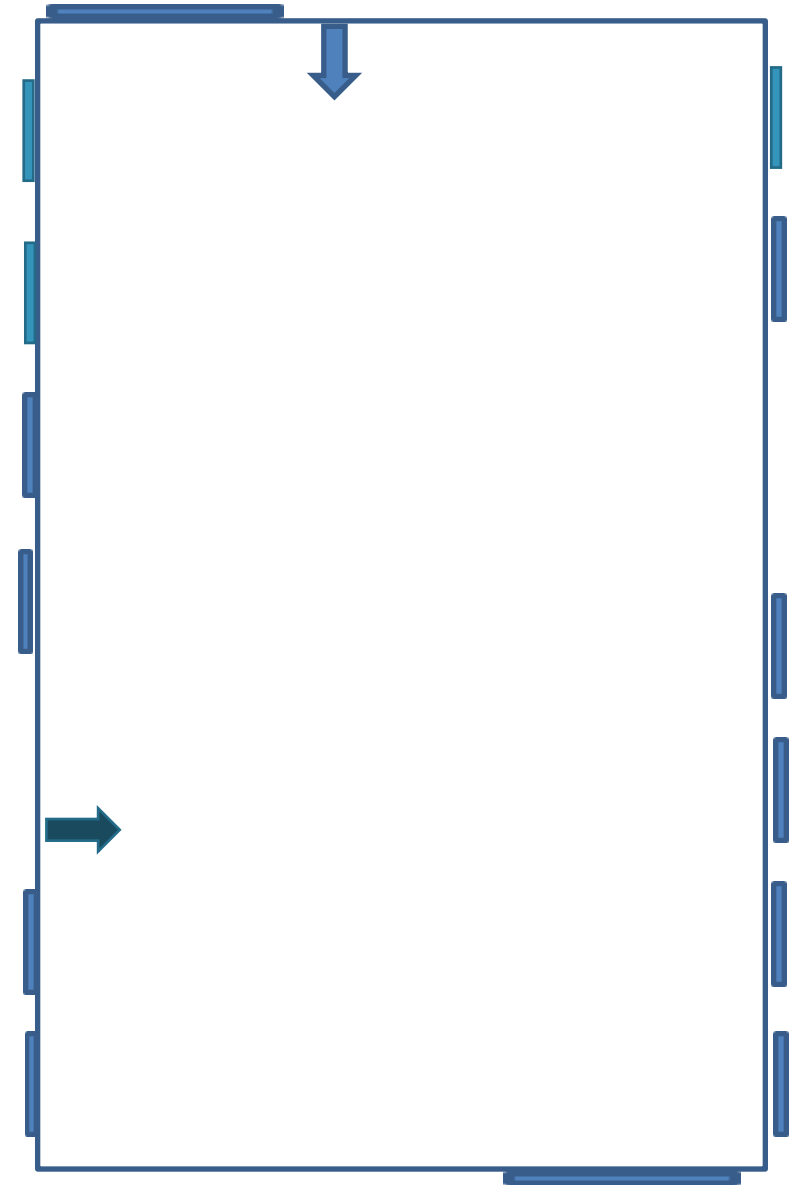


Step 4.4. Design solution

Plan of the Smart Centre

Total area: 500 sq.m

- Experimental training zone: 150 sq.m
- Cinema/ Lectorium: 100sq.m
- Coworking: 120 sq.m
- Laboratory: 60 sq.m
- Utility room: 70sq.m

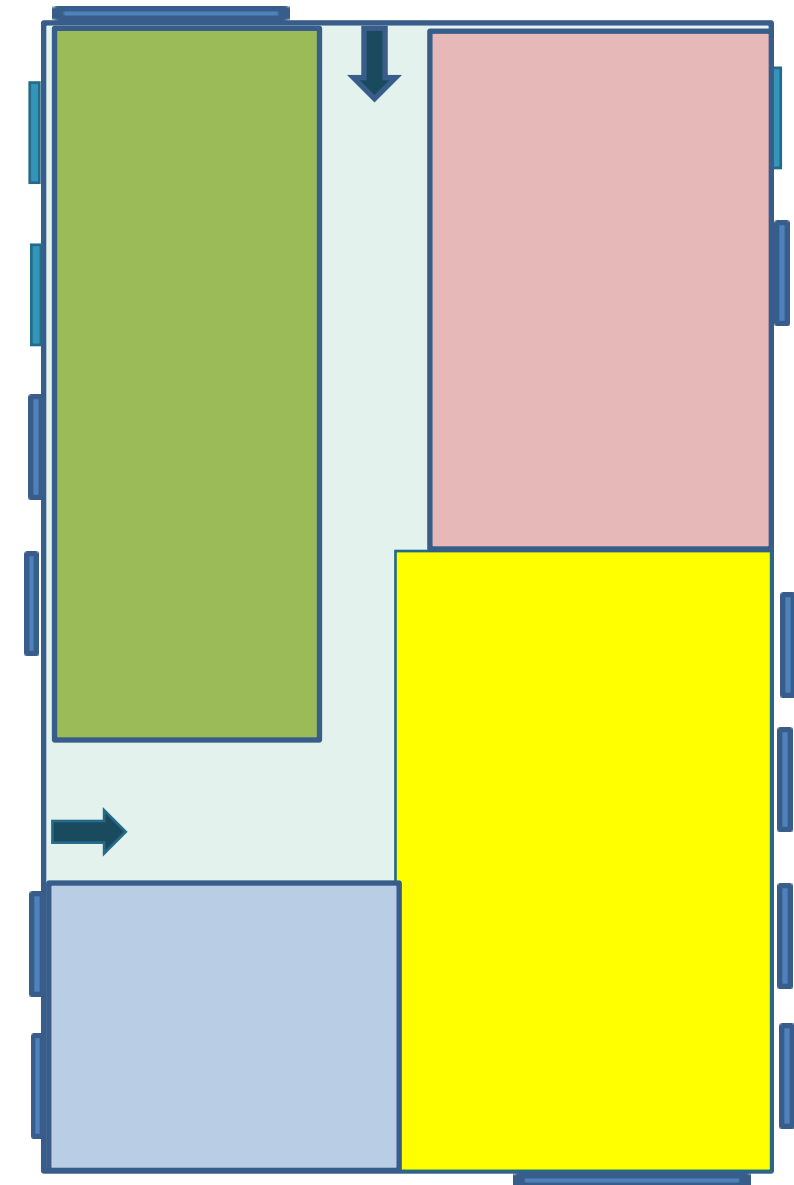
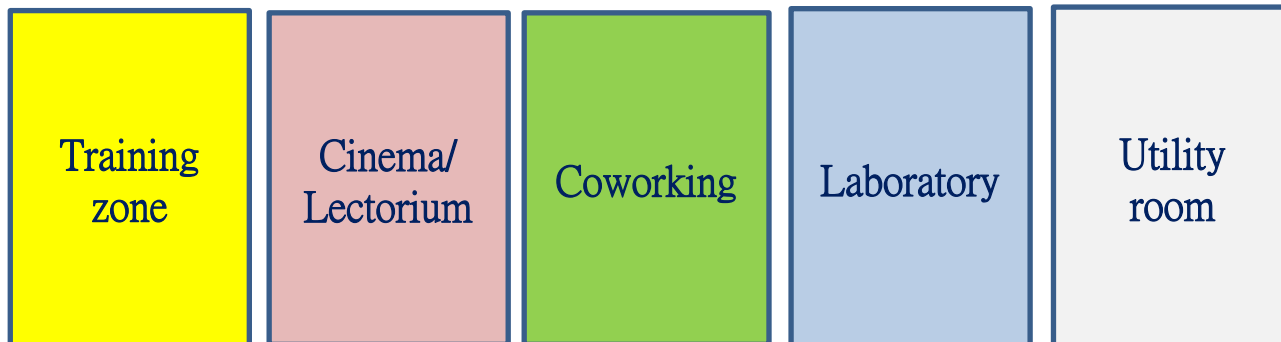


Step 4.5. Design solution

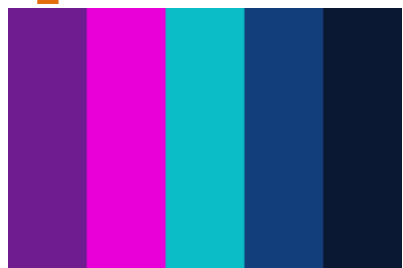
Plan of the Smart Centre

Total area: 500 sq.m

- Experimental training zone: 150 sq.m
- Cinema/ Lectorium: 100sq.m
- Coworking: 120 sq.m
- Laboratory: 60 sq.m
- Utility room: 70sq.m



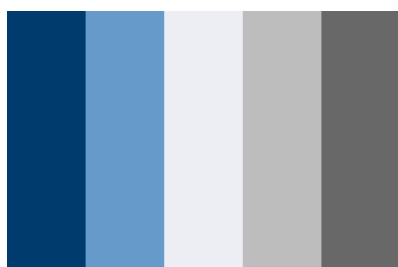
Step 4.6. Design solution



1



2

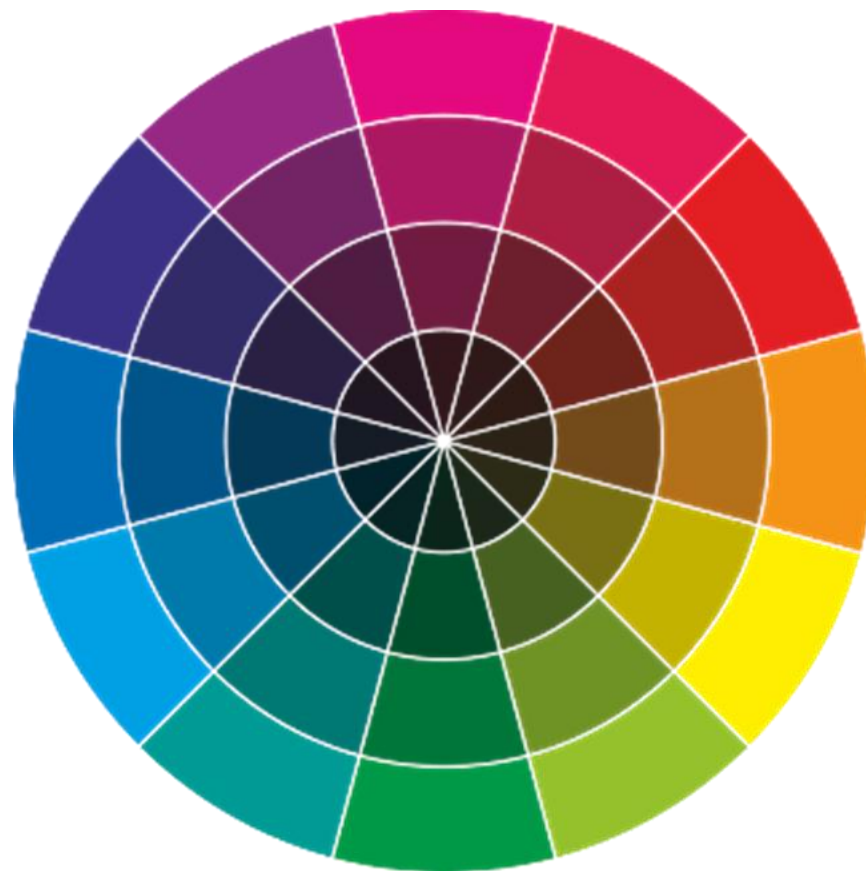


3

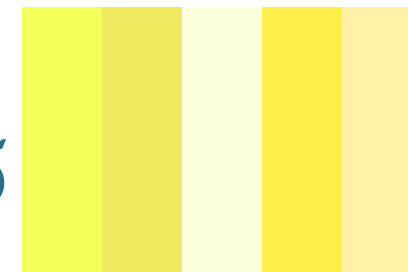


4

The colour scheme



5



6



7



8



Step 4.7. Design solution



Coworking



Laboratory



Cinema /Lectorium



Training zone

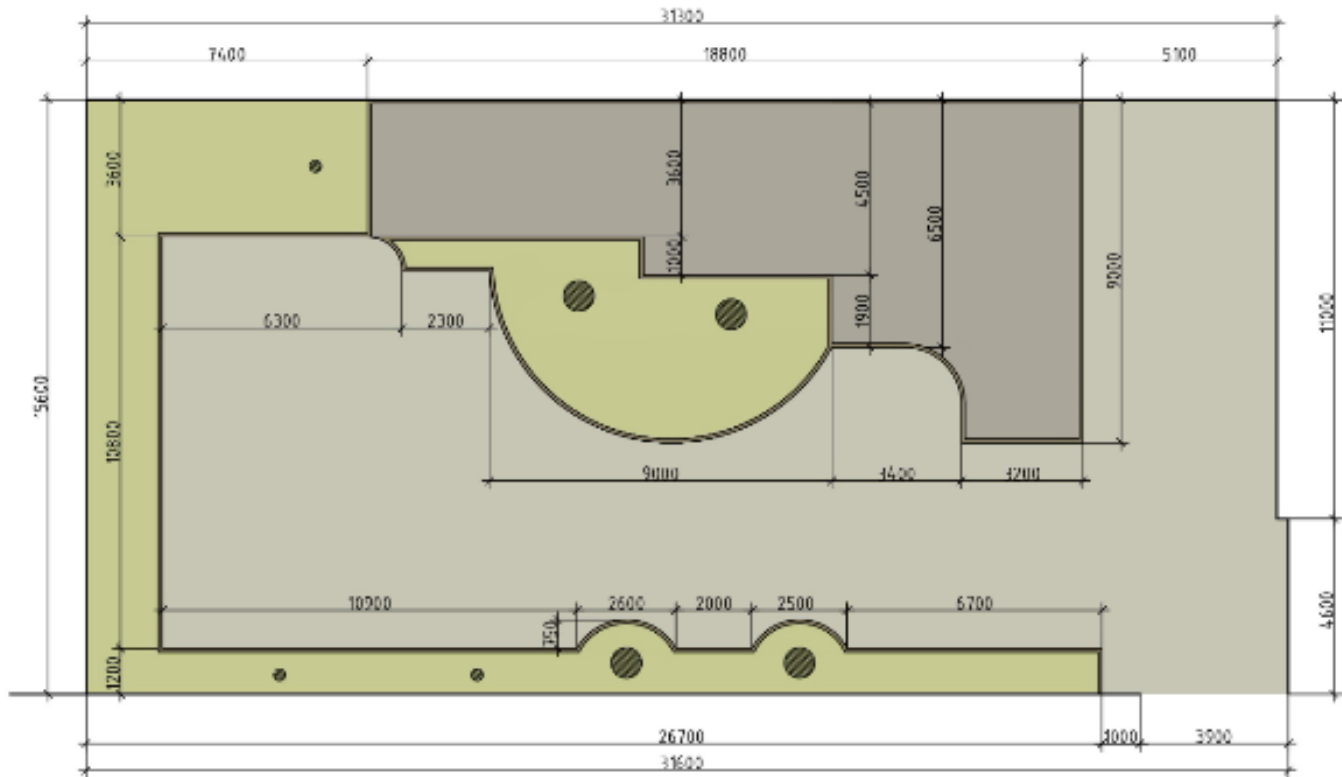


Step 6 Action plan (Strategy)

| | I / II term | II term | III term | IV term |
|----------------------------|--|--|--|---|
| Laboratory | I term Signing of the consortium agreement -Formation of the center team (search, selection) -Development of a design project and repair work | - Research plan | -Conducting research Conducting popular science events and publications | |
| | | | -Recruitment of research interns | Conducting popular science events and publications |
| Coworking | | -Search for residents -Signing contracts with residents -Selection and training of mentors | -Operational support for residents -Holding regular meetings with mentors | |
| | | | | Holding regular pitch sessions |
| Lecture Hall | II term -Selection and purchase of equipment - Installation of equipment | - Website creation - Preparation of an action plan - Announcement of events | Holding regular events and meetings according to the approved schedule Films about sports /competition analysis | |
| | | | - Lecture on sports technologies - Meeting with athletes | -Lecture on healthy lifestyle -Laboratory lectures |
| Experimental training zone | | Current training sessions Continuous coaching support | | |

The project assignment

To come up with a startup for the development of the school territory – the square in front of the sports ground (The budget is 4.5 million rubles)



Criteria for evaluating the startup

- Unique idea
- A constructive reasoned solution is proposed
- The design solution is described in detail

The format of the final presentation

PRESENTATION STRUCTURE

| | |
|--|--|
| -The title page | 1 slide |
| -Presentation of the team participants | 1 slide with photos, experience, roles of participants |
| Executive Summary of the project | 1 slide that briefly reflects the project, as well as what value the client will receive from the implementation of this project |
| Project solution | 9-10 slides project sections |
| Conclusion | Achievements/diplomas |
| Applications | Data sources for the solution: interviews (for example, with potential partners/ youth/consortium members), detailed financial calculations, open data and analytics (including from online sources) |