TOOLKIT "DESIGN THINKING FOR DEVELOPING YOUR BUSINESS IDEAS"

CONTENTS

WHAT IS IT?

The toolkit "Design Thinking for Developing Your Business Ideas" offers simple tools to use on the go and try out and test ideas rapidly without major time and resource investment. We have collected methods that you can use when trying out business ideas and thinking of starting your own venture. Feel free to choose the most suitable for your own context, adapt them, as well as explore widely available online tools for more input.

This toolkit was developed based on our own experience working with students, start-ups and organizations. We were also very much inspired by the approaches of the global design and innovation company "IDEO", Stanford d.school and the International Centre for Design and Research PDR and other best practice existing out there, such as used by, for example, our colleagues in Santiago de Compostela in Spain.

FOR WHOM?

This toolkit is meant for all the young people out there who have had thoughts of trying out their luck in business, but moreover to those who have never thought about utilizing their talent and skills to start up their own venture, instead of being employed by somebody else. We want to inspire you that starting your own business is not difficult and you could become your own boss without any doubt.

WHAT IS DESIGN THINKING AND WHY TO USE IT?

Design thinking is a creative and collaborative way to come up with solutions to solve problems, develop products and services, as well as improve processes by stepping into the shoes of users and co-creating together with them instead of for them.

Design process has many interpretations but the idea in all cases is similar. In this toolkit, we will use a 5-step design thinking approach:

EMPATHISE – getting to know your users, understanding the bigger context around the challenge you would like to solve and offer solution to, and exploring market opportunities;

DEFINE – making sense of all the learnings of the research phase and digging into the real problem you wish to solve;

IDEATE – generating lots of ideas and choosing the best one to go further with;

PROTOTYPE – equipping you with rapid prototyping tools to test your solutions with users without major financial investment: fail fast and improve;

TEST – testing your prototype with users and getting feedback for your idea's further development or improvement.

We also added the 6th step, a very important though,
ITERATE, which means you can return back to any step of the design process at any time to improve your solution. Design process is about iteration, changing and improving things constantly. And finally, there will come a point when you need to show your product and service to the world. You cannot waste all your energy and live forever in iteration process. Therefore we decided to combine **ITERATE** and **DELIVER** – time to finalize your trials and iterations and launch your idea to the market.

HOW TO USE IT?

You can try out these methods by yourself, with your friends or during a workshop type of activity with a facilitator. You can make notes already in the canvas provided in this toolkit or you can reuse them many times in different situations by simply taking a big piece of flipchart page, rewriting the questions/tasks and mapping out your answers to each activity on sticky notes. Try using different colours of sticky notes for each question in order to later be able to distinguish or link your thoughts. Remember that you can adapt questions of the tools and activities in each step based on your specific context. Feel free also to combine them with other methods not provided in this toolkit that are widely available in the online world.

EMPATHISE

It is really vital to deeply understand the people to whom you will be targeting your business idea – not just practical matters of their daily routines and habits, as well as their needs and wishes, but also emotions and feelings behind. We will start the journey by getting into a creative and collaborative atmosphere, understanding ourselves and the team, exploring the wider context around the chosen challenge you will be developing a solution and dive into a deep research empathizing with our potential users. Let the design thinking journey begin!

METHOD: TRIGGER A CREATIVE ATMOSPHERE

Aim: This exercise will help to warm-up and unleash your and your team's creative attitude and mood so that you could kickstart your project in a more collaborative, creative and fun way.

Before jumping into the hard work of developing your business idea, take a step back and unleash your creative potential by trying out this simple method to spark your creativity, trigger team-work and get into the mood of generating new things.

HOW?

Choose one or more of the following activities to warm-up for the work ahead:

1.
Brainstorm ideas about usual everyday things or habits,

then choose one and brainstorm how these things could be done in another unusual way or maybe they can be turned into a new trendy product or service?

2.
Create a story, starting by the intro, for example, "Once upon a time a turtle and a pig went on a trip.." and then your colleague has to continue developing the story by adding one sentence which starts with "yes and..".

Take turns in upgrading the story with "yes and.." and see what comes out of it.

3.
Get your team outdoors and ask them to take photos.

With the photos taken, each person makes a collage and tells a story about how they feel today and what inspiration they got from the observations outside.

For these activities set a time limit, for example, 30 minutes. Share what you learned within the team. Do not forget to have fun! Smile on your faces is the sign that you have warmed-up very well.

METHOD: GET TO KNOW YOUR TEAM

Aim: to get to know your team members and agree on team goals and responsibilities.

It is important to understand your team and competences. Try out filling this canvas and discuss it amongst your team. It could also serve as a team building activity.

I....

INTERESTS:	WHY ARE YOU HERE:	INSPIRATION:
What are your interests? What do you like to do when you are not working?	Why this project is interesting for you?	What inspires you? (people, companies, products, services..)

ME & THE TEAM

STRENGTHS & EXPERTISE:	WORK STYLE:	ROLES:	CHALLENGES & ENERGY SOURCE:
Your strengths and expertise. How will you help your team members?	How do you like to work? Do you prefer individual or collaborative work?	Roles in the team. Who would be the leader, who will be responsible for communications etc.?	How will you deal with challenges and where will you get energy?

MY GOALS

INDIVIDUAL GOALS:	TEAMS GOALS:
What is your personal goal?	What would you like to achieve as a team? How will you know that you have succeeded?

LET'S ROLL UP OUR SLEEVES

HOW TO FIND OUT THE NEED AND PROBLEM TO SOLVE

There are many ways to fnd out the feld in which you want to try and develop a business. Design thinking approach teaches to look into problems and needs other people are facing and start digging in from there. Not necessarily starting with this bright idea you have in mind, because not always it is rooted in the problem you want to solve for other people. At the end of the day, if the starting point is an idea, it may not have the appropriate reasoning for deriving from the needs and problems of target audiences.

Another way to generate business opportunities is to participate in design sprints and hackathons that are organized quite often by different organizations. In this case, the organization would set up a challenge, for example, "how might we tackle mobility issue in the city when traffic situation is becoming worse and people do not have efficient options to move around freely while spending a lot of time on the way" or it can be anything else related to industry needs and trends, societal issues or similar.

Let's try out hunting for needs and opportunities from where to start developing your business ideas.

METHOD: **PROBLEM HUNT**

⊕ Aim: to find a problem that you actively want to solve and are passionate about.

Think about these questions and write down answers individually or as a team.

?

WHAT PAIN POINTS I HAVE NOTICED AROUND ME? WHAT FRUSTRATES ME?	WHAT PROBLEMS OTHER PEOPLE ARE FACING? WHAT DO PEOPLE NEED? WHICH THINGS ARE INEFFECTIVE AND INEFFICIENT? AROUND ME, IN THE TOWN, IN THE SOCIETY.

WHAT AM I PASSIONATE ABOUT? WHAT ARE MY SKILLS?	DO I HAVE NECESSARY SKILLS OR I KNOW PEOPLE WHO HAVE APPROPRIATE SKILLS AND COULD HELP ME IN SOLVING THESE PROBLEMS?

⚠ When you have listed the possible problems and needs you could tackle, try linking them with your skills and motivations, and make a priority list. You will see what stands out and is worth trying your hands on.

METHOD: UNDERSTAND YOUR MARKET

Aim: to understand what is happening in the market and where is the gap you could succeed.

**At this point, you should do a bit of research into the market situation and opportunities.
Try answering these questions:**

?

YOUR BEST GUESS ABOUT THE USER'S PROBLEM

HAS SOMEBODY TRIED TO SOLVE THE SAME PROBLEM BEFORE?
DID THEY SUCCEED OR FAIL AND WHY?

LIST THE COMPETITORS IN THE SAME DOMAIN
-
-
-
-

LIST ALL THE STAKEHOLDERS AROUND YOUR CHALLENGE, INCLUDING POSSIBLE USERS.
WHERE ARE THESE CUSTOMERS LOCATED?
-
-
-
-

WHAT ARE THE OPPORTUNITIES TO SOLVE THE PROBLEM IN A DIFFERENT WAY?
DOES YOUR SOLUTION OFFER SOMETHING IN ADVANCE?

HOW ARE YOUR COMPETITORS MAKING MONEY? WHAT IS THEIR BUSINESS MODEL?

DOES YOUR CHOSEN AREA BENEFIT FROM VENTURE CAPITAL INVESTMENT, BUSINESS
ANGELS OR CROWDFUNDING? WHAT IS THE SCOPE OF INVESTMENTS?

TAKE A MOMENT TO REFLECT

UNDERSTANDING THE CONTEXT

Try to think of your future enterprise and the income it might generate.

- What could be the product or service that you provide to solve users' problem you identified?

- How do you think your business should operate?

- What are the core values of your business or principles?

- What is the market segment that you are trying to reach?

- Do you have a geographical place in mind or a business segment that you want to enter?

- Think about the aim that you want to reach and your priorities - is it the price or the quality of the product/service?

METHOD: **DIG INTO CONTEXT**

Aim: to understand problem's broader context and data, as well as the elements affecting it.

Before moving on, you should understand the bigger picture around your chosen domain and problem, as well as the need for data. On sticky notes, try listing answers to the following questions.

Public debate around the topic

-
-
-
-

Inspiring products and services that you have noticed

-
-
-
-

Global and national trends:
what is trending now and what could happen in 10 years?
What economic, social, behavioral and cultural trends could affect our solution?

-
-
-
-

Information and data we know about our users and key findings

-
-
-
-

Information and data lacking and how we are going to get it?

-
-
-
-

USER PROFILES

You are about to embark on a journey diving into the lives of people whose problem you will be solving, as well as designing the solution for.

It's time to understand who they are, what lives they are leading, what needs they have and how you could help them.

METHOD: USER PERSONAS

Aim: to create imaginary, yet realistic user profiles to better understand their lives, needs and values.

There is not just a "someone" or a generalist profile of your target audience, therefore it is important to dig into specifcs of as many concrete user personas as possible. The more you can generate, the better you will understand whom to target and how your solution could be developed to suit their needs.

To kickstart, we suggest to create 3 to 5 user profiles. Think about all the different users to whom you could be designing for. Not just mainstream users - those in the middle of your target group, but also do not forget about the extreme users and those who would be most difficult to satisfy.

HOW?

DRAW YOUR USER	NAME SURNAME; PROFESSION; AGE;	MINI LIFE STORY (personal background, family status, education, hometown etc.):
INTERESTS AND HOBBIES	VALUES	NEEDS
DREAMS	INFLUENCE	HOW COULD YOU IMPROVE USER'S EXPERIENCE?

As the user profiles created at this stage will most probably be your assumptions about the real users and their needs, we suggest editing your user profiles after you conduct a decent research of which we will be talking in the next part.

RESEARCH

At this stage, you are ready to dive into a more thorough research of your users to understand their lives and needs better. You should create a research plan and set a timeline for it. In this chapter, we will equip you with some qualitative user research methods. It is good that you already got some quantitative data about your users, yet qualitative data is missing. And this is where design thinking approach keeps reminding us of the importance of qualitatve research. It might feel uncomfortable and you could need a bit of a boost to engage in approaching direct users and interacting with them, but we can promise that if you trust what we suggest, you will have far more better results. The idea here is that you should validate the problem and co-design a solution to that problem not for the users but together with the users.

Once you have created user profiles, you should make a research plan and agree on who does what in your team - set responsibilities and timeframe. You may try out these methods for your further research.
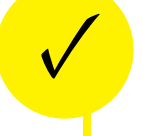
METHOD: **INTERVIEW**

Aim: to get to know your users, their lives, needs, aspirations and wishes, and to unlock necessary insights that will be useful for you when solving the problems users face.

You should agree on a specifc date and time of the interview with your user. You should come to the interview prepared with a set of questions. It would be great if the interview could be conducted in your user's workplace or home as to get to know them and the environment they work and live in.

TIPS

✓ Not to make your user feel uncomfortable, no more than three members of your team should attend the interview. Agree on specific role assignment to each team member present (interviewer, note-taker, photographer etc.)

✓ If you would like to record the interview, do not forget to ask your user's permission. The same applies to taking pictures during the interview.

✓ List the most important things and findings that you discovered.
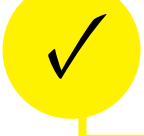
✓ Start the interview with broader questions about your user's life, occupation, habits and experiences, then get into more specific questions about the issue you are interested in.

✓ After the interview, reflect on the experience and write down such findings as:
- what did this person really need,
- how did they feel about the problem and what do they think,
- what stood out,
- what surprised you.

✓ If you notice things that stand out in the interview, but you think that the user hasn't got to the bottom of the issue, remember to ask "why", try even 5 whys in the row as it could help to uncover the deepest reasons and motivations of your user's thinking and behaviours, and help to get in to the depth of the real problem.

✓ Take time to look around the premises. Is there something that grabs your attention? Something that explains your user's behaviours?

✓ Observe your user's body language – does it show something interesting?

✓ Remember to write down exactly what your user says, do not interpret his message.

✓ We suggest to spend a good 1 hour for an interview with your user. If you do less, probably there will be not enough time to dig into essentials and unleash your user's deepest thoughts, whereas spending more time could get people tired and shift focus from the interview.

And now it's time to prepare interview questions!

METHOD: **PHOTO STORY**

Aim: to get to know your user's daily life better from his or her own perspective and sneak "behind the scenes" that otherwise would stay uncovered.

HOW?

1. Engage 3 to 5 users that agree to photo document their life within a day's, few days or a week's time in accordance to your research goals.

2. Think of what information you would like to get out this way and what would you like to learn about your user, for example,
- take photos of what products they choose in a supermarket for cooking dinner,
- take photos of how they research information when planning a weekend trip in the country,
- take photos of how they choose clothes to buy on internet,
- take photos around them when they feel energized and motivated/when their mood is down.

3. Encourage your users to make a photo story of their routines on the specific topic given by you. For making a photo story a simple smartphone's camera can be used.

4. After the person has made a photostory, print out the pictures and go through them together while he or she tells you stories about the pictures taken.

5. Did you find something in the stories that stood out? What did you learn? Are there any patterns that keep on repeating?

METHOD: OBSERVING

Aim: to observe the environment and its details relevant to your challenge context.

Pretend you are invisible. Renounce all the bias and assumptions. Choose a place where you want to observe users and go there with completely new eyes. Like a child discovering the world. The place can be linked to the context of your research topic or something totally different. It could be, for example, a bus station, a cafeteria, an office etc.

HOW?

Take time observing what is happening around you (30 minutes), be silent, do not speak. Try to notice details: how do people behave, how do they interact, are there things that stand out, do you notice patterns?

Write down your observations. Are there any questions that came to your mind while observing people? Is there anything that is unclear, typical, surprising, missing, annoying? Do people struggle with something?

Are there things you wish and need to explore more? The findings could lead you to the next research step.

METHOD: SHADOWING A DAY IN USER'S LIFE

Aim: to uncover details of the lives of people you are designing for

By shadowing people whom you are designing for you will discover details and deeper insights of their lives. It helps to notice and see things that you would otherwise never see.

HOW?

1. Contact a potential user and agree to spend a day together.

2. If there is no chance to spend a day shadowing your user, agree to spend together at least a couple of hours, as it can also give important insight into your user's daily life.

3. Tell your user that there is no need to plan anything special, you want to see a typical day of his or her life.

4. Follow them wherever they go and what they do that day, act as a detective or shadow.

5. Slow down and observe what's happening. Take notes of what you notice:
- How does this person behave?
- How does he/she interact with other people or colleagues?
- What are your userš routines and habits?
- How does the user act in specific situations?
- Are there any traits that stand out?

?

6. What did you learn? Which learnings stood out?

TAKE A MOMENT
OF REFLECT

The EMPATHISE part is very crucial in the design process. You also noticed that we devoted a considerable part of our toolkit to it. As we stated in the beginning, without deeply understanding your users and researching their lives, you will not be able to develop a successful idea. Yet there are a couple more things that we wish you to reflect on before moving on with your project.

MOTIVATION

Motivaton is one of the keys of a successful business. It is at the core of your company and what motivates you to get up at the morning and overcome the difficulties that are bound to come your way. Slower sales than expected, over optimistic business plan, bureaucracy, trouble with the team or having less time for yourself or your family those are just a few most common challenges of setting up your own business. So it is essential that you remind yourself daily of the reason that you decided to start in the first place. Maybe make a poster, a post it or maybe just a screen desktop to remind you of this passion that urged you from the beginning. It will help you to reflect once it gets tough.

Know yourself and set up a routine. Are you more productive in the morning or afternoon? When do you prefer to do mundane tasks? Can you work in an open office or do you need peace and quiet? What about the members of your team? Talk this out in the beginning not no have some problems arise later. Founding a business requires a lot of time and effort. Talk it over with your family as well and make sure they understand the contribution it requires. But make time for family and friends because they are your biggest supporters and they will be there to back you up.

Create a routine for your day. Try to get the everyday decisions down to a minimum. What to wear, where to go for lunch, what road to take etc. Save the decisions and your precious time for the big decisions regarding the business you will have to make each day.

TAKE A MOMENT TO
REFLECT

HOW DO YOU DEAL WITH FAILURE?

Failure in some degree is bound to happen almost definitely. It might not ruin the company or the progress but mistakes that haunt you will arise anyway. There is no such thing as overnight success. The big grands like Apple, Amazon, Microsoft might sound like woke up one morning as millionaires or even billionaires but that is not the case. Every company has had a start and has to go through the same steps and deal with mistakes and failures. The important thing is to be able to accept them, learn from them and eventually become stronger. That does not mean it is easy, painless or cheap but that is the way that humans learn and develop. At this point come back to your motivation and the reason you started your journey in the world of business. If it is still valid and inspires you, then you are on the right track.

DEFINE

In this part of the design process you will analyze all the information you have gathered in the EMPATHISE phase and make sense of it all before moving on to understanding where lies the real problem you will be solving.

METHOD: DOWNLOAD WHAT YOU LEARNED AND SEARCH FOR PATTERNS

Aim: to share the key findings of the research with all team members. Individual knowledge has to become collective.

It is the right moment to gather all your team members who had different tasks in the research phase. It is time to share the key findings from all the information collected while using the methods provided in EMPATHISE phase.

HOW?

1. TAKE A FLIPCHART PAPER AND STICK IT TO THE WALL.

2. FIND A PILE OF STICKY NOTES.

3. EACH TEAM MEMBER SAYS OUT LOUD THE KEY FINDINGS OF THE RESEARCH, WRITING A SHORT STATEMENT WITH KEYWORDS ON A STICKY NOTE AND ATTACHING IT TO THE FLIPCHART PAPER. DO IT UNTIL ALL THE TEAM MEMBERS HAVE SHARED THEIR FINDINGS.

4. CLUSTER YOUR STICKY NOTES AND LOOK FOR PATTERNS - SAME THINGS THAT HAVE BEEN STATED BY MORE TEAM MEMBERS AND THINGS THAT STOOD OUT THE MOST. YOU MAY CHOOSE CLUSTERING CATEGORIES YOURSELF.
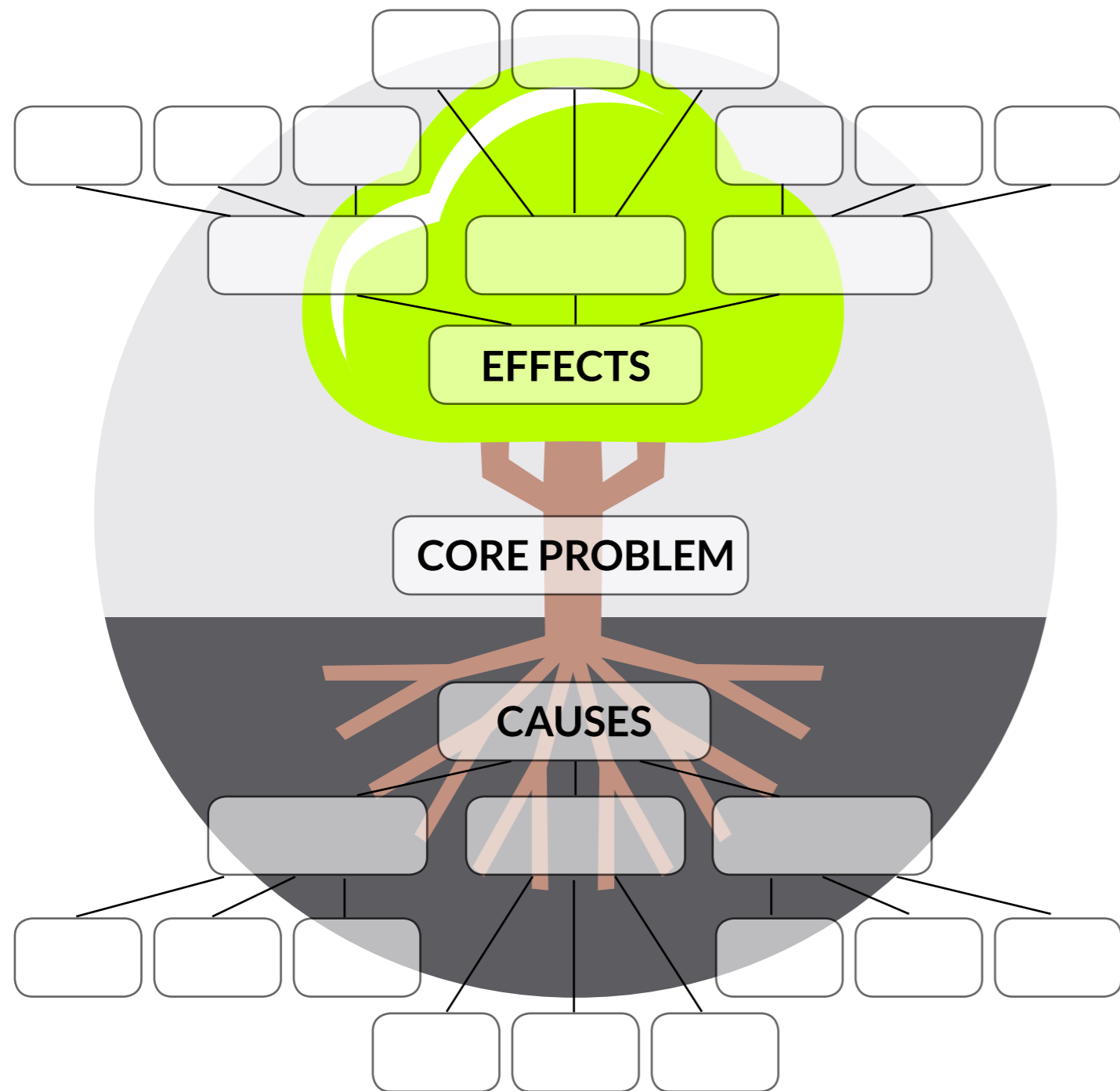
5. REFLECT ON WHAT SEEMS TO BE THE MOST SIGNIFICANT. DO YOU SEE WHERE THE PROBLEMS LIE? THIS MAY BE TURNED INTO OPPORTUNITIES FOR DESIGNING A SOLUTION.

METHOD: **PROBLEM TREE**

Aim: to understand where the real problem you need to solve is hidden, you will reflect on causes and effects of the seemingly most important problem you have discovered.

HOW?

- Take a flipchart paper and draw a tree with roots and branches.
- Write down in the trunk of the tree the main user problem you have discovered in your research.
- Reflect on the causes of this problem and write them down in the roots of the tree. There may be more underlying issues under each root. Remember to ask why.
- Reflect on the effects - consequences of the problem and write them in the branches of the tree.

EFFECTS

CORE PROBLEM

CAUSES

After discussing the problem tree within your team, do you have a fresh look at the problem? Is the problem you wanted to solve the right one? Or is there a new problem you discovered when analyzing the roots of your problem tree?

METHOD: **PROBLEM DEFINITION**

Aim: To agree on a short and specific problem statement where you will synthesise all your learnings of the research phase. Maybe one of the roots of the problem tree turned out to be the true problem to solve for your users? The problem statement will get your team on the same page as your starting point to ideate solutions in the right way.

HOW?

WRITE DOWN THE PROBLEM DEFINITION IN THE FOLLOWING WAY:

USER----------------- NEEDS--------------------- BECAUSE--------------------

HOW?

CHECK YOUR PROBLEM DEFINITION: IS IT SHORT, SIMPLE AND CONCRETE?

Remember: Since design thinking is not a linear process, your problem definition can change as you develop your project, do more research and validate your assumptions with the users.

IDEATE

You are about to unleash your creative genius and generate loads of ideas to solve your users' problem. At this stage it is about quantity not quality. Do not limit yourself. It is time for the most crazy ideas that seem unrealistic to implement. Do not think about that now. You will sort out your ideas and make a choice later. Let's get wild!

Our creativity has no limits. So does the number of ideation methods. In the following chapter, try out the selection of ideation methods that we suggest to use to unlock the upcoming flow of creative ideas.

METHOD: SKETCHING

Aim: to generate many ideas and express them as sketches.

You will express ideas in drawing, not writing. No words and numbers are allowed. Generate as many ideas as possible with your team members to solve your users' problem. It is not important how good you draw, it is about how you express your ideas.

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1. EACH PARTICIPANT HAS 5 SHEETS OF A4 PAPER.

2. THE TASK IS TO SKETCH 1 IDEA ON 1 SHEET OF PAPER IN 2 MINUTES. WHEN FINISHED, MOVE TO THE NEXT IDEA.

3. EACH PARTICIPANT WILL HAVE 5 IDEAS IN TOTAL AFTER THE END OF 10 MINUTES.

4. SHARE YOUR IDEAS WITH TEAM MEMBERS.

5. VOTE FOR THE BEST IDEAS AND GENERATE A COMMON TEAM IDEA ON A FLIPCHART PAPER BASED ON THE IDEAS YOU JUST GENERATED: IT CAN BE A TOTALLY FRESH NEW IDEA, IT CAN BE A COMBINATION OF YOUR TEAM'S IDEAS OR IT CAN BE ONE OF YOUR TEAM MEMBER'S IDEAS THAT JUST STOOD OUT.

METHOD: BRAINWRITING

Aim: to get a bunch of fresh ideas to solve the problem you have identified by firstly generating individual ideas and then building upon other team members' ideas.

	TEAM MEMBER 1	TEAM MEMBER 2	TEAM MEMBER 3
IDEA 1			
IDEA 2			
IDEA 3			

HOW?

Distribute the template to all team members.

In 5 min each team member is asked to generate 3 ideas how to solve your team's identified problem.

After the first 5 min, each participant passes the template to another team member, who reviews ideas and builds upon those ideas in the next 5 min. You can develop your colleague's ideas further or create brand new ideas.

After the following 5 min, continue passing templates around in the team and building on others ideas.

Feel free to generate more than 3 ideas in 5 min. Can you come up with 5?

If you are 3 team members, in 15 minutes you will have generated and developed 27 ideas, if you are 5 team members, then you will have come up with 75 ideas! Isn't it great?!

METHOD: BRANDEATION

Aim: to expand your current way of thinking about your problem by stepping into big brands' shoes and generating solutions from their perspective.

HOW?

1. AGREE ON A POPULAR BRAND YOU ALL KNOW (FOR EXAMPLE, AIRBNB, TAXIFY, LEGO ETC.)

2. FOR A MOMENT THINK AND DISCUSS THE FOLLOWING THINGS IN YOUR TEAM: WHAT ARE BRAND'S VALUES, IMPACT IN THE MARKET AND PEOPLE'S LIVES, AND HOW DOES IT CARE ABOUT ITS CUSTOMERS. WRITE DOWN YOUR THOUGHTS IN SHORT STATEMENTS.

3. NOW TAKE A PILE OF STICKY NOTES AND INDIVIDUALLY BRAINSTORM IDEAS HOW WOULD THE SPECIFIC BRAND SOLVE YOUR PROBLEM.

4. REPEAT THE SAME PROCESS WITH AT LEAST 2 OTHER BRANDS.

5. SHARE YOUR IDEAS WITHIN THE TEAM. ARE THERE ANY IDEAS THAT STAND OUT? ARE THERE IDEAS THAT SEEM SIMILAR? WHICH ONE IS YOUR FAVOURITE? CAN YOU COMBINE SOME OF THE IDEAS OR COME UP WITH A BRAND NEW IDEA AS A TEAM?

METHOD: WHAT IF ...

Aim: asking "what if?" is an efficient way to come up with many crazy and great ideas in a short amount of time. To keep your creativity high, feel free to generate new questions as you go. Your imagination has no limits.

Examples of the questions for idea generation starting the question with WHAT IF .....
- you would offer your solution for free?
- it was done by robots?
- you only had 24 hours to develop a solution and launch it to the market?
- you only could sell it online/offline?
- your grandma was the user?
- it was for aliens?
- you were 10 years from now?
- you were the user?
- it was in the USA?
- you had no budget?
- you could only deliver to 10 people?
- you could do anything?

HOW?

GIVE 1 MIN FOR EACH QUESTION TO GENERATE IDEAS INDIVIDUALLY IN A SPEEDY WAY. USE A STICKY NOTE PER IDEA.

COME TOGETHER AND CLUSTER YOUR STICKY NOTES ON A WALL (PUT SIMILAR THINGS TOGETHER OR NAME THEM UNDER SPECIFIC TOPICS).

KEEP YOUR IDEA WALL VISIBLE SO THAT EVERYONE CAN RETURN TO IT AND DON'T FORGET TO TAKE A PICTURE OF YOUR "WHAT IF?" IDEA WALL..

TAKE A MOMENT OF REFLECTION AND MAKE A CHOICE OF THE MOST PROMISING IDEA TO TAKE FURTHER

Get your team together, put the most promising ideas on the table and give each team member a dot to vote for the best idea. Team leader can have two dots to vote for his favourite ideas. The winning idea will be the one you will move forward with to prototype and test it on real users and develop it further. Note that you can return back to any of your initial ideas at any time, since you will definitely have to improve your solution as you go.

PROTOTYPE

In the previous stage you got wild and creative and generated loads of ideas. If you still haven't made a choice of your favourite idea to move forward with, now it is time to do that. In the following phase of the design process, which is called PROTOTYPE, you will upgrade your chosen idea and continue building it in more detail, by creating a concept, storyboarding, modelling your business and developing user journey map. You will also create a tangible representation of your idea in a form of a "paper prototype" that you could give to your users for tests and feedback. The first prototype - models and samples, usually built from available materials around you, are not precious. Their purpose is to have a product, service, process or part of it tested without major time and resource investment, then iterated until ready in a form of a product or service to be launched on the market. Prototypes will help you interact with your users and understand their needs better. Let's get started!

METHOD: CREATE A CONCEPT

Aim: to upgrade your idea solution and develop more details for it in a form of a concept, thinking about the value it brings to the users.

HOW?

WRITE DOWN THE CONCEPT NAME.	WHAT IS YOUR USER'S PROBLEM.
WHAT DO YOU OFFER TO SOLVE THIS PROBLEM AND WHAT IS YOUR APPROACH. HOW DOES IT WORK? DESCRIBE IT IN DETAIL.	WHAT VALUE IT BRINGS TO THE USER?
WHAT DIFFERENTIATES IT FROM OTHER SOLUTIONS TO THE SAME PROBLEM?	WHAT VALUE IT BRINGS TO YOUR POTENTIAL BUSINESS?

METHOD: **STORYBOARD**

Aim: helps to get your team focused on the details of the winning idea and understand in which points you are aligned as a team. This exercise makes the team discussion structured and allows to take decisions upfront before actually starting to test the idea. The outcome can form the basis of a prototype development.

HOW?

1. As a team, choose your winning idea and express it in the form of a story: map in a linear way all the action steps that your user takes to travel through your idea.

2. Every team member (individually) writes 6 actions steps that guides your user through your idea offer.

3. If you get stuck, write the very first step your user takes, and then the last one. Afterwards fill in the blank steps in between.

4. Every team member reads out their action steps (very quickly).

5. Each team member gets 1 dot to vote for the best sequence of steps. It will help you understand where your team is the most aligned in their thoughts.

6. Circle the winning flow. The team can have a discussion whether it is worth adding one or two actions steps from other team member's flows that didn't win.

7. The winning action flow can serve as a basis for prototype development and user tests, as you have mapped and voted for the steps that your user will potentially take.

8. Now in each of the boxes of the action steps sketch a picture that represents what the user does in each step.

You have created a detailed action scenario that you can use as the basis for prototype development and user tests.

6 ACTION STEPS

1	2
3	4
5	6

METHOD: **RAPID PROTOTYPING**

Aim: to bring your idea to life, by creating a tangible representation of it. You will give the prototype to your users in order to clarify and test your idea or elements of it and get feedback from them.

Decide what you would like to get feedback on (which part of your service, elements of idea or similar).

Build a tangible representation of your idea using all the materials that you can find at home or in office, for example, cardboard, foil, glue, scissors, gift paper, boxes, toys, stickers, markers etc.

Don't waste time, act fast! If you are asked to create a first prototype in a workshop, you won't be given more than 30 minutes to build it.

Now you have built something tangible that your users can see, touch and understand. It is about time to give your prototype to them and hear what they have to say about your idea.

This method can be used several times to improve your idea based on feedback you got before actually finalizing it. Prototyping teaches not to waste money too early for launching your idea to the market until you have actually understood how to get it right based on user feedback.

METHOD: **USER JOURNEY MAP**

Aim: to understand the experience your user has while navigating through your solution. After drawing a user journey map you will identify problems your user has while using and interacting with your solution, as well as opportunities for improvement of your solution. It would be superuseful if you could create a user journey map together with your user.

HOW?

What assumptions would you like to clarify with user journey mapping? What is your goal?

What is the goal of the user while using your product or service?

Action steps: List all the activities your user does to navigate through your solution while interacting with it. If some of the activities can be linked in one category, feel free to add those categories above the activities (for example, before use, while using, after use OR pre purchase, post purchase OR other based on the specific context of your solution).

Touch points: what are the touch points through which user is interacting with your solution in each step (for example, home, website, phone, friends etc.).

Questions: what things your user needs answering before moving to the next step.

Happy moments: positive things user experiences.

Problems: what frustrates the user and what problems user is experiencing? This will help you to identify which parts of your solution still need improvement.

Opportunities: enhancements and improvements that you could implement in order to satisfy your user's needs.

? Has the user experience revealed something new to you? Are there things that you didn't notice before? Based on the map you just created, what are the next steps to be taken to improve your solution?

	YOUR GOAL			USER'S GOAL		
ACTION STEPS						
TOUCH POINTS						
QUESTIONS						
HAPPY MOMENTS						
PROBLEMS						
OPPORTUNITIES						

METHOD: BUSINESS MODEL CANVAS

Aim: to develop new or existing business models. It is a visual chart that allows you to in one document encompass all the necessary attributes or parts of a business model. It gives you an overview of the company's or products value proposition, infrastructure, customers and finances.

HOW?

Start with Key partners. Answer these questions:		Then move on to key activities and answer these questions:	
• Who are my key partners? • Who are my key suppliers? • Which key resources am I acquiring from partners? • Which key activities do partners perform?		• What key activities does my value proposition require? • Distribution channels? • Customer relationships? • Revenue streams?	
Go on to the value propositions: • What value do I offer the customer? • Which customer problem am I trying to solve? • Which customer needs are we satisfying?		**Customer relationships:** • What type of relationship does each of our customer segments expect? • Which ones have you already established? • How costly are they?	
Customer segments: • For who are you creating the value? • Who are your most important customers?	**Cost structure:** • Which are the most important costs in your business model? • Which key resources are the most expensive? • Which key activities are the most expensive?	**And lastly the revenue streams:** • For what value are the customer really willing to pay? • For what do they currently pay? • How would they prefer to pay?	

Strategyzer

TEST

After you have prototyped your idea, it is time to engage users and test your prototype with them. Testing will help you gain feedback and insight on what works well and what can be improved. You should integrate received feedback from testing into re-designed prototypes.

HOW TO TEST AND GET FEEDBACK

- First of all decide what are you going to test and how the test will be carried out, then engage users that will participate in the test and decide how are you going to collect feedback. Do not forget to set deadlines for tests, as well as responsibles for carrying out tests.
- A very easy way to test your idea is to pitch it - in a workshop, conference or any other type of event, where you can meet your users. Then collect feedback by asking the participants to give it in the following form: positive feedback, constructive feedback and user feedback.
- Present the solution to your grandmother and ask her opinion. Did she understand your idea? Would she use it? What does she suggest? Her feedback would help you to assess your solution and point to the aspects you need to improve when communicating about your idea.
- Meet one on one with your user and present the prototype or gather a focus group to carry out user tests.
- Use role play as a form of testing: assign roles, engage users, use costumes and other accessories, allow users to play with your prototype and give feedback. Users can also play roles.
- Create a video about your solution and share it to gather people's reaction on it. Decide through which channels you are going to launch your video.

METHOD: **TEST PLAN**

Aim: to plan and proceed with testing of your prototype, set responsibilities and deadlines.

HOW?

WHAT ARE YOU TESTING.	HOW THE TEST WILL BE HELD.

WHO IS RESPONSIBLE FOR TESTING.	WHO WILL PARTICIPATE IN THE TEST.

WHAT IS THE DEADLINE FOR THE TEST.	WHAT ARE THE RESULTS OF THE TEST.

ITERATE AND DELIVER

RETURN BACK AND IMPROVE

The order in which we presented you design methods may seem linear. In practice, it is much more iterative. After testing your prototype, you probably understood that there are still things to be improved, so you can return back to ideation or prototyping. While ideating you maybe realized that there are information gaps about your users and that you do not know much about them – go back to empathize phase and research more with the methods provided. Iteration is an important part of design process which helps to be more flexible in the specific context, fail fast and improve for better. If there is one thing you should remember about design process, it is to co-create and test your ideas with the users and continue developing your prototype based on received feedback. At one point however you will be ready to finalize your trials and show your solution to the world. Isn't it fantastic?

HOW TO ESTABLISH A COMPANY IN LATVIA

⚠ **When you have analyzed your business idea, market, clients etc, the next step is to carefully assess the process of establishing a company.**

1

STEP 1 - CHOOSE YOUR TYPE OF BUSINESS

There are several types of legal entities that can do business in Latvia, including SIA (the Latvian equivalent of a Limited Liability Company), Individual Merchant (Sole Trader), Joint-Stock Company, Partnership, as well as Branch or Representative Office.

THE MOST POPULAR FORM OF BUSINESS BY FAR IS SIA (LLC) AND THAT'S THE PATH WE'RE GOING TO FOLLOW IN THIS GUIDE.

Limited liability companies (SIA) have share capital that is divided into shares. Shareholders are not not personally liable for the company's obligations. A private limited company is liable for its obligations with its total assets. A limited liability company must have a board that represents and directs the company. It can have one or several members that don't have to be shareholders.

A SIA can have share capital of up to €2,800. These are also called "one euro SIAs" and are a popular way of setting up a company in Latvia with very little investment. It must be set up by individuals as opposed to another legal entity. A company like this can have up to five founding members. Another limitation is that shareholders must be board members too. Associated costs: around €50 (€20 registry fee, €10 setting up a bank account, €7.11 per signature for verifying documents, €14.23 publishing fee).

Once your SIA is registered you can start issuing and receiving invoices, and paying yourself a salary.

TAXES

The micro enterprise tax regime - Companies that register as micro enterprises (Latvian: mikrouzņēmums) pay **a flat tax rate of 15%** of the turnover, provided it doesn't exceed €40,000 a year.

Micro enterprises can employ no more than five people and can only pay salaries of €720 a month or less. You can register as a payer of the micro enterprise tax while setting up your company. It is a tax regime only, not a separate form of doing business.

Regular tax regime - Regular SIA enterprises pay a corporate income tax of 25% plus social security and other fees for employees. However these companies have fewer restrictions, the most important of which is probably the lack of a salary ceiling.

VAT (Value Added Tax) - your SIA needs to be registered for VAT (Latvian: PVN). Each company gets assigned an EU-compliant VAT registration number, which is the same as its registry number, but with the prefix 'LV'.

Businesses outside Latvia do not need to pay VAT on your services, while when doing business with Latvian companies you have to charge them the VAT (currently 21%).

2

STEP 2- PAPERWORK

To set up a company, you have to fill out a number of forms, all of which are available at the **Enterprise Register website.** The documents that will require a notary - there's a public notary on site at the Enterprise Register and several others nearby - to approve your signature on an application for registering a SIA; consent to appoint the Management Board; and the register of shareholders.

Other documents include a page stating the number of shares in the company and their ownership. There's also a document that states the legal address of the company. It requires permission from the owner of the property (if it's not you). You can set up a company online by using this website by signing the documents with an electronic signature. However, in this case the application can only be signed using the eID card.

eParaksts - A useful tool for the new company
The eParaksts (electronic signature) tool can help manage your company easily.
It is used for signing documents like changing statutes and can potentially save you visits to the Enterprise Register.

Organizations that will help you setup your business:
- **Investment and Development Agency of Latvia (LIAA)** - this state institution is tasked with promoting business development in Latvia and has plenty of information about investing in Latvia. Especially handy is the Investor Business Guide that covers aspects such as tax incentives, business infrastructure and more.
- **Enterprise Register** - you'll have to visit this at least once to set up a company.

HOW TO ESTABLISH A COMPANY IN ESTONIA

⚠ **Holders of e-Residency card and a growing number of EU member states' ID cards can establish a company in Estonia fully online.**

1 **Choose the company's business name**

Visit the e-Business Register name query section (https://ariregister.rik.ee/nimeparing?lang=eng) to check your chosen business name is available and then register it.

2 **Choose the main field of activity**

Determining a field of activity is based on the official classification "The Estonian Classification of Economic Activities" (EMTAK) (https://www.eesti.ee/en/entrepreneur/establishing-a-company/determining-the-main-field-of-activity/).

3 **Obtain a legal address**

Your company needs to have an Estonian address. Business service providers can help you obtain a legal address, navigate the business registry, offer assistance with obtaining a bank account, and provide other services.

4 **Register your company**

Electronic registration in the Company Registration portal (https://ettevotjaportaal.rik.ee/index.py?chlang=eng) is the most convenient and quickest way of establishing a company. In order to log in to the Company Registration Portal and perform the registration procedure, you need an e-Residency ID-card and the digital signature software. Also, registration applications can be submitted via the Company Registration Portal by persons having an Latvian, Belgian or Finnish ID card or Lithuanian Mobile ID.

Submitted application will be reviewed within one working day and notification about registration will be sent via email.
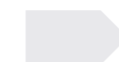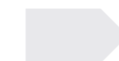
NB! The Company Registration Portal can be used to register private limited companies (OÜ), general partnerships, limited partnerships and non-profit associations, and enter business as a sole proprietor. Commercial associations or public limited companies cannot be established electronically.
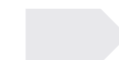
More information: https://www.eesti.ee/en/entrepreneur/establishing-a-company/start-a-business-in-estonia/
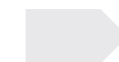
SUMMARY OF THE STUDY ON SKILLS REQUIREMENT

Within the same "Youth BIZZ Skillset" project in Spring 2018, we carried out a study on skills requirement in Latvian and Estonian job market by analyzing current available job ads. The study on skillset requirements for business and employment revealed:
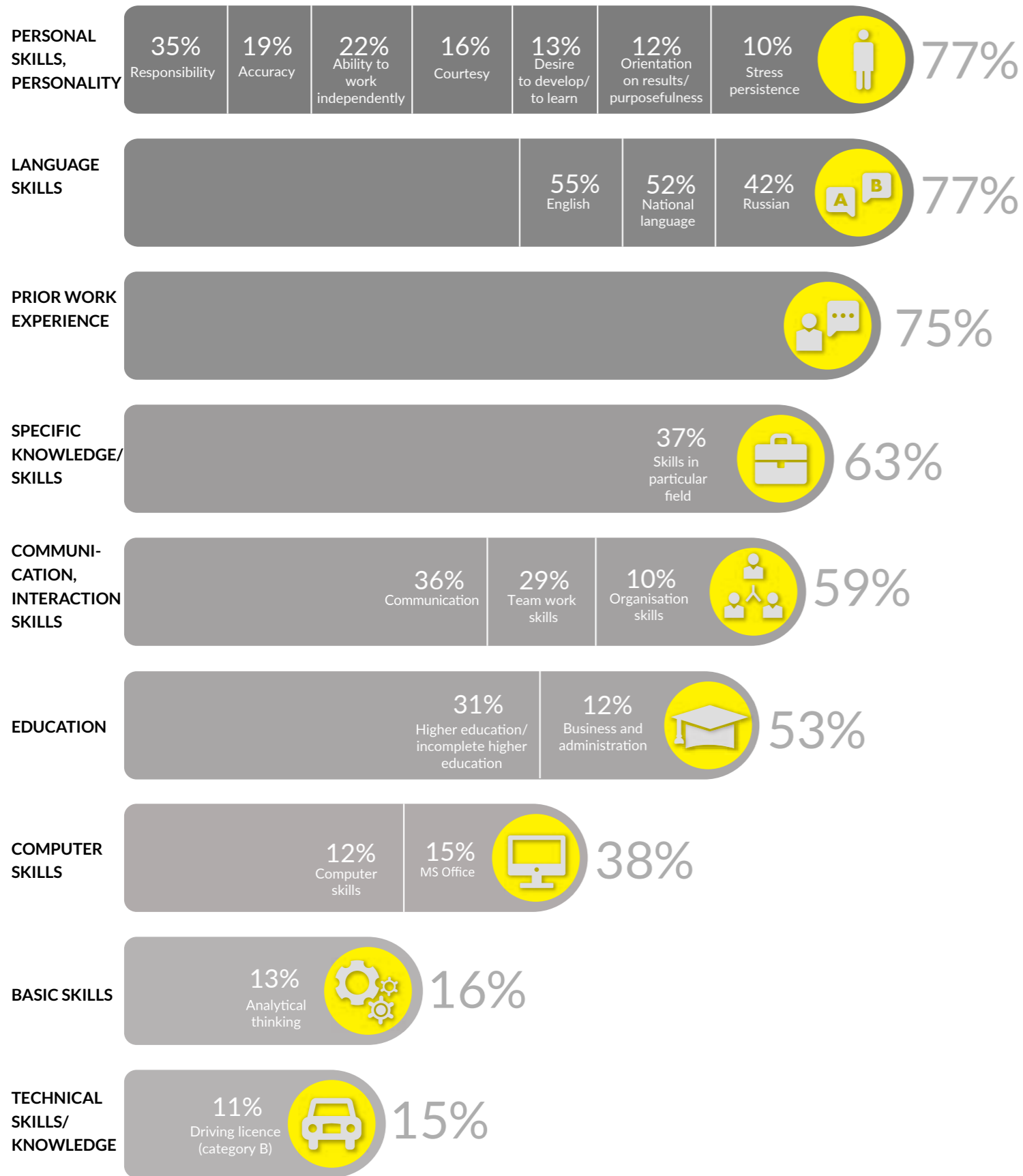
➤ The need for specific personal skills, characteristics is mentioned more often than certain education, technical or basic skills (77% of advertisements in Latvia and 84% in Estonia). The second most common requirement is language knowledge (77% and 73%, respectively). Almost as often the prior work experience (75% and 69%) is required. Specific knowledge and skills are mentioned in 63% of advertisements in Latvia and 54% in Estonia, and approximately so often communication and interaction skills (59% and 57%) are required. Particular education is required in 53% of vacancies in Latvia and 39% in Estonia. Computer skills are mentioned in 38% of advertisements in Latvia and 40% in Estonia. In turn, the relatively rarest requirements are basic skills (16% and 25%) and technical skills (15% and 18%).

➤ The detailed analysis of the skills requirements shows that the most common job advertisements include the requirement for prior work experience (75% in Latvia, 69% in Estonia). The national language requirement is mentioned 52% of advertisements in Latvia and 48% in Estonia. English language skills, meanwhile, is required 55% of advertisements in Latvia and 47% in Estonia. The need for Russian language skills is mentioned in 32% of advertisements in Estonia, but in Latvia – 42%. Prior work experience and language skills are the requirements that are specifically indicated in more than the half of all job advertisements.
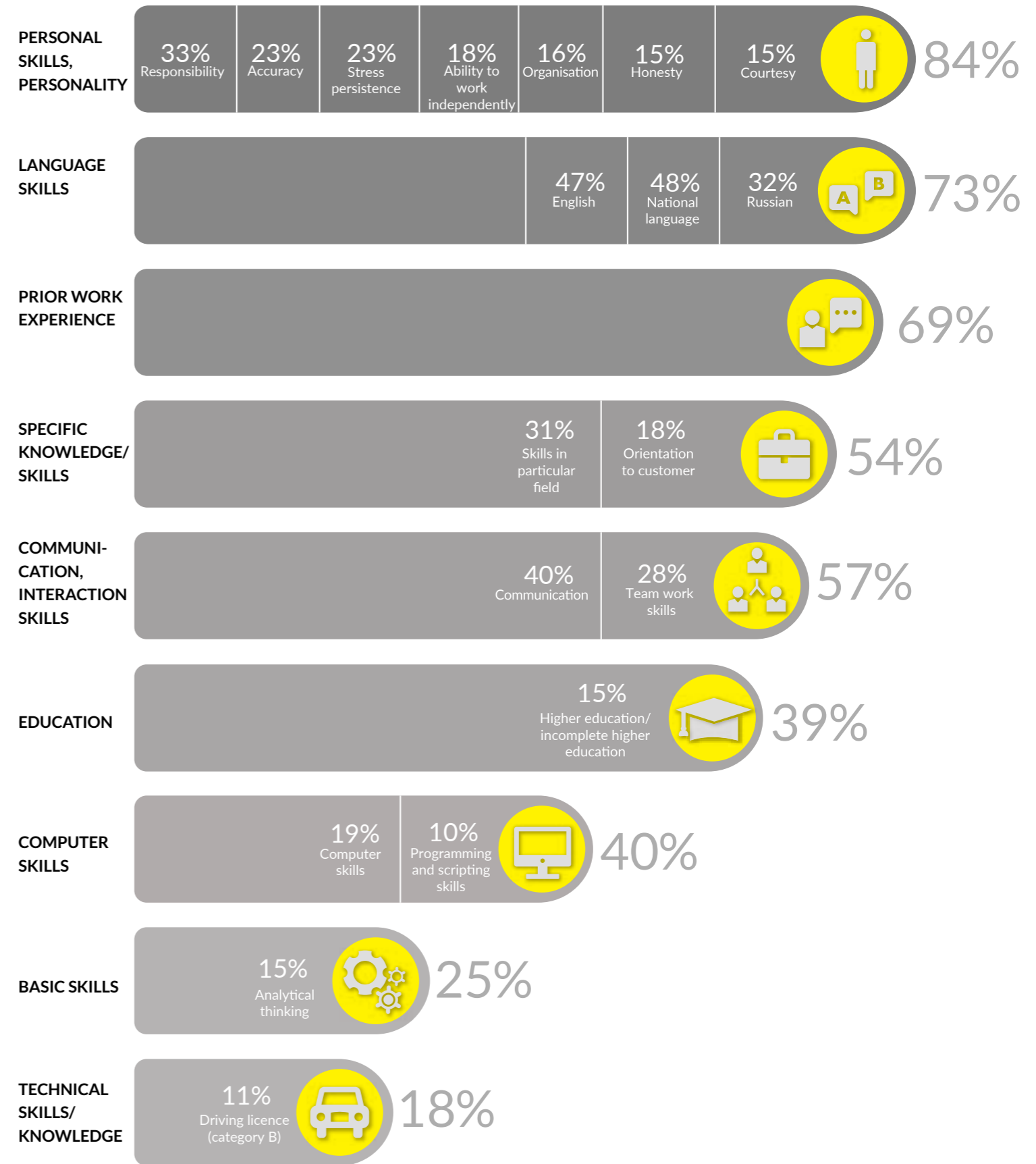
➤ In the analysis of the mutual combinations of requirements included in job advertisements, it can be observed that the need for prior work experience, language skills, knowledge in the specific field, communication skills and the sense of responsibility (in the case of Latvia – also higher education) are the requirements demanded the most in the advertisements.

➤ When analysing the requirements included in the advertisements in the breakdown of the occupational groups, that one part of the requirements are expressed in almost all groups of professions, but some part of the requirements are specific. As horizontal requirements (repeated in all or almost all groups of professions) can be identified – prior work experience, national language skills, responsibility and accuracy. English language skills are required for higher qualification vacancies, but less frequently – for lower qualification. Similarly also Russian language skills. Communication and interaction skills requirements are also more often required in higher qualification workplaces.

SKILLS REQUIREMENT
IN LATVIA

| PERSONAL SKILLS, PERSONALITY | 35% Responsibility | 19% Accuracy | 22% Ability to work independently | 16% Courtesy | 13% Desire to develop/ to learn | 12% Orientation on results/ purposefulness | 10% Stress persistence | 77% |

| LANGUAGE SKILLS | 55% English | 52% National language | 42% Russian | 77% |

| PRIOR WORK EXPERIENCE | 75% |

| SPECIFIC KNOWLEDGE/ SKILLS | 37% Skills in particular field | 63% |

| COMMUNI-CATION, INTERACTION SKILLS | 36% Communication | 29% Team work skills | 10% Organisation skills | 59% |

| EDUCATION | 31% Higher education/ incomplete higher education | 12% Business and administration | 53% |

| COMPUTER SKILLS | 12% Computer skills | 15% MS Office | 38% |

| BASIC SKILLS | 13% Analytical thinking | 16% |

| TECHNICAL SKILLS/ KNOWLEDGE | 11% Driving licence (category B) | 15% |

SKILLS REQUIREMENT
IN ESTONIA

| PERSONAL SKILLS, PERSONALITY | 33% Responsibility | 23% Accuracy | 23% Stress persistence | 18% Ability to work independently | 16% Organisation | 15% Honesty | 15% Courtesy | 84% |

| LANGUAGE SKILLS | 47% English | 48% National language | 32% Russian | 73% |

| PRIOR WORK EXPERIENCE | 69% |

| SPECIFIC KNOWLEDGE/ SKILLS | 31% Skills in particular field | 18% Orientation to customer | 54% |

| COMMUNI-CATION, INTERACTION SKILLS | 40% Communication | 28% Team work skills | 57% |

| EDUCATION | 15% Higher education/ incomplete higher education | 39% |

| COMPUTER SKILLS | 19% Computer skills | 10% Programming and scripting skills | 40% |

| BASIC SKILLS | 15% Analytical thinking | 25% |

| TECHNICAL SKILLS/ KNOWLEDGE | 11% Driving licence (category B) | 18% |

ABOUT THE PROJECT

The toolkit for business idea development using design thinking is conducted within the Erasmus+ strategic partnership project "Youth BIZ Skillset" implemented starting from September 2017 till February 2019. The objective of the project is to facilitate development of business mind–set and skills among young people by creating methodological tools and by training young people and youth workers. To achieve this objective, the following activities have been implemented:

1 ELABORATION OF THE STUDY ON SKILLSET REQUIREMENTS FOR BUSINESS AND EMPLOYMENT.

2 DEVELOPMENT OF THE TOOLKIT ON BUSINESS IDEA DEVELOPMENT AND STARTING A BUSINESS.

3 DEVELOPMENT OF THE METHODOLOGICAL GUIDELINES FOR YOUTH WORKERS TO CONSULT AND TO INSPIRE YOUNG PEOPLE TO DEVELOP THEIR BUSINESS IDEAS.

4 TRAINING VISIT IN SPAIN ON GLOBAL ECONOMIC AND TECHNOLOGY TRENDS THAT CHALLENGE AND DRIVE NOWADAYS' ERA AND LIFE OF YOUNG PEOPLE.

5 TRAINING SEMINARS FOR YOUNG PEOPLE.

6 COACHING SEMINARS FOR YOUTH WORKERS.

The project implementation is based on the strategic partnership where leading partner is the non– governmental organisation New Entrepreneurs Center "Jobs & Society" whose aim is to support entrepreneurship development in Latvia through professional start–up advice to people thinking about starting a business. The partnership includes the Estonian Business School that is one of the biggest private universities in the Baltic countries, teaching entrepreneurship and business administration at all academic levels. In the project implementation also Spanish private company "IN&S Comunicación e innovación sostenible" is involved whose aim is to help SMEs and entrepreneurs to develop their projects in the fields of communication, innovation and sustainability.

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