



Training materials

Mature enterprises

MENTORCERT project
Work Package 3

Warsaw, 2019



Table of Contents

Introduction and learning objectives	3
Overview of the sector	5
Case studies.....	18
I. Strategic planning	18
Long Case	18
Strategic planning for Segno Caffè	18
Short Case.....	22
Checking the future of Długopis S.A.	22
II. Value creation models.....	23
Long Case	23
Value creation model for Wirnik S.A.....	23
Short Case.....	26
Szyпка Ltd. - Value creation model	26
III. Understanding the ecosystem	28
Long Case	28
Fastauto ecosystem.....	28
Short Case.....	31
Delivery FFF - understanding the ecosystem.....	31
IV. Futures	33
Long Case	33
Future of Consulting S.A.....	33
Short Case.....	36
New possibilities for 3Dsoft3D.....	36



Introduction and learning objectives

These training materials have been prepared for the MentorCert Project. They aim to help business mentors or potential business mentors acquire knowledge and skills associated with the development of knowledge in specific business sectors. They are to be used as a resource to underpin the development of (1) project related e-learning materials (2) Face to face training.

Aim of the materials

The aim of the materials is to support business mentors and potential business mentors to achieve the 'hard' skills identified in the MentorCert skills card and outlined in the table below

Learning outcome
To understand options available to identify the scale and scope of the sector
To be able to identify relevant value creation models and apply at least one in a relevant sector context
To understand options available to map the sector eco-system and to apply at least one
Hypothesize about the future of the sector

Structure of the training materials

The training materials are ordered in the following way:

- A brief introduction to the Mature enterprises horizontal issue
- Examples of techniques that can be applied in the sector to achieve the learning outcomes (e-learning materials) (including case studies)
- Short case studies to be used in face to face teaching and learning
- Further references and resources

The training materials contain eight case studies to encourage work-related learning.

Long cases (to be used in the on-line training materials)

- Segno Caffè (1) – Strategic planning for Segno Coffee
- Wirnik S.A. (2) – Value creation model for Wirnik S.A.
- Fastauto Ltd. (3) – Fastauto ecosystem
- Consulting S.A. (4) – Future of Consulting S.A.



**ERASMUS+ KA2 Strategic Partnership
2017-1-HU01-KA202-035953
Business MENTOR training and CERTification**

Short cases (to be used in face-to-face training)

- Długopis S.A. (5) – Checking the future of Długopis S.A.
- Szyпка Ltd. (6) – Szyпка Ltd. - Value creation model
- Delivery FFF Ltd. (7) – Delivery FFF - understanding the ecosystem
- 3Dsoft3D Ltd. (8) – New possibilities for 3Dsoft3D

Time and materials needed

These materials should be used in combination with other resources developed during the MentorCert Project and the TRUST ME project.

- A methodology handbook introducing a selection of thirty two tools and techniques that can be used to identify the scale and scope of the sector, value creation, eco-system mapping and hypothesise about the future of the sector (MentorCert available [here](#))
- A TRUST ME Handbook for trainers available [here](#)

To complete the full e-learning module should take about fifteen hours in total (eight for the methodology module and seven for the Mature enterprises module). It will take about 4 hours to complete the face to face element of the training.

Overview of the sector

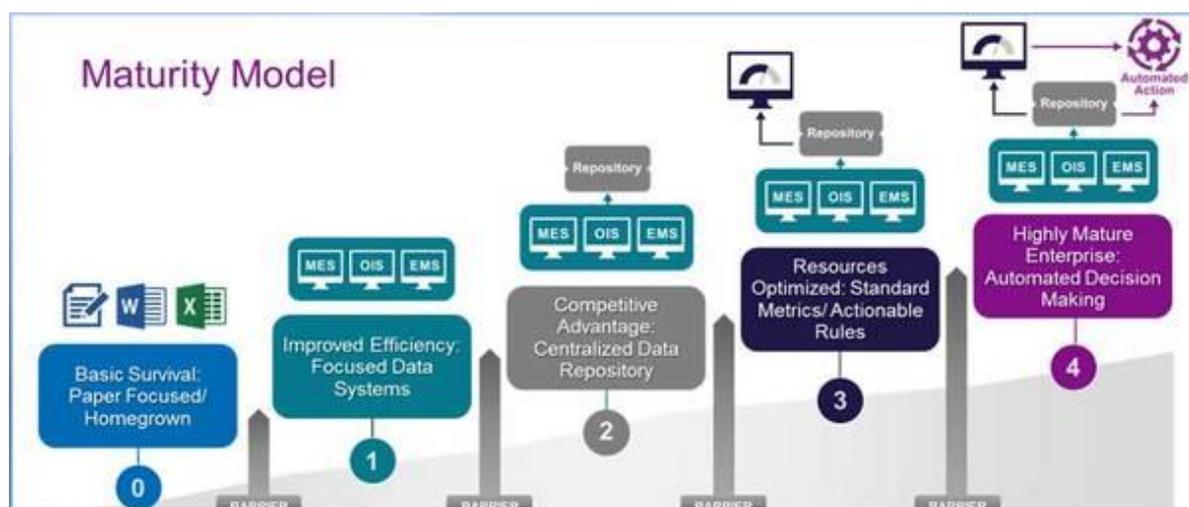
I. Brief overview of the horizontal issue

Running a business is closely connected with having knowledge about the current market. Business managers must continually contribute to the improvement of the quality of services provided. Running a company at some stage is forced to take action to move to the next level. If the entrepreneur does not make a decision about the development of his business, in the long term the company may not generate income, which in turn will contribute to the dismissal of employees, lack of financial liquidity, and even bankruptcy.

There are many researches presenting the existing ways and definitions on entrepreneurial levels. These activities can significantly increase the quality of the company being developed and, above all, help to save money and time, which is the most important from the point of view of the entrepreneur.

Standard data and rules are available to speed up the transition from level 3 to level 4 in the enterprise information system maturity model, where automated decision-making creates a highly developed and mature enterprise. The maturity model of the enterprise information system presents the general context for understanding enterprise systems and a set of criteria for assessing the needs of the enterprise system. It also helps in determining the next steps to increase the effectiveness of the decision (and the bottom line). The Figure 1. shows the maturity model, levels 0-4.

Figure 1.



Source: <https://www.controleng.com/single-article/highly-mature-enterprise-meet-the-challenges-of-enterprise-information-systems>



In order to talk about the resources of a mature enterprise and about what creates it, it is best to recall the words of Bill Genovese: "Enterprise Architecture provides a great advantage of "Cloud Computing", "Big Data", and the "IoT"

When it comes to considerations about a mature enterprise, all kinds of information technology and IT technology become obvious. The Enterprise Technology Framework defines the technology services and functions (IT functions) required to support business applications and data, including shared application services, shared data services, common system services, network services, security services, platform services, and tools to management used to support the provision of IT services. It also helps to define the specificity of the business line that may be required, or in the case of "defined software" and the enabled hybrid cloud model, which system or application must remain in the data center in the company. This reference structure can help define service definitions, rules and patterns of private and limited services, and help define business principles in a hybrid cloud delivery model and how best to access (and secure) in the structure and unstructured data outside the organization, which are currently intercepted and delivered via sensors and technological devices in various entities, geographical locations, and even people. In the case of the desire to establish a mature enterprise, it is impossible to avoid informatization and digitization.

In order to run a mature enterprise, it becomes obvious to plan and run a company's development strategy, that is, a broad-based logistics. Some people think that spending time planning is a waste of time. However, this is not true. There are more and more studies in this area and the conclusions are clear. Time devoted to creating a strategy of action is sometimes not lost, it is only an investment that brings profits.

Source: <https://networking.cioreview.com/cxoinsight/organizations-that-have-a-mature-enterprise-architecture-function-are-better-positioned-to-take-advantage-of-emerging-and-converging-technologies-nid-10484-cid-9.html>

Logistics issues can be closed in the following elements:

- IoT - internet of things – it is a broadly used application of information technology in building a consciously developing enterprise. Computerization applies to every area of activity that is expected to generate profits.



ERASMUS+ KA2 Strategic Partnership
2017-1-HU01-KA202-035953
Business MENTOR training and CERTification

- Environment and technology - apart from the fact that the enterprise is supposed to bring profit, matters related to the environment are a very important issue. It is important that the consumption of resources and energy is as sustainable and ecological as possible.
- Analytics and advanced machine learning - despite the all-embracing digitization, it is often the case that employees, especially the elderly, are not trained in the use of information techniques. This leads to the weakening of the workforce and, as a result, to the lack of desired effects.
- Cloud and Satisfaction - if the work does not bring satisfaction, it is ineffective, which makes the company management and customers unpleasant with the work of the enterprise. The company needs optimization activities that will make each employee feel an important part of the entire enterprise.
- Connected applications & EDI - EDI has long been the basis of communication in logistics, but its strict formats and standards make it difficult to transmit data in real time. The RESTful Web and JSON services will appear as preferred data transmission technologies, and in some cases they will replace EDI-based communication. As more and more mobile applications are being built to automate data capture, especially on the business basis and during data transfer, these applications will be able to work with many existing systems and form an integral part of the IT business side.
- Security - security in the era of computerization should be constantly monitored due to significant components. The use of protective systems does not end with their installation, but must be constantly monitored and repaired in the event of a failure. All system reviews and updates must be done regularly using the latest technologies, as the data leak of a given company may end with adversity.

In order to consciously run any type of enterprise, one should be aware of the tools that exist to increase the standards of services provided and how to use them correctly. Undoubtedly, each young company aims to develop and reach the level of a mature, highly prospering company that can be called highly a mature enterprise.

A very mature company focuses on the automation of manual activities performed routinely in response to analytics. The goal of the Level 4 maturity model is to eliminate recurring decisions so that staff can concentrate on more difficult and more complex issues. As usual, the aim of raising the maturity model is to increase productivity. Automatic decisions can include both simple and complex. The organization has to



determine if the efficiency increase is sufficient for the costs of automation. It is important to understand the type of automatic decision making that takes place at this level. The goal is not to help the staff make a decision in which the actual decision making is a manual action. The plant production line schedule is a good example of this type of decision making. The application determines the best schedule to comply with the restrictions. The planner decides to order a line based on this information. In this case, the application is a tool for making manual decisions.

Level 4 focuses on making decisions that are fully automatic. In this case, manual consent may be required to make a decision, but the decision and the decision-making process are fully automated. A good example is the automatic integration with the computerized maintenance management system (CMMS). The analytics are used to determine if the CMMS request must be started for the machine in the production hall (based on operational characteristics and working time values).

Moreover, Level 3 organization would provide relevant information to staff based on a rule that can be appealed. In turn, a manual action would be performed to register the request in CMMS. At level 4, this is done automatically with the integration between the analytical system and the CMMS - probably without manual interaction. If manual interaction is required, the action is simply an approval action. After confirmation, the request is automatically registered by the system. This issue can be captured in an interesting way to talk about natural floor.

Increasing the maturity of the organization brings many benefits. Accordingly, as discussed in these articles, large expenditures and dedication are needed to implement the model. In addition, as noted earlier, the number of systems is inversely proportional to their level of maturity.

Natural floor is a concept introduced to better define the characteristics of a mature enterprise. The activities related to the floor in the company are usually delayed in adopting new technologies and concepts in comparison with other industries. As a result, the production hall is one of the last business operations that has reached level 4 of the maturity model. However, one can argue that the floor of the plant is one of the best environments for automatic decision making.

Many examples of level 4 maturity meet daily. For instance, credit card and analytics can automatically decide to deactivate your credit card to prevent fraud. The same approaches can be used in the production hall to make automated decisions and get the same efficiency. Starting the implementation of automation in an enterprise can be easily captured. The best way to determine what you need to automate is to examine actions at level 3. Review the manual actions based on useful information provided by the analyst. Identify and rank the most repetitive activities, especially those that occur most



often and in the same way. From this list, check the risks associated with the automation of each activity.

First, you should look for the most repetitive actions (which should get the most efficiency through automation), which have the lowest risk for implementation. It is important to build credibility and trust in the first implementations. Making bad decisions can lead to failures at the start, which generally leads to discouragement of automation. This is one of the most impactful events that prohibit an organization from reaching Level 4 maturity.

Start with a few small implementations and keep them within the organization to reduce the impact of possible failures. Although the most effective automatic decisions usually involve many business operations streams, and even external organizations, it is important to first build on small successes. Do not be tempted to start with a great venture that can only provide effective, high-risk results.

II. Analysis

Many analyzes have been carried out for many years on how to develop enterprises. Many of the ideas have been created by experience. Many of the best tools were created by the mistakes of their predecessors.

Many entrepreneurs claim that all theoretical considerations do not pass the exam in reality. This is a misperception of reality, because many years of research and development of existing solutions gives very good results, which confirm the statements of large corporations. Just take into consideration the risk and invest in innovative, proven methods of improving the efficiency of your business. Statistics say that more and more employers are willing to invest in modern techniques to improve the quality of services provided.

By experimental methods, based on theoretical considerations and research, three basic principles of creating an automated enterprise were created.

1. Cooperation: As with all other levels of maturity, success requires the cooperation of many parties. Plant floor workers need to understand the impact of automation and its impact on day-to-day work. The controlling staff (who can sometimes be an external supplier or integrator) must understand the various systems to make modifications and provide continuous support.



IT staff are required to handle network connectivity and other basic system functions. Managing personnel must approve the process and understand the consequences of the changes. In the construction industry, without any cooperation between employees and staff, no construction work would be carried out. In addition, construction companies have a huge responsibility.

In the event that there would be no cooperation between individuals, there could be a construction disaster which is a threat to human life. Money plays a big role in every company, and in Civil Engineering, investments are very expensive, hence it is worth investing in construction companies in optimizing work and learning how to cooperate.

2. Incorporating failure: Failure must be included as part of the normal operation of the automatic decision and related activities. Each decision should specify what the failure in the context of the decision means. What are the necessary corrective actions in the case of an incorrect decision? What happens if the automated decision-making process is unable to perform actions based on the result?

Occasionally a notification or an emergency mechanism is required. In other cases, this may affect the production or modification of production. It is very dangerous for businesses to be discouraged from the lack of expected results. Many enterprises make a known mistake and withdraw from innovative methods to develop and strive for a mature enterprise.

3. Continuous review: One of the most important issues in the case of company development is the continuous monitoring of successes and failures. This will allow you to determine in a single place where the company is located. Keeping statistics on the success (and failure) of automated decisions and their impact on efficiency helps to understand the overall effectiveness. An uninterrupted and planned review of these statistics is necessary to maintain the level 4 maturity.

This data should be made available to all members of the collaborative team and evaluated over time to identify trends. Analyze failures that appear during the process and customize your response plans. Monitoring results also allows deciding which methods are good for a mature enterprise and which are not. A good idea is to ask experienced people from outside the company how they think development is created and in which level they would define a given company. It should be remembered that the self-assessment of own achievements is always subjective and may be burdened with a certain error.



III. Best practises to answering to the challenges

Many young companies think that spending time wondering "What should be the next step?" it is irrelevant. This is wrong thinking, because this way of understanding is extremely important when we want to get better results.

The maturity model provides a context for understanding enterprise systems. It provides a set of criteria for assessing the needs of the enterprise system and helps determine the next steps to increase the efficiency of decisions and the bottom line. It also helps owners communicate better with integrators, suppliers and other suppliers. Although it is presented as well-defined steps, the maturity model is not a rigid process. The organization may be at different levels in various business operations. The model includes a guide and presents a plan of action for organizations and their partners to increase their system maturity and, accordingly, their overall success. Running a mature company cannot exist without interpersonal communication. It is undoubtedly one of the most important skills, because every company first and foremost create people. The conscious development of an enterprise is closely related to the flow of information and thus to the development of soft skills among employees.

A direct response to the attempt to create a mature enterprise is investing in the development of soft skills among staff, and thus meeting the challenges posed in today's market.

Best practices example for being "matured" - CONSTRUCTION INDUSTRY

When it comes to a construction company, technology has a lot to offer. All informers and theoretical data say that the best way to develop construction companies is wide-ranging activities with BIM (Building Information Modeling). BIM is a kind of new design technology that provides arbitrarily wide information about the object, allowing you to analyze it under any criteria using specialized programs.

BIM makes life easier for all those who take part in the investment process, from the design team by the investor, the developer to the institutions maintaining the building, and then, in the distant future. It is useful for companies dealing with the destruction of urban tissue for new investments. Building Information Modeling is a direct response to the demands placed on the growing construction company.

These benefits are some of the direct benefits that BIM provides. In addition to these benefits, there is also what is often referred to as the "human side" in BIM. This technique drives a new process in the organization that encourages the project team (owners, architects, engineers, general contractor, subcontractors, suppliers, etc.) to work together to achieve optimal performance in the project. Thanks to this, the company can become



more mature and ready for bigger challenges. It gives pride of work to all parties and maintains responsibility for mistakes.

Then there are obvious marketing benefits. Simply put, the owners who understand the benefits of BIM are more likely to choose contractors who use BIM tools and a joint construction process because they are all on the same page when it comes to the quality of the resource (project) built. The Figure 2. shows BIM Revenue by Market Segment in 2012-2020.

Figure 2.



Source: <http://www.naylornetwork.com/ngc-nwl/articles/index-v2.asp?aid=243060&issueID=28743>

Best practices example for being "matured" - FOOD INDUSTRY

Creating a mature company can take place on many industrial coatings. A good example of this is the creation of a gastronomic business. In this type of enterprise, it is easy to distinguish features that are necessary to develop business operations. In the case of gastronomy, optimization is not very important because restaurants create a lot of food waste, which is a pure waste, and thanks to the application of new management technologies, it is possible to avoid these losses.

Figure 3 shows the suggested progress of the food management system in the catering industry. This scheme is directly based on the maturity of the processes that are necessary



for the proper development of the enterprise. The minimum system starts from the bottom left corner and continues counterclockwise to appear in the upper left corner, with the food safety embedded in the corporate DNA.

In addition, it should be added that the role of waiters and service are important in the catering industry. Customer satisfaction is largely dependent on service, so it is worth devoting more attention to the training and development of soft staff skills. It is worth paying attention to the work of chefs. Raising the skills of cooking the chefs will be directly transferred to the speed of cooking and, above all, will reduce the loss in the preparation of meals.

Figure 3. Levels of Food Safety Management Systems



Best practices example for being "matured" - TOURISM INDUSTRY

Creating a company at some stage will need a strategy that does not just cause losses. Building the right strategy can not be limited to theoretical considerations but must be supported by appropriate experience. Such experience can be available not only to large companies that exist for a long time on the market but also smaller ones that dared to invest in appropriate technologies at the beginning. This is another example of the fact that investing time and money in new technologies such as computerization of communication or any projects is very effective in long-distance perspective.



**ERASMUS+ KA2 Strategic Partnership
2017-1-HU01-KA202-035953
Business MENTOR training and CERTification**

Running a tourism business can have an unbelievable impact on their purpose, creating jobs, contributing to GDP growth, introducing new markets for goods and services, increasing the visibility of the area, while protecting the local environment and preserving cultural heritage. However, all these benefits do not automatically occur, but must be adequately integrated with the sustainability of any previously understood principles.

Here are some of the most common rules available in many studies:

- **Developing the concept of tourism assessment:** the development of enterprises dealing with sustainable tourism starts with an assessment that analyzes both the supply and demand for tourism products and services that lead to thoughtful and researched concepts that cover the basis of product ideas, market understanding and local feasibility. Starting from the concept stage, Solimar helps companies assess their possible contribution to local communities and the surrounding environment.
- **Business planning:** Business plans serve as a "road map" for product development and take into account conservation and development objectives and clearly define the resources needed to achieve these goals. This is another step useful when making decisions and determining the goals to be followed by the company.
- **Planning operations:** A business plan created is useless if it is not run by a proper manager. It must be a trained person with specific skills and awareness of the important tasks assigned to him. As in the previous examples, employees are an absolute basis in running a business.
- **Trip planning and guide training:** Local guides act as 'ambassadors' for their communities and destinations, and guided tours are an essential service that a travel company offers. However, it is very important to constantly improve the skills of the guides and give them satisfaction in their work.
- **Sales and marketing:** The lack of an effective sales and marketing strategy often leads to well-planned and run business. Many small tourism enterprises have no technological or financial opportunities to successfully enter the market. However, it is worth investing in employee cadre training and creating a good business plan, because these actions will bring concrete benefits in the future.



IV. Implications for curriculum

Mentor training curriculum should cover the following aspects as minimum:

Interpersonal communication

This is one of the most important skills that a mentor or leader should have. All activities carried out by the enterprise are based on communication, therefore proper care of this issue will be successful in the future. In relation to this topic, the theme of soft skills closely matches. The skill of selling, advertising and marketing is very much related to the use of soft skills. It should be remembered that every gesture and body language is also one of the ways of communication. It is not advisable to downplay this topic, because thanks to the mastery of soft skills, communication will quickly grow, and thus benefit the entire company. The skills described above are not only needed at the level of the customer - the seller but also should be considered important in the company's environment and culture.

It is not uncommon that individual departments in a company can not cooperate properly through communication errors. Communication is the skill you need to learn like any other skill. It is very important that the management staff wants to introduce and learn different communication techniques, because it will directly transfer to all teams working within a given company, which will bring benefits. Learning new skills shows employees that they are an essential part of the company, and these contributions and commitment to learning these skills are of great importance to the entire team. This directly implies satisfaction and satisfaction of the individual, which will translate into better development and a mature enterprise.

Increase the quality

- Documentation of processes. In particular, small and medium-sized enterprises, to improve the quality, it is advisable to document any activities that happen in time. There are many computer programs on the market that help to organize time and keep records of activities performed. This is directly related to the use of information technology in the company, as was previously written.
- Find and define quality problems. Employees and management must be aware of the mistakes made and the possibility of their occurrence. The company must be open to self-criticism and listen primarily to all employees, because any attention can contribute to improving the services provided. It often happens that some problems are hidden for fear of criticism and at some stage



the effects of such concealment will not be avoided. It is important to reward employees who are trying to capture and identify quality problems.

- Fix the problem for the customer. Making mistakes is obvious when the company is being built. The most important thing is to make a lesson from mistakes. When the error is underestimated, you can lose the customer, so it is also important to repair the mistakes made. The client will notice efforts so that he can get the correct opinion on the services provided, because there are many companies that downplay the mistakes. When a problem occurs, troubleshooting the customer always has to be the highest priority.
- Prevention of making the same mistakes. It is often believed that the implementation of the three previous rods is sufficient, however, this is not enough. It is extremely important to prevent and monitor the possibility of making the same mistake. After each failure, consider the team what caused the problem and what should be done to ensure that the network will be repeated. Documenting processes should help in this matter.

Making decision

Making decisions is always risky. An appropriate technique can be to create a list of profits and losses and realistic consideration of the possibility of possible errors. In the company, all decisions are made by the management, but all employees should be responsible for their actions.

Computerized Maintenance Management System (CMMS)

Broadly understood computerization is inevitable in the case of conscious and effective business development. The market offers many programs and applications that broaden the possibilities of communication. Today IT maintenance is getting cheaper which should encourage companies to use these services. Business management is mainly based on communication, which is difficult to imagine today without using an internet connection and the right equipment.



References

1. <https://www.controleng.com/single-article/highly-mature-enterprise-meet-the-challenges-of-enterprise-information-systems>
2. "BIM and the Power of Collaboration - The Future is Now" – Rob Humphreys – <http://www.naylornetwork.com/ngc-nwl/articles/index-v2.asp?aid=243060&issueID=28743>
3. <https://networking.cioreview.com/cxoinsight/organizations-that-have-a-mature-enterprise-architecture-function-are-better-positioned-to-take-advantage-of-emerging-and-converging-technologies-nid-10484-cid-9.html>
4. <http://dreamorbit.com/top-6-technology-trends-in-logistics-and-transportation-industry-for-2016/>
5. <https://www.foodsafetymagazine.com/magazine-archive1/december-2014january-2015/world-class-food-safety-in-foodservice/>
6. <https://www.entrepreneur.com/article/242926>



Case studies

to the selected Hard Skills of the MentorCert Skill Card

I. Strategic planning

Long Case

Strategic planning for Segno Caffè

A1. Strategic planning for Mature Enterprise

A1.1 Introduction

The Segno Caffè company could be found in the Warsaw Philharmonic since 1910. It was founded by Tytus Czapeczka when, after one of the concerts, he stated with great ease that the local coffee does not taste very well. Less than a year his activity reached the peak of popularity, some people came to the concert just to drink a coffee brewed by him. To meet the market requirements, Tytus has expanded its offer with local confectionery specialties. At that time his cafe became one of the most visited and most popular places in Warsaw. For many years to come, until today the interest in both philharmonic and Segno Caffè decreased to a low level, but it did not threaten the position of the company currently being run by Romeo and Julian - descendants of Tytus. The quality of the products served by them has not changed. Nowadays, the company employs four people who brew coffee and bake cakes, while during the concerts Romeo and Julian personally talk to customers.

A1.2 The Case and the Problem

Romeo and Julian want to open a cafe in the Łódź Philharmonic to be able to serve their specialties in other cities as well. The two brothers, however, are not sure whether they will be able to run both cafes at once because they do not know music lovers from Łódź and have no reputation there. Both still want to maintain an individual approach to customers, but with two cafes it can be difficult. For this reason, Julian is not sure if opening a new cafe will be a good move. Romeo, on the other hand, realizes that it is a salvation on the stagnation prevailing in the company.



A2. Leader: personality, attitude, communication, etc.

Two twins brothers - Romeo and Julian have watched their father lead a philharmonic coffee. When it was time to choose a career path, they both agreed that they wanted to continue the work of Tytus Czapeczka. Romeo, who has always had a hard time in science, graduated from the University of Economics. Julian since he learned to walk always helped the family in cooking, until he discovered his life passions - confectionery. He graduated from a confectionery school and completed apprenticeships at well-known European confectionery plants. Romeo and Julian are lively and energetic youngsters, but since childhood, they have been taught how to behave among the most exquisite guests of Segno Caffè. Gentlemen love to talk to their clients because they see that some of them feel alone. Especially appreciated by older people. Outside of business, Romeo and Julian love to play tennis and to travel.

A3. Content of explanation of the case

As an economics student, Romeo realizes that the opening of another coffee may soon be necessary in order not to go bankrupt. He can not convince his brother, Julian, with his analyzes. He believes that it is not enough to wait for this temporary crisis to pass away. Romeo needs a mentor who will help him to persuade his brother to change his mind.

A3.1 How to apply the chosen method

Balance Scorecard method is flexible and can show how to concentrate on strategic objectives on company. It focuses on domains or perspectives rather than on execution of strategy of the company. In our case it should help Romeo to convince Julian to open coffee in Łódź.

Thanks to the help of the mentor and the Balanced Scorecard method, by building vision and strategy, new business area can be developed from different points of view: Financial, Customer, Learning and growth, Internal Business Processes.



To use the Balance Scored method, the mentor prepared the following table.

		Financial:			
		Objectives	Increase of the profit		
		Measures	Budget		
		Targets	25% increase		
		Initiatives	Investment in new coffee		
Customer:				Internal Business Processes:	
Objectives	To get new customers in Łódź			Objectives	To manage two restaurants
Measures	Number of customers			Measures	More personnel
Targets	56% more customers			Targets	37,5% more personnel
Initiatives	Opening coffee in Łódź			Initiatives	New employment
		Learning and growth:			
		Objectives	Sustain second restaurant		
		Measures	Profits		
		Targets	Other Philharmonic halls		
		Initiatives	To open third one in future		



A3.2 How to get acquainted with the leader and how to „manage” him (communication, treatment, etc.) properly, in an effective way

Romeo is Economical University graduate, so he is familiar with many methods for checking economical status of the company. Task of the mentor is to show him the most convenient one - Balanced Scorecard. With use of the method, Romeo should be able to show Julian the positive effect of the second coffee opening in Łódź.

Thanks to the help of the mentor and the Balanced Scorecard method, Romeo managed to achieve the goal of the company.



Short Case

Checking the future of Długopis S.A.

1. Company and case

1.1 The Company

The Długopis S.A. is a Polish company producing office accessories. The company was founded in 1924 by Jakub Guzik and Maria Pętelka. Nowadays the CEO of the Długopis S.A. is Ananiasz Polak. The company works basically in Poland, but during 1992 they export their products to many European countries. In 2004, Długopis S.A. opened its first foreign factory in Hungary and a year later in Spain.

1.2 The Case

In 2010, the company decided to expand by acquiring smaller companies from the sector of their operations. This caused the opposition of local communities, but the management of Długopis S.A. did not care. From the very beginning, the company dealt with the sale of fountain pens and luxury office supplies, but over the years it had to introduce one-off pens and more common items into its offer. This has not changed the fact that the company is aimed at selling higher-end products.

For several years, Długopis S.A. notes a gradual decline in the interest in their products in the countries in which it sells its products. Despite the attempt to save the situation by various promotional campaigns and global advertising of products, the situation is not improving. According to long-term forecasts in the absence of increase in Długopis S.A. will be forced to close some stores and factories.

2. Leader

The CEO of the Długopis S.A. is Ananiasz Polak - 70 years old person, who is afraid of changes.

3. Questions

1. Select few methods which you think are appropriate to determine the possible strategic plan!
2. As a mentor what would you suggest to Ananiasz?
3. What actions must be taken by the company Długopis S.A.?



II. Value creation models

Long Case

Value creation model for Wirnik S.A.

B1. Strategic planning for Mature Enterprise

B1.1 Introduction

Company Wirnik S.A. manufactures luxury passenger planes. In the aviation industry, company has a well-established reputation as a precursor. The company also enjoys great customer respect and very high satisfaction with the products. It mainly accepts orders from Europe, but recently also orders to Asia and America. It was created as a result of detaching itself from a larger company involved in the production of both civilian and military aircraft. Founder Wirnik S.A. Zdzisław Karteczka wanted to fill the missing gap in the aviation market. Current president of Wirnik S.A. Waław Mąciwoda also introduced helicopters to the company's offer. This change was very fruitful for the company for several years. The company is also doing a research that aims to create passenger drones and to produce them for rich users.

B1.2 The Case and the Problem

From the beginning of the 21st century, the area of Wirnik S.A. operation became very competitive. As a result, stagnation can be observed in the company for several years. The company's management can't find a good solution to win with the competition. Each manager has his own vision of solving the problem and is unable to reach an agreement. If the financial situation of the company does not improve, it will be very likely that in a few years it will be taken over by the company from which it once disconnected. Introduction of passenger drones could significantly improve the position of the company on the market.

B2. Leader: personality, attitude, communication, etc.

Waław became interested in aviation at the age of three when he flew the plane for the first time. Initially, he only glued the models, but over time his passion began to be even greater. At the age of 15, he began to work for his uncle, who was then the president of a large company. He noticed that the planes he flew with his uncle and who were



supposed to be luxurious were not. Deepening this problem, he came across the company Wirnik S.A. and he immediately became fascinated by their products. He knew that in the future he wanted to rule this company. He obtained an engineering education at the Polytechnic, and then he began studying management, which he graduated at the university. Waław is a very communicative person and open to suggestions, but he is always undecided. He is, however, fully determined to get the company out of trouble.

B3. Content of explanation of the case

Waław knows that his life's defeat would be taking over Wirnik S.A. by the company from which it once disconnected. Unfortunately, the managers can not agree on which of the available methods will increase the company's profits and re-establish its importance on the market. Waław needs a mentor who will help him make this decision.

B3.1 How to apply the chosen method

To develop strategy of the company, mentor advised to use System Thinking method. The method should help to make a final go/no go decision related to business development. For airplanes production company it is a must to use system thinking steps as follows:

According to System Thinking - systemigram starts with:

Understanding System Structure:

- Recognizing Interconnections: to check and research connections between different departments of the company and check how introduction of passenger drones design and production can influence each of the departments.
- Identifying and Understanding Feedback: collect information from each department and try to understand how the change can influence the whole company.

These two steps described above should lead to improvement of the present performance of the company and it should also help to consider the planned changes.

Understanding Dynamic Behavior:

- Differentiating Types of Stocks, Flows and Variables: to identify resources needed, flow of resources and information between the departments and other performance indexes which will give the picture of the company activities before and after changes.
- Identifying and Understanding Non-Linear Relationships: try to identify client needs, type of goods and services which could be offered to the clients.



This to steps described above leads for incorporation of dynamic behavior of the company showing interdependencies between company resources and possibilities and client needs and request.

Reducing Complexity by Modeling Systems Conceptually:

Try to reduce complexity of the company performance that passengers drones designers production will not to worse departments activities.

Understanding Systems at Different Scales:

To build list of key performance indexes needed for measurement of company profit after changes.

B3.2 How to get acquainted with the leader and how to „manage“ him (communication, treatment, etc.) properly, in an effective way

Thanks to the help of a mentor, Waław chose the most appropriate method to improve the company's situation. The conflicting managers reached an agreement and jointly decided to continue investing in drones and expanding the existing offer with new models. Thanks to the help of the mentor, the company managed to improve its financial results and get ahead of the competition.



Short Case

Szypka Ltd. - Value creation model

1. Company and case

1.1 The Company

Szypka Ltd. was found in 1987 in Poznań. Their main activity is to deliver food across Warsaw. The company employs more than 500 persons in two branches: in west and east Warsaw. The management consist of 3 managers, 20 technicians and administrative staff and 540 couriers. They collect food from restaurants and deliver it to customers using old, former systems of phone connections. Large worldwide company enter at Warsaw market and Szypka Ltd. noticed decrees of their income.

1.2 The Case

Leaders of the company would like to use Whole Design System (WDS) to check if they are ready to stand up competitors. According to the method the following 17 principles have to be used. Mentor advised them to answer shortly the following question related to the WDS principles:

Principle 1. Define shared and aggressive goals - to be better than competitors, maybe buy their company in futures

Principle 2. Collaborate across disciplines - consideration of other goods and services delivery

Principle 3. Design nonlinearly - design services in not obvious way - use other means of transport for example bicycles, drons, etc. Develop internet system of ordering.

Principle 4. Reward desired outcomes - check other ways of payment (f.e. in Bitcoins)

Principle 5. Define the end-use - where Szypka Ltd. will finish after transformation

Principle 6: Seek systemic causes and ultimate purposes - what advantages and disadvantages of transformation could be listed

Principle 7. Optimize overtime and space - create schedules and budget

Principle 8. Establish baseline parametric values - ste KPI (Key Performance Indexes) for the measurement of the transformation



Principle 9. Establish the minimum energy or resource theoretically required, then identify and minimize constraints to achieving - set the list of needed resources for the transformation

Principle 10. Start with a clean sheet - think "if we are starting the operation from the scratch"

Principle 11. Use measured data and explicit analysis, not assumptions and rules - find actual, statistical data from the market

Principle 12. Start downstream - check carefully use of resources

Principle 13. Seek radical simplicity - try to make transformation as simple as possible, with use of f.e. lean construction to limit the management procedures

Principle 14. Tunnel through the cost barrier - check any financial limitations

Principle 15. Wring multiple benefits from single expenditures - check cost of each activity of the company and improve

Principle 16. Meet minimized peak demand; optimize over integrated demand - check the actual and future demand for your services

Principle 17. Include feedback in the design - try to collect as many opinions from customers as possible.

2. Leader

Managers of the company - three old persons Zbigniew, Lucjan and Kuba, with good knowledge about the market. They are colleague from the army. Zbigniew and Kuba are very consequent. Lucjan is creative, but selfish. All of them likes what they're doing and they would like to develop the company.

3. Questions

a) Discuss with the participants if you need to go through all the 17 steps of the method

b) Ask how mentor should treat with the leader styles



III. Understanding the ecosystem

Long Case

Fastauto ecosystem

C1. Strategic planning for Mature Enterprise

C1.1 Introduction

Fastauto Ltd. was founded in 1953 by Euzebiusz Jemioła. Initially, the company dealt with car repairs, but after a few years it turned into a company that improves cars for customers. Every customer who is not satisfied with his vehicle can adjust it for his requirements. The company has been converting cars for well-known people, which is why it is very popular in this industry. The services offered by Fastauto Ltd. are at the highest level, which is why the company has great confidence among customers. Initially, the company had two workshops: in Warsaw and Krakow. At the end of 2000, the third workshop in Poznań was opened. The company currently employs 80 mechanics and 30 administrative employees.

C1.2 The Case and the Problem

Good financial results and popularity of the company prompted Euzebiusz to decide on the company's development. Its main idea is to extend the company's offer with buses and coaches. The clients of Fastauto Ltd. are not only Poles, but also people from other countries, which is why Eusebiusz would like to open a workshops in other European countries. The management of the company very much likes the plans of Eusebiusz, but they are sceptical if it will be possible to simultaneously enlarge the offer and open new workshops abroad.

C2. Leader: personality, attitude, communication, etc.

Eusebiusz had been in contact with the motor industry since childhood, because his father was a mechanic and had his own workshop. Every summer, Eusebiusz helped his father at work, thus gaining experience in the profession. At the schooling stage, Eusebiusz decided to go to a technical car mechanic high school. After graduating, he started working in his father's workshop, but from the beginning he did not give him satisfaction. At work, he often heard from customers that they are not satisfied with the cars they



bought and that something is missing from them. The crucial moment was the decision of Eusebiusz to try to improve the car for his friend. He liked the effect very much and recommended Eusebiusz to a friends. Soon after that it turned out that there are many people who are willing to change their cars. So Eusebius opened the Fastauto company. Over the years, he employed more and more employees and developed the company until it gained today's power. Eusebiusz is a determined and meticulous person who values personal contact with clients and subcontractors. Throughout the years of Fastauto's activity, he has completed many trainings and courses in company management, but his main specialty is technical aspects, which is why he trusts his advisers very much.

C3. Content of explanation of the case

The constant development of the company is the most important goal for Eusebius. He has a vision for development, but his trusted advisors are not convinced of such bold actions. They need a method that will show them the chances of success for Eusebiusz's plans. Eusebiusz needs a mentor who will show him the best method, thanks to which he will persuade the advisers.

C3.1 How to apply the chosen method

Eusebiusz ask the mentor for help and the mentor advised use of Value Chain Analysis Method. The procedure of VCA implementation in Fastauto could be presented as follow:

1. "One Fastauto" strategy
2. "Less is more" new approach
3. Creating a new corporate culture
4. Internationalization the Fastauto brand

In details the procedure should be as follows:

1. "One Fastauto" approach:

- Create one team which will be working on present and future activities together:
 - People working as a global enterprise for cars improvement leadership
 - Identity measured by customer, employee, dealer, investor, supplier, council and community satisfaction
- One goal: Fastauto delivering profitable growth
- One plan:
 - Aggressively restructure to operate profitably at the current demand and changing model by introduction buses and coaches improvement and going international



- Finance plan and improve balance sheet for the new operations to be implemented

2. *"Less is more" new approach:*

- The "bigger is better" worldview will defined Fastauto for next decades
- Replaced with a new approach:
 - Cut costs of present operations and calculate carefully all resources for the new strategy
 - Transform the way it did business than to measure market share

3. *A New Corporate Culture:*

- Structural and procedural changes:
 - Executives should meet all together every week
 - All workers should really committed to the changes
 - Team working

4. *Internationalization the Fastauto brand:*

- Internationalization the Fastauto brand:
 - All Fastauto services will be available in all EU countries in the next five years
 - Deliver more services in EU
 - Reduction of costs in the manufacturing processes

C3.2 How to get acquainted with the leader and how to „manage“ him (communication, treatment, etc.) properly, in an effective way.

The mentor can support the mentee by helping Euzebiusz in: understanding the Value Chain Analysis method, preparing the VCA for Fastauto Ltd. and elaborating the good speech and presentation of Euzebiusz's ideas. Conclusion: thanks to the help of a mentor, Euzebiusz can try to convince advisors to his plans for the future. According to VCA method Fastauto brand will expand to European countries with new, wider offer - improvement of vehicles, buses and coaches on international market with full commitment from the company workers.



Short Case

Delivery FFF - understanding the ecosystem

1. Company and case

1.1 The Company

Delivery FFF Ltd. was established in 2004 in a small town in South-West Poland by Emanuel Kopf. The company was supported by local business star – Joachim Kwak. Kwak had his own company – “Ubrania z daleka” (pol. clothing from afar) – which was producing and selling clothing ordered by inquiries sent by mail.

Frustrated by the incompetence of Poland’s national postal service - Polish Post – Joachim encouraged and supported financially his friend – Emanuel. At first Delivery FFF’s only client was Ubrania z daleka. In 5 years Emanuel’s company expanded, having 20 contracted clients and delivering over 1 million packages. Grateful Mr Kopf repaid his friend adding some extra interest.

1.2 The Case

Starting from 2011, Delivery FFF begun to serve individual customers. It was a dream project of Mr Kopf. Although this branch of the company did not make any profit yet, Emanuel believes that it is his mission to provide people with the best possible delivery services. He is an open person and a philanthropist. His managerial approach could be compared to the behaviour of the head of the family. He often supports his workers in bad financial situations. He is a very busy man and does not have time for all the activities he is planning for himself.

The main income of the company comes from serving regular clients (mostly SMEs and some large internet shops). Nowadays Delivery FFF Ltd. delivers at least 5 million packages per year.

Last years changed the industry. Poland’s national postal service Polish Post has lost a key court battle against a private sector competitor it claimed was delivering mail in violation of the country’s monopoly protections. Although Poland did not fully open up its postal market to competition from the private sector, situation started to change from 2013, thanks to EU postal legislation. Additionally, due to mobile revolution people are ordering more and more packages. Polish postal market is rapidly increasing – even 15-20% per year.



2. Leader

Emanuel believes that changing market conditions can enable growth of individual customers' branch of Delivery FFF Ltd. He is also sure that he will not be able to make sufficient changes by himself. In order to be able to expand, understand the ecosystem, and be competitive on the developing market, Mr Kopf decided to involve an experienced mentor for receiving help and support.

3. Questions

1. Choose which methods might be appropriate to describe the current situation and provide an analysis of the existing ecosystem!
2. As a mentor what would you suggest to the owners?
3. How would you address Mr Kopf's philanthropist attitude (which can be hurtful for the finances of the company in the future)?



IV. Futures

Long Case

Future of Consulting S.A.

D1. Future of Mature Enterprise

D1.1 Introduction

Consulting S.A. was founded in 1989 in Warsaw by Jaromir Gałązka. Initially, the company consisted only of Jaromir, his best friend Brzęczysław and Jaromir son's Hipolit. The company offers financial advisory services. The target group of clients that Jaromir wanted to advise were large companies. For the first four years of operation, Consulting S.A. it was not a major success. Small companies that did not have the opportunity to advertise Consulting S.A. larger companies, reached for its services. The situation changed when the position of the president of the company was taken over by Brzęczysław. He then employed two well-known consultants: Samson and Pierre. As a result, the interest of Consulting S.A. among large companies increased. Over the next years of operation, the company under the leadership of Brzęczysław, employed more and more well-known consultants, thanks to which it got into the international market. Currently, the company is managed by the son of the company's founder - Hipolit. His deputies, advisors and closest friends are Samson and Pierre.

D1.2 The Case and the Problem

Nowadays, the competition in consulting market is very competitive. Recently, Consulting S.A. lost a team of three important consultants who have gone to a competitive company. In order not to limit ourselves to one area, Hipolit wants to expand the company's activity to audit, legal and tax advice. Samson very much liked the idea of Hipolit, he suggested similar changes just a few years ago, but in that time Hipolit rejected his ideas. Pierre does not agree with both friends. In his opinion, it will be a huge mistake to distribute the company's operations to other areas, because it would waste thirty years of efforts to make the company known in the area of consulting. According to Pierre, the company should employ more good consultants and develop in the area of consulting. Hipolit and Samson respect Pierre highly, and therefore they do not take any action without his consent.



D2. Leader: personality, attitude, communication, etc.

Hipolit as the son of the company's founder - Jaromir feels great pressure to make the company one of the largest and the most recognizable. In childhood, Hipolit wanted to become a theater actor, but with age he realized that his real vocation is consulting. After graduating, he immediately started working in newly father's company - Consulting S.A. When his father stopped being president, Hipolit thought about leaving the company, but when he met Samson and Pierre he changed his mind. Gentlemen, they liked each other at first sight. Over the years, their friendship flourished and when Hipolit became president of Consulting S.A. he appointed Samson and Pierre as his deputies and promised them that without their unanimous decision he would not take any action in the company. All gentlemen are very fierce, unyielding, confident and convinced of their infallibility in assessing the situation.

D3. Content of explanation of the case

Both Hipolit, Samson and Pierre are aware that the lack of action will threaten the position of Consulting S.A. on the market in a short time. Hipolit and Samson are not able to convince Pierre of the need to expand the company's operation area. They all need a mentor, who will help him in made a decision.

D3.1 How to apply the chosen method

Mentor advised Hipolit, Samson and Pierre to use Future Search method to find the best future options for consulting S.A. and to choose if addition of legal, audit and tax services will be profitable. The method foreseen the following stages:

Stage 1. Establish ground rules – this stage should concentrate on: setting confidentiality rules; who will provide information and when; preparation of a schedule for development of three new areas of operations.

Stage 2. Review the past from several different perspectives – this stage should create the clear company history picture and to show what are advantages and disadvantages from the history lesson, taking under consideration personal experience of the people involved.

Stage 3. Map the present – this stage should create the clear company picture at present to show what are the stakeholders expectation towards company development.



Stage 4. Create a range of future scenarios – prepare description of development possibilities in the three new directions: audit, legal and tax advisory, from financial, marketing, personal point of view.

Stage 5. Identify the common ground from the future scenarios – at this stage Pierre should be ready to provide information why he opponent the idea of introduction of three new areas of activities, Hipolit and Samson should give evidences to proof that their idea is good for the company. Stage should finish with common agreement.

Stage 6. Develop action plans – when three managers agree the way of company development, and decide what is possible in this time and place, the action plan should be developed. Action Plan should cover all the new areas of operations, including: prefeasibility, feasibility studies for the expanded business, marketing of new areas of operations, financial plans, schedules, new employment possibilities, recognition of financing possibilities, etc.

D3.2 How to get acquainted with the leader and how to „manage“ him (communication, treatment, etc.) properly, in an effective way

Thanks to the mentor help Hipolit and Samson convinced Pierre to their vision of company development. The method helps them to identify the common ground from the future scenarios. In the short time Consulting S.A. was able to introduce the new three areas of operation.



Short Case

New possibilities for 3Dsoft3D

1. Company and case

1.1 The Company

The 3Dsoft3D Ltd. is a Polish 3D graphics company based in Warsaw, founded in May 1994 by Adam Kaminski and Marc Smith (expat from United States of America). Both men met in after Poland's transition to a primarily market-based economy in the early 90s and founded their own company in the second quarter of 1994. With only \$3,000, they used a friend's flat as a rent-free office.

3Dsoft3D first contracts were associated with design of game graphics. As the company continued to grow it included in its portfolio advertisements and short animations.

By the beginning of the 21st century 3Dsoft3D was leading Polish company hired by advertisements industry. The 3D animations appealed to the tastes of advertising spots recipients during this period.

The company was gradually growing and its position allowed to stabilize on the market. Procedures were developed for automated decision making. The management and organization methods of the company shaped in that period (and are still used today). The enterprise "matured". The net income of 3Dsoft3D reached its heights in 2011 with astounding 50 milion EUR.

1.2 The Case

As of the beginning of 2015, the potential of the company in terms of annual average turnover started to decrease. The probable two main reasons for that (identified by the owners) are:

- rapid growth of VR (virtual reality) and AR (augmented reality) use in 3D graphics,
- fierce competition on the 3D graphics market.

In order to overcome these challenges, the management decided to broaden its offer with the new VR and AR applications and solutions.



2. Leader

Kaminski and Smith do not have much knowledge on these new technologies. They simply did not have to learn it, because so far the business was going good. Adam Kaminski is a boss who rewards loyalty of employees, his approach to business can be sometimes conservative. Marc Smith on the other hand would like to try new things with the company, but sometimes he tends to trust people too much and might be prone to commit quickly without sufficient analysis.

In order to introduce the new services and the related business strategy, the management decided to involve a business mentor.

3. Questions

1. Select few methods which you think are appropriate to determine the possible future scenarios!
2. As a mentor what would you suggest to the owners?
3. How would you approach discussion with two equal but different bosses?