

# Green Business Plan

## Training of Trainers Part 1

### Session

UN Environment<sup>1</sup> MAP SCP/RAC



# 1. Introduction to the Green Business Plan Methodology and the ToT

# Expected Results



- GBP Methodology has been transferred to the Local Trainers (LTs) of the BSOs members of the Switchers National Partnership:
  - Conceptual contents
  - Online tool
- Trainers are able to replicate the training and to mentor entrepreneurs to move from a Sustainable Business Model to a complete Business Plan
- Trainers are able to transfer the GBP Methodology to other members of their BSOs and the national ecosystem



# Added Value



## Eco-innovation

- A unique and innovative methodology which integrates sustainability into business plan development.

## Interactive Online Platform

- The Online Platform not only offers Tools such as the GBP Tool, but also an interactive interface which will allow LTs to:
  - ✓ Plan and schedule trainings, create classes
  - ✓ Contact with entrepreneurs, a class, BSOs...
  - ✓ Check progress of my activities (trainings, incubation...)
  - ✓ Review and comment the content of the GBPs developed by the entrepreneurs.



# Agenda ToT



Agenda	Step	Contents
Day 1	STEP 1	The Green Business Canvas Review
	STEP 2	The Green Business Plan
Day 2	STEP 3	The GBP Financial and Legal Structure
Day 3	STEP 4	Planning, Design and Measuring Impacts
+ Questions and Answers / Experience-sharing		
+ In-class Exercises		

# Agenda Day 1



Time	Duration	Topic
15:30-16:15	45'	1. Introduction to the GBP Methodology and ToT <ul style="list-style-type: none"> <li>• <i>Goals and Objectives of the GBP Methodology Agenda</i></li> <li>• <i>GBP Methodology Contents</i></li> <li>• <i>The GBP Support Scheme</i></li> <li>• <i>The GBP web-tool</i></li> </ul>
16:15-16:45	30'	2. STEP 1 – The Green Business Model Review <ul style="list-style-type: none"> <li>• <i>The Green Business Canvas Validation</i></li> </ul>
16:45-17:00	15'	Exercise 1: Hypothesis Review
17:00-17:10	10'	Questions and Answers / Experience-sharing
17:10-17:20	10'	Session Break
17:20-17:50	30'	3. STEP 2 – Drafting the Green Business Plan: <ul style="list-style-type: none"> <li>• Introduction to the main structure of the GBP</li> <li>• The Operational Plan</li> </ul>
17:50-18:30	40'	Exercise 2: Case Study, Reviewing the Operational Plan
18:30-18:45	15'	Questions and Answers / Experience-sharing

# The Green Business Plan Methodology - Objectives



1. Completing a solid and winning Green Business Plan
2. Establishing the Legal Status of Company
3. Being ready to place the product/service
4. Design and measure your impacts



#STANDUp

# Training Materials



- Online Platform: Toolbox
- Agenda
- PP Presentations
- In-class exercises and case study



TOOLBOX



#STANDUp



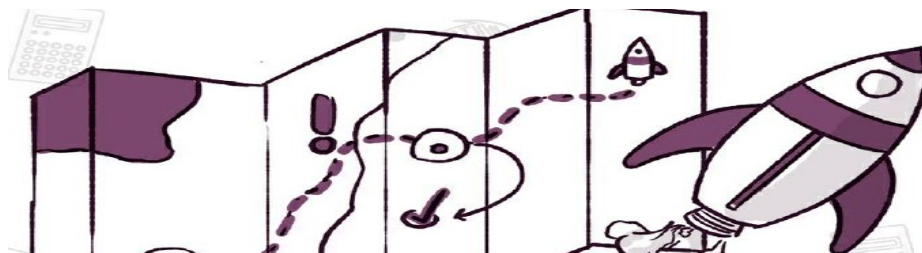
# GBP Definition



A business plan is a narrative document, typically 15-50 pages long (up to 150 with annexes), accompanied by various financial forecasts. The narrative portion of the plan describes your business, the product or service you intend to offer, relevant market information, and your operational strategies.

It should take at least 2-3 weeks to write the first draft of your plan and to incorporate feedback from partners, advisors and potential investors.

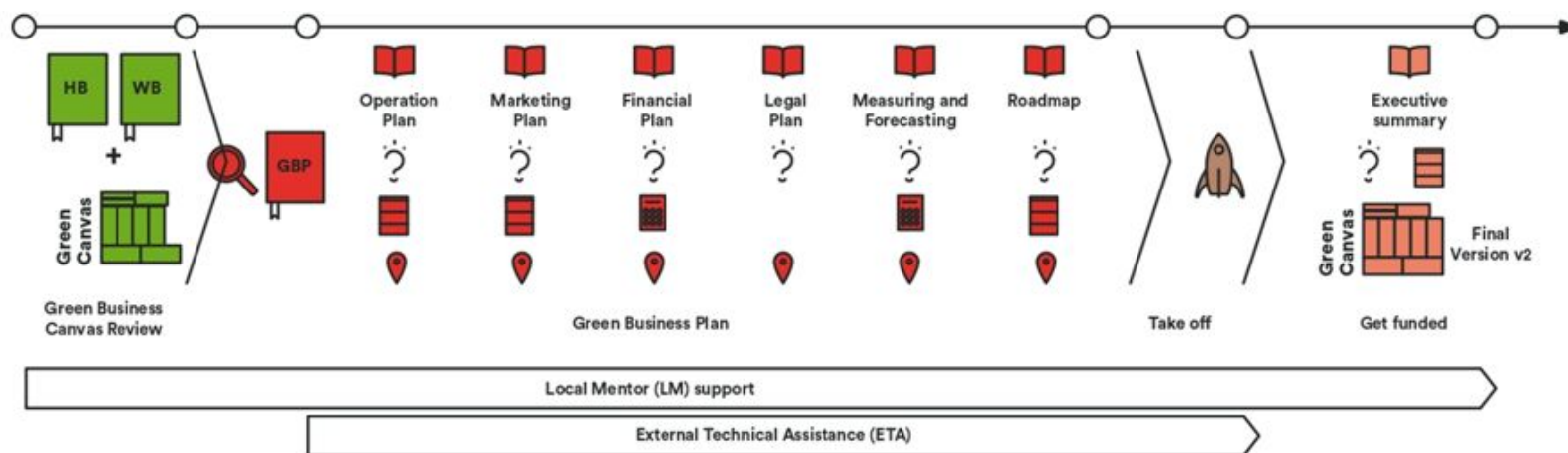
**A green business plan must also account for the environmental and social impacts of the proposal.** This is called a **triple-bottom-line** approach: measuring success according to the impacts on people, the impacts on the planet and the generation of profit.



#STANDUp

# GBP Support Scheme

This general overview helps scheduling the process and linked products.



Overview of The Green Business Plan

# GBP Support Scheme



GBP development tools are coupled with an active mentoring activity. Our methodology presents an ad-hoc framework based on the final operational GBP's objectives.

Stage	Week																										
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1) The Green Business Canvas Review																											
A) Identification of External Needs																											
2) The Green Business Plan																											
3) The Business Take Off																											
4) Get Funded																											

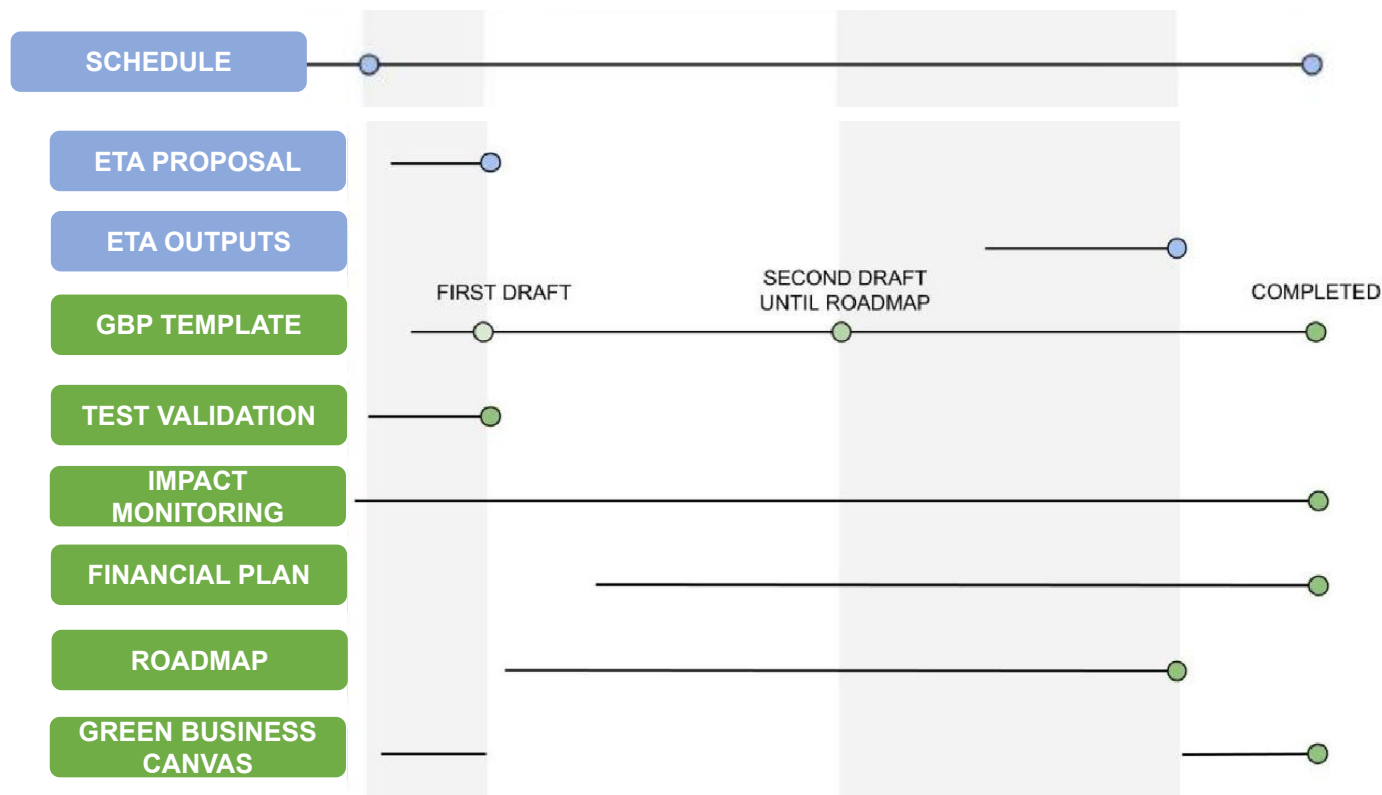
External Technical Assistance



#STANDUp

# GBP Support Scheme



The 27-week mentoring program is scheduled on the basis of pre-defined deliverables.



# GBP Web-Tool



The Switchers.org platform developed an ad-hoc GBP web-tool allowing interaction between mentors and green entrepreneurs.



English ▾

Hello, emprededor.acdr ▾

### 2.1.1 - Management & Problem Solving Activities

Management is the function that coordinates the efforts of people to accomplish goals and objectives by using available resources efficiently and effectively. Management includes planning, organising, staffing, leading or directing, and controlling an organisation to accomplish the goal or target.

Problem solving is a compound of approaches that help to organise and prioritise the way you deal with internal challenges.

Read Before

Achievement

Guiding Questions

Road Map

Please describe your management and problem solving activities.

Roadmap

Previous

Save

Next

# GBP Web-Tool



The Web-Tool is the backbone of the Support Management System through which Mentors design and monitor the GBP development process. The Web-Tool reflects the process and outline underlying the Green Business Plan, leading the green entrepreneurs to achieve the established GBP's objectives.

Switchers

Dashboard

My tools

My Calendar

My Contacts

Call for applications

English

Hello, emprendedor...acdr

Measuring & Looking forward

Executive Summary

Reviewing your Green Business Model

Operation and Management Plan

Marketing Plan

Financial Plan

Legal Management Plan

### 2.2.2 - Market Analysis and Competitors

Once you have deeply linked your main customer segment to the value proposition that you designed for him/her, time has come for bench-marking what is out there and be sure that your solution is better (or at least different) than others. You have already been reflecting on this but it is of great importance to be able to explain what makes you different from existing alternatives.

Please describe your market analysis and competitors.

Please describe your market analysis and competitors.

Hey! You can customize this table adding other parameters!

Competitor name	What are their main strengths?	What are their main weaknesses?	Other observations?
<div>Edit me!</div>	<div>Edit me!</div>	<div>Edit me!</div>	<div>Edit me!</div>

Add Competitor

Add Parameter

Roadmap

Previous

Save

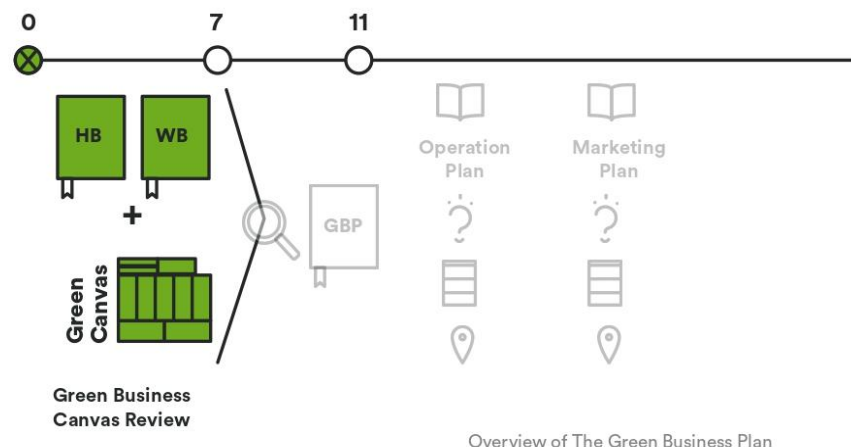
Next

# 2. STEP 1 – The Green Business Model Review

# STEP 1: Reviewing the Green Business Model

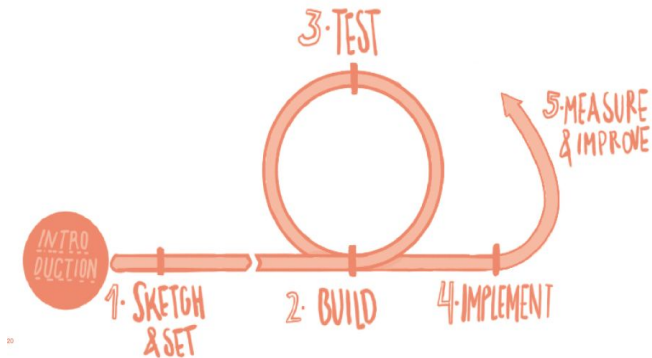
Two different modalities offered:

1. Holders of a Green Business Model (Switchers Alumni) automatically retrieve their information and perform further testing process.
2. New early-stage entrepreneurs can:
  1. Skip this part, or
  2. Go through the GBM and draft their canvas to assess hypothesis












# Reviewing the Green Business Model – Brief Recap




## GREEN BUSINESS CANVAS

Mission Vision		OBJECTIVES		NAME _____ DATE _____ ITERATION# _____	
KEY STAKEHOLDERS 	KEY ACTIVITIES & RESOURCES 	VALUE PROPOSITION 	CUSTOMER SEGMENTS & CHANNELS 	CUSTOMER SEGMENTS 	
COST STRUCTURE 			REVENUE STREAMS 		

Each key business model question (WHY, WHAT, WHO, HOW) needs to be tested and validated in the real world to increase products and services market readiness, assessing social, environmental and economic viability and impacts.

# Reviewing the Green Business Model – Retrieving Information

**Outline of the business idea** 

**GREEN BUSINESS CANVAS**


Code	Name
	Company

Mission	Vision	Objectives
A	B	C

Template based on the methodology developed within the SwitchMed Programme, inspired by the business model canvas developed by Osterwalder and Pigneur

In the selection phase you have described 4 other cells. Do you remember them? Well they are going to be useful during all the process, mostly in the resuming stage, when you will be asked to sum-up all the information for the Executive Summary.

13

**Outline of the business idea** 


**GREEN BUSINESS CANVAS**

KEY STRATEGIC RESOURCES	ACTIVITIES	VALUE PROPOSITION	RELATIONSHIPS AND CHANNELS	CUSTOMER SEGMENTS
D	E	F	G	H
COST STRUCTURE		REVENUE STREAMS		
I		J		

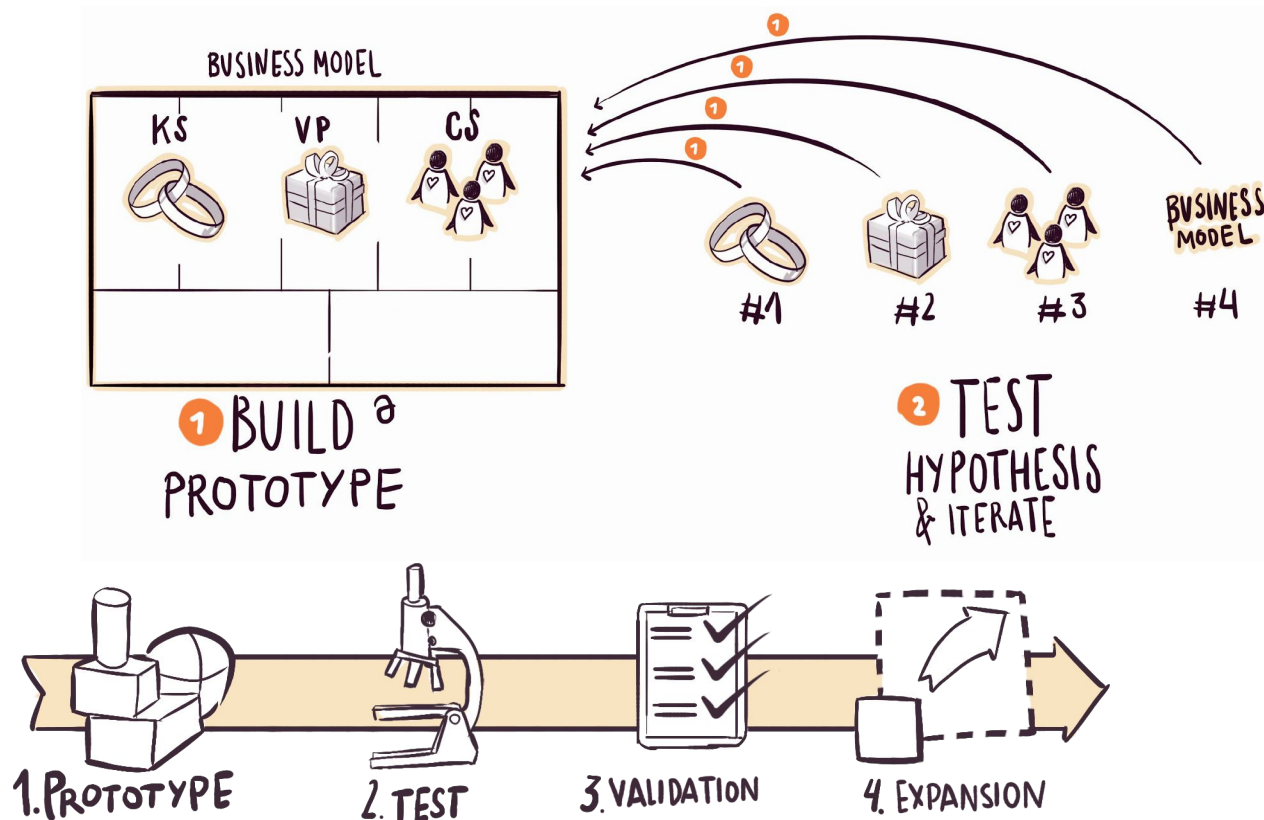
**The added value of the project** 

ENVIRONMENT	SOCIETY
K	L
ECONOMY	INNOVATION
M	N

Video patch: SwitchMed SWITCHMED2020

 SwitchMed Programme is funded by the European Union
 

 Regional Activity Centre for Sustainable Consumption and Production

# Reviewing the Green Business Model – Validation Process




# Reviewing the Green Business Model – Web-tool



General   Objectives   Key Stakeholders   Customers   Value Proposition   Customer Channels   Key Activities & Resources   Cost Structure   Revenues

Read Before   Review   Validate

GBC Section	Hypothesis	Questions	Outcomes and Learning	Validated
 Assign ▼				<input type="checkbox"/>

Add

Import From GBC   Roadmap   Save   Next

# Reviewing the Green Business Model – Objectives



The objectives, mission and vision define the purpose of the business project. So far, you have identified internal and external challenges that pushed you to undertake this entrepreneurial endeavour. Remembering “why you started this” is crucial. A way to describe these reasons is by setting objectives, which may be useful to track and measure how well and to what extent you are achieving your goals. With this aim, you need indicators and metrics.

## Guiding Questions



1. Objectives are quantified, measurable and achievable (provide figures, reports and test results that confirm this)?
2. Objective indicators have been defined and ready to be measured and reported?
3. Mission and vision are meaningful and inspiring for the team, customers and stakeholders?
4. Objectives are responding to an environmental challenge? Provide an in-depth description of the relation between the problem and the solution you aim to provide?



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# Reviewing the Green Business Model – Key Stakeholders



Stakeholders are all the agents or groups related to the project, either because they are influenced/affected by its objectives or, on the other hand, they exert an influence/effect on them, or both. It is through their engagement in the project that all these players are able to create and receive value (environmental and social), in a fair and optimal way (balanced 'give & get' exchanges).

## Guiding Questions



1. Relationship with the most important of them is settled or truly achievable in the short-term?
2. Stakeholder ecosystem is inclusive and no actor is really missing in the model you designed?
3. Stakeholder ecosystem is inclusive and no actor is missing in the model you designed?





# Reviewing the Green Business Model – Customers



Customers are a special stakeholder in the sense that the financial health of the project relies on their engagement, and so they deserve special attention.

A customer (sometimes known as a consumer, user, client, buyer, or purchaser) is the recipient of a good or a service, or a product, or an idea, obtained from a seller, vendor, or supplier via a financial transaction or exchange for money or some other valuable consideration.

## Guiding Questions



1. Does the niche market you have chosen positively respond to your offer? Are you selling to the targeted customers?
2. Is niche market big enough to maintain your business in the long term? Are there enough customers willing to pay for your product and/or service?
3. Will your customers buy from you because your proposition is somehow different for them?



# Reviewing the Green Business Model – Value Proposition



Your value proposition has to contain value for the environment, stakeholders and customers. In other words, it has to ‘transport’ and embody the environmental and social value we create, while engaging stakeholders, therefore performing a service and/or providing a product for customers, and fulfilling needs that have not yet been met by the market. The most logical way of achieving this is by actually involving customers and stakeholders in the process of designing and delivering the value proposition (co-creation).

## Guiding Questions



1. Value proposition is clear and focused on the right customer segment?
2. Value proposition does really provided an unique and added value to the market?
3. Customers are already buying or waiting to purchase what your are offering?





# Reviewing the Green Business Model – Customers Relationship & Channels



This includes different ways of interacting with customers in order to engage them and make them feel part of our business, while you deliver them the Value Proposition.

The quality and level of detail given to this relationship deeply influences the customer experience as well as brand perception. Nurturing and tracking each touch-point your customer experiences is key to acquiring brand loyalty and engaging new clients. Channels include all means of communication and distribution to reach customers and deliver a value proposition to them.

## Guiding Questions



1. Channels are properly defined and opened to reach your customer in the most effective way?
2. Customer relationship type you chose for the different segments is working and your brand is positively affected by that?
3. Communication & Sales strategy is solid and proven?



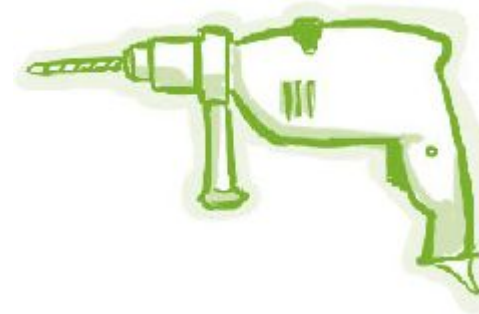
# Reviewing the Green Business Model – Key Activities & Resources

Key activities (KAs) and key resources (KRs) are all the tasks and resources you need in order to generate, innovate and manage the value you are creating and delivering to customers, other stakeholders and the environment.

## Guiding Questions



1. Key resources are all under your control and you can rely on trustful partnerships?
2. Key activities are clear and you have prioritised them for the business take-off stage?
3. Product and service offer has been designed and it is delivered considering Ecodesign criteria?



# Exercise



## GREEN BUSINESS PLAN

Omar al Sheik

**E-WASTLING**

E-Waste Repairing & Recycling: give them a new life, save money!

Ibrahim Al Hajj Hasan St.  
Amman, Jordan, ZIP Code  
omar@e-wastling.com



**Let's start to practice on the provided case.**

In this first exercise you are asked to read the GBM introduction and share your thought about the critical hypothesis (using pink post-its).

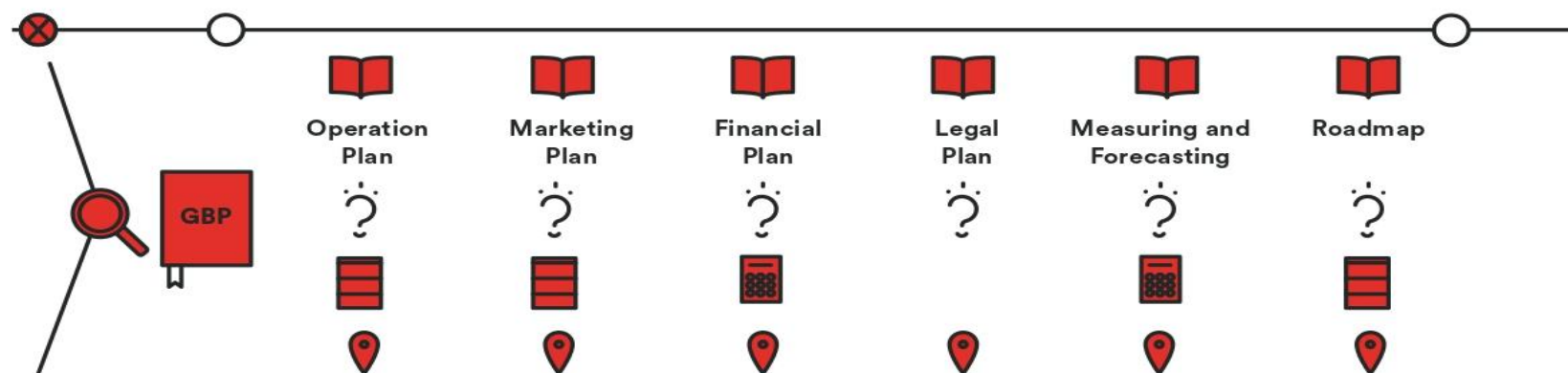
To do so, you are invited to join the conversation in MIRO through the provided link.



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# 3. STEP 2 – Drafting the Green Business Plan

# STEP 2: Drafting the Business Plan

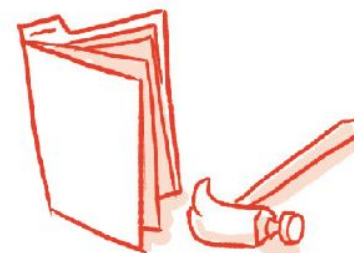


# The Operational Plan

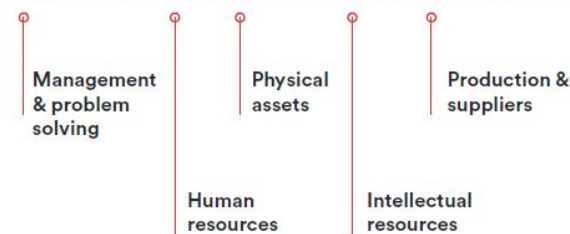
This section is an overview of how your business will operate. Depending on what type of business you intend to start, your operational plan will include an overview of how you will manufacture your goods, sell your products, deliver services to your customers, and/or manage your staff to achieve your company's triple-bottom-line objectives.

**Triple-bottom-line?** In traditional business accounting and common usage, the "bottom line" refers to either the "profit" or "loss", which is usually recorded at the very bottom line on a statement of revenue and expenses. Triple bottom line is an accounting framework with three parts: social, environmental (or ecological) and financial.

Being a green, sustainable, and socially fair business goes far beyond simply offering a green product or service. As a truly green business, it is imperative that you develop internal operating principles that support your environmental and social initiatives.



## Operation and Management Plan



Key features of the Operation & Management plan



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# Management & Problem Solving Activities

Management is the function that coordinates the efforts of people to accomplish goals and objectives by using available resources efficiently and effectively. Management includes planning, organising, staffing, leading or directing, and controlling an organisation to accomplish the goal or target.

**Problem solving** is a compound of approaches that help to organise and prioritise the way you deal with internal challenges.



	<ol style="list-style-type: none"> <li>1. Description of the management strategy</li> <li>2. Some management protocols (some sort of rules of the “house”)</li> <li>3. List of problem-solving activities and tasks</li> <li>4. Organisation of the internal and external policies such as CSR</li> <li>5. Certifications and other useful protocols</li> </ol>
	<ol style="list-style-type: none"> <li>1. How have you organized to manage your business? Who is leading and how?</li> <li>2. Are you able to manage problems and provide with new solutions? How?</li> <li>3. What are the main activities you will be doing first?</li> </ol>
	<p><u>General strategy</u> Business Management</p> <p><u>Managing your daily operations</u> Office material</p> <p><u>Business operations and infrastructure</u> Green Procurement</p> <p><u>Social aspects</u></p>
	<p>Type of actions for the roadmap (just few examples.):</p> <ol style="list-style-type: none"> <li>1. Edit a policy and make it public.</li> <li>2. Execution of the management strategy with related tasks.</li> <li>3. Gathering a council for the management board to decide important aspects of the business launching.</li> <li>4. Inform stakeholders and management board, and work with them in a specific issue.</li> </ol>



# Human Resources



It is often stated that investors invest in “people, not ideas,” which means that your business plan must communicate why you are the right person to launch and manage this green business.

Detail any personal or professional experience related to the business topic. Describe any life experiences that have given you a special, firsthand insight into the impacts of—and solutions to—environmental degradation and social inequality. You should also introduce readers to the other important members of your team. Be sure to highlight any relevant green or environmental experience they may have.

If you have assembled a well-rounded and competent team, this will reflect well on you and improve your chances of attracting investment.

1. Description of the team structure with personal motivations and backgrounds
2. List of team members with professional resume and profile picture
3. Charts with roles and member’s main functions

1. Who are the members of the management Team? Identify each member of the management team, and highlight his or her key responsibilities and relevant experience.
2. Do you rely on experienced advisors? Describe any additional support you will receive from an advisory board, consultants, or your board of directors. Be sure to list their names, titles and affiliations.
3. Who is your team and why they are going to lead the project to the success? Describe functions, hierarchy, their background and relative experience.
4. Do you rely on external human resources? What is the nature of your relationship? Could they be considered mere resources (some sort of commodities, easy to replace) or strategic assets, very critical for the value proposition?

## Managing talent and human capital

Labor Conditions & Policies

## Managing decentralized and digital talent

Remote working strategies (incl.conference calls)

Type of actions for the roadmap (just few examples.):

1. Create a vacancy, publish it in the internet, manage the selection phase and hire a new member of the team.
2. Arrange and sign a partner/shareholder agreement.
3. Salary and other personnel agreements negotiations.
4. Social insurance and other legal requirements related with personnel job.



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# Physical Assets



A physical asset is an item of economic, commercial or exchange value that has a tangible or material existence.

For most businesses, physical assets usually refer to cash, equipment, inventory and properties owned by the business.

1. Description of physical necessary capital (list of assets)
2. Description of the assets and their contribution to the business
3. Blueprints, layouts, features of the facilities, venues, offices and infrastructure
4. Geographical information, location, access, distances from strategical points such as ports, airports, main cities, highways etc.
5. Other important information about your critical assets

1. What physical assets will you, absolutely, need to start and operate your business? Describe all of them and why you need them.
2. Do you need to own them, or can you just find other ways to access to them without purchasing them? Explain that!
3. Where are located and do they work your facilities? Which offices, vehicles, storehouses, shops, etc are you going to choose, use and manage?
4. Did you select them choosing the most eco-friendly options of the market? Describe their features.

Highlight the Green and Social value you aim to create with your business, by describing all the features and strategies you applied or intend to include in the development of your GBP. Here are some questions and hints about your infrastructure:

## Infrastructure: offices, workshops, shops...

Energy Management  
Water Management

Type of actions for the roadmap (just few examples.):

1. Locate, acquire and “start” the facilities / infrastructure you need.
2. Refurbish / setup the assets the way you need them to operate.
3. Get all the machinery / devices / etc you need in order to start producing, storing and selling your products and services.
4. Get access to the assets in case you do not own them by agreement with suppliers.
5. Negotiations and agreements signature.

# Intellectual Resources

An intellectual resource is an investment in brands, design, technology or creative works. The laws that protect the value of such assets are known collectively as intellectual property.

Examples of them are patents, domains, brands, software, publications, articles, new technologies, know-how and so on.



1. Description of the most important Intellectual assets you will use to launch and run your business
2. List of certificates, registrations and other legal ownerships you might use
3. Information depository

1. Does your business rely on any intellectual resource? Do you own them or are licensing them?
2. Is your business model completely depending on these resources?
3. Could explain how are you dealing with this issue and what do you plan to manage it?
4. Will you use any copyleft licence for your products or services? How will you do it?
5. Do you rely on external human resources? What is the nature of your relationship? Could they be considered mere resources (some sort of commodities, easy to replace) or strategic assets, very critical for the value proposition?

- Type of actions for the roadmap (just few examples..):
1. Intellectual assets list creation and ownership management.
  2. Domain, brand (logos for instance), patents (etc) registration.
  3. Creation of an internal file depository for collection all the intellectual content you might have or generate.
  4. Setup a technological infrastructure to secure the information (see also Physical Assets section).

# Production and Suppliers

The challenge for a Green Business is maximising value for customers, stakeholders, and natural ecosystems, while minimising economic, social and environmental costs. To do so production and supply chain management need to be focused on the business life cycle to spot critical points and promote innovative ways of doing business through a product and service offer. One of the best ways to include this perspective is to eco-designing your product or service.

Creating a green and socially fair supply chain is a critical element for ensuring that you adhere to triple-bottom-line principles in your business operations.



- |    |   |
|----|---|
| 1. | Description of the entire supply chain with explanation of the production means and techniques  |
| 2. | Drawings and flowcharts   |
| 3. | Highlights about some important aspect of the production and supply chain   |
| 1. | Are products or services in development or existing (and on the market)?  |
| 2. | What is the timeline for bringing new products and services to market?  |
| 3. | What makes your products or services different? Are there competitive advantages compared with offerings from other competitors? Are there competitive disadvantages you will need to overcome? (And if so, how?)   |
| 4. | Is price an issue? Will your operating costs be low enough to allow a reasonable profit margin?   |
| 5. | How will you acquire your products? Are you the manufacturer? Do you assemble products using components provided by others? Do you purchase products from suppliers or wholesalers? If your business takes off, is a steady supply of products available? |
| 6. | How is your production able to minimize carbon emissions and other types of pollution? Can you lobby your supply chain to make them more responsible? Will you do it?   |
|    | <u>Production (extraction of raw materials and processing)</u>  |
|    | <u>Supply chain &amp; distribution</u>  |
|    | <u>Production (manufacturing and assembly)</u>  |
|    | Type of actions for the roadmap (just few examples.):   |
| 1. | Acquire or produce a minimum amount of unit to be put into the market and see the reaction.   |
| 2. | Test and validate the quality of the products coming from own facilities or external suppliers.   |
| 3. | Evaluate the readiness of the products and service from user perspective  |
| 4. | Research for new materials, techniques and methods to improve productivity, reducing costs or enabling product / service innovation.  |
| 5. | Identify the best suppliers, contact them and get to an agreement. Involve them in your business (from suppliers to partners).  |
| 6. | Other.. (specify it!).  |

# Production and Suppliers



Some examples of sustainable procurement criteria are:

- Choose local suppliers when possible.
- Choose suppliers who have clear and transparent sustainability initiatives to reduce waste, conserve natural resources and minimize greenhouse gas emissions.
- Choose suppliers who offer organic and fair-trade certified products wherever possible.
- Choose suppliers who offer environmentally sound products (e.g., a printer which uses 100% post-consumer paper products to print your marketing supports)

# Production and Suppliers



Highlight the Green and Social value you aim to create with your business, by describing all the features and strategies you applied or intend to include in the development of your GBP. Here are some questions and hints about the life cycle of your product/s:

## Production (extraction of raw materials and processing).

### **Type and number of materials for the product**

- How many types (and quantity) of different materials and resources are used in the production of your product / service offer?
  - Remark how you have been ecodesigning the product to have only one or a few types of material that are very easy to separate from each other to foster recyclability in the End of Life (EOL)
  - Highlight efficiency strategies you aim to apply to reduce the number of different materials and choose more sustainable ones.
  - Detail the information you gathered about environmental performances of the materials and components used in your product lifecycle



# Production and Suppliers



Highlight the Green and Social value you aim to create with your business, by describing all the features and strategies you applied or intend to include in the development of your GBP. Here are some questions and hints about the life cycle of your product/s:

## Supply chain & distribution.

### **Package materials (supply chain & production perspective: secondary & tertiary packaging)**

- Which type of material is used, list all of them (including labels, bags)? How much does it weigh compared with the product you are delivering?
  - Explain how you chose a renewable material for one-use packaging applications or you chose a resistant, highly recyclable materials for multiple uses and returnable systems. Think in metabolism: bio and techno!
  - Describe how you achieved to make the packaging simpler, with fewer elements, fewer materials types
  - Detail how you aim or achieved to make the packaging lighter by applying Ecodesign strategies!

In trouble? You may retrieve information from: [Ecodesign Card](#)

[3!](#)

# Production and Suppliers



## Means of transport

- Can you describe the main means of transportation? which vehicles are used, in which conditions are they?
  - Describe how you receive raw materials and distribute the product by the most efficient and sustainable means such as human power (foot & bikes), transoceanic ships or electric vehicles.
  - Describe your fleet, and how you choose for new efficient vehicles
  - Detail how you foster reverse logistics by taking advantage of the return-journeys to transport other products or by sharing the space with other operators

## Routes & distances

- How much is the distance between production facilities and final shops (customer location)?
  - Describe how you achieved to create a short supply chain and distribution system
  - Detail which most optimised routes you use to move your products
  - Explain how you achieve to provide the online customer with the greenest option when delivering your product

In trouble? You may retrieve information from: [Ecodesign Card 3!](#)



#STANDUp

# Production and Suppliers



## Location of Sources

- How do you source the materials from (distances from your facilities)? Where is your main supply chain ecosystem located?
  - Describe how you achieve that all the materials you need are common and easy to find in your region, decreasing vulnerability!
  - Detail how all the materials you need are going to be sourced in an environmentally sustainable way
  - Plot and describe the supply chain steps and how you achieve to minimize distance between them! Closer is better!

## Tech materials: Recycled content and recyclability

- For Technical materials (such as plastics, metals...): What about the recycled content and recyclability of the materials you use in your production stages and afterwards?
  - Detail how you aim to achieve to offer a product completely made of recycled content
  - Detail how you aim to achieve to offer a product completely made of recycled content and / or fully recyclable! Let's go circular!
  - Describe how you avoided composites, banned substances and combined (mixed together) materials in order to obtain the purest and safest product ever made!



# Production and Suppliers



## Production (manufacturing and assembly).

### Energy management

- How is the energy, you need in the production, sourced (renewable energy or not?) and managed?
  - Describe how you manage to have most of your energy demand coming from renewable source. Remember: figures are very convincing!
  - Estimate the energy consumption per manufactured unit and explain how you aim to reduce it!
  - Detail how you achieved or aim to improve further the efficiency of your production system by using the latest technology.

### Water management

- How is the water you need, in the production, sourced and managed?
  - Estimate the water consumption per manufactured unit and explain how you aim to reduce it!
  - Describe how you manage or aim to manage uncontrolled flows or leaks along the processes, in order to avoid unnecessary consumption.
  - Explain how your water supply and discharge (cycle) is not damaging or changing the local environment, detailing the Ecodesign strategies you applied.



# Production and Suppliers



## Chemicals In-out

- Which types of chemicals do you need in the production processes and afterwards?
  - Define and describe the way you achieved to use only water-based chemistry or ecolabelled elements
  - List strategies you aim to apply to minimise chemicals use and foster how their waste is properly managed
  - List the measures you adopted to guarantee that chemical storage is fully controlled and legally responsive?

## Processes & technology

- How many steps and processes do you need to create your product and offer your services? Are deployed technologies efficient (high performance new machinery)?
  - Explain how you aim to further minimise the number of steps in the production. Less is more!
  - Describe how you achieved to choose an easy to repair, maintain and use safe process technology
  - Define and detail your strategy to adapt the production to the market demand, avoiding large stocks of products

In trouble? You may retrieve information from: [Ecodesign Card 2!](#)



#STANDUp

# Production and Suppliers



## Waste management

- How much waste is generated along the whole lifecycle (extraction > production > recirculation)? How is the ratio of discarded and lost material per unit and how you manage to minimise it?
  - Describe how your production achieve to not generating waste and most of by product is reused and refurbished inside the workshop
  - Detail which strategies you aim to apply to reduce further the waste generation, and waste is managed by an authorized organisation within regulations
  - Explain how you promoted a quality management policy that has reduced at the minimum discarded products and unconformities

In trouble? You may retrieve information from: [Ecodesign Card](#)

2!



#STANDUp

# The GBP Web-tool



## 2.1.1 - Management & Problem Solving Activities

Management is the function that coordinates the efforts of people to accomplish goals and objectives by using available resources efficiently and effectively. Management includes planning, organising, staffing, leading or directing, and controlling an organisation to accomplish the goal or target.

Problem solving is a compound of approaches that help to organise and prioritise the way you deal with internal challenges. Nowadays, problem solving is more important than ever, and mostly for green projects that have in their core solving environmental and societal problems making a viable business out of it!

Sustainable managing, an inclusive approach, is the practice of managing a company's impact on the three bottom lines—people, planet, and profit—so that all three can prosper in the future. It supports a business's long-term viability, because it's preventative rather than reactive. It can take many forms including investing in fair-trade products, reducing packaging materials, and ensuring humane working conditions at supplier factories.

[Read Before](#)[Green and Social Value](#)[Case Study](#)

Please describe your management and problem solving activities.

[Roadmap](#)[Previous](#)[Save](#)[Next](#)

#STANDUp





Green/Social added value has been gathered in a content box for each different section of the GBP.



# Wear your hat! Exercise

## Instructions:

1. Read the GBP Section, wearing one of the coloured hat.
2. Analyse the text following the color tag instructions.
3. Present your conclusions and potential area of improvement.

Group Function	Hat	
The group analyses the compliance with the structure. Does the case study meet the "general instructions for the GBP template"? What is missing?		Blue Hat: <i>Calls for information known or needed. "The facts, just the facts." (EDB)</i>
The group analyses the positive good practices linked to the GBP goals and structure, highlighting achievements.		Yellow Hat: <i>Symbolizes brightness and optimism. Under this hat you explore the positives and probe for value and benefit. (EDB)</i>
The group analyse the compliance with eco-design requirements, highlighting good practices and elements enabling mentors/readers to clearly understand the "green" value proposal and eco-innovation approach.		Green Hat: <i>Focuses on eco-design elements which are mainstreamed in the GBP guide/template.</i>
The group analyses the general compliance and quality of the GBP, focusing on missing elements, flaws and limits of the planning, including achievements, general instructions and eco-design "checkpoints".		Black Hat: <i>The Black Hat is judgment - the devil's advocate or why something may not work. Spot the difficulties and dangers; where things might go wrong. Probably the most powerful and useful of the Hats but a problem if overused. (EDB)</i>

# Questions & Answers





# Green Business Plan

## Training of Trainers Part 2

Session

UN Environment <sup>2</sup> MAP SCP/RAC





# Agenda ToT



Agenda	Step	Contents
Day 1	STEP 1	The Green Business Canvas Review
	STEP 2	The Green Business Plan
Day 2	STEP 2	The GBP - Marketing Plan
	STEP 3	The GBP - Financial and Legal Structure
Day 3	STEP 4	Planning, Design and Measuring Impacts
+ Questions and Answers / Experience-sharing		
+ In-class Exercises		

# Agenda

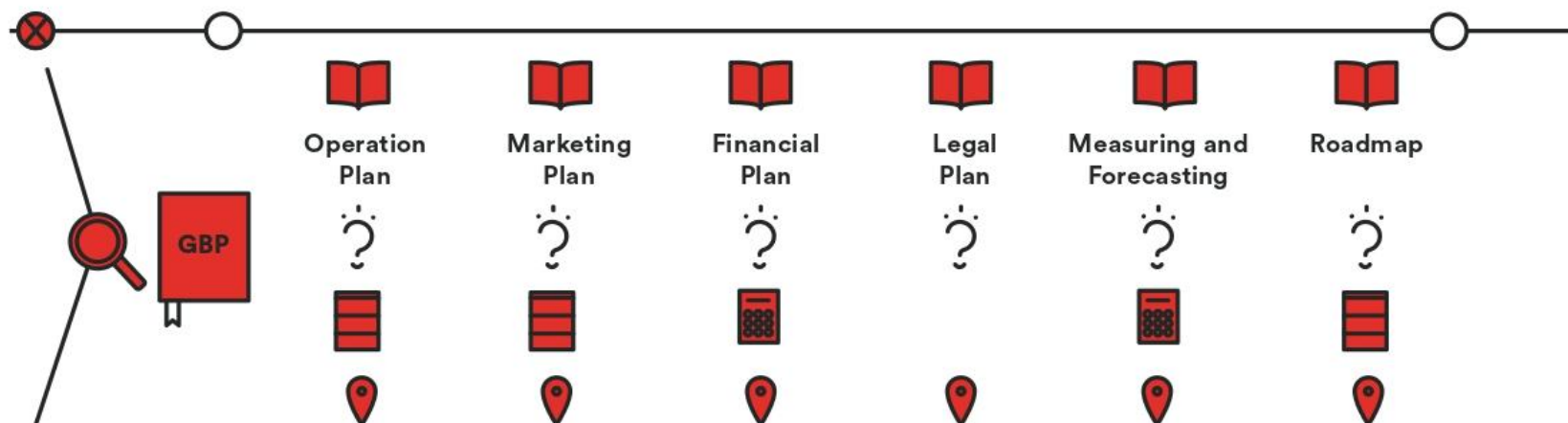
## Day 2



Time	Duration	Topic
9:30-9:45	15'	Recap Session
9:45-10:45	60'	3. STEP 2 – Drafting the GBP: • The Marketing Plan
10:45-11:05	20'	Exercise 3: Case Study, Reviewing the Marketing Plan
11:05-11:15	10'	Questions and Answers / Experience-sharing
11:15-11:25	10'	Session Break
11:25-12:15	50'	5. STEP 3 - The GBP Financial and Legal Structure • The Financial Plan
12:15-12:25	10'	Questions and Answers
12:25-12:35	10'	6. STEP 3 - The GBP Financial and Legal Structure • The Legal Plan
12:35-12:55	20'	Exercise 4: Case Study, Reviewing the Legal Plan
12:55-13:05	10'	Questions and Answers / Experience-sharing



# Methodological reminder



# 4. Step 2 – Drafting the GBP – The Marketing Plan

# The Marketing Plan



The Marketing Plan section of your business plan details how you plan to reach your target market segments, how you plan on selling to those customer segments, what your pricing plan is, and what types of activities and partnerships you need to make your business a success. Before you even think about writing your marketing plan, you must have your target market well-defined and have your buyer persona(s) fleshed out. Without truly understanding who you are marketing to, a marketing plan will have little value.

Your tactics are the means that you have and will use to inform your customer about your business and your products. Your tactical plan will include all the steps you need to take to meet your goals.

Your tactics will include the actual elements you will use to deliver your message to the customer. Of course, you want to use a method that is going to give you the highest return on your marketing investment. You will use tactics that are going to get you in front of your target customer or niche market.



## Marketing Plan



Key features of the marketing plan

# Customers & Value Proposition

Target customers are the pillar of your business idea. You are asked to describe them in much more detail. Who are your customers, who will you target, who makes the decisions? Determine how you can best reach potential customers. Consumers are always looking around for the best possible deal at the best quality and how these products or services will contribute to their success.

The value proposition is the promise that the business will give the consumer the best possible value. The value proposition is a creative statement that depicts the unique selling point. Without this statement you lose an opportunity to tell consumers why they should pick you over competitors.

	<ol style="list-style-type: none"> <li>1. Description of the customer segments (at least the top 5 of them)</li> <li>2. Why they are your customers and what is your Value proposition for them</li> <li>3. Some highlighted content about the relationship between the need and the solution</li> <li>4. High quality text that you will be able to use in the marketing campaigns.</li> </ol>
	<ol style="list-style-type: none"> <li>1. Are there sections of your target market that are underserved and will your product or service fill that void? If so, write a brief explanation of what this market is like and how your products are going to get the attention of the consumer.</li> <li>2. What is special about your customer? Why him/her, them?</li> <li>3. Does the targeted market want or value your service or product? Why?</li> <li>4. Is there enough money to be made with your product or service in your target market?</li> <li>5. How do you perceive your potential customer's problems?</li> <li>6. What do your customers: Hear? Think and feel? See? Say &amp; do? (let's experience some empathy with them)</li> <li>7. Are these problems critical to your customer? If so, how? How can you solve these problems?</li> <li>8. Do you have testimonials from customers about your products or services?</li> <li>9. What is your value proposition to each segment?</li> </ol>
	<p>Make sure to highlight in your value proposition the environmental and social value that the company provides to the customers and the rest of stakeholders. Remember that the ecological and social added value is the <i>raison d'être</i> of your business.</p>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"> <li>1. Validate the final version of the value proposition and edit all the texts (in different length) to be used in the commercial channels (such as flyers, websites, facebook pages etc).</li> <li>2. Execute a customer acquisition plan (in other words, execute all the tasks you are going to perform to reach and catch your clients).</li> <li>3. Promote your value proposition through a planned advertising campaigns, acquire the necessary means and reach your customers with your message</li> </ol>

# Market analysis and competitors

Once you have deeply linked your main customer segment to the value proposition that you designed for him/her, time has come for benchmarking what is out there and be sure that your solution is better (or at least different) than others.

You have already been reflecting on this but it is of great importance to be able to explain what makes you different from existing alternatives.

	<ol style="list-style-type: none"> <li>1. Description of the market niche and characteristics (size, peculiarities..).</li> <li>2. Comparison tables describing features and differences between your proposal and competitors.</li> </ol>
	<ol style="list-style-type: none"> <li>1. Where do you see your company in the landscape of other solutions?</li> <li>2. What is truly uncopyable that make your value proposition unique?</li> <li>3. About current location of your competition: <ul style="list-style-type: none"> <li>• Does the competition within this market leave room for you to be competitive?</li> <li>• Is your geographic location favorable to your business initiative or not?</li> </ul> </li> </ol>
	<p>Highlight the Green and Social value you aim to create with your business, by describing all the features and strategies you applied or intend to include in the development of your GBP. Here are some questions and hints about the life cycle of your product/s:</p> <p>Highlight what makes your solution innovative and unique to tackle environmental and social challenges which are not addressed by other businesses.</p>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"> <li>1. Go in more depth with market analysis and mystery shopping activities (in other words, purchase competitor's product or inquire them out)</li> <li>2. Work on improving the strengths of your product/service and and reducing weaknesses and threats in order to distinguish yourself more clearly from the identified competitors.</li> <li>3. Choose a new positioning and perform the necessary changes to reach the new market niche.</li> </ol>









# Products and services offer and pricing

You have been working to define who your customer is, what your value proposition is and what makes you different from the competitors.

Depending on the nature of your business, your

Products and Services section could be very long or relatively short.

If you are creating a new product (or service), make sure you thoroughly explain the nature of the product, its uses, and its value, etc. – *otherwise your readers will not have enough information to evaluate your business.*

	<ol style="list-style-type: none"> <li>1. Contents and relevant information for promotional materials or channels.</li> <li>2. A reader-friendly list / scheme of the products and services offered clearly defined.</li> <li>3. Complete information sheets for each product or service offered.</li> </ol>
	<ol style="list-style-type: none"> <li>1. What are the benefits that customers will receive from your products or services? What features or benefits do you offer that your competitors don't?</li> <li>2. What is your offer for each customer segments? Describe them.</li> <li>3. You have been working on the relationship between Revenue Stream and Cost Structure, so what is happening? is your business model profitable? Prove it!</li> <li>4. Is your product and service generating environmental value? How?</li> <li>5. What are the environmental feature of your offer?</li> <li>6. What is the pricing structure / schemes of your products or services, and how this compares to your competition?</li> </ol>
	<p><u>Product green features</u></p> <p><u>Product green features during use phase</u></p> <p><u>For service providers (from user's perspective)</u></p> <ul style="list-style-type: none"> <li>Support to ecoproducts &amp; Ecoservices</li> <li>Responsible usability</li> <li>Spreading sustainability</li> <li>Devices features within service</li> </ul>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"> <li>1. Pitching and sales meetings / actions.</li> <li>2. Contract and pricing negotiations.</li> <li>3. Offering free samples to gain feedback from customers and process them.</li> <li>4. Popup stores and other temporary shopping experience performance.</li> <li>5. Calculate the Ecodesign score you obtain in the final version of your product - service system to use it as promotional content.</li> </ol>

# Products and services offer and pricing



Highlight the Green and Social value you aim to create with your business, by describing all the features and strategies you applied or intend to include in the development of your GBP. Here are some questions and hints about the green features of your product/s and/or service/s. Remember that they can be an additional value to your value proposition, take advantage of it!

## Product green features

### **Amount (weight) of materials in the product**

- How much material is needed for the product? What is the amount (weight) of all the elements and components needed?
  - Detail how you achieved to evaluate the lightest materials alternatives to build your product
  - Facilitate the understanding that your product is much lighter than other alternatives in the market, by using a comparison table! Visually it is easier!
  - Describe how you aim to “concentrate\* your product more than how it is now (\*an example? removing water from liquid soap = lighter, cheaper and smaller to transport!).

In trouble? You may retrieve information from: [Ecodesign Card 1!](#)



#STANDUp

# Products and services offer and pricing



## Package materials

- Which type of material is used, list all of them (including labels, bags)? How much does it weigh compared with the product you are delivering?
  - Explain how you chose a renewable material for one-use packaging applications or you chose a resistant, highly recyclable materials for multiple uses and returnable systems. Think in metabolism: bio and techno!
  - Describe how you achieved to make the packaging simpler, with fewer elements, fewer materials types
  - Detail how you aim or achieved to make the packaging lighter by applying Ecodesign strategies!

In trouble? You may retrieve information from: [Ecodesign Card 3!](#)



# Products and services offer and pricing



## Flat design

- Is it your designed product easy to stack, occupying the least volume during transportation?
  - Describe how the product and its packaging shape become flat or cubic, with almost no air, fully optimised to transport!
  - Detail and show how your product is sold and delivered completely disassembled, saving a lot of volume in the distribution stage and money for the customer!
  - Explain how you aim to achieve a further reduction of the volume. Ecodesign is a never-ending process!

In trouble? You may retrieve information from: [Ecodesign Card 3!](#)

## Stackability

- Is the product completely disassemblable and can it be reduced in flat or cubic (easy to stack!) shape?
  - Describe the benefits of your product designed to be stackable and saving a lot of space!
  - Detail how you aim to design your product to be transported (in multiples units) without compromising its quality and functionality. What an advantage for the distribution stage!
  - Explain the way the dimensions of the pallet footprint were considered when determining the dimensions of primary (from supplier) and secondary (to clients) packaging. Standardisation is the key to efficiency and money saving!





# Products and services offer and pricing



## Product green features during use phase

### **Energy consumption**

- What is the energy consumption when using the product? How is energy consumption minimised?
  - Describe how you aim to offer a more efficient product than competitors! Provide information and data sheets to help consumers to choose eco-efficient products!
  - Explain how you achieved to power the product by renewable sources
  - Describe the tricks and tips of your system to prevent energy waste when not in use

In trouble? You may retrieve information from: [Ecodesign Card 4!](#)

### **Consumibles (spare parts, refilling, cartridges..)**

- Do your products need consumibles for working properly? How are they, one-use only or renewable?
  - Explain how you aim to design the consumibles, composition and accessibility, to facilitate the maintenance and the product durability.
  - Describe how you achieved that resources needed for the functioning (or consumible items) are non toxic and easy to find
  - Detail how resources needed can be easily recycled or managed in their end of life stage, as a clear benefit for the people and the planet!



# Products and services offer and pricing



## Repairability

- Is your product easily repairable? can users or technicians access to its main parts quickly?
  - Describe which strategies you applied to make the product fully, easily and economically repaired by users / common technicians
  - Explain how important parts can be accessed quickly by the repair operator. Repair instead of throwing away means saving resources and money!
  - Provide information about how repair components can be easily obtained with the information about how to do it accessible

In trouble? You may retrieve information from: [Ecodesign Card 4!](#)

## Durability

- How long do you expect it is going to work your product?
  - Describe how your product was designed and built to avoid expiration date with no limit in lifespan duration
  - Explain the concept of timeless (or classic design) you implement to avoid aesthetical limitation and extend use lifespan!
  - Detail how you ensure the consumer that durability is not limited and compromised by some aspect (component, material, etc)



# Products and services offer and pricing



## Multi-Functionality & Modularity

- How many functions could you integrate in your product? Can you build different configurations with the same pieces?
  - Describe how your product integrates more than one function and the great benefits users get from it!
  - Explain how your product allows it to be replicated with a basic elemental component (is it modular). Think in building blocks, like your favorite game LEGO, brick by brick!
  - Describe how you ensure that all the functions are usable by all the people (older, younger, etc). Sustainable means also inclusive!

In trouble? You may retrieve information from: [Ecodesign Card 4!](#)

## Easy to be refurbished

- Once your product is discarded by the user, can it be refurbished easily and economically?
  - Provide information and instructions about the way the product in its end of life (EOL), can be refurbished (technically) easily by local recyclers or your company itself
  - Describe the way the product in its end of life (EOL) can be collected easily by local recyclers or your company itself
  - Explain the way the product in its end of life (EOL), can be refurbished (economically) easily by local recyclers or your company itself





# Products and services offer and pricing



## For service providers (from user's perspective)

### **Support to eco products & Ecoservices**

- Are you selling or promoting other's green entrepreneurs, products or services? While doing that is your Shop or Showroom energy, water and waste efficient?
  - Describe how you support and sell ecoproducts or ecoservices
  - Define your position in the supply chain and demonstrate the value you create within producer and consumer flows!
  - Detail how your shops (or showroom) have been designed and operates to foster efficiency in energy, water and waste management

### **Responsible usability**

- Have you included any strategy to improve environmental behaviour of your service user?
  - Describe how the user interaction within the service has been Designed to achieve the most efficient use of Resources and equipment, avoid energy loss and Promote sustainable behaviours.
  - Detail how you applied inclusive design where any user can access and use, comfortably, the Service, even elder people, handicapped, kids, ill and other special groups
  - Explain how the (physical, web, mobile app...) interfaces have been designed to minimise energy consumption and usability affordance



# Products and services offer and pricing

## Design for education

- How are you going to offer products or services that promote environmental protection and foster education within users and society?  
Some hints:
  - Demonstrate how your service embodies sustainability & education, Gender equality, social integration of minorities as added value.
  - Describe how your service helps others to make their activities more sustainable or the way you raise consumer consciousness.
  - Remark how your project, inspires others to follow good practices and learn more about ecodesign and sustainability

## Devices features within service

### Accessories & Gadgets

- How many and which type of devices, accessories and objects are involved when your customer is using the service?
  - Describe how you achieved to “virtualise” completely your product avoiding the use of physical devices or equipment.
  - Explain how you preferred to have for your activity or offer to your customers, all devices or equipment rented in order to ensure a proper maintenance, repairing and recycling of them
  - Detail the way to achieved to provide or use the newest, most efficient or ecodesign equipment or products to save resources during use phase

# Branding & Positioning

One of the most important parts of your marketing plan will cover how you position your company and your product and service that you are offerings. This is a matter of creating a brand that is recognisable and trustworthy (a process called Branding). You have to choose a seductive name (a process called Naming), design an identifiable logo and put it in the right place, not too high, nor too low, just right where it needs to be!







	<ol style="list-style-type: none"> <li>1. Description of the branding and positioning strategy.</li> <li>2. Graphic contents such as logos, flyers, images, fonts and so on.</li> </ol>
	<ol style="list-style-type: none"> <li>1. Are you the low-price offering or are you the premium, luxury brand in your market?</li> <li>2. Do you offer something that your competitors do not offer?</li> <li>3. Does your business benefit from any distinct marketing advantages such as: <ul style="list-style-type: none"> <li>• Is your product or service already well known?</li> <li>• Do you have high customer loyalty?</li> <li>• Do the local trade organizations endorse your product?</li> </ul> </li> <li>4. Do you face any marketing challenges: <ul style="list-style-type: none"> <li>• Do you lack brand recognition?</li> <li>• Do you face a limited budget?</li> </ul> </li> <li>5. Is your name and brand appealing to the target? Is the right one?</li> <li>6. Is it coherent with the values of your customer segments or maybe you have to separate your products and services in two different brands? <ul style="list-style-type: none"> <li>• How are your competitors positioning themselves?</li> <li>• How do you plan on differentiating from the competition? In other words, why should a customer choose you instead of someone else?</li> </ul> </li> </ol>
	<p>Highlight the Green and Social value you aim to create with your business, by describing all the features and strategies you applied or intend to include in the development of your GBP. Here are some questions about your travels and fairs, which may contribute to your branding and positioning. Explain how your environmental and social missions will be reflected in the branding and positioning strategies.</p>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"> <li>1. Creation of corporative materials (logo, etc.). (logo, etc).</li> <li>2. Promotional material design and production according to the communication strategy.</li> <li>3. Execution of specific actions to reinforce the brand positioning such as participating in fairs or congresses, advertising, sponsorship and so on.</li> </ol>

# Communication channels

Channels include all means of communication and distribution to reach customers and deliver a value proposition to them. You are asked to describe to your reader in a more detailed way how you are going to use them to engage your customer and foster sales. There are two main distribution channels:

**1. Direct distribution:** This can be done through personal sales, the internet, telephone or mail.





**2. Indirect distribution:** can be carried out through retailers, agents/ brokers and distributors.

	<ol style="list-style-type: none"> <li>1. Description of the means you intend to use and why</li> <li>2. Step by step plan with tasks to promote your products or services.</li> <li>3. Strategy to reach, engage, convert (make them pay/use) and maintain your customers in time.</li> <li>4. Forecasts (some sort of specific budget-result planning) of the promotional actions and their expected return (ROI return on investment) on visibility or profitability.</li> </ol>
	<ol style="list-style-type: none"> <li>1. How you will reach your target market (e.g., existing green networks and events, website, social media outlets like Facebook and Twitter, live events, sales strategies, etc.)? Why them?</li> <li>2. How is going to evolve your strategy in time? What are you going to do first and what is next?</li> <li>3. Is the market you pretend to cover really reachable with your channel strategy? Describe it!</li> </ol>
	<p>Stakeholder accountability is crucial for sustainable businesses. Be sure that your communication channels make public the environmental and social added value created by your business. Describe how the communication channels will integrate customers with special needs and marginalised groups</p> <p><u><a href="#">Service Design</a></u> <u><a href="#">Travels and Fairs</a></u></p>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"> <li>1. Establish / hire / manage the communication channels in order to reach your customers.</li> <li>2. Execute the communications channels plan with all the necessary steps to be heard effectively.</li> <li>3. Hire social media consultant, SEO (search engine optimizer) experts and other communication professionals to help you with the strategy review and its execution.</li> </ol>

# Customer relationship

The customer relationship is about the service and attention you provide to customers before, during and after a purchase. It is part of the customer service that is also often referred to when describing the culture of and organisation. It concerns the priority an organisation assigns to customer service relative to components such as product innovation and pricing.

In this sense, an organisation that values good customer service may spend more money in training employees than the average organisation, or may proactively interview customers for feedback. The quality and level of detail given to this relationship deeply influences the customer experience as well as brand perception

	<ol style="list-style-type: none"> <li>1. Description of the customer satisfaction strategy</li> <li>2. A manifesto for the customer (where you share your values to your stakeholders) or other policies.</li> <li>3. Complain protocols and customer service functioning.</li> <li>4. Quality management plan.</li> </ol>
	<ol style="list-style-type: none"> <li>1. Which type of customer service are you willing and able to provide for each segment?</li> <li>2. What kind of guarantee are you willing to offer customers? What about legal requirements (2 years free maintenance, a money-back guarantee, etc).</li> <li>3. How are you ensuring the quality of your offer? In case of problems, how are you going to deal with it?</li> <li>4. How is going to be the relation with your customers? Which degree of personalisation and proximity are you aiming to achieve? A close relation or an automated one?</li> <li>5. Why do you choose one type instead of others? Describe your reasons.</li> </ol>
	<p>Describe how the customers are engaged to pursue the environmental and social mission of your green business.</p> <p><u>End of life perspective and features.</u>  <u>Communication with stakeholders.</u>  <u>Green aspects when travelling and fairs.</u></p>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"> <li>1. Review and refine the customer journey experience.</li> <li>2. Identify areas in which the relationship with customers may be improved and that may contribute to differentiation from alternatives.</li> <li>3. Create customer satisfaction protocols and quality standards.</li> <li>4. Writing a manifesto and spreading the word.</li> </ol>



# The GBP Web-tool



## 2.2.2 - Market Analysis and Competitors

Once you have deeply linked your main customer segment to the value proposition that you designed for him/her, time has come for bench-marking what is out there and be sure that your solution is better (or at least different) than others. You have already been reflecting on this but it is of great importance to be able to explain what makes you different from existing alternatives.

[Read Before](#) [Green and Social Value](#) [Case Study](#)

Please describe your market analysis and competitors.

Please describe your market analysis and competitors.

Hey! You can customize this table adding other parameters!

	✖ Competitor name	✖ What are their main strengths?	✖ What are their main weaknesses?	✖ Other observations?
✖	Edit me!	Edit me!	Edit me!	Edit me!

Add Competitor

Add Parameter

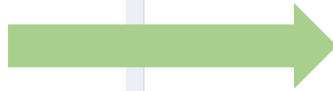
Roadmap

Previous

Save

Next

Tables are customizable  
to perform market  
analysis and listing  
products/services







#STANDUp

# Wear your hat! Exercise

## Instructions:

1. Read the GBP Section, wearing one of the coloured hat.
2. Analyse the text following the color tag instructions.
3. Present your conclusions and potential area of improvement.

Group Function	Hat	
The group analyses the compliance with the structure. Does the case study meet the "general instructions for the GBP template"? What is missing?		Blue Hat: <i>Calls for information known or needed. "The facts, just the facts." (EDB)</i>
The group analyses the positive good practices linked to the GBP goals and structure, highlighting achievements.		Yellow Hat: <i>Symbolizes brightness and optimism. Under this hat you explore the positives and probe for value and benefit. (EDB)</i>
The group analyse the compliance with eco-design requirements, highlighting good practices and elements enabling mentors/readers to clearly understand the "green" value proposal and eco-innovation approach.		Green Hat: <i>Focuses on eco-design elements which are mainstreamed in the GBP guide/template.</i>
The group analyses the general compliance and quality of the GBP, focusing on missing elements, flaws and limits of the planning, including achievements, general instructions and eco-design "checkpoints".		Black Hat: <i>The Black Hat is judgment - the devil's advocate or why something may not work. Spot the difficulties and dangers; where things might go wrong. Probably the most powerful and useful of the Hats but a problem if overused. (EDB)</i>

# 5. Step 3 - The GBP Financial and Legal Structure



# The Financial Plan



Badly tracked finances can cause your business a world of problems—from poor cash flow to improper tax filings and beyond. This kind of problem can put a young business at serious risk. Good book-keeping habits, on the other hand, can help a business thrive—and not just survive.

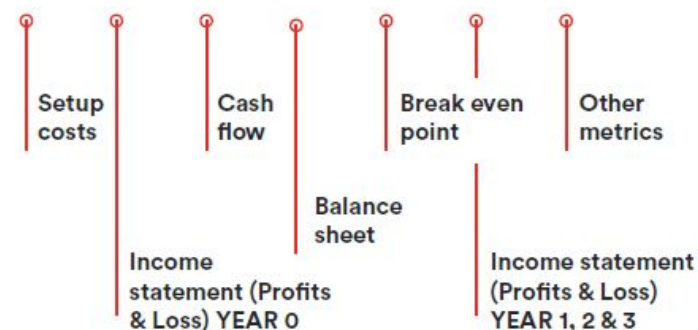
The financial prospects of your business plan should demonstrate that you have thought about every aspect of your start-up requirements, and have estimated the funds needed to go through your first 4 years of operation.



Potential funders, such as investors and bank lenders, will want to see your financial projections and forecasts before deciding whether or not they will fund your green business. We recommend that you seek advice and support in crafting this section of your plan to ensure that your projections are as reliable as possible.

Being a green business has many advantages, the least of which is access to tax breaks and special loans and grants aimed at green industry. We recommend you research tax incentives and sources of grants and loans that pertain to your business and your location.

## Financial Plan






# Setup Costs and Sources of Capital



The initial investment or money used to start a business. The funds, or capital, may come from a bank loan, a government grant, outside investors, or the business owner's personal savings (including the famous 3F: family, friends and fools). The money is used to cover such start-up costs as purchasing building, purchasing equipment and supplies, and hiring employees.

It is important to show how much you will need to start operating and mostly, where you are going to find that amount. Among the benefits of launching a green business, there is an interesting new approach from investor sector called “impact investments”. Impact investments provide capital to address social and/or environmental issues.

	<ol style="list-style-type: none"><li>1. Description of the most important items to be acquired/funded to start the business</li><li>2. Resume of the total initial expenses clearly expressed</li><li>3. Information about risks and potential variations in accounting</li></ol>
	<ol style="list-style-type: none"><li>1. What type of setup costs are you facing?</li><li>2. How did you estimate them?</li><li>3. How are you funding them?</li></ol>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"><li>1. Launch a crowdfunding campaign to validate the interest of the project, and raise support and funds</li><li>2. Make income-expense calculations and a deep analysis of the results. Plan actions to improve the solidity of your financial trajectory</li><li>3. Change your financial structure: negotiating different conditions with suppliers or employees, using third party alliances to mitigate the risk etc.</li></ol>

#STANDUp

# Income statement (Profit and Loss account) Year 0



A profit and loss statement is essentially an explanation of how your business makes a profit (or incurred a loss) over a certain period of time, in this case the Year 0 of your operations. It is a table that lists all of your revenue streams and all of your expenses and lists the total amount of net profit or loss at the very bottom.

This is a financial statement that may receive different names—profit and loss statement, income statement, pro forma income statement, P&L (short for “profit and loss”)—but no matter what you call it, it is an essential report and very important to understand. A typical profit and loss statement should include:

- Your revenue (also called sales),
- Your “cost of sale” or “cost of goods sold”— keep in mind, some types of companies, such as a services firm, may not have cost of goods sold
- Your gross margin, which is your revenue minus your cost of goods sold

Your gross margin minus your operating expenses will give you your operating income:

$$\text{Gross Margin} - \text{Operating Expenses} = \text{Operating Income}$$

# Income statement (Profit and Loss account) Year 0



Depending on how you classify some of your expenses, your operating income will typically be equivalent to your “earnings before interest, taxes, depreciation, and amortization” (*EBITDA*)— basically, how much money you made in profit before you take your accounting and tax obligations into consideration. This is also called your “profit before interest and taxes,” gross profit, and “contribution to overhead”—many names, but they all refer to the same number.

49

Your so-called “bottom line”—officially, your net income, which is found at the very end (or, bottom line) of your profit and loss statement—is your *EBITDA* less the “*ITDA*.” Just subtract your expenses for interest, taxes, depreciation, and amortization from your *EBITDA*, and you have your net income:

Operating Income – Interest, Taxes,  
Depreciation, and Amortization expenses =  
**Net Income**



#STANDUp

# Income statement (Profit and Loss account) Year 0



	<ol style="list-style-type: none"><li>1. Description of the income-expenses and how it functions</li><li>2. Insights (relevant information you extracted from the numbers) about your financial activity and its future prospect</li><li>3. Calculation of: operating income and net income</li></ol>
	<ol style="list-style-type: none"><li>1. What are your sales for the next 12 months (year 0)?</li><li>2. What are your expenses for the next 12 months (year 0)</li></ol>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"><li>1. Make income-expense calculations and an in-depth analysis of the results. Planning actions to improve the solidity of your financial trajectory.</li><li>2. Change your financial structure: negotiating different conditions with suppliers or employees, using third party alliances to mitigate the risk, redesigning production system, considering other distribution channels etc.</li></ol>




# Cash Flow



A cash flow is an explanation of how much cash your business brought in, how much cash it paid out, and what the final cash balance was, typically per-month. That might sound like sales, expenses, and profits, but it is not.

Consider this: what happens when you send out an invoice to a client, but they do not pay it by the due date? What happens when you pay your own bills late, or early? These kinds of things are not reflected in your profit and loss statement, but they are explained in your cash flow statement.

Your cash flow statement is just as important as your profit and loss statement. Businesses run on cash—there are no two ways around it. Without a thorough understanding of how much cash you have, where your cash is coming from, where it is going, and on what schedule, you are going to have a hard time running a healthy business.

	<ol style="list-style-type: none"><li>1. Description of the cash flow levels with a special focus on critical months when you could run out of cash</li><li>2. Insights (relevant information you extracted from the numbers) about your financial performance in the short term</li></ol>
	<ol style="list-style-type: none"><li>1. What is your starting cash position?</li><li>2. What are your incomings for the next 12 months (year 0)?</li><li>3. What are your outgoings for the next 12 months (year 0)?</li></ol>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"><li>1. Make cash flow calculations and a deep analysis of the results. Planning actions to improve the solidity of your financial health</li><li>2. Change your payment structure: negotiating different conditions with suppliers or employees, using third party alliances to mitigate the risk, redesigning production system, considering other distribution channels etc.</li></ol>

# Balance Sheet

Your balance sheet is a snapshot of your business's financial position— at a particular moment in time, how are you doing? How much cash do you have in the bank, how much do your customers owe you, and how much do you owe your vendors?

The balance sheet is standardised, and consists of three types of accounts:

- assets (accounts receivable, money in the bank, inventory, etc.)
- liabilities (accounts payable, credit card balances, loan repayments, etc.)
- equity (for most small businesses, this is just the owner's equity, but it could include investors' shares, retained earnings, stock proceeds, etc.)



It is called a balance sheet because it is an equation that needs to balance out:

$$\text{Assets} = \text{Liabilities} + \text{Equity}$$








# Balance Sheet



The total of your liabilities plus your total equity always equals the total of your assets. In other words it can be defined “a company has to pay for all the things it has (assets) by either borrowing money (liabilities) or getting it from shareholders (shareholders’ equity).”

At the end of the accounting year, your total profit or loss adds to or subtracts from your retained earnings (a component of your equity). That makes your retained earnings your business’ cumulative profit and loss since the business’ inception.

	<ol style="list-style-type: none"><li>1. Description of the equity-liability relation</li><li>2. Insights (relevant information you extracted from the numbers) about your financial health in a one year screenshot</li></ol>
	<ol style="list-style-type: none"><li>1. What are your Assets by the end of year 0?</li><li>2. What are your Liabilities by the end of year 0?</li><li>3. What are your Equity by the end of year 0?</li></ol>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"><li>1. Make equity-asset calculations and an in-depth analysis of the results. Planning actions to improve the solidity of your financial status</li><li>2. Change your financial behaviour: negotiating different conditions with suppliers or employees, using third party alliances to mitigate the risk, redesigning production system, considering other distribution channels etc.</li></ol>






# Break event analysis



Your break-even analysis is a calculation of how much you will need to sell in order to “break even” (i.e. how much you will need to sell in order to pay for all of your expenses).

Your financial plan might feel overwhelming when you get started, but the truth is that this section of your business plan is absolutely essential to understand. Even if you end up outsourcing your bookkeeping and regular financial analysis to an accounting firm, you—the business owner—should be able to read and understand these documents and make decisions based on what you learn from them.




	<ol style="list-style-type: none"><li>1. Description of Break even conditions and parameters</li><li>2. Insights (relevant information you extracted from the numbers) about your financial health in a one year screenshot</li></ol>
	<ol style="list-style-type: none"><li>1. What is the average selling price per unit?</li><li>2. What is the average cost of each unit?</li><li>3. What is the number of unit sales required to break even?</li></ol>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"><li>1. Make breakeven point calculations and an in-depth analysis of the results. Planning actions to improve the profitability of your financial prospect.</li><li>2. Change your investment requirements: negotiating different funding conditions, using new alliances to mitigate the risk and accelerate the breakeven point, redesign the production system to be more profitable, considering other distribution channels etc.</li></ol>

# 3 Years Income Statement



Besides from the sales forecast for the Year 0, which is essential, a market forecast to foresee future performances is also a good idea. How many potential customers are there to be reached? How does market growth stand to impact this business?

The sales forecast is exactly what it sounds like: your projections, or forecast, of what you think you will sell in a given period (typically, from one to three years). There is not a one-size-fits-all kind of sales forecast—every business will have different needs. How you segment and organise your forecast depends on what kind of business you have and how thoroughly you want to track your sales.

	<ol style="list-style-type: none"><li>1. Description of the income-expense functioning year (1, 2 and 3)</li><li>2. Insights (relevant information you extracted from the numbers) about your financial future activity</li><li>3. Calculation of: operating income and net income for the year 1, 2 and 3</li></ol>
	<ol style="list-style-type: none"><li>1. What is your starting cash point (by the end of year 0)?</li><li>2. What are your incomings for the following 36 months (year 1, 2 and 3)?</li><li>3. What are your outgoings for the following 36 months (year 1, 2 and 3)?</li></ol>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"><li>1. Forecast income statement calculations and a deep analysis of the results for the next 3 years after the year 0. Planning actions to improve your financial future behaviour</li><li>2. Change your financial mid to long-term strategy: negotiating different conditions with suppliers and resellers, using third party stronger alliances to mitigate the risk in the mid to long-term, redesign the production system and innovate it, considering other distribution channels, researching new technologies etc.</li></ol>

# Other Financial metrics



If you have your profit and loss statement, your cash flow statement, and your balance sheet, you have all the numbers you need to calculate the standard business ratios. These ratios are not necessary to include in a business plan— especially for an internal plan—but knowing the key ratios is always a good idea. You will probably want some profitability ratios, like: - gross margin - return on sales - return on assets - return on investment. And you will probably need some liquidity ratios, such as: - debt-to-equity - current ratio - working capital. Of these, the most common ratios used by business owners and requested by bankers are probably gross margin, return on investment (ROI), IRR (internal rate of return) and debt-to-equity.

# Other Financial metrics



	1. Advance evaluation and synthesis of the financial performance indicators
	1. Are you able to provide advanced financial metrics ? 2. What is your ROI?
	- Compensation policies (evaluating and minimising impacts) - Regarding HR
	Type of actions for the roadmap (just few examples.: 1. Make an advanced financial analysis. Planning actions to improve your financial parameters 2. Review the whole financial structure, according to the results obtained from the metrics

In recent years, new metrics have appeared such as ROI (Social return on investment), Indirect Economic Impacts, Procurement Practices, Energy Footprint, Biodiversity, GHG Emissions etc.. providing an opportunity to measure the impacts from a triple bottom line perspective.

# The GBP Web-tool



Intro Step 2 Step 2.1 Step 2.2 Step 2.3 Step 2.4 Step 2.5 Step 2.6 Step 3 Step 4

## 2.3.0 - Financial Plan - Set a starting point

☒ Set a starting point

☒ Setup costs and sources of capital

☒ Income Statement (Profit and Loss account) YEAR 0

☒ Cash Flow

☒ Balance Sheet

☒ Break Even Analysis

☒ Years Income Statement

☒ Additional Data

☒ Report

Print / Download

Start Date Year-0

yyyy/mm/dd

< September 2020 >

Su	Mo	Tu	We	Th	Fr	Sa
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	1	2	3
4	5	6	7	8	9	10

Financial plan sections

Roadmap

Previous

Save

Next

# The GBP Web-tool

✓ Set a starting point

✓ Setup costs and sources of capital

✓ **Income Statement (Profit and Loss account) YEAR 0**

✓ Cash Flow

✓ Balance Sheet

✓ Break Even Analysis

✓ Years Income Statement

✓ Additional Data

✓ Report

Print / Download

SalesExpensesResult

Income Statement

Describe the key financial items you have considered necessary to run your business during the first year (0).

	Year 0	1	2	3	4	5	6	7	8	9	10	11	12	Total
×	Sales (invoiced)	0	0	0	0	0	0	0	0	0	0	0	0	0
×	Cost of goods Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0	0	0	0	0

RoadmapPreviousSaveNext

Tables are customizable

# Legal Management Plan



To deal with it, you can consider three main levels to start with:

- At the organisation level *Setting the legal form*
- At the market level *Patents, trading regulations, licences, domains...*
- At the local, regional, national and international level *Legal framework, environmental and labour laws, international trade, etc.*



From the green business perspective complying with environmental (labor, tax, etc.) regulations is just an obvious starting point, but as mentioned along this GBP, a green business use to excel in complying and even leading the sector adopting voluntary schemes such as ISO 14.000 series or EMAS certification. These standards are key to thrive and lead the market.

## At the organisation level

Setting the legal form

When you start a new business, one of the first decisions you will have to make is how to structure your company. This choice can be critical to the future health of your business.

Taking time upfront to consider the pros and cons of each possible structure will likely save you many headaches in the future. In certain cases, it can mean the difference between your business' success and its failure. The most typical legal forms include Sole Proprietorships, Limited Liability Company (LLCs) and Cooperative. However, there are many other options such as Partnerships, Foundation, Association, etc.



# Legal Management Plan



	<ol style="list-style-type: none"> <li>1. Description of the legal form and information about the public registration</li> <li>2. Description of the shareholders scheme with charts and additional information</li> </ol>
	<ol style="list-style-type: none"> <li>1. What is your legal form? Describe it and why you have chosen it?</li> <li>2. What is the agreement between partners and shareholders?</li> <li>3. Explain what your next steps will be to legally register the organization? Or what you have already done to register it?</li> </ol>
	<ul style="list-style-type: none"> <li>- Prioritize legal forms which enhance democratic and horizontal governance of the business, enable collective ownership, and promote investment of profits and surplus according to social and environmental criteria, such as: cooperative, mutual benefit societies, associations and foundations, social or green enterprise when recognized by the legal framework</li> <li>- Explain why and how the legal form of the company will serve these objectives (democratic governance and ownership, responsible investment, etc.)</li> <li>- Consider linking some relevant organisation (non-profit organizations, research centres, etc.) to the governance structure (advisory board, etc.) to strength the environmental and social missions of your company</li> <li>- Describe how your company will liaise with other organizations from the solidarity economy sphere and social economy sector.</li> </ul>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"> <li>1. Register the legal form of your business.</li> <li>2. Negotiations and shareholder agreements signature.</li> <li>3. Legal requirement application and permits achievement.</li> </ol>



# Legal Management Plan



## At the market level

Patents, trading regulations, licences, domains...

Your business is going to operate in a market where there are regulations that guide you and protect your customers from fraud.

If you are working with innovative technologies, intellectual resources, specific know how, web domains, trademarks and so on, you will be advised to provide them legal coverage in order to protect them from abuse.

The degree of freedom you wish to apply to your properties is your choice, but be aware of choosing the most proper way when setting your business plan.



#STANDUp

# Legal Management Plan



	<ol style="list-style-type: none"><li>1. Description of the assets your patenting, protecting or sharing and the strategy behind that</li><li>2. Description of the brand, domain, patent, etc. Registration with additional information</li></ol>
	<ol style="list-style-type: none"><li>1. What do you own or what you are going to acquire to run your business in order to make it profitable: patents, domains, etc.?</li><li>2. What are the most important trade regulations of your market and how are you dealing with them?</li><li>3. Are you using any licence mode to operate? Describe how it works?</li></ol>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"><li>1. Patent application, registration and fees payment.</li><li>2. Domain and licensing purchase and / or management.</li><li>3. New licensing strategy plan execution.</li></ol>

# Legal Management Plan



At the local, regional,  
national and international  
level

Legal framework, environmental and labour  
laws, international trade, etc.

Your business will operate under different legal frameworks. It is important that you know them and mostly know how to act accordingly. Thus, you may need some sort of permits to be able to run your business in a legal way.

Starting from the local or regional level, you will be asked to comply with regulations about environment, labour, safety and so on, from day 1 of your take-off stage. If your plan is to operate on a national and international scale, you will be dealing with transnational laws, customs and different tax systems. Show your reader that you are well-informed and that you have already included all these concerns in your successful plan.



#STANDUp

# Legal Management Plan



	<ol style="list-style-type: none"> <li>1. Description of the legal framework you are operating in and all the legal requirements you have complied with</li> <li>2. Description of the most important legal aspects you are facing with your business</li> </ol>
	<ol style="list-style-type: none"> <li>1. What are the most important laws and regulations in the region/market you are operating in? Is there any special framework to be aware of and how are you dealing with it?</li> <li>2. Are you importing/exporting goods and services from abroad, are you aware of customs, taxes and other legal issues related to that?</li> <li>3. Have there been changes in the legal framework and how does the legal framework change over time? Describe how you will deal with these challenges</li> </ol>
	<p>Type of actions for the roadmap (just few examples):</p> <ol style="list-style-type: none"> <li>1. National and international trading regulations advisory and permit application.</li> <li>2. B. Customs and shipping management.</li> <li>3. Environmental, trade and labour regulation permits achievement</li> </ol>



# The GBP Web-tool

Organizational, market  
and territorial sections



Read Before

Green and Social Value

Case Study

Organizational Level

Market Level

Territorial Level

## At organisation level: Setting the legal form

When you start a new business, one of the first decisions you will have to make is how to structure your company. This choice can be critical to the future health of your business.

Taking time upfront to consider the pros and cons of each possible structure will likely save you many headaches in the future. In certain cases, it can mean the difference between your business' success and its failure.

The most typical legal forms include Sole Proprietorships, Limited Liability Company (LLCs) and Co-operative. However, there are many other options such as Partnerships, Foundation, Association, etc.

### Did you know that...?

The value created by your sustainable business can be fully or partly available as public domain, for example through [Creative Commons licences](#).

Recently, a growing number of countries are adding the status of 'social enterprise' to their legal repertoire. It may be presented under a variety of names, such as Community Interest Company (CIC). In general, it represents a good step forward for businesses with a social and/or ecological purpose that want to reinvest their profits for the benefit of the community. A cooperative is also an interesting option to explore.





Please describe your legal strategy at organizational level

# Wear your hat!

## Exercise

### Instructions:

1. Read the GBP Section, wearing one of the coloured hat.
2. Analyse the text following the color tag instructions.
3. Present your conclusions and potential area of improvement.

Group Function	Hat	
The group analyses the compliance with the structure. Does the case study meet the "general instructions for the GBP template"? What is missing?		Blue Hat: <i>Calls for information known or needed. "The facts, just the facts." (EDB)</i>
The group analyses the positive good practices linked to the GBP goals and structure, highlighting achievements.		Yellow Hat: <i>Symbolizes brightness and optimism. Under this hat you explore the positives and probe for value and benefit. (EDB)</i>
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