

APInno

Business Challenger's Handbook

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1. Introduction

Business leaders agree that high labour costs, excessive regulation and the absence of a culture of innovation and entrepreneurship is constraining the development and progression of European business in the global market.

Innovation is the way for business to achieve economic success and organic growth. Business organisations must develop new skills and knowledge which will include a more in depth understanding of their stakeholders' needs and expectations, the ability to collaborate with partners and importantly to develop new and innovative approaches to growing their businesses. Small & Medium Enterprises (SMEs) in particular must create and sustain long-term competitiveness and economic value.

Innovation in all sectors carries with it opportunities and risks. Well-established businesses can unexpectedly find their businesses models threatened by new competitors with dynamic and innovative business models. Consumer demand can be altered, enhanced, or modified by the advent of new products from developing technology. Consumers respond to new products in unexpected ways, driving unanticipated change and the need forever newer products and services.

Embracing innovation is critical to the success of SMEs but perhaps seen by many as an insurmountable challenge, if not something to be feared and avoided at all costs.

2. Programme Background

This training programme is developed under the project *Erasmus+ APInno: Action Project for Innovation* Erasmus+ Project N° 2014-1-BG01-KA203-001561.

The primary aim of the APInno programme is to enhance collaboration between business and universities by developing an innovative approach and methodology for teaching Innovation Management (IM). It is intended that the programme will become part of the university curriculum as a course with relevant credits.

APInno is an experiential learning programme which in addition to taught concepts such as critical fundamentals for business, innovation management, growth, competitive dynamics and market simulation, engages students in challenges and problems posed by a real business.

The benefit for participating businesses is a diverse portfolio of real and ready-to-implement new growth options around both existing and new offerings, channels, markets, businesses and business models. It is also a good opportunity for the participating businesses to get a fresh perspective on the challenges being faced.

As the **Business Challenger** you will present the students with a well-defined challenge faced by your company in the area of growth and innovation. It is organised as a competition where three to five blended teams work in competitive structure in order to provide the best solution for your company, who will be their 'client'. Each multi-disciplinary team consists of 3 to 5 students. Throughout the programme the Business Challenger will review, guide and ultimately rank and provide feedback to the student teams as if in the 'real world'. At the end of the programme the preferred solution will be selected by you - the **Business Challenger**.

Throughout the programme the Business Challenger will review, guide and ultimately rank and provide feedback to the student teams as if in the real world. At the end of the programme the winning solution will be selected by the Business Challenger. The total programme consists of a 180 hours learning during which there are eight weekly sessions of four hours each when the students will work on the Challenge. An overview of the programme is shown below with times when the Business Challenger is required to brief the students, deal with on-going queries and receive final presentations. The Challenger needs to attend the programme on five occasions for a maximum of two hours in order to meet with the students. The purpose of these meetings is outlined as follows

- Meeting 1:
 - Outline the Challenge/business problem

- Provide background material about the company
- Detail consequences of not finding a solution
- Identify any known constraints/ limiting factors to resolving the challenge/ business problem
- Meetings 2,3:
 - Discuss the progress of the students' work
 - Make corrections if needed
 - Provide clarifications/ additional information if needed.
- Meeting 4:
 - Official presentation by the student teams of their results/proposed concepts
 - Challenger to provide feedback to students
 - Challenger to select most suitable solution for their business

3. Programme Overview

The total programme consists of a 180 hours learning during which there will be 8 weekly sessions of 4 hours each when the students will work on the Challenge. An overview of the programme is shown below with times when you as Business Challenger would be required to brief the students, deal with on-going queries and receive final presentations:

Workshop	Content	Challenger Attendance
1	READY Module 1: Introduction and course overview; working in groups	
2	Module 2: Innovation and innovation management introduction	Present the challenge
3	STEADY Module 3: Preparation, innovation drivers; case for innovation	
4	Module 4: approach to innovation; ideation, business opportunity map	Discussion of the ideas
5	Module 5 Specification and prioritisation of Business concepts	Presentation of innovation concepts
6	INNOVATE Module 6: Business model, Action and implementation plan	Final presentations
7	Review of course; feedback session with all participants	Feedback session

The Challenger would also be asked to be available for one hour each week to communicate via email with Trainer/ Mentor to deal with any student queries/ questions that may arise outside the timetabled sessions. The above table 1 Business Challenger Attendance is recommended but not mandatory. These regular sessions are necessary for the success of the final results. However the minimum number of meetings can be limited to 3 – **introduction, mid-term, final**. In the meanwhile all *other sessions* could be done off site – online, phone, emails, etc.

4. The Challenge

The challenge or business problem can come from any source and will not be restricted to businesses. The person presenting the challenge/business problem is termed **The Challenger**.

The Challenger is to provide to the students with a synopsis that represents a problem the challenger's organisation is facing and that requires a solution. The challenge or business problem can come from any source and will not be restricted to businesses. The suggested selection criteria for the problem are:

- The degree of complexity needs to be at the level that the students are able to grasp
- The challenge/business problem needs to be culturally sensitive to the students' cultural aspirations
- It needs to be a real and genuine issue that is impacting on the viability and/or growth of the organisation presenting the challenge/business problem
- It should be related to development of innovations
- The Challenger must not have already solved the challenge /business problem, although they may be working on a solution independently of the programme.

The information for the challenge needs to cover the following points:

- Overview of the organisation
- Overall vision for the future of the organisation
- Overview of the challenge/ business problem
- Consequences to the organisation of not finding a solution to the challenge/ business problem
- Details of any constraints/ limiting factors that might impact on the ability to resolve the challenge/ business problem (e.g. budget limitations/ access to finance/ skills gaps)

A template for a prospective challenge can be found at Appendix 1.

A sample challenge can be found at Appendix 2.

5. Challenger Attendance

Remind the students that the information contained within the challenge is confidential and should not be discussed with persons outside the programme trial. It is optional also if you would like to require a non-disclosure agreement (NDA) to be signed by students, trainers and mentors.

The Challenger will need to attend the programme on 3-5 occasions for a maximum of 2 hours in order to meet with the students. The purpose of these meetings is outlined as follows (please note that there may be variations from programme to programme):

- Meeting 1:
 - Outline the Challenge/business problem
 - Provide background material about the company
 - Detail consequences of not finding a solution
 - Identify any known constraints/ limiting factors to resolving the challenge/ business problem
- Meetings 2, 3, 4:
 - Discuss the progress of the students' work
 - Make corrections if needed
 - Provide clarifications/ additional information if needed.
- Meeting 5:
 - Official presentation by the student teams of their results/proposed concepts
 - Challenger to provide feedback to students
 - Challenger to select most suitable solution for their business

The Challenger would also be asked to be available for 1 hour each week to communicate via email with Trainer/ Mentor to deal with any student queries/ questions that may arise outside the timetabled sessions.

Appendix 1: Proposal for a Challenge/Business Problem

Thank you for offering a Challenge/Business Problem for our students look for a solution. Can you please complete the form below? Please try not to exceed the word limit for each section. There are notes at the end of the form that you can use to assist you in completing the form. Please be aware that the students will be given access to the information below with the exception of your contact details if you request so.

Name of organisation	Contact person	Contact details
Overview of the organisation (300 words)		
Overall vision for the organisation's future (200 words)		
Overview of your problem (500 words)		
Consequences of not resolving this problem (200 words)		
Are there any specific restricting factors such as finance or skills that impact on this problem?		

Notes

Overview of the organisation: what industry are you in, what products or services do you sell/provide, target market, approximate market size, specific factors impacting on the organisation

Overall vision for the organisation's future: Where do you see the organisation in 5 years' time?

Overview of your problem: what is the problem, what factors have cause this problem to emerge, what barriers are there to you solving the problem, are you currently working to solve the problem?

Consequences of not resolving the problem: if you do not resolve the problem what you do anticipate happening to the organisation?

Specific restricting factors: what factors are you aware of that restrict solutions such as finance?

Conditions:

If your case/problem is chosen there are a number of conditions that we would expect you to agree to. You can be working on a solution yourself, but you should not have already resolved the problem.

You agree to attend 5 sessions in total for a maximum of 2 hours each to engage with the students/participants. The first meeting would be to provide an overview of the problem and subsequent meetings will relate to progress and provide further information required by the students/participants.

Appendix 2: Sample Challenge

Proposal for a Challenge/Business Problem

Thank you for offering a Challenge/Business Problem for our students to look for a solution. Can you please complete the form below? Please try not to exceed the word limit for each section. There are notes at the end of the form that you can use to assist you in completing the form. Please be aware that the students will be given access to the information below with the exception of your contact details if you request so.

Name of organisation: XXXXX Ltd	Contact person: Xxxxxxxx	Contact details: (Direct) (Mobile) (Email)
<p>Overview of the organisation (300 words)</p> <p>XXXXX Ltd is a support services provider to the health imaging industry. Health Imaging includes products like MRI and CT scanners. We have business relationships with the manufacturers, leasing companies and private and public healthcare providers. The company works around the world and has offices in London and Madrid. The company consists of 12 staff. 5 Staff are engineers and the rest are Sales/ Project or administration staff.</p> <p>The company is just over four years old and turnover is around £X million. EBIT is around 10% of Turnover.</p> <p>The business is currently looking to debt finance expansion over the next three years. The plan is to double turnover, and grow EBIT to around 15% by 2019.</p> <p>There is limited information about the size of our market, but estimates range from 500 million to 1.5 Billion GBP. This is the pre-owned diagnostic imaging market.</p> <p>To give examples of the type of business we do:</p> <p>We buy replacement (pre-owned) MRI scanners from Siemens and Philips TRADE DESKS in Germany and Holland. Siemens and Philips operate TRADE DESKS whereby selected/ vetted partners are able to purchase trade-in MRI scanner from around the world. These are scanners that are being replaced by more modern equipment and are typically around 5- 7 years old.</p> <p>We use our engineering and project management skills to plan and execute the removal of MRI scanner around the world. These scanners can weigh up to 10 Tonnes and removal can take a month of planning and execution.</p>		

We sell the scanners after testing, refurbishment and with warranty to other companies. These companies could be: Siemens/ Philips/ GE or other dealers of this type of equipment. In some cases we can sell directly to end user or Hospital groups.

Overall vision for the organisation's future (200 words)

In 2016 we are seeking to grow our business by taking on some debt or by selling the company to a larger organisation. The plan is to double our turnover to £XX Million, and grow EBIT to around 15% by 2019.

To grow the business we will need to exploit new market and develop greater market share in others.

Key areas for growth:

- We are looking to expand our offering to include mobile CT/ MRI rentals.
- We want to develop into a trusted vendor independent imaging equipment suppliers and installer. **We look to expand our offering into the African market.** Presently we sell largely into the US and Europe.

Overview of your problem (500 words)

We have not conducted a market analysis into the Africa market. We don't have in house spare capacity at present to undertake this task. We have met with some African brokers who could make the introductions to the African market.

Africa will prove a challenge on a number of fronts and we have to address all prior to entering the market:

1. Logistics: how to safely transport CT and MRI equipment into certain parts.
2. How do we solve the local power issues, our equipment requires a good level of infrastructure to operate? I expect we will have to use large UPS systems.
3. Very important: How do we access the key people in the private and public health systems.
4. Do we have access to NGO's and charities? They can be buyers of our products.
5. If we are to supply directly to end users we will have to ensure support is adequate.
6. We may have to train local staff to maintain the equipment. See point 5.

Consequences of not resolving this problem (200 words)

If we don't enter Africa it makes our growth targets more difficult to achieve.

Are there any specific restricting factors such as finance or skills that impact on this problem?

Finance is a factor that can have the biggest effect on us entering Africa. We will have to invest time, money and resource for 12- 18 months prior to seeing a real return.