



Guidelines for the use of KABADA in other higher education institutions outside the consortium

This material is intended for professionals (program directors, teaching staff and others) of various higher education institutions outside the KABADA consortium, in order to better understand when, for whom and how to better use the KABADA tool in the study process and other activities.

Target audience

The KABADA tool is suitable for the entrepreneurship education process, both at the bachelor's and master's level. It is particularly suitable for business management students, but since business planning skills are taught to future professionals in a wide variety of fields, it can also be applied well to other study programs that include business courses.

If the study course includes the development of a business plan, business models, then the KABADA tool could be particularly useful. Considering the fact that the creation of a business model also involves the planning of product, price, distribution and promotion issues, the tool can also be used well in a marketing course. It can also be useful in financial management study courses, because while working on a business idea, the user of the tool works on financial projections for the business project.

Business incubators of higher education institutions are a special target audience for using the KABADA tool. It can be used in business games, simulations, contests and other extracurricular activities related to the development of business skills and planning and discussing of business ideas.

The tool can be used by an individual student, but it is also possible to use it in teams by sharing the documents to be developed.

Length and scope

The use of the tool in the study process may involve the completion of a full study course (for example, an entrepreneurship course), but most likely a block related to the development of a business project could be part of a study course or module, or as an element connecting individual courses (for example, business, marketing, financial management).



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Depending on the depth of planning, research and analysis, the duration of using the tool in the study process can be very different. It is possible to simulate the planning of a business idea in a few hours, but just as well, doing it can provide 2-4 ECTS in 40-80 hours if you give a deeper cut to research and analysis of different aspects of a business project.

If the tool is used in a specific study course (e.g., marketing), then most likely the course instructor will focus on specific sections within the tool (e.g., value proposition, customer relationship, pricing, promotion, distribution channels), paying less attention to the other blocks that are also embedded in the tool.

Description of the tool and its structure

KABADA (which stands for Knowledge Alliance of Business Idea Assessment: Digital Approach) is a structured, web-based digital tool that purports to take the guesswork out of business plan development. Informed by theoretical research, relevant statistics, and artificial intelligence (AI) insights, the tool guides students and new entrepreneurs through every step of the way, helping them understand where they stand, where and how they might consider going, and what challenges and opportunities lie ahead.

The tool is intended for use by a wide audience. The primary target audience is students, entrepreneurs, university lecturers, business consultants, development finance institutions and related. It is important to note that the tool is suitable not only for existing and future professionals in the field of business and management, but also for future or existing professionals in any field, where business projects are planned and whose representatives start new business initiatives.

During the development process of the tool, its structure was created based on classic business plan development principles and content. When working with the tool, the business project planner sequentially goes through six large blocks - industry statistics, industry risks, creating a business model canvas, SWOT analysis, personal characteristics analysis and financial projections (see Figure 1 below).

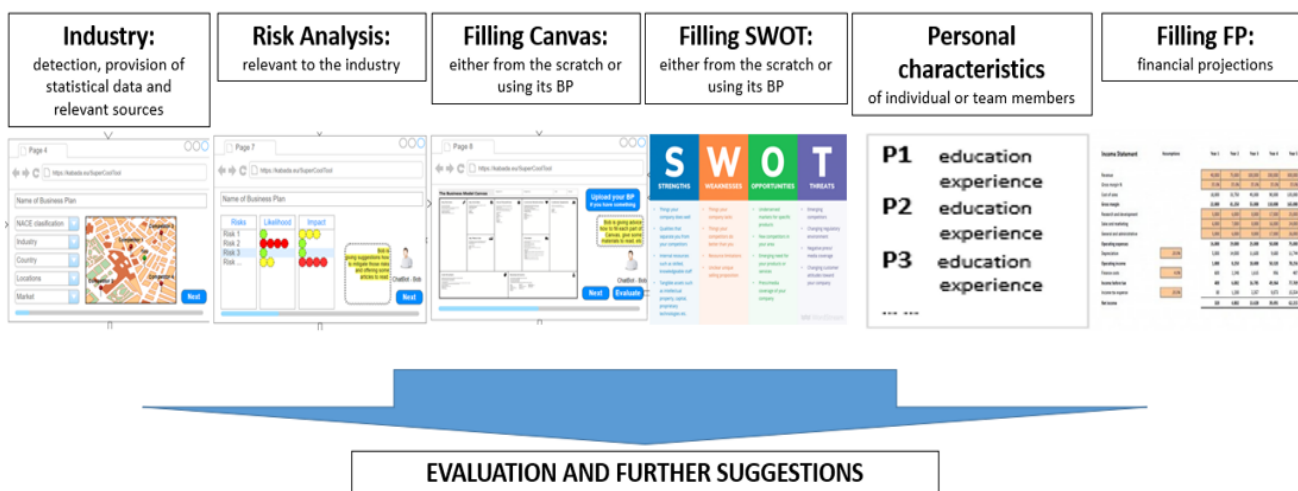


Figure 1. Structure and content of KABADA: six basic building blocks of the tool

The first two blocks in the structure of the KABADA tool inform its user about the statistical trends of the selected industry in the country where it is planned to do business, comparing them also with the trends of the industry throughout the European Union. The source of statistical data is Eurostat, the statistical office of the European Union. Also, the user of the tool is introduced to the risks at the macro, industry and company levels, which are typical for companies in the selected industry. The macro level of risk analysis is based on the PESTE (political, economic, social, technological, environmental factors) analysis. Industry-level risks are analyzed using Michael Porter's Five Forces Framework, that was first published in Harvard Business Review in 1979.

The development of a business model within the framework of the KABADA tool takes place using the Business Model Canvas. It consists of the nine "building blocks" of the business model design template that came to be called the Business Model Canvas and was initially proposed in 2005 by Swiss business theorist Alexander Osterwalder. In the next block of the tool, its user performs a SWOT (strengths, weaknesses, opportunities, threats) analysis with the purpose of creating a generic strategy. In both mentioned blocks, the user of the tool has to sequentially make choices from a set of options predefined by the system.

Since it is important for a potential entrepreneur to be aware of his readiness to start a business, the system has another block in which the user completes a test, assessing his entrepreneurial abilities, knowledge and external circumstances that can either help or hinder the conduct of business.

Financial projections are the final block of the KABADA tool. It is connected to the Business Model Canvas previously developed by the user. Thus, when filling out the financial projections section, the user must enter numbers against various types of assets, liabilities, revenue streams, cost items, initial investment. After completing this task, the system generates a cash flow statement for the first period of operations.

Artificial intelligence algorithms are also built into the KABADA tool, which provides for gradual learning of the system from the business plans created in it. As a result, the user, while working in the tool, receives artificial intelligence advice in various places when has to make choices.

The KABADA tool includes significant work with big data. This is due to both a huge amount of data from external resources, such as Eurostat Structural Business Statistics data base, and internal resources of the system, such as business plans created in the system. The volume of Eurostat business statistics data is immense, and the KABADA system must be able to extract from it exactly the necessary information within the relevant industry and country, as well as create combined images with various indicators so that the user can easily perceive the trends of the industry's development using different absolute and relative indicators.

Recommendations for teachers in working with learners

Although every teacher can organize the work with the trainees according to his or her free discretion, we offer certain sequential principles that are recommended to be followed when working with the trainees in the course of using the tool. They are as follows:

1. Thoroughly familiarize yourself with the structure and functionality of the tool. It is also recommended to use the video tutorials prepared by KABADA developers.
2. Introduce the objectives, structure and functionality of the tool to the trainees.
3. Explain that KABADA is only a support and easy-to-use tool, but the analytical work and learning of topics is the work and task of the learners themselves.



4. Before developing the sections within the tool, explain to the trainees the theoretical aspects of the blocks included in the tool (industry data, risk analysis, business model canvas, SWOT, financial projections) in order to prepare the trainees for effective work in the tool.
5. Be available to learners if they have questions regarding the fields to be filled in or the interpretation of the information provided by the tool.

It is also desirable to have a discussion and provide feedback after developing a business plan using the tool.

Informative material for users (students) about the KABADA tool

KABADA developers have also prepared text-based informational material that can be offered to users of the tool, such as students, to get a first impression of the tool and its capabilities (find it in the Box 1. below). This material can be given to students or other trainees before starting training with the tool.



KABADA TOOL AND ITS USE

KABADA helps you to structure your business plan and test the feasibility of a business idea.

It allows making a strategic analysis, diagnosing external opportunities and threats, as well as internal strengths and weaknesses.

You will be able to:

- diagnose external strategic factors, through a PESTEL analysis, i.e., to determine Political, Economic, Sociocultural, Technological, Environmental and Legal trends, at a macro level. In the industry level, you will be able to apply Michael Porter's Five Forces Model, which helps you determine the intensity of the competition and to determine the profitability of the industry in which you are planning to enter. Analysing the Existing Competition, Potential Competition, Substitute Products or Services, Bargaining Power of Suppliers and Bargaining Power of Buyers, it will be easier to choose the strategic positioning of your future company.

- diagnose internal strategic factors, through a strategic audit of the company resources, namely Human Resources, Tangible Resources and Processes.

KABADA also provides extensive industry data to frame the industry and to compare your industry with all the companies in a specific country.

Besides allowing an overview of the strategic factors your company may face, a SWOT analysis will be generated, presenting strengths, weaknesses, opportunities and threats, that will help you to generate strategic alternatives, namely SO, WO, ST and WT strategies.

Alexander Osterwalder's Business Model Canvas allows you to design the business model, identify its key elements, and to test the feasibility of your ideas. Through nine building blocks - value proposition, customer segments, channels, customer relationships, key activities, key resources, key partners, revenue streams and cost structure – you can have a picture of your business idea. As with the other strategic tools, Canvas also allows you to identify strategic factors and test different scenarios.

KABADA helps you to create Financial Projections. Identifying the Assets that you have, the Fixed and Variable Costs, the sales forecast, and the investments you will need, KABADA will help you to determine if your overall cash flow over time will be viable.

Because the success of a company depends a lot on the entrepreneurs, your Personal Characteristics will also be taken into consideration in the business plan.

Box 1. Informative material for KABADA users



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