KEY ACTIVITIES & RESOURCES

Tool description & worksheet

Version 2.0

WHAT?

Clarifies the activities that are essential to make your business model work, and the most important assets required. This can involve production, problem-solving, network activities, and physical, financial, or human resources.

WHY?

Essential to create a viable business model and to ensure that it can be described in detail for investors and others. Also helps identify missing or unsuitable activities and resources.
Describe the key activities and resources of your enterprise using the questions below.

**STEP 1: IDENTIFYING KEY SUPPORT ACTIVITIES**
What are the most common support activities in you and your team's day-to-day work?

For each of the sections, provide specifications in regards to your venture. Be precise in describing these activities.

- Business Support/Infrastructure - General management, accounting, legal...
- Human Resource Management - Recruitment, trainings, professional development...
- Technology Development - information management, IP, IT...
- Procurement/ Purchasing - securing key resources, finding vendors, negotiating with vendors...

**STEP 2: IDENTIFYING KEY PRIMARY ACTIVITIES**
What key activities does your value proposition require?

For each of the sections, provide specifications in regards to your venture. Be precise in describing these activities.

- Inbound Logistics - managing supplier relationships, receiving, storing, and distributing inputs internally...
- Operations - manufacturing, designing, packaging...
- Outbound Logistics - collection, storage, distribution...
- Marketing and Sales - branding, advertising, promotions, pricing...
- Service - upgrades, maintenance, repair, managing returns...

**STEP 3: IDENTIFYING KEY RESOURCES**
What must be provided for your team to accomplish its work on a daily basis? What key resources does your value proposition require?

For each of the support and primary activities, fill in the required resources. Keep in the mind the different kinds of resources each activity may require:

- Physical – e.g. buildings, facilities, vehicles, point-of-sale materials
- Intellectual – e.g. copyrights, market data, brand identity
- Human – e.g. salespeople, researchers, managers, drivers
- Financial – e.g. cash reserves, credit lines, financial guarantees
STEP 4: CLUSTER AND PRIORITIZE

Discuss all the activities and resources documented in the preceding two steps. Make clusters based on the information acquired in the previous steps.

Which activities and/or resources:
- Are most urgent or urgently needed?
- Are most challenging?
- Create the most value for the business?

Make a final summary of the most important activities and resources. For each, include a brief description of the reasons why it is among the most important.

STEP 5: OUTSOURCE OR DO-IT-YOURSELF

Go through all the activities and resources from step 4, and discuss whether you could / should do this yourself or if you need a partner. To explore partnerships more in-depth, use the ‘Partnership Identification’ tool.
You are ready to complete your business model or begin improving it where it is weak or underdeveloped.

This tool is based on the ‘Business Model Canvas’: Osterwalder, Alexander and Peigneur, Yves (2010), Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers, Hoboken, New Jersey, USA: Wiley
Use when creating a new business model or beginning a transformation or improvement of the business. Use also when a reliable overview of key activities and resources is needed as input for the Business Model Canvas, and/or to map where partnerships are necessary.
BEGIN WITH AN EXPLANATION OF THE TOOL
A concise explanation helps the individual or team to understand where activities and resources fit into the business. Use the Business Model Canvas to put key activities and resources in context.

CREATE A BROAD INITIAL ARRAY OF ACTIVITIES AND RESOURCES
For each of the support and primary activities categories, brainstorm first to create as broad a list of activities as possible. Then do the same with resources. This helps open participants’ minds to the full range of possibilities and gets them thinking about the different contexts in which the business operates. This makes the next step – prioritizing – much easier.

RESEARCH MODELS IN ADVANCE
Find business models for existing businesses similar to the one you’re helping (e.g., long-tail business model, multi-sided model, other). Examples taken from a similar business operating on a similar scale help you and participants to recognize and describe key activities and resources they might otherwise overlook.

PRIORITIZE KEY ACTIVITIES AND RESOURCES
For each category of activities think together with the client what the most important (and most costly) activities and resources are.

Make sure to bring it back to the value proposition. What are the absolutely critical activities and resources that must happen for the value proposition to be delivered?

As a next step, you can discuss which activities or resources can be outsourced via partnerships (see tool).
TIME
2-3 hours
You can take between 30 and 45 and minutes per step as described in the tool, with breaks to consolidate and discuss results. Leave at least 45 minutes for the final prioritizing and summarizing.

MATERIALS
Large print, drawing or slide of the worksheet; pin board or whiteboard; workshop materials (markers, cards, lots of Post-its, etc.).
In order to explain the context of this tool, the Business Model Canvas can be used.
Keep a document with a concise summary of examples taken from a similar business.

TEAM
You will need one facilitator and one or more people representing the main parts of the client enterprise.
For larger groups: have people in smaller groups fill in separate sections of the worksheet and present the outcomes.

DOCUMENTATION
Work with Post-its so you can add and remove elements easily.
During discussion, use flip-overs to capture each suggested activity or idea.

EXAMPLE: A LOCAL BAKERY

Summary of Key Activities:
- Acquiring permit
- Bookkeeping
- Identifying vendors/purchasing ingredients/negotiating prices
- Receiving and storing ingredients/managing inventory
- Production and packaging of baked goods
- Maintenance of machines
- Transportation to the shop
- Managing customer relationships

Summary of Key Resources:
- Basic accounting skills
- Storage for ingredients
- Basic inventory management system
- Ingredients and key machines
- Bakers and salespeople

Business Support / Infrastructure: Bookkeeping, acquiring permit, staff management...
Human Resources Management: Staff recruitment, time management training, first aid training...
Technology Development: Reviewing latest machines available for bakeries, payment systems...
Procurement/Purchasing: Identifying vendors, purchasing ingredients, negotiating prices...

Inbound Logistics: Receiving and storing ingredients, managing inventory...
Operations: Production of baked goods, maintenance of machines...
Outbound Logistics: Transportation to the shop, packaging of baked goods...
Marketing and Sales: Special promotion of baked goods, design of logo...
Service: Managing customer relationship...

Required Resources: Legal support, accounting knowledge...
Required Resources: HR staff...
Required Resources: Access to updates on latest technologies
Required Resources: Supply chain manager, sales tracking system
Required Resources: Storage for ingredients, inventory management
Required Resources: Ingredients, bakers, machines...
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