

# The ResC-EWE MOOC

Resilience and rescue skills for SME's



# Family-business-related tools

Created by Family Business Foundation – FFR



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The ResC-EWE MOOC

# TOOLKIT

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# TOOLKIT 1

Storytelling tied to the family heritage



# FUNDACJA

— FIRMY RODZINNE —

Co-funded by the  
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EARLY  
WARNING  
EUROPE  
*ResC-EWE*



# Storytelling tied to the family heritage

## SECTION

**CHANNELS and RELATIONSHIPS**  
of the Business Model Canvas.

## TOOL

**A tool related to PR**  
and marketing activities.

## FRAMEWORK

**A framework for creating**  
the family business founding myth.

## Background theory

Although founding myths are often oversimplified versions of the true stories, wide media coverage proves that still they are compelling to public and can be used to catch attention of your target groups (assuming that you have them already identified; if not – do the tasks in Toolkit 2 and get back to this document).

Family businesses, having a strong identity, can differentiate themselves on the specific expertise and experience gathered throughout the years.

Public opinion research performed on commission from FFR in Poland proved that consumers are keen to buy from family businesses based on three main motivations:

- They have the feeling that the owner himself or herself is overseeing the production and guarantees the quality with their name;
- They have the feeling that the product is manufactured in the home country of the company;
- They have the feeling that employees are treated fair by such an employer;\*

Bearing that in mind it seems logical and beneficial to use a family aspect as (at least one) differentiator of the business.

\* „Polacy o Firmach Rodzinnych” (Polish for: *Poles' Opinion on Family-owned Businesses*) was a series of 5 reports based on public opinion polls performed consecutively each year starting 2014. Each poll was conducted by SW Research Agency on a nationwide sample of over 1000 people, representative in all basic demographic variables.



# Storytelling tied to the family heritage

## SECTION

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A tool related to PR  
and marketing activities.

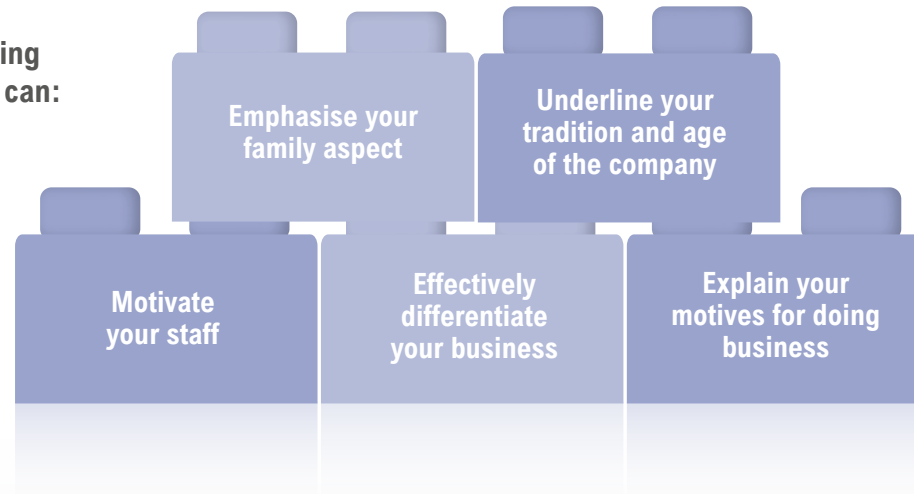
## FRAMEWORK

A framework for creating  
the family business founding myth.

## Benefits

After completing tasks and reflections from this tool, you will have your founding myth story ready to use in your internal and external communication, including promotional materials and company website.

Communicating  
such a story can:



# Storytelling tied to the family heritage



[DOWNLOAD WORKSHEET](#)

## SECTION

**CHANNELS and RELATIONSHIPS**  
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## FRAMEWORK

A framework for creating  
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## Reflection

Make sure you will not be disturbed for about 20 minutes. Get yourself pen and paper and answer in writing the following questions regarding the circumstances in which your business was founded. Use a worksheet attached to this tool (you can print it or fill in on your computer).

- Which family members were engaged in this process?
- What were the initial obstacles? How did you overcome them?
- Once you achieved your first success – what kind of complications arose next? Did you use the same tools and methods to cope with them? If not – what changed?
- Did anything surprise you on the way? Both positive and negative?
- What was the breaking point that was the gateway to further success you are enjoying currently? If you do not feel successful, what is the reason for current struggle – how are you managing not to be defeated by it? What is your countermeasure/your weapon?

## TIPS

Use simple wording that anyone can understand.  
If you have photos (or other memorabilia) that show how things were those times, use them to remind yourself of that.



# Storytelling tied to the family heritage



TASK

## SECTION

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### Arc of the story

Make sure you will not be disturbed for about 30 minutes. Please follow the instructions.

The great stories that catch the attention and engage the audience follow one of a few storylines which are archetypal. Get to know the following storylines, known also as story-arcs, which represent the positive and negative emotions related to what happens with the character – in case of a company founding myth it's the founders. The emotions are tied to a value that the founder is trying to fight for.

If they are close to “getting there” the graph is highly positive. If the adversities are arising and the founder is “losing the game” – the graph is in negative.



**POSITIVE emotions**

beginning

end

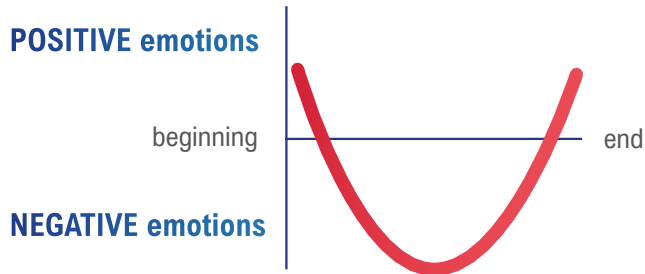
**NEGATIVE emotions**





# Storytelling tied to the family heritage

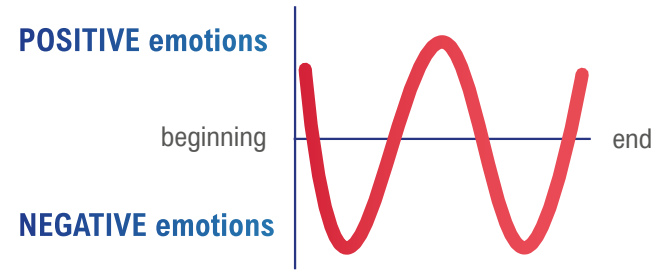
## A man in a hole



A man in a hole examples:

*Hobbit*  
*Disney's Monsters, Inc., Finding Nemo*

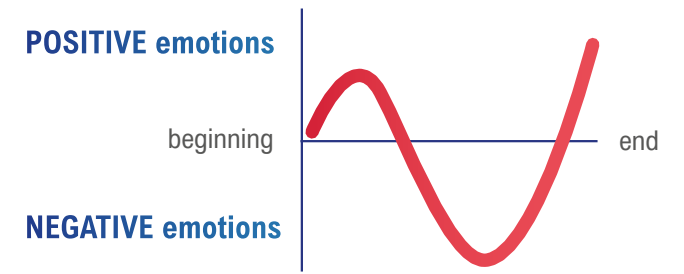
## A double man in a hole



A double man in a hole example:

Disney's *Lion King*

## Cinderella



Cinderella storyline examples are also:

*Alladin, Frozen, Pinocchio*



# Storytelling tied to the family heritage



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### Arc of the story

Having your notes from the reflection part, try to fit the real events into the framework of a story, which basically goes down to:

1. Exposition – setting the background – where were you at before reaching the decision to start up a company.
2. Inciting incident – what did directly lead to the foundation of the company; what was the trigger?
3. Rising action or progressive complications – what kind of struggle did you experience before getting the first client or breaking even.
4. Dilemma / crisis – have you been put in a situation in which you had to decide if you continue to be in the business or not? What was it like?
5. Climax – what did you convince to continue? Who helped you? What did you do?
6. Resolution – what do you do to make the things as they are; what is your current secret formula for thriving.



# Storytelling tied to the family heritage



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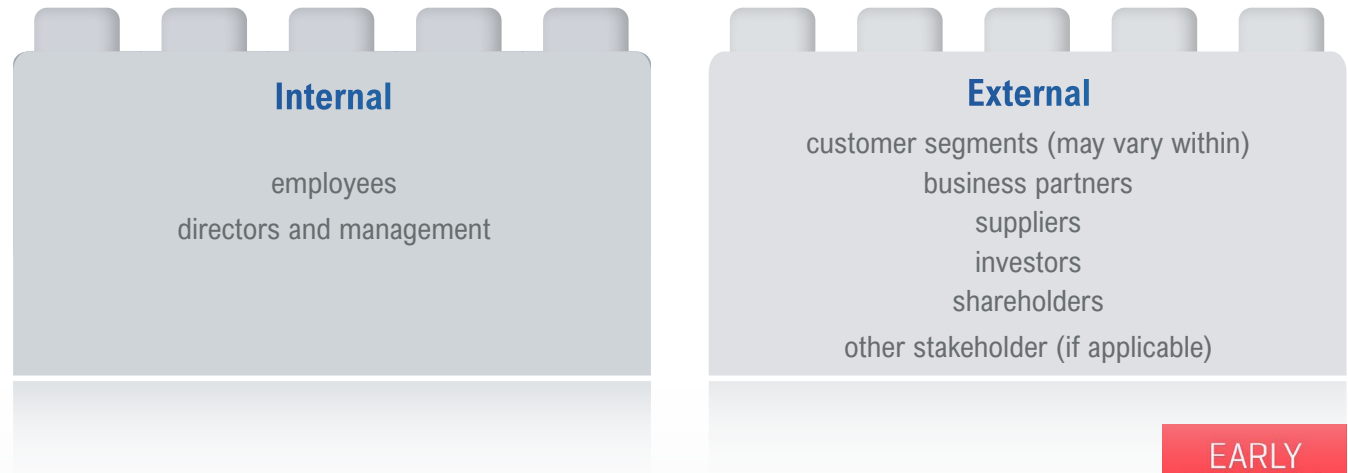
## FRAMEWORK

A framework for creating  
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### Founding myth addressed to various audiences

As a businessperson you deal with numerous audiences and the message aimed at them should be adjusted.

**Go through the story again and decide which parts should be emphasised in communication with particular part of the audience:**



# Storytelling tied to the family heritage

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### Where can you use your founding myth story – practical examples

In your company folder – as an introduction  
On your company's website – in the tab “About us” or “Heritage”  
As a starting slide of your business presentations  
In your onboarding presentations for new employees  
In a corporate video

### EKSTRA TIPS

Go through the pictures and other memorabilia you found for the purpose of previous exercise. Use them along to better depict how things looked like back then.

If you need, find a professional PR or advertising firm to help you formulate the final version of the story and produce materials on its basis.



# Resources

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the family business founding myth.

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Access 2021-04-09 Retrieved from <https://thewritepractice.com/story-arcs/>

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story structure. Access 2021-04-05 Retrieved from  
<http://workplayexperience.blogspot.com/2006/12/boom-wow-wow-wow-boom.html>

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*Poles' Opinion on Family Businesses*. Access 2021-04-05 Retrieved from:  
<http://polacyofirmachrodzinnych.pl>



The ResC-EWE MOOC

# TOOLKIT

2/3

# TOOLKIT 2

Family aspect in value proposition  
and business model



## FUNDACJA

— FIRMY RODZINNE —



# Family aspect in value proposition and business model



## SECTION

**“Value Proposition”**  
in Business Model Canvas.

## TOOL

**A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.**

## Background

Being a family-owned business may have more implications than only the perspective of succession. With this tool, we will help you to identify them and build around them a part of your businesses value proposition.

Please note that value proposition does not equal to the values you and your family are believers and followers. As described in this toolkit and in the MOOC – the value proposition is the way you create value for your particular customer segment through a distinct mix of elements that cater to specific segment’s needs.

In the book “Business Model Generation” there is a list of specific types of the sources of value creation, and we suggest answering some questions which will help you – as the owner of a family business – to identify in what ways your family aspect contributes or may contribute to your value proposition.



# Family aspect in value proposition and business model

Answer the following questions in writing. They will help you with the upcoming task.



[DOWNLOAD WORKSHEET](#)

## SECTION

**“Value Proposition”  
in Business Model Canvas.**

## TOOL

**A tool for the business’  
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use a natural differentiator  
– the family aspect.**

## Reflection

Before you start, please make sure that you have 45-60 minutes of time with no distraction, that you aren't tired.

Having in mind what was said in the MOOC video regarding value proposition design and your special traits as a family-owned business, could you build on your existing activities and resources (especially those that are present in the business from the very beginning or the ones you received when you took over the business from your parents)?

What is your heritage? How it can be used in the future knowing that you are setting out to run a business for decades and generations?

Does that change your approach to customer? Think in terms of service and guarantee. Think of loyalty programs.

Does the family aspect influence the way you understand your customer? Think especially of those that you “inherited” during succession. Do you know why are they loyal? What do they say about your business? Can you offer that to those customers that got acquired after you took over or make a guarantee about that?

Maybe you can make use of existing relationships and channels to offer customers a new value proposition.

Maybe you can uncover new unrealised gains pains and customer jobs having these long-lasting relationships with customers.





# Family aspect in value proposition and business model



## SECTION

“Value Proposition”  
in Business Model Canvas.

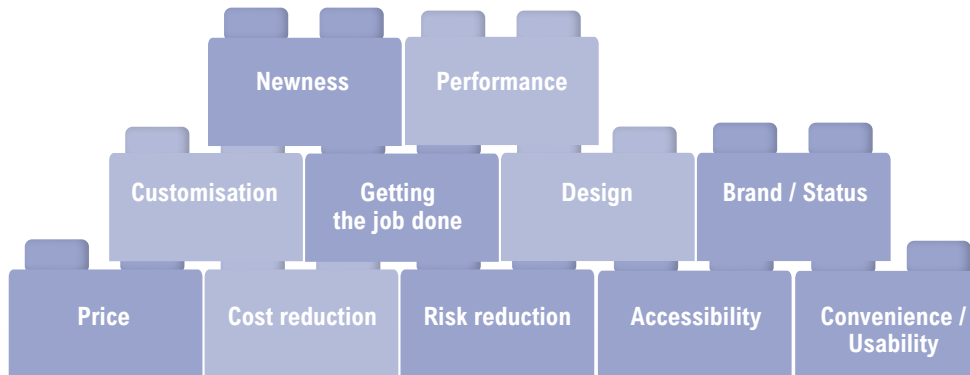
## TOOL

A tool for the business’  
self-awareness – how to  
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– the family aspect.

### Value creation sources

There is a catalogue (although non-exhaustive) of the sources of value creation.

You can go through it and answer the questions on the following slides to see if the family aspect impacts any of these sources:



# Family aspect in value proposition and business model



Newness

## SECTION

**“Value Proposition”  
in Business Model Canvas.**

## TOOL

**A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.**

## Value creation sources

This relates basically to satisfying a new set of needs that was beyond the perception of customer for the simple reason – there was no offering of such kind.

Think about your business as a experienced one (especially if you are the second or further generation in the business). Perhaps your many years of experience enables you to see the unsatisfied needs that rose up in queries long time ago but technological or other reasons (scale of business, price, skills, staff) were the obstacles that prevented you from satisfying them.



# Family aspect in value proposition and business model



Performance

## SECTION

**“Value Proposition”**  
in Business Model Canvas.

## TOOL

**A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.**

## Value creation sources

This source is easy to describe by the example of personal computers. This industry for years relied on “Performance” as a value proposition – which was based on bringing more and more powerful machines into the market.

Think about the factors that impact the performance of products and/or services you deliver. Are any of those influenced by your special experience as a family business? Maybe you own patents or other intellectual property that was developed previously and you can rely on it now? Was this developed by previous generation or maybe came out of cooperation between the family members? Can you repeat that success and create another one in a similar team?



# Family aspect in value proposition and business model



**Customization**

## SECTION

**“Value Proposition”  
in Business Model Canvas.**

## TOOL

**A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.**

## Value creation sources

This is all about tailoring your products and / or services according to specific needs of individuals or – at least – very narrow groups of customers.

Maybe your business over decades has gathered so much knowledge about customers, that you are already offering tailored products but you don’t communicate it to your prospective clients?

Maybe a special kind of relationships that you establish with clients allows you to go deeper into their specific needs and address them respectfully?



# Family aspect in value proposition and business model



Getting the job done

## SECTION

**“Value Proposition”**  
in Business Model Canvas.

## TOOL

**A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.**

## Value creation sources

Value can be created by addressing a very specific job. This is apparent especially when job is difficult or commonly considered unpleasant (e.g. boring, tiresome, dirty).

Does your family company have experience in dealing with any specific kind of issue? Maybe you hold a secret formula for doing a certain thing? Can you transpose that to other areas of business? Or offer that to new customer segments?



# Family aspect in value proposition and business model



**Brand / Status**

## SECTION

**“Value Proposition”  
in Business Model Canvas.**

## TOOL

**A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.**

## Value creation sources

Wearing a Rolex wristwatch is a symbol of wealth. Are you a Rolex in your industry? Do you have a potential of being such a brand?

How old is your business? Having or using something old or – at least – manufactured in accordance with instructions or recipes from a long time ago can be a symbol of status.

Quality check by the owner or member of the owning family can do that work as well. Can you offer that?



# Family aspect in value proposition and business model



**Cost reduction**

## SECTION

**“Value Proposition”**  
in Business Model Canvas.

## TOOL

**A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.**

## Value creation sources

Is there a way that being a family business helps your customers reduce costs?

Think of service and diagnostics of any kind and try to find an analogy in your business. Are there ways that being around for longer now and – most probably – for still many years in future helps your clients by e.g. you keeping a record of their previous orders, services etc. to reduce the cost of future diagnostics, assessment of needs, quantities, specifications?



# Family aspect in value proposition and business model



**Risk reduction**

## SECTION

**“Value Proposition”  
in Business Model Canvas.**

## TOOL

**A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.**

## Value creation sources

Can family aspect reduce a risk of any kind?

The most obvious risk that is mitigated by ordering from a family business is a problem of servicing a product (especially sophisticated machinery) many years from the purchase. As the family businesses are meant to last longer, the customers can be sure that if they need any servicing in the future, they will receive it.

Can this source of value be transposed to any other area?





# Family aspect in value proposition and business model



## SECTION

**“Value Proposition”**  
in Business Model Canvas.

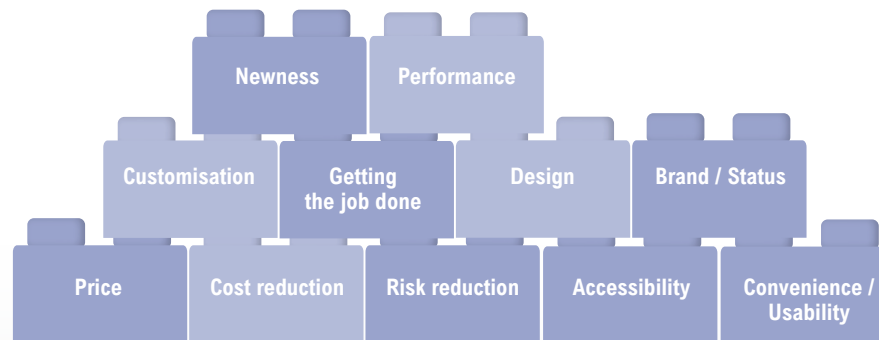
## TOOL

A tool for the business’  
self-awareness – how to  
use a natural differentiator  
– the family aspect.

### Value creation sources

Are there ways that you being a family business makes your product or service more available than others?

Maybe you want to differentiate your clients and make yourself more accessible to a special group of clients? And attract them through that?



# Family aspect in value proposition and business model



## SECTION

“Value Proposition”  
in Business Model Canvas.

## TOOL

A tool for the business’  
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### How family aspect translates to other elements of Business Model Canvas?

Now, take a look at the whole diagram of Business Model Canvas and ask yourself if family aspect has influence on respectively:

Key Partners (maybe you have a key for choosing the suppliers related to family aspect)

Key activities (what does your company do only because you are a family business?)

Key resources (what is held by your business through generations and brings a lot of value, but maybe you are used to it and overlook it)

Channels (does your family being active in the business established any special way to reach customers/clients and this special way is restricted to the family members? What kind of clients are allowed to use it?)



# Resources

## SECTION

**“Value Proposition”  
in Business Model Canvas.**

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**A tool for the business’  
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use a natural differentiator  
– the family aspect.**

Own elaboration based on:

Osterwalder A., Pigneur Y., *Business Model Generation*, 2010, John Wiley and Sons, Inc.



The ResC-EWE MOOC

# TOOLKIT

3/3

# TOOLKIT 3

Succession checklist tool



## FUNDACJA

— FIRMY RODZINNE —



# Succession checklist tool

## TOOL

The tool would allow one to get one's business safely through the succession process.

## FRAMEWORK

Framework has been created for the entrepreneurs to self-assess the actions that need to be taken within that scope.

## Objective

Becoming aware of the particular elements of the process aimed at getting ready for family succession.



# Succession checklist tool

## TOOL

**The tool would allow one to get one's business safely through the succession process.**

## FRAMEWORK

**Framework has been created for the entrepreneurs to self-assess the actions that need to be taken within that scope.**

## Family Business Succession – Theory

Family businesses are the foundation of the global economy. Many of those businesses need to face the prospect of succession – a very sophisticated process. Numerous family entrepreneurs fail to transfer the businesses to the succeeding generation. Four main factors that contribute to succession failures include the lack of ability of the enterprise to stay on the market, the lack of succession-focused planning, the lack of owner's willingness to transfer the business into the hands of the next generation, and the lack of interest in continuing the business activities by the owner's offspring.

The above mentioned factors make the succession processes challenging, or even impossible. By far, the most important cause of failure is the lack of succession planning. Creating a good succession plan, in most cases, makes it possible to maintain good condition of the business, also maintaining positive family relations. Professor John Ward's

research done in 1987 shows that only 30% of family businesses will make it to the second generation, 13% would make it to third, and 4% beyond the third generation of owners. The more recent statistics have been presented by other researchers are showing that around 70% of businesses starting off as family business are not passed on to the next generation, while 90% go bankrupt in the third generation.

The data cited above show that there is a major discrepancy present, among the businesses that are passed into the hands of the second generation. This is symptomatic, when it comes to the level of complexity of succession processes nowadays. Equally challenging is the process of inspiring the future generations to get involved in the business activities that were launched years, or even decades ago.



# Succession checklist tool

## TOOL

The tool would allow one to get one's business safely through the succession process.

## FRAMEWORK

Framework has been created for the entrepreneurs to self-assess the actions that need to be taken within that scope.

## Family Business Succession Tool – Benefits

- You will be able to create a list of actions that need to be taken to make the succession process safer for your business.
- You will be able to define what's ready, and what demands more attention.
- You will be able to define your priorities.
- You will be able to plan your succession-related actions.



# Succession checklist tool



**TASK**



**DOWNLOAD WORKSHEET**

## TOOL

The tool would allow one to get one's business safely through the succession process.

## FRAMEWORK

Framework has been created for the entrepreneurs to self-assess the actions that need to be taken within that scope.

## Family Business Succession Checklist Tool

Autonomous work - peace and comfort. Time: 1 h.

1. Read the questions listed in the survey below (Exercise sheet in the spreadsheet file).
2. Provide honest answers.
3. Have a closer look at your answers.
4. Choose the actions that you would like to deal with this year. Work your way through the table, as below.

Priority	What are you going to do?	Who is it that you are going to do that with?	By when you will be done with this?
1	...	...	...
2	...	...	...
etc.	...	...	...





# Resources

## TOOL

**The tool would allow one to get one's business safely through the succession process.**

## FRAMEWORK

**Framework has been created for the entrepreneurs to self-assess the actions that need to be taken within that scope.**

Based on several hundred mentoring meetings that we were, as the Family Business Foundation, involved in, engaging the family business owners.

Klimek, J. (2014), *W rodzinnej firmie – Powstanie, rozwój, zagrożenia szanse. (Family Business – Founding, Development, Dangers, Opportunities)*.  
Warsaw – Wydawnicwo Menedżerskie PTM

Bork, D. (1993). *Family business, risky business: How to make it work*.  
Bork Institute for Family Business.

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Grant Thornton & Fundacja Firmy Rodzinne, *Przyszłość Mojej Firmy*  
(Future of my Business)

Succession checklist: Katarzyna Gierczak Grupińska, Eleni Tzoka Steckka



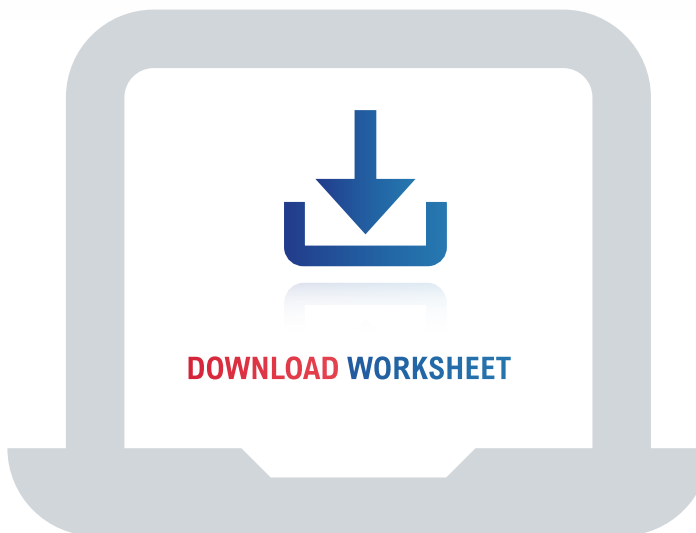
# Check what is the objective value of your enterprise



## Resources:

Enterprise valuation:

**Agnieszka Simon-Adamczewska,**  
**Piotr Hans**





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