

# Dynamic Green Business Plan

Regional Activity Centre for Sustainable Consumption and Production (SCP/RAC)  
Mediterranean Action Plan



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This Dynamic Green Business Plan template is a separate, yet closely-linked document to the “Greening the Entrepreneurial Spirit of Mediterranean” guide. In the next section (guidelines) you will find further information on how to properly use this notebook in order to take the most profit of it.

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# 1. Guidelines

This document aims to provide you with a comprehensive template -the Dynamic Green Business Plan (DGBP)- to gather, structure and analyse the information resulting from your entrepreneurship/innovation process. It therefore must be regarded as a notebook to write down your findings and a dynamic *partner* to keep you in good spirits along your entrepreneurial venture. This document per se, nonetheless, does not provide enough room to wholly fit the reader's responses and so the tables and blank spaces would probably need to be enlarged accordingly.

This template is closely linked to the "Greening the Entrepreneurial Spirit of Mediterraneans" guide (indeed extracted from it), expanding the "your turn" boxes into fully analytical and managerial tables to be filled in by you. The compilation of successful business cases (Annex II of the guide) may help you by seeing how other green entrepreneurs undertook their DGBP.

The theoretic contents of the guide and the DGBP template aim to provide you with all the information and resources you would need to undertake a feasible and sustainable green project.

Summing up, this green entrepreneurship guide (whole package) pursues three main goals, addressed to three different targets:

- To undertake a green project (green entrepreneurs).
- To innovate within existing projects, by applying the principles of sustainability, especially regarding environmental practices (green innovators).
- To become entrepreneur adviser/trainer and, particularly, get certified on this methodology (adviser/trainer of green entrepreneurs).

Now you can apply the knowledge and inspiration acquired along the different modules of the guide to your own project, by thoroughly going over all the steps proposed on this template. We hope you can take advantage of it and undertake your green project soon!

## 2. The Dynamic Green Business Plan: a Methodology to Undertake Green Projects (Module 2 – Guide)

### 2.1. The process of undertaking

#### 2.1.1. Cyclical vision: flow diagram

##### **Your idea**

Before getting into the methodology, if you have a pre-conceived idea of a project, please write it down here as synthetically as possible.

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##### **The entrepreneurial nature and process**

Briefly describe the thought process (observing-thinking-acting) you have gone through to arrive to that idea.

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As an introduction for later, try posing the 5 key questions (why, who, what, how, where and when) to your idea.

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### 2.1.2. Assumptions, validation & experiments

What underlying assumptions/hypothesis lies beneath your project idea?

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Have you attempted to validate those hypotheses? Conducted any research, consultation or experiment/test to do so?

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## 2.2. WHY? Understanding the reasons (Mission & Objectives)

### 2.2.1. The need/problem

#### Thinking backwards, moving forward: from the idea to its end goal

Go through the following questions looking to pinpoint the problems/needs behind your idea or, in case there is none, rewind back to the observing phase.

Does your idea tackle real problems/needs?

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Do your idea's target groups really have that need or problem or you just assumed so without sufficient support data? What evidence have you collected that demonstrates the existence of those problems/needs?

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**The problems/needs to be addressed**

Finally, describe the problems/needs spotted from the three angles of sustainability: what social, economic and environmental factors push your idea to exist?

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Will it contribute to a greener, fairer & better planet? How?

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**2.2.2. The Principles of Good Business**

Refer to the parallel section of the guide to go over the four pillars that sustain a good business (sustainability, responsibility, democracy and humanity), and ensure their implementation in your project from its very birth by shortly describing how they apply to your case:

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### 2.2.3. The entrepreneur's drive

#### Your motivation

Take some minutes to reflect on the next questions aimed at digging deep into yourself to come up with the actual motives that push you to undertake this idea in particular:

Why do you, personally, want to become an entrepreneur?

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What goals do you pursue with your idea?

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Have you thought of other possibilities to achieve the same goal? If so, please describe briefly.

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### Your own nature

Assess your entrepreneurial nature by weighing the following pairs (and others you may find relevant), often bond together in trade-offs, as of their importance/priority to you. Assign relative percentages, totalling 100% per pair:

<b>Certainty-oriented features</b>	<b>%</b>	<b>Reward-oriented features</b>	<b>%</b>	<b>Total</b>
Regularity		Improvisation		100%
Stability		Freedom		100%
Economic certainty		Independence		100%
Low risk but low potential for change		High risk but high potential for change		100%
<b>Average</b>		<b>Average</b>		<b>100%</b>

*Table 1*

## The Entrepreneur Test

Given the “difficulties” of entrepreneurship described in the guide, it is vital for you to take this test prior to setting the entrepreneurial initiative on fire. So fill it out as honestly as possible, as on your sincerity depends the success and fate of your venture:

Do you consider yourself an entrepreneur? What is an entrepreneur for you? And a green one?

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And regarding the idea you want to undertake, do you know what it takes in terms of time, effort, economic resources, etc.?

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So, what is your commitment with respect to yourself, your teammates and the rest of the parties involved in the project?

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## 2.2.4. Mission and objectives

Set specific objectives for your project: 1-2 for each sustainability dimension (social, environmental and economic).

Objectives	
Environmental	<ul style="list-style-type: none"><li>• _____ _____</li><li>• _____ _____</li></ul>
Social	<ul style="list-style-type: none"><li>• _____ _____</li><li>• _____ _____</li></ul>
*Economic	<ul style="list-style-type: none"><li>• _____ _____</li><li>• _____ _____</li></ul>

**Table 2**

\* The economic dimension here does not refer to the economic-financial viability of the project (internal aspect), but rather to the impact you want our project to have on the economy both at a local and global level (quality employment generated, collaboration with local businesses, etc.)

State your project's mission by synthesizing the objectives into an all-encompassing yet simple and elegantly-formulated sentence. The mission of (project's name) is to achieve ...

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## 2.3. WHO? Identifying the main actors (Stakeholders)

### 2.3.1. Principal Stakeholders

List all the stakeholders of your project, objective by objective. Look up the definition of “stakeholder” in the guide. As will be the case all along the template, tables are to be filled from left to right, row by row.

Objective	Related stakeholders

*Table 3*

Select the 6-8 stakeholders that are repeated the most -your principal stakeholders-, link them to the objectives they are related to, verify their interest (“stake”) in the project and willingness to participate and contribute, and note it down in the “reasons” column.

Principal stakeholder	Objectives related	Reasons

*Table 4*

### 2.3.2. Beneficiaries and clients

Among your stakeholders, two particular groups stand out: the beneficiaries (who benefit from the project's impact) and the potential clients (who bring the cash). So, list in the following table your project's specific sub-groups within those categories, as well as the needs of theirs that it will address.

Objective	Beneficiaries and their needs	Potential clients and their needs

*Table 5*

## 2.4. WHAT? Co-creating the best strategy (Strategic Action Plan)

### 2.4.1. Strategic thinking: social and environmental value, innovation, strength and viability

Build your strategic mix, by assigning relative weights (percentages) to the following key ingredients of the strategic decision-making process as explained in the parallel section of the guide. As a suggestion, if unsure, you can always set all weights to the same value (20%).

Strategic ingredient	Weight (% , total =100%)
Innovation potential	
Social value	
Environmental value	
Strengths	
Viability (economic and technical feasibility)	

**Table 6**

Briefly explain the motives that led you to the choices behind the strategic mix just settled, as well as the consequences you predict those will have on your project's impact. This is simply about justifying your choices, stating the reasons why you intend to lean more towards certain areas than others.

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## 2.4.2. Materiality analysis: from material topics to potential action lines

### A. Sustainability inventory: potentially relevant topics

Go through the sustainability inventory provided in annex I (an open compendium), and decide on a set of “a priory” relevant topics (between 12 and 25) of potential significance, as you see it, to your principal stakeholders, along all your objectives (go one by one, i.e. row by row) and for the three dimensions of sustainability.

Objective	A priory relevant topics (social, environmental and economic* )

**Table 7**

\* Once again, just remember that the economic dimension refers only to external economic areas or issues where the project can make a difference on, and not the internal economic viability of the project itself.

## B. Sector benchmarking (market research): innovation

Assess your sector overall by observing how your mission and objectives are being tackled nowadays: main actors involved, initiatives put forth, etc. Then, focus the scope of your study by selecting 3-4 leading organizations/projects in the sector, both in the international arena and in your regional/local area. Although both angles are highly recommendable, in case of lack of resources (basically time), you can focus solely on the regional part.

### Global sector benchmarking

1. For the 3-4 organizations chosen (sector leaders), comparatively analyse their best practices and strong points in general, as well as their areas for improvement, with regards to your project's objectives (one per row). You may deduce some new relevant topics (mature -from strong points- and immature ones -from areas for improvement-) to be added to the "a priory" list in table 7.

Objective	Global sector leaders	Best practices and strong points	Areas for improvement	New a priory relevant topics

Table 8



2. Getting into the specifics, appraise how important your predefined relevant topics (entire “a priory” list, including the new ones) are for each of the sector leaders. This time, conduct a semi-quantitative comparison, with relative relevance values ranging from 1.0 to 5.0 (\*). Lastly, take the average per topic for all the organizations, as a measure of the topic’s maturity in the sector (how much it is being tackled).

A priory relevant topic	Importance for global sector leader 1	Importance for global sector leader 2	Importance for global sector leader 3	Maturity (sector average)

Table 9

(\*) All across this methodology, we will use **relative scales**, for comparative purposes, all ranging from 1.0 to 5.0, distinguishing three main zones:

<b>LOW</b> From 1.0 to 2.49	<b>MEDIUM</b> From 2.5 to 3.49	<b>HIGH</b> 3.5 – 5.0
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**Regional sector benchmarking**

Same drill as for its global counterpart, but with 3-4 organizations within your local region of operations.

Objective	Regional sector leader	Best practices and strong points	Areas for improvement	New a priory relevant topics

Table 10

A priory relevant topic	Importance for regional sector leader 1	Importance for regional sector leader 2	Importance for regional sector leader 3	Maturity (sector average)

Table 11

### C. Stakeholder consultation: social value

Drawing from the entire catalogue of “a priory” relevant topics, including the new ones resulting from the benchmarking (global and regional), make up a list containing all the topics of potential interest for your principal stakeholders, always regarding your objectives. From now on, these will be your “key topics”. Make sure you have no more than 5 key topics per objective, that is, in total, around 20 to 30.

Objective	Key topics

Table 12

Create appropriate questions around the key topics. Remember to include open questions (with free answers, i.e. paragraph-text kind of questions on an online survey) on the objectives themselves, placed before the closed ones (with a set or pre-determined answers), in an attempt to not influence the interviewees with your own views (“a priory” relevant topics) and so extract “raw” information that may contain hints to new uncharted topics. If encountered, add these new topics to the key ones.

Objective	Open questions	Key topics	Closed questions

**Table 13**

Then, choose (or ideate) the most appropriate consultation methodology for each principal stakeholder, taking into consideration its peculiarities so as to maximize your chances of obtaining objective information. Have a look at the examples of consultations provided in the guide. Do not forget to consult your own team as well (or yourself if alone).

Principal stakeholder	Consultation methodology

**Table 14**

Lastly, you can proceed on to consulting your principal stakeholders using the surveys you just designed. Retrieve all the information from the various consultations, process it and deposit it in a suitable spreadsheet taking the following tables as models. A practical tool for so doing is Google Forms [Google Forms, 2012]. Basically, it should contain the key topics under consultation, the relative importance values (from 1.0 to 5.0) each principal stakeholder has accorded to them, and the overall average per topic (relevance), a measure of the social value they enclose. At this point, instead of the classic arithmetic average you can instead opt for a weighted one, may you want to grant different priorities to different stakeholders. Make sure you argument your decision in this latter case.

As a first step, analyse the outcome for the open questions, in search for potentially new key topics. There could be several ways to ponder the relevance of those new topics: one would be to conduct a new survey specifically on them (which can get a bit redundant and boring for your target), and the other to simply make a comparative estimation based on how frequently the interviewees have mentioned them in their responses.

<b>Objective</b>	<b>Open question</b>	<b>Response from principal STK 1</b>	<b>Response from principal STK ...</b>	<b>Response from principal STK 5</b>	<b>New key topics found</b>	<b>Social value or relevance (average per topic)</b>

**Table 15**

Then, move on to the closed questions, easier to assess as the importance of each key topic is directly given in the answer, most of the times even in a numeric form right away.

<b>Key topic</b>	<b>Closed question</b>	<b>Importance for principal STK 1</b>	<b>Importance for principal STK ...</b>	<b>Importance for principal STK 5</b>	<b>Social value or relevance (average per topic)</b>

*Table 16*

**D. Materiality graph: maturity vs. relevance**

Draw the materiality graph (maturity vs. relevance, for each key topic) with the data from tables 15 and 16 (relevance or social value to the stakeholders) as well as table 11 (maturity in the sector). Then, based on your entrepreneurial character, decide on which area of the graph to focus your project on and assign priority levels to key topics accordingly (e.g. use integer numbers with the lowest ones reflecting the highest priorities). Check the corresponding section of the guide for a description of the implications behind each quadrant of the graph. Lastly, set aside the top 10-15 topics -the “material” ones- and complete the table below.

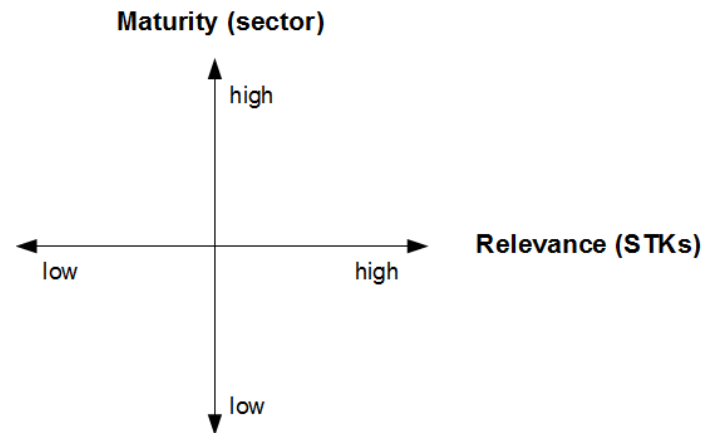


Figure 1. Materiality graph (maturity vs. relevance)

Material topics	Priority level

Table 17

## E. Stakeholder map and potential action lines (PALs)

Draw your own stakeholder map, simply by depicting your principal stakeholders as dots in a figure. The draw can take any form: symmetric or asymmetric, with or without a central dot (use it if you want emphasize a given stakeholder in particular, like the founding team or the clients), etc.

Then, delineate on it your PALs following the indications given in the guide. Try building at least 5 PALs (between 5 and 8) as, later on, we will be bringing that number down to more bearable figures for start-ups (3 or less), through other complementary analyses.

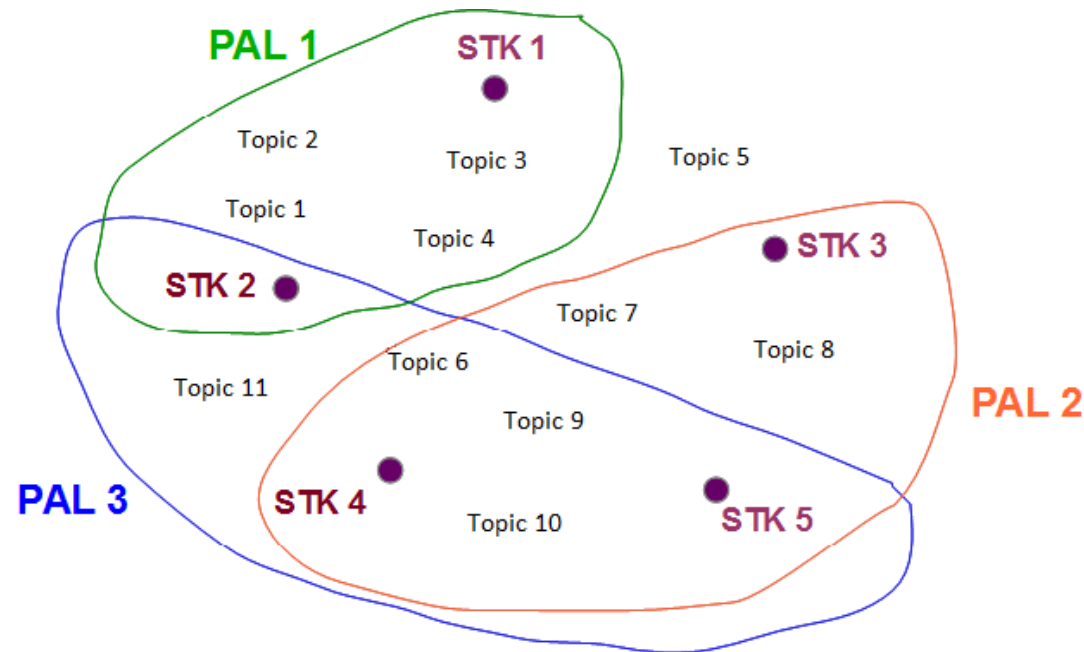


Figure 2. Example of a stakeholder map with 3 PALs drawn on it



Summarize the information contained in your map in the coming table, always referencing the PALs to your initial objectives, just to make sure you are on track. To fill the last column of the table, the one relative to the potential impact of PALs, sum up the individual priority levels from all material topics encompassed within a given PAL and normalize the resulting figure to a scale ranging from 1.0 (low) to 5.0 (high) for the sake of coherence with the rest of the methodology.

PAL	Objectives addressed	Stakeholders involved	Material topics encompassed	Potential impact

**Table 18**

### 2.4.3. Strategic action plan

#### A. Environmental assessment: environmental value

In order to assess the environmental value created by each PAL, compare them following the steps provided in the guide and note your findings in this table:

PAL	Service activities	Effects on the environment	Energy and material flows	Environmental value

Table 19

## B. Strength analysis: strengths

### Human Capital: the team

Contrary to common practice, start by assessing what your project, as defined by its mission and objectives, requires in terms of intangible assets from its human resources: skills, competences, experience, etc. Then, evaluate what you do have (current team) and, by mere contrast, you will get what is missing or needs work on or external cooperation (see “social capital” next).

As of the assets you do possess, reflect on your internal intangible strengths as a team (founders and/or executors), and derive a list of strong points along each potential action line (PAL). Think of your core skills and competences, technical knowledge, experience, know-how, soft skills, etc., both as individual team members (including yourself) and as a group, and note them down in the first three columns of the next table.

### Social capital: networks of contacts and collaborators

On the table below, complete the last two columns on the right by enumerating your main collaborators (or potential ones) and their core intangible assets, especially those that complement your team's.

Lastly, in view of the internal (team) and external (networks) evaluations you just conducted, combine in a single relative figure (from 1.0 to 5.0, as usual) your capacity to address each PAL, i.e. your strength (value) regarding that PAL.

<b>PAL</b>	<b>Intangible assets required</b>	<b>Intangible assets possessed (team)</b>	<b>Intangible assets possessed (social capital)</b>	<b>Strength value</b>

Table 20

### C. Economic-financial and technical feasibility: viability

Analyse the PALs resulting from previous studies in terms of their economic, financial and technical feasibility, taking into account the subtleties explained in the guide for each of those realms. Place the outcome in the coming table. As usual, summarize the evaluation of each dimension via a quantitative figure ranging from 1.0 (not very feasible) to 5.0 (very feasible). Lastly, synthesize those analyses into a single figure (viability), by taking a simple (arithmetic) average, or a weighted one if you want to consider the various dimensions differently.

<b>PAL</b>	<b>Economic feasibility</b>	<b>Financial feasibility</b>	<b>Technical feasibility</b>	<b>Viability (average)</b>

*Table 21*

**D. Strategic action lines (SALs): putting it all together**

Adhering to the procedure explained in the guide, reflect the outcome of your strategic analysis in the following table: the values (from 1.0 to 5.0) that the strategic factors take for each PAL. Then, assign strategic priority levels (the lowest indicating the highest priorities) to the PALs in accordance with their strategic potential (outcome of the “strategic mix” in section 2.3.1). Lastly, the so-sought-for strategic action lines (SALs) will simply be the top 3 PALs in this strategy ranking.

<b>PAL</b>	<b>Innovation</b>	<b>Social Value</b>	<b>Environmental value</b>	<b>Strength</b>	<b>Viability</b>	<b>Strategic potential</b>	<b>Strategic priority level</b>	<b>SAL (mark with “X” if SAL)</b>

*Table 22*

## Strategy graph

Besides, to render the maximization of the 5 strategic variables visual, draw a spider diagram (or area graph) on a 5-axes graph like the one displayed below. Analogously, the top 3 PALs in terms of area covered ("strategic potential"), will be you strategic action lines (SALs).

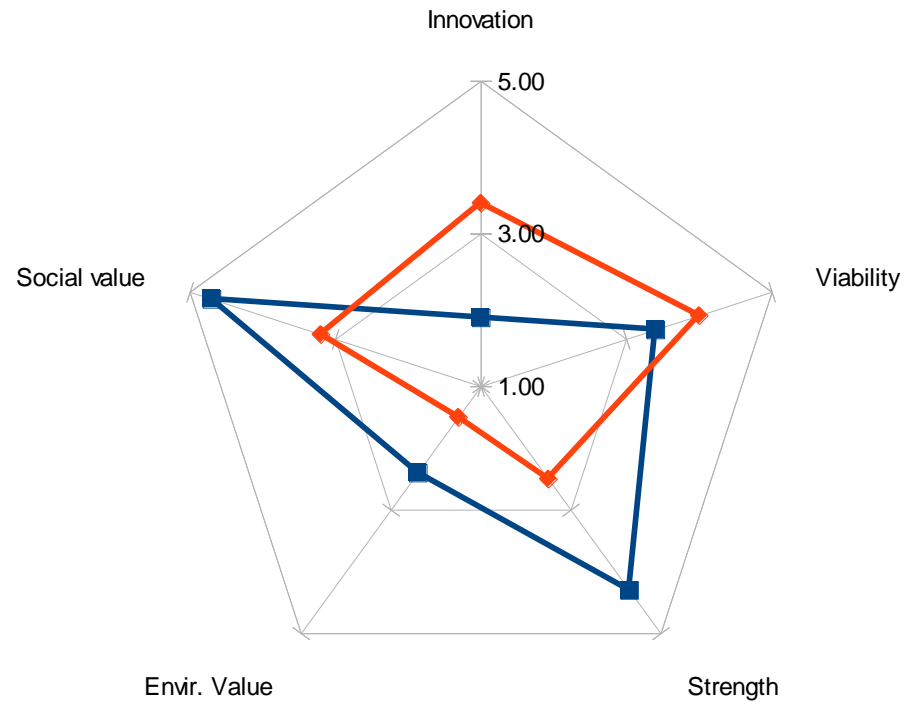


Figure 3. Example of strategy graph for two action lines (red and blue)

## 2.5. HOW? Implementing the project

### 2.5.1. Eco-designing your action lines: “greening” your business. (Mod. 3: Eco-design and Eco-innovation)

The first stage of the project's implementation process ('How?') concerns the greening of its internal behaviour and operations, or, in other words, the ecodesign of its strategic action lines (SALs). In Figure 4 we show you the procedure to follow, to be carried out for each individual SAL.

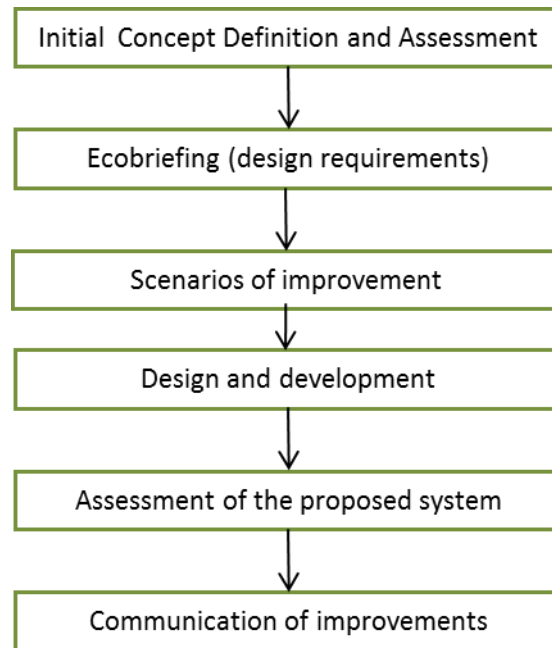


Figure 4. Diagram of the process

## **A. Initial concept definition and assessment**

The first step consists in defining and describing your initial business concept and then assessing it in order to detect what are the critical environmental topics and the opportunities for improvement. The initial concept is the idea of a business that comes to your mind once you have defined your SALs.

### **What is the initial concept of your business?**

Now it is the time to define the initial concept or idea of your business (SAL). You can start by answering the following questions for each SAL:

What is the purpose/aim/function that your business/activity aims to satisfy?

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How would you provide this function?

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**How does the initial concept look like?**

Try to draw a sketch or a diagram of the initial concept behind each SAL. You will need to set the boundaries of your business activity, identify the actors and list the materials involved.

## Environmental Assessment of the Initial Concept

Let's environmentally assess your initial concept, SAL by SAL, as usual. To do so, you can start with the **Checklist** (see section 3.4.1 of the guide) and try to answer it question by question. Then, reflect on the outcome: the environmental bottlenecks of your business idea.

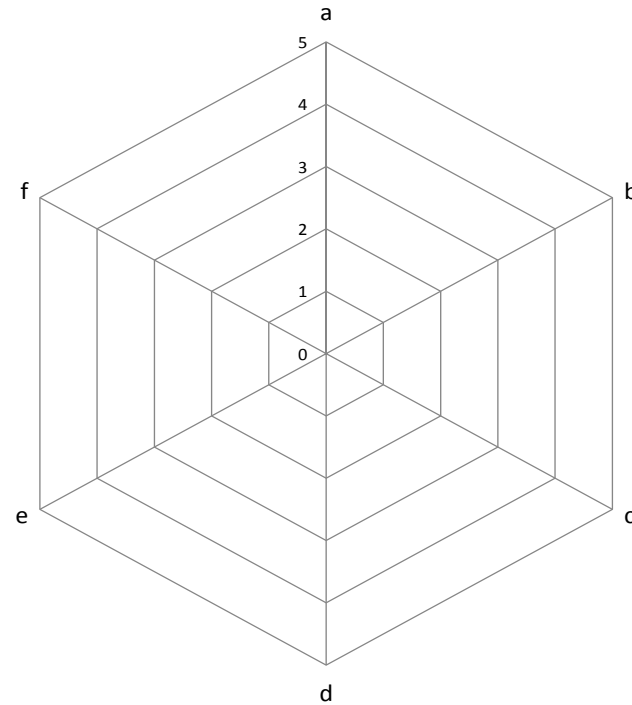
Then carry out a **Qualitative Assessment of Life Cycle Criteria** (see section 3.4.2 of the guide for more details):

1. Define the Life Cycle Stages.
2. Select environmental criteria.
3. Assess the criteria (from 1.0 to 5.0, see scale below) and make averages per column.
4. Make a graphic representation.
5. Interpret the results.

Life Cycle Stage 'a'	Life Cycle Stage 'b'	Life Cycle Stage 'c'	Life Cycle Stage 'd'	Life Cycle Stage 'e'	Life Cycle Stage 'f'
Criteria A    2.2	Criteria C    3.5	...			
Criteria B    4.1	...				
...					
<i>Average</i>	<i>Average</i>	<i>Average</i>	<i>Average</i>	<i>Average</i>	<i>Average</i>

**Table 23**

<b>5.0</b>	No room for improvement - excellent (100%)
<b>4.0</b>	Small room for improvement (75%)
<b>3.0</b>	Some room for improvement (50%)
<b>2.0</b>	Big room for improvement (25%)
<b>1.0</b>	Enormous room for improvement (0%)
-	No data available / not applicable



**Figure 5. Qualitative assessment of Life Cycle Criteria**

Now you can answer the following questions: what are the most critical environmental issues of your business idea? Which life cycle stages concentrate most of the impact?

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## B. Ecobriefing (design requirements)

Make a list of the requirements for your eco-SAL (ecodesigned SAL or, simpler put, action line); based on the critical issues that you identified in the environmental assessment. Remember not to provide solutions (strategies) here, but to identify the requirements that you expect your action line to meet.

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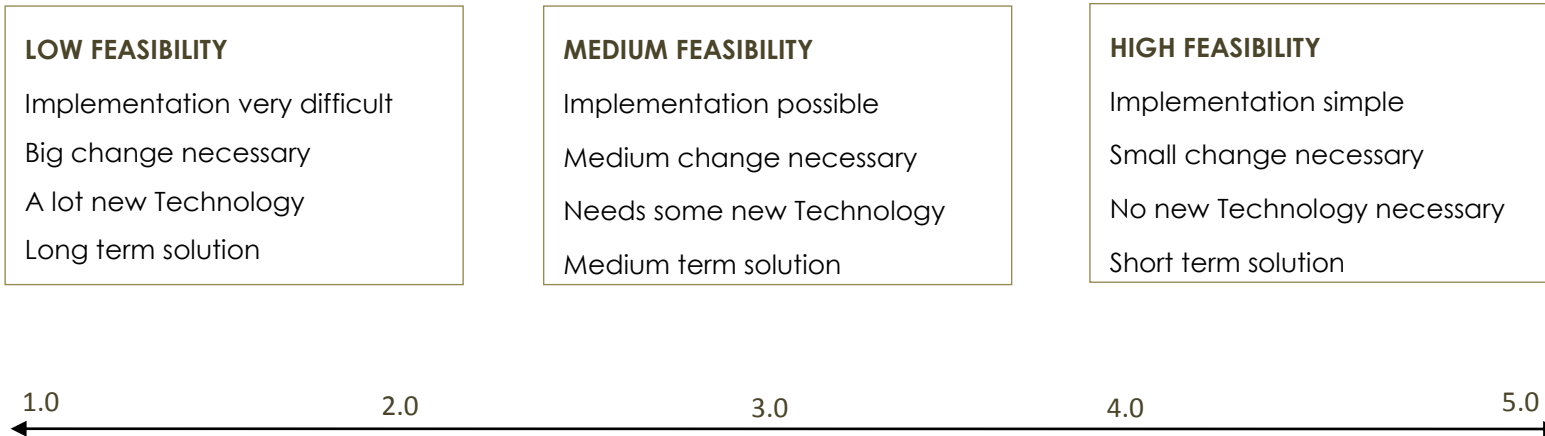
### C. Scenarios of improvement (definition of strategies)

Carry out a brainstorming process to identify potential strategies that may give an answer to the requirements set in the ecobriefing and list them in the following table (first column). Then, assess each strategy according to their sustainability and feasibility potential. Use, in both cases, a 1.0-to-5.0 scale, with 5.0 being the optimal score.

List of strategies		SUSTAINABILITY POTENTIAL				FEASIBILITY
		Environmental (A)	Social (B)	Economic (C)	TOTAL (A, B & C)	
		<i>Weighting</i>	<i>Weighting</i>	<i>Weighting</i>	<b>Weighted average</b>	
1						
2						
...						

Table 24

You can use the following scale for the feasibility assessment:



Represent the strategies in the following diagram. Then, identify those strategies that are located in the upper-right corner of the diagram (highest sustainability potential and feasibility) and list them. They should be your top priorities.

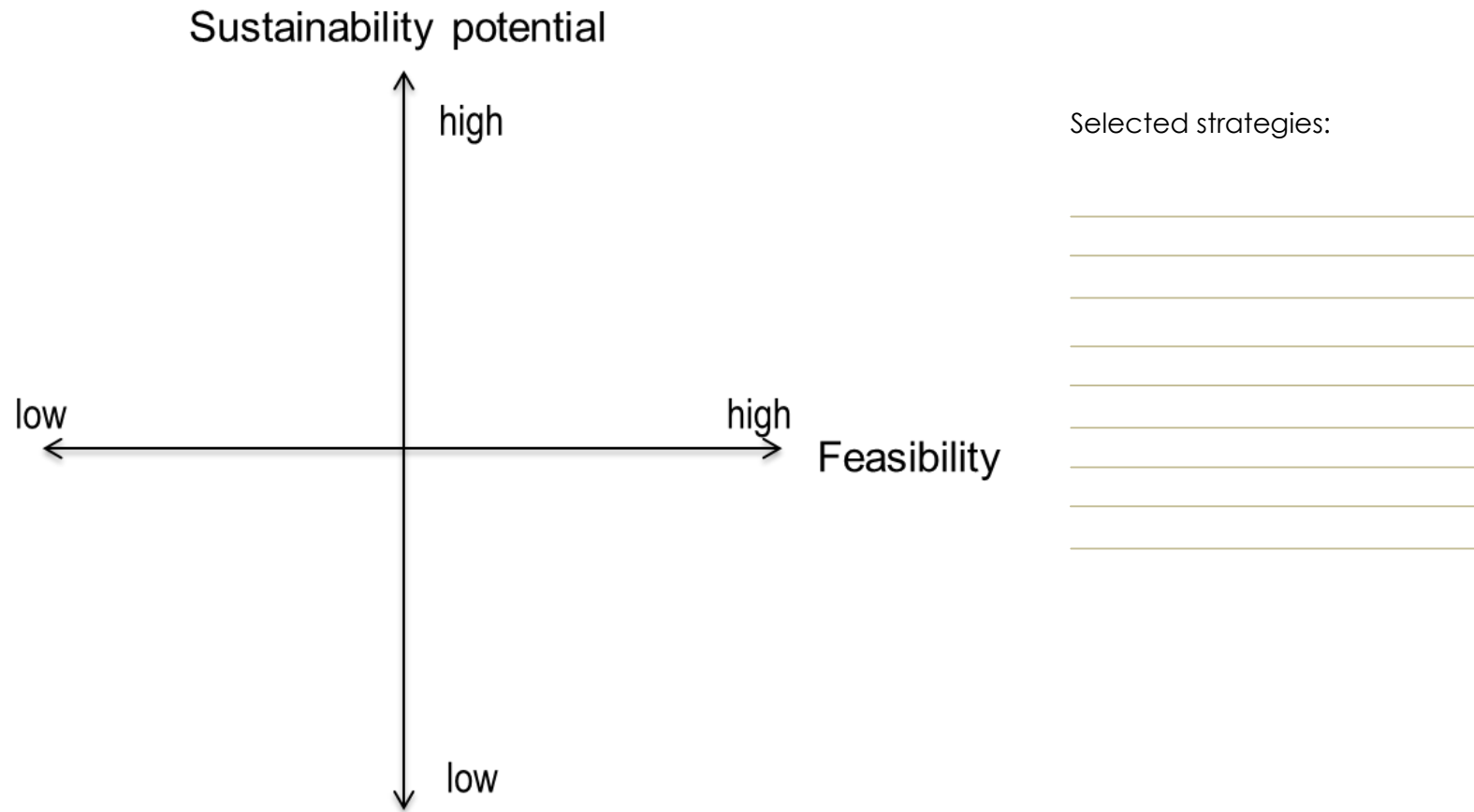


Figure 6. Sustainability-feasibility diagram for the selection of the strategies to be implemented.

## **D. Design and development**

Design your action line by means of incorporating the previously selected ecostrategies (in general, the ones on the upper-right corner of the diagram) into the original SALs. You can take the sketch of the initial concept (departing SAL) as a starting point to draw your ecodesigned proposal (eco-SAL or action line), indicating the elements that have changed. Remember to set the boundaries, identify the actors and list the materials.



### E. Assessment of the proposed action line

Make an assessment of the general improvements achieved in your action line (technical, economic and social) and identify adversities, if any. If you spot any obstacle, try going back to steps D and E to re-define your proposal.

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Using the **Qualitative Assessment of Life Cycle Criteria** methodology, assess your proposal in order to check the improvements made. You can use the same table (with the same criteria, just evaluate them from 1.0 to 5.0 again!) and diagram used for the assessment of the initial concept (Table 23, Figure 5). Write down the main improvements achieved.

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### F. Communication of environmental improvements

Try to find the best way to communicate your improvements on the environmental realm to your stakeholders. How would you describe them? Think of strategies to communicate the achieved improvements. Later on, in section 2.5.4 (stakeholder engagement plan), you will be using these arguments alongside others from the rest of the strategic variables (innovation, social value, strength and viability) to design your project's communication and marketing strategies aimed at conveying the value it creates to your stakeholders.

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Wrapping things up, the whole ecodesign & eco-innovation module, as applied to the strategic action lines and outputting their ecodesigned version, can be digested into the following table:

<b>SAL</b>	<b>Key environmental topics</b>	<b>Strategies for improvement</b>	<b>Eco-SALs (action lines)</b>

**Table 25**

As a reminder for subsequent phases (management), the key environmental topics from the previous table will, for the most part, directly result into the set of indicators that will allow you to manage the project from an environmental perspective.

## 2.5.2. Drawing your business model: mapping connections and visualizing flows (Business Model)

### A. Business model

Retrieve the necessary information from tables 22 (digging deep into its main components like the stakeholder consultation or the environmental assessment) and 25, to fill out the following table, a summary of your project's exchanges of value taking place among its stakeholders. Each cell represents the value the stakeholder from its row generates on the stakeholder from its column.

Exchanges of value (value created/received)					
Principal stakeholder	Principal STK 1	Principal STK 2	Principal STK 3	Principal STK ...	Principal STK ...
Principal STK 1					
Principal STK ...					

**Table 26**

Time to let your creative and artistic skills fly! Not without lack of rigor, of course, given the importance of this part to obtain a viable business solution. So, building on the previous analysis (exchanges of value) and inspired by the examples given (see the business cases compilation in annex II of the guide), draw your business model (one per action line), following the two-stage process explained in the guide:

- **Diagram 1:** flows of value
- **Diagram 2:** exchanges of services/products and flows of monetary capital

### Diagram 1 - Flows of value

First of all, place the principal stakeholders that intervene in each action line as dots of a grid (a stakeholder map again). Then, in order to understand how value flows among the stakeholders (diagram 1), join them (dots in the grid) with (multi) directional arrows (flow lines). To complete the diagram, accompany each arrow with a small legend on the side describing the main features of the value exchanged. The width of the flow lines accounts for the amount of value exchanged (the thicker the more value).

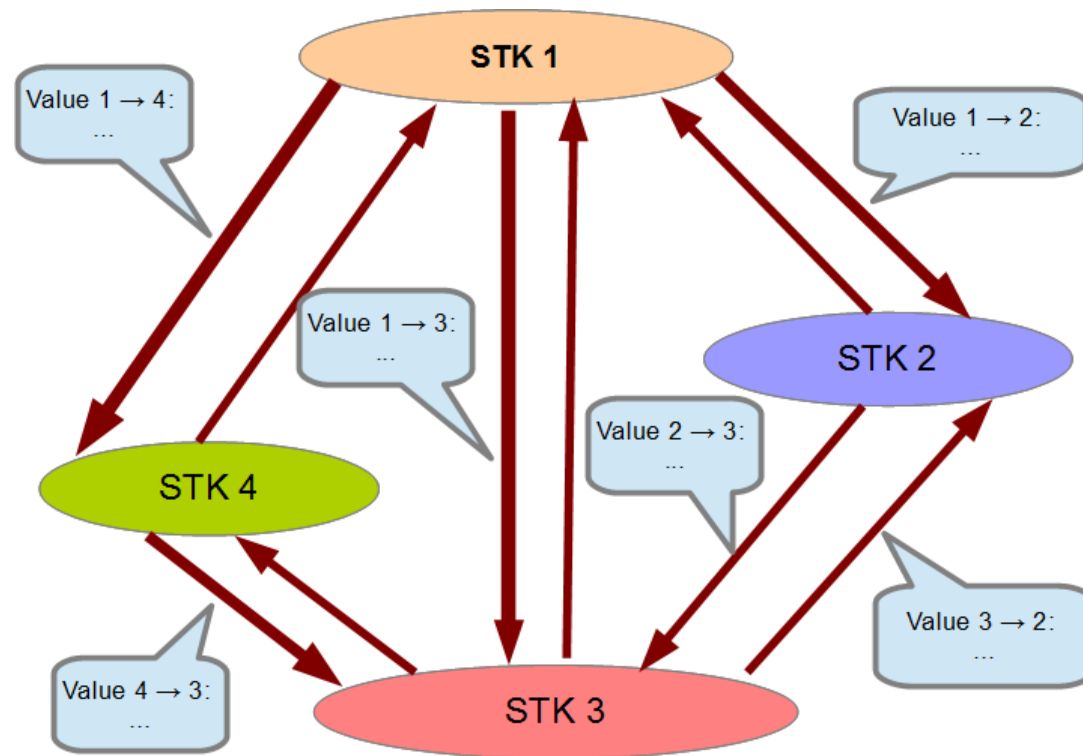


Figure 7. Example of flows of value (business model - diagram 1)

## Diagram 2 – Exchanges of services/products and flows of monetary capital

Subsequently, copy the same stakeholder map from diagram 1 (without the flow lines) to diagram 2. On it, sketch, via (multi) directional arrows again, the services/products that substantiate your action line by carrying the flow of value displayed on the previous diagram. Repeat the same procedure for the monetary exchanges that take place to complete and balance the whole process. This is indeed the time when you define, in detail, your project's services and/or products. Make sure you are consistent with the directions given in the guide, a key to ensure optimal transport of value and an overall balanced contribution/retribution grid.

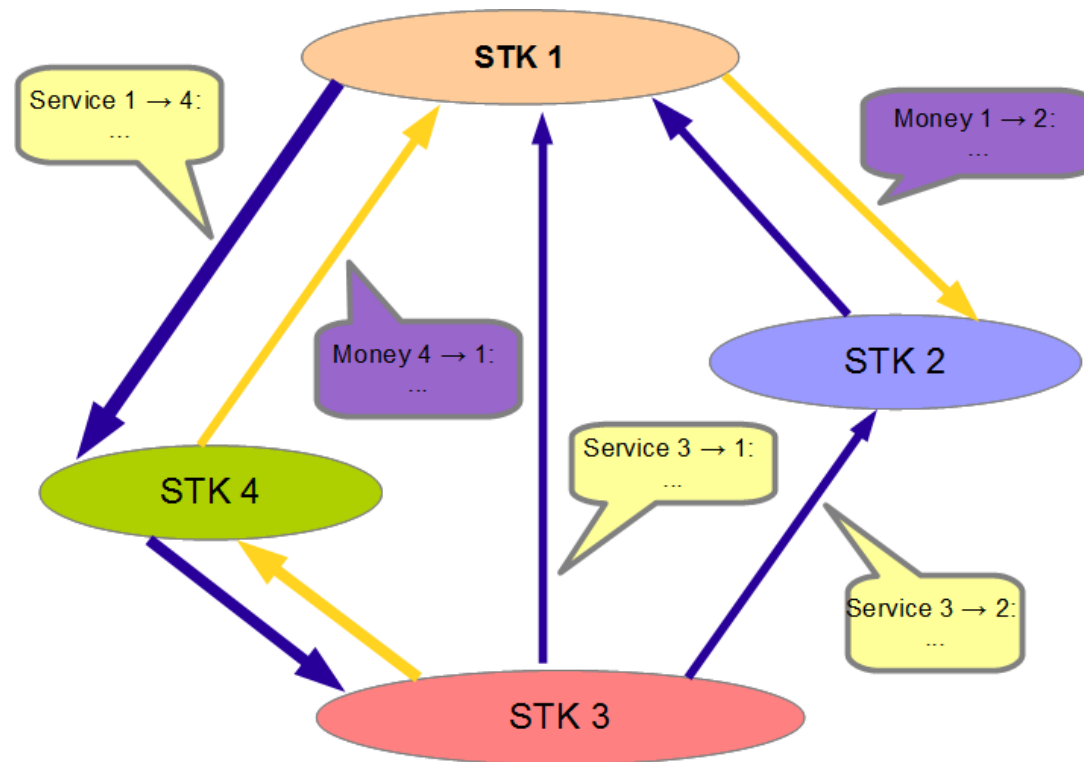


Figure 8. Example of exchanges of services/products and flows of monetary capital (business model - diagram 2)

## Review check-list

If, for whatever reason, a good-looking (high likelihood of viability) business model does not want to come out of the previous drawings, two looming possibilities need to be checked in this order:

1. The action line analysed may only make sense in the presence of other action lines from your catalogue, meaning even their business models may be intertwined to the point where only global (holistic approach), and not individual, viability may be reached. If you sense this may be the case, you will have to sketch a bigger picture comprising the various interdependent action lines and examine them together.
2. The whole entrepreneurship process will have to be reviewed from the beginning (see figure 2-2 from the guide about the cyclical vision of entrepreneurship) for the action line at hand, posing yourself some questions around the following lines (take it as a review check-list and complete it yourself):

- **2.2. WHY? Understanding the reasons (Mission & Objectives):** Does your idea tackle real needs/problems? Have you properly set your objectives/mission to tackle those needs/problems from the triple sustainability viewpoint (social, economic and environmental)?

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- **2.3. WHO? Identifying the main actors (Stakeholders):** Are you missing any principal stakeholder? And what about the potential beneficiaries and clients, have you properly identified and characterized them, their needs, wants and potential contributions?

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- **2.4. WHAT? Co-creating the best strategy (Strategic Action Plan)**

- **2.4.1. Strategic thinking:** Have you thoroughly considered the strategic mix and the different weights it assigns to its components (social & environmental value, innovation, strength and viability)? How do you justify your choices?

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- **2.4.2.A. Sustainability inventory:** Have you made the right selection of a priori relevant topics? (to be verified in section C -stakeholder consultation-).

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- **2.4.2.B. Sector benchmarking:** Have you properly identified the leaders in the sector? Are you checking the right sources?

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- **2.4.2.C. Stakeholder consultation:** Were the “a priori relevant topics” actually relevant for your stakeholders? Are you formulating the right questions around those topics? Are they biased? Objective/subjective? Are there some topics hidden in the open questions’ responses that you may have overlooked? Are you using the right consultation methodologies? Do your interviewees feel at ease? Are they being honest?

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- **2.4.2.D. Materiality graph (maturity vs relevance):** Have you chosen adequate topics from the graph? Maybe you went too innovate (immature topics) ones and it may take some time for your clients to accept and pay money for services tackling those topics? Or, on the contrary, everybody in the sector (too mature) is already dealing with the topics selected and you are bringing nothing new to the table, neither in the way you go about them (no innovation in topics or operations means no differentiation)?

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- **2.4.2.E. Stakeholder map and potential action lines (PALs):** Are you putting together all the necessary elements (material topics) to form action lines or are you missing key ones? Are the action lines encompassing enough principal stakeholders to hold viable business models behind? Have all the material topics of importance for the stakeholders within the action line being included?

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- **2.4.3.A. Environmental assessment:** Have you correctly analysed and compared your PALs concerning their energy and material flows as well as their effects on the environment (for verification purposes go to section 2.5.1 on ecodesign)? Have you chosen those that enclose the most potential for positive environmental change (value creation)?

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- **2.4.3.B. Strength analysis:** Are you, or our partners, really strong on the material topics selected? Is the team really committed? And what about your collaborators, do they complement your team's strengths on those topics?

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- **2.4.3.C. Economic-financial and technical feasibility (Viability):** Are the technical/technological complexities too burdensome? Does the action line really offer some sufficient business potential per unit of resource utilized? Is it really subjective to be harnessed? And efficiently delivered? What about the initial investment required? And what about the cost of its operations? Regarding the cash flows: is the action line's potential business model sufficiently liquid or are you going to run short on cash?

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- **2.4.3.E. Strategic action lines (SALs):** Are the PALs selected comparable along the strategic variables? Do some of them score sufficiently high on all the variables to be indeed strategic? Have you come up with too many SALs? More than 3 maybe?

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- **2.5. HOW? Implementing your project (Strategic Action Plan)**

- **2.5.1. Ecodesigning your action lines:** Is the life cycle analysis being rightfully carried out? Have you spotted all the critical points (environmental topics)? Do the strategies for improvement really make sense and hold potential to be effective?

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- **2.5.2. Drawing your business model (diagram 1 – flows of value):** Is the value identified being properly channelled among the stakeholders? Or are you missing some connections (single or multiple) among the players? Maybe even forgetting important stakeholders? What about the thickness (value transported) of the flow lines: are they correct? Are the pairs contribution/retribution well balanced for all actors?

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- **2.5.2. Drawing your business model (diagram 2 – exchanges of services/products and money):** Are you being able to transport all the value created by means of services/products or money? In both directions? Are those services efficiently deliverable? Regarding rates and tariffs, are you applying the Economy of Value's mechanics properly and getting the prices right in accordance to the equivalent value they create? Have you properly determined the market price for the launching rates? Or maybe you did not find or focus on comparable (context, operational costs...) projects to draw the market information from? Is sufficient cash being generated? Are you measuring the real (impact) value you contribute with adequately through appropriate feedback-collecting mechanisms? Are you putting into practice a smart strategy to allow you to move closer to the value-set price?

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## B. Service catalogue

Drawing from your business model portrayed in the precedent pictures, complete your service catalogue by filling in this table, carefully following the instructions given in the guide.

Action line (Eco-SAL)	Services and/or products	Beneficiaries	Potential clients	Collaborators	Other stakeholders concerned	Location of operations	Potential impact (value created, VC)	Inputs/contributions required (value needed)	Services/products accepted in exchange	Initial rates (Market Economy)	Intended rates (EoV)

Table 27

### 2.5.3 Managing your business (Sustainability Management Plan)

#### A. Environmental management plan

From the project's key environmental topics (table 25), identified during the environmental assessment stage and refined by the ecodesign procedure, select the most fundamental ones, that is to say those that account for the core of the project's environmental impact (flows of materials and energy). Typically, around 3-4 indicators should suffice for startups/SMEs. With them in hand, construct the environmental part of your managerial dashboard (sustainability management plan – environmental dimension) according to the format provided by the following table, as detailed in the guide:

Key environmental topic	Related objective/s	Environ. area	Indicator	Measurement technique	Operational range	Desired value (sweet spot)	Current value	Date of measurement	Impact (inverse of margin for improvement)	Strategies for improvement	Contingency plan

Table 28

### Environmental management graph

In preparation for the graph (real impact per area), fill in the following table as explained. The last row expresses the average for all environmental areas (to be compared to the other dimensions via the sustainability balance in section D):

Environ. area	Real impact	Management budget
AVERAGE		

Table 29

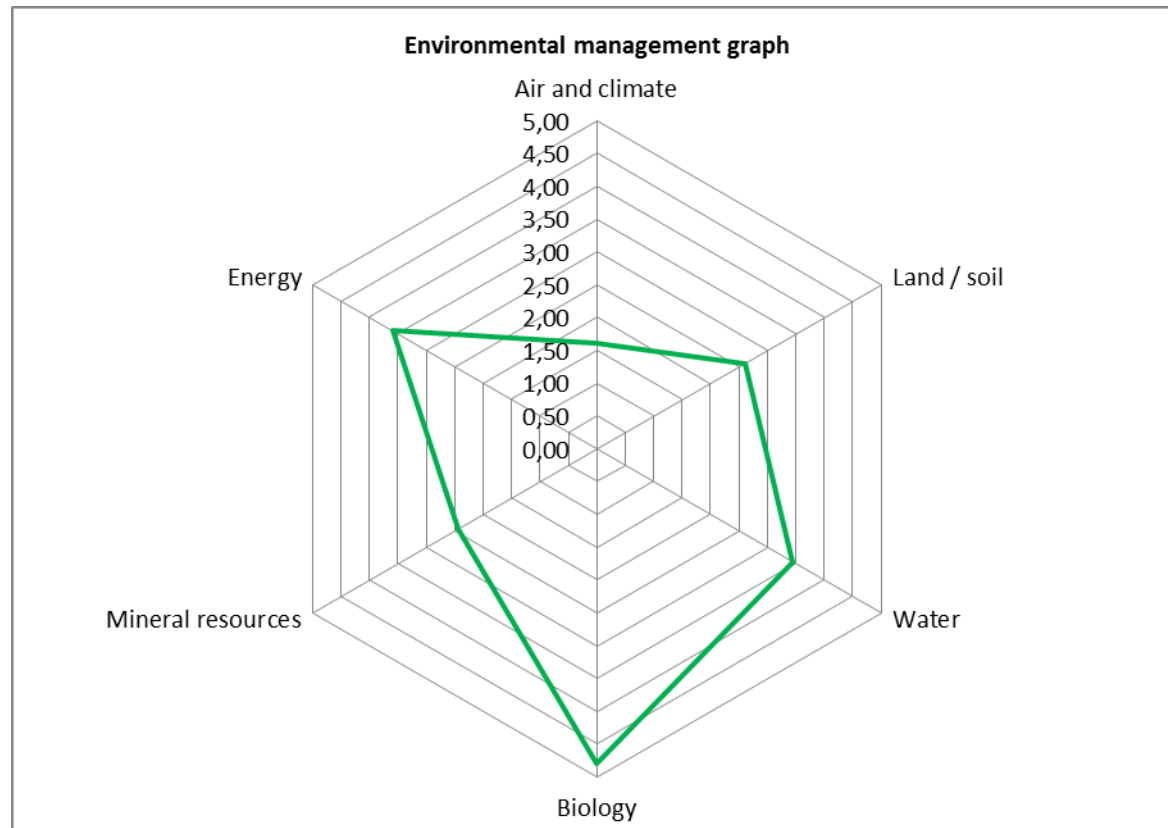


Figure 9. Example of an environmental management graph with 6 environmental areas

## B. Social management plan

Sub-select the essential social topics that shape your project's social impact, identified during the stakeholder consultation stage (tables 15 and 16 above), and build your managerial dashboard (sustainability management plan – social dimension) from them, according to the format provided by the following table (adapted from tables 13, 14, 15 and 16), as detailed in the guide:

Key social topic	Related objective/s	Social area	Targeted stakeholder/s	Question	Indicator	Consultation methodology	Operational range	Desired value (sweet spot)	Current value	Date of survey	Impact (inverse of margin for improvement)	Strategies for improvement	Contingency plan*

**Table 30**

\* Normally, in the social realm, there is no need for a contingency plan as much as there can be when dealing with potentially-hazardous environmental issues, for instance. However, it can happen that certain, very specific topics may carry out dramatically negative consequences for a particular stakeholder when out of control. A contingency plan becomes a must in those situations.

### Social management graph

Proceed likewise as in the environmental case, along the main social areas of your project.

Social area	Real impact	Management budget
AVERAGE		

Table 31



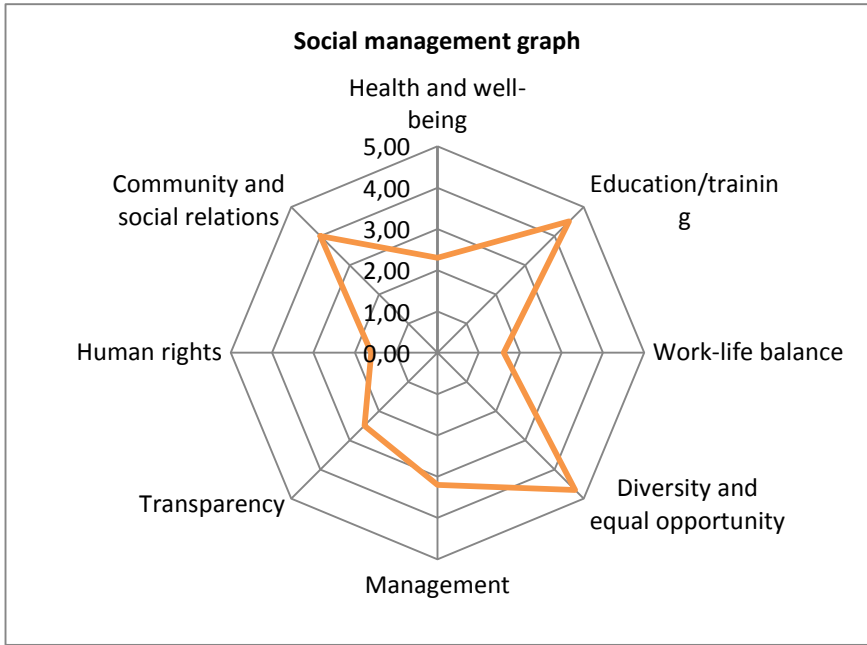


Figure 10. Example of a social management graph with 8 social areas

## C. Economical & financial management plan

### 1. Prediction: in-depth viability

#### Economy of Value(s)

As a synopsis of the local economy of value to be fostered by your project (see parallel section of the guide), run a survey in your local community on the value and price people would assign to various pairs of interchangeable products/services (not your own): one produced locally and the other one faraway overseas (e.g. in the case of Valencia (Spain), a local product could be an orange, and a distant one a New Zealand Kiwi).

Remember to first ask about value and then price, so as to guide people through the thought process of associating price with value created (VC). You want to deduce the price they would be willing to pay for the value given (Economy of Value Price or EoV Price) and not the regular market price. Plug the resulting numbers in the following table, and then take averages to calculate the conversion rate parameter. As of the scale for the VC, use the regular 1.0 to 5.0 one, subjectively (survey) measuring units of value in this case, with higher values representing more positive value being created.

Product/service	Personal VC	Local Community VC	Environment VC	Average VC (units of value)	EoV Price (monetary units)
Pair 1: local product/service X					
Pair 1: distant product/service Y					

**Table 32**

**Conversion Rate** (CR = EoV Price/Average VC; monetary units/units of value):

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## Classic economic tools: the economic & financial management plan

A classic economic & financial management plan is usually composed of the following financial sheets:

- Investment plan (*table 33, to be created*)
- Cash flows (*table 34, to be created*)
- Income statement (*table 35, to be created*)
- Loan amortization (*table 36, to be created*)

Their primary outputs can be summarized into a few key (internal) economic/financial managerial indicators (variables), including:

- Solvency
- Stability
- Economic profitability
- Liquidity
- Equity
- Debt

So, in order to complete the plan, look for templates of the spreadsheets cited, as well as for the precise formulation of their accompanying variables, in the references provided in the guide ([US Securities and Exchange Commission, 2012; US Small Business Administration, 2012; Investopedia, 2012; Practical Spreadsheet, 2012; SCORE, 2012]). Then, fill them out exhaustively using the monetary rates established at the business model design stage:

1. The initial rates for the launch phase (regular market prices).
2. The "intended" ones (EoV prices, table 27) from a certain point in time (when you are able to demonstrate real impact) onwards. That tipping point can be, for instance, the second or third year of operations. Lastly, place the main output tables from those sheets as annexes to this business plan (tables 33 to 36, to be created).

## 2. Operational management

As elaborated in the guide, complete the list of classic internal indicators given above (liquidity, solvency, stability, etc.) with external ones appraising the project's impact on its external stakeholders (all except the team). Make sure those topics are related to a human-centered and environmentally-integrated economy, adhering to the Principles of Good Business (section 2.2.2).

Assign measurable indicators to the new topics, select the most relevant of all indicators (those who enclose most of the project's economic & financial internal information and external impact), and construct your project's economic & financial managerial dashboard (sustainability management plan – economic & financial dimension) with them. Place it in this table:

Internal or external viewpoint	Key economic/financial topic	Related objective/s	Economic/financial area	Indicator	Operational range	Desired value (sweet spot)	Current value	Date of measurement	Impact (inverse of margin for improvement)	Strategies for improvement	Contingency plan*

**Table 37**

*\* Once again, normally a contingency plan will not be necessary in the economic/financial realm, although some variables really are critical for the survival and well-being of the business they may not, by themselves, generate a catastrophe as potentially devastating as an environmental hazard.*

### Economic & financial management graph

Proceed likewise as in the other two dimensions, along the main economic/financial areas of your project.

Internal or external viewpoint	Economic/financial area	Real impact	Management budget
AVERAGE			

**Table 38**

As of the graph, you can split it into two on this occasion:

1. Classic internal economic & financial variables.
2. Sustainability-related (Principles of Good Business) economic & financial variables.

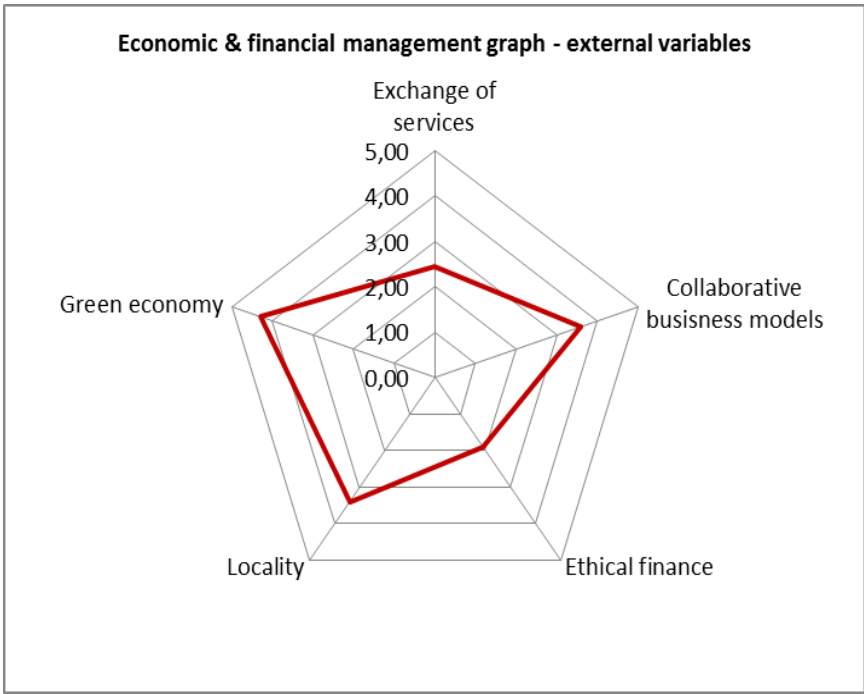
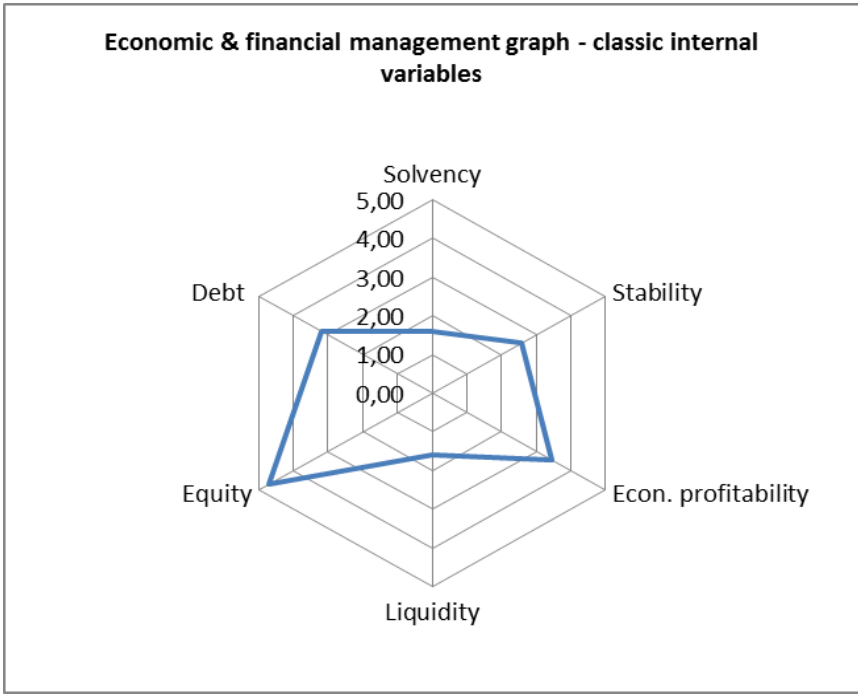


Figure 11. Example of an economic & financial management graph: 1. Classic internal variable, 2. Sustainability-related external variables.

#### D. Sustainability management plan

Aiming to track the average impact -or value- your project brings about over time, build the two sustainability balance graphs (see equivalent section of the guide), and place them here. For the sake of analyzing the incipient stages, concentrate on the first three years of operations (management data for years 1, 2 and 3).

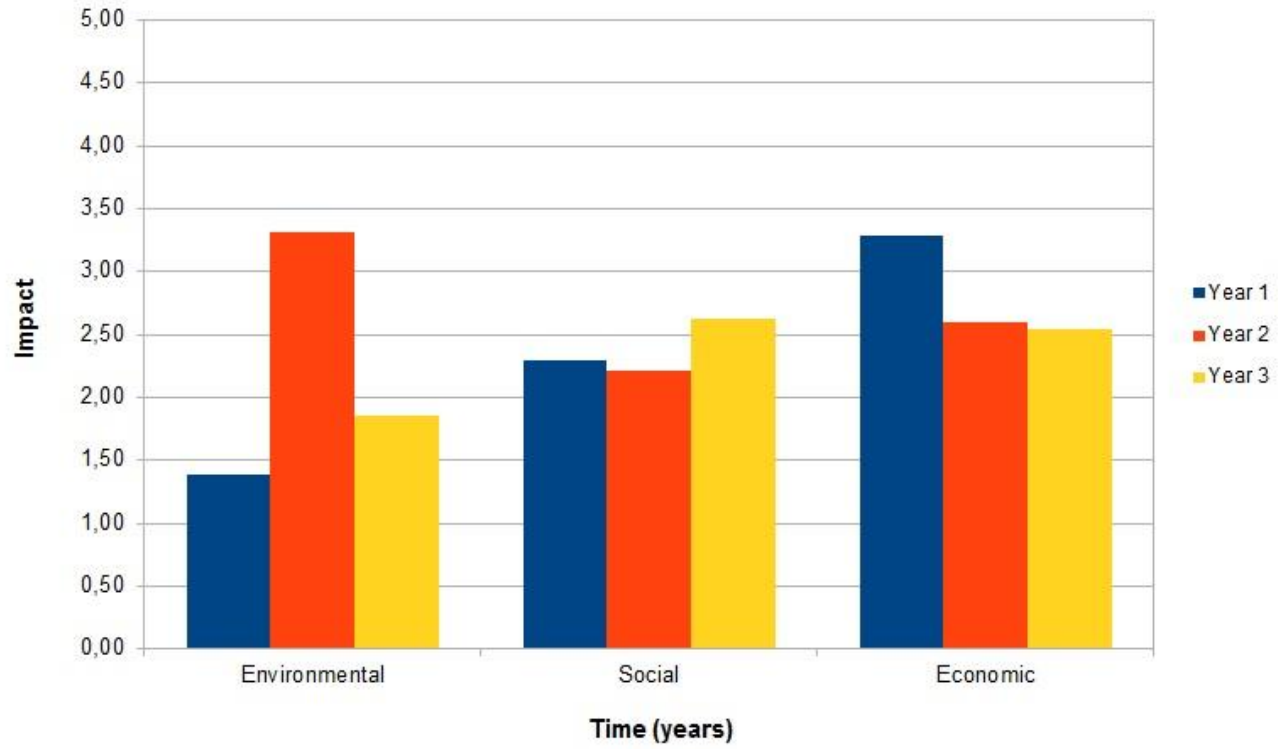
##### GRAPH 1: SUSTAINABILITY BALANCE (T) – BY DIMENSION

For years 1, 2 and 3, collect the project's average impacts along the 3 sustainability dimensions (last row from tables 29, 31 and 38) and plug them into the coming table. Then, draw a vertical-bars graph like the one shown.

Sustainability dimension	Average impact		
	Year 1	Year 2	Year 3
Environmental			
Social			
Economic/financial			

Table 39

**Sustainability balance (t) - by dimension**



*FIGURE 12. EXAMPLE OF A SUSTAINABILITY BALANCE (T) - BY DIMENSION*



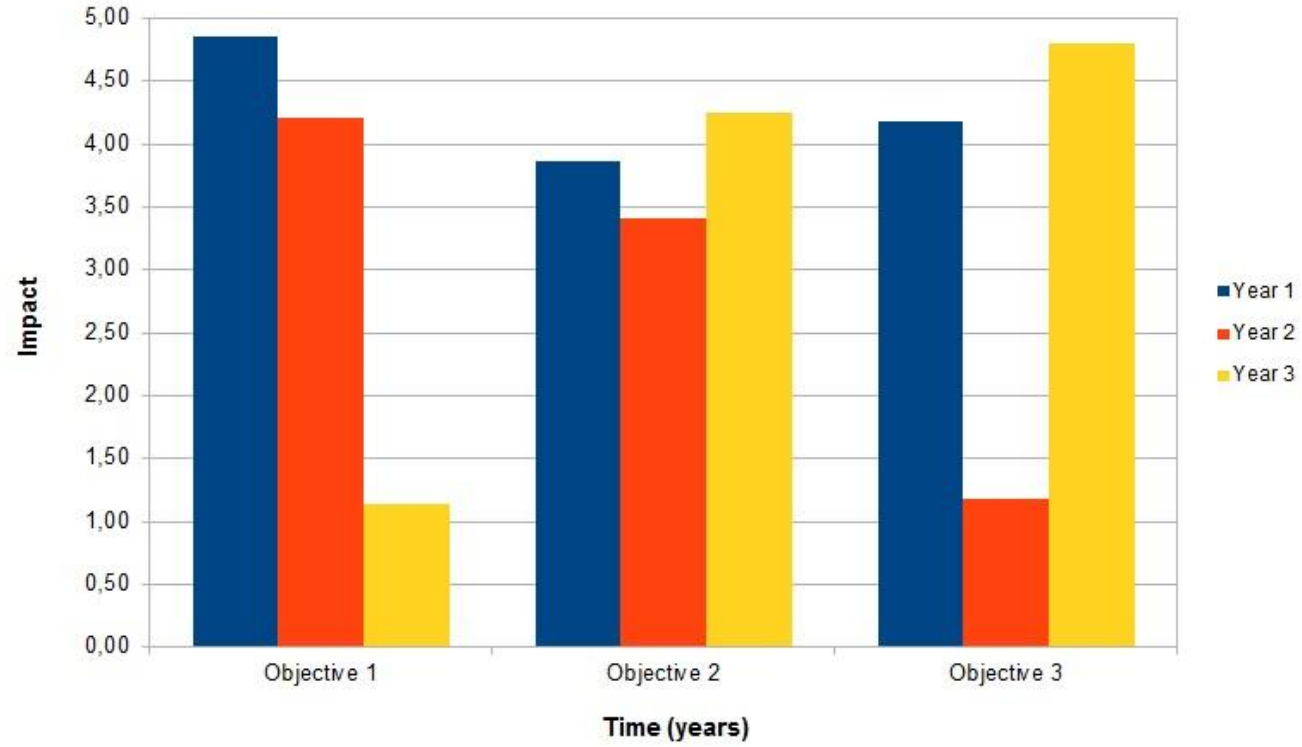
**GRAPH 2: SUSTAINABILITY BALANCE (T) – BY OBJECTIVE**

Likewise graph 1 but with the focus on the project's objectives (section 2.1.4). In this case, the data will not come straight from previous studies: you need to take the average impact (years 1, 2 and 3) for each objective, all key topics comprised, by looking at tables 28, 30 and 37 (column "related objectives"). Plug them in the following table and build the corresponding graph.

Objective	Average impact		
	Year 1	Year 2	Year 3

*Table 40*

**Sustainability balance (t) - by objective**



*FIGURE 13. EXAMPLE OF A SUSTAINABILITY BALANCE (T) - BY OBJECTIVE*

## 2.5.4. Engaging your actors (Stakeholder Engagement Plan)

### A. Communicating your value: communication flows

Much as in the business model (figure 7), make use of the coming table to work out the multi-directional communication flows wished to happen among the principal stakeholders so as to facilitate the exchanges of value (see table 27). This being an all-to-all table, with all the principal stakeholders both in rows and columns, the idea is to describe the cross-communication processes (content and format of the messages exchanged, channels utilized and other relevant descriptive details) that you want to occur for each pair (cell) according to their demands (consultation); identify the enablers and propel them.

Communication flows					
Principal stakeholder	Principal STK 1	Principal STK 2	Principal STK 3	Principal STK ...	Principal STK ...
Principal STK 1					
Principal STK ...					

**Table 41**

## B. Selling your value: marketing strategies and campaigns

Building on the previous table, the goal now is to turn those communication exchanges into sales or, in other words, to sell our services/products to our clients. To attain this purpose, you are going to have to unambiguously define the message you want to convey to each client (market segmentation), then design smart marketing strategies to effectively reach out to them and, lastly, split them into specific campaigns with concrete objectives. Make sure you identify all the other stakeholders, besides your clients, involved in the process: beneficiaries, collaborators, providers, etc.

Client	Message to convey	Marketing strategies	Specific campaigns	Other stakeholders involved

Table 42

## C. Conveying the message: the Sales Pitch

Having the basic building blocks of your marketing strategy ready, now it's all matter of putting them all together in a clear, synthetic and convincing way, i.e. the sales pitch. As a starting point to envelop your own sales pitch, you can use the following layout:

For *<target client>* who doesn't have her/his needs met with the *<current existing alternative>*, my *<product/service>* is a *<new product category>* that provides *<key problem solving opportunity, that is to say value created>*. Unlike a *<competitive substitute>*, we have assembled *<key whole product features>*. We will initially target the *<quantity>* *<target client>* since they *<unique problem that they face or need they have>*. My *<product/service>* solves this problem by *<unique functions>*. Also, these *<target clients>* frequently influence *<our next target clients>* by *<how they do influence>*.

#### D. Taking it to the next level: all-to-all engagement initiatives

Think of some of engagement strategies to maximize the involvement of your stakeholders in the project. Plug them in the following table, where the rows account for the principal stakeholders to be engaged, and the columns for the initiatives to be put in place in order for them to “join” some of the other major stakeholder categories regarding ways of participation: beneficiaries, clients, providers, collaborators, media and investors.

Principal stakeholder	To beneficiary	To client	To provider	To collaborator	To media	To investors

Table 43

### E. Putting it all together: Stakeholder Engagement Plan

All the pieces of the puzzle in your possession, you can now detail the full stakeholder engagement plan in the following table, by describing the communication flows (content and format of the messages exchanged and other relevant descriptive details) passing through each principal stakeholder (either as emitter, receiver or amplifying intermediary), enumerating the marketing strategies and the engagement initiatives to be tried, as well as the communication channels and tools to be utilized and the resources (finance, human resources, time, etc.) they require.

When choosing the channels, remember to think of the location where the communication process among the involved stakeholders usually takes place (table 27).

Principal stakeholder	Communication flows	Typical location of interactions	Marketing strategies	Engagement initiatives	Communication channels and tools	Resources needed

**Table 44**

### 2.5.5. Operational Plan

Drawing from your service catalog (2.5.2.B), as well as the stakeholder engagement plan (2.5.4) just developed, devise a complete operational plan to guide your daily actions as explained in the guide. It basically comes down to thoroughly describing the procedures which your day-to-day operations (the implementation of your services) consist of. To make matters practical, decompose those operations into concrete tasks, stakeholders concerned, time schedule (execution process) and people in charge of controlling them. Specify them in the following table:

<b>Service/product</b>	<b>Tasks</b>	<b>Stakeholders concerned</b>	<b>Time schedule</b>	<b>Person in charge</b>

*Table 45*

### 2.5.6. Fiscal and legal form

Note down the fiscal and legal form of your choice, justifying it in terms of its suitability to your project (as defined by all the plans previously designed). In this respect, make sure to go over all the recommendations given in the corresponding section of the guide, especially the one on the possibility to start up under a temporary form and evolve into others as the project advances. Also, refer to module 4 of the guide (resources) for a complete list of institutions in your country that may shed light on the available fiscal and legal forms for your project.

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## 2.6. WHEN? The Roadmap

Frame your project's projected progress in a comprehensive roadmap that specifies the following information (table below), for three different time horizons (short, medium and long term) depicted as rows. Different phases are separated by milestones, which are special values taken by indicators that assess the project's evolution towards the goals set (directly linked to the objectives). These indicators are simply a subset (the most indispensable) from the sustainability management plan's (section 2.5.3), which will allow you to learn from reality and modify the project's prospects and plans on the fly. Lastly, it is vital for your project to ensure the right people are in charge of checking this control board and appropriately respond to it.

Time horizon	Phase name	Time span (# months or years)	Goals	Main activities	Indicators of progress	Measurement technique	Milestones	Person in charge
Short term								
Medium term								
Long term								

**Table 46**

### 3. Additional materials

#### 3.1. Conclusions

Spare a moment to reflect on the whole analysis conducted and try to draw some findings and lessons learned (rather than conclusions that better apply to a “concluded” work) from as distant as possible an angle and at present time (note the date to compare it with future revisions). Be brief and to the point.

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#### 3.2. References/bibliography

Properly and homogeneously cite the sources (even if your own) that have served you or inspired you somehow along the process of developing this Dynamic Green Business Plan.

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### **3.3. Annexes**

Include here all extensions of the previous sections that you may consider important as supporting material, as well as other important new additions, especially in the eyes of key stakeholders such as investors:

- CVs/resumes of the founders and main collaborators.
- Personal recommendation letters, from well-known professionals, backing up the CVs.
- Reports from related projects carried out in the past, as proof of experience in the field.
- Invoices, as record of past income flows.
- Buying letters, as prospects of incoming financial means.
- Proposals and innovative ideas for the future.