Module 1: Doing Business in the 21st Century

Business Fundamentals in the 21st Century	**Environment characteristics** Business in the 21st century revolves around **digital transformation, innovation and collaboration.** ● Digital transformation helps your business enhance approaches for content creation, customer engagement and impact measurement. ● With digital transformation, collaboration can be done across borders. ● Innovation is not limited to tech tools and platforms, but also applies in business models where social enterprise (SE) is being accepted. **Customers characteristics** Having a **more personalized interaction** between you (as MSMEs) and consumers can be a great advantage, especially if you are familiar with customers behavior such as: ● How they experience information overload ● How they expect on-demand services ● How they value environmental, social, and governance (ESG) impact rather than price ● How they prefer seamless buying experience through social media apart from e-commerce platform and websites **Challenges and solutions**

Challenges	Solutions
People-related	● Embrace remote or hybrid working arrangement ● Nurture a sense of connection to keep teams engage ● Create an upskilling and learning culture
Process-related	● Create a chain of adaptation to ease people through the change ● Identify the challenges in each step of the chain and improve continuously ● Provide a support system through training
Mindset-related	● Understand that business nowadays is about creating an impact, not just mere profit ● Promote meaningful work ● Cultivate the mindset of inclusivity in all level either in internal teams, or community

Revenue Streams Analysis	**Ways to identify revenue streams** ● Reviewing current products ● Utilizing data ● Venturing into new opportunities ● Diversifying the revenue streams ● Looking for partnerships **Ways to identify risks to revenue streams based on 21st-century business fundamentals** ● Internal audit ● External market analysis ● Sales and financial analysis ● Stakeholder feedback ● Risk management ● Scenario planning
Risk Management in Digital Business	**Definition of risk management** The process of identifying potential events that put the business at stake. **Risk management framework and benefits of implementing it** There are various frameworks, but the core elements are risk identification, risk analysis and assessment, and risk mitigation and monitoring. By having a framework, you gain greater insights into new approaches to how you view, manage, and harness risk for growth. This helps your business navigate the crisis to ensure business continuity. **Strategies and skills needed in risk management** ● Diversifying your customer base, revenue streams, and suppliers ● Opting for insurance ● Developing a business continuity plan ● Identifying and analyzing potential risks to your business

	- Developing risk prevention strategies - Having a plan in place for how to respond to a crisis

Activity

In this module, you've explored key concepts and strategies for thriving in today's rapidly changing business landscape. This exercise is an opportunity for you to reflect on what you've learned, assess your current practices, and identify areas for growth and improvement. This tool is hoped to be a valuable tool in helping you apply these concepts to your business and achieve greater success.

How to do the activity:

1. Take a look at the **21st Century Business Checklist Table**. Read carefully the sentences on the checklist, then check the checkbox.
2. Count the total number of your **YES** answer. That number will be your **21st Century Business Score**.
3. Then, take a look at the **21st Century Business Scorecard** to see how your score reflects the business.
4. After that, take a look at the **21st Century Business Follow-up Actions Table** to see what are the actions you need to take to improve your business.

21st Century Business Checklist Table

21st Century Business Practices	YES
Have you identified the key characteristics of the business environment in the 21st century, including the importance of digital transformation and the need for agility and inclusivity?	☐
Have you considered the ADAPT framework for ensuring business continuity?	☐
Have you explored the characteristics of different customer cohorts, including Gen Z, Gen Y, and Gen X, and considered how to tailor your approach to each group?	☐
Have you identified the key challenges facing businesses in the 21st century, including the need to upskill/reskill staff, streamline processes, and determine appropriate infrastructure?	☐
Have you considered the importance of partnerships and collaborations in addressing these challenges?	☐
Have you examined ways to identify revenue streams, such as reviewing current products, utilizing data, and venturing into new opportunities?	☐
Have you considered potential risks to your revenue streams, including conducting internal audits, external market analysis, and stakeholder feedback?	☐
Have you explored the concept of risk management in digital business, including the need to identify potential events that could put your business at risk?	☐
Have you considered the benefits of implementing a risk management framework, including gaining greater insights into how to manage and harness risk for growth?	☐
Have you identified key strategies and skill sets needed for effective risk management, including diversifying your customer base and revenue streams, developing a business continuity plan, and having a plan in place for responding to a crisis?	☐
21st Century Business Score	**_____/10**

21st Century Business Scorecard

This scorecard should provide a clear indication of where you stand in terms of understanding and applying the material, and can help guide further reflection and improvement.

Score	Reflection
0-2	You have not yet fully grasped the fundamentals of doing business in the 21st century. It's important to review the course material and reflect on how to apply these concepts to your business practices.
3-5	You have a basic understanding of the key concepts related to doing business in the 21st century, but there's room for improvement. Consider exploring the material in more depth and thinking critically about how to apply these ideas to your own business.
6-8	You have a good grasp of the key concepts related to doing business in the 21st century, and are on the right track towards incorporating these ideas into your business practices. Continue reflecting on how to apply these concepts in a practical manner.
9-10	You have an excellent understanding of the key concepts related to doing business in the 21st century, and have demonstrated an ability to apply these ideas in a practical manner. Congratulations on your progress and keep up the good work!

21st Century Business Follow-up Actions Table

Score	Follow-up Actions
0-2	If you scored between 0-2 on the reflective exercise, it is recommended that you revisit the course materials and take notes on key concepts that you may have missed or not fully understood. Additionally, you should consider seeking out additional resources, such as online tutorials or workshops, to deepen your understanding of the course material. Finally, it is important to identify areas where you feel less confident and create a plan to learn more about those topics.
3-5	If you scored between 3-5 on the reflective exercise, you should schedule time for deeper reflection on the course material and how it can be applied to your business practices. Additionally, it is recommended to consider forming a study group or networking with other business owners to discuss the course material and share insights. Finally, identify one or two key concepts from the course and set specific goals for how to apply those concepts in your business.
6-8	If you scored between 6-8 on the reflective exercise, it is recommended that you reflect on how you have already applied the course material to your business practices and consider sharing your experiences with others. Additionally, identify additional opportunities for incorporating the course concepts into your business strategy, such as by developing new revenue streams or partnerships. Finally, continue to seek out new information and resources related to doing business in the 21st century.
9-10	If you scored between 9-10 on the reflective exercise, congratulations! You should celebrate your accomplishments and share your success with others. Additionally, identify areas where you can further deepen your understanding and application of the course material, such as by attending advanced workshops or pursuing additional education. Finally, consider serving as a mentor or coach to others who are seeking to learn more about doing business in the 21st century.

Remember, the idea will be perfected along the way, so do not worry if it is not completed and should there be changes.
Continue to embrace the digital transformation journey, and surely, your business will be on the right track of building an empire.

Module 2: Getting Your Digital Workforce Ready

Digital Readiness Check Up	**Why is digital readiness check up important in the digital age?** It is crucial to boost your performance via technology optimization and ultimately ensuring business continuity. **How to check a business and team's digital readiness level?** ● Conducting an internal audit ● Gathering input from employees ● Analyzing data and performance metrics ● Revisiting industry benchmark ● Reviewing strategic plans ● Using digital readiness assessment tools **How to measure a team's digital readiness level?** For a business to be digitally ready, it requires teams to be **digitally capable** (in terms of behavior and cognition) and **digitally proficient** (in terms of skills and knowledge). *Disclaimer: Note that this is a general guide. For a more accurate result, it is highy recommended to use assessment tools.* *(Red: Not ready; Yellow: Partially ready; Green: Fully ready)*

Building a Digital Ready Workforce	**Results descriptions and reflections of digital readiness assessment**
	● If the employee is not digitally ready: Spark conversion and focus how being digitally ready help them as individual
	● If the employee is partially ready: Have a long-term plan of future digital talent and focus how this help them and the business
	● If the employee is fully ready: Appoint them as mentors
	
	Building a digital ready workforce
	● **Why build a digital ready workforce?** To uplift team's productivity and ensure business continuity.
	● **What is needed to build a digital ready workforce?** It requires a combination of training plan, proper mindset, investment in technology, and a culture that encourages digital innovation.
	● **How to upskill your team?** Identify the skill gap and execute appropriate actions that meet employees' needs which includes:
	  ○ Develop a training plan that addresses the skill gap and meets employees' needs
	  ○ Encourage and support continuous learning
	  ○ Create opportunities for employees to learn new skills on the job
	  ○ Use technology to deliver and track training and employee's progress
	  ○ Offer recognition and rewards to employees who take the initiative to upskill themselves

Scaling your Digital-Native Culture	**How to instill digital native culture?** ● Ensure the values, team, and environment of your business are prepared for digital transformation ● Recruit people with the right mindset and open to embrace technologies ● Empower everyone to innovate and collaborate digitally ● Embrace failure, learning and feedback **How to nurture and maintain a digital native culture?** ● Train learners to uphold digital culture and values through regular meetings ● Set up system and processes that support digital workflows through SOPs ● Foster a sense of community through virtual and in-person gatherings ● Stay adaptable with the evolving landscape through continuous learning culture

Activity

Getting your workforce to be digitally ready is not a one-man-effort. It requires a team, and to build an effective digital team, you need to know the current level of digital readiness for each team member. Take a moment to perform this exercise so you can identify who can be appointed as mentor, who has the potential to be a digital talent with guidance, and who require exposure to digital transformation.

Step 1: Choose one to nine members of your team.
Step 2: Read the statement on **My Digital Workforce Table** below. Determine if each statement does or does not describe that person. If you are not sure, just tick unsure.
Step 3: Calculate the score for YES, NO, and NOT SURE.
Step 4: Based on the score of **YES**, place the name of the person into **My Digital Workforce Readiness Pie Chart**.
Step 5: Repeat the same step for the next person up to your 9th team member.
Step 6: Analyze your team readiness to embrace digital transformation.

My Digital Workforce Table

Statement	Yes	No	Not sure
Is open to learning new skills and idea	☐	☐	☐
Able to manage his/her emotions positively and effectively when facing challenges	☐	☐	☐
Works well with people of different ethnicity, age group, religion, nationality, and with special needs	☐	☐	☐
Remain calm and flexible in dealing with uncertainty and changes	☐	☐	☐
Offers out-of-the-box solutions	☐	☐	☐
Can make connections between different concepts and data	☐	☐	☐
Appears comfortable using digital technologies when working and collaborating with others	☐	☐	☐
Can communicate well during online meeting	☐	☐	☐
Appears well aware of cyber risks/threats and the protective measures	☐	☐	☐
SCORE (Out of 9)	__/9	__/9	__/9

My Digital Workforce Readiness Pie Chart

Fully ready
(YES = 8 - 9)

Partially ready
(YES = 5-7)
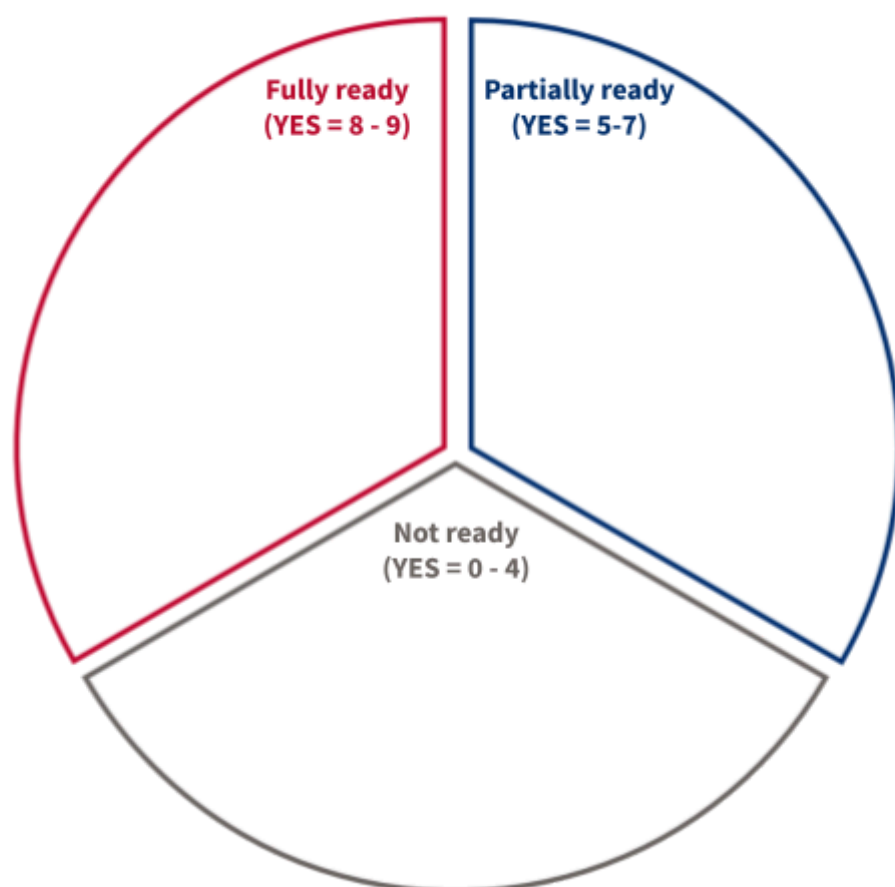
Not ready
(YES = 0 - 4)

*Note:
Fully ready: Those who can be appointed as mentor
Partially ready: Those who has the potential to be a digital talent with guidance
Not ready: Those who require exposure to digital transformation.

Identifying where your team is currently at is helpful. Now, it's time to progress.
As Henry Ford said, "If everyone is moving forward together, then success takes care of itself."

Module 3: Powering Your Team Digitally

Digital Workflows for Effective Organization	**How to use digital processes in your business** ● Identify bottlenecks and inefficiencies ● Choose the right tool ● Engage employees in testing and mentorship ● Use analytics to identify what works best for your business **Types of cloud collaboration tools** ● Collection of cloud computing, productivity and collaboration tools (e.g., Google Workspace and Microsoft 365) ● Accounting software (e.g., Quickbooks, Xero, and FreshBooks) ● Project management software (e.g., AirTable, ClickUp, Confluence, Notion, and Monday.com)
Communicating With Your Digital Team	**Challenges that can surface when working digitally and methods to overcome them**

Challenges	Solutions
Technical difficulties	● Use collaboration tools (e.g. video conferencing, project management software, etc.) ● Train employees on the platform ● Be patient and allow extra time for responses
Security concerns	● Equip employees with cyber security awareness ● Ensure the chosen tools are reliable ● Provide clear SOPs to mitigate and deal with cyber incidents
Barriers in collaborations	● Have regular check-ins ● Be aware of differences in communication styles and cultural nuances ● Use visual aids to clarify complex ideas
Time management	● Have a meeting agenda ● Establish clear and realistic communication rules ● Be responsive to messages and emails
Sense of isolation	● Have virtual events ● Assigns projects in groups rather than individuals ● Encourage active participation
Lack of boundaries	● Plan communication appropriately ● Utilize scheduling integrations ● Include team-health assessment

Best practices on working digitally
- Set clear expectations for check-ins and establish guidelines for what types of information should be shared through which channels.
- Establish clear communication channels such as email, chat, and video conferencing, and ensure the team knows how to use them effectively.
- Encourage active listening by asking questions and encouraging participation to ensure everyone feels heard and valued.
- Have a clear agenda for team meetings and stick to it to make sure all important topics are covered and time is used effectively.
- Be flexible and adaptable to the different communication styles of team members and be open to trying new communication methods if they prove effective.
- Be responsive to messages and emails as soon as possible to avoid delays and misunderstandings.
- Foster a sense of camaraderie and connection in the team via virtual coffee breaks or team challenges.
- Use collaboration tools such as project management software, online whiteboards, and document-sharing platforms to facilitate communication and collaboration.
- Schedule regular team meetings (daily, weekly or monthly progress updates) to keep everyone informed and on track.
- Encourage open communication by creating a culture where team members feel comfortable asking questions and raising concerns.

Managing Digital Teams	**Key principles to practice in managing a digital team** ● Establish rules around communication ● Promote team cohesion ● Allow people to work flexible hours

	- Embrace culture of learning and upskilling - Hire the right people and set the right routine

Activity

Having the synergy between the right tools, system, practice and team values are important in empowering your team digitally. To have this synergy, you need to identify the challenges faced by the team first, as this indicates the area for improvement where digitalization can help in solving this issue.

Let's find out more about the challenges you face in digitalizing your team, systems, and processes.

How to do the activity:
1. Read the ten items on the Digitalization **Challenges Checklist**. Put a check on the checkbox if you agree on the sentence.
2. Count the number of checked boxes. That number will be your **Digitalization Challenge Score**. It reflects the level of challenge you face in digitalizing your business.
3. To find out more about the meaning of your score, take a look at the Digitalization **Scorecard**.
4. Then, take a look at **Digitalization Follow-up Actions** to start taking actions and eliminating the challenges you face right now.

Digitalization Challenges Checklist

Digitalization Challenges	Agree
I cannot identify bottlenecks and inefficiencies in your current processes.	☐
I don't engage employees in testing and mentorship when implementing new digital processes.	☐
I haven't explored different types of cloud collaboration tools.	☐
I don't use accounting software to streamline financial processes.	☐
I don't use project management software to keep track of tasks and deadlines.	☐
I don't have a plan in place to address technical difficulties that may arise when working digitally.	☐
I don't have guidelines and best practices in place for working digitally.	☐
I haven't established clear communication channels and guidelines for team members.	☐
I don't use collaboration tools to facilitate communication and collaboration.	☐
Digitalization Challenges Score	**___/ 10**

Digitalization Scorecard

Score	Reflection
0-2	Your business is excelling in adopting digital workflows, choosing the right tools, and managing digital teams. Keep up the good work and consider exploring advanced digital workflows to further optimize your business processes.
3-5	Your business is doing a good job in adopting digital workflows and using the right tools, but there's still room for improvement in managing digital teams. Consider establishing clear communication channels and rules, and promoting team cohesion.
6-8	Your business is making some progress in adopting digital workflows, but there are still significant areas for improvement. Consider engaging your employees in testing and mentorship, and using analytics to identify what works best for your business.
9-10	Your business may face significant challenges in adopting digital workflows, choosing the right tools, and managing digital teams. It's recommended that you focus on identifying bottlenecks and inefficiencies in your current processes before moving forward.

Digitalization Follow-up Actions

Score	Reflection
0-2	● Explore advanced digital workflows to further optimize your business processes. ● Consider implementing automation to streamline your workflows. ● Invest in upskilling your team in digital workflows and tools.
3-5	● Establish clear communication channels and rules. ● Schedule regular team meetings. ● Promote team cohesion and open communication.
6-8	● Engage your employees in testing and mentorship. ● Use analytics to identify what works best for your business. ● Focus on implementing digital workflows to address bottlenecks and inefficiencies.
9-10	● Identify bottlenecks and inefficiencies in your current processes. ● Choose one or two areas for improvement and focus on implementing digital workflows to address them. ● Engage your team in identifying areas for improvement and coming up with solutions.

To boost your business, you need to uplift your team members.
As Simon Sinek mentioned, "Customers will never love a business until the employees love it first."

Module 4: Understanding Digital Business Models

Key Trends in MSME Digital Business Model	**Importance of knowing digital trends** Knowing digital trends would increase your business's flexibility and profits, streamline operations, help you cope with changes in the marketplace, and hence, keep your business relevant in the eyes of consumers. Be mindful that to determine which key trends to adopt, you need to identify your audience, ways the trend helps close the business gap, and the resources needed to sustain the technology for the long run. **Current and emerging trends:** ● Automation in business process ● Usage of AI systems to perform tasks ● Utilization of gamification elements in marketing and data collection ● Advancement of virtual interaction such as Virtual Reality (VR) or Immersive Technology in services such as healthcare
Exploring Digital Business Models	**Importance of innovation** Innovation plays a vital role in their growth, sustainability, and competitiveness; enabling MSMEs to be efficient, create new opportunities, meet customer demands, and stay ahead of their game. Adopting a digital business model that suits your business is crucial in navigating and thriving in the digitalization era. **Types of digital business models** ● E-commerce ● Digital product sales ● Digital marketplace ● Subscription-based ● Freemium ● Platform-based ● On-demand services
Business Continuity Plan (BCP)	**Importance of BCP** To prepare for an uncertain future, indicating that your business in proactive **Steps to create a BCP (based on APEC Guidance)** ● Determine the purpose, scope and BCP leader ● Determine which product/services is essential for your business' survival ● Resume key activities ● Identify and evaluate risk ● Prepare for disasters before they happen ● Plan for immediate and necessary responses during an incident ● Develop you BCP strategy ● Plan how your business will financially survive ● Execute your plan and ensure its effectiveness ● Review and monitor the BCP and make improvements as necessary

Knowing the digital trends and digital business models tends to excite you, especially when you realize how adapting one will make your business more competitive, ensuring your business continuity. Before implementing any trends or business models, you need to understand the current status of your BCP by looking at the measures you use to address the risks and vulnerabilities that threaten your business. This is important to ensure your business can sustain should the implementation of the new trend or business model does not suit your operation and failed.

How to do the activity:
1. Take a look at the **BCP Checklist**. Read carefully the sentences on the checklist, then check the checkbox.
2. Count the total number of your **YES** answer. That number will be your **BCP Score**.
3. Then, take a look at the **BCP Scorecard** to see how your score reflects the business.
4. After that, refer to the BCP template provided in APEC's Guidebook on SME Continuity Planning to see what are the possible actions you can take to improve your business.

BCP Checklist

List	YES
Have you identified which aspect should be given top priority for the recovery and resumption of you business operations?	☐
Have you allocated a budget for business continuity management activities?	☐
Have you identified necessary materials or parts which are supplied by a single supplier?	☐
Have you identified which necessary resources might sustain severe damage as a result of a risk/disaster?	☐
Have you planned prevention and mitigation measures to protect the safety and welfare of your employees from expected disasters?	☐
Does you have alternative measures to replace main equipment in case primary equipment becomes unusable?	☐
Have you set aside a cash reserve equal to one month of revenue for disasters?	☐
Does your business conduct periodic evacuation drills?	☐
Does your business periodically review its disaster management and implement improvement measures if necessary?	☐
BCP Score	**____/ 9**

BCP Scorecard

Score	Reflection
0-3	Your business may be exposed to severe damage should an accident/disaster occur. It's recommended that you focus on identifying the possible risks that can threaten your business and consider ways to minimize the potential damage.
4-6	Your business is aware of the risks and has taken some necessary measure, but there are still significant areas for improvement. Consider reviewing your measures and identify what works best for your business.
7-9	Your business has almost established good measures that would probably be effective if a risk/disaster occur within your estimate. Keep up the good work and consider other measures to ensure your business thrive in adversity.

Note: This is a simplified version of the BCP checklist. To get a detailed checklist, refer to APEC's BCP Checklist.

Congrats, you are one step ahead of empowering your business digitally!
"The ability to change constantly and effectively is made easier by high-level continuity." - Michael Porter