
Programme

Introduction of sessions

14–15 April 2016, PÄRNU CONCERT HALL

Thursday, 14.04

Grand Hall, 09:00–10:00 Check-in and morning coffee

Grand Hall, 10:00–11:40 Session I – Role of a business model in maximising profit

Felix Hofmann

What are the typologies of business models and what happens when you swap one model for another?

Felix Hofmann speaks about why business models are critical for today's financial managers. He dissects the St Gallen Business Model Navigator methodology and shows why it is better than Alex Osterwalder's Business Generation. Felix visualises between five and seven main types of business models and gives various examples, allowing us to reflect on the role of a business model in shaping the performance of a company. Based on these examples, we will learn about how different companies have transformed their business models and what the results have been.

Grand Hall, 11:40–12:00 Coffee break

Grand Hall, 12:00–13:10 Session II – Which business models allow us ride the wave of success?

Jukka Ala-Mutka

Which business models allow us to ride the wave of success?

Jukka addresses business models primarily through practical examples. He gives a brief and relevant overview of up to a dozen different business models. Overviews will be playful and engaging in order to demonstrate the diversity of business models to the audience. Since the number of cases covered is relatively high, the focus will in each case be not on the business model as a whole but rather on the most important and enlightening aspects of each individual model.

Hando Sinisalu

Global use of business models

This year, Best Marketing will organise more than 80 conferences all over the world. Hando will speak about the business model for the conference industry and what should be taken into

account in cross-border dealings. He introduces opportunities for businesses to expand to countries further afield while rationalising costs. Best Marketing has used the principles of the so-called wholesale strategy, creating a global network of cooperation partners that allows, for instance, organisation of a conference in Indonesia without being physically present there. This means zero risk of operational costs and no geographical boundaries. Furthermore, you will learn from Hando's presentation about the existential problem that hits Estonian entrepreneurs when expanding to the global market.

Kristjan Hiimaa

Would it be possible to conquer the world with an experience-based business model created in Estonia?

Estonia has, in both a good and bad sense, been an obstacle to expansion. When you are doing well, there is no reason to go elsewhere to toil there. But what if you are not doing well or receive incorrect feedback from the market and your product does not necessarily prove to be right for other target markets. After the Estonian market declined and we penetrated the US market, we had to essentially develop a new product because even though the language was correct, the terms of the language were not. Kristjan shares his experience about how they, as the first start-up, won Seedcamp and were awarded a training programme in the course of which they were basically dragged through different countries and investors. They were one of the first companies to raise funds from actual Silicon Valley investors.

Grand Hall, 13:10–14:10 Lunch

Between 13:30 and 14:05 it is possible to ask the speakers questions at the Village of Questions, participate in a workshop or establish contacts at a networking opportunity.

Grand Hall, 13:30–14:05 Village of Questions/ Networking / Workshop

Between 13:30 and 14:05 you have the option to enjoy a lunch or communicate with others, participate in networking or in a workshop.

Grand Hall, 14:10–14:25 Presentation of an award to the most influential financial manager of the year

Andris Jegers, Ivar Kiigemägi, Ago Vilu, Veiko Hintsov

Presentation of an award to the most influential financial manager of the year

The initiative to award an influential financial manager aims to give a profile to genuinely good financial managers who have done well in areas requiring specific competences and who have contributed to the management of successful companies.

Grand Hall, 14:25–16:00 Session III – How do business models enhance the competitiveness and cash flows of a company?

Mart Kikas, Marko Rillo

Whether, and if yes, how can business models enhance the competitiveness of our company and increase its cash flows?

Mart and Marko focus on the question about how to help existing companies start new businesses. While 80% of new businesses entering the market typically fail, a systematic approach when testing new business ideas increases their success rate. Mart and Marko have developed, and tested in practice, a methodology that contributes significantly to increasing the success rate in launching new businesses. In their presentation, they give several examples of where this methodology was used to test business ideas in practice and markets were reached through a systemic description of the business model. During their session, Mart and Marko show that the complex constructs created by consultants can be reworded in a simple and concrete fashion, which each participant in the session can immediately put to the test.

Diana Strömnes, Alvar Lumberg, Karl Anton

Examples of business models from Estonian companies

How business models have been changed in practice, both within the company as well as by way of launching completely new business models?

Grand Hall, 16:00–16:45 Village of Questions/ Networking

Between 16:00-16:45 you have the option to enjoy a cup of coffee or communicate with others, participate in networking or ask questions from the speakers.

**Grand Hall, 16:45–18:15 Session IV – How does the public sector function?
/ Parallel Hall: Workshop on business models**

Kathryn Mary Ennis

Do we have something to learn from New-Zealand?

An overview of the business model for the public sector in New-Zealand. Kathryn shares, over a video bridge, her experience in the development of the operating model for New Zealand and its functioning in this day and age.

Marek Helm

Only a handful of public authorities are measured and managed in Estonia

A new business model for the services of the Tax Board. How will the mutually respectful relationship between the Tax Board and entrepreneurs change in the coming years? The Tax Board promotes alleviating the reporting burden for companies – what will this functional model be like? Why is this change so important to the Tax Board? Or to the State? To the business environment? Will the Tax Board's model support the vision of the e-State, and will a simple and comprehensible tax and reporting system create a favourable basis for businesses to expand?

Andres Tinno

Management of a large municipality with experience from the business sector

The operating model for the Lääne-Saare Rural Municipality Government. How were the goals of

establishing a merged municipality set and worded? How was the merger process planned and which important questions needed to be solved in the process? Were the goals achieved? Would we do something differently today if we were to launch the same process again? Andres Tinno speaks about how he as an entrepreneur became the head of the newest big municipality in Estonia.

PARALLEL HALL:

Workshop on business models

Hele Hammer, Jürjo Preden

Theory remains just a theory, accomplishing something on one's own is always much more exciting. You will receive hands-on experience in the workshop on business models. After introducing the tool of the business model canvas, we will dismantle the business model of a specific company and discuss it between ourselves. Working in small teams ensures that everyone has a chance to participate and understand the model.

The workshop accommodates 30 participants!

20:00–02:00 PARTY

The party will be at the night club SUGAR.

The band **REGATT** will be performing.

Friday, 15.04

Grand Hall, 09:00–10:00 Assembly and morning coffee

Grand Hall, 09:30–11:00 Session V – How to change financial functions?

Katrin Rasmann, Head of the State Treasury

How does the corporate financial function create value in the current dynamic business environment?

Today's business environment and new business models require, as Katrin believes, a financial function focused on financially sustainable activities, capital raising capabilities, and ensuring the yield that the raised capital has been promised – i.e., the main focus is to be directed towards the prediction of results, assessment of risks, and analysis of new business opportunities. A financial manager of an Estonian company normally starts by hiring an accountant, promising that they will find analysts for management information at some later stage. The message that accounting information is today no longer the core of corporate financial information but rather a part of

statistical information flows on the basis of which results and predicted and operations are planned and certain external reporting obligations are met – this is the idea Katrin wishes to share with us at the conference.

Karmo Kaas Lutsberg

Modern tools that support management processes

Over a period of ten years in Bonnier B2B's media business, two key sources of sales revenue have been replaced by about 15 that are just as important, each of them measurable by different KPIs. A group operating in ten countries with about 20 products has grown into 100 different products and 20 companies. The esteemed printed advertisement business is now complemented by an e-Education portal for schools that leads the market in Denmark, an e-Learning facility for lawyers in Poland, and a service recommending the best retail prices for medical companies in Sweden.

The profit margins for different business models are between five and 40 per cent; the logic of assessing cash flows and investments is different; Google and Facebook present strong competition. How to plan economic results and assess investments in this changing environment?

Anneli Aljas

How do manage cash flows on a daily basis?

A cash flow statement does not have to be "higher mathematics", penned by the financial manager after holing up in his office for three days. A simplified cash flow statement may be a part of day-to-day management in an organisation as well as a part of the work of each employee. Markit has their own cash flow statement that is clear and understandable to everyone employed by the company. It can be prepared on a monthly or country basis, on a salesperson basis or, if you will, on a customer basis. In our company, everyone knows what it comprises and everyone knows how their day-to-day decisions affect cash flows. And cash flows may reveal a hidden treasure!

Grand Hall, 11:00–11:45 Coffee break / Workshop

Grand Hall, 11:45–12:00 Presentation of the innovation award of the Estonian Banking Association

Presentation of the innovation award of the Estonian Banking Association

The innovation award aims to raise awareness of the achievements of banks in providing innovative services and serving customers, and to value the developments underway in back offices and the work organisation of banks.

Grand Hall, 12:00–13:30 Session VI – Innovation through a start-up model

Jürjo Preden, Kaidi Ruusalepp, Jüri Laur

Innovation and start-ups as a search for a new business model

Jürjo Preden speaks about the communication platform Thinnect of the Internet of Things. Thinnect reduces the total cost of applications of the Internet of Things by saving on installation costs and the cross-use of devices between applications. Thinnect creates new business opportunities for the semiconductor industry, since Thinnect Mist brings computation from the cloud to the edge of the network, thus cutting the costs of the end customer, although more powerful sensors are needed. Making sensors intelligent allows development of new applications where the environment surrounding us is smart and behaves as we want it to do. Thus, Thinnect technology also helps create new products with a better cost-benefit ratio; smartness allows the devices and networks to self-diagnose and ensure smooth operation of the network.

Kaidi Ruusalepp speaks about new trends in raising capital to fund development. Namely, the global capital markets have undergone major changes in the past decade. Firstly, raising capital on the exchange has become too expensive compared to the availability of private capital. Risk capital is capable of investing billions of dollars in companies in their growth phase, while withdrawing the best part of the profits before the company goes public. Technology has made capital available across borders and companies have global ambitions from the moment of their inception. Recent technologies, such as blockchain, carry a lot of the current functions of the participants in capital markets, and it may happen that in the future the technology will take over the roles of many so-called mediators. Funderbeam, as the exchange for early-stage companies, has put itself in the centre of these changes. Funderbeam allows raising capital all over the world and guarantees the liquidity of investments. We create a pre-IPO market so that a conventional investor would be able to once more enjoy the growth of companies. In turn, companies are provided capital that is cheap, close and involves human contact. Use of blockchain as a technology thins the chain of investment and trading while ensuring security. These changes, in the broader and narrower sense, are what Kaidi will address.

Jüri Laur will speak about cryptocurrency, which has now existed for seven years, a blink of the eye in the context of the world of finance. Nevertheless, financial and government authorities have been forced to adapt to this new technology at an unusually rapid pace. The initial mistrust and hostility has morphed into interest and a race towards new solutions and applications. In 2014, LHV was one of the first banks in the world to hire an expert in cryptocurrency. In cooperation with Swedish ChromaWay this evolved into Cuber, a platform and payment application for financial services, incubated by LHV Bank. The first application on the new platform is Cuber Wallet, which allows online euro payments between consumers and traders and is entirely based on blockchain technology.

Grand Hall, 13:30–14:30 Coffee break/ Village of Questions/ Networking

Between 13:50 and 14:20 it is possible to ask the speakers questions at the Village of Questions or establish contacts at a networking opportunity.

Grand Hall, 14:30–16:00 Session VII – Business models of the future

Christian Rangen

Future of business models

Christian speaks about the innovation of the business model. The real innovation of a business model requires a change in thinking patterns, i.e. “non-linear thinking”. In order to map the future growth areas in Estonia, corporate leaders need to apply a new way of thinking and new strategic tools. This requires new principles of distributing the finances and resources of a company and rebuilding the business model. To find new growth opportunities, companies must shift from the one-business-model thinking to the a-wide-portfolio-of-developing-business-models approach. The strategic tool “Three levels of a business model” is a unique starting point in the transition to a new growth strategy. Christian shares with us various techniques, case studies and examples from developing areas, such as privately owned starting platforms for space shuttles, digital health, and next generation digital solutions, to introduce the opportunities for Estonian companies to grow beyond the horizon.

Grand Hall, 16:00–16:05 Summary of the conference