

# COMMON EUROPEAN REPORT

## Focus Group with Experts in all 8 partner countries

### 1 PROJECT BACKGROUND AND FOCUS GROUP INTERVIEW ACTIVITY

---

#### 1.1 STAY AFLOAT PROJECT

The STAY AFLOAT project is designed to help entrepreneurs and SMEs identify and interpret early warning signs of a business crisis (obstacles and enemies). It aims to increase the number of business advisors (coaches) who are incorporating early-stage warning signals of business crisis and intervention strategies into their training programmes. By improving the skills and attitude of business advisors, the effectiveness of entrepreneurship training will be increased, and waves of change will be made through entrepreneurship teaching.

Business Advisors and organisations will be used for both developing the tools created for the programme and trained to deliver the model. The three key outcomes / results of the programme are:

1. Stay Afloat Framework – a digital document containing up to date knowledge on early warning signals of business crisis, including detection and intervention opportunities.
2. Stay Afloat Curriculum and Open Educational Resources (OERs) – a complete toolkit for business advisors for teaching early-stage intervention skills to entrepreneurs as part of their business development programmes.
3. Stay Afloat Online Course – based on the OERs and optimised for digital delivery, enabling SMEs and entrepreneurs to develop and test their skills.

Based on this, the partnership will develop methods and tools (based on coaching and emotional intelligence) that can support European entrepreneurs, coaches, leaders and others in micro and small companies during the first years.

The primary target group for the project is "adults with lower levels of education" and "adults with low participation rates in entrepreneurial education".

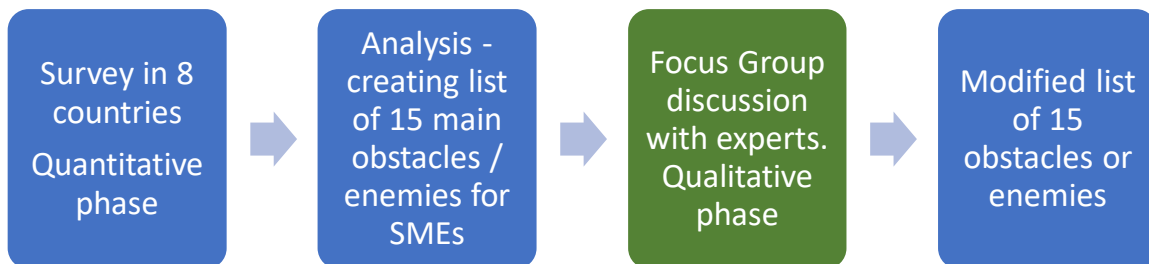
The Stay Afloat Project is an Erasmus KA2 Adult education project. Agreement Number: 2021-1-NO01-KA220-ADU-000035662.

Our Project Website will be accessible here shortly: [www.stayafloat-erasmus.eu](http://www.stayafloat-erasmus.eu)

## 1.2 METHODOLOGICAL APPROACH AND SURVEY

At the beginning of the project the partnership developed and distributed a questionnaire to define and identify fifteen obstacles/enemies/challenges that SMEs and entrepreneurs generally face in the first 5 years of business, focusing on soft skills. This questionnaire was of a quantitative nature, and the results of all partners have been summarised in national reports (answers), as well as in a Common European Report summary report representing the 8 partners.

In the next phase, which is of more qualitative in nature, each partner will organise a focus group or have interviews with 8-10 experts (in the field of training, coaching, entrepreneurship, job counselling, career guiding, etc).



This focus group can be organised face to face or as an online activity, with several experts at a time, or as one-to-one interviews. The interviews will be semi-structured, and the expected time is 30-40 minutes for an individual interview, with six open-ended questions. The interviews are a natural continuation from the previous task, where the 15 obstacles or enemies of SMEs will be further identified, complemented, evaluated, verified and altered for final common conclusions. We will present the experts with both, the local and Common European Report and the 6 questions.

After conducting the focus group interviews, partners will analyse and summarise the results in national reports and one common European report will be produced by I&F, which will act as the base for the development of an online self-evaluation system to be used by entrepreneurs, and available on the Stay Afloat webpage. These reports will also be the foundation for the training system, based on coaching and emotional intelligence that will be developed in the upcoming phases of the project.



## FOCUS GROUP IN IRELAND

We have carried out 10 interviews in a mixed fashion, face to face and online. There were 5 women and 5 men interviewed. All of them had experienced as successful entrepreneurs, both in the public and the private sector.

### QUESTIONS

---

OF THESE 15 OBSTACLES OR ENEMIES - WHICH ARE IN YOUR OPINION THE TOP THREE?

1. Prioritising money issues
2. Prioritising time issues
3. Dealing with stress and burnout
4. Following up on goals
5. Separating work problems from home problems
6. Dealing with risks
7. Being creative
8. Attitudes from customers
9. Structuring my day
10. Having patience
11. Dealing with feedback
12. Attitudes from team members
13. Focusing on what is important
14. Flexibility
15. Self-motivation and enthusiasm

The top 3 answers surveyed as obstacles were:

- Dealing with stress and burnout
- Attitudes from team members
- Being creative

Coming closely behind were:

- Dealing with risks
- Separating work problems from home problems
- Prioritising money issues

### OF THESE 15 OBSTACLES OR ENEMIES – WHICH ARE THE LEAST IMPORTANT?

- Structuring my day
- Dealing with feedback

### WHICH ENEMIES ARE MISSING BASED ON YOUR OWN EXPERIENCE?

- Lack of knowledge of competences and skills.
- Lack of market knowledge and marketing in general, particularly management of social media.
- Fear of failure.

### WHAT OTHER TYPES OF OBSTACLES OR ENEMIES DO YOU SEE FOR ENTREPRENEURS WHO HAVE NO EXPERIENCE OR NO EDUCATION (LOW-SKILLED)?

- Lack of knowledge of the labour market.
- Having too much confidence in oneself which can lead to entrepreneurs not accepting advice and feedback coming from experienced people.
- Lack of knowledge of administrative issues as well as accountancy and all the laws and regulations to be followed in a business venture.

### WHAT WOULD YOU THINK IS THE BEST WAY TO COACH (TO SOLVE, TO HANDLE) THESE 15 OBSTACLES OR ENEMIES?

- Ongoing training is fundamental to be up to date with all the current entrepreneurship techniques and skills which will lead you to be successful.
- Working as part of a group.
- Coordinating all aspects of work. Good coordination needs to be learned.
- To pace oneself and go little by little.
- Using the inspiration of other businesses in the same sector that are currently doing well.
- Learning from successful entrepreneurs so that they can draw from the experience, in the case of mistakes made but also from things done well.

## ARE THERE ANY OTHER THINGS THAT COULD BE IMPORTANT FOR THE PROJECT'S FUTURE WORK?

This could be studies, reports, personal experience and so on.

- Digital marketing is key to making progress and have visibility.
- Setting the basis for a project which is realistic and attainable.
- Individuals will need to act and engage in lifelong learning, so they are adaptable when the work changes happen.
- Thanks to mobile technology and readily available internet access, remote workers are already common. Employees won't need to be in the same location. This will make it easier for the next generation of workers to choose to live anywhere, rather than find a job and then move to a city with that job. (as it has been proven by the Covid-19 crisis).
- Wonderful opportunity to create positive change and to start to build purpose-driven organisations that prioritise people and planet alongside profit.
- We will have to help manage the 'always on' culture caused by technology and the ever increasing pressure of being up to date.
- Artificial intelligence algorithms and intelligent machines will be co-workers to humans.

### **Reports:**

-The future of jobs and automation:

<https://www.mckinsey.com/featured-insights/digital-disruption/harnessing-automation-for-a-future-that-works>

## FOCUS GROUP IN AUSTRIA

We carried out 9 interviews via video call. We interviewed 6 men and 3 women. All of them had experience either as entrepreneurs or providing support / consulting for entrepreneurs / startups. The interview partners were presented with the results of the survey and based on that and the questions below, a conversation

Interviewed partners were asked to rank the most important obstacles in their opinion (3 to 1 points). Points were added to get to the following results:

1. Prioritising money issues
2. Dealing with risks
3. Focusing on what is important

### OF THESE 15 OBSTACLES OR ENEMIES – WHICH ARE THE LEAST IMPORTANT?

In the same manner, interview partners were asked to rank the least important obstacles (1 is the least important)

1. Self-motivation and enthusiasm
2. Separating work problems from home problems
3. Dealing with feedback

Two partners noted that these obstacles are perhaps not less important, but less relevant for them

### WHICH ENEMIES ARE MISSING BASED ON YOUR OWN EXPERIENCE?

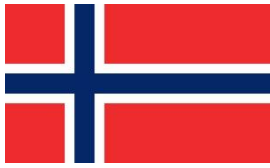
- Marketing/selling your product
- Making a good product
- Finding the niche where you excel
- Scaling/growth
- Finding investors
- Market research

**WHAT OTHER TYPES OF OBSTACLES OR ENEMIES DO YOU SEE FOR ENTREPRENEURS WHO HAVE NO EXPERIENCE OR NO EDUCATION (LOW-SKILLED)?**

- How to make a good financial plan
- Knowing the laws/regulations connected to your activity.

**WHAT WOULD YOU THINK IS THE BEST WAY TO COACH (TO SOLVE, TO HANDLE) THESE 15 OBSTACLES OR ENEMIES?**

- The best way is via mentoring/coaching by experienced entrepreneurs who can give the startups first-hand information about what to watch out for.
- Previous education in business administration helps a lot because you don't need to learn everything from scratch, but it's definitely not skills startup entrepreneurs can't acquire "on the job".
- Can an online course help? – depends, it can raise some awareness, but important is to have help by a coach/mentor if you don't know the ropes already.



## FOCUS GROUP IN NORWAY

The (10) local business owners and entrepreneurs are facing the following top 3 challenges:

- Prioritizing money issues - Economic and money issues – loans repayment. The government is asking for 6 years of repayment of the loan packages for COVID loans.
- Prioritizing time and resources. Local farmers and entrepreneurs cannot find time to market their products, organize events, produce, invest for growth, select and retain employees etc.
- Dealing with Stress and burnout – often farmers, entrepreneurs and business owners are facing different risks and stress and burnout sometimes are part of the consequences.

### OF THESE 15 OBSTACLES OR ENEMIES – WHICH ARE THE LEAST IMPORTANT?

- Attitudes from team members
- Structuring my day – if you are a business owner or entrepreneur you should know what are your tasks
- Following up on goals - if you are a business owner or entrepreneur you should know what are your goals

### WHICH ENEMIES ARE MISSING BASED ON YOUR OWN EXPERIENCE?

Additional challenges:

There is not enough budget plans from the government. Different municipalities approve more budget for business growth because there are business growth plans similarities between some municipalities. For municipalities with different strategies for economic growth unity and budget approval becomes a challenge.

There should be more support and guidance from the government for business growth.

Local people should be prouder of the area and local products.



**WHAT OTHER TYPES OF OBSTACLES OR ENEMIES DO YOU SEE FOR ENTREPRENEURS WHO HAVE NO EXPERIENCE OR NO EDUCATION (LOW-SKILLED)?**

- Funding.
- Focus on the product.
- Time before earning money.
- Clear Business plan. Takes much more longer than you think.
- No guidance in English.

**WHAT WOULD YOU THINK IS THE BEST WAY TO COACH (TO SOLVE, TO HANDLE) THESE 15 OBSTACLES OR ENEMIES?**

The best way is through government and different entrepreneurship funds and programmes:

Kompetencecenter Innovation Norway

Entreprenerdy

Not always higher education and universities provide the best approach for starting-up and maintaining a business. Best way is to start early. Learn by practice. Network. Join business hub-labs

Know your suppliers

**ARE THERE ANY OTHER THINGS THAT COULD BE IMPORTANT FOR THE PROJECT'S FUTURE WORK?**

This could be networking with successful business owners, external experts, studies, reports, personal experiences and so on.



## FOCUS GROUP IN SPAIN

Total number of participants: 15

Note: The companies and entrepreneurs that have been part of the study are small and medium-sized enterprises with between 3 and 10 employees.

The 15 obstacles have been reviewed both through questionnaires and focus groups. The participants agreed on the importance of all these factors but were able to prioritise some of them:

Self-motivation and enthusiasm - included in top three by 9 participants

Being Creative - included in top three by 13 participants

Structuring the day - included in top three by 10 participants

- Self-motivation and enthusiasm: entrepreneurs have expressed that although entrepreneurship starts with a high degree of motivation and enthusiasm, over the years and due to stress and workload many entrepreneurs lose motivation and enthusiasm, which translates into company results, and eventually into crisis or bankruptcy situations.

- Being creative: 87% of the participants agree that being creative, besides being a difficult task, is very necessary in the beginning of the company. Lack of creativity and the ability to differentiate oneself from competitors often hinders the growth of the company.

- Structuring the day: lastly, it should be noted that this enemy or obstacle has also been highlighted. On many occasions, what is urgent often takes time away from what is important. This is linked to the fact that there are few resources.

### OF THESE 15 OBSTACLES OR ENEMIES — WHICH ARE THE LEAST IMPORTANT?

From the list of obstacles or enemies presented to the participants, the least chosen were those listed below:

Flexibility - was voted by 5 participants.

Having patience - voted for by 4 participants

Attitudes towards team members - voted for by 6 participants

## WHICH ENEMIES ARE MISSING BASED ON YOUR OWN EXPERIENCE?

- Competition and market analysis

Participants have shown that they experienced many difficulties and crises due to a lack of knowledge of the competition. They entered the market without having made a proper analysis of strengths and weaknesses. The lack of analysis has often led them to implement the wrong strategies. In relation to the market, the entrepreneur is often disconnected from real customer feedback.

- Staff motivation strategies

People management is key to success within an organisation. The participants discussed different causes of employee motivation. One of them was how to get employees with the same drive and energy as an owner.

Among the causes highlighted were

- Poor vertical or horizontal communication in the company

- Low pay

- Lack of development plans and involvement in the company

- Excessive demands in terms of targets by the entrepreneur, who in many cases does not take into account the difficulties faced by a start-up company.

- Unrealistic pricing policies

Not having a clear pricing strategy, in line with the market and the competition. This situation can lead to prices that are too high, which means that sales are not consumed, or too low, which affects the profit and the quality positioning of the product.

## WHAT OTHER TYPES OF OBSTACLES OR ENEMIES DO YOU SEE FOR ENTREPRENEURS WHO HAVE NO EXPERIENCE OR NO EDUCATION (LOW-SKILLED)?

- Lack of knowledge of social media and marketing.

Internet sales channels, as well as social media positioning, have become indispensable. The entrepreneurs over 45 years of age that we interviewed openly stated their weaknesses in this area, which is already causing them problems and crisis situations.

- Lack of financial and fiscal knowledge.

The financial and fiscal management of a company is a high priority. When these areas are not managed correctly, risk and crisis situations arise, in some cases leading to the bankruptcy of the company.

- Difficulty in attracting qualified personnel to the company.

The lack of qualified personnel is one of the main concerns of companies in order to be able to hire workers. The problem is becoming more and more serious in some specific sectors such as the hotel and catering industry, agriculture and others.

## WHAT WOULD YOU THINK IS THE BEST WAY TO COACH (TO SOLVE, TO HANDLE) THESE 15 OBSTACLES OR ENEMIES?

- Adapting training to specific needs

Entrepreneurs are not a homogeneous group, so it is not easy to establish what their needs are. In order to adapt training to the needs of this group it is necessary to adapt the materials to the level of development of the business projects, as well as to the different training needs.

- Through case studies to solve working in groups

Participants stressed that the best way to learn is through case studies that generate common knowledge and facilitate brainstorming to solve daily problems.

- Having a business advisor to help us in the process of creating and expanding the company.

Finally, participants stressed that having a business advisor to help them in the process of creating and developing the company is very important. A business advisor can help us define the right strategy for sales, customer management, market positioning and pricing strategy, among others. Sometimes the urgent tasks of the company do not leave time for these important tasks, so it would be good to have a business advisor on the floor.

## ARE THERE ANY OTHER THINGS THAT COULD BE IMPORTANT FOR THE PROJECT'S FUTURE WORK?

- Base the content of educational materials on successful experiences of local entrepreneurs. This will allow the material developed to be eminently practical.
- To have the feedback and support of entrepreneurs throughout the project. In other words, the inputs from entrepreneurs will be taken into account in all the project results. Not only in the identification of needs but also in the evaluation of the practical level of the tools that we are going to create.
- Another factor that has been emphasized is that the material must be very real, directly applicable to the realities of the entrepreneurs, so that when they implement them or put them into practice, they learn quickly and can transfer the knowledge to their daily reality.



## FOCUS GROUP IN ROMANIA

The focus group was organised face to face in Timisoara, Romania. It was organised in the form of an open discussion in order to discover common aspects from the experts. The length of the focus group was 45 minutes and a total number of 9 participants attended (7 men and 2 women). Participants are experienced entrepreneurs with proven results on the business market.

### OF THESE 15 OBSTACLES OR ENEMIES - WHICH ARE IN YOUR OPINION THE TOP THREE?

After reviewing the list of 15 obstacles, participants were asked to individually write down the top three obstacles. The results are the following

- Prioritising money issues – included in top three by 7 participants
- Having patience – included in top three by 9 participants
- Dealing with feedback – included in top three by 6 participants

After writing down the top three enemies, participants discussed how this enemies affected them and their businesses in particular. Not having clear guidelines in terms of financial and time management was difficult to manage in the beginning.

Dealing with customers feedback was a difficult aspect to learn as well, most participants stated that in the first stages of their business, they often felt somehow offended by negative feedback. This happened because instead of listening of what customers really want, they were focused on offering products and services that were relevant from their own perspective, instead of checking what the market really want.

Patience was the hardest thing to foster for most of the participants, as they were expecting the business to only go up and results to come very fast. It was not the case and they learnt that a business requires time and patience.

### OF THESE 15 OBSTACLES OR ENEMIES – WHICH ARE THE LEAST IMPORTANT?

- Self-motivation and enthusiasm – voted as least important by 9 participants
- Flexibility – voted as least important by 8 participants
- Separating work problems from home problems – voted as least important by 6 participants.

The least encountered enemies by the participations were motivation, flexibility and separating home problems from work problems. Motivation was very high for all of them during the first stages and they were opened to make changes. Participants said that it was not a challenge for them to keep home related problems away from the business and vice versa.

### WHICH ENEMIES ARE MISSING BASED ON YOUR OWN EXPERIENCE?

- Focus on the market (what customers want), not on the product

Participants said that one of the biggest problems they had in the beginning was that they were focused on selling products and services that were perfect in their perspective without checking what the market is demanding.

- Encourage the customer to provide real feedback

In the first stages of the business, entrepreneurs stated that they only wanted to hear positive feedback and were afraid to receive negative feedback. Over the time, they understood that negative feedback is the only way to improve and come closer to what customers demand.

- Learning to delegate tasks and responsibilities

Maybe one of the biggest problems entrepreneurs had was the desire to know everything and to be in control of everything. They stated that a very important quality of a good manager is to be able to delegate tasks and create a good team.

### WHAT OTHER TYPES OF OBSTACLES OR ENEMIES DO YOU SEE FOR ENTREPRENEURS WHO HAVE NO EXPERIENCE OR NO EDUCATION (LOW-SKILLED)?

- Learning to appreciate competition
- Knowing how to access financial grants and investments
- Risk management planning
- How to manage your Ego
- How to not fall into the comfort zone

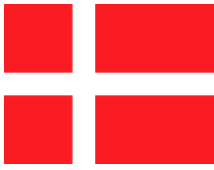
## WHAT WOULD YOU THINK IS THE BEST WAY TO COACH (TO SOLVE, TO HANDLE) THESE 15 OBSTACLES OR ENEMIES?

All the participants stated that having an experienced mentor is very important. It would be ideal to have a close person that you can talk to and from which you could take advice, but even choosing a public figure relevant for your domain is enough. It is important to realise that continuous learning is the key to success and participants from the focus group said that they never stop taking courses, attending seminars and conferences, reading books and studies from successful entrepreneurs and analysts. Learning from mistakes is very important as well, participants stated that their best lessons came from experience, even if they were more expensive.

## ARE THERE ANY OTHER THINGS THAT COULD BE IMPORTANT FOR THE PROJECT'S FUTURE WORK?

Participants said that developing materials closely related to practical experience of entrepreneurs and business experts would be interesting.





## FOCUS GROUP IN DENMARK

The focus group (10 people) was organized in order to gather everyone for a physical focus group interview at our office in Odense, Denmark. This was not possible, so we used both a physical meeting for some of the experts while the rest were conducted online. It was organised in the form of an open discussion to discover common aspects from the experts. The length of the physical focus group interview was 1 hour and 55 minutes.

Participants are experienced in the educational sector (regarding entrepreneurship and the like), entrepreneurs, entrepreneurial consultants and experts within the field matching Stay Afloat's intentions.

### OF THESE 15 OBSTACLES OR ENEMIES - WHICH ARE IN YOUR OPINION THE TOP THREE?

After reviewing the list of 15 obstacles all participants stated what they thought were the most important obstacles. These are the three most popular among all answers:

- Prioritising money issues
- Attitudes from team members
- Dealing with feedback

The experts discussed what they thought were the most important obstacles. They quickly agreed on obstacle number 1: "prioritising money issues" as they thought, that getting a reliable cash flow is extremely important for small businesses in the beginning. This obstacle is fundamental for all businesses. Also, this obstacle is the most mentioned obstacle from the other interviews done.

Obstacle number 12: "attitudes from team members" were mentioned by most of the experts as an important obstacle, as your team and their attitudes links directly to how well your business will function and develop. This is also fundamental for the business as you need a strong team with various skills, such as; sales skills, critical thinking, constructive feedback and, in general, a functional team to take care of you as an individual. All these skills are defining for your business and how you handle the obstacles you'll be facing.

The last obstacle the experts thought were important was obstacle number 11: "dealing with feedback". This obstacle relates to obstacle number 12, as you must be able to use internal feedback from your team constructively to develop your business. Then, external feedback is also important as you must be able to use feedback from all sorts of different levels – whether it's internal or external – to your advantage.

## OF THESE 15 OBSTACLES OR ENEMIES – WHICH ARE THE LEAST IMPORTANT?

- Being creative
- Flexibility
- Separating home problems from work problems

In summing up all responses, both from the physical meeting and online interviews, the least important challenges are creative (obstacle number 7), flexibility (obstacle number 14) and separating home problems from work problems (obstacle number 5). “Being creative” ranked high for almost all the experts as entrepreneurs would fast find themselves and their business needing structure. Then, “flexibility” and “separating home problems from work problems” ranked high for most of the experts. These were a direct result of the discussion between the two participants in Odense about where the individual is in life. These were also mentioned by the other experts.

## WHICH ENEMIES ARE MISSING BASED ON YOUR OWN EXPERIENCE?

- Outreach skills

The experts generally agreed that being outreach oriented and being able to sell yourself is important for success. Outreach skills are therefore something that entrepreneurs should strive to acquire.

- Expectations

It's important as an entrepreneur to ask yourself: "what am I good at?" or "where do I spend my time most effectively?". That is, to get expectations aligned with yourself and the rest of the team, in order to make the business as efficient as possible.

- Persistence

Most experts said that persistence is important for an entrepreneur, in order to build relationships and partnerships. In addition, to be able to maintain the status and success of the business in the market.

## WHAT OTHER TYPES OF OBSTACLES OR ENEMIES DO YOU SEE FOR ENTREPRENEURS WHO HAVE NO EXPERIENCE OR NO EDUCATION (LOW-SKILLED)?

These were the obstacles mentioned by the experts:

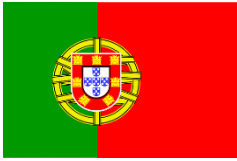
- An unrealistic approach and belief in own abilities and business idea
- Not being able to communicate in business language
- Being too educated and specialized.

## WHAT WOULD YOU THINK IS THE BEST WAY TO COACH (TO SOLVE, TO HANDLE) THESE 15 OBSTACLES OR ENEMIES?

To have a consultant/business coach/mentor attached. If this person meets the entrepreneur at eye level and supports with 1:1 guidance, also daring to address the more personal barriers that often arise and contributes with quality professional guidance and networking would help the entrepreneur. This, combined with being open and outgoing about running the business, talking through the challenges that may arise and not being afraid to fail, would mean that more businesses would survive longer.

## ARE THERE ANY OTHER THINGS THAT COULD BE IMPORTANT FOR THE PROJECT'S FUTURE WORK?

Creating closer relationship between the experts and the project would allow to continuously benefit from the developed resources and their sharing. In addition, local entrepreneurs from Denmark were mentioned as possible partners for the project and especially businesses that have actually experienced a crisis - and not just COVID-19. Also, a study by a professor from the University of Southern Denmark on how businesses deal with crises was recommended in relation to the project.



## FOCUS GROUP IN PORTUGAL

In total 7 of the experts considered Prioritising money issues (1) has one of the top three barriers, being the most identified barrier. The second most barrier most chosen was Self-motivation and enthusiasm (15) with a total of 5 votes. Attitudes from team members (12) were indicated by 3 experts. The following barriers were identified by 2 experts each: Prioritising time issues (2); Attitudes from customers (8); Dealing with risks (6). Lastly, Dealing with stress and burnout (3); Dealing with feedback (11); and Following up on goals (4) were chosen one time each.

In sum, the top three barriers identified in order were:

- Prioritising money issues, as the experts considered that knowing when and where to invest and ensuring a reliable cash flow is essential for the survival of any business.
- Self-motivation and enthusiasm, as the experts refer to the significant difference between working as an entrepreneur and working for a company/organization, and the importance of self-motivation and enthusiasm needed in the first case.
- Attitudes from team members. In this case experts mentioned the hardship of managing a team for unexperienced people.

### 1.3 OF THESE 15 OBSTACLES OR ENEMIES – WHICH ARE THE LEAST IMPORTANT?

All the experts mentioned that every single barrier identified by the partnership is important and found answering to this question to be a challenge. Nonetheless, the main obstacle identified as the least important was unanimous: Separating work problems from home problems (5). Having patience (10) was the second least important with 5 votes. The following enemies were identified three times each: being creative (7); structuring my day (9). Prioritising time issues (2) received two votes, and the following got 1 vote each: Following up on goals (4), Attitudes from costumers (8), Focusing on what is important (13), Attitudes from team members (12) and Flexibility (14).

In sum the least important obstacles were:

- Separating work problems from home problems, as the experts believe that, in their experience, can be easily done.
- Having patience. Although the experts considered that having patience is essential for business owners, the enemy should be more easily dealt with compared to the others presented.
- Being creative, as the experts considered that for some businesses creativity isn't a priority and external sources/people can help fostering creativity when needed.

## 1.4 WHICH ENEMIES ARE MISSING BASED ON YOUR OWN EXPERIENCE?

### **Legislation**

It was agreed by all experts that legislation, national and European, can be one of the main obstacles to business survival. Both the lack of knowledge about said legislation and the outcome of the legislation (law, policy) itself.

### **Bureaucracy**

The experts considered that in Portugal bureaucracy and how to manage it and understand it is a significant enemy to businesses. Mainly the time and resources that may be spent dealing with bureaucracy can be a detrimental reason for bankruptcy in business's early stages.

### **Communication**

The ability to communicate with employees and stakeholders can be a challenging endeavour for entrepreneurs and managers.

### **Lack of Community and Familiar Support**

Some experts considered that knowing how to make the best use of the community and familiar support can be decisive during the early stages, mainly for SMEs that operate locally.

### **Lack of Education**

An obstacle, considered by the experts, to be exacerbated in Portugal due to the lack of formal education of business owners (almost 40% don't have tertiary education).

### **Networking**

Both in terms of external stakeholders, mainly potential partners, and on finding and bringing clients to the business.

## 1.5 WHAT OTHER TYPES OF OBSTACLES OR ENEMIES DO YOU SEE FOR ENTREPRENEURS WHO HAVE NO EXPERIENCE OR NO EDUCATION (LOW-SKILLED)?

### **Differentiation**

The experts agreed that newcomers into the commercial environment usually don't understand the need to clearly define and disseminate the factors that differentiate their brand/business from the competition.

## **Communication**

Related to the obstacle identified in question 2.3 the experts highlighted that communication is ever more important when the entrepreneur have no experience and education.

## **Interpersonal Relations with employees**

The experts considered that lack of know how/knowledge/capability in interpersonal relations with employees can be found in entrepreneurs with and without experience, but usually experience relates to the capability to relate with others.

## **Interpretation Errors**

Entrepreneurs with no experience and education lack the capacity and knowledge about various variables (i.e. the industry, business in general, the competition, needs etc.) which leads to interpretation errors and consequentially decision making.

## **Lack of confidence**

Lack of confidence can be a significant enemy to these entrepreneurs, mainly when/if something goes wrong at the early stages.

## **Self-knowledge (lack of awareness)**

Although the newcomers may have no experience in running a business, their past professional and personal experiences represent a source of knowledge and know how important to managing the business overall. The experts with experience in coaching highlighted that, in their experience, some entrepreneurs are not aware of this advantage.

## **Institutional Communication**

The organized communication carried by the organization and its representatives. The specialists considered that unexperienced entrepreneurs usually don't even consider this process and adjacent competences.

## **Financial Literacy**

The specialists, with experience in coaching in the Portuguese entrepreneurial ecosystem considered the lack of financial literacy (i.e., how to budget, risk assessment, loans, etc.).

## **1.6 WHAT WOULD YOU THINK IS THE BEST WAY TO COACH (TO SOLVE, TO HANDLE) THESE 15 OBSTACLES OR ENEMIES?**

The experts highlighted the following ways to coach the obstacles:

Mentoring Processes, individual and in a network with other entrepreneurs in a similar situation, since they believe that changing feedback with others and understanding that they are not alone leading with those obstacles is essential. It was also considered that the mentoring process should be tailored to the individual, reinforcing the need for a evaluation at the beginning.

One on one sessions with experienced coaches or tutors and clearly defined objectives, focusing also in soft and transversal skills, since some experts believe that those tend to be discarded in such processes due to the urgency and need for survival that these business owners face.

Moreover, it was also mentioned that the process should not have a strong emphasis on empowerment, enabling the trainee to foster their skills on their own after the workshops. The training should also offer the possibility for the trainee to reflect and evaluate their own activities, since a lot of times they lack the awareness to understand their starting point.

### **1.7 ARE THERE ANY OTHER THINGS THAT COULD BE IMPORTANT FOR THE PROJECT'S FUTURE WORK?**

This could be studies, reports, personal experience and so on.

The experts considered that overall Stay Afloat's methodology is good, but highlighted the need to involve real businesses, mainly the ones that went through such crisis before (no matter the outcome, lessons can be learned either way). Also, the experts advised the partnership to not focus in the Covid 19 crisis, since it represents an anomaly and the obstacles found by businesses in this environment may not relate to future crisis. As for studies and reports the experts considered that the business environmental is significant different between the partner countries and measures should take this in consideration (a study highly relevant to the Portuguese reality may not be to others), in this sense the focus in soft skills was praised.



## FOCUS GROUP IN GREECE

According to the answers of the focus group (10 people) the top three obstacles are the following:

1. Being creative
2. Focusing on what is important
3. Attitudes from team members

### OF THESE 15 OBSTACLES OR ENEMIES – WHICH ARE THE LEAST IMPORTANT?

The least important:

1. Structuring my day
2. Separating work problems from home problems
3. Prioritising time issues

### WHICH ENEMIES ARE MISSING BASED ON YOUR OWN EXPERIENCE?

1. Sometimes the lack of knowledge is an important enemy
2. Lack of funded programs in order to improve/add new technologies

### WHAT OTHER TYPES OF OBSTACLES OR ENEMIES DO YOU SEE FOR ENTREPRENEURS WHO HAVE NO EXPERIENCE OR NO EDUCATION (LOW-SKILLED)?

1. Financial issues
2. Hiring Employees for the first time
3. Dealing with Stress and Self-Doubt
4. Time management
5. Finding customers
6. Marketing strategy



WHAT WOULD YOU THINK IS THE BEST WAY TO COACH (TO SOLVE, TO HANDLE) THESE 15 OBSTACLES OR ENEMIES?

1. Educational material
2. Online courses
3. Consultative bodies for entrepreneurs in every region
4. New funds in national levels
5. More events on the topic in national level and EU level (online/face to face)
6. Successful entrepreneurs in EU

ARE THERE ANY OTHER THINGS THAT COULD BE IMPORTANT FOR THE PROJECT'S FUTURE WORK?

This could be studies, reports, personal experience and so on.

#### TOPICS

1. Digitalization
2. Social entrepreneurship
3. Electronic start ups
4. The role of the digitalization and the artificial intelligence in businesses
5. Business plan and first steps in order to create a business

#### ADDITIONAL RESOURCES

1. <https://www.sciencedirect.com/science/article/pii/S1090951620300717>
2. <https://www.sciencedirect.com/science/article/abs/pii/S1472811719304641>
3. [https://books.google.gr/books?hl=en&lr=&id=6AFREAAAQBAJ&oi=fnd&pg=PP1&dq=entrepreneurship+innovation&ots=2XuevL4fg2&sig=pRxSn9LOjIcjm8eLM1E0kK\\_3QG4&redir\\_esc=y#v=onepage&q=entrepreneurship%20innovation&f=false](https://books.google.gr/books?hl=en&lr=&id=6AFREAAAQBAJ&oi=fnd&pg=PP1&dq=entrepreneurship+innovation&ots=2XuevL4fg2&sig=pRxSn9LOjIcjm8eLM1E0kK_3QG4&redir_esc=y#v=onepage&q=entrepreneurship%20innovation&f=false)
4. <https://dl.acm.org/doi/abs/10.5555/3638>
5. <https://www.sciencedirect.com/science/article/pii/S1877042815036137>



## FOCUS GROUP SUMMARY AND CONCLUSIONS

The focus group interviews were carried out in 8 different countries of the consortium and we had a total figure of 80 participants.

The idea was mainstreaming the list of 15 enemies or obstacles of entrepreneurs and SMEs operating in the first 5 years of business.

The final list of 15 obstacles will serve as the focus for the self-evaluation tool online and later on for the development of the modules and workshops. The original list arising from the questionnaires was:

1. Prioritising money issues
2. Prioritising time issues
3. Dealing with stress and burnout
4. Following up on goals
5. Separating work problems from home problems
6. Dealing with risks
7. Being creative
8. Attitudes from customers
9. Structuring my day
10. Having patience
11. Dealing with feedback
12. Attitudes from team members
13. Focusing on what is important
14. Flexibility
15. Self-motivation and enthusiasm

However, analysing the focus group reports carefully, it looks like some issues have become less relevant and others have gained importance. Therefore, the final list of the top 15 obstacles or enemies of the entrepreneur will see the following issues being removed from the list:

- Prioritising time issues
- Following up on goals
- Structuring my day
- Having patience

The new issues being highlighted in the reports that will replace the above are as follows:

- |  |                                       |
|--|---------------------------------------|
| 1. Prioritising money issues                   |                                       |
| 2. <b>Prioritising time issues</b>             | Delegating                            |
| 3. Dealing with stress and burnout             |                                       |
| 4. <b>Following up on goals</b>                | Marketing / Selling your product      |
| 5. Separating work problems from home problems |                                       |
| 6. Dealing with risks                          |                                       |
| 7. Being creative                              |                                       |
| 8. <b>Attitudes from customers</b>             | Self-confidence                       |
| 9. <b>Structuring my day</b>                   | Communication                         |
| 10. <b>Having patience</b>                     | Negotiation Skills                    |
| 11. Dealing with feedback                      |                                       |
| 12. <b>Attitudes from team members</b>         | Grouped with attitudes from customers |
| 13. Focusing on what is important              |                                       |
| 14. Flexibility                                |                                       |
| 15. Self-motivation and enthusiasm             |                                       |

## FINAL LIST

Therefore our final list of 15 obstacles or enemies of SMES in the first 5 years of business is as follows:

1. **Prioritising money issues**
2. **Delegating**
3. **Dealing with stress and burnout**
4. **Marketing / Selling your product**
5. **Separating work problems from home problems**
6. **Dealing with risks**
7. **Being creative**
8. **Self-confidence**
9. **Communication**
10. **Negotiation Skills**
11. **Dealing with feedback**
12. **Attitudes from customers and team members**
13. **Focusing on what is important**
14. **Flexibility**
15. **Self-motivation and enthusiasm**

## DEFINITIONS

In order to proceed with our self-evaluation questions and the modules and workshops, we would like to propose the following standard definition for the 15 obstacles:

### **1. Prioritising money issues**

Prioritizing money issues means evaluating a group of items and ranking them in their order of financial importance or urgency. Being able to then delegate and to take action on what has to be done.

### **2. Delegating**

Delegation is the assignment of any authority to another person (normally from a manager to a subordinate) to carry out specific activities. In the beginning of a startup you do everything as an entrepreneur, but when growing your team it will be crucial to be able to delegate tasks and letting go of control. Be able to define a task and letting people in your team take the full responsibility while trusting that person's judgement.

### **3. Dealing with stress and burnout**

As an entrepreneur you need to be able to make tough decisions under stress. Therefore, it is also important that you are able to recognize stress and burnout, and manage them so that you prevent working too much or not getting a break from your ordinary tasks. Be able to let go of work-related thoughts.

### **4. Marketing / Selling your product**

As a marketing manager or small business owner, creating the right marketing strategy can be a complicated process. Developing a marketing plan requires you to understand your product inside and out and create a multi-faceted advertising and pricing plan that will interest your target audience.

### **5. Separating work problems from home problems**

In short, work-life balance is where you are able to equally prioritize the demands of your career and the demands of your personal life. A good work-life balance has numerous positive effects, including less stress, a lower risk of burnout, and a greater sense of well-being. This not only benefits employees but employers, too.

## **6. Dealing with risks**

As an entrepreneur taking Risks implies future uncertainty. Dealing with risks is the practice of using processes, methods and tools for managing these risks. Risk focuses on identifying what could go wrong, evaluating which risks should be dealt with and implementing strategies to deal with those risks. Businesses that have identified the risks will be better prepared and have a more cost-effective way of dealing with them.

## **7. Being creative**

Creativity is the act of turning new and imaginative ideas into reality. Characterized by the ability to perceive the world in new ways, to find hidden patterns, to make connections between seemingly unrelated phenomena, and to generate solutions.

## **8. Self-confidence**

Self-confidence as an entrepreneur is the trust in his or her own abilities, capacities, and judgements, or belief that he or she can successfully face day to day challenges and demands. Despite obstacles continue to believe in yourself.

## **9. Communication**

Communication is the process of passing information and understanding from one person to another, a process of transmitting and sharing ideas, opinions, facts, values etc. from one person to another. There are three different types of communication, verbal, non-verbal and written. Verbal includes, face-to-face, phone or other media. Non-verbal covering body languages, gestures, tone of voice etc. Written includes e-mails, social media, books and other media.

## **10. Negotiation Skills**

Negotiation skills are qualities that allow two or more parties to reach a compromise. To be able to communicate, persuade, plan, create a strategy and cooperate so that both parties feel that they benefit from the deal.

## **11. Dealing with feedback**

Being able to give feedback in a constructive way when it's wanted and/or needed. Also be able to receive and listen to feedback and value that information. Meaning that you take in the information and then decide if you want to use the feedback or not.

## **12. Attitudes from customers and team members**

An attitude refers to a set of emotions, beliefs, and behaviours towards a particular object, person, thing, or event. Attitudes are often the result of experience or upbringing, and they can have a powerful influence over behaviour. Learning how to handle these attitudes can be a very important asset to you internally and externally as an entrepreneur.

## **13. Focusing on what is important**

The ability to concentration your energy on the things that is most urgent and important for your business rather than letting your emotions have control over your actions. To be able to manage your time in an efficient way.

## **14. Flexibility**

As an entrepreneur be able to cope with change and to have the ability to handle unpredictable situations and see possibilities where others see obstacles.

## **15. Self-motivation and enthusiasm**

Ability to do what needs to be done, without influence from other people or situations. As an entrepreneur it is very important to believe in yourself, to be able to find a reason and strength to complete a task, even when challenging, without giving up.