

Design of information sources to identify and resolve financial distress in Latvia

Co-creation workshop summary

From 23 May to 1 June 2022



Ministry of Justice
Republic of Latvia



Funded by
the European Union



European Bank
for Reconstruction and Development



Purpose of workshops

Develop solutions for communication about identifying and solving financial difficulties for three target groups - small and medium-sized enterprises (SMEs), entrepreneurs and consumers.

During workshops we will answer the following questions:

- What content is essential to convey to SMEs, entrepreneurs and consumers?
- Which communication channels would be most appropriate?
- How to ensure implementation of the solutions?





Workshop timeline and participants



Represented institution/organisation	Workshop	1st SME workshop	1st Entrepreneur workshop	1st Consumer workshop	2nd SME workshop	2nd Entrepreneur workshop	2nd Consumer workshop
	Date	23 May	26 May	30 May	6 June	15 July	1 July
Ministries	The Ministry of Economics	1		2	1		
	The Ministry of Environmental Protection and Regional Development				1		
	The Ministry of Finance		1		1	1	1
	The Ministry of Justice	1	1	1	1	1	1
	The Ministry of Welfare			1			1
Subordinate institutions	The Insolvency Control Service	1	1	1	1	1	1
	The State Revenue Service	2	1	1	2	2	2
	The State Employment Agency		1	1	1	1	1
	The Consumer Rights Protection Centre			2			2
	The Latvian Investment and Development Agency				1		
	The Court Administration	1	1	1	1		1
* The Bank of Latvia			1				1
NGO's	The Financial Industry Association / banks				1	1	1
	The Latvian Association of Insolvency Administrators	1					
	The Latvian Association of Local and Regional Governments			1			1
	The Latvian Chamber of Commerce and Industry Employers' Confederation of Latvia	1	1		1	1	
Target groups	Consumers			4			4
	Entrepreneurs		4			3	
	SMEs	7			8		
PwC	7	7	7	8	5	5	
Total		23	18	23	28	16	22

* Derived public entity

Agenda of the first workshop

 When?	 What?
13.00 – 13.15	Introduction and greetings
13.15 – 13.45	Presentation and discussion What are SMEs / entrepreneurs / consumers like in Latvia?
13.45 – 14.15	Presentation and discussion What trends in information acquisition habits and needs does PwC's research show?
14.15 – 15.00	Group work Defining the pain points of SMEs / Entrepreneurs / Consumers
15.00 – 15.15	Coffee break
15.15 – 17.00	Group work Ideation to improve the experience for SMEs / Entrepreneurs / Consumers <ul style="list-style-type: none">• Channels (digital and non-digital)• Content
17.00	The end

Agenda of the second workshop

 When?	 What?
09.00 – 09.15	Introduction and review of what was done previous time
09.15 – 09:45	Selecting the best ideas for prototyping
09.45 – 10.00	Presentation What is prototyping and what does a good prototype look like?
10.00 – 11.00	Prototyping of ideas: part 1
11.00 – 11.15	Coffee break
11.15 – 12.15	Prototyping of ideas: part 2
12.15 – 13.00	Presentation of prototypes
13.00	The end



**The identified
"pain points"**



SME, entrepreneur and consumer "pain points" when in financial distress (1/2)

1

Searching for solutions

No road map on how to deal with problem

Don't have time to solve / search

Lack of practical skills

Inability to assess risks, not aware of consequences

Don't know if it can be solved

Don't know if it is worth dealing with...

Don't know what the possible solutions are

Lack of information about problem solving

Don't know how to evaluate spending and income

Don't know where and what help to look for

Don't know what to prioritise

Unaware of my situation

■ – SMEs ■ – Entrepreneurs ■ – Consumers

2

Searching for information

Lack of financial / entrepreneurial skills

Fragmented information

Language barrier

Lack of digital skills

Too much information

Outdated, misleading information

Don't know what I don't know

Don't know where to begin and where to look

Too general or specific information

Lack of detailed information

Bad user interface design

Difficult to identify the problem on my own

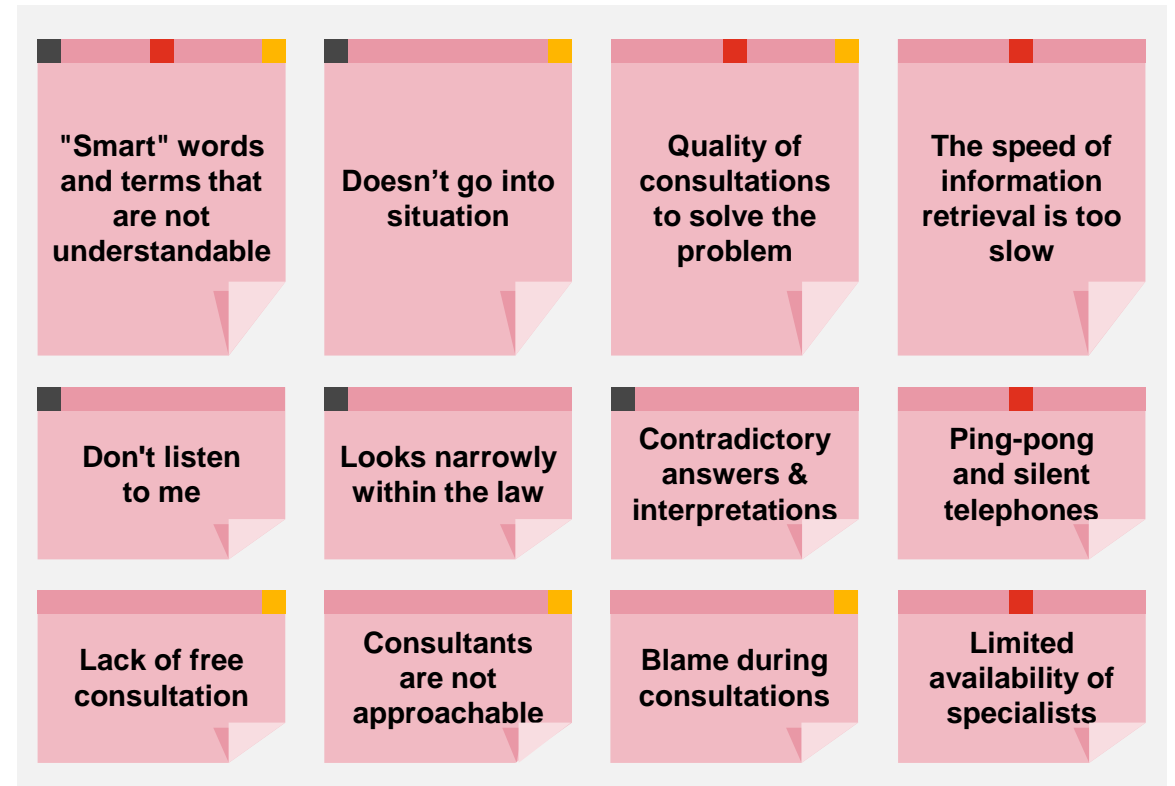
SME, entrepreneur and consumer "pain points" when in financial distress (2/2)

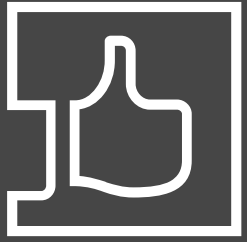
3 Psychological aspects in a difficult situation



■ – SMEs ■ – Entrepreneurs ■ – Consumers

4 Existing cooperation with institutions and organizations

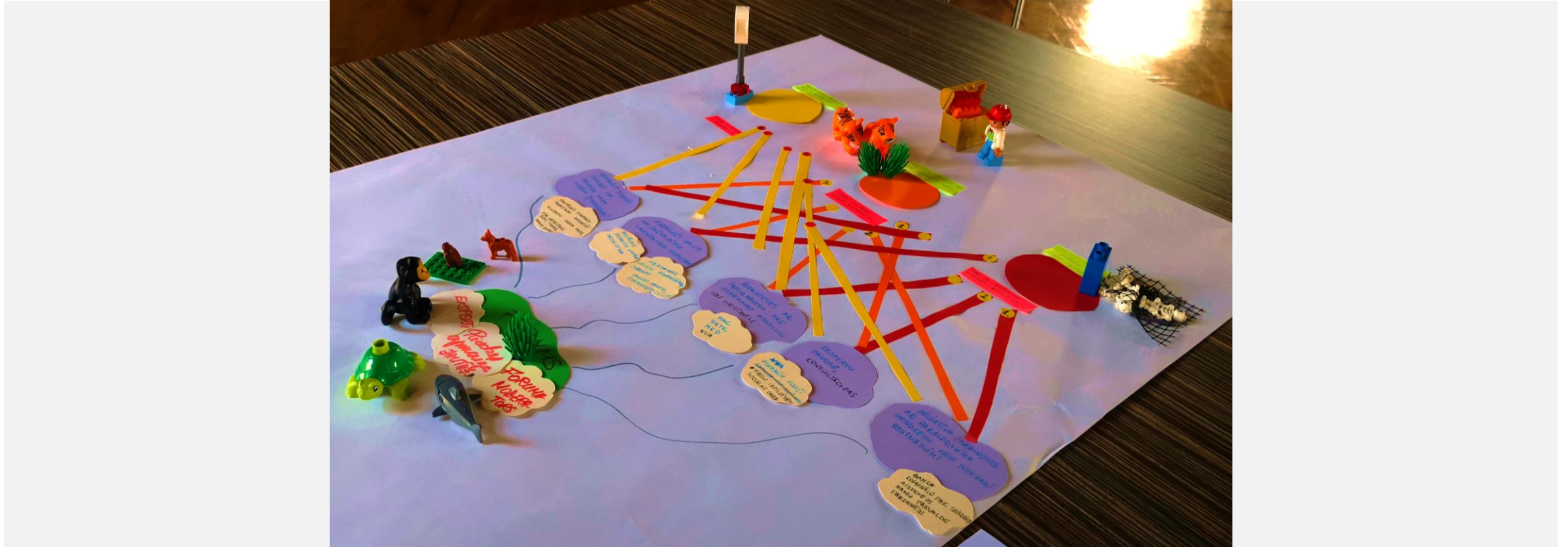




Prototypes of solutions developed in the workshops

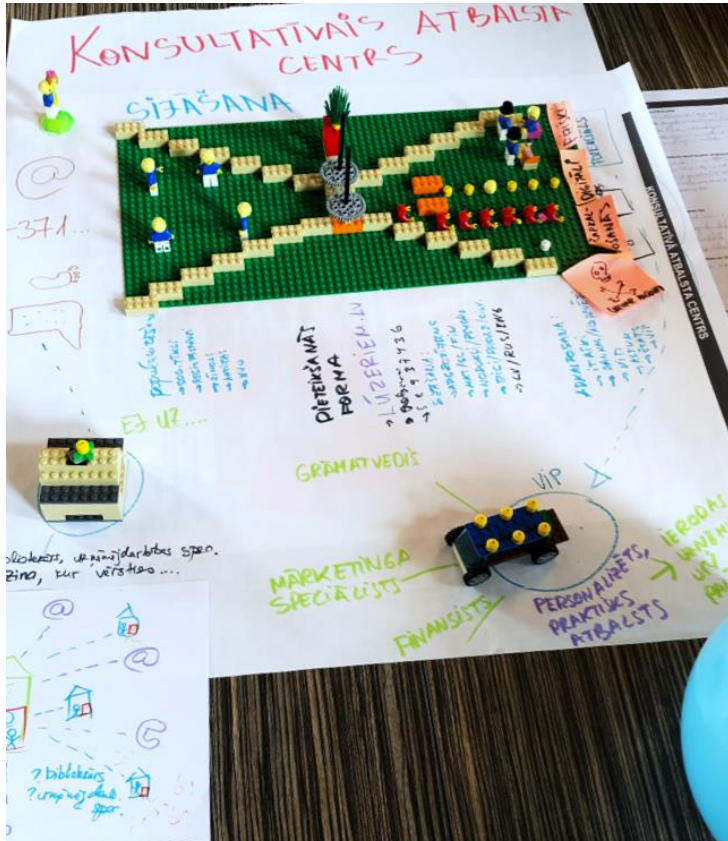


Road map for personalized support in financial distress

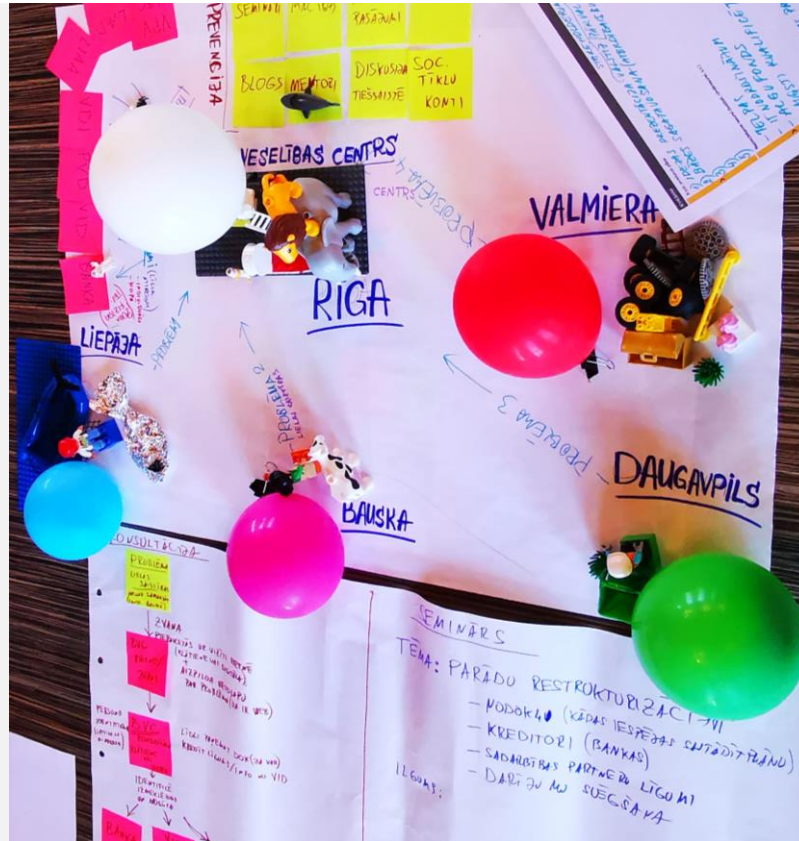


Consumer workshop

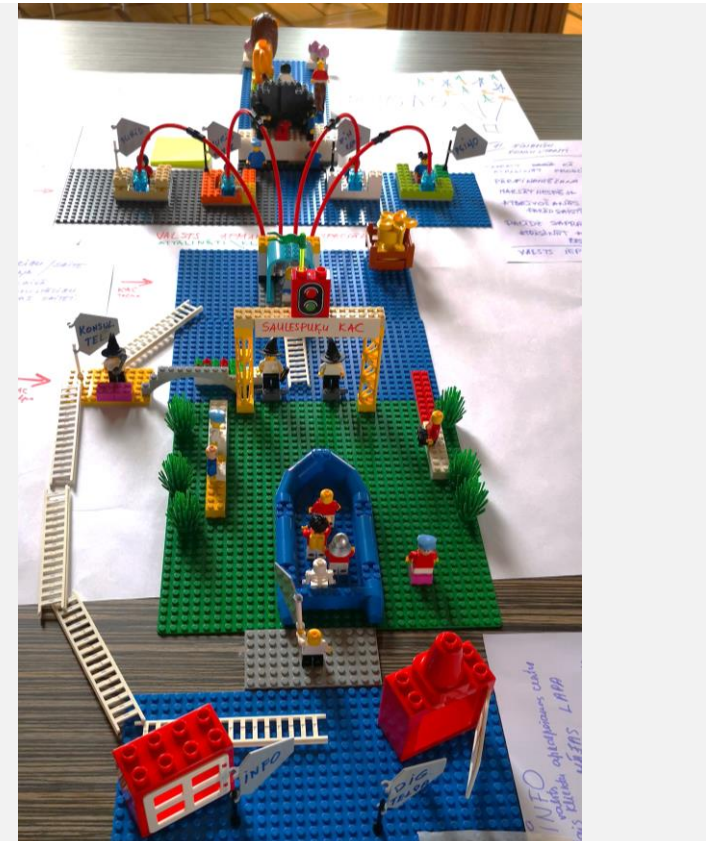
Counselling system



SME workshop



Entrepreneur workshop

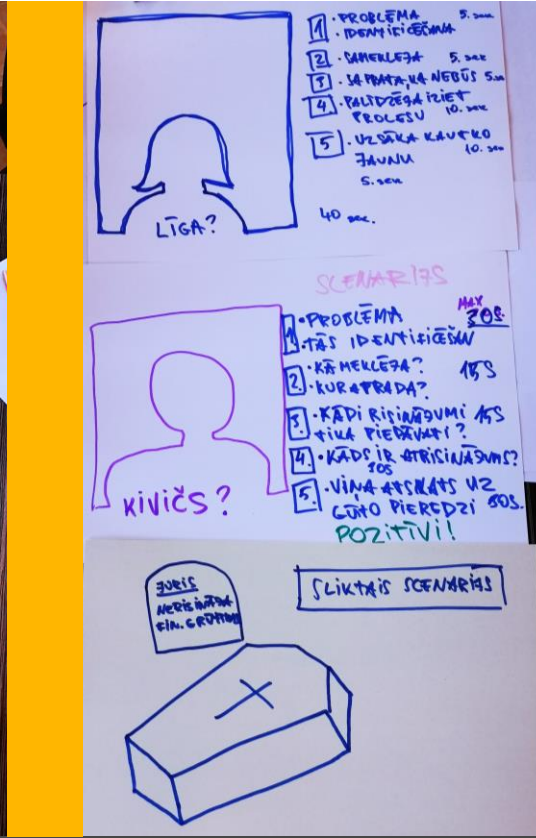


Consumer workshop

Informative campaign/experience stories



Entrepreneur workshop



Consumer workshop

Annex to the credit agreement

ATU NEVARI ...

- * SAMĀLSĀT IK MĒNESĀ MĀKSAĢUMU
- * NOZĪMĪGA ĶĪBELE, KAS NEĻAUJ VEIKT DARBU UN KURU NEVAR ATRISINĀT ĀTRI
- * STRAUŽĒ KLIENTU / DARBA APŢOMA SAMZ- INĀJUMS

⇒ ŠIS PROBLĒMAS IR RISINĀMAS

VARĀT HEĶĻĒT RISINĀJUMUS

- * VID (U.C.)
- * ALTUM (ĢĀ...)
- * NOZĀRES ASOC.
- * FINNĪŠU GRUPTU PORTĒĻS **1**
- * KRĪZES CENTRS **2**

⇒ NĀCIETĀRT PĒĶUMS

BANKA VAR PALDZĒT AR ...

- * SAISTĪTU RESTRUKTURĪCĪĀ
- * PĀRSTĀSTĪT PAR FIN. ĀSPĒJĪĀ (ĢĀ KĀ IR NEGĀIDRS / RISINĀJUMIEM) + VIDEO RULLIS (DĀMĀCĪBA)
- * U.C.

NĀCIET, ZVANIET, RĪKSTIET!

IEVIEŠANA

LĒGUMS

5 soļu ieviešanas plāns

- AR FNA VIENOŠĀS PAR PUNKTAIERĻĀJUMU LABĀS PRĀKŠĒS ĶĪBLĪNĪTĀS
- BANKAS IZSTRĀDĀ SAVU FORMĀU
- PĒVIENO SAVOS REKURSOS

Nepieciešamie resursi (budžeti, cilvēkresursi, u.c.)

- CILVĒKRESURSI - IZSTRĀDĀT
- ĢĒPIEVĪENO ĢSOŠĢOS KĀMĒĻOS

Iespējamie riski

- MĀV ĀTĀKĻĀTĀ (NO ĢMĒĢĀ)
- DUBLĒ KĀV RO ĢSĪŠU?
- PĀRĢROT ĢĒSTĪVĒMU (ĻĪEMŠ)
- MĀV MĀUDĀS

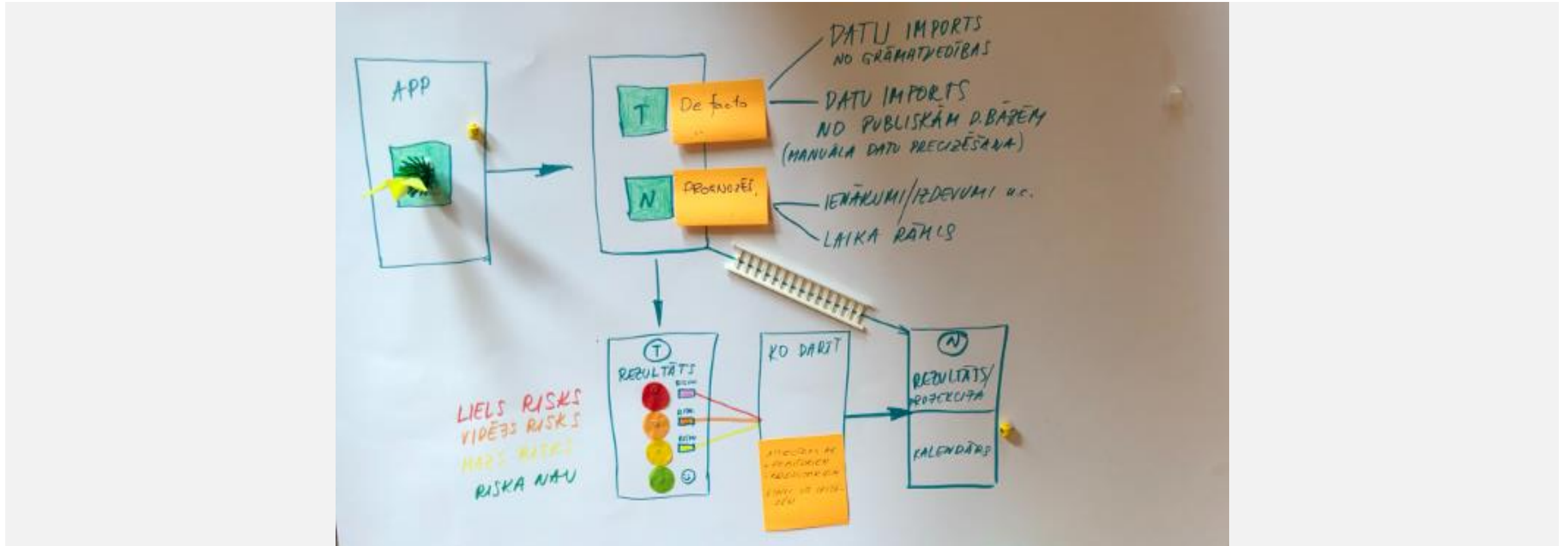
Atbildīgais par risinājumu un citas iesaistītās puses

- FNA
- PĀĻĀS BANKĀS
- LĪS

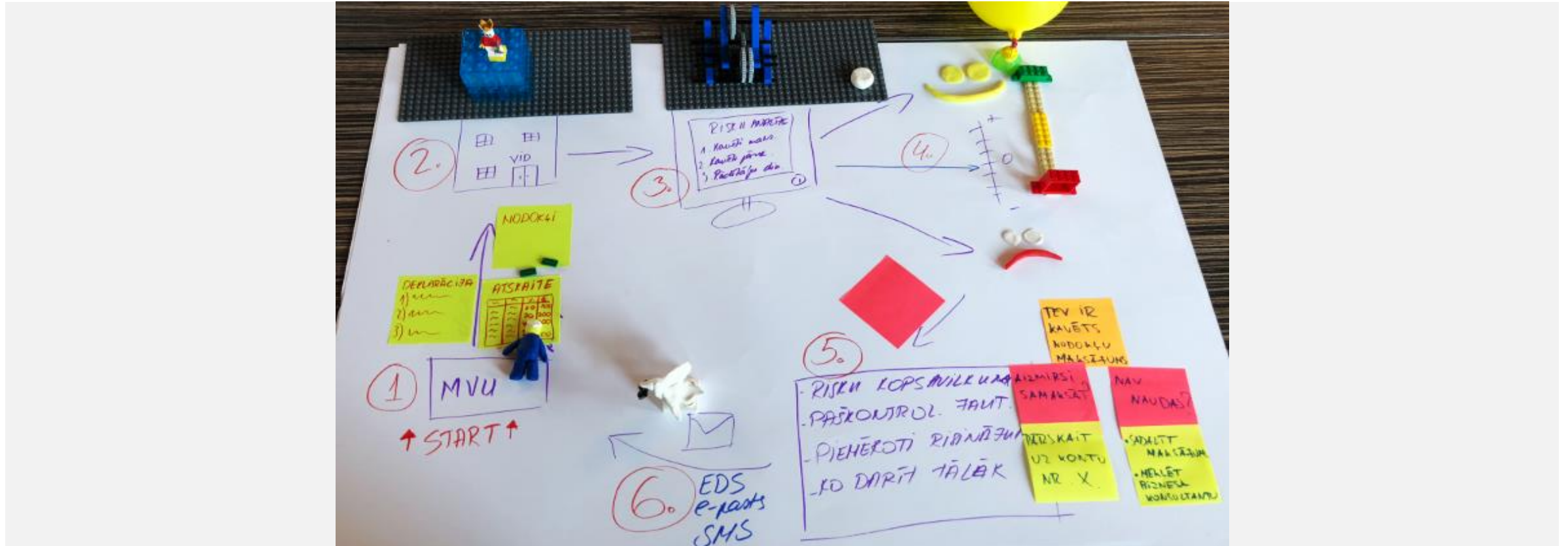
Snieguma rādītāji (KPIs)

- PĀĻĪĻĪMĀS FIN. PĒĢĻĀT.
- KONKRĒTS CĪV. PĒĢĻĪS, KĀS SAŒEMUŠĪ PĀĻĪDĒTĀ
- ĀPĢĻVĒĀ PAR REĢĢMĒTĪVU ĀTĢRĪĒZĒĻĪŠĒ SĀĪĒ

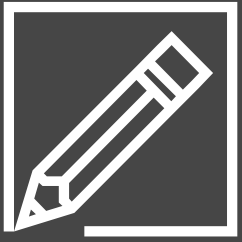
Mobile application for identifying financial difficulties



State Revenue Service's Electronic Declaration System v2.0



SME workshop



Meeting minutes / key takeaways



First stage of workshops for SMEs, entrepreneurs, and consumers

1

Topics

1. Defining the pain points of SMEs / Entrepreneurs / Consumers

2. Ideation to improve the experience for SMEs / Entrepreneurs / Consumers

- **Channels (digital and non-digital)**
- **Content**

2

Minutes / key takeaways

- **All target groups indicate overlapping pain points with other target groups** in regards to searching for solutions and information, psychological aspects, and cooperation with institutions and organisations when in financial distress e.g. fragmented information, usage of difficult to understand words and terms in communication (see slides 7 and 8)
- **All target groups came up with ideas to alleviate the pain points**, which were developed in multiple iterations building upon the previous work and adding target group-specific elements (see slides 10 to 16)
- **Target groups supplemented and clustered ideas (e.g. various interactive tools for assessment of the financial situation, information platforms, consultation topics, informative activities)**, voting on the most effective ideas to identify and resolve various aspects of financial distress, which were further summarised by PwC into 3 main directions - unified information source, personalised consultations, and communication activities



Second stage of workshops for SMEs, entrepreneurs, and consumers

1

Topics

1. **Selecting the best ideas for prototyping**

2. **Prototyping of ideas for solutions to identify and resolve financial distress for SMEs / Entrepreneurs / Consumers**

2

Minutes / key takeaways

- **All target groups validated directions of the possible solutions agreed upon in the previous workshops** – unified information source, personalised consultations, and communication activities, which were inspired from first stage of workshops
- **Participants developed prototypes of high to medium-level detail** for a unified website and roadmap (see slides 10 and 11), consultations (slide 12), and communication campaign (slide 13) based on the accepted solution directions
- **Prototypes for solutions were developed in multiple iterations, each target group improving previous versions** and adding target group-specific elements:
 - supplementing base of content (e.g. experience stories of entrepreneurs for communication campaign, information for at-risk groups like people with disabilities – information on welfare available on the website)
 - improving comprehensibility and applicability to all three target groups and their segments (e.g. usage of plain language, explanation of terms)





Feedback from the workshop participants



Feedback about the workshop organisation



On a scale on 1 to 5, 75% of workshop participants rated the workshop with 5 points, 23% of workshop participants rated the workshop with 4 points



85% of workshop participants fully agree that the workshop corresponded to the applied topic



84% of workshop participants fully agree that they were provided with sufficient information to complete the workshop tasks



82% of workshop participants fully agree that the workshop facilitator and experts encouraged participants for a discussion

Thank you, very valuable

Good luck!

It was interesting, useful

Thank you very much! This must be continue

Wonderful event, energetic, rechargeable and with added value

It's a pity that public sector employees don't know what it means to work in private sector

Many thanks to all the workshop participants!



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