Leeds November 2014

Business Model (BM) Workshop Feedbacks

29 attendants’ comments:

1. The business model typologies may not be hierarchical or ordinal. They probably should be presented in a circle or matrix. Higher degrees of interdependency of the three ways to categorise BM means that interaction between the three types is needed, wherever to start with.
2. It is not reflected in the BM how regulations in different context may apply that will affect the choice of BM such as ownerships. Regulations can provide constraints and might need to be changed for new BMs.
3. Many stakeholders will first consider risks before considering other aspects of the BM. However, we don’t seem to have captured this. (Who should be responsible and pay the price when anything goes wrong? Construction risks?) Equitable sharing of risks in PPP models is particularly important in avoiding failures.
4. Currently it seems economic values are more stressed in the BM categories, but how should they be grouped according to environmental, social values? Probably we should have a look at the motivation of BMs to give a more thorough thought of value creating.
5. Some of the terms may not be self-explanatory, so it’s probably better to add a brief description of what the terms mean.
6. Question remains: (1) does a politician’s view of political value sway the BM choice? (2) is there value in meeting a city’s or its citizens’ visions?
7. The typology should be approached from either end rather than points in the middle i.e. What is the vision/opportunity- as this generates scale, ownership etc.; what are the outcomes wanted – as this will determine the finance model to deliver this. This more accurately reflects the process of decision making in infrastructure development.
8. An additional BM type is Private-Public-Philanthropy-Partnership (P4).
9. An example of BM changes over time: California power crisis in 2001 → legislation and market condition change → BM changes
10. BM example: Leeds heating planning tool
11. BM example: cannel owned by trust
12. BM example: with regard to funding sources, US has employed tax exempt bonds, pension funds as alternative funding.
13. BM example: sovereign wealth funds examples?
14. BM example: California bond issue is a very effective model.