



## Prosper. Commercial awareness skills.

### What is commercial awareness?

**Commercial awareness** means having the ability to spot opportunities, understand constraints and uncertainty, and manage risks. Someone who is 'commercially aware' stays up-to-date with things that could affect their own profitability and others' profitability, and understands the importance of financial sustainability and applies that knowledge.

### Which core or 'soft' skills underpin commercial awareness?

1. **Problem-solving** – identify and analyse issues, creatively identify ideas and solutions, evaluate and apply lessons learned.
2. **Flexibility** – respond immediately to changing circumstances and expectations, able to change outlook, respond positively to feedback.
3. **Managing risk** – assess situations for risk, able to identify likelihood and severity of risk, plans and implements controls and mitigation strategies.
4. **Decision-making** – gathers information, weights up options, addresses issues and opportunities because of the difference they will make, evaluates decisions for their effectiveness.
5. **Creativity** – open-minded, perceives the world in new ways, makes novel connections, tries things out, generates solutions.
6. **Learning from mistakes** – admits mistakes, rationally assess outcomes and own / others' roles in that outcome, shares learning and implements improvement strategies.
7. **Expectation management** – imagine a range of possible outcomes, positive and realistic about what might happen, able to manage situations that don't result in a preferred outcome.
8. **Networking** – identify people and organisations to connect with in a strategic way, make most of existing resources and expands into adjacent or new areas.

### Additional references

**Consulting Mastered blog** – <https://consultingmastered.com/pages/blog/>

- How to start a consulting business, what skills are sought after, what pitfalls to avoid, etc.

**15-minute freelancer podcast series by Louise Shanahan** – <http://15minutefreelancer.com/>

- Bite-sized guide to freelancing, practical strategies and ways to develop your skills

**Design Thinking toolkits** – IDEO: <https://www.designkit.org/methods>; Nesta:

<https://diytoolkit.org/>; and Urbact: <https://urbact.eu/toolbox-home>

### Some terminology

**Freelance** – self-employed and hired to work for different companies on particular assignments.

**Upselling** – invites the customer or client to buy more expensive services or products, upgraded or premium versions, or other add-ons to generate more revenue.

**Return on investment** – a simple ratio of the gain (income) from an investment relative to the amount invested (cost, including your time).

**Added value** – offering certain products or services which are perceived to be without cost but contribute to your marketing and building client relationships.

**Loss leader** – a strategy that involves selling a service or product at a price that is not profitable, but is sold to attract new customers or clients or sell other services or products.