Introduction:

The basic idea is to offer *education* instead of *consulting*. The difference being the claim, and fact, that only the company and it's existing crew can build competitive advantage. It cannot be bought from outside. This way of thinking is strongly supported by theory and research over the last 30-50 years.

The way, the idea runs, is by using the normal model of knowledge creation in social sciences: Together with the management and crew to <u>apply the clients data</u> to reliable frameworks and models and build a CVP that is loyal to the requirements of sustainable competitive advantage. This is the same as to decide on the points of parity and the point of difference for the company's brand. Most companies will find this difficult, but also quite a trustworthy approach, when this is made clear and explained in details to them.

Some business people often talk about the "difference between theory and practice". However, this difference doesn't really exist. More often the phrase means "disregard what research proves and do, what "we" have been perceiving as correct until now". For a number of reasons, one being complacency. Many new graduates face this challenge right out of school and they are unable to stand up against bosses, customers and others. This, obviously, is a blocker for innovation, since relying on own past experience requires (for such an approach to be successful) the future market and competition to stay like it has always been. This is very seldom the case. The really bad thing is, though, that the usual rejection, by some managers, of solid theory advice, leads to bigger works loads and stress, power struggles and even worse things. It is a pity that many managers somehow feel obliged to be better than the newly hired on "doing the thing in the real world". If this human need of being "experienced" and "admirable" and "respected" could be based on insights instead of hierarchy and tenure, there is a pot of gold available right around the corner in many companies.

The problem with most existing consultancy services is that they are also based on history, obsolete track records or, even worse, on some views of the world that has to be very narrow-minded to be simple enough to sell to those, who are facing problems doing the job, they are paid to do. Often consultancy is about "what is optimal and what should the company/person think about a scenario". This is also a blocker for creativity and disruption. However, for a consultant with a bonus for good results attached to his compensation scheme, it feels natural to not overcomplicate things. There's a monthly budget to reach, after all! But the world remains complicated, never the less, and it is not easy to achieve market power positions.

Competitive advantage comes from heterogeneity (being different) OR economies of scale (being the most efficient IE: Biggest). There are few, if any, companies who can rely on EoS alone. To be "special", or different from the others, is a process and not a goal, because the world turns.

Therefore it is essential that companies grow ability to do two tings on a continued basis: 1. Build and agree on a heterogeneous CVP and to execute it 2. Become dynamically capable. IE: grow ability to keep the CVP in shape over time. For this to be possible education is the key. This education must be cross functional. Sales doesn't take place in the sales department only, as well as no finance department can bring a good financial situation all alone. Its about mutual understanding of what is good for the brand and the company and,- since we are dealing with a unique situation every time, where compromising is due.

As we can see all over the place, a lot of companies are led astray and buy "quick fixes". Maybe because building internal skills enough to compete, seems like a too high mountain to climb and therefore some chooses to call for help from outsiders, who tell a little lie here and there. To create some optimism, that the situation in the company isn't that bad and can be relieved, fast and rather easy, by following a few well structured "implementation schemes" for a concept that is said to have worked for some other companies also in deep shit with an obsolete CVP. Despite all research proves that everything in business (and in life in general) is context dependent and what is successful in one place, is unlikely to be successful anywhere else. If the truth is ugly to look at, it feels nice to escape into a dream world of "easy and smooth transformation" supplied by others. But the no pain, no gain rule still exists.

The question is, whether it is possible to continuously find enough well educated contacts and ambassadors for the above. Only educated managers will be willing to choose the rugged road. They will do so, if we can explain to them, and to their colleagues in fact, that only the hard way will work. To do that, we need to be quite aggressive and visible in many ways. The strong point of the IFAK idea is that it will remain credible over time. As opposed to many conventional offerings in this market.

General Education vs. Company Specific Education

When deciding to benefit from education instead of old school consulting, the next important choice is the decision between:

- 1. Education programmes from (well respected) schools. Typically MBA, Diplomas or similar.
- 2. Company specific and tailor made education.

This choice has been discussed a lot. There is no simple answer. International leading expert, in this area, is Dr. Edward P. Lazear, professor, author and former advisor for the US government. He draws the attention to the choice like this:

For the company it is better to opt for company specific education, since it is more difficult for the employee to utilize acquired skills outside of the company later on. Company specific education is the solution to the fear of "educating for the competition", as it is often in mind, when employees demands further education of a general nature to improve own market value and the company is uncertain about the loyalty of the employee after the exam. As the poachers from outside can use the money, they did not pay for the general education for a sign on fee and similar to motivate the employee to switch job. Hence general education can, all things being equal, be said to make the company more vulnerable to poachers.

For the employee there are two things to consider. "Market value" and "fit to use". For the market value side it is better for the employee to acquire a recognized degree, a diploma or any other proof, known by the industry, as solid. Concerning the fit to use, the answer is blurred. If the education requires larger amounts of efforts to translate the curriculum into useful tools valid to support better performance it is not a good choice. If the translation is fairly easy and thus can help to better performance in the job right away and thus faster promotions and/or recognition and pay, it is a good choice to opt for general education.

It can be said, with a certain amount of stereotyping, that the more volatile and the industry is and the more innovative, the more is it important to be aware of the "translation costs "of the general education.

In case the company and employee, in highly special situations, is better off with a more general education programme, IFAK can point to well respected educations and programmes of many kinds. These can often work alongside with the IFAK concept as IFAK is 100% loyal to acknowledged theory and research. This is often not the case with consulting services. The IFAK approach and vision don't define a pain in the company to "sell to" as most consulting concepts do. We are obliged by out mission to work for a sustainable solution that fits the purpose and we exist only because the consulting model has not been able, during several decades, to bring enough durable solutions to most of the performance blockers of yesterday and today.

General education does typically not allow for changing of time plans and/or content once signed up. IFAK has this as a standard, because experience shows that companies sometimes meet challenges during the period that unexpectedly draws on participants energy and work hours. Often this flexibility adds to the motivation of the participants.

The longer, more demanding,- and ONLY, way to sustainable success

Reason for being, The mission and the scope of IFAK

IFAK vision

By way of applying education to remove the basic blockers of performance that today's CEOs and Marketing/Strategy managers are struggling to handle in the search for sustainable growth.

.....and have not yet taken enough care of, as presented in the Worlds largest* and most comprehensive study on the future of cross functional Marketing and Business Development.

IFAK Mission

Educate the company on the basic, too often overlooked, drivers of growth processes: Point of Difference, Socialization, Need/Want/Demand Structure, Market Intelligence, Knowledge creation, - containing and - sharing etc. etc.

Blockers are often: Personal Ambitions, Fear of failure, Silo thinking and dysfunctional goal setting plus obsolete rewarding systems.

Value proposition: The customer's crew will get to know "Not WHAT to think, but HOW to think, about the market opportunities and HOW to ACT on them".

How can this happen: This is delivered by applying relevant knowledge. Tacit (sleeping) as well as Explicit (taught). We work with company data and - cases only.

Reason for Being

It is, research proves, possible to train and to educate people*. Research also proves, it is NOT possible, to change or transform any person or company into something "new and better". Especially not by outsiders. Changing and improving is an inside job. Majority of all profits in most industries* rely on industry effects and intra company effects. No consultant has any significant up to date amounts of this.

We understand the desire for quick fixes. Because we also served time in the seat of the P/L responsible person. We know what it means to "have to deliver".

However, we solely believe in the need for sustainable value creation and dynamic capabilities. Company's success should not be "jumping from stone to stone" whenever the market has dictated that your CVP has become obsolete and therefore profits suffer. Such an approach is linked to very high risk and will often damage to your brand equity.

A more skilled approach is, in fact, cheaper in the long run. IFAK customers don't need consultants for anything. Neither short term nor long term. They educate their own crew to find the way themselves. Hand's on and live on stage. This is extraordinarily good for motivation and employee satisfaction. We work with company data and cases only. Lasting longer and no strings attached.

^{**)} Anita Graham & Michael Porter; How Much does Industry Matter; Really.?

The problem of the quick fixes:

- We live in a world of speed. We often believe that "faster and tested by others" is better than "slower and tailor made by yourself". Despite all research on learning and innovation speaks against this. Hence it has been possible to offer and to sell consultancy "concepts", that appeared solid, well thought out for the customers- perhaps because these supposedly could be delivered and bring effects within the same budget year.
- Alas, up until now, the majority of problems remain largely unsolved across most industries. For example: 75% of M&A's comes out below the jointly agreed targets, 50% of LEAN projects go down the drain. In some industries 60% of new export initiatives comes to a halt within one year. The IT industry, in general, has an image to cry over.
- Consultancy business is, if you look at the CV's of the people there, flooded with "light weights", who claim the their solutions are "useful for the purpose". Despite research proves, over and over, that this is not, and cannot be, true.
- There is only the hard way! It is not necessarily easy, but for some it feels better to strive hard for a time than to become a fool in the longer run.

Why does "Change Management" seem so attractive to many?

In Fairy tales we learn about heroes, saviors and, - in case they don't work-, in most Hollywood movies, the cavalry will come to the rescue in the end. James Bond, Batman, John McClane, Hercules and many others are really cool to watch. And they do amazing jobs.

However:

None of these are based on what research tells us can work in business. Business is not Hollywood.

Only you and your crew can do the job ahead. If you buy external help for growth or transformation of your company, you increase the risk of failure. Simply because largest part of a company's profits is correlated with the industry in which it operates.

50% of your crew* will freeze due to fear of failure and your top performers will leave you once they see they are "alone" and too few on the job. This happens every time you involve pep talkers and performance culture "experts" and they start to mess with your crew.

IF you or your crew cannot make enough profits**, your employees are misplaced or they are not educated enough to find the path. "Change management" rubbish is only efficient if you do exactly that;....change the management (you!!)!...... and the successors start to educate instead of "changing".

In plain words: You know your business better that any consultant and you (and your crew) will always stay ahead - because you are there every day. Consultants may not like this, but if the consultant really loves your industry so much and can bring better results than you and your crew, how come he/she doesn't work there already or, at least, invest in your industry?

- * Leigh Thompson et al.
- ** Industry standard or more

How it runs.

- We meet, discuss and agree on the situation as perceived initially by manager and/or organizer(s). Typically, What is the problem here?
- We build the programme and present the CV's of our allocated crew for approval.
- We test the initial perception of "what is the right medicine"?, as it is seen by the participants, via anonymous interactive interview tool. We present the outcome including any deviations for the organizer(s). Unedited, unbiased and right after the interview.
- We (sometimes) revise the perception and rework the programme if needed. It
 often is. We never stuff anything down anyone's throat.
- We sign NDA's and study the company information.
- We test the effects after the initial stages and (sometimes) adjust the programme's content. For free, of course.
- We do the job and we leave.