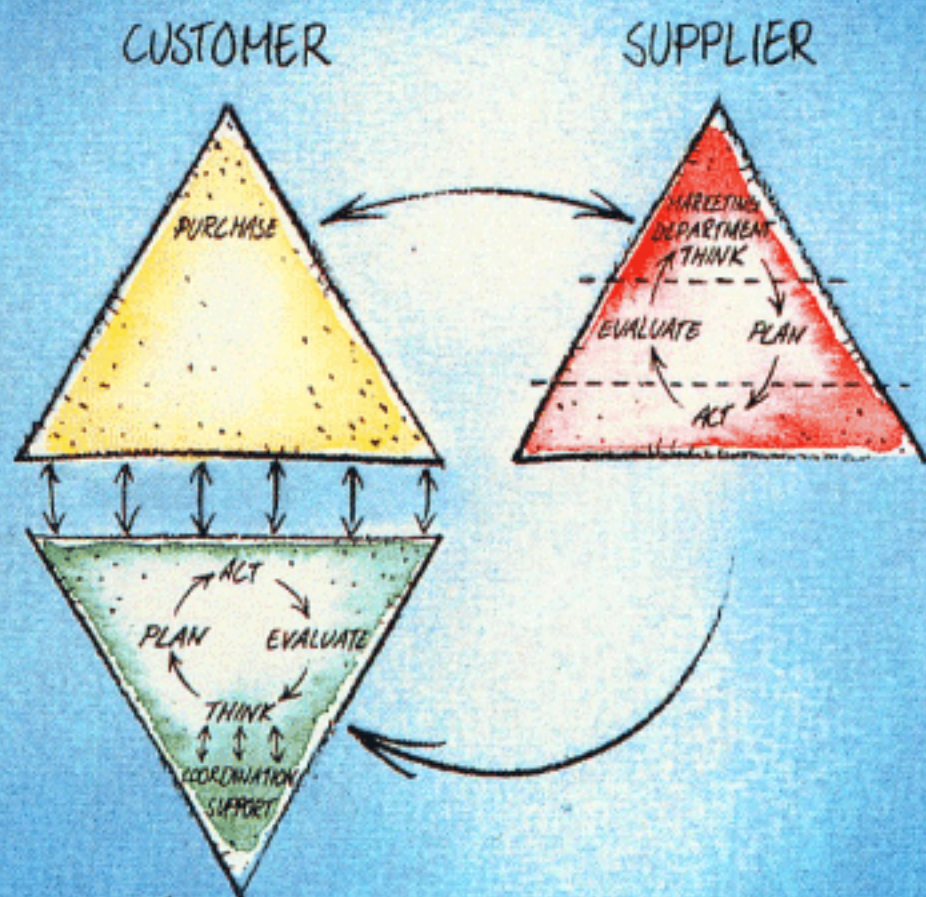


A HANDBOOK ABOUT CHANGE-IN-STYLE



*Towards customer orientation
for quality and service*

Tommy Jansson

Excalibur Press of London

Foreword by Gustaf Delin

Real and lasting changes within the activities of a corporation and its behaviour have to be related to a Change-in-Style, i.e. other ways of behaviour. This implies, in turn, other approaches and attitudes.

During the 30 years that the Fore Sight Group has been working with companies in Sweden and abroad, directed towards making them more open to development and doing business, we have constantly confirmed how crucial it is that all the workers, from the boss in the center (furthest away from the customer) to the co-worker in the periphery (often closest to the customer), earn the "entrepreneurial" attitudes and behaviours. By that we mean the Producer's, the Initiator's, the Experimenter's, the Seeker's and the fast learning of attitudes and behaviours. A cornerstone is to make "a lot of mistakes, making them small, making them fast and making them inexpensive"; to learn as much as possible. Another cornerstone is that everything is built on an interplay with the customer.

This book that you are holding in your hand, is a manual for Change-in-Style. The author, Tommy Jansson, who we learned to know when he was participating in our training for domestic business contractors, 1987, is a living symbol for much of what's included in the concept "entrepreneur". In the various organizations and companies he has been previously working for, Tommy has been a living proof of "Mr. Change-in Style". In the most refractory surroundings possible he has urged business developing projects and reached results, which for the traditional observer seemed "impossible" and in a way, with the same traditional approach, considered almost "forbidden". This way of working is now becoming more and more accepted as a necessary condition for success. But it is in most areas far from penetrating in practice.

In the strive for changing the entrepreneurial approach in practice, this "Manual in Change-in-Style" is an excellent tool. The fact that Tommy is making the customer the starting point is only logical. And if there is something that is signifying the entrepreneurial approach and its practical application it must be the conviction and belief that there is never any talk of "business" or "success" without the customer as the principal character.

It is gratifying to be able to see Tommy Jansson as a part of the international network within the Fore Sight Group.

Sigtuna, Sweden

**Gustaf Delin
The Fore Sight Group**

Change in Style

Foreword by the author

Never before has the pressure from the surrounding world been larger than today - both within the industrial life and the public sector. The ability of the corporations to make themselves useful to the customer is their survival.

The customers have to experience a tangible benefit of what the corporation delivers: merchandise, services or knowledge. All the efforts have to be directed towards increasing this usefulness to the customers.

Every effort of development or education, every change within the organization has to have the goal to increase the experienced usefulness to the customers.

This book deals with different measures, internal and external, which both have the common denominator to increase the usefulness to the customer and while doing this gives the corporation competitive advantages.

The internal measures are dealing with the use of the competency of the co-workers, their creativity and their energy to meet, in the best way possible, the needs of the customers.

The external measures are dealing with the development of methods enabling customers to affect and control the direction of the corporation, but also about ways to inform the customers concerning the efforts made by the company. It is about teaching everybody who works in the company, to listen to the customers and to spread these signals within the company.

We can say that the thought with our measures is to change style: from production control to customer control; from focusing on technology to focusing on usefulness to the customer.

The cover illustrates the change that we want: to activate the employees closest to the customers and give them tools to produce values to the customer.

The book is based on experiences from development projects from large and small corporations - both within business and the public sector.

The title "A Handbook About Change-in-Style" is inspired by my cooperation with the Fore Sight Group and a great deal of the contents came from this experiences.

My fundamental values, which are the basis for this book, are partly my views on competency as the sum of knowledge and ability, and partly my optimistic view on the individual: you can learn more than you think and you can learn what you want!

Lomsjö, Lapland, Sweden

Tommy Jansson

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1. THE CONCEPTS OF CUSTOMER ORIENTATION

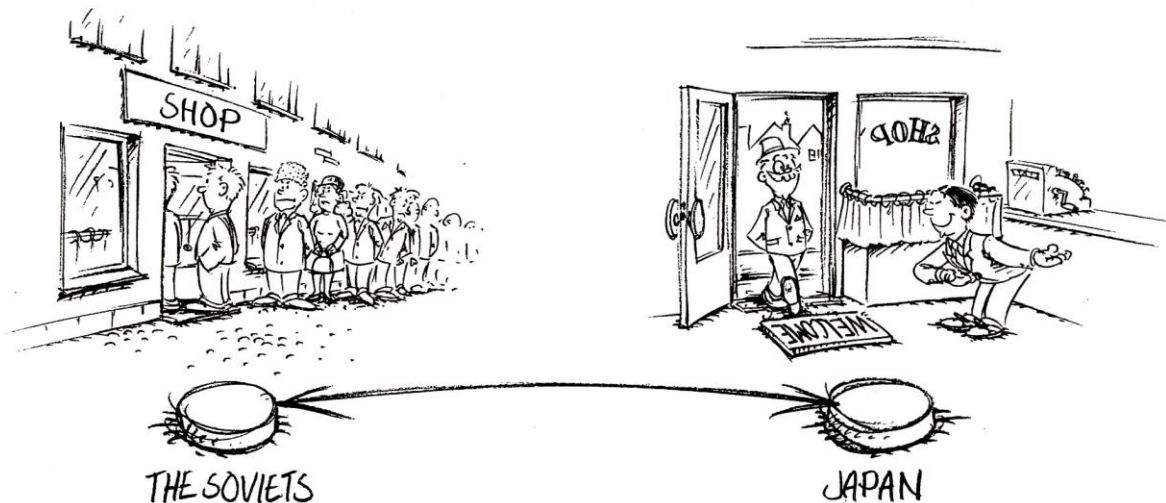
This book deals a lot with customers and customer orientation and we start with developing the concept customer and then accordingly explain what we mean with customer orientation.

If one is to succeed with the development of one's company, you have to have a good picture of how your customers are thinking. Step number one is to identify what a customer is. Is it a person that used to call and order your services? Someone who is not calling anymore? If we define a customer this way, i.e. that a customer is someone looking for us, we will get a customer seen from the eyes of the incoming order clerk. Since there isn't a lot of people calling anymore, we have, through this way of looking at the situation, none or only a few customers left.

The definition of a customer is different in different cultures. The two extremes are the Soviet Union and Japan:

- In the Soviet Union the customer was a "production-user";
- In Japan the customer is a "house-guest".

One can understand that one treats a "production-user" and a "house-guest" differently!



In the Soviet state no word comparing with the English word customer existed at all. The closest one could get is translated with "production-user".

That does not sound good and is of course a reflection of the attitude one has towards a customer. The production-user has to nicely step in the line for the product that he is interested in. He should not think, even for a second, that he will affect anything in the production - one has to comply with the rule "take it or leave it".

In Japan there is a totally different situation. The Japanese word for customer can be translated to "house-guest", which in turn reveals the attitude that the customer is met with. A "house-guest" is definitely someone I want to please and in every possible way make sure that

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he/she is happy and comfortable. Part of the background to all the Japanese success in the international market is their attitude towards the customer. They are humble and listen carefully before they come with suggestions of solutions. One can almost say that the buyer and the seller are in a way partners concerning the merchandise/service that the deal is concerning. The Soviet Union and Japan represent the two extremes concerning the veiw of a customer.

The question is : Where does our company end up on a scale from 1 - 10; and do we treat different customers in different ways on this scale?

PRODUCTION USERS

HOUSE-GUESTS

1.....5.....10

A customer is according to my definition ”a person who has a need which I have a solution for, for which in turn he/she is prepared to pay a price that I can accept”.

Customer orientation

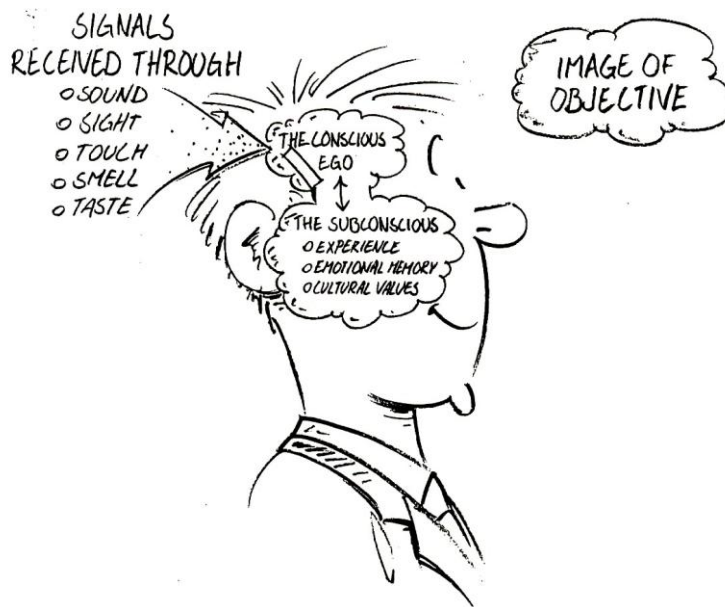
Developing a business is finding the people that have a need which you can present a solution for. They are the ones who might become your customers! Your target group.

They are the prospects. To direct your business towards them- or with the appropriate term, towards their needs - you have to create a dialogue with them! Everybody working in the company has to have the mutual goal to create customer satisfaction and to be able to succeed with this. All the employees must listen to the customer’s needs and see that these views, in different ways, will influence the development of the company and its products. In this book we will deal with different methods to optimize the company’s development towards the customer’s desires. It’s compact is bringing about a positive attitude towards the customer throughout the entire staff in the company.

The relations with the customers are everyone’s mutual responsibility!

2. YOUR MENTAL ATTITUDE - YOUR SUBCONSCIOUS

What ever you do, your actions are controlled by your mental attitude towards the task. Whether you are aware of this or not! If you go to meet a person with fear it is very much



likely that the meeting is going to be fearful, because you have programmed yourself that way! Your actions in different situations are controlled by how you have acted in similiar situations and what the results were. All your gathered experiences are stored in a giant PROM-memory shaped like pictures. This is your subconscious, and it is controlling your actions in different situations.

My figure above is showing a simplified picture of how you function mentally. Your conscious self is situated above the lid and is the part of your head that you are always in contact with when awake. Here is where all the incoming signals are received and it is also where all the immediate decisions are made. However, your reactions to the incoming signals are mostly decided by your subconscious and its previous storage of experiences.

Your negative programming shows!

If we go back to your uncomfortable meeting previously, one can easily see that your fear towards meeting a certain person is related to previous meetings that have become uncomfortable with this person. You are therefore programmed for another uncomfortable meeting the next time and this shows, for example, through your body language. The person that you meet does therefore respond with a similiar attitude and the probability of another uncomfortable meeting is obvious. Now, how can you reprogram yourself?

You can reprogram yourself!

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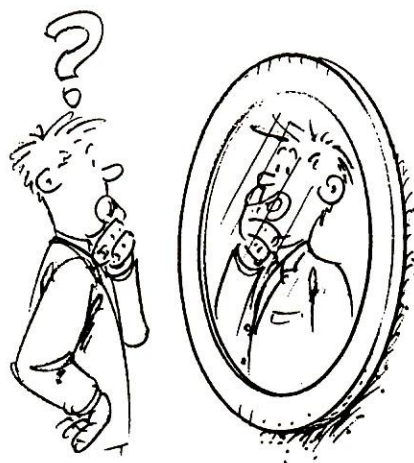
Your subconscious is normally, when awake, sealed and impossible to reach. The lid to this enormous mental resource does sometimes open slightly. One can of course open it up all the way with hypnosis, but it is slightly open two times a day even in normal conditions: just before you fall asleep and just after you wake up. If one is to reprogram oneself it has to be during those instants! So how do you do it? In this very superior memory you store a picture of what you want to experience - a goal picture. This goal has to be a clear and positive picture of what you want to experience. You can not store negative pictures, i.e. pictures of what you do not want to happen, it has to be positive pictures. The clearer this picture is the better the programming will work. You should try to see yourself at the goal that you want to reach: I have succeeded - this is what it looks like! Describe with colors, feelings, scents and so on, what it will look like when you succeed.

Seeing yourself as the winner - a winning attitude in sports

The method to programming oneself mentally to win has been used within sports for many years. For instance, a highjumper prepares himself mentally before all the important competitions. When relaxed, right before he goes to sleep, he will imagine himself stepping in to the arena, hearing the crowds cheering, feeling the atmosphere and seeing himself completing a perfect jump. In the same way, you can program yourself with your work to succeed with meetings among customers, co-workers and so on.

The image of yourself - here we find your limitations

In the picture of your head I have drawn a little figure, an autopilot, which I have called the picture of yourself. This is the picture of yourself that you have built up during the past years of your life. There we find your limitations! The things that you believe that you can do - you can accomplish. The things you think are impossible to accomplish you will never manage to do. Your own experiences, mean comments from other people, uncomfortable memories from school have altogether built the image of yourself.



SELF PORTRAIT

- WHO AM I?
- WHAT AM I CAPABLE OF?
- WHAT DO I REALLY WANT?

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In Sweden, with comparison to other nationalities we have a more negative image of ourselves. Even far back in history the Swedes were described as shy and anxious, because we did not want to be seen as stuck-up people. We are limited by our "you shouldn't think that you are anybody"-laws, our royal jealousy and our Lutheran thoughts because they still have a great effect in our lives. We deny our efforts and say: "Oh, that was nothing" when somebody gives us credit for something.

A positive image of your self is an important tool in any kind of development

In every kind of development this negative image of yourself is an obstacle. To develop something means that we are supposed to make something new, something that we have never done before. Then it is very important to be confident with ourselves - that we trust our ability to manage new challenges. If we have a negative picture of ourselves, we do not trust ourselves and we are therefore programmed to fail! The picture of ourselves can be reprogrammed as well as the picture of our goals. Here we need a combination of mental training and practical work with reasonably difficult challenges. We have to raise the level of difficulty at a reasonable pace so that we will get a positive feed-back of what we do in the beginning. After we have built up a positive image of ourselves we will learn how to deal with the challenges that we do not succeed with in a better way. A person with a negative "self-image" gets easily passive since his/her fear of failure is so big that everything new is frightening. One will choose the easier and maybe the most comfortable way : to do nothing. This does unfortunately lead to that the difficulties one sees in every challenge becomes larger and larger. Finally, every challenge becomes an insuperable obstacle.

To the leader - spread confidence - raise the level of difficulty at a reasonable pace

Several of the successful leaders within industrial life and sports have the common denominator that they let people grow. What we call facilitator. They give a reasonable amount of confidence to the individuals so that they are able to handle it. Every confidence that a person can live up to means that his/her self-image has become more positive and the probability that he/she will manage the next challenge has increased. When I, as a leader, do not give any confidence to a co-worker it will mean that I do not believe in his/her abilities. This signal contributes to destroying the self-image of this person.

I believe that a positive self-image is necessary to provide successful development and progress.

This part of the human being has to be given enough space in all the programs to the develop and change. The mental training liberates our inner resources and helps us to deal with insecurity and stress.

3. THE CONCEPT OF TOTAL DEVELOPMENT

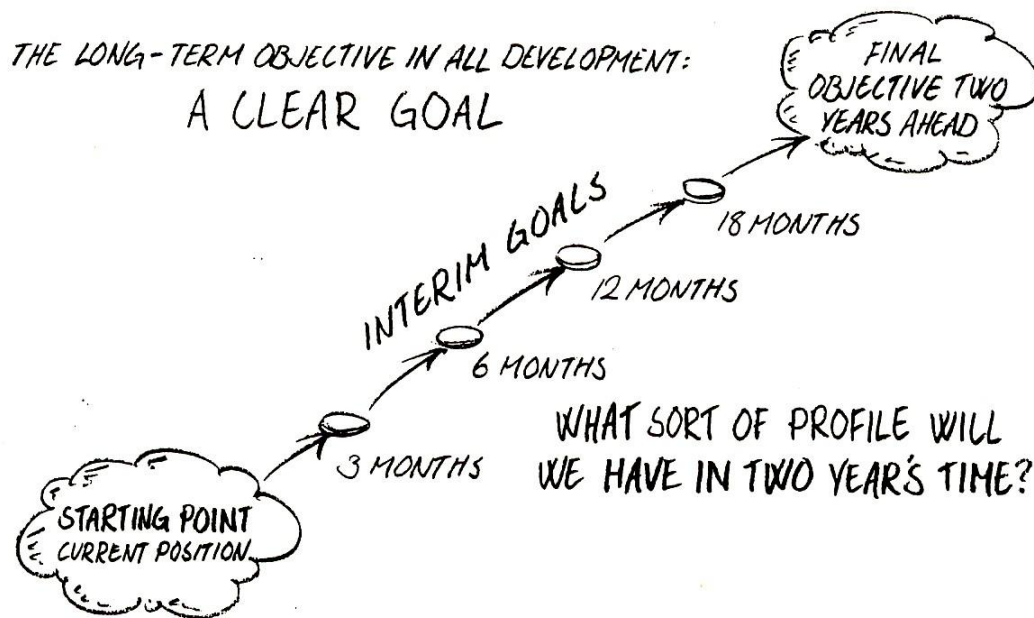
It is necessary to start out from the demands of the market when one is making a long-term plan for the development of the company. A marketing plan and a plan to provide competency have to be made by the same group.

The answers to the following questions are the bases for the decisions:

- Within what segments of the market are we going to work in?

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- Where do we have our largest chance to make money, doing the things that makes us unique?
- What competency does our company need to be successful within the segments of the market where we are going to make a long-term effort?
- What kind of benefits/values will the customers pay for?
- How can we develop a concept of our own with more values than our competitors?



It might seem obvious that the people dealing with the marketing and business plans also should do the planning to provide competency. This might not always be the case. The competency that one has built up is naturally used to carry out the marketing and business plan that has been made. We see a development of a company as a total concept, where all the segments are part of a whole body. We have therefore called **it the concept of total development.**

Our concept of development is based on the conviction of the fact that the company has to see to the specific competency within their field as a mean of competition. It is the demand from the market that is going to control the development of competency! Increased competency will lead to more cashflow to the company. There has to be a close connection between business development, competency development, organization development and staff development. When the company has found a strategy for this, the conditions are very good for the fact that all monies put into these programs will give out a maximum bonus.

The challenge of the 21st century: to lead the development work

Robert Kutz, the president of the Manufacturing Studies Board, summarized the challenge of the US industrial life like this: "Without any changes of the companies culture, structures within the organization and skillfull handling of the human resources, the new technique will not give the results needed in a corporation exposed to a great deal of competition".

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Earlier experiences show that investments in expensive computer systems have not given the profits in effectivity that one had expected, when the investment only had been technological. Continuing with Robert Kutz: "These necessary changes in culture and organization are much more difficult than just installing a new machine. It is demanding creative thinking, new attitudes and a positive view on changes."

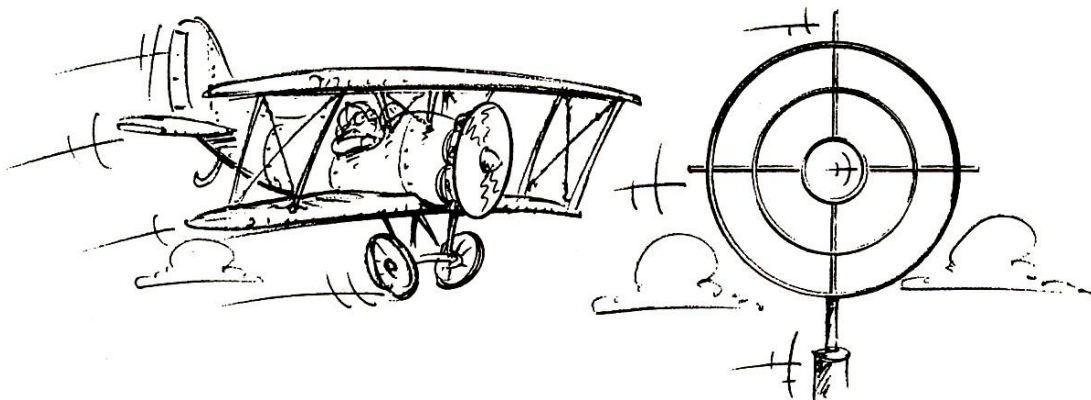
"These factors are creating the actual barrier when dealing with the development of the ability to compete!"

4. BUSINESS-DEVELOPMENT

At one occasion, I was misunderstood by a person who thought that developing a business was expanding his business premises. To avoid misunderstandings, I'll clarify that what I mean by developing a business is developing an already existing company so that they become larger and more profitable and that we seek and develop new business prospects.

Basic theses: all business developments are built on a combination of:

- curiosity and active interest in changes in the market and the surrounding world
- the ability to see possibilities
- the ability to describe a goal/to sell a vision/idea
- the willingness to walk new roads
- the courage to go for it - to trust one's ability
- the courage to trust one's co-workers and partners
- competency within the actual area
- committed people
- encouraging incentives
- to cooperate well with the customers
- good economical control- management of time and other resources



DO YOU WANT TO HIT THE ENEMY AIRCRAFT?

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Reflections:

If you want to hit a fly you should not aim where it is sitting but where it is going to be in a second - when the strike comes. If you want to hit the enemy's aircraft the same technique should be used here - you have to hit the plane where it is going to be when the robot reaches its full height - not where it is at the firing moment. When you want to conquer a market ***you have to be at the right place with the right product at the right time***. Timing is everything - always true, even in business.

Time is an important measure of competition. So is nearness to the customers.

Business development always occurs in a relation to potential customers. It is their needs that your product/services are going to stand up to. The only way to find out these needs and problems are of course, to associate with these potential customers. CUSTOMER This is not only up to you as a businessman but a task for everybody in the company to observe. In an offensive and market orientated corporation, everybody working in the company has to be customer and service orientated and see themselves as marketing staff and salespeople.

The success factors in business development

What signifies the corporations who are successful in developing businesses? Naturally, they have an entrepreneurial behaviour, i.e they orientate themselves after the possibilities available on the market. They are not trying to sell "stuff" that they need to get rid of. The factors giving the best results are not the ones one might think:

Imagined success factor:

Large resources
High competency
Wanting to succeed

Actual success factor:

Courage
The ability to learn
Passion for the task/the product

Since our thesis is that business development is happening in cooperation with existing and potential customers, it is important that the relations with the customers are carefully taken care of.

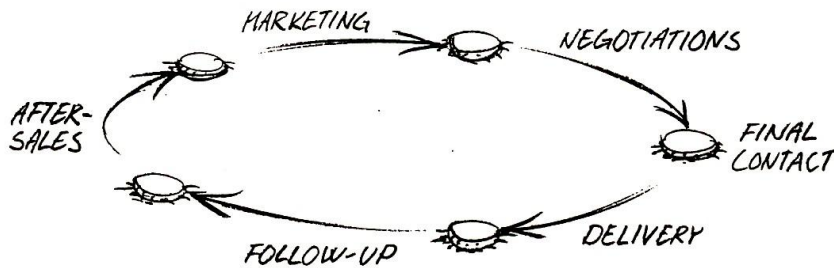
5. CLIENT CARE OR CUSTOMER RELATION CARE

The concept "taking care of clients" might get you to think about a hospital that is trying to make the staff see the patients as clients. What we mean with client care could actually be called taking care of the relations with clients, i.e how we are taking care of rewarding and lasting relationships with those who already are our customers. Before the word client care was "invented" one generally spoke of "taking care of one's customers". The best publicity for a company during "the good old times" was to have many regulars. The regulars were the real proof that one was able to deliver what the customers expected. And maybe something extra as well! Today, during the 90's, the market is more turbulent than ever before and many of the "good old" companies disappear and others are born. The movements on the market are very big and and if one wants to have many "regulars" one has to take good care of them! A customer relation should not end with a closed deal!

TRADITIONAL METHODS



FAR-SIGHTED "CARE-FOR-THE-CUSTOMER" ATTITUDE



How well do we take care of our customers, and how well do we find out what they think, what needs they have and what solutions they want from us as a supplier of goods and services? Honestly - couldn't we do some more adapting towards our customers with what we have for sale?! How are you taking care of your relations with your customers? Isn't there a lot to develop and improve ?

Keep up the work with the relations to your customers!

Proceed like this: make use of every reason to get in contact with your customers. Call them and inform them about technological novelties coming within the near future. Send them clippings and other things that might be of interest. When you have completed a pilot job of a new type, arrange an informative meeting at this workplace for other potential customers. Show them the pilot premises and let the customer's representative describe how you have cooperated in the project! In the same way you should naturally account for the competency development at your company. When you or some of your co-workers have been in training - tell that to the customers that might be able to utilize this new competency!

And use the internet for fast and updated information!

6. DEVELOPMENT WITHIN THE ORGANIZATION

When one speaks about an organization most people are thinking about the organization plans that are shown at presentations for a corporation. I myself have numerous times been taken to a conference room where the host has shown his organization structure on a overhead transparency. Squares and lines. In lots of cases I have wondered if these formal guidelines with different levels actually works in real life. Probably not!

Formal and informal organization

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Several research studies have shown that large and extensive organizations are working well because of all the informal information and decision routes. When one wants to develop an organizational structure, the goal should naturally be to get the actual, operative organization to become the formal on paper.

At the time we are living in now, the organizational structure has to be controlled by the following factors:

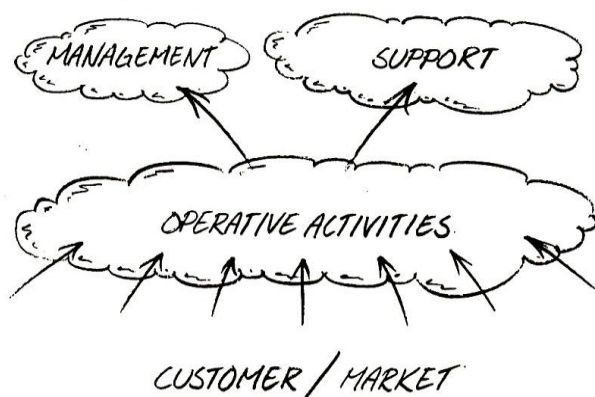
- Time is an important mean of competition, which is demanding fast decision making.
- The co-workers want to have a possibility to affect their jobs, which is demanding that the decisions are taken further down within the organization.
- The customers are becoming more and more individual in their demands and they want a personal contact with the company, which is demanding an organization with an extensive network of client care.

Reorganization

For many years we have become used to believing in that the static unchanged organization is the most secure way possible. We might have had painful experiences or read about those "corporation doctors" that have gone in to big companies and stirred up everything. There is a negative attitude towards change with a lot of people - often well motivated by their own experiences. To lead the work for a re-organization is demanding a careful analysis, a great measure of humbleness and nevertheless a great portion of internal marketing. To be able to succeed with a reorganization, it is absolutely necessary to get a positive attitude from the co-workers. Everybody has to understand the purpose, see the general picture and feel their own value.

Build from the inside out

Start with your customers: What are their demands and expectations? What kind of merchandise or services do they need? What added values are they willing to pay for? What demands on the quality are they putting? These are examples of questions, where the answers can be seen as the customer's "specification of demands". They are the foundation to the reconstruction of the section of the company closest to the customer.



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The competency needed by the co-workers closest to the customers has to comply with this specification of demands. This has to do with skills and personal qualities like wanting to serve other people, etc. When this level in the organization, where the actual work is carried out, is developed we will come to the next step: What kind of help do the co-workers in the operative level want from within the company? With these answers as a foundation one can develop management, staff and service functions within the organization.

Administration - ad ministre = at service for the operations

The word "administrator", in many cases, has been used as a word of abuse and has also been seen as a bureaucrat. Every company does need an appropriate and effective administration. To reach that, the administration has to see the operative part of the company as its customer. This might be the right place to note the origin of the word administrator. Administrator derives from the latin word ministre which means servant and ad which means for. Correctly translated, administrator would mean "servant for" which we should have in mind when we build organizations. It is also important that the information within the organization is working in all directions and that the customer's possibilities to affect the company are taken into consideration.

A living organism

Look at the new organization as a living organism which constantly has to adapt to its living environment(=market). An organization is never complete - it is constantly changing. It is wise to look over one's corporation every once in a while and make minor adjustments to meet new demands from the surrounding world instead of making huge changes every ten years. Remember that the best security for the staff is that the company has an organization which is correct for the customers!

From industry models to information models

The entire technological organization in the production area lies under a rapid changing schedule where the modern information technology is of vital importance. The changing process that is under way can be symbolized by the following:

From:

Centralization
Division
Mechanics
Standardization
Hierarchical giants

To:

Decentralization
Integration
Information technology
Multiplicity
Autonomous units in networks

Changes in the organization. From large to smaller objects.

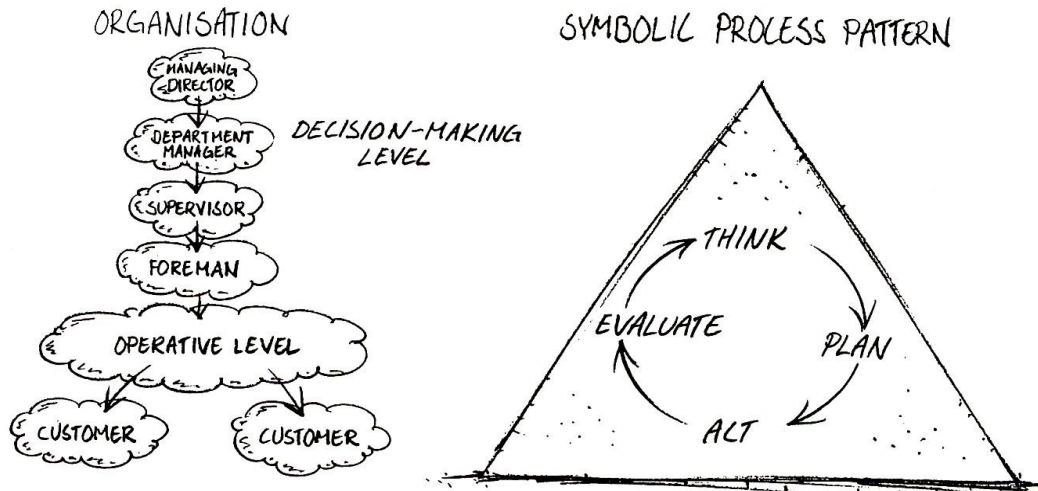
The big objects are becoming fewer and fewer in the industrial world and the competition of these giants are adamant. The profitability is therefore largely reduced and there is no easy money to find. The smaller objects are increasing in number and share compared to the total amount of objects on the whole market. The building industry are nowadays almost exclusively working with renovations and reconstructions. In the current economic situation, all lines of businesses with new techniques are already trying to make existing investments

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more efficient. This can be supplementing and adding on to already existing systems to increase the degree of efficiency, speed up processes or decrease the cost of, for example, energy consumption.

If you want to work on a market with many small objects, it is not suitable to have an organization fit for larger objects. They are almost non-existent any more.

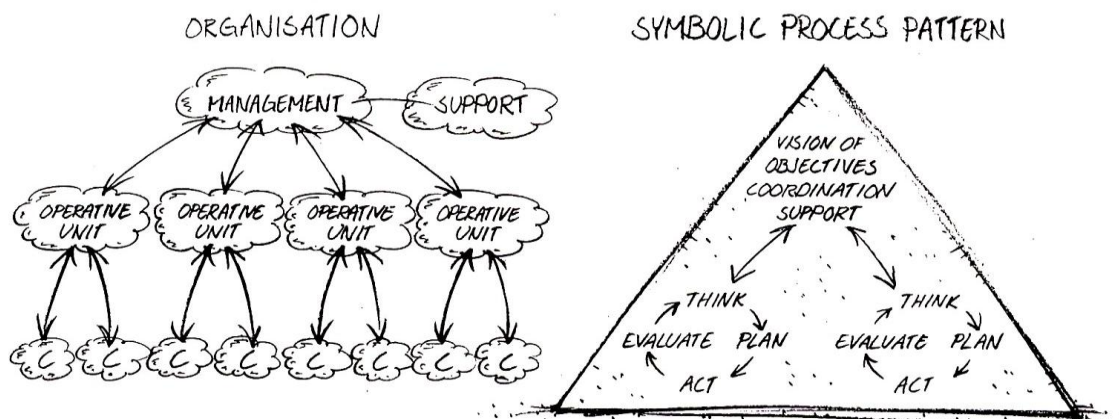
LARGE-SCALE ORGANISATION



New demands on the companies

What does it take of a corporation if it is to function on the new "smaller objects market"? If one is to function with a large amount of smaller objects working parallel, one has to have a largely decentralized organization with many independent units. One cannot increase the amount of supervisors needed to lead all the objects in the traditional way, but here you need a developed decentralization of the decision-making.

SMALL-SCALE ORGANISATION



The companies within the building industry are now getting into a situation similar to the one the manufacturing companies have been in the past 10 - 15 years. Everyone can recognize

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the discussions about so called self-governing groups, which was used amongst others by Volvo and Saab during the 80's in Sweden. The past couple of years we have read the story about the T 50-project at ABB, which has been something of a model. All programs with the goals: faster and more flexible!

The competition is increasing within several fields of businesses

Now there has to be similiar forms of organizations within the entire building sector, banks and insurance companies have to be able to survive on the market. The public organizations have to decentralize the decisionmaking closer to the purchasers to recieve more participation from the co-workers, which in turn leads to higher quality and better service.

Demands on competency in self-governing groups - teams

The demands on competency within a self-managing group are easily defined if you ask the customers. They want service orientated problem-solvers that will see to that their products fulfill the demands and keep the quality that one has payed for. This demands for co-workers with broad and deep competency, and have enough ability and confidence to work independent with the customers. The large corporations have to disassemble their big organizations and make several smaller ones, which still while working in bigger projects is capable of managing that. In other cases, they will work as a network, where the total competency is known by some responsible coordinator, so that one in a flexible way can arrange everybody for every new object. The function of the staff is to be responsible for the coordination and long-term strategy, plus also functioning as "internal entrepreneurs" for the independent working teams.

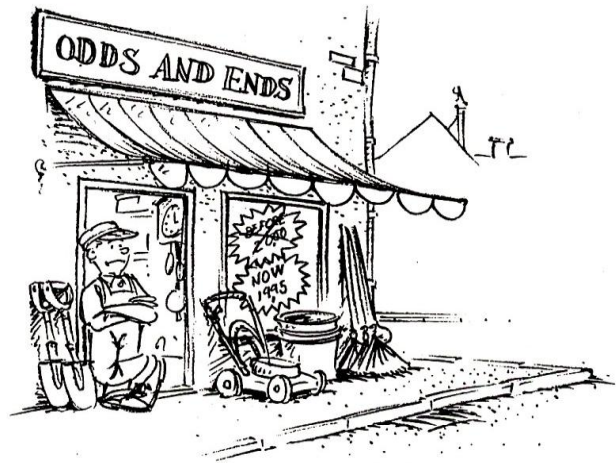
Key-words in the new organization are:

- flexibility
- swiftness
- high degree of service
- low over-head costs
- broad contact surface towards the customers (several have direct customer contact)
- decentralized responsibility and delegated decision making
- high competency

7. A MORE DISTINCT PROFILE - A DEMAND FROM THE CUSTOMERS

To show your profile to the customers is becoming more and more important - least of all because of the fact that the customers want to be able to easily find, who to choose for the job. Then, if you have the rumour to be a store with a little bit of this and a little bit of that, this might not serve the purpose very well. It does not give a serious impression when one states that one knows everything.

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As companies, we must tell everybody what we are good at - we have to show what kind of business idea we have. It is also important that we continuously refill the customers knowledge of what we are doing so that their opinion about us - our image - is the same as the profile that we are striving to attain. It is never the customers view of us that is wrong - it is our fault that we haven't been able to communicate our profile. As an example how a profiling can be

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developed, I will use an example from the line of business that I myself have been working in for some years - electricity.

From **EVERYTHING IN ELECTRICITY** to **THE FUNCTION SUPPLIER** **ELECTRICIAN - THE SPECIALIST IN X**

Swift changes demand a change in style

Compared to other lines of businesses one can easily notice how the electrical line of business has developed very fast since the end of the 80's. The electrical business has really developed very rapidly and, maybe some of you are wondering about this, compared to – for instance - the computer business. Where one computer generation has come after the other for several years in an increasing speed. The high changing speed is seen there as natural. Twenty years ago, 90% of the invoicing in the computer business was based on delivered hardware. Now there is software and services that results in the corresponding share of the invoicing.

Looking at both technique and marketing the electrician's conditions has been changed far more quickly in the past couple of years. In a very short time the electrical and electromechanical systems, which earlier have been very similar for many years, have been replaced by controlling systems and other kinds of electronics. Even such traditional areas in the technique as electric light and power has become more packed with electronics. In just a few years, sources of light, electrical fittings and controlling systems for electrical light structures have developed as much as during the whole postwar period. Looking at powerplants, they are supervised and controlled by the connections of the grid at a distance and so are the transformation stations and bridges with help from electronics. Other than that, totally new areas within the technological field as well as totally new markets has been born: networks, cable-TV, alarm/security systems, LAN, and so on. And many of these new techniques are inter connected over the internet.

Customers are behaving in a new way

Even the behaviour of the customers has changed and nowadays they buy functions and systems. The corporations working with installation have hardly had time to adapt to this new situation which is understandable. But it is necessary to do that if one is to survive.

Profiling:

You do not inspire confidence on the market when a small or midsized company says that they "know everything in electronics". You could say that ten years ago but today there is another reality. One might approve of Barnevik putting up a sign saying "*Percy's electricity company - everything in electronics*" concerning ABB.

To all the other electronic companies one has to show one's profile to screen off what you are really doing and have an ambition to be good at. If the company has a business idea to be the leading company in controlling systems/automation, it has to be shown to the outside world. This also goes for the company who wants to be the leading card in illumination/power. How could the customers possibly know that Nilsson's Electric Company is the leading company in networks? As a business man one has to think of how the customers are able to know what you are really doing.

Change in Style

In the electrical business as well as other businesses one often has a trade name that in itself does not tell what you are doing. Nilsson's Electric Company, Curt's Electricity, and so on does not say if the companies can install an alarm, plan an automatic storing system, help me with how to save on my electricity bill or take care of the service of a house or an industry. How are the customers able to find out about all this? Well, you have to give your company a clear profile and use every opportunity to communicate about this to the market.

Profiling has several advantages:

It is easier for the customers to pick a company: instead of taking quotes from 5 - 10 electricians, one can do it with only a few - those with the right competency. The competition in price is largely replaced by the competition in quality- the one with the right competency to perform a job with good quality has the largest chance to get the job. It is all about being able to deliver a total solution to the customer. The electricians of the 21st century have to have a clear profile which says what they are good at. A profile building on the business idea of the company. In those cases where a project includes areas of technique one does not have complete mastery of, one simply has to add a co-working company as a complement partner.

8. FROM SELLING STUFF TO THE DELIVERY OF READY MADE KEY-FUNCTIONS

The customers of the 21st century want to turn to one contact(=person) to purchase a whole function. This means a total responsibility for a function from analysis of the needs/demand specification to the projecting, production, documentation, start up and how it is to be operated and customer education. To be able to handle a delivery of a function it is necessary that the company has the needed competency for the whole area of the function, or that the company has a close partnership with other companies who are complementing their own competency. All the required components, the work and controlling functions - must all answer to the demand of the function!

How do you think as a customer your self?

When you want to buy, for example, skiing equipment, I think that you'll look in a store where they can offer you a whole set: outfit, ski poles, bindings etc. and they'll help you chose the right products, adjust the bindings properly and so on. You might also receive some advice on how to put on ski-wax if you have a problem.

The customers in the technology business are more and more often thinking in the same way: they want to purchase whole functions/systems.

They want help with:

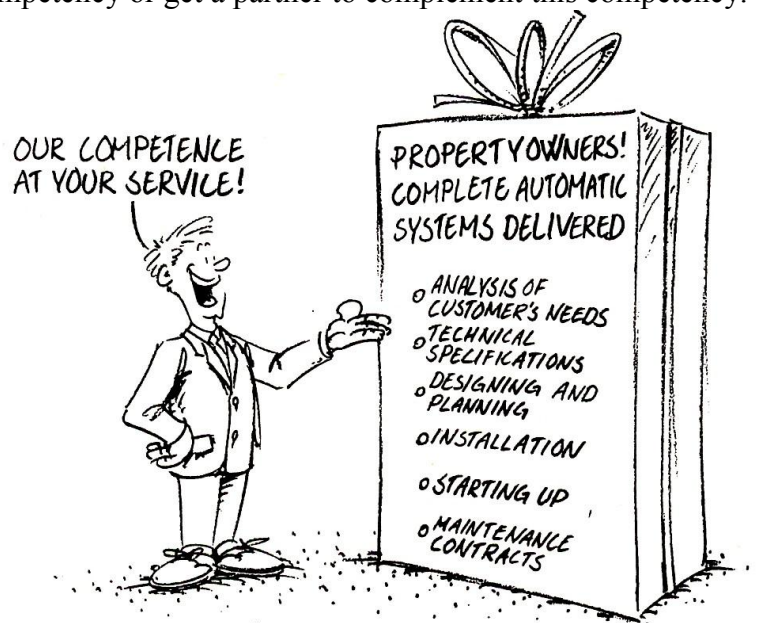
- analysis of what they need/demand specification i.e. what do I really need?
- purchasing hardware
- projecting/drawing basis/documentation
- installation/building/production
- how to operate it/starting with a ready made function
- education for the users
- contract concerning maintenance and management
- updating warranty/flexibility

Change in Style

The company that is able to offer these total solutions has the best card in its hand. He/She can charge more, and he/she can hardly be compared with any competitor since the others only can offer the production itself.

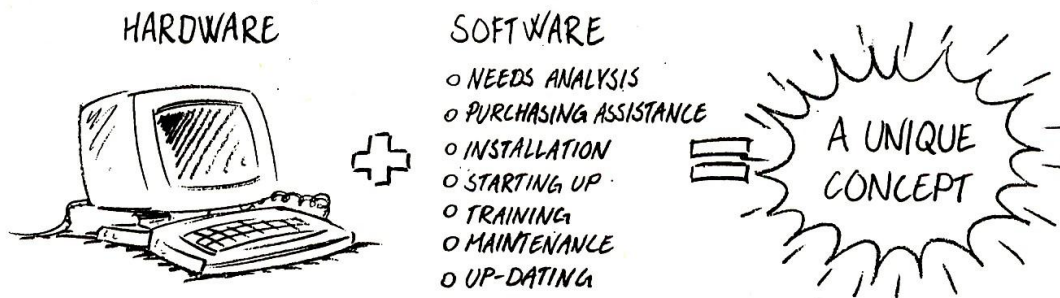
The market for "function-sales" is increasing because of higher demands for quality. In Europe, it is becoming more and more common that the producers of hardware are putting higher demands on the installation businesses, which can be compared to a license system. The reason is simply that the customers are demanding assurance on the quality of the entire functions. Since the customer is purchasing a function, he wants the quality to be detailed for the entire function. He has certainly no use of a high hardware quality if the installation has been made negligent/wrongly or if the service afterwards is not properly.

To meet the demands for "deliveries of functions" it is necessary that the companies have higher competency or get a partner to complement this competency.



Added value for the customer

In the US, one has been using **added values** in the profiling. This means that you are offering the customer something extra - an added value - something that is different from the other competitors. It could be something that is making life easier for the customer - help with analysis of what you need, assurance of punctual deliveries, warranty on the quality, fast service etc. It is mostly so called "soft fittings", services concerning the product itself.

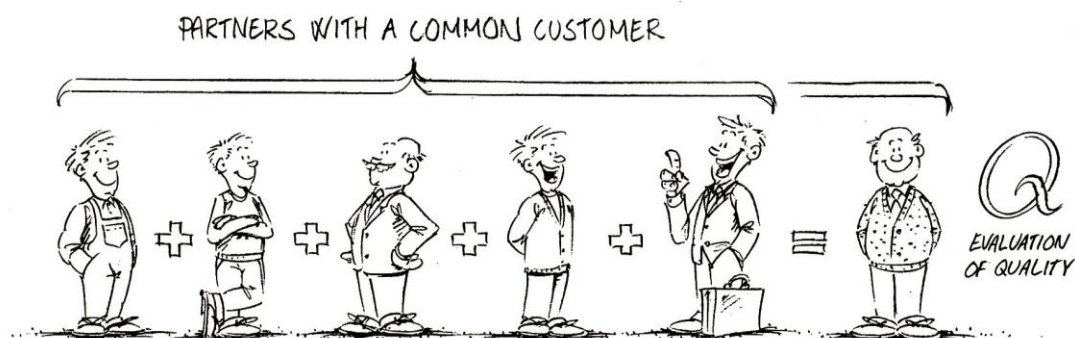


In an increasingly competitive world it might be the last 10-20% of the entire production that becomes the determining factor.

It is therefore not sufficient with a qualified competency - one also has to be able to launch a unique concept i.e. to lay stress on the added value offered to the customer.

9. PARTNERSHIP - NETWORK - ALLIANCES

In several fields of businesses, You can easily find competitors and enemies but at the same time You can have a hard time finding possible partners to cooperate with. I think that this is devastating since man's ability to create achievements has always been based on our ability to cooperate. Since the market is demanding swift and flexible solutions within several areas, this gives an advantage in competition for the smaller companies.



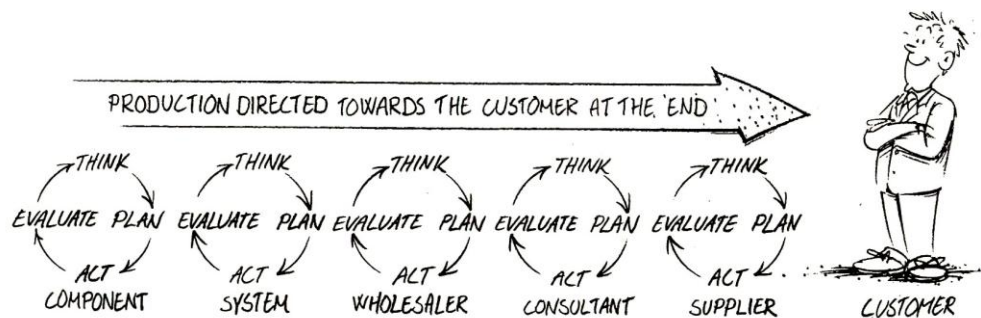
At the same time, a total solution might demand a broader competency and larger resources than a small company might be able to produce. The method they should seek is several

Change in Style

smaller companies to join together for the actual project, or a certain product or segment of the market.

The undertaking of business in general - a partnership in a value creating process

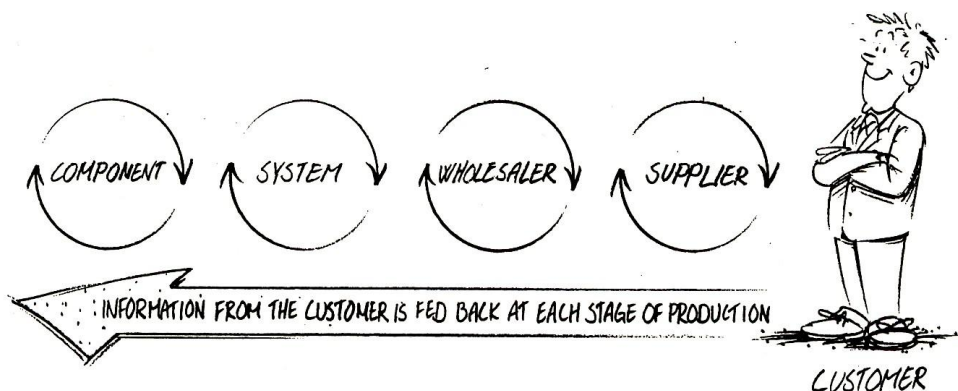
In several aspects it is suitable to see the company and its several participants, including the final customer, as a value creating process. All the actors are participating as partners: subcontractors, banks, support functions, purifying companies, wholesale dealers, transportation businesses and the final customer.



The mutual project in the process is the product which in the end is going to make itself useful at the customer. Every co-worker or partner is adding value in the process. I think that there are advantages in developing a partnership which is based on a win - win relationship.

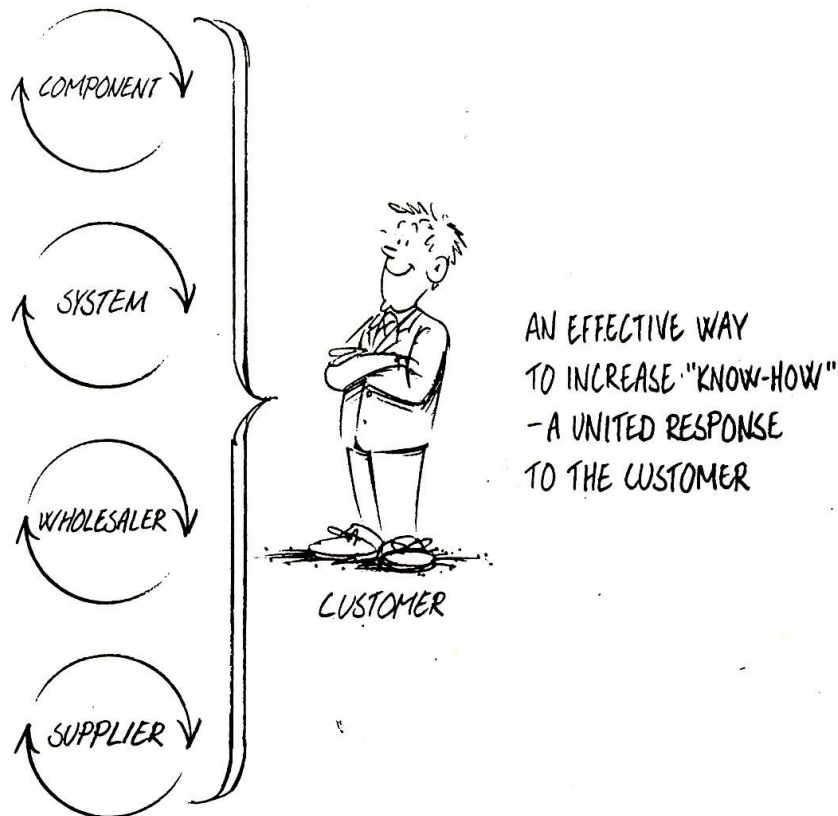
The production chain as a knowledge-producing process

In the same way as the production itself can be seen as a value creating process, it can also be seen as a process generating knowledge. The basic knowledge is always coming from the customer, where the final product, the results of all the efforts in the whole production chain is shown.



Change in Style

The knowledge from the customers is purified and adds new dimensions when added in the production. In problem solving, new knowledge is developed based on the customer's and the partner's knowledge. To be able to optimally utilize the customer's views and solve his problems in the best possible way the different links in the production chain have to act like partners and try together to understand the total of the customer's problems/needs. When this is done, the tasks are divided in the best way possible between the partners in a process where the customer is very active as a partner.

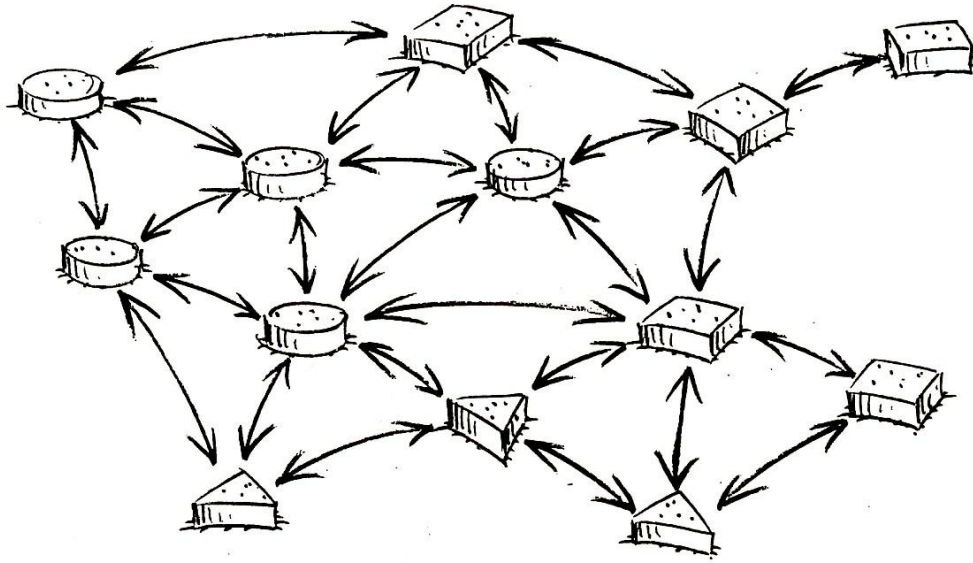


Network - a necessary development resource

We all have our network, whether we know it or not. We have private personal networks and professional networks. In a business developing process, all these connections are priceless. It's through these we can try our new ideas and get a fast feed-back. It's through personal connections we can find the right way and find the right persons into larger organizations. Our friends in the network have in turn friends in their network that might become useful to us. To link with these networks are like linking several computer networks to get access to more information possibilities.

Activate your personal network!

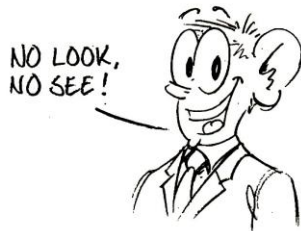
Many times we fail to use our private network in our work, which happens many times, because we are not aware of the possibility.



Connections that we have hooked up in one relation we might not consider in another constellation. The man who is a parent in your child's class might also be working at a place where he is important to you in your work. Or he might be sitting on a board of directors for a corporation which is really interesting to you. A skillful "network person" is someone that has learned how to effectively use one's network to get information and good connections. Via your network you can possibly market yourself very effectively and inexpensively.

10. MARKETING

Marketing literary means to "bring to the market". We want to make a clear distinction between selling and marketing. To sell means that you are getting rid of items already produced. We go to the marketplace and really try to sell what we have brought. To market is a more vast concept and is lying on a higher level with a more longterm plan. The



THE DISTINCTIVE FEATURES OF THE MARKETING MAN - LARGE EYES AND EARS

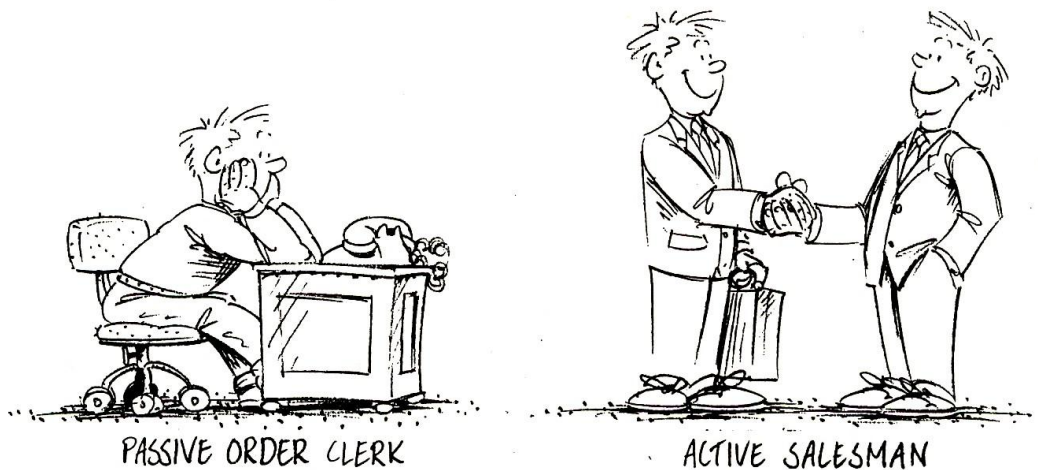
Change in Style

merchandiser receives signals from the customers when dealing with them which allows him to fit his products and services to the needs and problems he has registered. The merchandiser is the communicating link between the company and its customers.

A good merchandiser is a good listener and communicator. He/She is actively seeking existing and potential customers, listening to their needs and problems. These signals are transferred to the company. This person is the watch-out patrol of the company!

From an incoming orders clerk to an active salesman

In several fields of businesses with a mild degrees of competition, they only have had an incoming orders clerk. Being different to the salesman, this is a passive function being the order clerk expecting the customers to come or to call to him/her.



As an example we have chosen the construction business, which has mostly only had an incoming orders clerk

For a long period of time the entire construction business has handled everything through incoming orders clerks. The purchasers were happy if they could get hold of construction workers and installation engineers with the capacity to deliver in a reasonable time. It was the salesmen's market. The purchasers were often people that were speculating on properties. They ordered production without having a contract with any final purchaser. The overheated market and the inflation still made it possible to guarantee profit on the investment. But suddenly everything fell apart and the ones that had cooperated to the heat in this artificial market really went for a flop.

The following effect from their actions, the general slowdown in business activity as well as a new government which had decided to deregulate the construction business, can now be clearly seen. The difficulties with the property market are hitting the construction companies badly which in turn have difficulties in reaching their sub-contractors.

Change in Style

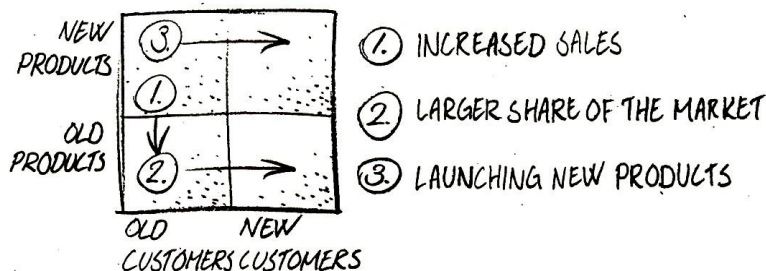
This is why we have to change appearance:

Today we see a totally new market ahead of us, where the new constructions has decreased with 25 - 50%, depending on where in Sweden we look. So, what does the market look like? Roughly summarized it looks like this:

- The number of new constructions have decreased but reconstructions are increasing.
- Service and maintenance are unchanged.

What can I as a constructor do to make myself heard on this shrunken market? Here are some suggestions on what to do:

Take care of your old customers - call them and book an appointment so you can follow up on how the jobs that you have done there are working out. He/She might be interested in working out an agreement concerning caretaking or complements to the buildings/installations already existing. At the same time, you will get an opportunity to inform them about how to update the already existing systems for more effectivity and usefulness to the customer. You will also be able to absorb signals if the customer has or should develop new needs.



Added sales to already existing customers

This deals with added sales to an already existing business relationship. Everybody enjoys to be noticed this way - even your customers. Generally speaking, one can say that it is easier to sell new services to old customers than to get totally new customers.

Get some new customers:

Define what kind of customers you want to have. Is it in the industry or on the property side? Is it house owners or tenant-owners' societies? Do you want to turn to a certain geographical area? When you have decided what group to target we will go to the next step - to pick a strategy. Excluding what kind of channel you are using in your marketing you have to have a well thought out message to the customers. This message has to show off your unique advantages that the customer will receive through dealing with you. What can you offer that none or only a few can? What's the added values for Your customers?

The usefulness for the customer has to be the general idea in the message!

Portion out the "technological talk"!

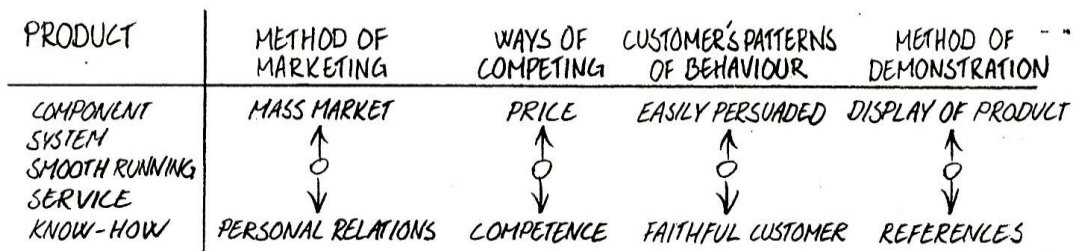
Change in Style

Make it easy for your customers to decide!

You also have to make the purchasing decision as easy as possible for the customer with, for example, offering an analysis of the need/demand specification and calculate the usefulness that the customer will receive from the investment. It should deal with saving energy or making things more effective through changes in the working environment. You can also make things easier financially if you are already cooperating with a bank. When you choose marketing channels you have to remember that personal connections are the most effective feature. Personal visits to the customers or information in groups for your customers is most effective. Last, you can make use of telephone connections and finally letters and advertisement.

Choose marketing channels according to what you want to sell

Every week we get adds from all the grocery stores in our mailbox telling us the prices of sodas and meat. This is a typical large scale advertisement to a broad anonymous target group. Direct advertisement, ads in newspapers and radio and TV commercials are surely giving good results for commodity sales that grocery stores are dealing with. But if you are selling services, like education or insurances, it does not work with a colorful sheet in the mailbox.



The more qualified product you are selling the less effective the large scale advertisement will become. When your product contains a lot of service and knowledge the customers will buy if you can offer trust. These products are signified in practicality that they cannot be shown but to be described and testified by others.

Someone, for example, that has gone through an education can tell others about the experience and the results. Marketing has to become more personal and clearly focused on the target group especially if it contains more service and knowledge.

Often the target group does not consist of more than a couple of people so that one is able to create relations with each person. In the diagram above I'd like to illustrate the connection between product and marketing channels. If you think this through for the item that you want to market you are able to increase the usefulness in every dollar put into your marketing!

Change in Style

AIDA - the known model for the levels in marketing:

A - is for attraction, i.e. creating an attraction for the item that you are marketing

I - is for interest, i.e. to get an interest in your concept

D - is for desire, i.e. desire for the concept

A - is for acceptance, i.e. that the customer is accepting your product and your price

Now, think about a product that you have marketed the past year. Can you identify the levels with the AIDA-model?

Utilize the possibilities of "free" marketing

In Sweden (as well as in many other countries) there are lots of organizations of different kinds: property owner organizations, sports organizations, retirement organizations, Rotary organizations, and so on. All these organizations are carefully looking for people that have something interesting and informative to share. Work with this and see too that you will get an invitation to present your information on how to save energy, creating a better environment, have an increased security level etc. Find Your target groups!

Use other organization's names, network and money!

When you are trying to reach a well-defined target group with a message, consider if this group is united in some other form or relationship. There might be organizations that hook up with parts or the entire group that you are trying to reach. Use this not only when trying to get in contact with them but try to get the organization to have a meeting to give information with you as one of the informants. Their envelope –when they post invitations - has their logo and the receiver will recognize it and become interested in the contents because it's something his/her organization is putting on. Of course the organization will make use of their network and they will pay for the postage! Clever and effective!

All business is local

All businesses are taken care of locally. This goes even for the larger companies. It is through personal relations and good references that you will get new jobs. You have to be known locally even if you are a part of a large concern with vast resources. The paradox does therefore go like this : it is good to be big - i.e. to have supporting resources - but good to be small when it is concerning the locals, fast and flexible. *So it is good to be small and big at the same time!*

The clever installation engineer from Oslo

The perfect example that will end this section comes from Norway. It's about an installation engineer with a small business in Oslo who in a very clever way used other peoples network and other people's names in his marketing. Read and reflect over this! Could you do something similiar in your business?

STORY: An installation engineer with a small business in Oslo had almost no work and thought about a new way to attract customers. He decided to try to sell alarm systems to house owners. The first thing he did early in the spring, was to contact the Oslo police to get information about what areas had the highest rate of burglaries. Together with the police he

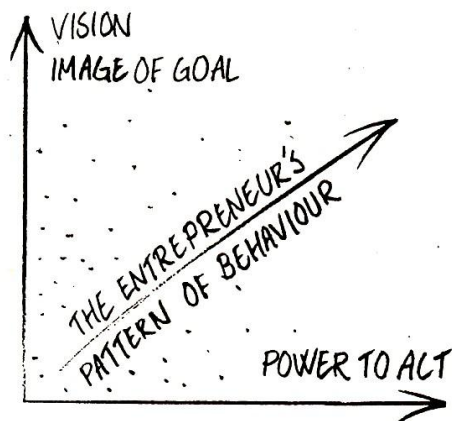
Change in Style

invited the home owners, one area at a time, to an informative meeting in an assembly hall. The credibility of both the information and the invitation was increased when the police were participating. At the meeting, the police informed about the burglaries of the past summer and recommended the home owners to get an alarm system. Even an insurance company participated and informed about the costs of a house burglary and told them about the possibilities to protect themselves with alarm systems and similiar items. The representative also shared information about the possibility to lower their premiums and deductibles if they installed an approved alarm system and exchanged weaker locks etc. The installation engineer then presented some different alarm systems and how they work in connection with the police.

Both the installation engineer and the police representative answered questions and after that the participants got an order form to take home. With this they were able to fill in important data from their home, send it in to the installation engineer and then receive suggestions of suitable systems with prices for a complete function. The slow business that the installation engineer used to have was only a memory of the past. This might be something to take after?

11. TIME – to compate with speed

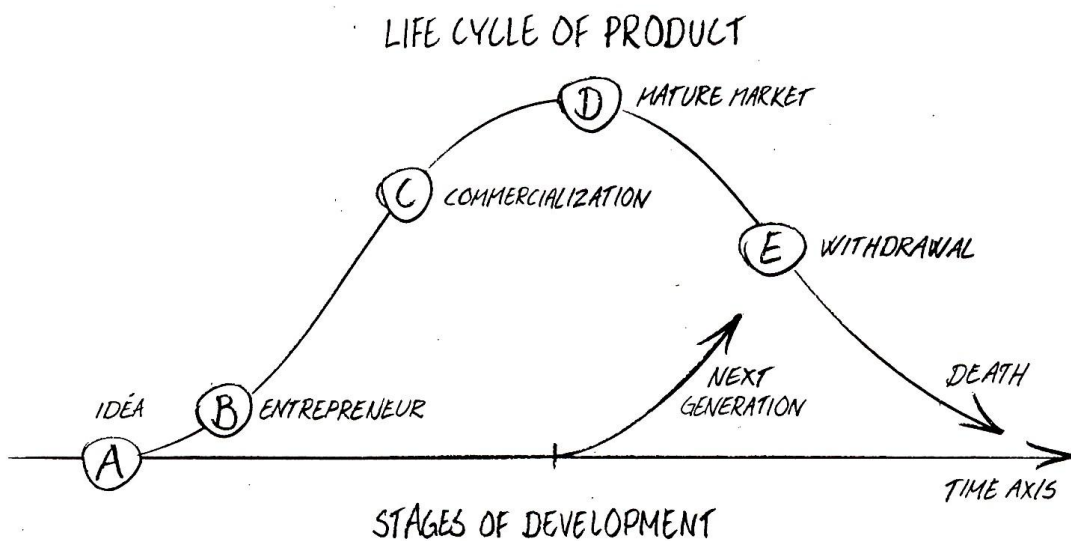
The true entrepreneur is an energetic person with visions. He is creative and outgoing. He sees possibilities and tries new ways. Not any large, expensive and unwieldy efforts but rather several, small fast and inexpensive experiments.



With a new possibility, in the shape of for example a new technique that is born, the *entrepreneur* is thinking about how he/she, in the best possible way, can use this in his business. He tries different ways, communicating with his customers and in time he will find the right application for it which he develops into a business. ***He is controlled by the possibilities of the markets!***



The opposite to the entrepreneur is the careful, circumstantial and traditional bonded administrator. He would rather do it the same way he has always been doing it and sees changes as a threat. He is controlled by his already existing resources. Before he puts a dollar into anything new he wants to be 110% certain of getting his money back – return on investment. In the changeable world that we are living in right now, it is easy to see which one of these two "types" that's best suited to survive. Before the administrator had taken the chance to put any money into a business deal, the entrepreneur has already made a deal out of the possibility that he saw. The long lasting boom is over. New technology is being developed in a constantly increasing speed. The rules of competition in the global market are going to change a lot in Sweden and around the world. In the vast darkness that many people see today there is a seed to future possibilities. The true entrepreneur has during even the tough 21st century possibilities to develop new businesses, that partly can compensate the disappearance from the old and shrinking core business.



In the long run these new businesses can become the corebusiness of the next generation!

This is how you can make use of the customers in the different levels:

- A. In a dialogue the customer gives You feedback on new ideas.
- B. The customer is involved in the development of the production – gives feed back in the process and is co-financier as well.

Change in Style

- C. When the first product is delivered, customer 1 is the witness for customer 2 and so on. The more knowledge the product contains, the more important with references and ambassadors!
- D. The feed-back from the customers are used as a information for the improvement of added values around the original product.
- E. The customers are used in the development of the next product generation.

The time factor

This is where the time factor comes in. When a new technique is born, the first phase is unprofitable and demands economical persistence from the originator. In the entrepreneurial phase, when the product is commercialized, it is the most profitable. That is when the entrepreneurs, which have learned the technique first of all, make their money. The factor of competition is basically competency at the right moment. Gradually the technique will become general and most people will have the knowledge to use it. The factor of competition is now the price. Many are fighting over the same object and are bidding lower than each other to get the business. It is, of course a matter of being on the go since you know for sure that someone will recognize the new possibilities on the market. If there is a market you can be certain that someone will aim his operations towards conquering it. If it's not going to be your company who does this, then someone else will do it.

12. TO NAVIGATE A BUSINESS TOWARDS A GOAL (PICTURE)

From economical compulsion to an inspiring goal as the motive power

Many years ago I started to work in the industry and there was a very simple motive power: to make money. Today the situation is radically different. Competition of well educated labor is here to stay. And this labor puts different demands on their future employers. 30 years ago the work in the industry production was divided into small scattered elements according to Taylor's model (MTM). Sad men wearing white coats with stopwatches and notebooks making time table studies of every little move. The hierarchy in the industry where I made my debut was marked with different colors on the coats. The workers had blue, the assistants to the foreman had grey, foremen had brown and the overseers had white coats. On the very top of the pyramid were they who had their offices up on the "bridge" with view over the "sea of serfs". Up there they wore suits. The ones that improved themselves with going to a technological night school could count on a career starting with the blue color and upwards. This is a little review of what it was like.

Inspiring goals and possibilities for personal development - the new motive power

The situation today is radically different and big changes are to be expected. The competition about the well educated labor has come to stay. This means that this labor has a profitable position to negotiate when it comes to wages. But, and this is important, the demands today are concerning far more than the salary. From a list taken up by the youth about what demands they'd make of their future employers, the top place is possibility to personal development. Other possibilities are flexible working hours, the possibility to travel with work etc also comes before pure salary demands. A company that wants to be in the

Change in Style

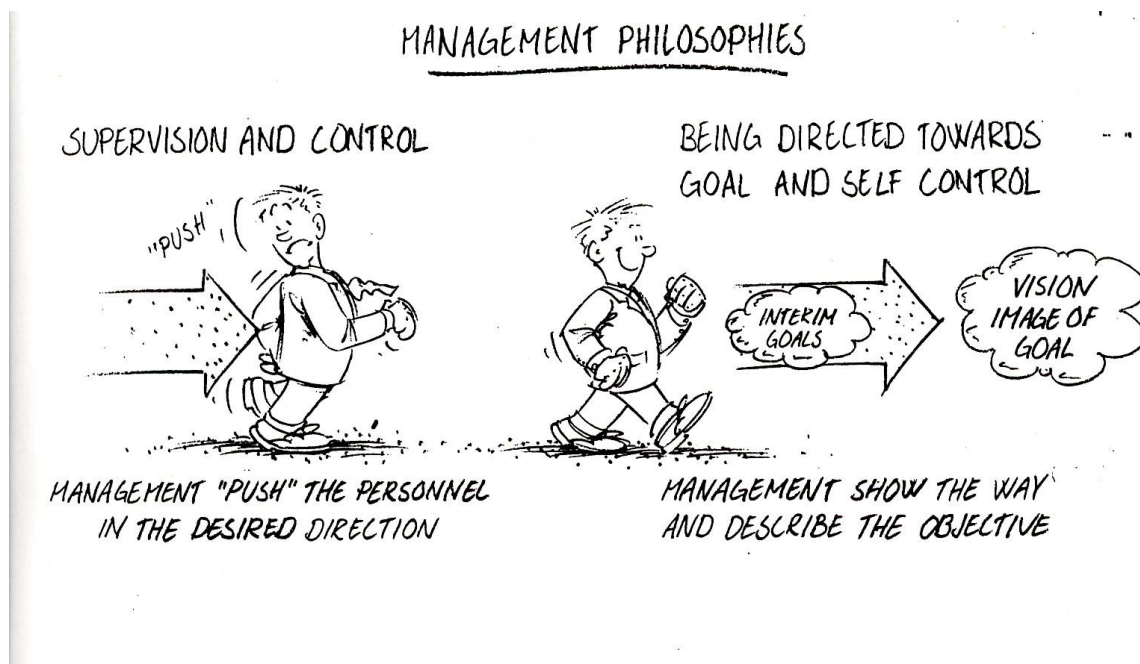
competition with the best and brightest youngsters has to be able to offer possibilities that can meet these demands. This trend is international and can be observed in all industrial nations.

Motivation

The chairman of the board of General Motors said some 20 years ago that "success is decided to 20% by what technique you are using and by 80% of the leadership and its ability to motivate the co-workers". Motivation can be defined as the answer to the question "why are you doing what you are doing?". The conditions for a motivated group of co-workers can be created through putting up clear, positive and measurable goals. Behind this steering towards a goal, lies the conviction that all human beings who have created something big, first had an image on, a vision of what it's going to be like when completed. What we call a goal picture.

The image of the goal- the goal picture

In the world of sports one has developed the method of training towards a goal, as described in chapter 2 "Mental attitude". Several competitive sportsmen on an international pro-level have over the past twenty years spent a lot of time with mental training which is entirely built on this goal picture. The experiences are unequivocal: the method works!



The thing that is happening now is that the methods from the world of sports are being taken to the working life and are nowadays a part of several programs for development of managers.

It is a significant task for a manager to be able to describe and at the same time communicate to his co-worker a positive, optimistic picture of the goal - a vision for the future of the company. This is certainly important at difficult times when it is easy for sadness to spread and put a lid on all the enthusiasm which, in turn, will lower the effectiveness.

The goal picture is a source to empowerment!

The demand of a goal picture to give the motivation and energy needed is:

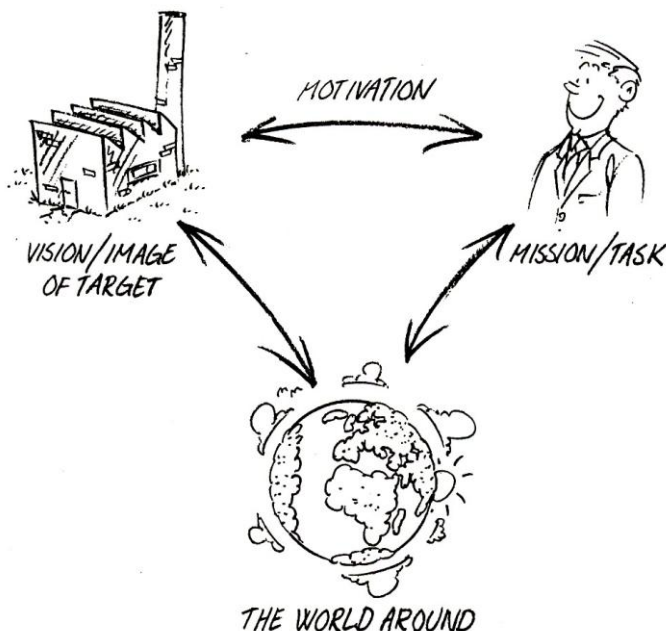
Change in Style

- that it is positive, i.e. describing how the managers want the company to look like in, for example, two years from now
- that it is clear and correct and is describing the company as if it already had reached the goal
- that it contains other measurable goals



The first step one should take when producing a development strategy for the company is to formulate a vivid and positive goal picture. The goal picture for the entire company can then be taken down in small goals for several parts of the company. The whole staff must be a part of this work so that the anchoring is going to be right and the motivation strong. The goal picture describes how it looks when the success is completed (present)

The goal picture can be communicated via certain trained people. It is therefore necessary that the people "selling" the goal picture themselves has "bought" it. Otherwise the communication does not work.



THE LINK BETWEEN THE TASK OF THE INDIVIDUAL AND THE VISION OF THE COMPANY

Change in Style

With a starting point of the goal picture we can then develop a strategy and a plan for the actions of every department and for the whole company. This should include business development, organization development, staff development and competency development so that it covers the entire company. Also look at chapter 3.

A strong and clear goal picture can enable us to create great achievements, to lift ourselves up. Weak goal pictures or lack of them can make us fall far below our optimal performances. In the goal picture of the company, you should find inspiration and motivation, there you can find your own task - your mission. There is the possibility, there is the direction, there is your task!

13. MANAGING CHANGES

I can still remember how the teacher of my first course in leadership was talking about the two types of leaders: the authoritarian and the leader that will let anything pass. Since then I have been reading a lot of literature in this subject and can state, to my enjoyment, that the number of types of leaders have increased. Adizes, for example, speaks about four basic types and variations of these.

Static leaders in a dynamic surrounding world

I feel the lack of basic analysis of the changeable conditions in leadership in many leadership courses. They still talk a great deal about workers as a stereotyped crowd, about the market as something unchangeable with buyers and customers which act according to the "rules". Even the conditions of competition, technological development, effects on the environment, raw material and energy assets are treated as if they were predictable and only changed after certain decided rules.

The budget - a blunt instrument for prognosis

An example of faith to one's own ability to predict changes in the surrounding world is budgeting in business, which really is a prognosis for the market development plus the income and cost changes. The changes in the surrounding world are really happening very fast: new actors are appearing on "your market", new techniques make yours ancient, countries that you never have even heard of can be your new customers or competitors, opinions about the environment are quickly creating new patterns in consumption and so on. The global changes are very complex! Chances to – in a budget - include every conceivable change in the world for the future years are not as big anymore. The budget has to be seen as a pretty rough instrument to maintain balance between income and cost. One can follow through with a number of reviews during a financial year or if it is in a form of a project, work on the side with developing a basic budget. But this can of course only be with good economical control.

Security must be based on the capability to change

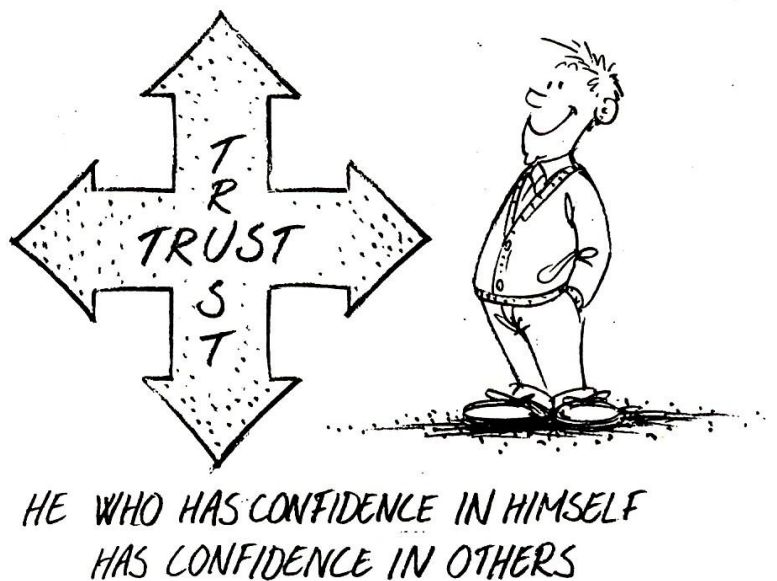
The success for a company is more and more decided by its ability to adapt to changes in the surrounding world. In turn, the ability to change is decided by the manager's ability to lead the work with changes. This is primarily about the soft/human leadership factors:

Change in Style

Motivation, which in turn consists of :

1. analysis of the surrounding world - why should we change?
2. in what way should we change?
3. description of the goal picture - what will we look like in two years?
4. development strategy - how do we get there?
5. encourage experimenting/no failure attitude, only learning
6. follow up and draw conclusions - what have we learned?
7. delegating/piecing off of the project/show confidence
8. personal interest in the co-workers/management by development dialogue

The success is therefore based on the soft leader skills - the ability to motivate and lead people.



What is required of the change manager:

- to handle not knowing in fast changeable surrounding world i.e. courage
- to be flexible - learn new things
- handle not knowing or being the best - to show confidence

The changemanager need to have a positive self-image

To be able to handle the role as the leader in an organization during swift changes it is necessary that the leader has a positive image of himself/herself - faith in their own abilities. Real confidence based on the experience that "I can handle almost anything - by myself or together with others" is the foundation for successful leadership.

Only the person that trusts himself dares to have faith in others

In working with changes, it is extremely important that the co-workers have confidence in the leader and that this person has confidence in the co-workers. To show faith in someone is to

Change in Style

show that you believe in that person. The co-workers grow when they get just enough confidence from their managers.

A leader with a positive self-image can always handle the problems existing in a changing process. He/She can handle confessing that he/she made a mistake and are able to change without losing prestige. He/She listens to the co-workers that have special knowledge in certain areas without feeling inferior. Only leaders with positive images of themselves will wholehearted succeed in delegating a task to a subordinate co-worker. Only leaders with positive images of themselves have enough moral courage needed in a changing process where different and various desires are struggling with how the changes can be achieved.

The saboteurs of the changing process have to be eliminated

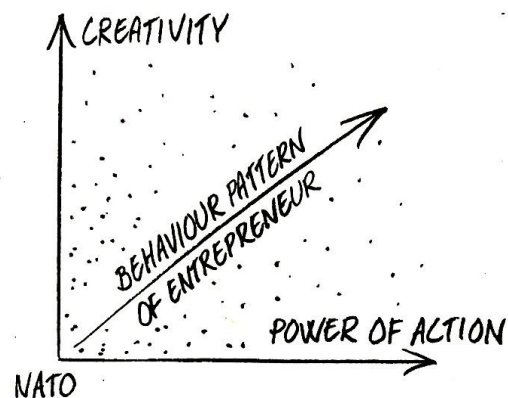
Sometimes forceful efforts are needed to eliminate the saboteurs of the changing process - the "brakes" that are using so much energy that they sometimes can hurt the entire process. It can sometimes come down to eliminating this kind of people or have the entire business end up bankrupt. The "brakes" should have their chance to change their minds but then they have to be either rendered harmless or converted thinkers.

14. FINDING THE DEDICATED PEOPLE IN THE COMPANY

In a growing and modifying process, it is extremely important to create models for the large group of employees. Some of them must go first and lead the way - be the pioneers of change. What expectations are we anticipating from the ones that are suited to go first? We are naturally looking for people with an entrepreneurial behaviour! We call them intrapreneurs.

What we mean are individuals that are both creative and energetic. Look at the figure below and you can see how these people are conditioned:

- they have positive images of themselves
- they act more than they talk
- they can stand working against all odds
- they will always find possible ways - if one way doesn't work the other one will. And it is always directed towards the clear goal picture. Their opposite is the so called NATO-person, no action talk only.



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The intrepeneurs are the inside entrepreneurs of the company. They do not act like employees but rather more like if they had their own company within the larger company. Despite this, they can easily cooperate with the big company and work a little bit like a search party and a detached development department for the company.

Active employees - a threat in a conservative organization

In a company of conservative culture, this type of personality may be viewed as annoying and threatening. They may have a very hard time with the space of the company because of their dynamic attitude plus not acting like an ordinary employee. These energetic people are burning with desire to try new product ideas, new production methods, new ways to work etc. If they are not given the necessary space they want they become annoyed and pretty soon they will leave the company. Some people might be relieved because finally there is now going to be some peace and quiet. After a while those people will begin to notice that the entire surrounding world is becoming different and troublesome. Maybe they should have let the tiresome energetic person keep on the same way? Maybe this person had the solution to the future of the company?

How to control the energetic associate workers – make them search in the right direction

If these energetic people shall be seen as resources they need leadership of an entrepreneurial style.



Talk about what kind of terrain you want to have searched. Discuss in what direction you had planned the business to develop.

To give support and lead the pioneers/ the pathfinders

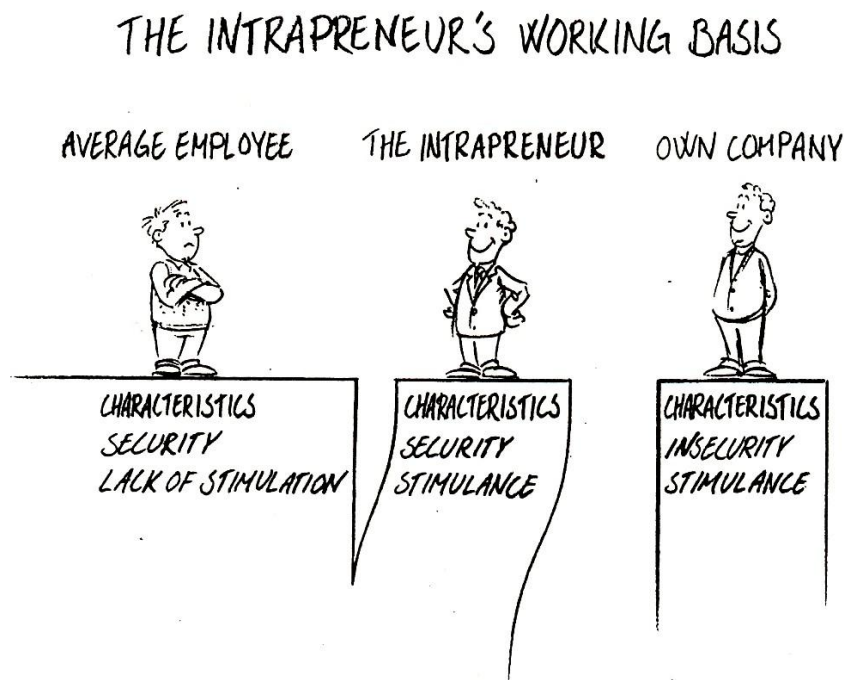
To reach the optimal development of the intrepeneurs, it is essential that a mentor or group of mentors are appointed with the approval of the managers. In this group of "managers in change" there should naturally be individuals with a certain interest in development and intrepeneurship. The task is primarily to be an absorber of ideas and views and give support

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when the developing projects are hindered by internal brakes within the organizational structure.

This is the way to find your most passionate employees

A good way to find the energetic people is to make known a competition of ideas based on the goal picture for the company of how and where the company is going to in a couple of years. Among the persons that contribute with ideas there will be potential intrapreneurs. Find out if these individuals have, some time in their life, documented any project. Have they managed to start and **finish the job all the way to the end**? This is the crucial feature - that they have the stamina to see things out. Mission completed!



Formal education or a position in the organisation has no bearing on the issue - we are looking for people with certain qualities. They can exist anywhere in the company. Maybe they earlier had the chance to show their creative force in their spare time and been quite anonymous at work. The management now has to create space and conditions for the intrapreneurs and see that they are accepted in the mother organization. This can be done in several different ways, but it is of great importance to see that no opposition arise between the intrapreneurs and the other associate workers.

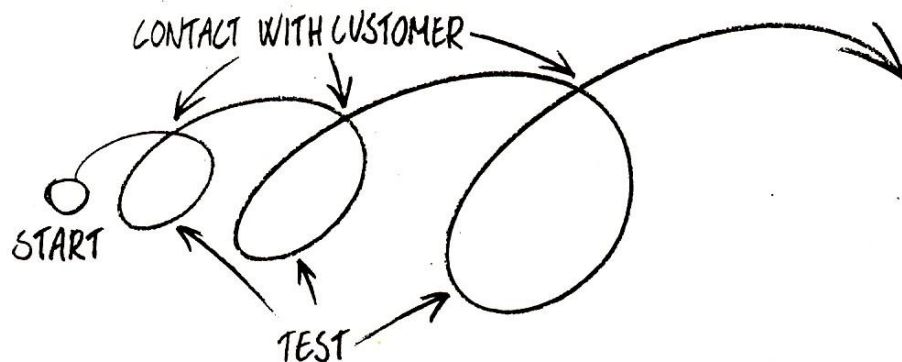
School for the intrapreneur

Even an energetic person has to be trained to become effective. The ForeSightGroup, the mother organisation to the Fore Sight Network, created its School for intrapreneurs in 1980. In a specially designed program, the selected individuals are trained to try various innovative ideas in a quick, inexpensive way.

THE TRADITIONAL DEVELOPMENT PROJECT



THE INTRAPRENEUR'S DEVELOPMENT PROJECT



CHARACTERISTICS: SMALL, FAST AND CHEAP. MINIMAL FINANCIAL RISK

The education and training is done in form of a project. This is a project where an idea is put to test in conjunction with close cooperation of either the first customer or purchaser of the service or product that is being developed.

One aspect is to get, as quickly as possible, the response from the market of the likelihood of the service or the product. After about three months and three training sessions, there will be a commercial test of the different projects. Are we going to put more time and effort into this or are we going to bury the whole thing with a decent funeral? The ability to drop the project is a very important quality for an intrepeneur. As the saying goes: "You got to kill your own darlings!"

The experiences from the entrepreneurial operations are very positive and today training programs for intrepeneurs are taking place all across the world.

15. THE CULTURE IN THE COMPANY

Culture, as everybody knows, means cultivation. So what are we cultivating in a company? Money? Ideas? Technology? People? Knowledge? The answer is without doubt: All five!

All the five cultivations mentioned above are taking place in a company and there is certainly a connection between all of them.

Change in Style

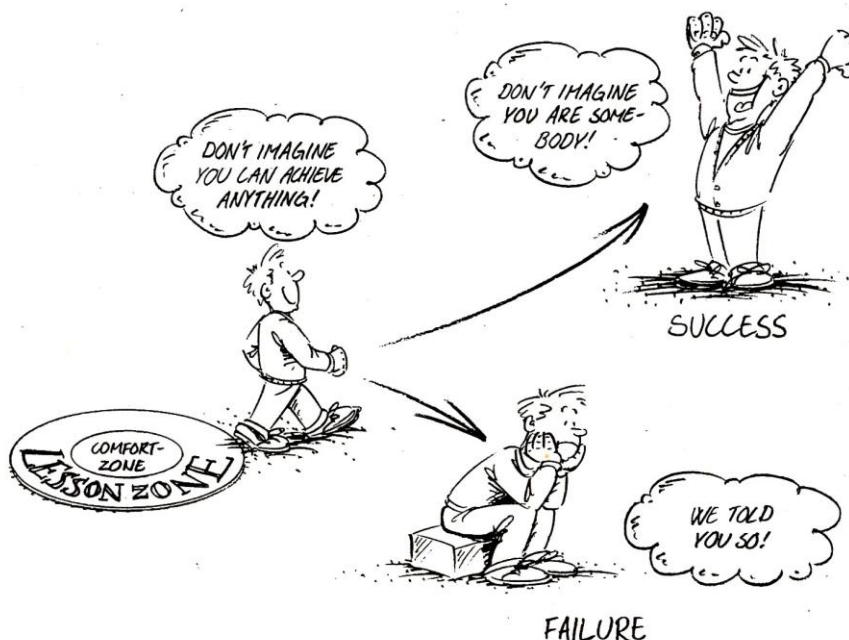
From the owners of the company we first of all expect the required economical growth - the results. But the economical growth, the cultivation of the money, is in turn directly dependant on the other four cultivations. If the company shall reach a good economical result, there has to;

- be new ideas finding life
- be an effective use of the new technique
- be a continuous learning and improvement
- the co-workers have to be engaged and feel participation
- individuals have to be given the possibility to grow and develop

The conditions for this cultivation to succeed are exactly the same as the cultivation for crops: the environmental factors. To make a small seed grow, it has to be nurtured in a positive environment with the right heat, humidity, light and nourishment. The cultivating environment in a company- the culture of the company- are our attitudes, norms, rules, our organizational structure and so on.

The lutheran thoughts and the "law":do not think for a second that you are anybody important (=the Jante law) is a big problem in all development.

In Sweden, we generally have a culture that is characterized by Lutheran thoughts, Jante laws and the royal Swedish jealousy. The attitude towards those who want to try new ways can be summarized in "You should not think that you know anything". If "the new way" leads to the wrong place we can hear "Didn't we tell you" and we are then programmed to feel the total failure.

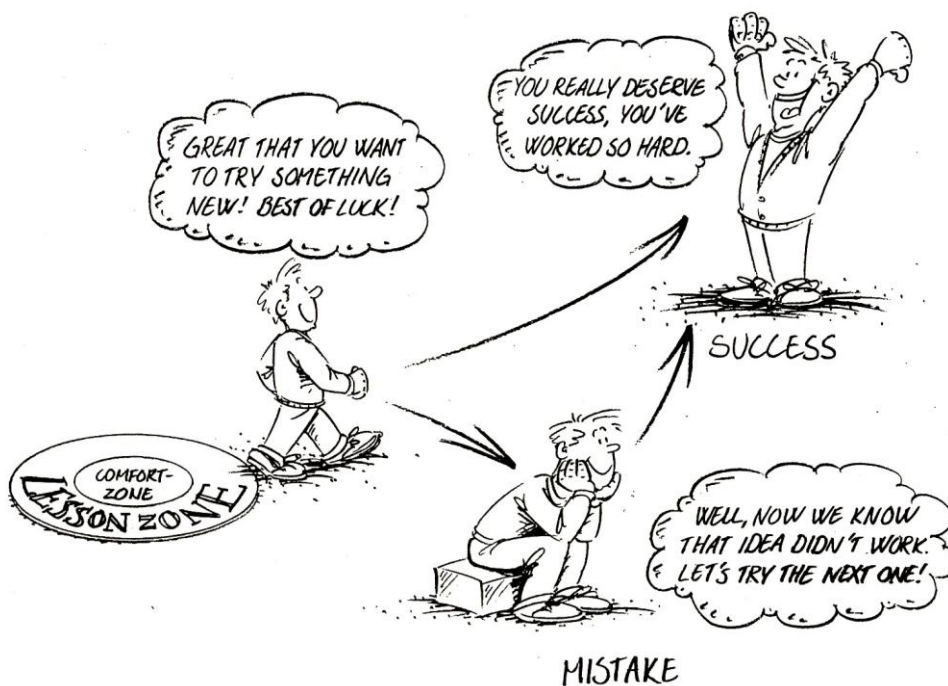


Change in Style

On the other hand, if we have success on our "new way" we hear "You should not think that you are somebody". On the whole, we can establish that this attitude hardly favors any innovative thoughts or developing operations. Do as you have always done it - then everything will be okay!

How to create change: make your mistakes small, cheap and quick

To play down the fear of making "a fool out of oneself" we have to develop a method which enables the mistakes not to grow out of proportion when made. You have to get a positive attitude towards doing something new and to do it small, cheap and quick. One has to be allowed to make mistakes. Through this method, the mistakes will not become so disastrous and we will become more positive towards doing something new!



In a culture with constant fear of making mistakes not much is going to happen along the lines of development - because **if you are not doing anything you can not make any mistakes!** With this way of thinking, the sedentary becomes a false security. It is of the utmost priority for the management to be obligated to increasing and expanding the company on a long term range.

Encourage "pathfinders" - the entrepreneurs

By working consciously with development matters and encouraging the "path finders" who want to try new ways, you will receive, on a long-term basis, a change in the culture of the company. The goal is to create an learning organization where the learning is part of the regular work. Through learning new things and becoming more competent, we will open new business opportunities!

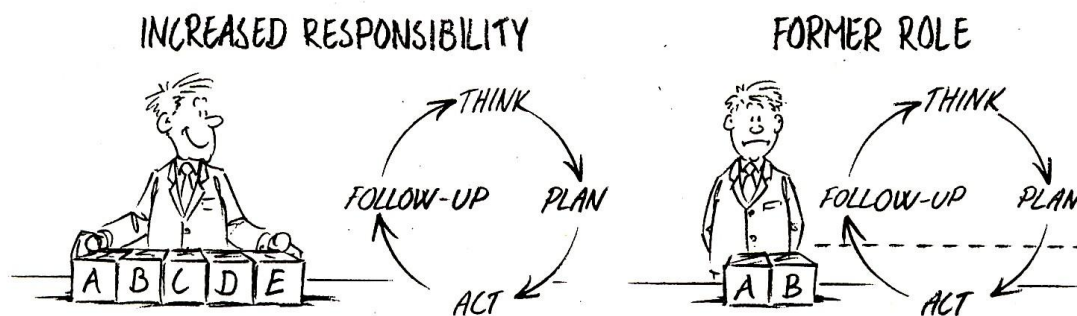
16. PERSONAL DEVELOPMENT

Several investigations in both the US and Europe show that the most capable people leave a company if they do not get enough space for development. Salaries and other economical conditions come further down on the list of reasons for leaving. Some 20 years ago there was an attitude investigation done in Sweden to see if there were any differences in this aspect among older and younger employees. In the interview, two groups participated; one group was fresh out of college and the other was employees working their last years before retiring. The differences were obvious. The ones who were soon retiring stressed security and economy. They were very loyal to their companies. The younger ones put more stress on the probability of development as the most important factor when they chose an employer. They valued the possibilities of further education and contacts with other countries. They showed more faith in an idea than faith in a company.

Since the old hierarchical career ladder is disappearing and the organizations are flattening out, we have to discover various ways of development rather than climbing vertically. It has to be a broader and deeper vantage ground, more outspread professional roles, including taking on more responsibility. In the future the, "regular employees" must have more direct contact with customers and sell, plan and deliver both products and services.

Possible ways of development in smaller companies

In the smaller company, it might be both easier and more difficult to find ways to personal development - easier because the delegation of the responsibility is motivated through the smaller amount of employees - more difficult because the "family feeling" makes it harder to put forth the desire and opportunity.



I do believe though that there are a lot of opportunities to develop a totally new organization in the small but growing company, where the co-workers can use their creativity, and get challenges and inspiring goals. This means that even in a smaller company one had something similar to a concern organization where separate co-workers have the responsibility either for some customers or for certain product areas. In both cases, there are new essential requirements of proficiency besides the regular knowledge for the business:

- commercial skills in the form of basic economical knowledge and ability to communicate/sell
- administrative knowledge and ability to lead a project

The gains for the company

The gains for the company, from working in a more long-term manner with personal development programs, are that one will get more motivated and loyal co-workers and they'll be more active and participate more in the company. All research points to that You will reach an increased effectivity, decreased sick-level and less personnel hiring and firing if using similiar measures. *It is profitable to invest in the co-workers in the company in a thought out and a long-term manner! Human resource development at it's best!*

17. MAKE THE ENTIRE COMPANY CUSTOMER

The AEI-method* - all employee involvement

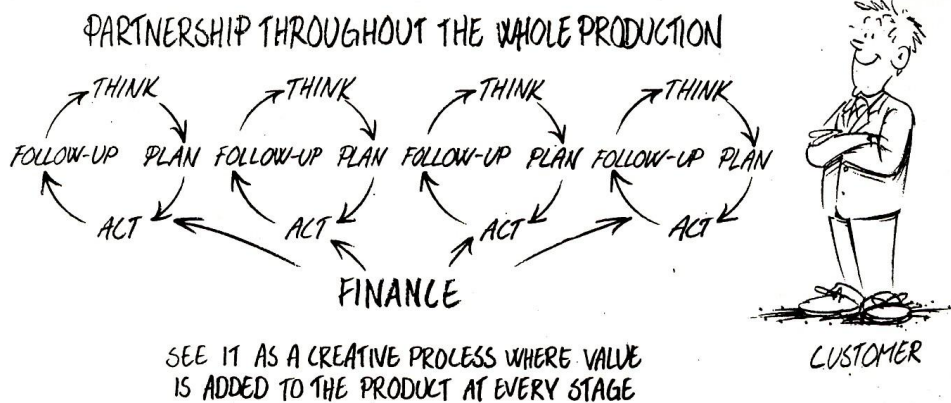
To give the customer companys (business to business) greater chances to affect the operations of the company we have to develop broader and more effective borders between our companies and the customer companies. The only way to do this is to involve all the co-workers in the relations with the customers in a more structured and planned manner. According to the traditional way, the employees dealing with customer communications have been working way down in the hierarchy while the decision making has been taken care of on top between our marketing department and the buying department at the customer company. With this model, we lose a lot of important information that exists way down low in the organization, where the viewpoint of the customers are well known. This knowledge is staying there and will never have any effect on the products or the operations of the company. The companies that are especially talented in development have systematically been using this information from the customers to build up its business in the right direction towards the needs and wishes of the customers.

See the company as a value-creating process

The different internal production steps as well as the following processing steps have to be seen as a sequential process. At each level there is a sales – customer relation. A relation to the customer where the quality is to be checked and where important information is taken care of. To really customer orientate a company, the employees have to know the company as a whole and each and every one of them has to understand the consequences of good and bad quality. The most effective way to do this is to let the co-workers on the border lines of each level, meet and learn from each other both internally and externally. When our "old man" gets to meet his colleagues in the following production process, maybe he will spot something right away to make their job easier.

Think about the customers of your customers

One part of customer orientation is to think one step ahead. What does it look like at the customers of your customer? What requirements do they have for the final product? You might want to take steps which will in turn make it easier for your customer to help their customers. To consider the entire process chain all the way to the final customer it's necessary if you are to succeed. Even going back to your subcontractors to be able to reach the best possible result to keep refining.



Partnership for quality to the final customer - a necessity

The entire process chain from the start to the finish, from subcontractors to the final customer, all go together and - as usual - the chain is not stronger than its weakest link! That is why you have to see all the participants as partners in the process for the final product you are going to create together. In this partnership, the customer is included as well as the different financiers for the process steps.

18. WHAT ABOUT COMPETENCE ?

Competence and competence development have been expressions used often in Swedish media for the past years. Right now there is a lot of effort being put into increasing the skill for the next coming boom. It is good indeed that one is using this time to educate during a period of unemployment. But I think that more of the resources should be directed towards the development of proficiency which can help create a better economical situation. I believe that most efforts of today are presuming a period of economic recovery will **be initiated by someone else**. We Swedes are obviously viewing ourselves as unable to create any great achievements when it comes to creating new business and thereby creating real jobs, or at least that is what our politicians seem to see in us.

The Swedes are still able to create innovations!

The great achievements made by the Swedes in the history of technological development and science are seen obviously as impossible to do again! There is still a feeling that excelling is limited to official examinees. For me, the concept competency is broader and complex, based on experiences from several years of work with developmental and educational projects. There is a lot of important knowledge and skills as a result of learning by doing. What we call real competence.

Further education commonly deals with only knowledge - the spreading of new knowledge. Our programs within the Fore Sight Network is focused rather on developing the ability to use already existing knowledge for usage in operations and customer relationships.

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The necessity for competency comes from the market : the customers are demanding to be able to purchase whole functions as solutions to their needs/problems.

Areas of competency for the companies of the 21st century:

Professional	Personal	Social	Commercial
Useful theoretical and practical understanding	Preparation for change Ability to take initiative Positive image of yourself	Ability to communicate Ability to work with a team	Service/customer oriented Aware of the results Economical

A transformed working organization with more delegated responsibility within the working teams and increased demands of quality and service from the customers are all factors controlling this expansion.



To me competency consists of two parts: **knowledge** and **ability**.

- **Knowledge** is something that you develop when you are motivated, when your receiver is on and the finder is searching. It can be obtained through lectures, different kinds of media or through oral tradition.

- **The ability** to do something with the help of your knowledge has to be developed through actions. Stored knowledge might be fun to have but seen through the eyes of the company all knowledge not made useful is worthless. An essential and longterm necessity is the ability to create business out of your knowledge. With this I mean that we have to discover the application to the knowledge that we possess, we have to meet the customers to listen to their problems and needs. It is to meet these people we build knowledge in the trade and industry - where the knowledge pays off. The chance to discover new commercially marketable products and ideas are created in interactive connections with potential customers. It's when we meet the customers that we get ideas about how our knowledge is to be used in a profitable manner. We can create values to the customer which he/she is ready to pay for. We have created a new business! We have improved our economical situation! We have made use of our knowledge! We have developed our ability to use our knowledge in a constructive manner! We have become competent!



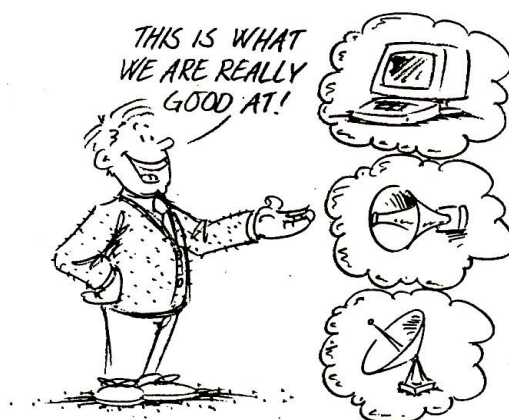
Competency - an important competition factor

Competence development in industry and trade has always created competitive advantages for the market. This might seem a little diffuse and that is why it is better to reason like this: Try to see the company through the eyes of the customers. Ask the customers in what way the company needs to improve. Let them make a list of priorities regarding their desires!

In what way will you increase the values to the customers when you develop the proficiency of the company? The customers ought to feel some kind of increased usefulness from your development of skills. It might be improved service, faster answering service on the telephone, increased accessibility to important people or better quality. But it can also include lower prices made possible through increased productivity. Or that you are able to deliver a product after mastering something that was impossible before. May be an entire system instead of components and parts. The company might have developed a competitive concept.

Give the company a profile - tell the customers how you develop skills and competence

If you are undergoing an education of any kind which is not leading to any improvement for the customers, one has to ask oneself if you haven't made the wrong effort. On the other hand, if you have made the right effort and are feeling that the company has become stronger from its new competency, it is essential to tell the customers that one has gone through a program for the purpose of improving for them. And what this means for the customer.



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It is, of course, essential to do this since the education should be an answer to a need of the customers. Then it is obvious that they should receive information on what has been made for their sake.

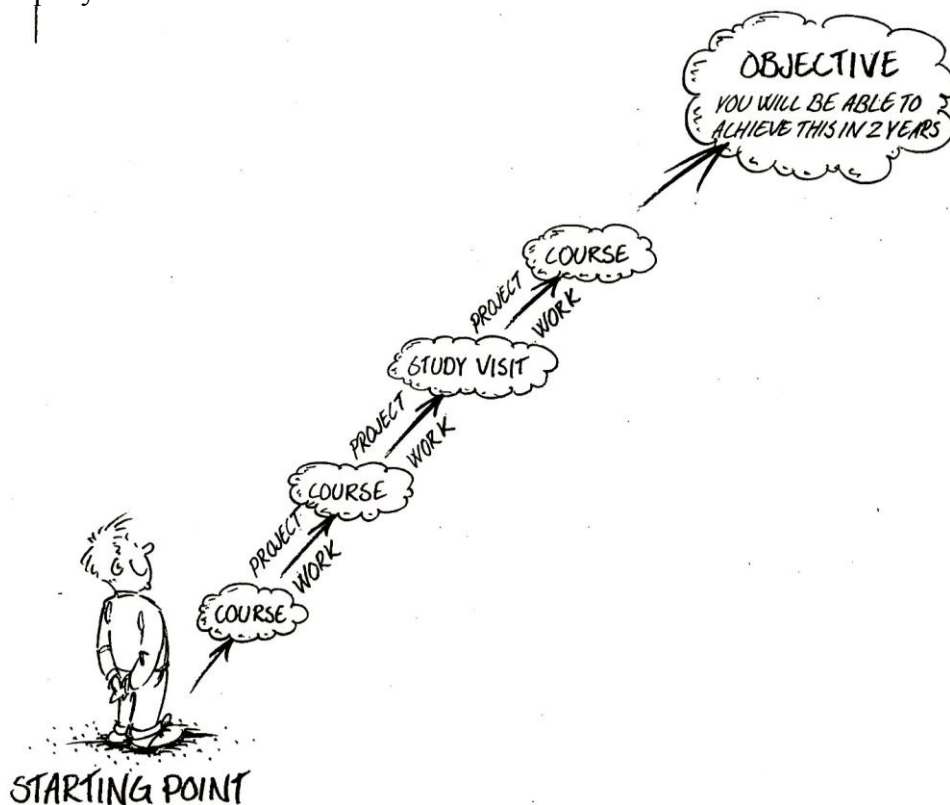
A correct development of skill is naturally going to lead to both a *personal development for the individual and a development in the company!*

Having this attitude in the competency development it will, in the long run, lead to an increased and more thought out effort - it has been shown that it is paying off!

19. FROM COURSES TO DEVELOPMENT PROGRAM

The title of this chapter can be viewed as the long-term goal for all the operations going through development. This is, of course, a shared view by everyone working with development and educational matters within the industry and trade.

We have to see competency as the most important tool for competition in a fast changing market. Accordingly, the authority of the company has to be developed through the demands of the market: what kind of competency do we need to be successful? This is seen with a longer perspective - if possible, a two-year plan. A developing program is needed for the company if it is to succeed with this.



Competency development - a lot more than courses

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When one is talking about competency development most people are probably thinking about "going away to a course". One sees this education as something isolated - something that you are going away to do.

But in every company, there is a constant development going on considering skills since you constantly have to solve problems and are continuously put in different situations. One has to count with expensive lessons with this sort of education since it takes a longer time to perform new tasks without the correct skills and the number of mistakes and remarks will be large.

I feel that the way many companies deal with these questions, in any field of business, is a waste of both time, money, and also people.

A course, i.e. a structured education led by a valid teacher, is naturally a great form of intense learning. It is in the compressed, intense form that the traditional course has its strength. One gets a maximal learning effect in a small homogenous group with motivated students where everyone understands the course part in a longer and more drawn out situation. They are aware of why they are taking this course, what the goal is with this education, what usefulness they will obtain for their work with this new knowledge and so on.

At home, in the company, one can do a lot of preparation for those going to take a course as well as doing a follow-up after the course when they get back to work. Especially small companies have a very hard time sparing staff for weeks to take a course. The developing programs that we work with aim at integrating courses, projects and education via mail. The actual time spent away for a course is compressed to a minimum.

Project-oriented working manner

The development programs, which we work with in The Fore Sight-Network, are aimed at so called action learning. Instead of talking about abstract actions we do things for real. In the shape of projects, we work with concrete development missions within our everyday operations. In a development program, regular courses are included which are mixed with project work at home in the company. The aim is to create the most out of the development money that has been spent by using and developing the latent competency that exists among the co-workers. A development program for the entire company can contain portions of the program for affiliated companies or sections plus programs for every individual co-worker.

20. STRATEGY - 11 STEPS TOWARDS THE FUTURE - CHECKLIST FOR AN ACTION PROGRAM

My thoughts about the future undertaking of business are completed with suggestions of a checklist for planning development. It is necessary for all companies to continuously look at their operations, to watch the changes in the market, to develop competency which is the future measure of competition and last but not least: to take good care of the staff. Companies that want to succeed have to allow their co-workers to grow and develop! One constantly has to adjust one's organization and let this adjustment be controlled - from the inside out - by the demand from the customers.

The management must take time for the questions of development - otherwise there will soon be discussions regarding downsizing liquidation!

Change in Style

There is no such thing as standing still in business - either development or liquidation. Either growth or reduction.

Questions about development have to come earlier on the agenda! It is a necessity for several reasons:

- the conditions for undertaking business are going to be drastically affected, among other things with the approach to global market
- the traditional fields of business are shrinking the numbers of employees at the same time as new corporations with intense service and knowledge are growing

A development plan is usually made like this:

Goal picture

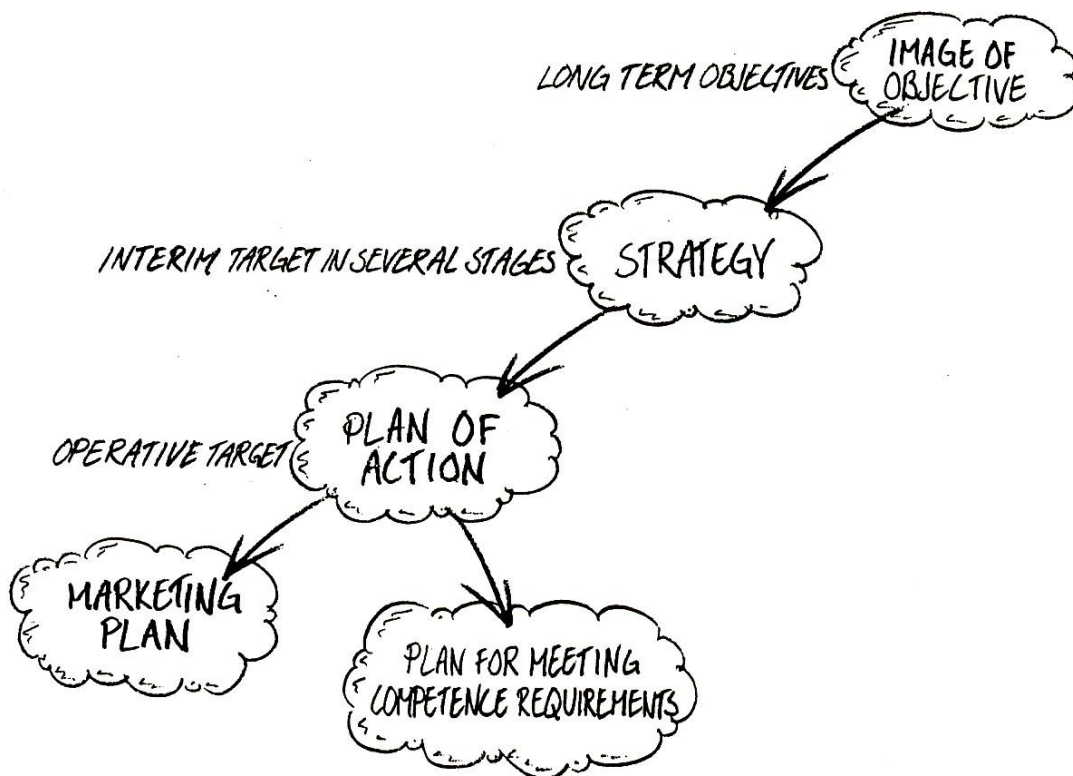
This is what the company and the operations will look like in two years.

Strategy

This is what we will do to realize the goal picture

Action plan

To realize the goal picture in two years we got to have goals in steps every six month



Plan for marketing and competence development

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Starting from the action plan, we will produce a market plan for our offensive effort for potential and old customers. Parallell to this we will produce a plan for providing proficiency to make sure that we are getting the competency needed to set the marketing plan in action.

Individual development plans

As a result of conversing with the employees, long-term personal development programs are made which are sub-ordinate to the plans for marketing and competency development.

The following checklist might be of help while working with the plan for development.

Step 1

Decide towards which segment of the market your company is going to work. Target groups.

Step 2

Get in contact with one or a few customers within each segment and let them make a list of requirements on products and services they would like to purchase from you. Ask them to specify priorities!

Step 3

List the types of proficiencies required to answer the demands of the customers.

Step 4

Take inventory of what competency you already have.

Step 5

List the competency that you lack.

Step 6

Make your decision: are you going to build up the skills required from within the company or are you going to purchase it from the outside? What partners are you going to cooperate with?

Step 7

If you have chosen to build up skills required from within, make that a long-term plan. Decide where you want to stand in two year's time. Then set up smaller goals for every six months. After that, make a plan of activities for the development of necessary skills for the next six months. It could be courses, but there are lots of other methods, for example a project in the company, studying over the internet and so on.

Step 8

Inform everyone in the company about your plans for the development of the company. Make it clear that everyone will play an important part for the success of the company. Tell them that it is your intention to have meaningful conversations considering growth with all the co-workers so that they are able to affect their future part in the company. Celebrate with a big kick-off!

Step 9

“Sell” your plans of expansion to your old customers. Inform them about what services you are going to offer them based on the new competences in the future. See to it that the new skills and competences fast will be used in practice. This is development in business!

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Step 10

Identify new possible customers where your new knowledge is an important vantage ground.
Build a personal network among these.

Step 11

Look around in the organization with the purpose of increasing the contact surface towards old and new customers.

Change in Style

TEST 1.

How efficient and good are Your company on development and improvement?

High values on these parameters have shown a large correlation to the ability to develop and adopt to change. Be honest when you fill these in and then consider what should be done to make the company even better. Everyone can get better!

1. The company lacks hierarchy, they are working in teams, have common goals and the company encourages initiative. It is allowed to make mistakes.

0.....5.....10

2. The customers, or the purchasers, are controlling the operations in every aspect.

0.....5.....10

3. The means of communications are primarily horizontal.

0.....5.....10

4. Learning is constantly going on in the form of further education, projects and training. We are constantly getting rid of old behaviours.

0.....5.....10

5. The co-workers have a large personal responsibility, a possibility to affect production, responsibility for quality and service to the customers.

0.....5.....10

6. All the employees are aware of the business ideas of the company, the values it's based on, what kind of customers you have and what they are asking for.

0.....5.....10

Change in Style

7. The working teams are rather lead by coaches and teamleaders than by the boss.

0.....5.....10

8. Efforts are rewarded according to the produced customer values, usefulness to the customers, results and quality.

0.....5.....10

9. All important information is available to all fellow workers.

0.....5.....10

10. Everyone in the company is participating in the planning of realizing the goal picture of the company, shared by everyone.

0.....5.....10

11. The company has loads of energetic persons which are testing, experimenting and producing. Everything is done to learn and become more efficient.

0.....5.....10

12. The management of the company creates a climate, a culture, which is favouring innovative and energetic people. Producing things is beautiful!

0.....5.....10

13. The company is very open to the outside world and is continuously following the changes and tendencies of development. One is constantly working close to the customers!

0.....5.....10

Change in Style

TEST 2.

Self-knowledge - this is who I think I am! In the field of change and development.

Name.....

High values on these parameters below signifies a person of proficiency. How about you? Be honest in your answers and then consider what areas you want to improve!

1. I translate every goal into detailed and well-defined goal pictures with the desired future results. I describe its positive consequences in a lively manner with all the senses.

0.....10

2. I work in a long-term manner, disciplined to reach my goals and am not letting myself down due to small setbacks. I can live with uncertainty, i.e. not knowing how things are going to develop and how the problems are going to be solved.

0.....10

3. I constantly seek to increase my knowledge and learn new things. I am open to new ideas and listen to other people's experiences, testing and adapting them to my own situation.

0.....10

4. I am creative - making the best out of problems. Find the hidden options. I have an ability/habit to constantly see new angles on situations and problems.

0.....10

5. I can control my fear. I usually handle my fears and doubts, which diminish my chances to enjoy life, and turn them in a positive direction.

0.....10

6. I am independent and take full responsibility for my actions and their consequences. I can motivate myself, i.e. I am not dependant on other people's approval.

0.....10

Change in Style

7. I have the ability to develop sincere and durable personal relations. I am a good listener and give psychological support and encouragement to others. I'm a facilitator.

0.....10

8. I have good economical sense. I view my personal economy in a long-term manner and I have good control over income and expense.

0.....10

9. I have regularity in my lifestyle with enough sleep, relaxation and rest.

0.....10

10. I exercise on a regular basis and enjoy physical activity. I am not trying to be Mr./Mrs. Perfect but trying to outdo myself and my limits.

0.....10

11. I increase my resistance towards sickness and feelings of discomfort with "positive thinking" and by seeing myself as healthy and "not having the time" for any kind of aches or pains.

0.....10

Change in Style

Back of the book...

Customer orientation, quality and service has, for several years, been some of the most fashionable words when leadership and the undertaking of business has been discussed.

To transform strategies with its goals into practical actions, so that the customers really feel these qualities in connection with the company, a thorough process is needed. This is what we call a **change-in-style**.

This small book is based on experiences from such change-in-style programs and contains some advice and hints.

Gustaf Dehlin of the ForeSightGroup, which has been the mentor for the author, states this in his foreword of this book:

"Tommy Jansson, who we learned to know when he participated in our training of internal entrepreneurs in 1987, is a living image for much of what's included in the concept "entrepreneur". In the various organizations and companies he has been previously working for, Tommy has been the living proof of "Mr. Change-in-Style". In the struggle to change the entrepreneurial view in practice, this handbook about change-in-style is an excellent tool."

The author is a technician and humanist with 25 years of experience in development and educational projects.

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