



# FEGIME ACADEMY NEWSLETTER

## THE 2019 FAMP

### MODULE, BARCELONA:

#### "PREPARING LEADERS FOR TOMORROW"



This year's Module of the FEGIME Advanced Management Programme – FAMP – in Barcelona was attended by 45 next generation entrepreneurs from 12 FEGIME countries - 11 of them took part in a FAMP for the first time. The main topics were transformation and implementation.



**Model change** – After an excellent FAMP in 2018 with SDA Bocconi in Milan, the model was changed this year to ensure an even higher level of customisation. For the first time a business school was not directly involved. Instead FEGIME enrolled the help of Prof. Patrick Reinmoeller as Academic Director to coordinate the week. Patrick is Professor of Strategic Management at Cranfield University and an old friend of FEGIME.



## LEADING AND MANAGING THE **FAMILY ENTERPRISE**



What can a family business do to support the next generation?

### Succession Planning

The first topic - as ever – was Family Business. Participants enjoyed a highly inspiring & informative day with Prof. Stephanie Hussels, also from Cranfield University.

She began with Succession Planning and Management. The task for participants was to create a “family business map” to get a clear idea of all the family assets (such as values, heritage & connections) but also the family roadblocks. That succession is such an essential topic is proven by the following statistics from UK (other countries are just the same): 70% of all family businesses have a life expectancy of 24 years, only 30% will make it into the second

generation, only 13% into the 3rd generation - but a staggering 60-70% have no succession plan at all. An interesting and distinctly connected fact is that the life expectancy of a CEO at a multinational company is 4 years whereas in a family business it is 24 years.

Next up was an exploration of values and culture in family businesses. Stephanie introduced FEGIME Future to the “genogram”, an excellent tool to understand family history & the relationships between the various family members. Then came Conflict Management and she stressed that conflict is not always negative. A common family problem is procrastination (“Not now – we’ll talk about that some other time ...”). So, moving towards clear/unambiguous communication and steering people into the “ZOU” (Zone Of Uncomfortable Debate) can be very beneficial.

“Conflict  
is not always  
negative.”

### Prof. Stephanie Hussels

Director of the Bettany Centre for Entrepreneurship,  
Cranfield University

Stephanie has a passion for family businesses. She is the Director of the entrepreneurial hub at Cranfield University and director of the business growth programme, the longest established owner-manager programme in UK. She is also Director of Cranfield’s full-time MBA programme and has gained teaching experience in Germany, Saudi Arabia, China & Muscat.



# DISRUPTIVE INNOVATION

“As Madonna said:  
Reinvention is the trick of the game.”



## How to survive

Stephanie Hussels’ Succession Planning and Management fitted in well with the next session: Thriving in Eco-Systems by Dr Shaz Ansari from Judge Business School, Cambridge.

In these times of disruptive innovation his aim was to give participants tips on how to survive, i.e. to create longevity for their businesses. In groups they were invited to look first at a gym and then at a hotel in order to come up with radical changes that could be made to “reinvent” the business model.

Using the Four-Action Framework tool, the final task was to examine the various factors of the hotel business which could be “eliminated, reduced, created or raised” to design a more attractive and successful type of hotel – and consequently a new value curve avoiding “success traps” (what always worked well in the past). Shaz’s tip for managing disruption: balance past, present & future.



“Selectively  
forget the past,  
manage the present  
and create the  
future.”



## Breakout Strategy

It goes without saying that - with the ever-increasing speed of change in the business world – you just can’t expect to be able to keep on doing what you have always done. You need a breakout strategy to examine where you can take your business in the coming years.

This was the first message to FEGIME Future from Patrick Reinmoeller and he proceeded to introduce various tools to help them: e.g. the “5 Ps” (plan, ploy, pattern, position, perspective) to create a strategy and the “5 Forces Analysis” to define how attractive an industry is. As it is often very difficult to see clearly from inside, one good idea is to get an outside perspective.

The day was rounded off by a competitor analysis and a client/consultant role play.

Patrick’s advice:

“Break out from your core business to adjacent or – better - to transformational sectors despite the risk of uncertain returns. Otherwise, you are betting the future of your company on the world never changing.”

## Dr Shaz Ansari

Professor of Strategy & Innovation, Judge Business School, Cambridge

As well as publishing in several leading management journals, Shaz is also a member of the Erasmus Research Institute of Management at Erasmus University, Rotterdam, and an Honorary Professor of UCL, London. His areas of expertise include strategic management, technological & business model innovation, social innovation and CSR. He has contributed to executive education programmes for major companies such as McKinsey, Airbus, Shell, China Development Bank & British Telecom.

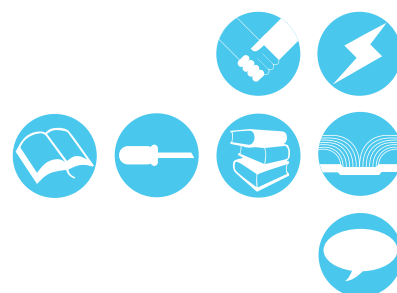


# PERCEIVED VALUE

What will your business need to offer in the future to be able to survive?

## Strategies for growth

Next day Patrick added another perspective to the discussions: Perceived Value. Using the “Customer Matrix” the groups were given the exercise of mapping out their situations in this respect. Key questions to be answered here were: What drives perceived value? What are the things that the customer likes now – or might like in the future? In this way participants were encouraged to develop their own strategies for growth. Patrick then got the group – using the Ansoff Matrix – take the process further after first analysing both old and new markets, segments, products & services.



# TOOL TO TAKE HOME

Relationships in the Digital Age (REiDA)

## Social capital

During the FAMP week participants work in groups on a Tool to Take Home to provide them with a practical take-away from the FAMP that can be implemented immediately.

In Barcelona the topic was Relationships in the Digital Age (REiDA) and - as relationships are the backbone of the success of family businesses – it is a very important one for FEGIME. Patrick’s instructions had been quite clear: Analyse how you reach out to your customers and map out the cur-



rent situation (compared to that of competitors), show the desired profile (where you want to be in 5 years) and define three steps to reach it - i.e. how you are going to create a splash in Social Media on the first day back in the office.

Inspired by Gartner’s tool for measuring the digital IQ of companies, the groups worked hard to complete their assignment in time for the traditional presentations to the President of FEGIME on the final day.



## Prof. Patrick Reinmoeller

Professor of Strategic Management, Cranfield School of Management, UK  
Patrick is a Core Member of the China Research Centre and a Visiting Professor at Erasmus University in the Netherlands and at Hitotsubashi University, Tokyo. He was educated in Germany, Italy and Japan and his working languages are Dutch, English, German, Italian, and Japanese.

# CHANGE MANAGEMENT

## How to adapt to a “VUCA” world

### Change is all about people

The next topic was Change Management presented by Sandra Krisberga-Sinigoj, Consultant & Lecturer at Cranfield University. We have all heard that we are living in a “VUCA” (volatile, uncertain, complex & ambiguous) world so will need to adapt as soon as possible. But change is difficult because it is all about people. We are creatures of habit who like everything to happen according to plan/order etc. otherwise we tend to resist.

So far so good, but what does this have to do with Lego? Sandra introduced FEGIME Future to the Lego Serious Play method which has been used for academic research already for 20 years. Teams were given a random quantity of Lego bricks and then asked to build something representing various ideas and concepts such as “Changes in my company”, “How does my team feel about changes?” and finally “FEGIME”. This is an excellent way of enabling exploration without consequences, of unlocking creativity & internal resources and thus enhancing teamwork.

The learning here was that it is essential to get teams involved in the change process. This not only makes the process much smoother but far more effective. In order to engage your rational thinking, you have to be emotionally motivated.



“Perception is extremely selective: people with other perspectives are regarded as stupid.”



### Sandra Krisberga-Sinigoj

Consultant & Lecturer at Cranfield University

Sandra has more than 15 years of business and managerial experience in European and Russian markets in diverse international business sectors. She gained international work experience in Tetra Pak, handling one of the biggest and most challenging global customers – Arla Foods – as the member of the strategic team overseeing the development of key account strategy and its implementation. Sandra has lectured in several universities on subjects involving strategy, innovation and organizational behaviour.





# MINDFUL LEADERSHIP

“Slowing Down to Speed Up”

## Give yourself more space to make a better decision

Nowadays everyone is always connected to their work/business, always available, always online. It is more or less expected. But sometimes it becomes too much, the scales tip and the result is a drop in performance. How is it best to cope with this and achieve sustainable performance? That was the question posed by the next lecturer, Dr Jutta Tobias Mortlock, from Cass Business School, London. Her topic was Mindful Leadership or – as she called it – “Slowing Down to Speed Up”. It is a proven fact that at any one time we are only 46,9% concentrated. The biggest danger then is that we miss something important.

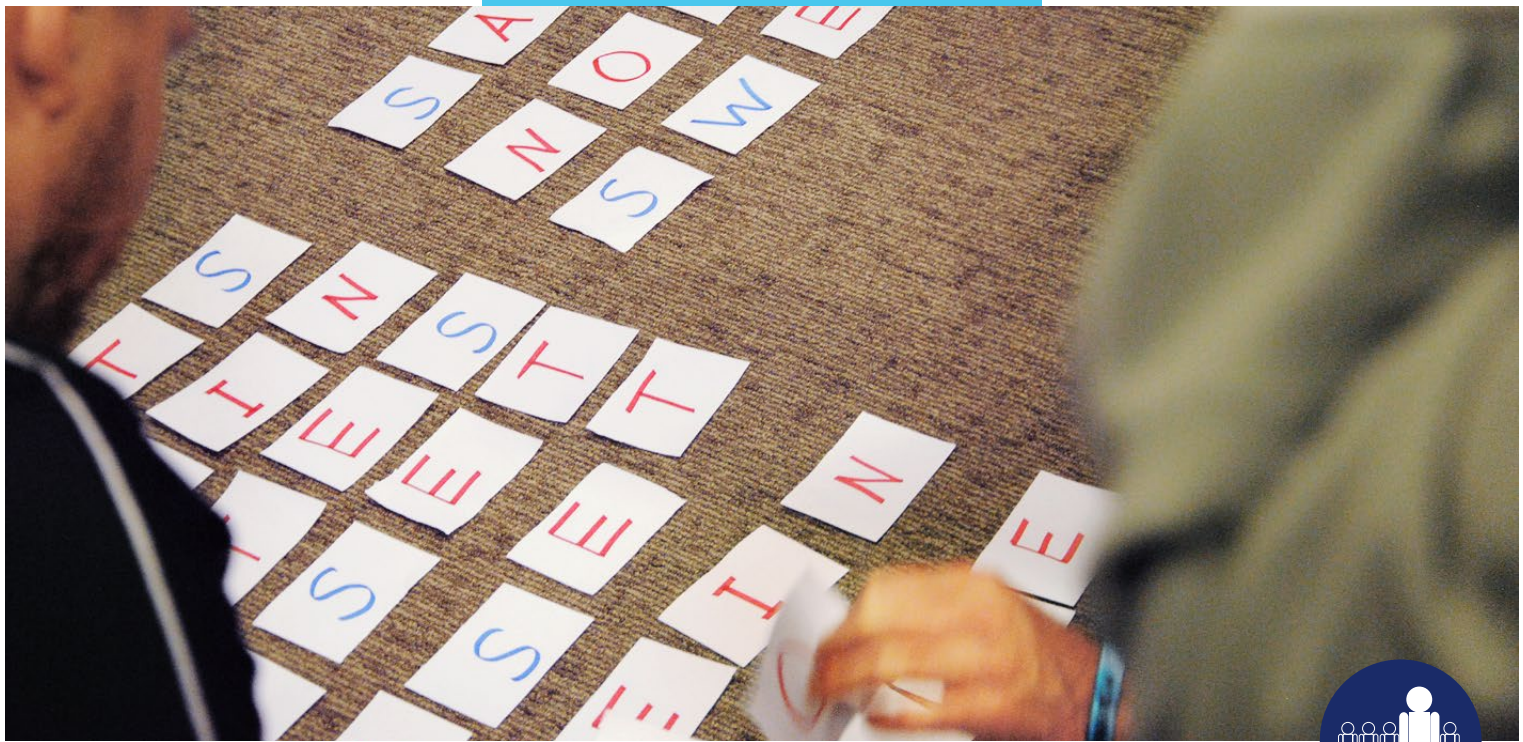
Jutta had a lot of tips for achieving Mindfulness (her definition: being fully present AND responding appropriately). For example: you must switch off regularly as it becomes more likely that you won't. The old proverb "All work and no play makes Jack a dull boy" is true – in the sense not just of Jack becoming boring but also of losing his sharpness/awareness. We must allow our brains to switch off & get distracted from work to enable us to make good decisions.



## Dr Jutta Tobias Mortlock, PhD

Cass Business School, London

Jutta is a social psychologist with over 20 years of work experience in organisational development and capacity-building in six countries on three continents. Her research interest is focused on behaviour change initiatives in workplaces geared at generating sustainable wellbeing and performance. She teaches and consults on workplace mindfulness and leadership and is a popular keynote speaker on these topics. Jutta also serves as an advisor to The Mindfulness Initiative, a UK think tank dedicated to investigating the benefits, opportunities, and challenges in bringing mindfulness training into public life.



# BUSINESS MODEL INNOVATION

## The discovery of a fundamentally different business model in an existing business

For most of the week FEGIME Future had been gaining a lot of insights into what changes could become essential to prolong the longevity of their companies. But that is only half the battle. If you know what changes you want in your company, you will not achieve anything until they have been implemented. Or – to quote Steve Jobs: “Ideas are nothing. Execution is worth millions.” To begin his session on “Implementing Business Model Innovation”, Prof. Luis Vives, from ESADE Business School, confirmed that indeed execution is the No. 1 priority of top CEOs. He even went so far as to say: a poor strategy executed well is better than a good strategy executed poorly. His definition of Business Model Innovation

“Successful business is about actively shaping the game that you play, not just playing the game that you are in.”



(BMI): the discovery of a fundamentally different business model in an existing business, a way to grow profit & avert threats from competitors.

The exercise he set FEGIME Future was an eye-opener. In the Word Factory Simulation, groups of different sizes were given the task of “manufacturing” letters on small pieces of paper with the aim of creating as many English words as possible from these letters with as little wastage as possible in a very limited period of time. There were a lot of rules to keep to and a lot of decisions to be taken very quickly. When the results came in, it became clear that the largest group had had the hardest time as more coordination & communication were needed. But all the groups made the mistake of not doing sufficient market research and not taking the requirements of the customer into consideration.

Luis’s warning: “The biggest threat to businesses today is not digital technologies but loss of relevance & the inability to adapt to change. You must not forget that the customer comes first. Follow their requirements.”

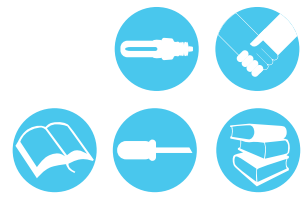
### Prof. Luis Vives

Associate Professor of Strategy and General Management, ESADE Business School, Barcelona

Luis is Associate Dean and Director of the Multinational MBA at ESADE. Previous to joining ESADE, he was a Postdoctoral Fellow at the Sloan School of Management at the Massachusetts Institute of Technology (MIT), and holds a PhD from IESE Business School, and bachelor’s degrees in Business Administration, Piano Performance and Music Theory. He has been a visiting professor at different Universities in Europe and Latin America. His research focuses on the creation and development of innovative business models.



# GRAND FINALE



## Tool to Take Home: “Relationships in the Digital Age (REiDA)”



### On the right track

On Friday after a morning session honing their negotiation skills with Patrick, the work groups could finally take the floor. The results were impressive. Next steps to improve the tool could now be to get more people involved, thus making it more accurate, or to assign weights to the various criteria based on a cost/benefit analysis to improve its relevance. Patrick’s summary: “If

FEGIME Future continues to coordinate goals and shares best practices related to REiDA, members will benefit from better management of customer relationships and even greater collaboration within FEGIME.”

At the Graduation ceremony that followed, FEGIME President, Ricardo Gomez (FEGIME España), presented participants with their

certificates and commented: “I am sure you have heard it said of family companies that we do not inherit the business from our parents but we borrow it from our children. Being here at the FAMP I am convinced that at FEGIME we are on the right track - into the next generation.”



# WHAT IS THE FEGIME ACADEMY?

## Mission

When this initiative was presented for the first time at the FEGIME Congress in Budapest in 2013 the Academy's mission was clearly defined:

"To create and promote a rich environment of continuous high quality training for FEGIME's next generations of entrepreneurs, their employees and clients, in close cooperation with Strategic Preferred Suppliers and National Organisations thus adding value to the relationship between FEGIME's wholesalers, clients and suppliers."

For the three target groups – FEGIME Future, FEGIME employees and FEGIME clients – four training areas were also defined: Products and Technology, Management and Business, Sales and Marketing and Soft Skills.

The focus and implementation is different for each target group.

For the FEGIME Future group the emphasis is on the FEGIME Advanced Management Programme (FAMP) or in other words a "Pocket Master in Business Administration". Coordinated by top Business Schools this tailor-made management training programme comprises "Modules" with a time span of 5 full working days.

## NEXT MEETINGS:

**FEGIME FUTURE MEETING WITH SIEMENS:**  
**MUNICH, 05.02. – 07.02.20**

## eLearning

For employees and clients eLearning via the FEGIME platform [fegimeacademy.com](http://fegimeacademy.com) is the major medium at international level. The platform is moodle-based and provides users with general and specific information, webinars, courses and tuition on technologies and products as well as a discussion forum and web conference facilities.

So why not log on to the platform at [fegimeacademy.com](http://fegimeacademy.com) and check out some of the courses? The platform is open to all FEGIME members – and their clients – but a login is necessary. If you need information or assistance please contact your FEGIME National Organisation or Head Office in Nuremberg.

## FAMP 2020

The FAMP 2020 will take place 18th – 24th October and FEGIME Future have already begun the planning process. After very positive feedback from the Barcelona module, once again the intention is not to directly involve a business school but to work together with Patrick to ensure an even higher level of customisation and relevance. Of course, we will be focusing - as ever – on Family Business but will fine

tune the format to fit the target group even better. New Core Subjects will be chosen – or we will explore at greater depth ones already touched on in the past. More details to follow soon.

Watch this space – or Social Media

If you are interested, just get in touch with FEGIME Head Office in Nuremberg. Please contact Denisa Vosahlik:  
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+ 49 911 64 18 99 13

## A huge thank you

to our sponsors for their support for the Academy Project:



**FEGIME FUTURE MEETING WITH HAGER:**  
**OBERNAI, 22.04. – 24.04.20**

**FAMP MODULE 2020:**  
**POLAND, 18.10. – 24.10.2020**  
(EXACT LOCATION TBD.)



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