

1982

BURKINA FASO

Shortly after the foundation in 1982, GFA experts worked in a food security program in Burkina Faso.



Solid growth beats the one-man show

Enthusiasm, opportunities seized, staff with an eye for new issues: over thirty years, a risky startup has turned into the successful GFA Consulting Group.

by **JOCHEN VORFELDER**

2012

IRAQ

Post-conflict assignment: GFA engages in an EU project to support the Iraqi Ministry of Interior.



A lot was due to chance. When, at the end of 1982, Hans Jahnke and Johannes Lagemann founded the Gesellschaft für Agrarprojekte in Übersee GFA, the two young agricultural economists may have had a business idea, but they had no real plan: “We were convinced”, says Johannes Lagemann today, “that, given our practical experience, our management expertise and our analytical skills, we would have a chance on the market. We were really enthusiastic, but

we didn't really know how to run a company.”

More cautious contemporaries, on looking more closely at the facts, would have advised the entrepreneurs-to-be not to establish a consultancy firm. In Germany in the eighties, private consultancy business in the field of development cooperation was in the hands of just a few companies, all of whom worked for GTZ and KfW. It was difficult to get a foothold in this area. In the first three years, Lagemann, Jahnke and the first employees of GFA were only commissioned with short-term assignments involving studies and evaluations.

It was not until 1985 that the company won the first tender to implement a project of its own: “The improvement of animal husbandry in the semi-arid region of Yatenga in northern Burkina Faso, which was still called Upper Volta at that time. That was our →

one of us

JOACHIM GROMOTKA

Head of GFA MEDICA, the Health & HIV/AIDS Department, Hamburg

first project, funded by the EU,” recalls Bernhard Riggers, who worked for GFA from the mid-eighties and introduced the first computerized accounting system. “Between 1986 and 1988, things really took off. We were awarded long-term projects by what was then the GTZ, mainly in the field of agriculture and irrigation.”

With these first successes on the market and a balance sheet in the black, GFA had mastered its development phase: the newcomer had largely made a name for itself through its contracts. At the same time, the company had reached a point where it had to chart its future course: “In the consultancy business, you can only establish yourself in the long term by pursuing one of two paths”, says Nico van Tienhoven, who joined GFA at the beginning of the nineties. “Either you settle for the traditional one-man show, establish a good name for yourself and then enjoy a good living, or you have to grow continuously and become real big quite fast.”

In van Tienhoven’s view, it is the initial growth phase, above all, that is dangerous for a new company. In other words, the period in which a functioning office with one or two dozen staff becomes essential and the corresponding overhead costs have to be paid. If you are then dependent on one or two clients and projects suddenly dry up, van Tienhoven says, “the sky can very quickly darken”. GFA opted for rapid growth.

An opportunity arose through the unexpected fall of the Iron Curtain. The breakup of the Soviet Union, the founding of the CIS states and German reunification opened up entirely new business areas. Advice for ailing agricultural cooperatives and adapting socialist economies to the free market went far beyond the company’s core business, which to that point had mainly focused on agriculture: diversification, economic consultancy and project management became the task of the hour for GFA starting in the early nineties. Within a few years, other firms were set up alongside GFA Agrar, such as GFA International Management Consulting, GFA Umwelt and GFA MEDICA. The experts sent out from Hamburg-Volksdorf no longer traveled exclusively to Latin America and Africa, but suddenly to Russia, Moldova and the Caucasus too. “We opened up new markets and started to work directly with German ministries and

I signed my first freelance contract with GFA on 9 September, 1984. At that time I was fresh out of university with an economics master degree; today I’ve been with the company longer than any other employee.

I signed on with Hans Jahnke at the first office in Duvenstedt. He was desperately seeking an employee for an impact study in six African countries. He asked me, “Gromotka, can you handle this?”

And I replied, “Of course!” Actually, I hardly had a clue what he was talking about or what was in store for me.

I worked 20 out of the next 28 years in Africa and Asia, first as an assistant young professional, then as a long-term expert and an expert in short-term assignments, and finally as a team leader. Now I’m here at our head offices as the health department head.

So I took the stereotype, ideal career path at GFA: from a young professional to managing team leaders. GFA’s objectives, giving good people a chance and building long-term relationships with them, are reflected in my professional life.



later also with new donors like the American MCC,” says Günter Schmidt, who started at the company as the Head of the Bonn Office and later became one of the CEOs of GFA Consulting Group.

In the rapid growth phase following the end of the Cold War and before the turn of the millennium, the regional and thematic expansion was pushed forward – with seasoned staff, joined by new employees who brought with them specific local expertise and a good sense for new issues. “Ernst Küster, for example, was an expert on Indonesia like Klaus Altemeier. When Ernst came, he was so thrilled by new concepts in forestry in Asia, that GFA couldn’t get away from it,” Bernhard Riggers recalls. In Vietnam, GFA set up over a dozen forestry projects in the mid-nineties, some of which are still being supported today.

Through the continuous paradigm shifts and new development issues in international cooperation, additional areas of work were also opening up all the time for GFA. “As a

result of the global awareness of our responsibilities for the environment and international climate policies, resource management and environmental protection has become significantly more important. In many projects and programs that we’re currently involved in,” says Christoph Schaefer-Kehnert, “sustainability is the pivotal orientation point around which things revolve.”

Schaefer-Kehnert has worked for the company for over twenty years. As one of the first department heads at GFA, he was responsible for “Eastern and Southern Africa”. Today he is responsible for the strategic direction of the company, together with the two other CEOs of GFA Consulting Group. “Nevertheless, the challenges in the traditional areas have not gone away. Important issues like health and education and urgent problems like hunger and poverty will not be solved globally in the foreseeable future.”

GFA’s development from a specialist agricultural consultancy into a medium-sized,

1988

DUVENSTEDT

After six years in the first office in Duvenstedt, GFA moved to new premises in Hamburg-Volksdorf.

broad-based management consultancy company is not only due to an expansion of issues and regions it deals with, but also to a successful internal reorganization. In 2000, GFA merged with Hamburg-based Luso Consult. At a stroke, a significant number of ongoing projects, new topics and new staff were added, along with the inevitable problems of integration. “We suddenly had new staff who were used to very different procedures and processes. And we at the old GFA were not prepared at short notice to integrate two dozen staff properly,” recalls Heiko Weißleder. As CEO of GFA, Heiko Weißleder today is responsible for business processes and quality management. “It took a while for us to come to terms with this sudden change and increase in size.”

When Johannes Lagemann retired from the operational business in December 2008 and moved to the supervisory board of GFA, the company had put successful change management in place. Internal procedures were standardized and efficiently organized; the range of services offered to the outside world was coherent and diversified. The new Water & Sanitation Unit – and with it, to some extent, a return to classical engineering expertise – was added. In the certification area, GFA succeeded in reaching other customers beyond the traditional DC clients. The Forest Investment Unit is also working for a new, private business clientele.

“These are still exciting times at GFA and that’s particularly true again at the moment”, is how Klaus Altemeier, the third CEO of the Consulting Group, sizes up the current position. “We are always working in a political context that we cannot influence but that sometimes causes us real headaches. Examples are Afghanistan, Iraq, the Arab Spring in North Africa, drugs crime in Central America, and now Mali. Our staff today frequently work in fragile post-conflict situations.”

At the same time, in terms of development policy and issues, a lot is changing. For example, the approach taken in many projects to support trade as a driving force for development and treating small farmers as local entrepreneurs is very promising. “Green economy” projects, such as in Burkina Faso together with the GIZ, are also seen as pioneering and positive. So everything is on the right track? “Traditionally, we are optimists at GFA,” says Klaus Altemeier and smiles. ❖



FACTS: FIRST OFFICE IN HAMBURG-DUVENSTEDT

Since the beginning of the eighties, Hans Jahnke and Johannes Lagemann, who met while both attending the University of Hohenheim, had been in intensive contact. Since graduation, both had worked for a number of years in international projects and both shared a common desire to set up their own consulting firm. International cooperation was about to undergo a fundamental change: “In the seventies, the German agricultural experts were mainly agronomists with practical farming experience operating as advisors to farmers and/or managing so-called demonstration farms,” notes Johannes Lagemann. “They were walking around the countryside with tans. But times were changing; a paradigm shift was taking place in international cooperation.”

Jahnke and Lagemann were likewise practical people, but with detailed agricultural and economic expertise. They had experiences in project planning, in evaluation, with organizational analysis and cost/benefit calculations. They were thinking outside of the agricultural box.

The founding partners were convinced that there would be a demand for these qualifications over the coming years. In 1982, they co-founded GFA (Gesellschaft für Agrarprojekte in Übersee); their first offices were ready in late 1982.

They were located in Hamburg-Duvenstedt, on Jahnke’s father-in-law’s nursery. He had converted an empty pigpen and garage into offices. The young entrepreneurs Lagemann and Jahnke rented them at a favorable price. Until GFA moved to Hamburg-Volksdorf in 1988, the company was based in Duvenstedt.



Dr Johannes Lagemann,
one of the two founders of GFA
(Gesellschaft für Agrarprojekte
in Übersee)

At the beginning of the 1980s, capable consultants in the field of development cooperation had no difficulty in finding well-paid and secure jobs abroad. Johannes Lagemann and Hans Jahnke decided on a different option:

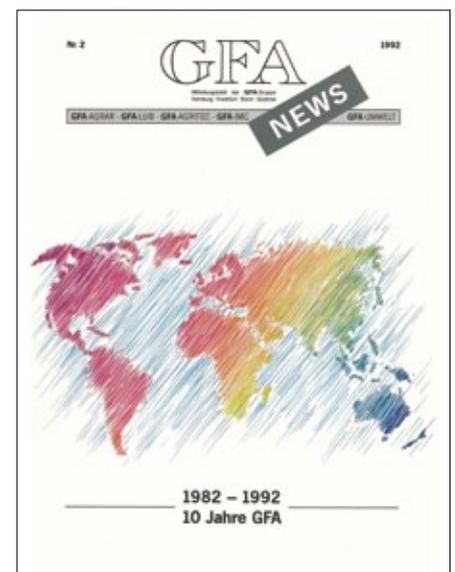
they founded GFA. “think!” Magazine spoke to Johannes Lagemann about his motivation, the spirit of optimism at that time, and the systematics of change management.

? Mr Lagemann, at the beginning of the 1980s you were a much sought-after agricultural economist with experience working in Latin America and Africa. You got offers from GTZ, KfW and the World Bank. You could have had a well-paid, secure job, but you decided to set up a small consulting firm instead. Why would you do that?

Those years were times of change, both politically and socially; Helmut Schmidt left, Helmut Kohl arrived. The ODA business in Germany was also going through changes. On the one hand, there were budget cuts, and it was neither desirable nor possible to go on as before. On the other hand, change was wanted; young people and fresh ideas suddenly had a chance to challenge the established players in new niches in the market.

Both my partner at that time and I were convinced that our work was meaningful. We enjoyed our work enormously, and I think you could say that we both loved what we were doing. Added to that, we both thought along commercial lines. Of course, we could have continued to draw up commissioned studies or to work as appointed experts in a semi-official status. But we found shaping and deciding things for ourselves and taking full responsibility, including all the financial risks, to be highly stimulating. We wanted to create opportunities and make the most of them. There's a reason why “Creating Opportunities” is one of the mission statements of GFA.

? In retrospect, it looks as if there was a carefully planned strategy to develop GFA. Were there no surprises?



Of course, there were setbacks, disappointments and wrong decisions down through the years. But there were more successes, be they strategic, personal or commercial. The crucial factor was having our finger firmly on the pulse of the times and reacting flexibly to changes in social and economic circumstances.

For example, we reacted very quickly to political change in Eastern Europe; as early as 1990, we began advising the first agricultural cooperatives on production technology and business management. The cooperatives had to adapt to the market and we helped them to do so. In a roundabout way, that was the start of GFA Management Consulting, the first step away from the agricultural and forestry sectors that for us were traditional in development cooperation. It is certainly true to say that all of the business in the East, which is so important for GFA, and not least our collaboration with the Federal Ministry of Food, Agriculture and Consumer Protection, which still continues today, came from those initial contacts in the former GDR.

🕒 In any case, it seems as if GFA's projects and activities in the CIS states and in Asia have shaped and even changed the company significantly over recent decades.

That's right. That has been important, not only for the company, but also for our self-perception and the way we assess our own work. I remember my first job in China in 1988 very well, for example. The government of Lower Saxony had arranged for a model farm to be set up there and for dairy cattle to be delivered. As part of a study, we were supposed simply to collect data on site, but the Chinese completely turned our role around. We ended up having to give a lecture to a huge audience every evening on an agricultural topic in Germany. The people were so thirsty for knowledge and were prepared to take on something new; I had never experienced anything like that before.

🕒 Are these more personal and cultural impressions, or did experiences of that sort also influence the direction GFA took?

One of GFA's guidelines has always been that we must be open to market changes, to expansion, to renewal. Navigating the tendencies and trends to achieve this was and is the role

of management, but it is also always a topic for discussion with staff and on visits in the projects: what is your impression? What could be done better? Where could we go further? Is there a commercial opportunity for us? These were the questions that we posed from the outset and that we are looking for the answers to.

This ongoing search is also part of successful change management. Since the 90s, GFA has held regular strategy meetings in which business ideas and models are discussed. The

decision is then taken whether we should continue with a particular strategy or reject it. Many new business areas have been developed in this way, such as the health and water sector, certification, human resources and labor markets. There were and still are differing opinions in these areas. I remember the issue of the water sector, for example. There were two or three voices saying 'Don't touch it, the market is too small and it's already covered.' But the majority was in favor – fortunately. ❖

1992

OFFICE MEETING

In 1992, GFA staff occupied the newly opened Bonn office and met for a photo shooting.



FACTS: THE BONN OFFICE

In 1992, GFA won a tender from the German Federal Ministry of Food, Agriculture and Forestry (BML) and became the general agent for technical cooperation (TZ) in the agricultural sector in the countries of Central and Eastern Europe and the CIS. In order to complete the contract, a GFA office was opened in Bonn in 1993. Harald Litterscheid (left), Susanne Eggers (2nd from left) and Günter Schmidt (center), later a CEO of GFA Consulting Group, were among the local staff.

Litterscheid developed a financial software package for the BML project and is now the managing director of GFA B.I.S. GmbH for Business Management Software, headquartered in Bonn. Susanne Eggers is currently the executive assistant to GFA's managing directors in Hamburg. Günter Schmidt moved to Hamburg-Volksdorf in 1998 and until 2009 has been one of the directors of the GFA Consulting Group.

GFA's Bonn office was relocated to Berlin in 2008 and is currently managed by Inge Gaerke. The original contract with BML has been running uninterrupted for over twenty years now.



Outstanding results and sound strategies

GFA's core business of managing development cooperation projects is supported by a network of GFA companies, offices and subsidiaries worldwide.

Since 1982, GFA Consulting Group has a sound track record of providing effective solutions to the challenges in the ever-changing global consulting market. The company has implemented complex projects and studies in over 130 countries since 1982.

Today, leading development agencies, ministries and public clients entrust GFA with helping them to manage ODA projects financed through bilateral and multilateral funds. Working in cooperation with stakeholders in government, the private sector, NGOs and citizens' groups, GFA balances innovation and reliability to meet local needs. The German GIZ and KfW, the European Union EU, the European Investment Bank EIB, the European Bank for Reconstruction and Development EBRD, the Asian Development Bank ADB, the Swiss Agency

for Development and Cooperation SDC and the US Government Millennium Challenge Corporation MCC as well as private companies are amongst the regular GFA clients. Currently, GFA offers services related to the nine business areas Private Sector Development, Financial Systems Development, Public Sector & Fund Management, Labor Markets & Human Resources Development, Agriculture & Rural Development, Climate Change & Energy, Natural Resources & Certification, Health & HIV/AIDS and Water & Sanitation. To achieve outstanding results, new services are continuously integrated into the existing GFA portfolio. Such services are often multi-disciplinary in nature so that related concepts are elaborated by teams from various GFA departments who bring in a variety of competences and expertise.

The focus of GFA's corporate strategy is founded on three decades of success in official development assistance ODA. Gradually, the company has started to offer resulting know-how to private and public customers beyond ODA. Regular market research helps GFA define its position and focus on critical trends. The company tackles change through systemic learning processes where knowledge management has a decisive role to play. In perennial planning cycles, GFA adapts the corporate strategy to product and market decisions, leading to the successive expansion of specialized units, local offices, subsidiaries and independent firms. Members of staff feed this iterative process with ideas which the management team translates into action. GFA's executive board sets priorities and mobilizes the resources necessary for innovations which



The headquarters of the GFA Consulting Group are located in the Hamburg suburb Volksdorf. The employees are spread across multiple office buildings located within walking distance. In the spring of 2013, another building will be ready (see page 31).

sustain the company's outstanding technical expertise, high value services and distinctive customer orientation.

Since 2008, GFA Consulting Group and GFA's executive board are led by the three long-time employees and now managing directors Klaus Altemeier, Christoph Schaefer-Kehnert and Heiko Weißleder. Over the years, they have implemented a decentralized organizational structure across all disciplines and regions and have established state-of-the-art methods and instruments to manage technical assistance projects and to advise clients.

Internally, the top specialists working with GFA in Hamburg as consultants and managers are assigned to four regional departments Asia, Africa, EMENA (Europe, Middle East & North Africa) and Latin America & Caribbean as well as the technical departments Financial Systems Development, Forest & Wood Certification, Health and HIV/AIDS, Labor Markets & Human Resources Development and Water & Sanitation. Additionally, the current portfolio of services is completed by GFA units C³ Training, GFA Optimist and Forest Investment. GFA SysCom GmbH based in Hamburg supports GFA headquarters with up-to-date IT solutions for its office management.

In Berlin, GFA Consulting Group is represented by two outlets. GFA's Berlin office provides services almost exclusively for the Bilateral Cooperation Program of the Ministry of Agriculture (Bundesministerium für Ernährung, Landwirtschaft und Verbraucherschutz, BMELV). GFA has been the general agent of the ministry for international pro-

jects since 1992 and developed the concepts, commissioned implementation and carried out the technical and financial monitoring. GFA Public, also based in Berlin, is specializing on solutions for the German public sector

administration and issues related to labour markets, education and the role of NGOs.

GFA B.I.S., based in Bonn, is an IT company that specializes in consulting and implementation of business management software adapted to the needs of international development projects. GFA B.I.S. excels in customizing professional standard software to clients' needs. A team of experienced and dynamic managers and IT experts takes care of the GFA B.I.S. portfolio of projects funded by major ODA agencies. In addition, the company offers resulting know-how to private and public customers beyond ODA.

In 2012, GFA Consulting Group is represented by offices in Bangladesh, Vietnam, China and Indonesia. In Morocco, the GFA subsidiary THALYS Conseil s.a.r.l. provides a fully fledged and broad range of consultancy services in the sectors of agriculture and rural development, management of natural resources, decentralization and local development, as well as training and capacity building. In 2013, GFA Certification will become an independent firm and an outlet in Serbia will be opened. ❖