

## About Provisdom

Provisdom was incorporated in January 2000 by Mark Erickson and Dick Frankel with the vision of bringing the rigor of Wall Street valuations to corporate strategy. During undergraduate and graduate school, Mark studied the various methods in use at the time (ROI, WACC, Decision Analysis, Real Options, etc.) Though each technique had a limited range of applicability, none was applicable to the more general problem of finding corporate strategies that maximized shareholder value. Mark's Ph.D. thesis combined and generalized the best points of Decision Analysis and Real Options, putting forth the initial ideas required to solve the problem of maximizing shareholder value in the general case.

After receiving his Ph.D., Mark began work on software to implement these new ideas, culminating with version 1.0 in May 2000. While this tool drew interest from potential clients as a major improvement over Real Options and Decision Analysis, it quickly became clear that many "real world" corporate strategy problems did not fit naturally into the framework. Rather than marketing a viable but limited product, Mark returned to the "drawing board", developing new mathematics to make Provisdom's technology more generally and directly applicable for real corporations.

By 2004 the scope of the software required to implement these new ideas exceeded the capacity of a single person. Further, between the growth of enterprise software and enabling technologies such as Web Services, it was clear the applicability of Provisdom's technology was much broader than a simple desktop application. Provisdom's vision expanded to be the provider of the "next rung" in the ladder of decision applications, a tool which could take in corporate information from any source (machine or human) and in any form, and then use that information to devise and implement strategies that maximized shareholder value.

To aid in realizing this vision, Dave Dixon joined Provisdom in September 2004, bringing a background in software engineering and physics. Over the subsequent 4 years, this collaboration bore significant fruit. Limitations in the mathematical framework were exposed as the software became more general. Generalization of the mathematical framework would in turn highlight issues with the software. Significant advances in finance and information theory were combined with software innovations for rapidly building and analyzing strategic models. By May 2007, this innovation cycle culminated in the Provisdom Decision Platform, a general framework for modeling corporate strategy, equally capable of maximizing shareholder value horizontally (e.g. across industries) and vertically (for different corporate functions or management levels).

Today, Provisdom provides value through consulting, bringing expertise in the new methods and leveraging the existing software framework to deliver extremely rapid analysis of complex corporate strategy. Problems which may have previously required many man-months of analysis can, in many cases, be analyzed in as little as a few hours. Direct maximization of shareholder value (using generalizations of the same methods used by Wall Street) greatly mitigates the loss of time and money due to politics and inappropriate personal goals.