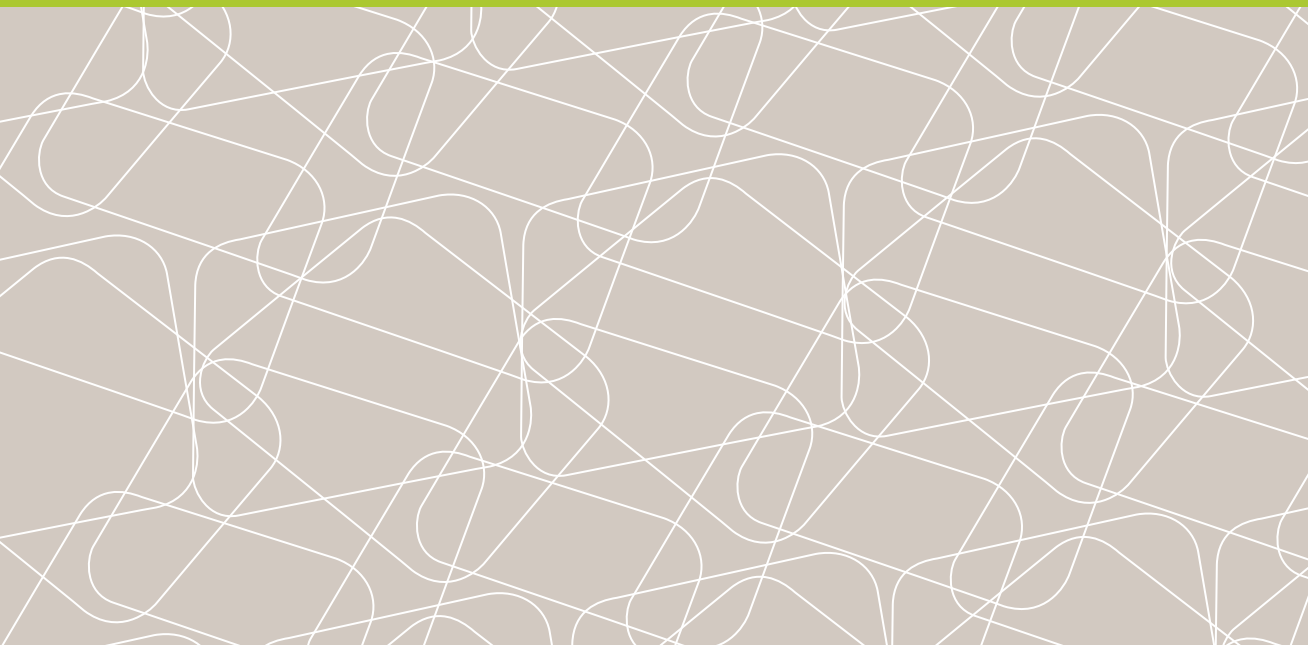


Report

Vibrant Finland

Aarne Nurmio and Teppo Turkki (eds.)



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WELLSPRINGS OF FINNISH VITALITY DEVELOPMENT PROGRAMME

The Wellsprings of Finnish vitality development programme was launched in autumn 2009. Its purpose was to bring together a large group representing a wide range of society to contemplate how Finland's vitality could be boosted in the future. Sitra invited Sari Baldauf to chair the development programme.

In the course of the programme, views on how the global financial and economic crisis, climate change, ageing of the population and advances in ICT will change Finland's operating environment were translated into concrete measures.

The purpose was to identify the key factors through which Finland can enhance and renew its vitality, competitiveness and wellbeing.

The development programme ran from 21 September 2009 to 29 April 2010 and included three leadership forums that brought together some 200 opinion leaders and decision-makers from various areas of society to seek new pathways towards vitality.

Between the leadership forums, some 30 experts from various fields met for workshops to process the themes that emerged in the forums. This report describes both the results of the programme and the process through which these were reached. It was written and commented on by several people who participated in the programme.

The report is a pluralist one, and its content and perspectives were shaped in the course of the programme. It is the opening for a debate on how to attain a vibrant Finland.

Dear reader,

In 2008, Sitra declared as its vision that Finland will prosper as a global pioneer in systemic changes that generate wellbeing – and that Sitra will enable these changes, as both visionary and implementer. This vision explains very well why we decided in spring 2009 to launch the Wellsprings of Finnish vitality development programme, the work and results of which are described in this report.

The launch of our journey of discovery in September 2009 could hardly have come at a bleaker time. The industry-based welfare society that had sustained Finland admirably throughout the post-war era was falling into deep trouble because of the crisis in the global economy. It was obvious that Finnish wellbeing and competitiveness could no longer be derived from our old recipes for success. We soon identified the key challenge: what are the mindset and the operating models that our future success will be built on?

It became clear early on in the process that in a rapidly changing and complex globalised world it is no longer possible to define a single grand vision of Finland implemented through a top-down plan. What we need instead is a shared understanding of the operating logic and ground rules of our new environment. The main purpose of this shared big picture and understanding is to enable us to grasp the new opportunities at hand quickly and innovatively.

We also desperately need more vitality, energy stemming from people and the interaction between them, a let's-do-it spirit. Without vitality and new ways of thinking and doing, we may as well forget about Finnish wellbeing and competitiveness!

Following intensive and broad-based discussions, we set sustainable renewal, leading from industrial-era structures to a people- and solution-centred service economy, as our common objective. We consider that added value in industry and in welfare services is increasingly created in the field, through interaction with customers and citizens. The task of leadership and leaders in this new operating environment is to enable wellbeing and competitiveness by defining ground rules and providing people with sufficient mental and physical tools for self-fulfilment. All people have a huge potential and will for participating and influence – if only given the chance!

Over the six months of the development programme, we identified three key themes of social change. We need a new kind of leadership, an entrepreneur's attitude to all work, and new ways of generating wellbeing. This report contains a detailed description and analysis of these themes. Section 8 also presents several concrete ongoing projects within these three themes. These projects are tangible and gratifying proof that the people- and solution-centred approach which we advocate is already being put into practice in several areas. But much more is needed!

I warmly recommend that every reader of this report ask himself/herself: Do the current plans in my organisation enable or hinder a people- and solution-centred service economy? And do my leadership and my actions energise or dampen the vitality of people in my immediate vicinity?

I believe that Finland has excellent potential for becoming a global showcase for the people- and solution-centred service economy envisioned in this report. This will, however, require tough decisions and the abandoning of many attained benefits. But at the same time we have wonderful opportunities for making our lives better than ever.

I would like to thank everyone who made the Wellsprings of Finnish vitality development programme possible. Conducting this process to seek new things that are difficult to envision would not have been possible without participants who believe in their cause and are ready to put themselves on the line. I would particularly like to thank the programme chair Sari Baldauf, the workshop participants, the process facilitators and everyone at Sitra for their contribution. It was heartening to see what people can achieve when they have a common goal bigger than any of us.

Helsinki, 19 April 2010

Mikko Kosonen
President
Sitra, the Finnish Innovation Fund

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2. Report summary and conclusions

Vibrant Finland

The purpose of the Wellsprings of Finnish vitality development programme was to understand the pressures for renewal and change on Finland caused by global paradigm shifts and changes in our operating environment. We have encountered many issues, such as: What do the new industrial world geography and ubiquitous internationalisation mean? How are value production and the division of labour changing? What will be the impact of the ageing of the population and the crisis in our public sector?

What about climate change? What are its mechanisms and underlying trends? Are we really properly aware of the all-pervading dependencies of globalisation? Why did we believe when the financial crisis exploded that it would only have a negligible impact on Finland? What are the factors and measures with which Finland can boost and renew its vitality? How can Finland be a good country to live and work in for all citizens in the future?

Model student of the industrial era

In the course of the process, we outlined our rapid progress from the outdated mindset and operating models of the industrial era towards a people- and solution-centred service economy paradigm.

Finland became industrialised fairly rapidly, one of the last societies in the Western world to do so. The industrial mindset was well suited to Finnish society. Finland was a sparsely populated young nation that embraced an authoritarian culture, and its relatively late modernisation led to the smooth adoption of a mechanist and materialist society. Not only was it adopted smoothly, it was simply accepted as something handed down from above. We became a model student of the industrial era: our industrial productivity increased rapidly and is now among the highest in the world. At the same time, Finland has been built and managed in a centralised fashion, like a complex technological system: the future is something that one plans for, people are largely viewed as production resources,

the government and lobbying organisations determined what is on the national agenda, and decisions are generally made at the top of the hierarchy.

In February 2010, a new industrial cluster for Finland was proposed on letters pages in the press: "We need a new Nokia and a strong leader." Young politicians wore T-shirts bearing the face of the late President Urho Kekkonen. We retain a collective memory of the great narrative of industrial Finland's success, even though an increasing percentage of added value even in our industrial sector now comes from services such as customer service, maintenance, upkeep and the management of value networks.

We are therefore moving towards a new social framework: from the outdated mindset and operating models of the industrial era towards a people- and solution-centred paradigm. We claim that in order to understand, analyse, orient and boost this trend we must dig much deeper and re-evaluate the core of what defines our national culture.

Because the ongoing change affects both our values and our culture, we must also ask ourselves whether Finland is a mentally monolithic and stagnant society. The mosaic-like post-modern world offers new opportunities that could not even be dreamt of a few decades ago. The generation of Finns that has grown up in a global cultural context and amidst the social networks of the Internet is posing a formidable challenge, questioning the very basis of the Western consumer society and lifestyle. Are we able to take a critical inward look at our social and cultural institutions?

What is the view of humanity on which we want to build in Finland? Do we want to encourage people to travel their own paths and to believe in themselves and their potential? Should we view life not as a rational producer-consumer identity construct but as a gift and a new opportunity that favours bold personal choice and risk-taking? Amidst all this change, a key challenge is to stay awake and open to issues such as these.

Customer and user perspectives govern development

In this development programme, we did not go into sector-specific analyses in order to pinpoint the growth industries of the future. We have also not sought to identify sectors that should be selected for Finland's future investments. Indeed, we do not believe that such analysis would even make sense or be possible, as the world today is one of rapid development, uncertainty and innumerable options. There is no manual for Globalisation 2.0.

It is our considered opinion that the old division into industrial products on the one hand and services on the other will become irrelevant in the new world that is taking shape. The new dynamic will be based on the customer or user perspective: new added value will be determined on the basis of the benefit experienced by the user. New vitality is brought to this transition by the microdynamics of various functions and increasing human expertise. Realising this and embracing boldness and renewal are requirements for acting in the new paradigm. We must have genuine courage to grasp the new opportunities that emerge.

Globalisation is making the world increasingly complex. The future is like a moving target that cannot be defined. It simply will not stay still. Not a single institution or actor now has the means for defining or outlining a clear vision or plan of action for the future that could actually feasibly be put into practice. We

must seek a common direction through continuous, pluralist dialogue and through the visions, values and principles that we outline together. It is no longer possible simply to dictate from on high what everyone else needs to know or what they should do.

It was observed many times in the course of the Wellsprings of Finnish vitality development programme that the Nordic welfare state has been a key builder and enabler of Finnish wellbeing and competitiveness. We consider that the principles and goals of our Nordic model of society and welfare are still appropriate. However, the ongoing shift towards a people- and solution-centred service economy forces a renewal of the model.

To simplify, we might say that in recent decades our welfare state – a complex and, to the ordinary citizen, opaque construct – has come to be seen by the public at large as a self-sustaining horn of plenty. However, in its tendency to make citizens passive it has become counter-productive. While the welfare state has aimed to add to the potential for a good life, it has also paradoxically – gradually, almost imperceptibly – removed the need for people to take responsibility for their own lives. It has therefore eroded the incentive for citizens to participate, to exert an influence and to do things for themselves. The challenge we face is that the fragmented and diverse world of today with its innumerable opportunities requires independent thinking and the courage to do things not done before and to take paths never tried before. As members of various communities and as citizens we should attempt to find meaning, happiness and welfare ourselves, both individually and collectively. Indeed, in today's world wellbeing comes out of doing good things.

Citizens change from objects to subjects

The traditional mindset and operating culture of the industrial era have held us Finns and our potential in a tight grip. For the past decades, individuals have to a great extent had no other role in economic systems than to perform the work assigned to them. In the new paradigm and in creating new work, we must abandon the traditional industrial economy and operating practices. We must strive to attain a service economy that is sustainable, takes climate change into account and is based on interaction, and also qualitative and immaterial growth where people are subjects rather than objects.

In order to attain such a new paradigm, we must move from defending our established benefits to an interactive discovery of new shared benefits and the creation of new work. Rights and responsibilities must be reanalysed, and the very institutions of society itself must also change. Our civil society should revise its relationship to institutions. Traditional institutions such as political parties, companies, social partners, the education system, the church and public sector organisations must examine themselves and consider how to adapt to a changing world. At the same time, individuals must be encouraged to take initiative in matters that are important to them and to grow as human beings to fulfil their full potential.

Citizen's initiatives should be seen as a resource and an opportunity for the welfare state. Everyday politics and new grass-roots activities have emerged as increasingly important alongside traditional organisations. What is typical for these new forms of participation is that people tend to take the initiative themselves rather than relying on large collective entities such as organisations or democratic representation.

Renewal represents a huge opportunity for Finland. Being a small, highly educated and cooperative nation, we have every opportunity to enact the systemic changes needed in society to foster wellbeing.

Open information and continuous interaction

In the culture of new work and the value economy, open information is the most important raw material for production. Similarly, human expertise and the ability to share information within and between organisations are the most important production factors. In the future, new innovations will emerge in a creative and interactive process, with no advance creation of 'finished' products and 'conceptualised' services. Once a needs-based and user-oriented approach is combined with open information and continuous, meaningful social interaction, new flows of innovation, services and exchange will be generated. It is therefore important to make the information and data held by the public administration available free of charge.

Climate change is rapidly breeding new important global industries and business. A good example is the development of the electric car, which involves new extensive systems. The development of electric cars has launched a global development and standardisation project. Is Finland sufficiently involved in influencing this new ecosystem of transport that is emerging? Should we be more sensitive to the new potential of the climate economy rather than just belittle the significance of the carbon footprint?

Finland will be a better global team player in the future

Grass-roots initiatives and action are at the very heart of the ongoing change and of building the future. A service economy in Finland cannot be built through new Nokias or other large corporations, or through old structures. What is essential is to create a culture of individual actions and empowering interaction of people and communities. This culture will have an atmosphere enriched by internationalism and different cultures. Small growth enterprises are valuable change agents, but we will continue to need large corporations too.

In the course of the Wellsprings of Finnish vitality development programme we have seen that Finland does have the capacity to discover a new culture of work and a new way of doing things. We are also confident that Finland can shake off industrial-era practices. If so, Finland can become an interesting and good team player in the global context too.

Conclusions

Finland has a window of opportunity

As a result of the economic crisis, Finland lost a major portion of its economic growth, unemployment began to rise alarmingly, and the government is having to plunge deeper into debt. Industrial production has declined, and tens of thousands of traditional jobs have been lost. But what we are looking at is a more profound transition; the economic crisis simply accelerated its progress.

Our greatest threat is within. A large percentage of Finns are content and satisfied to live in their respective comfort zones. Being security-seeking, we cling to what we have here and now. The conventional wisdom is that 'society will take care of it'. At the same time, the polarisation of society at large continues. A small but not insignificant part of the population is unemployed and socially excluded, in a vicious circle of marginalisation or in danger of falling outside active society for good. At the other end of the spectrum, a small but active part of the population is energetically reaching towards new opportunities and global networks where they can realise their plans and dreams. Are we facing the risk of only a small, active group of Finns becoming networked with the outside world while the rest of the country shuts itself up? Will Finland split into two camps?

It is because of this that we believe the toughest question facing Finland is how to create new work and new value.

The Nordic model must be reformed into an enabler of wellbeing and vitality

One of the key conclusions of the Wellsprings of Finnish vitality development programme is that the Nordic welfare state and our wellbeing model is equipped to handle the ongoing change. Our society can sustain its citizens through abrupt swings in globalisation trends. It offers basic security, equality and free education. Two thirds of the 200 decision-makers in the leadership forum said that they believe the Nordic model will survive; but reform is needed.

Reform must involve a shift from resource-oriented thinking to people-oriented action. Organisations exist for people, and people must be able to participate and influence things. The duty of the public sector is to enable participation by citizens. It provides new joint action platforms and tools for citizens' interaction.

Change requires strong but different leadership

The new leadership is leadership of trust. As complexity and unpredictability increase, a leader can no longer stand at the top of the hierarchy. A leader must serve and support a network that is diverse in shape and rich in social interaction. Without this kind of new leadership, the dynamic of our society will not change, and no transition can be effected. A leader must maintain a personal presence, and networks need leadership by example. Leadership in an age of new interaction requires sensitivity and attention. Customers, employees and partners must be seen as equals and as fellow humans. In an organisation with such a leader, employees feel better and last longer. Employees in an organisation with an interaction-oriented leader dare to take risks, to innovate and to create new things.

Every organisation needs leadership. The new leadership challenge thus applies not only to businesses but to every single organisation in our society. Leadership must also point the way and give meaning to what the community and the organisation are doing. What are we doing and why? What kind of added value are we creating and how?

The social transition is cultural in nature and therefore goes very deep

Abandoning the production-oriented structures of the industrial era and moving to an ecologically sustainable and interactive service economy challenges us to re-evaluate the foundations of our present culture. We must be able to re-examine everything we do – social thinking, public debate, institutions, objects and how people and communities express themselves. We should aim at creating a vibrant and sustainable culture that guarantees both ecological sustainability and a life of human dignity.

Previously, institutions and social structures provided security for citizens through their hierarchical structures. Today's open interaction practices require an atmosphere of trust and genuine encounters between people. What we would like to see in Finland is a greater boldness to explore new paths. The capacity for discovery requires an acceptance of cultural diversity and an atmosphere conducive to experimentation. The next stage of globalisation will require a broader and richer cultural understanding and literacy in global change.

More than half of the participants of the leadership forum considered that the principal challenge with Finland's immigration issue is that we have not fully realised the importance of immigration for a vibrant Finland.

As we become increasingly involved in an international and globalised world, multiculturalism represents an opportunity for Finland. There are estimates according to which the number of immigrants to Finland in the next ten years will be larger than the total number of immigrants to Finland from the Second World War to the present day. We can learn from the cultures and practices that immigrants bring with them, though we will also need new leadership skills and capacity for dealing with multicultural workplace communities.

Change requires a new kind of entrepreneurship

Working life is evolving from industrial-era structures to a people- and solution-centred service economy. An increasing percentage of work is knowledge-based work done in global and local networks, with customers and consumers participating in service and product design as value creators. There is a trend from long-term employment to short-term jobs. The differences between wage earners and entrepreneurs are eroding, and employees increasingly resemble entrepreneurs.

We need entrepreneurship, growth enterprises and entrepreneur attitudes that translate into a greater commitment to work. We need new businesses and entrepreneurs who come to Finland from the outside. We need new forms of entrepreneurship such as social enterprises and a professional third sector evolving from volunteer work undertaken by NGOs. We also need capacity for seeking growth through business networks.

Vitality is the foundation for sustainable renewal and success

Our culture will become more vibrant once we dissolve the legacy of authoritarianism and unsustainable power hierarchies and move from a production-oriented to a user-oriented approach and to a system of interaction between people and communities.

Several concrete suggestions for projects and measures were outlined in the course of the development programme; these are described in section 8.

Change is always a system of dynamics between communities and people; individuals, citizens and communities are what the future is built on. Vitality comes from people and from cooperation between people. Many vitality factors have a value base or a cultural base and are thus slow to change: their weakening only becomes apparent slowly, and strengthening them requires a long-term approach.

Vitality grows and spreads – or suffocates – in the interaction that happens between communities and individuals. For all people to take an active role

in society is also a source of vitality.

Vitality describes the potential of a nation from the perspective of economy, social justice and the individual in it. By caring for our vitality we will be able to respond to the challenges of worldwide change. A vibrant society can sustain tensions and conflicts and subject them to public debate. A vibrant society can rely on its foundation of values and can pose the question: Where do we want to aim our potential, and what kind of future are we aiming for?

PART I: New challenges in globalisation

3. From transition to sustainable renewal

The world in transition

The Wellsprings of Finnish vitality development programme comprised three leadership forums and workshops organised between them to process the issues and policies brought up at the forums.

At the first forum, the mood was confused, solemn and even a bit depressed. The topic of the forum was a situational review of our operating environment and Finland. The global financial and economic crisis had taken all of us by surprise with how extensive, aggressive and far-reaching it was.

What are the compound effects of the economic crisis and megatrends? What is the change or transition that we are looking at – an aberration or a genuine turning point? What does it mean for us? Has Finland's growth strategy been lost, and is our welfare threatened? Why are we not able to implement the changes we need? Where can we find a new approach, a new will and a new inspiration for reform?

The dialogue approach

These were the questions with which we were armed when we went into the workshop process to seek a deeper understanding of the situation and of ourselves, and to identify pointers to a pathway leading from this transition towards a vibrant Finland. Before discussing the findings of this project, a few words should be said about the development programme.

The current transition is challenging our world view and our identity. While undermining established theories, the transition is also questioning the foundations of our knowledge and expertise. Now we are all ignorant in a new way. We must question established truths. We must think for ourselves, jointly and from different perspectives.

We need new frameworks of reference and new approaches to develop them. We need new practical experiments. We must be both extremely conceptual and extremely pragmatic.

This development programme was not a research project, and our aim was not to produce policy recommendations or a new vision. Instead, it was a dialogue among a broad group of participants, a brainstorming effort to analyse current affairs and to mobilise new action. Both the guiding framework and its content have been built up bit by bit in the process. Our approach has evolved in the course of our work and thus is in itself one of the results of our efforts.

From transition to sustainable renewal

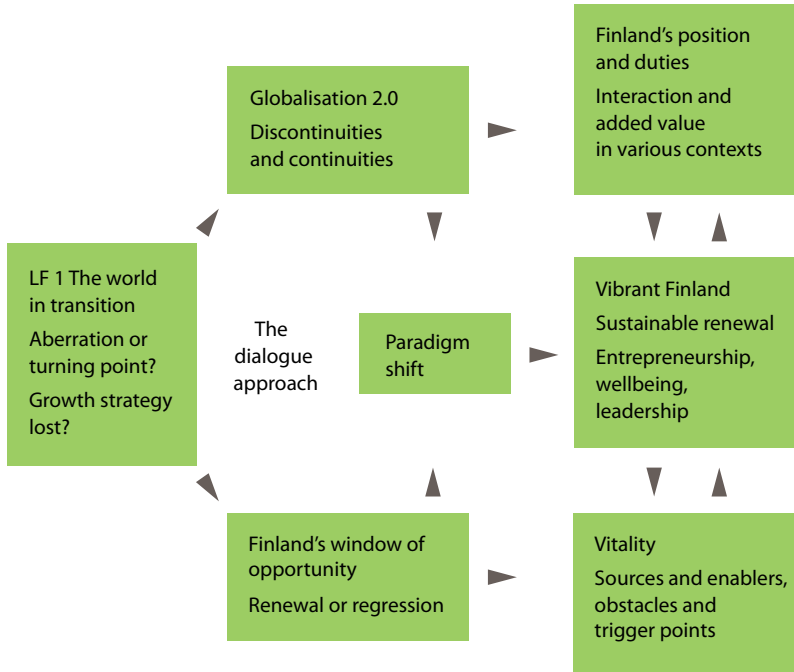


Figure 1: The transition that the world is undergoing forms the backdrop to the Wellsprings of Finnish vitality development programme.

We have discussed extremely broad topics. It is only natural that different emphases and opinions emerged. We never intended to achieve a complete consensus regarding the aforementioned content.

Part I of this report presents a summary of the results of the development programme: a world transition towards sustainable renewal and a vibrant Finland. We consider the world from the perspective of the economy and society at large. Part II of the report discusses the key issues identified in the workshop process through which Finland's vitality can be strengthened and renewed. Objectives and projects related to these issues were discussed under themes: entrepreneurship, wellbeing and leadership.

Globalisation 2.0

Can our world views keep up with the pace of change in the world? This is an important question, because behind every strategy there is a conception of the future operating environment to which the strategy outlines are geared. The

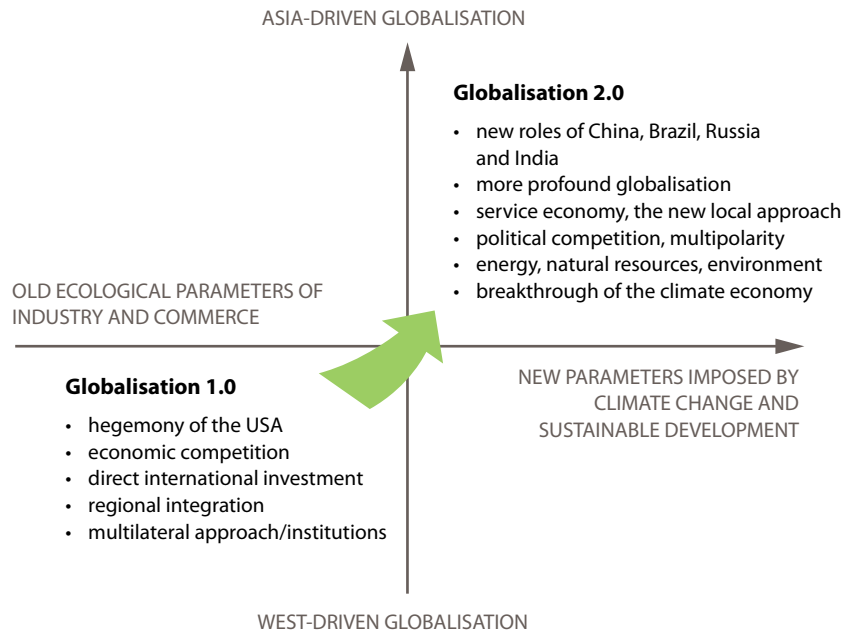


Figure 2: The shifting focus of globalisation and climate issues impose new parameters on us.

combined effect of the economic crisis and current megatrends have brought us to a genuine turning point – the future is not what it used to be. The most important discontinuities outlining our new view of the future are the shift from a West-driven globalisation to an Asia-driven globalisation and the prominence of the new conditions imposed by climate change. These factors conspire to create a new dynamic that will profoundly change our operating environment.

Globalisation 2.0 involves developments such as the following: Industrial production and development will continue to migrate to Asia. Large emerging economies, above all China, will become more important. Globalisation will become increasingly pervasive, extending from industry to services, and the user-oriented aspect will be emphasised.

Political competition between great nations will become more intense as the world becomes multipolar. The importance of national interests will increase on the market, for instance because of the competition for limited natural resources: energy, minerals, water, food. The impact of the climate economy penetrates all aspects of life. All this means that the operating environment will become increasingly complex and unpredictable.

Like the transition that occurred in the 1990s, this transition too will challenge our identity, our external position and in particular our internal status. With the redistribution of production, the external circumstances of our export-driven industrial growth strategy have changed irrevocably. However, this also represents a time and space for new opportunities. The world is full of new problems to solve, new work to be done.

Finland's window of opportunity is now

Finland's success story has been based on the Nordic welfare society model. It is deeply rooted in European fundamental values: human dignity, equality, solidarity. This model successfully combined a market economy and a welfare state in a robust, growth-oriented social policy framework. The result has been dynamic, cohesive, stable and prosperous.

This model was also what enabled us to emerge from the previous deep recession in the early 1990s so quickly. The welfare society combined transparency and integration, industrial internationalisation, increased productivity and shifting structures in trade and industry with a smoothly functioning distribution of risks. Rapid growth in the world economy provided a favourable external environment for this development.

Today, however, we face greater challenges. The economic crisis has resulted in lost growth and increasing indebtedness and unemployment throughout the Western world. And the uncertainty continues. Globalisation 2.0 means that many industrial sectors in Finland will continue to shrink and that a large number of jobs are permanently disappearing from our economy.

This, taken together with the current demographic shift and declining dependency ratio, will lead to ballooning sustainability problems in the public sector, which in turn threatens the existence of the welfare society. The lust for and misuse of material wealth and welfare have also created social malaise and environmental problems. We have been eating away at our own vitality. The disease is more serious than in the 1990s, albeit its symptoms have so far been milder.

The big question we are facing right now is this: How can we create new growth and new employment? Economic policy measures are discussed with varying types of emphasis in current public debate. Borrow more, stimulate the economy, consume more and keep the wheels turning until the recovery of the world economy helps us out of this pit. Cut spending and raise taxes to balance the public purse. Invest in productivity and longer working careers to generate growth.

Even taken together, these measures – necessary though they all are – will not be enough to bring our economy back on a sustainable growth track. The recovery of the world economy will accelerate, not halt, the relocation of industrial production. The projected growth impact of increased productivity and longer working careers is ultimately based on the assumption that there will be new work to do.

If we cannot find new work and sources of new growth, we face a grave risk of falling into a vicious circle of debt and a productivity-unemployment trap. Our window of opportunity is now. We face either a profound reform or an accelerating regression.

Paradigm shift – abandoning the industrial age mindset

When the welfare state was being created, economic growth was seen as a key means for implementing its greater goals and purposes, i.e. the eradication of poverty and the creation of a good life for its citizens. The process of building this up was governed by the mechanistic and hierarchic mindset and operating models of the industrial age, both in the business sector and in the public sector.

We have built our society on the foundation of growth-oriented mechanisms and strong institutions. Our original objectives have largely been attained, or they

have disappeared in the meantime. Yet we are still accustomed to thinking that all good things derive from a continuous growth of material wealth and the economy. The institutions we have built have become increasingly strong buttresses of identity and security for us. Winston Churchill once said: “First we shape our buildings, then they shape us.”

Indeed, our institutions, their goals and their structures have gradually become an end in themselves. This has turned people – you and me – into a production factor, a resource, a consumer, a prisoner of the machine.

We have allowed ourselves to be shackled to viewpoints and mechanisms that now prevent us from identifying and exploiting new opportunities.

Strong institution-centred identities and production-oriented and product-oriented perspectives prevent us from seeing growth opportunities. In a networking service economy, new growth is often created in contexts broader than that of a single actor, in user-oriented and solution-oriented development.

Objectification of people and their work suppresses entrepreneurship and community spirit and also affects job motivation and the work ethic. If work has no content to make it meaningful and feasible, the employee’s relationship to work is a purely utilitarian one, and commitment is shallow. Excessive control over people’s lives and emphasising rights over and above responsibilities erode initiative and duty.

We need to be liberated from the structures of the industrial age, from ways of thinking and acting that prevent us from reinventing our identity at a deeper level.

Meaningful actions are the source and growth platform of identity. We must seek, find and put boldly into practice greater purposes and view economic growth and its institutions as tools for attaining this objective.

Albert Einstein once said that while we have increasingly perfected our methods, our sense of purpose has eroded. This is to a large extent the source of the strange melancholy that prevails in Finland and more widely in the Western world even amidst all our prosperity.

Towards a vibrant Finland

To be sure, many of the elements in our current growth strategy remain relevant: the fundamental values and essential nature of the Nordic model, openness to globalisation, investment in expertise and R&D, promoting the functioning of the market. However, in the future growth can no longer depend on a handful of industrial sectors and the few large companies operating in them. Growth must come from numerous sources. In the future, growth will come from the new opportunities created by global trends. Every business – old and new, large and small – must ask itself: What are the new needs, created for instance by the energy efficiency requirements caused by climate change, that we could fill with a customer-oriented and solution-oriented approach?

Because of this, it is important not to focus just on current problems in the efforts to promote sustainable economic growth and employment, thereby falling into the trap of the old mindset and operating practices yet again; instead, we need to find pathways to a deeper, longer-term reform.

Our image of the future has been crystallised into this: Vibrant Finland – sustainable renewal leading from industrial-era structures to a people- and solution-centred service economy.

Towards a vibrant Finland

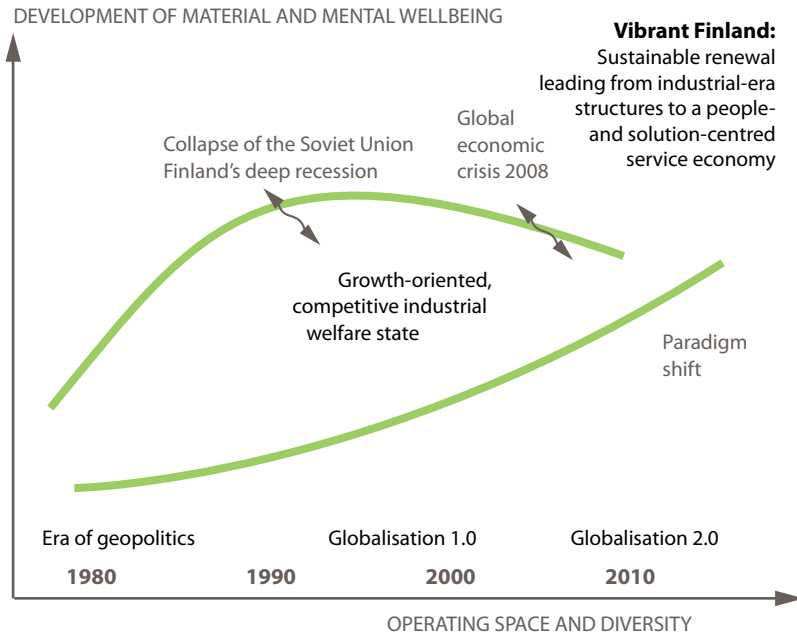


Figure 3: Our society and our economy are on the threshold of a paradigm shift from the industrial era to a people- and solution-centred service economy.

This is not a new, complete vision for Finland or a collection of current policy recommendations; it is more like a road sign pointing to a pathway of sustainable renewal. It begins with a purpose, leads to a service mission that creates added value, and is fuelled by inner vitality.

We need a deeper purpose to sustain the things we do; a service mission that is meaningful and binding while also being inspiring and pragmatic. We can create new growth and economic prosperity only by creating added value for others. This brings together the fulfilment of human and economic needs.

We must understand that we are not giving up growth. We desperately need new growth enterprises founded in a freer and more meaningful spirit of entrepreneurship that will generate new jobs and new business. However, growth is not an end in itself: it is the fruit of creating added value. As examples of new growth ideas and initiatives we may mention the internationalisation of Finnish water expertise and the FIN network.

We are also not giving up all of our industry in favour of immaterial services – quite the contrary. What we are talking about is a change in the way we think and operate, and this will lay the foundation for future development of our industries. The key issue here is focusing on the customer's viewpoint and needs and on solutions that create added value out of both tangible and intangible elements. The old dichotomy of industrial products and services no longer has any meaning, as Kone and Normet and certain other Finnish industrial companies already know.

We are also not proposing that we give up the welfare state. But we must adopt a more dynamic way of thinking, where welfare consists of doing good things, providing services and using their outcomes sustainably; where systems are enabling and encourage change; where security is vested not in old structures but in our ability to create added value in changing interaction relationships; and where

the focus is not on defending one's established rights but on creating new, shared benefits.

Preventive services, peer production and public-private-people partnerships such as the health care cooperation projects between Keminmaa local authority and Mediverkko open up new paths to welfare. The aforementioned project is discussed in more detail in section 8.

How do we move forward on the path of sustainable renewal? Do we need more crisis consciousness or more inspiring visions of the future? Both have been called for, and with good reason, but above all we need a deeper purpose – and also pragmatic steps towards a service economy.

Our identity shift in this tradition represents a challenge for individuals, companies, governments and regions alike. Successful pioneers are able to adapt their inner state to changes in their environment and launch processes to reshape their identity. They see change as emerging opportunities. Pioneers find new purposes and new roles for themselves and are genuinely committed to interactions that create added value. Pioneers are flexible and solution-oriented. They are vibrant and bold.

Pioneers understand that if they do not create a future for themselves, someone else will do it for them. This is also about independence. And the spirit is what counts, the same spirit that fired us 70 years ago. The difference is that now we are not threatened with loss of national sovereignty. Our economic independence will depend on how we manage our business – on our will, our ability and our courage to renew ourselves.

4.

Vitality as a requirement for renewal

It is a paradox of our times: Finland is one of the world's most successful, most prosperous and healthiest countries. Nearly nine out of ten Finns are satisfied with their lives and with those areas of their lives that they consider the most important, such as human relationships and work. But at the same time we find that Finns are violent, that they abuse intoxicants and antidepressants, that they do not keep fit, that they cannot cope at work and that they bully each other. Some Finns are doing better than ever, but a small and growing minority are doing really badly and are becoming socially excluded.

This paradox is something that must give us pause in the ongoing global transition where mutual dependencies between people are stronger and more diverse than ever before. Humanity faces huge problems with natural resources and the climate economy, and these require common solutions. These problems inevitably affect Finland too.

Our days as an isolated isle of bliss are over. Even so, we Finns are still very much secure in our comfort zone and unwilling to change ourselves or change our environment. Hierarchies and authorities are firmly entrenched in our cultural genetic code. Our welfare society has enabled us to carry out structural changes and undergo rapid development by providing citizens with safety nets. But as Finland has grown more prosperous, something of our self-reliance, our initiative and our let's-do-it spirit has been lost. The heroic tales of our culture do not feature entrepreneurs or the entrepreneur spirit. Hierarchical leadership, which treats people as resources, objectifies us Finns and thus renders us passive – or frustrated. This may lead to a repression or even atrophy of a significant portion of the energy or life force inherent in us.

We often speak of and visualise 'society' as an outside, faceless entity. But society is us – you and me. Therefore in the Wellsprings of Finnish vitality development programme we approached issues from a human viewpoint, focusing on the individual, who has both rights and responsibilities. We feel that Finns have genuine opportunities to make choices. But we also bear responsibility for the consequences of our choices.

In the world of Globalisation 2.0, new things are born in a creative and user-oriented interactive process. Operating practices are people-oriented and user-oriented instead of production-oriented. The value of what we do is determined

on the basis of the value experienced by the user, and innovations are created jointly in cooperative ecosystems. In such a world, an individual may and must be an active participant: seeking cooperation, identifying new opportunities, finding new solutions, grabbing the bull by the horns, daring to take risks and not being content merely with dutifully performing tasks set by others.

Our greatest challenges are these:

1. Clinging to what we have here and now

Most of us live in a comfort zone, content with what we have here and now. However, the world will be very different when today's adolescents grow up, since Finland and the world are constantly being redefined. If we wish to be a nation independent in thought and economy, we must shape our own future in a changing world.

2. Social exclusion

The costs of social exclusion are high, both to society and to human dignity. Powerful changes affect regions and portions of the population in different ways. The polarisation of society and the threat of Finland splitting into two in social terms are the real challenges we face, together with the consequences of social exclusion. This effect is made all the more dramatic by how important our atmosphere of trust, our sense of fairness, our stability and our capacity for constructive cooperation have been and continue to be for Finland as sources of our vitality.

3. New jobs

Unemployment is the principal cause of social exclusion. Creating new jobs is an important issue everywhere in the world and a particularly sensitive trigger point in Finland.

4. Embracing new kinds of cooperation

The ongoing change challenges the current structures and operating models of our society. This transition forces us to embrace new kinds of cooperation both within Finland and internationally. What does this nation named Finland mean to people living here and to the rest of the world? What is Finland's function in the world? How should we create and produce added value that supports sustainable development in the various fields of economic, social and political actions?

What is vitality?

Competitiveness and welfare are traditional indicators of the prosperity of a society. To simplify somewhat, competitiveness measures how well Finland is doing in the world, while welfare measures how well Finnish citizens are doing in Finland – both from the macro-perspective, of course.

However, the paradigm shifts that are shaking the world have made our everyday reality more complicated and unpredictable. We need to be prepared for a number of different futures. Such preparedness cannot be created through hierarchical institutions and reliance on rigid long-term plans. The capacity for renewal comes from people and from the open, rich, pluralist and inclusive interaction between them.

We can no longer focus only on visible and hence measurable results such as competitiveness and welfare. We need a new set of concepts, more comprehensive and more sensitive to microdynamics, so that we will know which issues to address and where to invest when we are 'making the future'. We must understand and examine factors that will lay a better foundation for our survival and success in the future, in a world with multiple predictions for the future and 'moving targets'. We must also take long-term trends and requirements into account at an early stage, not when their impacts are already clear and we are forced to take urgent action. The climate economy and changing our consumption habits to comply with sustainable development are cases in point. Low-carbon Finland is one of the tangible projects showcased in the 'wellsprings of vitality' process (these projects will be discussed in more detail in section 8).

Our public debate lacks a broad concept commensurate with the times we live in that would describe the potential of the nation from the perspectives of economic growth, social functionality and the life of the individual at the same time.

For this, we propose the concept of 'vitality'.

The word 'vitality' itself is organic and energetic. Vitality influences and inspires everything we do. Vitality is not a state, it is movement in time and in context. It is thus a dynamic concept. A nation or a business may well become highly competent for a while, but continued success relies on renewal, which in turn is enabled by vitality.

Vitality is the source of sustainable renewal of individuals, communities and society at large; it enables us to function even when the environment is changing in unexpected ways, and to improvise. Vitality describes the capacity of a community to carry out processes of change and to take risks.

Vitality is strengthened by an ability to face up to and include many different ways of looking at things. Vitality is fuelled by interaction that does not shun conflict and tension.

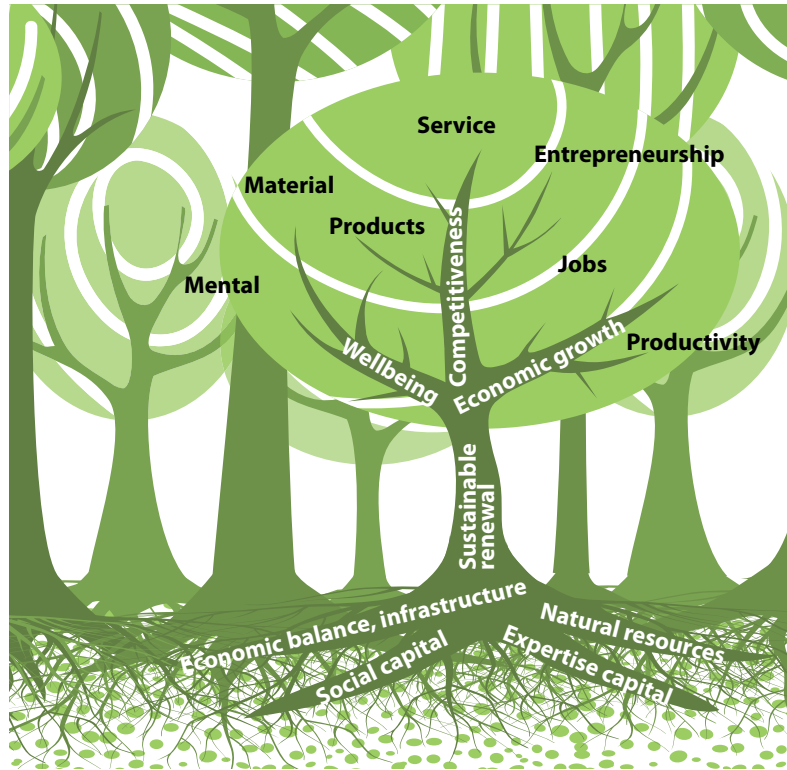
Vitality can be channelled constructively or destructively, depending on how we are able to process tensions between individuals, communities and societies. From the vitality perspective we may ask: Do the tensions we are seeing here lead to increased safeguarding of interests and to conflict, or will they prompt a genuine dialogue between the parties to find a new approach?



**At the centre of it all is the individual:
are we enablers or preventers?**

The spark that enables change, or vitality as we called it in our working process, is an essentially human attribute. Vitality comes from people and from cooperation between people. Change processes come from people and from communities formed by people. Vitality grows and spreads or suffocates in the interaction that happens between communities and individuals. Vitality is at all times a force in society, whether invigorating or debilitating. This is true at the local level too. As a positive example we may mention the vitality project in the town of Hämeenlinna which generated the 'Made in Hämeenlinna' concept in the course of this development programme. (This will be discussed in more detail in section 8.)

In the development programme, we used nature metaphors to depict a vibrant Finland – trees and forest. In our metaphor, the soil is the vitality, the roots are enablers, the tree trunks are sustainable renewal, and the foliage is the fruits of our labour, such as wellbeing in society or competitiveness in the economy. In today's world, we live in a shared ecosystem, and Finland is not the only tree in the global forest. We are competing for nutrition – for vitality – with everyone else.



In the tree metaphor, Finland is just one tree in the world forest. Our prosperity depends on the trunk, the foliage and the roots alike.

Vitality is fuelled by a variety of resources, such as the social and cultural heritage that governs the nature and content of human interaction. The important things here are our value base, our appreciation of the individual and of humanity, and our attitudes to diversity and otherness. Do we strive to gain confidence, justice and fairness? Is openness our guide? Does our education system support learning how to learn, the ability to identify possibilities and describe problems that need solutions?

We may also ask: Are we primarily a nation of security-seekers, or do we encourage people to believe in their potential and to stretch their wings? Can we lay responsibility on each other and also carry responsibility ourselves? Do we aim to do our work well and enable others to do theirs well? Do we take other people into account as human beings? Are we genuinely present? Can we create an atmosphere with a let's-do-it mentality?

Here in Finland we have many strengths relating to social capital, such as a notion of equality and a higher than average level of mutual trust that fuels smooth cooperation. Unlike many other peoples, we tend not to talk much but to get on with what needs to be done. At the same time, however, we are wary of multiculturalism and are reluctant to leave our safe zones: these are weaknesses that will be further highlighted in a new world that requires bold experimentation and joint development.

We are not simply economic resources or objects of measures decided upon by someone else; we are individuals who produce added value in many ways, and each of us is a unique creative individual.

Sources of vitality

In a highly unpredictable world, vitality is essential. Although we cannot be certain of how our operating environment will develop or what the consequences of our actions will be, we must dare to do something. We need direction and visions for the future, yet we must also be constantly prepared to change course as new experiences accumulate. The energy and enthusiasm with which people tackle the task at hand depends on how well they have taken on board the reasons and justifications behind the goals being sought, how relevant these goals seem to them and to what extent they feel they can influence their own issues and lives.

Vitality comes from people and human interaction
– also at the community level and in society at large

Vitality is energy that manifests itself as a positive spirit and generates added value. Sources of **vitality** include:

- Appreciative and caring interaction between people and communities; mutual trust, entrusting and accepting responsibility
- Meaningful work and activity, opportunities for influence
- Learning, health
- Understanding the world and its transitions, life management
- Diversity, the creative tension of differing perspectives
- Future visions, aspirations, dreams

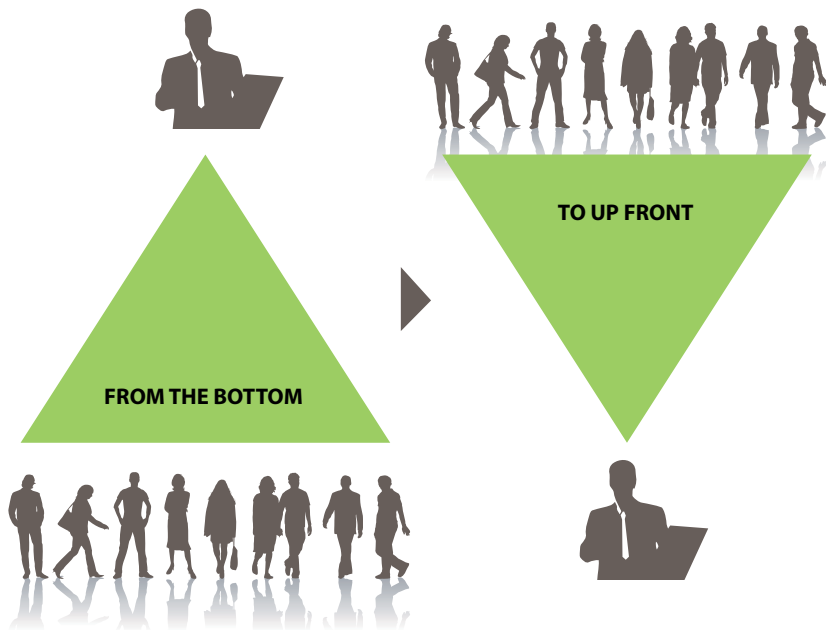


- Values, attitudes and **beliefs** that influence sources of vitality
- In today's world, vitality stems from an ability to understand different value structures and cultures (the human ability for global action and encounters)

Vitality is a broad and dynamic and thus very useful concept.

Renewal cannot be achieved by a chain of command. Inspiration is found in work with a meaning and a purpose and in appreciation for work and the people that do it. Motivation for renewal is found in entrusting and accepting responsibility and in dialogue that embodies caring, trust, listening and empowerment. Working with and through these kinds of people in this kind of context is the only way for the leadership of organisations to keep in touch with what is going on.

The mindset and structures of the industrial age as barriers to vitality



Bring the individual from the bottom to up front.

The guiding thought in our development programme is sustainable renewal from industrial-era structures towards a people- and solution-centred service economy. The critical question we pose is: where do we find new work for Finland?

In a world in transition, there is much 'creative destruction', and many traditional jobs are being eradicated. At the same time, a domain of new potential is opening up. Being useful and having meaningful work to do is important for our humanity and our self-respect. We believe that this is largely the case in Finnish society too, even though research indicates that paid employment is no longer such a crucially central element in the lives of today's young generations as it was for those born before 1970 (Finnish Business and Policy Forum [EVA], Cultural Revolution in Working Life, Attitude and value study, 2010). Today, the aim is to find a balance between the various elements of one's life. Being able to have a tangible influence on something that we consider important is a huge source of energy, or vitality.

In this development programme, we have aimed to identify the key factors through which Finland can enhance and renew its vitality. The programme workshops were organised into three theme groups, each of which outlined a future vision for a vibrant Finland:

- Wellbeing: vision of the future: **The individual is the focus of wellbeing – every one of us needs a meaningful occupation.**
- Entrepreneurship: vision of the future: **Dreams and attitude – there is an entrepreneur in all of us.**
- Leadership: vision of the future: **Management by trust requires skills.**

The theme groups embraced their tasks with enthusiasm, engaging their areas of expertise in interaction whose results and projects are discussed in Part II of this report. These will help carry us towards our visions of the future.

During this process, we have also considered how to measure vitality. In a transition situation, any individual indicator has only limited application. We should therefore adopt a broader range of indicators than we are used to. In a vibrant Finland, it will become important to measure how well interactions and networks are functioning. So far, no established tools or indices exist to measure things like this. It is essential that we pay sufficient attention to future demands in examining the health of enablers of vitality; in the tree metaphor referred to above, these are the roots – economic sustainability, social capital, expertise capital, natural resources and the environment.

In major transitions, the long-term perspective must take precedence in deciding on investments and the allocation of resources, as paradoxical as this may seem in a highly unpredictable context. We feel that the development of new indicators must be approached with an open mind; for instance, indicators measuring happiness, the joy of living and energy. We will return to these in the project discussions in section 8.

PART II: Towards a vibrant Finland

Wellbeing group: Heikki Hiilamo, Timo Hämäläinen, Tuuli Kaskinen, Dan Koivulaakso,
Lasse Männistö, Marja-Liisa Parjanne, Reijo Vanne
Learning group: Marketta Henriksson, Olli Luukkainen, Anna Solovjew-Wartiovaara



5. Working group report: Wellbeing in Finland

New chapters need to be written for the success story of Finland's welfare society. A shrinking financial framework and the negative impacts on wellbeing associated with the current model make renewal absolutely necessary.

We need to replace resource-oriented thinking with function-oriented thinking when contemplating wellbeing. Wellbeing comes out of doing good things. Instead of 'mass production' of welfare services we must pay closer attention to the needs of the individual. Wellbeing must be about longer-term responsibility for future generations, the renewal potential of the nation and sources of vitality.

The wellbeing group progressed from discussing the rights, responsibilities and changing everyday welfare needs of the individuals to an evaluation of service structures and ground rules. In this section, we will discuss pressures for change currently exerted on the welfare society and the public sector, such as the ageing of the population, migration, changes in working life and transitions in everyday wellbeing. Following this, we present our wellbeing statements. Based on these, we identified five key focus areas and one learning focus area. The projects and ideas associated with these focus areas are discussed in section 8.

Wellbeing in Finland



The work of the wellbeing group focused on people's wellbeing needs in their everyday lives; rights, responsibilities and potential; and service structures and ground rules.

The welfare state in transition – mounting pressure for change in the public sector

Our Nordic welfare state model is under great strain from both external and internal structural changes.

New developments in globalisation and the redistribution of industrial production are causing a huge shift in our business structures and the controllability of our economies. The open international operating environment is becoming increasingly complex, and the pace of change is quickening. Changes are immediately reflected in various countries and sectors. It is no longer possible to make purely national decisions; international competition must be taken into account, for instance in taxation.

Until recently, our welfare society has been built in circumstances where we were able to rely on a steadily growing workforce and thereby the continuing potential of economic growth. In the near future, however, the age structure of the population will change fundamentally. This will have an impact on the sustainability of the public sector, the growth potential of the national economy and the funding base of our wellbeing.

The foundation of our welfare society was laid at a time when Finland was a relatively closed economy and in the process of becoming industrialised. The public sector structures of that era are no longer entirely relevant to today's needs. Life spans, life cycles and family structures are now more diverse than they used to be. The public sector is largely entrenched and organisation-oriented. However, in today's society cooperation is vital for survival even in the public sector. Public bodies must become proactive instead of reactive. The public sector exists to serve its citizens. Therefore a customer-oriented approach must be adopted more prominently in planning and organisation.

Ageing population, increasing migration

Life expectancy has been increasing in Finland for a long time. From the late 1940s until the mid-1970s the birth rate was in decline. It then recovered somewhat and has held largely stable for the past 30 years. The total fertility rate has remained between 1.7 and 1.85 since the early 1980s; from roughly the same time Finland has enjoyed net positive migration.

As life expectancy increases, so does the number of elderly people in the population. According to Statistics Finland, the ratio of the population past working age to the working age population will increase from 0.22 to 0.45 over the next two decades. Because life expectancy is constantly increasing, the ageing of the population is a permanent phenomenon. The baby-boom phenomenon alone does not explain it.

This demographic shift is above all an economic challenge, as the number of people of working age declines and the number of people outside working life increases. An increasingly smaller workforce must pay for ballooning pension and care costs. This challenge is one we are facing right now, as the working age population will begin shrinking in 2010.

The demographic shift will affect all of society: in addition to its economic impact, it will also have a widespread social, cultural and political impact.

However, being past working age does not mean that one has to stop working. Any age limit is arbitrary: even now, some 35,000 people aged over 65 are still in the labour market. On the other hand, over half of the working age population leave the labour market before the current old age pension limit, 63 years, for a variety of reasons. There is much potential for extending working careers at their beginning and at their end, and for reducing unemployment.

The population predictions of Statistics Finland include an annual net immigration of 15,000. Over the past three years, net immigration has indeed been at this level. The change has been rapid: as recently as ten years ago, Finland had a net positive migration of no more than 3,000. If net immigration remains stable, the number of people of foreign origin resident in Finland will double from the present level in ten years.

Balanced population development in Finland cannot rely on birth rate alone, because even though Finland's birth rate is high by European standards, it is below the replacement fertility rate. The current moderate net immigration is increasing the population, and the aim should be to keep this steady. Otherwise, immigration could cause an imbalance in the age structure of the population.

The rapid increase of the population of foreign origin has a number of impacts on society. It creates wholly new challenges, for instance for the education system, where a multicultural approach becomes necessary. The aim should be to prevent the ghetto effect, i.e. immigrant groups isolating themselves into cultural islets.

The ageing of the population leads into the goal of extending working careers and many other challenges specifically related to wellbeing at work, occupational health and learning. In many sectors, the shelf life of current knowledge is decreasing at an accelerating rate. At the same time, citizens are expected to remain competent and able to work for longer than before. Extending working careers is also important for the balanced development of public finances.

Working life is change – what will motivate the employee of the future?

Economic globalisation and deepening of the international division of labour have accelerated an ongoing structural change in our working life: industrial jobs are being replaced with office jobs. Also, the requirements for employee knowledge and skills are changing. Employees are increasingly expected to be capable of independent problem-solving and renewal. They must constantly update and improve their professional skills.

As a result, support functions and other low-productivity jobs are disappearing from the labour market, which is apparent in the high employment rate among people with little or no training. It has become very difficult to find a full-time permanent position in a low-income job.

Work organisations have also changed. Collective labour action has wound down. There are fewer strikes, and personal pay agreements have become more common. But at the same time, the social structures that support the individual have eroded. This may undermine wellbeing at work and coping at work and may even lead to an early disability pension.

Increasing prosperity in society at large and a rising educational attainment also raise expectations with regard to the organisation and content of work. Work is an important part of a person's identity and life career project. It is more challenging than ever to motivate individuals, but also more rewarding. A highly productive employee can generate a return for the employer many times that of the investment represented by his/her salary.

Extending working careers is a major challenge in working life because of the ageing of the population. Succeeding in this requires flexibility in working life. It must be made possible for people to work according to their abilities and strength. There will be employees of very different ages at workplaces, and one employment model will no longer fit all. The reconciliation of work and family life also calls for added flexibility.

Some work will remain firmly tied to the workplace and to regular working hours, even in the future (for instance in the service sector), but certain kinds of work will become increasingly mobile. Work can be woven into everyday life in different ways at different points in an individual's life span.

Another manifestation of changes in the economy is that employment relationships have become less certain. This is not just about the increasing number of what are known as atypical employment relationships. In today's world, few people can be confident that their job is secure. Therefore the upkeep and improvement of employee skills and knowledge in various labour market positions (employed, sick, laid off, unemployed) is more important than ever.

Materially we are fine, immaterially we are not

The building of the Finnish welfare state was governed by the vision of Pekka Kuusi, who focused on economic growth and material wellbeing. This was wholly appropriate and understandable in the early 1960s, when Finland was a poor society and most of its problems had to do with a shortage of material welfare. Since then, however, Finland has risen to the ranks of the most affluent nations in the world.

Today, more than 70% of Finns say that their income is quite sufficient for their everyday needs. Only a tiny minority of Finns live in serious poverty. Regardless of this, the Finnish welfare debate continues to emphasise material concepts such as GDP growth, collective income bargaining and the level of social security.

To be sure, the eradication of poverty is still an important goal and must be invested in. But it is just as important to revise the concept of and debate on Finnish welfare to bring it up to date with the everyday lives of people in the 2010s. The key elements of everyday wellbeing – the resources and opportunities available to citizens, living environments, everyday activities and essential needs – have changed enormously since the days of Pekka Kuusi. Finnish society has become wealthier, our culture has become freer, and our markets have grown. This ‘silent transition’ in everyday wellbeing has been largely ignored in public debate. Research on wellbeing has also not updated the outdated overall view. The majority of today’s welfare debate is still rooted in the old materialist mindset.

Finnish society is a very different place to live now compared with what it was in the early 1960s. We have pretty well satisfied the basic needs of our citizens, but new issues of mental wellbeing have emerged. Uncertainty related to social change, the erosion of traditional standards of behaviour, society becoming increasingly specialised and complicated, and increasing market supply and demand all conspire to make everyday decisions and life management that much harder. Stress and urgency are a problem for an increasing number of Finns. Feelings of inadequacy and therefore of life management failure seem to be growing. Young people’s mental health problems are increasing alarmingly, and depression is now the leading cause of disability pensions. Mental health problems are not only ‘wellbeing losses’, they also cause major economic losses. Even slight mental health problems significantly detract from the productivity of work in an information society.

Increased problems in making decisions tend to make people short-sighted and self-centred. If everyday decisions have both short-term and long-term effects, choices are often governed by immediate satisfaction of needs. Such decisions may cumulatively cause all kinds of wellbeing problems (burnout, obesity, excessive debt, etc.).

The culture of the individual, the weakening of community standards and the ascendancy of consumption have led to an increasingly hedonistic culture. Responsibility for the wellbeing of neighbouring communities is often seen as someone else’s problem. The strong role of the welfare state in the wellbeing of Finns has contributed to this trend. Decisions motivated by self-interest also easily accumulate into major wellbeing problems (environment, human relationships, traffic congestion, etc.). These new wellbeing problems highlight the importance of taking personal responsibility on the one hand and of support and incentives for correct decisions on the other.

In today’s prosperous and liberal Finland, there are many other needs besides material basic needs: loving one’s neighbour, a sense of community, social esteem, self-expression, a meaningful life, and mental coherence, i.e. having a manageable everyday life. What these ‘mental needs’ have in common is that material consumption is not an especially efficient way to fulfil them in a prosperous society. They are about the importance to wellbeing of good human relationships, meaningful work, life management and mental balance.

Statements of wellbeing

The new challenges for wellbeing can be summarised in these statements:

1. We must aim at comprehensive, human-centric wellbeing

We must expand our concept of wellbeing to take into account not only material things but also factors that have to do with mental, physical and social wellbeing.

2. We all need a meaningful occupation in society

We must expand our concept of work, create new and flexible forms of working and ensure that everyone can make a meaningful contribution (including immigrants, the partly disabled and pensioners).

3. We are a peer production resource

Everyone has a subjective responsibility for taking an active role in their family, sports club, parents' association or any other peer network.

4. Institutions are there for us

The most important function of our public institutions is as an underlying catalyst for the vitality of Finns.

Focus areas of wellbeing

Wellbeing and work are closely connected

Wellbeing at work is important for both material and mental wellbeing. The performance of society and businesses depends on how feasibly work is organised at workplaces, how motivating it is and how well it utilises personnel expertise. Better wellbeing at work translates into better productivity and longer careers.

Human wellbeing is an indivisible whole. Wellbeing in everyday life and leisure time affects wellbeing at work, and conditions in the workplace reflect on wellbeing at home. From this perspective, attention to wellbeing at work is about the impact of working conditions on wellbeing as a whole. What is important is to consider how the capacities, expertise and needs of individuals are met in working life.

Job requirements should be commensurate with employee competence and other resources as closely as possible. Deviations either way – a job too demanding or a job with no challenges – are detrimental to wellbeing at work. Expertise now becomes obsolete more rapidly than before, and it is increasingly difficult to predict what kind of expertise will be needed in the future. Yet at the same time people are expected to remain employable for a longer time, as both life expectancy and working careers are lengthening.

Successful harmonisation of private life and working life requires the possibility of flexible use of time, depending on the situation at work and at home. Flexibility must be allowed for in the planning of processes, working hours, reward systems and the providing of services.

Telecommuting or location-independent work has not been explored systematically or utilised anywhere near its full potential. Wellbeing is partly about flexible time management. Decreased mobility and local centralisation of functions

can also contribute in a small way towards a low-carbon society. Extensive enabling of telecommuting requires changes in the use of technology, the organisation of work, operating practices and agreements.

Health is an important component of wellbeing, and occupational health is naturally important at work. If health problems occur, it can sometimes be difficult to analyse whether they are work-related. Poor health is always bad in terms of wellbeing and working capacity, regardless of the cause.

Anything that prevents illness or poor health adds to vitality. This, naturally, encompasses an incredibly broad range of actions and factors. Key factors include the physical circumstances and atmosphere in the workplace, the provision of occupational health care, personal life habits, regulating and guiding measures in society, public health care services and opportunities for self-improvement.

According to working conditions studies by Statistics Finland, work is an important area of life for more than half of the working-age population. However, the central importance of work has diminished since the 1980s. It would seem that the importance of work increases in a time of low employment and decreases in a time of high employment. Also, work is the less important the more educated the respondent is; yet those with a higher educational attainment are more dedicated to their work and appreciate it more than on average.

Positive trends must be reinforced and negative trends reversed in addressing working conditions. According to working conditions studies, the potential for self-improvement at work has been constantly improving between 1977 and 2008. According to a European working conditions survey, Finland ranks second only to Denmark among EU Member States.

Overwork is the most important factor detracting from wellbeing at work, even though Finland is at the top of the league in the EU as regards various kinds of flexibility arrangements in working hours. Workplace atmospheres have slightly declined in the 2000s. According to the European working conditions survey, Finland is the leader by a wide margin in workplace bullying in the EU.

The projects related to wellbeing at work that emerged in the present development programme are discussed in more detail in section 8.

Preventive services rather than troubleshooting

The importance of prevention of social and health problems has been widely recognised. If properly targeted, funds allocated to preventive work will be recouped many times over in the form of better working capacity and wellbeing.

We tend to talk a lot about the importance of preventive work, yet we reward employees on other grounds. For instance, upper secondary schools are ranked according to how many grading votes their students get in matriculation examinations. They are never compared according to how well they manage to help adolescents from less advantageous backgrounds to complete their matriculation examination successfully and thus to avoid social exclusion. The danger is that the best teachers will end up at the 'best' upper secondary schools.

The issue of preventive work is becoming increasingly pressing, while reward systems in working life based on personal performance are becoming more common. The importance of preventive work is often difficult to perceive.

Social and health problems are generally not caused just by bad luck. There are various risk factors and, on the other hand, various protective factors at work in



the background. Unfortunately, we know a lot more about the risks than we know about the resources. What we do know, however, is for instance that children placed into care outside their home stand a much better chance of doing well later in life if they can finish school. We also know that dropping out of school inevitably weakens future prospects.

Local authorities would do well to pay bonuses to those family shelters whose residents manage to finish school. They should also reward schools that reduce their number of dropouts.

The problem here is that preventive work is ill-suited to the logic of service provision. Service providers aim to specialise in troubleshooting, not in preventing problems from arising in the first place. The resources allocated to service production are generally determined on the basis of social and health problems taken care of rather than preventive actions taken.

Incentives for preventive work should be built into the service system, and this should be done across the board, whether we are discussing early childhood education or preventive intoxicant abuse work among young men. We also need expertise in identifying the potential for early intervention. This should be a shared function in all welfare services. Professionals and volunteers alike need to be nudged to consider their work from the point of view of prevention.

The projects related to preventive work that emerged in the present development programme are discussed in more detail in section 8.

Peer production challenges the public sector

Finns are happy to pay their taxes and to use public services. We have our children go to checkups at child care clinics and spend their days at daycare centres. A large portion of our health care expenditure goes towards medical care for the elderly. We have a mutual agreement that these things must be looked after.

Life as we know it today brings up new needs. We need a new kind of support for everyday decision-making in society to guide and encourage towards the best choices for both individuals and society at large in the long term. Well-established peer groups such as AA and Weightwatchers have already proved to be an effective force for change in lifestyle.

Between the 1960s and the 1990s, health differentials in the Finnish population decreased in parallel with differences in income, and the average educational attainment increased hugely. Finns now live longer and healthier lives than ever. Emerging problems include mental health problems and resulting social problems such as loneliness and a sense of uselessness. These often go hand in hand with being excluded from education.

Climate change, changes in working life, the information society and the use of the Internet have brought a whole new set of problems. People need support to be able to cope at work, in their intimate relationships or in bringing up children. They need counselling and new kinds of services.

Peer production is a good model for providing services. Peer groups have emerged in the context of hobbies, lifestyles and information production, usually organised non-hierarchically and non-commercially. Peer production can also be seen as the evolution of alternative lifestyles.

For instance, Linux and other open-source software and operating models have changed the way in which we organise information and its production. A new kind of service industry can be built around open-source software, and 'collective intelligence' can be leveraged, for instance on the wiki principle.

Shared use of goods will be an important service sector in the future in order to curb climate change and excess material consumption.

Shrinking public funding also makes it necessary to develop new forms of services. Unless we raise taxes, we can no longer even pay for everything that is now provided by the public sector. The costs of providing services are increasing despite enhanced productivity.

As a result, people have begun to tackle their problems themselves and above all through cooperation. Peer production has emerged in situations where a more flexible and user-oriented approach has been necessary for solving new problems. Similarly, peer production has emerged where special needs groups have wanted services provided differently from those of the public sector and where alternative practical measures have been needed. For instance, even though Finland has the best network of child care clinics in the world, a comprehensive network of mothers' groups has emerged in parallel. Lonely mothers with small children congregate at their own initiative, making use of the connectivity of the Internet.

Many organisations have also seen their potential in supporting peer networks. Meeting rooms for the elderly, medical columns on the Internet and peer support groups for alcoholics are good examples. There are countless applications in various areas, all connected and made visible by the Internet.

The public sector has found it a challenge to support peer work. The services provided by the public sector are founded on strong institutions and the professionals working in them. Public sector employees have detailed job descriptions and qualification requirements to ensure high quality. Nevertheless, the best possible result is not always attained.

Qualifications are not the most essential thing in the provision and availability of help. Peer assistance is more important. The experiences of people in the same



life situation may be more useful than the professional competence of experts. What is important is to believe in one's own abilities and to search for suitable solutions.

In today's societies, peer groups are easily found by highly educated, high-income people. For those threatened by social exclusion, it is more difficult. The public sector needs to ensure that these vulnerable people also discover their own networks and communities. Organisers, facilities and sometimes facilitators too are needed to make these meetings happen. Peer production is one way of providing more resources for community use.

Support for peer production from the public sector is also important for limiting environmental damage and reducing the use of natural resources.

Aims to privatise information can inhibit the development of peer production. For instance, the University Act will in the long term privatise research. The tightening provisions of copyright legislation also make it more difficult to disseminate information. Turning information into a limited resource will make it difficult for new innovations and services to emerge and therefore for the information-based economy to develop.

The projects related to peer production that emerged in the present development programme are discussed in more detail in section 8.

Human services on people's terms

Service production in the public sector remains very much institution-oriented. It is difficult to cross borderlines between units. The content and quality of public services are not always commensurate with the actual needs of citizens. Public

funding is also facing enormous challenges in the near future. The production of public services must be enhanced and their quality improved.

The organisation-oriented mindset in public services is incapable of responding to the needs of a changing world. In a society in a constant state of flux, people's lives and the ways in which they operate are changing more rapidly than before. Therefore the range of public services and functions provided by society should be able to adapt to the needs of constant change more flexibly.

The way in which public services are organised has not enabled sufficient improvement of service productivity. Public-sector employment has also fallen behind the times. Clearly defined incentives are rare, and employees are not sure what is expected of them.

The efficiency of public services can be improved, and local authorities can provide residents with improved services. However, this will only be possible with bold questioning of the current mindset and practices in public services.

It is only in recent years that discussion on various life cycle models has emerged. These are based on customers' needs rather than the needs of an organisation or the content of a specific service.

We could achieve considerable improvement in public services by creating real incentives, by measuring and evaluating performance across unit boundaries, and by sharing best practices and knowledge. This could even be done without the now ubiquitous never-ending sequence of development projects.

On the other hand, there is no reason why the public sector should produce all public services by itself. Services can be more efficiently provided through a variety of public-private-people partnerships and the controlled outsourcing of certain services, and this would also bring valuable expertise into the public sector. However, this requires the generating of well-operating markets in exactly the areas where there is potential for doing so. The procurement and tendering competence of local authorities also requires improvement. We should find feasible ways for both evaluating and measuring the results of private sector contributions to the providing of public services.

The projects related to people-centred services that emerged in the present development programme are discussed in more detail in section 8.

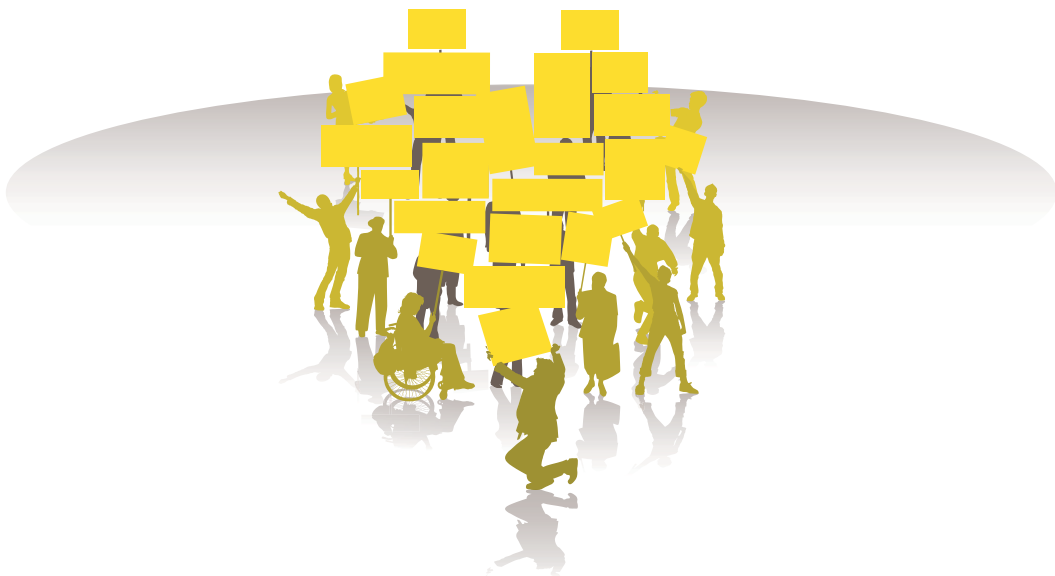
Finland is ours – all together now

Everyone must have the opportunity to feel appreciated, to develop his/her potential and to contribute to the common good. A good society promotes the participation of all of its population groups and values everyone's contribution. Rights and responsibilities are inextricably linked.

Belonging to a workplace community is a particularly strong source of social cohesion. Employment opportunities must be available not just to members of the majority culture. Employment must be desirable for both the individual and society at large. By people outside the majority culture, we mean such diverse groups as immigrants, the disabled and the difficult to employ.

Finding a job and not being discriminated against at work or in training are important things. We all need a meaningful occupation in society. No one must be completely excluded from working life. We need everyone's skills.

Foreigners account for a small percentage of the population in Finland by European comparison, but this percentage has been increasing rapidly in recent



years. In 2008, 29,000 people immigrated to Finland. Residents with immigrant backgrounds tend to congregate in large cities. One out of four immigrants in Finland live in Helsinki. As many as 10% of the population of Helsinki speak a native language other than Finnish or Swedish. The total number of languages spoken in Helsinki is about 150. Immigrants typically find employment in the hotel and restaurant sector and, for instance, as bus drivers. Many of them are well educated; in fact, IT professionals form the seventh largest professional group among foreigners.

In the future, the labour market must become increasingly international. Multiculturalism promotes pluralism, tolerance and innovation in workplace communities and in society at large. First-generation immigrants have a three times higher risk than members of the majority population of dropping out of training or of becoming unemployed. The integration of immigrants and their families into Finnish society must be supported in a variety of ways. Learning the national languages, their own native language and civic skills are key steps in the integration process.

Disability as a reason for leaving working life is far more common in Finland than in any other European country. In 2008, 25,600 people took a disability pension in Finland. The principal causes of disability are musculoskeletal diseases and mental health problems.

A perspective shift has occurred in public debate recently: instead of limitations, we now talk about opportunities. Instead of simply declaring a person unable to work, attention is paid to what that person is still able to do and to supporting that capability. This perspective shift focuses on the individual and on his/her rights and responsibilities. If an employee suffers from reduced working capability, rehabilitation to recover that working capability must be supported. A fixed-term partial disability pension is also an option. Rehabilitation and maintaining working capacity do not apply just to ageing employees; the working capacity and employability of young and middle-aged people also require more attention.

The employment rate among the physically disabled is clearly lower than the national average, and they have a high employment threshold. The number of physically or otherwise disabled job applicants has increased in recent years. It has been estimated that up to 200,000 disabled or chronically ill persons could under some circumstances be capable of joining the workforce.

Employment is the most efficient way of improving the status of physically or otherwise disabled persons in society. Improving employment opportunities for the disabled has been identified as a key development challenge in several studies on the promoting of employment. Employment of the disabled on the open labour market can be assisted through labour market services and employment policy. The sufficiency and availability of work and labour will be a key social challenge in the near future. A major portion of the group of disabled persons is in fact a labour reserve.

The average working career could be extended by one year if the return to work of disabled or partly disabled persons who are now outside working life but would be willing and able to work were facilitated even to a partial extent. At the same time, the number of people seeking disability pension because of depression would be halved. This would require development of part-time employment opportunities on the labour market and a flexible reconciliation of pay and social security. It would further require an exploration of plurality at the workplace and the adaptation of job duties and working conditions to the competence and working capacity of employees.

There are many good ways of preventing employees from slipping into disability retirement from extended sick leave. On the other hand, there are also ways of encouraging persons now outside working life to return to work. These ways could be used more efficiently by focusing on the availability and implementation of support services instead of just looking at the faults, disabilities and illnesses of these potential employees. The introduction of these ways is currently hindered by problems in cooperation between authorities and administrative sectors, increased fragmentation of the service system, unnecessary segmenting of clients, and insufficient instructions for people involved in client service.

The projects related to promotion of participation that emerged in the present development programme are discussed in more detail in section 8.

Competence and learning are sources of Finnish vitality

Competence and learning constitute the foundation for the wellbeing of the individual and of society at large. Competence and learning are vitality. Finland's future challenges require pre-primary education to be extended to the entire population, education pathways to be shortened, and working careers to be made to last.

Early childhood education and daycare services prevent problems

The Act on Children's Day-Care stipulates that all children under school age have a subjective right to daycare, either at a daycare centre or in family daycare. Alternatively, for caring for a child at home, families are entitled to a child home care allowance for a child under the age of 3 and to a child home care allowance supplement for a child aged 3 to 6. Moreover, all children aged 6 are entitled to pre-primary education free of charge. This is mainly provided at daycare centres.



The nature and role of early childhood education is clearly evolving into the first step on a lifelong path of growth and learning. Early childhood education can help equalise differences in children's backgrounds and provide better learning opportunities for children who would otherwise be at risk of exclusion from education and training. Early childhood education is a universal welfare service that constitutes the broadest, most comprehensive and perhaps most far-reaching tool for the prevention of social and health problems.

The importance of goal-oriented early childhood education is highlighted at daycare centres. According to Statistics Finland, 63% of children aged 3 to 5 participate in teaching activities at daycare centres, while 17% are in family daycare and 20% are cared for at home (2008). The rate of participation in early childhood education teaching services by children aged 3 to 5 in Finland is markedly lower than in the other Nordic countries and in the other EU Member States. Some 97% of children aged 6 participate in free pre-primary education. Finland was one of the last EU Member States to pass legislation guaranteeing children the right to pre-primary education.

Early childhood education of children under school age should be made part of public education and training services by law. After all, the purpose of early childhood education is to nurture the growth, development and learning of children in diverse ways. A decision on this should be made urgently. High-quality early childhood education services also perform early interventions, prevent and correct learning difficulties, encourage learning motivation and prevent risks of social exclusion.

All children over the age of 3 must have the right to receive early childhood education teaching services for 3 to 4 hours per day if the parents so wish. Safeguarding equal opportunities for children must be planned and timetabled, providing early childhood education teaching for 3 to 4 hours per day first to children aged 4 to 5 and then to all children aged 3 and above, free of charge.

Pre-primary teaching should be made obligatory by law, ensuring that every child participates. It is important that legislation now being prepared should strengthen the existing practice without changing it radically. Peer review and dissemination of best practices could be more systematic, for instance. There are many professional operating models customised for customer needs that could be tested in other public services too.

Better guidance means quicker progress in studies

Future competence challenges are being contemplated in several quarters. The report of the working group on the accelerating of studies, appointed by the Ministry of Education, was specially highlighted in the Wellsprings of Finnish vitality development programme. Published on 18 March 2010, the report contains several suggestions on how to accelerate the transition from secondary to higher education and how to shorten study times. If implemented, these suggestions contribute to a broadening of studies as well as their acceleration. This is vital, because the training needs of the future are largely unknown. Other measures to accelerate and diversify studies were also discussed in the development programme.

In Finland, 43% of people aged 20 to 29 are involved in some kind of education or training, as compared with only one out of four in other OECD countries. This is a result not only of a slow transition from secondary to higher education but also of the fact that studies take a long time. The number of starting places in higher education – universities and universities of applied sciences – is more than 1.5 times the number of students completing the matriculation examination each year. However, the percentage of starts who are students having completed the matriculation examination in the same year is only about 20% at universities, and less than 20% at universities of applied sciences. On the other hand, about one third of university starts have already completed higher education studies (according to a survey conducted at the University of Tampere). The average time for completing a master's degree at university (median) was 7 years in 2008.

The working group of the Ministry of Education paid particular attention to speeding up the beginning of higher education studies for students completing the matriculation examination.

The working group recommended that university entrance examinations be eliminated and students be selected on the basis of matriculation examination certificates alone. Also, applicants should be pre-screened according to whether they already have higher education studies to their credit. This 'two-queue' principle would ease access to higher education by new students while also retaining the opportunity for continuing studies in higher education after completing any secondary-level qualification. It would be important to implement this part of the reform as quickly as possible.

The working group further suggests that students would no longer apply for a specific subject but just for a particular faculty; major subjects could be chosen later. This would make it easier for young applicants, as they would not have to make choices between highly specific specialist subjects.

Finnish university-level degrees are highly specialised. There are separate entrance examinations even for relatively minor disciplines. The pathway to a master's degree is very narrow in almost any subject. This is not sustainable for the future, particularly because future competence requirements are largely unknown. What is clear, however, is that flexibility and learning to learn are of key importance. The suggestions that main subjects could be chosen later and that master's degree programmes should have the specialisation focus are therefore particularly welcome.

If early university-level studies are made more generic and transfers from one degree programme to another simpler, the number of university applicants will decrease, and new students will have a better chance of being accepted. Implementing the working group's suggestions would also reduce the incidence

of gap years caused by entrance examination; studies have found gap years to be detrimental to study motivation and to general wellbeing. This reform would also shorten the duration of studies, as any changes of subject could be done horizontally rather than having to go through an entrance examination and starting again from the bottom, as it were.

The role of guidance in accelerating studies is crucial according to the working group. If the individual is given more responsibility for his/her own choices, the amount of guidance available to students must also be increased. The quality of guidance could also do with improvement. This becomes apparent at a very early stage. As early as in the upper stage of comprehensive school pupils are required to make choices that will affect their future prospects. Guidance is of particular importance in upper secondary school, which will become more important after the reform. Guidance is also of great importance within the university system, which should not be forgotten.

The working group also evaluated the effect of various methods of restricting free-of-charge study rights on university efficiency, the sustainability of the public economy and social justice, but made no recommendations in this area.

At the leadership forum of the Wellsprings of Finnish vitality development programme, measures to shorten the duration of studies attracted special interest. Means for this include restricting free-of-charge study rights to one university degree of a predetermined duration. This discussion should also involve the issue of how student benefits (housing, meals, transport) influence when students conclude their studies ('take their papers out') and cases where students receive student benefits without completing any courses. The question of tuition fees was also raised, but opinions remain sharply divided.

Leadership forum participants proposed, among other things, that tax deductibility tied to study time be granted to student loans or fees. Student loans or fees could be tax-deductible up to 100% for students who complete their degree within the recommended time limit.

Internationalisation is emphasised in all degree programmes today, but students should have more practical options such as opportunities to participate in exchange programmes. Institutions, teachers, students and research groups should also network more internationally, and there should be more domestic networking as well. We propose that university-level studies should include a compulsory period of study abroad and/or at another location in Finland.

Future working life needs should govern studies more than is now the case. Indeed, students should be introduced to the needs, opportunities, requirements and skills of working life at an early stage. For instance, a labour market training course could be designed for the upper stage of comprehensive school. The link between working life and studies is particularly important in the last stage of studies. Educational institutions and employers need to engage in closer cooperation. There must be plenty of internships available to enable students to familiarise themselves with working life while still studying and thereby to make it easier for them to find employment after graduation. Further education of those already employed should be provided more flexibly too. The feeling at the leadership forum was that bachelor's degrees should be better acknowledged in the labour market. However, we feel that a master's degree, not a bachelor's, must be the principal entry-level degree.

Competence and learning was a topic for much lively discussion at Leadership Forum III. It was considered particularly important for Finland's vitality that studies be accelerated and broadened and that the needs of working life be better identified. There was support particularly for a broader range at the beginning of higher education, for significant improvement in student-teacher relationships, for learning to learn, and for acquainting students with the needs, opportunities, requirements and skills of working life at an early stage (preferably at the upper stage of comprehensive school), for instance in the form of a dedicated course.

Competence updating leads to a lasting career

The transition in wellbeing in working life and everyday life, ageing, mobility and migration place new and largely unknown demands on competence and on people of the future. Broad-based education, continuous and active learning, and closer harmonisation of the individual's responsibility and guidance will enable us to meet the changes and requirements of the future better – whatever they may be.

We must assume that dynamic changes in the economy and in society at large will continue. As a result, fewer people will find permanent employment for the whole of their career. At the moment, there are many difficulties involved in moving from one job to another. These difficulties extend periods of unemployment, lower productivity in a new job and lead to some people of working age being permanently excluded from the workforce. Reducing the negative effects and costs caused by these transitions is important for the wellbeing of individuals and for the vitality of society at large.

Building a sustainable career begins during basic and vocational education. Students must be able to lay a foundation for a broad range of competences and for continuous competence updating.

What are the learning paths that we need to develop to create optimum conditions for competence updating and continuous learning? We need new research and development concerning long-term learning paths. Those who are employed must be supported in their process of continuous competence updating, which not only improves the skills they need for their current job but also prepares them to learn the knowledge and skills required in any new job.

There is a development challenge in finding a new way of thinking and new operating models for workplace training. What is essential for a sustainable career is that the end of an employment relationship does not result in a break; employees must be able to find new employment or training preparing for a new job immediately. Such a transfer often involves relocation. How should transition measures and training be organised so as to focus on change management? What should an employee learn if he/she does not yet know what the next job will be? Whose responsibility is it to provide support measures at this point?

Induction training is part of starting a new job. There are various challenges involved in competence updating. How can the competence accumulated by the employee in the course of his/her earlier career be feasibly leveraged?

A research and development project should be set up concerning long-term learning paths. Development projects concerning sustainable careers, early training and early support measures could also be useful so that careers could be more sustainable and longer than at present.

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6. Working group report: Transition in entrepreneurship and work

The entrepreneurship group assessed the transition in the external operating environment and related changes in ways of thinking and operating. We also examined the effects of these on Finnish business and working life.



Globalisation 2.0 is a period of rapid redistribution of industrial production and work and a new global balance of power. Our major challenge is to find our niche in the new global economy and to create new work for our citizens.

Entrepreneurship as a feature of work of any kind is a rare and limited resource in our society. Entrepreneurship strengthens competitiveness and generates growth businesses. We must release and reallocate our resources. We must strengthen existing and new basic ways of enabling entrepreneurship, such as a high degree of networking. We must also develop incentive systems and new forms of work and



entrepreneurship, particularly in the no-man's-land between the private and public sectors in the providing of services.

In this section we discuss changes and impacts from the perspective of two focus areas: structures and practices in a networked economy, and development of entrepreneurship and business growth including obstacles observed. The projects and ideas associated with these focus areas are discussed in section 8.

Change in the operating environment: knowledge-based work, globalisation, services and experiences

A transition is ongoing in working life and entrepreneurship. It is huge, and it manifests itself in several parallel ways.

As with all large-scale transitions, this one involves both opportunities and threats. Previous large-scale transitions have been connected to changes in revenue logic in society and in degrees of processing. We have moved from an agrarian society to an industrial society and from an industrial society to an information-intensive service society. In each transition, old production factors such as labour and capital have been joined by new production factors such as information. The old production factors have nevertheless not been eliminated.

The main driving forces in the current transition in work and entrepreneurship are:

The importance of knowledge-based work is growing.

Previous transitions are still ongoing at the same time; for instance, the number of industrial jobs is decreasing. In the service sector, the percentage of labour in the total input is decreasing. The percentage of knowledge-based work is growing, as both automation and technology continue to increase. Intellectual labour is replacing manual labour.

Ubiquitous globalisation and networking.

Competition is tightening. Barriers to trade are eroding, and an increasing percentage of trade takes place over the Internet and internationally. The boundaries between local, national and global markets may shift quickly.

Transition to a service economy.

An increasing portion of added value in industry is generated by services such as customer service, maintenance, upkeep and management of the value network. Users are more aware of the range and availability of services. They more readily learn how to use services and thereby contribute to rising standards and default levels of service. The 'class of service' of products and services is a key element in even the most basic quality requirements. An appropriately boosted transition to a service society would enable enterprise growth and generate new jobs.

Transaction costs are decreasing.

Technology makes transactions more affordable, which in turn enables wider networking.

Expertise decentralisation.

As the operating environment becomes more complicated, it becomes increasingly difficult to manage complicated matters. Bringing together the expertise needed for various solutions requires the collecting and management of more diverse and more complex networks of expertise than before.

Values change – meaning is king.

Ecological pressures and eroding identities, for instance, lead to arguments of ethics and meaning being increasingly used to make choices and decisions. In a recession, values tend to shift toward the conservative end of the scale. As yet it is difficult to say how long the present trend will last. However, taking value and emotion elements into account in decision-making will become more vital than it used to be.

Added value through experiences.

Products and services are increasingly underpinned by narratives. Consumption of immaterial, experience-based services is growing rapidly. This translates into a pressure towards experience-based components becoming an important part of a very diverse range of products and services. Added value of this kind is at its best very difficult to copy and therefore sustainable and conducive to a competitive advantage. Experiences can be medial, design-based or derived from a dimension in a social network.

Change in the public-private-people division of labour.

The public sector will increasingly become a determiner of service level and a client for services instead of producing those services itself. The ethical responsibility of businesses will increase in importance as the value base and awareness of consumers change.

Traditional boundaries between work and entrepreneurship become blurred.

One of the main elements in the ongoing transition in working life is a blurring of the boundaries of what counts as work. It is therefore justifiable to discuss work and entrepreneurship together. Characteristics and circumstances traditionally

associated with entrepreneurship are beginning to make such great inroads into traditional employment relationships that the two can no longer be separated. On the other hand, the opportunities enabled by this trend have also been highlighted in the redefining of work; but its threats should also be acknowledged.

One of the manifestations of the blurring of what formally counts as work is the increase of overtime and telecommuting. Most of this growth falls below the radar of official statistics. Atypical employment relationships account for an increasing percentage of all employment relationships. At the same time, the boundary between working hours and leisure time is becoming blurred, and in many fields in practice it no longer even exists.

The grey area between entrepreneurship and a traditional employment relationship – freelancing and self-employment – is growing. Social networks are becoming a significant part of working life, and networks that originated beyond the confines of working life are now being utilised in the workplace. The compensation required from work and the motivation to work are fuelling a structural change.

The importance of open innovation solutions such as peer work, volunteer work and leisure work is increasing in the solving of difficult intellectual work problems. This has an impact on revenue logic, markets, sustainable competitive advantages in services and the generating of added value for products and services. Competence requirements are changing at an increasing rate, the focus shifting from formal competence to attitude competence or readiness competence. The importance of independent application of information is increasing in working life. This requires a commensurate increase in freedom and responsibility but also an entrepreneur attitude. Entrepreneurship must extend beyond its traditional domain. Working careers are becoming increasingly diverse in terms of their content, duration and pacing.

It is early days yet to describe in one sentence what the 'post-information society' will be like. What is clear is that new production factors are ascending in importance alongside the old ones. This is apparent in the increasing importance of trust capital and social networks, and on the other hand in the increasing importance of values in making choices. Trust is a quantity rather like capital or labour: it can increase or decrease. Trust is the glue that is needed to bond together organisations and value networks.

Conclusions

Conclusions about changes in the operating environment were formulated in two focus areas:

Structures and practices in a networked economy

examining change and development need from the perspective of new forms of work and entrepreneurship and the Finnish innovation environment.

Business growth and entrepreneurship development

examining, for instance, the necessity of developing entrepreneurship and enabling business growth while removing the obstacles to growth. Growth enterprises are without doubt one of the most important elements in repairing the 'sustainability gap' in the public sector. We have an acute need for growth enterprises.

The networked economy revolutionises structures and practices

The networked global economy is profoundly changing the structures and relationships of both businesses and public bodies. Free global mobility of capital, resources and expertise pose a challenge to conventional wisdom. This applies to businesses, production, services, training, research and public sector actions alike.

The Open Innovation model is an example of how structures and practices are changing. It is an R&D model where businesses, research institutions and universities work together in a heavily networked, synergetic environment.

Another example may be found in business-to-business relations. Increasingly, these are organising themselves into customer-oriented networks. The purpose of networking is to aim at specialisation, efficiency and pooling of resources. Networks also create complete new kinds of business by combining different areas of expertise.

A third example of new practices may be found in new types of work, which is relevant for both businesses and individuals. Networked operations and new technologies are increasingly enabling work that is independent of time or place. This, in turn, translates into many new service and business concepts.

A key challenge in finding the wellsprings of Finland's vitality is to identify Finland's status and opportunities in a networked economy. Finland should engage in a profound overhaul of structures and practices such as innovation systems, expertise and business networks. This involves questioning all current practices and a bold, sometimes even radical piloting of and experimentation with new practices. One main aim in developing Finland's vitality should be to create service businesses that are oriented towards international markets and are willing and able to grow. Finland's existing strong industrial core could serve as a springboard for service businesses. We should also invest in business opportunities that emerge through new innovations and their commercialisation.

A new mindset for corporate forms and professional positions

The ongoing social transition has created a need to generate new ways of doing and organising work. In working life, people are traditionally divided into wage earners and entrepreneurs. This role governs how the person orients himself/herself to the job and to the goal or objective at hand. In a networked economy, however, the role of experts is changing, and it is therefore necessary to combine and mix up the traditional roles.

Traditional hermetic corporate forms restrict the organising of new kinds of activity and can even become an obstacle to innovative business. There are business areas where the traditional notion of return on equity simply does not work. Therefore we need new corporate forms.

The corporate forms described here add flexibility to the business field; at the core of it all is the creating of a sensible, productive and creative working process.

A social enterprise produces services on a social basis

A social enterprise is a body whose business logic is not based on maximising profits. The aim of a social enterprise is to run a business that produces services for its customers and to use the profits thus generated to develop its services and the business, to discount prices for customers chosen on social grounds, or to maintain functions that are not profitable in the traditional business sense.

There is a clear niche for social enterprises. Experiences gained in the UK of social enterprises in various fields have been highly positive. As Finland's population ages, there will be an increased need for businesses providing care services. The challenge facing society is to secure services for those with low incomes or those who live outside growth centres. As sparsely populated areas become increasingly depopulated, there are many other services that social enterprises could help in providing.

The Ministry of Employment and the Economy is currently conducting a study on the operations of social enterprises in the UK. This study should be leveraged. We should also develop the legislation concerning social enterprises. The Centres for Economic Development, Transport and the Environment will help with this.

The innovation apparatus is a new kind of innovation and entrepreneur environment

A new kind of activity to develop entrepreneurship is being tested in various parts of Finland, known as an innovation apparatus. An example of this is Protomo, the purpose of which is to create a multi-discipline community for innovation and entrepreneurship. The basic idea of Protomo is to offer facilities and community support together with expert 'sparring partners' to enable the development of new products and services and putting them onto the market. At a Protomo facility, prototypes of products and services and spin-off business ideas can be developed together with potential customers but without immediate entrepreneur risk. Protomo caters to business idea developers, young talent and experienced professionals in various fields. It is linked in many ways to local communities and international networks. Protomo can offer new perspectives and expertise to businesses and product and service developers. (www.protomo.fi)

Hub Helsinki and Hub Tampere are similar systems for nurturing innovation and businesses. Their operating principle and objectives are very similar to those of the Protomo concept.

Gaining experience from these experiments is important for decision-making and for the broader deployment of the operating models they are piloting.

Sweat equity does not smell, it binds

In addition to the traditional limited-company model there should be a type of business where shareholders could invest not money but their work input, their expertise, facilities, networks or other types of non-conventional equity strategically important for the business. This could help dissolve the traditional boundaries between employees, entrepreneurs and shareholders and encourage those involved to make a sensible contribution to the business. New modes of business commitment would also strengthen the motivation of the participants to contribute

to their fullest ability to the development of the business. Thereby small businesses in particular could secure their growth potential through expert personnel. The aim should be to enhance and develop systems and practices that will help convert expertise to partnership.

A study should be conducted on the present state of sweat equity to identify best practices related to this model. The study should also be used to draft a proposal for the wider introduction of a new type of company (a project company).

Business networks create more added value for the customer

Business networks are the business framework of the future. Businesses of different sizes brought under certain kinds of umbrella functions are better positioned to expand and grow and to find synergy benefits in networks. A business network is based on a shared concept; its members work together to create added value for the end customer.

Business networks creating added value may be an important support network for individual companies. In a network, businesses can concentrate on their respective strengths, develop them and create new innovative concepts together with other businesses. Individual businesses cannot always do this. Significant growth can be achieved when businesses operate in a networked environment with other entrepreneurs. However, this requires that all members of the network share the same goals and mission. Networks also facilitate the sharing of knowledge and skills and learning on the master-apprentice model. An atmosphere of encouragement and sharing is also an important part of network membership.

Networks must be formed and develop to create viable business clusters that can compete in the market more efficiently. Components of service systems must be concentrated at those points in the value chain where they can be produced at the most competitive price and quality. Expertise can be pooled at these units, and they can function as centres of excellence of international calibre. Business networks like this are suitable for various sectors where there are specialised expert businesses of varying sizes.

There are many methods and models for corporate networking, and a lot has been written and published about them. Basically, there are two focus areas in business network development that we might look at:

1. The dissemination of existing best practices and operating models to various sectors.

The aim here is to make existing knowledge efficiently available to businesses. This involves compiling current models and practices into one source, planning deployment, and so on.

2. Building strategic business networks in new sectors.

The aim here is to address business areas that are on the fringes of existing sectors and do not yet have established structures. Such business areas include renewable energy, environmental technology, hydrotechnology, energy efficiency and printed intelligence. These new 'sectors' are based on existing strong areas of expertise. Our aim might be to create 10 to 15 strategic business networks with a combined product and service range that could be aimed straight at the international market.

A lot of research on business networks is being done at universities and for instance at the VTT Technological Research Centre of Finland. The Finnish Funding Agency for Technology and Innovation (Tekes) has run several technology programmes concerning business network development. Networking is also an important feature in other Tekes programmes. More systematic research could be conducted in this area in addition to the service sector.

In order for business networks to develop, a tool kit of some kind is needed for network development, practices and models, as well as training for network experts. There is also a need for a networking development project aimed at building strategic business networks in emerging sectors. This could be set up for instance in connection with the TRIO2 programme.

Cooperation between universities and research institutions (universities, VTT) in networking research should be closer, with a view to producing research of an international calibre.

The service business sector is built around a strong industrial core

Services are a global growth business, and they represent an opportunity for Finland too. The concept of a 'service' is actually very broad; services may be independent or linked to products. A key area in the service sector is industrial services, meaning services linked to particular products in particular sectors or to their use (training, consultation, remote use, financing, etc.).

Finland still has a strong industry in a number of sectors (forest industry, engineering industry, electronics, electrical equipment, environmental technology) and expertise that enables development of new services (ICT, media, etc.). One opportunity for Finland is to continue to develop industrial services with an international business approach. The service business must be seen as a path to renewal in Finland's industrial structure, not as a separate entity.

Industrial service business practices should be disseminated, for instance, through existing networks (the BestServ network, www.bestserv.fi, Service Factory), and corporate projects in this area should be increased. The Serve programme run by Tekes is a case in point.

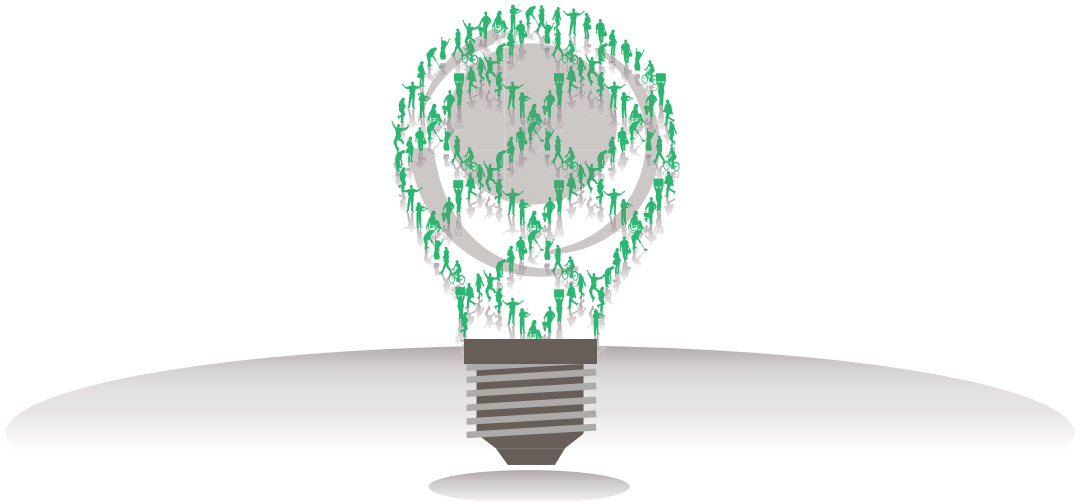
We also need a service business research group of an international calibre, jointly set up by existing actors in the sector. This could be headed by Aalto University, Hanken University, VTT or some similar body.

The Finnish innovation environment is a member of global networks

Globalisation and emerging networking pose challenges for the organisation and operating practices of national innovation systems. In developing the Finnish innovation system, we must take a closer look at Finland's role in international innovation networks.

This examination leads to needs for revising our current innovation system, for instance in the following areas:

- new funding instruments required in a networked economy (open innovation),
- focusing and selection of growth areas and investment targets,



- Finland's linking to international innovation networks (practices and funding),
- fast-tracking commercialisation of research findings (growth enterprises, existing businesses),
- extending expertise to new areas (research and companies).

Several favourable evaluations have been made about the Finnish innovation system and its functions in recent years. Prioritisation of the recommendations in these evaluations must be initiated and implemented without delay.

These recommendations should be put into practice immediately in every area where it is feasibly possible. We also need investments in long-term structural reform of the innovation system, for instance on the part of the Research and Innovation Council and the relevant ministries. A strong system of coordination between innovation organisations is required.

Finnish R&D expertise must be conceptualised and commercialised

Finland is a world leader in R&D in several areas. The Finnish innovation system too works rather well, for all its improvement needs. Also, the Finnish education and training system generates robust expertise.

A potential way for generating new business is to conceptualise Finnish R&D expertise and related mechanisms (including financing) to create new service businesses. Our vision should be to turn Finland into a leading innovation laboratory. Companies both Finnish and foreign could then develop and pilot new products in Finland, and Finland could provide high-quality R&D services on the global market. This new operating model would also open doors to international expertise-based investments in Finland while also creating potential for commercialising the expertise of Finnish businesses through the global distribution channels of international actors.

We need to conceptualise the Finnish innovation system from the 'Invest In' perspective. The roles and cooperation of the various actors must be clarified. A good starting point would be a preliminary report leading into a plan of action. The bodies responsible for this could include Invest in Finland, Tekes, VTT, Sitra and the Ministry for Employment and the Economy.

The idea of a broad-based development programme to productise the concept of an R&D service business also found support in the working group.

More benefits from research, more active commercialisation

Finnish research institutions, universities and businesses engage in many R&D projects whose commercial potential remains untapped. There are two principal reasons for this. Firstly, current R&D funding and cooperation models do not provide sufficient incentive for the commercial exploitation of results and findings. Secondly, the parties that could conceivably engage in such exploitation (i.e. businesses) do not have sufficient access to these results and findings. It is also a substantial challenge that the commercialisation of research findings often does not begin until towards the end of a project, at which point a market-oriented and user-oriented approach is difficult to employ.

Commercialisation and other utilisation should be included in research projects from the very first. They should be an element in project steering throughout the course of the project. New business competence must be brought on board in research projects from the beginning. This can be done by involving the potential exploiters (i.e. businesses) more closely in the planning and steering of projects. It would also help to link research on business models and strategies (e.g. schools of economics, consultants, etc.) to research projects and their implementation. Research groups should include members with experience of business and commercialisation.

The outcomes of publicly funded research projects could be fed into a database through which these results and findings would be more readily available.

We need to disseminate and implement new models for cooperation better, such as Protomo, InnovationMill and VTT practices.

We should also broadly examine practices in the commercialisation and other utilisation of research findings with reference, for instance, to the role of funding and organisations as part of the innovation system reform.

Involving the social media and user communities in innovation

The social media and user communities have become commonplace in Western society in recent years. However, they are still principally used for entertainment, even if the professional leveraging of social media is already under way. Using social media as part of corporate processes, for instance in marketing, product development and user feedback, is an interesting emerging application area. Professional leveraging of social media and user communities can help enhance corporate innovation, make innovation development more user-oriented and thereby generate new business. We may also anticipate that new kinds of user communities and networks may well change the ways in which businesses operate, what processes they employ and how they are organised.

A survey of existing trends and practices in this area would be useful, and available tools should be surveyed. Sitra might well play a role in this.

Also, a research project might be implemented concerning the professional use of social media, with special reference to their impact on corporate practices and organisation. This kind of project could be led by VTT and Aalto University.

Network expertise must be strengthened

Networking has created a challenge for developing a new kind of expertise. However, at the moment sufficiently good practices for such development do not exist. Because this is an area of expertise that has emerged very recently along with the new operating environments, there is for instance no systematic university-level training available to address it. Networking expertise is spread out among various organisations, but this expertise has not yet been widely collated and coordinated. It is essential to improve our understanding of how to create and maintain network contacts. We also need to find out how networked exchanges actually work and how the expertise that is now diffused in the networks could be brought together to create a new competence base.

Networking expertise could be promoted through a development and training project in this area. This would involve setting up a development network of universities, businesses, public sector actors and international experts to produce models and descriptions of best practices and also to plan training programmes based on these.

Basic research is the cornerstone of the innovation system

Finland produces only about 1% of all the research publications in the world; but what is far more important than this self-generated knowledge is that through their basic research Finnish researchers and research institutions are involved in scientific networks. These networks, in turn, allow them access to the rapidly growing body of scientific knowledge. Basic research is thus an essential part of a well-functioning innovation system.

However, as we are a small country, we must be able to prioritise. It would be fatal to prioritise applied research and product development at the expense of basic research. Instead, we should focus our basic research efforts on sectors where we have a strong and successful tradition of research.

This requires, first and foremost, open and quality-based competition for basic research funding. This will generate research whose international quality can then be evaluated. A case in point is the centre of excellence concept, where funding is given to the research groups that are the most successful or the most likely to succeed.

Basic research funding targeted from the perspective of innovation strategies is needed in strategically important sectors.

Lifelong learning, environmental technology and new business growth

We also need to ensure that Finland will continue to have a competent and skilled workforce that embraces lifelong learning. This will enable businesses to respond to changes in the operating environment better and more quickly.

Environmental factors should also be constantly taken into account alongside business development. Businesses have a significant role to play in enabling a low-carbon future. Also, investments in environmental technology should be converted to fuel for business growth through support for effective commercialisation and competitive advantages.

Political decision-making should support business growth more efficiently and in the longer term, which can be achieved by improving taxation and legislation. In this way, Finland could acquire a competitive advantage over the rest of the Western world. Decision-making should be equally efficient regardless of which point of the electoral cycle we happen to be. The importance of long-term initiatives is evident, especially when talking of responsibilities to future generations.

Our entrepreneur culture and business growth require improvement

What would be a sufficiently ambitious sea change in entrepreneur culture in Finland? Could such a change be at once realistic, inspiring and conducive to business growth and the accumulation of expertise capital? This is a critical question in the operating environment transition that we are now facing.

Obviously the more widespread embracing of an entrepreneur culture is one of the key elements in responding to the challenges of this transition.

When we talk of 'entrepreneur culture', it is important to realise that this is not exclusively related to enterprises but can mean

- 1. being an entrepreneur in the traditional sense,**
- 2. functioning as an entrepreneur within any organisation**
(=internal entrepreneurship),
- 3. more generally, adopting the practices and values of an entrepreneur in any given life situation.**

Entrepreneur culture is relevant in all life situations of an individual, from early childhood to old age. The emergence and development of entrepreneurship can be influenced at all stages of an individual's life. Entrepreneurship can be seen more broadly as an ethical life view: being diligent, committed and active is the right thing to do. Entrepreneurship is thus a source of renewal and change for individuals, businesses and society at large. Entrepreneur culture is, among other things, a powerful growth engine, because it involves a strong will to generate value for other people and organisations through one's own work.

A strong entrepreneur culture promotes a positive outlook on life, tolerance of pressure, social skills in a multicultural environment, problem-solving skills, and the capacity to withstand risks and uncertainty. These capabilities are highly useful especially in work that is service-intensive, knowledge-intensive, networked

and project-based. Society needs the capacity for the continuous renewal and innovation that entrepreneur culture and business growth bring.

It is obvious that all growth in society is the result of meaningful work. This kind of work requires a special kind of competence and attitude. One must be willing and able to pursue the development of better products and services from a customer-oriented and user-oriented perspective. Also, growth must be sustainable.

Society at large is the enabler of an operating environment that nurtures growth and entrepreneurship culture. Indeed, entrepreneur culture should be promoted through measures designed to bring about a positive culture and attitude change at various stages in life. These measures should be aimed at boosting entrepreneurship and entrepreneur skills at various levels in the education system. For example, teachers should be trained to teach courses on entrepreneurship. Cooperation between businesses and educational institutions should also be improved at all levels.

Business growth: Opportunities and obstacles

The key problem in the Finnish national economy is how and in what form we will be able to retain the Nordic welfare state. There is talk of a 'sustainability gap' in the public sector, the problem being in the unsustainability of the current funding base. The equation is a simple one: more revenue, less expenditure. But the real crux of the matter is all too often obscured by political wrangling. The argument focuses on how to divide up the pie instead of considering how the value underlying tax revenue is generated and how we could influence the generating of that value. Growth enterprises have a crucial role to play in increasing the value and productivity of work in the private sector. Numerous reports pinpoint the supporting of business growth and the removal of obstacles from its way as an issue of survival for a vibrant national economy.

Growth can be boosted in many different ways, and on the other hand growth can be enabled by removing obstacles in its way. Our aim here is to highlight some of the obstacles that have been identified as key challenges for growth.

Enablers: Growth enterprises generate economic growth and employment

Finland needs more growth enterprises so that the national economy would grow and employment would increase. Statistics show that 2/3 of the workforce in the private sector is employed by only 1% of Finnish companies. This handful of companies also generate the vast majority of the private sector's turnover. Size is in fact critical for a significant employment impact or for expanding a business to make it globally competitive.

Entrepreneur attitude

is not just for owners. Passion, determination and commitment are needed at all levels of any organisation. The key question is: How does one motivate these people and get them to commit to growth?

Customer-oriented innovations are enablers of growth and productivity

To survive, a business must stand out from the crowd. The best way of doing this is to 'do the right things', i.e. to take a market-oriented and customer-oriented

approach in the product and service portfolio. This will substantially improve the accuracy of what the business does. A technology-oriented or engineer-oriented approach is hopelessly outdated.

Productivity also means 'doing things right'. This means improving elements of the overall process towards the overall goal. New, networked operating practices in which the best expertise or solutions are sought from outside one's own organisation, are an absolute necessity in today's complex and in many ways converging business world.

Obstacles to growth: Where are our growth-oriented SMEs?

A shortage of growth enterprises in the SME sector is considered a particular problem in Finnish business. For instance, the Global Entrepreneurship Monitor (GEM) bluntly notes that attitudes towards, and the operating environment for, entrepreneurs in Finland are dismal. Finland ranks 53rd out of 54 countries. There are three principal obstacles that we might name: taxation; the capital market and ownership; and business expertise. We believe that these are the major systemic causes underlying growth, or more appropriately the lack of it.

Taxation:

In Finland, capital gains taxation makes it disadvantageous to invest in one's own enterprise compared with other capital investments. This happens if a person's capital gains in dividends exceed EUR 90,000 per annum. This naturally necessitates tax planning that diverts capital away from business growth needs to investments with a higher return, such as interest-bearing investments or rent income. The worst case scenario is a capital drain from Finland to countries where capital gains taxation is friendlier to investors.

Corporate taxation is no more advantageous than capital gains taxation: In 1995, Finland's corporate tax rate was 12.5 percentage points below the EU15 average. In 2000, the difference was still 6 percentage points in Finland's favour. By 2008, however, the average corporate tax rate in old EU Member States was lower than in Finland, and the average corporate tax rate in new EU Member States was 8 percentage points lower than in Finland (Eurostat 2009).

At the time of this writing, the 'Hetemäki working group' is contemplating four different approaches to taxation problems. Obviously, if the proposals of the Hetemäki working group fail, capital operating in a global context – Finnish capital too – will find another home. We must also compare corporate and capital gains taxation in different countries, not just focus on the differences between corporate and capital gains taxation in one country.

Taxation is by no means the only criterion considered when a company chooses a domicile. However, it is significant in a case where all other relevant criteria – infrastructure, ecosystem and expertise base – are on a par.

Capital market and ownership:

The Finnish capital market has been through a tough time during the financial crisis. Over the past few years, a significant amount of foreign capital has left Finland. This has increased the percentage of Finnish ownership in Finnish companies, but generally speaking the decrease of capital is a worrying trend.

There is domestic capital available for instance from private equity investors thanks to the good funding years 2007 and 2008. The year 2009, by contrast, was terrible for Finnish private equity investors (FVCA, 2009). At the moment, capital seems to be concentrating on later-stage enterprises; venture funding or seed capital is very hard to come by at the moment. Entrepreneur-owners need business angels at the seed stage, representing 'competent capital'. This is pretty much mandatory to make private equity investors interested or to be able to find capital on the open market through a stock market listing. Not even public funding for seed capital is sufficient at the moment.

There is an estimated EUR 70 billion in private bank deposits in Finland, another potentially significant source of business funding. Is Finland's generally negative tax debate and attitude to ownership responsible for 'people's capitalism' not working as it should? Or is it the case that Finland does not have a suitably 'patriotic' but low-risk financing instrument that could make people's capitalism work? There is private equity in Finland, but taxation and attitudes make sure that it is not invested in growth.

There is an obvious need to lubricate the capital market. According to Dow Jones Venture Source, Finnish companies raised only EUR 44 million in capital in 2009, 83% less than in 2008 and the lowest figure in the history of Finnish investments. It is generally assumed that the principal reason for this trend is the disadvantageous state of capital gains taxation in Finland. We need to leverage domestic capital as fully as possible.

Setting up a fund to boost people's capitalism could help stimulate business growth. We should thus develop a model that would mobilise passive bank deposits into growth investments. Such a model could be provided with a tax incentive, no different from what is already being done with environmentally friendly cars or heating technologies.

Various studies have called for the establishment of personnel funds. Also, here in Finland too we should extend the concept of business ownership to include not just financial input but expertise too. 'Sweat equity', i.e. ownership gained through a person's own work and expertise, should be used more efficiently. Active ownership must be popularised among employees.

Business expertise is highlighted in industrial sector transition

The ongoing transition in the business world is due particularly to globalisation of the operating environment and of competition and to new, networked operating practices. Networking is essential, because the complexities of today's world require skills that companies do not have and which it does not make sense to acquire. In a new situation, new experts must be found to augment an organisation's expertise. This requires networking with a variety of different experts but also the updating of the knowledge and competence of the company's own experts.

Experts who have already established their status must be persuaded to support growth enterprises, either as 'godfathers' (competence) or through ownership ('competent capital', i.e. business angels). Fruitful interaction between businesses and godfathers must be nurtured.

Business expertise could be improved, for instance through a new training programme. This could be set up through existing systems, for instance in the Vigo programme or by the Confederation of Finnish Industries EK.

Taxation policy for competent capital such as business angels should be addressed in the next Government Programme. However, trade and industry organisations must first agree on their position before the matter can be taken forward.

7. Working group report: Leadership

The challenges of renewal faced by business, by the public sector and by society at large are leadership challenges. Good leadership is the key for productivity, competitiveness, wellbeing and vitality. Finland's renewal is down to leadership.



An unpredictable and increasingly complicated operating environment and new forms of work and organisation bring up new foci in leadership. But at the same time, they provoke a deeper awareness of those principles of leadership which are immutable and indivisible. Rapid external changes require flexible, networked operating models. These are weighted towards individualism, entrepreneurship, communal creativity and leadership. In an interactive world, relationships of trust are a success factor.

The leadership working group discussed changes in the leadership environment in our time from a variety of angles and the resulting challenges in the private and public sectors. This section is a discussion of these changes and challenges and the measures needed to meet them, concentrating on three focus areas: enthusiasm at work; managing a public-private-people partnership; and leadership research, development and training. The projects and ideas associated with these focus areas are discussed in section 8.

Leadership faces a major change

Management theories and models are reflections of their times. Every era forms its own conception of what is good leadership.

The central tenets of modern business management (specialisation and mass production) emerged in the industrialised world of the early 20th century and were derived from the scientific world view espoused at the time. It was a golden age for engineering, and reality was understood as the world objectively perceived by an observer. Modelling and therefore controlling the admittedly at times complex world was possible by using the right tools and the right thinking.

In this world, a manager was a planner and a rational decision-maker whose job it was to know which chains of causality would result in the success that the organisation was seeking. Under the tenets of reductionist science, organisations could best be understood by understanding their parts. The parts of an organisation were seen to constitute a mechanistic and systemic collection of actions that functioned in the way that management had planned it to. According to this approach, management was about paying attention to those existing and required cause-and-effect relationships that will and would best achieve success for the organisation.

It was equally important to motivate the people involved to work towards shared and management-imposed targets and to involve them in the interaction governed by processes. An organisation was seen, ideally, as a machine with replaceable parts. The machine operated on efficient input-output relationships which turned resources into performances, which in turn created value for the customer. In this world, the people who did the actual work were simply one resource among many. This management paradigm is actually alive and well in today's industrial sector – in other words, in the context for which it was originally created.

However, the general management environment has changed in recent decades due to globalisation and technological advances. Creating added value in knowledge-based work and a networked service economy requires very different means from those useable in industrial mass production. However, not everything can change overnight. All development progresses in layers, and working life is no exception. Crafts and agriculture are still being practised today, even though we have left the agrarian society far behind. Similarly, repetitive mass production is still very much a fact of life even if many feel that we are entering an era of creative knowledge-based work.

Managing this layering is a leadership challenge. How does one manage in parallel – sometimes within the same organisation – efficient mass production on the one hand and joint service development with customers/citizens on the other? Another major challenge is how to manage the creative knowledge-based work that we need in a service economy. Obviously we will fail miserably if we try to manage

21st-century global networked knowledge-based work using tools designed for 20th-century mass production management.

Globalisation brings new challenges to leadership

Globalisation and technological advances will continue to change operating models in businesses and in public sector organisations in profound ways. Organisations will gradually evolve from hierarchies into networks, and employees – managers and rank and file alike – will be required to embrace more entrepreneur-like attitudes and practices.

From hierarchies to networks

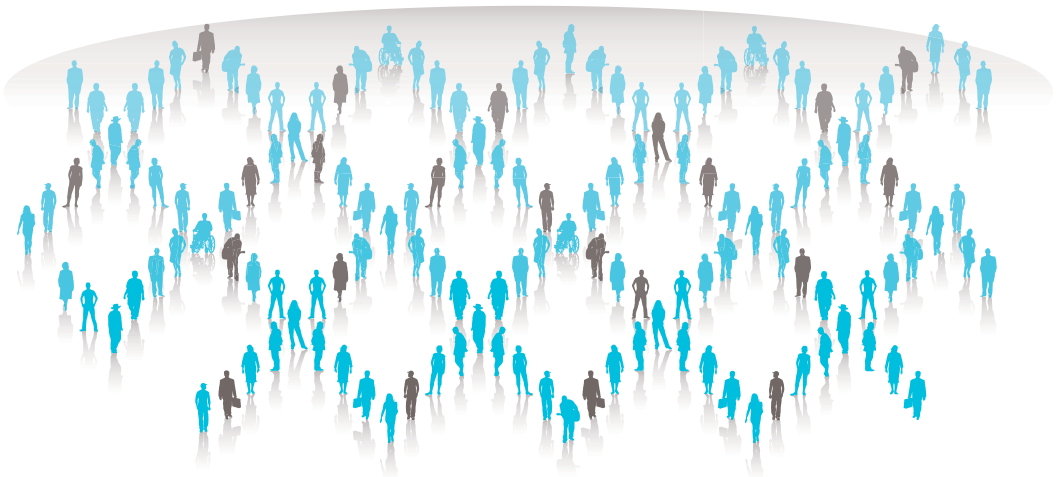
Information is energy for organisations, and interaction is a mechanism for generating value. The now traditional status-laden hierarchical management emerged from the fact that information processing and interaction used to be inefficient and expensive. Centralised handling of information was – and in many cases still is – cheaper and easier to implement within organisations than between organisations. However, the transaction costs related to both information and interaction are today only a tiny fraction of what they were even a few decades ago. Because of this dramatic drop in transaction costs we will in the future be able to launch joint projects that would have been absolutely impossible once upon a time. Indeed, the leadership challenges of the future may include such things as implementing a brainstorming session for ten million people.

A session may last for a few hours, following which the same people participate in and give their attention to something completely different. How can we attract the best people and get them to do their best work under these circumstances?

When we talk about the influence of a manager over his/her subordinates, we need to realise that all of us both enable and restrict one another in all of our relationships all the time. Leadership is as much a communal matter as a matter of the actions, characteristics and position of an individual. It manifests itself in the relationships and interactions in networks. There is always much more influence, management and mis-management going on in the value-creating network in a business than any supervisor is able to participate in or has time for.

Leadership is not only about position. A manager is also defined by his/her subordinates, not just the other way around. In interactive knowledge-based work, a supervisor can no longer be a supervisor without the subordinate's consent. But the language we use to describe relationships of influence in a network is too constrained and bound to stereotypes. We imagine that a network includes only two types of people: supervisors and subordinates. We do not yet have words that would better describe how a network actually operates and how influences and leadership travel in ways more complicated than the conventional supervisor-subordinate relationship.

Once we understand that organisations are formed of the interactions and networks of people who need one another, we can turn our attention to what these interactions are like. Today, management ideals are increasingly about creativity. What this means from the perspective of interaction is that people gravitate towards other people and communities who are able above all to create meaning for emerging, still unclear and completely new themes. In this scenario, a leader is someone who can



articulate things that do not yet exist even as a shape in the mind of other people. A 'leader' is in fact both someone who is in a position to exert influence and someone who can engage in immediate and decentralised opinion leadership. In creative work, a leader is someone who can tolerate uncertainty better than others.

The outcome of creative work can never be completely accurately predicted. Creativity always involves uncertainty and therefore risk. Taking personal risks requires courage. In an atmosphere of fear, no one dares take risks. The duty of a leader is to breed trust, which empowers people to take controlled risks under uncertain circumstances.

Leadership deepens, expands and enriches interaction. This is particularly important in situations where an organisation aims to improve its productivity. Good leadership is also important in situations where old and superannuated operating models have come to a crisis. In examining a crisis it is often discovered that interaction has ceased to exist, or never existed in the first place, or is unduly narrow and neurotically repeats the same old things, spinning around in circles. A dominant personality easily stifles all discussion and brings the organisation to a grinding halt. The important task of a leader in such a situation is to get the stagnant organisation moving again. He/she must bring new elements or new perspectives to the interaction.

From employee to entrepreneur

Apart from being networked, knowledge-based work involves another key requirement: each person's responsibility for his/her own competence. In knowledge-based work, most of the knowledge and skills required to do the job become available when the employee invests his/her own time and resources in acquiring them. The employee is therefore taking an entrepreneur-like risk in contributing to the business, much on the same principles as a shareholder investing money in the business. If an employee for any reason cannot continue working in the business for the benefit of which he/she has developed his/her competence, it is highly likely that he/she will find that this particular competence does not have as high a value anywhere else. What this means in investment terms is that the competence investment diminishes in value if the risk is realised. Today, lifelong employment is increasingly rare, and short employment relationships are more a rule than an exception. Employees are therefore expected to take new, active responsibility for their own competence and market value and for the continued

improvement of these. Everyone is responsible for the growth and renewal of their personal human capital.

Indeed, a business should be considered simply a distribution vehicle for expertise, and as such it should fulfil two important conditions: Firstly, both formal and informal learning should be quicker than at other workplaces; in other words, the employee should get a better return on his/her human capital investment than anywhere else. Secondly, an employee can never operate alone. It is important to find a community that accommodates different individuals while enabling communal thinking and above all bringing together mutually complementary expertise, making membership of this community particularly attractive to the employee. The idea is that the employee will then be able to do more than as a member of any other community.

Entrepreneur-like actions are above all about taking responsibility at the personal level. Entrepreneurship is always relative to one's own life situation and personal motivation. No one can be expected to be enthusiastic about doing things that make no sense to him/her, or things that are dictated from outside or above, deployed or handed down by someone else. No one wants to be just an instrument of deployment. Entrepreneurs only do things that they consider feasible for themselves. Internal entrepreneurship, like all entrepreneurship, must be based on a person's own personal desires, enthusiasm and long-term interest.

One of the principal features of knowledge-based work is the blurring of the border between work and hobbies. It is characteristic that this kind of work is approached with the same curiosity and passion that is usually reserved for hobbies. Self-motivation and the desire to learn with others thus also become part of work. Being an amateur in the positive sense of the word means being able to learn things more quickly.

New focus in leadership: expertise and management systems

Building and maintaining trust and enabling people to be proactive have always been cornerstones of leadership. These characteristics can be found in every successful organisation that ever existed, even in the industrial era. However, we may now observe that in the industrial era other parameters of management (such as expertise and competence in management systems) bypassed those as criteria for promotion and content in management training. Yet leadership in a networked operating model and with entrepreneur-like employees calls for focus on and development of the two characteristics mentioned at the beginning of this paragraph. They must thus be made top priorities in management appointment criteria and in management training.

From control to trust

In repetitive factory work, interaction was only needed for issuing work instructions, for controlling production, for reporting and for handling exceptional situations. In a service society and in a world of knowledge-based work, genuine interaction and dialogue are vital elements of work. Expertise and the value of work are born and nurtured in interaction between people. Interaction requires trust but also breeds trust. Knowledge-based work is continuous, collective and shared work and augmentation of knowledge in a spirit of trust. The aim of a business should be to be a rapidly reacting, agile organisation that believes in its potential to survive by

sticking together, as opposed to an organisation clinging to outdated practices, a stagnant and fearful atmosphere and assumptions about work that can be proven wrong.

It is a key feature of knowledge-based work that it is voluntary by nature. An entrepreneur-like employee in knowledge-based work frequently has several options for employing himself/herself. If his/her current job is not pleasing, or if it ceases to be pleasing, changing jobs is often no problem at all. It is ultimately the social capital in a workplace community that determines how attractive it is for prospective employees to join the community and for them to stay there once they have joined.

Social capital is, put simply, the glue that holds a knowledge-based organisation together. The traditional hierarchical and coordination-based organisation model is losing ground as the operating environment becomes more complex and market change accelerates.

Social capital is emergent and decentralised and is generated by good leadership. It partly replaces – or at least augments – the rules handed down from the top of the hierarchy, many of them bureaucratic and restrictive. At its best, social capital creates self-organising order instead of control from above. The best organisations have always operated like this, with the leadership putting its trust in the organisation and the people working in it. As a result, employees trust each other and the management.

Building and maintaining trust is, however, a difficult thing to do, and it cannot be done unilaterally. Trust is always a common good. Its 'ownership' is equally divided among all members of the network. Everyone has an equal share in the trust, and everyone has a responsibility to keep building it.

The importance of trust is highlighted in work that requires creativity. Creativity requires many voices. Creativity cannot come from a single opinion, a single vision or a single received version of the truth. Many voices may translate into conflicting aspirations, which normally are not expressed for fear of sparking conflicts. The purpose of leadership, however, must be to nurture paradoxes and simultaneous conflicting impulses and to maintain a constructive dialogue between these.

Systematic and progressive dialogue is one of the most important elements of work in a world that emphasises flexibility and learning. Expertise and the value of work are born and nurtured in interaction between people. Knowledge-based work is continuous, collective and shared work and augmentation of knowledge. The aim of a business should be to be a rapidly reacting, agile organisation.

Building and maintaining trust also requires investment. Trust can grow or shrink just like financial capital or human capital. A manager's job is to increase the wealth of the business as measured by financial indicators and the human capital of the business as measured by increased expertise. Above all, however, a manager's job is to increase trust – the trust of society at large for the business and of the employees of the business for one another.

From knowing to doing together and enabling

We know to some extent what will happen next. But in today's turbulent operating environment we increasingly face uncertainty that cannot be dispelled. We must simply learn to live with it and to function as effectively as possible in the face of it. Although we cannot predict the future, we can certainly know how we will

operate in an uncertain world. Success requires an active presence, involvement and reciprocity.

A turbulent environment does not negate the need for planning and strategic thinking – quite the opposite. Paradoxically, the better we plan things, the more nimbly we can act when situations change. The better we know about things and how to do things, the better we can improvise. Planning is therefore vital, but plans that restrict flexibility are counter-productive.

Nimble action requires a much greater hands-on presence and involvement from a manager than before. Flexibility and agility follow from a close presence. Metaphorically, we may describe today's business world as more like improvisation theatre than an assembly line.

A leader must enable active and intensive participation. Because creating value is always about doing things together, the aim should be to make all things shared. Creative and interactive work always crosses existing boundaries. Everyone should be involved and invited to participate in dialogue. This is true both within the organisation and between the business and its customers. The existence and hence success of a business is generated in the everyday local interaction between people. Participation translates into meaning, renewal and improved quality.

Selected focus areas and need for action

A vibrant Finland requires vibrant leadership relying on trust and based on enabling. Enthusiasm at work is our most sustainable way of achieving better productivity and longer working careers. Leadership is of crucial importance in attaining this goal.

Damage costs in working life, EUR 25 billion per annum



Estimate by: Guy Ahonen, Helsingin Sanomat, 6 April 2009

New leadership is needed to defuse the bomb.

The crisis of the public sector places new demands on cooperation between the public and private sectors. Resolving this crisis requires good leadership of public-private-people partnerships. Continuous improvement of leadership in a rapidly changing environment also requires further investment in management research, development and training.

This section describes the focus areas selected in the development programme and the needs for tangible action identified in it. Actual ongoing projects that have emerged in the development programme are discussed in more detail in section 8.

Enthusiasm at work increases productivity

Every year in Finland some EUR 21 billion is lost because of the number of people retiring from work before the official retirement age. Absences due to illness and occupational accidents increase the total damage costs per annum to EUR 25 billion. (Guy Ahonen, Helsingin Sanomat, 6 April 2009)

Leadership and the quality of working life have a decisive impact on coping at work, enthusiasm at work and the productivity of work. Studies show that the actions of a supervisor have a remarkable impact, for instance on the work motivation of ageing employees (Ilmarinen 1999) or on coping with pressures at work (Järnefelt & Lehto 2002). At the same time, a survey by Statistics Finland (2008) shows that only about 20% of respondents were very satisfied with their supervisor's leadership practices.

LEADERSHIP THAT ENABLES ENTHUSIASM AT WORK (KILVENSALMI 2010)

Leadership is very important. A manager who maintains a psychological presence and is himself/herself committed to the basic job is a vital resource in a workplace community and an important person for identifying with. It is a manager's job to create and maintain structures that support the actual work being done and to keep the personnel on mission.

A smoothly functioning workplace community is proactive, evaluates and develops its own work, and learns from experience. This is not to say that a smoothly functioning workplace community is wholly without problems, but it is also not afraid to bring those problems out into the open or to face challenges. A good workplace community has mature humour, open dialogue, empathy and collegiality.

A good workplace community not only supports the wellbeing of its members but also contributes to it – such workplaces do exist. A well-organised job helps employees grow as human beings. Such a job is so attractive that employees are reluctant to retire. After all, it is people who have created working life, and we can also change it.

Enthusiasm at work requires well-functioning leadership. Nevertheless, good employee skills and community skills are (almost) as important as supervisor skills. Today employees can no longer hide behind the traditional wage earner's identity and leave all responsibility to the supervisor. Entrepreneur-like actions are above all about taking responsibility at the personal level. Internal entrepreneurship, like all entrepreneurship, must be based on a person's own personal desires, enthusiasm and long-term interest.

Investments have already been made in leadership and enthusiasm at work:

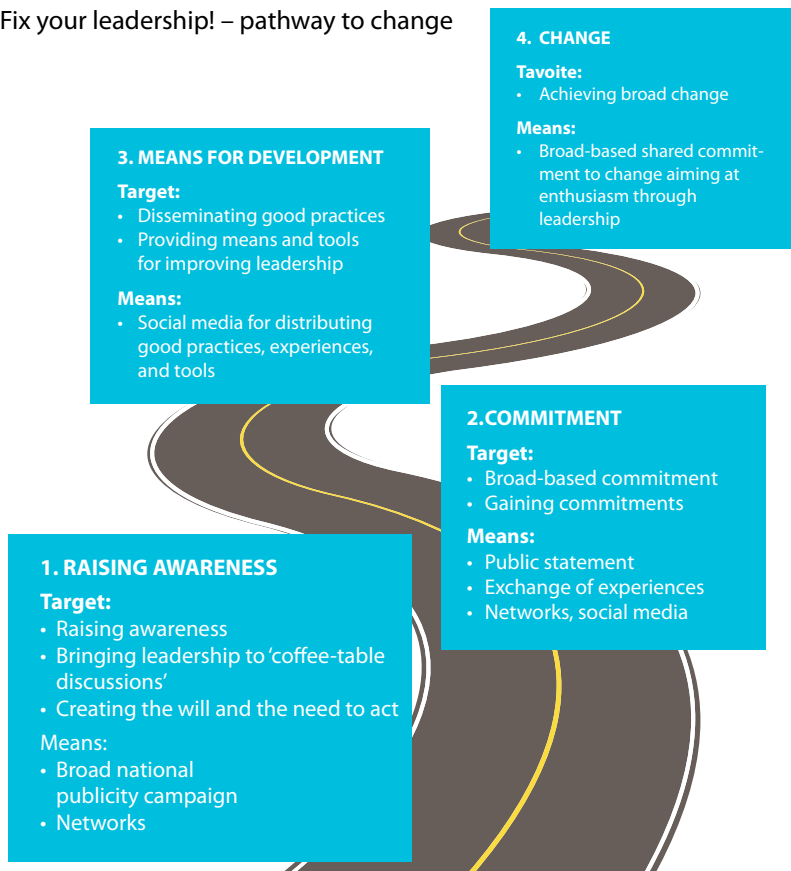
There are individual actors already operating in the area of leadership and wellbeing at work. An example may be found in the efforts of the Finnish Institute of Occupational Health to improve occupational health and wellbeing at work. The Institute of Occupational Health has developed models to boost enthusiasm at work by means of leadership. Examples include the POTENTIAALI model and the TEDI model. The POTENTIAALI model is discussed in more detail in section 8.

TYKE funding administered by Tekes encourages Finnish workplaces to develop innovations for working life to improve both productivity and the quality of working life. This funding is a continuation of the National Workplace Development Programme (TYKES), where new tools and methods were developed. The Local Government Pensions Institution produces publications on wellbeing to support supervisors and HR developers in local government in promoting wellbeing at work.

There are plenty of actors, tools and methods available. The real challenge is how to disseminate, harmonise and introduce information and solutions in a coordinated way. A proposed solution to this challenge is this: To achieve broad change, commitment and participation is required across the board. Change begins with individuals; we need to find the inner entrepreneur in all of us.

The Wellsprings of Finnish vitality programme proposes a change campaign as shown in the adjacent figure. The project is described in more detail in section 8.

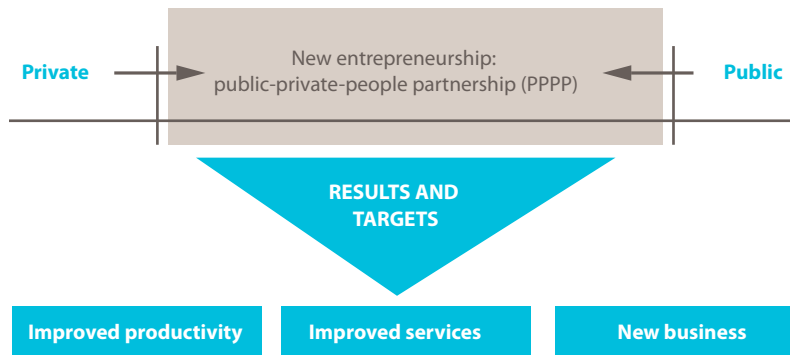
Fix your leadership! – pathway to change



A road map for fixing leadership was outlined at one of the development programme workshops.

Better together – public-private-people partnership

This is a new, 'grey' area between the private, public and third sectors. Initially, this involves action where the public sector is the organiser and later perhaps takes responsibility for the new business generated insofar as it is beyond the remit of local government.



Public-private-people partnerships require a new kind of leadership expertise.

These figures demonstrate that investment in leadership can improve coping at work and motivation, thereby improving productivity and lowering the total damage costs. This is a very important thing for Finland, and solving this problem is critical for our vitality and success.

The Statistics Finland survey further shows that about 40% of all wage earners have supervisor duties in some way. Most supervisors have progressed to their current position from an expert role or been appointed to it immediately after completing a degree of qualification, with none of the training or competence required for their duties. Leadership is assumed to be an innate ability, although in reality successful leadership requires a wide range of skills. It is a clear demonstration of this mismatch between assumptions and reality that increasingly few people actually want to be supervisors.

Public-private-people partnerships require better leadership

It is increasingly challenging to provide the services that are the statutory responsibility of local government. The age structure of the population is changing, availability of labour is decreasing, and the service needs of local residents are increasing. At the same time, local government finances are in a perilous state, and municipal expenditure is growing. Ensuring the quality and availability of services requires a strengthening of local government and service structures and a reform of service production and organisation. There are already several projects and reforms in progress aiming at safeguarding services. Examples include the Best Municipal Service Practices project launched by the Ministry of Finance within the municipal and service structure reform (Paras), the Innovations in Social and Health Care Services programme run by Tekes, and the Public Administration Management Development Programme run by Sitra.

Developing new ways of organising and providing services requires partnership between the public, private and third sectors and the introduction of client-supplier models. This development aims at achieving better services and improved productivity. Goalsetting places new demands on expertise and leadership.

New focus areas in leadership come to the fore in the management of public-private-people partnerships. The importance of trust is highlighted in managing networks. In a partnership based on openness and trust, all information is shared on the 'open books' principle, and benefits are shared among the parties. Local authorities just orchestrate. How well a local authority performs depends on how good its procurement skills are. Innovative, need-driven procurement can help services develop in a more customer-oriented direction and maintain favourable cost trends.

We are shifting from industrial production to an era of services. Public-private-people partnerships can generate new business. We need a layer of efficient services to go around our industrial core. We also need new kinds of services.

Seeking local authorities to volunteer for an extensive PPPP experiment

SPEARHEAD PROJECT IDEA

Find enthusiastic local authorities (2–4) to volunteer for an extensive PPPP project to achieve clear improvements in productivity and service level and to strengthen cooperation between the public and private sectors (and possibly the third sector too). The project should focus particularly on the following areas:

Selection of local authorities

Creating a service strategy

Creating a procurement strategy

New project partnerships/ competitive tendering

Implementation

Broad-based leveraging of results

PPPP leadership could be developed through a spearhead project.

The most promising new service concepts at the moment are those that aim at occupying niches between the traditional business sector and the traditional public administration, for instance in welfare services. This new service entrepreneurship and its operating models are not yet very well known. In fact, Finland could be a pioneer in creating models for this new domain of services.

The working group proposes that an experiment in developing ways of organising and providing services and of service leadership be set up as part of the Public Administration Management Development Programme of Sitra. This experiment should involve 2 to 4 local authorities where cooperation between the public and private sectors and possibly the third sector too would be augmented with the assistance of experts. The experiment should focus particularly on the areas shown in the adjacent figure. A more detailed project proposal is given in section 8.

Management research, development and training (R&D&T) should be started earlier

Succeeding in global competition requires maximum performance every day. This, in turn, requires an inspired, motivated and proactive personnel. A workplace must

be commensurate with the values of its individuals and allow them capacity for self-improvement. Leadership must increasingly respond to the individual needs of employees. This places huge challenges on management development.

About EUR 150 million per annum is spent on management development at Finnish workplaces. This is a small investment compared with the annual damage costs referred to above, which are to a great extent caused by bad management and hence a lowered level of work enthusiasm. Many of the strengths of Finnish society form a good foundation for management development in today's context: equality, trust, collaboration, and basic education that is of good quality and provides good potential.

Investments in management development should be started early through development of interaction skills. Also, young employees should be given – and they should accept – responsible job duties at an early stage in their careers. Young employees should also acknowledge that working for supervisors from whom they can learn leadership skills, particularly between the ages of 25 and 35, is an essential part of the development of their own leadership skills.

Ways of learning will change; university will become a partner throughout an employee's working career. On the other hand, students will have fewer opportunities for taking long courses alongside work, and this poses new challenges for management training and further education. Training must be useable. Training that is more modular, of a shorter duration, more customised and more affordable is needed. Learning methods will be based on genuine interaction and personal commitment instead of just sitting at lectures. 'Subjects' in this training should include basic leadership skills and skill-based subjects related to the operating environment of today and tomorrow. Basic leadership skills include listening, reflection, supporting the abilities of other people, honesty, integrity and continuous development as a human being. Skill-based subjects include network and ecosystem management, strategic agility and renewal, risk-taking and risk tolerance, and co-creation with customers.

In management research, the key is networking disparate resources into top-quality teams to achieve critical mass. The currently spread-out resources in management research and development should be networked into top-quality teams of 5 to 10 people. This team size would create a critical mass of research capacity and enable the team to network sufficiently widely with international top-quality networks.

A good example of new leadership development is the Executive Education Leadership lab at Aalto University. Its aim is to improve strategic decision-making in companies and organisations and to develop leadership innovations. The Leadership Lab brings together scientific research, experimental applications and pedagogical innovations. The digital Leadership Lab is an inspiring environment for creating visions, generating information, performing experiments and evaluating them, and sharing results. The aim is to bring together scientists and businesses across disciplines and to improve leadership and decision-making.

Rapid deployment of leadership innovations and the distribution of experiment results to customers will account for an increasing part of the operations of Executive Education at Aalto University in the future.

The Leadership Lab concept is discussed in more detail in the following chapter.

PART III: Vibrant Finland

8.

Projects and ideas related to the programme themes

In the course of the Wellsprings of Finnish vitality development programme, various ongoing projects were highlighted by workshop participants as having the spirit and vitality that Finland will need in the future. During the workshop process, projects were sought in the programme theme areas, workshop participants met with experts in these fields, and the projects were presented to all participants at the third leadership forum.

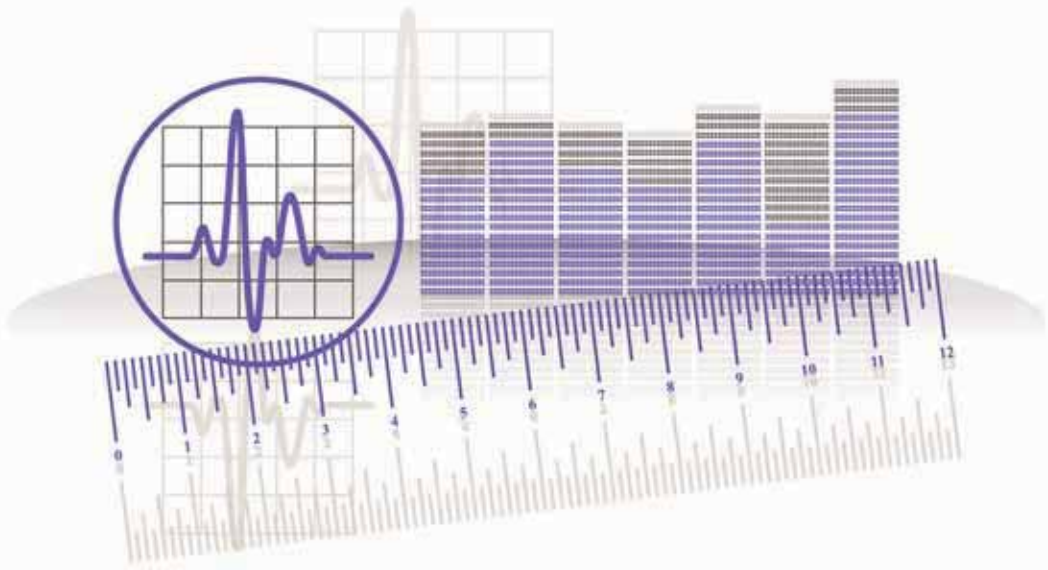
The following is a discussion of these highlighted projects: first, vitality projects common to all themes, and then the projects specific to the focus areas of wellbeing, entrepreneurship and leadership. We also discuss ideas and proposals presented at the leadership forum for projects that we would need to and could implement in the future.

Common vitality projects

Three projects were found that run through all of the vitality themes in the programme. The first is measurement reform: most of the scales and indicators that are used as tools in decision-making reflect industrial-era structures. In order to base our future decision-making on the logic of the people- and solution-centred service economy, we must reform our measurement practices. The second is a local vitality project: we believe that the vitality concept, which brings together economic and social interests, works well at the local level too, and as a case in point we discuss a vitality project in Hämeenlinna. The third is low-carbon Finland: climate-based challenges and threats constitute one of the areas that will have the greatest impact on Finland's vitality in the future. Our aim must be a low-carbon Finland.

What you measure is what you get

There are no established ways of measuring certain vitality enablers such as interaction and happiness. However, there is a lot of development going on in Finland and internationally aiming at a better understanding and measurement of



what are traditionally regarded as 'soft' values. We should take an unprejudiced look at this development and introduce new indicators boldly. Also, even the illustrative capacity of traditional indicators is limited in a largely unpredictable period of transition. Therefore we propose that the use of indicators be expanded across national and sector boundaries, contrary to usual practice in decision-making. We should give thought to what kind of indicators should be used to lead Finland in the future.

Examples of new indicators:

- The Findikaattori service, which publishes measurements on important phenomena in society. The indicators included were selected jointly by various user groups and information producers. The most recent data for each indicator are updated in the service immediately after publication by the information producer. The Findikaattori service was jointly set up by Statistics Finland, the Prime Minister's Office and ministries.
- Research and Innovation Impact Framework and Indicators. The Academy of Finland and Tekes are defining an impact framework and indicators for research and innovations on commission from the Research and Innovation Council. The projected impact areas are the economy and renewal; the environment; wellbeing; civilisation and culture (knowledge, competence and culture). The phenomena to be measured are derived from these and indicators sought – in other words, the approach is to find out where the impacts should be visible rather than to look at what indicators are traditionally used. The aim is to select indicators for which comparable international data are available, but it is also possible to select indicators for which there is no such comparison but which are relevant and regarding which Finland might be a pioneer in developing indicators.
- New indicators of wellbeing. Studies show that GDP growth in the Western industrialised countries no longer increases their citizens' sense of wellbeing. We must focus not only on quantitative growth but increasingly on sustainability

too, as well as qualitative factors and subjective wellbeing. Sitra commissioned Statistics Finland to examine existing and forthcoming wellbeing indicators such as GPI and ISEW. The development of new wellbeing indicators is being considered as a follow-up to this study.

Local vitality: Case Hämeenlinna

The vitality concept, a merger of competitiveness and wellbeing, can be applied locally too. The Wellsprings of Finnish vitality development programme reinforced the conception that the local level is again becoming more important in spite of rampant globalisation. This may translate into a wholly new potential for local business.

- The 'Made in Hämeenlinna' concept is an example of this new local approach. A new association was set up in the town to promote the things that Hämeenlinna does best. The concept and brand underlying 'Made in Hämeenlinna' is meant to include a wide variety of actors, from businesses, associations and educational institutions to individual residents. 'Made in Hämeenlinna' may also appear as an emblem or a logo on local products, or identifying services or events promoting local business or showcasing local skills.

Low-carbon Finland

The built-up environment accounts for more than 40% of our overall energy consumption and for 30% of our carbon dioxide emissions. Improving energy efficiency is essential in community development, new construction and renovation of old building stock. It is also one of the most productive ways of reducing emissions of greenhouse gases. This will create new jobs, competitiveness and potential for building a sustainable society. Low-carbon Finland is both a challenge and an opportunity. It will affect the everyday lives of citizens through the changes that must be made in the built-up environment and through the business opportunities that this will generate.

Example of a project to promote low-carbon Finland:

- The Sitra Energy Programme is seeking means for more efficient energy use in communities and for promoting the conservation of energy. The programme is bringing together partners that are capable of accelerating the improvement of energy efficiency in communities for practical cooperation. The programme is identifying international best practices in energy conservation and promoting their introduction and dissemination in Finland. Also, the programme is working with businesses and partners to develop new operating models, to create new emerging markets and to nurture a successful business area. At the same time, the growth, development and internationalisation of companies in the energy sector are being boosted through capital investment and by finding Finnish and international private equity investors and other key persons for the businesses involved.

Wellbeing

Competence and learning as sources of vitality

Competence and learning constitute the foundation for the wellbeing of the individual and of society at large. Both vitality and competitiveness depend on competence. Future requirements for competence are largely unknown. What is clear is that on average Finns must complete their training younger than at present. A number of theme areas were identified in the Wellsprings of Finnish vitality development programme that are crucial for the future vitality generated by competence and learning. These include: accelerating studies; broad-based and international competence; and interaction between working life and competence.

Preventive services – affordable wellbeing at the turning points of life

We should aim to prevent social and health problems from emerging in the first place. If properly targeted, funds allocated to preventive work will be recouped many times over in the form of better working capacity and wellbeing. We tend to talk a lot about the importance of preventive work, yet we reward employees on other grounds.

Examples of preventive service projects:

- A helpline and online service for children and teens, where an adult professional provides guidance for young people who contact the service. The service is provided by the Mannerheim League for Child Protection.
- The Vamos project, where job partners seek out young people who have not independently found training or a job. The purpose of the project is to help these young people onto a path to employment or training. The Vamos project is run by the Helsinki Deaconess Institute.
- The Suurella sydämellä (Big heart) project is a nationwide volunteer pool that operates online. Information on local volunteer work can be found in the service. The project is run by a network of Evangelical-Lutheran parishes.
- The Taika project aims to introduce art-based methods to workplace communities and to apply them in social welfare and health care work. The project partners are the University of Helsinki, the Palmenia Centre for Continuing Education, Diaconia University of Applied Sciences, Lahti University of Applied Sciences, the Department of Social Research at the University of Lapland, the Education and Development Services (Kouke) of the Theatre Academy of Finland, and the Arts Academy of the Turku University of Applied Sciences.
- The Finnish Association for Mental Health has compiled a well-written teaching package named Mielen hyvinvointi (Wellbeing of the mind) on the growth, development, wellbeing and life management skills of adolescents for health classes in grades 7 to 9 of comprehensive school. The package is based on the aims for health teaching targets and content for grades 7 to 9 in the national core curriculum (2004). The package is designed from the perspective of regarding mental health as a resource: skills and knowledge related to mental health can be supported, strengthened, taught and learned. The material is uniform and progressively graded and goes gradually into more depth.

Peer production – free interaction benefiting the members of a community

Peer production is a communal way of organising demand related to the wellbeing of people and the environment flexibly, efficiently and sustainably. Peer production makes it possible to provide more extensive, more customised and more empowering services in various areas of wellbeing. It creates empowering and user-oriented solutions for special needs groups. The public sector plays a crucial role in supporting such projects.

Examples of peer production projects:

- VEPA, a meeting place for peer work and volunteer work where homeless people are welcome to spend time. VEPA is about helping people through peer support; the guidance counsellors at the meeting place have personal experiences of being homeless.
- No Fixed Abode, or VVA, is an association founded by homeless people themselves in 1986. Everyone is capable of living independently if provided sufficient circumstances and support. The key idea of the organisation is that housing is a human right and a fundamental right and that homelessness cannot be acceptable under any circumstances. The organisation takes various kinds of action to benefit its target group and its operatives.
- Loppukiri, a communal housing project for mid-life and elderly people in Helsinki. It provides communal housing though with separate flats for people of an advanced age. They cook, clean and engage in hobbies together, sharing their joys and their sorrows with their peers.
- Fillarikanava (Cycling Channel) is an online service where the City of Helsinki and cyclists share and disseminate up-to-date information regarding cycling.

Seeking people-centred services – hunting for gold nuggets in public service production

Projects focusing on a people-centred service environment want to stop moaning about the crisis of the welfare state and the sustainability gap in the public finances. These projects hunt for gold nuggets that would help us respond to one of the greatest challenges of our time: How to produce more with less, and above all better?

Examples of people-centred services:

- Kotitori (Home market) is a project in Tampere helping the elderly and their family members in small everyday chores and larger ones too. The project offers a wide range of services designed to help elderly people continue living at home.
- The T-PRO project of the Hospital District of Southwest Finland to organise hospital services on a customer-oriented basis and taking the individual needs of patients into account. This project abandoned the traditional unit-centred operating models.
- A comprehensive quality control project for low-rise home construction run by the Building Supervision Office of the City of Oulu, including both architectural consulting and technical quality consulting. The purpose of the architectural and cityscape consulting is to help create housing environments that are functional and aesthetically pleasing and will stand the test of time.

Finland is ours – all together now

Everyone must have the opportunity to feel appreciated, to develop his/her potential and to contribute to the common good. Belonging to a workplace community is a particularly strong source of social cohesion. However, employment opportunities must be available not just to members of the majority culture. We all need a meaningful occupation in society. No one must be completely excluded from working life. We need everyone's skills. How could Finland belong to all of us?

Examples of projects to promote participation by persons outside the majority culture:

- Mentoring network for educated immigrant women in Denmark and Sweden. These are run by KVINFO in Denmark and Målmedvetne Beslutsfattare/IKF in Malmö in Sweden.
- Persons excluded from working life and disabled persons are also entitled to continue their working careers and participate in working life. The Vates Foundation and the Finnish Central Association for Mental Health have published a report with suggestions on how to extend working careers.

Wellbeing and work – boosting the virtuous circle of wellbeing and work

- If a job, a workplace and an employee all fit together, the combination promotes wellbeing and builds a 'virtuous circle'. In such a case, doing meaningful work, the employee generally feels well both at work and at home. The theme areas under the theme of 'Wellbeing and work' seek to answer questions about which circumstances and which arrangements can interrupt this virtuous circle, or how to make the virtuous circle more effective.

Theme areas essential for wellbeing at work:

- Improving the chain in which research data on how work and worker meet are produced and utilised in working life. This is finding concrete expression in the founding of a service centre for wellbeing at work at the Centre for Occupational Safety.
- – The *Työuran uurtaja* (Working career pioneer) group method is an HR management and occupational health care tool developed by the Finnish Institute of Occupational Health. The participating organisations have contributed their experiences of using the group method to the project. This group method promotes career management, competence, wellbeing and preparedness for changes in working life for employees and supervisors alike, and also an interactive approach to work in workplace communities.
- Improving prevention and coverage in occupational health systems.
- Making more systematic use of telecommuting and its potential in improving productivity and time management.

Transition in entrepreneurship and work

Innovation environment

Development of the Finnish innovation environment must be considered in parallel with Finland's role in international innovation networks. Several favourable evaluations have been given to the Finnish innovation system in recent years. Prioritisation of the recommendations in these evaluations must be initiated and implemented immediately.

Example of a new kind of leveraging of the innovation environment:

- Kemira and VTT are setting up a hydrological research centre to highlight Finnish hydrological expertise. This centre is intended to pave the way for environmental technology growth opportunities.

New forms of work

In a networked economy, the role of experts is changing, and it is therefore necessary to combine and mix up the traditional roles of entrepreneur and wage earner. Traditional hermetic corporate forms restrict the organising of new kinds of activity and can even become an obstacle to innovative business. On the other hand, there are business areas where the traditional notion of return on equity simply does not work. Therefore we need new corporate forms.

Examples of new kinds of work and entrepreneurship:

- Social enterprises are taking off in Finland as elsewhere. A social entrepreneur sets up a business to solve one or more social problems. This is always a value-based activity, and it aims through communality to contribute to the common good. Its success is largely measured by how well its solutions can remedy existing social problems. The Social Entrepreneurs' Association of Finland (SYY) has been particularly active in this area.
- Protomo is an innovation in the innovation system, fuelled by the competence of Finnish people and their desire to do something completely different. Protomo brings together professional product development freelancers who form diverse and agile innovation teams. These actions are coordinated nationwide by the non-profit innovation service company Hermia Oy.

Corporate networks

In business, value is traditionally generated in value chains. In a networked world, however, value is increasingly generated in value networks instead. The purpose of networking is to aim at specialisation, efficiency and pooling of resources. Networks also create completely new kinds of business by combining different areas of expertise.

Example of a new kind of corporate network:

- The FIN network is a new kind of corporate network in the textile industry. The FIN product concept promotes general awareness of Finnish expertise and above all of networked cooperation. Small businesses do not have the resources

to engage in marketing, development and internationalisation. A network is the solution. The businesses operating under the FIN label gain synergy benefits for their operations. Bonding together under a shared brand helps these businesses gain visibility and attention that individual small businesses simply cannot achieve.

Challenges for corporate growth

Political debate on the sustainability of the public sector all too often degenerates into a debate on how to divide the pie. Instead, we should focus on how the value underlying tax revenue is generated and how we could influence the generating of that value. Growth enterprises are a key element in any discussion of the sustainability of the public sector: they generate growth, employment and a broader tax base. A shortage of growth enterprises in the SME sector is considered a particular problem in Finnish business.

Growth enterprises have a crucial role to play in increasing the value and productivity of work in the private sector. In seeking responses to the challenges of corporate growth, there are many issues concerning the capital markets, ownership, business expertise and taxation to be addressed.

Proposals related to the challenges of corporate growth emerging in the course of the development programme include:

- A fund or model promoting people's capitalism, mobilising passive bank deposits to fuel growth. This model requires tax incentives, no different from what is already being done with environmentally friendly cars or heating technologies.
- Boosting and improving business expertise training by offering training through existing channels. These include the Vigo programme, serving young businesses and growth enterprises, and the business expertise training available through unions and organisations.
- Tax incentives for competent capital such as business angels should be incorporated in the next Government Programme. However, trade and industry organisations must first agree on their positions before taking the matter forward.

Entrepreneur culture and entrepreneurship

Measures to promote entrepreneur culture are needed in Finland so that more Finns would consider entrepreneurship as an attractive alternative. The emergence of growth enterprises is vital to Finland's economy.

Examples of the promoting of entrepreneur culture and entrepreneurship:

- YES centres offer tangible entrepreneur education services for instructors and entrepreneurs. These include instructor training, curriculum development services, mentoring of cooperation between educational institutions and businesses, and entrepreneur education materials.
- Junior Achievement – Young Enterprise Finland offers training programmes with entrepreneur and consumer education and economic skills for young people. Young people who have participated in the NY Vuosi yrittäjänä (JA One year as an entrepreneur) programme are twice as likely as others of their age to set up a business.

Leadership

Public-private-people partnerships require better leadership

Local authorities face a crisis, and new ways of providing services must be found. Public-private cooperation is the key to the future. This requires good command of the big picture and a leadership overhaul. Ideas to improve leadership in public-private-people partnerships (PPPP) should be discussed, and PPPP projects leading to good results should be presented.

Examples of successful PPPP leadership:

- The City of Lahti and Raskone Oy have engaged in successful public-private cooperation in the maintenance of heavy road service equipment. In 2005, the City of Lahti sold off its non-core functions, such as the depot services for heavy road service equipment. Raskone bought these functions and has been providing an outsourced service for the City ever since. This has resulted in annual savings of EUR 600,000 for the City, plus more transparent cost control. The equipment is now more modern, and there is less of it. The company notes that the personnel too have been extremely happy with the new arrangement.
- Collaboration between the municipality of Keminmaa and Mediverkko Oy. Mediverkko is a Finnish social and health care service company whose major customers are local authorities and municipal federations. Mediverkko produces health care outsourcing and emergency room services as well as manpower and care services nationwide. Collaboration between Keminmaa and Mediverkko has resulted in improved availability and quality of services, increased patient satisfaction, fewer referrals to specialist medical care, and cost savings of 20%.
- A wish was expressed for a separate project on PPPP models in the Wellsprings of Finnish vitality development programme, set up by Sitra or some other body. This project could develop PPPP leadership models and best practices in cooperation with willing local authorities. The project would be implemented as follows:

1. Selection of local authorities

Seek out local authorities willing to volunteer for the experiment and to commit to it from strategy drafting to implementation.

2. Creating a service strategy

A service strategy anticipates major changes and determines how services are to be organised efficiently from the residents' point of view. Things that need to be set out in the service strategy include changes in the need for services (particularly the demographic shift) and the providing of services (where there is enough private-sector supply available for outsourcing or tendering, and how the operations are to be funded).

3. Creating a procurement strategy

Describe the procurement strategy for the various sub-areas of the service, i.e. the manner in which providing the service is the most efficient to organise. The aim is not simply to outsource or privatise service production but to find the best possible way of doing things together with the best possible partners.

4. New project partnerships / competitive tendering

Development of the procurement function and partnership enables the leveraging of competence on the market and the potential for improving services. This requires local authorities to have a strategic vision, a systematic approach and solid procurement expertise, together with an awareness of service productisation and cost-consciousness. A lack of expertise regarding public procurement by service providers at the local level is a key problem with procurement units. Local authorities must have sufficient expertise to be able to outsource services. Transferring from secure, existing solutions to innovation-supporting and needs-based solutions requires a diverse skill set and involves both financial and legal risks.

5. Implementation

Local authorities signing up for the experiment would be expected to participate in its implementation too. Only by following the strategy drawn up can results be produced and improvement achieved. Existing best practices should be used. There is no need to re-invent the wheel, only to bring together existing information. This compiled information can be widely applied in the management of the services of any individual local authority.

6. Broad-based leveraging of results

The progress and results of the project must be widely publicised in various media and through various networks. A communications plan must be drawn up when the project is begun, determining target groups, contents, persons responsible, media used and timetables. Systematic communications ensure dissemination of the results. Social media should be used for both communication and involvement.

In addition to drawing on existing databases, the new practices should be entered into existing databases (e.g. Finnish Association of Local and Regional Authorities and the National Institute for Health and Welfare). The service strategy concept is an example of a tool that can be created through such an experiment.

Leadership learning 2.0 and management curriculum – making Finland a leadership leader

How can leadership best be studied, and what should students learn? Improving leadership training is a key element. Areas to study and develop may include strategic leadership and network leadership. It is also important to bring top scientists and organisations together across discipline boundaries.

Example of a leadership improvement project:

- The Leadership Lab is a spearhead cross-discipline leadership development project bringing together top scientists and organisations. Its purpose is to develop leadership in a modern context through experimental methods. The Leadership Lab is the spearhead project in leadership development at Aalto University. The aim of the Leadership Lab is to achieve a breakthrough in developing human leadership abilities. The Leadership Lab brings together scientific research, experimental applications and pedagogical innovations. The Leadership Lab is an inspiring environment for creating visions, generating information, putting a strategy into practice and growing as a leader. The Leadership Lab is run by Aalto University Executive Education Oy.

Enthusiasm at work – productivity and wellbeing go hand in hand

Enthusiasm and wellbeing at work are our most sustainable ways of achieving better productivity and longer working careers. We need a shared will and shared commitment to better leadership and to workplace community development.

Examples of projects and important themes in this area:

- The need to raise wellbeing at work into a strategy factor in organisations emerged in discussions in the course of the Wellsprings of Finnish vitality development programme. In participative management, the entire corporate leadership, personnel and key stakeholders (such as occupational health care and occupational safety and health) contribute to creating criteria for an inspiring and healthy workplace community, organisation and business. Such joint development breeds a profitable and sustainable organisation and business. Another idea that emerged was a campaign mounted by the social partners together some time in the future, for instance through social media and networking.
- POTENTIALI model: The Finnish Institute of Occupational Health has a programme available through which corporate financial analysis of workplace environment wellbeing measures can be performed.
- Hoffmanco SIRIUS® is a working capacity guidance system. Its purpose is to develop a company's own functions into a process intended to make the information relevant for the monitoring of sickness absences and for working capacity guidance available to HR management and occupational health care.

Fixing leadership – trend towards entrepreneurship

Achieving widespread change as a leader requires broad-based commitment and participation. Change begins with individuals; all leaders need to find their inner entrepreneur. The Wellsprings of Finnish vitality programme proposes a change campaign to this end.

Stage 1: The purpose of Stage 1 is to increase awareness of and interest in good leadership. Interest in good leadership and the potential to influence the leadership of one's own organisation should be made subjects for everyday discussion and coffee table talk in workplaces. Awareness can be increased primarily through the media or an extensive publicity campaign.

Stage 2: Once the will to change has been engendered, commitment to putting the change into practice must be obtained from individuals, workplace communities and organisations. Tools for this include social media, which enables the making of public commitments and also a broad and interactive discussion on the matter. Employers and employees can encourage one another to take an active role. Social media are good for this. Leaders are also encouraged to promote change in their organisations by their own example, through public statements and active involvement.

Stage 3: Stage 3 involves offering tools, proven solutions and experiences that make change and development possible. Through the social media and networks, actors and participants in the field can share their experiences and solutions.

Stage 4: Change cannot be achieved without the will and commitment of individuals and organisations. Social media can help some of the target group, but the real target here is to achieve change, regardless of the means. Broad-based shared commitment to change is a bottom-up movement whose aim is to inspire enthusiasm at work through leadership. After the change, each individual is responsible for himself/herself as an employee or as a supervisor.

Links to online materials

Fillarikanava (Cycling Channel) and the City of Helsinki
www.fillarikanava.fi

Findikaattori service / Statistics Finland, Prime Minister's Office, ministries
www.findikaattori.fi

FIN network
www.findesign.fi

Hoffmanco SIRIUS® working capacity guidance system / Hoffmanco International Oy
www.hoffmanco.fi

Kotitori / City of Tampere
www.tampereenkotitori.fi

Helpline and online service for children and teens / Mannerheim League for Child Welfare
www.mll.fi/nuortennetti

Leadership Lab / Aalto University Executive Education Oy
www.hseee.fi

Loppukiri community, Helsinki
www.loppukiri.fi

Mentoring network for immigrant women / KVINFO
www.kvinfo.dk

Målmedvetna Beslutsfattare IKF
www.ikf.se

Made in Hämeenlinna / Made in Hämeenlinna ry
www.hameenlinna.fi

Mediverkko Oy
www.mediverkko.fi

Mental wellbeing teaching package
www.mielenhyvinvoinninopetus.fi

Junior Achievement – Young Enterprise Finland
www.nuoriyrittajyys.fi

A comprehensive quality control project for low-rise home construction / City of Oulu
www.ouka.fi/rakennusvalvonta

POTENTIAALI model / Finnish Institute of Occupational Health
www.ttl.fi

Protomo / Innovation service company Hermia Oy
www.protomo.fi

Raskone and the City of Lahti

www.raskone.fi

www.lahti.fi

Sitra Energy Programme / Sitra

www.sitra.fi/energia

Suurella sydämellä (Big heart) project / Network of Evangelical-Lutheran parishes

www.suurellasydamella.fi

Taika project / University of Helsinki, the Palmenia Centre for Continuing Education, Diaconia University of Applied Sciences, Lahti University of Applied Sciences, the Department of Social Research at the University of Lapland, the Education and Development Services (Kouke) of the Theatre Academy of Finland, and the Arts Academy of the Turku University of Applied Sciences.

www.taikahanke.fi

T-PRO project / Hospital District of Southwest Finland

www.tyks.fi/t-pro

Planning of service centre for wellbeing at work / Centre for Occupational Safety

www.tyoturva.fi

Työuran uurtaja (Working career pioneer) / Finnish Institute of Occupational Health

www.ttl.fi

Vamos project / Helsinki Deaconess Institute

www.hdl.fi/fi/diakoniaprojektit

Peer and volunteer work centre VEPA / No Fixed Abode association

www.vvary.fi

Hydrological research centre / Kemira and VTT

www.kemira.fi

www.vtt.fi

YES centres

www.yes-keskus.fi

Finland is ours: Extending working careers / Vates Foundation and the Finnish Central Association for Mental Health

www.vates.fi

www.mtkl.fi

Social entrepreneurship / Social Entrepreneurs' Association of Finland (SYY)

www.syy.fi

Vitality ideas from the leadership forum

At the leadership forums of the Wellsprings of Finnish vitality development programme, participants had the opportunity to record their ideas for promoting vitality. The following are participants' ideas about vitality, brought up at the leadership forums.

Attitude education on entrepreneurship and vitality for young people, for instance at school or through campaigns, explaining how society works and how public services are funded, and featuring entrepreneurship topics.

Consumer services must be reconsidered from a fresh perspective; for instance, the ecological viewpoint cannot be ignored. A good example of a new kind of service is www.kuinoma.fi, where people can rent or borrow things from each other that they only need every now and again. It is thus not necessary for everyone to buy a power drill, for instance, if they can rent one for a modest sum.

Growth entrepreneurship is an important theme.

Housing companies could go into social entrepreneurship and sell their residents urban gardening packages.

Every young person should have not only an IT driving licence but also an economic driving licence, i.e. basic economy knowledge and skills.

We need to think about how also to find simple work in Finland. Not everyone is a globally competitive top expert. We need a will and a programme for developing domestic service businesses. Narrowing the 'tax wedge' is essential for this.

A report on the results of outsourcing in the social and health services sector.

Otaniemi must be brought up to full speed as an innovation environment, involving Aalto University, VTT and the EIT.

We must make more use of peer production to employ the less advantaged. For example, the Finnish Central Association for Mental Health is undertaking efforts to find former mental health patients employment as peer experts and in peer evaluation in the service system.

A report on a tool kit for wellbeing at work, based on research findings or experiments.

Socially excluded people must also be taken into account.

Social entrepreneurship could draw on experiences from TWINNING. TWINNING is an administration and legislation development project for EU candidate countries and neighbouring countries. TWINNING is about exporting knowledge and experience on the part of the participating agency, but also an investment in its own competence and improvement of its operations. In helping others one helps oneself.

The problem with the concept of 'vitality' is that it is a bit vague and woolly. Finland's existing industrial base will continue to play a central role even as we seek change. There is a strong need for tangible measures. The operating models of the public sector need substantial reform.

Students should take more responsibility for their studies.

Mentoring could increase interaction in many fields.

Teaching systems are old-fashioned, for instance when it comes to supporting entrepreneurship. There are successful examples, for instance in Loviisa, on how even pupils in comprehensive school have become excited about entrepreneurship simply because they have been able to discover their own potential and self-confidence through entrepreneurship.

It is highly important to prevent the social exclusion of young people, because they are the adults of the future.

Finding motivated entrepreneurs requires the right kind of growth medium.

Entrepreneur culture needs to be nurtured. Small enterprises and entrepreneurs should no longer be viewed as second-class citizens by the government and fellow citizens.

Might there be pensioners still in good condition willing to volunteer to take care of pensioners in poorer condition through some kind of peer production programme that would provide meaningful action and work for the former and care for the latter?

Unduly rigid structures prohibit change; dialogue between various parties and sectors needs to be improved. For instance, increasing the domain of potential jobs through social enterprises is important.

Society should not only ensure a minimum income but also create structures whereby everyone can be a member of a community. This is relevant, for instance, for employment opportunities for the disabled.

Bachelor's degrees should be more widely accepted in working life, and it should be possible to combine degree subjects more flexibly.

Funding systems should be available to allow full-time studying.

We need a nationwide student register that would show each student's study rights and completed courses at all universities.

Businesses must actively seek to network with educational institutions.

Study loans must be substantially increased so that students are motivated to graduate and can decide their own standard of living.

Vitality/wellbeing should be introduced as a subject at Finnish schools. Increasing malaise is a challenge in Finnish society. Depression and social exclusion are growing problems not only in the human sense but also for the national economy. Therefore comprehensive school reform should introduce some kind of class on 'how to be a human being', including things about wellbeing, psychology, self-esteem, and so on, to give young people the means with which to seek vitality and wellbeing for themselves. This could open up new perspectives for those whose home environment does not support their personal development. For those who are already doing fine, this could multiply the opportunities available. As far as I know, this sort of thing has not been tried anywhere in the world. Finland could be a pioneer in educating its children and adolescents about wellbeing and empowerment. Providing this teaching to everyone at school could really boost the vitality of the nation.

Improvement of interaction skills has been referred to many times at the leadership forum. I propose the following additions to the curriculum beginning in the lower stage of comprehensive school: 1) performing skills, for instance a talk or presentation once a week (show and tell); 2) regular exercising of discussion and argumentation skills, which will require new interaction management skills from teachers.

Tax deductibility is important and should be considered as an incentive: the more quickly the student graduates, the larger the deduction.

We need some kind of term fees to reduce the number of 'hangers-on'. Even a nominal charge would force students to assess the benefits of their studies. Studies could be tax deductible up to 100% for those who graduate within the recommended time.

The open school concept introduced in November 2009 enables a modern and equitable online teaching system that can be introduced in all Finnish schools. This is unique in Europe! The main players in this project are the Finnish Centre for Open Source Solutions (COSS), Heureka science centre, IBM, Opintuottaja MediaMaster, Opinsys and a couple of dozen schools. This system has the potential for significant improvement of our school system and teaching.

9. Wellsprings of Finnish vitality development programme

Programme chronology

2-6/2009

Project planning launched. Sari Baldauf is invited to chair the project team, and concrete planning is begun. There is much discussion about the theme to be chosen for the project. The concept of 'vitality', broader than either wellbeing or competitiveness, is chosen as the cornerstone of the development programme: the Wellsprings of Finnish vitality development programme is born. Some 200 opinion leaders and decision-makers from various sectors are invited to participate, along with some 30 innovative experts for the workshop processes from the same target groups.

9/2009

First leadership forum of the Wellsprings of Finnish vitality development programme at the Koskenranta Event Centre in Helsinki on 21 September 2009. The purpose of this meeting is to establish a baseline and shared vision of the state of the world and Finland today. The keynote speaker is Professor Paul Krugman, recipient of the Nobel Prize in economics. Other speakers include Mikko Kosonen from Sitra; Sari Baldauf; Sixten Korkman, managing director of the Research Institute of the Finnish Economy (ETLA); and State Secretary Raimo Sailas.

10/2009

The first project workshop meets on 26–28 October 2009. Based on input from the leadership forum, the workshop is tasked with outlining what kind of challenges and development prospects Finland is facing in the public and private sectors. The workshop also discusses which issues have highest priority. The guest speaker is British futurologist Rohit Talwar.

11/2009

The workshop meets again on 24–25 November 2009. The aim is to distil statements on a variety of topics for the leadership forum. At this point, the workshop groups summarise the following key topics to focus on:

- New forms of work and entrepreneurship
- Learning and the innovation system
- Leadership generating team spirit and vitality
- Challenges in administration
- Wellbeing through doing good
- Parameters of climate change and sustainable development

12/2009

Second leadership forum of the Wellsprings of Finnish vitality development programme at the Koskenranta Event Centre in Helsinki on 8 December 2009. The theme for this leadership forum is 'Wellsprings of vitality'. The aim of the forum is to review the themes discussed at the workshops and to select themes for more profound scrutiny. Another objective is to identify themes that could help find the vitality that Finland needs in the future.

1/2010

The first workshop of 2010 meets on 19–20 January. The themes listed at the leadership forum are divided among four working groups:

- From social transition to sustainable renewal
- Wellbeing
- Entrepreneurship
- Leadership

The aim of the working groups is to analyse and describe the paradigm shift in their respective areas and to identify key points for change within their themes. The working groups are also intended to identify existing projects and practices that could help boost vitality in the spirit of the new era.

2/2010

Workshop meeting on 15–16 February to work further on the themes. As the result of hard work, change areas and concrete projects are found. The common and comprehensive message would seem to be that Finland must shift from the structures of the industrial era towards a people- and solution-centred service economy.

3/2010

The last workshop on 2 March 2010 is about fine-tuning and reviewing concrete projects to be presented to the leadership forum later in the month. The working groups work intensively outside the workshop sessions too, meeting experts and people involved in existing concrete projects in the theme areas.

3/2010

Final leadership forum of the Wellsprings of Finnish vitality development programme on 25 March 2010. The forum discusses and processes the results of the workshops and organises a Vitality Challenge where participants can get to know concrete projects in progress and undertake to promote them.

What these projects share is a new and vibrant way of doing things in terms of leadership, entrepreneurship and wellbeing. The panel discussion at the leadership forum is about Finland's role in the world. The panel members are Tarja Halonen, President of the Republic; Sixten Korkman, managing director of ETLA; Tuuli Kaskinen, project manager of Demos ry; Tuomo Rönkkö, managing director of Maintpartner; Janne Gallén-Kallela-Sirén, director of the City of Helsinki Art Museum; and René Nyberg, managing director of East Office.

The leadership forum voted to submit the hydrology centre of excellence of VTT and Kemira for the Tehtävä Suomelle (A task for Finland) show broadcast by MTV3. This project was presented as a vitality project at the leadership forum.

Mikko Kosonen, President of Sitra, reports that Sitra is launching training for decision-makers to follow up on the Wellsprings of Finnish vitality process. This training has to do with economic and social change.

4/2010

Final report of the Wellsprings of Finnish vitality development programme.

1st Leadership Forum, 21 September 2009 Koskenranta Event Centre

- 12.00** Opening of the Wellsprings of Finnish vitality development programme
Mikko Kosonen, President of Sitra and Sari Baldauf
- 12.30** Causes and Consequences of the Global Economic Crisis
Professor Paul Krugman, Princeton University
Discussion and questions
- 14.15** Coffee
- 14.45** Finland in transition;
challenges for the private and public sectors
Sixten Korkman, managing director of ETLA
State Secretary Raimo Sailas, Ministry of Finance
Discussion:
Sixten Korkman, Raimo Sailas,
Sari Baldauf, Mikko Kosonen
and participants
- 16.15** Major issues in the development programme
Participants' views and points for further discussion
- 17.15** Foorumin yhteenveto ja seuraavat askeleet

2nd Leadership Forum, 8 December 2009 Koskenranta Event Centre

- 12:10** Finland re-positioning from the middle to the center:
John Kornblum
- 13:15** Break
- 13:30** Statements from the workshops
- New forms of work and entrepreneurship
 - how to find the let's-do-it spirit
 - Learning and the innovation system
 - for a vibrant and encouraging growth environment
- 14:15** Discussion in small groups on the statements and talks, voting on the statements
- 15:00** Break
- 15:15** Statements from the workshops, continued
- Leadership generating team spirit and vitality
 - Challenges in administration – structures obstructing progress

3rd Leadership Forum, 23 March 2010
Koskenranta Event Centre

- 12.10** From transition to sustainable renewal, *Aarne Nurmio*
- 12.30** Vitality: sources, enablers and obstacles, *Sari Baldauf*
- 12.50** Discussion by participants on transition and vitality
- 13.30** Vitality Challenge
- Introduction
 - Time for choosing challenge points, coffee
 - Challenge
 - Trade fair
- 16.00** Finland's position, role and duties; panel discussion
Participants:
Tarja Halonen, President of the Republic,
Sixten Korkman, managing director of ETLA,
Tuuli Kaskinen, project manager of Demos ry,
Tuomo Rönkkö, managing director of Maintpartner,
Janne Gallén-Kallela-Sirén, director of the City of Helsinki Art Museum,
René Nyberg, managing director of East Office.
- 17.00** Where do we go from here?
Participants: *Sari Baldauf and Mikko Kosonen*

- Wellbeing through doing good – timing and content of a new social contract
 - Parameters of climate change and sustainable development – restrictions to economic growth or sources of renewal?
- 16:00** Discussion in small groups on the statements and talks
- 16:45** Break
- 16:55** Why is the spirit not willing, and why does the flame not burn bright? From institutional shackles to enabling interaction.
General discussion on the day's work
- 18.00** Conclusion

Wellsprings of Finnish vitality development programme

Sari Baldauf, chair

Leadership forum participants:

Aho Esko	Nokia plc
Ahonen Jouko	Finnish Paper Workers' Union
Ahtela Jukka	Confederation of Finnish Industries EK
Ahti Vuokko	Aseman Lapset ry
Alahuhta Matti	Kone Corporation
Ala-Pietilä Pekka	Blyk Services Oy
Alho Jukka	Itella plc
Alho Kari	Research Institute of the Finnish Economy (ETLA)
Ambrosius, Metropolitan	Orthodox Diocese of Helsinki
Aminoff Philip	Electrosonic Group Oy Ab
Anttila Tapio	Sitra, the Finnish Innovation Fund
Apunen Matti	Aamulehti newspaper, domestic desk
Aula Maria Kaisa	Office of the Ombudsman for Children
Berner Anne	Oy Vallila Interior Ab
Blåfield Antti	Helsingin Sanomat newspaper
Brax Tuija	Ministry of Justice
Brunila Anne	Fortum plc
Cronberg Tarja	Finnish Institute of International Affairs
Erkinheimo Pia	Nokia plc
Fagnäs Leif	Confederation of Finnish Industries EK
Gallen-Kallela-Sirén Janne	City of Helsinki Art Museum
Gustavson Stig	KCI Konecranes plc
Guzenina-Richardson Maria	Parliament
Hakkarainen Pentti	Bank of Finland
Hallberg Pekka	Supreme Administrative Court
Hammarsten Heidi	Fakta
Harjuniemi Matti	Finnish Construction Trade Union
Hassi Satu	European Parliament
Hautojärvi Sirkka	Tulevaisuuden johtajat (Leaders of the future) programme
Heikinheimo Riikka	Tekes – the Finnish Funding Agency for Technology and Innovation
Heikintalo Mauri	Sitra, the Finnish Innovation Fund
Heiniö Lasse	Pension Fennia mutual insurance company
Hellström Eeva	Sitra, the Finnish Innovation Fund
Hemilä Kalevi	Etera mutual pension insurance company
Henriksson Marketta	Ministry of Finance
Herlin Ilkka	Cargotec plc
Herlin Antti	Kone Corporation
Hiila Helena	Family Federation

Hiilamo Heikki	Diaconia University of Applied Sciences
Honkapohja Seppo	Bank of Finland
Huber Satu	Pension Tapiola
Huhtaniemi Pekka	Ministry for Foreign Affairs
Huovari Janne	Pellervo Economic Research Institute (PTT)
Huovinen Eero	Diocese of Helsinki, Cathedral Chapter
Huttula Tapio	Federation of Special Service and Clerical Employees (ERTO)
Huuhtanen Jorma	Social Insurance Institution (KELA)
Hyvönen Helena	Aalto University / University of Art and Design Helsinki
Häyrinen Kari	Finpro ry
Ilmakunnas Seija	Government Institute for Economic Research (VATT)
Inkeroinen Eeva-Liisa	Confederation of Finnish Industries EK
Jalas Kari	Central Chamber of Commerce
Jalonen Pauliina	Dodo ry
Johansson Frank	Amnesty International, Finnish section
Jungner Mikael	Finnish Broadcasting Company (YLE)
Juutinen Heikki	Finnish Food and Drink Industries' Federation (ETL)
Kaitila Ville	Prime Minister's Office
Kalland Mirjam	Mannerheim League for Child Welfare
Kalli Timo	Parliament
Kalliokoski Petri	VTT Technical Research Centre of Finland
Kalliomäki Antti	Parliament
Kalpala Asmo	Tapiola Group
Karhinen Reijo	OP Pohjola Group
Kasanen Eero	Helsinki School of Economics and Business Administration
Kaskeala Juhani	Kone Corporation
Kaskinen Tuuli	Demos
Kauppi Heikki	Finnish Association of Graduate Engineers TEK
Kekkonen Timo	Confederation of Finnish Industries EK
Kerminen Harri	Kemira plc
Kiander Jaakko	Labour Institute for Economic Research support association
Kietäväinen Timo	Association of Finnish Local and Regional Authorities
Kilpi Esko	Esko Kilpi Oy
Kilpiö Eila	National Consumer Research Centre (KTK)
Kivelä Antti	Sitra, the Finnish Innovation Fund
Kivikoski Markku	Tampere University of Technology
Koivulaakso Dan	Left Youth of Finland
Kokkonen Marketta	City of Espoo
Koli Markku	Defence Command Finland
Korhola Eija-Riitta	European Parliament
Korhonen Pertti	Outotec plc
Korhonen Martti	Parliament

Korkman Sixten	Research Institute of the Finnish Economy (ETLA)
Korvenmaa Esa	Cisco Systems Finland Oy
Koski Olli	Central Organisation of Finnish Trade Unions (SAK)
Koskinen Johannes	Parliament
Kostiainen Juha	Sitra, the Finnish Innovation Fund
Kovalainen Anne	Turku School of Economics
Kuisma Juha	Prime Minister's Office
Kukkonen Paavali	Union of Salaried Employees (TU)
Kumpula Kristiina	Finnish Red Cross
Kurki Leila	Finnish Confederation of Professionals (STTK)
Kuula Tapio	Fortum plc
Kuuskoski Eeva	Ministry of Social Affairs and Health
Kylä-Harakka-Ruonala Tellervo	Confederation of Finnish Industries EK
Könkkölä Kalle	Kynnys Ry
Laakso-Manninen Ritva	Haaga-Helia University of Applied Sciences
Laitinen-Pesola Jaana	Union of Health and Social Care Professionals (Tehy)
Lajunen Lauri	University of Oulu
Lammi Harri	Greenpeace Nordic
Lankila Tarja	Trade Union SUORA
Lappalainen Timo	Service Centre for Development Cooperation (Kepa)
Lassila Jukka	Research Institute of the Finnish Economy (ETLA)
Laukko Helena	UN Association of Finland
Lehti Matti	Helsinki School of Economics and Business Administration
Lehtinen Erno	University of Turku
Leikola Markus	Delicate Services Oy
Lepola Sakari	Wood and Allied Workers' Union
Leppävuori Erkki K.M.	VTT Technical Research Centre of Finland
Lievonen Matti	Neste Oil plc
Lind Jouni	Ministry of Agriculture and Forestry
Lindroos Katja	Idealist
Lintilä Mika	Parliament
Lonka Kirsti	University of Helsinki
Luoma Mikko	JTO School of Management
Luukkainen Olli	Trade Union of Education in Finland (OAJ)
Lyly Lauri	Central Organisation of Finnish Trade Unions (SAK)
Malinen Heikki	Pöyry plc
Mattila Veli-Matti	Elisa plc
Mervola Pekka	Keskisuomalainen newspaper
Mikkilä Ari	Tekes – the Finnish Funding Agency for Technology and Innovation
Misukka Heljä	Ministry of Education
Mustonen Jussi	Confederation of Finnish Industries EK
Mustonen Riitta	Academy of Finland

Mäenpää Mikko	Finnish Confederation of Professionals (STTK)
Mäkelä Anton	Bank of Finland
Mäkeläinen Mika	GTW Group Oy
Mäki-Lohiluoma Kari-Pekka	Association of Finnish Local and Regional Authorities
Mäkinen Mikael	Cargotec plc
Männistö Lasse	Bolder Helsinki
Naukkarinen Juha	Finnish Energy Industries (ET)
Nevala Maria-Liisa	Finnish National Theatre
Nevämäki Riina	Ministry of Employment and the Economy
Niemelä Jorma	Diaconia University of Applied Sciences
Niiniluoto Ilkka	University of Helsinki
Noponen Jukka	Sitra, the Finnish Innovation Fund
Nummela Heidi	Ministry of Employment and the Economy
Nummikoski Velipekka	Ministry of Finance
Nyberg René	East Office of Finnish Industries Oy
Nyman Göte	University of Helsinki
Olkinuora Hannu	Hufvudstadsbladet newspaper
Ollila Maija-Riitta	Helsinki School of Economics and Business Administration
Paajanen Juhani	City of Vantaa
Paavilainen Jaana	Suomen pukutehdas / Sovita Oy
Palomäki Juhani	SuPer – Finnish Union of Practical Nurses
Parjanne Marja-Liisa	Ministry of Social Affairs and Health
Peipinen Vesa	Oranssi ry
Pekkala Jukka	Finnish Sports Federation (SLU)
Peltonen Petri	Ministry of Employment and the Economy
Peltonen Leeni	Kotiliesi magazine / Yhtyneet kuvalehdet
Peltovuori Timo	Finnish Central Association for Mental Health
Pelttari Antti	Ministry of the Interior
Pennanen Matti	City of Oulu
Pentikäinen Mikael	Sanoma News Oy
Pettersson Mika	Finnish News Agency
Pirinen Antti	Kone Corporation
Pitkänen Jouni	Union of Professional Business Graduates in Finland / Finnish Centre Youth
Pohjola Matti	Helsinki School of Economics and Business Administration
Pokka Hannele	Ministry of the Environment
Poskiparta Katariina	Ministry of Employment and the Economy
Pursiainen Harri	Ministry of Transport and Communications
Pursula Matti	Aalto University / Helsinki University of Technology (TKK)
Pöyhönen Ilkka	Lappeenranta University of Technology
Raivio Kari	University of Helsinki
Rantanen Marja	Matkailu- ja Ravintolapalvelut MaRa ry
Rantanen Juha	Outokumpu plc

Rauramo Jaakko	Sanoma plc
Remitz Kim	Finnish Refugee Council
Reponen Tapio	Turku School of Economics
Rimpi Kari	Ministry of Defence
Rinne Antti	Union of Salaried Employees (TU)
Rintakoski Kristiina	Crisis Management Initiative
Rohweder Liisa	World Wildlife Foundation Finland
Rossi Mika	Prime Minister's Office
Ruokanen Tapani	Suomen Kuvalehti magazine
Ruuska Jukka	CapMan plc
Räty Timo	Transport Workers' Union AKT
Rönkkö Tuomo	Maintpartner
Saarinen Esa	Aalto University / Helsinki University of Technology (TKK)
Saarnivaara Veli-Pekka	Tekes – the Finnish Funding Agency for Technology and Innovation
Sailas Harri	Ilmarinen mutual pension insurance company
Sailas Raimo	Ministry of Finance
Sallinen Aino	University of Jyväskylä
Salminen Pertti	Defence Command Finland
Salo Sinikka	Bank of Finland
Sandell Johan	IBM Oy International Business Machines Ab
Santamäki-Vuori Tuire	JHL – Trade Union for the Public and Welfare Sectors
Saukkomaa Harri	Tekir Oy
Selin Ann	Service Union United PAM
Seppänen Pekka	Talouselämä magazine / Talentum plc
Siillasmaa Risto	F-Secure plc
Siimes Suvi-Anne	Pharma Industry Finland
Sinko Pekka	Prime Minister's Office
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Skog Harri	Ministry of Education
Solovjew-Wartiovaara Anna	Finnish Broadcasting Company (YLE)
Stenlund Peter	Ministry for Foreign Affairs
Suokas Jouko	VTT Technical Research Centre of Finland
Sutela Pekka	Bank of Finland
Suvanto Antti	Bank of Finland
Swanlung Esa	Finnish Pension Alliance TELA
Syrjänen Hannu	Sanoma plc
Taalas Petteri	Finnish Meteorological Institute
Tanninen-Mattila Maija	Ateneum Art Museum
Tanskanen Antti	
Telanne Kai	Alma Media plc
Terävä Sini	Federation of Green Youth and Students (ViNO)
Tiilikainen Teija	Finnish Institute of International Affairs

Tiura Marja	Parliament
Torstila Pertti	Ministry for Foreign Affairs
Torvalds Nils	Swedish People's Party
Tuominen Saku	Idealist Group
Tuovinen Paula	Theatre Academy
Turunen Jorma	Federation of Finnish Technology Industries
Turunen Joonas	Young European Federalists Finland
Urpilainen Jutta	Parliament
Vaittinen Jarmo	Ministry of Agriculture and Forestry
Vallittu Timo	Chemical Workers' Union
Valtonen Anna	Umeå Institute of Design
Vanne Reijo	Finnish Pension Alliance TELA
Varantola Krista	University of Tampere
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Vartiainen Perttu	University of Joensuu
Vepsäläinen Anni	Diacor Terveyspalvelut Oy
Vihriälä Vesa	Prime Minister's Office
Wikberg Kristina	Association of Finnish Local and Regional Authorities
Wilhelmsson Thomas	University of Helsinki
Viljanen Matti	Akava – Confederation of Unions for Professional and Managerial Staff in Finland
Viljanen Ritva	Ministry of the Interior
Virkkunen Janne	Helsingin Sanomat newspaper
Virtanen Erkki	Ministry of Employment and the Economy
Volanen Risto	Prime Minister's Office
Volk Raija	Ministry of Social Affairs and Health
Vuoria Matti	Varma mutual pension insurance company
Välimäki Kari	Ministry of Social Affairs and Health
Väyrynen Raimo	University of Helsinki
Ylä-Anttila Pekka	Etlatieto Oy
Ylä-Anttila Merja	MTV3
Yrjö-Koskinen Eero	Finnish Association for Nature Conservation
Zitting Antti	Sacotec Components Oy
Äijälä Martti	Tekes – the Finnish Funding Agency for Technology and Innovation

Workshops

The workshop process played a prominent role in the Wellsprings of Finnish vitality development programme. Some 30 experts from various areas of society were invited to the workshops to process the input from the leadership forums into concrete themes and ideas.

Workshops 1A–1B outlined the big picture, sketched key concepts and discussed what opportunities and challenges the ongoing transition involved from the perspective of the concept of vitality.

Workshops 2A–2C engaged in intensive discussion on the themes confirmed at the leadership forums and sought to identify paradigm shifts, focus areas and existing projects doing good work within these themes. Finally, the workshop teams drew up a summary of their work and wrote it up for this final report.

Workshop participants pursued their tasks intensively outside the workshops too. Workshop group members met with experts in their respective theme areas, processed the themes further and wrote text for the final report.

The workshops were held as follows:

Workshop 1A: 26–28 October 2009

Workshop 1B: 23–24 November 2009

Workshop 2A: 19–20 January 2010

Workshop 2B: 15–16 February 2010

Workshop 2C: 2 March 2010

Workshop participants:

Erkinheimo Pia	Nokia plc
Henriksson Marketta	Ministry of Finance
Hiilamo Heikki	Diaconia University of Applied Sciences
Kalliokoski Petri	VTT Technical Research Centre of Finland
Kaskinen Tuuli	Demos
Kekkonen Timo	Confederation of Finnish Industries EK
Koivulaakso Dan	Left Youth of Finland
Koski Olli	Central Organisation of Finnish Trade Unions (SAK)
Kukkonen Paavali	Union of Salaried Employees (TU)
Kurki Leila	Finnish Confederation of Professionals (STTK)
Lehtinen Erno	University of Turku
Leikola Markus	Delicate Services Oy
Lindroos Katja	Idealist Group
Luukkainen Olli	Trade Union of Education in Finland (OAJ)
Mäkeläinen Mika	GTW Group Oy
Männistö Lasse	Bolder Helsinki
Nummela Heidi	Ministry of Employment and the Economy
Paavilainen Jaana	Suomen pukutehdas / Sovita Oy
Parjanne Marja-Liisa	Ministry of Social Affairs and Health
Pekkala Jukka	Finnish Sports Federation (SLU)
Pirinen Antti	Kone Corporation
Pitkänen Jouni	Union of Professional Business Graduates in Finland / Finnish Centre Youth
Rönkkö Tuomo	Maintpartner
Solovjew-Wartiovaara Anna	Finnish Broadcasting Company (YLE)
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Vibrant Finland is the final report of the Wellsprings of Finnish vitality development programme. The purpose of this Sitra programme was to find pathways through which Finland's vitality could be boosted in a world in transition. The programme involved more than 200 Finnish opinion leaders and decision-makers from various areas of society.

The report is a pluralist statement highlighting the various views that emerged in the course of the programme. It is the opening for a debate on the actual state of transition in Finnish society today and how this affects the three key theme areas identified in the programme: Finnish wellbeing, entrepreneurship and leadership.

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