GROWTH THROUGH COMPETENCE AND TECHNOLOGY

AN URBAN GROWTH VANTAA PROJECT PUBLICATION

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Mirkka Henttonen (M.Soc.Sc., M.Sc.) works as Program Manager of the Urban Growth Vantaa project. Henttonen has a impressive impressive and long-time experience in project management in international organisations. She is particularly interested in the competence development, working life change, and corporate responsibility issues. Henttonen works at the Employment Development Services of the City of Vantaa.

Prologue

Rapidly changing working life requires new kinds of skills inside of companies. Therefore, companies need to have up-to-date competence to apply the latest working methods and technologies and to innovate new ones. This is not possible without the continuous development of staff competence.

Proficiency is also required to manage the skills of employees when it is challenging to find the right experts for the company's needs. When the education system does not stretch to meet the ever-changing skills needs, it must be ensured that employees have the opportunity to develop their competence in the workplace. A successful company quickly makes competence development and management a priority.

The rapid change in working life is also reflected in the quality of work. More and more companies understand investing in the psychological safety of the workplace. At the same time, old-fashioned top-down management is being left in the past. There is also greater acceptance for seeking help for solving the most difficult work challenges from an outsider, such as from a professional coach.

The expert writings compiled in Growth Through Competence and Technology bring together these themes of change in working life. The publication has been written by experts from the Urban Growth Vantaa project, who have become acquainted with the themes academically and in practical customer and development work.

New solutions will be produced in the project to increase the competence of companies' personnel, technological change, and the promotion of employment. This will support the development of companies and accelerate their responsible growth. The target group is companies in Vantaa with 10–200 employees. The goal is to support the growth of companies in a rapidly changing world. We hope that the publication will support companies in their goals.

Investing in the competencies of the personnel is an investment in the company's future

02

Social investments by developing the competencies of the personnel support the growth of the company and improve the well-being of the employees. It is worth investing in a skilled workforce, as it is a factor in the company's success. Competence needs are constantly changing, so the importance of general working life skills is emphasized.

Outdated skills are a risk to the workforce and companies, and we have little impact over external changes or sudden crises. Succeeding in unexpected situations of change and technological development requires continuous development of competence and understanding of the change.

The responsibility of a company's operations can be viewed from the perspective of corporate social responsibility. It is short-sighted for companies to focus solely on making a profit, because when the operating conditions are lost, the company ceases to operate. Carrying out social responsibility affects how attractive a company appears to employees, customers and partners. Corporate social responsibility can also be used to generate new innovations and achieve savings through the overall efficient use of resources (ISO 26000 2010, 54).

The objectives of corporate social responsibility are divided into social, economic, and environmental components (ISO 26000 2010, 24, 33; Jussila 2010, 9, 15). These areas are interdependent. To operate, a company needs the environment, its resources, employees, and other stakeholders (ISO 26000 2010, 24, 33). Social responsibility refers to a company's responsibility to all its stakeholders (Jussila 2010, 16). In this article, we will focus in particular on social responsibility, as its promotion, alongside that of corporate growth, is part of the Urban Growth Vantaa project.

The focus of companies on the pursuit of profit alone is short-sighted, as the company will cease to operate when its operating conditions are lost.

Social responsibility creates competitiveness

Every company, regardless of its size, industry, and location, can implement social responsibility in its own way. Primarily, this means complying with laws and regulations, but in addition, the company should critically review all activities and relationships with stakeholders and consider the impact and potential impact of the company's operations (ISO & OECD 2010, 9, 25–30).

In the Urban Growth Vantaa project, social investments focus mostly on developing the competence of personnel. Through the services, the project has encouraged companies to make educational social investment actions, that is, to invest in the development of staff competence. For example, the Vantaa-based company YPR Yleinen Pohjaraken-

The development of competence must be seen more broadly than from the perspective of professional competence alone.

nus Oy took time for the development of competence by participating in a service package aimed at apprenticeship training. After the project service, CEO Roope Sirén summed up the benefits experienced by the company as follows (Urbaania kasvua 2020):

- Company-specific training programs ensure the development of staff skills

- Employees become enthusiastic to continue developing their skills

- The company is able to employ professionals who meet its needs

The results of social investment can be viewed at two levels: on an individual and on a company basis. At the individual level, competence development strengthens the skills and capacity of staff and motivates and helps them to cope at work. In a critical period in work, continuous competence development is also needed to be able to cope with one's work and to remain employed. Through training, it is possible to develop and the accumulation of skills and competencies can lead to

career advancement and thus, among other things, higher pay. maintain one's own competence, which means that the individual has better qualifications for re-employment, for example in the event of dismissal or lay-off.

From the company's point of view, social investments through the development of the competence of personnel promote the company's economic growth and prevent the exclusion of individual employees, improving the well-being of individuals. Investing in well-being at work is important for the employer not only in terms of ethics and the law, but also in terms of the company's operations.

Employees who are doing well are more efficient, more flexible, more focused, and more able to cope with challenges (Kostamo 2017, 22, 47). A satisfied and more productive workforce makes it possible to maintain competitiveness, provide quality products or services and thus, to ensure a good customer experience. The well-being of the staff is supported, for example, by the existence of professional growth opportunities (Attridge 2009, 388–389).

Knowledge of the field alone is not enough in working life

Competence development must be seen more broadly than from the perspective of professional

competence alone. In addition to knowledge of the field, a changing work life requires a wide range of other skills, such as teamwork skills, self-management skills, social skills, communication skills, or problem-solving skills.

The relevance of working life skills is increased by the change in work. In 2016, the World Economic Forum estimates that 65 percent of young people will be employed in jobs that do not yet exist. However, certain skills are believed to be in strong demand in the future, regardless of profession. This was also highlighted in the Competen

cies for Growth! coaching programme organized in the project, in which general working life skills and self-management skills were developed alongside knowledge of the subject matter (Liljander 2021).

The need for IT expertise is undeniable in the future. The COVID-19 era has accelerated the transition of companies to new technological solutions, but the development of digitalisation will continue even after the pandemic (Kivikoski & Kauppinen 2021). For example, e-commerce is currently one of the most common targets for technological investment (Kivikoski & Kauppinen 2021;

How to take care of social responsibility by investing in competence development

Competence development produces:
- Well-being
- Growth and competitiveness

Employees who are doing well are more efficient, more flexible, more focused, and better able to cope with challenges

1 Anticipate future skills needs strategically

2 Identify staff competencies

3 Develop competence systematically and with a plan

4 Take advantage of partners

5 Create practices for on-the-job learning

Kasvu Open 2021), which was also reflected in the project's service during the spring of 2021.

Whatever the object of digital investment, the staff must learn to use it appropriately. For example, in addition to product information, maintaining e-commerce requires mastering the functionality of the platform and understanding the principles of e-marketing. New technological solutions are only useful when they can be used as tools in accordance with business objectives.

Competence development is continuous

In a study on the digitalisation of SMEs, a large proportion of companies in the COVID-19 era considered digitalisation to be one of the keys to their success. A background factor is the need for skilled personnel to support digitalisation. In addition to overcoming crises, technological investments play a key role in business development and there is no end to the digital trend (Kivikoski & Kauppinen 2021).

Taking care of competence also benefits the company from the point of view of well-being. When comparing successful companies in the COVID-19 era, job satisfaction has improved significantly more for companies that have invested in digitalization. The job satisfaction of the staff

of these companies had improved by 41 per cent, while those who were successful without digital investment it was only by three per cent. (Kivikoski & Kauppinen 2021, 21.) It is probable that companies investing in digital solutions have invested in the competence of their personnel or it has already been at a high level.

In companies, development is driven by strategy. The company needs to identify the competence needs that will be developed together with the staff. The process of identifying and mapping competence identifies what kind of competence an employee has. When competence is considered in relation to the needs of the company, what new competence is needed and what competence needs to be developed is identified from a business perspective.

In the Urban Growth Vantaa project, Competencies for Growth! programme was implemented for SMEs in which the staff, led by a coach, built new operating models for developing competencies and learning on the job in accordance with the company's goals. The contents were tailored to the themes of competence management and development, selected for each company according to their needs.

The themes of the coaching were related to the identification of competence needs, competence development and management. The aim

was to increase understanding of how and why competence and learning should be managed, to identify current competence and future competence needs, and to create a model for competence development. The importance of continuous competence development is emphasized in the constantly changing work environment and the digitalisation of work.

Partners support a company in developing competence

It is important for corporate management to understand that competence development must be systematic and long-term. Creating and implementing a competence development entity requires time and resources. There are external partners to build and implement the entity, which helps to find company-based solutions for competence development, on-the-job learning, and other individual learning paths.

Systematic collaboration with a partner organization helps the company to learn about the skills, needs and strengths of others. A familiar contact person facilitates the establishment and maintenance of cooperation and lowers the threshold for contact.

Mutual trust is a prerequisite for a long-term partnership. The partner is expected to provide innovative solutions that add value to the customer (Pohjanheimo 2017).

Everyone needs sparring partners, and they aren't always found within the company. Therefore, insights from outside your own circle can bring fresh ideas. In the partnership model, the planned development of staff skills can be examined more broadly instead of point-like solutions.

Benefits from partnership

- Systematic competence development
- Cooperation, familiar contact person
- Trust, knowing the others
- Development of new solutions and models
- Identified needs help in development work
- Long-term cooperation enables the comprehensive development of the company

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03

Coaching supports and challenges companies toward goals

In the Growth Coaching project, group coaching was used to support the growth of companies. Targeted coaching brought about changes in operating methods. Coaching also developed interaction in companies. The feedback interviews regarding the coaching confirmed that group coaching is a viable form of corporate coaching.

Coaching was selected as a method of Growth Coaching through the Management Coaching Experiment carried out earlier in the project. What is coaching and how does it differ from training and consulting? The term "coaching" can be used in many contexts in many ways. Similarly, different forms of coaching can be applied flexibly according to the situation.

The original nature of coaching is always a matter of providing insight and encouragement through discussion, questions, and exercises (Business Coaching Institute, 2019). In teaching, on the other hand, the coach has subject knowledge of the topic being coached. Although methods that support self-direction are often used in teaching, the coach is an expert who uses his or her knowledge and experience to teach, support and encourage the coachee to change (Havanka, 2019).

Coaching is solution-oriented and assumes that the participant is able to find solutions to their own challenges. This is different from consulting, for example, where the information and answers are often assumed to be the domain of the consultant. Coaching focuses above all on the future and opportunities, not just on looking at the current situation (Business Coaching Institute, 2019).

Training is a single situation or series of events in which mainly pre-defined information content is practiced or learned. The teacher is an expert in education and often also the one who sets the

goals. In coaching, the coach is central to the process, including setting goals. Purposefulness distinguishes a coaching conversation from a normal conversation.

The coach supports and challenges you in achieving your goals

The role and responsibility of the coach in a company's coaching process differs from the traditional role of a trainer or consultant. The coach supports and challenges team members to define and achieve their goals. The coachees are therefore themselves responsible for achieving the agreed goals. Coachees must be willing to learn and develop in order to achieve their goals. The coach does not have ready-made answers, although this may be an assumption in companies. There were also such expectations occasionally in the Growth Coaching of the project.

The coach supports the coachees' own desire to develop and their own ability to find solutions. The role of the coach is to help the client become aware of their own resources and thus achieve the agreed results. According to Rogers (2016), the role of a coach is to develop the client's inventiveness with skillful questions and support. The coach and the customer are equals. However, according to Rogers (2016), being pleasant is not enough - the coach
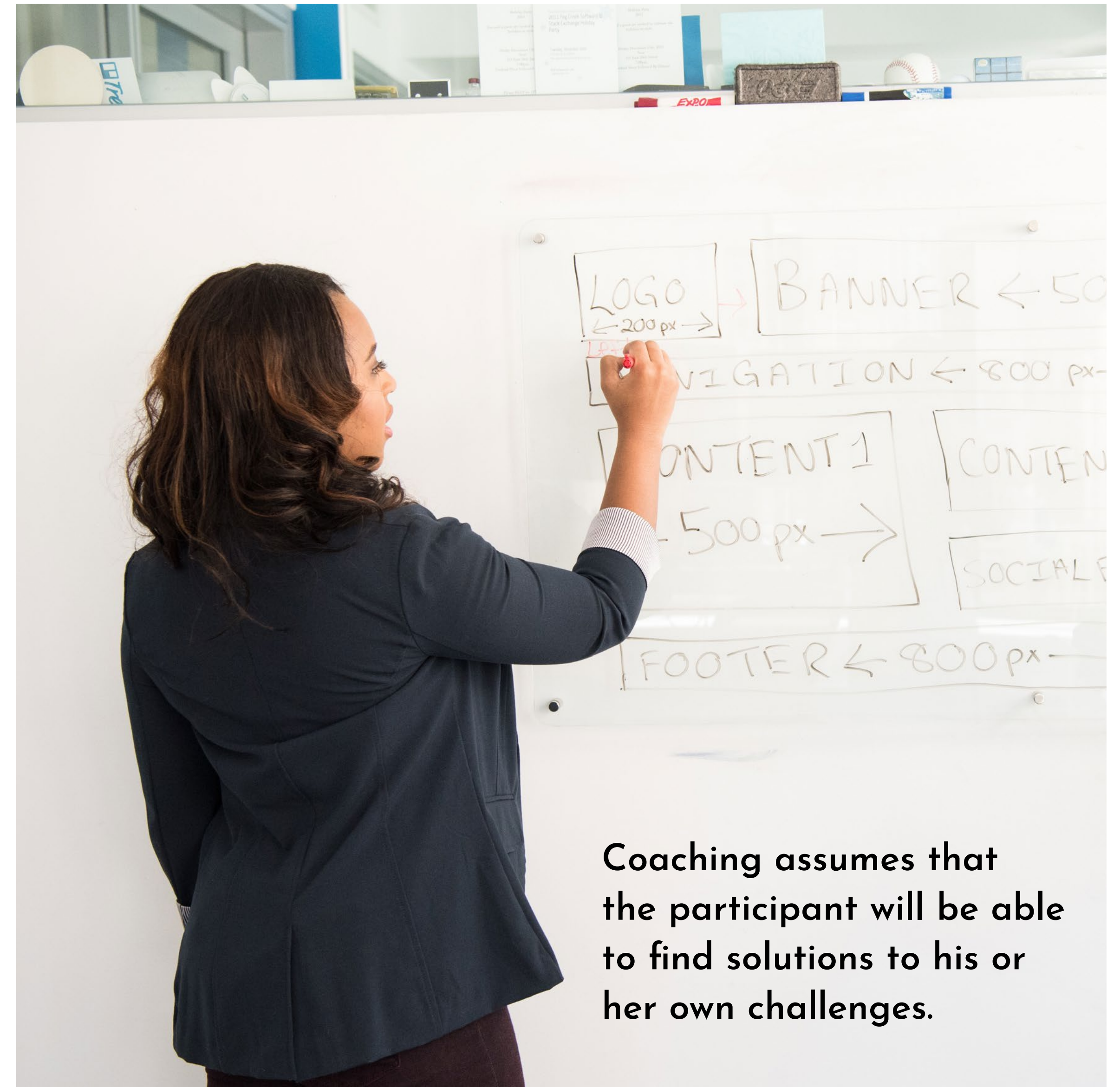
Coaching assumes that the participant will be able to find solutions to his or her own challenges.

should also challenge the client to support his or her process. It is essential to combine challenge and support. It is also a skill to be able to let up if the client does not seem to be able to take up the challenge.

Creating mutual trust and a safe environment is necessary for the success of coaching (Rogers, 2016). A true coaching relationship is built on complete acceptance by the client. The coach must be him- or herself but must also consider setting boundaries. It is also important to go through the coaching approach and roles with clients and agree on ways to work so that everyone can understand how the coaching process works. The importance of building trust and opening up the way we work together was also strongly emphasized in connection with Growth Coaching.

Coaching supports the implementation of change

In the coaching process, the goal is first defined, the current state is outlined in relation to the goal, the options for reaching the goal are identified, and a plan is made regarding the progress. Finally, reaching the goal is assessed. The process progresses through orientation, discussion, questions, and exercises. Coaching focuses on making strengths stronger rather than correcting weaknesses. Good questions and good goals are key in coaching. Rogers (2016) emphasizes the importance of goal setting and learning to do so. In group coaching, goals are defined as a collaboration between the group, management, and the coach. Rogers (2016) also distinguishes between performance goals of coaching and goals in change and learning. Despite the

importance of goals, coaching should not overlook the present moment.

Coaching is often necessary in transition situations and in supporting customers through change. Various models have been made of the change process to help outline the stages of the change process. In coaching, it is also important to note that different people experience change and accept it psychologically at different rates. There are also different ways to downplay the existence of a problem, its significance, the possibility of solving it, and ability to change (Rogers, 2016).

Brennan (2019) emphasizes that change does not happen without readiness. There are steps to change through which to proceed. The organization must also state the reasons for the change. It must be understood that not everyone is moving at the same pace, so change must be given time. The Growth Coaching of the project indeed emphasized the time required for change and reviewed the background for change needs. Brennan (2019) emphasizes that there are always options in action. There is not just one possible route, but you need to consider the different options and the criteria for choosing them.

Feedback, monitoring and metrics are also key in the coaching process. It is necessary to think in advance how you will know that the desired change has been achieved. What will the situation look like after the process is over? Of course, no longer-term changes were observed during the Growth Coaching, as the time span of the process was short.

The coaches verified the strengths of the coaching

The project's Growth Coaching was carried out by coaches from two companies and five of the project's own coaches. A feedback discussion on the implementation of the coaching was held with our own coaches in January 2021. The feedback discussion involved all the coaches, that is, two coaches from Metropolia University of Applied Sciences and three from Laurea University of Applied Sciences. The experience of the coaches was that the coaching met the needs of the companies and they were satisfied with them.

Coaching should be tailored to focus on the company's goals and challenges and consider the company's preparedness. The coaching helped the companies stop, reflect, and find relevant insights between management and staff. The themes could be viewed in a new way when an outside, objective coach was listening, shaking things up, and supporting change.

There were different expectations for the role of a coach. In companies, a coach might be expected to give "correct" answers and tell them how things should be developed (Coach Feedback Discussion on Growth Coaching, 2021). In Coaching, however, the coach helps participants find strengths and resources to solve challenges and find answers. The Coach is an outside and neutral body with no conflicts of interest. He or she just wants to help the business succeed. It was seen as important that the company had the same

coach throughout the process. This created trust that supported the process and ensured continuity throughout the process.

When coaching progresses purposefully and regularly, led by a neutral coach, results are created. In the process, the participants had to reflect on and promote progress within the company. The coach acted as a support in the development of the organization. The participants, on the other hand, gained an understanding that matters can be advanced through their own reflection and by working together. Management had often acted alone, but now development was being discussed with the staff. This strengthened faith in making it and increased a positive and solution-oriented attitude (Valmentajien palautekeskustelu Kasvuvalmennuksista, 2021).

According to the coaches' feedback discussion (2021), the participants' experience of the relevance and visibility of their own work was strengthened through the coaching. The coaching strengthened the companies' operating culture, team spirit, and interaction. [LV8] During the coaching, good practices were shared and disseminated, and changes in practices were made. Resistance to change was recognized and mitigated. In the coaching, indicators and plans were drawn up for the operation, and new models were introduced. In addition, online work and teleworking were introduced more widely as a side effect. The long-term effects on processes, revenue and other results are still challenging to assess.

Competence and growth are built together on a long-term basis

Supported by the coaching method, the companies understood that the tools for growth do not come ready-made by an external coach but are created in collaboration. At the same time, a new kind of knowledge and competence was internalized in the coaching process. Competence is not created from outside by bringing it into the company, but by building it together. Thus, the active actors are the company's management and employees, supported by a coach. When one is involved in building change, the commitment to change and development is also stronger.

In Growth Coaching, the short implementation period challenged the companies and the coaches. Coaching is a long-term activity and requires its own time. It was seen that a good amount of time must also be set aside for the discussion of the goals, implementation, and results of the coaching at the beginning of the coaching. In this way, the situation is better perceived together and a more successful outcome is obtained. It was also seen that it is good to arrange a meeting between the same coach and the participants for half a year. This makes it possible to monitor the implementation of the agreed-upon measures in the direction of the objectives.

> **Coaching should be tailored to focus on goals and challenges and take into account capabilities.**

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Growth Coaching was a key service of Growth and Social Investment

- The aim of the coaching was to support the responsible growth of companies by working on a challenge or development target identified in the company.
- The themes of the coaching were related to managerial work, company management, teamwork, strategy work, sales development, and communication.
- The effectiveness was increased by the fact that different groups of employees in the organization participated in the coaching.
- Growth Coaching consisted of four group coaching sessions and two half-day trainings.

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04

Collective psychological safety enables a company's success

Emotionally intelligent leadership and a sense of community and belonging help companies go through difficult situations of change and crisis. While empathy and dialogue are all it takes to create psychological safety, reports on fear-based leadership are all too common.

The effectiveness of organizational culture is linked to experiences of psychological safety or lack thereof. Amy Edmondson (1999) defines psychological safety as "a shared belief held by members of a team that the team is safe for interpersonal risk taking."

Psychological safety refers to shared beliefs within an organization about the consequences of proposing something new, showing weakness or vulnerability, or asking "stupid" questions.

Although psychological safety has been studied for a long time, the topic came to the forefront when Google (2012) published the results of the Aristotle project. The project explored what sets successful teams apart from other teams. One distinguishing factor was psychological safety.

An individual learns and develops best when the environment is psychologically safe. The mental well-being of employees often correlates with the success of companies. The best-performing companies also often do best in employee job satisfaction and engagement surveys.

Fear as a sign of psychological insecurity

There is often an atmosphere of fear in organizations that lack psychological safety. Fear of failure can be so great that it feels safer to remain silent and hide one's own position and opinions, and not to challenge current ways of thinking and acting.

There is no need to look far for an example of the impact of psychological insecurity on busi-

Companies must be prepared to cultivate a sense of psychological safety.

ness. The rise and fall of Nokia's business is a stark example of what happens when fear nests in an organization. Risto Siilasmaa (2018) has written the book Paranoid Optimist on this topic. According to Siilasmaa, employees were so afraid of failure that they did not dare to question or bring up difficult issues or grievances.

Recently, we've been able to follow the news and social media conversations about companies that have failed to create a sense of psychological safety. Two areas have emerged strongly: the fast-food and mobile phone industries. Insecurity in a fast-food chain has been caused by local management and working overtime, probably due to staff shortage.

In a fast-growing technology company, insecurity has in turn been caused by various forms of harassment and inequality experienced by employees. In both cases, the employees feel that the supervisors and senior management have not addressed the situation adequately.

When shortcomings become public, the company's future is in jeopardy. There is a strong collective feeling of injustice, and consumers can start boycotting the company. Remedial actions and crisis communication must be fully successful for a company to survive without serious damage.

These companies employ a large number of young people with little work experience. Negative employee experiences come to the fore. Due to the low hierarchy within the organizations, there are many immediate supervisors, and at least in a technology company, it is likely that a positive management culture has not developed at the same rate as the company's strong growth.

Regarding the news about the fast-food chain, it is noteworthy that the communication from the employee teams to the chain management or higher does not seem to have worked as desired.

Fortunately, it appears that the management of these companies has taken the grievances seriously and taken steps to work on them. To prevent similar incidents, all companies would be well advised to closely monitor the work atmosphere and the discussions taking place in the social media channels. Even small shortcomings need to be taken seriously and addressed before it is too late.

The emotional intelligence of the management helped a company through the recession

During the most recent recession, in 2007–2009, a Finnish manufacturing company was in a deep crisis. The recession was knocking on the door, and

the number of customers had already decreased earlier. The company's manufacturing technology was decades old, and its production did not respond to customer needs. The production technology was also a risk to the health of the workers. Based on these starting points, the company decided to modernize its operations.

The company implemented a technology leap, in other words, the production technology was modernized to meet current requirements by robotizing and digitizing. It was clear that the changes implemented in the midst of the recession frightened both management and employees. However, the

process was successfully completed, and the company is now one of the market leaders in its field in the Nordic countries. What was done correctly in this company?

The starting point for the change was respect for a sense of psychological safety and community. The company's management made it clear to everyone that change is ahead and that it requires the input of all employees. Everyone was assured that no jobs would be lost. Everyone was required to learn new tasks.

Thanks to new production and working methods, work became safer and more meaningful for

the employees. The new tasks also provided opportunities for development, which employees found valuable. From a business perspective, the change brought flexibility, speed, and competitiveness to production, and the company was able to build its business on a more stable footing. A more secure financial situation had a strong positive effect on employees' sense of security and well-being.

The successful implementation of these changes increased a sense of community and professional pride.

In retrospect, the company felt that the change was easy despite the recession. From an outside perspective it is apparent that the company's management had emotional intelligence, and therefore the necessity of change was communicated correctly.

Psychological safety is a competitive advantage

Currently, there is talk of a labor shortage and how it is even starting to impact the growth of companies. This is evident in the results of a survey organized by the Chamber of Commerce, which was answered by 1,297 member companies from various industries. Nearly 75% of respondents said they were suffering from a shortage of skilled labor. Over the next 2-3 years, three out of four companies will need to recruit more employees.

The US is experiencing a wave of resignations, referred to as the great resignation. In the current labor market, employees are able to choose companies with a modern leadership culture, where they are seen and heard, and where they can make better use of their skills and interests. According to the

Harvard Business Review, 40% of employees plan to resign if they are required to be present at the office 100% of their working hours. Psychological safety and open dialogue are needed to overcome these issues. The winners are those companies that invest in psychological safety.

Building psychological safety requires ongoing effort

A collective sense of psychological safety is clearly a factor in the success of companies. Companies that do not foster a sense of psychological safety are jeopardizing their business and reputation. Emotionally intelligent leadership and consideration for community helps companies go through difficult situations of change and crisis. It has been a pleasure to notice that the theme of psychological safety has been of interest to the clients of the Urban Growth Vantaa project, and it was addressed as part of the leadership-related coaching.

Companies need to be prepared to cultivate a sense of psychological safety. New growth companies should build genuine community right from the beginning. Older companies must take into account the development of culture and values and constantly ensure that leadership practices are equitable and up-to-date. By no means is it enough to update policies only when a feeling of insecurity has caused a crisis.

It is frustrating to see reports in the media on leadership practices that cause feelings of insecurity. Achieving psychological safety is based on empathy and dialogue; it is as simple as that.

How to build a psychologically safe organization?

1

Invest in a leadership that serves

Leadership plays a key role in creating a sense of psychological safety. A manager must remember that he or she is in a service profession. He or she works for others, enabling them to do well, and ensures that the company and its employees are as successful as possible.

2

Build cohesion

Psychological safety also means building cohesion. This includes getting to know the members of the community as people, building a culture of conversation is, and creating practices where everyone can express their opinions and be heard. Building cohesion requires both formal and informal encounters.

3

Practice continuous dialogue

Communication and a culture of conversation are strongly related to leadership. When employees know their direction, are heard, and engage in dialogue, there is no need for separate implementation. A strategy made in a corner room that is announced at a press conference does not create psychological safety. A clear direction creates clarity and employees know how their own work relates to the bigger picture.

4

Agree on practices

Psychological safety requires agreeing on practices. For example, how we work as a team and what we don't do, how we communicate our needs, how we resolve difficult situations and conflicts. Such practices show how you treat other people and their time, and how you handle their opinions.

5

Learn from failures

Everyone fails at times, but how a company treats failures says a lot about psychological safety. If failure is punished, few will take a risk. And vice versa; people are encouraged to experiment if it is acknowledged that experiments also involve failures, and that those failures can be talked about and learned from. In psychologically safe organizations, failure is thought to be a part of success.

Successful change starts with a sense of psychological safety.

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Why is the brakeman not taken along?

05

When coders and digital designers are not included at the beginning of the design work, a digital project is begun incorrectly. At worst, projects started like this cause misunderstandings, frustration, and a waste of money.

Digital change is a trend that you can hear talked about in cafés almost every day. Organizations have their own digital projects, in addition to which they are actively involved in external projects. In the current digital revolution, companies can relatively easily obtain co-financing for projects from, for example, the EU or Business Finland, which makes it easy for companies to accelerate their own development work and try something new.

My experience as a consultant in the digital transformation of a company is that internal communication creates unrealistic expectations for employees about the potential of technology and digital projects. That's why there are only bitter people and tired project managers in the company's development team at the end of the project who have worked thousands of hours in vain because the plans have been watered down in practical testing or even before testing.

We had a great vision, but it didn't work

"Everyone has visions and ideas, but who can turn them into a product or service?" is the starting point in the startup world today. The company is forced to prove that they are able to make a near-finished product. In addition, the product must be acquired by a couple of paying customers before receiving financing. Fortunately, the business side has moved away from the reckless distribution of money in the IT bubble and has firmly planted its feet on the ground. External and internal digital projects should be treated in the same way.

Vision is vital for motivating people, and it helps determine the direction, motivation, and

In the worst case, digital projects that are begun incorrectly do not bring any added value at all.

communication of a digital project. Often, however, the vision is drowned out at the end of a digital project. By drowning, I mean there are too many goals and too many people pulling the strings, the vision becomes a digital project for improving the world, and workshops fill up the calendar. This creates a management deficit that is negatively reflected in the initial design work and the customer's needs are forgotten in the practical work.

It is a good idea to define one concrete "raw" goal for the vision, and this goal should not be ignored under any circumstances. The goal should be so simple that it is easy to measure in numbers and the digital project is to be measured with the practical development work at every stage. A good concrete practical goal could be, for example, that employees inside the company no longer need to process forms manually. After that, all actions and decisions should be compared to the "raw" main goal of the digital project and questioning can begin.

Why are we in a digital project?
We are motivated by the vision and the digital project has a significant impact on our company's daily work.
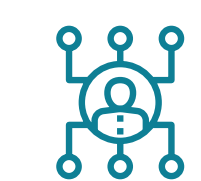
Why am I working in the digital project every day?
Our work will expedite the daily work of a processor by five minutes or more.

When will we succeed?
Only when the daily work of the processor is concretely speeded up by five minutes or more. We will measure and prove it.

Simplifying a vision is a skill, as some digital projects can be visionary and even involve the multifaceted structures of society. There is always a common concrete measurable point with which to measure the success and development of a digital project.

Sometimes it is difficult to find answers to simple questions in the design work at the beginning of a digital project. Then press the brakes and put resources into planning and bringing a common concrete goal to a conclusion. Make a decision together and say the "raw" goal out loud.

Let's begin correctly

Usually, a digital project is simply started incorrectly. There has been a great vision, but there are no coders or digital designers to start the design work. These traditional brakemen are not even wanted to be involved. "The digital project is only being planned, so there is no need for hardware yet. We don't even have anything ready to show them, just plain text."

Digital projects are led by the project's professionals, whose job is to get the projects to the finish line with the company's resources. Consultants will be involved in the project, who will be paid to help move the project forward. They are rarely brakemen during the project because a paying and satisfied customer is an advantage to their business. A competitive subcontractor will accomplish just about anything when you give them enough time and money.

Visualizing a digital project and creating prototypes is forgotten, and there is no clear picture of the service. In this case, the subcontractor's work

becomes more difficult, more expensive, and the project changes direction many times. In the end, the project manager's final report shows how difficult it is to carry out digital projects within the company. The next digital project is already waiting on the project manager's desk, and the same mistakes will be repeated due to hurriedness. The loop is ready.

In the worst-case scenario, digital projects that have been begun incorrectly do not produce any added value at all. Instead, they often only bring misunderstandings that waste time and money and frustrate employees. Finally, many digital projects wither before the final report is made. Employee frustration, on the other hand, nurtures and increases resistance to change, which in turn has a negative long-term effect on attitudes towards all change. In the worst-case scenario, poorly designed digital projects create a long negative spiral within a company.

The reasons for the poor success of digital projects can be traced to project planning. Too little manpower, time and resources are allocated to the planning and implementation of digital projects. Often, the initiation of a project is on the desktops of a couple of people who are not experts or creators of digital solutions. They do not have a clear picture of measuring the results of a digital project, and due to hurriedness, the simplification of the vision is also forgotten.

There is no one-size-fits-all solution to the above challenges. However, it would be important to ensure that every digital project gets off on the right foot. In this way, we would create better opportunities for success, and resistance to change would not be the most common attitude in Finnish workplaces.

Four tips: Here's how you'll succeed in a digital project

1

Bring in the right experts and a brakeman

Ideally, already in the planning stage, coders for the service and experts familiar with the operations of the sales side will be involved in digital projects that will increase the efficiency of operations. When they are involved in defining the requirements for the new system, the project has a better chance of success. Don't start without them.

2

Don't change anything that you don't understand

When planning digital projects, it is good to take the customer, goals, and indicators as a starting point. The project leader must understand the digital project technically. If this is not the case, the vision and practice will depend on the paid experts. This is not a good thing, because then the digital project will quickly start to wander, and a management deficit will result. Choose one leader who knows the vision and technology of the digital project from start to finish.

3

Meet your future needs with service design

When planning a digital project's modes of operation, evaluate what needs the operations will have to meet in the future. The customer has to buy into the vision with just a simple presentation. Dozens of prototypes can be created using service design to support the presentation. This makes it easy to get everyone in the same boat and increases the motivation of the participants. Don't underestimate the power of prototypes.

4

In the end, the most important thing is not the vision, but the implementation

Implementing any system or operating model is a big change. Ensure adequate internal communication for the entire project and that the client is ready to implement the service. Give enough time for the whole to take shape and for a common understanding to emerge. If people leave the workgroup, get a similar expert to replace them. If a customer withdraws from a project, put all the resources into finding a new customer. Remember the "raw" goal of a digital project and don't move forward if implementation is compromised.

Simplifying a vision is a skill.

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Aliranta's expertise extends from productization and business strategy to detailed sales work and the implementation of lean and agile changes. He has almost 20 years of experience in designing, commercializing and gaming digital services. Aliranta's motto is "Less talk, more action."

06

Intelligent technological solutions require a holistic vision

The changes in our lifestyle caused by COVID-19 have further accelerated the need for new digital solutions. Business support solutions must be designed as a whole and according to the company's needs. Otherwise, you may end up repairing a single part of a broken machine.

In the new information society, companies possessing "new oil" are strong.

There are innumerable objectives for digitisation, such as sales processes, production processes, delivery processes, and marketing. They are often combined with ideas for increasing and developing the level of process automation with robots, software, and analytics, that is, artificial intelligence. The aim is to improve the company's efficiency and job satisfaction.

The end result can be, for example, a perception of production in real time and thereby direction of the company's operations. A simple and well-known example from the consumer side is the digitized retrieval of information from smartphones using Apple's Siri speech recognition software.

Another example of a use of digitalisation is the monitoring and billing of electricity consumption in the energy industry. Previously, an employee of an energy company visited the electricity meter once a month to read it. It could easily take weeks from meter reading to sending an invoice. Of course, this is still the case in many countries, but in Finland the process is automated, and consumption is monitored almost in real time. Meter read-ings are automatically transferred to the energy company's billing system once an hour, and the invoice is immediately visible on the customer ser-vice representative's screen.

Companies that have some single worka-ble solution to solve a specific challenge have emerged spurred on by digital hype. However, if you throw yourself directly into the game with a technological solution in mind, you may be able to fix a single challenge. However, in most cases there are bigger things in the background that need to be mapped out first. Otherwise, the broken machine will only be repaired partially, and the joy will remain short-lived.

When considering technological development, companies must start by understanding the overall picture of the business and define the processes that support it, the needs of customers, and the integration needs of the future solution. Only after this, projects can start to be planned and imple-mented. Intelligent solutions require a holistic view: the ability to gather all relevant information.

Defining an overall picture also helps you out-line the benefits achieved with change. In the new

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has worked for 15 years of his 30-year career in leading technology houses abroad and in smaller companies seeking rapid growth and renewal. The common denominator has been the use of technology and digitalisation in business and everyday life.

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information society, companies that have "new oil" and capacity for its refining will be strong. Now this oil is only in the form of data. When data is refined into an understandable and appropriate format, it is up to company management to decide how leading with knowledge can improve business. By leading with knowledge, I refer to more enlightened decision-making, mapping out trends, and utilizing facts.

In my experience, as many as 90 percent of SME executives say there is no time to develop their company's business and competence. Everyday life is often constant problem solving of everyday issues. In addition, people have an innate desire to hang on to existing patterns and structures.

The basis for renewal and success is to have a constant dialogue and sparring with others and thereby receive confirmation and feedback on one's own views. In addition, external support strengthens self-confidence and gives courage to make even demanding investment decisions.

URBAANIA KASVUA VANTAA

New solutions for social recruitment and raising the level of competence of companies' personnel are created in the Urban Growth Vantaa project.

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