



**SITRA**

# Strategic Agility – A New Competitive Requirement for Nations?

November 19, 2010 Mikko Kosonen

Up until now, Finland has been one of the major winners from globalisation

Progressive industrial and innovation policies



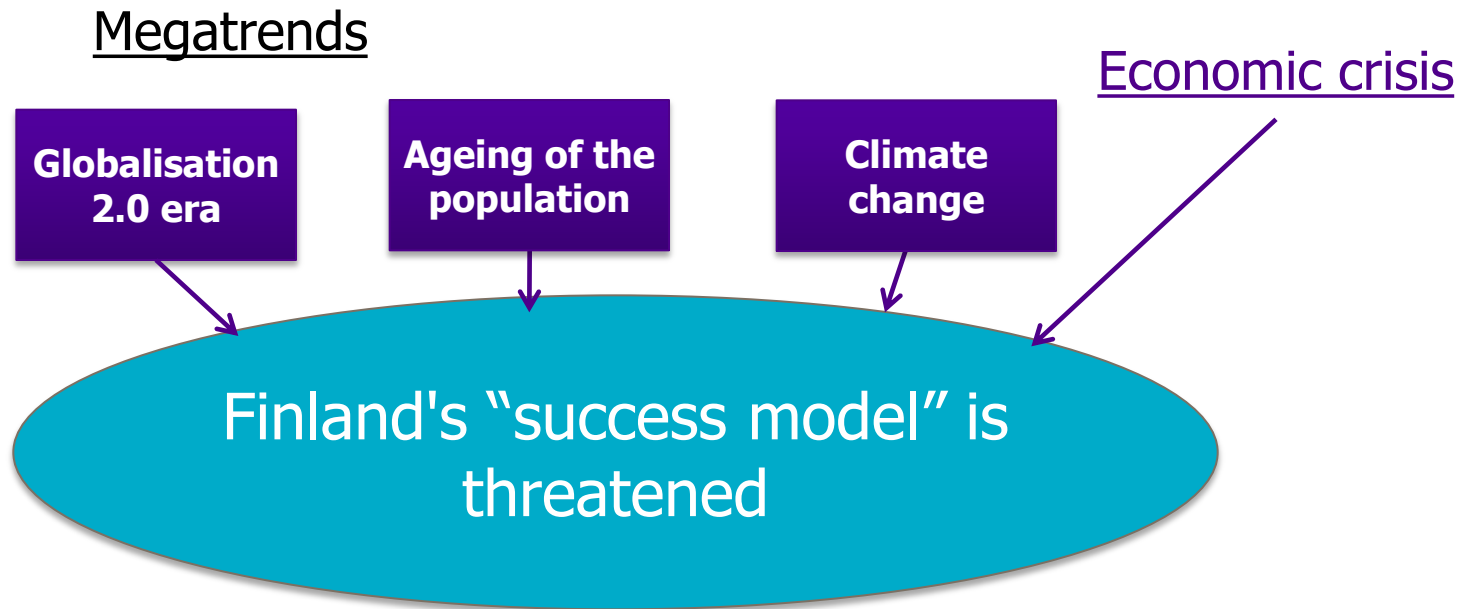
Progressive social and education policies



Balanced development  
of Economic growth  
and  
Social justice  
  
= FINLAND'S  
SUCCESS MODEL



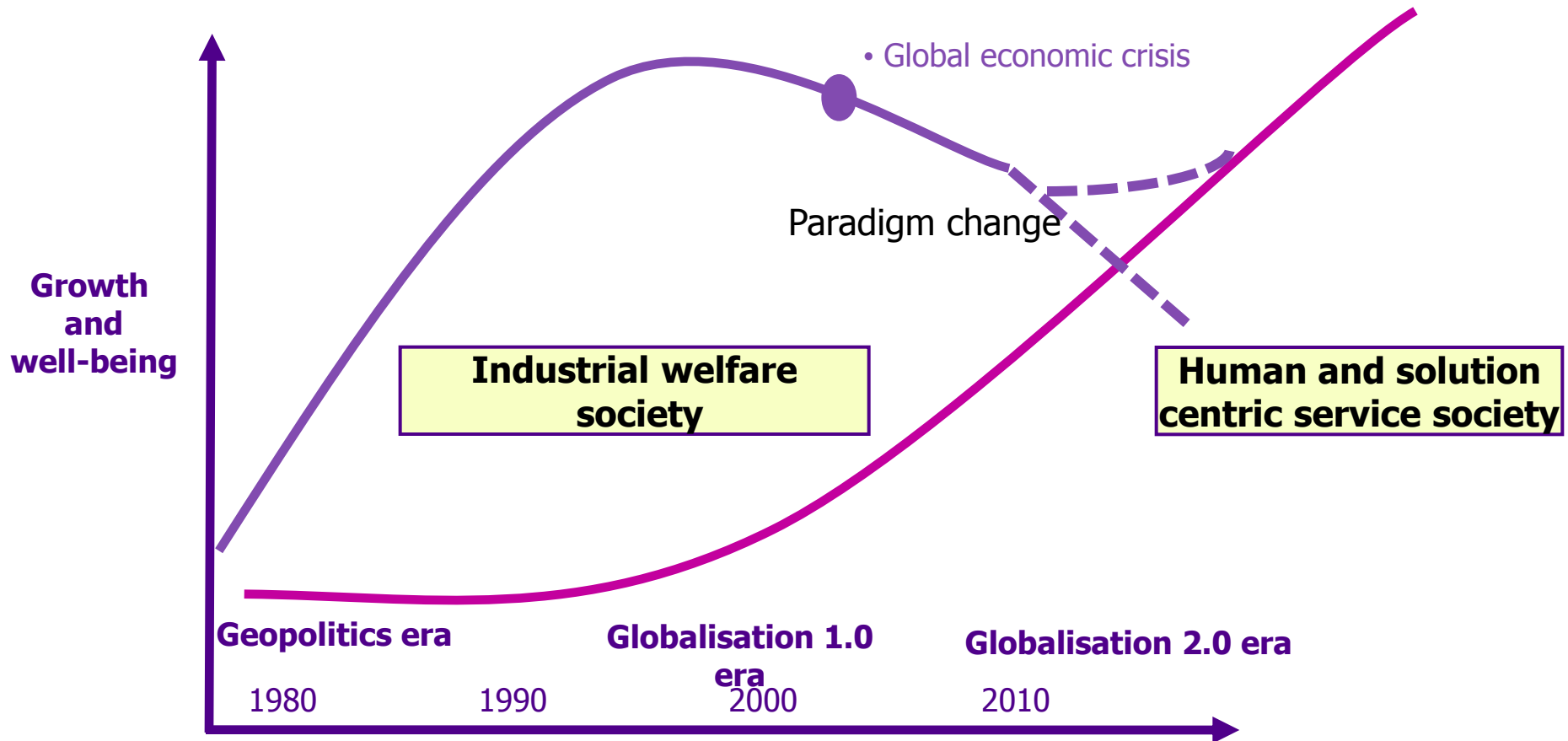
# But the world is changing rapidly...



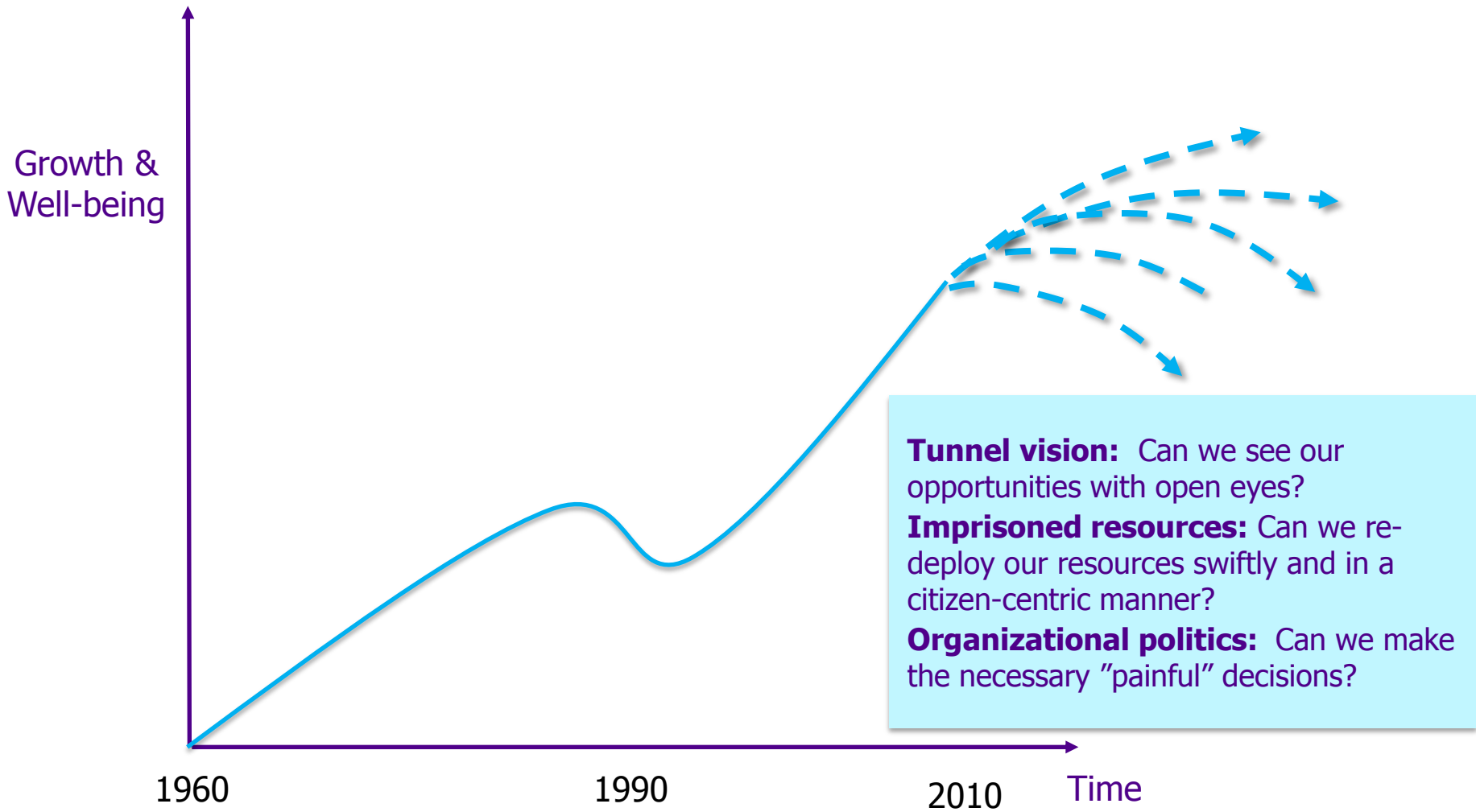
- Finland's traditional industrial foundation is weakening rapidly
- Finland's dependency ratio is deteriorating rapidly

➤ **Major need and opportunity for systemic/structural change**

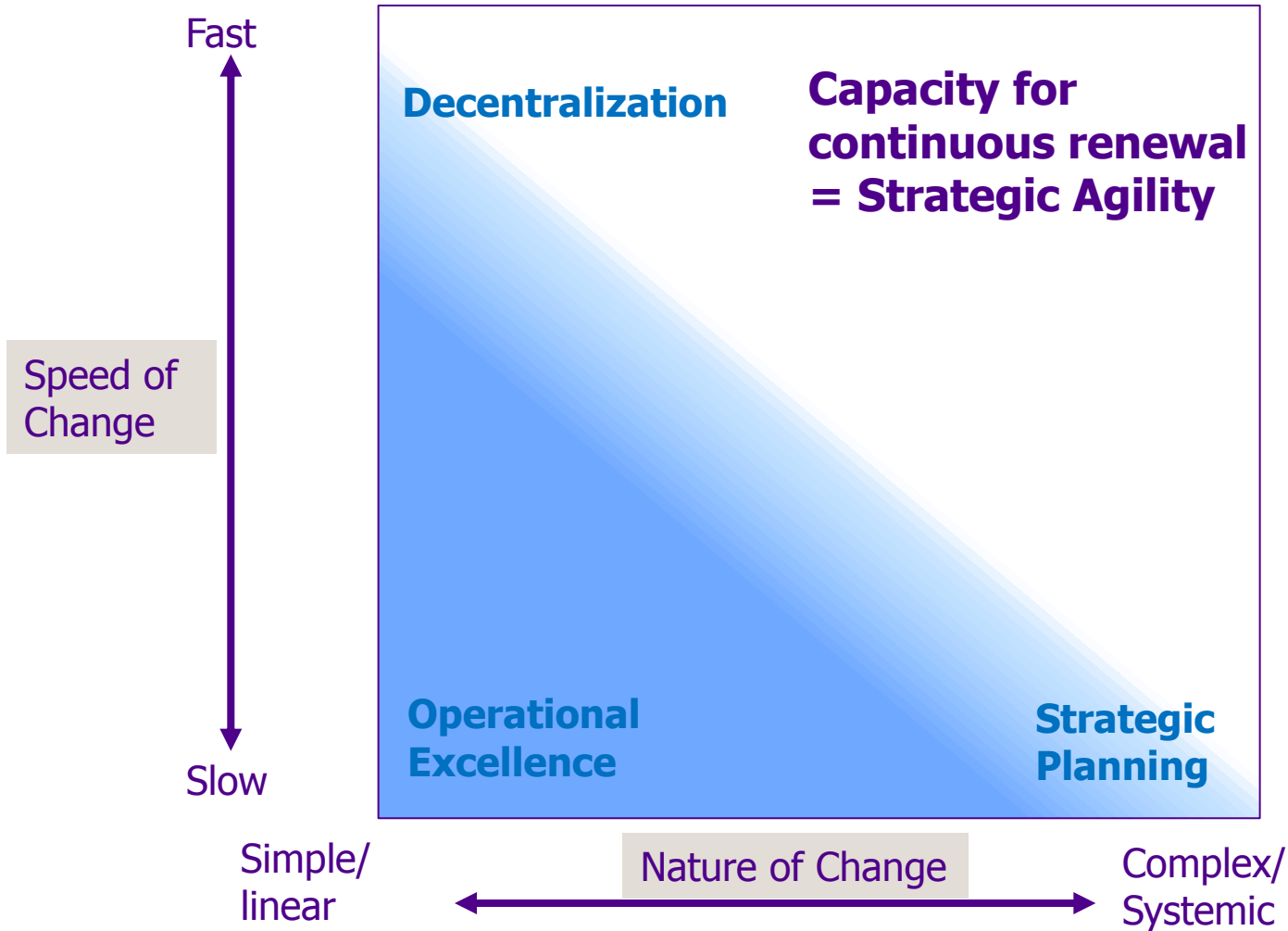
# From industrial era mental models and structures towards human and solution centric service society



# Have we become prisoners of our own success?

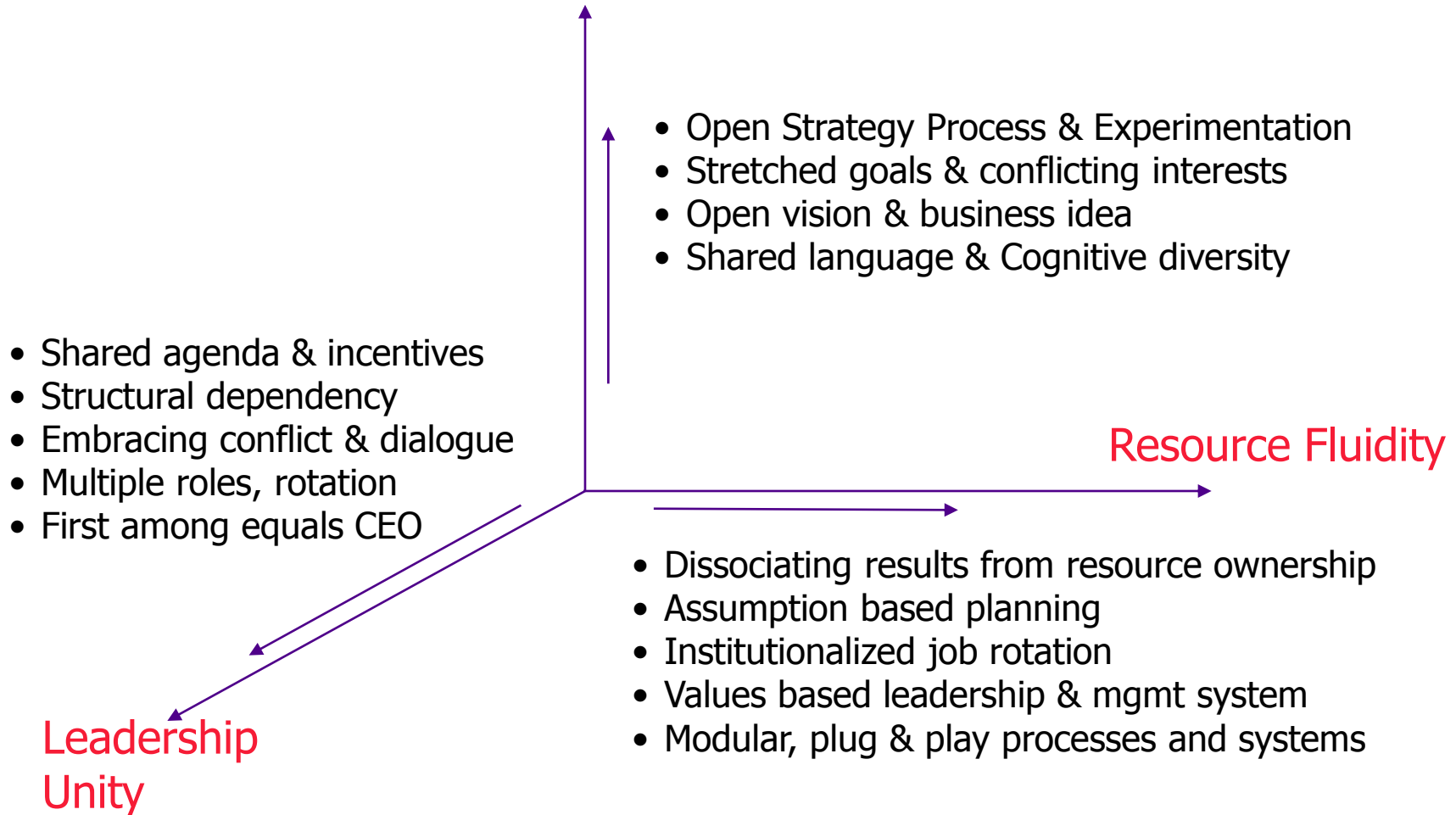


# Need for new leadership & management principles and practices



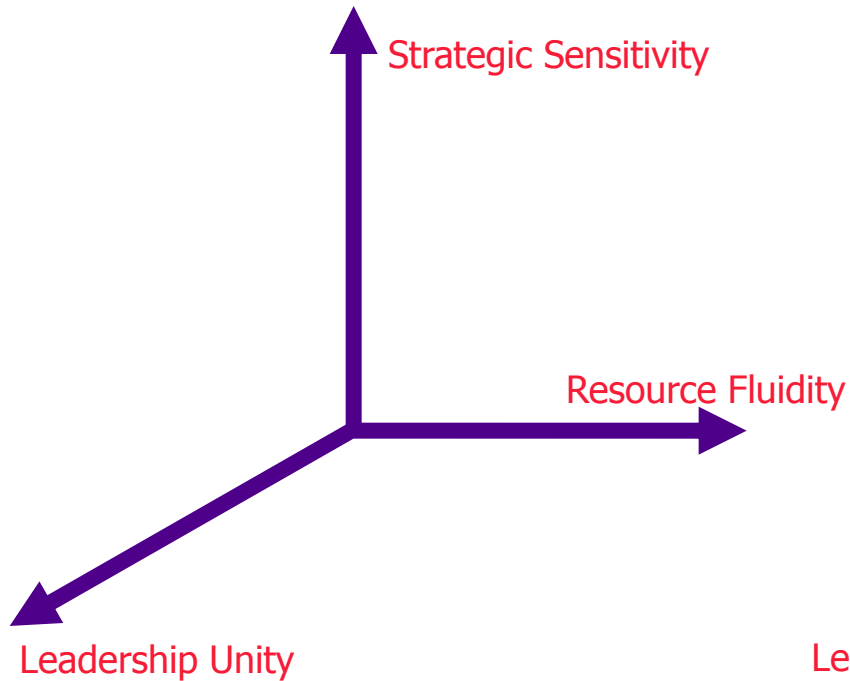
# Enablers of strategic agility in the private sector

## Strategic Sensitivity

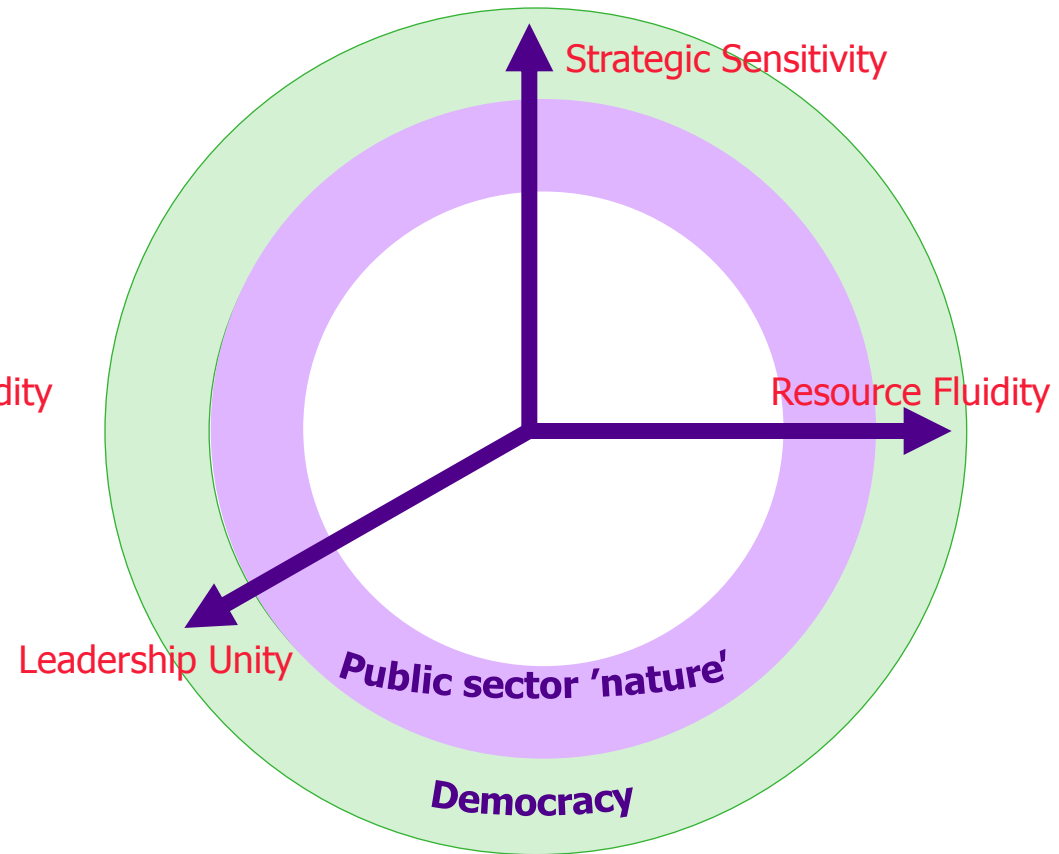


# Application of Strategic Agility in the Public Sector

**Enablers of Strategic Agility  
(in private sector)**



**Enablers of Strategic Agility  
(in public sector)**



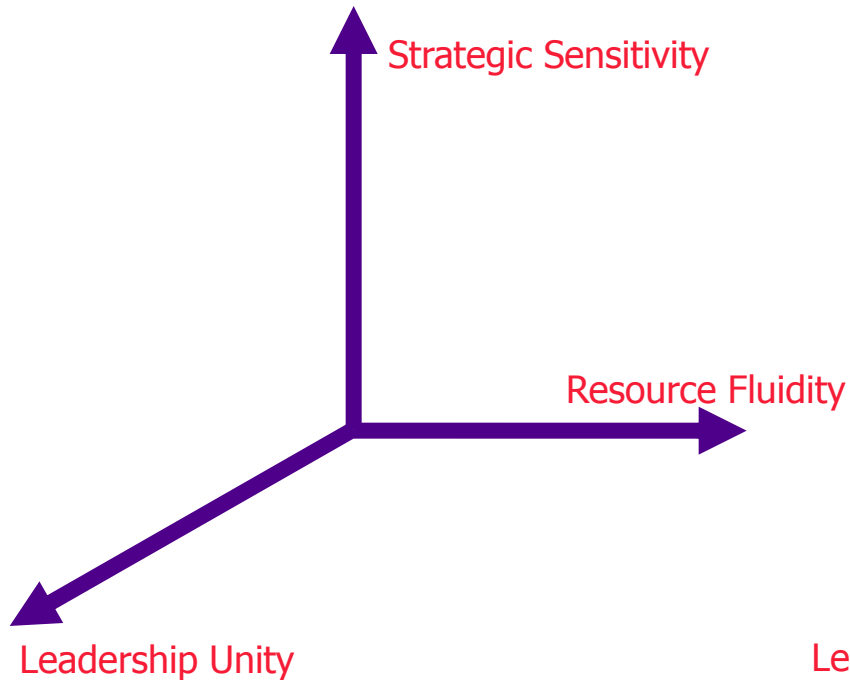


# Constraints specific to public sector

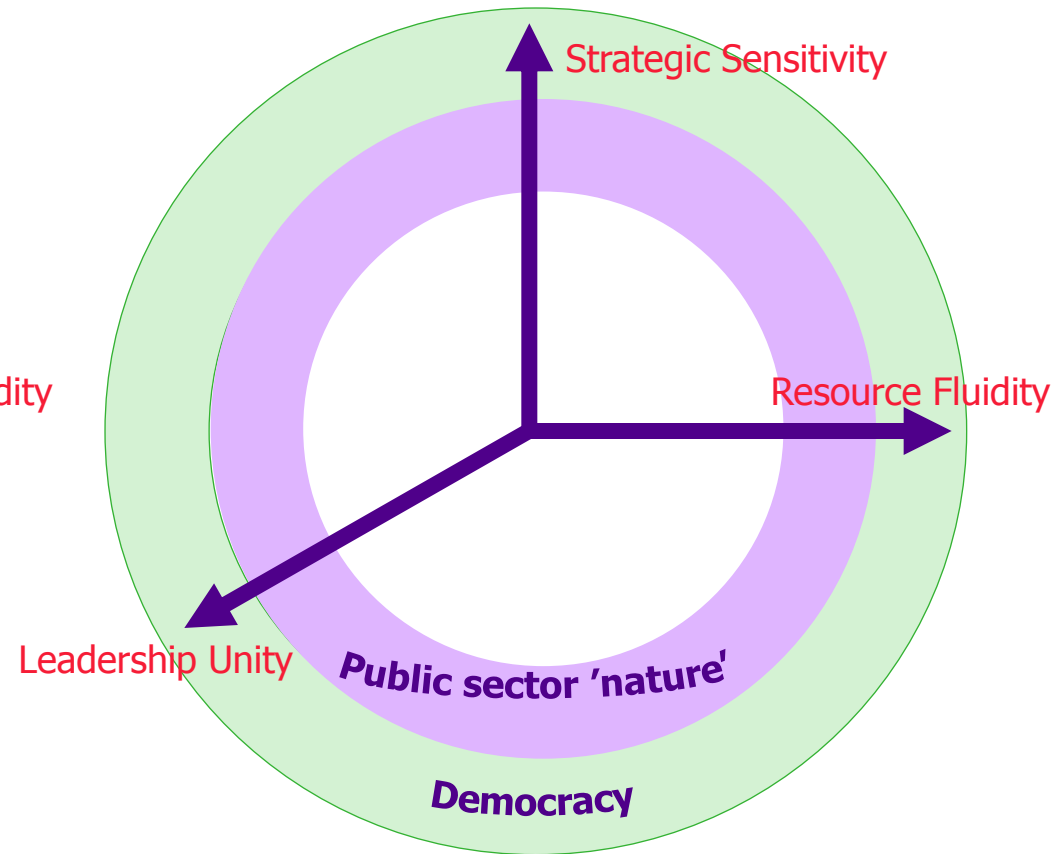
- Democratic decision making
  - Need for public support
  - Multiple goals (optimization more difficult, tradeoffs between goals)
  - Lobbying special interests
- Outcomes difficult to measure
- Employment constraints (lower salary, "permanent" jobs)
- Lack of market pressure
- Uncertain production technologies (inputs => (?) outcomes)

# Application of Strategic Agility in the Public Sector

**Enablers of Strategic Agility  
(in private sector)**



**Enablers of Strategic Agility  
(in public sector)**



# Finland – What Next?

- Ambition: Lead market for next generation 'wellfare state'
- OECD country evaluation in May 2010
- Sitra's Public sector leadership and management program
  - focusing on implementation of Strategic Agility principles and practices



**Thank you!**

# Sitra's vision and mission

Finland succeeds  
as a global pioneer of systemic changes  
that create well-being

Sitra facilitates  
these changes  
– by combining foresight  
and experimentation

# Summary

