

August 2014

NORDIC

Business Report



The young and
the successful in
Northern Europe

KEN SEGALL
Find that human connection

SIR KEN ROBINSON
Put your imagination to work

TONY FERNANDES
Marketing is everyone's
responsibility

JIM COLLINS
Do really big,
hard things



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An International Touch

The magazine you are holding in your hands is the third annual issue of the Nordic Business Report. This year, the circulation has become much more international, as it is being published widely in Finland, Estonia and Russia with altogether roughly 90,000 copies.

The same international trend may continue in the future as well. We started it last year by changing the language of the magazine into English and by pulling together a fully Nordic jury team to produce some real Nordic content. The jury team was gathered to work on 'Nordic Thinkers 20' ranking, which was published exactly a year ago.

This year we decided to upgrade. We have basically covered the whole of Northern Europe in the '30 Under 30' ranking in this magazine. That covers all the Nordic countries, all the Baltic countries and Russia – 8 countries in total. Special thanks go to all jury member organizations from all these countries for working with us to produce this interesting ranking of the most promising young leaders of our era, on such a large scale.

Marketing and Leadership Ideas

In the current economic situation it is important for any country to get their exports on the rise. It all starts with improving each area of your business to be able to expand. Along with the general business ideas on marketing and leadership, you will also learn about young and upcoming leaders from all over Northern Europe. We hope they will give you new ideas and inspiration for building up new international business ideas and relations.

As you probably figured out, this issue is built upon two main areas of focus. It starts with marketing ideas to boost off your own marketing and continues with leadership ideas in the latter part of the magazine. You will learn the marketing secrets of AirAsia's founder **Tony Fernandes** as well as some of the world famous leadership principles of **Jim Collins**. We will also drive your attention to new trends, such as online videos as a tool for marketing, amongst many others.

We hope you will enjoy reading this issue of NBR!

Best regards,



Hans-Peter Siefen

*Editor-in-chief, Nordic Business Report
CEO, Nordic Business Forum Oy*



Editorial • Hans-Peter Siefen

Paula Ojansuu/kuvaustilimif

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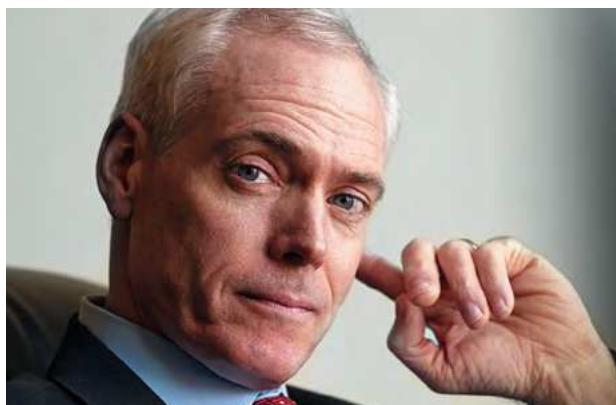


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30 under 30 in Northern Europe

Nordic Business Report continues to produce rankings of business people. In 2012, we ranked the greatest business thinkers in Finland, and in 2013 in the in the Nordic region. This year we set the age limit to a maximum of 30 years and covered basically the whole of Northern Europe. So who made the cut and why?

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If you want to grow to be a true leader, do really big, hard things. The more pain and suffering, the better the results. Guaranteed.

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Press: Deviz, 2014

Secrets to Successful Viral Ads

BY ANNIINA TAURAINEN

Why do some viral ads manage to spread widely across the web and become such huge success stories? We found four elements that are used in successful viral ads: surprise, humor, emotional appeal and knowledge of the target audience.



Volvo Trucks' idea to showcase the full potential of Volvo Dynamic Steering with **Jean-Claude Van Damme** performing a full split on two reversing trucks turned out to be an epic success. That's definitely something you don't see every day! Since the release in November 2013, *The Epic Split* has gained more than 73 million views on YouTube. It is the most watched automotive ad ever on YouTube.

Selecting stories which appeal on an emotional level to both the general public and the target group may well be behind the video's success. According to **Andres Vil-**

helmsen, the public relations manager for Volvo Trucks, this is the key success factor for viral campaigns. Vilhelmsen says the campaign is part of their new strategy to reach out to a broader target group through social media. Clearly this strategy has been the right choice for Volvo Trucks. The overall campaign has been estimated to represent 126 million euros in earned media value. Vilhelmsen also adds that, *"almost half the truck buyers who have seen the launch videos say it is now more likely that they will choose Volvo the next time they purchase a truck."*



Clever Humor Can Set You Apart from the Competition

Combine a dancing bear, a catchy motto and a funny and approachable company founder – and what do you get? A great video! Dollar Shave Club's ad *Our Blades Are F***ing Great* has received over 14 million views and it prompted 12,000 orders in two days since its release. **Michael Dubin**, the founder of the company, told *The New York Times* that they spent about \$4,500 on the video, which proves great marketing doesn't need to cost a ton.



Dove's Emotionally Evocative Mission

Dove's commitment to foster self-esteem in women led to a huge success with the *Real Beauty Sketches* ad. By creating a narrative of how women don't see the beauty in themselves as others do, the video generated an outburst of engagement and conversations across the brand's social media channels. According to Dove the video has received over 4 million shares. This is a great example of the power of an emotional appeal.



Angry Birds Booming Among the Younger Crowd

Angry Birds' *Cinematic Trailer* was ranked as the most watched ad ever on YouTube by *Adweek.com* in 2012. **Lauri Konttori**, Rovio's creative director, thinks it isn't just a game trailer, it's a story which brings out the birds' personalities and deepens the fans' relationship with them. It seems companies targeting kids may have an advantage in succeeding in the viral marketing sphere. After all, it's all about knowing your audience.



ONLINE VIDEO MARKETING – MORE THAN MEETS THE EYE

BY ANDREW SCHOLFIELD

Kai Rinkinen is a pioneer in the online video marketing industry in Finland, having worked with a host of different clients, from the Dudesons to Nokia. We caught up with him to get some tips and find out his views on the state of the industry.

Forget Quality – Content is King!

We began by getting Kai's view on the importance of online videos. *"It depends a little on the company, but they are important because of their versatility, you can use them anywhere, websites, emails, social media etc."* He is clear in his opinions on how videos should be used, and frustrated that *"98% of all videos posted by companies are ads and don't serve a purpose."* He firmly believes that all videos should bring some benefit to customers. Frankly speaking; content is king and quality is nothing. Everyone can make good quality, the content is the hard part. When we pointed out the downside of a company posting a poor quality video, he counters with, *"big companies tend to only focus on quality and forget the content – they look good but that's it!"* Kai supports his argument by stating that nobody will share the video if the content is bad, no matter how big the company.

Video Marketing is About to Go Viral

Kai believes that the video marketing industry is still in its very beginnings. There are many teenagers with a detailed

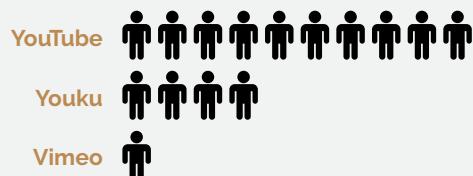
understanding, but they aren't working for companies. He roughly estimates there to be only about 10,000 people worldwide who are able to earn a living through endorsements on their videos. These two facts indicate that the industry is still yet to take off, and he points out how small online advertising investment is compared to TV.

Tell Your Story and Watch It Grow

"I am more into story marketing, encouraging companies to make videos that give value to their customers." Kai makes a compelling argument by stating that in order to get a video to go viral, it must touch the viewer to the extent they want to share it. That is hard and cannot be created in a sterile environment – a human element and value must be in place. *"In YouTube it's about the number of 'thumbs up' you get that matters...and affects if your video is trending or getting hype."* This is the critical element and what companies have yet to fully grasp.

Spotlight – Top Online Video Platforms Compared

Viewers



Revenue in 2013



Global traffic rank by Alexa.com: www.alexa.com | YouTube's statistics: <http://siirry.fi/Aa>
 Forbes article on YouTube's revenue: <http://siirry.fi/Ab> | Vimeo's statistics: <http://vimeo.com/about/advertisers>
 Vimeo on Wikipedia: <http://en.wikipedia.org/wiki/Vimeo>, <http://siirry.fi/Ac> | Youku's statistics: <http://siirry.fi/Ad>, <http://siirry.fi/Ae>

7 Misconceptions About Marketing and 7 Rules to Follow

1. *It's all about money. A small local company can't compete against large global brands with 3 times larger marketing budgets.*
2. *If marketing is not working, it's the fault of the marketing department or the ad agency.*
3. *It's all about creating great marketing campaigns. A great campaign will grab attention, woo new customers and deepen the commitment of existing ones.*
4. *The secret to being customer centric is to ask people what they want and to believe the things they say in surveys and focus groups.*
5. *Marketing is about telling why the brand is great. The more convincing the arguments, the harder you sell, the more likely they are to buy.*
6. *In the near future, all we need to do is to invest in marketing automation software. It will turn suspects into prospects and prospects into leads.*
7. *Content is king and content marketing is the solution. All we need to do is match great content to our brands and people will love us.*

What Should You do Instead

- 1. Crystallize your brand into a promise in a way neither employees nor customers can misunderstand.** Be exceptional in at least one thing: look what Über does in the taxi business.
- 2. Do tangible things that deliver the brand promise, not just a campaign.** Nissan's promise is 'innovation that excites'. They have a smart watch that connects the telemetrics of the car to the driver's pulse.
- 3. Treat people like wild animals.** Jet Blue observed that people hated the slow internet connection during the flight - and developed their own superfast satellite link.
- 4. It is not about you.** Engage your audience. Be like Starbucks, who tell the status and proceeding of customers ideas in their Starbuck by Starbuck initiative.
- 5. Innovative marketing is not necessarily an action hero making a split between two moving trucks** – but merely a great service innovation that makes a difference in people's daily life.
- 6. Doing more is the new norm.** Longest calls to Zappos' customer service can take up to 6 hours. In the automation era, the best marketeers are the ones with the best customer service.
- 7. Never underestimate the power of good deeds or values in action.** Convergence is not opposite to good will. Brands that stand for something are more likely to stand the test of time.



Column • Marjaana Toiminen

Marjaana Toiminen Entrepreneur, senior advisor, consultant. Former CEO for Bonnier Publications Oy. Prior to that editor in chief Anna and Image magazines, journalist in the early days. Twitter: @Sarimarpaana



Column • Marco Mäkinen

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Niko Jyränaja

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*Among major manufacturers as of Dec 2013.

How Big Would Your Business Be If...

Tragically, too many business owners have subscribed to the bathrobe theory of business – one size fits all – which says that whenever there is a problem, "Grow!"

Conventional wisdom seems to dictate that growth is the answer, regardless of the question. The 'Kool-Aid' that the growth experts recommend for superior financial performance is to tweak the website, change the advertising copy, tweet and blog more frequently, hire a new graphic artist to redo the logo and brochure, rejigger the sales commission structure, add two new salespeople... all in an effort to find new customers and grow the business.

Having only a throttle in your business cockpit and assuming that doubling the amount of horsepower in your engine will cause your business to go twice as fast is seductive, but delusional.

As much as I like the idea of adding new customers, the reality is you already are adding new customers. Here is the proof: How big would your business be if you still had every customer that ever tried you?

I have asked this question to tens of thousands of business owners over the last 15–20 years and without exception, the answers are 3×, 10×, 100× bigger. What is your answer?

Our biggest impediment to growing our businesses is not an inability to attract new customers but rather an inability to keep them coming back for seconds and fifths. We are so addicted to the idea of 'getting new' that we forget about the 'keeping them coming back' part, so we add three new and lose three existing, confusing sweat with productivity. Dumb!

If you are truly committed to growing your business, figure out the answer to these next two questions and I promise you will find the growth you are looking for:

1. How would I have to run my business so customers would say: "*I'd have to be crazy to go somewhere else?*"
2. If 100% of my future growth was by referral only, how would I run my business?

You answer these two questions and the growth you are seeking will happen... and you will make more money in the process.



Column · Keith Cunningham

Keith Cunningham

is a seasoned entrepreneur, international speaker and acclaimed author. He is regarded as one of the world's foremost authorities on business mastery with more than 40 years of business and investing experience.

NBR Gallup poll:

WHAT MAKES YOU STICK TO A CERTAIN SERVICE PROVIDER?

Is it the low price clients focus on? We asked a few business people at the Business Summit 2014 what matters to them when choosing a service provider.

Photos by Paula Ojansuu/kuvaustutkimusfi



Sanna Kokkonen, Multi-Flow Translations: *"I stick to a certain provider because I have fun with him. I have certain providers that I really love working with since I know I can really trust them. They provide me quality translations, and sometimes they even try to make the original text better, but most of all I feel happy working with them. Besides having fun with the provider, I value reliability. In my experience, sometimes they go hand in hand. Of course price does play a role, but I don't necessarily choose the cheapest one. A professional will not provide a low price as low prices might indicate poor quality."*



Sani Leino, DNA Oy: *"I really think it's all about people, relationships and communication. Organizations don't buy from organizations – humans buy from, and work with other humans. At the end of the day it's all about the personal touch of the company I work with. No matter what the industry is, every company's standard products are pretty much the same in quality, content and price. Of course there are certain differences but the main differentiator for me is the personal touch I get. It makes me feel that this is the company I want to spend my time and money with, so I can expect better service from that provider."*



Rajkumar Sabanadesan, Palomacorento Oy: *"They keep me happy. It's as simple as that. Keeping me happy means many things though. It means that things work, and when I need something I get the service. I mean the feeling I get when I work with the provider. Let's say that I have an internet connection, for example. Sometimes things work, sometimes they don't. So when I contact them, I want them to take me seriously and that they are ready to serve me. I don't expect my life to be a bed of roses but when things don't work, I expect the provider to pay attention to me, serve me, and fix the problems – to keep me happy."*



Essi Ahtola, Boardman 2020: *"For me it's the consultative touch of the provider. Personally, I really appreciate when a provider's salesperson or account manager is able to provide me with information that really benefits me in my business or personal life with services that I might need. It is of great value to me when the provider gives me their time and full attention, and when I really feel like they truly want to understand my situation and how their product or service could make my life easier. In a nutshell, when a provider invests their time and interest in me, that is what I truly value."*

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Marketing Made Simple

BY JUKKA NIEMELÄ

What would have happened to Apple if Ken Segall kept on playing drums in rock bands instead of getting into the advertising business? It took a good 7 years after college for Segall to hang up his drumsticks and get into the advertising business, but when he did, the Apple story was born.

Jobs Beating the Simple Ideas Out of Segall

I had the unique chance to meet Segall at Nordic Business Forum's Business Summit held at Marina Congress Center in Helsinki, where he gave two presentations in June, 2014. At some point during my interview one thing makes me

wonder though: why did **Steve Jobs** beat Segall twice during their 12-year co-operation? "It's only 0.16 beatings a year," he says and utters a laughter. So, Ken Segall is the man behind Apple's famous 'Think Different' campaign and naming of iMac. Think about this: Segall's grand idea of the 'i' can even be found in the name of a Danish bagel shop 'iBagel' – which, of course, has nothing to do with Apple except the magical marketing letter.

Segall was in his 30's when he first joined an advertising agency – 12 years after taking the test that told him he would best fit in the ad business. Not having studied advertising, he didn't even know that there would be such a thing as a creative department. Segall started his career from the production department and during the years worked his way up. Then, one day he ended up

having the responsibility to turn complicated ideas into interesting and compelling stories, first at NeXT, then with and for Jobs at Apple. Many of us have the impression Jobs was not an easy person to work with, and Segall's interview supports that impression. *"I don't like it. I don't know why, but I just don't like it."* Words that Segall heard many times and that made him come up with new ideas.

Looking at Apple and Jobs, it's hard to believe Segall's words about Jobs being a bit shy, not wanting to make a big deal about himself or having Apple personified in him: *"He totally had the power to stand on the stage and get the world's attention and tell a story. I think he had a good sense of his own power, but he liked to keep it distinct from marketing itself."* In Segall's opinion Apple is now lacking the visionary figure who would stand in front of the crowd and grab their attention like Jobs once did. With this opinion Segall is certainly not alone.

What Can We Learn from Segall?

What can a marketing guru like Segall teach us all? Being simple in marketing is hard work. Perfection is not achieved when there's nothing to add but when there's nothing to be removed. So true – think about removing something from 'Think Different' or the 'i' from any of the iProducts and you'd end up having nothing. Innovation is not coming up with a lot of new ideas, but saying "no" to 1,000 things.

Tell stories and find that human connection.

"Keep it simple," Segall emphasizes and says that if a product has five amazing things and a marketer wants to advertise them all, the customer is not likely to remember them all – if any. It is best to focus on one thing and say it well. What are you saying to people and how do you make them engaged? As an example, when Apple started advertising iPod with '10,000 songs in your pocket,' what more would you need? Would you be interested in megahertz, gigabytes or other details that play absolutely no role for the end-user? I don't think so. Furthermore, if you needed a laptop, would it be easier to pick one from major manufacturers who have over 40 models – or from Apple who has only three?

"Tell stories and find that human connection." What are you telling to people that they can relate to and what's going to keep them interested from start to finish? Too many people, too many companies and too many marketers love their features and create lists of them, rather than trying to show people things that make them go *"Wow! I'd really like to try that one!"* What is the thing and story in your business that speaks to people and makes them emotionally attached? That's really something to think about. Segall says that if you do it long enough, over time you are going to be like Apple. With this he means that Apple's customers are emotionally so tied to the company that it's very hard to detach them loose. *"Create a brand that people love,"* he concludes.

Think Different and Win Just About Everything

The internet is full of stuff about the 'Think Different' campaign. Authors write about it and marketing people talk about it. Therefore I am giving the campaign a different view. Starting back in 1997, Apple's famous campaign turned nearly-a-shipwreck totally around, quickly becoming the flagship of the modern industries. It soon became a company that many, many others wanted to emulate.

In June 2014, one of their famous 'Think Different' television commercials has had less than 400,000 views on YouTube. It is less than 0.05% of

Justin Bieber's pop video in the same place. Despite today's pitiful number of views, at its dawn the campaign won nearly every honor in the business, including the first Emmy ever awarded to a commercial.

When Apple ran its 'To the crazy ones' commercial on television in 1997, you probably immediately wanted to be one of them. *"The people, who are crazy enough to think they can change the world, are the ones who do."* Macs. iMacs. MacBooks. iPods. iP-hones. iPads. iEverything. Since 1997, Apple has been the pioneer in provid-

ing the chance for fans to watch and listen to their favorite artist at home and on the go. Anywhere. Online. Offline. A 10,000 songs in your pocket and 1 billion Bieber-views in YouTube.

What was so special about the campaign? Marketers say what they say. I speak for myself. When I look at the commercials, **Ken Segall's** work hits my heart: *"What are you telling to people that they can relate to."* Watch the commercials and you know what I am talking about.

KIINTEISTÖSJOITUSTEN ULJAS UUSI MAAILMA



**Luulitko, että 15 - 20 % keskimääräinen vuotuinen tuotto on utopiaa?
Ei tässä tapauksessa!**

Kun kiinteistökehittäjä ja sijoitusasiantuntija lyöväti viisaat päänsä yhteen, lopputulos voi yllättää. Vuonna 2009 tapaaminen poiki täysiin uudenlaisen kiinteistörahaston (ICON). Vaikka kyseinen duo tiesi, että nopea kaupungistuminen pääkaupunkiseudulla kasvatti miellyttävien kiinteistöjen tarvetta, todellinen kysyntä yllätti. Hyvin nopeasti sijoittajien määrä oli rikkonut satasen rajan ja kohteiden määrä oli kasvanut yhdeksään. Seuraava rahasto perustettiin jo 2013.

Mikä on ICON-rahaston menestyksen salaisuus? Jatka lukemista.

Tasaista kassavirtaa ja kiehtovia kohteita

Jos luulit, että kiinteistösijoittaminen on rakettiedettä, ajattelet asioita turhan monimutkaisesti. Hyvin suurella todennäköisyydellä tunnet jo jonkin, joka on ostanut vuokravalmiin asunnon ja sijoittanut sen jälkeen vielä todelliseen remppakohteeseen, jonka tarkoituksesta on tuottaa rahaa tulevaisuudessa. Voilà! Kiinteistösijoittaminen pähkinänkuoreissa.

Ero piilee siinä, että ICON toimii suuremmassa mittakaavassa – paremmilla katteilla ja suuremalla hajautuksella. Yli 50 % rahaston sijoitusvarallisuudesta käytetään pitokohteisiin, joiden vuokratuoton muodostama kassavirta on vähintään 10 % velattomasta ostohinnasta. Toiset 50 % sijoitetaan kehityskohteisiin, jotka tuottavat yli 30 % vuotuista tuottoa. Tällä hetkellä ICON muuttaa mm. vanhoja toimistoja Helsingin keskustassa mukavaksi asunnoiksi. Vaikka suurin osa tuotosta odottelee kehitysurakan päättymistä, rahaston keskimääräinen tuloutunut tuotto on ollut jo yli 9 %. Seuraavien kolmen vuoden tuotto on arvioltaan 15 % / vuosi.

Selkeitä tavoitteita ja uuden alkua

Vaikka kehitys rakentamisen saralla on ollut viimeisinä vuosina hidasta, asukkaat ja sijoittajat tahtovat edelleen miellyttäviä kiinteistöjä. Painetta on myös eko- ja energiatehokkaalle arkkitehtuurille. ICON haluaa täyttää aukon omavaraisempien kiinteistöjen avulla. Tavoitteet ovat edelleen samat, kuin rahaston alkumetreillä:

1. **rakentaa miellyttäviä kiinteistöjä (arkkitehtuurillisesti kauniita, eko- ja kustannustehokkaita kiinteistöjä, joissa käyttäjät viihtyvät)**
2. **olla Suomen tuottavin kiinteistörahasto**

Tähän mennessä asiat ovat edenneet suunnitelmien mukaisesti. Pala kerrallaan ICON sijoittajineen muuttaa markkinoiden käsitystä asunnoista ja toimitiloista. Miellyttävän kiinteistön pystyy todella muuttamaan käsinkosketeltavaksi tuotoksi, maltillisella riskillä.

Oletko mukana?

ICON on yhtä kuin käsinkosketeltava tuotto. Etsimme jatkuvasti erilaista, ihmisläheisestä ja aktiivisesta kiinteistörahastosta kiinnostuneita henkilöitä joukkoomme.

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*** ICON Real Estate Fund II Ky:n vuoden 2013 tuotto oli 9,29 %.**

Fun(d) Facts:

- **ICON kiinteistörahastot perustettu 2010**
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Fear of Public Speaking? Don't Worry, It's Not Terminal

BY ANDREW SCHOLFIELD

Sweaty Palms? Dry Throat? Sleepless Nights?

This might sound like an advert for a new pharmaceutical product, but the reality is that these are common reactions to that work related illness we all catch at one point in our lives – giving a presentation!

To ease your anxieties, we decided to give a call to three of the top five rated performers from the past events organized by Nordic Business Forum. These three were **Isabella Löwengrip**, **Brian Tracy** and **Jack Welch**.

Take a Daily Dose of Preparation

Every presenter agrees preparation is the most important aspect of a good talk, but each have different approaches. Isabella compares presenting to the job of a chef who, “*has to try and taste the dinner before it is served – you have to practice*

and hear what you are going to say before you say it.” She recommends writing down everything you are going to say in your speech, reading it out loud to a friend, then throwing away the paper.

“*Preparation is key for professionals in any field, especially in public speaking,*” remarks Brian. He warns that, “*when you are not prepared you are like a fish out of water, you are gasping and reaching for information.*” Brian spends 8 hours preparing for a 1 hour presentation, with enough subject information on each talk for two, three or even five hours. His best analogy is that he designs his talks “*like an accordion,*” so that he can expand or contract his speeches to finish on time.

Jack is a voracious reader and prepares for all his talks by brushing up on current affairs and reading up on the audience and place he is visiting. He is familiar with his hosts and their needs, not to mention those of the audience.



If Symptoms Persist, Talk to the Audience

Jack sees audience interaction as a priority. He doesn't lecture and concentrates on questions as it allows him to engage with the audience. In this way he gets great feedback from audiences as they really feel he is responding to their needs. *"It is more rewarding to me, and the reaction of audiences has been very positive around the world,"* says Jack.

Contrary to Jack, Brian takes the opposite approach to Q&A, but still regards audience engagement as top of his list for a successful speech. He advises getting to know the audience, who they are and what information they are really able to use. He recommends connecting with the audience and says that, *"the rule is to build a bridge of commonality."* He always advises to make the talk as personal as possible, almost as though you are talking to an individual. *"Good public speaking is an enthusiastic conversation,"* he quotes.

Isabella advocates being open and honest and allowing the audience to see who you really are. *"I think that you have to be open if you want to inspire people, you have to tell about yourself and the mistakes you have made."*

Managing the Side Effects of Nerves

We all seem to get nervous about speaking in public, but every one of the speakers interviewed said this doesn't have to be the case. *"Usually I don't get nervous because nervousness just gets in my way,"* states Isabella, who feels a few nerves can often help her to focus. She cites two ways of dealing



with nerves. One is to talk about stories related to you, which are easier to remember. The other is to try to visualise your talk beforehand and everything else going well on the day.

Brian says he has two advantages when it comes to public speaking. The first is that he loves his subject and the second is that he really cares about his audience. *"The more you think about yourself the more nervous you become, so get out of yourself and start thinking about how you can help the audience."*

Unsurprisingly Jack doesn't get nervous, but does admit it's easier to talk with a single company than to an entire forum. When talking to large audiences he tries to reference some of the initiatives his company is undertaking and again emphasises the need to focus on the audience and what they need.

Spontaneity is a Sign of a Healthy Condition

Good preparation will lead to increased relevance, organic improvisation and audience engagement. Here are some parting words of wisdom from our speakers:

Brian: *"It's very easy to improvise if your structure is clear, so spend a lot of time preparing and getting the structure right, [then you] can just relax."*

Jack: *"You always want to be straight and very candid, no questions are out of bounds, talk clear and to the point."*

Isabella: *"The most important thing though, is to have the courage and the self-belief to walk on that stage and try."*



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How Marketing Makes or Breaks a Company

BY GINA-MARIE CHEESEMAN

To have a chance to interview somebody like **Tony Fernandes**, Group CEO of AirAsia, requires hard work. This time the effort paid off, as I was able to interview him for this issue of NBR. Marketing ensures your business will continue, as Fernandes believes. And he really knows about marketing. He also knows about taking risks.



Adam Lee

 Fernandes bought AirAsia from DRB-Hicom and turned it into a low-cost airline in Malaysia when it was bankrupt, in debt by \$11 million and only had two Boeing jets. He even mortgaged his own house and spent his savings to build up the company. Many in the business world thought he was foolish, but after a year AirAsia not only broke even but paid its debts.

Known for wearing a red AirAsia cap, t-shirt and jeans, Fernandes shuns the so-called required tie and business suit. Educated at Epsom College and the London School of Economics, he has been recognized around the world, including by the business magazine Fast Company as one of the world's 100 most creative people in business in 2011 and awarded the 'Travel Business Leaders Award' by CNBC. Forbes lists his net worth as \$650 million and he makes the 15th spot on Forbes' Malaysia's 40 Richest list.

Why You Must Market Your Business

Marketing lets potential customers know what you are offering, and ensures that your message is heard *"over the clutter,"* Fernandes says. There is so much information being exchanged these days, that only relying on what he describes as 'static, one-way channels' just will not work. AirAsia's marketing strategy serves as a good example of this principle. The Malaysian airline doesn't only advertise on traditional mediums such as radio or television, but also on social media channels. There are several reasons for the heavy use of social media. Social media channels allow AirAsia to directly interact with its customers and potential customers and to gain feedback about its products and services.

You may have a great product, but if no one knows about it, *"you're just wasting your time,"* Fernandes bluntly explains. Part of marketing is

building a brand because a company is *"only as good as its branding,"* he believes. Branding creates awareness of a company among potential customers and turns them into customers. Branding also keeps people as customers by building customer loyalty. Branding has opened doors for AirAsia for effective negotiations across different channels and regions.

Building a Brand When You Are Not Well-known

Fernandes took AirAsia from an unknown, small airline to what it is today. However, he did not do so by setting out to create a personal brand. *"I never set out to create a personal brand,"* says Fernandes. Instead, AirAsia focused on making air travel accessible for everyone. In order to make that happen, Fernandes had to be *"persistent and tenacious, making a lot of noise, usually with a red cap on my head."* He fought to compete with full service carriers, and as he did people became aware of him.

Some companies focus on getting new customers or retaining old ones. Not AirAsia. It focuses on both marketing strategies. Whether customers keep coming back is a gauge for a company to know if it is doing it right or not. As Fernandes says, *"Loyal customers are also usually the ones recommending a particular product or service to others."* In other words, loyal customers market your business for you. However, Fernandes points out that it is just as important to acquire new customers in order to continue to grow your business. In AirAsia's case, as the airline orders more planes, it needs more people to fill the seats while maintaining *"an exceptional level of service and a wide range of innovative products to entice new customers to fly with us and existing ones to come back again and again."*

A company is only as good as its branding.

2001
Started in 2001 with two aging aircraft and \$11 million in debt, having bought the airline from DRB-Hicom

2003
Received several awards, including Developing Airline of the Year by Airfinance Journal

2004
Named Asia Pacific Low Cost Airline of the Year 2004 by Centre for Asia Pacific Aviation (CAPA)

2005
Named Asia's Top 200 Best Under A Billion Companies by Forbes Asia

2006
Malaysia's Ernst & Young Entrepreneur of the Year awarded to Tony

2007
Established AirAsiaX to provide high-frequency and point-to-point networks to long-haul business

Be Willing To do Business Differently

Take a play from AirAsia and be willing to do things differently than other businesses in your sector. *“Air travel in Asia used to be monopolized by overpriced full service carriers and with the competitive environment in the region,”* Fernandes says. AirAsia emphasizes the types of services and products it offers through ‘bold and innovative marketing campaigns’. In 2010, AirAsia launched its ‘Mind Blowing Fare’ campaign, using social media sites such as Facebook and Twitter to heavily market the campaign. In one day the airline sold over 500,000 seats.

Since AirAsia has the vision of making air travel accessible for everyone, it naturally offers lower cost fares. And it is that aspect of its business which it emphasizes in order to differentiate it *“from the rest of the field in terms of cost, connectivity, flight frequencies, convenience, innovation and many others,”* Fernandes states. AirAsia wants to continue to lead as what he describes as the *“world’s best low-cost airline and as an innovator making air travel accessible to all.”* The airline could not differentiate itself from other airlines if it did not have the right marketing strategies in place.

Marketing is Everyone's Responsibility

Some businesses do not emphasize the importance of marketing among all of their employees, from the higher paid ones to lower paid workers. Not at AirAsia. It is the philosophy of Fernandes that everyone has a role in marketing. As he says, *“Everyone has a role as a marketeer.”* At AirAsia, all employees contribute to marketing, including those who interact with customers, including flight attendants and guest services staff. Fernandes says that everyone at AirAsia is *“passionate about the brand and do their utmost to contribute.”*



AFP / Lehtikuva

Fernandes has turned AirAsia into a company that knows how to gain attention through bold marketing campaigns. It is also a company that has carried over 230 million people on its flights while creating new markets and boosting tourism and travel in Asia. Perhaps the reason why customers keep using AirAsia is that Fernandes views all of his employees as the company’s ‘greatest asset’ and being appreciated in such a way makes happy employees who treat customers well.

Perhaps Fernandes developed his views on marketing while watching his mother sell Tupperware. In fact, he cites his mother as his marketing role model, explaining that she *“pioneered the Tupperware business in Malaysia.”* He would attend dealers conventions with his mother, who he calls a *“very good presenter and marketer...able to sell thousands of those things.”* His mother is his ‘inspiration and mentor’ and one of the reasons that he started his own airline because he learned from her that nothing in life is impossible if you are willing to work hard for it.

2008
Named Malaysia's
30 Most Valuable
Brands By Malay-
sia's Most Valuable
Brands

2009
Tony received the
Frost & Sullivan Ex-
cellence in Leader-
ship Award by Frost
& Sullivan

2010
Masterclass Glob-
al CEO of the Year
awarded to Tony

2011
Received Asia's Best
Low Cost Cargo Car-
rier Award by Avia-
tion Awards Asia

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Low Cost Airline by
Skytrax

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Leading Low Cost
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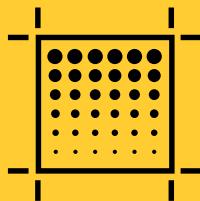
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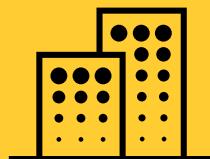
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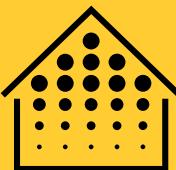
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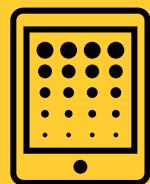
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The Jury

The work of the jury was coordinated by Nordic Business Report's editor-in-chief Hans-Peter Siefen.

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Finland Chamber of Commerce
Tommi Rasila, Deputy Chief Executive

Taivas+Helvetti

Mika Mäkeläinen, CEO

PwC Finland

Sirpa Juutinen, Partner

Junior Achievement Young Enterprise Finland

Virpi Utriainen, CEO

Fujitsu Finland

Jussi Tolvanen, Sales Director

DENMARK

Fonden for Entreprenørskab – Young Enterprise
Christian Vintergaard, CEO

NORWAY

Oslo Chamber of Commerce
Benedicte Meydel, Communications Officer

SWEDEN

Fujitsu Sweden
Björn Landerberg, Head of Marketing and Communication

Junior Achievement Young Enterprise Sweden

Cecilia Nykvist, CEO

ICELAND

Iceland Chamber of Commerce
Björn Brynjúlfur Björnsson, Chief Economist

PwC Iceland

Friðgeir Sigurðsson, Managing Partner

Deloitte Iceland

Haraldur Ingi Birgisson, Manager, Tax & Legal

RUSSIA

Delovoy Peterburg
Daria Ryzhkova, Editor

Institute of External Economic Relations IRVEN
Olga Chernopitskaya, International Projects Manager

**ESTONIA**

Enterprise Estonia, Helsinki
Valdar Liive, Director

JCI Estonia

Kristjan Täht, President

Estonian Business Angels Network
Heidi Kakko, Managing Director

LATVIA

Stockholm School of Economics in Riga
Arnis Sauka, Director of the Centre for Sustainable Business

Investment and Development Agency of Latvia
Andris Parups, Head of Export Promotion Division

LITHUANIA

JCI Lithuania
Loreta Pivoriunaite, President

Enterprise Lithuania

Dovydas Varkulevičius, Director of Entrepreneurship Department

And those of us who are a bit older, let's learn from the example of these young leaders.

BY ANDREW SCHOLFIELD, GINA-MARIE CHEESEMAN,
HANS-PETER SIEFEN, JUKKA NIEMELÄ

The Greatest Young Leaders Under the Age of 30 in Northern Europe

Similarly to 2012 and 2013, Nordic Business Report continues to produce interesting rankings of the people in the business sphere. In 2012, we ranked the greatest business thinkers in Finland, and in 2013 the greatest business thinkers in the Nordic region. This year we decided to rank the younger generation – the people who really show us the trends of the future.

The scope was also upgraded significantly. We ended up having basically the whole Northern Europe covered in this 30 under 30 ranking: Finland, Sweden, Norway, Iceland, Denmark, Estonia, Latvia, Lithuania and Russia. The task was demanding, but the result is extremely interesting! If only the whole younger generation was like this, the world would be saved in no time. And those of us who are a bit older, let's learn from the example of these young leaders and continue to show a good example ourselves as well.

The Criteria and Results

Similarly to Thinkers 20 rankings in 2012 and 2013, the essential criteria for evaluating possible candidates were: results achieved, business sense, originality, practicality and impact of their ideas, international outlook and responsibility in their actions.

Each jury member organization built up a ranking of names from their own countries and after that we started to work on a synthesis of all the 8 countries combined. Many extremely interesting names were left out. We had about two hundred good nominees listed by the jury, of which 30 naturally made it to the final list.

Unfortunately there are again more males than females among these thirty people. Finding successful and promising women was still difficult for the jury, although the younger generation claims to have more and more females as entrepreneurs and leaders. That is the way to go! Let's hope the gender distribution will be the other way around some day.



Illustrations by Markku Järvelin

1

Pavel Durov, 29, Russia

Bring out the drums, horns and red carpet! Russian **Pavel Durov**, also known as the ‘Mark Zuckerberg of Russia,’ is included in the rating of Russian billionaires, so it is little wonder that Durov was nominated as number one on this list. Not many people in the whole world are billionaires under the age of 30. The best part in introducing Durov is that he is ‘just’ an entrepreneur and a programmer. A code-biter! But his work is something that will remain in the world’s largest country for a lifetime.

You might have heard of VKontakte.ru, which is ‘the Facebook of Russia.’ If you haven’t, don’t be ashamed. Russians are patriotic, when it comes to business – as are so many of us. Russia is a big market for basically anything. We know Facebook is a big thing. We also know that in some things Russia and USA don’t mix. An American company as well as an interface in English? No, thanks. So, Durov and other co-founders established VKontakte.ru.

Having been living in Italy with his family for most of his childhood, Durov represents a slightly more liberal view than the average Russian. Browsing through Wikipedia, we see that “*Durov holds libertarian economic and political views.*” He published anarcho-capitalist manifestos describing his ideas for improving Russia. Considering how conservative and Orthodox-religious Russians are, Durov is far removed from this stereo-

type. On his 27th birthday, he donated a million dollars to the Wikimedia Foundation.

Being a business liberal is appreciated by the jury, but not the authorities. According to Wikipedia, on April 16, 2014 Durov publicly refused to hand over data of Ukrainian protesters to Russia’s security agencies and block **Alexey Navalny’s** page on VKontakte. Instead he posted the relevant orders on his own VKontakte page, claiming that the requests were unlawful.

On April 21, 2014 Durov was dismissed as VKontakte’s CEO. The company claimed it was acting on a letter of resignation written by Durov a month earlier that he supposedly failed to recall. Durov then claimed the company had been effectively taken over by **Vladimir Putin’s** allies. He suggested his ousting was the result of his refusal to hand over personal details of users to the Russian Federal Security Service along with his refusal to hand over the personal details of people who were members of a Vkontakte group dedicated to the Euromaidan protest movement. Durov then left Russia and stated he had “*no plans to go back.*”

Currently Durov is focusing on Telegram Messenger, founded in 2013 with his brother **Nikolai**. The fact that they had 15 million daily active users in March 2014, tells something about the potential of their idea. This might just be a start, so stay tuned!



2

Vsevolod Strakh, 26, Russia

Vsevolod, the Russian entrepreneur, founder and CEO of Sotmarket, the internet retail company, knows all about how to make a mark in business at a young age. Sotmarket started in 2005 as an online store selling cell phones and accessories with an investment of 20 thousand rubles. Vsevolod was just 17 years old.

He is clearly an entrepreneur ahead of his time. When Sotmarket started, hardly anyone wireless-ly transferred files and data between a PC and a

mobile phone. He began by selling data cables and mobile phone accessories. Then, wireless transfer took off and he saw an opportunity since it was difficult to buy the right accessories.

The company's annual revenue has grown to 4.15 billion rubles and employs almost a 1,000 people. Today, the company sells over 100,000 products in 45 categories. There were 404,000 orders in 2011, with an average price of 5,500 rubles. The same year, the turnover of Sotmarket was 1.04 billion rubles. In the summer of 2012, 51 percent of the company was sold to the venture fund IQ One. There is no special reason for the sale except that Vsevolod wants his company to grow. He tells Nordic Business Report, *"It was a mutual and well-considered decision."* It proved to be a wise decision as Sotmarket quadrupled its turnover compared to the previous year. Not bad for a company started by a 17-year-old!

He has achieved so much at a young age and that's why he is in the number two spot on the list. Considering that he has not studied organizational management or leadership, it is quite a feat. A busy entrepreneur, he shunned a university education to learn by doing.



3

Morten Strunge, 28, Denmark

Danish **Morten Strunge** is the founder and former CEO of Onfone, a mobile service provider in the Danish market. The company has more than 250,000 customers, more than 250 employees, and a revenue exceeding €67 million. What happens to many great companies? Bigger companies buy them. Some even on their knees. So Onfone, too was acquired by TDC in May 2011 for over €40

million. What you are about to read next is something that entrepreneurs do: Strunge was the CEO of Onfone till the end of 2013 as he was responsible for integration of the Onfone organization and customers into the TDC Group. So, he didn't want to take the money and flee the scene, but have the business he started continue in the hands of others. To ensure that the satisfied quarter of a million customers know that they are respected and well taken care of.

Many entrepreneurs don't kick back after selling their companies. Especially not the ones under 30 years of age. Strunge is now running Mobifo, the 'Spotify of books', which provides subscription to online books. This is quite interesting; Strunge is doing the same for books as last year's 'Nordic Thinkers 20' #1 **Daniel Ek** did for music.

Just a 'minor' detail here at the end: Strunge has founded about 20 companies – many of them a success. He is also a role model for many young people, and gives presentations on what it is to be an entrepreneur and to inspire others.



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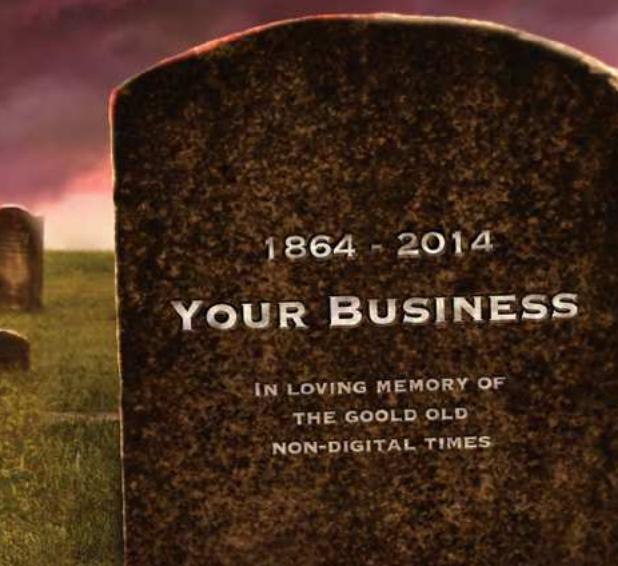


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4

William Wolfram, 22, Finland

Another example of a teenager with big ideas and the brains to bring them into existence, **William Wolfram** founded DealDash in 2009 at 16 years old. Based in New York City, DealDash is an e-commerce company and operates the longest running bidding fee auction website in the United States. It has over two million registered users, making it one of the largest providers of pay-to-participate auctions in the World, according to Wikipedia.

DealDash is growing and thriving. The company's revenue increased fivefold in 2013 – from six million to 31 million. 'Kauppalehti' nominated DealDash as the "growth company" in 2012. As a result of his company's success, William was named 'Entrepreneur of the Year 2013' by Ernst & Young. He prides himself on "*leading by example*," as he proclaims. His business philosophy is obviously working as DealDash today serves thousands of customers daily.

William's idea for DealDash came out of his own experiences. He states on LinkedIn that he came up with the idea for the company after he had a negative customer experience with a first generation pay-to-play auction website.

He has been an entrepreneur for quite some time and is continuing his education. He founded his first company at 13 years old and by the age of 15, his business, which monetized social media content, generated over \$500,000 in affiliate sales. He took executive education courses at Columbia University and is enrolled at Harvard Business School, expecting to graduate in 2015.



5

Vladimir Funtikov, 27, Estonia

A man spurred by the desire to be in control of his own destiny after the 2008 recession, the mobile gaming industry is much the better for it. Co-founder & CEO of Creative Mobile – a Tallinn-based independent game developer/publisher founded in 2010 – **Vladimir Funtikov** led the company to become a top gaming studio, consistently topping Android and iOS game charts. Their

best known game, the Drag Racing series which transformed the fortunes of the company back in 2011, has defined a new genre of mobile games and became one of the most downloaded franchises of all time with 200 million lifetime installs. Named by the 'New York Times' as one of the 10 best games of 2011, it topped the download charts for racing games on iPhone and iPad in the App store. To date, the Creative Mobile roster is touching 100 members of staff with turnover of €7.05 million and net profit of €357,279 (2013 figures).

Vladimir is passionate about the industry he works in having started out as a games tester and developer and firmly believes this is where he'll be 10 years from now. It is no surprise that despite his love of gaming it is his astute entrepreneurial mindset and appreciation of the slick, adaptable business model they have adopted at Creative Mobile that are the critical tenets of his success. He and his co-founders quickly learnt that you can spend months developing a high quality gaming experience, but if it fails to spark with a client base, it will be a wasted effort.



6

Konrad Kierklo, 28, Denmark

Konrad Kierklo from Denmark started Miinto Group, an online clothing shop where you can shop from the actual shops. The company claims to be the biggest online fashion retailer in Scandinavia, having a revenue of tens of millions of Euros and nearly 200 employees. Kierklo has a creative and unique entrepreneurial spirit that serves him well as the current COO of Miintogroup. The jury valued Kierklo's various entrepreneurial and business awards for a particular rea-

son; during his tenure at Miinto.dk he managed to grow the company successfully in spite of the financial crisis. Kierklo is a visionary leader, who has turned Miinto.dk into one of Denmark's most successful online fashion businesses. After studying at the University of Southern Denmark, he worked as a financial advisor at KP-MG before co-founding Miinto.dk in 2009. His contribution has played a major role in the company's success, and will continue to be that way in the future.



7

Daumantas Dvilinskas, 25, Lithuania

Daumantas Dvilinskas is the co-founder and CEO of TransferGo, a company that suggests new trends and options in international money remittance. It currently operates in 22 countries with 30,000 customers. Founded in 2012, TransferGo raised capital from 'Baltic Venture Capital Practica Seed Capital,' and went live in 2013. In January 2014 TransferGo broke even, and today the company is profitable with 15 employees in two offices. Before he co-founded TransferGo, Daumantas co-founded a few other startups and

initiatives, including Pinevio, a social content discovery platform.

TransferGo transfers money without transferring the sender's money internationally, and can do so because the company has local accounts in countries across Europe. The company has its eyes on the whole world, as it wants to expand beyond Europe. It just might achieve its goal as Daumantas is clearly taking TransferGo to new business heights. Swift's Innotribe Startup Challenged named TransferGo one of its five European finalists. The five finalists will be brought to Boston to compete in October, 2014.



8

Jevgeni Ossinovski, 28, Estonia

Since March 26, 2014, **Jevgeni Ossinovski** has been working as the Minister of Education and Research of Estonia. It is very rare that a person under 30 years of age is appointed to such a high position! With a Bachelor's degree in Philosophy from the University of Tartu and Master's degrees from both Warwick University and the London School of Economics, it is little wonder he has risen to such a role guiding the academic development of his country.

From 2011–2014, Ossinovski was a member of the 12th Riigikogu (Parliament of the Republic of Estonia), as well as a member of the European Union Affairs Committee and Foreign Affairs Committee of the Riigikogu. With his training, political experience and status being the first Russian-speaking minority Minister to join the government for 12 years, he is a specialist on political developments in present-day Russia. Ossinovski is also spokesperson for the integration and migration policy of the Estonian Social Democratic Party as well as their International Secretary.

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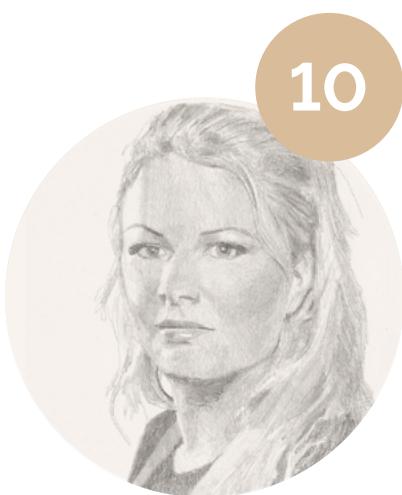




9

Milda Mitkuté, 29, Lithuania

Lithuanian entrepreneur **Milda Mitkuté** is the founder and co-owner of Vinted, which operates in seven countries from Lithuania to San Francisco, USA. The company is in the 'planet-saving' business, offering a valuable recycling service for girls and women's clothing. Vinted.com is *the* place to buy, sell and swap clothes for those who want to dress in style and be well on a budget, and a great place to save your used-to-be-favorite jacket from being buried in the dump together with other recyclable stuff.



10

Ida Backlund, 29, Sweden

Having been nominated for and winning numerous awards for entrepreneurship and leadership, it's easy to see why **Ida Backlund** might be considered the golden girl of the Sweden's business community. Founded in 2007, Rapunzel of Sweden (specialising in hair extensions, wigs and related products) was born out of Ida's personal desire to have better quality hair extensions for herself. This vision and ambition has attracted over 190,000 clients in 36 countries, a statistic Ida aims to see double in the near future. What

keeps the clients coming back are the same values that Ida identified from day one – high quality, great service and fast delivery. As an inspiration to women in business, with over 40 employees (70% of whom are women) and revenue streams exceeding 100 million Swedish crowns, Rapunzel of Sweden is fast becoming an icon of Swedish elegance. As well as their own trademark brand, Rapunzel®, Ida and the team have established the Rapunzel® Concept Store and the charity foundation Rapunzel vs Cancer.



11

Isabella Löwengrip, 23, Sweden

Isabella Löwengrip started a blog in 2005 when she was just 14 years old called 'Blondinbellas blogg' and it has been one of the most popular blogs in Sweden for many years. The blog is her alter ego who leads a glamorous lifestyle, and focuses on fashion and partying. At one point the blog received 250,000 visits a week. In 2008, Isabella received approximately SEK 26,000 a month from the blog's advertising and reported net profits of SEK 7,000 a month. She is now involved in various companies. She is the Creative Director of Econimista, the CEO of Lowen-

grip Invest AB, the Marketing Manager of Spotlife Europe AB, and the CEO of Blondinbella AB. She was the editor-in-chief of her own Egoboots Magazine AB, a partner at Bella Group AB, the CEO of Classified AB, and the owner and business manager of Bellme AB. In 2009, she was an interviewer at the 2009 MTV Video Music Awards in New York City. In 2011, Årets Kommunikatör named her the Young Entrepreneur of Sweden. The same year she participated in the Swedish version of Let's Dance as a celebrity contestant. In 2013, Isabella launched her own beauty line, Lowengrip Care & Color. She is one Swedish lady to keep an eye on.

12



Gunnar Hólmsteinn Guðmundsson, 28, Iceland

Our first Icelander is **Gunnar Hólmsteinn Guðmundsson**, who has entrepreneurial careers in two companies; Clara, founded in 2008, and Plain Vanilla, a gaming company. With Gunnar being in charge, Clara disrupted community analytics and is now a global success. Gunnar is now on the board of the Plain Vanilla team, providing daily doses of fun to over 10 million users. Clara was sold to a US company Jive Software in 2013 for the remarkable price of US \$9 million. Visit Plain

Vanilla's website and you understand Gunnar has a good touch with people. The first thing you run into is a proposal: Jobs at Vanilla, saying *"As much as possible, the people who take decisions are also the ones who work them out into practical solutions."* In that quotation you can see signs of great leadership; it's all about people by **Jack Welch** and at least the first level of Level 5 Leadership by **Jim Collins**. Go Iceland, go Plain Vanilla and go Gunnar!

13

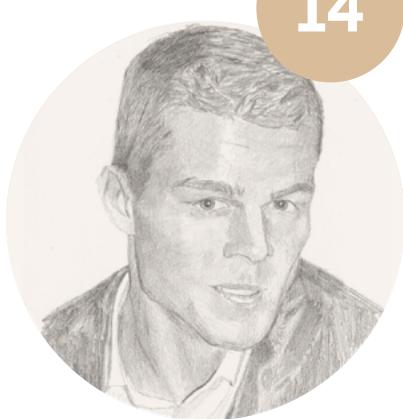


Alexander Agapitov, 27, Russia

Creator and head of Xsolla, **Alexander Agapitov** is a former Perm University student who received funding from a consumer cooperative to start his business. Xsolla provides services globally to receive payments in online games, and claims to have 90 percent accuracy rate in predicting the preferred payment methods of players. It has a *"simple one-click payment approach,"* according to the company's website, that *"increases conversion rates by 20 percent and more."* The company's goal is to be the leading universal billing

platform for innovative partners worldwide. In 2009, Xsolla connected several European payment systems and now integrates over 500 payment solutions globally. A year later, Alexander moved to Los Angeles and moved the company's headquarters. Xsolla has officers in Europe and Russia. Alexander co-founded the crowd-sourced analytics solutions marketplace, Capsidea in 2013. He also created 2Pay and served as the CEO from 2005 to 2011. Named one of the top five entrepreneurs in Russia in 2013 by Hopes & Fears, Alexander has a bright future.

14



Peteris Senkans, 29, Latvia

Peteris Senkans is the CEO of the Latvian company, Piche. He was educated at the Banku Augstskola University in Riga. Piche is a construction company that specialises in warehouse building design, and are the current industry leaders. What makes them stand out is their innovative approach which is only possible through the dual architecture and construction services they offer that also optimise the use of IT solutions and functionality. With the company since 2005, Peteris has overseen the growth of the business to its cur-

rent turnover of €8.2 million, employing 60 members of staff. Peteris embodies the young, dynamic and creative team working at Piche. The company's investment in its human capital is clearly being rewarded and Peteris was on hand at the 2013 Gazelle award ceremony that took place in Riga, to receive an award handed out to Piche for their achievements in business. Piche is also a strong contributor to the 'Angels over Latvia' humanitarian project that helps to support the lives of hundreds of children.

15

**Roman Kondratyev, 28, Russia**

Ta-daa! Russia seems to breed billionaires and millionaires as if they come from a conveyor – one of them being **Roman Kondratyev**, founder of the company Plant drilling technology in 2008, being only 21 years old. In 2014, the plant employs over 100 people, and had over €6.5 million turnover in 2013. Kondratyev was nominated as the winner of the ‘Young Millionaires 2013’ of the magazine ‘Business St. Petersburg’.

Kondratyev had his first entrepreneurial experience as early as the

9th grade in buying and selling second-hand computers. Later he used the same idea to buy broken cars, fix them and sell them on for profit. He says that he has started his company with the money he has earned himself – and sends a message to wannabe-millionaires: the hardest thing is to earn the first million. It is not a surprise that Kondratyev stays in shape by visiting the gym, does not work for money but for the fun of it – and works the ‘normal’ 10 hours a day.

16

**Robert Kalinkin, 25, Lithuania**

A Lithuanian designer with his own clothing brand, **Robert Kalinkin** has also worked as an art director and set designer for international video advertisements over the past seven years and a stylist for television shows. He designs collections for both men and women, plus made-to-order and couture items and accessories and footwear. He has two clothing lines, RK by Robert Kalinkin which has couture pieces and The Good & Black, a ready to wear line. He started his clothing lines with zero capital and now has

two stores in the capital of Lithuania, five retail partners and three pop-up shops in various Lithuanian cities. The Robert Kalinkin brand is among the top five fashion designers in Lithuania in terms of production volume, but he has his eye on the world as he longs to be the first Lithuanian fashion brand with a global reach. The goal is to export up to 80 percent of its production, which is done completely in Lithuania, and employ young professionals just out of college.

17

**Niclas Wikström, 29, Sweden**

Starting his first mini company back in 2001, **Niclas Wikström** was just a 16-year-old boy from Piteå, a small town up in the north of Sweden. He has run a nationwide media factory called OH MY! since 2009, and now has offices in two major cities; Stockholm and Malmö, as well as in Halmstad and at his roots, Piteå. In total, his company has around 50 employees. One could say that Niclas has achieved a lot in 5 years as an entrepreneur. Looking at the client list of his company, as well as the photos of the employees – they really enjoy their work. Smiling people working on innovative projects. What

is it that Niclas has done to make it onto this list? After his year in the JA company program he won a very prestigious scholarship, the Anders Walls stipend. Niclas has a thin connection to Finnish business; back in 2005 when he was working at the Helicopter Advertising agency, he had the Finnish listed company Exel as his client.



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– Alf Rehn, Uuskasvun anatomia/opas parempaan tuottavuuteen, 2012

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18

**Max Gouchan, 20, Norway**

Max Gouchan co-founded his own company at the age of 18 called ClickLift AS where he is now the Managing Director. ClickLift AA develops safer lifting solutions for the offshore industry. During the last three years, Max was elected Vice President for the Unge Høyre Stavanger (2011 to 2012) and Vice President for the Europeisk Ungdom Stavanger (2011 to 2012). He was recently nominated for a Norwegian award called 'Helt sjef' for his work inspiring Norwegian youth. Over 390 people were nominated and he has

now reached the top 10 candidates. On November 14 the winner will be announced. Max travels and shares his experience and knowledge with students who want to become entrepreneurs. He also has his own consulting and investment company, Arctic Base Invest AS. He is a self-proclaimed fan of **Steve Jobs** and **Richard Branson**.

19

**Marius Klausen, 26, Denmark**

Marius Klausen is the definition of a creatively minded, serial entrepreneur. He is credited with founding five separate companies, two of which he still runs and one of which he lives in!

Confused? Well Marius is the co-founder as well as a resident of NEST Copenhagen – a unique, co-habitation facility for entrepreneurs. His other companies range from mobile cocktail bars to patches that alleviate perfume allergies. However, it is his fame with his current endeavour as CPO of Airtame – a wireless, monitor to monitor streaming device – that has

pushed him into the spotlight. After promoting themselves on the crowd-funding website Indiegogo in order to raise around \$160,000, Klausen and his partners had money to burn when their Airtame product received a staggering \$1.26 million in the period between November 21st 2013 and January 21st 2014. Not surprisingly, Airtame has been awarded the prize of 'Best Start-up' at the Consumer Electronics Show in Las Vegas in 2014 by Engadget.

20

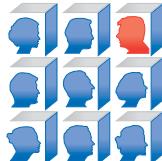
**Daniil Mishin, 21, Russia**

Russia's **Daniil Mishin** is originally from the city of Sevastopol, Ukraine, located in the Crimean peninsula. At the age of 20, Mishin had already established the Bear Hostel chain. Currently, the chain has three hostels in Moscow, one in Perm and four in Ukraine, and it focuses on providing service to young travellers. Mishin is planning to partially outsource the business and expand into Russia's regions. There sure are a lot of them for Mishin to cover – noting the fact that Russia is the world's largest country and has as many as 12

time zones. Financially, Mishin's hotel business is attractive and blooming: he got nearly US \$1 million investment from bankers in 2012, who soon pulled out with pockets full of rubles – and, in 2012 the company earned over US \$2 million. Besides financially, Mishin can proudly state his hostel chain is the largest in Moscow. Not bad for a 21-year entrepreneur, as Moscow is about the 10th largest city in the world!

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Andrey Sharkov, 29, Russia

Andrey Sharkov owns several businesses, including the chocolate factory Shokobox, the designer

furniture supplier ballchair.ru, the online store Shokoladka.spb.ru and the confectionary Koko Bakery. He is also the managing partner in a

country complex called Silent Valley. Alexander was named in 2009 the best entrepreneur of the year by 'Business Petersburg'

Linda Liukas, 27, Finland

Linda Liukas is the author of 'Hello Ruby', a children's book that teaches programming fundamen-

tals in a kid-friendly way. She is also co-founder at Railsgirls.com, a website that helps women become more involved in technology and

creating new ideas. She was educated at the Turku School of Economics and Aalto University's School of Arts, Design and Architecture.

Miki Kuusi, 24, Finland

Mikko "Miki" Kuusi is the main organizer and CEO of the growing and popular Eurasian startup

and tech talent event Slush since 2011. Miki is the co-founder and CEO of Startup Sauna foundation in 2012 and 2013. Startup Sauna

was founded 2012 together with 57 serial entrepreneurs, investors and executives to support the nascent tech ecosystem in Scandinavia.

Rokas Tamošiūnas, 29, Lithuania

Rokas Tamošiūnas founded his own business in 2008, and exited the

business through a management buy-out three years later. In 2011, he fundraised for his own investment boutique, 1M LTL with just a pre-

sentation. He started the first accelerator in the Baltic states the same year, and was part of 30 yearly state investment deals from 2011 to 2014.

Dovydas Duoblys, 28, Lithuania

Dovydas Duoblys is a partner at Solid Supply which provides furniture based décor solutions for retail

stores and shops. His company generates €4 million in turnover with a stable yearly growth of 40%. The business model is to move away

from mass production to custom made products. Exporting 70% of products, the company has a strong Scandinavian orientation.

Gustav Jebsen & Harald Olavson, 25, Norway

Secondary school drop-outs, yet business savvy **Gustav Jebsen** and **Har-**

ald Olavson started their company Visumservice in 2009 at the age of 20, helping travellers with visa applications, work permits, translations, and

legalization of documents. In 2013, their company had a 35-million NOK turnover. Visumservice has offices in Oslo, Stockholm and Copenhagen.

Erik Fjellborg, 27, Sweden

Erik Fjellborg founded Quinyx in 2005 while working part-time at McDonald's where he realized no

system existed to handle scheduling when employees wanted to quickly book or change shifts. Web-based Quinyx allows employees to

log in themselves and interact with their schedule. In 2013, Quinyx was rated as one of the fastest growing companies in Sweden.

Davið Örn Simonarson, 24, Iceland

Combining the technical know-how with great business acumen, **Davið**

Örn Simonarson can be described as a true entrepreneur, realising his ideas through multiple startups over the last few years. His current project,

Blendifin, is a global social app aimed to connect friends with one another when going out, showing you who is going out, where and with whom.

Anna Nyboe, 23, Denmark

Anna Nyboe has run her own company, Annaway since 2011. Her main business is to help especially

academically educated people find new jobs – and she does it with great enthusiasm. Only three years in business and she has received

two significant awards: Talent 100 by 'Berlingske Business Magasin,' and 'The young leader of the year in Copenhagen' by JCI in 2013.

Kaido Höövelson, 29, Estonia

Kaido Höövelson is an Estonian who was a professional sumo wrestler until September 2013. He is an

entrepreneur who has been awarded the Order of the White Star by the president of Estonia in 2012, and is a true role model for young

people. His sport achievement made him super famous in Japan, and played an important role in making Estonia well-known there.

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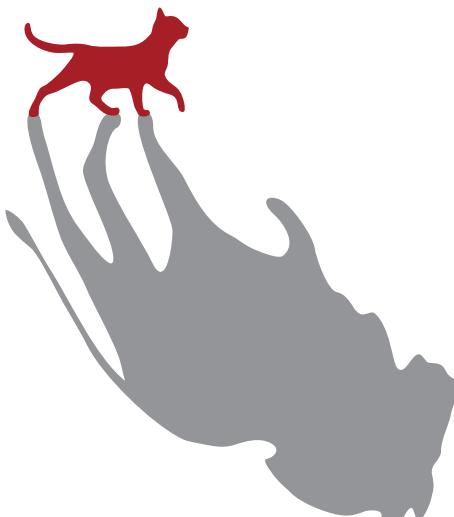


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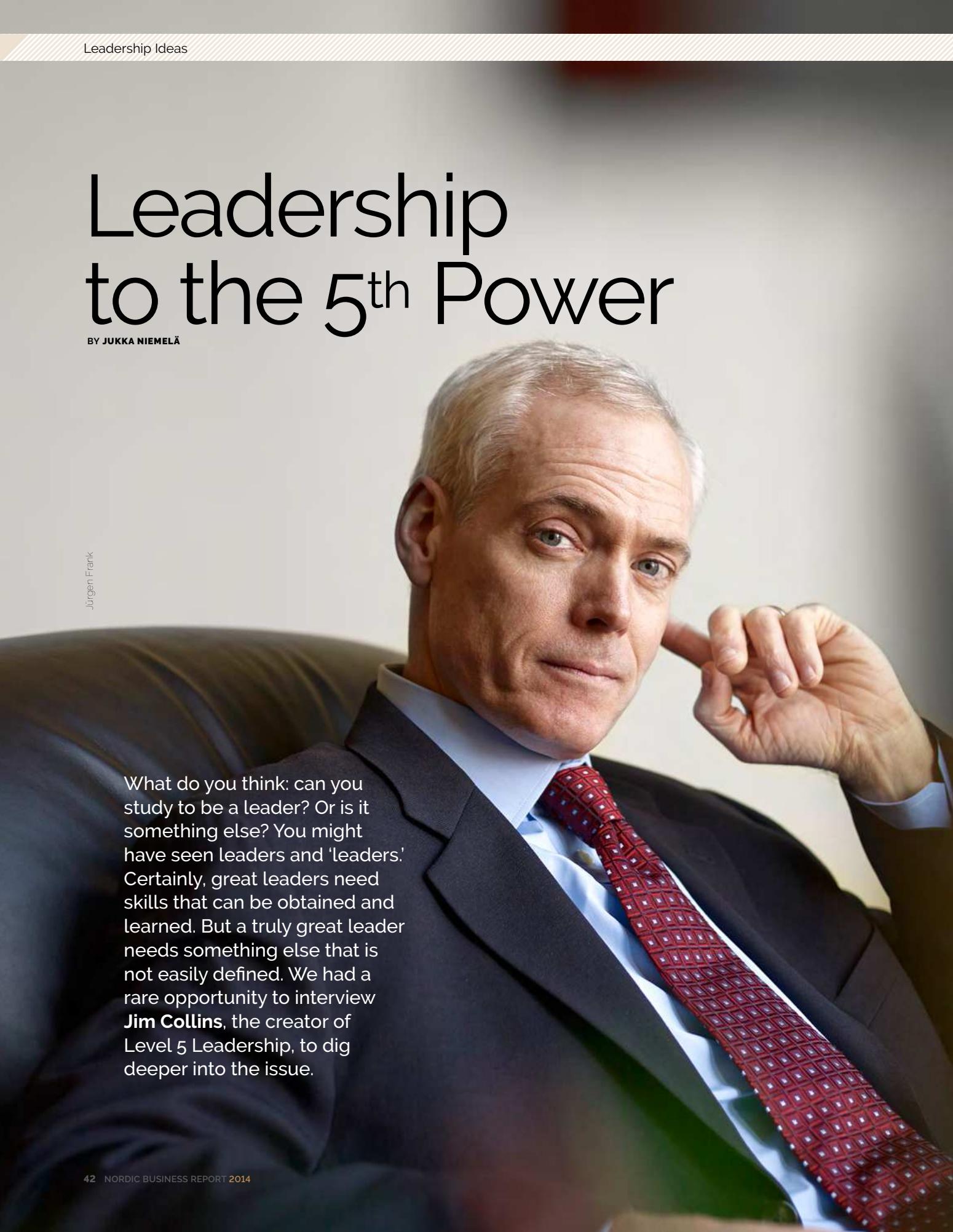
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Leadership to the 5th Power

BY JUKKA NIEMELÄ

Jürgen Frank



What do you think: can you study to be a leader? Or is it something else? You might have seen leaders and 'leaders.' Certainly, great leaders need skills that can be obtained and learned. But a truly great leader needs something else that is not easily defined. We had a rare opportunity to interview **Jim Collins**, the creator of Level 5 Leadership, to dig deeper into the issue.

Climb All Levels

You might have heard of Level 5 Leadership. Jim Collins is the father and founder of the concept, starting his research as early as 1996. From all the 1,435 companies he looked at, he chose 11 really great ones. Collins stated that those companies were led by level 5 leaders. In his model, levels 1 and 2 are considered as employee levels, level 3 as mid-management and levels 4 and 5 as leader levels. Collins says that to be able to step up to level 5, you need all 4. If we look at some of the successful businessmen in the near history, we can see that many of them have climbed all five levels. Let's take former Nordic Business Forum keynote speakers **Sir Richard Branson** and **Jack Welch** as examples. They started as *highly capable individuals*, became *contributing team members*, later *competent managers*, then *effective leaders* – and, finally, in my opinion, great leaders. Both have had a significant impact in management models which are utilized around the world.

Humility Pays Off

Over the past 15 years Collins has learned to understand his findings and Level 5 Leadership better. *"My competence has increased, as well as my understanding,"* he says and continues: *"Even if you are the originator of an idea, your understanding of it will mature, evolve and deepen over time."* So, if you come up with a new idea, let it simmer long enough. Collins says that the main finding during his 15 years of working on Level 5 Leadership is that Level 5 Leaders lead with spirit of service to a cause that is much bigger, more enduring and more important than they are as persons. So, they make themselves less important than the cause by developing great and real humility. For example, Apple's **Steve Jobs** created a cause and did so whilst not making a big deal out of himself. As we know, the cause is very much alive unlike Jobs – may he rest in peace. Being a humble leader does not mean lack of confidence but channeling one's ambition and drive outward for the benefit of a company. Collins specifically points out the fact that Level 5 Leaders are so committed to pursuing the cause that they are willing to endure tre-

mendous pain and suffering for it. To build a great company requires a lot of it, for sure. How many of us would be ready to throw ourselves in?

Choose a Meaningful Life

Now we know that the way to the top of Collins' leadership pyramid might be very long, taxing and painful. So, he gives us the flip side of the journey. A pursuit of happiness is perhaps less sustaining than the pursuit of meaning. Having a quest or a company where you also really have to put yourself in service, might extract a lot from you and be a burden. The flip side is that it gives your life real meaning. He says: *"If you had to choose between a meaningful life and a happy life, it would be better to have a meaningful life."*

What Separates a 4 from a 5?

How do Level 4 Leaders differ from Level 5 Leaders? After all, it's just one step away. At this stage Collins calls the lower four levels as skills – which is very descriptive – and says that you would need all of those skills. He says both Level 4 and Level 5 Leaders can be effective and very good at inspiring people to follow. In the concept of following, only one word makes a huge difference between these two levels. Level 4 Leaders are very good at inspiring people to follow *them*, where Level 5 Leaders are very good at inspiring people to follow *a cause*. From the mouths of those leaders, we would either hear *"Hey, follow me!"* or *"Hey, I might not even be here at some point but you are skilled enough to follow and pursue the cause and what we are trying to do."* Enough said? Not yet. There's more than just the humility and the will. The '5ers', as Collins calls them, are extremely disciplined and fanatic about their pursuit. As a result, the 5ers are incredibly willful. At this point of the interview I got shivers down my spine when Collins nearly sounded like a preacher, quoting a 5er: *"I will do whatever, and I mean whatever, no matter how hard, how extreme, how intense, how long it takes, whatever it takes to make good on that cause."* Lowering his voice back to normal level, Collins concludes: *"That willfulness, that discipline, that fanaticism, is really a part of the differentiating of the level 5."*



At Level 5, you have all of the abilities needed for the other four levels, plus you have the unique blend of humility and will that's required for true greatness. (Best of HBR 2001, Level 5 Leadership.)

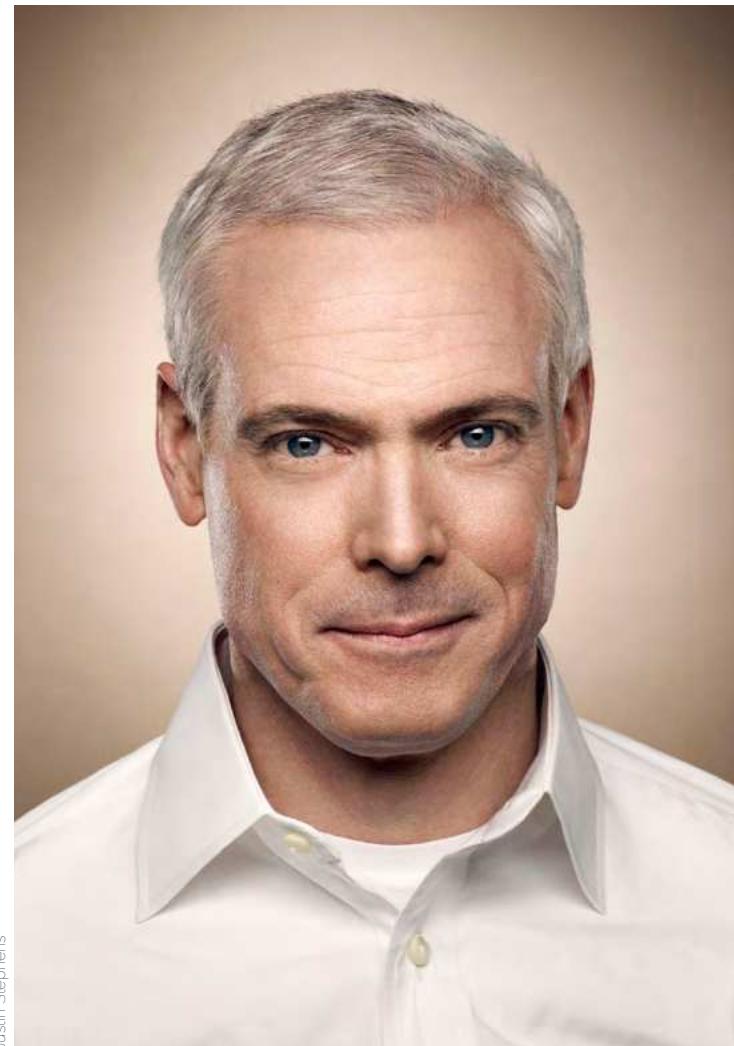
How Do You Become a 5er?

When asked what it takes to become a Level 5 Leader, Collins took me by surprise when he said that he can't really tell. What?! Ok, he let me off the hook by saying that he is more of an observer and a thinker, and can't speak from having done it. At this point I realize I have been interviewing many Level 4 Leaders. They tend to immediately give advice on 'how to,' although they have no practical experience. Collins showed his humility, so in my eyes he is a 5er – despite his own opinion. One of the things I notice at this time is that Collins is not talking about absolute truths when he is answering. He often starts with "*I think...*" so from that perspective, he is an observer and a thinker.

What does it then take to become a 5er? We already know the difference, now we need the means. Collins starts by saying that you should find something that you are so passionate about that it almost brings the level 5 out of you. In practice, for example, it's the company you are building, the way that you are trying to impact the

world or the movement that you are trying to create. It will lead to the point where you say: *"In order to accomplish this, I have to grow and become a better leader."* When people ask Collins how they can grow, the answer is simple: do really big, hard things.

If you throw yourself on a difficult path, the path will make you grow. He tells a short anecdote about **Bill Allen**, who ran a small law firm in Seattle, Washington, and sat in the board of Boeing as corporate counsel. When Boeing's president **Philip G. Johnson** suddenly died in 1944, Allen was nominated as the CEO. Although he was not trained to be a CEO, he had a tremendous sense of responsibility for Boeing. At the time Boeing did not make any commercial airplanes, so Allen came up with the idea of turning military airplanes to commercial ones. In order to get that done and save the company, Allen had to grow very quickly. As Boeing's mission was to bring the world into a jet age, they were on a difficult path, doing very big, very hard things which forced both the company and Allen to grow.



Justin Stephens

What Differentiates a Good Company from a Great One?

During his research Collins compared companies that were 'twins'. Companies that basically were similar to each other in terms of their products, their size, their opportunities, their position, their customers, and the methodologies they had. The question is, how and why was one twin doing so much better than the other one? In the comparison, Collins found companies that had made an inflection from good performance – or even worse – to outstanding performance that lasted for 15 years. The other comparison companies who had the same grounds were not performing that well. Why?

It appeared that there was no question that the leaders played a significant role in the companies under research. One of the big findings was that

Do really big, hard things. Leadership alone is not enough to make you the best in the world. You need the right people, the culture and discipline as well.

the companies during the inflection had Level 5 Leaders, where the comparison companies had Level 4 Leaders. Surprisingly, during the research Collins was not looking for the answer nor wanting to find it. He was not interested in leadership. The focus at that time was on the *companies* and stock return patterns, not *people*. So, the Level 5 Leadership just 'bubbled up' during the research, as Collins said. And hasn't this bubbled-up-finding changed the way of management or what?

Can Leadership Alone Heal an Ailing Company?

Every company has its bad times. For some companies it means they have to sack their business. Some companies struggle and barely survive. Some companies recover quickly and start or keep on growing. So, can leadership heal an ailing company? This question was one of the key reasons Collins and his team did the 'Good to Great' study. A few years prior to that, Collins had published 'Built to Last', where they studied companies that had had a great start and been great ever since. "Walt Disney had Walt Disney and Wal-Mart had Sam Walton. For our study 'Built to Last' was useless because it didn't tell us what if you were not great," says Collins.

In conclusion, having a Level 5 Leader is necessary, but not sufficient. You need the right people, the culture and the discipline as well. Leadership alone is not enough to make you the best in the world. But here's an interesting catch: Level 5 Leaders *know* they can't do it alone. They would say "*No, I am a piece of this equation.*" Does it then mean that Level 4 Leaders *think* they can? If you ask me, I'd say yes.



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Success Sometimes Comes after Failure

BY GINA-MARIE CHEESEMAN

What do you do when the bottom drops out from your career? How do you cope when all of your plans go up in proverbial smoke? If you are **Vladimir Funtikov** you create your own company.



In 2007, Funtikov worked as a java developer, spending a few years working in a company developing mobile games. Then, the economic crisis of 2008 hit, and the company downsized, making the decision to get rid of the Estonian office. As Funtikov tells us on a sunny Thursday morning, sitting comfortably in his office in Tallinn, Estonia, “*We were victims of the economic crisis.*”

Funtikov had just finished his studies at the time of his layoff and received his bachelor’s degree. Although he had offers from other companies, he decided to “*take a chance and try to develop something new.*” That something new is Creative Mobile, an Estonian based independent game developer/publisher, which he co-founded in 2010. Being single without kids gave him the opportunity to take a chance. And Funtikov had always dreamed of starting a start-up. As he put it, “*It became an obsession for me.*” He knew that if he didn’t take the chance when he had an opportunity, he may never have another one. Now he is the Group CEO of Creative Mobile.

If at First You Don't Succeed...

Not everything went smoothly for Funtikov and his fellow co-founders at first. It took them three or four tries and a year and a half before they really made it. “*For the first year or so, we had trouble because the market was tiny and our games were pretty bad,*” he explains. When the Android market started growing, and they improved the quality of their production, they found success.

Funtikov admits that Creative Mobile started making money at the point where “*we were about to give up.*” When they started the company, they had one game, and it “*wasn't good enough.*” After investing six months of their lives into making the game, it failed. They had one more shot at becoming a profitable company, and they took it. Fortunately, for themselves and the gaming world, they succeeded.

Under 35-Year-Old Entrepreneurs and Managers in Finland

Inspired by Vladimir and the other young leaders, we gathered some data about the number of entrepreneurs and managers under the age of 35 in Finland. Take a look at how the younger generation is doing against the middle-aged.

Entrepreneurs



Statistics from 2011 by Statistics Finland www.stat.fi

Managers



Be Prepared to Change Your Business Model

Creative Mobile succeeded because its founders were willing to change their business model. They began by making paid games, following the Apple app store model. However, they discovered that model just did not work for Android games because it is a different market and audience. They switched to offering free games with advertisements, and eventually started making money. “*Just enough to pay the bills and take a couple of more guys in,*” Funtikov says. The second game they made using the same model also made them some money. That game became their “*real breakthrough.*” Creative Mobile has now about 87 employees.

Don't Be Afraid to Step Out of Your Comfort Zone

Funtikov is an admitted introvert. He is not the kind of guy who naturally takes to working crowds or being in the spotlight. Yet, as the Group CEO of Creative Mobile he has to meet 20 to 50 people a day. He has to smile and make a good impression. That is not an easy feat for a guy who prefers “*being in the room on my own with a computer screen, staring at it for hours.*” He has learned to become good at things he used to be scared of even trying.

He is only 27 years old, and in Estonia it is not common for someone

so young to succeed with a successful start-up. Some people in his native country don’t even believe his success is real. “*Every once in a while there's an article about us and people who read the article post comments saying this is fiction, this is not real,*” Funtikov explains. However, he doesn’t pay much attention to it because he doesn’t “*do business with these people.*” What matters most to him is how people in the industry, in the business world treat him. “*And I have no problem with that in Estonia,*” he says.

2010	Company founded in August	Revenue 1,542 € Profit -3,276 €
2011	Drag Racing launches in April	Revenue 2,662,546 € Profit 2,131,646 €
2012	Active development of Drag Racing, launch of spin-off title	Revenue 8,425,612 € Profit 5,170,234 €
2013	Heavy investment into new games	Revenue 7,049,953 € Profit 357,279 € (1.5 M€ before income tax)



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Audi A6 Avant 2.0 TDI ultra S tronic Business 140 kW (190 hp): price without car tax: 42.880 €, estimated car tax 10.004,90 €*, total cost 52.884,90 €. Car benefit tax 975 €, limited car benefit tax 795 €. Combined fuel consumption 4.6 l/100 km. *CO₂ emissions 119 g/km. Destination charges will be added to the total cost. Model shown with optional equipment.

How to Succeed in a Digitalizing World

BY DR ESA MATIKAINEN

For the last twenty years Finland has gained international fame as a technology country. However, the company boards in Finland, as anywhere else in the world, are puzzled by the current power of digitalization and its impact on businesses across industry sectors.

■■■ A recent study by Internet Industry Finland clearly points out that while Finland has number one ranking in prerequisites for digitalization, it lags behind in 17th position in how well digitalization is utilized in businesses. Clearly established companies have much to learn from fast growing digital businesses, which often have a distinctive company culture and a way of managing the business. Boardman organized a group of entrepre-

neurs and experts to identify the key issues concerning decision-making and management in a digitalizing world. The group chaired by **Harri Koponen**, the former CEO of TeliaSonera and CFO of Rovio, came up with a TOP 10 list described on the following page.

What is it that makes the difference in a digitalizing world? Like in the game of tennis, you need technique, or skills and competence in business terms, tactics i.e. how to play to beat the opponent, physical assets such as speed and agility, and mental strength to win the right battles. These will help you to win matches, but to become a top class player you need the right people surrounding you and most importantly an over-reaching aspiration, dream and passion. This became very clear when looking at the special characteristics of successful companies in the digital



era. You need big dreams, skilled individuals who are motivated not by benefits but by achievement of the common dream, and an organizational culture that fosters experimentation and speed of implementation.

In addition to management talent, the challenge lies in board composition. Do the board members have experience and competence to really discuss the opportunities and threats presented by digitalization? Relying on your nephew's skills in web development is hardly the answer. Neither is reading consultants' reports and suppressing the issue to audit committee as a subcategory for technology risks.

Board members beware, times are demanding. There is already pressure to increase time used on quite a few issues such as corporate social responsibility, risk management and compliance among others. Potentially, to an even larger extent, strategy work that is impacted by digitalization requires an increasing effort. Companies need directors who have true insight into digitalization and its impact. This is the only way to convert a perceived threat into a potential opportunity!



Dr. Esa Matikainen is a board member in several growth companies and a Partner at Boardman. His experience on digital economy and its impact on businesses ranges from being the Chairman and Director of Strategy at Nedeccon Plc., at the time the first publicly listed pure-play Internet company in Finland, to current board positions in digital business companies.

TOP 10 ITEMS

1. Big dream

Create a growth-oriented target, a big dream, worth pursuing. Dreams provide meaning for work and a reason why people want to deal with the company. Creating and pursuing the big dream requires strong vision, courage, persistence and passion.

2. Teams and individuals

Create a spirit for collaboration and common goals. Highlight the broad context why we do things. Empower teams and individuals. In the digitalizing world, the productivity differences between teams and individuals are multiplied. Embrace talent and diversity, and get people who provide energy instead of wasting it.

3. An encouraging and experimenting culture

Create a culture that emphasizes questioning and change, not just plans but action. Do rapid experiments, but get rid of underperforming projects and people quickly. Learn from your own mistakes and those of others. Information flows quickly to the top when there is no need to scare or to cover up, but actions are driven by the desire to succeed.

4. Value creation through interaction

Instead of separate routine-like work tasks, value is created in interaction, together with customers, personnel and well selected partners. Thinking differs largely from traditional hierarchy and process management, which focuses on instructions and phasing activities. Tools that already exist provide the opportunity for collaboration.

5. 24/7

Business in the digital world is independent of time and place. The company must be present to customers 24/7. Time and timing are critical and windows of opportunities short. Decisions must be made rapidly. Electronic business provides huge amounts of information, so make use of it.





6. Customer experience

Customer and user experience plays a crucial role in both traditional and digital products and services. The world is visual. Customer orientation is not enough, but companies must create wow-effects and thrills generating buzz and raising emotions, thus, adding to sales.

7. Business models

Be clear about what changes the digitalizing world will bring to pricing, distribution, and value chains. Often, it is not only about individual changes, but more widely about the whole business model. Do not defend the old, but think first of all, which model will also make you succeed in the future.

8. Technology changes the world

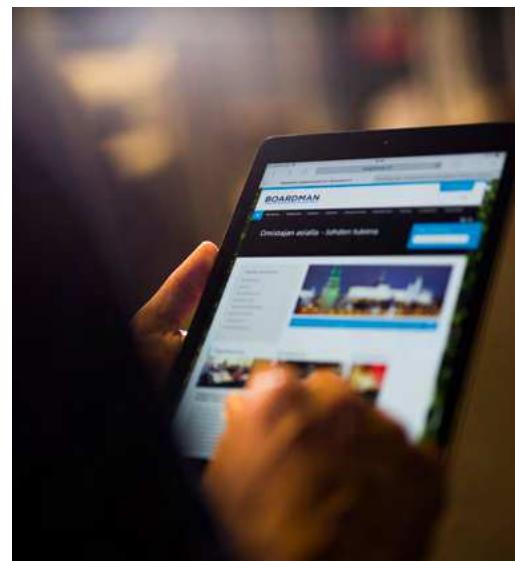
Digital and physical products and services converge. Think about how these are combined in the best way possible. Often offerings are customized for the target markets, while the most scalable products may work globally as such. It's not about the innovation unit's endeavors, but about a broader understanding that the company needs at the board level.

9. Security

Security will be displayed in many ways. Information is a corporate asset that must be both protected and shared. At an individual level, privacy and many other factors set limits. Make sure that safety is appropriately maintained, but do not use it as an excuse for the failure to adopt reforms.

10. Transparency

The digital world reveals mistakes. Be fair, impartial and honest. Address the ills fast, not by making excuses, but through open communication. Brand effects spread rapidly.



What Does Harri Say?

We wanted to have a second opinion, so we asked **Harri Koponen** himself what he thinks about the top 10 items in practice. He immediately replied; the 'Big Dream'. For Rovio, it is a huge dream to have 1,000,000,000 fans. Yes, that's a billion. It's such a big dream that many people think Rovioans have been drinking or smoking something illegal when they talk about it. But, dreams come true if you work hard enough for them. Rovio has already reached the one-billion mark in downloads. The next step is to have 1 billion fan interactions per day. Every day. What's next?

Harri says one reason Finland is lagging behind in utilizing digitalization is that it is a big, sparsely populated country. Covering the population is costly. The other reason he mentions is that we don't make as bold decisions as we used to; we don't seem to accept bad experiences any more. Instead, we should say "*We will change this because we can.*" His advice to all of us is that we should become native digitals and feel comfortable working in the digital world. So, let's start!

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Are you going to be at the Nordic Business Forum in Helsinki, 9–10 October 2014?

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Bring along a business school graduate colleague who is not yet a SEFE member! Sign in today on the event calendar (www.sefe.fi/tapahtumat). This evening of great opportunities is open for only 200 minglers, on a first come-first served basis.

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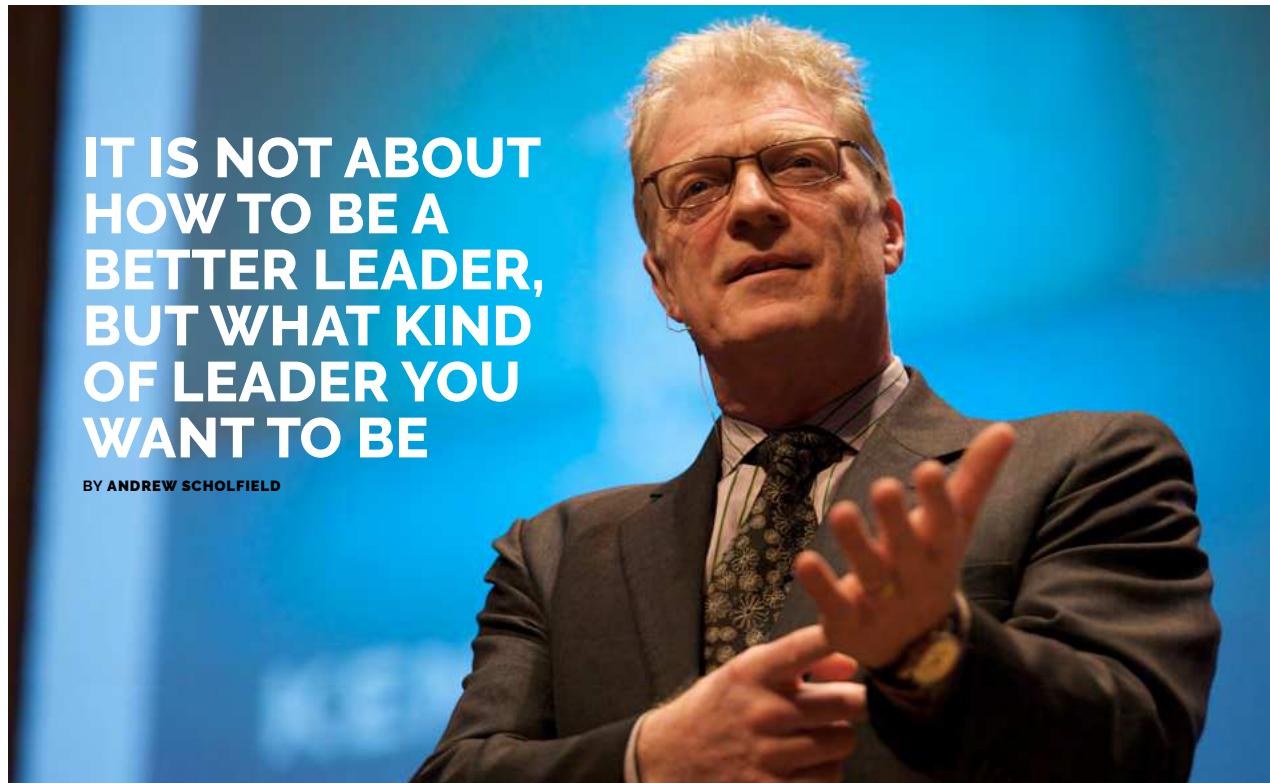
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IT IS NOT ABOUT HOW TO BE A BETTER LEADER, BUT WHAT KIND OF LEADER YOU WANT TO BE

BY ANDREW SCHOLFIELD

Listening and speaking with **Sir Ken Robinson** it became quite apparent I was not going to be given a formula for the 21st Century business leader. What I got instead was much, much more.

■ From the unquantifiable creativity of Beethoven to the collaborative chemistry of the Beatles, from the incremental innovation of Wal-Mart to the false hope of our consumer culture. There was one undeniable message for businesses of the modern era. The world is facing major challenges – so how will you lead your business to rise ‘with’ those challenges?

We began our discussion by reflecting on a previous comment by Sir Ken which prophesied the worthlessness of a university degree. He pointed out that in many countries there's a growing problem of graduate unemployment. “*I mean, when I was a student, that was a ridiculous idea that you wouldn't get a job with a degree!*” He puts this growing phenomenon down to two factors; young people facing historically high levels of unemployment, and a shift from a labour intensive to a knowledge intensive economy. He adds that

this is of course not true for all degrees, but that the concept of ‘academic inflation’ is very real. For leaders in business it is clear that they need to understand how the relationship dynamic between higher education, the economy and employment has changed. They must look beyond our educational models designed for the 19th Century landscape.

Lifelong Learning – an Obvious Choice

When the topic of lifelong learning is brought up with Sir Ken, it is little wonder he considers this as fundamental to economic growth. He is a man who believes that education is in the “*absolute vanguard*” of dealing with the technological change and demographic shifts that are challenging the world in which we live. The issues surrounding the rise in population and mass migration are self-evident, but it is the impact of digital culture and information systems that are shaking the foundations of established ways of connecting and working. From this, two questions arise. Firstly, are business leaders of today able to enact dynamic ways to cultivate a vibrant culture of learning that meet their present needs? Secondly, are

they also able to facilitate the long-term growth in human capital that brings the promise of a sustainable future?

For Sir Ken, the answer lies in a company's attitude towards creativity and innovation. Attitudes that promote efficiency along with performance measurements have their place in the business landscape. However, much like the obsession with standardization that Sir Ken rails against in the education system, these addictions to 'metrics' are suffocating the true potential of employees. Sir Ken points out that we are all imaginative, we can all be creative – just in different ways. He concludes that, "*innovation is possible in anything that uses human intelligence and activity.*" With that in mind, leadership is about understanding the conditions that make creative work possible. He cites Wal-Mart as a company that doesn't create 'products' but innovates in areas such as supply chain management. The company Zappos, co-founded by **Tony Hsieh**, have developed a 'Holocracy' and are constantly innovating in how they organize the company internally. "*It's a complicated process and that's why I think it needs a different style of leadership.*"

Imagine, Create, Innovate

Sir Ken helps by going into a deeper understanding of the psychology of creativity. He brings up three different terms essential to the creative process, none of which should be ignored. The first is 'imagination'. This is where it all begins and is "*the ability to bring into mind things that aren't present.*" It is something we all possess and often take for granted. An imaginative idea might be built from experiences or from that which has never happened, but could hypothetically happen (this writer can't but help wonder how many employees are really given the opportunity to be 'imaginative' in their work?). He goes on to say that, "*creativity is a step on from that – it's putting your imagination to work.*" This is where imagination turns towards practical application. We use our imagination to look for new solutions to old problems, to new problems, or to ones we didn't know existed.

Sir Ken points out that the third stage in this process is the one companies are really striving for – the holy grail of innovation! This is not something that you can just "*wish into being*" as he points out. Companies have to understand that there is a process interconnecting these elements,

The world is facing major challenges – so how will you lead your business to rise with those challenges?

and if a culture of innovation is to be created, "*we have to help people develop [the] competencies, [the] aptitudes and [the] skills to make that happen.*"

Lead a Culture of Creativity

In previous talks on leadership, Sir Ken had stated that leadership is essential to creativity as it sets the boundaries in which creative conditions operate. I posed the question that these boundaries allow business leaders, especially in SME's, the control they need. He was in complete agreement and said, "*It's a normal thing for leaders to want to be in control. I think the question is to ask, what should they be controlling and why.*" He warns, however, that some leaders can think that taking 'control' means taking 'command.' In some situations an authoritarian approach such as this is appropriate, but under normal circumstances it is counterproductive. The common day-to-day condition of a company is trying to grow, and the leader of a growth company must understand how to engineer the optimum conditions for that growth.

One of the key elements for creating this condition, that Sir Ken discusses at length, is the need for diversity. He tells an amusing story of a board of executives for a banking company. All of the board are white, middle-aged men, who consider themselves to be diverse when they interview a female candidate. This is an illustration of how, in some sectors diversity, and the need to embrace truly different perspectives, are under appreciated values. However, despite the very real significance of this story, Sir Ken flips it on its head to point out that this is not always the case. Diversity can come in many ways. The Beatles were "*four guys from Liverpool, about the same age, from the same city and they changed the planet.*" He points out that although they were outwardly similar, people were later to discover that it was their "*different sensibilities, different outlooks and different talents that created [their] dynamic process.*"

It's a complicated process and that's why I think it needs a different style of leadership.

And so, we come full circle to the question leaders need to ask of themselves. It is easy to sit down and scribble on a piece of paper the company mission or values that have all the right phrases and bland rhetoric that one would expect from a corporate statement. The really challenging thing is look in the mirror and imagine what sort of leader you would like to see staring back at you. Then comes the even greater task of projecting that leadership through your company.

Leading Innovation

In late spring 2014, Oracle's market share raced ahead of that of IBM. An imposing article published in Bloomberg Businessweek examined how Oracle managed to close the \$ 50 billion gap in five years despite analysts insisting that IBM was doing everything right and that Oracle had no future.

Oracle's success is a culmination of a number of factors: innovative technology, acquisitions, constant adaptation, creating the right market and naturally also lessons learned. But the deciding factor boils down to personnel that have what it takes to create an atmosphere of success.

"In Finland, we have been consciously building an inspiring atmosphere that makes people willing and daring to genuinely share ideas that are then jointly processed and utilized for new innovation", states Oracle Finland's Managing Director **Ari Peltola**.

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Organization

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Staff and customer satisfaction at Oracle Finland has continued to improve in recent years. Customer loyalty is the highest in the Nordic countries. Oracle Finland stands out on a global scale in job satisfaction and customer satisfaction surveys. Also customer loyalty is at the highest level compared to the other Nordic countries.

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"Coaching* has had a wide-spread, positive impact on our operations – including the key figures of the Finnish subsidiary", says Peltola.

* A survey on the impact of training was published in the European Journal of Sciences journal (Vol. 31 No 2, p 166–189, 2012, Kinnunen and Kazmi).



Ari

Innovation

Collaboration

Jarno

Acceleration



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Creating Motivation in an Accelerating World

Motivation is tricky. If you want to coerce another human being into action there are really only two good strategies: threaten her, or offer her a boon. That will motivate a person – in other words, create motion.

But the quality of this motion is poor.

Hundreds of research papers show that such extrinsic motivation causes lesser creativity, lowers problem solving skills, reduces productivity and causes ill-being. A remarkable paper from 2009 even showed that if a person is motivated by goals related to money or fame, and achieves those goals, their stress and anxiety increases!

When a market is relatively static, we can do decent business by extrinsically motivating our workforce. Figure out what the market demands, build it and ship it. Do it faster and cheaper than your competitors. Reward successes, punish failures. If demand stays relatively stable, we stay in business.

But stable markets are a thing of the past.

We are not just seeing radical shifts in the marketplace – what **Clayton Christensen** called ‘disruptive innovation’. We are seeing the very nature of the market being disrupted. Innovations such as the mobile phone, digital imaging and social media have not just created new demand. They have redesigned the entire economy.

Just to name one example, the entire marketplace that made the successes of Rovio and Supercell possible – the App Store – is only six years old. As the analyst **James McQuivey** said at TheNextWeb Europe, disruption itself has become disrupted.

In a quickly changing market, extrinsic motivation doesn't work. Rewards narrow focus. Punishments kill creativity. We need something new, something more nimble.

We need to get personal.

In an accelerating world we need intrinsic motivation. We need to stop coaxing people towards pre-set goals based on past successes. It may well be that when the goal is reached, the world has moved on. Being the world's leading producer of clamshell phones is not worth much if everybody wants an iPhone.

Instead, we must boldly envision the future, and then build companies that enable individual people to act on their fundamental psychological needs in a way that makes that vision a reality.

Scientists have identified three such needs: autonomy, competence and relatedness.

We need autonomy to react quickly to the accelerating market dynamic. We need competence and its companion, lifelong learning, to develop new skills when old ones have become redundant. And most forcibly, we must be able to create authentic and lasting relationships and understand the meaningfulness in why we do what we do. Human beings are active by default.

When we are able to pursue our psychological needs, the accelerating world stops being a threat. It becomes, instead, one of the most exciting challenges we have yet seen. A challenge where we get to be more human than ever before. Human beings at our very brightest.



Column • Lauri Järvilehto

Heidi Stengell

Dr. Lauri Järvilehto is a metaphysical explorer, a world detective and a Sherlock Holmes fan. In his research Lauri focuses on thinking, humans and the world. His passion is in understanding new things and sharing the understanding with others.

Leadership and New Ways of Thinking

– Dynamic Business Model Driven to Business Success

Due to the fast development of technology and the demand for migration from traditional countries to developing countries, managers need new capabilities in this fast-changing world. I have witnessed this megatrend during my work in IT and high technology industrial companies. The journey toward learning and finding new ways of thinking has been amazing and inspirational after over 20 years' experience in global industry, both at home and abroad.

I believe that in the next 15 years the world will change dramatically. The world will be totally different compared to the world today. One of the main drivers behind this trend, is increased intent to use new technologies to reduce the costs and to increase the quality level. New technologies provide customized products with faster lead times. This trend means that companies need to have new capabilities in the future.

Firms' New Capabilities

Companies need to improve their present capabilities to become more agile and resilient in the business sector. This is due to new companies, which have totally new technologies, entering the market and changing the rules of competition. The need for new capabilities forces firms to become more agile and fit for the prevailing competition in the market.

The dynamic business model I have developed, and which is presented below, works well in a complicated business environment.

The major elements in the model put management and organizational structure to the test. In many organizations it is not possible to understand the view of how important management, strategy and organizational structures are. However, the previously listed elements go hand in hand with agility and resilience.

Managing by improving organizations to become better is a huge challenge. Innovation and learning is difficult to manage in an effective way. Innovative organizations have a strong culture based on goal-oriented actions. Many managers believe that their organizations have a high level of intellectual capital, but when you delve deeper into the organization's structure, too many unsolved problems and challenges are found.

Conclusion

Fresh ideas are necessary in order to become successful in a changing business environment where firm-specific concepts together with software are generally given the most important role. This means that it is possible to increase the revenue very quickly by having no additional investment in the working capital.



Vacon

Column • Jari Koskinen

Mr. Jari Koskinen.
M.Sc., eMBA, Ph.D, has extensive experience in the management of high-tech companies. He is one of the founders of Vacon Plc and he worked in the executive board of the company for 18 years before becoming a member of the board. Koskinen also holds several other board positions, including ICON Real Estate Funds Ltd. and the Eye Solutions.

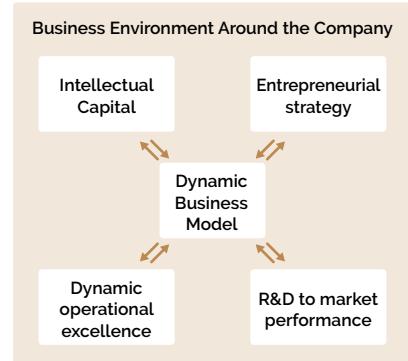


Figure 1. Dynamic Business Model and the major elements driven to success



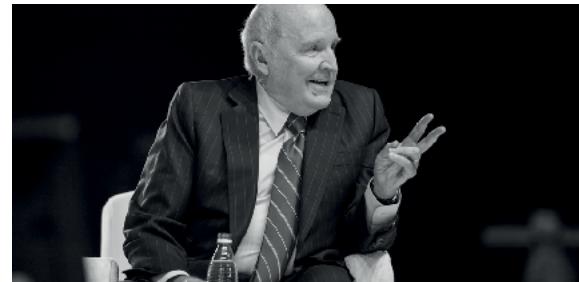
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From Selling USB Cables To Employing 900 People

BY JUKKA NIEMELÄ



If one thing has become clearer than blue sky, it is the fact that successful young entrepreneurs or managers don't have time for interviews - at least within a short notice. We were lucky to reach Russian **Vsevolod Strakh**, 26, founder of Sotmarket.ru in 2005 – at the age of 17. He placed 2nd in the '30 Under 30 of Northern Europe' and surely for a reason.

Strakh Smelled the Money

When Strakh started his company, wireless transfer of files and data was rarely used between a mobile phone and a PC. So, he started by selling USB and other data cables, and accessories for mobile phones. Right at that time it seemed that everybody wanted to transfer music, games and photos to and from their computers. Strakh realized that it was very hard to find the right accessories from stores, so he saw his opportunity, smelled the money and acted right away. Having a web shop was an easy start for a business, thanks to the internet.

You Can Tell He Is an Entrepreneur

Strakh says the timing was perfect for his company. All these years since 2005, e-commerce market has been growing like crazy. After a good start Strakh quickly expanded the product range and geographical coverage to meet the still-growing demand. One thing he is a bit disappointed about is that he didn't have more money in the beginning to "put into circulation," as he puts it. Isn't that a great characteristic of an entrepreneur; rather than trying to fill his own pocket with money, he did something he was enthusiastic about and wanted to spend the money for a greater cause! He continues with praising his employees: *"People worked and work selflessly, because they saw the results of their labor. We are not a 'safe haven', we are still a startup."*

No Leadership Studies but a Leader of 900

Surprisingly or not, Strakh has not studied organizational management or leadership. When would he have had time anyway - starting the company

before others apply to a university. His leadership is self-made, and it is made well. *"When we started, I did everything by myself. Then I hired people and taught them what to do and how."* After doing this, the employees began to pass Strakh's knowledge forward. Many of those people are still working for the company. Some of them have climbed their way up from 'ordinary workers' to retail managers, and those people know the company's processes thoroughly. Ok, at this point I find the bond to **Jim Collins'** Level 5 Leadership. Start from the bottom, climb up to the top - and, if possible, the hard way. Strakh's principles as a manager are clear; he wants to understand the context of 'what affects what' in a bigger scale. In addition, he wants to learn about and from his employees and build a trusting relationship with them. All 900 of them, perhaps? I don't know, but he sure has done a great job with people within the past 9 years.

Selling the Majority of the Company

In 2012, Strakh decided to sell 51% of his company to IQ One, a venture fund. *"It was a mutual and well-considered decision. To be honest, I received many proposals for buying a stake of Sotmarket,"* he says. Although he got many offers, he valued the partner's willingness to start a partnership that would last for many years to come. There we go again - entrepreneurial spirit does not focus on money at every single moment. Strakh wanted his 'baby' to grow. And, he needed a partner to do that. Not one that would be exiting in a couple of years. Oh well, does this sound like a family relationship or what?

Is there something special behind the selling? The need to attract a new partner arose because at the time Sotmarket had reached a certain ceiling. Developing extensively and investing the profits, Sotmarket was constantly living in a lack of working capital. *"Demand for our services was growing faster than we could serve these new orders. So it became clear. Either we're going to take this step and attract a new partner, or forever remain midlevel store and forget about ambitions to become number one in this niche,"* he says. After the selling, investments immediately led to many improvements. Improvements that would be lasting for many years. For example, they launched a program of regional expansion in the Far East. The investments made it possible to attract new employees from among the best professionals in the



Demand for our services was growing faster than we could serve these new orders.

market. All these investments returned in a year after the investor entered the fund of Sotmarket. The company quadrupled its turnover compared to the previous year. That's four times as much, folks!

Strakh Understands Uncertainty

Making billions of rubles must be rewarding. Yet Strakh is a very feet-on-the-ground type of a guy, who does not brag too much about his success. I wanted to ask the cheesy question; where is Sotmarket going to be in 5 years? *"It is difficult to predict for such a long time. Our market is changing too fast."* So, he knows the market and is ready for the uncertainty. Not everybody can do that. Some entrepreneurs think that the good times and success lasts a lifetime. *"And anyway, who knows. Maybe there will be only 3D printers, and the stores will only sell cartridges. All that is needed, buyers will print themselves right at home,"* he says. What about Strakh himself? Is he going to work for Sotmarket five years from now? *"Hope so,"* he concludes. Gotta love his sense of reality and his humility.

Happiness Means Profit

It has become a clear fact that a great place to work makes good business sense.

Henry Stewart, Chief Executive of the training company Happy Ltd., has some valuable thoughts to share about the subject. In his book 'The Happy Manifesto' he quotes many pieces of research by Gallup and other credible sources, before finally summarizing: *"Again and again it has been shown that companies who engage their staff are more successful – whether measured in customer satisfaction, innovation or solid profitability and growth in share value."* In this context, an engaged employee is the one who is experiencing job satisfaction, organisational commitment, job involvement and feelings of empowerment. The formula is simple: happy employees = happy customers = happy owners.

However, the reality is that many people are not so happy. In The New York Times on May 30th, 2014 **Tony Schwartz** and **Christine Porath** describe the unhappy reality of the working life. According to them, from the middle managers up to the top executives, people are not that excited to get to their offices in the mornings. They wanted to know what are the things that influence on people's engagement and productivity at work. This curiosity lead to a survey of over 12,000 employees across different industries and companies.

Schwartz and Porath found that employees are dramatically more satisfied and productive when their core needs are met: physical, emotional, mental and spiritual. According to their research, employees need to get opportunities to recharge at work, feel valued and appreciated for their contributions, focus on their most important tasks, do more of what they do best and enjoy most, and feel connected to a higher purpose in their job.

Leaders and organizations can do a lot. Schwartz and Porath say that the more they support employees in meeting those needs, the more likely employees are engaged, loyal, positive, energetic and less stressful at work.

Henry Stewart concludes in his book 'The Happy Manifesto': *"The difference in productivity between engaged and disengaged employees is dramatic. The evidence is clear that a motivated and engaged workforce is more productive, more committed and far more likely to lead to profitable growth for the company. In contrast, long hours, lack of control over your job and a line manager who does not motivate you can all lead to low productivity, high employee turnover and ill health."*

Often companies think a lot about their corporate strategy, marketing, finance and things like that. However, something very important is forgotten too many times - happiness means profit, too. What's your corporate happiness plan? What are the concrete steps you're going to take for your organizational health? You want productive, enthusiastic and passionate employees after all, don't you? I don't have a happiness manual for you but clearly you should do something. Make people feel good. It's simply good for your people – and for the bottom line.



Column • Ville Saarikalle

Ville Saarikalle began his career as an entrepreneur at the age of 19. His first taste of entrepreneurship was starting a business selling mobile devices. He's also started a workforce outsourcing company. Ville's areas of expertise are sales and sales management, which also happen to be the topics of Ville's Master's thesis for the University of Jyväskylä. He is a partner of Nordic Business Forum Oy.

Who Gives a #%&¤ about Values?

"You can't sell it outside if you can't sell it inside." – Stan Slap

Some see corporate values as a higher form of corporate *Bullshit Bingo* – a good source for jokes around the company water cooler. More often than not, they are right. That's sad. I personally believe that well communicated values can drive sustainable competitive advantage. They can help you attract and keep employees who share the company's DNA – people who will be able to make customers feel your culture and hopefully fall in love with it.

Or the opposite if you screw it up.

Here are some of the things I strongly believe in when it comes to customer service:

- We work with passion to exceed expectations
- We keep our promises and over-fix our mistakes
- We take initiatives without waiting to be asked
- We are performance-obsessed and solution-driven
- We work together but entrepreneurially

I'm not embarrassed to admit that I'm passionate about this stuff and I use these values to evaluate how we treat customers, our Board and each other. There's a reason we do internal customer satisfaction surveys twice a year. There's a reason we have insourced Reception on all our campuses. It's not enough to *have* values. You have to be able to control their deployment in a service business. You can empower people. You can give them clear KPIs and targets. You can incentivize both your own staff and external partners. But if they don't share your passions, your philosophy – in other words, your basic values – you will fail.

After a while you learn how to ask the right questions, in job interviews, in performance appraisals, in supplier evaluations. You begin to figure out how to identify like-minded people, although heaven knows, it ain't easy. People are ever so clever at disguising their true selves in interview situations and tests are all too easy to fool if you are intelligent enough. So, I will admit that I go to some effort to figure out who people really are. I might ask something like, "*Would you consider yourself a normal person?*" and when they answer that, well, yes they consider themselves to be, I watch their reaction when I say "*That's too bad, because we as a company are not normal.*" You can almost see the rapid reprogramming going on across their faces as they try to readjust. I also test people by trying to draw very vivid pictures about just how hectic, chaotic and 24/7 all-out crazy life can be at Technopolis. This tactic is especially effective after you have got them to admit that they believe in a healthy work-life balance.

All this is just to say that for me, values are a powerful tool to at least try to surround myself with like-minded lunatics who can share my commitment to going that much farther than what is expected. That little bit extra is ultimately what separates us from our competitors. Who wants normal? Normal sucks. I'm not ashamed to say that out loud. Not all of my people share this view.

But we're getting there...



Column • Keith Silverang

Keith Silverang is the CEO of Technopolis Plc, a listed Finnish real estate park specializing in smart business parks. He holds an MBA degree from Helsinki School of Economics. Before Technopolis, he has worked e.g. as an internationalization consulting entrepreneur for 6 years.

Summaries

MARKETING IDEAS

Anniina Tauriainen,
page 8

Secrets to Successful Viral Ads

Everyone wants their ad to go viral on YouTube, but only a handful do.

Looking at successful ads can give you a guide on how to create awareness and gain attention. There are four elements used in successful viral ads: surprise, humor, emotional appeal and knowledge of the target audience. One of the greatest example is Volvo's epic 'Jean-Claude Van Damme ad' where he performed a full split on two reversing trucks. Since the ads release in November 2013, the Epic Split has gained over 73 million YouTube views, making it the most watched automotive ad ever on YouTube.

MARKETING IDEAS

Keith Cunningham, page 12

How Big Would Your Business Be If...

Conventional wisdom tells companies that growth is the most important thing in business. And that means getting new customers. The seasoned entrepreneur and acclaimed author, Keith Cunningham believes that the biggest impediment to growing a business is the inability to keep customers coming back. He suggests asking yourself two key questions:

1. How would I have to run my business so customers would say: "I'd have to be crazy to go somewhere else?"
 2. If 100% of my future growth was by referral only, how would I run my business?

Answer those questions, and you will obtain the growth you are seeking while making more money.



MARKETING IDEAS
Ken Segall,
pages 15–16

Marketing Made Simple

Perfection is not achieved when there's nothing to add, but when there is nothing to remove. Sometimes the path to your destiny is not a straight line but contains curves. That's the case for advertising expert, Ken Segall. Although he did not take advertising classes in college, he became the man behind Apple's famous 'Think Different' campaign and the naming of iMac. Two examples of Segall's belief in keeping it simple. And keeping it simple has obviously worked for him.

MARKETING IDEAS

Isabella Löwengrip, Brian Tracy & Jack Welch, pages 18–19

Fear of Public Speaking? Don't Worry, It's Not Terminal

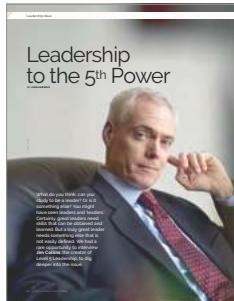
Many professionals fear giving a presentation, and are all too familiar with sweaty palms and a dry throat. There are ways to ease your anxiety so public speaking is not a fearful experience, as three of the most highly rated performers from past forums reveal. Isabella Löwen-grip, Brian Tracy and Jack Welch provide insights to help you. Preparing heavily is one important piece of advice from Isabella. Jack and Brian recommend audience engagement, and Jack recommends to allow the audience to ask you questions. “Manage nervousness by telling stories related to you or visualizing your talk beforehand,” Isabella recommends.



MARKETING IDEAS
Tony Fernandes,
pages 21–23

How Marketing Makes or Breaks A Company

When Tony Fernandes bought AirAsia from DRB-Hicom it was bankrupt, had only two Boeing jets and \$11 million in debt. However, he believed so much in the airline's potential that he mortgaged his house and spent his savings. After only one year the airline broke even. Today, Fernandes is respected by the business world. A huge part of his success is in his marketing approach. Part of that marketing approach is emphasizing social media channels for social media, which allows AirAsia interact directly with its customers. Marketing is, after all, very important. Or as Fernandes puts it, you can have a great product, but if no one knows about it "you're just wasting your time."



LEADERSHIP IDEAS
Jim Collins,
pages 42–45

Leadership to the 5th Power

Great leaders can make or break companies. Jim Collins has made a career out of studying leadership. He is the father and founder of the concept called 'Level 5 Leadership.' He began his research in 1996, and looked at over 1,400 companies during his years of research. In Collins' leadership model, levels 1 and 2 are considered to be employee level, level 3 are mid-management, and levels 4 and 5 are leader levels. In order to reach level 5, you need all the other levels. Looking at successful business leaders, it's clear many have reached all five levels of leadership. Examples abound and include people such as Sam Walton of Wal-Mart, Walt Disney and Bill Allen of Boeing.



LEADERSHIP IDEAS
Vladimir Funtikov,
pages 47–48

Success Sometimes Comes After Failure

Too many people have lost jobs since the economic crisis began in 2008. Vladimir Funtikov lost his job as a Java developer. Despite receiving offers from other companies, he decided to start his own company. Not everything went exactly smoothly for the first year. Funtikov and his fellow co-founders of Creative Mobile, an Estonian based game developer/publisher, invested six months of their lives in a game only to have it fail. They decided to use a different business model, and then found success. When Creative Mobile started making money, they were at the point where they were ready to give up. Persistence really does pay off, as Funtikov and Creative Mobile prove.



LEADERSHIP IDEAS
Esa Matikainen,
pages 50–52

How to Succeed in Digitalizing World

What skills do you need to succeed in the digitalizing world? You will need to have the same skills an athlete possesses, according to Dr. Esa Matikainen, a board member in several growth companies and a Partner at Boardman, the leading Finnish competence network for board performance. You will need technique, or in business terms, you will need skills and competence. You will need tactics. Those skills will help you succeed, but you also need the right people around you coupled with passion. You will need to dream big, and create an organizational culture that fosters experimentation and speed of implementation.



LEADERSHIP IDEAS
Sir Ken Robinson,
pages 54–56

It Is Not About How to Be a Better Leader, But What Kind of a Leader You Want to Be?

A conversation with Sir Ken Robinson about the 21st century business leader leads to discussions of much more. Topics such as the usefulness of a university degree. Robinson says no, that business leaders must look beyond educational models designed for the 19th century. Lifelong learning is important for any leader to succeed, particularly those in the business world. Robinson thinks lifelong learning is key for economic growth. A business leader must understand the conditions that make creative work possible, and decide what kind of leader they want to be.

A screenshot of an article titled "Creating Motivation in an Accelerating World" by Lauri Järvilehto. It features a photo of Lauri Järvilehto and includes text and images related to motivation in a fast-paced environment.

LEADERSHIP IDEAS
Lauri Järvilehto,
page 57

Creating Motivation in an Accelerating World

How do you motivate people? That is a question a good leader asks. The market is quickly changing due to innovations such as social media and the mobile phone that have redesigned the entire economy. Extrinsic motivation such as coercing someone or offering them a boon just doesn't work in a rapidly changing market. What is needed is intrinsic motivation. We need to swap coercion for enabling people to meet their most fundamental psychological needs: autonomy, competence and relatedness. Autonomy is needed to react quickly to the accelerating market dynamic, while competence is needed to develop new skills. We must be able to create both authentic and lasting relationships.

A screenshot of an article titled "Happiness Means Profit" by Ville Saarikalle. It features a photo of Ville Saarikalle and discusses the relationship between employee happiness and company success.

LEADERSHIP IDEAS
Ville Saarikalle,
page 62

Happiness Means Profit

There is a simple formula to make your business a great place to work: happy employees = happy customers = happy owners. However, many people are not very happy in their working life. Employees are more productive and satisfied when their core needs are being met: physical, emotional, mental and spiritual. Leaders and organizations can support employees in meeting their needs. Employees need opportunities at work to recharge, feel valued and appreciated for their contributions, focus on their most important tasks, do more of what they do best and enjoy most, and feel connected to a higher purpose at their jobs. Making employees feel good is good for your company and for your bottom line.

A screenshot of an article titled "Who Gives a #*&% about Values?" by Keith Silverang. It features a photo of Keith Silverang and discusses the importance of corporate values.

LEADERSHIP IDEAS
Keith Silverang,
page 63

Who Gives a #*&% about Values?

Corporate values are more than just words, but are communicated values that can drive sustainable competitive advantage, as Keith Silverang, CEO of Technopolis believes. Customer service is an important part of making customers fall in love with a company's culture. Silverang lists five elements that are key for customer service:

1. We work with passion to exceed expectations
2. We keep our promises and over-fix our mistakes
3. We take initiatives without waiting to be asked
4. We are performance-obsessed and solution-driven
5. We work together but entrepreneurially.

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