

# NORDIC

2015

## Business Report



**ARIANNA  
HUFFINGTON**  
Leading  
Women  
to Thrive

**GUY KAWASAKI**  
Democratizing  
Stuff

**STEVE BLANK**  
Build, Measure,  
Learn and Disrupt

**GARRY KASPAROV**  
Making the Right  
Moves

**SIMON SINEK**  
Nice Guys Don't  
Finish Last



*We're Anne, Harri and Taija. Our job is to help your*  
**BUSINESS GROW**

In Jyväskylä that's all part of the package.  
We're here to help you to find suitable  
premises, qualified personnel and  
a supportive network in the area.  
Why not get in touch with us?

*Why Jyväskylä?*

**1 Smart committed people.**  
Jyväskylä is big on committed,  
well-educated people. Our  
universities guarantee a supply  
of superb personnel at a  
reasonable cost.

**3 Smart and safe living.**  
Your family will love the region.  
Research shows Jyväskylä is  
a safe and easy place to live  
and a fantastic environment in  
which to raise a family.

**2 Smart premises and  
living labs.**  
For example, Smart Kangas  
is a test bed for new ideas  
and technologies. The  
smart community in Kangas  
will include digital identity,  
smart care and well-being  
making use of smart  
services. Kangas will be the  
most cyber secure area of  
the most stable country in  
the world. [www.jkl.fi/kangas](http://www.jkl.fi/kangas)

**Read more: [jyvaskyla.fi/international/business](http://jyvaskyla.fi/international/business)**

JYVÄSKYLÄ 

  
JYVÄSKYLÄN  
**KANGAS**



Mind  
your own  
business

What would happen if you really could mind your own business?  
With no distractions. No time and resources wasted on non-core processes.  
Just complete focus on your core business. At Enfo, we believe business  
should be simpler, smoother, and smarter for you. If we do what we do  
best — providing IT services and financial process outsourcing — you can  
focus on what you do best.

Visit [enfo.fi](http://enfo.fi) and explore your possibilities.

**enfo**



YOU PAY 520?

YOU DRIVE 46?



## Keep costs of corporate cars in check.

ALD Matrix is ALD Automotive's unique leasing model where you pay only for the actual kilometres driven. The rent guarantee starts right from the beginning of the agreement – no ties to an index, no changes in the interest rate percentage and no changes in the residual value. Sign up to a flexible agreement now, with no surprises. Read more at [aldautomotive.fi](http://aldautomotive.fi)



More information:



## The Expansion Continues



Paula Ojansuu

Editorial • Hans-Peter Siefen

Nordic Business Report continues its path of expansion. In addition to Finland, where it had its first print run in 2012, for the first time last year the magazine was published and widely distributed in Estonia and in St. Petersburg, Russia. This year NBR will also make its debut in Latvia. The total circulation of the printed magazine is close to 100,000, which is considerable for a Nordic business magazine.

Nordic Business Report is also reaching readers year-around with our on-demand online digest. Since February we have published new articles weekly, using formats ranging from video interviews to research-based articles on marketing, entrepreneurship, innovation and leadership. Our aim is to help our readers to grow their businesses by sharing business ideas and insights. You can read all of the articles published on this printed magazine at your convenience online at [nbreport.com](http://nbreport.com) on our fully mobile-responsive website.

### Top 20 Women in Business

Each annual issue of Nordic Business Report, offers our readers a highly-popular index of notable business thinkers and practitioners. Previous issues featured the Nordic Thinkers 20 two years ago and the Northern European 30 under 30 last year.

This year we turned the focus on women, who, for one reason or another, have not been as visible in the previous rankings as they might have been. Our 2014 publication highlights the Northern European Top 20 Women in Business selection, which covers the Nordic and the Baltic countries as well as Russia – nine countries altogether!

We would like to extend our appreciation to the members of the national juries for working with us to identify and draw attention to these great women. The exercise proved that there is an enormous number of successful business women making their mark in Northern Europe. With such an array of talent, it was difficult to eliminate many of the candidates, so we have published a list of “runners up” from each country, which you can explore on the NBR website.

As always, we hope our magazine will inspire you to brilliant ideas and meaningful action!

Best regards,

Hans-Peter Siefen

Editor in chief, Nordic Business Report  
CEO & Co-founder, Nordic Business Forum Oy

# Contents



Paula Ojansuu

22

## Build, Measure, Learn and Disrupt

When in doubt about startups and disruption, Steve Blank is the man to go to. The legendary serial entrepreneur-turned-educator sat down to speak about disruption, startups, and entrepreneurial education.

DISRUPTION

8 **Disrupting and Getting Disrupted**

Two Silicon Valley entrepreneurs tell their story.

10 **Transformation or Death?**

New technologies are changing the way business is done.

12 **Guy Kawasaki: I'm into democratizing stuff**

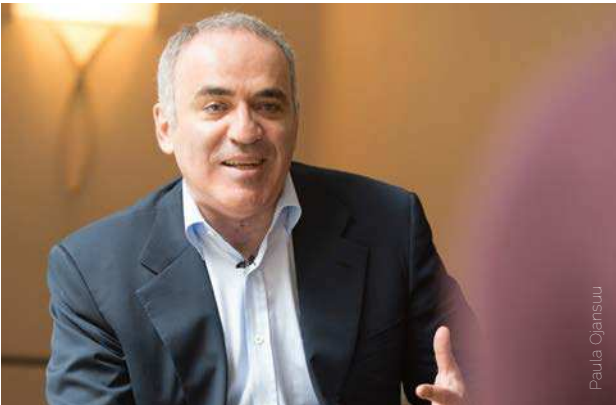
Guy Kawasaki is on a mission to democratize design and knowledge.

17 **The Real Lessons of Disruption**

Five lessons to embrace.  
*Alf Rehn*

26 **Lean Growth in Nordic Climates**

Siili Solutions is putting lean management principles into practice.



Paula Ojansuu

42

## Making the Right Moves

Garry Kasparov did not become a world chess champion by chance. Relentless work for developing strategical thinking was always a critical part of his success.

STRATEGY

52 **Nice Guys Don't Finish Last**

Simon Sinek explains why having empathy is the best leadership tool.

57 **Strategy Is a Business Puzzle**

Rearrange the pieces and win.  
*Tero Vuorinen*

54 **Suffering Is Great Strategy**

Column.  
*Keith Silverang*

57 **Ask Vijay**

Strategy Q&A with Vijay Govindarajan.



Damon Dahlen

28

## Leading Women to Thrive

Arianna Huffington managed to build a huge business out of blogging in just six years. Now the media mogul urges today's women to lead the 3rd women's revolution.

52 **Why Women Still Trail in Entrepreneurship Tables**

A number of factors still prevent women from setting up their own businesses.



WOMEN IN BUSINESS

34

## Top 20 Women In Business in Northern Europe

Meet the 20 most powerful women in business in Northern Europe.

### Editorial Board



**EDITOR IN CHIEF**  
**Hans-Peter Siefen**  
*Co-founder, Nordic Business Group Oy*



**AUTHOR**  
**Andrew Scholfield**  
*Copywriter and Entrepreneur, Othello Consulting*



**AUTHOR**  
**Denise Wall**  
*Journalist and writer*



**EDITOR & AUTHOR**  
**Tuomas Liisanantti**  
*Head of Marketing, Nordic Business Forum Oy*



**EDITOR & AUTHOR**  
**Anniina Turunen**  
*Head of Communications, Nordic Business Forum Oy*



**ART DIRECTOR**  
**Janne Lahtinen**  
*Graphic designer, Serus Media Oy*

**NORDIC**  
**Business Report**

**Contact Information:**  
Nordic Business Report  
Kauppakatu 41 B 14  
40100 Jyväskylä, Finland  
+358 20 775 1390  
info@nbreport.com  
www.nbreport.com



Serus Media

**Publisher:** Nordic Business Report  
**Production:** Nordic Business Report and Serus Media Oy  
**Editor in Chief:** Hans-Peter Siefen, hans-peter.siefen@nbreport.com  
**Editor:** Tuomas Liisanantti, tuomas.liisanantti@nbforum.com, Anniina Turunen, anniina.turunen@nbforum.com  
**Cover photograph:** Carlos Serrao  
**Press:** Uniprint, 2015



NBR Gallup poll:

# DISRUPTING AND GETTING DISRUPTED

Two Finnish entrepreneurs, now living in the Silicon Valley, tell how their businesses disrupted and got disrupted.



**Jani Penttinen,**  
Founder & CEO,  
Transfluent



**Ari Backholm,**  
Senior Vice President,  
SEVEN networks

After fifteen years working as a game developer, I got tired and started to travel the world. I went from the U.S. to China and got stuck there for two years. During that time my wife and I developed a social network called Xiha. At first it was just a place where our families and peers could communicate. We came back to Finland and continued building it as a hobby, but it quickly grew to roughly 26 million users, which at the time was huge for a social network. We had members from 200 different countries.

Then Facebook emerged and pretty soon we started to see our active users drop out and move to Facebook. Our traffic and revenue began to fall, and we knew that we were going to run out of money at some point. We decided to gather what we had and pivoted to set up my current company Transfluent.

I think we had all the right cards in our hands to succeed with Xiha - if only we knew what to do with them. I didn't know about the concept of venture funding and how to raise money. With that knowledge, I think we could have been in a different place. We were building Xiha with very limited resources. If you grow to more than 20 million users in a couple of years, you are very well set to raise money in Silicon Valley, build a team, and maybe get into the game. Or maybe not. Of course it's hard to say. Maybe we would have failed with Xiha anyway.

I established a company called Smartner with **Jussi Räisänen** and **Mika Uusitalo** back in 1999. We grew it by providing email solutions to mobile carriers. This was the time when your pager was the closest device to a smartphone. We created an ecosystem for pushing emails to mobile phones and sold it to 30 mobile operators and 250 enterprise clients in Europe. Later on we decided to sell the whole business to a more established player who would continue the expansion. We sold Smartner to SEVEN networks, my current employer.

Although a more established firm, I consider that SEVEN has also been a sort of David from the story of David and Goliath. However, we have also been on the receiving end of disruption. That happened with the smartphone evolution and revolution as Apple and Google brought devices to market, which already had the messaging capabilities that we were providing. So the same kinds of commercial services that we offered were provided free on their platforms.

We had to rethink our business completely. We moved from the messaging business to network optimization in a relatively short period of time. In that sector, we have also come under pressure from Google. Because of their market position, Google's customers such as the operators and device manufacturers are afraid to work with another player. That eventually led to problems getting our optimization product out to market. Simply because the carriers, operators, and device manufacturers weren't willing to challenge Google the Goliath.

# The great quattro.

The all-new Audi Q7 Business.  
Starting from 98.890 €

You will not become great by getting bigger, but by shedding unnecessary weight and perfecting your technique. That's why the sculpted single-frame grille of the all-new Audi Q7 hides a 272 hp TDI engine with massive torque. Even more impressive is the consumption: only 5,7 l/100 km. Thanks to the legendary quattro all-wheel-drive and adaptive air suspension, the Q7 provides superior handling in all road conditions. The Q7 is also more spacious than before and available with seven seats. Read more at [audi.fi](http://audi.fi)



Audi Care Base  
service contract  
for Q7 models  
from 43 €/mo.

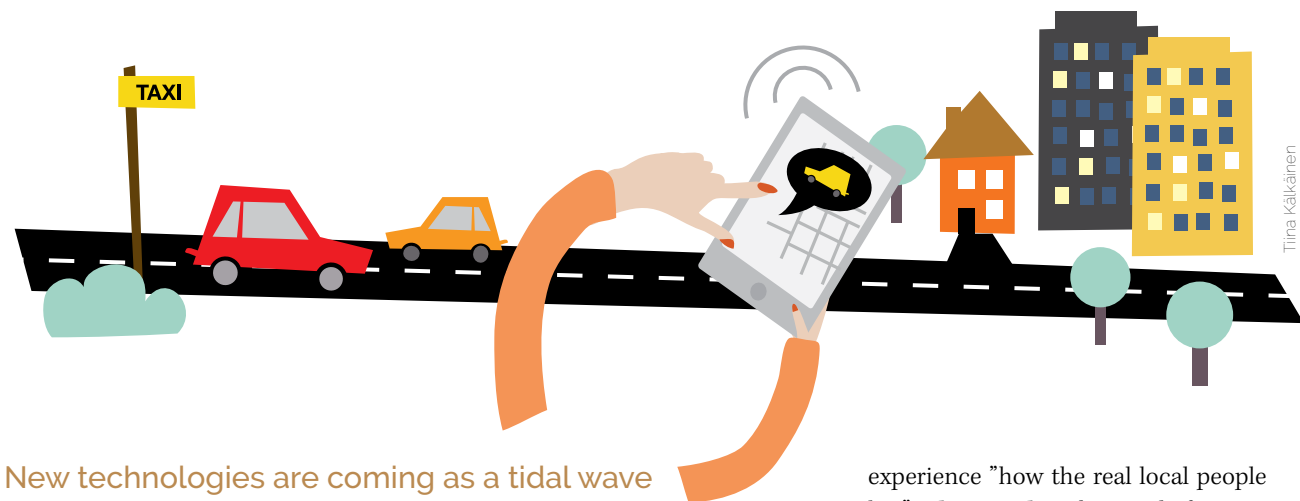


Audi Q7 3.0 TDI Business 200 kW (272 hp): price without car tax: 74.690 €, estimated car tax 24.200,25 €\*, total cost: 98.890,25 €. Car benefit tax 1615 €, limited car benefit tax 1435 €. Combined fuel consumption 5,7 l/100 km. \*CO<sub>2</sub> emissions 149 g/km. Destination charges will be added to the total cost. Model shown with optional equipment.



# Transformation or Death?

BY VILLE SAARIKALLE



New technologies are coming as a tidal wave and changing the way business is done, even destroying some industries. So what makes customers reject the good old ways and turn toward new solutions? Are there any ways old industries can fight back?

## Uber vs taxi

Uber is a new kind of sharing economy transportation company. It has grown from zero to billions of euros in revenue in just a few years. The concept is simple: download the Uber mobile app, submit your Uber trip request, which is routed to Uber drivers, and enjoy the ride. Here's the critical factor: most of the time Uber drivers are just regular people looking to make some extra money. They can work when they want and where they want. Also, the customer doesn't need cash or a credit card, only the Uber app.

What makes Uber attractive? It is convenient. There is no need to call or wave your hand from the street, and all you need is the app. You'll know exactly when Uber arrives. You can even know beforehand how much the ride will cost. The payment process is easy. There are times and places when a taxi is hard to get, but Uber app has not

only fulfilled this need, it has actually changed the whole transportation industry.

## Airbnb vs hotel

Airbnb is a website for people to rent their extra space. It was founded in 2008 and nowadays it covers over 190 countries. Here is how it works: users create personal profiles and book their accommodation from a website. Properties are associated with hosts whose profiles include recommendations, reviews, response ratings and a private messaging system. Airbnb is an easy way for people to make money with their houses and to book unique places to stay.

The competitive advantage of Airbnb is the unique experience. It is not cheaper and it's also riskier than a hotel, but it is different. Airbnb's digital platform has made it possible for people to form a global community and

experience "how the real local people live". **Chip Conley**, the Head of Hospitality & Strategy in Airbnb, wrote in *hotelnewsnow.com* that experience-driven travelers are looking to live like a local and that the modern traveling public is more adventurous.

## The survival of the wristwatch

Some years ago nobody believed that wristwatches would survive. We were all wrong. *The Economist* (6/14/2014) notes that though in the 1970s the Swiss mechanical-watch industry was almost washed away by digital watches, the industry today is more successful than ever.

So what happened? Despite disruption, the industry fought back. **Ryan Raffaelli**, of Harvard Business School, told *The Economist* that the key to success lies in redefining the product's value and meaning. Swiss watchmakers redefined their meaning as status goods rather than a means of telling the time. People do not just buy solutions to their problems, they buy because of emotional response and to feed their self-esteem. That is the lesson we can learn from the Swiss watchmakers fighting their way through the disruption.

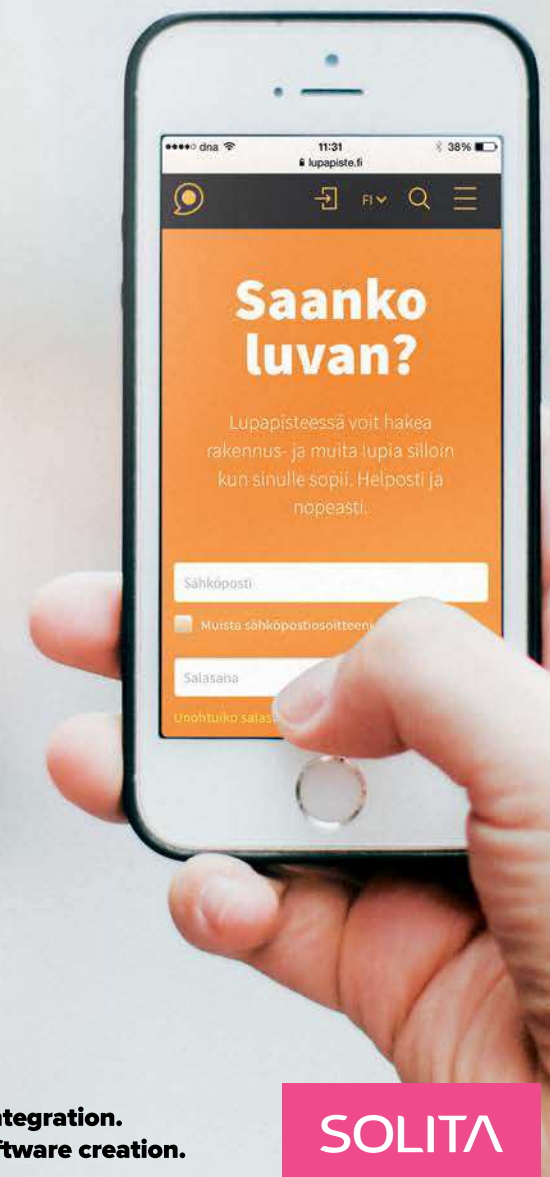
# YOUR GUIDE TO THE DIGITALIZING WORLD

*Solita is a digital business consulting and services company. Our clients include Alko, DNA, Fazer, Nokian Tyres, Sanoma, S Group, the Finnish Transport Agency and the Ministry of the Environment.*

Read more at [solita.fi](http://solita.fi)

GRAND  
ONE  
2015

Best B2B Service  
category winner.



**Digital strategy. Service design. E-commerce. Integration.**  
**Big data. Analytics. Internet of Things. Lean software creation.**

SOLITA



# Guy Kawasaki: I'm into democratizing stuff

BY TUOMAS LIISANANTTI

As the pace of technological development gets more and more frantic, Guy Kawasaki, the former Chief Evangelist at Apple, is on a mission to democratize computers, design, and knowledge.



/// In March 1959, when U.S. President **Dwight D. Eisenhower** signed the Hawaii Admission Act admitting Hawaii to become the 50th state, **Guy Kawasaki** was like any other four-year-old living in a poor area on the island of Honolulu. Now 56 years later, he has become one of the iconic figures of Silicon Valley and done things then unimaginable for a young Guy Kawasaki. Getting a Stanford and UCLA education, working for Apple, starting businesses, advising the CEO of Motorola, serving on the Wikimedia Foundation Board of Trustees and writing thirteen books. *"No one foresaw or could have predicted what I've done,"* Kawasaki ponders.

With the rise of online education, the disruption of the educational sector has become a heated topic in the Nordics. However, discussion about the future of education is understandably even more aggravated in the United States. Sky-high tuition fees in higher education and lower education serving as a sorting system have faced strong criticism and led many of the entrepreneurial bright minds to drop out of college. Kawasaki feels strongly about democratizing education.

*"I hope the school system gets disrupted. It is a fundamental moral responsibility of governments to democratize education for its people. It's a right, not a privilege, and I'm a hard-ass who believes very few things are rights,"* he explains.

Kawasaki's journey to one of the world's best-known marketing gurus got a jump-start in 1983 when his Stanford roommate **Mike Boich** got him a job at Apple. Before starting a career at Apple, Kawasaki had learned a valuable lesson while working for jewelry manufacturing company Nova Stylings – the importance of sales. In hindsight Kawasaki points out one thing that he feels is the cornerstone of successful sales, no matter how self-evident it may sound.

*"It seems obvious but very few people understand it. The key to selling is to have a great product or service. It's easy to sell a great product or service. It's hard to sell crap. Thus, one should align or create something great. That's the hard part."*

After Apple's controversial introduction of the Macintosh, during the 3rd quarter of the 1984 Super Bowl, Kawasaki started his quest to turn every software developer in the world to become a Mac user and to create Macintosh products. The truly passionate people seldom mention the word passion, when talking about their attitude towards

**You never hear about the thousands of companies that fail and how hard entrepreneurship is.**

work, even if everything in between the lines emanates passion. Kawasaki is no exception.

*"Working in the Macintosh Division wasn't really 'work' the way most people mean it because we were on a mission to change the world. It wasn't like punching a clock or going through the motions. It was a calling."*

1985 was a defining year in the history of Apple when the CEO at the time, **John Sculley**, got into a heated argument with **Steve Jobs** that resulted in the resignation of Jobs. At the same time, a French software developer **Laurent Ribardière** was negotiating with Apple about publishing the world's first graphical relational database management system he had developed. It was called 4th Dimension or 4D. Although eventually published independently, Apple supported Ribardière's new venture by using it for various projects. Among many other Apple employees, Kawasaki started to become well versed with 4D. He remained with Apple for the next two years, before jumping to lead ACIUS, the US-based subsidiary of ACI and the publisher of 4D, in 1987. For Kawasaki, the years at ACIUS served as great life and business lessons. Though the years at Apple had been a wild ride, the unique aspects of a start-up still came as a surprise for him.

*"I learned how hard it is to truly make a startup successful. You only hear about the great successes, and you might come away with the impression that entrepreneurship is easy. You never hear about the thousands of companies that fail and how hard entrepreneurship is,"* he says.

After leaving ACIUS in 1989, Kawasaki pursued his dream of empowering others to succeed by speaking and writing. From 1990 to 1995 he published six books and started to see Silicon Valley electronics firms lure in more and more money after recovering ground lost to Japan during the 80s. Kawasaki rejoined Apple in 1995 when the boom-cycle was just about to start and things would get overheated in the Valley. At the time, Apple was living through one of the hardest chapters of the company history. In the winter of 1995-1996 Apple posted a 68 million dollar loss in the fourth quarter and **Michael Spindler**, the CEO at the time, was asked to resign. In the late December of 1996, Apple made the staggering announcement that it would be acquiring NeXT. That meant that Kawasaki was – again – about to cross paths with Steve Jobs.





Whether the topic is usability, design, marketing, strategy or leadership, it is hard to find a business coach that wouldn't be using Apple – or Steve Jobs for that matter – as a case example. Looking back at all the companies he has worked for, or with, Kawasaki has a view on what is needed to form a healthy company culture.

*“The cornerstone of a healthy company culture is creating a product or service that makes people's lives better. From this, everything else flows. It means, for example, that the company is not about the egos of the founders nor of simply making money,”* Kawasaki begins to explain and adds, *“don't get me wrong: Steve Jobs had an incredibly strong ego, but I never felt that the Macintosh Division or Apple was about his glorification. Apple was and is, about making people's lives better.”*

Living through the boom years, being involved in high technology companies, and getting familiar with the who's who of Silicon Valley startup entrepreneurs had given Kawasaki a glimpse of what the life on the other side of the investment table could

**I don't consider myself successful as an investor.**

be like. Soon the temptation to get more involved in venture capital became irresistible. Garage Technology Ventures, an angel investor matchmaking service and venture capital firm co-founded by Kawasaki in 1997, was where the rubber met the road. Becoming a VC might be the ultimate goal for many aspiring business students, but at the aggregate level, startup investing is far from easy billion-dollar exits and managing a portfolio filled with the coolest companies. *“I don't consider myself successful as an investor,”* even Kawasaki admits.

After grinding it out for seven years in the tough world of venture capital, investing and founding companies, Kawasaki made a surprising move to join Google's Motorola unit.

After a fairly quick one year stint at Motorola, Kawasaki was ready to get back to what he was best known for, evangelizing products. In 2014, he joined the Australian web design startup Canva and resurrected his evangelist title.

*“The word ‘evangelism’ comes from Greek roots meaning ‘bringing the good news’. Apple brought the*

*good news of personal computing. Canva is bringing the good news of accessible design. It makes perfect sense for me to work for Canva,”* Kawasaki goes on to explain, and continues about his underlying values and objectives: *“I'm into democratizing stuff and making the world more of a meritocracy. Apple democratized computing, enabling millions of people who could not have afforded or comprehended computing to use this new tool. Canva is also a democratizing force. It is democratizing design so that people don't have to buy or rent expensive software and spend months learning it to make beautiful designs.”*

With over 11 million followers on social media and frantically posting content, it's fair to say that Kawasaki is one of the social media's power users. When Facebook and Twitter came into existence, Kawasaki wasn't afraid to jump in. Though both Facebook and Twitter are heavily monetizing their service with sponsored content, neither company is enforcing a fee for basic usage. If that were to happen, Kawasaki would be more than okay with it. Already years ago Kawasaki said that he would be willing to pay for using Twitter, today Kawasaki is a fan of Facebook and sees plenty of reasons to go along with Facebook's current 'pay to play' trend when it comes to reaching his audience.

*“Facebook is the best source of traffic to my website. It catalyzes the most interaction and engagement. It enables the best marketing and targeting,”* he starts off by describing the value he sees in Facebook for marketing purposes, but then gets to the other reason he spends so much time in social media, *“and it's fun. Really, all social media is fun for me, but Facebook is fun and valuable.”*

Another hot marketing topic of the 21st century is unquestionably content marketing. Kawasaki has been churning out valuable content through his whole career, trying out practically every channel and method available, so for him the transition has been rather easy. *“Content marketing is a good thing. It is a fair exchange: good content for attention and permission to market something. I love content marketing,”* Kawasaki exhilarates. However, there's one surprising aspect of the content marketing trend that frustrates him. Books are a serious thing for Kawasaki and even though he is known as a marketer and an author, the intent behind a book makes all the difference for him. *“Writing a book as a*

**Content marketing is a good thing.**

*marketing tool is bullshit. A book is an end in itself. It is art. It is not a means to an end,”* Kawasaki explains.

If Kawasaki's activity in posting content to social media is any indicator on how many books he still might have left in the tank, fans of Kawasaki can expect him to bring plenty of good news to them in the upcoming years.

**Kawasaki's bibliography:**



- The Macintosh Way (1990)
- Database 101 (1991)
- Selling the Dream (1992)
- The Computer Curmudgeon (1993)
- Hindsights (1995)
- How to Drive Your Competition Crazy (1995)
- Rules for Revolutionaries (2000)
- The Art of the Start (2004)
- Reality Check (2008)
- Enchantment: The Art of Changing Hearts, Minds, and Actions. (2011)
- What the Plus! Google+ for the rest of us. (2012)
- APE: Author, Publisher, Entrepreneur – How to Publish a Book. (2013)
- The Art of Social Media: Power Tips for Power Users (2015)
- The Art of the Start 2.0 (2015)

Sources: Wikipedia & guykawasaki.com



## The Cocktail for Success

- 1 part FOCUSING ON THE ESSENTIAL
- 1 part EXCELLENT LEADERSHIP
- 1 part MEASURABLE PRODUCTIVITY
- 1 part COURAGEOUS ACTIONS



## LET'S ALL CONCENTRATE ON WHAT WE DO BEST



In order to succeed, Finnish companies must do more productive work. It is people who do the work. The more meaningful the work is, the better the results. Focus on your core business. You will succeed. We offer you easy and efficient HR and payroll services, which allow you to focus on the essential. [www.silta.fi](http://www.silta.fi)



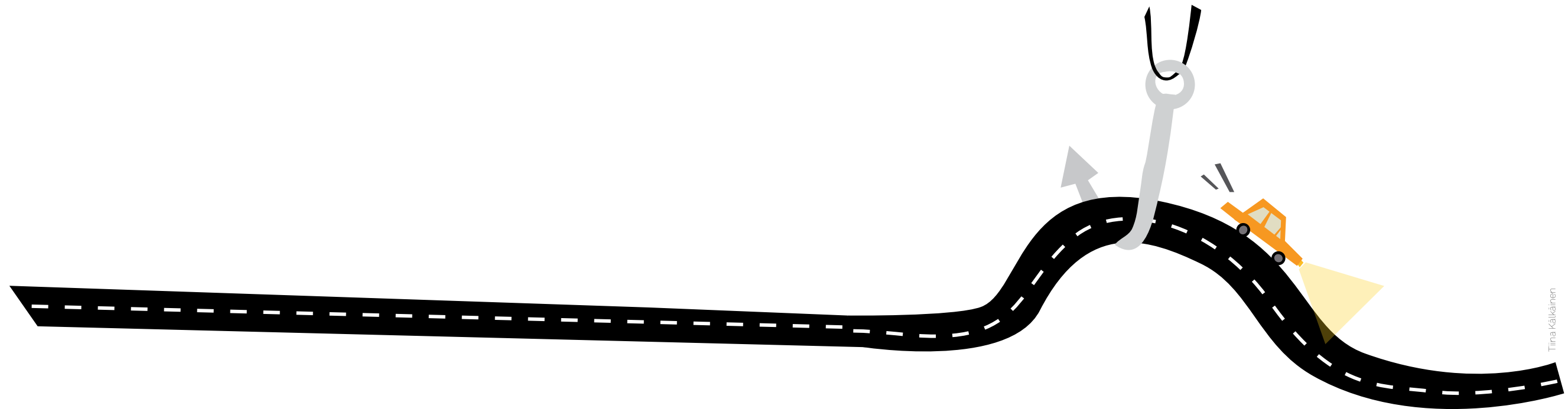
Tina Kalkainen

## The Real Lessons of Disruption

BY ALF REHN

Ever since **Clayton Christensen** introduced the notion of “disruptive innovation” in his *The Innovator’s Dilemma* from 1997, CEOs everywhere have found within themselves a desire to be disruptors. Seeing as it is a logical necessity that only very few can pull this off, one might wonder why this is the case. Why do so many leaders dream of radical overhaul and overthrowing the established order? In part the answer lies in how well the concept has captured the *Zeitgeist* of our era. In an age which celebrates the new and the innovative – at times to the point of fetishism – it is natural that captains of industry would want to align themselves with the notion of disruption, as not doing so would imply one is about to be dis-





rupted. But what happens in a situation where most if not all strive for disruptive innovation?

And the trouble does not end there. Recently, the concept of disruption has come under increasing attack. In part this has been due to the overuse of the word, leading to a perceived lack of meaning – when everything is portrayed as disruptive, the concept starts sounding like a joke. In part this has been due to a lack of clarity as to what a theory of disruption explains. Last year, **Jill Lepore** attacked Clayton Christensen, highlighting how many of the cases used by the latter didn't seem to say what he claimed they said, and further that Christensen's proposed theory of disruption didn't seem to have strong predictive capacities.

What this shows is that while we've become very comfortable with using the word 'disruption', this hasn't necessarily translated into an understanding of how disruption works, nor what is required to truly be a disruptor. Further, we need to be aware of the fact that disruption is not necessarily a model to be emulated, but rather a lesson to be learned! So, in this spirit, five lessons to embrace:

### Disruption is an umbrella, not a scalpel.

The key reason disruption has become so popular a concept is because it can refer to a great many things, some of them quite dissimilar. Whilst initially used to explain a specific kind of technological disequilibria, it has been used, even by Christensen himself, to describe changes in education, healthcare, or even shifts in demographics or geo-political power. This could be seen as proof positive that the term has become devoid of explanatory power, but might also be seen as a kind of meta-validation of the insistence in the original theory that change in a market or industry often emerges from unexpected directions.

The lesson theories of disruption might be trying to teach us, then, is that we shouldn't imagine disruption to come in easily discernible guises, or remain the same. Hunting for the next "Uber for X" is then to act *against* theories of disruption, as this works from the idea that disruption can have a formula. **Michel Foucault** once said: "*Do not ask who I am and do not ask me to remain the same: leave it to our bureaucrats and our police to see that*

*our papers are in order.*" Something similar might be said of disruption. Once you think you get it, that ain't no longer it – even if you are Clayton Christensen.

### It's not always what you do, but to whom it is done.

A continuation of the point above would be to note that we need to separate the disruption from the disruptive agent. Take, for instance, Uber, one of the contemporary poster-boys of disruptive innovation. It has, as a company, been highly disruptive to the entrenched taxi industry, and as its valuation reaches evermore ridiculous heights seems to prove the power inherent in doing so. But what was the disruption, really?

On one level, Uber merely leveraged existing technologies – the mobile internet and the notion of a "sharing economy" – in a traditional industry, if with some aplomb. In fact, precious little of what Uber achieved would have been possible had not the existing players (i.e. taxi companies and associated institutions) been so traditional in their outlook and work practices.

The lesson we might take away from this, then, is that disruption might not be so much the genius work of the upstart or the startup, but rather something akin to a chemical reaction. Just like a fire cannot start from a spark alone, but requires for there to be flammable material present, you never disrupt in a vacuum.

### Think fitness, not war.

The discourse on strategy still suffers from a machismo bias, one most easily spotted in the manner it uses terms and metaphors linked to war. But all the talk about "battle-plans" and "the right to win" means less and less in an economy that is permanently changing and churning. A war can be won. A battle too. They have starting shots and final negotiations, and are thus *terrible* metaphors for modern business.

What disruption can teach us is that there is no endgame, no final victory, for every disruptor will in time be disrupted, and you only win for the most fleeting of moments. A better metaphor, drawn from the notion of disruptive innovation, would be one of fitness. Here, you try



to continuously increase your physical health by way of a daily fitness regimen, but no matter how fit you get, you cannot stop there. Fitness is a fleeting thing, one without a clear final stage, and disappears when you stop working at it. Sure, if you are very healthy, you can take some time off without suffering any grave consequences, much like a company at the top of their game can allow themselves some indulgences, but these are only temporary pauses in an ongoing and never-ending struggle.

### Talk is cheap, disruption is expensive.

It will always be easier to call oneself a disruptor than actually doing any disrupting. This might sound like stating the obvious, but I present it as a way to start talking about the cost of disruption. Whilst there is a tendency to play up the cheapness of entrepreneurship today, and the manner in which disruptors have managed to leverage inexpensive technologies to achieve great things, the reality is still that disruption comes at a price.

To begin, disruptive innovation requires that you capitalize upon an emerging technology, and this will always have costs attached to it. These costs may be less than those of your competitors, but also includes costs related to learning the new way of working and developing a product or service in a distinctly different way.

This also points to how disruption comes with quite considerable cognitive costs. If you are an existing company, this might involve costs related to unlearning, costs related to entrenched technologies that need to be discounted, and organizational costs. If you are a new entrant, you will still need to pay the learning costs, not to mention the institutional costs that come with being a new player in an existing field. And we've not even touched upon the costs of educating and re-educating customers old and new, marketing a novel approach and making the new innovation scale.

Disruption isn't the easy way out, nor is it the cheap and cheerful way to innovate. It might be cheaper than it's alternative, but only because the alternative might be bankruptcy.

### You'll always be far more likely to be disrupted than being a disruptor.

At heart, the theory of disruption was always a theory about failure. Yes, it celebrated the clever upstart companies that managed to outfox the old guard, but more than this it was a story about how the very smart, the very knowledgeable, and the very well-financed still managed to miss and fail. The concept became beloved because it presented a tale in which the underdog won, in which the little guy conquered the big company, and in which there was always one more shot to take. It was a very American tale, one of upheaval and redemption, but the subtext is something more akin to a Greek tragedy.

Jill Lepore might have been right about the more upbeat promises of Christensen, or about the way in which disruption was turned into an almost cult-like tale of endless progress, but in attacking these points she missed out on the more fundamental aspect of the theory of disruptive innovation. This is the part where disruption is an updated term for a process identified by both **Karl Marx** and **Joseph Schumpeter** (if with very different readings), namely the notion that any and all institutions in the market economy are subject to creative destruction – “*All that is solid melts into air, all that is holy is profaned*”...

Thus the theory of disruption shouldn't be read as gospel, i.e. as a tale of promise and resurrection. Instead, it should be read as something more like a *memento mori*, a reminder of our mortality. In fact, we might even say that the early (very early) precursors to *The Innovator's Dilemma* were the *ars moriendi* texts, medieval Latin works on the practice of dying well, read in order to meditate on our inherent limitations and the fact that any earthly success is only a temporary state.

The real lessons of disruption, then, aren't easy tricks with which to achieve innovation success, but rather the opposite. Disruption teaches us to be skeptical, to doubt sure things, to stay open to the fact that if you don't know who the fool is, the fool is you. Disruption isn't necessarily a happy theory, nor is it always a motivational one. It is realistic, and that might be the most disruptive thing of all.

ADVERTISEMENT



Photo: Raigo Pajula

# Estonia's e-Residency is reorganizing the world

Global investors Michael Jackson, Paul Bragiel and Fadi Bishara (middle) after receiving their Estonian e-Residencies with e-Residency Program Director Kaspar Korjus (left) and the CIO of the Estonian Government Taavi Kotka (right)

One and a half years ago Silicon Valley entrepreneur Balaji Srinivasan predicted in *Wired* that thousands of people who manage to find each other on the internet will soon start coming physically together for longer periods of time. “We may begin to see cloud towns, then cloud cities, and ultimately cloud countries materialize out of thin air,” he concluded.

### First Country to Offer e-Residency

Estonia recently made a huge step towards this vision by becoming the first country in the world offering e-Residency – a platform of advanced government and business services that is open to virtually everyone on the planet.

e-Residency will attract a cloud of business entrepreneurs, freelancers and cultural fans around Estonia in a way that can turn the whole idea of being a

“e-Residency will attract a cloud of business entrepreneurs, freelancers and cultural fans around Estonia.”

small country on its head. States can become bigger than the sum of their physical residents. Estonia has already seen hundreds of early birds flocking to sign up for its e-Residency platform although the service itself is still in beta.

So what are the first e-Residents really after? Note that people joining e-Residency will not become physical citizens of Estonia, nor would they necessarily reside in Estonia. They will not have tax benefits either. Instead, e-Residency offers access to one of the world's most advanced set of government and business services that Estonia has developed since the 1990s.

### Services and Benefits

e-Residents can create companies in minutes as opposed to days or even months in some regions of the world. They can administer their companies and assets in a hassle-free manner. They can sign documents digitally without travelling. If they need to pay taxes in Estonia, they can take advantage of the world-famous Estonian tax interface that makes declaring taxes so easy that the whole process is over in 5 minutes.

Take Finnish entrepreneur **Jorma Tuomainen**, who says that he applied for e-Residency as soon as possible because he already had a company in Estonia. “Now e-Residency helps me run my company without constant travel, visiting notaries or printing, signing and scanning stacks of paper,” he says.

Tuomainen also believes that people from all over the world who live in unstable countries with dysfunctional business registration systems will be obvious candidates for Estonian e-Residence in the future.

### Developments on the Way

The current list of basic services is growing rapidly, but the very success of Estonia's e-Residency program depends on government and private sector cooperation in creating new applications, pretty fast. Currently several banks and start-ups are working on innovations that will make their services available to e-Residents.

The government of Estonia is open to more developers and partners to enter the scene. **Taavi Kotka**, the CIO of Estonia compares the development of the e-Residency platform to many developers working on apps in Apple's app store.

“Estonia is the world leader in e-Residency solutions and thus we have a 1-2 year advantage to attract the first million e-Residents and best developers,” says Kotka. He

“e-Residency offers access to one of the world's most advanced set of government and business services that Estonia has developed since the 1990s.”

has a bold vision of 10 million Estonian e-Residents, but he is also confident that soon some countries may follow with e-Residency programs of their own.

According to Kotka, technology is not the only key to a successful e-Residency programme. He believes that certain values will influence how people will bond digitally with countries. “As to us, we build our e-Residency around Nordic values such as egalitarianism, transparency, accountability and responsibility,” he explains. If Kotka and Srinivasan are right, then in the new digital world of the 2030s, physical states will also become states of mind.

» [investinestonia.com](http://investinestonia.com)  
» [e-estonia.com](http://e-estonia.com)

### e-Residents receive a smart ID card which provides:

- Digital identification and authentication
- Digital signing of documents
- Digital verification of document authenticity
- Document encryption

Estonia invites developers to integrate the secure and simple open ID platform for services requiring digital authentication and document signing.

### e-Residency unleashes the world's entrepreneurial potential

#### e-Residents can:

- Establish a company online
- e-administer the company
- Open an Estonian bank account
- Conduct e-banking
- Sign contracts digitally
- Declare taxes online
- Join the e-Residency community

Applying is easy at  
<http://e-resident.gov.ee>



Paula Ojansuu

# Build, Measure, Learn and Disrupt

BY TUOMAS LIISANANTTI

Steve Blank came to Silicon Valley in 1978. 37 years and 8 companies later the developer of the Customer Development model sat down with Nordic Business Report to speak about disruption, startups, and entrepreneurial education.

It has been almost twenty years since **Clayton Christensen** introduced us to the term 'disruptive innovation'. With entrepreneurs like **Elon Musk** casually announcing products from electric sports cars to reusable space rockets on Twitter, the word disruption is now on everyone's lips.

"Disruptive innovation means there are at first no customers," says **Steve Blank**, the legendary serial entrepreneur-turned-educator.

Blank is someone who has been there to witness the developmental phases of Silicon Valley and the emergence of disruptive technologies from the front row, after arriving in Silicon Valley in 1978. Blank's customer development model, together with **Alex Osterwalder's** business model canvas and principles from agile engineering, led to something that was later popularized by Blank's student **Eric Ries** as 'the lean startup'. When in doubt about startups and disruption, Blank is the man to go to.

Disrupting established industries by entering, what Blank calls, the 'new markets' requires visionaries like **Peter Thiel**, **Steve Jobs** or **Thomas Edison**. These days a classic example is **Elon Musk**. "Tesla or SpaceX are not variances on existing markets; they are radical disruptions," Blank says.

According to Blank, what's really interesting is that in these markets customer discovery cannot be achieved in the same way as with existing markets or through re-segmenting the markets because there is no-one to ask for the features they want. "To me 'disruptive' is seeing things that don't exist," he explains, hearing from his voice how we are now talking about something that truly fascinates him. As Blank continues to expand on disruptive markets and the innovators behind the most disruptive companies, the saying about a fine line between genius and insanity strongly comes to mind.

"Disruptive is a pretty special category. No customers exist. No market exists. While you think you are a visionary, the data says you are hallucinating. But we are glad you are going to do it anyway," Blank clarifies with a smile.

## Is there a type?

When almost 75% of all startups fail, it is hard to disregard the importance of a founder who is willing and able to fight against the odds. So what are the qualities that make a great founder? Is there

**Disruptive innovation means there are at first no customers.**

a certain type? There's a standard list of characteristics that people generally agree upon: agility, tenacity, relentlessness and resilience. In addition to these, Blank has a few personality traits in mind that don't usually get a lot of press.

"I think founders need to be curious. If you are not curious about a lot of things, you are going to miss a lot of things. Unless you have a broad set of skills, you are going to miss some pattern recognition," Blank points out. Another of Blank's observations is much more unconventional:

"I have found a very interesting correlation between founding CEO's who come from dysfunctional families. It turns out that this might be the first job in their lives that people from dysfunctional families have a large advantage over people from normal homes. Turns out that you might have figured out how to shut out all the noise and just focus on what's important in your life when there's chaos around you. It's probably the world's cruelest training ground to be a founding CEO, but it actually turns out to be the most effective. The bad news is that when, in fact, the company becomes stable and is no longer chaotic, and is in execution mode, these types of founders throw emotional hand grenades into their own companies to keep the chaos going."

Blank has often emphasized that startups are not smaller versions of big companies, but a set of people 'doing search' (as he phrases it). If a scalable business model happens to be found, the startup enters a new stage, a transition to become a 'real' company with a viable business.

"What founders are great at is searching for the business model. The minute you find a business model that scales, you are no longer doing search. This is a big idea that we don't articulate too well," Blank starts, pauses and continues, "so now it's about execution. There's no manual for this transition from search to execution. Smart founders and investors nowadays get that this transition happens."

## Disrupting entrepreneurial education

As in the world of startups, a lot has also happened in entrepreneurial education. After 21 years in eight high technology companies, Blank retired in 1999 but soon became interested in teaching in the classroom the lessons he learned in industry. Now lecturing in various top universities, Blank is regarded as one of the world's foremost teachers on entrepreneurship. Hold on a minute. Wasn't entrepreneurship supposed to be something that

**Entrepreneurship can only be taught to people who desperately want to learn it.**





Paula Ojansuu

is in your DNA? Something you either have or don't have? Something that can't be taught?

*"I think the question is much better understood if we reframe it and ask; who can entrepreneurship be taught to? Then you get to a really interesting answer. Entrepreneurship can only be taught to people who desperately want to learn it. To those who entrepreneurship is a calling, not a job. Founders are artists. In fact the right metaphor is to realize that, at least for founders, we are teaching art. Yet, we figured out how to teach art during the renaissance. We no longer ask if it is possible to teach how to compose music or sculpt or paint. For artists, we teach theory, but also a ton of experiential practice. That is how we teach entrepreneurship nowadays. We have realized that there is two components to entrepreneurship education: theory and a lot of hands-on practice,"* Blank says.

Long gone are the days when a class for entrepreneurship taken at a top-level university was about writing a business plan. When hearing Blank's views on the topic, it seems more and more evident that entrepreneurship education in business schools is becoming disrupted, as how to write a business plan is being replaced by classes on how to search for a business model. According to Blank: *"No business plan survives first contact with the customers. In fact, most investors never read your business plan. Entrepreneurial education has been radically disrupted in the last five years or so. We are now in another level in understanding what it means to teach entrepreneurs in edu-*

**If your school is teaching you how to write a business plan, change schools.**

*cational institutions. If your school is teaching you how to write a business plan, change schools."* If this sounds blunt, it's good to remember that all of this is coming from a man that has dedicated the latter part of his career to studying how to improve the odds for entrepreneurial success.

Together with the 21st century entrepreneurial success stories, mainly arising from within Silicon Valley, the whole idea about entrepreneurship has evolved in the minds of the public. It is not too long ago when being an entrepreneur meant that the person was a loser who was figuring out what to do with their lives. We've come a long way since and in a weird way entrepreneurship has first become acceptable and then cool.

*"I see a lot of students doing entrepreneurship because it's cool, trendy, and cheap to do now. All those are the world's worst reasons to want to become an entrepreneur. Most entrepreneurs are going to fail. Entrepreneurship is a calling. Here in the Valley it's hard to convince outsiders that these are people who would have done it for free. Not only that it's not about the money, but it is a zen-like thing where the more you chase the money, the further away it will be,"* explains Blank.

The educators are now trying to separate the wheat from the chaff already in the classroom. As Blank states:

*"In a startup, you have a gun to your head the day you start that says 'I am running out of money'. That's not a comfortable place. Now we're bringing that kind of rigor to entrepreneurial education."*

Interview video



**THE BEST LOCATION – THE BEST SERVICE**  
AN UNIQUE OPERATING ENVIRONMENT FOR BUSINESS



**10 LOUNGES, 34 MEETING & CLASS ROOMS, 70 OFFICES & WORKSPACES**

## Business Meeting Park

OPEN 24/7

+358 (0)10 5011 501

MEETINGPARK.FI

#SoneraB2D

# B2D

**SONERA BUSINESS TO DIGITAL - SEMINAARI**  
**3. SYYSKUU**

**Ilmoittaudu nyt osoitteessa [sonera.fi/b2d](https://sonera.fi/b2d)**  
Katso siellä myös seminaaritilenne tapahtuman jälkeen.







Mari Waagelein

## Lean Growth in Nordic Climates

BY ANDREW SCHOLFIELD

Looking to be 'lean'? Worried about waste? Siili Solutions provides a practical example of how lean management can help cut through the clutter and clear a path to success.

As a concept *Lean* has evolved itself over the past 30 years, migrating as it has into the heart of the startup community. The CEO of Siili Solutions, **Seppo Kuula**, provides some advice about how the benefits of *Lean* can really work to the advantage of your company.

For Siili, a pivotal point at the start of their *Lean* journey was admitting that they “*were just selling resources, not solutions*,” Kuula explains. An obvious question we think we can answer until we look more closely – are we really helping to solve our customer’s problems? They looked for the answer by identifying their best performing clients and compared them with the rest. In this way they could highlight the ac-

tions and processes that were really affecting change and streamline around these activities.

Once they had worked out what they were doing right it helped them to focus. Kuula gets energized as he brings out the core of *Lean* philosophy, stating that the “*the key issue was doing the value creation together with the customer*.” Again it’s simple, but to what extent are we totally flexible to the customer’s needs? Is your company thinking ‘sales’ or ‘solutions’? For Kuula and Siili collaboration was critical, emphasizing how they “*understood that the key issue was doing the value creation together with the customer*.”

Not only is architecture redesign a service Siili supplies to its clients, it is

also something which Siili has applied internally. As Kuula puts it, it was crucial, “*to walk our talk*”. Sucking the marrow from *Lean* is more than putting out a minimum viable product (MVP) and following the ‘build, measure, learn’ feedback loop. “*Iteration rounds are not enough if you are not continuously able to integrate the best practices to your organization*,” insists Kuula.

When asked about the effectiveness of *Lean* in the Nordics, Kuula is clear: “*I think that lean startup methods work in the Nordics better than anywhere else!*” Kuula goes on to say, “*Our culture is about eliminating the waste. It’s in our nature. We don’t always do as we were asked, but often in the most effective way.*” So *Lean* and the Nordics are a perfect fit. If you want proof, just glance at Siili’s figures for the last four years since going lean, growing at 30% annually! Pretty healthy statistics and the best motivation to get your company *Lean*.

## CHANGE BEFORE YOU HAVE TO



Maintaining your competitiveness with traditional work methods is challenging. Renew with us and make your work days more smooth with workability management.

**READ MORE: [MIKSI.VARMA.FI](http://MIKSI.VARMA.FI)**

**VARMA**  
TYÖ & ELÄKE  
[MIKSI.VARMA.FI](http://MIKSI.VARMA.FI)



The most versatile conference venue in Helsinki!



Messukeskus Helsinki, Expo and Convention Centre is an ideal setting for events, meetings and conferences of all sizes. We are the largest of our kind in Finland with seven halls, 40 meeting facilities for 6–1100 visitors, 21 restaurants, top of the line technology and a full-service Holiday Inn hotel under the same roof. Our professional personnel guarantee that everything works out enabling the organiser to focus on their own work. Welcome!



Take a virtual tour:  
[www.messukeskus.com/facilities](http://www.messukeskus.com/facilities)

### Messukeskus sales

tel. +358 40 450 3251  
[sales@messukeskus.com](mailto:sales@messukeskus.com)  
Messukeskus Helsinki,  
Messuaukio 1 (PO Box 21),  
FI-00521 Helsinki, Finland  
[www.messukeskus.com](http://www.messukeskus.com)



# Leading Women to Thrive

BY ANNIINA TURUNEN

Arianna Huffington managed to build US\$315 million business out of blogging in just six years. Now the media mogul strives to redefine success and urges today's women to lead the 3rd women's revolution.

//// The Greek-born Huffington is the embodiment of a successful business woman, having succeeded in media, a field traditionally dominated by men, in a foreign country. She is best known as the co-founder of *The Huffington Post*, one of the most widely read, linked to, and frequently-cited media brands on the Internet. Huffington has not only given her name to the media publication, but she has also done a great deal of work to build up the brand.

One of Huffington's secrets is that she finds stories everywhere. Add this to an amazing ability to get people to write things for you, and you really have created something special - the world's most powerful and popular blog to be exact. Building such an influential empire has put Huffington on *Time Magazine's* list of *The World's 100 Most Influential People* as well as the *Forbes Most Powerful Women* list.

However, success doesn't come without failure, something which Huffington admits she found difficult. *"At some point, I learned not to dread failure,"* she reveals. When describing how we should put our failures in perspective, she cites her mother who told her, *'failure is not the opposite of success, it's a stepping stone to success.'* She continues that *"What matters is putting our failures in perspective - accepting them as an inevitable, and even a valuable, part of life."*





This is a lesson Huffington wishes especially women would learn, believing as she does that women deal with failure differently from men. Huffington describes how women are more prone to listen to the voice living in our head, the *obnoxious roommate* (as she personifies it) that feeds on putting us down and strengthening our insecurities and doubts.

*"I think women are more likely to internalize their failures and listen to their obnoxious roommates. We'll often beat ourselves up for failing – even before it happens. Women are also more likely than men to downplay their successes so as not to be considered too ambitious or too assertive – a concern that simply doesn't exist for men."*

Huffington stopped listening to her obnoxious roommate, and look where it led her - right to the top. Wonder where you would end up if you stopped listening to your own obnoxious roommate and found your own voice instead?

### Mother as a role model

Huffington was born in 1950 in Athens, Greece. Her father **Konstantinos Stassinopoulos** was a journalist, which sparked the journalistic enthusiasm in her. Just as there is a woman behind every successful man, there is also a woman behind this success story. This woman is Huffington's number one role model, her dearly departed mother **Elli Stassinopoulos**.

Huffington tells us that her mother did everything she could to help her daughter to get the education she wanted. With the support of her mother, the 16 year-old Huffington moved to England to study economics at the University of Cambridge.

*"My mother was amazingly committed to making sure my sister Agapi and I had the best education possible. She sold everything she had to provide for us. I remember her selling her last pair of little gold earrings to get me through school. When I happened to see a photo of Cambridge University in a magazine, and for some reason felt that I wanted to go there, everybody laughed at me -- except my mother."*

Asked which were the three most influential characteristics of her mother, Huffington lists: *"Wisdom, generosity and a sense of humor."* That wisdom her mother imparted is reflected in many of the life lessons Huffington shares, from the everyday advice *"if you don't eat something every*



Arianna's mother has been her number one role model.

*twenty minutes, something terrible would happen to you", to the more profound proverbs such as "Don't miss the moment".* The latter is an advice Huffington particularly wants to share with women.

### From debating to writing

While studying in England, Huffington joined the Cambridge Union, which was a starting point for many things.

*"Joining the Cambridge Union debate society helped me overcome a lifelong fear of public speaking, not to mention my crushing insecurity about my thick Greek accent --- for which I was teased mercilessly,"* Huffington confesses. For not letting let her fear and accent get the best of her, Huffington eventually became the first foreign, and only the third ever, female president of the famed debating society.

Membership to the union also brought with it a chance encounter that helped direct the course of Huffington's career. *"It was a Union debate that brought me to the attention of Reg Davis-Poynter, the British publisher who offered me a contract and set me on the path to becoming a writer."*

In 1972, the publisher requested her to write a response to Germaine Greer's feminist book *The Female Eunuch*. This is how her first book *The Female Woman* was born. In *The Female Woman*, Huffington takes a stance on the women's liberation movement. Her strong critique attracted the attention of the public and the book became a hit. Huffington has mentioned that *"the main point of The Female Woman is that we needed to give all women equal respect for the choices they make."* Her attitude hasn't changed since and she still keeps

**Failure is not the opposite of success, it's a stepping stone to success.**

on promoting women's rights. When asked by *the Guardian* in 2014 if she's a feminist, Huffington affirmatively replies *"absolutely"*.

Huffington moved from feminist issues to politics with her next book *After Reason*. This second book didn't exactly follow the success of the first one. Instead, it was rejected 37 times. This, however, didn't stop her from pursuing writing. Asked what it was she learnt from the rejection of the second book, she answers: *"To keep trying."*

Huffington goes on to describe how after 25 rejections she ran out of money and was trying to get a loan. *"I remember running out of money and walking, depressed, down St James Street in London and seeing a Barclays Bank. I walked in and, armed with nothing but a lot of chutzpah, I asked to speak to the manager and asked him for a loan. Even though I didn't have any assets, the banker -- whose name was Ian Bell -- gave me a loan. It changed my life, because it meant I could keep things together for another 13 rejections."*

*And then I got an acceptance. In fairy tales there are helpful animals that come out of nowhere to help the hero or heroine through a dark and difficult time, often helping them find a way out of the forest. Well, in life too, there are helpful animals disguised as human beings -- like Ian Bell, to whom I still send a Christmas card every year. So, very often, the difference between success and failure is perseverance. It's how long we can keep going until success happens. It's getting up one more time than we fall down."*

After the second book, she has kept going and her perseverance has lead her to write, altogether, 14 books including the international best-sellers

### Don't miss the moment.

such as the biography of opera star **Maria Callas**, a high-profile biography of **Pablo Picasso**, the 2003 New York Times bestseller *Pigs At The Trough: How Corporate Greed And Political Corruption Are Undermining America*, and her latest New York Times bestseller *Thrive - The Third Metric To Redefining Success And Creating A Life Of Well-Being, Wisdom, And Wonder*.

In 1980, Huffington moved to New York, and six years later married oil millionaire **Michael Huffington**. By supporting her husband in his bid for the U.S. Senate, Huffington took part in political discussions and started to establish her position as a political and social commentator. Mother of two daughters, Huffington had found a large audience in the US, and with columns in newspapers and the position as co-host of a radio program, she had found a great outlet for her own voice and opinion.

### The art of blogging and the Huffington Post

At the end of 1990s the conversations started to explode online and blogging became a new form of expression. Huffington was right on the curve and started her own website and blog 'Arianna Online' in 1996.

*"I discovered blogging because bringing together people from different parts of my life and facilitating interesting conversations has always been part of my Greek DNA."*

In 2003, Huffington ran as an independent candidate for Governor of California in the recall election against **Arnold Schwarzenegger**. Not long after the campaign she and **Kenneth Lerer**,

### The Huffington Post:

- Founders: Arianna Huffington & Kenneth Lerer
- Launched in May 2005
- By 2008 the most powerful blog in the world by *The Observer*
- In 2012, the first online-only news organization to win a Pulitzer Prize for national reporting
- Each month more than 40 million unique visitors, 500 million page views and 3 million comments
- 125 full-time staff members and 20 part-time comment moderators
- 9 international editions





the co-founder of *The Huffington Post*, saw the potential of the Internet and blogging. In 2005, they were already launching *The Huffington Post*.

*"From the beginning, the whole point of The Huffington Post was to take the sort of conversations found at water coolers and around dinner tables – about politics and art and books and food and sex -- and open them up and bring them online,"* Huffington explains. With the site arousing 3 million comments each month, one could say they have achieved the goal, right?

Indeed, it was no longer about Huffington's own voice, but she wanted to give anyone the opportunity to voice their opinion through the site. Even though there is debate about the expansion of the blogosphere bringing a threat of the possible degradation of thoughtful opinion on the Internet, Huffington considers that *"There can never be too much communication and connection between people – it fosters empathy and understanding. And we're hard-wired to connect."*

### The third women's revolution

Having such a strong female role model, it's not surprising that Huffington herself has become an inspiration for many other women. Perhaps her drive to empower women is her way of passing on the support she once got from her mother. The focus of her mission is clear, she wants women to change the way success is defined.

*"Our current notion of success, in which we drive ourselves into the ground, if not the grave— in which working to the point of exhaustion and burnout is considered a badge of honor— was put in place by men, in a workplace culture dominated by men. But it's a model of success that's not working for women, and, really, it's not working for men, either. If we're going to redefine what success means, if we are going to include a Third Metric to success, beyond money and power, it's going to be women who will lead the way,"* explains Huffington.

According to Huffington the first women's revolution was about women obtaining the right to vote and the second about women acquiring access to top jobs. The third is all about redefining success. For this to work out, Huffington sees that the integration of career and family needs to be changed, especially for women.

*"The world of business is making great strides. Companies do urgently need to address the structural impediments that make having children and*



Damon Dahlen

*a successful career so much harder – impediments that inordinately affect women. For far too many people— women especially— there is too little support in place to help integrate career and family, which is crucial if we are truly going to redefine success for everyone. Flexible time, telecommuting, project-based work, and a company culture that does not expect employees to be wired and responsive 24/7 need to become the norm if we are to make our workplaces truly sustainable."*

This is a topic Huffington could definitely talk a lot more about and in fact, it is one of the things that really motivates her nowadays. Huffington describes how she is *"motivated by a belief that we're living through an incredible time, when modern science is validating a lot of ancient wisdom. More and more people around the world are understanding that we need to unplug, recharge and reconnect with ourselves, and by doing so, actually improve every aspect of our lives."*

The story of how success lead her to break her cheekbone has spread like wildfire and has ignited other women to share their own epiphanic stories. Voicing this discovery has led to an ongoing conversation that may very well be the start of the third women's revolution.

This seems to be the thing with Huffington. While she has established her own voice, she has also inspired and encouraged others to share their voices as well. It's not just about her voice, much preferring to emphasize her role as facilitator, as she puts it. It's up to each of us whether we have the courage to use our own voice and join the conversation.

**There can never be too much communication and connection between people.**



Inspiring  
spaces

**Martela**

# What brings out the best in you?

The best work environments create wellbeing for the entire working community. While improving productivity and job satisfaction, the Martela Lifecycle® model brings you significant cost savings. Read more about best workplaces at: [martela.com/increased-efficiency](https://martela.com/increased-efficiency)





TOP

## 20

WOMEN  
in Business

in Northern Europe

BY HANS-PETER SIEFEN &amp; DENISE WALL

As we did in 2012 and 2013, Nordic Business Report continues to produce topical rankings of leaders in the business sphere. This year it is time to celebrate the achievements of Europe's premier business women, to learn from them and to inspire others to follow their outstanding example. We had the privilege of calling on the keen insights from experts in nine countries - Finland, Sweden, Norway, Iceland, Denmark, Estonia, Latvia, Lithuania and Russia - to single out Northern Europe's Top 20 Women in Business.

### Criteria and Results

The essential criteria for evaluating possible candidates were: results achieved, impact on industry and society, originality and practicality of ideas and social and environmental responsibility. International outlook and future potential were other major considerations for the ranking.

**This year it is time to celebrate the achievements of Europe's premier business women.**

Each member organization of the jury submitted a list of candidates from their own countries, following which work began on the evaluation of nominees from all nine countries. Last year's "30 under 30" ranking saw Russians dominating the list, but this year Swedes, Norwegians and Russians had an equal amount of women among the final top 20, with four from each country making it to the final selection.

In spite of the emphasis on future potential in the evaluation process, we do not see too many young women on the list. Among the top 20, there are only two who are still in their thirties. This would suggest that it takes time to leave a lasting impression in the business arena. It is also possible that the other selection criteria effectively shut out younger performers. On the other hand, we were pleased to see that many of the nominees in their sixties continued to achieve new and meaningful milestones without showing any indication of slowing down.

## The Jury

#### LATVIA:

Investment and Development Agency of Latvia  
*Andris Ozols, Director*

Latvian Chamber of Commerce  
*Aigars Rostovskis, President*

#### ESTONIA:

Estonian Business Angels Network  
*Heidi Kakko, Managing Director*

Enterprise Estonia, Helsinki  
*Valdar Liive, Director*

#### FINLAND:

PwC Finland  
*Sirpa Juutinen, Partner*

Boardman 2020  
*Susanna Rantanen, Chairman*

Fujitsu Finland  
*Jari Mielonen, Head of Private Sector*

Enfo Oyj  
*Mirja Serkelä, Marketing Manager*

Junior Achievement Young Enterprise Finland  
*Virpi Utriainen, CEO*

#### ICELAND:

Association of Women Business Leaders in Iceland  
*Bórdís Lóa Þórhallsdóttir, Chairman*

Deloitte Iceland  
*Haraldur Ingi Birgisson, Manager, Tax & Legal*

#### LITHUANIA:

JCI Lithuania  
*Loreta Pivoriunaite, Immediate Past President*

Invest Lithuania  
*Monika Poskaityte, Public relations project Manager*

#### NORWAY:

Oslo Chamber of Commerce  
*Benedicte Meydel, Communications Officer*

PwC Norway  
*Rita Granlund, Territory Assurance Leader, Partner*

Media Network  
*Kristin Grøntoft, Leader*

#### SWEDEN:

Enfo Group  
*Adam Ritzén, Marketing Director*

PwC Sweden  
*Johan Rippe, Partner*

JCI Sweden  
*Jenni Ahlstedt, President*

#### RUSSIA:

Delovoy Peterburg  
*Daria Ryzhkova, Editor*

St. Petersburg Convention Bureau  
*Anna Chetvergova, General Director*

#### DENMARK:

LinkS  
*Mette Laursen, CEO*

Fonden for Entreprenørskab - Young Enterprise  
*Christian Vintergaard, CEO*





Illustrations by Markku Järvelin

1

**Natalya Kasperskaya**AGE 41 🌐 Russia 🏢 CEO  
🏢 InfoWatch Group

Natalya Kasperskaya is the chief executive of the Russia-based transnational corporate data security firm InfoWatch Group. The company is now the leader in the Russian data security arena with a market share of about 50 percent. That makes her one of Europe's most prominent women in the traditionally male-dominated information security community. InfoWatch was previously a subsidiary of the anti-virus company Kaspersky Lab, which she co-founded with her former husband in 1997. During her ten-year tenure at Kaspersky Lab, she became board chair and was instrumental in transforming the company from a start-up into a global player in the field. In 2007, Ms Kasperskaya relinquished involvement with Kaspersky Lab and took over at InfoWatch, which also split from Kaspersky Lab at the time. Under her stewardship InfoWatch has steadily expanded by way of a number of strategic acquisitions and now comprises a

group of five companies that has become a market leader in the corporate data security segment in Eastern Europe, the Middle East and Asia. Ms Kasperskaya is not content to merely rest on her laurels however. She is actively working to further expand the group and is pursuing new investment opportunities in areas such as IT security and artificial intelligence for enterprise clients. Ms Kasperskaya's accomplishments in business and IT have been recognized by a number of organizations in Russia and abroad. In 2011 she was named Russian Business Leader of the Year, and one year later she was designated among the Top 1000 IT Managers in Russia. In 2014 she received an award for the Best Technology Business Entrepreneur from Women in Technology MEA award committee in Dubai and was nominated as the Most Influential Business Person from Russia during the first quarter of 2015 by BRIC Magazine UK. With her net worth estimated at USD 230 million Ms Kasperskaya was named Russia's eighth wealthiest woman by *Forbes Russia* in 2014.



2

**Tatiana Bakalchuk**AGE 40 🌐 Russia 🏢 Owner  
🏢 Wildberries

Ranked Russia's third wealthiest woman in 2014 by *Forbes* business magazine with an estimated net worth of USD 380 million, Tatiana Bakalchuk is the owner of the country's largest online clothing and footwear retail empire, Wildberries. Ms

Bakalchuk founded the business back in 2004 while on maternity leave after the birth of her daughter. Since that time, the former private English teacher has worked tirelessly to increase the reach and breadth of the business. Today, the company operates not only in Russia, but has also expanded to Belarus and Kazakhstan. From its humble beginnings providing customers with German catalog selections from an apartment warehouse with Ms Bakalchuk herself making deliveries, the company now caters to 2.5 million customers and offers more than 1,000 brands. Wildberries serves its customers from 150 shipment points across Russia and employs more than 6,000 workers. Part of the secret of Ms Bakalchuk's success lies in understanding and catering to customer behavior – Wildberries is one of the few online retailers to offer customers a free fitting of its products. The risky yet profitable business model has seen the company grow from strength to strength.



3

**Azita Shariati**AGE 47 🌐 Sweden 🏢 CEO  
🏢 Sodexo Sweden & Denmark

Iranian-born catering industry dynamo Azita Shariati leads the Swedish and Danish operations of the French-based multinational company Sodexo. The company's Nordic operations employ 11,000 people and have a turnover of SEK

7.5 billion. Ms Shariati has earned every ounce of the respect and accolades she now enjoys, having worked her way up to the chief executive position during a relatively brief nine-year career with the company. During her impressive rise to the top of the organization she held roles such as sales director and country manager, Sweden. A passionate advocate of gender balance and multiculturalism, when she was appointed vice president in 2010, she famously set a challenge for the company to employ women in 50 percent of senior management positions by 2015 - a target that was later achieved. As a result, she was named Sweden's most powerful business woman in 2015 by the weekly business magazine *Veckans Affärer*. In granting the award, the publication cited Ms Shariati's inclusive leadership based on her advocacy for gender balance and diversity and her recognition that she has the power to change society.





## COMMITTED TO INNOVATING AND OFFERING VALUE-ADDED SOLUTIONS

ALD Automotive is committed to providing innovative solutions to support fleet managers and drivers.

We continuously develop and enhance online tools – reporting, portals, mobile applications – to simplify the work of fleet managers and assist drivers wherever they are.

Creating new solutions that make sense, we bring a comprehensive range of tailor-made tools and services designed to drive your mobility.



Download the ALD mobile application – available in 32 countries – and stay connected to ALD Automotive wherever you are.

LET'S DRIVE TOGETHER



[www.aldautomotive.fi](http://www.aldautomotive.fi)  
[m.aldautomotive.fi](http://m.aldautomotive.fi)



### Mette Lykke

AGE 34 🌐 Denmark 🏢 Vice President  
🏢 Under Armour

Fearless business woman Mette Lykke showed she could walk the talk when she traded in a comfortable position at the international consulting firm McKinsey for the risks of entrepreneurship. Ms Lykke and two business partners co-founded the

fitness tracking app Endomondo in 2007 and by 2014 had grown the community-based venture to reach 25 million users. As chief executive she successfully orchestrated the company's acquisition for USD 85 million by the US-based athletic apparel manufacturer Under Armour, where she is now vice president. Before her steep rise to business success, Ms Lykke worked as a journalist and researcher for a major Danish daily newspaper while pursuing a master's degree in political science at Aarhus University. She was later recruited by McKinsey & Co as a management consultant. The rest, as they say, is history. In 2013 she received the Female Business Owners' Inspirational award and in 2012 was granted the Founder of the Year award by the Nordic Startup Awards series, which celebrates startup ecosystems based in the Nordics.

4



### Lena Apler

AGE 63 🌐 Sweden 🏢 Founder  
🏢 Collector AB

With more than 16 years at the helm of the financial services company Collector AB and over 30 years in the financial sector to her credit, Lena Apler is an undisputed heavyweight in the field. It

is therefore no surprise that she led the list of the top 15 women entrepreneurs in 2015, as ranked by *Business Week Sweden*. After more than 15 years in senior positions in leading banks and five years at the state-owned market stabilizer Securum Finans, Ms Apler co-founded the financial services company Collector AB. Since then she has steered the company to sustained profitability and most recently, guided it through an Initial Public Offering (IPO) on the Stockholm Stock Exchange in 2015. In June 2015 NASDAQ OMX Nordic quoted the company's market cap in excess of SEK 6.3 billion. In 2014 she stepped down as Collector President and CEO. A trailblazer in her field, Ms Apler is keenly interested in gender equality and advocates for equal remuneration for women. She works with the NGO Hand in Hand Sweden to help vulnerable women achieve self-sufficiency through entrepreneurship.

5



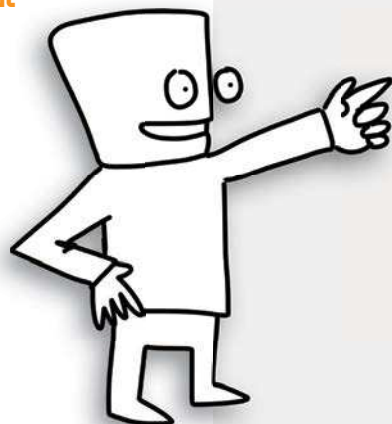
FOR RESELLERS **EASY MADE** FOR CUSTOMERS

# CUSTOMER ACQUISITION AND MANAGEMENT

**CRM<sup>2</sup>**  
WHITE LABEL CRM

- 1 Great earning potential
- 2 No entrance fees
- 3 Use your own brand

WWW.CRM2.COM



**CRM**  
SERVICE

- ✓ Sales automation
- ✓ Marketing automation
- ✓ Support management
- ✓ Project management

WWW.CRM-SERVICE.FI



Invest in success

Executive  
MBA

## Avance Executive MBA programme: your path to success

- ✓ Customised
- ✓ Flexible
- ✓ Strong focus on networks and interaction

Contact us to receive a tailored proposal  
for your EMBA curriculum!

More information at [www.jyu.fi/avance](http://www.jyu.fi/avance)  
[helene.eriksson@jyu.fi](mailto:helene.eriksson@jyu.fi), +358 400 777 054

JYVÄSKYLÄ UNIVERSITY  
SCHOOL OF BUSINESS AND ECONOMICS

Avance Executive Education



[www.jyu.fi/mba](http://www.jyu.fi/mba)



6

### Monica Lindstedt

AGE 52 | Sweden | Owner  
Hemfrid

Described in her native Sweden as “a passionate entrepreneur”, Monica Lindstedt has displayed great vigor and perseverance in leading her household services business to become the leading company in its sector locally. Like many great entrepreneurs, Ms Lindstedt drew on her personal experiences to establish the home care services company Hemfrid (Peace at Home, in English) in 1996. Since that time, she has been able to expand the company

- it now posts revenues of over SEK 500 million and employs more than 1,000. In 2003 Ms Lindstedt gave up the post of chief executive and became the company's chairman. She is also the chair of Företagarna AB, the Swedish Federation of Business owners and sits on the boards of Uniflex AB and UNICEF Sweden. Prior to establishing Hemfrid, she co-founded Europe's free daily paper *Metro* in 1995. She later sold her stake in the paper. In 2013 she was named the winner of Sweden Toastmasters' Golden Gavel award for outstanding performance as a chairman.



7

### Filippa Knutsson

AGE 49 | Sweden | Founder  
Filippa K

Filippa Knutsson is the name and face behind the leading Scandinavian clothing brand Filippa K. Ms Knutsson herself has been immersed in the clothing and fashion industry for many years. Having spent her formative years in London, she returned to her native Sweden to work in her family's fashion business. She later came together with two business partners to establish the Filippa K line in 1993. Based in Sweden, in just over 20 years the brand has expanded to fashion outlets in 20 markets

and 50 brand stores across the Nordics as well as in the Netherlands, Belgium, Germany and Switzerland. The men's and women's lines can also be found at over 600 of other retailers worldwide. In 2014 turnover exceeded EUR 70 million. Ms Knutsson has been deeply involved in orchestrating the success of the Filippa K fashion lines and supervises all of the brand's creative aspects, including conceptualization, design, retail concepts and brand communications.



8

### Olga Pleshakova

AGE 49 | Russia | CEO  
Transaero Airlines

Ranked as one of the most powerful women in Europe by the influential business magazine *Fortune*, Olga Pleshakova has occupied a prominent position in the civil aviation sector for some time. She is a graduate of Moscow Aviation Institute, where she graduated with a doctorate in engineering. She has been chief executive of Transaero Airlines since 2001 and also sits on the company's board. The airline is a family-owned concern, is the largest

private air carrier Russia, and is second in size only to the state-owned Aeroflot airline. Ms Pleshakova owns an 18.4% stake in the airline and her personal worth was calculated at around USD 170 million in 2014 by *Forbes Russia*. In the same year *Fortune Magazine* named her the 20th most powerful woman in the Europe, Middle East and Africa region (EMEA), making it her third appearance in the global ranking of influential women. She was the only Russian woman to have made the EMEA list in 2014.





# GET ON THE FAST TRACK TO SUCCESS

## Choose the Leading Nordic Training Company – mif.fi

EMBA Creative Leadership is a 2-year international program carried out by MIF in cooperation with IMD (Switzerland), UC Berkeley (USA) and Ashridge Business School (UK).  
1. semester €19,500. 2. semester €19,500.  
**Apply now! [mif.fi/emba](http://mif.fi/emba)**

Our future is digital, but how can you ensure your business is vital?

New Chief Digital Officer -program will equip you and your business with tools and skills you need to take your business to the next level. You will create a pragmatic transformation plan for your organization. Training is carried out in Finnish.

The winners will act now, and build a strategic advantage that leaves their counterparts wondering what happened. Join the frontline of digitalization  
**Apply now! [mif.fi/cdo](http://mif.fi/cdo)**

**Respected by our customers**  
The average of the feedback on trainings 5,2<sup>★</sup>  
Net promoter score 97 %

**Trendsetter for digital learning**  
MIF Academy e-campus, innovative learning solution. Try it out: [mifacademy.fi](http://mifacademy.fi).

**Truly international**  
MIF trainings in 52 countries<sup>★★</sup>

**MIF Alumni network**  
67,000 participants<sup>\*\*</sup>

<sup>★</sup>Scale 1–6.  
<sup>★★</sup>Statistics from 2013.



9



### Sari Baldauf

AGE 60 🌐 Finland

🏢 Entrepreneurial Executive

Board-level powerhouse Sari Baldauf doesn't only wield influence in the upper echelons of corporate circles, she also dedicates much of her time to the third sector, where she helps mentor young adults and provides support for the startup scene through programs such as social entrepreneurship. She also seeks to use culture as a means of improving quality of life and is the chair of the Savonlinna Opera Festival in Finland. Ms Baldauf sits on the boards of high-profile companies such as Daim-

ler, AkzoNobel N.V., Deutsche Telekom AG, and Fortum, where she became the first woman to be appointed chair in 2011. She also previously held a position on Nokia's executive board and was instrumental in the company's rise to command the lion's share of the global mobile phone market in the 1990s. She is a member of the executive boards of companies such as Capman, F-Secure and Hewlett-Packard. In 1998 *Fortune magazine* dubbed Ms Baldauf the most influential female executive and in 2002 she was named one of Europe's most successful female executives by The Wall Street Journal.

10



### Anita Krohn Traaseth

AGE 44 🌐 Norway 🏢 CEO

🏢 Innovation Norway

Currently chief executive for Innovation Norway, the Norwegian state business innovation and development agency, Anita Krohn Traaseth has built up an impressive professional pedigree over the years. Her most recent assignments include positions as managing director of Hewlett Packard, board member and managing director of Intelligent Quality AS and managing director of Simula Innovation AS. Ms Krohn Traaseth's track record and ex-

tensive business network have polished her high profile on the Norwegian business scene. Already voted one of the Top 25 Young Business Talents in 2005, she was later ranked among the top 40 potential leaders in business, politics and science in 2009. Further recognition came in 2012 with the award of the Od@ prize for best female leader in ICT and in 2013 with the Social Media Personality award. She is very active on the lecture circuit and has authored the book *Good enough for the 'bastards' – confessions of a female leader*.

11



### Pia Vemmelund

AGE 47 🌐 Denmark 🏢 Managing

Director 🏢 Momondo

With more than 25 years under her belt in the travel industry it's no surprise that Pia Vemmelund has worked her way to the top of one of the fastest-rising online travel and destination service providers, Momondo. Before joining Momondo, Ms Vemmelund spent 19 years with the Scandinavian airline SAS, where she held several positions, including Director, Commercial Intelligence and Sales Support. In 2007 she moved to Momondo and took on the

hefty portfolio of commercial manager with responsibility for sales, online marketing, finance and administration. By 2012 she had become the company's managing director and was made a member of the board in 2013. As Momondo chief executive Ms Vemmelund has played a central role in securing financing for the venture. In 2014 she helped negotiation a USD 130 million investment in Momondo by the venture capitalist Great Hill Partners. She is also a board member of Greenland Travel and the Danish online bargain aggregator Bownty.



12

**Kristin Skogen Lund**

AGE 49 🌐 Norway 🏢 Director General 🏢 Confederation of Norwegian Enterprises

Kristin Skogen Lund has often been cited as a rising star in Norwegian business circles – in 2011 and 2012 she was ranked Norway's most influential woman in business by the local business magazine *Kapital*. *Fortune* magazine listed her as one of the 50 most powerful women in business in 2011 and she also featured among the 10 Global Women on the Rise. Ms Lund currently wields considerable influence as the Di-

rector General of NHO, the Confederation of Norwegian Enterprises. She is also a former Executive Vice President of the Norwegian mobile operator Telenor, and has previously held top positions at the leading daily *Aftenposten*, Scanpix, and Scandinavia Online. Global brands such as Coca Cola and Unilever also feature on her resume. She also served in the diplomatic service at the Norwegian Embassy in Madrid. Ms Lund is currently a board member of Ericsson and was president of the Confederation of Norwegian Enterprise and a board member of Orkla ASA, among other companies.

13

**Berit Svendsen**

AGE 52 🌐 Norway 🏢 CEO 🏢 Conax AS

Berit Svendsen's professional training in electronics, technology and technology management in Norway and the United States dovetail perfectly with her career at the Norwegian company Telenor, one of the world's largest mobile operators. Ms Svendsen joined the company in 1988 as a research scientist, before becoming executive vice president and chief technical officer as well as working chair of the company's R&D unit. As vice president and head of Telenor Nordic Fixed she assumed re-

sponsibility for the fixed network business in Norway. She joined the secure content company Conax in 2008 and is also a board member of the financial services company DNB and market data provider Bisnode. Between 2002 and 2007 she served as a member of the European Commission's Information Society Technology Advisory Group. Ms Svendsen has also tried her hand at writing and has contributed the afterword to the non-fiction publication *SHEconomy*, which explores the business potential of female leadership.

14

**Hilde Midthjell**

AGE 55 🌐 Norway 🏢 Owner 🏢 Dale of Norway

Hilde Midthjell is a serial Norwegian entrepreneur with a background in medicine and a distinct flair for business. Ms Midthjell is currently main owner and board chair of Dale of Norway, a clothing company that produces outdoor lifestyle gear. The company is perhaps best known for its trademark lusekofte sweater, which features traditional Norwegian design and weaving methods. It has also been the official supplier of sweaters for the Norwegian

ski team and winter Olympics since 1956. Prior to taking the helm at Dale, Ms Midthjell set up and ran a successful cosmetics company, Dermanor, part of the Dermagruppen group for more than 20 years. She sold the company for NOK 500 million. The cosmetics company now operates across the Nordics. She is also owner and chief executive of a series of companies, one of which is an investment firm through which she owns a controlling share of Dale of Norway and a minority stake in the sustainable tourism company Basecamp Explorer.

ac  
coun  
+or™

Passion for results

## ACCOUNTOR - YOUR IDEAL PARTNER IN ACCOUNTING AND HR MANAGEMENT SERVICES.

We have offices in seven countries and 2,300 passionate people delivering better results for you.

How can we help you?

[www.accountorgroup.com](http://www.accountorgroup.com)



# Boost your business for sustainable growth



”*When the operational environment changes and opportunities multiply, your plans for tomorrow’s success must be built on sustainable foundations in terms of reliability, efficiency and growth. As your adviser, partner and catalyst, we deploy our expertise and energy to help you succeed.*”

*Mikko Nieminen, CEO, PwC Finland*

15



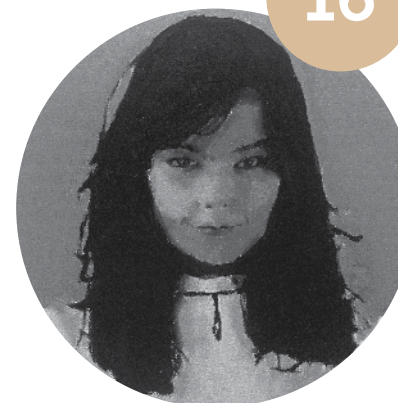
## Maija-Liisa Friman

AGE 63 🌐 Finland 🏢 Chair  
Ekokem Oy

A career board professional, Maija-Liisa Friman was named Finland’s most influential woman in 2005 and again in 2012 by the Finnish business publication *Talouselämä*. Ms Friman holds a master’s degree in Technology and began her professional career working with the Finnish chemicals group Kemira, including postings in Mexico and Savannah, Georgia in the US. She later took up the post of CEO at the Swedish plasterboard company Gyproc, before

moving on to become chief executive at the power company Vattenfall and later Aspocomp Group. Ms. Friman is currently board chair of the Helsinki Deaconess Institute and the waste disposal and recycling company Ekokem. She is vice chair on the board of Neste Oil and is also a board member of teleoperator Telia-Sonera and the Finnish national airline Finnair. The board professional has also worked with companies such as engineering company Metso, the pension insurance company Ilmarinen and the metals manufacturing company Rautaruukki, among others.

16



## Björk Guðmundsdóttir

AGE 49 🌐 Iceland 🏢 Singer-songwriter, Entrepreneur

Widely known by her first name only, Björk has become a fixture on the international music scene during the 30 years of her career as a singer-songwriter, musician and producer. She has also championed environmental causes and has actively campaigned for environmental preservation in Iceland. In 2009 she collaborated with a venture capital firm to set up an investment fund to invest in green technology in her home country. In 2012 her net worth was estimated at more than

USD 50 million. She is a lynchpin of the experimental music scene, yet has turned out a number of highly successful singles on mainstream music charts – reflecting her eclectic musical tastes and styles. Björk has had 30 hit singles in the Top 40 of global pop charts and has scored 22 Top 40 hits on UK charts. The Icelandic artist has been recognized with a number of music industry awards throughout her career. In 2011 she became the first artist to release an album, *Biophilia*, as a series of interactive apps, which were later inducted into the permanent collection of the Museum of Modern Art.

17



## Olga Slutsker

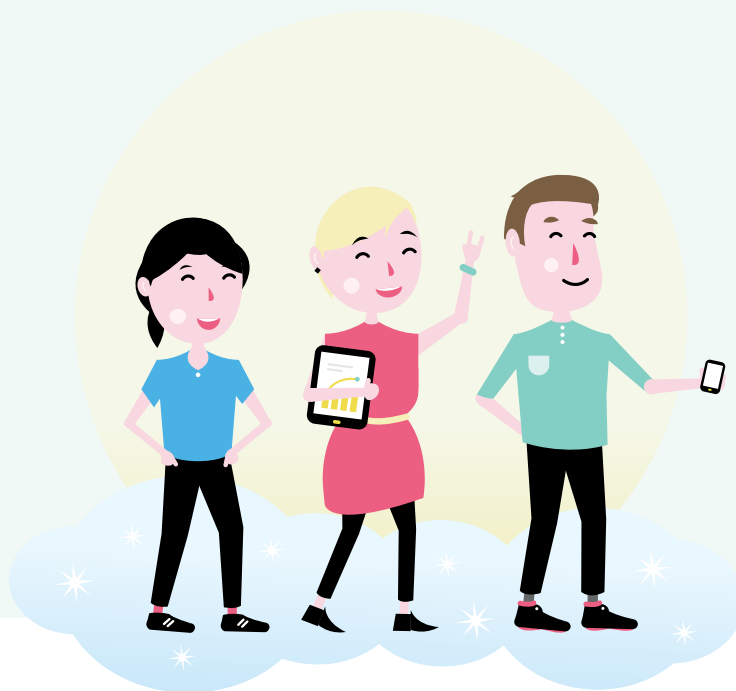
AGE 50 🌐 Russia 🏢 President  
Russian Fitness Group

Olga Slutsker is the President of Russia’s largest fitness chain, Russian Fitness Group. A former athlete, Ms Slutsker and her husband set up a private fitness club in Moscow in 1993, World Class. The gym was the first of its kind in Russia at that time, and introduced all of the training and lifestyle methods now associated with fitness clubs across the world today. Ms Slutsker’s role at the time was that of investor, while franchise owner World Class Sweden managed the operation.

However she later bought out franchise owner World Class Sweden and took over management of the company. Today, Ms Slutsker is the president of the entire chain, which has been ranked as one of the top 25 fitness chains in the world for the past eight years. World Class operates 50 gyms including 13 franchise outfits in Moscow and other large cities in Russia and CIS states. In 2014 *Forbes* magazine Russia ranked her the country’s 18th wealthiest woman with an estimated net worth of USD 100 million.



# Go digital with Procountor!



Follow your finances in near real-time and send your receipts directly to accounting from your mobile application.

Our free customer service is there to answer any questions you might have about using the software. This, along with many other reasons, is why 98% of main users recommend Procountor.

Join our very satisfied customers and order a free trial now at [www.procountor.com](http://www.procountor.com).

**Procountor**<sup>®</sup>  
Friendly accounting software

## Creating Competence

Are you interested in becoming a cybersecurity expert or does your business competence need updating? JAMK University of Applied Sciences can provide you with a master's degree that is in demand in the job market. You can complete the degree programme while in employment.

Read more at [www.jamk.fi/yamk](http://www.jamk.fi/yamk)  
Apply 16 March–6 April 2016.

**jamk.fi**

JAMK University of Applied Sciences

18



### Reet Aus

AGE 41 | Estonia | Lecturer, Researcher, Designer

A pioneer in industrial upcycling, Reet Aus has been experimenting with recycling in fashion and costume design since 2005. Ms Aus is also a lecturer and researcher at the Estonian Academy of Arts. She has partnered with a major Bangladeshi textile manufacturer to introduce upcycling to textile production to save resources, improve efficiency and reduce the environmental impact of the industry. That collaboration has seen the launch of her first

upcycled fashion collective under the “Trash to Trend” banner. The label now works with 16 designers from around the world, who all aim to incorporate sustainable production processes with high fashion and design. Ms Aus has received widespread recognition for her groundbreaking work. Most recently she was voted Woman of the Year 2014 by the Estonian chapter of the International Federation of Business and Professional Women. In 2013 she was recognized by the Estonian Environment Ministry with an award for Environmental Act of the Year.

19



### Milda Darguzaite

AGE 39 | Lithuania | Head  
Barclays Technology Centre Lithuania

Currently head of Barclays Technology Center in Lithuania (BTCL), Milda Darguzaite was the Director General of Invest Lithuania, the country's foreign direct investment promotion agency. During her time at Invest Lithuania Ms Darguzaite attracted high-profile corporates to the country, including Barclays, NASDAQ and the multinational insurance company AIG. She also acted as advisor to the Lithuanian Minister of the Economy. Educated in the US

at Middlebury College and Princeton University, Ms Darguzaite spent seven years at the US investment banking firm Goldman Sachs, where she eventually became vice president of the Strategic Asset Allocation Team. Prior to that she was an analyst with another investment bank, Donaldson, Lufkin and Jenrette. Ms Darguzaite has become a prominent figure in Lithuania, where she has readily engaged in public discourse on issues such as equality and women in business, public sector efficiency and the need to tap into the Lithuanian youth diaspora.

20



### Ginta Cimdina

AGE 41 | Latvia | Chair  
Fortum Latvia

Ginta Cimdina is well-known by the crème de la crème of European energy circles, notably because of her role as chair since 2009 of Fortum Jelgava, the Latvian district heating operator of Fortum, a large Finnish energy company, which focuses its operations in the Nordics, Baltics, Poland and Russia. Formally educated in finance and environmental sciences related to the energy industry, Ms Cimdina has more than 20 years professional experience in the

energy sector. She is an active representative of Fortum in many NGOs, including the Association of District Heating Companies in Latvia and the Latvian Renewable Energy Federation. She currently holds the position of vice chair of the Foreign Investors Council in Latvia (FICIL), a position she has held since 2012.





# Why Women Still Trail in Entrepreneurship Tables

BY DENISE WALL

Women are increasingly well-represented in the general workforce, particularly in Europe and the Nordics. Why then do they trail their male colleagues when it comes to taking up the mantle of entrepreneurship? This article argues that a number of factors ranging from gender attitudes to financing conspire to prevent women from setting up their own business enterprises.

//// The general consensus on the question of women in entrepreneurship is that they are under-represented in the field. The body of research on the subject also remains rather limited to date - the first academic work on the subject did not appear until quite recently, 2006. At the same time early studies erred in assuming that there were no differences between female entrepreneurs and their male counterparts.

The research that does exist supports the conventional wisdom that there are fewer women entrepreneurs

than men. According to the latest data from the European Commission, women account for just 29 percent (just under 12 million) of the entrepreneurs in Europe, and tend to gravitate to health and social work, services and education.

**Battling traditional attitudes, financing crunch**

One reason for women's low levels of participation in entrepreneurship may have to do with stubborn attitudes about gender roles in society, which

see entrepreneurship as an essentially male pursuit. Researchers also acknowledge that to a great extent – and even with ongoing efforts to advance gender equality, especially in European societies - women still struggle to balance family with career and financial responsibilities.

Another obstacle facing female entrepreneurs is access to financing. It's no secret that women have struggled to attract funding for their start-up operations. Part of the reason has to do with structural issues: most women entrepreneurs in Europe are solo entrepreneurs (some 78%).

A separate EU study on access to financing shows that micro enterprises in particular find it hard to obtain bank loans – the preferred source of financing for many small and medium sized enterprises (SMEs). Moreover, bank loan rejection rates were considerably

higher for micro enterprises than for larger, better-established ventures. So because of their tendency to operate at the micro level in entrepreneurship and financial institutions' preference for larger ventures, women often find themselves on the wrong end of the spectrum in terms of accessing financing.

In addition, other studies show that women tend to launch firms with lower financing levels and are also less likely than men to seek out external investors. And women typically enter entrepreneurship in sectors that simply aren't all that "sexy" to banks and venture capitalists: education, health and social work, and other personal services.

**Women also achieve entrepreneurial success**

Given the lower propensity of women to become entrepreneurs and the obstacles they face to secure financing,

many have wondered if women have what it takes to lead enterprises to success.

Writing in the European Business Review in March 2014, Professor **Viviane de Beaufort** of the ESSEC Business School in France argues that it may be useful to adopt a gendered view of performance to evaluate women's entrepreneurial success. That's because women and men tend to have different metrics for measuring success, she notes.

While women can and do measure up to economic performance criteria, *"it appears that women often interpret the idea of performance differently, by emphasizing the durability of the company, the feelings of satisfaction that come in creating jobs, and the personal fulfillment of entrepreneurship,"* she adds.

Meanwhile studies conducted in the United States support the view that women are no less adept than

their male peers at achieving entrepreneurial success. A report by the US Small Business Administration office indicated that when venture capital firms invested in businesses headed up by women they saw an improvement in their own performance. The implication was that because women-led businesses were successful, VC firms were able to reap positive returns on their investments.

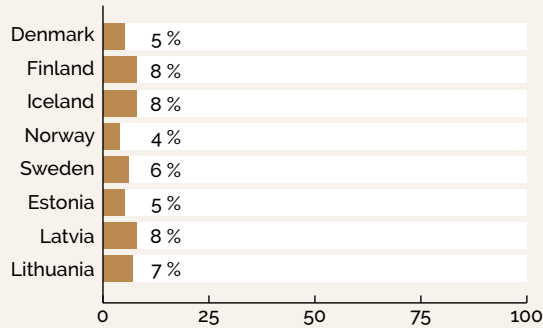
Small wonder then, that policymakers across the world see the potential of women entrepreneurs for contributing to innovation, job creation and broader economic growth. According to Professor de Beaufort, what's needed are programs to break down the external obstacles preventing women from becoming entrepreneurs, and for women themselves to shatter the self-imposed internal barriers that prevent them from choosing entrepreneurship.

## Room for more Nordic, Baltic women in entrepreneurship

According to EU data, women in the Nordics and the Baltics account for a relatively low number of entrepreneurs in the active labour force (entrepreneurship rate). All countries came in below the average rate of 10% for the EU 28 and the expanded group of 37 European countries in the study. The average entrepreneurship rate for men was 20% for the EU and 19% for the European 37.

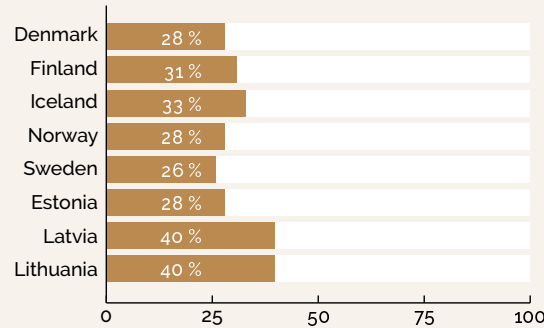
Source: European Commission: Statistical Data on Women Entrepreneurs in Europe – 2014

Women entrepreneurs in the labor force in Nordic and Baltic countries (entrepreneurship rate), 2012



The following table shows that women in the Nordics and the Baltics trail their male peers in absolute numbers when it comes to establishing their own business endeavors. The average percentage of women entrepreneurs in the EU 28 was 31% and 29% for the expanded group of European countries. Women in the Baltics are overall better represented among the total number of entrepreneurs than their Nordic peers. Latvia and Lithuania are in the top three when comparing all European countries.

Women as a percentage of the total number of entrepreneurs in Nordic and Baltic countries, 2012





# Nice Guys Don't Finish Last!

BY ANDREW SCHOLFIELD

Simon Sinek explains why having empathy is the best strategic tool a modern leader has at their disposal.

//// In a world where everything is Hollywood and the wolves on Wall Street are seductively glamorous, it's no wonder we fawn over the ego-driven, narcissistic leaders who take the world to the brink of catastrophe. Despite this fascination with bosses and their personality disorders, a new wave of leadership is emerging. Beating the drum for this more human and perceptive style is **Simon Sinek**.

**Your 'high-horse' is not to look down from; it's to get you to the frontline!**

*"The job of the leader is not about being in charge, it's about taking care of those IN YOUR charge."*

At the start of his book *Leaders Eat Last*, Sinek regales the story of **Jonny Bravo**, the pilot who demonstrates instinct and bravery in his role providing air support to his fellow marines. The im-

portance of this message is that groups of individuals only succeed as a team when they are willing to sacrifice themselves for the greater good and, more importantly, for each other. If you are not willing to demonstrate a commitment to those you lead you cannot expect their loyalty in return.

When discussing issues about pay and the staggering high salaries that modern day CEOs can pull in, Sinek points out that nobody *"really minds that they have crazy big salaries as long as we believe that they would sacrifice their interests to help us."* Sinek asserts that the reason we feel so bitter about those who plunged the world into recession is not because they were earning more money than the rest of us, but because they acted like cowboys whilst in positions of supreme responsibility.

On the flipside, someone like **Dan Price**, founder and CEO of Gravity Payments, is a perfect demonstration of how Sinek's method of leadership can be a strategic decision and not just a preferred 'style'. By taking a \$930,000 pay cut, equalising salaries and showing empathy and sacrifice



Chris Owyong





for those working for him, Price and Gravity Payments have launched into the global media spotlight. Sinek is careful to remind us, though, that we have to maintain this sort of behaviour, stating: “[It’s] all fine to equalise pay but if he then lays everyone off at the end of the year, that doesn’t work either.” Sceptics in the media and jealous competitors will be quick to point out any hypocrisy, so leaders looking to follow suit, being nice is not something you can fake for long!

**The job of the leader is not about being in charge, it’s about taking care of those IN YOUR charge.**

### Weaknesses?

#### I don’t have any weaknesses!

We are told to be aware of our weaknesses. We need to know our weaknesses so we can improve, but instinctively we regard our weaknesses as bad. Who in this world aspires to be insecure or vulnerable? As such, it is no surprise that our ideal of leadership leaves little room for weakness. If then those who get promoted to positions of leadership show little sign of the capacity or flexibility needed to help others overcome their difficulties, should we really be surprised?

As Sinek points out, the qualities required for this style of leadership are compassion and empathy. He strongly believes that great leaders and great companies will have these values at the heart of their organization.

*“When somebody is having performance issues at work we don’t threaten them that if they don’t pick up their numbers we can’t guarantee them a job, but rather if they are having performance issues we come to them and say, ‘Are you OK? Your numbers are down again this quarter, are you OK?’”*

Delving deeper, Sinek explains that what needs to be created is what he calls ‘*The Circle of Safety*’. Practically, this is where a “leader creates an environment where someone [can] walk into [their] office and say: I’m having a hard time, can I talk to you?”

*“In most organizations we don’t want to reveal any of the struggles we’re having for fear that will put us at risk. To be able to turn someone next to you and say, “I don’t know what I am doing?” and feel no fear of repercussions when you ask for help, is the sign of a well-led organization.”*

### Are you a leader or are you a manager?

Do you consider yourself a ‘Manager’ or a ‘Leader’? People often exert qualities from both categories, but they can be viewed as very different disciplines. How we approach (or ignore) this distinction is a key aspect of Sinek’s observations. *“One of the things that I think is so interesting in an organization is we don’t teach leadership,”* he exclaims. *“This is the reason we get managers and not leaders because we just leave people to their own devices. We teach them how to do their job but we don’t teach them how to lead.”*

Leadership is a very different type of responsibility. It requires that those in authority really know what that authority means and what others expect of them. Followers and leaders are symbiotic. Followers need to understand what good leadership is and support that behaviour, just as leaders need to empathize with the feelings and expectations of their followers. This is why everybody in an organization needs to learn to become a leader. As Sinek states:

*“[With] effective leadership training throughout the organization, especially with people who are transitioning into positions of leadership, we are giving them the skill-set to deal with all of these feelings.”*

### How to reward?

Imagine if you will, you open your paycheck and you realize your wages have increased. It wasn’t something you were expecting and your boss hasn’t said anything to you. What would you do? Would you simply carry on as normal and not say anything? No, probably not. The reason you don’t carry on is the need to know *why*. You need to understand why you got a raise. What have you done right or better that means you receive more?

You need to know that you deserve it. Now flip the scenario over so instead you haven’t received any money but your boss has come up to you, patted you on the back, sat you down and explained that you have worked really hard and they really appreciate what you’ve done. Notice any difference?

Money on its own means nothing without recognition – in fact, it means less than nothing because it makes us uncomfortable. On the other hand, for many people for a large amount of the time, genuine recognition from others is hugely gratifying. The reason that it is more gratifying than money is because we are human and money is an abstract concept that only becomes relevant once we use it to buy a big car and an expensive house to show the world how important we are. When the neighbours say, “wow, nice car”, then it becomes real. In the interview and in his book Sinek describes many ways that rewards and concepts such as ‘peer recognition’ are being used to breed a new type of company culture and communicate value throughout organizations. Peer recognition is “*where the employees themselves volunteer to run a programme to choose who they believe is the person that they most want to be like,*” he says when describing the efforts being carried out at Barry-Wehmiller.

### We have the concept of good leadership completely wrong

We tend to think of great leaders as being larger-than-life, charismatic individuals who appear in moments of crises. This is the image most of us have in the back of our minds, but for Sinek it is a complete load of trash! Sinek firmly believes that we have the ideal of leadership all wrong and that really good leaders show their qualities everyday. They create an environment and build an ethic that will deliver when times are good as well as bad. As he explains, “*leadership is a rather boring process because it’s not about coming into a room and barking orders, it’s the mundane daily task of saying hello, asking somebody how they are, making conversation in the hallway. It’s the really boring slow stuff, just like forming a relationship.*”

For great leaders, leadership happens everyday and it’s that hard work and empathy in building a strong team that delivers when our backs are against the wall.

*“It is only exciting when everything goes wrong and you feel people come together and it just goes*

*brilliantly – that’s when it’s exciting. But those moments of excitement are not leadership, those are the results of leadership!”*

### Strategic empathy – a truly human approach

So here are the main points our interview with Simon Sinek revealed:

- *Leaders need to be the first into battle* – if you sacrifice others to save your own interests, don’t be surprised if all the good people leave
- *Weakness is not a weakness* – if you create a climate where people trust each other, can ask for help and be vulnerable, problems will be dealt with and cooperation will soar
- *Value people not money* – a company needs to make money to exist, but if you always look to fire people before accepting a fall in profits, money is the only value you are left with
- *Make everyone a leader* – responsibility will vary, but if everyone knows what it means to lead, everyone will increase their efforts in order to make it through the tough times
- *Genuine appreciation is the best reward* – knowing that we have the respect and appreciation from those around us will help us to love our jobs
- *Great leadership is really dull* – successful leaders go under the radar because they are always leading, not waiting for disaster so they can be a hero

You see being nice and showing compassion has nothing to do with wearing a flower in your hair or putting on yoga classes during employee lunch breaks. The simple truth is that we are all human. We work with humans, we manage humans, we take orders from humans and also, and I know this might come as a shock but, our customers are humans too!

We are not machines.

The business agenda of most people reading this will be something along the lines of ‘creating a product or service that in some way enhances human existence’. So let’s keep that in mind when we think of the strategic implications of the circle of trust. Ultimately it will get you to where you want to be and get you there faster!

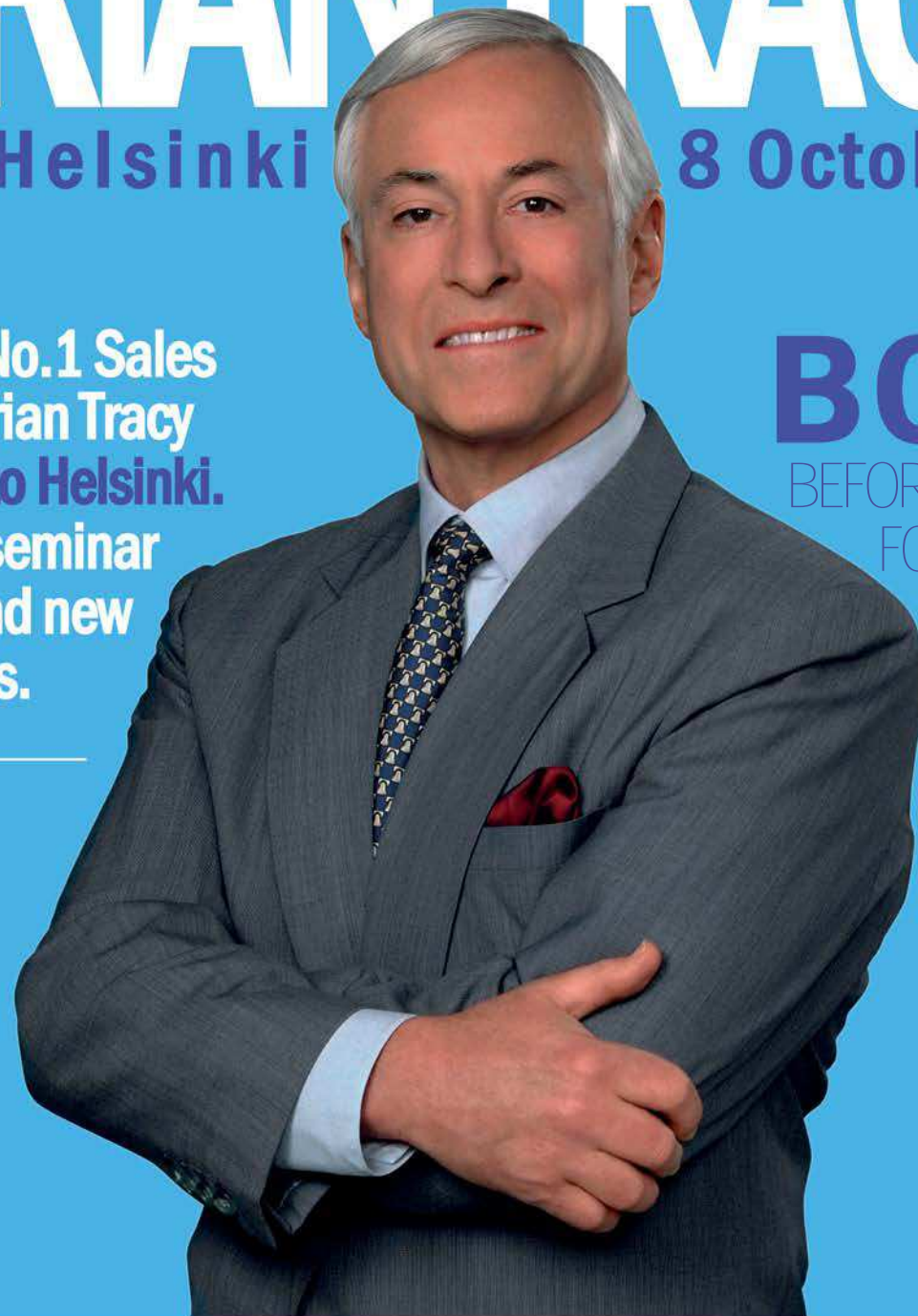
**One of the things that I think is so interesting in an organization is we don’t teach leadership.**



# BRIAN TRACY

Helsinki 8 October

World's No.1 Sales  
Coach Brian Tracy  
Returns to Helsinki.  
Full day seminar  
with brand new  
strategies.



**BOOK**  
BEFORE 11TH SEPT  
FOR DISCOUNT

**8th October 2015, Finlandia Talo**

Use booking code "FI" before 11th September  
and receive a discount: [www.topthinkers.se/fi](http://www.topthinkers.se/fi)

[www.topthinkers.se](http://www.topthinkers.se)



Tina Kalkainen

## Strategy Is a Business Puzzle – Just Rearrange the Pieces to Win

BY TERO VUORINEN

Here's an idea – let's start a virtual farm! You have to admit, with 1.5 billion revenue and 0.5 billion profit, Supercell knows a thing or two about strategy. Their farming game, "Hay Day" has generated more profit in the last few years than all the "traditional farms" in the Nordic countries put together. With in-game purchases at its core, Supercell's strategy serves as a great example of clever

strategic thinking: people like games, and charging for games can be rearranged in a new, more profitable way.

The nature of business strategy has changed a lot in its relatively short history. At first, it was definitely serious, absolutely scientific, and usually very heavy. The main aim of strategy was to respond to the demands of the market, and the



winner was the company that could do so at the lowest cost, with the best quality, with the largest capacity, or all of them combined.

Nowadays strategy is increasingly about innovativeness. This stems from the accelerating changes in technology, economy, and especially consumer mindsets, which in turn have made analysis, forecasting and planning more difficult.

Innovativeness has been a major theme in economics since **Joseph Schumpeter** devised the theory of creative destruction in the 1930s. The theory states that technological innovations destroy old products and their markets. In the 1970s, **Israel Kirzner** incorporated the formula of perception, opportunity, and profit into the concept of innovativeness, which alerted entrepreneurs and encouraged them to look for emerging opportunities and to estimate the value of the resources necessary to exploit it. By the first decade of this century, **W. Chan Kim** and **Renée Mauborgne** were directing entrepreneurs to venture out into the Blue Oceans by creating their own markets to bypass the competition altogether.

The idea that I call the “business puzzle” builds on those earlier concepts of innovativeness, yet proposes that you don’t have to destroy anything or create something totally new. You can even be successful with exactly the same ability as others have to perceive opportunity. The trick is just to combine the components of a business in a way that benefits your customers as well as yourself as an operator. Often a small change can make a big difference. It may sound boring but it is often the way to profitability.

Supercell may almost be too brilliant an example of rearrangement, so let’s explore some other large-scale strategy champions. Take Ikea for instance. They didn’t invent the sofa or the table, but they did invent a totally different logic to buying furniture - the flat pack model. This fundamental idea changed the production, logistics and retailing of furniture — not to mention revenue and profitability.

Uber and AirBnB did not invent totally new products or services either. People have rented apartments and paid for transportation for the last few thousand years. However, the way these companies have arranged the pieces of their business in the industry is unique. Although AirBnB and Uber aren’t exactly shaking the foundations of the hotel and transportation business, they do

present totally new ways to organize the different roles in their value chains. Their concepts are based on the results of clever strategic thinking and a unique way of organizing existing resources.

Apple’s business model does not rely on its superior manufacturing; Apple has in fact outsourced almost all of its physical production. What Apple is great at is software development and exploiting their vast ecosystem, which covers computers, mobile phones, movies and artists, as well as many other things. In other words, Apple has mastered their role as leader of the mobile phone market - a role that Nokia could not handle. Of course, nor could Microsoft, Sony or Motorola.

There are also simpler approaches to rearrangement than the big scale examples provided above. When considering the business puzzle, unique perception or unidentified customer expectations are not always needed. Our basic needs serve as good starting points.

People get hungry. The lunch voucher that enables an employer to offer a fringe benefit for its workers was invented in 1954. The lunch voucher and its followers in different fields, such as cultural and sports vouchers, are still going strong and undoubtedly beating most of the restaurants, museums and gyms in terms of profit.

People like sex. The Internet is full of sex stores, not all profitable because of the tough competition. However, there are also very successful companies that sell sex toys for women through Tupperware-style home parties. A small change in sales style has created a big difference in performance.

People use clothes. Pilkkoset sells 5% of all the socks sold in Finland and easily beats H&M in their field. How can this four-person company achieve such sales? Here’s the missing piece of the puzzle: 300,000 outsourced salespeople. The socks are sold via a fundraising business offered specifically to sports clubs and schools.

People want to look good. The MRoom barber shop chain offers haircuts for men, just like a few million other barber shops. However, they do it with a fixed price yearly contract including a buffet style “all you can cut” offering. It’s a sufficiently different business logic and delivers a financial performance most barber shops can only dream of.



It is great if you can think big and implement even bigger. But sometimes less is more. These example companies are not directly destroying anything or creating totally new businesses. Many consumers, or even the competitors, might not even consider some of these to be “real businesses”.

Following the puzzle based strategy does not mean you must be in a growth industry or to be a trendsetter or a master of rapid technological development. It is actually best suited to ordinary businesses, which have a constant demand. Success is then just about the ability to serve customers better with a rearranged business model. The winning puzzle can, for example, be discovered through:

Level 1: A change in billing, e.g., haircuts (MRoom) or all business books and magazines (Talentum Summa) with fixed monthly payments. This is often possible using internal resources.

Level 2: Change in beneficiaries and sponsors, e.g., lunch and cultural vouchers (Smartum) or sport and health challenges in workplaces (Hymis). Here you have to take the role of a broker.

Level 3: Changes in the roles of different parties in the value chain, e.g., Ikea, Uber, AirBnB, Pilkkoset, Spotify, or Google. As a broker you have to combine the functions of several organizations and the interests of numerous parties. The challenge is to get the process running smoothly.

Your imagination is the only thing limiting the opportunities available for a winning puzzle. Rental wallpapers? Beauty treatment vouchers for ugly salesmen? A coffee shop with fixed monthly payments?

Do not over think — the best ideas are often simple and copied from somewhere. Also, don’t plan too much — testing might be faster and cheaper.

Just imagine how it should be and try it!



# Making the Right Moves

BY TUOMAS LIISANANTTI

Garry Kasparov didn't become a world chess champion by chance. Besides natural talent, relentless work for developing decision-making abilities and strategical thinking was always a critical part of his success.

Hidden in a chessboard's 64 squares, there is a mind-boggling amount of logically possible chess positions. Garry Kasparov, the now 52-year old Russian, is widely considered to know more about those positions than any other human on the planet. Having won the chess world title as the youngest person ever, defending the title successfully several times in a row, and being ranked the world's number one player for 20 years until his retirement in 2005, Kasparov's merits speak for themselves.

Kasparov sits on a chair in a beautiful setting on the Upper West Side of Manhattan. He's here to talk about strategy, a topic that every professional chess player knows a thing or two about. Kasparov is by any standards a master chess strategist and sure has made some bold moves in his personal life as well. Still, even for someone who has time and time again out-thought anybody sitting across a chessboard from him, the topic is by no means simple. That is why he wants to highlight something important.

*"I have to emphasize that my advice comes from my own experience, from the Garry Kasparov perspective. It is as unique as yours or anybody else's. You should always be very cautious when trying to copy-paste. The formula that worked for someone else, might not work for you. Every decision is unique. Every person has their formula for decision making, it is like a fingerprint. You can't rely 100% on the successes of others," he explains.*

It's no wonder why many have tried to get Kasparov to form simple lists of advice on how to think, decide and win. Kasparov's decision-making fingerprint is arguably as good as it gets, at least in the context of chess. Even if chess offers rich metaphors for business and life, they are not exactly the same thing. That is something that Kasparov himself remembers to point out. The conditions on the chessboard are fixed, and so are the rules. That being said, some things do apply. Whether in chess or business, making moves of any kind requires one to be knowledgeable about the basic rules and common practices of the game, but becoming a masterful strategist requires more than that. Being reactive is not enough, an initiative must be taken. These situations are the ones that separate tacticians from strategists. According to Kasparov, even if taking initiative might feel uncomfortable for many, in a fast-paced world "wait and see" can be a recipe for failure.

**You have to remember that you just might be on the wrong side of the statistics.**



Paula Ojansuu



*"The pace of events has changed quite dramatically. It creates a different environment. If the environment changes, we have to adjust as well. Something that worked ten years ago can be totally counterproductive today just because of the speed. The cycle goes faster. You will have to make sure that your knowledge will be always adjusted. I believe that more aggressive options work better in the modern environment. The benefits can be huge. Yes, there's more risk involved but when you start looking at statistics, you have to remember that you just might be on the wrong side of the statistics."*

### Focus, patience and risk

Kasparov is quick to respond to any question thrown at him, and everything in his demeanor shows that he has a constant sense of urgency, a common trait of highly productive people. Advancing through incremental improvements requires patience. Although Kasparov is by no means known to be patient and doesn't consider himself as patient either, there's no question that patience is a must if true mastery is the ultimate goal. In chess, patience is fairly often mentioned when talking about the so-called positional play, a situation where instead of trying to directly remove the opponent's pieces or put their king in check, moves are made with the intent to increase the power of one's pieces and create fruitful conditions for tactical strikes on later moves. Besides patience, crystal clear focus is something that Kasparov emphasizes as a factor when trying to achieve decision-making mastery.

*"Both patience and focus are important. They might be very useful in different situations. I was*

**Failure is nothing but failure. It is inevitable when going towards success.**

*always focused when I played chess, but it doesn't mean that I was always patient. That was not exactly part of my character, but I knew that patience is important while you learn. Patience is your ability to accept failures. We are often emphasizing failure too much. Failure is nothing but failure. It is inevitable when going towards success," Kasparov says.*

In some studies, individuals with higher cognitive ability are shown to be significantly more patient, but also more willing to take risks. Though the word "risk" might have some negative connotations, it's good to keep in mind that besides "danger" the word also has "opportunity" embedded in it.

*"If you don't take risks, how can you expect rewards? Especially if you are looking for breakthrough innovations, like the moon project, it means you have to enter uncharted waters. For me, patience is the willingness to accept failure and to try again, the willingness to learn. Learning without patience doesn't work. Focus should be with you all the time because the moment you lose focus, your energy goes in a wrong direction. I would put 'focus' on the driver's seat and have 'patience' sitting right next to it," Kasparov concludes with a laugh.*

### Train your intuition

Even though many would think that a man with a high IQ and decades of experience in reflecting his thoughts in high-pressure situations would be extremely cautious about cognitive bias, Kasparov conversely highlights the importance of intuition.

*"You have to learn to trust your intuition, which means you have to use it. Think your intuition as a muscle. Do pushups and run. You have to strengthen it."*

Even if it feels counterintuitive that a man who is known for his exceptional reasoning abilities would be emphasizing the importance of a process that gives people the ability to acquire knowledge without analytic reasoning, that is exactly what Kasparov does. In the world of ever more data and data-driven decision-making, people have, in Kasparov's opinion, become overly skeptical about their intuition.

*"When everybody else is looking at the statistics and trying to crunch the numbers, you can do the same, but also have the gut feeling on when to stop looking at the numbers, cut it short, and make the decision. Developing your intuition can give you*

*a significant competitive edge," he clarifies, and I somehow feel quite convinced.*

### Maximizing the advantages

Identifying and analyzing one's competitive advantages are the first steps in creating a strategy. As competitive advantage stems from differences, developing a unique style is crucial. That is why assessing one's strengths is considered as the cornerstone of any strategy, whether by management researchers or chess players. After that, it's all about leveraging the strengths while simultaneously keeping the weaknesses in mind. As **Richard Rumelt**, the author of the book *Good Strategy Bad Strategy: The Difference and Why it Matters*, puts it: "a good strategy works by harnessing power and applying it where it will have the greatest effect." Kasparov's thoughts on strengths and leverage don't seem to differ much.

*"Find a way to maximize your advantages. The last thing you want to do is to change your style. There is no good or bad style. Being aggressive or being defensive doesn't mean that you win or lose. The important thing is how you use your competitive advantage. Brazilians and Germans have won the Football World Cup many times with very different styles," he explains.*

### Stay true to yourself

According to the critics, Kasparov is an overconfident wrangler who defends his opinion to the very end. Being true to oneself is not always an easy task, especially when the matter is about your weaknesses. However, even if Kasparov's views might sound overly aggravated for some, at least in his case, the confidence stems from countless hours of critically viewing his own thoughts first - a trait that made it possible for him to be on top of the chess world abnormally long. What is especially striking in Kasparov's way of looking at his decision-making is how rigorously he evaluates every event. He emphasizes looking critically back at even the kind of events where you succeeded, and where others would have probably just tapped themselves on the back and thought that they are just so damn good. As Kasparov frames it:

*"You have to also understand your weaknesses. We might easily believe that a victory was a result of our greatness. What we often don't understand is that even if we win, there were mistakes made. Analyzing what you did wrong, even if you won, is vital.*

*Because everybody else will be working really hard, trying to find out what went wrong, and next time they will be prepared. You have to be ready to challenge your success."*

As our time is coming to its end, Kasparov aptly brings up the keys to performing well under pressure.

*"No matter how much time is used to prepare, you have to understand what kind of decisions you make under pressure. That's where it goes to your instincts. You have to try to create situations where your strengths are the most applicable. Master the conditions on the field and you'll do fine."*

### Garry Kimovich Kasparov



Paula Ojansuu

- Born in Azerbaijan on April 13, 1963
- Started playing chess at age 6
- Defeated Anatoly Karpov in 1985 making him the youngest official world chess champion
- Successfully defended his title against Karpov in 1986, 1987, and 1990
- In 1984 – 1990 played 144 world championship games against Karpov. Kasparov won 21 games and Karpov 19 games, while 104 games resulted in a draw.
- In 1996, he defeated the IBM 'Deep Blue' chess computer, but lost a rematch in 1997.
- Known for his aggressive and dynamic style
- Retired from professional chess in 2005
- After retiring, devoted himself to political activities related to promoting democracy in Russia
- Became a Croatian citizen in 2014

**You have to try to create situations where your strengths are the most applicable.**



# BUSINESS IS GREAT

BRITAIN & NORTHERN IRELAND

UK is Europe's number one investment destination.  
Contact: [commercial.helsinki@fco.gov.uk](mailto:commercial.helsinki@fco.gov.uk)  
[www.ukti.gov.uk](http://www.ukti.gov.uk)

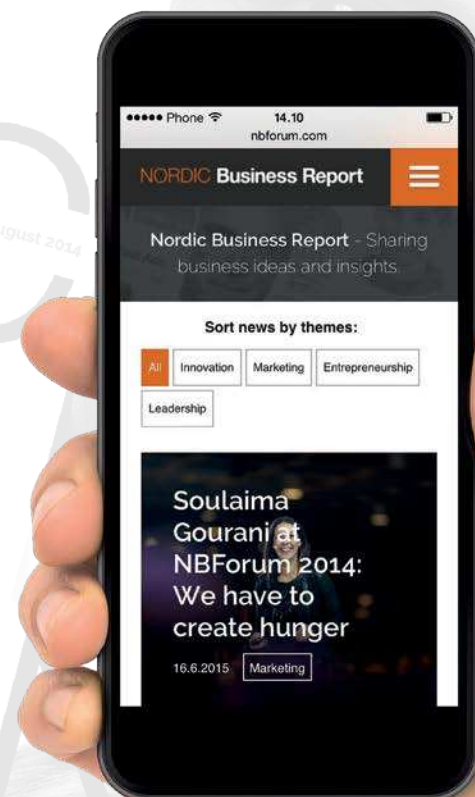
UK Trade & Investment

The Shard  
London

## Nordic Business Report is now online!

Discover business ideas & insights

→ Check it out: [www.nbreport.com](http://www.nbreport.com)



## Suffering Is Great Strategy

Hurt me, hurt me! Sounds more like S&M than business strategy, but let me explain...

For me, one of the great enemies of success is narcissism. Narcissism feeds on success. The more power and influence you wield in any organization, the more likely it is that you will start to actually buy into your own mythology. The bullshit the fawning sycophants feed you starts to become part of your actual system of beliefs. Maybe I really am exceptional. Uh Oh.

The NPR (Narcissist Penetration Rate) rises as you move up the hierarchy. Paradoxically, this correlates with the increasing probability of a cluster-fuck caused by YOU. Why? Because you yourself have created an ecosystem where people are incentivized to agree with you and dis-incentivized to oppose you. At this point, it's just a matter of time before you make one let's-invade-Iraq decision too many.

The obvious antidote to this is hiring courageous, intelligent individuals who are smarter than you and unafraid to express their opinions. Finding them is not easy. People are also geniuses at disguising themselves. So even if you try not to hire an ass-kisser, you may still get one, and even if you have great people who start out as non-ass-kissers, they may "evolve" into them through natural selection. So you need to put enormous effort into surrounding yourself with intelligent, fearless, ethical people and in a sense reward them for protecting you from yourself.

Even if we assume that you successfully surround yourself with these seemingly suicidal, Socratic supermen and women, there remains one nearly insurmountable obstacle: YOU. How do you stop yourself from believing in the infallibility of your own judgment?

Here's where pain comes into play. In my case, cycling long distances at high speed up and down mountains, through snow storms and in horrible wind has taught me the value of suffering. It's a peerless reminder that I am weak, fallible and entirely capable of making outrageously terrible and arrogant decisions (what made you think you could climb this pass, you arrogant idiot). I sweat, I bleed, my bones break. I bonk. Just like everybody else.

This reminder of my own fallibility also encourages me to keep exploring my weaknesses as a leader. I educate myself to keep up with my smarter subordinates. When I'm with my people I really listen to their arguments - especially when their ideas are opposed to my own. I'm not saying, don't trust your gut. I'm saying, trust the data and challenge your gut.

You have to remember that when you have the power, even the bravest ones will always be a little afraid of you. Absolute power corrupts absolutely (Milton), so you have to keep your own worst enemy - you - in check.

In which case, pain and suffering just might be your best friend.



Column • Keith Silverang

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



# Ask Vijay

Paula Ojansuu

Vijay Govindarajan, the world's leading strategy expert, believes that strategy gives a sense of direction and integrates managers' decisions into a coherent whole. We asked him to share his thoughts on a number of strategy-related issues.

## 1. Building up strategy seems hard. What are the best tools you've seen for formulating a strategy?

**VG:** The best tool to craft a strategy is to ask two questions: What game do I want to play? How do I play to win? Answers to these two questions can help shape the firm's strategy.

## 2. Do people over-complicate strategy?

**VG:** Strategy sometimes gets over-complicated. Certainly in most organizations, strategy is the monopoly of the people at the top. This view is too narrow. Everyone in the organization should be involved in developing and executing strategy. There is likely to be less complication and more understanding and buy-in if everyone is involved.

## Bio

Vijay Govindarajan is a Professor of International Business at Dartmouth College. He has become widely regarded as one of the world's leading experts on business strategy and innovation. On the list of the world's top business

## 3. What questions should strategy ultimately answer?

**VG:** Strategy describes the framework for managing a business's responsibility to take action in three time horizons at once: executing the present core business at peak efficiency (Box 1); taking steps to avoid the inhibiting traps of past success (Box 2); and inventing a future built on nonlinear ideas (Box 3). Strategy must recognize the distinctive skills each box requires, how the boxes interrelate, and what it takes to balance them.

## 4. How is strategy different in a large corporation compared to a small one?

**VG:** Smaller organizations tend to be in one business whereas large corporations tend to be in multiple businesses. For large corporations, in addition to developing strategy for individual businesses, there is a need for corporate strategy. Corporate strategy asks questions like: What should be the portfolio of businesses we should be in? Which businesses should get more resources? Which businesses should get less? Are there potential targets for acquisition? How do we promote synergies across businesses?

## 5. How to decide on strategic investments when it's increasingly difficult to predict the actual outcomes of investments?

**VG:** Remember that there are two types of acceptable outcomes in a Box 3 innovation project: (1) a success and (2) a failure that comes as quickly and inexpensively as possible. The most undesirable outcome is a long, expensive, and painful failure.

Therefore, as the Box 3 project moves forward, you want to be sure that you spend a little to learn a lot. To accomplish this, you must *test the most critical assumptions as early and as inexpensively as possible*. Low-cost experimentation is the most effective way to de-risk major investments.

thinkers, the *Thinkers50*, Govindarajan is number 5. VG, as he likes to be called, has challenged the strategic thinking of the world's top executives and his customers.

# Your business. Our dedication.

At Roschier, we believe the best advice is built on a deep understanding achievable only through dedication. It's an approach we're committed to. By working closely with our clients and sharing their realities, we ensure advice that reaches beyond the obvious.

That's why we are one of the leading legal advisors in the Nordic region today.

[www.roschier.com](http://www.roschier.com)

ROSCHIER



efima

Defining evolution.



Bringing you the next **evolution** of business processes.

[www.efima.com](http://www.efima.com)