



**SITRA**

# Strategic Agility – A New Competitive Requirement for Nations?

November 19, 2010 Mikko Kosonen

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

Progressive industrial and innovation policies



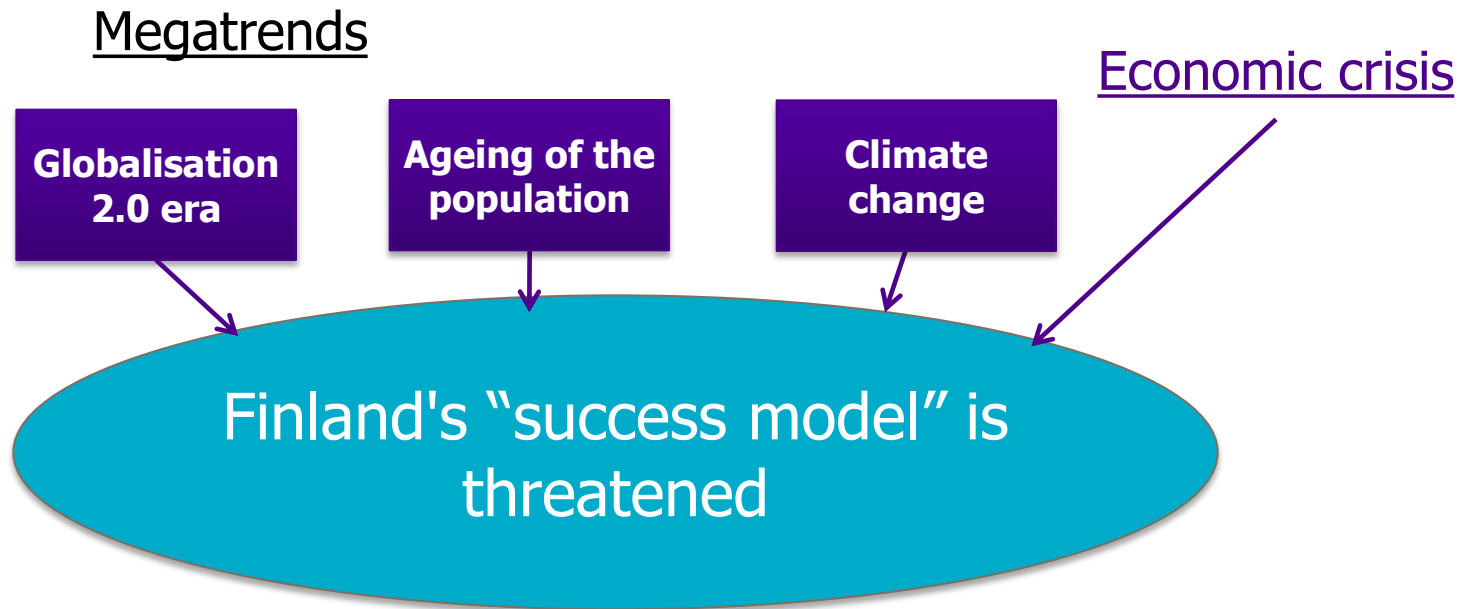
Progressive social and education policies



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



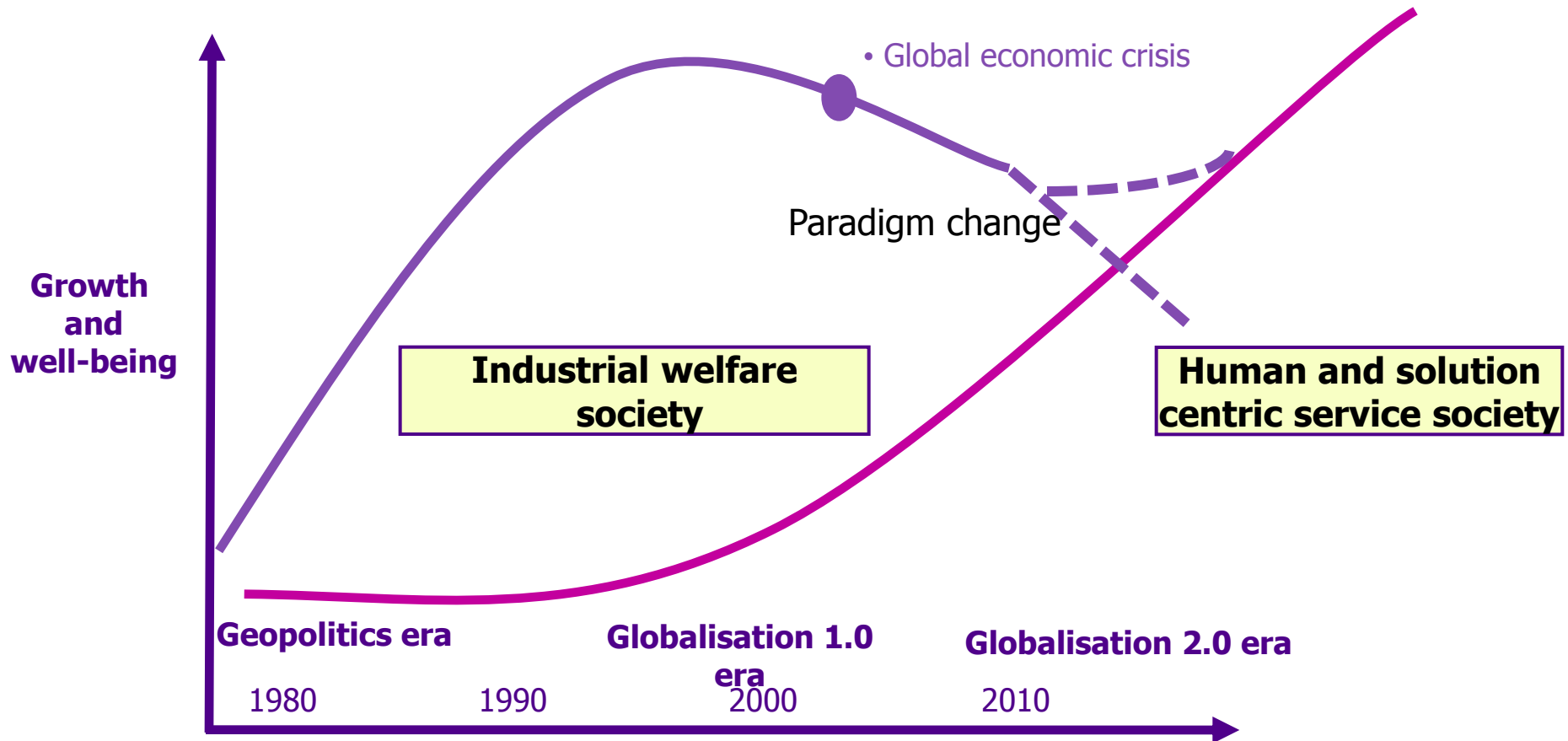
# But the world is changing rapidly...



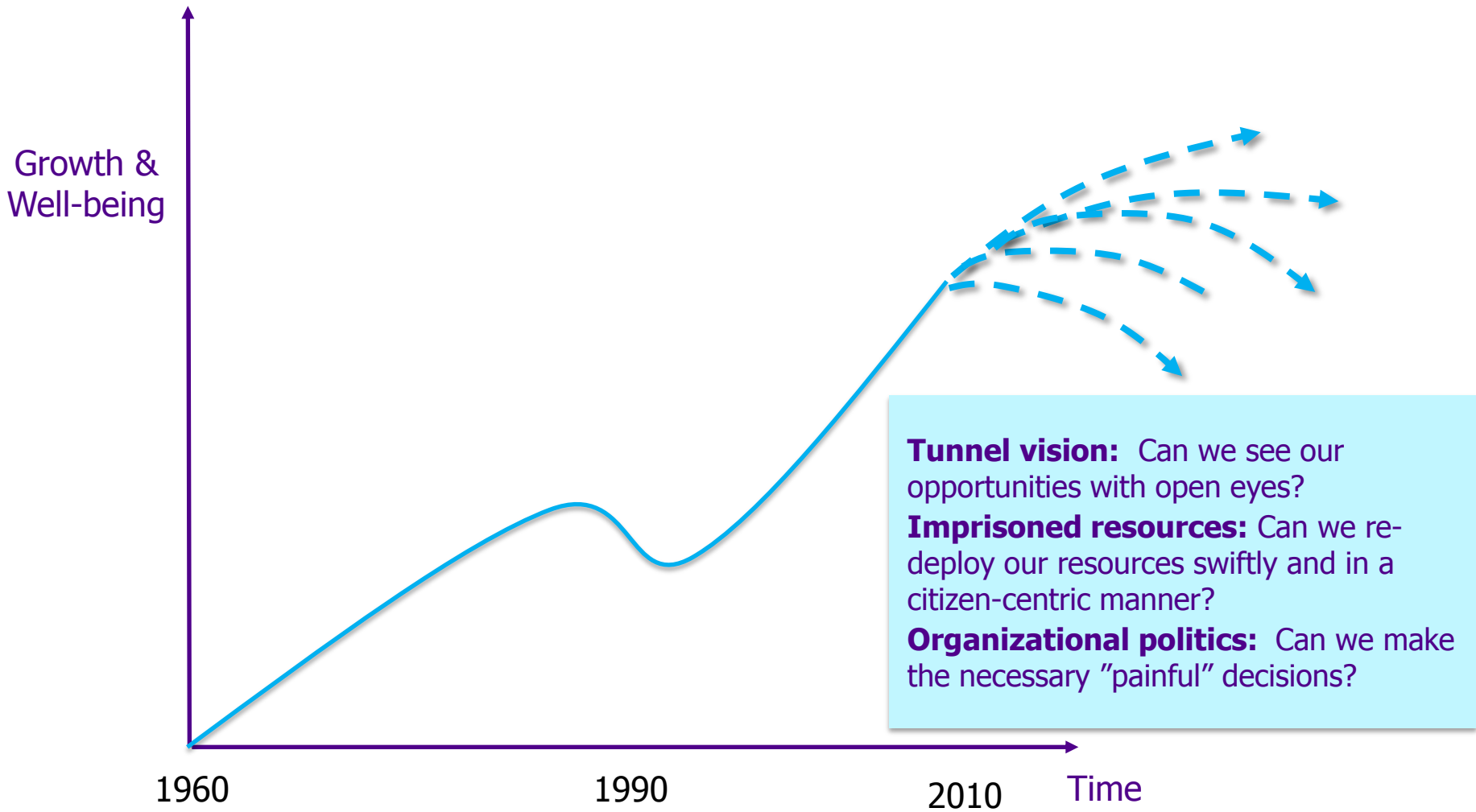
- Finland's traditional industrial foundation is weakening rapidly
- Finland's dependency ratio is deteriorating rapidly

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

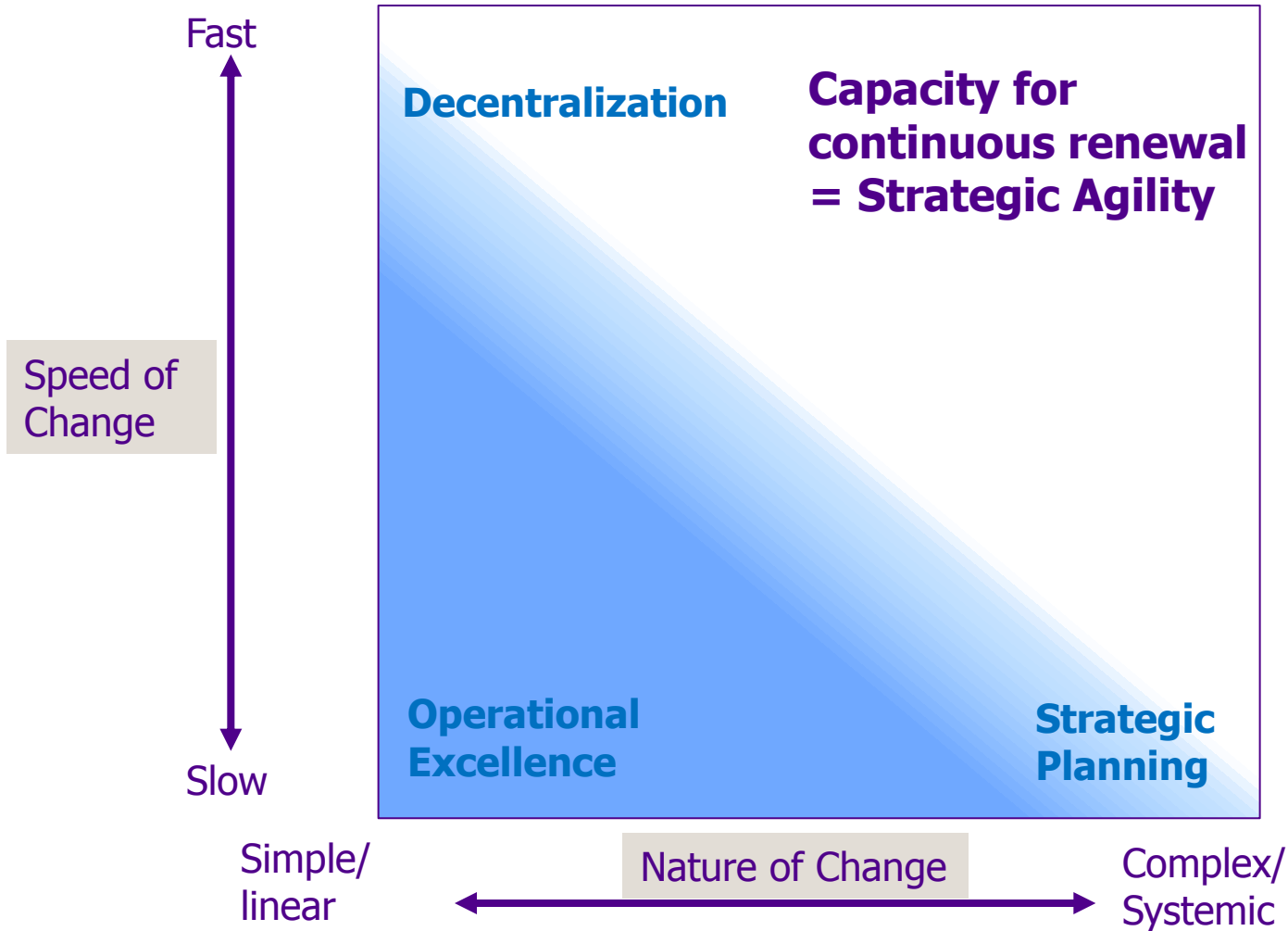
# From industrial era mental models and structures towards human and solution centric service society



# Have we become prisoners of our own success?

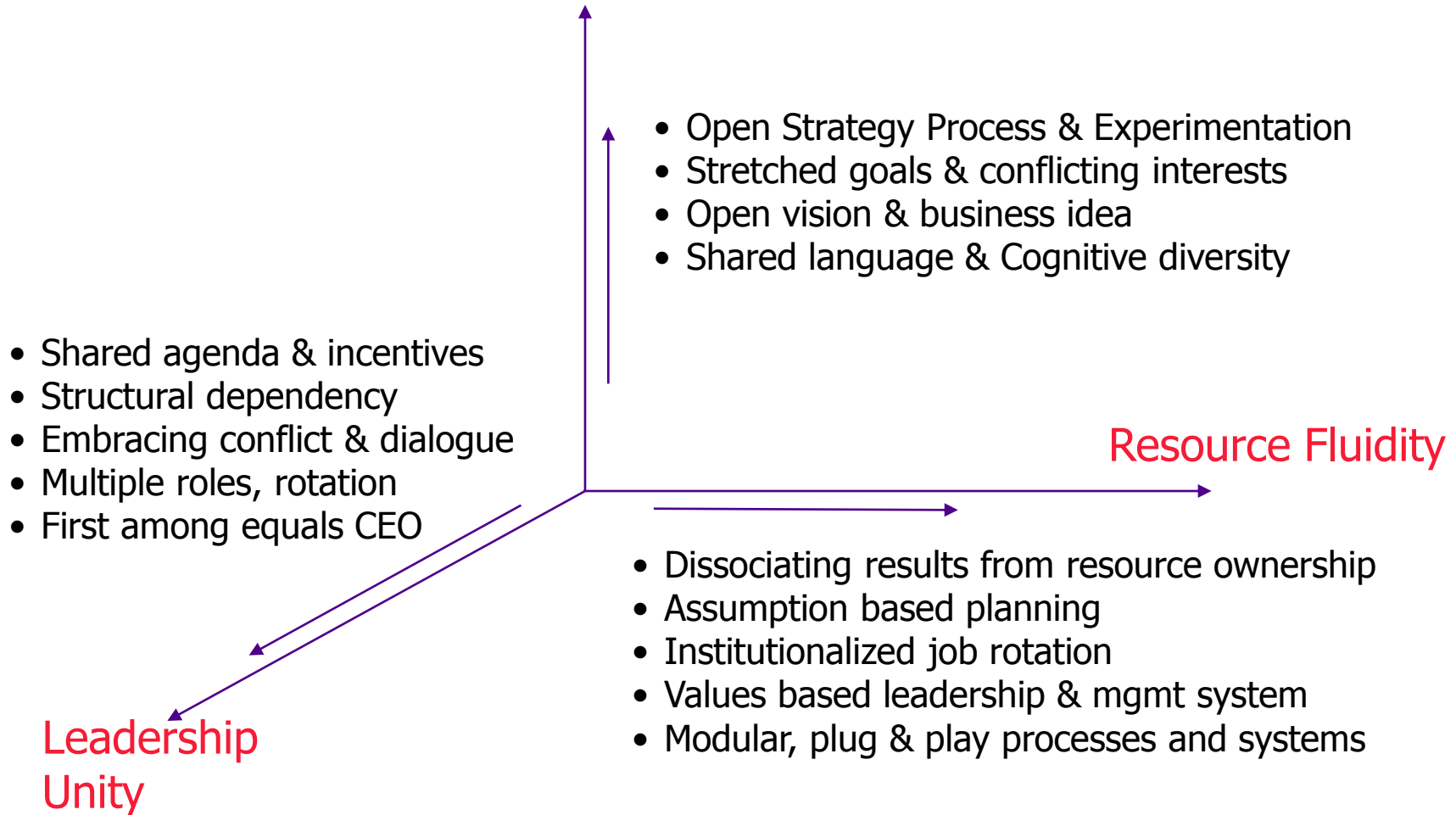


# Need for new leadership & management principles and practices



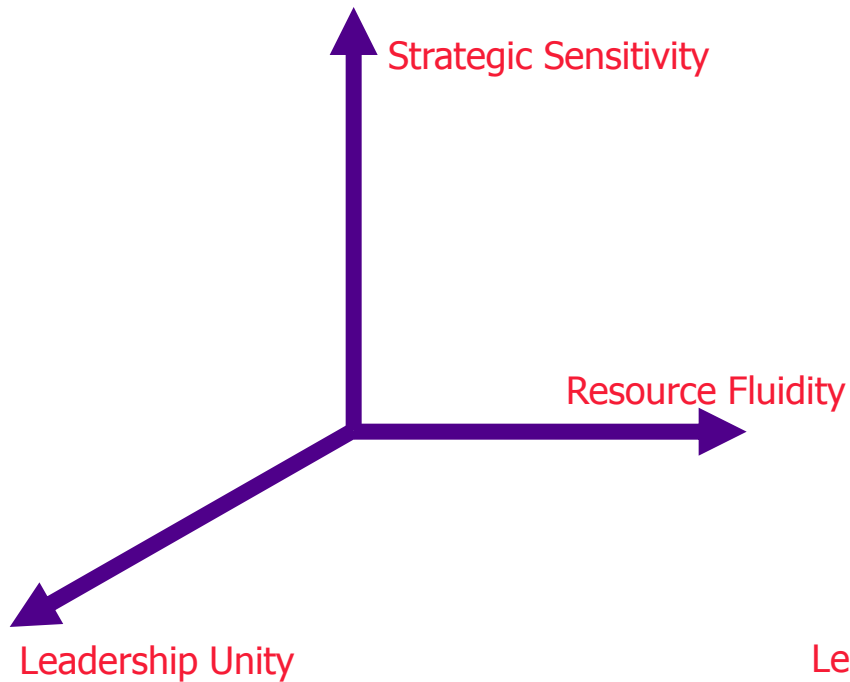
# Enablers of strategic agility in the private sector

## Strategic Sensitivity

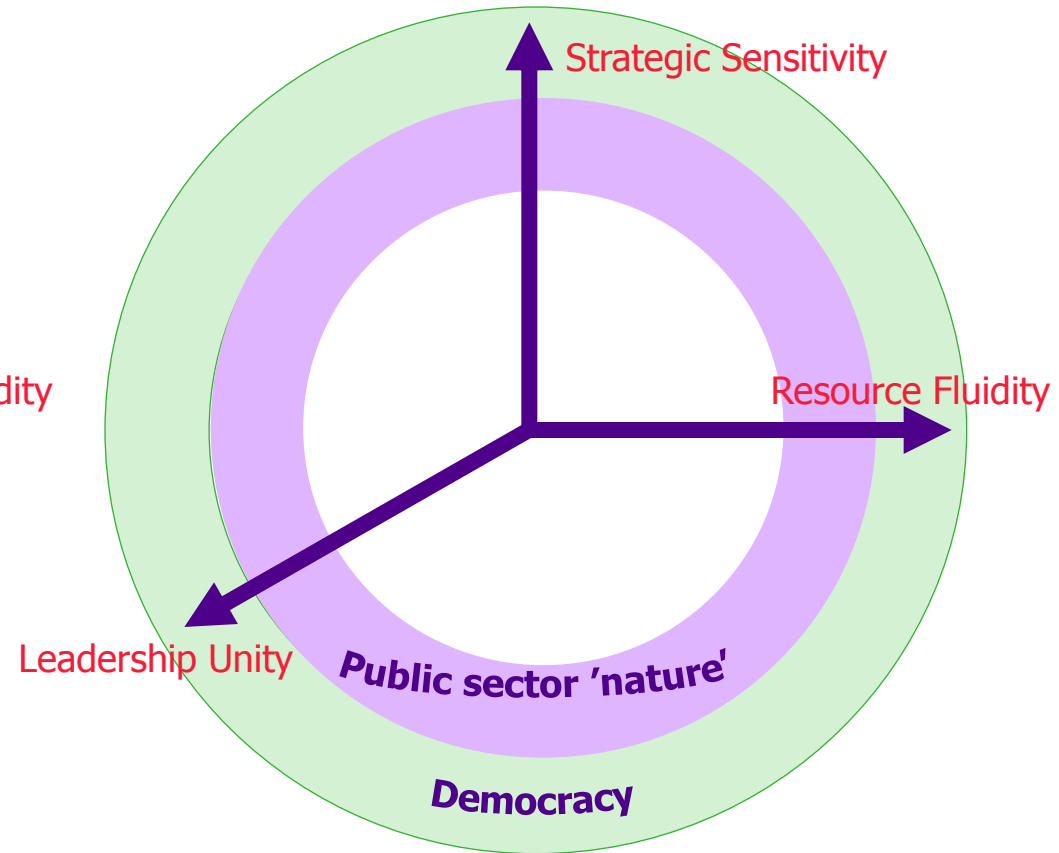


# Application of Strategic Agility in the Public Sector

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



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

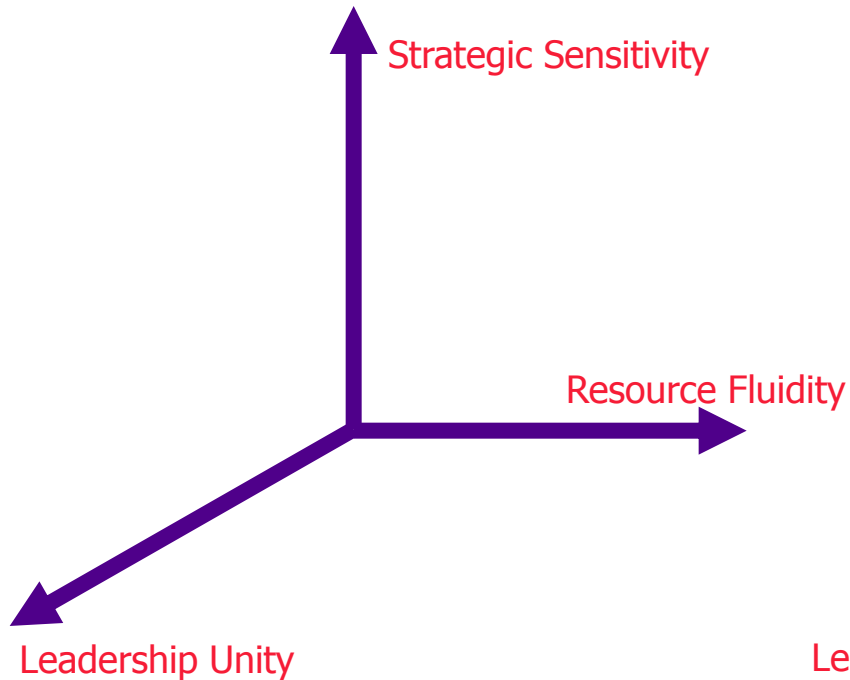


# Constraints specific to public sector

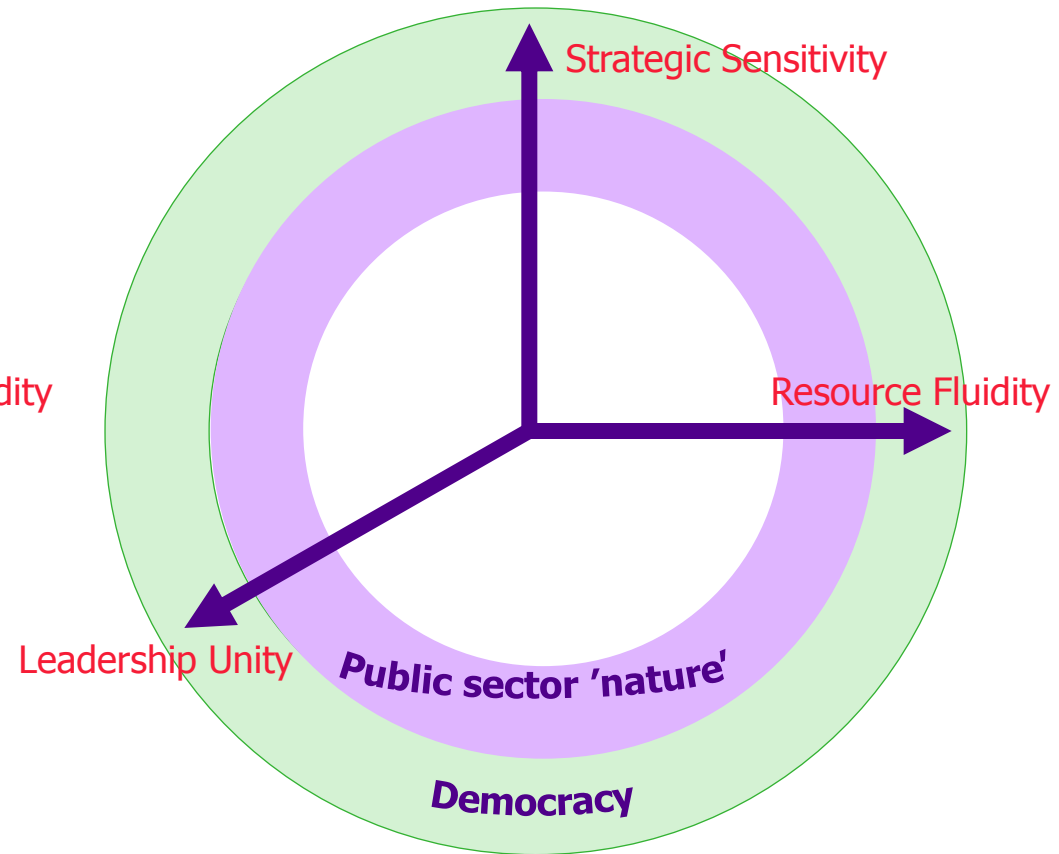
- Democratic decision making
  - Need for public support
  - Multiple goals (optimization more difficult, tradeoffs between goals)
  - Lobbying special interests
- Outcomes difficult to measure
- Employment constraints (lower salary, "permanent" jobs)
- Lack of market pressure
- Uncertain production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

# Application of Strategic Agility in the Public Sector

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



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



# Finland – What Next?

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



**Thank you!**

# Sitra's vision and mission

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

Sitra facilitates  
these changes  
– by combining foresight  
and experimentation

# Summary

