Foresight and innovation management

A model to foresight systematically, and manage innovations efficiently

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(Interests: innovation management, foresight, LEAN, open data and API’s, new techs, co-creation, participation, change management, strategy, corporate image and atmosphere research, marketing, communication, narrations etc.)

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The evolution of customerships and services

- **2017 (Turku 1.0)**
  - Service providers
  - Customer

- **2020 (Turku 2.0)**
  - Service process
  - Customer
  - Service providers

- **2025 (Turku 3.0)**
  - Customer
  - Service providers

The evolution of capabilities

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<td>Predicting and identifying service needs</td>
<td>Identifying and segmenting customers</td>
<td>Development of business models</td>
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<td>Managing service design and service channels</td>
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<td>Producing social and health services</td>
<td>Customer-based service management</td>
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<td>Development and management of smart infrastructure</td>
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Need to change in order to evolve

- From silos to service processes
- From service processes to **customer-centric demand-based service ecosystems**

- **Turku 4.0 = plenty of service ecosystems, competition takes place between ecosystems and is controlled by regulation. Service providers can be members of several ecosystems at the same time.** *(ig. App-developers that can participate in both iOS and Anroid ecosystems) (Petri Takala/Gofore)*

Some open questions raise from this still hypothetic vision

- How will the customer change? Does this approach lean too much in technology? **Is it too simplified concerning the complexity of the futures?**
- The nature of digital services differs for traditional services? **Life cycles of the services are not at all alike?** Digi dies faster!?
- How do we predict what i.g. senior citizens really need, or families with children? **MyData? How to manage MyData? Joint processes?**
- How long it is important, and to whom, that we provide all services **locally?** Or do we jump directly to global services? Should we specialize somehow?
- **Data** needs infrastructure, AI needs data, service development needs data, foresight needs data – are data services one of the main service products that municipalities will provide in the future?
- How to develop public sector if regulation and governmental structures are not flexible enough? **How to speed this process?**
Foresight process in the City of Turku

Evolution of this foresight process in a nutshell

2015
- Fragmentary efforts to foresight
- Mayor decides that someone should participate CFP-course
- Foresight included to Strategy and Development depts services

2016
- First CFP graduated
- Foresight as a capability recognized
- Understanding the need to research foresight maturity in organisation
- Need of specific model to foresight systematically raised
- Agreed with Anna Einola on the subject of a master’s thesis: The impact of City Algorithm and foresight maturity in Turku

2017
- Connecting foresight mode to leadership’s annual foresight
- Testing the model
- Alignment to proceed with this model and develop it in the future years from City Board

2025
- Foresight is a daily tool in the guidance of service process
- AI will point out directions to management and leaders
Foresight supporting leadership’s annual schedule

Main results for strategy, operations, economy and planning

1st quarterly report
- Mayor’s budget presentation
- City Government’s budget proposition
- City Council’s budget processing
- Accepted budget for next year

2nd quarterly report
- Specifications for strategic compromises and acceptance operational agreements

3rd quarterly report
- Acceptance of str. compromises
- Str. report in council
- Financial statement
- Acceptance economic plans

Summaries of str. plans
- Preview of financial statement
- Planning frame
- Strategy report

Collecting foresight information

Scenarios for workshops SWOT

Refining and analyzing foresight information (PESTE)

Innovation Frame

The organisational culture of innovation: interaction, co-operation, high risk tolerance, organisational values, know-how, ambition, trust

The structure for innovations: knowledge management, systems, processes, organisational structure

The strategy of innovations: programs, road-maps, portfolios

The process of innovation = The process of co-creation and development

The resources for innovations: teams, money, time, technologies, capabilities, awareness of operational environment, networks

Freely by: Apilo, Taskinen: Innovatioiden johtaminen
How to overcome barriers for innovations in organizations from the public sector, Karolina Mackiewicz, Master’s Thesis (2017)

Comments are based on observations by Tarja Vuorinen and therefore represent only a personal point of view to organization

The five barriers identified during the study are:

- **Hierarchy** – stops innovation or make it impossible to emerge;
- **Poor communication** – lack of informal exchange or overload of electronic information.
- **Imbalanced work division** – most of the time spent on planning and reporting, not enough time for brainstorming and implementing.
- **Poor leadership** – risk avoidance – lack of informal exchange or the overload of electronic and old-school managing.
- **Bad management of human resources** – lack of incentives and career development programmes.

The status in the City of Turku, comments

- Hierarchy in decision-making slows innovations, as does the economy-driven planning.
- Communication is fluent, but cliques are still found and the information flow could be much better.
- We plan a lot and report a lot – but we also brainstorm and implement – this is under a heavy development!
- Leadership is rather somewhat old-school, partly it is poor but partly also good.
- HR-management is quite narrow, but it works somehow. Incentives are heard and managed, but career development lacks totally.

The model of managing innovations

**stakeholders, operational environments**

**Unsuccessful experiments are documented**

**DOCUMENTATION FOLLOWING THE PROCESS**

**Ideahaavi**
Think tank where ideas and needs are collected. filter, sharpened, clarified and killed.

**“Funtsaamo”**
Experiment house. Refined ideas are tested and tried out.

**“Pruuvaamo”**
Successfully tested prototypes and artifacts move on to our quality certified development model for project planning.
Fine model - but does it really work?
Case: Mapillary

<table>
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<tr>
<th>SOURCE</th>
<th>IDEA NET</th>
<th>THINK TANK</th>
<th>EXPERIMENT HOUSE</th>
<th>DESTINATION</th>
<th>NOTES AND REMARKS</th>
</tr>
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<tbody>
<tr>
<td>Participation expert, a colleague On-going project and a supplier offering accidently at the right time</td>
<td>Nothing documented</td>
<td>No group discussion, just informal conversation between colleagues</td>
<td>Group discussions, implementation to an on-going development project</td>
<td>Direct adaptation to an educational process. Partly back to idea net.</td>
<td>Experiment was a success, but instead of proceeding to development model, we decided to expand the experiment by offering purchased equipment to new users in a different context.</td>
</tr>
<tr>
<td>Innovation process</td>
<td>Documented in idea net</td>
<td>Group discussion -&gt; a road map, communication plan and assignments</td>
<td>No experiment for the method or equipment, but a new experiment in order to activate cyclists on their way to work</td>
<td></td>
<td>So an experiment caused an other experiment in a different context providing us a new innovation!</td>
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</table>

Thank you!
“Old town, but pretty funky!”