



On 1 January 2018 two organisations, Finpro, which offered services for internationalisation, investments and tourism promotion, and Tekes, which offered funding for innovation activities, merged to become Business Finland. This Finnish government organisation has the specific aim of enabling Finland to be the most attractive and competitive innovation environment in which companies are able to grow, change, and succeed. As an accelerator of global growth for Finnish companies, Business Finland employs a two-fold strategy: to enable companies to grow internationally and also to create world-class business ecosystems and a competitive business environment for Finland. Heikki Uusi-Honko, Head of International Networks at Business Finland, explains this role in the context of the software sector and the need for innovation, as well as in the context of the ITEA Community.

# Focus on Finland

Leapfrogging into the future



### Boosting productivity and competitiveness

“Digitalisation is one of our key national priorities, and ICT and software-intensive systems are playing quite a vital role now that so much business has to be conducted digitally and online. What we had already been seeing over the past ten to twenty years is ICT expanding horizontally and reaching into all kinds of sectors as the process of digitalisation pervades every facet of industry and services. The software sector is thereby helping to increase productivity and competitiveness. As an open, trade-dependent economy, exports are vital and the software-intensive sector is crucial to enabling our exporters to be productive and competitive in the global arena. This is a role that we are keen to support as much as we can. It fits in perfectly with our two-pronged strategy. We also believe that innovation can come in unexpected ways and collaborative forms, such as when SMEs join together with larger companies and research institutions. We are eager to support smaller businesses that want to exploit their potential and grow. In addition, we also do a lot of things you might not think of. For example, we have a programme called Talent Boost in which we attract talented individuals from abroad in an effort to boost our talent pool. We are very much aware of the importance of international connections in this respect. But,” Heikki candidly admits, “the Finnish weather is not really a great magnet, so we have to attract this talent in another way. The reputation of our software industry is a good pull.”

### New business models

Not surprisingly, Heikki points out that the software industry is even more relevant at a time when Business Finland is devoting 20% of its own human resources to providing online support to companies that have been significantly affected by the crisis. “I also think what the current context is teaching us is that in the future, if and when we find a way of defeating the coronavirus, the kind of

digital interaction that is currently becoming the norm will, in fact, remain the norm. We will have two digital meetings before and after a physical face-to-face. More distance working, more e-commerce. We are leapfrogging forward into the future. If you like, COVID-19 is acting as a kind of catalyst, propelling new business models, for example for logistics and deliveries. Personally, I like to go to a shop to ‘feel’ the goods, but I must admit that I am increasingly shifting to online shopping. We’re in a disruptive phase and need to re-boot the system. Here, the software-intensive sector has not been hit by the pandemic in the same way as many other sectors have, generally speaking.”

### Trust in the digital world

With the need for software solutions being accentuated by the pandemic, Business Finland sees a key role for the software-intensive industry. “It must seek to work with the verticals and look to solve the challenges with the more traditional industries,” Heikki explains. “We want to see innovative software getting into real applications. After all, innovation is only worth anything when it actually gets used. So, we target focal areas, such as AI and digital tribes. Finland is known as a very trusting and trusted society – but whether this is also the case in the digital world where you don’t have the same kind of social norms. This has led to our creation of a 100-million-euro programme to research this trust issue in the digital services world. We are hoping that Finland can come up with some interesting innovations in this area. We need to examine how to create trust in a relatively novel landscape. Trust has to be earned. From a technological, legal, governance and social

perspective. Trust and security – these are very complex issues.”

### Like-minded allies

Since the themes like trust and security also feature very strongly within the ITEA palette of projects, it is no coincidence that Finland is also strongly represented within the ITEA Community. And the approach taken by Business Finland – emphasising bottom-up innovation and ecosystems – finds a like-minded ally in ITEA. “For us, a programme like ITEA extends our innovation panorama. Our participation in ITEA brings an added dimension and extra scope to our national innovation landscape. Innovation is happening more and more these days in networks – internationally – so involvement by Finnish players is important. Looking at the ITEA platform, we see high-quality individual projects measured in terms of business relevance. The impact of the results is both tangible, direct and impactful. But this doesn’t come automatically, the process of consortium-building is important to the quality and success. The opportunity for sparring and evaluating is very much appreciated by us. These are essentials. All this together is a recipe for concrete business impact for the participants.”

### The greater good of innovation

“None more so than the SMEs. These players are great innovation hotspots but, of course,



they tend to lack the funding and resources that can allow their ideas to flourish. That's where we come in as a funding agency. We can provide the leads into the collaborative environments such as ITEA and the ecosystems they inhabit." The word 'ecosystem' causes Heikki to pause. "I realise that ecosystem has a number of connotations. I remember reading a book on ecology a long time ago and came to realise that in an ecosystem there is a top predator, an organism that benefits from all the energy in the ecosystem. So, every time I hear the word ecosystem, I wonder who the top predator in this particular case is. But, at the same time, it is collaboration between all the different players throughout the ecosystem that leads to success. Perhaps I should rethink my idea of the top predator and instead think of a more compassionate concept, like the greater good of innovation. In the end, it's all about improvement, a better life for people. And joining forces for that - what's there not to like?"

**More information**

[www.businessfinland.fi](http://www.businessfinland.fi)

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