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*BUILDING BUSINESS FORESIGHT FOR FUTURE DEMANDS OF BUSINESS PEOPLE*

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This project “Development of Teaching Methods, in order to Meet the Changing Needs of the Society” was a preliminary step towards cooperation that hopefully will result in common courses taught between the four universities. One step towards this goal was this study about the future of business life and the capabilities needed from the future business people of the two countries participating in this project.

The participants in this project were the project leader, professor Roar Kvam from Trondheim University in Norway, professor Poul Wolfssen from the University of Roskilde in Denmark, professors Marina Kolesnikova and Tatiana Lukicheva from St. Petersburg State University in Russia and professors Ritva Kinnunen and Sariseelia Sore from Lahti University of Applied Sciences in Finland.



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Building Business Foresight for Future Demands of Business  
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## ABSTRACT

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This article focuses on how business environment is believed to develop until the year 2015 in the two neighbouring countries Finland and Russia. It also shows the capabilities that successful business people are expected to have in business life.

The study was made by using the idea of scenario technique and inquiries that were conducted in Lahti, Finland and in St. Petersburg, Russia.

The results show many similarities between the ideas about the future business life in both countries. First, quite positive scenarios dominate both for Finland and Russia. Secondly, internationalization and globalization seem to influence business processes in both countries but this does not cause any dramatic problems for the business. Thirdly, Russia and Finland are quite close in respect to labour market and personal development and from this point of view it is essential that the indicators for the list of capabilities are so close together. Some differences were also found. On the whole, Finland seems to be much more advanced in valuing the importance of technological innovations, environmental issues, business ethics, security and social business orientation.

The most important capabilities that are needed from business people seemed to be quite the same in both countries. On top of the list, there were ability to change, communication and social skills. Entrepreneurship, initiative, comprehension and command of complex issues were also highly valued capabilities for future business people in Finland and in Russia.

Keywords: business people, capabilities, future studies, scenarios

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# 1 INTRODUCTION

## 1.1 SCENARIO PLANNING

Scenario planning has become an interesting tool for strategic planning in business. The purpose of scenario planning is to see in advance those factors that are affecting company's future, to define how serious these factors are for the business, what the possible outcomes for each factor are and, finally, what the most plausible situation for the factor in question is in the future. After this analysis it is possible for the company to prepare actions to be implemented for the most plausible situations. This gives a company the advantage of quickness in competition, and if any unfavourable trend starts to come true, the company is also prepared for this outcome with thoroughly calculated plans.

In this project scenario planning was used as a tool to foresee the situation in business life, in which the students of business faculties, now starting their studies, will work in the future. The perspective was taken to year 2015, so that the results of this study could be used in curricula planning. The goal was also chosen to be close enough so that the results would be more reliable than if the perspective would have been longer.

The talents or capabilities that employees would need in the future were scanned through scenarios. Drew A.W. Stephen (2006) summarizes the essence of scenario planning and its application as understood by other researchers. Scenario planning is:

- analysis of multiple views and different perspectives on the future (Wack, 1985a);
- combination of traditional research with expert (Senge, 1990);
- a comprehensive and open approach to understanding competition and business environment (Fahey, 1999);
- consideration of multiple stakeholders and their interests (Van Der Heijden, 1996);
- critical and creative approaches to strategic thinking (Schoemaker, 1995); and
- use of storytelling and strategic conversation (Van Der Heijden, 1996).

Scenarios can be used to complement traditional methods of strategic planning and in combination with methods such as discovery driven planning. Workshops to discuss scenario challenges are means of involving a wide variety of stakeholders and expert opinion, as well as encouraging organizational learning. Scenarios can help guide technological decision making, program and project planning. The research can be structured to draw on an appropriate range of expert opinion and Internet sources. Creative approaches to group work and strategic thinking can be used in process meetings. Road-mapping techniques widely employed in technology firms can be used to develop the scenarios.

## 1.2 TECHNIQUES FOR CREATING SCENARIOS

Scenarios can be made in workshops through discussion. Participants should represent various industries and branches of society as well as the research community. Workshops for scenario analysis should be well planned, and executed with care. It needs to draw on a variety of approaches, information sources, and expert views to avoid any bias and blind spots. To engage the participants, it should be communicated in lively and interesting formats (Mannermaa 1999).

An analysis of driving forces is essential for understanding the changes in business environment and how these might unfold in future scenarios. E.g. forces for technological change arise in many ways. An existing technology may become uneconomic or obsolescent. (Stephen 2006)

## 2 RESEARCH DESIGN

### 2.1 PURPOSE OF THE STUDY

The purpose of this study is to create scenarios about what will happen in business life and in society with the outlook for 2015. This knowledge is then used to create a top ten list of the capabilities and talents that graduates should possess in future business life and, that should be taught at the economic faculties of the participating universities. The field research of this study was conducted in St. Petersburg, Russia and in Lahti, Finland. The results of the two neighbouring countries are compared and a common analysis is presented at the end of this report.

### 2.2 PRELIMINARY QUALITATIVE STUDY AT LAHTI

A preliminary study to create scenario 2015 for business life was made in Lahti 2004 based on discussions with the teaching staff of the Faculty of Business Studies at LUAS, with the representatives of students and with the representatives of business people in Lahti. The results of this study were then tested again in St Petersburg during the autumn 2008 and in Lahti in spring 2009 by means of inquiries. The results of the preliminary study are shown in chapter 3 and the combined results of the studies made in St. Petersburg and in Lahti are shown in chapter 4

### 2.3 RELIABILITY AND VALIDITY OF THE RESEARCH PROCESS

The preliminary study that was made in Lahti was qualitative and was based on brainstorming and group discussions. The reliability of this phase could have been affected by the fact that at the first round with the staff of the business faculty of Lahti University of Applied Sciences, there were only business oriented people participating in the workshops. The results could have been more reliable if there had been also representatives from other faculties e.g. from technical and social faculty. During the other round of workshops with business people and students there could have been more participants from various branches of business life to raise the reliability. In qualitative research the concept of validity is problematic as there are no measurements done. Validity in qualitative research applies to the ability to define and describe the phenomenon in question (see e.g. Stake 1995, Gummesson 1991). The method used might have suffered from the lack of time as the workshops were run through each during one day and so the descriptions became quite short and may lack some depth.

The questionnaires used in the following inquiries were not typical statistical questionnaires with variables estimated separately. On the contrary people were asked to give their opinion of their beliefs for certain processes that were described on the form based on the earlier scenario workshops in Lahti. That is why there is no probability measured in a statistical sense in this study. This study was made just to certify the results of the earlier qualitative data. The amount of the respondents is also low to give any statistical reliability. What creates some reliability for the results is that this study is repeated twice in two different countries and is based on earlier results. Also the background of the respondents varies in having different levels of management and employees from various branches of business life.

There are some validity problems in this study due to different languages. It is not quite certain that the interpretation has been faultless as the languages used in the inquiries were Finnish and Russian and the results then again were translated into English. Also cultural differences can affect the answers and the results.

## 2.4 INQUIRY MADE IN ST. PETERSBURG

Having studied the materials of LUAS 2004 Scenario, it was decided, to apply the questionnaire survey format to SPSU instead of focus-group interviews due to certain reasons. The main reason was timing and organizational difficulties, as it appeared slightly complicated to bring together a group of businessmen, as well as specific objectives of our project to find out what kind of graduates business will need in the next 5-6 years, meaning students who will enrol in approaching 2 years.

Developing the questionnaire we tried to follow the main idea of the survey taken place in Lahti in 2004, to achieve compatibility of the results. As a result, the questionnaire offered to the respondents, consisted of three parts. In the first part the task was to choose certain scenarios complying with every factor influencing business environment in the nearest future; the second task was to reveal necessary abilities and skills, which future graduates should obtain; the third part was related to personal information about the industry and informants' position within company.

As mentioned earlier, even though the translation from English into Russian had been made accurately, the understanding of the interpretation of different factors by Russian respondents and Finnish could be different due to essential cultural differences.

Based on the personal information that respondents provided we concluded that they represent all major businesses and the essential part are civil servants. The majority of respondents are branch managers/ department heads (12 people) and executive managers (11 people), 5 people – specialists or managers. These 4 groups represent people of various age groups as well. The first group – approximately 50 years of age, the second group's average age is about 35-40, the third one is about 30-35, and the fourth (one) group's average age is about 25-30 (years of age).

It is important to mention that the Russian inquiry took place in October 2008 when the influence of global crisis was just at the very beginning. Probably, if we had distributed the same questions a year later, the answers could have been different because of some changes in the future orientation.

## 2.5 INQUIRY MADE IN LAHTI

The same questions were asked again in Lahti in the spring 2009 that had been asked in St. Petersburg in the autumn 2008. Questions were carefully translated from English into Finnish, so that the idea of the factor and the choice would be the same as in earlier studies. One option was added to the questionnaires used in Lahti and that was "other" giving the respondents more freedom to add their own opinions to the answers.

Webropol Internet inquiry was used. Questionnaires were sent to business people that had had some contact with the Lahti University of Applied Sciences during recent years. Questionnaires were sent to 68 persons to their e-mail addresses. Altogether 27 answers were received.

The background information of the respondents is shown in the next table.



Table 1 Background information of the respondents in Lahti 2009.

Field of business of the person answering	Amount of employees at the working place of the respondent				Sum
	-50	51-250	251-	Not answered	
Industry		1	2		3
Construction			1		1
Wholesale and retail business	1		1		2
Finance and insurance		1	3		4
Logistics					0
Hospitality industry	1				1
Public administration					0
Education					0
Health and social services					0
Other	12	1	2	1	16
<b>Sum</b>	<b>14</b>	<b>3</b>	<b>9</b>	<b>1</b>	<b>27</b>

Most of the respondents' professions were at management level. Nine of them represent Upper management, 13 Middle management, and four Administrators. One respondent declared his/her profession as Other. The profession options that the questionnaire offered were Upper management, Middle management, Administration, Labourer, Entrepreneur, Teacher/Educator, and Other.

### 3 PROCESS AND RESULTS OF THE PRELIMINARY STUDY MADE AT BUSINESS FACULTY OF LAHTI UNIVERSITY OF APPLIED SCIENCE IN 2004

The preliminary study that was made in Lahti followed the guidelines proposed by Mannermaa (1999). The data was collected during workshops. The participants were the teaching staff of LUAS - altogether about fifty teachers from various disciplines, representatives of local business people altogether 5 persons, representing forest industry, retail sector, steel industry, advertising agency and publishing. Besides, three student representatives from LUAS participated in the workshops to give the perspective of younger generation.

There were two rounds of workshops. First round was done by the teaching staff at LUAS with the purpose to create basic material for the workshops with business people. This was considered to ease the conversation in the second workshop with business people and students.

#### 3.1 FIRST ROUND

In the first phase the teaching staff was asked to name those factors that they considered the most important in business life and in the society in the future. This phase was carried out by brainstorming.

In the second phase the participants were asked to give the chosen factors three possible outcomes:

- the future that is objective
- the future without no surprises
- the future with threats

The third phase was to create a matrix where three possible futures for each factor were written down.

The fourth discussion was held to determine the final status of each factor at the desired period of time up to 2015. This means that the status of the factor in question relating to the future was marked with a dot on the matrix.

Three different scenarios were made. The first one had the perspective of ICT, the second the perspective of internationalization, and the third had the perspective of common business environment of Finnish companies.

After creating the scenarios, the participants were asked to name the talents or capabilities that would be needed for successful business people in future business environment. These conclusions were based on the scenario created for the future.

## 3.2 SECOND ROUND

The second round was a workshop with the participants from business life and students of the Faculty of Economics of LUAS.

The three scenarios mentioned above and the list of talents was sent to the workshop participants from business life and the chosen students of the faculty of economics in advance.

During the workshop the participants were asked to create one common scenario of business life in 2015. The first thing requested was again to name the most important factors that will affect business environment until 2015. Participants were free to use the factors named at the three previous scenarios or to choose quite the new ones.

After this phase, the participants were asked to write down the three outcomes for each factor, and to mark the scenario dots on the places representing the status of the factor in 2015.

Due to the lack of time "Future without surprises" was not written down for all the factors. Nevertheless it was possible to create the scenario for the year 2015. This scenario is shown in Table 2. Variables that are believed to have the most important impact on future business life are shown in the left column. Three possible futures for each variable (the future that is objective, the future without any surprises, the future with threats) are shown in the columns to the right. The scenario that is believed to happen in the future is marked with dots.

Table 2 Scenario matrix for Finnish business environment, year 2015.

## SCENARIO FOR BUSINESS ENVIRONMENT 2015 / VIEW OF THE BUSINESS COMMUNITY AND STUDENTS

Variables	SCENARIO A Future that is objective	SCENARIO B Future without surprises	SCENARIO C Future with threats
Globalization and operation in the international environment	Knowledge of how to benefit from globalization Common rules	Globalization goes further and is in part unplanned for.	Finland stays outside
Technological development Network technology	Finland stays at the cutting edge of development. Exploiting technology in (business) operations.		Technology is being developed but not used. Too complicated.
Changes in career Multiple competences	The competence of the employees can be utilized in versatile ways.	Specialization and business know-how	Controlling the competences becomes too difficult, change is too fast. Isolation.
Social skills	Comprehension of social skills		Lack of social skills, uncooperativeness
Environment and natural resources	Ideology of sustainable development is materializing. Taking care of environment is every day practice.		Environmental values diminish, state of environment deteriorates
Change in the population structure	All ages are represented equally in the work environment. Age structure is recognized in the working conditions and values, and it becomes a competition advantage.	Skilled foreigners	Lack of labour force, skilled people move abroad.
National politics vs. EU	Finland has knowledgeable decision makes, citizens take part in the decision making. Independent decision making. Finland is a decision maker also in the EU.		Finland is like driftwood. Ever changing politics. Politics "wither away".

Changes in education	Employees have an inclination for self-development. Life-long learning. Employers train/educate their employees.		Unwillingness to educate or to be educated.
Information management and application	Knowing how to filter and apply information.		Drowning in information, wasting time in searching for information.
Skilled labour	Skilled labour stays in Finland. Utilizing tacit knowledge.		Skilled labour and tacit knowledge disappear.
Security	Security does not cost too much, knowing how to deal with threats.		Maintaining security becomes a problem to the companies.
Networking	Networking brings real value.		Ignorance of how to exploit networking.



= SCENARIO FOR BUSINESS ENVIRONMENT DEVELOPMENT UNTIL 2015

As mentioned earlier, this scenario 2015 taken from the year 2004 was used as the basic material for the inquiries made in St. Petersburg in 2008 and in Lahti in 2009.

### 3.3 TOP TEN LIST OF THE CAPABILITIES IN THE FINNISH BUSINESS - YEAR 2015

Having created the scenario 2015, a discussion was held about the talents and capabilities that business people would be required to have in the future. The following list was created of the top ten capabilities:

1. Ability to change
2. Communications and social skills
3. Language skills and ability to work in different cultures
4. Multiple skills, practical skills
5. Basic business skills
6. Tolerance for hard work and routine
7. Ability to separate the essential/relevant from non-essential/irrelevant
8. Comprehension/command of complex issues
9. Entrepreneurship, initiative
10. Ability to adapt to organizational chaos

This list of capabilities was then also used as the basic material for the new inquiries made in St. Petersburg and in Lahti.

## 4 COMBINED TESTING RESULTS – INQUIRIES IN ST. PETERSBURG 2008 AND IN LAHTI 2009

The combined results of the two inquiries are shown with figures in the following chapters.

The first round of tests was done in St. Petersburg in October 2008. A questionnaire was designed and modified based on the matrix made in Lahti in the preliminary study.

The following factors that are believed to have effects on the future business life were assessed:

- globalization and acting in international environment
- technological development
- changes in career: significance of multiple skills
- social skills
- environment and natural resources
- change in the population structure
- national politics in relation with EU
- education
- information management and implementation
- skilful labour force
- security
- networking
- companies' social responsibility
- humane operations

#### 4.1 GLOBALIZATION AND OPERATION IN INTERNATIONAL ENVIRONMENT

The first factor assessed was globalization and operation in international environment. In both countries the results show that globalization is believed to continue but partially unplanned. Some optimism can be traced among the respondents, as thirteen answers were given for the best future. This result seems to be in accordance with the result of the qualitative study made earlier in Lahti.

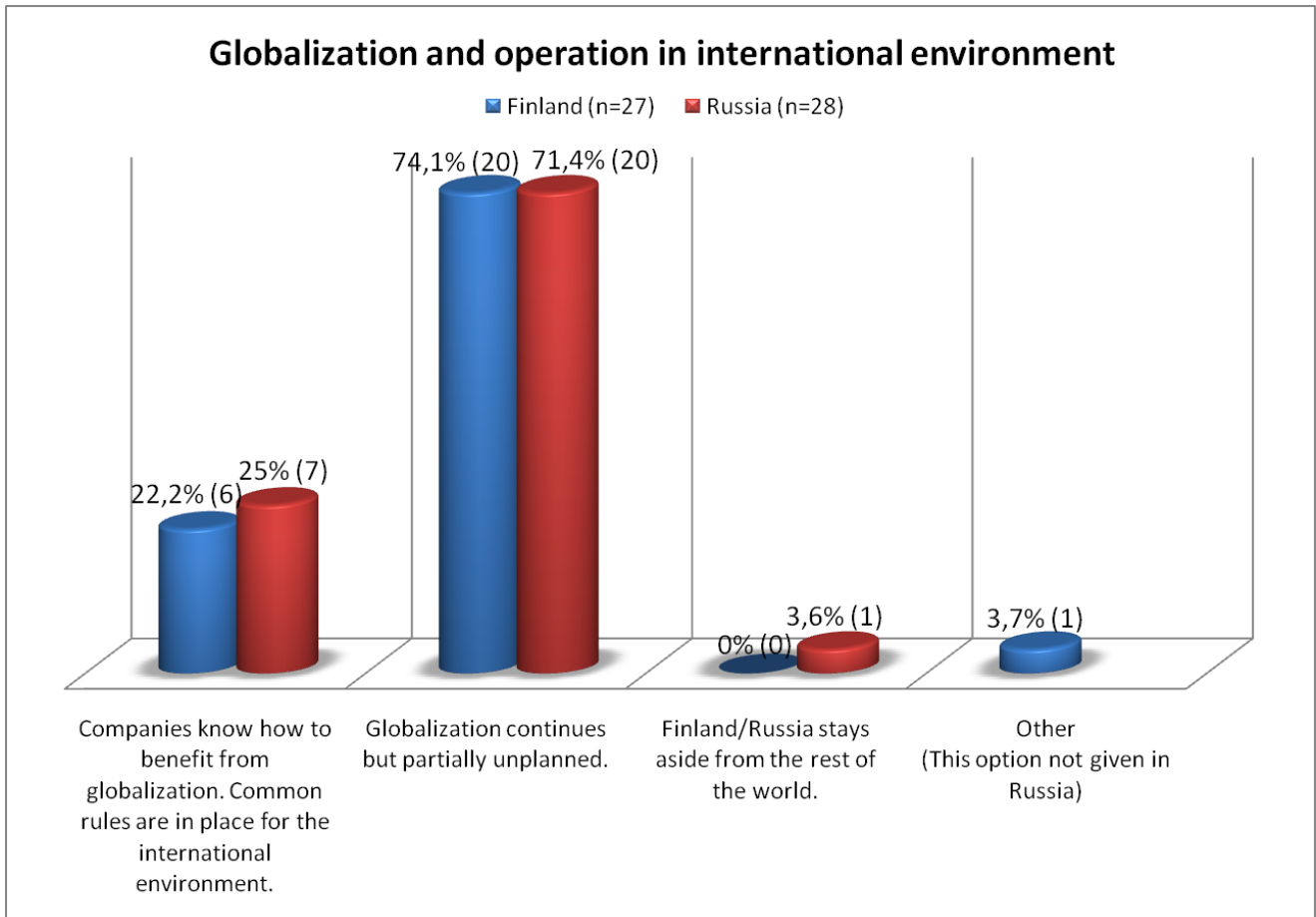


Figure 1 Globalization and operation in international environment

In the open answers that were allowed in Lahti in Finland it was mentioned that “*globalization is a possibility but first step is not supported*” meaning probably that globalisation is a positive thing and should have some more support from the government.



## 4.2 TECHNOLOGICAL DEVELOPMENT

The second factor studied was technological development. In Finland there was a firm belief in companies' abilities to use technological improvements in their business. On the contrary, the opinions of Russian business people were either uncertain or negative. Answers varied – they were more doubtful than optimistic regarding companies' abilities to apply new technology.

Comparing this result with the preliminary study made in Finland, it can be concluded that present attitudes seem to be a bit more positive than earlier.

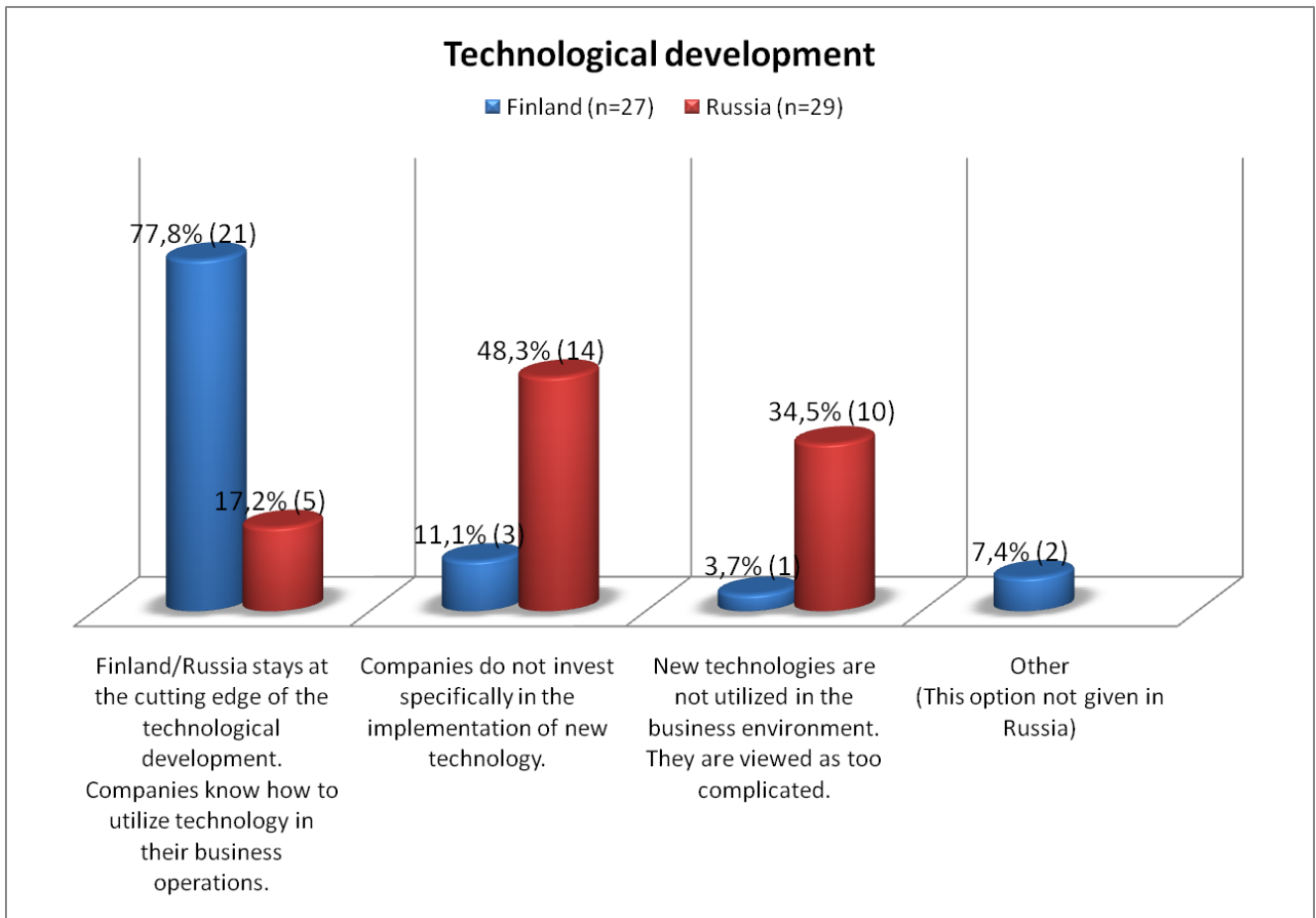


Figure 2 Technological development

In the open answers in Finland it was mentioned that technology and its' importance is understood but there is not enough investment in technological development in the country. It was also said that some companies know how to utilize technology, some don't. Based on these comments, it can be presumed that in Finland there are also companies that do not face technological development and, consequently, do not consider it as a serious factor affecting their future.

### 4.3 CHANGES IN CAREER: SIGNIFICANCE OF MULTIPLE SKILLS

Answers to the question about using personnel's multiple skills seem to show that in Russia there is a great trust for the personnel and companies' ability to use their personnel in versatile ways. The answers given in Finland are a bit more negative, and their status is about the same as five years ago.

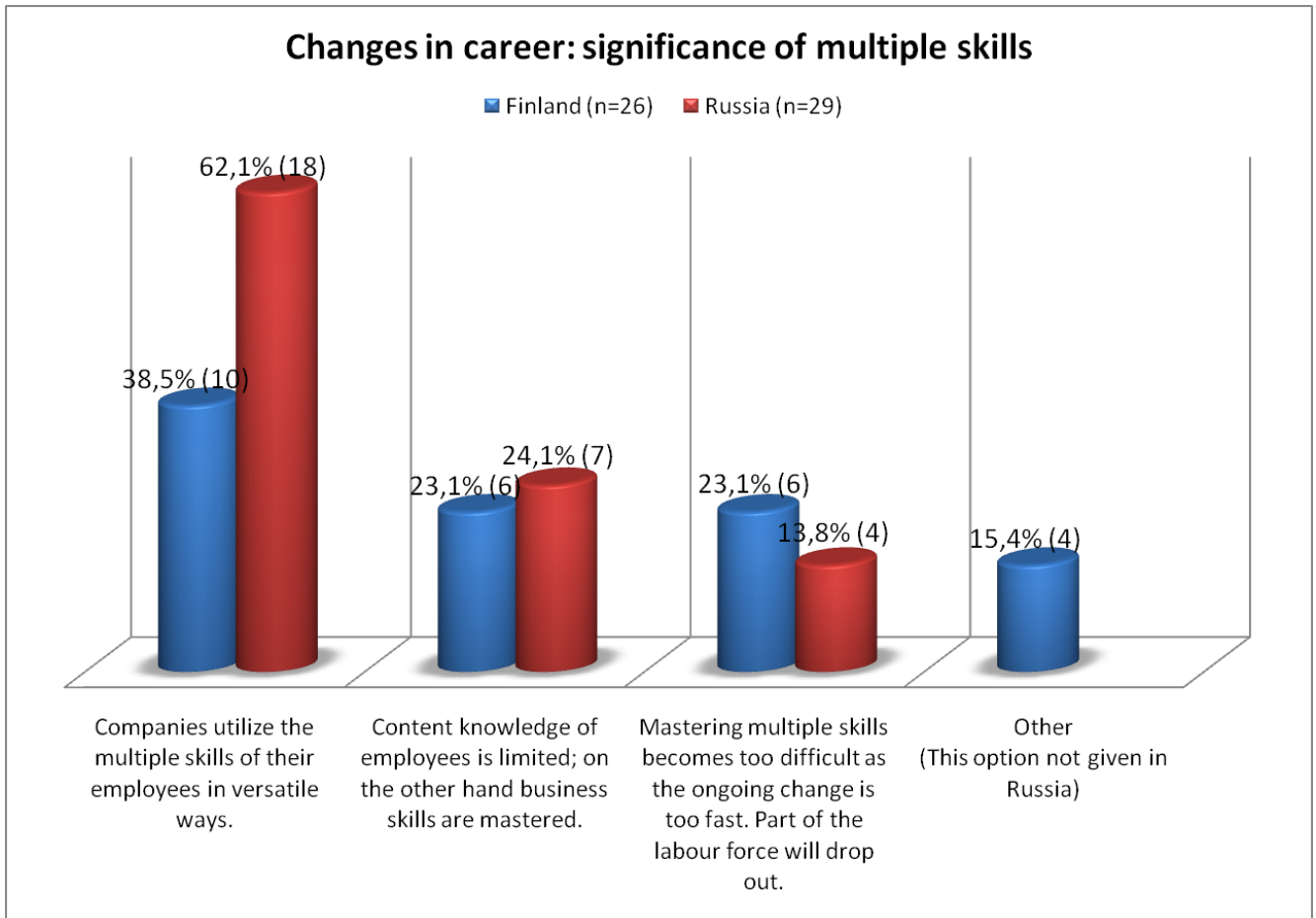


Figure 3 Changes in career: significance of multiple skills

The significance of multiple skills raised a discussion in the open answers in Finland. It seems that there will be need for both multiple skills as well as specific knowledge and that this development will be problematic for some part of the labour force as the following comments demonstrate:

*"There are tasks in which specific knowledge is needed, meanwhile multiple skills are needed in some other tasks. Not everybody can keep up with the development."*

*"Small companies will also know in the future how to use employees in versatile ways, but in big global companies the use and the need for specific and deep knowledge will continue."*

*"Some companies will continue the utilization of multiple skills in the future; others will need more specific and deeper knowledge."*

*"There will be working freelancers with multiple skills in companies. Part of the workers will be laid off."*

#### 4.4 SOCIAL SKILLS

People seem to believe in the importance of social skills in both countries. It also looks like not enough emphasis will be put on this matter, so that companies have to encourage workers to develop their social skills. These results are in accordance with the earlier study.

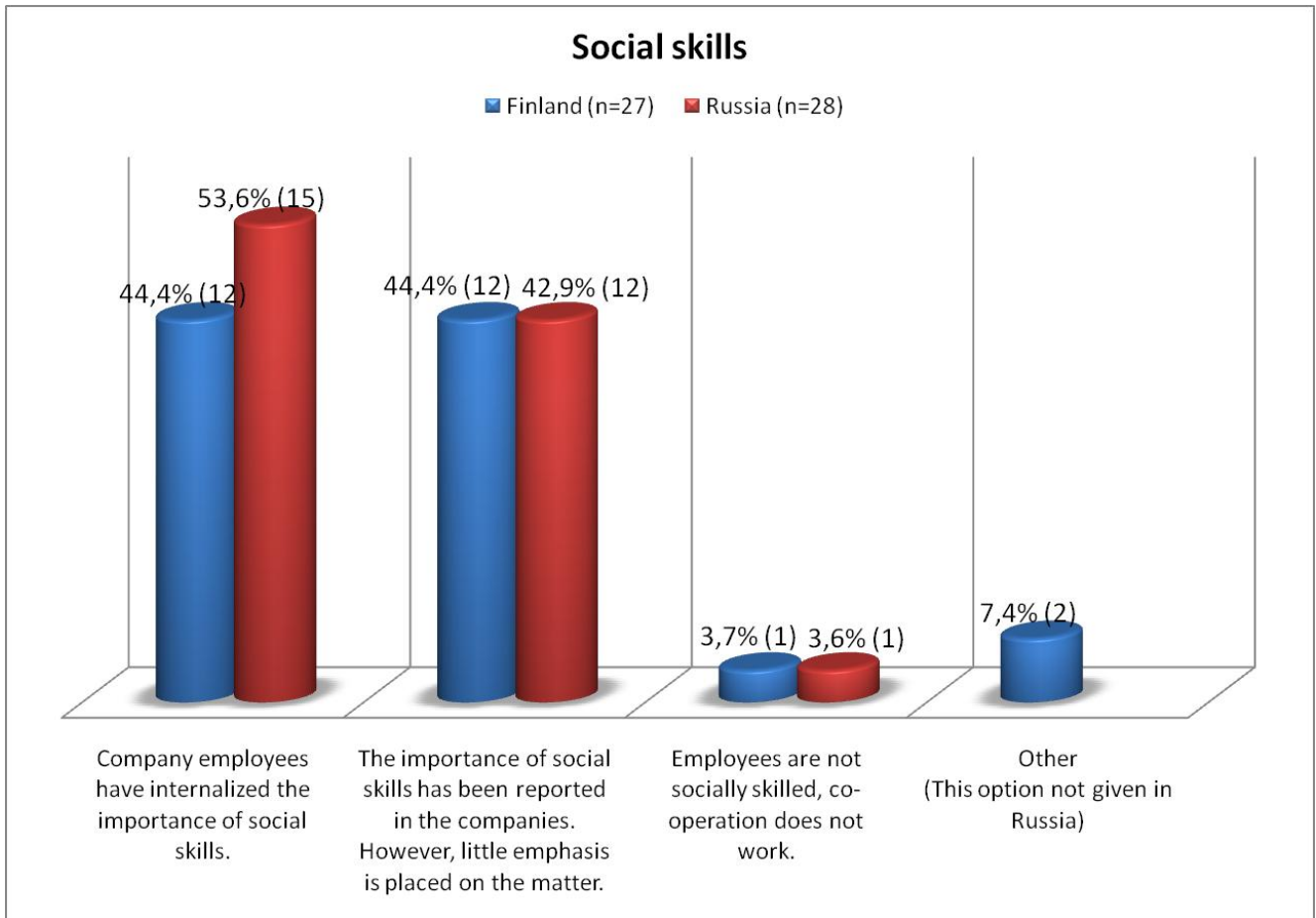


Figure 4 Social skills

The open answers seem to support the importance of social skills as well. The following comments give support to this conclusion.

*"Successful employees invest in social skills and they understand the importance of social skills. Differences between companies are huge.*

*"The importance of social skills is recognized but only some companies make an effort for this purpose."*

Social skills and their importance will probably be an interesting topic for further research in the more and more technology-driven society

#### 4.5 ENVIRONMENT AND NATURAL RESOURCES

The idea of sustainable development and care for the environment are believed to have more importance in Finland than in Russia where the answers where the answers varied. In Finland this factor seems to have even more emphasis now than five years ago.

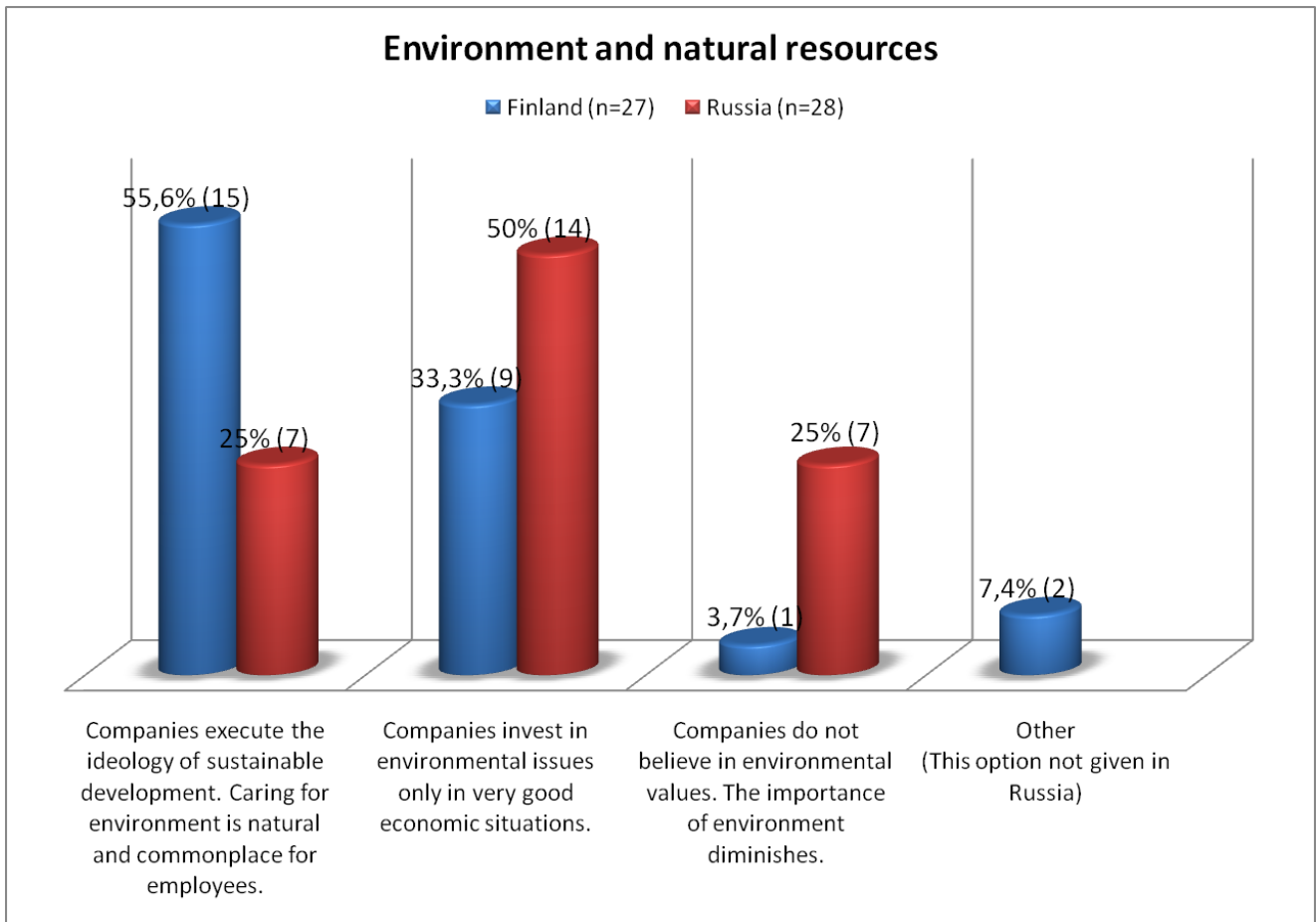


Figure 5 Environment and natural resources

In the open answers in Finland it was mentioned that a lot of companies will be forced to invest in environmental issues as their customers' environmental awareness has grown and that companies will invest in sustainable development as legislation forces them to do so. These opinions show somehow that the ideas of sustainable development and caring for environmental care are not something that is voluntarily taken care of but are more or less a necessity for future business needs.

#### 4.6 CHANGE IN THE POPULATION STRUCTURE

Both Russian and Finnish respondents seemed to believe in the growing amount of foreign labour. In Russia the answers showed also worry about labour shortage and worry about skilful labour force moving out of the country. On the contrary in Finland respondents seemed to be positive about the outcome that aging people will stay at work and be respected for their knowledge. The results of the former study dated 2004 differ clearly from the present results. One explanation could be economic situation as the beginning of the year 2008 was a period of recession with growing numbers of unemployed people in Finland. In 2004 there was a strong growth in the economy of Finland with the shortage of skilful labour.

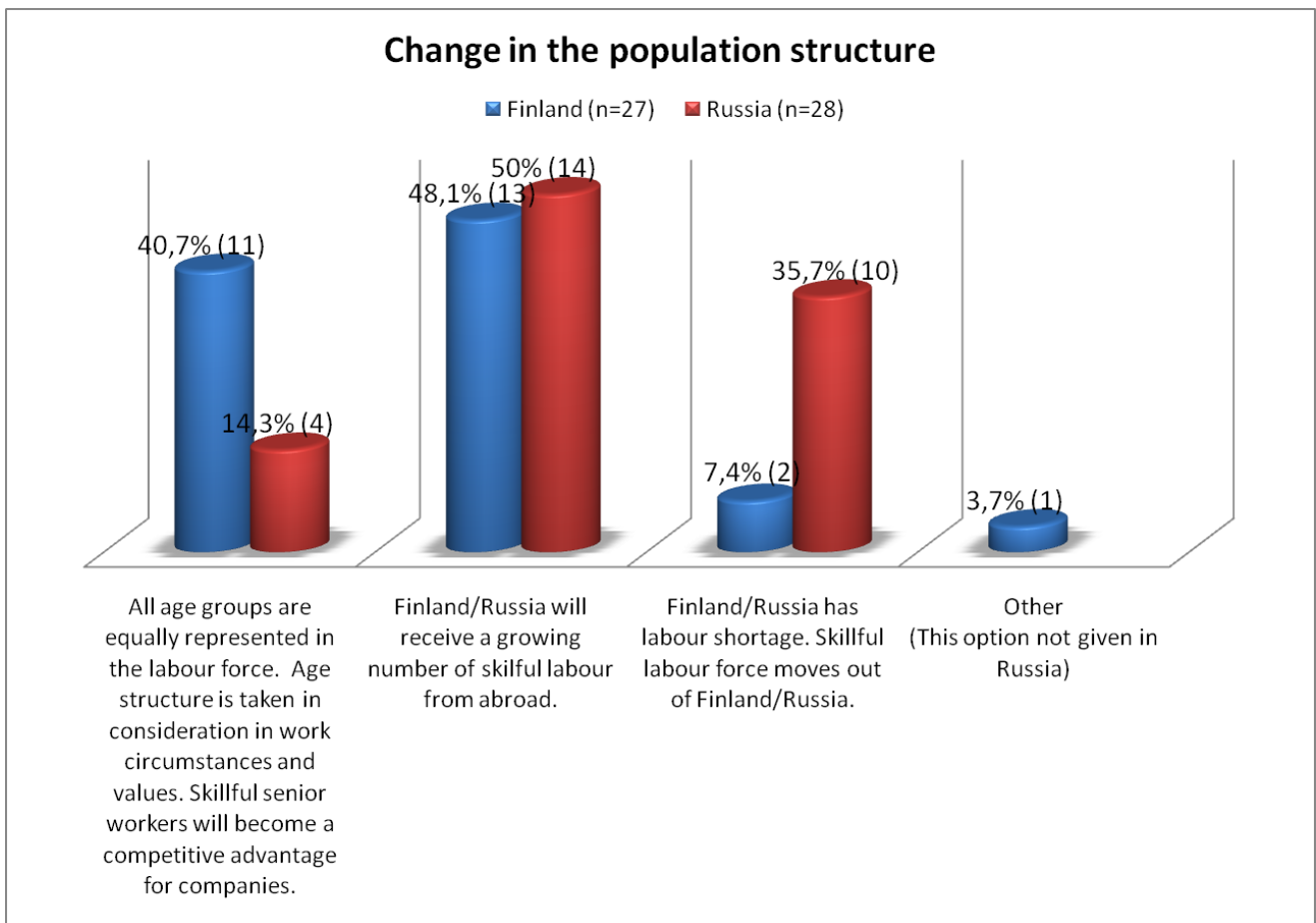


Figure 6 Change in the population structure

An arguable comment was written in the open answers claiming that discrimination against aged workers will go on even if the retirement age is higher. Besides, it was stressed in this comment that practice and ideology would not meet in this matter.

#### 4.7 NATIONAL POLITICS IN RELATION WITH EU

In both countries there seems to be a certain conviction that their decision makers have possibilities to influence the decision making process in the European Union.

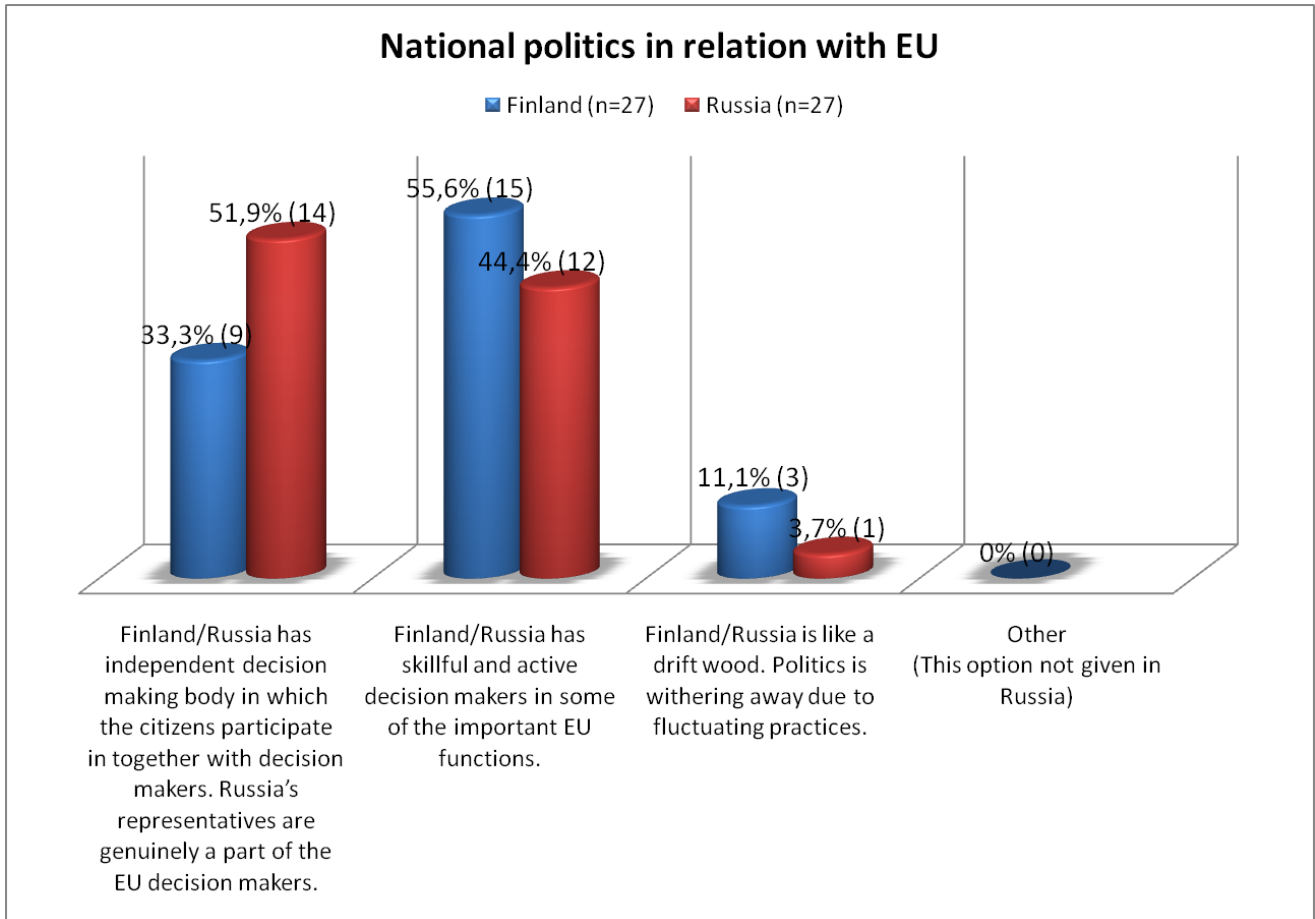


Figure 7 National politics in relation with EU

European Union is not seen as a threat for either country. There were no open answers give in this problem area.

## 4.8 EDUCATION

In Finland the respondents seemed to believe in the companies' desire to train their employees continuously and in the employees' willingness to be continuously trained. Employers' willingness to train their employees was not so obvious in Russia and the stress was put on the situation where employees are trained if needed.

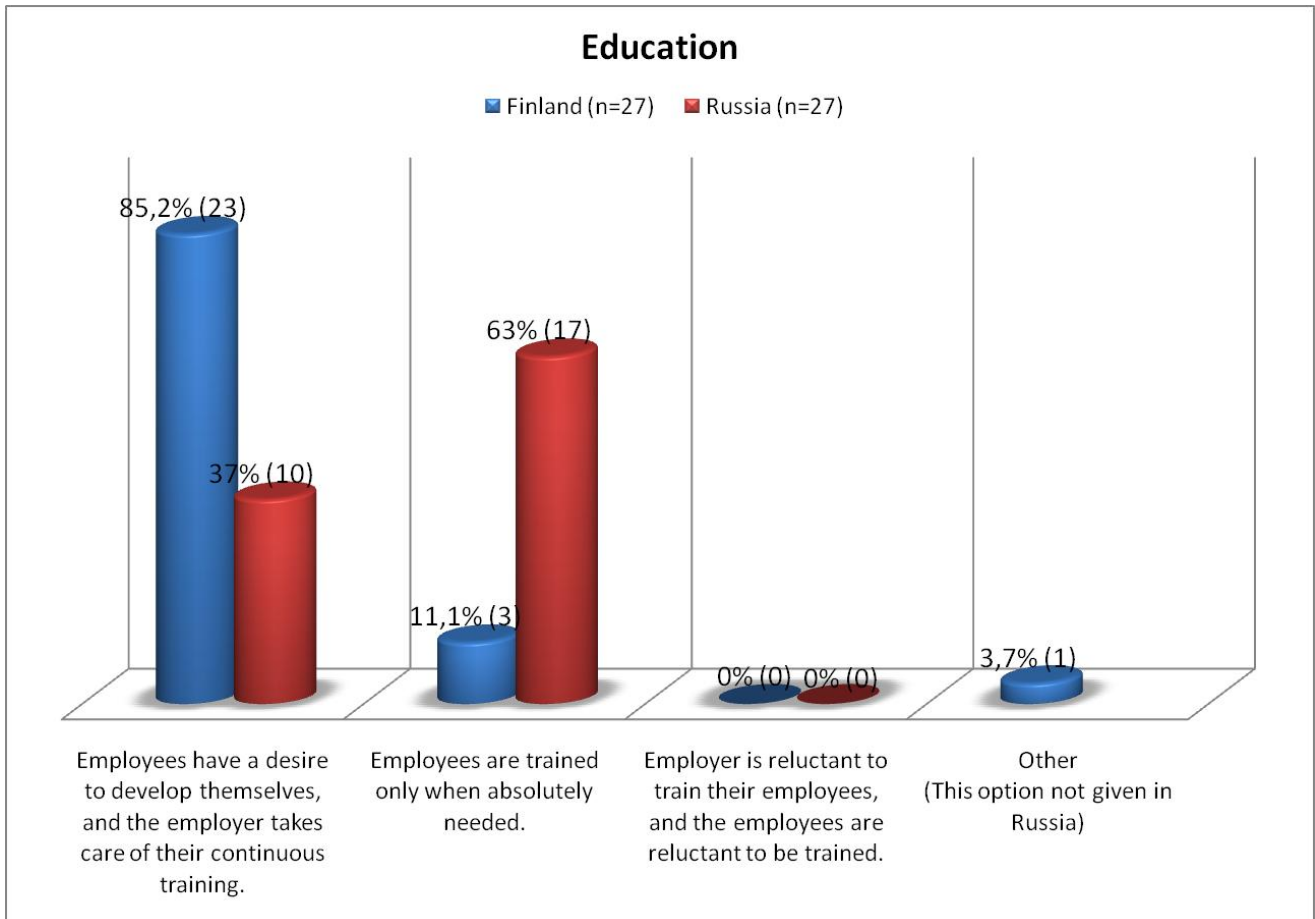


Figure 8 Education

In the open answers in Finland it was believed that training of the employees varied depending also on the company e.g. the economical situation of the company.

#### 4.9 INFORMATION MANAGEMENT AND IMPLEMENTATION

There seemed to be a firm belief in both countries that there will not be any major problems with the use of growing amounts of information. This result is quite the opposite to the results of the scenario workshops held in Lahti at 2004. The possible explanation for this is the lively discussion in the media at the beginning of the third millennium about the mental problems that information overload causes people. Other explanation could be found in the fact that people in business life have quickly learned new ways of dealing with overflowing information.

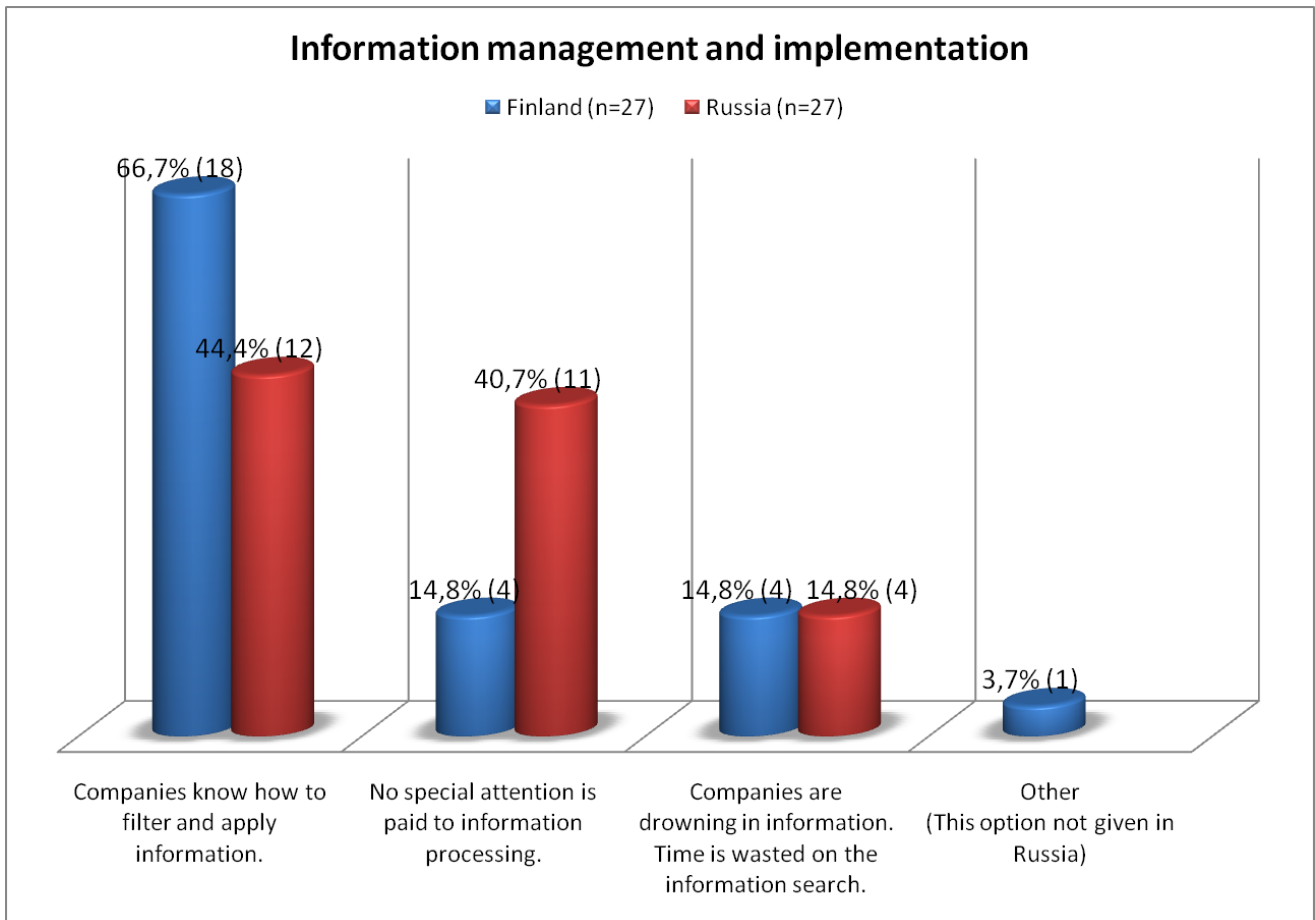


Figure 9 Information management and implementation

The ability to use information was believed to depend on the company in the open answer given in Finland referring to the fact that companies' capabilities to use information are on different levels.



#### 4.10 SKILFUL LABOUR FORCE

Question about skilful labour force was faced up to same kind of thoughts in both countries. There will probably be problems with the recruitment of skilful workforce in the future but there is also some optimism that these problems will be solved. Furthermore, tacit knowledge and its' disappearance may cause some troubles in companies. Earlier in this report it was noticed that skilful labour force from abroad was expected to arrive at the labour markets in both countries in the future. In Russia there was some fear expressed about the migration of skilful Russian labour abroad.

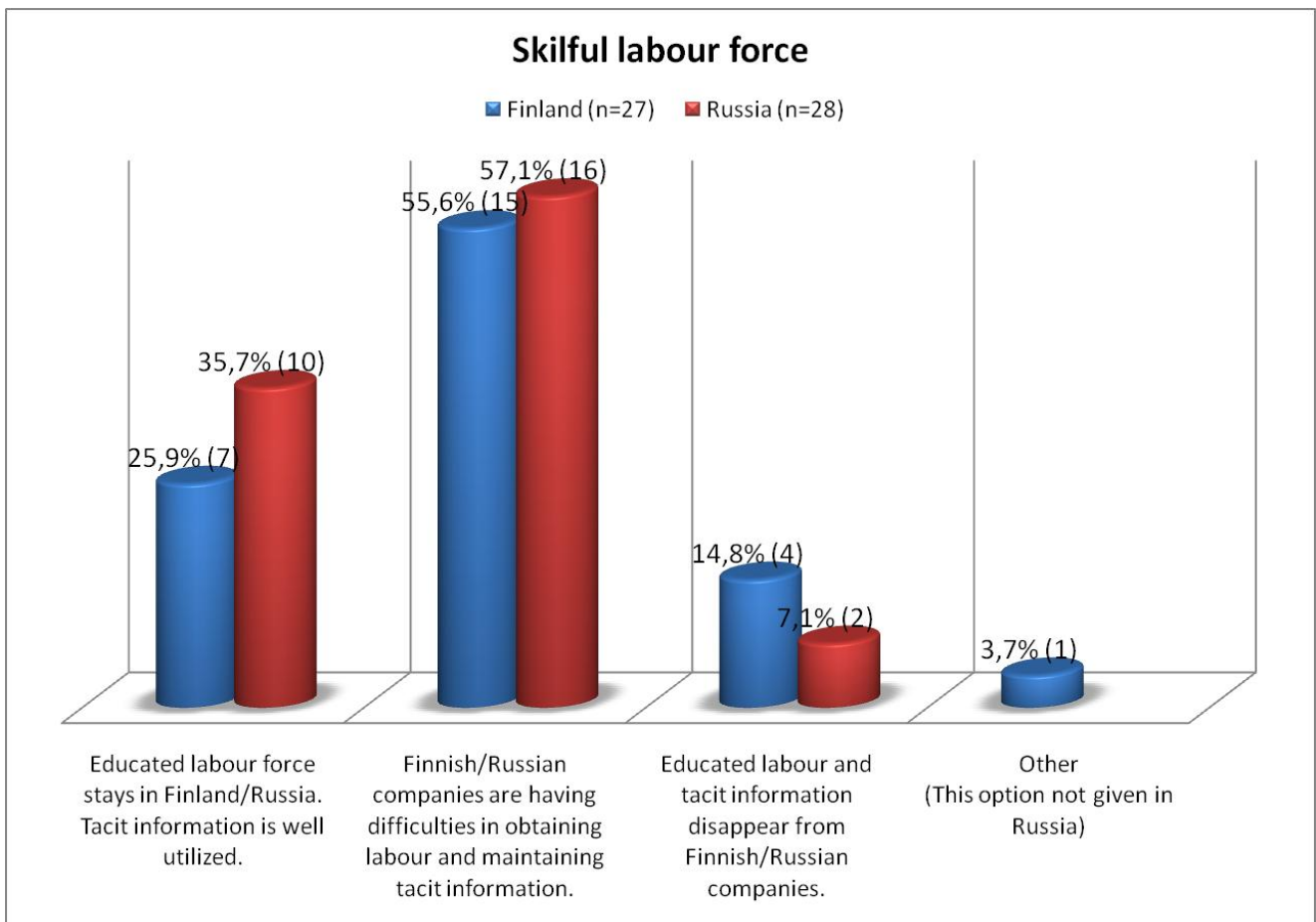


Figure 10 Skilful labour force

The study 2004 in Finland showed again quite opposite feelings about labour force. At that time there seemed to be some great concern about skilful labour force not staying in Finland.

Now it has been accepted that a part of educated labour force will move abroad with the knowledge they have – according to the open answer:

*“Some information will disappear/flow abroad. The importance of tacit knowledge is recognized in companies and companies will try to transform it into common knowledge.”*

#### 4.11 SECURITY

It seems that security problems are a matter of more concern in Russia than in Finland. In Finland there seems to be more trust in employees' abilities to take care of security matters in companies and security is not considered as a major problem. In Russia, on the contrary, security is seen to a certain extent as a problem.

In Finland four years ago security problems were also treated more seriously.

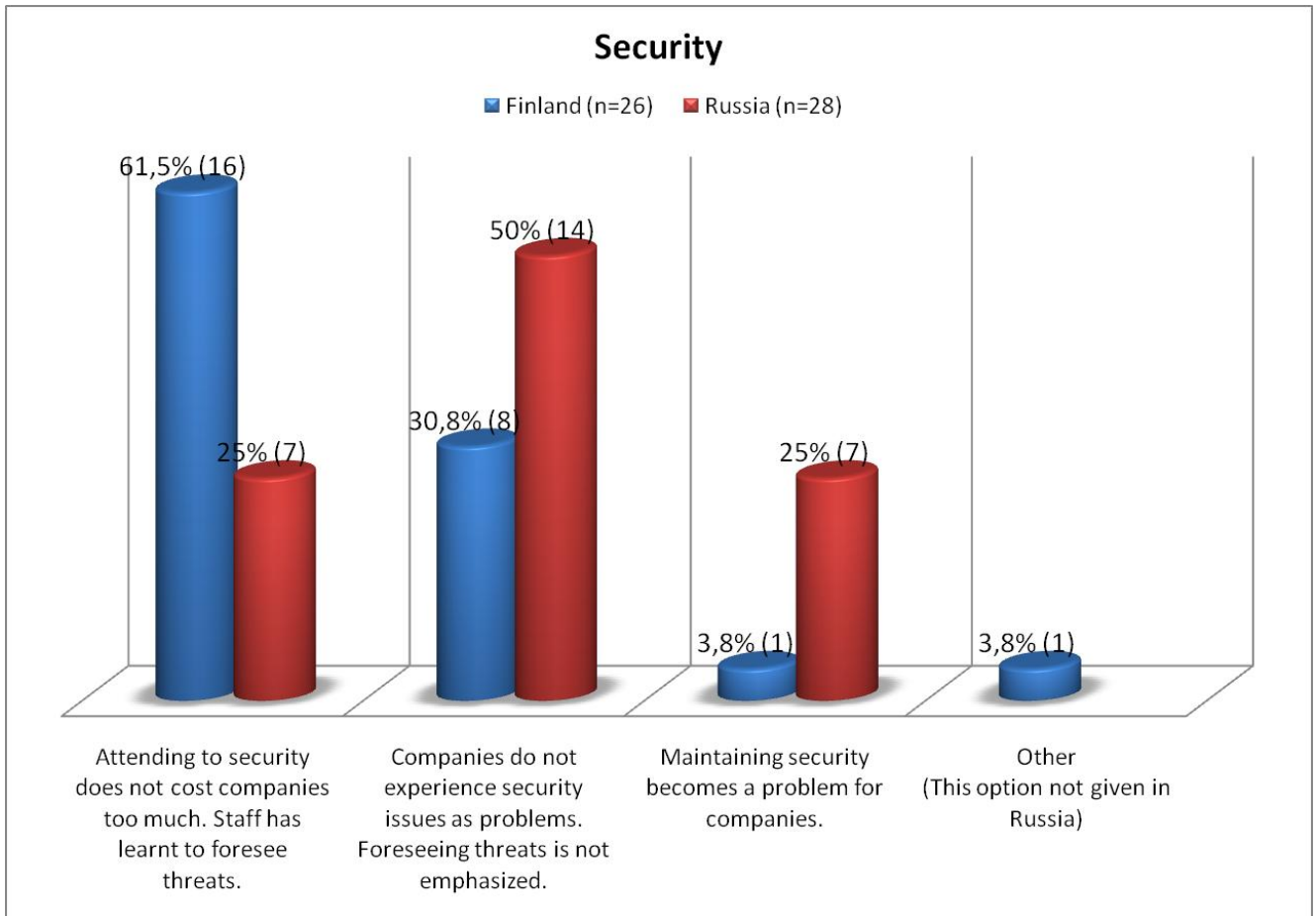


Figure 11 Security

Companies' ability to take care of security was seen as dependent on the company in question in the open answer.

## 4.12 NETWORKING

Networking is seen to be very important in both countries in the future. This was also the result of the earlier study.

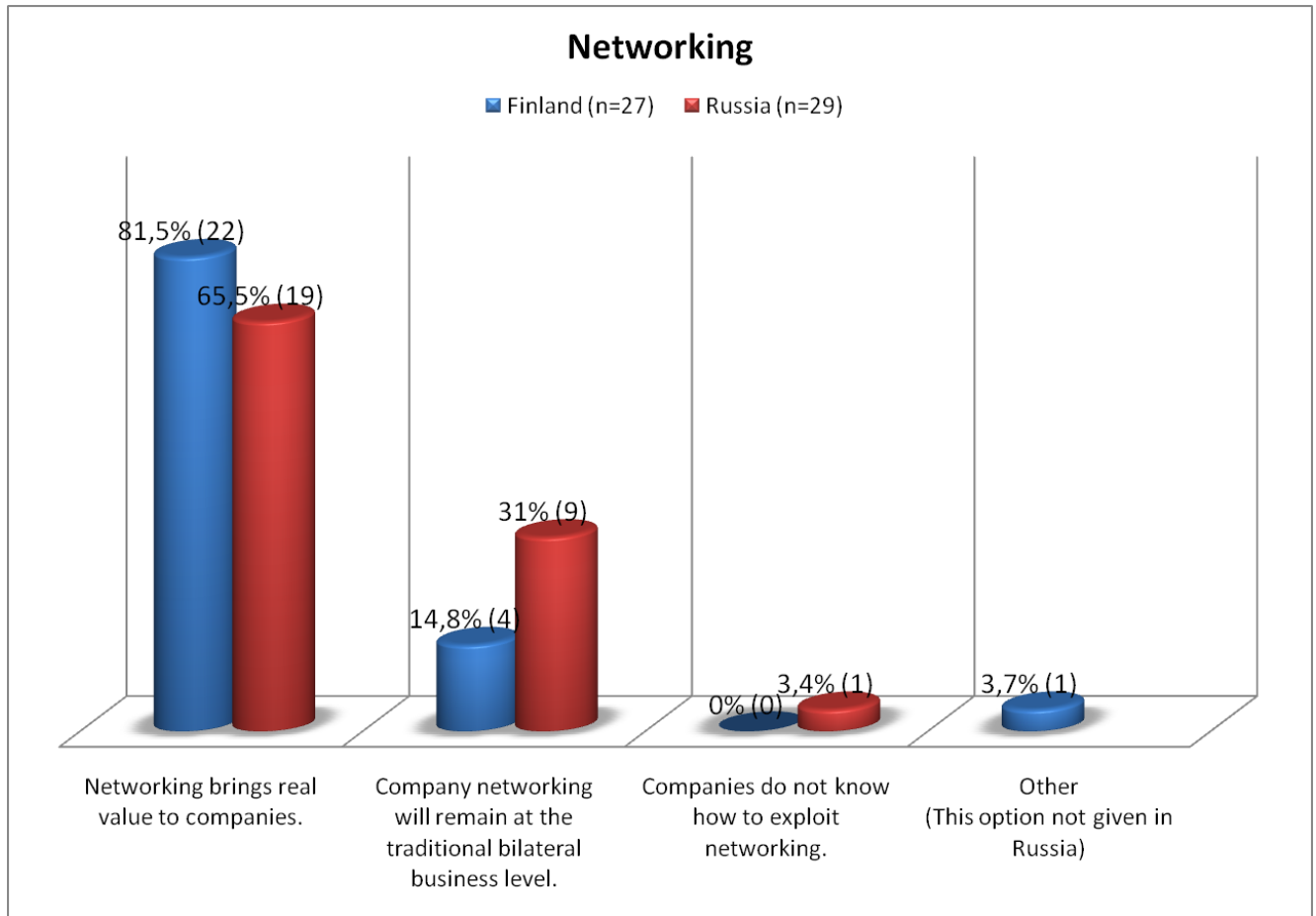


Figure 12 Networking

The capability to utilise networking varied between companies in the open answers but it seems that networking is already quite a common way of doing business in both countries.

#### 4.13 COMPANIES' SOCIAL RESPONSIBILITY

This factor was added to the study first time in St. Petersburg. By social responsibility it was meant that businesses should think very seriously about the outcomes of their activities from different points of view and, first of all, from the social point of view (regular payment of wages, firing of the employees, social support of the workers with health problems, pollution of the environment and so on). On the other hand, society would like to see Russian companies and international companies in Russia engaged in social projects outside their business more and more. Companies' social responsibility is also important subject in Finland; it is also under discussion in education.

The results of this question seem to indicate that social responsibility will be taken seriously in business in both countries.

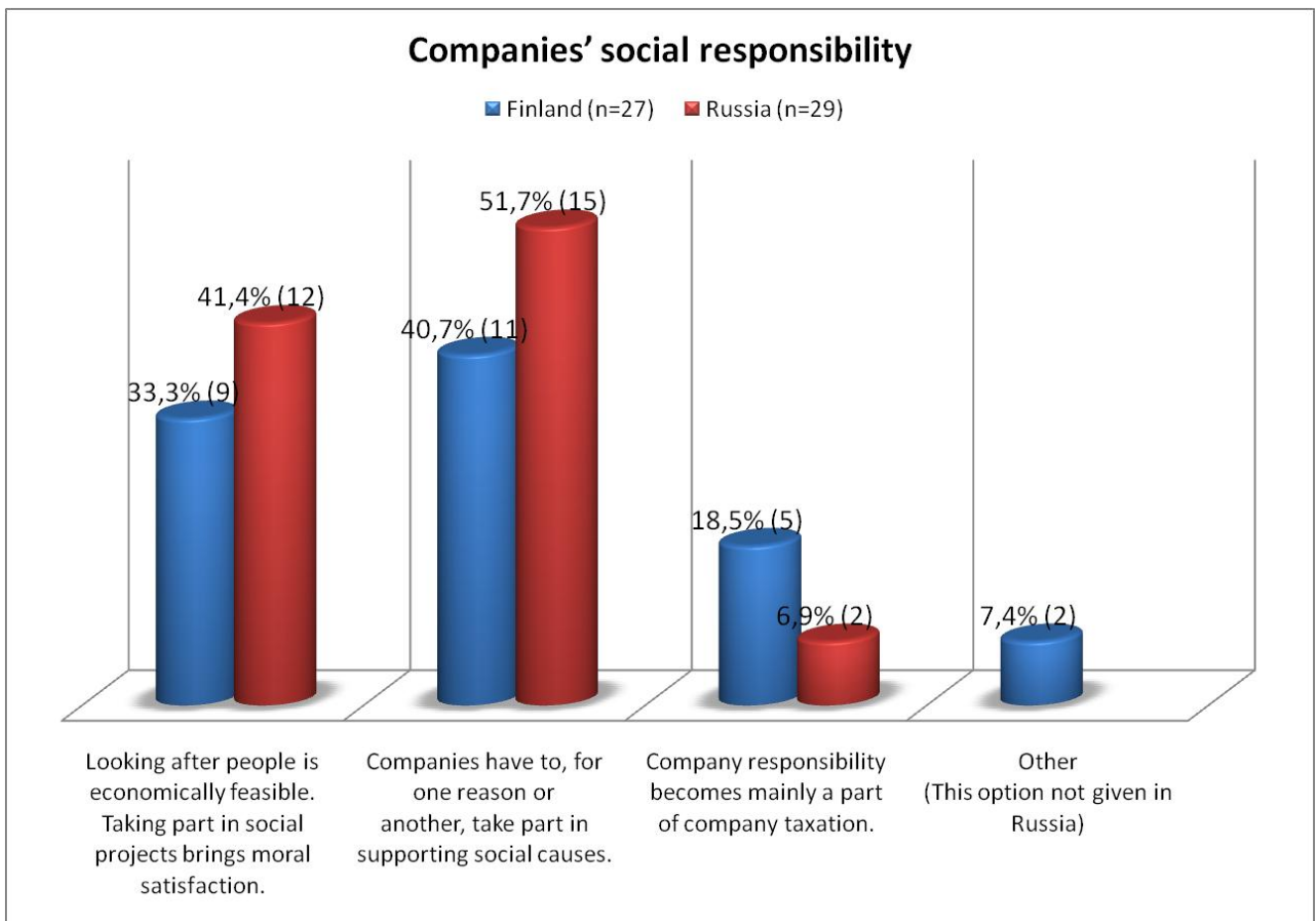


Figure 13 Companies' social responsibility

Nevertheless in the open answers in Finland some scepticism was found towards companies' willingness to take care of their social responsibility as it was written that "social responsibility will be forgotten". It was also underlined that companies realize the importance of a good company image and the advantage it gives to the company in terms of its reputation and credibility. But there was also some concern expressed that companies must make profit and that social responsibility should also be seen from this point of view. This means probably that the demand for investment into social responsibility should not be too heavy for the companies and should be more the responsibility of the society.

#### 4.14 HUMANE OPERATIONS

This factor was also added to the study for the first time in St. Petersburg. Business people would like to play the proper and honest game due to the equal rules and transparency. For the time being, this issue is still rather problematic.

Lawful and civilized rules are believed to govern business operations mostly in the future. Nevertheless, there will also be some questionable methods used. Criminal actions were mostly not expected to happen in business life.

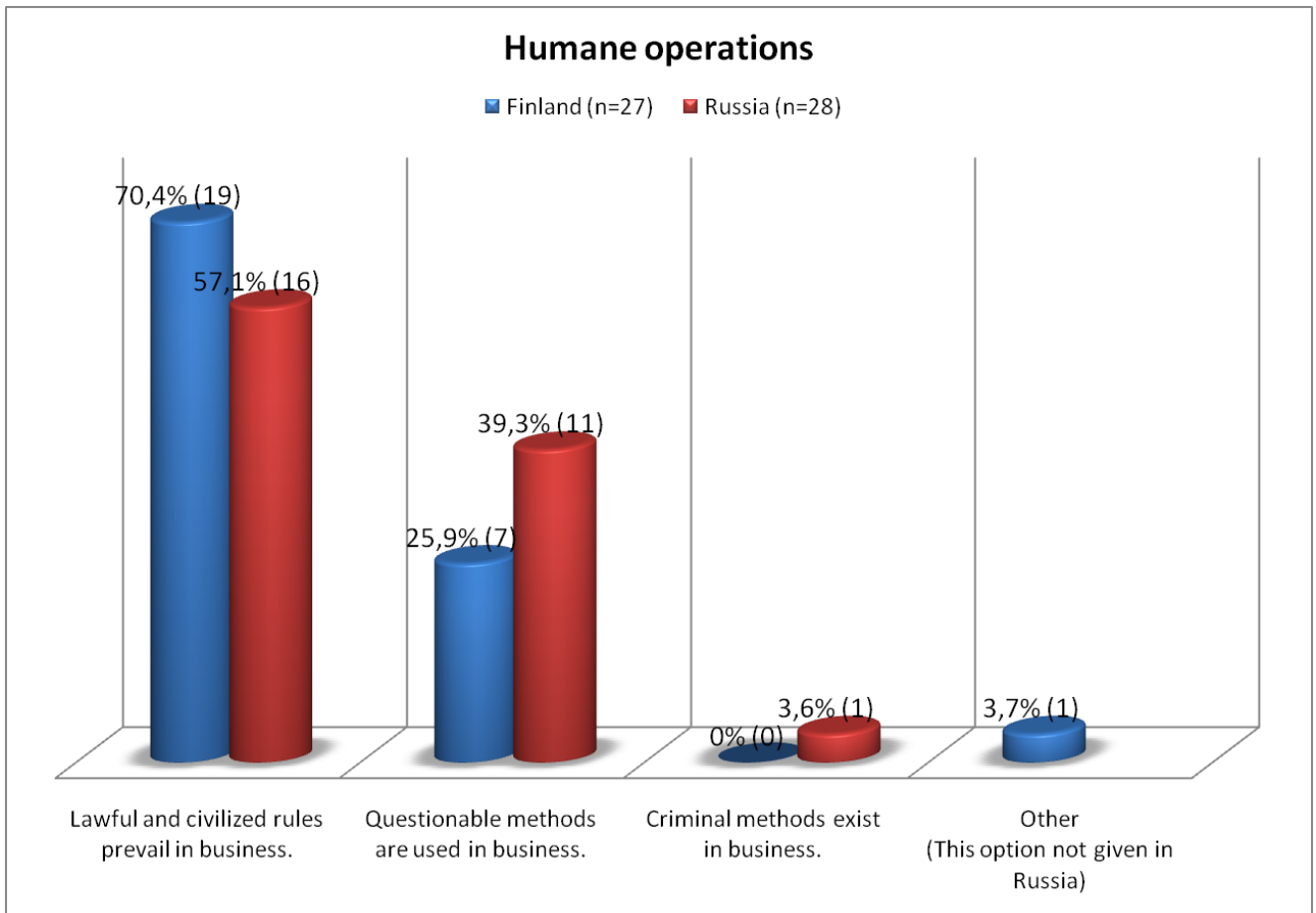


Figure 14 Humane operations

In Finland it was believed that *“people are playing the same game as before, sometimes rules are obeyed, sometimes they are not”* revealing the idea that nothing much is going to be different from the present moment.

## 5 CAPABILITIES NEEDED IN BUSINESS LIFE 2015

After scanning the future of business life the informants were asked to give their opinion about capabilities that will be important for business people in the future.

A top ten list of important capabilities in business life was created in the study in Lahti in 2004. This list has now been tested again in St. Petersburg and in Lahti by means of inquiries.

The list of capabilities resulted from the study made in Lahti in 2004 is as follows:

1. Ability to change
2. Communications and social skills
3. Language skills and ability to work in different cultures
4. Multiple skills, practical skills
5. Basic business skills
6. Tolerance towards hard work and routines
7. Ability to separate the essential/relevant from non-essential/irrelevant
8. Comprehension/command of complex issues
9. Entrepreneurship, initiative
10. Ability to adapt to organizational chaos

Based on the inquiry made in St. Petersburg in 2008, the informants were asked to range the ten given capabilities which came up in the study made in Lahti in 2004 by importance. The list of abilities and talents is represented further on ranged from 1 to 10, in the same order that was in the Finnish scenario 2004. Every range (priorities for Russian audience) was estimated by the sum of marks given by every respondent. 1 was the minimum amount of value, 10 - for maximum importance. Then all the scores of each capability were summed up. The point with the highest score was placed on the 1st line, the second -lower score and so on. The last one was the capability with the lowest score result. Russian respondents were also able to complete the list with abilities and skills that were not initially included. Among those Extra abilities we found "optimism" and 'ability to apply theoretical knowledge in practice".

The list in St. Petersburg built up to be as follows:

1. Communications and social skills
2. Entrepreneurship, initiative
3. Ability to change
4. Comprehension/command of complex issues
5. Ability to separate the essential/relevant from non-essential/irrelevant
6. Tolerance towards hard work and routine
7. Multiple skills, practical skills
8. Lingual skills and ability to work within different cultures
9. Ability to adapt to organizational chaos
10. Basic business skills

There were two extra capabilities coming up in the Russian inquiry: Optimism and Ability to apply theoretical knowledge in practice. These two capabilities were added to the inquiry made in Lahti in 2009.

In Lahti the informants were asked to evaluate the twelve capabilities using the scale from 1 to 5 (1=not meaningful at all, 2=not very meaningful, 3=neutral, 4=somewhat meaningful, 5=very meaningful) - how meaningful they think the given capabilities are to the BBA's work life in year 2015. As a result, the following list was made:

1. Ability to change
2. Communications and social skills
3. Entrepreneurship, initiative
4. Comprehension/command of complex issues
5. Ability to separate the essential/relevant from non-essential/irrelevant
6. Multiple skills, practical skills  
and
7. Language skills and ability to work in different cultures
8. Ability to apply theoretical knowledge to practice
9. Optimism
10. Basic business skills
11. Tolerance towards hard work and routine
12. Ability to adapt to organizational chaos

The informants were also asked to list other characters a BBA will need to be able to manage well in the working life in 2015. Nine informants introduced the required characters. Some of those were so close to the given twelve capabilities that they couldn't be determined as other characters; such as "Flexibility" was considered to be the same as "Ability to change", "Ability to co-operate and work in a team" was considered to be a part of "Communications and social skills", and "Humble attitude" was considered to be on larger scale the same as "Tolerance towards hard work and routine".

There were two new characters which have become apparent:

1. Self management and self development
2. Ability for innovations

In Table 3 the capabilities are listed in the same order as they were indicated in the three studies.

Table 3 List of the ordered capabilities

	<b>Finland 2004</b>	<b>Russia 2008</b>	<b>Finland 2009</b>
<b>Ability to change</b>	1	3-4	1-2
<b>Communications and social skills</b>	2	1	1-2
<b>Language skills and ability to work in different cultures</b>	3	8	6-7
<b>Multiple skills, practical skills</b>	4	7	6-7
<b>Basic business skills</b>	5	10	10
<b>Tolerance towards hard work and routine</b>	6	6	11
<b>Ability to separate the essential/relevant from</b>	7	5	5

	<b>Finland 2004</b>	<b>Russia 2008</b>	<b>Finland 2009</b>
<b>non-essential/irrelevant</b>			
<b>Comprehension/command of complex issues</b>	8	3-4	4
<b>Entrepreneurship, initiative</b>	9	2	3
<b>Ability to adapt to organizational chaos</b>	10	9	8
<b>Optimism</b>	-	extra	9
<b>Ability to apply theoretical knowledge to practice</b>	-	extra	12
<b>Self-management and self-development</b>	-	-	extra
<b>Ability for innovations</b>	-	-	extra

### 5.1 ANALYSIS OF THE DIFFERENCES IN THE ORDER OF THE CAPABILITIES

It was really impressive to observe that the figures we got are more or less similar in Russia (2008) and Finland (2009). It can be explained by the relatively close business relations between two countries; moreover, business mentality in both countries is changing and it is getting more and more universal these days.

Both Finnish and Russian respondents valued “communication and social skills” as very high (1<sup>st</sup> and shared 1<sup>st</sup> place) and “basic business skills” as very low (in both countries the 10<sup>th</sup> place). Reasons for these may be found in the vast need for networking where the communication and social skills play an important role and the basic business skills may be stated as obvious. On the other hand, communication and social skills may be considered to be much more difficult capabilities to adopt than basic business skills.

The Finnish audience place “ability to change” on the shared 1<sup>st</sup> place, the Russians placed this capability on the shared 3<sup>rd</sup> place. The Russian audience placed the “entrepreneurship and initiative” on the 2<sup>nd</sup> place, whereas it was placed in Finland on the 3<sup>rd</sup> place. In Russia “comprehension command of complex issues” shared the 3<sup>rd</sup> place; in Finland this capability was esteemed pretty much the same achieving the 4<sup>th</sup> place.

“Language skills and ability to work in different cultures” didn’t seem that important (8<sup>th</sup> place among Russians and shared 6<sup>th</sup> place among Finns). Nowadays, staff working in international environment is already able to speak foreign languages quite well, especially English. Therefore, the knowledge of at least one foreign language is assumed to be good among employees also in the future. The difference between the valuations of this capability comes from the ability to work within different cultures. For the last 15 years Russia has become quite experienced in welcoming international companies to the country, so the experience of doing things together is quite common. Finland, being a small country, needs to be the one extending abroad itself. That may make the Finnish respondents place the ability to work within different cultures at higher level than the respondents in Russia.

An interesting issue is that Russians added “ability to apply theoretical knowledge to practice” to the list of the required capabilities. As it was specially added by the respondents, it can be proposed that it is important for the employers to have well-prepared specialists, not that they should invest too much in



the training additionally. The reaction of Finnish audience was to place this capability on the last line (place 12). Finnish education seems to be more practically oriented than Russian.

“Optimism” seemed to be rather important for Russians (as it was also specially added). From the cultural point of view, it is also good for a person to feel him-/herself optimistic in order to reach success in life and in business. As for Finns, they put it on the 9<sup>th</sup> place. Cultural aspect definitely prevails here.

The biggest gap between the valuations of the capabilities among Russians and Finns can be found in “tolerance towards hard work and routine”. The results were similar in Finland 2004 and Russia 2008 (6<sup>th</sup> place). The Finns didn’t consider this capability as important any more (11<sup>th</sup> place). It seems that Russians have now become more informed about business environment and would like to use all the possible opportunities. In Finland modest attitude has been a highly appreciated characteristic among the people for a very long time. It seems that the importance of pride rose during the economic boom and now people are seeking softer values again.

## 6 SUMMARY, CONTRIBUTIONS AND SUGGESTIONS FOR FURTHER STUDIES

The results of the study show a lot of similarities between the ideas about future business life in both countries. Quite positive scenarios dominate both for Finland and Russia. Internationalization and globalization seem to influence business processes in both countries, but this does not cause any dramatic problems for business. Russia and Finland are quite close in respect of labour market and personal development, and from this point of view it is essential that the indicators for the list of capabilities are so close together.

Some differences were also found. Based on the results of the study, Finland seems to be much more advanced in valuing the importance of technological innovations, environmental issues, business ethics, security and social business orientation. Nevertheless, Russians seem to be good learners, as the gap in the results between Russia and Finland in 2004 was much more visible than in 2008.

Having summarized the contributions and suggestions for future studies, it can be concluded that:

1. This kind of research was extremely interesting and useful for a certain orientation of the educational institutions and businesses.
2. The more contacts people have between nations, the more business relations they have, the closer contacts exist between the educational institutions and the more visible could be the benefit for the society.
3. Future research is needed with the more focused basis.
4. Permanent monitoring could be useful in order to observe changes.
5. Cross-cultural aspects of business communication need to get more and more attention.
6. Educational institutions in such kind of a research are able to learn a lot from each other, and they are able to include some necessary changes in the educational processes.
7. Future suggestion is to create permanent research group made of the teachers of the involved institutions, establish closer partnership with business community and provide basic comments for them on a regular basis.
8. Future economic and business education should be oriented by all means towards the needs of business and economy as a whole.
9. It became clear that all the involved parties (University, students, businesses, and society) can get a lot of benefit from such kind of a research.

Finally, it is interesting now to follow how well the results of this scenario analysis will come true. Future is undoubtedly a demanding research topic, - and even if we have all the necessary facts, arguments, proof and evidence at our disposal at present, it is often impossible to predict every outcome and development line, to understand and analyse them as future, even the nearest one, might has its own scenario.

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