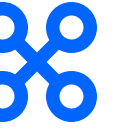


CO ⌘ FOUNDERS

A new playground for company culture

CHALLENGES & OPPORTUNITIES FOR FINNISH BUSINESSES



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1 — ABOUT THIS STUDY

We embarked on this study to understand how important the role of company culture is today, in the aftermath of a series of external shocks that we have faced during the past three years. The pandemic, the war in Ukraine, as well as the overall uncertainty across markets have blurred our view of the future and brought us face-to-face with our own fears and insecurities.

What changed for employees during this time? What changed for business leaders? How are they managing the demands and expectations that this perma-changing¹ context requires? And what role does company culture play in all of this?

“The short answer would be that culture is all-important. Culture eats strategy for breakfast and when you go through a crisis like the one that we’ve had during the past 3 years, culture cannot be underlined enough.”

— TOPI MANNER, FORMER CEO, FINNAIR

Our premise was that if the role of company culture is of a higher importance to Finnish businesses today than before this series of abrupt changes, then there is an increased appetite for: 1) understanding culture better and 2) learning to develop culture in a more systematic manner.

Our findings are based on 21 semi-structured interviews with CEOs and Chairs of Boards, as well as 109 survey responses from top and middle management across Finnish companies that operate both nationally and globally. The questions covered topics such as culture change in times of crisis, employee attraction and retention, as well as culture development services that companies will need in the future.



While the responses varied in terms of industry-specific business challenges and the degree of impact that the recent crises had on each organisation, there was consensus on one aspect: a healthy company culture is vital for the success of a business, and this is particularly important in moments of change.

“Strategy doesn’t do anything. People do.”

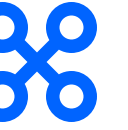
— ELISA MARKULA, CEO, VR GROUP

The well-known phrase “culture eats strategy for breakfast” was mentioned by leaders multiple times, with the understanding that if strategy cannot be supported by the existing company culture, then either the strategy is wrong or something in the culture needs to shift. The challenge, as many leaders have expressed, is that culture is much slower to change than the renewed strategies require.

“I have seen changes in our culture. Of course, from a CEO’s point of view you would always want to see the change happening much faster than it does in reality.”

— CARL PETTERSSON, CEO, ELO

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2

COMPANY CULTURE AS A TOP PRIORITY FOR LEADERS

There is no working community without a culture – our professional identity is connected to it. Culture influences our behaviour at both a conscious and an unconscious level. As psychologist Susan David, PhD, states: “organisational culture equals behaviours at scale”.

This is relevant in the context of a business because no action or decision is isolated. Everything is interconnected. Behaviours, especially coming from leaders, have a ripple effect throughout the entire organisation.

“Organisational culture is everything. We have a renewed organisation with a clear strategy, but we don’t seem to get people with us – rather wanting everything to be as it has been. This is tough for the management team, who needs to get results.”

— CULTURE SURVEY RESPONDENT

The key connection point here is the mindset. Culture is not only a myriad of behaviours that somehow connect to one another and make up a bigger entity. It is the collective mindset of a community that determines behaviours that make or break the strategy.

There is no good or bad culture, every business has a unique one. It is, like one leader says, “*the painting on the walls*” culture. While that might not be exactly your desired culture, it is the one that as a leader you must work with and nudge it in a different direction when needed. This nudging is something that leaders pay a lot of attention to today – and it is harder work in practice than it sounds like in theory.



“One thing about culture is very important: be who you really are, be genuine and authentic.”

— SANNA SUVANTO-HARSAAE, CHAIRMAN OF BOARD, FINNAIR, BOCONCEPT, POSTI, TCM, ORTHEX

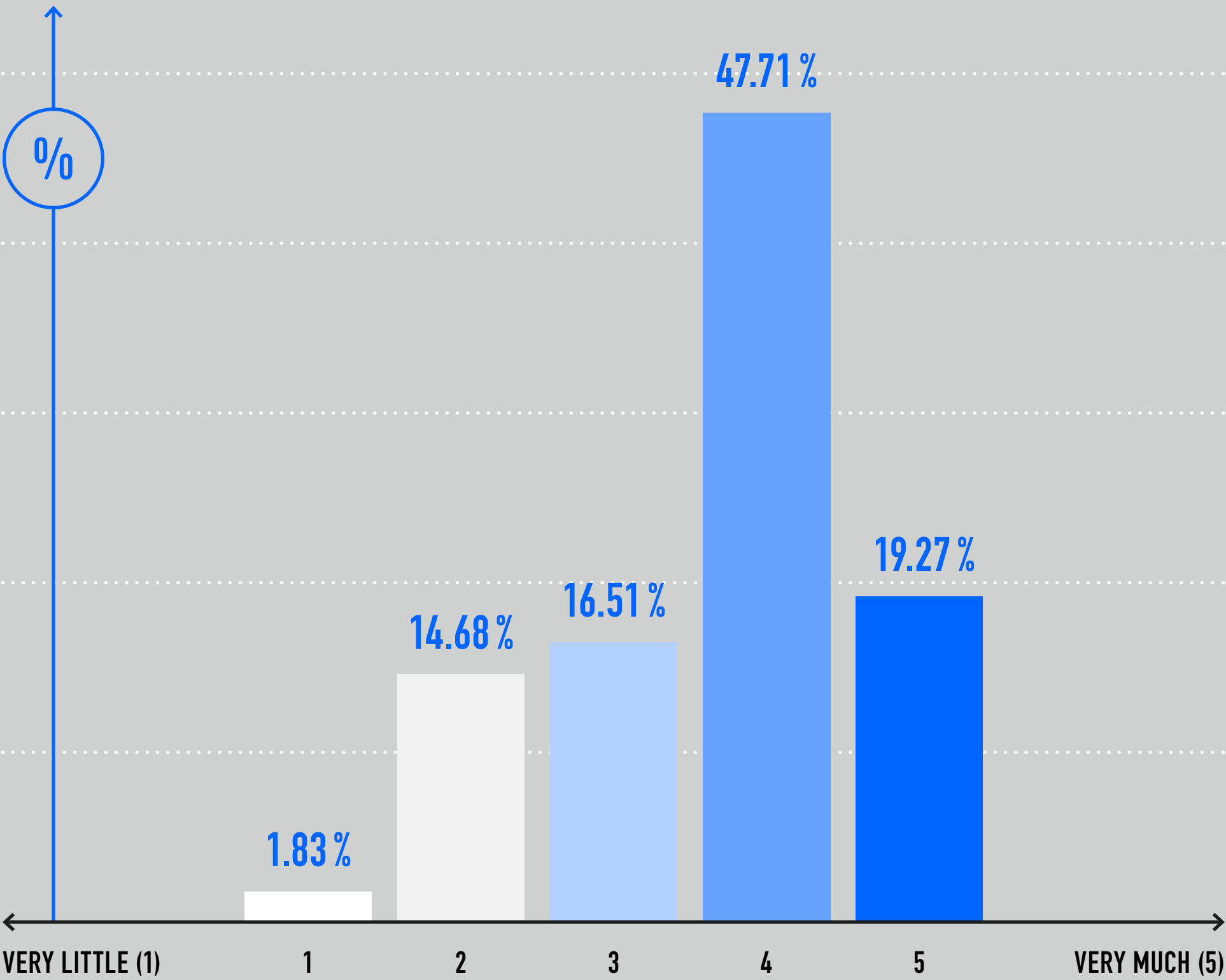
Leaders often lack a clear understanding of the inner workings of culture: which mindsets and behaviours sustain it? How does change occur? How much time does it take to transform a culture? Is there a “proven method” of changing culture? The past years have revealed many dimensions of company culture and made space for a time of reflection.

In the next chapters, we will unpack some of the main themes that emerged from our study.

“We have a very good basis for our culture. The biggest challenge is keeping it while growing and integrating new people. When attracting talent, we always look at the right personalities and the potential in people, even more than their job experience.”

— JANINA LUOTO, CEO, ISLET GROUP

HOW MUCH DO YOU DISCUSS
THE IMPORTANCE OF A HEALTHY CULTURE IN YOUR ORGANISATION?



Survey answers from 109 survey respondents including top and middle management.



3

TURBULENT TIMES INFLUENCE PEOPLE'S MINDSET

“I am involved in different organisations at board level and when you look at employee surveys you see that people today are under more pressure, feel more stressed, more exhausted, and they are not sure if they can cope with it. This affects the company culture negatively unless you find some way of understanding why that is and what you can do about it.”

— ALEXANDER BARGUM, CEO, ALGOL

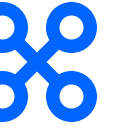
Businesses have been through major changes. Some of them have been forced to recur to drastic measures like laying off nearly their entire staff or a considerable amount of people. Many have been operating with more haste, in a reactive mode, constantly putting off fires. Whole businesses have been on hold for undetermined periods of time, others have flourished. It has been and still is a time of great resilience and great learning for both employers and employees.

“You need to have a very high degree of trust from your employees when you downsize, because the psychological safety is not optimal. On top of this, you need to ask people to have the courage to go and find new business opportunities and to also have the courage to fail. This is an interesting culture conundrum in many ways.”

— TOPI MANNER, FORMER CEO, FINNAIR

Context matters. It is why contextual and adaptive leadership is important – starting from understanding that people will act differently when circumstances change.

From the many examples of behaviours that leaders observed in their teams, there are two opposite feelings that have surfaced:



1. People feel relief and are energized by the changes,
2. People feel afraid and are exhausted by the changes.

These two opposites co-exist in businesses. This is the culture paradox that leaders need to mitigate for their employees: to encourage them to take risks and be bold, at the same time as strengthening their sense of safety and security. But sitting with two opposites is quite an ask for both leaders and employees.

At the same time, humans need disequilibrium to evolve – without disequilibrium there is no learning. And it is only natural that this state brings with it a wide array of emotions that, as uncomfortable as they might be, serve a purpose.

“I don’t want people to have a thick skin, I actually want them to not have a thick skin.”

— JANINA LUOTO, CEO, ISLET GROUP

In his book, “Good reasons for bad feelings” American physician and psychiatrist Randolph M. Nesse outlines that symptoms such as anxiety and sadness are, “like sweating and coughing, not rare changes that occur in a few people at unpredictable times – they are consistent responses that occur in nearly everyone in certain situations. Absence of a response can be harmful – inadequate coughing can make pneumonia fatal, inadequate fear of heights makes falls more likely³.”

In a company context, the fear is that of falling into oblivion, of becoming irrelevant when the business undergoes transformation. As professionals, we are driven by the need to feel that we matter, that our contributions add value.

A simple sentence such as “this is the way we have always done this” carries a deeper meaning – it is the tension between old and new. Between experts who have been in the company 10+ years, and new employees with fresh ideas, between analog and digital, between human and AI. We feel threatened by newness if we cannot find our place in it. As leaders, we need to read in-between the lines and identify the fears that hide behind people’s words, to be able to address what truly matters.

“We talk very openly about mental health. If you have a broken leg, then it’s OK to talk about it and everyone is asking you about it. But if you are facing mental health issues, you are not able to express yourself and nobody is asking. We try to be open and break those attitudes towards mental health.”

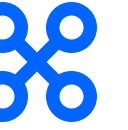
— JANINA LUOTO, CEO, ISLET GROUP

The challenge is that at the CEO and the Board level, leaders don’t always have a good visibility on what people are saying or struggling with, and if they do, they might be the last to know.

Another aspect that came up in our study is the precarious balance between the individual and the collective good. In times of crisis or rapid change, people think more of their individual wellbeing rather than the collective wellbeing.

“Culture has become more me-oriented rather than we-oriented. In individualistic societies even the concept of family is different. All this makes a difference when you enter business life. The best professionals today have a strong sense of togetherness as a mindset.”

— NERMIN HAIEDIN, STRATEGY ADVISOR & BOARD EXECUTIVE



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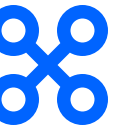
Times of crisis enhance the individual perspective over the collective one, because people prioritize their own sense of safety and financial security. When changing the strategy, business leaders should take this into consideration – are we incentivising individual gains to the detriment of collective gains? Practices such as individual bonus systems can get in the way of building a community-oriented mindset, even in companies where team-level bonuses are also in place.

A new strategy is an opportunity to assess these practices and develop them further to connect individual gain with community gain: if we succeed, I succeed. As the African proverb reminds us: “If you want to go fast, go alone. If you want to go far, go together.”

When big changes take place, leaders should be mindful of the timing – fast is not always good. For most leaders in our study, communicating clearly and constantly is a crucial aspect of successfully managing any type of transition, even if it can be tiring to repeat the same messages over, and over again.

The problem with overcommunicating is that it tends to become one-dimensional, which is why it feels tiring. Genuine dialogue and understanding where both leaders and employees stand, can make room for growing and evolving together.

Ultimately, the challenge for leaders is to cultivate collective hope, in response to fear, scarcity and enhanced individualism.



4

NAVIGATING CHANGE: STRATEGIC DECISIONS ARE CULTURE DECISIONS

“I always say that it is difficult to change culture if the company isn’t performing business-wise. Because in this case, employees don’t get the financial benefits of the company success and this affects the culture. Strong financial performance takes care of half of the issues. But on the other half you need to work hard to get it right.”

— PEKKA VAURAMO, CEO, METSO

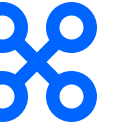
Strategic decisions impact the culture – in both positive and negative ways. The connection point here is people’s mindset.

The leaders who have been able to design a course of action that led to successful transformation are those leaders who have identified employees’ mindset and worked on progressively shifting it.

In some cases, it required hard decisions like letting go of the previous management team and welcoming a new one. In other cases, finding common areas of interest and revitalizing a shared passion for the company purpose helped pivot the organisation from old to new.

Some examples of mindset challenges that were brought up in our interviews with leaders include the battles between: “play-it-safe” mindset vs. growth mindset, public service vs. gaining competitive advantage, startup vs. corporate, and cost-saving vs. innovative.

“We have been in cultural renewal for a couple of years, and even if we knew it was going to be a long journey, it somehow still surprises me. However, it’s been nice to see that people are taking it very seriously and



see it as important. What makes it challenging is that it's not always easy to distinguish cause from effect when we are talking about the issues we want to solve in our organisation."

— CULTURE SURVEY RESPONDENT

M&A cases were highlighted as one of the most challenging areas of culture. Based on their own experience, leaders acknowledged that creating a unifying culture is a key aspect of a successful merger. Leaders emphasized that what happens in practice when two cultures meet it is still a big unknown, and that there is a need for more services and expertise in this area.

"In the M&A arena you have a lot of financial and legal due diligence. You even have some HR due diligence, but it focuses more on the character of the management, not on the overall culture. And culture is as valuable, if not even more valuable to assess beforehand. You can change the majority of the management team very fast, but to change culture you need 10 years at a minimum."

— TAPIO PAJUJARJU, FORMER CEO, HARVIA

"One thing that we both failed and succeeded in when it comes to M&As was making sure that the information flow is bi-directional. We've learned that it's not going to bring us the best outcome if we go there and say that what we have that is superior to what they have. Even very small companies can have something superior, and they can bring a completely new perspective to something we are doing. Listen and observe first."

— VILLE VOPIO, CHAIR OF BOARD, VAISALA

During the past few years, we have been witnessing many layoffs across different sectors, public and private alike. These decisions have increased people's fears for their own security and have exacerbated the individualistic views that we mentioned in the previous chapter. According to a study by CultureAmp², the negative effects of layoffs on the collective mindset are only counterbalanced when the company starts hiring again.

Fast growth has its own challenges. Start-ups are a good example of this. In such a compact setting, the culture takes after the founder's personality, it is created organically and in an unspoken manner. Up to twenty people this intuitive approach can work well. Above twenty people things start to break, when the culture core starts diluting. Therefore, managing this transition into a new phase is important. This is the moment where leaders need to start articulating what is unspoken, define the existing culture and agree on its cornerstones (values, principles, ways of working), and communicate them clearly to new employees.

"I spent almost 2 decades of my career in a company where I was the 13th employee and when I left the company I was CEO and our team was a bit over 55 people. But I still made the mistake of assuming that we are us, tribal and family-like, and that everyone understands our culture. Then I talked to newer people who came into the story later, their perspective was different and much more critical because they didn't feel that they belong to the story – the early ones we felt like we belong but they didn't feel the same. That experience taught me the lesson that at around 20 people you must start talking about the culture and you cannot just assume that it just occurs."

— VILLE VOPIO, CHAIR OF BOARD, VAISALA

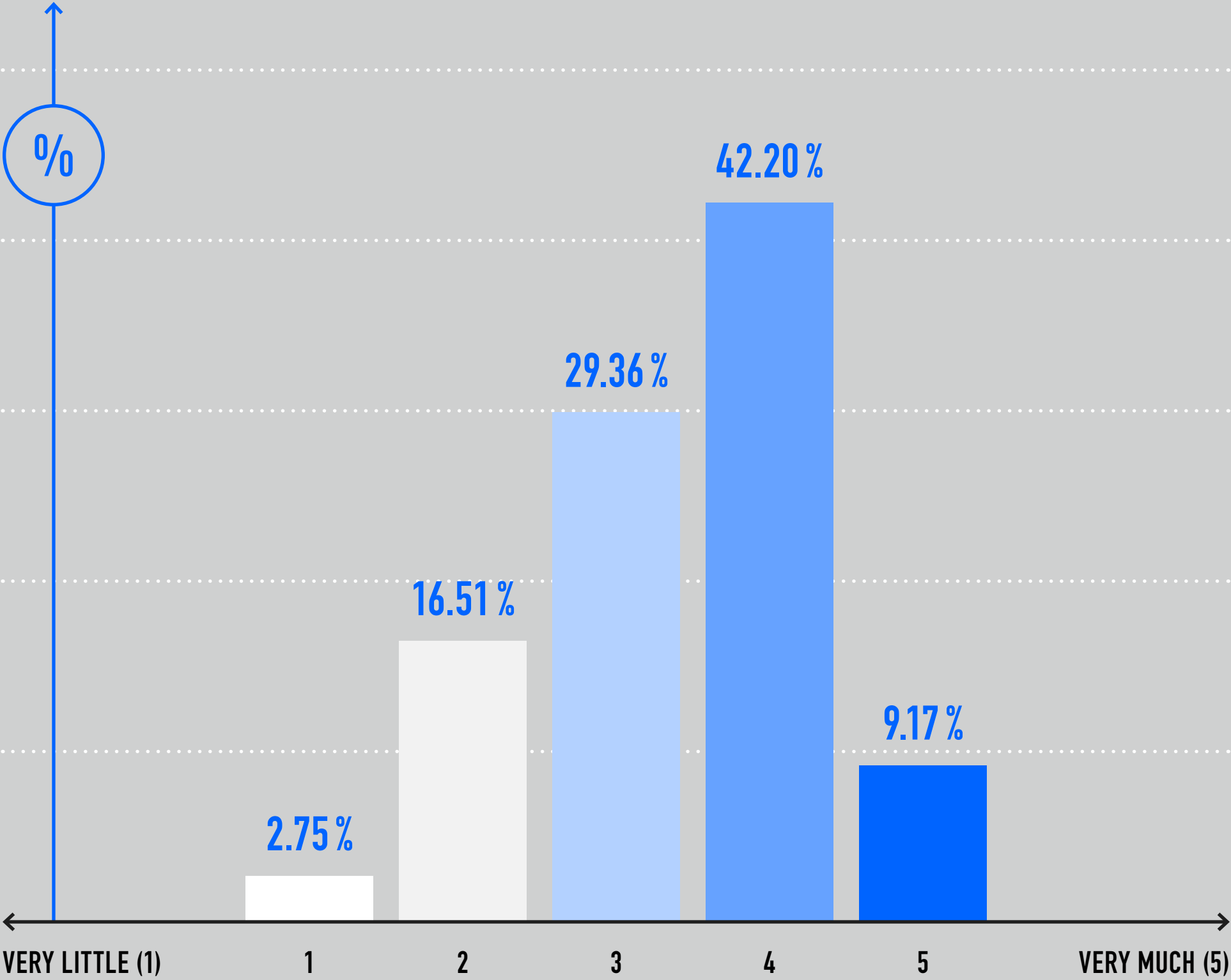


“Culture is how your people take decisions when you are not there. You can’t control it, but you can inspire it.”

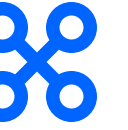
— LEIF FRILUND, CEO, WALKI GROUP

Change always makes room for new possibilities – but how change is communicated, managed, and implemented in the culture makes the difference between success and failure.

HOW WELL HAS YOUR ORGANISATION MANAGED THE CHANGES THAT HAVE TAKEN PLACE DURING THIS PAST YEAR?



Survey answers from 109 survey respondents including top and middle management.



5

MIND THE GAP: WHAT *is* AND WHAT *could be*

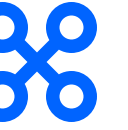
In a fast-paced world where being adaptive and agile is paramount to remaining competitive, finding time to allow the culture to change is challenging. While leaders and strategies come and go, the culture of a working community moves at a much slower pace. Sometimes it lingers for years because of an ill-integrated M&A, sometimes it remains static from a genuine wish to keep a legacy alive – even when it comes at the expense of losing a competitive advantage.

Mindsets and behaviours can shift, but not as fast as leaders and owners need to gain a better market position and improved financial results.

When it comes to culture, rushing this process is counterproductive. It leads to situations where we see gaps between how we say we are and how we really are. Not walking the talk breeds skepticism and cynicism across the organisation.

“Organisational culture is easy to talk about and define, but from my experience it is really hard to settle and implement related processes for culture to stay and grow. Top management easily thinks that if we had a few workshops done, a miracle will happen and suddenly the defined culture is established. Culture happens only if you live that every day, including the top management. Culture happens when nobody is watching.”

— CULTURE SURVEY RESPONDENT



“Organisational culture is being developed primarily in PPT presentations, but the challenge seems to be making that visible in the day-to-day life of each and every employee. Part of the changes and targets remain very remote to the majority of employees, and this work is seen only as something that the top management is involved in and does not really concern all personnel. There is never enough communication, discussion, and details on these areas. This should be part of regular one-to-one discussions with every employee.”

— CULTURE SURVEY RESPONDENT

“Most of our biggest challenges at the moment eventually come down to cultural issues such as undesired behaviour which has been tolerated in the past due to good financial performance.”

— CULTURE SURVEY RESPONDENT

Sub-cultures create other gaps that are difficult to manage. In our study, leaders of larger corporations noted that offices and factories located in different countries often have very different cultures. The working culture is inevitably connected to the wider culture of a place or a country – and these differences can be stark, even between European countries. Some are more hierarchical, where employees are given clear directions to perform their work, and others are more autonomous, where employees are expected to be much more self-driven and proactive.

When a hierarchical leadership style meets autonomous employee expectations, relationships become tense, and much energy goes to managing tacit or explicit conflicts. This doesn't happen only between

different locations, but between different departments as well. Which leads to some organisations finding creative ways to maintain a balance – encouraging differences where it serves the company purpose and goals, while promoting common ways of working to protect the core culture.

“The organisation may have such strong sub-cultures that the “main culture” remains weak.”

— CULTURE SURVEY RESPONDENT

The role of HR remains mainly administrative in smaller companies, and there is not enough expertise to lead culture development in a systematic manner. When culture is no one's and everyone's responsibility it is hard to create a favorable environment to help nurture it.

“It seems that HR (nowadays called PX/personnel experience) focuses mainly on internal training courses and recruitment processes. There is no discussion or projects around organisational culture and employee promise. Regional HR is very invisible and behind the curtains. Our current business model focuses purely on sales figures or data analytics. There is no focus on emotional intelligence.”

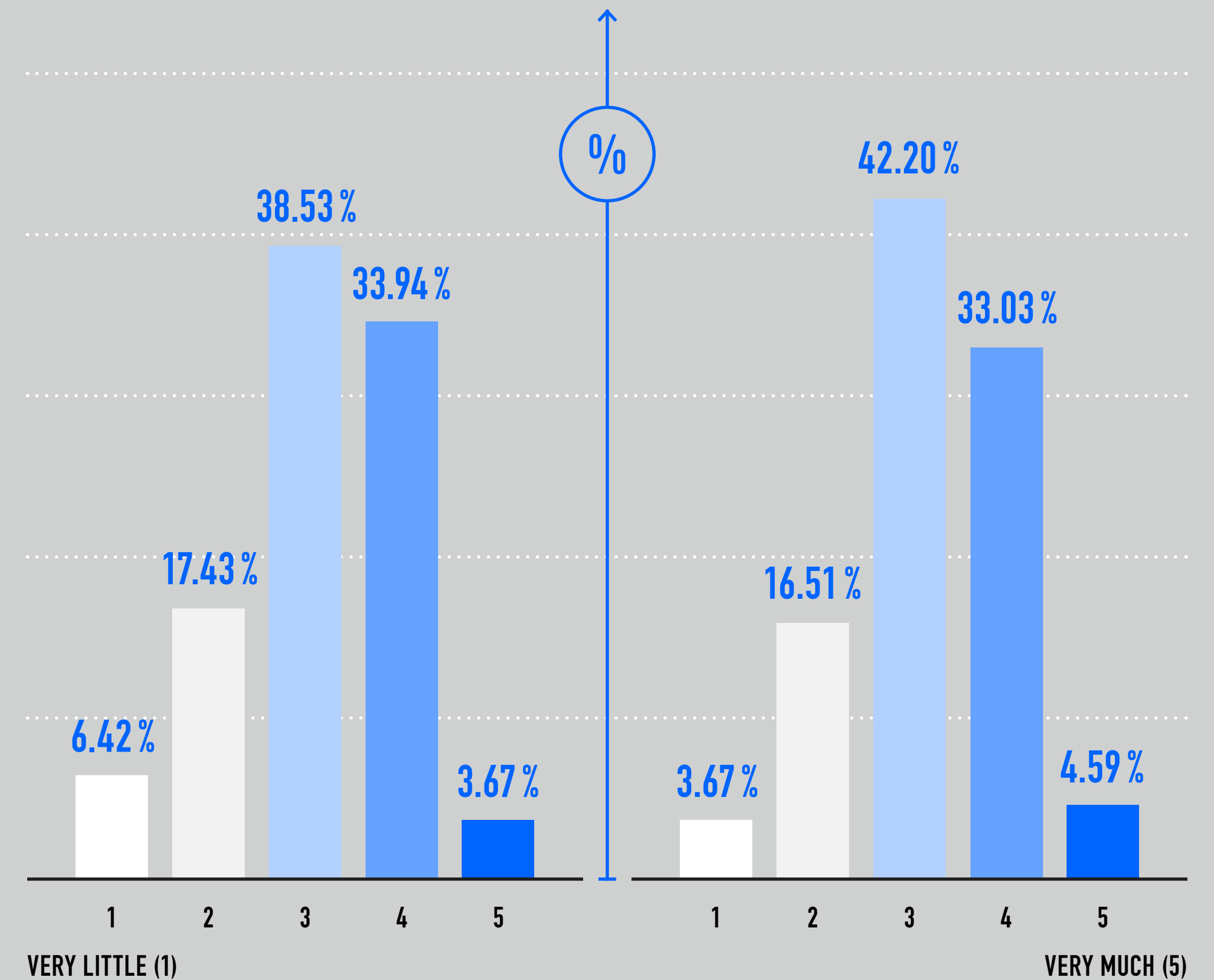
— CULTURE SURVEY RESPONDENT



When culture
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systematic way.

HOW SATISFIED ARE YOU
WITH YOUR ORGANISATIONAL
CULTURE AT THIS TIME?

HOW SATISFIED DO YOU THINK
YOUR COLLEAGUES ARE
WITH YOUR ORGANISATIONAL
CULTURE?



Survey answers from 109 survey respondents including top and middle management.



6

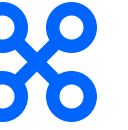
THE CULTURE CHOICE: EMPLOYEE VALUE PROPOSITION

We expect more from our jobs today than ever before. Our profession is intertwined with our identity. Having a real passion for our work and the opportunity for self-actualization are big expectations from our workplaces. These are expectations that our parents or grandparents did not have the luxury to dream of. On the other hand, employers expect more engagement, more innovation, and higher levels of resilience and adaptability in the face of constant change and market pressures.

Company culture is the ecosystem where this exchange of expectations happens. When employees choose a company, they choose to enter and operate in its ecosystem. On the other hand, employers choose people who can adapt and thrive in the ecosystem, beyond the core skills that they bring.

This is why culture is important. It can be the dealmaker or the dealbreaker of a work relationship. It is said that people don't leave a job, they leave a boss. To expand on this, people leave a culture if it is not aligned with how they wish to operate. It doesn't even need to be a toxic culture, but merely a different culture than they expect it or wish it to be. For instance, a family business might offer more freedom and autonomy, but demand more flexibility in terms of working hours, while a corporation might be more restrictive in terms of autonomy but offer a steady working schedule.

There is no culture that is for every employee, and no employee works well in every culture. It is, however, important for both the employee and the employer to assess these expectations already during the recruitment process, to prevent disappointments and friction in the long run.



“All cultures – good or bad, ugly or beautiful, hostile or nice will protect themselves.”

— PEKKA VAURAMO, CEO, METSO

“There is a global move or trend where people only want to work for companies who are saving the world. But not everybody can save the world, and many companies do not save the world – the expectations on the broader employee base on what they want to do and what kind of company they want to work for is getting tougher and tougher. Expectation and reality don’t always meet.”

— KIM IGNATIUS, CHAIR OF THE BOARD, ROVIO

Attracting and retaining talent demands more than ticking the skillset boxes. Here are some of the top current challenges that leaders have identified in this area.

Challenges attracting talent:

- The balance of power shifted from the employer to the employee.
- There is a shortage of talent in office jobs and a high competition between companies for existing talent.
- There is a lack of skilled workers in industries like healthcare, food services, factories, and shift work overall.
- Location is important: it is more challenging to incentivize people to move to a remote location or to relocate to a different country; people are less flexible.
- Brand reputation is perceived differently in different countries, and the success of attracting talent depends on it and varies accordingly.
- Integrating international talent proves to be difficult in more traditional,

monoculture companies that have had a long market history in Finland and have hired mostly local talent so far.

“The world has changed, in the sense that when you recruited people in the past the key question was – what can you do for us? Today, the tables have turned, and the key question is – what can you offer me? Employees have more leverage.”

— KIM IGNATIUS, CHAIR OF THE BOARD, ROVIO

Challenges retaining talent:

- Diversity and inclusion are not easy to manage in practice: there isn’t always a talent pool to recruit from and integration of international and diverse talent is lagging.
- Remuneration is competitive, especially for talent that is remote and can work in different markets where the salary level is also very different.
- Short-term commitment from younger generations, as employees don’t stay in a company for as long as they used to, so turnover happens at a higher pace.
- Company culture might not match with employees’ expectations.
- Re-location used to be perceived as a great opportunity for employees, now it is more of a challenge to solve for employers.
- In family businesses the generation shift might cause conflicts in leadership styles which can cause employee confusion.
- Offices are emptier, there are less encounters less encounters between employees which is causing concern about lack of innovation and quiet quitting as remote work makes it harder for people to feel like they belong.



- Employers must dedicate resources to retraining employees to keep up with the demands of a competitive, rapidly evolving market.
- Employees expect fast and diverse enough career paths in the same company to stay.
- High competition for talent between businesses
- Layoffs due to business transformation or managing external crises cause unintended resignations from top talent.
- Employees who do not agree with business changes might stay in the company, harboring negative feelings and influencing others.

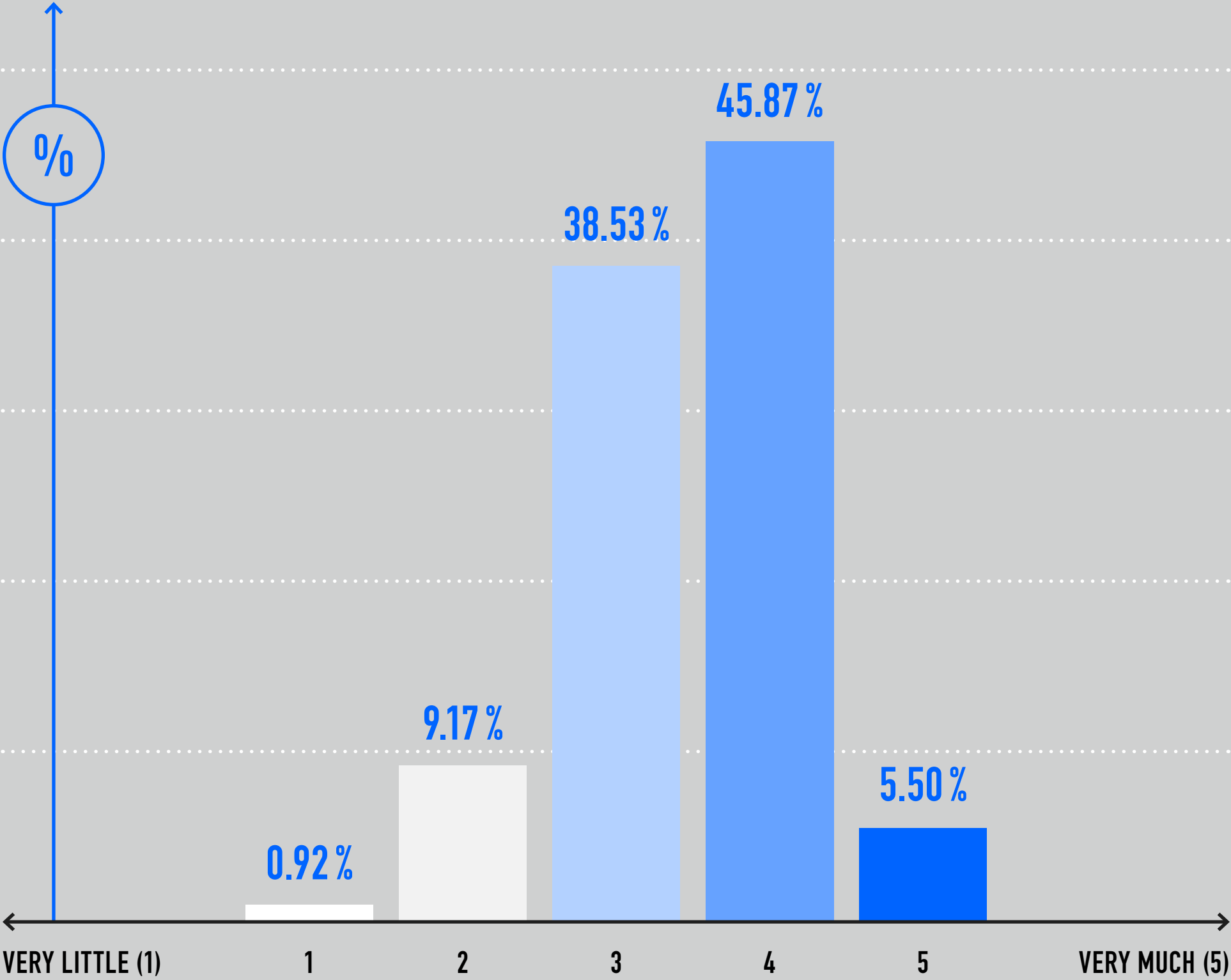
“I think there is more of a retention problem rather than it is an attraction problem. A wrong culture gets people to leave you. Maybe you might still be able to buy their skills for a while, but you won’t be able to keep them. For me, culture is a real retention issue.”

— SANNA SUVANTO-HARSAAE, CHAIRMAN OF BOARD, FINNAIR, BOCONCEPT, POSTI, TCM, ORTHEX

Not all challenges listed above are related to culture issues, but many of them are. The employee – employer relationship is a constant choice, even after the recruitment phase is over. The power and role of culture is to guide people towards that choice. The question is – how can companies develop their culture and communicate about it, so that they positively influence talent attraction and retention?

One tool is the Employee Value Proposition. More than a simple phrase that can be claimed by virtually any business, the EVP should express the unique culture of a company in a nutshell. It should encompass the mindset, the behaviours and practices that employees can expect to experience in a company.

HOW SUCCESSFUL IS YOUR ORGANISATION IN ATTRACTING TALENT?



Survey answers from 109 survey respondents including top and middle management.



7

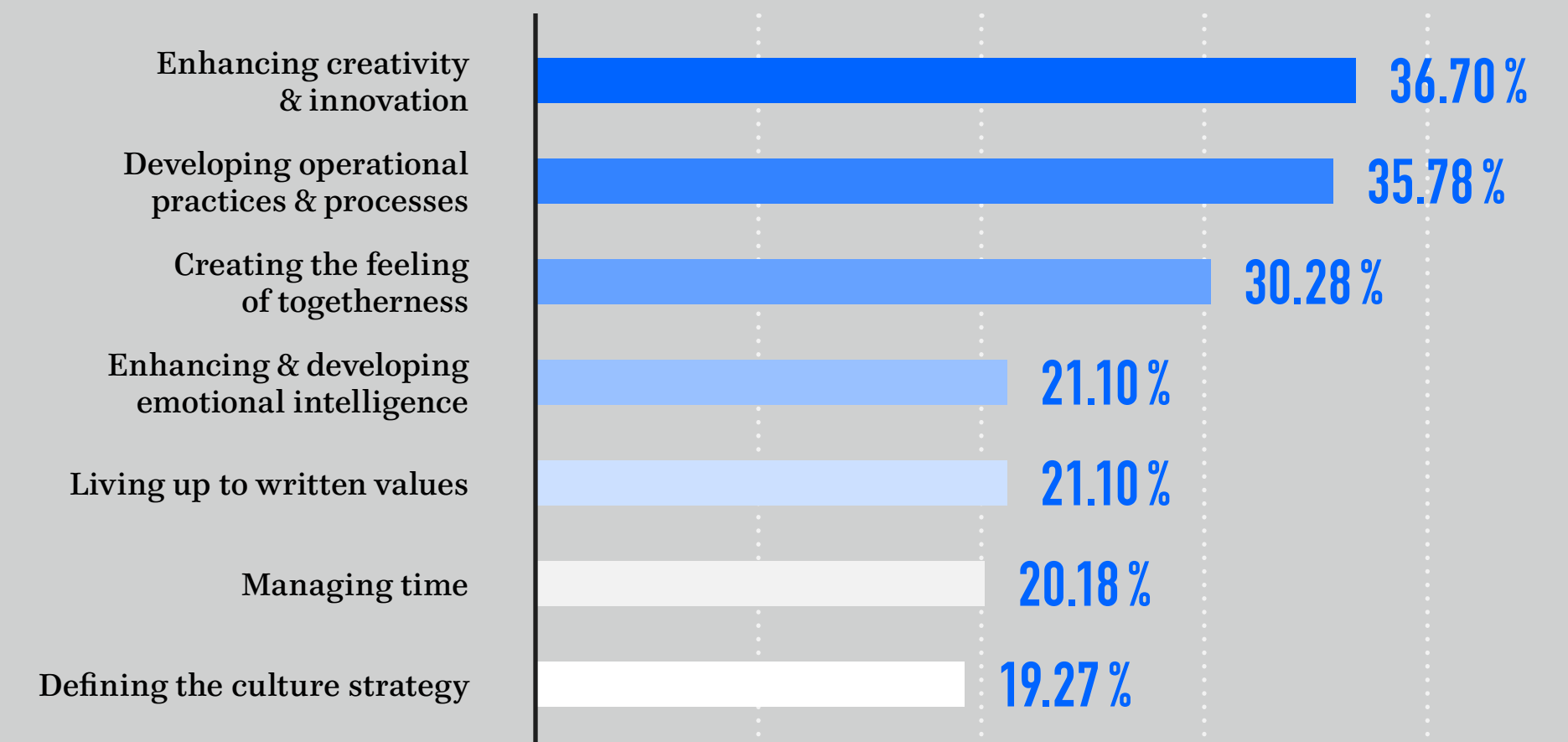
LEADING AND DEVELOPING COMPANY CULTURE

Company culture might look close to ideal in PowerPoint, but leading and developing it in practice is an ongoing challenge. When the organisation is exposed to continuous external and internal changes, it is difficult to maintain a state of balance.

Throughout our study, leaders have consistently pointed out that the tools to develop company culture in a holistic and systematic manner are currently underdeveloped.

According to our survey results, the top three culture areas that companies are focusing on internally are: *enhancing creativity and innovation*, *developing operational practices and processes*, and *creating a feeling of togetherness*.

PRIORITY AREAS FOR CULTURE DEVELOPMENT INTERNALLY (CHOOSE TOP THREE)



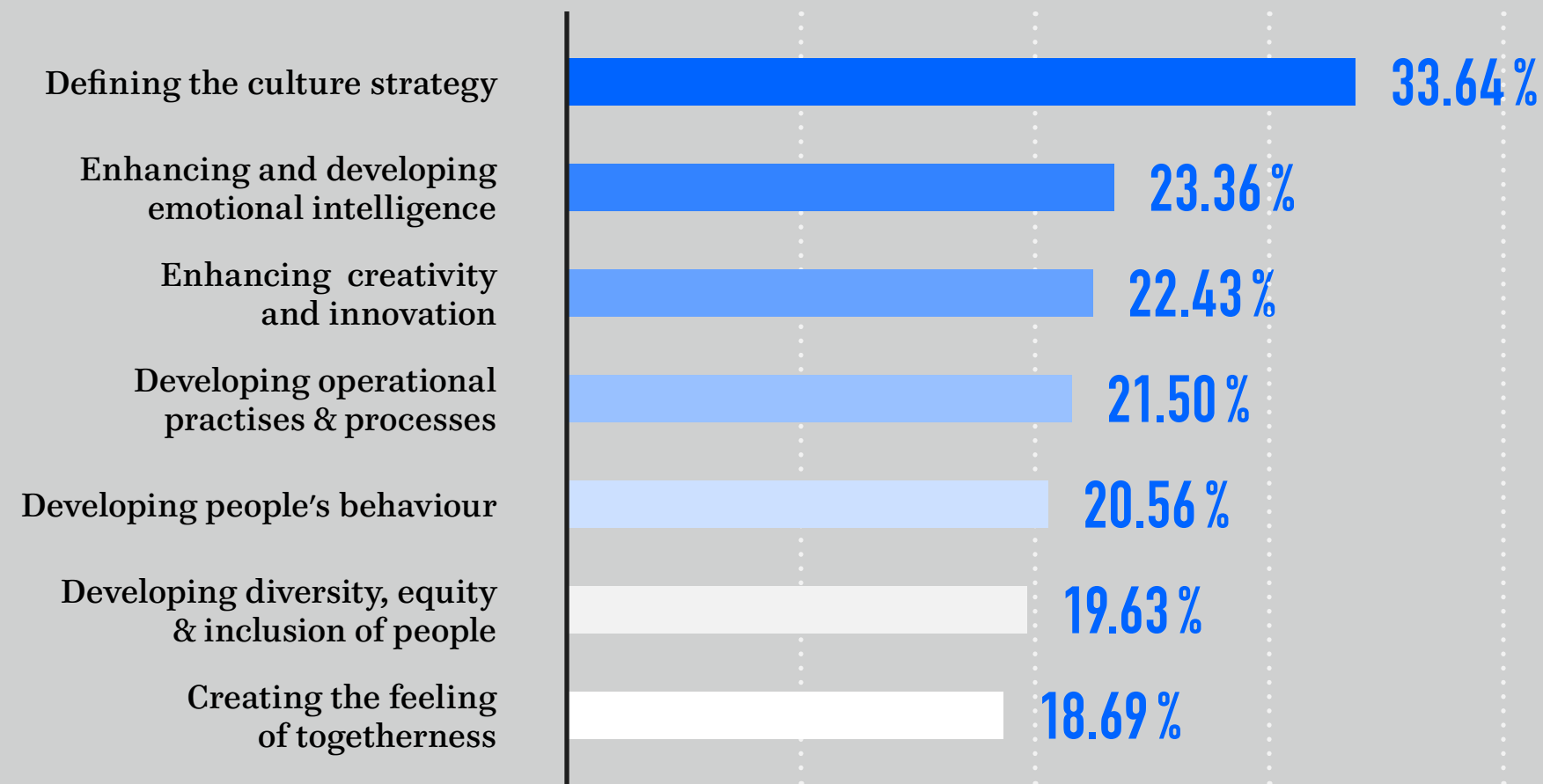


The top three areas where companies need external support are: *defining the culture strategy, developing emotional intelligence, as well as enhancing creativity and innovation.*

“What I would hope is for companies to have access to tools through which some of the more junior managers could get a psychology course. So that they are aware that when they hear the kind of phrases like “this is how we do things” they understand what people actually mean by it.”

— SANNA SUVANTO-HARSAAE, CHAIRMAN OF BOARD, FINNAIR, BOCONCEPT, POSTI, TCM, ORTHEX

EXTERNAL SUPPORT MOST NEEDED IN (CHOOSE TOP THREE)



During our interviews, leaders mentioned the following development areas where external support is welcome and needed:

- Strengthening a common culture that unifies sub-cultures
- Culture due diligence and development in M&A cases
- Organisational psychology expertise to understand what is going on in people’s minds and to identify mental barriers that prevent positive development
- Creating a clear process to manage culture change
- Change management skills
- Developing cultural flexibility and resilience
- Tools to manage stress
- Career mentoring for employees
- Educating boards and top management on how to think and talk about culture
- Facilitating organisational self-reflection, starting with leaders
- Developing indicators for cultural behaviour
- Encouraging people to come to the office
- Assessing whether culture supports strategy renewal
- Articulating the culture, particularly in early-stage businesses/startups
- Creative ideas to promote the culture internally and externally

“In general, skills in change management are key – there is a need for continuous leadership development and leadership skills across the broader organisation. These skills are critical in managing culture and mindset.”

— ROLF LADAU, CEO, PAULIG



Leaders are the guardians of culture – their own mindset and behaviour, as well as the behaviours they endorse in others have a ripple effect on the overall culture.

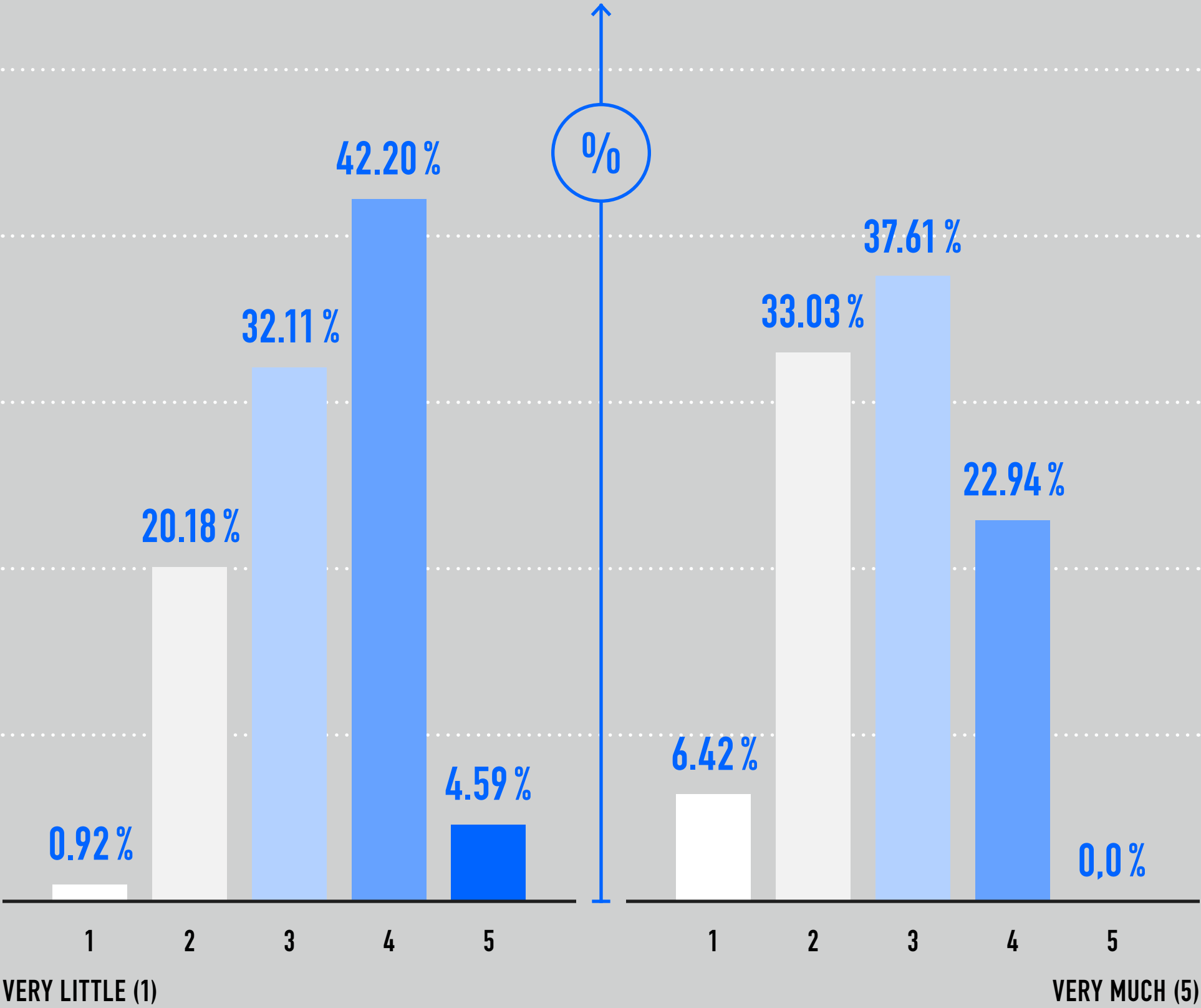
Much is expected from leaders today. A leader needs to create a *holding environment*⁴ for his or her team – a psychological space that is both safe and uncomfortable. In this space, people can say if they are scared or worried in the face of change and, at the same time, they can experiment with a new way of being.

Moments of change reveal key aspects of the culture. Managing change is a stress test for the leaders, the employees, and the company culture overall. In these moments, taking a pulse of how the existing culture operates and bridging potential gaps in the transition process are issues that should be addressed.

As an outcome of our study, we mapped out the following moments of change and their respective challenges and opportunities for businesses:

HOW MUCH DOES YOUR ORGANISATION INVEST TIME IN DEVELOPING THE CULTURE?

HOW MUCH DOES YOUR ORGANISATION INVEST MONEY IN DEVELOPING THE CULTURE?



Survey answers from 109 survey respondents including top and middle management.



MOMENTS OF CHANGE CREATE OPPORTUNITIES

CHANGE	CHALLENGE	OPPORTUNITY
LEADERSHIP	Introducing a new leadership style with a new Board, CEO, or top management	Assess the gap between what is and what could be – the existing culture vs. the desired culture.
STRATEGY	Accelerating business transformation	Develop the culture to support your purpose, strategy, and goals by changing the mindset.
M&A	Merging two cultures	Identify mindsets, behaviours and practices in both cultures and create areas of common interest.
SCALING UP	Facilitating fast growth	Articulate the culture to bring clarity to new and seasoned employees.
SCALING DOWN	Layoffs and internal reorganisation	Understand the mindset of those who leave and those who stay to address potential reputation risks and quiet quitting.
TALENT SCARCITY	Attracting and retaining talent in a competitive market.	Promote your culture to talent profiles that will thrive in your unique culture ecosystem.

Change affects people's mindset, behaviours, and practices. But shifts in the market are not followed by shifts in the mindset equally fast. To be able to introduce newness into their organisations, leaders must be able to facilitate a collective mindset that embraces change. Without working on changing the mindset in a direction that is helpful, neither the behaviours, nor the practices will change in a sustainable way.

In today's world, it is a myth to believe that anyone can invent a product so great that it will sell itself. The same applies for a great culture that will nurture itself – it does not exist. Sustained effort is needed to lead and develop culture on an ongoing basis.





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LIMITATIONS & REFERENCES

LIMITATIONS

The findings of this study are based on the participants' own views and might not reflect the realities of all organisations in Finland. However, to ensure a good level of representation, we have included diverse industries and management levels in our research.

At the same time, the study mostly focused on top and middle management as these positions have a key influence on the development of company culture. First-hand views from employees are only scarcely presented here and these should be included in a future study.

The findings do not present direct correlations or causality between events and actions. Instead, they give a general overview of how leaders see company culture today and the development challenges that they are facing.

REFERENCES

- ¹ *Permachange* is a term coined by Gerd Leonhard, referring to the permanent change or permanent VUCA (Volatile, Uncertain, Complex, Ambiguous) times for the next 10 years.
- ² CultureAmp study on employee engagement presented at Culture First EMEA 2023 event
- ³ Nesse, R. (2019). *Good Reasons for Bad Feelings*. Penguin Random House, UK.
- ⁴ *Holding environment* is a concept coined by British psychoanalyst Donald Winnicott as a reference to the safe, calming space that a mother provides for her baby by demonstrating highly focused attention and concern.

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LIFE-CENTRIC® APPROACH

The Life-centric® approach that we bring into every client case helps companies extend their focus from humans to the whole ecosystem.

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ABOUT CO-FOUNDERS

At Co-founders, we help businesses accelerate or mediate change by providing tools and best practices to lead and develop company culture.

We believe that leaders play a key role in culture development. This is why we work primarily with Boards, CEOs, Heads of HR, Culture, and Brand.

We see brand and culture as two sides of the same coin, and we are the first Nordic consultancy to help companies develop them together.

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