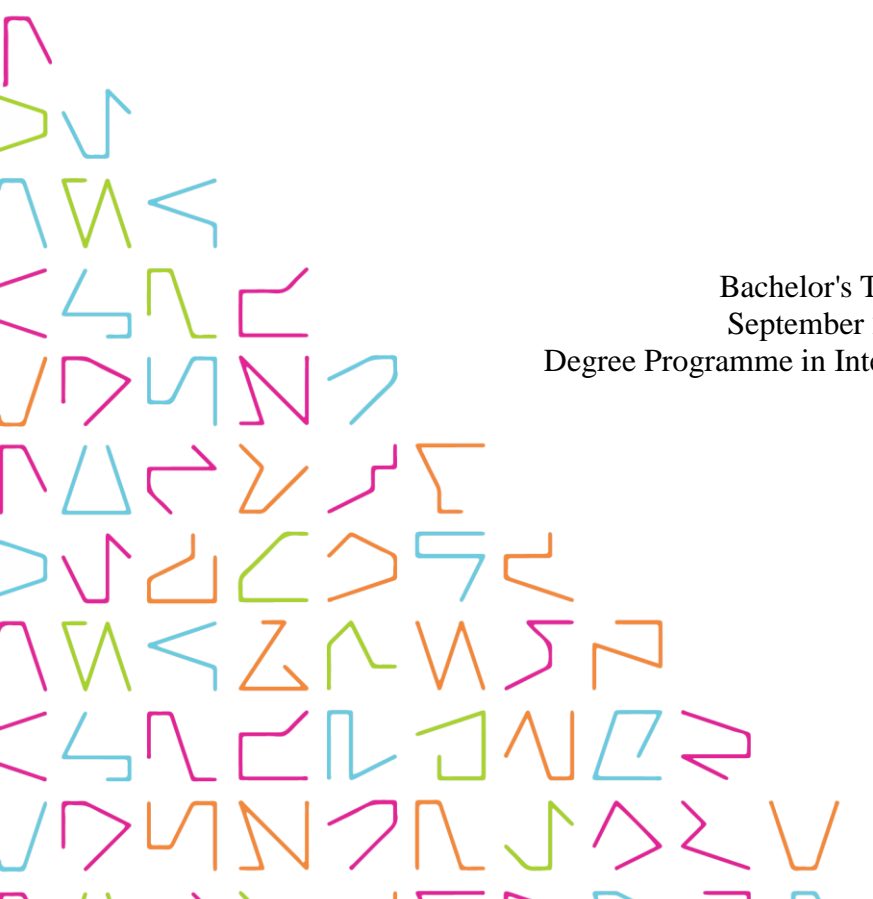# INNOVATION AS A BUILDING BLOCK OF SUCCESS:

Increasing the Competitiveness of Mindtrek

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Bachelor's Thesis
September 2016
Degree Programme in International Business

ABSTRACT

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Mindtrek is a technology conference organised in Tampere, Finland. The 2016 conference consisted of five different events: Open Source World, Internet of Things Event, Mindtrek Immersion, Smart City Event and Academic Mindtrek. The main organiser of the international conference is COSS - the Finnish Centre for Open Systems and Solutions: a small non-profit organisation of seven employees. In 2016, COSS acted as the organiser of the event for the second time in a row.

The purpose of this study was to identify industry related critical success factors that might need further development. The objective of this was for Mindtrek to stay ahead of competition in the international conference scene and, thus, increase competitiveness and recognition. A central focus point needed to be found for the conference themes so as to make the central message of Mindtrek clearer.

The data were collected in two phases; by conducting an interview with the Executive Director of COSS, and during the second phase an anonymous survey was filled out by the employees who took part in organising the conference. Mainly qualitative data were used during the writing of this thesis.

During the interview with the Executive Director of COSS, it was found that the critical success factors the Executive Director wanted to further develop were all innovation related factors. Thus, the second phase of the study included a survey filled out by the employees in order to find out if the prerequisites for innovation were fully met at the workplace. The majority of respondents felt that they were not entirely sure of the vision and goals of Mindtrek, and they hoped for more logical processes within the organisation.

The findings indicate that the innovative abilities of the team could be increased by clarifying the vision and goals of the conference. This would help with finding a central focus point and deciding on the right themes. The results also suggest that the filing system in use ought to be reorganised in order to facilitate the flow of information between employees. Moreover, the innovation process should be paid attention to; problems or topics should be clearly defined before meetings and more time should be reserved for discussion.
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CONTENTS

1 INTRODUCTION

I started my internship for COSS – the Finnish Centre for Open Systems and Solutions in March 2016, with my initial tasks being looking after the marketing and communications of the international Mindtrek conference organised in Tampere, Finland. As time went on and I continued working there, my duties with regards to Mindtrek began to include much more than just marketing activities; I became the main Event Coordinator for Mindtrek. I soon started to realise what the challenges were and the complexity of the job in question.

COSS, is a small non-profit organisation of currently seven employees. I have noticed how crucial it is for a non-profit to get outside funding and sponsors, and to receive that funding the organisation must somehow convince outside parties that it is worth their while to invest. When talking about Mindtrek, it is highly important to focus on making the conference attractive to all stakeholders, including sponsors, partners and visitors. It all comes down to building a competitive advantage compared to other similar technology and business conferences. Thus, the purpose of this thesis is to figure out how Mindtrek can become more internationally competitive and how it can try to sustain that competitive edge over the years.

Mindtrek is an annual technology conference which is deeply rooted in the international conference scene in Tampere. The event was first organised in 1997 at which time it was known by the name "Tampere Multimedia Competition". In 2007 the event structure and target audience were reformed in a way that made the event more internationally attractive, with main themes including Future of Technology, Digital Information and Media. In 2015 COSS – the Finnish Centre for Open Systems and Solutions accepted the challenge of becoming the organiser of the conference, and at the same time the main themes changed to Open Source and Open Data to better represent the core business of COSS. In 2016 Mindtrek consists of five different events - or themes - under the same roof at Tampere Hall in Finland. These events are Smart City Event, Open Source World, Internet of Things Event, Immersion and Academic Mindtrek. Hosting

such a variety of different events presents its challenges to the organisers, and that is what this study will focus on.

The objective of my final thesis is to identify areas of improvement to facilitate Mindtrek in building a competitive advantage, particularly in the international conference market. This is to increase brand recognition, demand and to eventually grow in size.

In my study, I decided to focus on specific industry success factors to determine which building blocks of competitive advantage were the ones to improve with regards to Mindtrek. The working methods used in the process were personal observations, an expert interview and an anonymous employee survey. Data were collected in two main phases; first one being the expert interview in which Mindtrek's performance was assessed against industry-related critical success factors, and the second phase was the anonymous employee survey, the purpose of which was to map out if certain prerequisites for innovation were being met at the workplace. Qualitative research approach was used in order to obtain a deep understanding of the specific subject of study, the Mindtrek conference.

The thesis structure includes the following: Firstly, an introduction to COSS association and the business model in Chapter 2. Secondly Competitive Advantage and what it really means is examined in Chapter 3. Then the research methodology used in the course of this study is going to be explained in detail in Chapter 4. After that we will go through the Expert Interview results and Innovation in Chapters 5 and 6. The second phase data, gathered via anonymous employee survey, are analysed in the innovation-related Chapters 7, 8 and 9. Finally, at the end of the thesis, I will give suggestions on the areas that may need improvement and how to improve those areas.

2 COSS BUSINESS MODEL & OBSTACLES

2.1. COSS – the Finnish Centre for Open Systems and Solutions

COSS is a non-profit association that helps its members in various open source related problems that companies wanting to adopt open systems might face, especially at the start of the process. COSS gives, for example, advice on licensing matters, and does a lot of networking and projects with its partners, members and sponsors. The member organisations of COSS include around ninety open source service providers, retailers, and both public and private companies deploying open source solutions and innovation models. A private individual can also become a supporting member of COSS.

2.2. The Business Model

The operations of COSS are financed by membership fees. Mindtrek also receives outside funding from e.g. the City of Tampere and a large variety of sponsors each year. Any leftover profits after the year are injected back into the business in order to expand it. The annual international Mindtrek conference organised in Tampere is an example of some of the projects that COSS is involved in. Mindtrek will celebrate its 20th anniversary in 2016, and it will be the second year in a row that COSS acts as the organiser of the conference with an intention to continue doing so also in the future.

Based on my observations, even though COSS is a non-profit organisation, similar laws of competition apply to COSS as do to for-profit organisations. In order for Mindtrek to grow bigger and to increase recognition, the conference needs to find its competitive advantage; something that makes it stand out and seem better than others when compared with other similar technology-related conferences.

3 COMPETITIVE ADVANTAGE

According to the studies of Michael E. Porter (1985), competitive advantage, or CA, means the attribute(s) that an organisation possessess that makes it perform better than the competitors in the industry. Competitive advantage is built from four building blocks: superior quality, efficiency, innovation and customer responsiveness. The composition of competitive advantage is different for each organisation, depending on the industry and the value proposition of the product or service.

When talking about Mindtrek conference, building a competitive advantage from the point of view of a non-profit organisation is just as important (if not more so), as achieving a competitive advantage from the point of view of a company trying to maximise its profits. This is because Mindtrek also needs financial resources in order to stay in business; there are wages that need to be paid, and money is needed for speakers' fees, venue rentals, catering etc. If Mindtrek did not concentrate on building a competitive edge, it would make it very difficult for it to attract visitors, sponsors and partners - the stakeholders that help finance the production of the event.
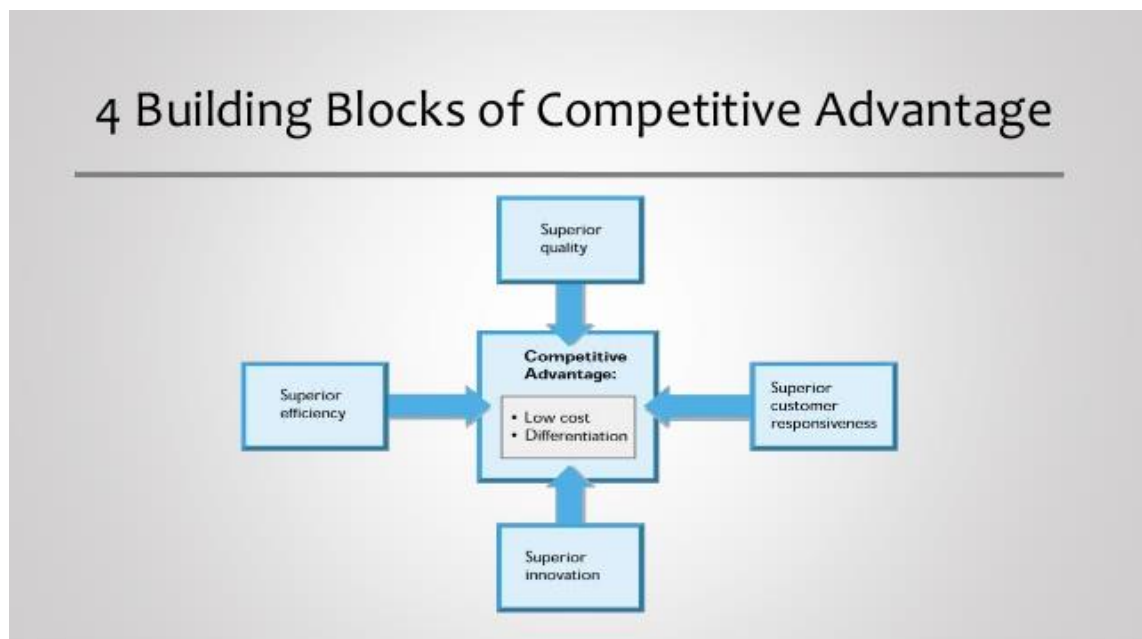

Figure 1: The Building Blocks of Competitive Advantage.

Based on Figure 1, and as mentioned before, competitive advantage of an organisation is built from differing amounts of each of the building blocks. If an organisation wishes to follow a low cost strategy, efficiency of operations and workers is considered to be the most important building block in order to get the cost of production down. This way the prices can also be decreased which will appeal to larger masses of customers. As to an organisation opting for a differentiation strategy, the central point of focus will mainly be on superior quality, especially quality as excellence meaning the design of the product or service. Offering something to the customers that has such unique features compared to the products or services offered by competitors, results in customers valuing it so high in their minds that they are willing to pay a price that matches the perceived high quality (Porter 1985).

Innovation is a building block that can boost the performance of all the other building blocks; a technological innovation, for example, can increase the efficiency of a production process at a factory, but innovation can also increase customer responsiveness, or it can increase the quality of a product or service, for example by making a mobile phone more reliable or esthetically stylish-looking. Thus, innovation is a crucial focus point for all organisations but especially for those following a differentiation strategy (Hill & Jones 2013, 155-175).

4 RESEARCH METHODOLOGY

This study was an applied research conducted for the commissioning organization, COSS association. Applied research refers to seeking answers to a particular problem (Kendra 2016). In this case the problem was that Mindtrek was thought to be lacking a certain competitive edge. The objective of the research was to first identify weak areas in the way Mindtrek is configured, or critical success factors that needed to be boosted to increase competitiveness. The purpose of the aforementioned was to find ways how Mindtrek could become more successful in the international conference scene, and how it could maintain a competitive advantage also in the future.

The thesis was mainly written using a qualitative research approach. Qualitative approach was applied in order to gather ample information on the organisation in question as well as the internal culture within the Mindtrek team. Qualitative approach is not about obtaining a large number of responses to specific questions and applying the same results to a larger population. Instead, qualitative research approach is about gaining a deep understanding of the problem and the subject of the study, without necessarily being able to apply the results of the study to another subject ("Types of Research," 2009). Thus, qualitative approach was deemed more suitable for the Mindtrek case. Data used during the writing of this thesis were literature on innovation and strategy, my own notes and observations, organisational material, as well as some online sources like blog posts and articles that I have considered relevant to the topic of this thesis.

The research strategy consisted firstly of an expert interview with the Executive Director of COSS, Mr Väliharju to find out how Mindtrek performed in year 2015, and what the critical success factors of the industry were. Secondly, a half-structured anonymous employee survey was conducted to find out how the employees experienced the culture inside the organization, and to see if there were any discrepancies when comparing individual answers. A half-structured survey is one in which the questions follow a certain structured order, but which has some open elements to it enabling the respondents to use their own descriptive words and tell openly about their experiences (Kurkela [no date]). The survey was made half-structured in order to explore, in a

flexible way, how each individual employee was feeling about certain aspects of innovation regarding the planning of the Mindtrek conference. The survey questions were related to the existence of prerequisites for innovation in the workplace.

The privacy of the interviewees was respected at all times when carrying out the anonymous employee survey; the individual records of the respondents answers were not published, but the results of the survey were analysed and discussed collectively without revealing the identities of the respondents.

5 EXPERT INTERVIEW: TIMO VÄLIHARJU, EXECUTIVE DIRECTOR OF COSS ASSOCIATION

5.1. The Interview

On 27th of May, 2016 I conducted the first interview concerning the four building blocks, and the critical success factors in the industry of Mindtrek (See Appendix 1). It has been said that critical success factors are industry-related factors that can separate successful organisations from the ones that are not doing so well or are struggling. The subject of my interview was Mr Timo Väliharju, the Executive Director of COSS. The purpose of the interview was to get expert information on what the critical success factors in the international conference industry are with regards to the building blocks of competitive advantage, and how Mindtrek performed last year based on these success factors.

According to Mr Väliharju, last year's conference suffered from the fact that there were a lot of changes made compared to previous years in the history of Mindtrek; COSS became the organisers of the conference, and the themes of the annual event changed from 'digital media' to 'openness' as in open source, open standards and open data related lectures and presentations. The whole concept changed from previous years, and COSS was organising the conference for the first time, so some growing pains were experienced.

Mr Väliharju thinks that in order to attract enough visitors, a technology conference in Finland must have more than one main theme or "track". That is why this year Mindtrek hosts five different events under the same roof at Tampere Hall: Smart City Event, Open Source World, Internet of Things Event, Mindtrek Immersion and Academic Mindtrek. The mission is to attract people from a variety of disciplines and walks of life, so that these different groups can meet, discuss new ideas and innovations, and build new networks. The main target groups are companies, students, entrepreneurs, decision-makers, experts of different fields and, of course, the members and partners of COSS. Roughly 20% of visitors last year came from abroad, and Mr Väliharju says that his ideal strategy is to try and make Mindtrek more internationally recognised first, because

once the foreign market has been conquered, the rest of the Finns will also become interested in the conference.

When talking about competitive advantage, Mr Väliharju says that Mindtrek's main strategy is to differentiate itself from other international technology conferences. In his opinion efficiency is important, but the main building blocks to concentrate on would be quality, innovation and customer responsiveness; the critical success factors of the industry lie within these attributes.

Table 1: Critical Success Factors and Mindtrek's Performance in 2015.

Building Block of Competitive Advantage	Critical Success Factor	Grade on a scale of 4 to 10 (based on performance in 2015)
Quality	Speakers and programme	8
Innovation	Themes: how they interconnect / communicate with each other	7
Innovation	Pioneering / being ahead of competitors	7
Innovation	Finding a central focus point	6
Customer Responsiveness	Reacting to customers' needs in a prompt manner	8
Customer Responsiveness	Building relationships and networks with stakeholders	7

In Table 1, you can see how Mindtrek scored last year on a scale from 4 to 10 based on the critical success factors of technology conferences, according to Mr Väliharju.

5.2. Results of the Interview

As can be seen in Table 1, there is some room for improvement in certain areas, especially regarding the critical success factors that relate to innovation. Mr Väliharju thinks that year 2016 performance will be better since the project has been ahead of last

year's schedule from the start, and some lessons have been learnt from last year's mistakes.

One of the main challenges in organising the conference, according to Mr Väliharju, is the lack of a systematic process with regards to the planning of the conference and selecting the appropriate themes. Because Mindtrek is a technology conference and technology ages fast, the themes of the conference should be carefully selected at the early proof-of-concept stage in order to stay ahead of the game. The themes also have to "communicate" with each other, meaning that COSS cannot accept just any random themes into the programme, but the themes need to be somehow connected to each other in a logical way. Based on this and the grades given by Mr Väliharju for the critical success factors of the industry (Table 1), it all seems to come down to one crucial building block of competitive advantage – innovation.

The success factors that Mindtrek should try to improve in the future, based on the results of the interview, are the themes of the conference: how to select appropriate themes that interconnect and are ahead of competitors' themes. The main challenge, though, seems to be how to find a central focus point for the conference; what is the main message Mindtrek wants to send to its customers? What is Mindtrek in a nutshell and how to clearly communicate the idea to customers?

Table 2: Critical Success Factors: Innovation.

Building Block of Competitive Advantage	Critical Success Factor	Grade on a scale of 4 to 10 (based on performance in 2015)
Innovation	Themes: how they interconnect / communicate with each other	7
Innovation	Pioneering / being ahead of competitors	7
Innovation	Finding a central focus point	6

These critical success factors that Mr Väliharju wants to examine are all innovation-related factors (see Table 2). Innovation is one of the most important building blocks

because, as mentioned earlier, it supports all the other blocks; through innovation the organisation can increase quality, efficiency, and customer responsiveness. Innovation is also the corner stone of any organisation, like Mindtrek, pursuing a differentiation strategy. By creating new value to the customer through innovation, it can also be possible to eventually increase prices and get a higher return for the product or service (Hill, C. & Jones, G. 2012, 155-176). In the case of a non-profit organisation this would mean more financial resources to invest back into the business in order to expand. Thus, in my research I will focus on innovation and the process that catalyses innovation.

6 INNOVATION AS A CRITICAL BUILDING BLOCK

6.1. Innovation – What Is It?

Innovation is a fairly multi-layered concept, in my opinion. It does not refer to merely physical inventions, like Virtual Reality glasses, but it extends far beyond that; in addition to product innovation, there is also process innovation and coming up with new innovative ideas that can add value to the current product, service, or the delivery of one of the aforementioned. It can help an organisation remain successful and afloat - also during tougher financial times and times of high competition.

In fact, innovation is the key to sustainable success in the ever-changing environment that we are living in today. For an organisation to remain competitive, regardless of the times, it usually requires more than just one "innovation" to stay afloat; the most successful organisations are the ones that manage to renew themselves time after time through a constant improvement process. (Grönroos 2004, 52-75).

Innovation described in the most simplistic way means invention combined with a commercial aspect, meaning that the invention should be somehow linked to making money and being more profitable as an organisation due to the innovation in question (Westland 2008, 17). However, innovations are very different from each other, and not all innovations will have an immediate or direct effect on the profitability of the organisation.

Common ways to describe innovation:

- A new or new kind of product (or service)
- A new production method or process
- The opening of a new market
- A new business model

Another key aspect of innovation is the fact that the innovation only needs to be 'new' from the perspective of the organization in question, meaning that the product or process as such does not have to be completely new. The way the product or process is implemented in the organisation, however, should be done in a unique new way, which then makes it an 'innovation' (Lemola 2009, 9-20).

6.1.1. Main Types of Innovation

The main types of innovations are product innovation and process innovation. Product innovation is described as a product or a service that an organisation brings to the market, which is either completely new or has new improved features that differentiate it from the ones produced before that. Process innovation, on the other hand, means a production or distribution process, or a support function of either of them that has been fundamentally improved. Process innovation and product innovation are also linked together in the way that better processes can lead to the creation of new products or services, or vice versa. (Lemola 2009, 9-20).

We can also talk about service innovation as a separate division of innovations, since services are very different in nature compared to products. Services are intangible, they cannot be stored and they are usually consumed at the same time as they are produced. The ownership of a service is not transferable either, so this means that very different laws apply to service innnovations than do to product innovation. However, nowadays services often includes some tangible elements as well as intangible ones; it is the combination of those and the way they are bound to each other that is the key when coming up with service innovations (Lemola 2009, 12-13).

6.2. Mindtrek and Need for Innovation

In the case of Mindtrek, the Executive Director of COSS thinks that there is a lack of a central focus point with regards to the conference and its themes, and he would like to find a solution for that in order to remain competitive. The critical success factors discussed during the interview (see Table 1), pointed to the direction of innovation as a crucial building block in building a competitive advantage.

It has been said that it is far more important to invest in organisational environment and employees in order to create a viable platform for intrinsic innovation – innovation that springs from within an organisation – rather than merely coming up with innovations as a reaction to external changes in the environment (Grönroos 2004, 57-60). Proactivity, as opposed to reactivity. Finding suitable ways to manage the combined knowledge of the employees of the organisation is equally important in the quest for sustained innovation. In this study, I will look at the organisational environment inside COSS to see what potential improvements could be made internally to facilitate the innovation process, to manage the knowledge inside the organisation, and – eventually – to improve the competitiveness of the Mindtrek conference.

7 ANONYMOUS SURVEY: EMPLOYEES

To dig deep into the imaginary platform where innovations are born, it felt like more data had to be collected from the inside of the organisation. On September 5th, 2016 an anonymous survey was conducted with an objective to get a comprehensive view of how the staff felt about innovation-related factors at the workplace. Each employee involved in the organisation of Mindtrek, altogether six people, filled out the survey. The survey questions (see Appendix 2) were based on the prerequisites for innovation; factors which have been said to aid the birth of innovations.
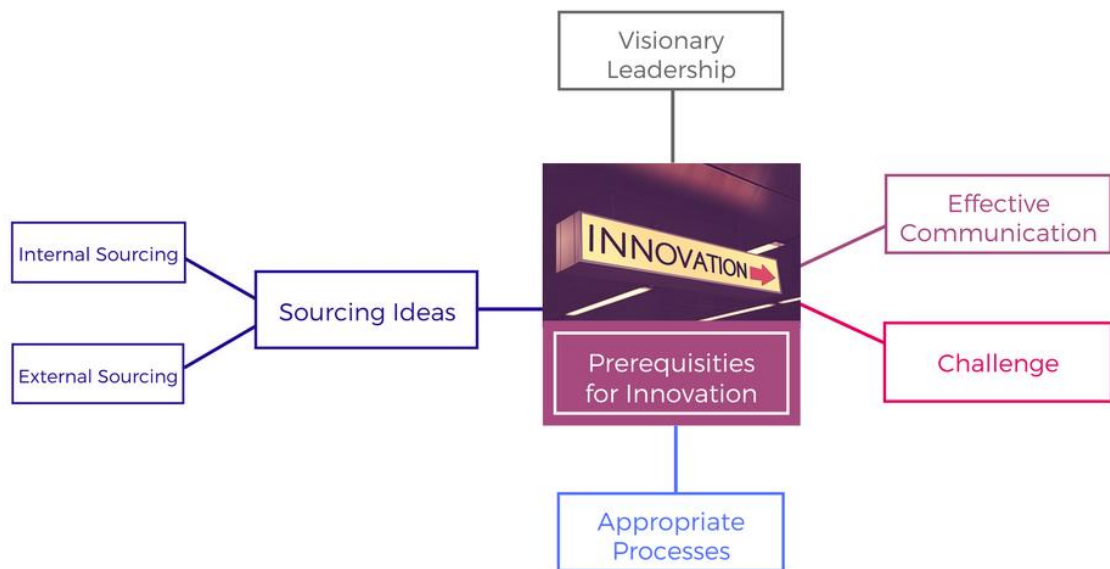

Figure 2: Prerequisites for Innovation.

The prerequisites for innovation are seen in Figure 2, as described by Dana Baldwin, Senior Consultant, CSSP, Inc. (Baldwin, D. 2016).

7.1. Prerequisites for Innovation

7.1.1. Vision and Goals

When analysing the employee survey results (based on Appendix 2), it became quite clear that employees did not know or were not entirely sure of the goals or the vision set for Mindtrek. Most of the six respondents knew that the vision was to grow bigger, but the opinions were differing. Some thought that the vision for Mindtrek was to become the biggest technology conference in Finland, some thought it was to be the biggest in the Nordic countries, and others had heard that the vision for the conference was to become the most popular technology event in the whole of Europe. There was also some obvious confusion about the difference between goals and vision. Most respondents felt that the vision was to become larger, but the goals were quite hazy and mixed between respondents. No specific goals, other than networking and sharing knowledge, were mentioned. Based on various studies, every organisation ought to have clear and realistic goals, as well as a clear vision for the future. The vision and goals should be very concise and easy for everybody to understand (Baldwin, D. 2016).

7.1.2. Communication

Based on the survey results, internal communications looked somewhat brighter than the clarity of vision and goals in the previous section. Most people felt like they could freely express their opinions whenever they felt like it. Employees in all organisations should always feel like they can freely, and without judgement, express their opinions, so to see this in the results was extremely positive. If the culture in the organisation is open to new ideas – even the craziest ones – it will be easy for even the shyest of employees to bring their ideas into light. Often, it can be the most absurd idea that can "spark the engines" and be formulated into a great new solution. (Baldwin, D. 2016).

However, some respondents thought that often there is not enough time at hand to discuss new ideas, and things are brushed over a little too quickly before moving on to the next topic. Chaos at the office was also mentioned, although this might be partly due to the fact that at the time of the survey, Mindtrek 2016 conference was only a few weeks away, so things were naturally a little more hectic than usual.

When it came to sharing important data between co-workers, the results show that there is some dissatisfaction in the air with regards to the commonly used Google Drive folders. Respondents felt that often it had been difficult to find the correct information or files, and a request was made to have the files reorganised. Based on the answers to the survey, there also seems to be a lack of master documents that are logical and easy for everyone to follow.

7.1.3. Challenge

When asked about the amount of challenge each individual experienced at work, most respondents felt like their tasks were challenging enough. However, the factor that seemed to be the root of the challenges provided to employees, was the busy schedule and lack of time to carry out all the required duties. Challenges were welcomed by respondents when it came to organisational development work and intellectual tasks. Respondents hoped new tasks assigned for them to be clear and concise.

Most respondents were happy with just some verbal encouragement and the showing of gratitude for a job-well-done. Innovation and being innovative is, indeed, something that ought to be encouraged by challenging people to come up with new ideas. Employees can easily become stagnant in their thinking processes due to routine-like tasks that are, of course, inevitable in most jobs. If a person is given a challenge that is realistic to his or her skills and capabilites, this can be a highly stimulating factor to that person's innovativeness. (Baldwin, D. 2016).

In my opinion, being around innovative people can also spark the innovative capabilities in people who normally do not freely express their ideas – no matter how great they are. That is why it is also important from conference organisers' point of view to try and challenge visitors at the conference, and encourage them to be openminded and curious. This is to create an environment where people feel like everything could be possible and new innovations are born.

7.1.4. Sourcing ideas

It is important for the birth of innovation that information is used selectively. In addition to sourcing ideas internally within the organisation, there is also plenty of information and ideas available externally. This, in the case of Mindtrek, could include visitors, partners, sponsors and competitors alike. It is not about copying or imitating others, but rather about sourcing ideas to come up with even better or more cultivated ideas and trying not to make the same mistakes that others have already made before. Knowing one's customers, their needs and wants, for example, gives direction to the innovation process and, thus, makes it easier to come up with products or services that match customers' expectations. On the other hand, your colleague sitting next to you could have vast knowledge about something that might help you in a task that you personally are struggling with. That is why sourcing ideas on an internal level is just as highly important, as sourcing them externally. Information is key, they say, and the trick is to find and share the most relevant and useful information. (Baldwin, D. 2016).

Based on the survey results, the respondents felt like ideas were sourced mainly from the inside of the organisation first, after which employees would turn to external sources like the internet, as well as the partner network available.

7.1.5. Appropriate processes

Based on the survey results, the process through which problems are solved with regards to Mindtrek is somewhat a diffused one. There seems to be no set process that is being followed by all employees, and the word 'panic' was mentioned twice in the results. Often problems are solved when it comes to it, meaning that the way of operating is rather reactive, as opposed to planned and proactive. This might be partly due to the fact that the year 2016 is only the second time that COSS acts as the main organiser of Mindtrek, and as Mr Väliharju mentioned earlier during his interview, there is a lack of a smooth-functioning, systematic process when it comes to the planning of the conference.

Even innovation needs processes, and it is actually not as contradictory as it might sound. Innovation is a synonym for creativity, but without a well-functioning, systematic process, it is quite hard to harvest the fruits of e.g. a brainstorming session. Without a process a lot of good ideas, energy and time can go to waste. Innovation needs structure to flourish, just as all other business processes. (Baldwin, D. 2016). In the case of Mindtrek, there is some room for improvement when it comes to following a methodical innovation process. The lack of a clear process can, unfortunately, sometimes mean that seemingly brilliant seeds of ideas are not followed through or acted on, and they can be forgotten about during the busiest of days. Thus, designing a proper innovation process for COSS is, in my opinion, extremely important when looking in the future.
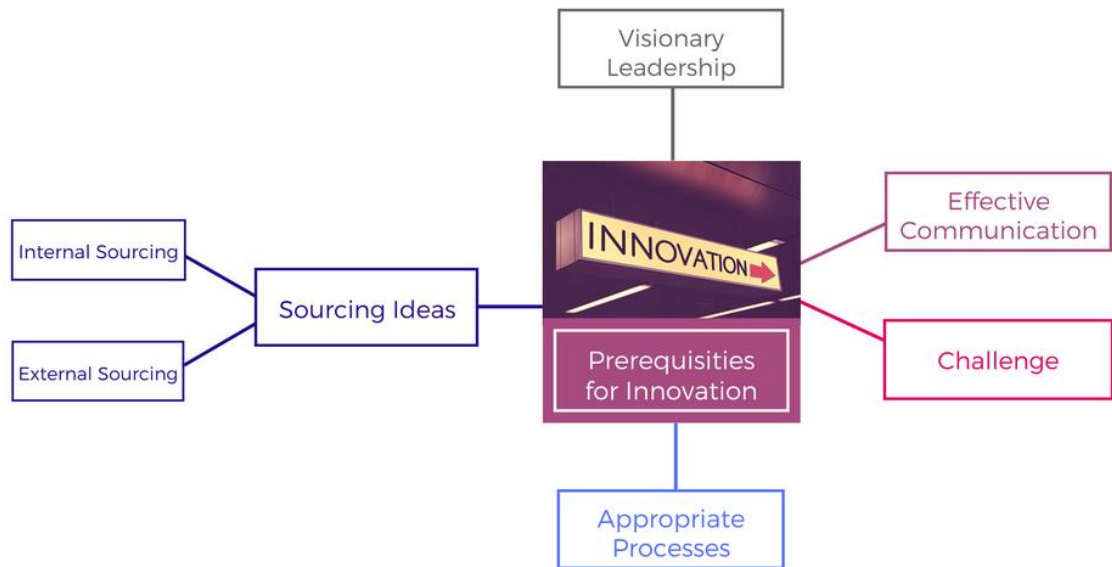
Figure 3: Prerequisites for Innovation.

If the aforementioned prerequisites for innovation (see Figure 3) are in place, it makes sense that employees may become more proactive and have higher motivation levels than if those prerequisites are not paid attention to. Proactivity, high motivation levels, and the will to be the best in the industry, are traits that some of the most innovative and successful organisations in the world possess. In addition, the most successful organisations are often the ones that are able to make quick adjustments to environment when needed (Grönroos, M. 2004, 44-45).

8 BARRIERS TO INNOVATION

In the previous chapter of this study I talked about the prerequisites for innovation. Based on that, it sounds logical, in my opinion, that if the prerequisites for innovation are not in place or not carried out properly, the birth of new business solutions, products and processes can be severely hindered. Other factors also exist that can become barriers to innovation.
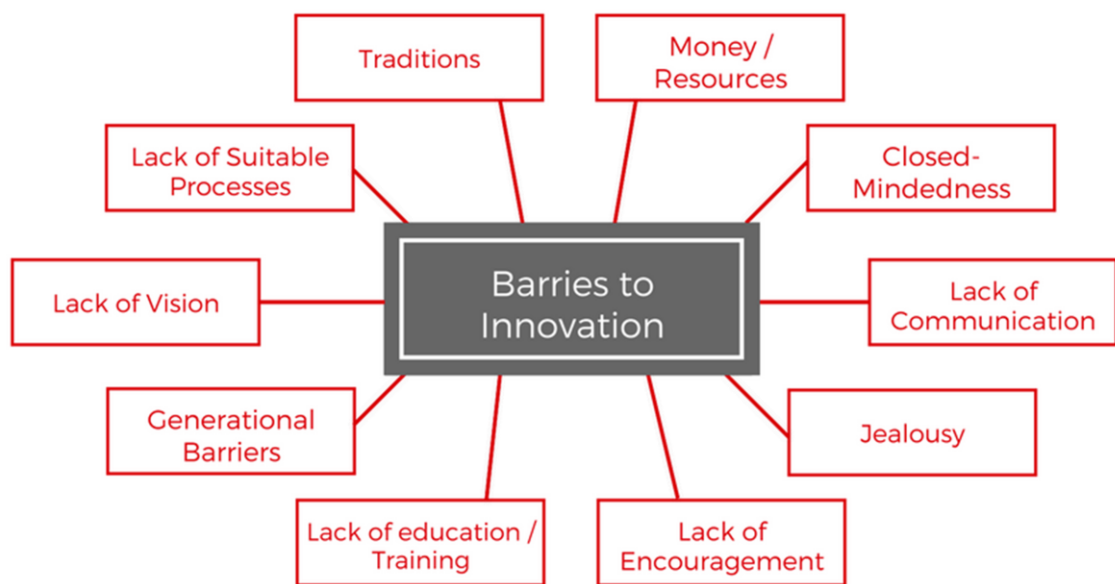
Figure 4: Barriers to Innovation.

In Figure 4 you can see some of the main barriers to innovation (Hall 2013).

8.1. Barriers to Innovation for Mindtrek

In the case of Mindtrek, a few definite barriers to innovation can be identified, based on my experience. One of them is lack of financial resources: a lot of care must be taken with regards to staying within the financial budget, due to COSS being a non-profit organisation. Budgeting the scarce resources available is a higly important task, and

finding funding for projects undertaken by the organisation is part of everyday life at COSS. For example, the success of the Mindtrek conference is largely dependent on if the organisation is able to find enough sponsors to help fund the event. It is tough-going sometimes, when talking about operating a non-profit organisation. Strict budgets also mean that not every great and innovative idea can be made into existence; sometimes financial restrictions can hinder the innovation process in the organisation but, at the same time, not having all the money in the world can be a source of innovativeness.

Another barrier to innovation for Mindtrek, in my opinion, is the relatively small number of staff. The fact that the main organising team only consists of six employees sets some restrictions in the workplace regarding the time available for different tasks and the effectiveness of carrying them out. There are several projects besides Mindtrek that COSS is involved in which are all quite demanding and time-consuming. Some changes have been made with regards to employee roles and areas of responsibility, which has improved the way tasks are divided between employees. In my opinion, heavy workloads and busy schedules can sometimes decrease the effectiveness of communication, which again can decrease the capability of coming up with innovative ideas.

Based on my experience so far, the larger mission and vision of Mindtrek is something that might not be instantly clear to everybody. The conference consists of several different events, which can sometimes make the vision of Mindtrek seem somewhat diffused to people on the outside, as well as to people within the organisation. If the vision of the event is not entirely clear to everybody involved, it can mean that employees might lack direction when trying to come up with solutions to problems or trying to come up with fresh, innovative ideas. Lack of direction can sometimes cause misunderstandings, which can lead to employee resources being wasted on the wrong things. This again means that things can become even more hectic and workloads may become larger.

9 INNOVATION PROCESS

It has been said that chaos functions as the source of innovation, and that nowadays the Competitive Advantage of any organisation lies in the ability to regenerate continuously (Ståhle & Grönroos 2000, 78). This, however, requires a systematic approach to coming up with new ideas and business solutions, as already mentioned in the previous chapters. The process of innovating should be considered just as important as the results of it. Without a clear process and goals, organisations - both big and small - can lack direction, which may lead to confusion, misunderstandings and demotivation. Once the prerequisites for innovation are in place and the barriers to innovation are minimised, a clear innovation process can bring the new ideas into life.
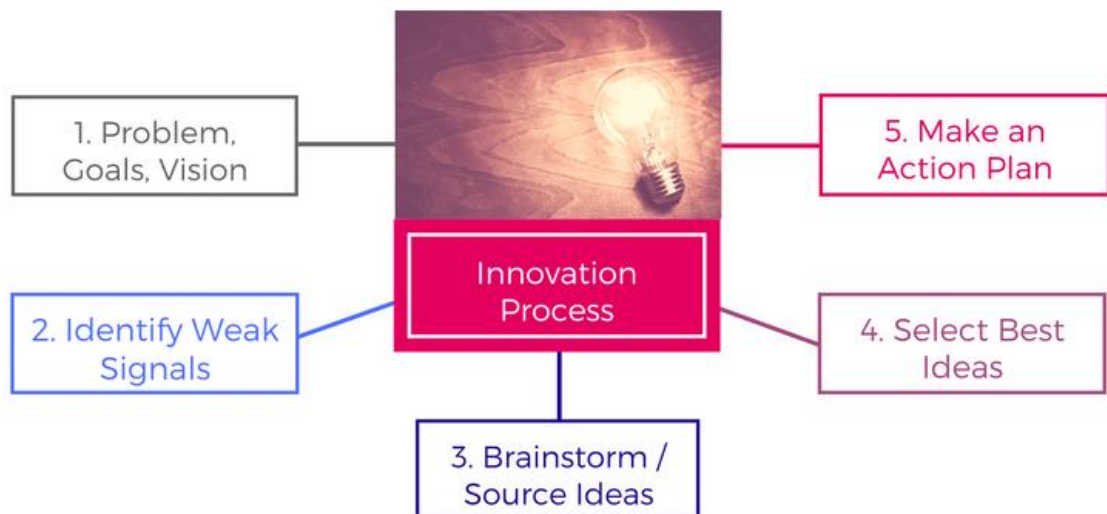

Figure 5: Innovation Process.

9.1. Phases of the Innovation Process

As shown in Figure 5, the innovation process can be divided into five different phases: the definition of the problem, goals and vision, identifying weak signals, brainstorming and sourcing ideas, making a decision on the most suitable idea, and finally creating an action plan for the execution of the idea.

9.1.1. Defining the Problem, Goals and Vision

It is highly important for the success of the innovation process that everyone involved has a crystal clear understanding of what the problem in question is, and what are the goals and visions related to the situation. If everyone understands the problem, it will be a lot easier to start looking for answers, and potential controversy during the process will be less likely. As mentioned in the previous chapter, based on the employee survey (Appendix 2), there seems to be some room for improvement in the clarity of goals and vision. Usually the management or specially appointed people are responsible for setting the goals of the project, as well as communicating the vision they have for the future of the project to all the employees. (Baldwin 2016)

9.1.2. Identifying Weak Signals

Identifying weak signals can be the hardest part of the innovation process. It means sniffing out future trends, changes in customer tastes, environmental changes, technical developments and so on (Grönroos 2004, 58-61). This, in my opinion, is a crucial part when thinking about Mindtrek's problem regarding the selection of themes for each year of the conference; the themes need to be innovative and ahead of those of competitors', and they need to communicate with each other. Identifying weak signals could help; doing some systematic research on trends in the IT sector, how they seem to be developing, and what the popular themes might be a few years from now. This is to

attract the maximum amount of visitors and to gain visibility in an industry where competition is fierce.

The Executive Director of COSS, Timo Väliharju, says: "Bring in themes that are only just becoming popular, or ones that will only be popular next year or the year after that." Predicting the future is obviously not an easy task to do and involves a degree of random luck. Having a set process of sniffing out the signals is crucial – this is something that could be improved regarding the selection of the themes for Mindtrek.

9.1.3. Brainstorming and Sourcing Ideas

Brainstorming is often used as the method of innovating, and it can be quite fruitful if executed properly. Firstly, the focus points of the brainstorming session should be clearly defined before it starts to aid concentration. It can easily happen that, if there is no clear agenda nor communication rules set up for the brainstorming session, participants will get sidetracked and everyone will talk over each other. This can become a source of frustration for many and it can raise the bar to express their ideas at all for some of the shyest participants. The atmosphere should always be encouraging and open to new ideas – any ideas. (Baldwin 2016)

Secondly, customer needs and preferences should be at the centre of it all, and everyone should be aware of those (Baldwin 2016). Prior to any brainstorming session, appropriate research should be carried out in order to figure out the needs and wants of the target group of customers. Customer preferences should act as the guiding force during the process. Regarding Mindtrek, different target customer groups should be clearly defined, and some research should be conducted to figure out what the specific groups are looking for in a technology conference – that will help with coming up with solutions to problems in a way that would please the majority of the conference visitors.

9.1.4. Making a Decision

Making a decision in a group can sometimes be challenging, and sometimes it can feel like a decision was made during a meeting – even if it was actually not made. Coming back to the second interview (see Appendix 2) conducted during the writing of this thesis, it seems like there could be improvements made with regards to group meetings and decision-making during those meetings. Some employess felt that during busier times decisions were sometimes made on-the-go, or things were done "the same way as they always had been done before" without leaving enough time for weighing up different options first. There are, however, some things that can improve the decision-making process for groups. These are, for example, letting one person (usually a manager) make the final decision for the group, voting in a democratic way, or using the concensus-method where decisions are made by saying "If nobody disagrees, this is what we will do..."(Steer 2011)

9.1.5. Creating an Action Plan

Based on th e survey (Appendix 2), sometimes plans are made without following them through till the end. Making appropriate action plans for each goal set for Mindtrek should be regarded as highly important. It is also important, based on the results of the survey, that all employees are present and part of the process when plans are being made. That way it will be easier for each individual to commit to the plans in question.

9.1.6. How to Maintain the Process

Maintaining appropriate innovation processes requires planning, organisation, and constant review of the processes, in my opinion. The whole organisation should be aware of the processes in place, and everyone should stick to the agreed processes.

Otherwise, it can easily result in the new processes not becoming part of the organisational culture, and they can often be forgotten about after some time.

10 CONCLUSIONS – HOW TO INCREASE THE COMPETITIVENESS

Based on the data collected and experience gained throughout the thesis writing process, there are some things that have become highlighted when analysing the first interview with Mr Väliharju, as well as the anonymous survey filled out by employees involved in the organisation and planning of the Mindtrek conference.

The problems identified by Mr Väliharju at the very start of this thesis were the lack of focus and set processes in the planning of Mindtrek, as well as the challenge of deciding on the right themes for next year and the years to come. All of the aforementioned were industry related critical success factors; factors which - when perfected - could lead to increased brand recognition and international success. Those success factors were also all innovation- related factors, meaning that the building block of success to focus on in this study for Mindtrek came out to be innovation.

Based on the results of the employee survey, a few definite points of development became clear with regards to the existence of the prerequisites for innovation. Firstly, in order to find a crystal clear focus point for Mindtrek, the vision and goals of the conference ought to be taken under a magnifying glass. A clear vision statement should be written down, preferably with each employee being present when that happens. That way each and everyone would immediately become committed to the vision of Mindtrek, and be able to give a comprehensive answer to any customer or other stakeholder who might ask about the vision. Defining the vision of the conference would help Mindtrek with finding its own voice and its story.

Secondly, well-articulated goals should be set for the conference, both short-term and long-term. The goals ought to be realistic but challenging at the same time. There should be a few concrete goals e.g. for the number of visitors, marketing goals, media coverage, customer satisfaction, different target groups etc. These should also be clearly written down and communicated to every employee, as well as any new employee that might come in in the future. Knowing what the conference vision and goals are helps

with creating the appropriate strategy for example for marketing or stakeholder acquisition.

Thirdly, based on the data gathered, some development work could be done regarding the filing system on Google Drive. In a busy environment it appears to be a source of frustration when finding the correct files or folders takes too much of one's time. The files could be arranged in a more logical order, and master documents ought to be made of important information, like the venue chart, project plans, scripts and marketing materials. These should be organised so that it would be easy for even a new person just starting a job at Mindtrek to find them.

Lastly, I believe that the innovation process could be more clearly structured and logical. Before gathering together to share and come up with new ideas for Mindtrek, the problem and goals of these meetings should be defined. Everyone should agree not to change subject in the middle of a discussion, and each topic in question ought to have come to some kind of a resolution before the group moves on to another subject. Making action plans and assigning tasks is equally as important. Moreover, enough time should be taken for brainstorming sessions and the development of new ideas. Taking the time to make appropriate plans for the future, might help employees stay on top of their tasks, and be more proactive than reactive.

Table 3: Actions for Increased Innovation

Prerequisite for Innovation	Actions
Clarity of Vision and Goals	- Vision is to be redefined together as a team. A vision statement should be written in detail, and the agreed vision should be clearly communicated to each employee. - Achievable and realistic goals are to be set, both short and long-term goals
Sourcing information	- Google Drive filing system to be reorganised in order to make it easier to find relevant information, and to share information with others - Comprehensive master documents are to be made
Communication & Innovation Process	- Communication rules for meetings - Action plans are to be made when relevant, and tasks assigned to specific people - Enough time reserved for dealing with specific topics

As you can see in Table 3, the three areas to develop include, firstly, the clarity of vision and goals. Actions suggested to be taken to improve that clarity are redefining the vision and goals together with the whole team being present, and making sure that the goals set are concrete and achievable. Another prerequisite for innovation - sourcing information - could be made more efficient by reorganising the filing system in use, and by ensuring that master documents related to the planning of Mindtrek are available for all employees and making sure that they are easy to find. In Table 3 it is also suggested that communication and innovation processes could be improved by devising a set of communication rules for meetings, ensuring that tangible action plans are made after each meeting, and by allowing enough time for discussion and weighing up different solutions.

If the aforementioned prerequisites for innovation are continuously paid attention to in the future, based on the suggestions given (see Table 3), I believe that the innovativeness of Mindtrek will flourish in the years to come. That, on the other hand, means that if innovativeness within the team increases, there is a great possibility of turning that strength into a sustainable competitive advantage, since innovation and knowledge are key factors in differentiating organisations from their competitors in the future (Mazzucato 2002, 311).

Just being innovative does not, of course, mean that success is knocking on the door. However, if people are provided with favourable conditions in which to develop their ideas, it will feed the creativity of individuals. I think that great imagination is something that many successful organisations possess, and in today's world it seems very hard to try and beat the competition based on affordable prices alone. Concentrating on critical success factors and the things that your organisation does better than any of the competitors, i.e. your competitive advantage, usually requires a definite focus on organisational innovation capabilities (Jaruzelski & Mainardi 2011).

The grades given to the critical success factors during the first interview with the Executive Director of COSS association, may well be somewhat higher next year, in my opinion. It requires some development work and some systematic planning, but increasing the competitiveness of the conference is definitely possible through innovation – even internationally.

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APPENDICES

Appendix 1. Timo Väliharju, Executive Director, COSS ry (Interview Script)

- Mitkä ovat Mindtrekin tärkeimmät aineelliset ja aineettomat resurssit? Entä missä ollaan erityisen kyvykkäitä/taitavia? Mikä on Mindtrekin tunnusomainen erikoispiirre/ominaisuus?
- Mikä luokitellaan Mindtrekin alaksi?
- Päästrategia differentioituminen (vai kustannusjohtajuus)?
- Mitkä ovat tämän alan menestystekijöitä tehokkuuteen, laatuun, innovatiivisuuteen ja asiakkaiden toiveisiin reagointiin liittyen? (5-6 tärkeintä tekijää)
- Tehokkuus; miten siinä on mielestäsi onnistuttu?
- Laatu; kuinka koet viime vuoden ohjelman ja puhujien laadun?
- Innovatiivisuus; teemat ja niiden yhteensopivuus
- Reagointikyky: tehokas viestintä asiakkaiden tarpeita huomioiden, nopea reagointi eri viestintävälineillä
- Kuinka Mindtrek 2015 onnistui kyseisien menestystekijöiden saavuttamisessa viime vuonna?
- Minkä kouluarvosanan (4-10) antaisit näille tekijöille?
- Mitkä olivat vähiten onnistuneet osa-alueet/pahimmat mokat vuonna 2015?
- Suurimmat kilpailijat?

Appendix 2. Anonymous Survey: Employees (Survey Questions)

Tavoitteet ja visio

- Mikä on Mindtrekin tavoite vuonna 2016? Kerro omin sanoin, minkä näet konferenssin tavoitteeksi.

- Oletko tietoinen siitä, minkälaisia tavoitteita Mindtrek-konferenssilla on tulevaisuuden suhteen? Kuvaile niitä parhaasi mukaan.

- Tiedätkö, mikä on Mindtrekin visio? Kuvaile sitä omin sanoin.

- Minkä arvosanan 1-10 antaisit Mindtrekille sen tavoitteiden ja vision suhteen, kun puhutaan niiden selkeydestä ja ymmärrettävyydestä?

Tiedonvälitys ja viestintä

- Onko sisäinen tiedonvälitys organisaatiossasi mielestäsi tehokasta? Jos koet, että jossain olisi kehitettävää, missä?

- Koetko, että sinun on helppo ilmaista mielipiteesi tai kertoa uusi ideasi esim. palavereissa? Jos ei, niin miksi?

- Minkä arvosanan 1-10 antaisit organisaation sisäiselle viestinnälle?

Haasteet ja haastavuus

- Ovatko työtehtäväsi mielestäsi haastavia? Onko työssäsi sopivasti haastetta? Kerro kokemuksesi.

- Koetko saavasi kannustusta suorittaessasi työsi hyvin? Anna arvosana asteikolla 1-10.

- Minkälaisia haasteita toivot saavasi tulevaisuudessa, ja miten haluaisit, että sinut palkitaan hyvästä työstä?

Tiedonhaku ja prosessit

- Miten ja mistä tietoa yleensä haetaan organisaatiossasi? Käytetäänkö työkavereiden tietämystä hyväksi, vai etsitäänkö tietoa oman organisaation ulkopuolelta?

- Kun vastaan tulee ongelma, joka pitäisi ratkaista, mikä on yleinen toimintatapa Mindtrekin sunnittelussa?

- Kuinka johdonmukainen on Mindtrekin ideointiprosessi asteikolla 1-10?