

12 June 2024

# **Sitra's Strategy 2024**

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## **For the reader**

Sitra has revised its strategy based on a thorough analysis and extensive work.

This strategy document describes Sitra's mission, direction and values and how Sitra intends to bring about the desired change. The strategy has no set end date.

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## Sitra's Strategy

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## 1. Sitra's mission

**The Finnish Innovation Fund Sitra is a future fund that looks far ahead but acts in the present. We anticipate the future. Together with our partners, we seek and implement solutions to the challenges Finland is facing today and in the future. Our work helps to renew Finland, promotes well-being and accelerates the growth of the economy.**

Our statutory mission is to promote Finland's stable and balanced development, quantitative and qualitative economic growth, and international competitiveness and collaboration.

Our work has national and international impact. We work responsibly and independently for the benefit of Finland. As a fund under the authority of the Finnish Parliament, our work for the future is primarily financed by investment income from the initial capital provided by Parliament.

This strategy describes the choices that we believe will give Sitra the best chances of success in building a successful and prosperous future for Finland in a challenging social and economic situation. By 'choices', we refer to approaches that we consider to be particularly useful in promoting the desired change and renewal. We also refer to the societal challenges we are specifically seeking to resolve with our work.

To serve Finnish society, we anticipate future developments, support the use of futures knowledge and strengthen the societal capacity for change and renewal. Each year, we select certain societal challenges and place them at the core of our work. These are the kind of challenges we consider important to resolve for the future success and well-being of Finland and the Finnish people. We bring different stakeholders together to co-create solutions with us. We take a strong supporting and partnering role in the development of societal (social and public sector) innovations.

With all its activities, Sitra aims to produce value for Finland and for Finns in two ways. Firstly, we use foresight to help Finnish society understand the most important trends and take action based on this data. Early identification of factors that promote and hinder desirable development is in Finland's best interest. We also enhance our organizational capabilities to take quick and efficient action in response to unexpected future challenges.

Secondly, we work extensively with others to discover national solutions that will contribute to Finland's success in the long term. With our limited resources, we cannot tackle every crucial issue Finland will be facing in the future. So, we select the focus areas of our work and co-operation generates societal innovations that benefit Finland. Producing solutions and committing to them promotes the renewal of Finnish society and strengthens our ability to face new developments, whether anticipated or unexpected.

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## 2. Purpose of Sitra: mission and vision

**Mission:** Sitra promotes the well-being of Finland and accelerates economic growth within the limits of nature's carrying capacity.

**Vision:** We have boldly reformed society.

## 3. The change we seek

To achieve our vision and realise our mission of creating a prosperous future Finland with sustainable economic growth, we plan, support and implement bold ideas and innovations together with other actors in society. With our expertise, methodological capabilities and funding, we help resolve some of the most difficult challenges that Finnish society is facing, ensuring that any actions we take and the solutions we discover will also benefit future generations. We strive to ensure that an increasing number of actors are able to identify change needs in society and the economy and to subsequently develop solutions and promote change.

Our work is guided by two strategic impact goals that we work on:

1. **We strengthen futures thinking in society and foresight capabilities in decision-making.** Forward thinking and foresight capabilities are essential as we aim to create innovations that promote well-being and sustainable growth.
2. **We produce significant societal innovations and strengthen Finland's innovation capability.** The greatest challenges of our time require co-created solutions and innovations that renew society.

### ***Sitra's definition of societal (social and public sector) innovations***

Societal innovations offer solutions to complex societal challenges. They can be products, services, operating models or structural reforms. Generating them requires collaboration between different actors and new approaches to solving problems. When successful, they have an impact on society and contribute to sustainable growth, productivity and democracy.

We will reinforce impact thinking at Sitra and systematically monitor progress towards our goals and the results of our work. Real time and independent evaluations help us guide our work in the most effective direction possible. Evaluative exercises also support organizational learning and help anticipate and manage risks.

## 4. How we tackle the biggest challenges of our time and drive change

This strategy and the Sitra approach that it presents are based on Sitra's vision of how to drive change. Each year, we select challenges with the greatest societal significance

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to focus on. Foresight helps us to identify new challenges. Due to the complex nature of these challenges, we work in collaboration with other social developers, actors and funding partners.

#### **4.1. We identify and anticipate societal challenges**

Our task is to identify societal developments that pose a challenge the future of Finland. We anticipate developments, both possible or impossible ones, and trends we consider desirable or undesirable. We strengthen the ability of society to act on the basis of foresight and futures knowledge. We identify the required measures and innovations to respond to these development trends. We make foresight methods available to Finns, offer alternative future visions and boldly stimulate societal discourse.

Our foresight efforts adopt a multifaceted approach, drawing on diverse disciplines, varied viewpoints, and multiple time horizons.

Our foresight tools include trend analysis, weak signals and narrative foresight and foresight deep dives. We invite decision-makers and influencers to discuss the challenges and opportunities of the future, through our societal training programmes.

To make sustainable choices for the future, it is essential to paint a bigger picture, to challenge assumptions about the future and to be able to think in terms of a range of possible futures, rather than just one.

**What do we need as an organisation?** We develop the strategic capabilities needed in foresight work: an understanding of the systemic nature of society; the ability to produce in-depth analyses of diverse topics; and the ability to identify which matters to influence to best bring about the desired change.

#### **4.2. We develop solutions to societal challenges**

We respond to identified societal challenges by brainstorming and co-creating solutions at the Sitra solutions incubator. The 'Solutions Hub' brings together different parties to establish a shared view of an identified challenge and create related solutions. We try out and test potential solutions with our partners.

When assessing the feasibility and implementation of solutions, we explore whether we can find a responsible party to take those solutions forward with us. When developing solutions, Sitra can bear the risk of success on behalf of others. When testing solutions, we are also allowed to fail. Learning from failures is important for finding better solutions.

**What do we need as an organisation?** To act as a solutions incubator, we need the ability to bring different stakeholders together and facilitate change in a bold and creative way. We develop our methodological skills and our ability to learn together and build networks.

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### **4.3. Programmes brings solutions to use and for the benefit of Finnish society**

We will support the scaling of solutions that have demonstrated effectiveness through experiments, when we assess they can deliver substantial benefits for Finnish society. This work is carried out in **Sitra's programme activities**, which also develop the solution models further.

Sitra will only launch programme activities once the conditions are in place to scale up solutions and a committed partner is in place to take the work forward. We will assess what needs to be influenced to generate change, strengthen the capabilities of our partners to drive change, and ensure that they can engage in the work. In fact, our programme activities will focus on enabling and accelerating the activities of Sitra's partners.

In addition, Sitra will increase its own financing activities so that it can roll out solutions on a large scale. It will also strengthen cooperation with other funders.

**What do we need as an organisation?** Developing solutions with a transformative impact on Finland requires strong partnerships. For the transformation efforts to succeed, we need to understand the target groups and societal actors in Finland, the EU and elsewhere in the world, continuously build and diversify networks to increase our sphere of influence.

Solutions and their impacts must be assessed as part of broad and interconnected developments. The ability to understand the systemic nature of societal changes helps to embed and scale the desired change.

We develop our operations so that we can scale up and disseminate solutions and societal innovations internationally as well. Sitra's international activities will be mainly based on external funding. It will enable long-term operations and growth. By increasing our international efforts, we can bring more globally oriented thinking to Finland and introduce new solution models and views to Finnish innovation activities.

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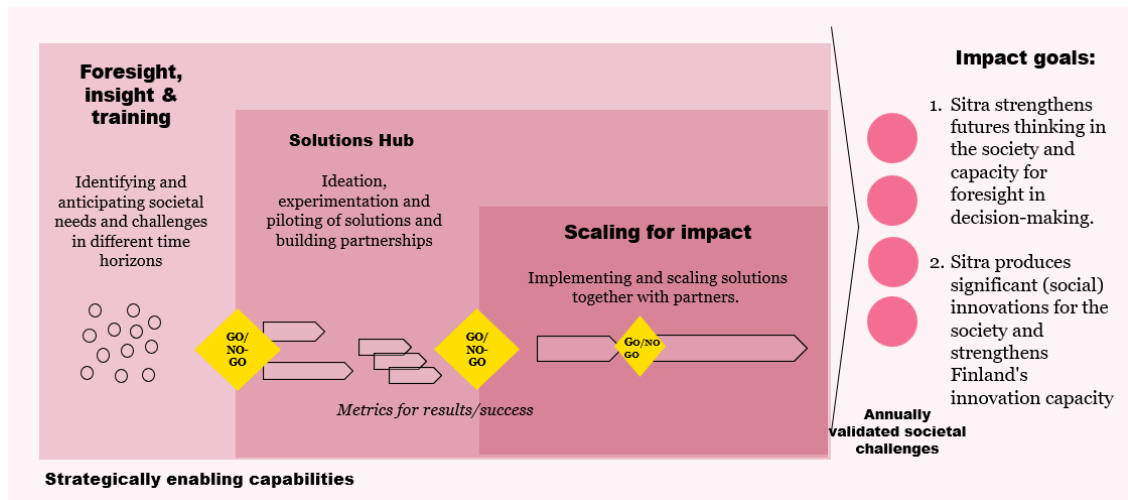


Figure 1: Sitra's operating model

We examine which actions each challenge requires from us, or how our operating model can promote the development of solutions and putting them into practice. Some of the challenges require more systemic in-depth analysis based on foresight. Then again, there may already be clear solution models available for some challenges. In this case, related work can be directly assigned to the Solutions Hub or programme activities.

## 5. Key capabilities for an impactful change enabler

As a future-oriented organization, focusing on solutions and societal innovations, Sitra needs the skills and capabilities for transformation to succeed in its mission. To fulfil our mission and achieve our vision, we need expertise and capabilities in at least the following areas.

### **Foresight capabilities and understanding of the systemic nature of society.**

We need to be able to strengthen our own foresight capability and that of others. We need to be able to identify potential solutions to the challenges Finland is facing. We need to have visions alternative futures and provide future-oriented data for the society.

**Capabilities to bring different parties together and facilitate change.** We need to master different methods for facilitating co-creation, learning together and insight. We need to be able to plan and carry out bold and creative experiments.

**Capabilities to accelerate and scale up solutions.** We need to be able to scale up and embed solutions that promote change in Finland and internationally.

Sitra's unique role is based on leveraging these capabilities concurrently to drive societal transformation. They enable us to add value to Finnish society and generate impact through our work.



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## 6. Sitra's values

Our values are responsibility, inclusion and independence. These values guide everything we do.

Responsibility guides our work when we make strategic choices, engage in societal work, make investments and in our everyday practices. In Sitra's work and choices, we take account of the limits of nature's carrying capacity. A more detailed description of Sitra's principles of sustainability **will be prepared separately in connection with the strategy revision.**

Our goal is to bring climate emissions from our operative activities down to net zero by 2035. Our midway goal is to reduce the net emissions of our operational activities by 60% by 2030. We aim to achieve a carbon-neutral investment portfolio by 2035, provided that the investment environment allows it.

Inclusion means building a successful Finland together with all people residing in Finland. We aim to ensure that the Finnish democracy and decision-making will continue to rely on strong inclusion, trust and equal opportunities. This is also a prerequisite for our success as a future fund. We will also engage young people, who will bear the lasting impacts of choices made in the present. We want to have the most talented people building the future with us.

Being independent – both financially and programmatically – ensures our ability to act boldly as a promoter of societal change.