



Assessing Charter Flight Plan Adjustments to Lapland Safaris North: A risk-based Case Study

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Abstract

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<p>In Lapland tourism, foreigners make up about 80% of visitors, with Lapland Safaris dominating 95 % of this. In the 2023–2024 season, Lapland Safaris North, a division of the group, transported almost 600 passengers daily via three charter flights for Christmas experiences and optional winter safaris. These experiences were tailored to the tour operator's package, with organized rotations lasting two or three nights.</p> <p>This qualitative study aims to assess how charter flights affect the service production processes of Lapland Safaris North. It will analyze the roles of bus transfer providers, reindeer and husky safari operators, Lapland Safaris' service production team, and a dedicated project team. For the commissioner, Lapland Safaris North, there are three primary research topic questions for this study:</p> <ul style="list-style-type: none">— Is there a procedure established for handling disruptions to charter flights?— Is there an existing strategy to manage risks associated with disruptions to chartered flights?— Could a risk plan help reduce or eliminate event-related risks linked to the use case project? <p>The study examines risks arising from charter flight deviations, focusing on critical stages in the commissioner's service processes for optional safari programs. It assesses the use case project lifecycle and the roles of various actors within Lapland Safaris North's processes, emphasizing the project coordinator's role. The aim is to improve risk identification in project planning and readiness for charter's flight plan deviations, aiming to support stakeholders throughout the supply chain, including business-to-business partners and customers.</p> <p>Lapland Safaris Group holds certification in the ISO 9001 quality management standard, where risk-based thinking serves as the foundational principle. Despite their interdependence, the tourism and aviation industries approach risk issues differently. This study's theoretical framework explores the fundamentals of risk-based thinking and elucidates the essential distinctions between risk management elements. The research aims to outline both the advantages and disadvantages of emphasizing risk-based thinking theory and to provide best practices beneficial to the commissioner. Various data collection methods, including participant observation, work diary entries, in-depth and themed interviews, and a focus group survey, were employed for this themed use case analysis.</p> <p>The study finds that although Lapland Safaris Group follows an enterprise-level risk-based approach, adopting a systematic process for gathering and assessing risks involving all project participants could reduce locally identified risks. Introducing the concept of Just Culture from the aviation industry aims to enhance safety in the dispersed service program operations environment.</p>
Key words Charter, flight plan, package tour, program service, risk, risk-based thinking

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1 Introduction

Functional air links are crucial for Lapland's tourism, as most international visitors arrive by air. Advancements in technology and transportation, notably the democratization of air travel, have significantly impacted the globalization of tourism. Recent statistics from Lapland Above Ordinary (2024) provide insight into the region's tourism sector, focusing on key winter tourism figures for 2022-2023. Rovaniemi airport saw 252,000 passenger arrivals (+50 % from the previous year), Kittilä airport welcomed 169,000 passengers (+17 %), Ivalo had 96,700 arrivals (+25 %), Kemi-Tornio recorded 8,900 arrivals (+54 %), while Enontekiö experienced a decrease to 5,866 arrivals (-53 %). With anticipated annual traffic growth of 3-5 %, Finavia projects Lapland's airports will handle at least two million passengers by 2030. (Finavia 2024.)

Around one-third of Lapland's Small and Medium-sized Enterprises (SMEs) engage in import and export activities. SMEs are defined by EU Recommendation 2003/361: Medium-sized enterprises have fewer than 250 employees, turnover of up to 50 million €, or a balance sheet total of up to 43 million €. Small enterprises have fewer than 50 employees, turnover of up to 10 million €, or a balance sheet total of up to 10 million €. Micro-enterprises have fewer than 10 employees, turnover of up to 2 million €, or a balance sheet total of up to 2 million €. (EU 2024.)

These Small and medium-sized enterprises also play a crucial role in the tourism sector, meeting diverse tourist needs. However, they face challenges requiring effective Risk Management. By adopting such practices, SMEs can stabilize financial and non-financial outcomes, understand stakeholder involvement better, and boost confidence among shareholders and investors. This fosters economical sustainability and flexibility, aiding SMEs in navigating unforeseen events effectively. (Havierniková 2021, 32).

This study focuses on Lapland Safaris North in Saariselkä to examine the impact of disruptions in charter flight traffic on package tours arranged by a tour operator during Christmas. The operational effects of such disturbances, which include departures from established flight plan, are among implications for Lapland Safaris North. It is important that the tour operator promptly notifies Lapland Safaris North, the company that provides the optional safari tours, of any scheduling adjustments. Reflecting on the author's own experience as a project coordinator in the winter of 2023–2024, this paper explores these discrepancies using illustrative use scenarios.

1.1 Thesis objective and research questions

This study aims to examine the impact of charter flights on the program service production and operational processes of Lapland Safaris North in Saariselkä within the context of an annual use case project, where the company provides a Christmas experience. In addition to analyzing the roles of bus transfer providers, reindeer and husky safari operators, Lapland Safaris' service production team, and a dedicated project team, this study will also evaluate the risk analysis and discussion strategies employed by Lapland Safaris North, a subsidiary of Lapland Safaris, during the life cycle of the use case project. The primary aims of this study comprise:

- Enhancing preparedness for the unexpected and proactively identifying potential issues.
- Identify various risks.
- Assessing and managing risks to minimize the risk of sales loss.
- In unforeseen circumstances, mitigating risks to ensure the safety of individuals and property.

This thesis is primarily rooted in qualitative research, aligning with Ojasalo, Moilanen, and Ritalahti's (2022) assertion on the significance of comprehensive understanding for achieving success. Drawing from experiences as a project coordinator for Lapland Safaris North between late October 2023 and early January 2024, the author developed a qualitative research approach. By documenting processes in a work diary and analyzing the project's charter traffic in 2023–2024, foundational strategies were crafted and implemented during this period. Figure 1 in this chapter provides an overview of the main topics addressed in each chapter of the study, reflecting the thematic approach taken in the research.

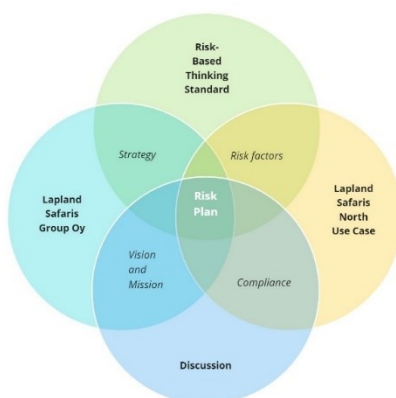


Figure 1. The concept and theme diagram for the Lapland Safaris North use case study.

In this study, the thesis structure follows a logical progression. Firstly, it outlines main objectives, constraints, research questions, and defines key concepts. Secondly, it introduces Risk-Based

Thinking, derived from Risk Management, as outlined in ISO 9001, certified for Lapland Safaris Group's program service processes in 2000. Furtherly, the chapter two will delve into practical differences between these methods and discuss the most suitable tools for the commissioner.

Transitioning to the third chapter, the report focuses in the commissioner's background, encompassing statistics, visions, and missions—as strategical basis for the theory. It further explores a use case study on charter flight scheduling impacts—on operational level, on safari programs and the program service value chain including the people element. Use case is discussed in the fourth chapter, mapping it as a project. Risks related to project, processes and people are showcased with the use case.

Analysis of the charter ontime performance with the focus group results are depicted with the study methods and implementation timelines. Wrapping up with a discussion and recommendations for future research, the chapter focuses on the impacts of use cases and methods for ensuring continuous compliance with Risk-Based Thinking. Finally, the author shares personal reflections on the study, providing a conclusion to the report.

Research questions

A key concern that emerged during the use case project's execution was the absence of a defined protocol for managing deviations in charter operations. Thus, as the primary research questions in order with the commissioner, were the following:

- Is there a procedure established for handling disruptions to charter flights?
- Is there an existing strategy to manage risks associated with disruptions to chartered flights?
- Could a risk plan help reduce or eliminate event-related risks linked to the use case project?

The overlay matrix (Table 1) below, outlines additional subquestions, indicating the alignment between the study components and themes. The four major *themes* that underpin the interviews and surveys are *strategy, vision and mission, risk factors with compliance*, presented in the concept diagram above (Figure 1).

Compliance, as one of the themes in study, encompasses adhering to directives or regulations, including legal requirements, safety standards, and corporate data security. Both external mandates and internal regulations play vital roles, prompting businesses to establish codes of conduct to foster ethical behavior among employees. (Dictionary Cambridge 2024a.)

Table 1. Overlay matrix

	Subquestions	Theory (Chapter)	Results (Chapter)	Questions (Appendix)
1	What are the primary internal and external risk factors, as well as potential opportunities, inherent in producing program services customized for Lapland Safaris' charter customers? (Theme: Strategy, Vision, Mission)	2.1.	3.2.	2
2	What aspects do you find most challenging in preparing for the team project in the value chain for the 2023-2024 season, especially when compared to previous year's preparations? (Theme: Risk factors)	2.4.	4.1.2.	3
3	To what extent do flight schedule impact the day-to-day preparations of your team for the 2023-2024 project within the value chain? (Theme: Risk factors)	2.4.	4.1.2.	3
4	How is the information communicated if a flight schedule has changed? Should there be an automated process of changes? (Theme: Risk factors)	2.4.	4.1.2.	3
5	Which event or issue at your opinion was repeated in the team's feedback, which is perceived as a threat or risk/ positive thing? (Theme: Risk factors)	2.4.	4.1.2.	3
6	In the context of systematic management of risks, would implementing the Just-culture model be effective in training Safaris' workers in Lapland? (Theme: Compliance)	2.5.	3.2.2.	2

Research knowledge and limitations

The study examines the winter season of 2023-2024, with a specific focus on charter flight traffic. Coordination of project processes relied heavily on flight schedules to and from Ivalo airport, supplied by the tour operator. In this context, the term "flight plan" corresponds with aviation norms, signifying the airline's commitment to furnish air transportation services for the charterer. This includes critical information like operator details, enroute airports, aircraft type and capacity, as well as scheduled departure and arrival times.

The study scrutinizes disparities between the project's intended timetable and its actual punctuality, providing valuable insights. It specifically examines Lapland Safaris North's winter safari

excursions, particularly those essential to the daily charter schedule rotation. These excursions, categorized as optional safari tours, play a crucial role in the tour operator's package production. While not all Lapland Safaris North activities are covered for the tour operator--they substantially enrich the overall package experience and service production, acknowledging their significance within the service process. One of the main research questions on risk management questioned if there's a common understanding of it within the organization's operations related to use case. The commissioner's reply noted that while Lapland Safaris' strategy description is available, mapping all operational hazards in the diverse and complex program services sector could pose a challenge, making it difficult to formalize them into an agreement. (First interviewee 4 January 2024.)

The methodological framework for Risk-Based Thinking relies heavily on Risk Management, with both terms used interchangeably in this study due to their close relationship. While both methods aim to manage risks and opportunities, they differ slightly in approach. Risk Management is seen as more complex, while Risk-Based Thinking offers leaner and quicker strategies. To address the final primary research question on whether a Risk Plan could help reduce or eliminate event-related risks in the project use case, this study aims to define how the processes for the use case could be executed.

1.2 Thesis commissioner

Lapland Safaris North Oy (LSN) is the official name of Lapland Safaris' Saariselkä office. Located next to UKK national park, LSN is a subsidiary of Lapland Hotel & Safaris Group Oy. Lapland Safaris are experts in the region's natural surroundings and way of life. Since 1982, the organization has provided tourists visiting Lapland with exhilarating outdoor experiences and distinctive holiday alternatives; the Lapland culture serves as the basis for these offerings.

LSN provides diverse programs and safaris for both winter and summer seasons, catering to both group and individual travelers. Lapland Safaris Saariselkä offers daily departure safaris during winter, featuring various snowmobile, cross-country, snowshoe, dog sledding, and reindeer safaris. These safari programs are curated around regional myths and stories, reflecting the area's history and the cultural essence of the local population.

Many different nationalities pass through the Saariselkä office. Tourists come from different corners of the world and that makes Saariselkä very international for the village's winter season. During December, one of the largest groups is from Great Britain incoming passengers. Also from other European countries, such as the Netherlands, Spain, and France there are travelers throughout the season. (Second interviewee 9 February 2024.)

Christmas season, November – December are the busiest months, supplying services for several tour operators that offer winter experience packages –in the search of Santa Claus. In the winter season of 2023-2024, LSN had a core team of seven full-time employees employed year-round (Second interviewee 9 February 2024). Throughout the peak season, spanning from November to March, the company augmented its workforce with approximately 40 seasonal workers.

The majority of these seasonal hires served as safari guides, complemented by front-desk staff (safari-shop employees) and individuals in administrative roles, as well as equipment maintenance personnel. Notably, the seasonal worker count includes the project team dedicated to coordinating the tour operator and its use case operations. These project team members were engaged from late October 2023 to early January 2024.

The financial reports from 2019 onwards depict (Table 2) the recovery from the Covid-19 pandemic, particularly evident during the fiscal years 2020-2021.

Table 2. Financial development of LSN Oy (Asiakastieto 2024)

	2023/06	2022/06	2021/06	2020/06	2019/06
Financial independence	12,2 %	3,6 %	-134,3 %	1,9 %	3,4 %
Growth Rate%	21,1 %	2 480,7 %	-96,5 %	-11,5 %	1,6 %
Profit-%	17,3 %	18,7 %	-392,7	17,6 %	16,4 %

Lapland Safaris North's profitability has not only rebounded but also exceeded pre-pandemic levels. In the latest financial report for June 2023, the company witnessed a growth rate of 21.1 % for the 2022-2023 season. For the fiscal year 2023-2024, the company recorded a total revenue of 6.8 million euros, generating a profit of 129,000 € (Second interviewee 9 February 2024). These figures will be further detailed in the company's fiscal reports for June 2024.

In a Lapland Hotel's press release in 2022, Lapland Safaris' CEO stated of the post-pandemic period: "Demand returned quickly after the pandemic-- the general nature-oriented trend was seen through the fast recovery of traveling. Currently we are ahead of last year's, 2021, order book, even though the year also ended up being a good season, as international travel returned to its pre-pandemic level. Demand is strong especially in European countries."

Lapland Safaris North's Area Manager in Saariselkä, confirmed this in relation to the use case tour operator, expressing, "The post-pandemic recovery has been surprisingly rapid. Strong reservation levels from the year preceding Covid-19 played a vital role. Covid testing protocols in the

Saariselkä area enhanced customer confidence in exploring the region, allowing us to reintroduce the Christmas experience product into our offerings for the tour operator." (First interviewee 4 January 2024.)

Whenever there is a potential uncertainty regarding strategy, profits, compliance, the environment, human health, and safety, tourism companies are exposed to business risks. Plans for risk management can assist in reducing business risks, which can influence a company's revenue, reputation with customers and service quality. In the context of risk management, everyone in the organization is accountable for the risk management process's success. (Havierniková 2021, 32)

1.3 Thesis key definitions

Charter

In commercial aviation, airlines primarily offer passenger transportation services. They differentiate through various business models, including charter flights. Commercial services are categorized into *scheduled* and *non-scheduled operations*, with the latter encompassing on-demand services like air taxis, but also including charter services, where flights are not part of an airline's regular schedule. These flights are often used for specific or seasonal routes and are typically rented by tour operators.

Charter flights can be public, with airlines offering seats on select routes, or private, with tour operators renting the majority of seats on the aircraft (Simple Flying 2024). A typical *charter airline* can be defined as, "an airline that provides point-to-point services to popular holiday and leisure destinations, often as part of an inclusive tour, which is also known as *package tour*. *Ad-hoc* term is used to describe a flight or a series of flights not being part of a scheduled program and to which the principle of historical rights cannot be applied. (Whyte and Lohman, 2016.)

Flight plan

"*Flight plan*" in aviation, is a detailed document filed before a flight, while a *flight schedule* refers to the predetermined timetable for regular flights. In this study, the causal relationship between the usage of 'flight schedule' as a definition for a charter flight occurring at specific times is utilized. The primary purpose of a flight plan is to inform air traffic service units, enabling them to supervise and control flights and provide necessary information services. (Simple Flying 2024.) In the context of this use case, the contractual term "flight plan" aligns with aviation's definition, signifying the airline's obligation to provide air transportation services for the charterer. This includes details such as the operator's information, enroute airports, aircraft type with maximum seat capacity and scheduled departure and arrival times.

The Freedoms of the Air, grant airlines the autonomy to determine fares and routes, leading to a fundamental transformation in air travel. Incorporated into air service agreements, they empower airlines to operate efficiently and offer diverse route options, including flights over foreign territories and inter-country passenger and cargo transport. (ICAO 2024.) Despite their benefits in optimizing flight routes and enhancing operational efficiency, recent events such as the closure of Russian airspace following the Ukrainian war in 2022 have disrupted long-haul continent routes. (Flight Radar 2022.)

The issuance of Air Traffic Management (ATM) *en route slots* by EUROCONTROL as the Network Manager is crucial for managing air traffic flow and capacity across Europe. Challenges such as adverse weather conditions or technical failures worsen congestion, creating capacity constraints. To address this, the Network Manager receives flight plans and capacity limits from air traffic control centers and airports, identifying areas with excessive demand. If capacity falls short, slots are assigned to aircraft for takeoff in en-route sectors, and incoming airport traffic is managed with holding patterns. Airlines may adjust routes to avoid congestion, minimizing the need for slots and delays. (Eurocontrol 2016.)

Airport slots, permissions granted for planned operations to use airport infrastructure, are crucial for managing airport capacity and ensuring orderly operations. Independent coordinators allocate slots fairly to promote growth and connectivity in the aviation sector (IATA 2024.) Not every airport assigns slots; they're categorized into three levels: Level 1-non-coordinated airports, Level 2-schedule facilitated airports, and Level 3-slot coordinated airports. Airport slot capacity is primarily determined by existing infrastructure elements like runways, taxiways, apron size, and terminal capacity. (IATA 2024a.)

In the IATA's Worldwide Airport Slot Guidelines Annex, airports are classified into levels 2 and 3. Helsinki Airport stands as Finland's sole level 3 slot-coordinated airport, indicating high capacity usage and scheduling constraints. During winter weekends, Kittilä and Rovaniemi operate at level 2, shifting to level 1 in summer, while Ivalo remains at level 1 year-round without slot coordination. Airlines at level 1 airports must inform handling agents and airport management of their operations. Airport management oversees demand monitoring, capacity expansion, and coordination with handling agents to avoid operational constraints. (IATA 2024a.)

The worldwide slot guidelines, established by a committee, govern the allocation of slots per season (summer and winter) and on a time-based basis. Slots are assigned based on specific criteria, including grandfather rights, adherence to the "use it or lose it" principle, reallocation of unused slots, priority on a waiting list, intra-airport slot trading, and coordination conferences held twice annually. *Grandfather rights* in slot allocation confer a substantial advantage to established airlines,

ensuring continuity and planning reliability. These rights enable airlines to retain their slots indefinitely by utilizing them for a minimum of 80 % in one scheduling season. (Samunderu, 2020, 128-129.)

The IATA Slot Conference (SC) is a event, held twice yearly for summer and winter seasons--it focuses on coordinating operations at Level 2 and Level 3 airports, strictly dedicated to slot allocation and schedule adjustments. (IATA 2024a).

A package tour

A package tour is a holiday organized by a travel company in which several different places are visited with a fixed price that includes the cost of the hotel and travel, and sometimes food (Cambridge Dictionary 2024). A typical charter airline can be defined as, "an airline that provides point-to-point services to popular holiday and leisure destinations, often as part of an inclusive tour, which is also known as *package tour*. (Whyte and Lohman, 2016.)

Program services

Services are the result of a production activity that changes the conditions of the consuming units, or facilitates the exchange of products or financial assets. They cannot be traded separately from their production. By the time their production is completed, they must have been provided to the consumers. (UNWTO 2024.)

Freeman and Glazer (2015) define *programming* as customer-oriented activities, such as special events or festivals, aimed at boosting spending or length of stay, or enhancing package appeal. In tourism, service program production involves organizing, developing, and coordinating multiple services to create travel programs or packages. This includes tasks like scheduling tours, arranging accommodations, coordinating transportation, and planning guided tours or excursions.

Risk

Risk encompasses uncertainty impacting expected outcomes, including both positive and negative deviations from expectations, and considers potential occurrences and their likelihood (9001simplified 2019.) Viewed from a portfolio management perspective, risk often revolves around potential harm or uncertainty in net asset position. *Economic risk* primarily concerns investment dangers in unstable foreign markets, relying on understanding probability distributions for future events. Notably, *individual* versus *combined risks* is treated differently, especially considering synergies and *diversification* effects. A *crisis* signifies a challenging period requiring difficult decision. (IPMA, 2015).

Conversely, *opportunities* denote positive prospects and can be managed similarly to risks (ISO Update, 2018). Our knowledge of how intermediaries in tourism value chain perceive and conceptualize risk in relation to service collaboration is very limited. Risk is commonly understood as the probability of certain adverse events multiplied by the magnitude of their consequences, whereas subjective or perceived risk is the intuitive, individual perceptions of these factors. (Gjerold and Lyngstad, 2014).

Threats, as defined by the International Project Management Association (2015), encompass negative or positive effects managed through identification, assessment, response planning, implementation, and control within projects. In aviation, threats are closely linked to operational safety, referring to events or errors outside the crew's control that increase operational complexity and must be managed to maintain safety margins. (ICAO, 2022).

Risk-Based Thinking

The International Standard (ISO) offers a universal approach applicable across industries, guiding organizations in integrating robust risk management programs (ISO 2024). The *Quality Management Standard*, ISO 9001:2015 emphasizes *Risk-Based Thinking*. To achieve goals, Risk-Based Thinking requires foreseeing threats and opportunities, which is frequently a subconscious process (ISO Update 2015). Effective *Risk Management* not only improves organizational quality and success but also benefits society at large (ISO Update 2022). As an approach, Risk management involves formal processes to analyze and treat risks, risk-based thinking integrates preventative action into decision-making and process establishment, making risk examination a fundamental aspect of organizational activities. (ETQ 2017.)

"*Risk controlling*," like risk management, aids in business planning and direction. A *risk register* helps monitor and address risks based on impact criteria like financial, productivity, interruption, security, fines, and legal penalties. (Wolke, 2017). A *risk plan*, formally known as a "risk management plan," is a documented guide for implementing risk management methods, including budgeting, maintaining a risk register, and more. Alternatively, it can be a "risk response plan" aimed at mitigating risks or leveraging opportunities, serving as a dynamic backup document. (Project Manager 2024.)

Safety is crucial wherever people are, whether at home, work, or in transit. In aviation, safety is paramount for the industry's survival, involving a diverse workforce and complex procedures across agencies. This approach ensures both safe operation and the well-being of everyone involved, including behind-the-scenes workers. (IATA 2024). Verhelä outlines safety in his book (2007, 48-50) as follows: "The term safety derives from the adjective 'safe,' defined in the

dictionary as evoking a sense of security and confidence." Safety can be viewed as the antithesis of risk. It signifies an environment devoid of hazardous elements that could endanger people, property, or the surrounding environment. Additionally, safety is recognized as an integral component of service quality, wherein the risks associated with the service are identified, thoroughly analyzed, and minimized. Customers should feel secure and devoid of fear when utilizing these services.

"*Just culture*" condemns extreme negligence and deliberate violations while promoting non-punitive approaches aligned with knowledge and training (Traficom 2024).

In this work, the following terms that are more often used, are abbreviated to:

QMS Quality Management System

RBT Risk-Based Thinking

RM Risk Management

ERM Enterprise Risk Management

ERP Enterprise Resource Planning

LSN Lapland Safaris North

SME Small and Medium-Sized Enterprises

2 Risk-Based Thinking

2.1 Risk types

Effective Risk Management (RM) is crucial for businesses dealing with a range of risks across strategy, profits, compliance, and environmental and human health concerns. Mitigating these risks is essential for protecting revenue and preserving customer reputation. This involves addressing internal factors such as governance, stakeholder relations, and compliance, as well as external factors like social, technological, legal, and economic landscapes, including market trends and competition.

The 2023 World Economic Forum report underscored significant global challenges over two- and ten-year periods. Primarily, the failure to adequately address climate change has profound effects on governments, businesses, and individuals. This disparity between scientific recommendations and political action exacerbates environmental degradation, resulting in disruptions in nature and risks to ecosystems and communities.

Furthermore, natural disasters, declining social cohesion, biodiversity loss, geo-economic tensions, involuntary migration, and cybercrime compound global risks, affecting lives and economies. Addressing these challenges requires coordinated global action, emphasizing resilience-building and policy reform. Essential investments in adaptation, mitigation, and cybersecurity are crucial for safeguarding human well-being and global prosperity amid evolving risks.

In tourism, companies face diverse risks: operational issues like personnel problems and infrastructure limitations, strategic challenges such as differentiation difficulties, financial concerns affecting cash flow, and reputation damage. Research models analyze risks like performance, physical, social, psychological, and time-related risks, studying their influence on service strategies. Additionally, broader business risk literature identifies absolute risks like political instability, terrorism, health, and crime. (Gjerald & Lyngstad, 2014.)

In today's fast-paced business landscape, adaptability is key for sustained success. Organizations must quickly adjust to changing customer needs and market trends, especially in the era of social media. Internal factors like organizational structures and employee skills can prompt procedural adjustments. By adeptly managing both internal and external factors, businesses can overcome challenges and seize opportunities for continuous growth and competitiveness. (ISO Update 2018.)

2.2 Background

The evolution of project and risk management studies, originating in the 1950s, reflects a dynamic field shaped by academic discourse and real-world challenges. Initially focused on market insurance and operational risk, it expanded during the rise of derivatives and financial institutions in the 1970s and 1980s. (Wolke 2017,1.) The proliferation of risk management models and derivatives continued in the 1990s due to economic factors and corporate crises, further intensified after the 2008 financial crisis (Wolke 2017,3).

Presently, risk management encompasses financial, economic, political, and natural disaster risks (Dionne 2019,3). ISO 31000, or the Risk Management Framework, provides principles and guidelines for comprehensive risk management, considering organizational purpose, vision, values, and goals. (ISO 2024).

The evolution of standards, originating post-World War II, reflects the changing needs of global business. The first version emerged in 1987, based on the British Standard, focusing on quality assurance and guided by ISO 9000. Updates in 1994 emphasized customer satisfaction and continuous improvement. Subsequent revisions in 2000, 2008, and 2015 aimed to align ISO 9001 with evolving business needs. (EQMS 2019.)

A significant change was the inclusion of RBT, encouraging organizations to adopt a preventive mindset and integrate risk management into their culture. RBT requires involvement across the organization, from employees to processes and products, to ensure its effectiveness. (Martins, Sanches da Silva, Sampaio, & Catalani, 2021.) By implementing and refining QMS, companies can enhance their performance, surpass customer expectations, and showcase excellence through ISO 9001, a globally recognized Quality Management Standard (QMS).

ISO 9001 certification signals that a business has established efficient processes and trained personnel to consistently deliver exceptional products and services. Lapland Safaris Group Oy obtained ISO 9001 certification in 2000, becoming the first event organization worldwide to achieve this milestone. Furthermore, in 2011, Lapland Safaris was honored with the National Tourism Safety Award, making it the inaugural company in both the sector and Lapland to receive this prestigious recognition.

In the following chapters, the focus is on RBT as a standard, detailing the process approach in ISO 9001:2015 and suitable risk identification tools and techniques for SMEs. The process approach, applicable to organizations of any type, size, or complexity, defines a process as a series of interconnected activities that utilize inputs to achieve a desired outcome. (ISO 2015).

2.3 Risk-Based Thinking Requirements

In RM, small and medium-sized enterprises (SMEs) are under unique framework compared to larger corporations. The interconnected nature of all company actions defines the risk landscape for SMEs. Typically, decision-making rests with one individual or a small group, unlike larger enterprises where responsibilities are spread across departments. SMEs often consolidate functions like marketing, human resources, and sales due to resource constraints, requiring careful prioritization. Research indicates that SME entrepreneurs often prioritize other operational aspects over risk management due to competing demands and limited resources. (Duong 2009,23.)

RM plays a crucial role in quality management, particularly under the updated ISO 9001 standard. This revision emphasizes RBT to anticipate issues and prevent nonconformities. To comply with ISO 9001:2015, organizations must integrate risk considerations (Table 3) into their management plans, necessitating greater commitment and involvement from top management.

Table 3. ISO 9001:2015 Risk-Based Thinking Requirements (adapted from Martins et al. 2021)

Sections	Requirements
4.Organizational context	Organizations are required to define their QMS's processes, identifying risks that could impact the system's objectives, recognizing that risk consequences vary by context
5.Leadership	Necessitates the top management to take lead in addressing risks and opportunities that impact product or service.
6. Planning	Mandates proactive risk and opportunity identification, with plans devised for mitigation
7. Support	Emphasizes integrating RM into quality systems, requiring clear articulation of processes and the allocation of necessary resources to implement action plans for risks
8. Operations	The organization must manage its operational processes by planning, implementing, and controlling them to address risks and opportunities
9. Performance Evaluation	Monitoring, analysing, and evaluating the effectiveness of actions to approach risks
10. Improvement	Requires responding to changing risks to continuously improve processes

By adhering to these requirements organizations can address preventive actions comprehensively, considering both risks and opportunities. This structured approach ensures compliance with ISO standards and fosters ongoing improvement in quality management systems. (Martins et al. 2021.)

2.3.1 Risk-Based Thinking Processes

Certification to an ISO Standard confirms a company's compliant management system, while accreditation acknowledges that an organization can perform specific tasks. Certification involves audits by third-party auditors to ensure ongoing compliance and results in certificates confirming conformity. Accreditation guarantees that Certification Bodies are capable of issuing certifications for specific ISO Standards, ensuring impartiality and compliance. (ISO Update 2022.)

Unlike certification, which is open to anyone, accreditation is regulated by legislation, such as EU Regulation 765/2008 in Europe. Finland's national accreditation body, FINAS Finnish Accreditation Service, ensures that Certification Bodies are competent and authorized to conduct audits, fostering trust among partners and suppliers in a supply chain. (Finas 2024.)

To maintain certification, the organization must demonstrate the effectiveness and suitability of its quality management system, along with continuous improvements. For example, the ISO 9001 standard requires systematic and documented internal audits. These audits, conducted regularly in collaboration with organizational management, supplement external audits performed by certification bodies. (Goetsch & Davis, 2014, 246.)

2.3.2 Plan-Do-Check-Act

Figure 2. illustrates the PDCA (Plan-Do-Check-Act) cycle, a method for managing processes and systems. It starts with planning objectives and processes, followed by implementation, performance checking against goals, and taking actions for improvement. This cycle emphasizes continual improvement and incorporates risk-based thinking at each stage.

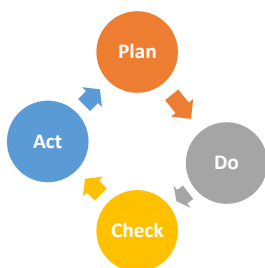


Figure 2. Elements of Risk-Based Thinking (adapted from ISO 2015)

RBT, PDCA cycle, and the process approach are essential components of the ISO 9001:2015 standard. As per ISO (2015), PDCA stands for: **P-PLAN:** Specify the goals for the system and

procedures to produce outcomes ("What to do" as well as "how to do it"), **D-DO**: Execute and oversee the intended actions, **C-CHECK**: Track and evaluate procedures and outcomes in relation to guidelines, goals, and specifications; report findings, and **A-ACT**: Implement measures to enhance the efficiency of the process.

The objectives of integrating RBT via the process approach are as follows: a) to assess how risk, whether positive or negative, influences the establishment of processes to improve process outcomes and mitigate undesirable results; b) to specify the necessary level of process planning and controls based on risk assessment; c) to improve the efficiency of the quality management system; and d) to maintain a system that inherently incorporates risk considerations and accomplishes objectives. (ISO Update 2022.)

Proven RM techniques align with the Plan-Do-Check-Act (PDCA) cycle for process improvement, which forms the basis of the new high-level structure for ISO standards. Using a process approach includes establishing the organization's processes to operate as an integrated and complete system; the management system integrates processes and measures to meet objectives; processes define interrelated activities and checks, to deliver intended outputs; detailed planning and controls can be defined and documented as needed, depending on the organization's context. (ISO 2015.) In order to enhance clarity and alignment within a project-type process, the PDCA cycle is delineated in Figure 2 above as an annual calendar with later specified start and finish dates.

Plan

The steps in the process approach **start** with the "*organizational context*", that refers to the internal and external factors influencing on an organization's ability to achieve its objectives. This concept is a fundamental component of various management systems, such as quality management systems (e.g., ISO 9001), environmental management systems (e.g., ISO 14001), and risk management frameworks.

Internal factors may include the organization's values, culture, structure, resources, processes, and capabilities. External factors typically encompass the organization's operating environment, including competitors, customers, suppliers, regulators, economic conditions, technological advancements, and societal trends. Understanding the context of the organization is essential for effective strategic planning, risk management, and decision-making. By analyzing and responding to both internal and external factors, organizations can adapt to changes, exploit opportunities, mitigate risks, and enhance their overall performance and resilience.

As second step in planning phase is to define the *scope, objectives and policies of the organization*. What is need to do, is to establish the scope, objectives, and policies pertinent to the

organization's quality management system after the requirements, needs, and expectations have been analyzed. Taking into account stakeholder requirements as well as internal and external contexts, the business must decide on the scope, boundaries, and application of its management system.

To get the intended results in the *organization's processes*, top management should identify which markets to address and set goals and strategies. Also, the task of determining the procedures required to produce the desired results falls to management. Management, resource allocation, operational tasks, measurement, analysis, and ongoing improvement are all included in the organizational processes.

Where *interactions between realization processes* (e.g., supplying services to consumers) and others (e.g., management, measurement, procurement) can be depicted using tools like flowcharts, diagrams, matrices, and models. *Assigning ownership and accountability of each process*, top Management should define ownership, roles, responsibilities, and authority to ensure effective process definition, implementation, and improvement. These individuals are commonly referred to as Process Owners.

In the planning's next, **third step** is to *identify risks*, and issues in the activities needed to achieve the intended outputs of the process and risks of unintended outputs describe the requirement for *information to be documented*. Processes can be documented formally using various methods like graphical representations, written instructions, and electronic tools. However, the chosen method or technology is not the end goal; rather, it serves to describe processes, which are the means to achieve organizational objectives.

Well-defined processes enable consistent and accountable operations, leading to desired outcomes that can be further improved. Selecting techniques for measuring and monitoring processes in order to control and enhance processes and their results; considering factors such as monitoring criteria, performance reviews, stakeholder satisfaction, supplier performance, delivery times, failure rates, costs, incident frequency, and conformity measures.

Do

At this stage, the focus shifts to *implementing* the measures necessary to achieve the established goals and outcomes outlined in the planning phase. To achieve these desired outcomes, the company should execute tasks, monitoring, measurements, and controls of specified processes and procedures. This may involve automation, outsourcing, and other necessary actions. Surveys to internal and external stakeholders can help gather feedback systematically during the project. It's

crucial to ensure that all *resources* needed for each procedure are available, including human resources, infrastructure, environmental resources, information, knowledge, materials, and finances.

Check

It is necessary to compare the process to the stated objectives. By comparing results to objectives, the organization should be able to verify that all requirements are met. To get data, procedures are needed. A few examples include measurement, monitoring, audits, assessments, and performance analysis.

Act

Updating operational procedures maintains the achievement of intended outcomes. Ensuring compliance with outcomes enhances process effectiveness. Notably, while ISO 9001 doesn't mandate efficiency improvements, addressing process failures should focus on their root causes. Processes are interconnected, so resolving issues in one can affect others, even if the connections aren't immediately obvious. (ISO 2015.)

2.4 Tools and techniques

The most common methods for analyzing risks involve quantitative and qualitative approaches to explore connections between tools, processes, risks, and other factors. Qualitative risk analysis identifies risks needing detailed examination and determines appropriate controls and actions based on their impact on objectives. (ISACA 2021.) The process involves applying methods to evaluate the possibility and consequences of identified project hazards, aiding project managers in understanding uncertainties and potential effects on the project's budget, schedule, and quality. (Project Manager 2024a.)

Unlike stocks, interest rates, and currencies; operational risks are rarely assessed using external historical data. Because operational risk can have a wide range of causal causes, a variety of measurement techniques are therefore required. Measuring operational risks entails determining the amount of damage and the likelihood of occurrence. Wolke discusses in his book (2017, 264) of top-down and bottom-up approaches identifying risks.

Top-down approach

The top-down approach assesses risk by analysing data from the entire organization. Operational risk is viewed as a residual figure, and profit components attributed to asset positions reduce total company profit. The remaining profits of the company are used to calculate operational risk, but

this approach is not cause-related and can be influenced by macroeconomic factors unrelated to potential risks. It is not commonly used in either literature or in practice. This approach is also considered, depending on the complexity of and type of organisation, as a Enterprise Risk Management (ERM). (IRM 2024.)

As businesses expand, they face a simultaneous increase in relevant risks, leading to the development of new methods within risk management. This prompts organizations to adapt their strategies through ERM to address these specialized risks. Unlike traditional RM, which treats risks individually, ERM contextualizes risks within the broader framework of business strategy, aiming to align RM strategies with organizational objectives and development. (Duong 2009,17).

Furthermore, when integrated into an organization's ERM framework, Enterprise Resource Planning (ERP) provides a platform for efficiently managing and integrating essential business components. ERP applications enable seamless resource planning by consolidating all necessary processes within a unified system. This integration also facilitates various functions such as planning, inventory management, sales, marketing, finance, and human resources. (Investopedia 2024).

Bottom-up approach

The bottom-up approach quantifies operational risk within organizational units, sectors, or procedures as they emerge. While challenging, this method provides a solid foundation for effective RM, particularly in product or service pricing. Critical measurement methods include benchmarking against industry peers, analyzing profit volatility over time, and employing scoring models. Subsequent chapters will explore practical techniques and tools, especially for SMEs, categorized into qualitative and quantitative methods. (Wolke 2017, 264.)

Qualitative tools and techniques

Qualitative risk assessment tools include brainstorming, team interviews, data collection, and post-analysis. The characteristics and challenges of operational (performance) risks are unique (Wolke 2017, 251); whereas the typical organizational risk is caused by the internal business operations. As a result, the company has a large influence on operational risks.

Analysis, surveys, and brainstorming aid in gaining insights into business operations and factors affecting them. These methods uncover previously unnoticed risks, offering a more comprehensive understanding. While brainstorming lacks systematic methods, it effectively identifies potential risks not addressed by other techniques. (Clear Risk Manager 2015.)

To determine the organization's context, methods like SWOT (strengths, weaknesses, opportunities, and threats) and PEST (political, economic, social, and technological) analysis are employed, often through brainstorming sessions with management. Issues are logged and actions planned to address them, guiding the strategic direction and scope of the QMS.

The 5-Whys method, developed by Sakichi Toyoda, founder of Toyota Industries, is a qualitative root cause analysis technique. Popularized by Toyota in the 1970s, it aids in identifying environmental risks triggered directly. Here's how it works:

1. State the problem (risk).
2. Ask "Why did the problem occur?"
3. Repeat this process, asking "why?" several times to delve deeper into the root cause. (Upskill Nation 2019.)

Likelihood method— or a Risk Matrix (Figure 3). Risks that demand closer scrutiny are those with a high likelihood of occurrence and significant potential impact. The risk level is determined by multiplying consequence by likelihood: $Risk = Consequence \times Likelihood$. Assessing the possible consequences and likelihood of each risk helps gauge its potential impact on the business.

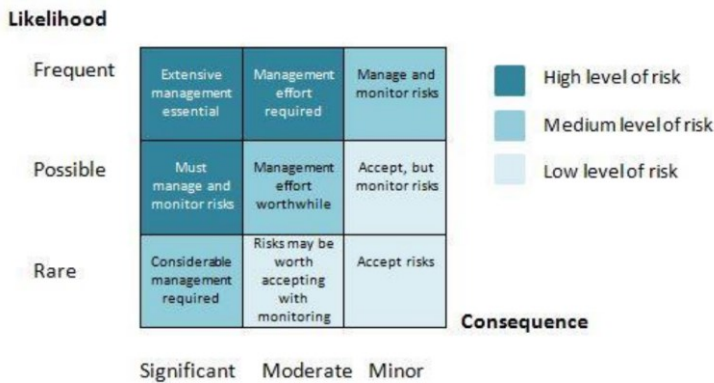


Figure 3. Risk Matrix determining the level of risk (adapted from Global Risk Alliance 2005)

The likelihood scale uses criteria like "rare," "possible," or "frequent," while the consequences can be "significant," "moderate," or "minor," categorizing risks as "low," "medium," or "high" level. The risk matrix assesses the importance of issues by evaluating both likelihood and severity. Its main purpose is to aid in prioritizing risks and devising a risk management strategy with the necessary tools and tactics to mitigate them effectively. (Global Risk Alliance 2005.)

The 4 T's Process in ISO 9001 is dynamic, necessitating ongoing monitoring and evaluation of risk management actions. The 4T process steps include:

- "Tolerate" involves taking no action to reduce a risk, typically because mitigation isn't cost-effective or the risk's probability is very low. It may also be acceptable if the severity is negligible or if the benefits outweigh the negative impacts.
- "Treat" means addressing the risk directly, either by mitigating its impact or reducing its probability. For instance, removing flammable materials near a warehouse can reduce the probability of a fire.
- "Transfer" involves shifting the risk through methods like insurance or liability waivers, particularly effective for managing financial or asset-related risks.
- "Terminate" is the option to eliminate the risk altogether. This can be achieved by altering processes or discontinuing products that pose risks.

Qualitative risk assessment is quick and subjective, while quantitative assessment is optional, objective, but more time-consuming and complex. Despite its complexity, the combined approach enhances the risk assessment process, offering greater effectiveness and efficiency. Qualitative risk assessment is preferred by 99 % of organizations for its quick and flexible interpretation. (ISACA 2021.)

Quantitative tools and techniques

Quantitative risk analysis assigns numerical ratings to high-priority risks but is limited by data availability and difficulty in quantifying certain aspects. It's vital for projects needing contingency reserves for schedule and budget risks, especially in large, complex projects requiring informed decisions or precise risk assessment for specific risks. (Project Manager 2024a.)

Sensitivity Analysis, also known as What-If or Simulation Analysis, is a financial modeling technique that examines how changes in certain variables impact target variables. It aids in brainstorming and problem-solving by exploring different scenarios and potential risks. (Project Cubicle 2019.) Teams engage in generating "what if" scenarios to assess both positive and negative outcomes, develop strategies, and make recommendations for decision-making. Plans are regularly reviewed and adjusted, with recommendations subject to potential amendments to address any identified gaps.

2.5 Acceptable risk and "Human Factors"

In businesses of all sizes, risk assessment and management are crucial for long-term success. However, small businesses frequently neglect thorough documentation and systematic risk control. Managers may recognize potential risks and forecast future events, but fail to effectively communicate these risks within the workplace. This oversight often stems from individuals managing

multiple tasks, leading to prioritization issues where tasks like documentation and systematic RM processes are given lower priority. (Duong 2009, 23.)

What is acceptable risk for Lapland Safaris? In aviation, safety is assessed in terms of acceptable risk, acknowledging that absolute safety is often unachievable. Each service provider determines acceptable safety individually based on regulatory standards. "Acceptable risk" refers to events with high probabilities of occurrence and consequences deemed acceptable by society. For example, offering reindeer sleigh rides in Lapland tourism during winter poses potential risks such as harsh weather and logistical challenges. However, with proper safety measures in place, the overall experience remains acceptable to tourists, outweighing perceived risks. (IATA 2023a).

Prioritizing "Human Factors" is crucial for accident prevention, especially in seasonal operations like Christmas experience activities. Lapland Safaris North, as a program service provider, engages in annual efforts to recruit, team up, and train personnel. Proactive risk assessment and mitigation are essential to prevent accidents, emphasizing organizational responsibility—accidents resulting from organizational decisions are termed "Organizational Accidents". (IATA 2023a).

Just Culture principles ensure fairness by distinguishing between intentional wrongdoing and errors within expertise. Mandated by EU Occurrence Regulation 376/2014, it promotes equitable treatment of safety information, fostering confidence. It supports reporting without fear of penalty and the confidential use of data for improvements, ensuring comprehensive safety information through a robust safety culture and open communication. Internal agreed rules, such as compliance, define Just Culture principles, ensuring consistent safety practices, while additional training and detailed guidance aid adherence. (Traficom 2024.)

In conclusion, this chapter sheds light on the diverse perspectives within the tourism sector regarding risk considerations, especially among intermediaries. Despite extensive studies on RM, there remains uncertainty about how tour operators perceive and manage risks related to service collaboration, impacting tourism offerings and regional industry growth. (Gjerald & Lyngstad, 2014.)

3 Lapland Safaris Group Oy

This chapter explores the strategic risks encountered by Lapland Safaris Group Oy at the management and leadership levels. Because insurance coverage for these risks is unavailable, the organization depends significantly on robust monitoring and reporting systems for management. These strategic risks pose challenges to the implementation of organizational strategies and can intersect with risks from other categories. (PKRH 2013.)

Founded in 1982 by Reino Lehtoniemi and Seppo Siren, Lapland Safaris Group Oy swiftly emerged as Finland's premier privately-owned program service company and Destination Management Company (DMC). Ownership transitioned in 1992, spurring a strategic expansion in 1993 from program service producer to tour operator, incorporating accommodation, dinner services, and ground transportation. The pivotal partnership with Lapland Hotels, the region's largest hotel chain, was cemented in 2005. (Lapland Safaris 2024.)

Headquartered in Rovaniemi, Lapland Safaris Group Oy operates as a limited company. Alongside its sister companies, Lapland Hotels and Lapland Ski Resorts Oy, it caters to a broad clientele in the Nordics, including a rapidly expanding international market. Offering a wide spectrum of services, clients can customize their experiences by selecting from various accommodation, dining, ski resort, and experiential options. Notably, Lapland Hotels is at the forefront of harnessing technological innovations to enhance tourism experiences. (Muotka 2019, 15.)

In just over 40 years, Lapland Safaris Group has transformed from a small startup founded by two entrepreneurs into a travel group boasting 600 seasonal and 50 year-round employees. This growth is reflected in its turnover, which has surged to a thousandfold of its initial 35,000 € (Table 4). Presently, Lapland Safaris welcomes approximately 500,000 travelers annually to Lapland's wilderness, with a strong emphasis on international visitors.

Table 4. Financial development of Lapland Safaris Group Oy (Asiakastieto 2024a)

	2023/06	2022/06	2021/06	2020/06	2019/06
Turnover (EUR)	2,6M	2,7M	2,0M	2,9M	3,1M
Growth Rate%	-5,5	34,3	-	-6,7	18,0
Profit (EUR)	-822 k	-285 k	14 k	212 k	427 k
Profit-%	-31,1	-9,5	0,7	7,2	13,6

In the recent financial report from June 2023 including winter season 2022-2023, Lapland Safaris Group Oy recorded a turnover of 2.6 million €, reflecting a 5.5 % decrease from the previous period. The total loss for the fiscal year was 822,000 € showing a decrease of 31.1 % from the previous period. (Asiakastieto 2024.)

3.1 North European Invest Group Oy

Lapland Safaris Group Oy is part of the North European Invest Oy group, which encompasses various subsidiaries, including Lapland Hotels and Lapland Ski Resorts (Figure 4). These sister companies, along with Lapland Safaris, operate under a unified operational management team. Additionally, the group has separate entities dedicated to car testing.

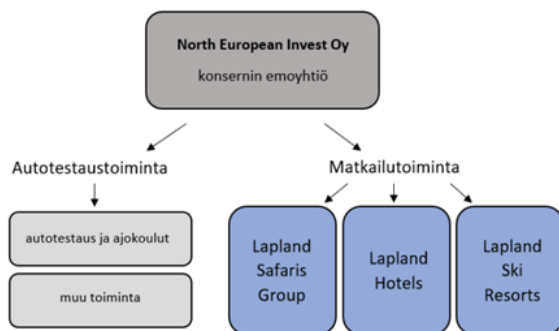


Figure 4. North European Invest Oy organization matrix (Muotka 2019, 16)

In June 2019, Lapland Hotels Oy conducted interviews to evaluate its management team's operations. While an open atmosphere was observed, allowing for discussion and questioning, criticism often didn't lead to actionable measures. Decision implementation was sometimes ineffective, with unclear follow-up procedures. Communication with the board was primarily the CEO's responsibility, but it was noted to be somewhat loose due to infrequent gatherings.

Additionally, informal communication among team members outside formal meetings was frequent, but clear communication to personnel posed a challenge. Efforts to streamline administration lacked concrete implementation strategies, emphasizing the need for clearer rules, practices, and agendas. While the management team expressed a commitment to improvement and discussed plans for a separate scorecard to enhance transparency, the timeline for its implementation remained uncertain. (Muotka 2019, 18-25.)

Anttila and Jussila (2017) emphasized the challenges of implementing the updated RBT (ISO 9001) standard in 2015, highlighting the need for significant adjustments and strategic considerations. Embracing RBT goes beyond meeting regulatory requirements; it requires a fundamental

shift in organizational thinking and risk management approach. This shift enhances resilience and sustainability in uncertain environments, fostering a culture of prevention and forward-thinking. By incorporating RBT, organizations prompt proactive and future-focused actions, integrating it into their operations and culture.

With newer ISO standards, risk plays a crucial role in quality and environmental management. Companies must implement RBT across activities like planning and operations to meet standards such as QMS ISO 9001:2015 (ETQ 2024). This shift highlights the need for a bottom-up approach, blending traditional RM with RBT to achieve organizational goals effectively. However, understanding the distinctions between RM and RBT remains a challenge for many businesses.

RBT prioritizes preventative action in decision-making and risk evaluation across processes, while RM involves formal risk assessment procedures. Enterprise Risk Management (ERM) aligns risk management with investor interests, with Enterprise Resource Planning (ERP) integrating RM functionalities. Adopting a bottom-up approach considering factors like product pricing enhances RM strategy. (Professional certifications 2024.)

3.2 Strategic risks

Pertti Yliniemi, Chairman of Lapland Hotels and Safaris, outlined the company's growth strategy, stressing the significance of direct flights for leisure travel. He emphasized the cost-effectiveness of charter flights for group travel but also recognized the growing trend of individual tourism. To address this shift, the company is investing in product development to offer customizable experience packages through various sales channels. Yliniemi noted the enduring popularity of group travel in Lapland while acknowledging the rising importance of individual tourism. (Vitriini 2019.)

A business strategy serves as the blueprint for creating value and gaining a competitive edge in the market, focusing on customer, employee, and supplier collaboration (HBS 2022). Despite its importance, strategic risks can arise from flaws in planning, decisions, or execution, endangering earnings and viability. Boards of directors prioritize identifying and managing these risks to enhance organizational resilience. Strategic choices that align with market needs and organizational capabilities are crucial for driving positive business development. (PKRH 2013.)

In response to inquiries about strategical risk factors and opportunities for developing customized program services, CEO of Lapland Safaris highlighted several key points. He noted risks including climate change and declining purchasing power among British customers, but identified Finnish Lapland and the company's strong reputation as promising opportunities. Despite limited growth within the current program, the CEO emphasized the need for expansion beyond the Christmas season. (Third interviewee 8 April 2024.)

Quality and Safety training

Understanding and mitigating strategic risks are essential drivers of change and improvement within organizations, especially in light of the latest requirements of RBT. Leadership, as outlined in Clause 5 of ISO 9001, plays a critical role by addressing risks and opportunities affecting product or service conformity. This commitment to RM from leadership is crucial for organizational success and ISO compliance. Additionally, organizations must identify risks that could hinder their ability to achieve system objectives, as specified in Clause 4 of ISO 9001. (ISO 2024.)

In 2000, Lapland Safaris Group Oy became the first event organization worldwide to obtain ISO 9001 quality certification, signifying that its management system has undergone thorough auditing and meets compliance standards set by third-party auditors. Certified organizations, through ongoing QMS development and implementation, exhibit a commitment to efficient processes and skilled personnel, ensuring reliable delivery of top-notch products and services. (ISO 2024.)

Moreover, Lapland Safaris' receipt of the National Tourism Safety Award in 2011 underscores its dedication to guest safety. The company's involvement in initiatives like the Volunteer Rescue Team of Lapland and the development of the Mapitare rescue map system further demonstrates its commitment to safety. (Lapland Safaris 2024.)

Environmental and sustainability certifications

The ISO 9001:2015 standard integrates RM into QMS at both management and organizational levels, ensuring the identification and mitigation of risks and opportunities throughout planning and operational processes. (ISO 2024). Organizations strive for sustainable, productive, and high-quality operations, with RBT emerging as a key approach in achieving these goals (Professional Certifications 2024).

Lapland Safaris emphasizes Arctic nature conservation and sustainability, aligning their operations with environmental capacities and educating guests on responsible nature enjoyment. Recognized for their efforts, Lapland Safaris and its affiliates were honored with the Ecocompass certificate in May 2022, which acknowledges their commitment to environmental conservation across various operations. (Lapland Academy 2023).

Participation in Visit Finland's Sustainable Travel Finland program underscores Lapland Safaris' commitment to sustainable tourism, evident in their 27 Sustainable Travel Finland labels as of October 3, 2023. This initiative prioritizes health and safety, mandating certified companies to integrate practices emphasizing health security and develop customized risk and action plans. (Visit Finland 2024).

3.2.1 Mission and Vision

Over the years, Lapland Safaris Group has evolved from a small enterprise into a prominent travel group, achieving significant growth with turnover increasing by a thousandfold. Initially serving international visitors to the Arctic, it has expanded its operations within Lapland Hotels, concentrating on top-notch, Lapland-inspired services.

Positive impact risks occur when strategic decisions lead to efficient operations and the organization's ability to adapt to changes in strategy implementation. Identifying new business opportunities is considered positive risk when the organization has the processes and capabilities for innovation aligned with strategic objectives. Conversely, negative risk emerges when the organization struggles to recognize, analyze, or implement opportunities, often due to entrenched traditional practices hindering market perception. (PKRH 2013.)

Together with sister companies Lapland Hotels and Lapland Ski Resorts Oy, Lapland Safaris offers an extensive array of services in the Nordics, catering to both domestic and expanding international clientele through proactive sales strategies and close customer engagement. (Muotka 2019, 15-17.)

Company's value-based statements:

- "Our success is rooted in the rich culture and spirit of Lapland, focusing on delivering high-quality service valued by our customers. We prioritize close collaboration with customers and maintain proactive sales efforts."
- "We provide our domestic and rapidly expanding international customer base with the most extensive service package available in the Nordic countries. Our customers have the flexibility to personalize their experience by choosing from a wide range of accommodation, dining, ski center, and activity services."
- "We are actively contributing to the technological advancement of the tourism industry."
(Lapland Academy 2023a.)

3.2.2 Program service

In RM positive outcomes occur when a company's services meet or exceed customer expectations, potentially leading to increased demand and a competitive edge. Conversely, negative outcomes arise when services fail to align with customer needs, possibly due to factors like outdated technology or high costs. (PKRH 2013).

Lapland Safaris offers a wide array of activities year-round, catering to tourists seeking Arctic adventures. These include igloo stays, Northern Lights tours, national park excursions, snowmobiling,

wildlife encounters, skiing, fishing, sauna experiences, and visits to Santa Claus Village (Lapland Safaris 2024).

CEO of Lapland Safaris notes that program services, such as reindeer and snowmobile safaris, are popular among foreign tourists, reflecting Lapland's growing appeal as a premier destination for unique experiences in Finland's Arctic region. With approximately 98 % of customers being foreigners, Lapland Safaris continues to attract European tourists, comprising 75 % of its clientele (Lapland Academy 2023).

In ISO 9001:2015, the integration of RBT into QMS occurs primarily during *performance evaluation and service enhancement stages*. During performance evaluation, risks and opportunities in services are monitored and assessed, prompting efforts to improve service quality and efficiency. Operational requirements outlined in Clause 10 of ISO 9001 involve establishing, planning, implementing, and controlling processes to manage risks and opportunities effectively.

This will be further explored in the upcoming chapter's use case study, emphasizing the *support level* outlined in Clause 7, which requires organizations to manage risks and opportunities within their quality systems by identifying risks, planning mitigation actions, integrating risk management into processes, and assessing mitigation effectiveness. (ISO 2024).

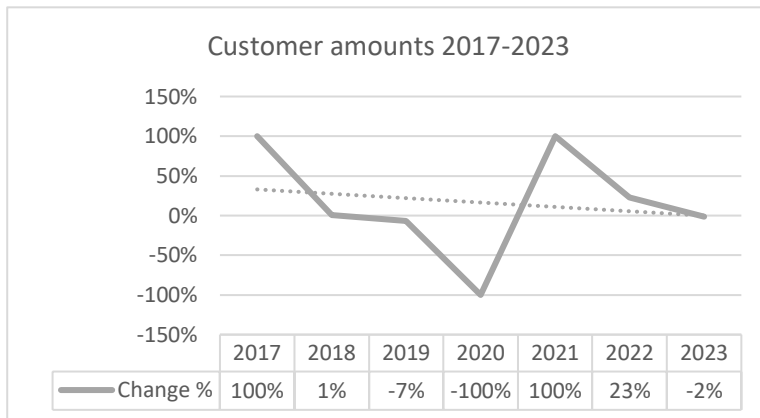
CEO of Lapland Safaris acknowledges the importance of training Lapland Safaris employees in light of considering "Human factors" and the principles of Just Culture in operations. He stresses the significance of individual employee awareness and vigilance, given the diverse nature of their operations. Additionally, the CEO underscores the need for enhanced collaboration among companies to strengthen safety measures, identifying this as a critical area for improvement. (Third interviewee 8 April 2024).

3.3 Lapland Safaris North's use case

Commissioned by LSN, the use case focuses on delivering a Christmas charter package customized for a British tour operator. Tour operators design, organize, and sell travel packages, often including transportation, accommodation, meals, activities, and more, tailored to different travelers' needs. They collaborate closely with various service providers to create comprehensive itineraries for clients. (Plantrip 2024.)

The agreement between Lapland Safaris and the tour operator began in the early 2000s at LSN in Saariselkä. It later expanded to include Rovaniemi between 2006 and 2007. However, during the economic downturn in 2009-2010, the Rovaniemi operation was downsized, and the focus returned to the Saariselkä operation. (Third interviewee 8 April 2024.)

Table 5. Tour operator customer development between 2017-2023



The customer amounts in Table 5, starting from the year 2017, indicate a noticeable decline compared to previous year, particularly within the past two years. This trend dramatically dropped due to the impact of Covid-19 and the subsequent closure of borders in which halted all flights outside Finland in 2020. However, by 2021, the customer levels had rebounded to match those of 2017.

In response to a question posed to Lapland Safaris North's Area Manager, regarding tour operator's importance to Lapland Safaris, the Area Manager highlighted its significance as a major customer, particularly for Saariselkä. Furtherly, the Area Manager emphasized that the client contributes substantially to the profitability of Saariselkä as a destination and plays a vital role in generating income for tourism entrepreneurs in the region. (First interviewee 4 January 2024.)

3.4 Operational risks

The Finnish Risk Management Association (2013) categorizes operational risks into project, product, and people. These risks stem from events triggered by ineffective internal processes, systems, or personnel. They encompass potential direct or indirect damages to the organization's operations and reputation due to errors or deficiencies in internal processes.

The delivery project, spanning from November 24 to December 27, 2023 to ensured specific timing and conditions for travelers. It included direct charter flights from UK airports to Ivalo airport, coach transfers, thermal clothing, and activity days with half-board accommodations across six hotels in Saariselkä, including Lapland Hotels Riekonlinna. Additionally, a customized safari program portfolio was tailored for families with children of all ages, ensuring alignment with the package's rotation days.

3.4.1 Project

Projects, processes, and service processes represent different aspects of work and management. A project is a temporary effort directed toward a specific goal, while a process consists of

interconnected tasks for efficiency. Service processes focus on delivering intangible services to customers. Projects have a defined lifespan, processes are ongoing, and service processes are a subset dedicated to serving customers. The depiction of the project's life cycle, pre- and post-operational steps, is outlined in Figure 5.

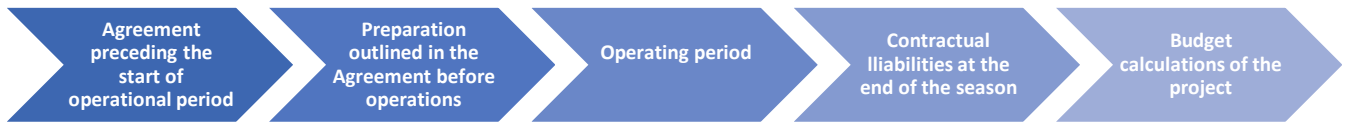


Figure 5. The project's lifecycle

In a discussion with Area Manager of Lapland Safaris North, the importance of contractual drafting and addressing issues in problem situations was raised. It was emphasized that while agreements are essential, not all aspects can be covered comprehensively. Instead, both parties aim to resolve matters in a mutually beneficial manner, ensuring the best outcome for everyone involved. (First interviewee 4 January 2024.)

Drafting contracts for projects is crucial as they determine actions in problem situations. Without contracts, disputes are resolved based on laws, often resulting in severe liability for suppliers. Therefore, it's vital to ensure contracts are concluded, with responsibilities and obligations balanced financially. Moderating the supplier's liability in contract terms may be necessary for obtaining insurance. Regarding funding, it's essential to assess if the company's finances suffice for the project and if the payment schedule ensures timely payments. Checking the customer's creditworthiness is prudent to mitigate financial risks. (PKRH 2013.)

Project's lifecycle

LSN collaborates with tour operator in package production. The CEO of Lapland Safaris Group Oy, acting on behalf of LSN, enters into an agreement (Figure 6). Another agreement allows pre-sale of Lapland Safaris' optional winter program for the next season, ensuring alignment between LSN's safaris and the travel group's sales channels. This arrangement is finalized around January, a year before the season starts (e.g., January 2023 for the 2023-2024 season).

Project's roadmap

Preparation according to the Agreement precedes operational commencement, with payment and invoicing terms following industry norms. In case of flight cancellations, LSN adheres to standard passenger compensation terms, with activities from the travel package withheld accordingly (Figure 6).



Figure 6. The project's lifecycle and roadmap

Optional activities are offered as paid services for 2- and 3-night travel package rotations. The contract outlines procedures for estimating passenger numbers, managing reservations, and providing final booking information. These details are typically specified within timeframes such as "previous summer," "after summer," and one week before each flight.

During the operational season from November 15, 2023, to January 31, 2024, a dedicated project team, including three new seasonal employees and a fixed-term project supervisor, managed service operations within set timelines. Simultaneously, the tour operator's production team of approximately 150 individuals began activities in Saariselkä.

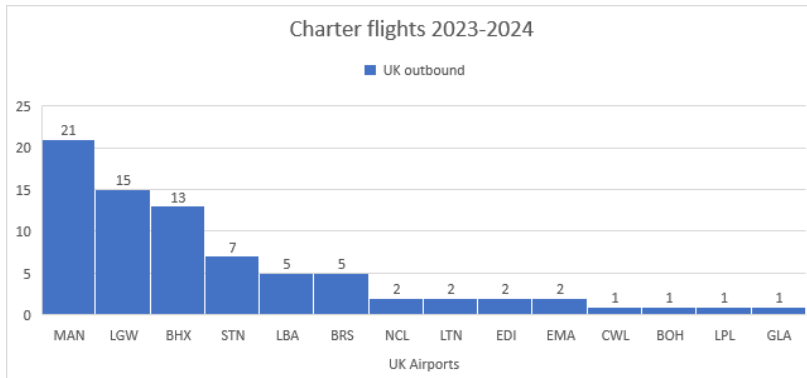
As the season concludes in late February, contractual obligations become prominent. The tour operator assumes responsibility for service quality, claims, and compensation per the agreement, including flight schedules and delays. This aligns with the project's life cycle, from contract conclusion to service provision and final audit. Lapland Safaris reviews its budget balance in June each year. Additionally, the "Letter of Intent" agreement process for the next season commences concurrently. (Second interviewee 9 March 2024.)

Charter flight capacity

The projected flight capacity for the season 2023-2024 encompassed a total of 156 flights: 78 departing from various UK airports to Ivalo airport (outbound) and 78 returning flights from Ivalo airport to the respective UK airports of origin (homebound).

During the 33-day operating period from November 24th to December 27th, 2023, two charter airlines facilitated three direct flights per day from various UK airports (Table 6) to Ivalo airport, accommodating a total of 596 passengers, including families staying in Saariselkä.

Table 6. Charter flights from UK to Ivalo airport 2023-2024



The most frequented UK origin airports were Manchester (MAN) with 21 flights, London Gatwick (LGW) with 15 flights, and Birmingham (BHX) airport with 13 outbound flights. Out of the 78 outbound flights, 36 were reserved for 3-day package rotations over weekends, while the remaining 42 were primarily allocated for 2-day package rotations during the middle of the week.

Charter flight plan

The aviation industry defines a flight plan as a document detailing an aircraft's intended flight, encompassing crucial details like the operator's information, enroute airports, aircraft type and capacity, as well as scheduled departure and arrival times. (Skyradar 2020.)

Airlines coordinate flight routes with tour operator schedules to ensure efficient ground handling and aircraft services at airports, covering ticket counter space, staff, and baggage handling. Enroute slots in Europe play a crucial role in managing air traffic flow, particularly during adverse weather or technical issues, where slots are allocated for takeoff, and holding patterns manage incoming traffic. Adjusting routes helps alleviate congestion, reducing the need for slots and minimizing delays. (Eurocontrol 2016.)

Airports are classified into three levels based on slot-coordination and capacity:

- Helsinki Airport, as Finland's only level 3 slot-coordinated airport.
- Other airports, like Kittilä and Rovaniemi, operate at level 2 during winter and level 1 in summer.
- Ivalo airport remains at level 1 year-round. Airlines at level 1 airports coordinate with handling agents and airport management to manage demand and capacity.
- Level 3-slot coordination is required for several UK airports, including Birmingham, Bristol, London Gatwick, London Heathrow, London Luton, Manchester, and Stansted. (IATA 2024a.)

The IATA Slot Conference, occurring biannually, focuses on coordinating activities at Level 2 and Level 3 airports, with slot capacity determined by factors like runway and terminal size. Guidelines set total slots per season, considering factors such as grandfather rights and slot trading. Grandfather rights offer established airlines like Finnair significant advantages in slot allocation, ensuring continuity and planning reliability.

Airlines benefit from these rights by retaining slots indefinitely, leading to low competition effects, especially at major international hub airports (Samundery, 2020, 129). While slot auctioning is debated for its potential disruption, secondary trading offers transparency and market openness. London Heathrow operates this system, where airlines pay substantial sums for peak-time slots, benefiting airports financially. Slot facilitators prioritize adjustments to avoid coordination issues, considering factors like previous season's services and operational constraints. (IATA 2024b.)

Contractual flight plan

The tour operator arranges agreements with airlines based on demand and shares details with Lapland Safaris regarding maximum capacity, frequency, and schedules of chartered flights. In this context, the "flight plan" signifies the airline's commitment to provide air transportation services for the charterer. The tour operator relies on the airline's resources, including aircraft, crew, airport slots, and preparedness for weather conditions.

The tour operator provides total customer counts in the summer for planning and resource allocation. This data must match the "Bible" document, shared 70 days before the mission, around mid-September. The supervisor (Second interviewee 15 February 2024) noted they receive the initial "Flight Times" schedule in Excel before the Bible. The final Bible, with detailed flight times, adventure days, and package rotations, was received at the end of October 2023.

The adjustments made to the main document, that was received after an enquiry from the tour operator at the 15th of November 2023. In the revisited version, the first and second package rotations with charter flight timings, crucial for ensuring the smooth operation of LSN services. Changes ranging between several hours to 10 minutes in arrival and departure times, such as the revisions from airports London Gatwick (LGW), Leeds Bradford (LBA), Manchester (MAN), and Birmingham (BHX) flights.

The "Final arrival list," required 7 days before each arrival but typically provided 2 days prior, includes crucial details like children's ages, special requests, and accommodation. The tour operator manually delivers these Excel documents via email, necessitating data filtering for tasks like bus scheduling. This initiates planning and coordination in LSN's Enterprise Resource Planning (ERP) system.

Process risks

The project team efficiently coordinated package processes provided by LSN and subcontractors, collaborating closely with the tour operator's production teams. This involved organizing daily coach transfers to and from Ivalo airport for approximately 1200 customers (utilizing 6 coaches), arranging transportation to activity centers such as meeting Santa Claus for nearly 600 visitors (requiring 10 coaches), and facilitating transportation to optional safari excursions in remote locations, with 1- 4 coaches deployed depending on client numbers throughout the day.

As dimension of a positive process risk, is when the company has defined and described the processes that are critical in terms of operations and has utilized them in the development of operations, communication and monitoring. Well-functioning and clearly described and implemented processes ensure efficient operation in the company. These give the company an advantage over competitors and support the company's operational and financial goals. (PKRH 2013.)

Flight plan details, sourced from the "Bible" provided by the tour operator, formed the foundation for pre-operation communication. Updates on operations were disseminated via messenger applications, including text messages from the tour operator's airport staff upon flight arrivals at Ivalo airport and en route to Saariselkä center.

However, the project team failed to integrate this information into their daily work allocation to communicate changes in arrival or departure times. Consequently, primary recipients such as the winter clothing team, coaches, and drivers, responsible for passenger comfort and transport, did receive timely notifications.

Negative dimension of an undefined process risk, is when a company has not defined or described processes critical to operations. The general understanding of the effectiveness of operations, responsibilities and tasks is not clear, which means that operations may be ineffective, the quality of operations may be poor, and the understanding of the meaning of tasks and responsibilities in the company may be unclear. (PKRH 2013.)

3.4.2 Product

Clients opting for the package in Lapland receive a comprehensive charter package. This includes half-board accommodation, transfers, and charter flights, all bundled into one price. Moreover, the package encompasses a full day of activities, such as encounters with Santa Claus and thrilling rides on huskies and reindeer. To ensure comfort in the Arctic climate, clients are provided with thermal outdoor boots, wool socks, thermal mitts, and a thermal suit.

The optional safari program adhere to Finnish laws and regulations, with terms and conditions. Lapland Safaris personnel are adept at ensuring safety and security in all weather conditions, enabling clients to enjoy experiences in Finnish nature without worry. The service process follows the routines of charter rotations, catering to clients spending either 3 or 4 days (2 or 3 nights) in Saariselkä (Figure 7).



Figure 7. Tour operator's package rotations from day 1 to day 4

Day 1

Upon arrival, customers are directed by the tour operator's guides to prearranged coaches. They stop at the LSN safari office to sign a Commitment Form and receive thermal suits and boots. At their lodging, tour operator representatives provide stay information. Guests staying 2 nights and 3 days can opt for a snowmobile adventure to hunt for the Northern Lights, prebooked in the UK or arranged at the hotel. The LSN optional safari program that was aligned with 2- and 3 day packages, is shown in Figure 8.

Key responsibilities for the LSN project team on the first day included managing airport transfers, monitoring that all clients that had arrived--received thermal suits and boots, and confirming completion of Commitment Forms. Any discrepancies were reported to the tour operator's administration.

Day 2

On the second day, customers enjoy activities at the Arctic Circle Centre, including meeting Santa as part of the Christmas package. The LSN project team's main tasks were planning airport transfer scheduling and documentation and assisting in activities with the tour operator's staff, involving LSN outdoor activity workers and sleigh drivers. The project team communicated with subcontractors for the Activity Center day, such as Husky, Reindeer, and coach companies, especially during incidents. Team furtherly monitored bus scheduling planned the day before to ensure timely transfers from the Activity Center to the evening festive dinner. They also facilitated optional morning safaris for 2-night, 3-day guests, requiring extra planning and coordination.

Day 3

During the Adventure day in the 4-day, 3-night package, customers can choose from morning and afternoon safari activities (Figure 9), selecting from three distinct excursions available for purchase locally or pre-booked in the UK. Lapland Safaris' project team, in collaboration with LSN duty managers, ensures resource optimization and coordinates with relevant parties for excursion extensions. Key responsibilities of project team included:

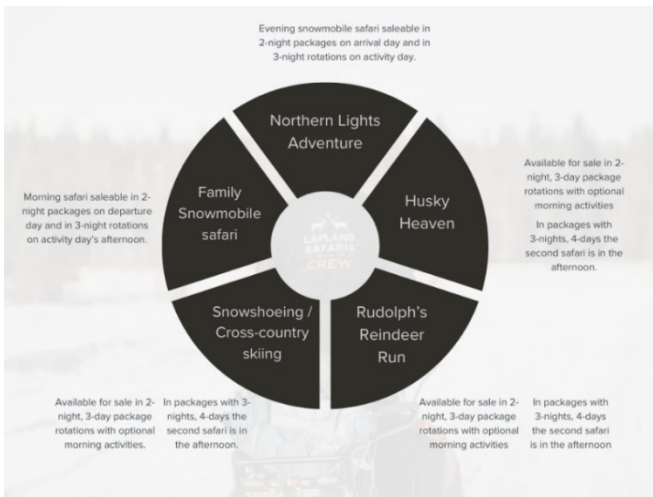


Figure 8. LSN optional safari program aligned with 2- and 3 day packages

1. Ensuring prebookings align with charter package rotations and meet participant requirements.
2. Managing reservation changes in ERP admin and POS systems.
3. Sending order confirmations to Santa's administration.
4. Daily checklist completion to open/close excursion sales, ensure accurate reservations, and prepare for unforeseen events.
5. Verifying excursion payment receipts for financial accuracy.
6. Reporting excursion delays exceeding 15 minutes to SL administration, supported by updated delay reporting papers from LSN activity guides.

Day 3 or 4 the last day

The duration of a customer's stay in Saariselkä varies, usually spanning three or four days. Guests leaving after two or three days have the option for a morning safari before returning thermal gear and heading to Ivalo airport. On the final day, the LSN project team focuses on:

1. Managing airport transfer scheduling, ensuring timely delivery of necessary documents.
2. Ensuring prompt transportation to the airport, considering the strict rotation of airport coaches and flight departure schedules.
3. Monitoring the scheduled bus timings prepared by the project team.

4. Following up with clients who booked morning safari excursions on their departure day, arranging additional airport transfers if needed, which is facilitated by LSN.

Optional safari program

The tour operator partnered with LSN to craft a distinctive Christmas adventure, blending UK-sold services with Lapland production. Leveraging Saariselkä's expertise and assets, they curated a safari program lineup for tailored winter adventures. LSN's safari program is streamlined by an efficient ERP software system, managing orders, pricing, and billing seamlessly. Point-of-sale systems empower the team to offer online and in-person optional safaris through tour operator travel guides, while real-time resource management ensures operational smoothness.

To the quality of services, LSN ability to utilize the fix-term personnel's expertise, technology and systematic work methods ensures the quality of services and customer satisfaction as well as the company's purpose of operation with the business profitability of the operation in both the short and long term. The Lapland Safaris Group has been certified to ISO 9001 QMS as an operating model and processes to produce service with high quality

Direct communication with subcontractors streamlined order placements, booking requests, and allotment management. Using an ERP's Channel Manager tool, the project team optimized allotments and sales timelines. Timely closure of sales, particularly for evening departures, was essential to release production work shifts for the next day to LSN Duty supervisors. Coordination was facilitated through instant message platforms. Table 7 outlines the timings for morning, afternoon, and evening safari programs, including their sales cutoffs.

Table 7. Departures and timings for cutoff of optional safaris

	Sales cutoff	Morning	Sales cutoff	Afternoon	Sales cutoff	Evening
Northern Lights Adventure					15.00	17:00 - 19:00
Family snowmobile safari	19:30	8:30 - 10:00	11:30	13:15 - 14:45		
Snow-shoeing	19:30	8:30 - 9:30	11:30	12:45 - 13:45		
Cross Country skiing	19:30	8:30 - 9:30	11:30	12:45 - 13:45		
Husky Heaven	19:30	8:00 - 10:30	11:30	13:30 - 16:00		
Rudolph's Reindeer Run	19:30	8:00 - 9:30	11:30	14:15 - 15:45		

Prebooking and payment through UK booking engines or Saariselkä using LSN's Reseller ERP cloud system, POS channel, the booking conditions and terms for optional safaris were as follows: For 3-night stays, all optional safaris are operated on the Activity day (free day), including the Northern Lights Adventure. For 2-night stays, the Northern Lights Adventure is operated on the arrival evening, with the 2nd optional safari on the departure day and the 3rd optional safari on the morning activity day.

Age restrictions apply as per agreement; children aged 2 and above can join husky and reindeer runs, while snowshoeing and cross-country skiing are available for children aged 6 and above. Family safari snowmobile is open to children aged 3 and above, and children from 4 years old can participate in the evening Northern Lights Adventure snowmobile excursions.

For safety in snowmobile safaris, children under 140 cm tall are not permitted on sleds, and they cannot participate when temperatures drop below -20 degrees Celsius. Lapland Safaris assumes full responsibility for their well-being in such circumstances. Pregnant women are advised against joining snowmobile and husky safaris due to potential risks from vibrations and the unpredictable behavior of huskies.

Weather restrictions apply to Northern Light Adventure snowmobile safaris when temperatures drop below -20°C during the noontime check-up on the operating day. In case of extreme weather, safety is ensured by following evacuation instructions provided by the evacuation bus. Throughout the safaris, strict discipline is maintained, and actions are carefully explained to customers. Optional safaris are generally non-refundable, except in specific cases

Figure 9 outlines the sales statistics for all optional safaris in 2023, accounting for their maximum capacities. Cross-country skiing and Snowshoe safaris had space for 20 participants each, while the Family Snowmobile excursion allowed up to 24 participants. Both Reindeer and Husky runs could accommodate 30 participants each, and the Northern Lights Adventure had a maximum capacity of 150 participants. Moreover, during the extra adventure day of the 3-night package, morning safaris were replicated in the afternoon, with 2-3 evening snowmobile safaris provided as per demand.

More than half of all visitors who arrived in Saariselkä on the tour operator's package in 2023 purchased extra safaris. The most popular choice was the snowmobile safari Northern Lights Adventure, with 29% of customers selecting this option.



Figure 9. Lapland Safaris North optional safari sales 2023

Following closely behind, 10% chose the Husky Heaven run, 9% opted for the Family Snowmobile, 5% selected the Rudolph Reindeer run, and 1% each went for Snowshoeing and Cross-country skiing.

3.4.3 People

Personnel are vital to company operations, but managing associated risks is essential. These risks, whether internal or external, can directly impact operations and staff. In smaller companies, where expertise may be concentrated in one individual, risks are more pronounced. This scenario can result in increased responsibilities and a lack of backup systems. (PKRH 2013.)

The main participants in the service levels were identified into main four groups, having the project team in the inner circle, followed by Lapland Safaris North's program production teams and different subcontractors. On outer circle, the tour operator's operational activities are not part of this examination (Figure 10).

Inner circle: the project team, a 4-membered team consisting of three first-timers, seasonally recruited employees and one fixed-term, team supervisor. Team building, multilayered and complex project and service processes with quite manual working processes, with other acute problems that required immediate solving, were part of a project coordinator's daily work.

Competence is the cornerstone of success. Deficiencies in employee expertise can pose serious risks to a company's success. A business built on specialized expertise can even become paralyzed if a specialist changes jobs. Inadequate expertise also affects employees' ability to work, reduces work performance efficiency, and can lead to employee burnout. Risks related to expertise can be managed. (PKRH2013.)



Figure 10. Four service levels in Lapland Safaris North's use case

Second circle: LSN employs around 40 seasonal staff for safari and front desk guide roles, supplemented by 7 fixed-term employees in leadership and administrative positions. Front desk guides are crucial for safe road crossings during Northern Light Adventure snowmobile safaris and offer customers the option to purchase additional self-liability waivers, reducing maximum self-liability from 980 € to 150 € per driver for an extra fee. Duty officers oversee safari guide training and safety standards compliance, while the operations team manages operational matters, including staff accommodation.

The “Clothing” team dress approximately 600 passengers with thermal clothing from shoes to mittens and collect "Commitment Forms" on arrival to Saariselkä safari shop. Tight cooperation between other Lapland Safaris offices and locations ensures adequate resources, including the necessary number of snowmobiles for an evening safari accommodating around 150 passengers. Lapland Safaris in Saariselkä has its own snowmobile maintenance team.

LSN's utilization of fixed-term personnel expertise, technology, and systematic work methods enhances service quality, customer satisfaction, and overall operational effectiveness, aligning with the company's profitability goals in both short and long terms. Additionally, the Lapland Safaris Group's ISO 9001 QMS certification ensures adherence to high-quality service production processes.

Third circle: various subcontractors were involved, including a coach company with 18 buses and 20 drivers. Throughout the 2023–2024 winter season, airport transfers operated five times a week, utilizing six coaches for departures and arrivals based on the flight schedule. On non-airport days, buses facilitated afternoon optional tours to husky and reindeer farms, as well as transfers to the activity center in the morning and back to Saariselkä in the afternoon. Scheduling timetables were prepared a day in advance and communicated via email, phone, and instant messenger platforms

for efficient operations management. Careful planning of airport operations aimed to prevent congestion during check-in, given the nearly 600 passengers. Similarly, morning optional safaris and evening Northern Light Adventures typically required 1-4 coaches daily.

Supplier management risks, as outlined by the Finnish Risk Management Association, can have both positive and negative impacts. Positive effects are observed when LSN implements a centralized procurement strategy aligned with the company's value chain and operational model. This strategy involves identifying critical suppliers, setting quality metrics, and defining management principles. (PKRH 2013.)

Reliance on independent entrepreneurs and local businesses, such as husky and reindeer farms, poses challenges like capacity limitations and animal welfare concerns. Integrating factors like supplier delivery reliability and quality with the company's financial stability enables a comprehensive evaluation. Without clear supplier management principles, LSN may face cost inefficiencies, single supplier dependence, and inconsistent delivery conditions, impacting service processes negatively. Implementing a centralized procurement strategy aligned with the company's operational model can yield positive effects, including critical supplier identification, quality metrics, and management principles. Conversely, lacking clear supplier management principles may result in cost inefficiencies, single supplier dependence, and inconsistent delivery conditions, potentially harming service processes. (PKRH 2013.)

Outer circle: The tour operator's production teams, administration, and guides, totaling around 150 individuals, were actively engaged from November 15, 2023, to January 31, 2024. The project team maintained daily communication with tour operator's teams, assisting in sales optimization and providing support for customers needing special handling in Saariselkä.

4 Use case study

This chapter covers the choice of the research methods, the characteristics of the chosen method, implementation with data collection, thematic analysis and how the reliability and validity of the research can be guaranteed.

The primary questions for the use case study with the commissioner were agreed as the following:

- Is there a procedure established for handling disruptions to charter flights?
- Is there an existing strategy to manage risks associated with disruptions to chartered flights?
- Could a risk plan help reduce or eliminate event-related risks linked to the use case project?

The subsidiary issues addressed in resolving the main problem were:

1. What are the primary internal and external risk factors, as well as potential opportunities, inherent in producing program services customized for Lapland Safaris' charter customers?
2. What aspects do you find most challenging in preparing for the team project in the value chain for the 2023-2024 season, especially when compared to previous year's preparations?
3. To what extent do flight schedules impact the day-to-day preparations of your team for the 2023-2024 project within the value chain?
4. How is the information communicated if a flight schedule has changed? Should there be an automated process of changes?
5. Which event or issue at your opinion was repeated in the team's feedback, which is perceived as a threat or risk/ positive thing?
6. In the context of systematic management of risks, would implementing the Just-culture model be effective in training Safaris' workers in Lapland?

Answers to subquestions regarding strategic risk factors and compliance, specifically elements 1 and 6, were obtained by surveying the CEO of Lapland Safaris in Rovaniemi. The survey aimed to provide an overall understanding of the current state of strategic risks at the management level and to assess the integration of a Risk-Based Thinking compliance culture throughout the organization.

Subquestions 2, 3, 4, and 5 were addressed by conducting an online survey among the teams at Lapland Safaris North who were involved in the service processes of the use case. The purpose of this survey was to gain insights into the operational risks present and to understand the impact of the charter flight plan on the value chain of service production. The theoretical section of this research (Chapter 2) offers insights into all subquestions from 1 to 6.

The overlay matrix in the opening chapter (Table 1) illustrates the alignment between subquestions, theory, results, and inquiries. The themed subquestions were addressed through an email survey to the Lapland Safaris Group's CEO and an online survey to a focus group of approximately 15 selected service program team leads and subcontractors.

4.1 Methods

A case study focuses on a single target, such as a company, product, service, or process, to produce detailed information about the phenomenon in its actual environment. It aims to provide an in-depth understanding by gathering extensive data on a narrow target, often answering "how?" and "why?" questions. (Ojasalo, Moilanen & Ritalahti, 2014, 52-53.) Various methods, both qualitative and quantitative, are used, including observations, written materials, and interviews. This approach allows experts to explain the phenomenon and identify its causes, which can be verified through real-life observations. (Ojasalo et al. 2014, 55.)

Participant observation

Observation is a useful method for understanding people's behavior in a natural environment and verifying survey responses. It requires permits and management approval to uncover organizational challenges and solutions. Trust and knowledge of the organization's culture are crucial. (Ojasalo et al. 2014, 115.) A key design issue is whether the observer's role is external or participatory. External observation records actions without participation, while a participating observer engages in activities to better understand the organization. (Ojasalo et al. 2014, 116.)

Observation in research entails listening and watching, focusing on the actions of the research subject. It includes texts, situations, events, objects, and people's speech and behavior. Various documents, like published texts and recordings, archived materials serve as observation material. Caution is needed to avoid collecting excessive material, potentially overlooking the study's core. If additional material is required, such as interviews, the researcher should carefully select interviewees and topics for further exploration. (Vilkka 2006, 21–22, 26.)

Themed interviews

Interviews are crucial for gathering information based on concepts, meanings, and language (Hirsjärvi & Hurme 2015, 41- 42). Participants' prior experiences shape their interpretation, affecting the interview outcomes (Hirsjärvi & Hurme 2015, 9.) Theme interviews, also known as focused interviews, involve four key elements: the interviewees' experiences, the researcher's preconceptions, the creation of an interview framework, and a focus on the interviewee's subjective experiences. (Hirsjärvi & Hurme 2015, 47.)

The choice to use interviews should align with the research problem, the nature of the phenomenon, other potential methods, and financial considerations, requiring justification (Hirsjärvi & Hurme 2015, 14-15, 34.) Interviews offer interaction between interviewer and interviewee, allowing for re-direction of focus, insight into motivation, observation of non-verbal cues, and adjustments to the interview structure as needed (Hirsjärvi & Hurme 2015, 34.)

Focus group survey

A focus group is a qualitative research method that gathers detailed insights and opinions from a group of individuals about a specific topic. Usually comprising 6-10 participants selected based on shared characteristics, the discussion is led by a trained facilitator who asks open-ended questions to encourage participation. Focus groups offer valuable insights into consumer behavior, attitudes, and perceptions, aiding decision-making in fields like marketing, product development, and public policy.

Surveys collect standardized data from a predetermined group, with each respondent answering the same questions. Challenges include uncertainty about respondent sincerity, adequacy of answer options, and clarity on the survey topic. (Hirsjärvi, Remes & Sajavaara, 2009, 193-194.) Surveys can be conducted through various methods like mail, online, phone, or face-to-face, studying diverse phenomena. Electronic surveys are common due to their affordability and convenience, though they may face challenges in data representativeness and result generalizability. (Ojasalo et al. 2014, 121-122.)

4.1.1 Implementation

This qualitative study explores how charter flights impact the program service production and operational processes of Lapland Safaris North in Saariselkä, focusing on an annual use case project providing a Christmas experience. It aims to assess how RBT theory could mitigate risks in this context. The research methodology employed is qualitative, with some quantitative aspects integrated. Qualitative research is adept at addressing "why?", "how?", and "what kind?" questions, typically conveyed through written text. Conversely, quantitative research is better suited for addressing "what?" and "where?" questions, especially with extensive datasets. (Holopainen & Pulkkinen, 2008, 21.)

Participant observation

Toikko and Rantanen (2009) stress the early identification of individuals and parties involved in development work as crucial for its success--they underscore the importance of engaging various stakeholders to achieve significant impacts. In the discussed development work, the focus was on

different service teams at LSN and the management of Lapland Safaris, aligning with the bottom-up approach outlined in RBT theory (chapter 2).

From late October 2023 to early January 2024, during the author's tenure as an LSN project coordinator, the absence of a protocol for handling deviations in charter operations became a significant concern. The brief orientation period highlighted the need for risk documentation procedures to support new project teams. Drawing from the author's aviation background, the complexities of tightly scheduled packages, particularly concerning flight schedules, inspired this study.

The main concerns in flight plans were related to the delivery of the tour operator's revised flight log and the key work tool, the "Bible." This study will examine whether operational service teams identify changes in flight plan as a risk and if a detailed risk plan should be created for charter flight planning. The focus group survey will explore these issues, emphasizing the on-time performance of charter flights. By addressing these concerns, the study aims to improve operational efficiency and ensure smoother coordination in future projects.

In-depth-interview

In early January 2024, the commissioning work began, guided by product-based research questions initially outlined in an in-depth interview with Lapland Safaris North's Area Manager. Discussions on January 4, 2024, about the project with a British tour operator framed the thesis commissioning agreement. The biggest risks identified at that time were related to payments and the scenario of tour operator's ability to resolve them.

From February to April 2024, several Teams meetings with the LSN project supervisor developed the research concept with different themes. Discussions focused on the contractual obligations between the tour operator and LSN, especially regarding flight planning and documentation of flight capacity and schedules. Background questions (Appendix 1) addressing strategic risks in the use case and the company's overall strategy, mission, and vision for risk management. The company, certified by ISO 9001:2015—should emphasize continuous efforts to identify changes in tourism and aviation at all organizational levels.

Email interview

In early April 2024, LSN project supervisor sent, on behalf of the author, an email interview to the CEO of Lapland Safaris, outlining research objectives and questions (Appendix 2). Responses were requested by April 12. The questions focused on strategic, mission, and vision levels in the company, identifying external risk factors in Lapland's tourism as well as opportunities and internal risk factors related to compliance and human factors when reporting issues in Lapland Safaris.

Online survey

In early April 2024, research data was collected by distributing research questions to various stakeholders in program service levels, including team leads in duty management, restaurant and operations, maintenance staff, activity center workers, subcontractors; coach supervisors, reindeer and husky farm entrepreneurs, and project team members, totaling approximately 15 individuals. The survey link was initially sent to the LSN project supervisor and then forwarded to all recipients, with a deadline of April 12, 2024.

The survey questions (Appendix 3) included both structured and open-ended questions. The open-ended questions aimed to gather detailed insights to complement quantitative data. Background questions focused on identifying risk factors in the use case's processes, particularly regarding charter flight schedules and their impact on program service production. While the management team knew it was being sent to all members of the leadership team, other experts were not known to them. The author knew all the respondents, but their responses were handled anonymously.

Data collection

The work diary served as a crucial tool for data collection, enabling the researcher to monitor progress and provide essential support throughout the process. It encompassed ideas, objectives, data sources, and notes from discussions with the commissioner and thesis advisor. Additionally, occasional phone calls with the LSN supervisor were scheduled during March and April 2024 to address if any further questions. LSN provided diverse statistical information on use case visitor development, financial data, optional safari sales, and major traveler segments. The thesis project and the roadmap with meeting documents were organized and stored using the Plandisc planning tool's platform, with access provided to the LSN project supervisor.

Active participant observation, including access to the project coordinator's documents, supplemented the research with interviews and surveys. The number of interviews was determined by reaching data saturation, where no new data emerges to further develop findings, concepts, and themes. Data saturation is useful in theory-based studies and should be transparently presented by the researcher for reliability. Ideally, multiple people should decide on data saturation, and the data should be reported transparently to build trust. (Francis, Jonhston, Robertson, Glidewell, Entwistle, Eccles & Grimsharw, 2010, 1229-1230, 1234, 1243.)

In this study, nine colleagues familiar with the use case were surveyed, providing insights into the impact of charter flights in the 2023-2024 season. Additionally, two management-level individuals

were questioned via email and in-depth interviews. Interviewees included both men and women of various ages. A letter of consent detailing the study's objective, duration, author's background, and deadline accompanied all questionnaires. Interviews, conducted in Finnish, took place during the author's last days in Saariselkä, and an email interview was sent to the CEO. Online survey forms were available in both Finnish and English, and Finnish responses were translated into English.

4.1.2 Results

The main research problem was defined with three questions: "Is there an established process for managing disruptions to charter flights?" This was accompanied by supplementary inquiries: "Are there any management methods in place to mitigate risks associated with charter disruptions?" Lastly, the investigation aimed to determine: "Could a risk plan help reduce or eliminate event-related risks linked to the use case project? The seven subquestions, which were added to solve primary questions as per four themes—strategy, vision and mission, risk factors, use case

Analysis on contractual flight plan

The maximum capacity of the aircraft was defined in the spring of 2023 and remained the same during the 2023-2024 season. However, it was noticed that the capacity document published in June 2024 did not match the information provided in October 2024. As a result, the flight rotations changed significantly, and a new file was prepared to reflect the updated situation. Although flight schedules were published in the summer as per the agreement, they were still reviewed in November. This was at the start of the contractual season start.

Revisions were made to the arrival and departure times for the 1st and 2nd flight rotations, which encompassed both 2- and 3-night packages and their services. These adjustments were implemented in response to changes in arrival schedules at Ivalo Airport, affecting flights departing from UK airports such as London Gatwick (LGW), Leeds Bradford (LBA), Manchester (MAN), and Birmingham (BHX):

1st rotation

- a. LGW flight on the first rotation arrives at 12:30 not 12:50 and departs at 13:30 not 13:50.
- b. LBA arrives at 12:30 not 12:50 and departs at 14:00 not 13:50.
- c. Additionally the departure time for December 26th was revised from 21:00 to 13:55.

2nd rotation

- a. MAN flight on the second rotation arrives at 13:00 not 12:30 and departs at 14:00 not 13:30.
- b. BHX arrives at 12:30 not 12:20 and departs at 13:30 not 13:20.

As previously outlined in the flight plan (paragraph 3.4.1), Ivalo Airport operates at level 1 and does not require slot coordination. However, several UK airports, including Birmingham, London Gatwick, Manchester, and Leeds Bradford, require level 2- and 3-slot coordination, as indicated by IATA (2024b.)

Risk planning necessitates special attention to flight schedules originating from certain UK airports. Level 3-slot coordination is mandated for several UK airports, such as Birmingham (BHX), Bristol (BRS), London Gatwick (LGW), London Heathrow (LHR), London Luton (LTN), Manchester (MAN), and Stansted (STN). Meanwhile, all other UK international airports operate under level 2-slot coordination, as stated by IATA (2024a).

Flight plan data is crucial for ensuring smooth operations, and the identification of fine-tuning these timings is essential for anticipating changes in charter operations. LSN can streamline operations, ultimately enhancing overall efficiency and reliability. In summary, during the 2023-2024 season, arrivals at Ivalo airport typically occurred between 12:30 and 13:30, with departures scheduled between 13:20 and 14:40.

Risk planning involves considering how LSN could optimize service operations by accommodating "acceptable" delay times. What if --a flight were to arrive later than 13:30? Or conversely, what if --a flight were to depart earlier than 13:20? These scenarios highlight the importance of anticipating potential disruptions and developing strategies to mitigate their impact on operations.

In terms of sales, LSN receives passenger information just two days before each flight. Despite the contract allowing for cancellation fees and adjustments to customer numbers up to 69 days before departure, this provision is not utilized. According to the LSN Area Manager, the tour operator aims to sell all seats up to the maximum capacity of three charter flights, totaling 596 seats in the 2023-2024 season, right up to departure. This flexible approach is made possible by the mutual trust between the parties involved in the use case operation.

Risk planning involves structured follow-up on last-minute sales and passenger details (full names, ages, package duration 2 or 3 nights) including monitoring sales at the beginning of the operational season as a percentage of total capacity and establishing protocols for communicating last-minute passenger details. Implementing such approach could streamline manual Excel processes and reduce the need for frequent updates to different next-day scheduling schemes.

The flight capacity and schedule was released in summer of 2023. The two charter airlines operating six times a week, was published with the maximum capacity of 596 seats. This included two aircrafts with 189 seats and one with 218 seats.

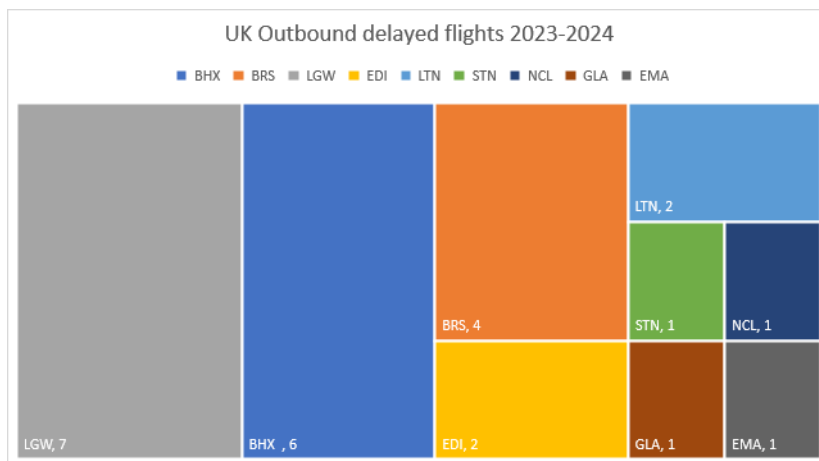
Risk planning: What if the aircraft is changed and the maximum capacity is altered? What is the acceptable risk, and how does this affect LSN's resourcing and services?

Analysis on operational flight plan

A quantitative analysis utilized flight statistics from operated charter flights during 2023-2024 provided by the tour operator. As depicted in paragraph 3.4.1; during the 33-day operating period from November 24th to December 27th, 2023, two charter airlines facilitated three direct flights per day from various UK airports (Table 6) to Ivalo airport, accommodating a total of 596 passengers, including families staying in Saariselkä.

The most frequented UK origin airports were Manchester (MAN) with 21 flights, London Gatwick (LGW) with 15 flights, and Birmingham (BHX) airport with 13 outbound flights. Out of the 78 outbound flights, 36 were reserved for 3-day package rotations over weekends, while the remaining 42 were primarily allocated for 2-day package rotations during the middle of the week.

Table 8. UK airports and delayed flights 2023-2024 (more than 15 minutes)



From the total of 78 flights that departed UK airports in season 2023-2024 (outbound) the same amount of 78 flights were flying passengers home (homebound) after 2 or 3-nights stay in Saariselkä. The on time performance received from tour operator, consisted the outbound flights that were delayed at UK airport more than 1 minute. From this statistic was filtered all those flights that were delayed more than 15 minutes, resulting to the delay statistic shown above in Table 8.

32 % of all operated flights experienced delays of more than 15 minutes, totaling 25 delayed flights. The top three airports for delays were London Gatwick (LGW) with 7 delays, Birmingham (BHX) with 6 delays, and Bristol (BRS) with 4 delays. Flights from Edinburgh (EDI) and Luton (LTN) were each delayed 2 times. Stansted (STN), Glasgow (GLA), Newcastle (NCL), and East Midlands (EMA) each had 1 delayed flight.

After filtering out flights delayed more than 40 minutes, the resulting delay statistics are shown in Table 9. Those seven delayed flights and their reasons, that provided by the tour operator, are included.

Table 9. UK airports and delayed flights 2023-2024 (more than 40 minutes)

Airport	Delay time	Delay reason
BHX	2.31.00	Tech delay due to cockpit light and temperature control issues
EDI	0.59.00	
BRS	0.51.00	
LTN	0.50.00	Delay due de-icing
LGW	0.45.00	Pre-seating issues caused
LGW	0.45.00	
LTN	0.43.00	

On November 30, 2024, a Birmingham flight was delayed 2 hours and 31 minutes due to technical issues. An Edinburgh flight was delayed 59 minutes on December 13, and a Bristol flight was delayed 51 minutes on November 27. De-icing delayed Luton flights by 50 minutes on December 2 and 43 minutes on December 5. Preseating issues delayed a London Gatwick flight by 45 minutes on November 24, and an unknown reason caused a 45-minute delay on December 1.

As a summary, the most frequented UK origin airports were Manchester (21 flights), London Gatwick (15 flights), and Birmingham (13 flights). Of the 78 outbound flights, 36 were for 3-day weekend packages and 42 for 2-day midweek packages. 32 % of flights experienced delays over 15 minutes, totaling 25 delays. The top airports for delays were London Gatwick (7), Birmingham (6), and Bristol (4). Edinburgh and Luton each had 2 delays, while Stansted, Glasgow, Newcastle, and East Midlands each had 1 delay.

Notable delays included a 2-hour 31-minute technical issue in Birmingham on November 30, a 59-minute delay in Edinburgh on December 13, a 51-minute delay in Bristol on November 27, de-icing delays in Luton on December 2 (50 minutes) and December 5 (43 minutes), and London Gatwick delays due to preseating issues on November 24 (45 minutes) and an unknown reason on December 1 (45 minutes).

Survey results

From the focus group, 60 % of LSN employees and subcontractors (9 out of 15) participated in the survey. Respondents included 2 from the coach company, 1 from the husky farm, and from LSN teams: 1 project coordinator, 1 clothing team member, 1 duty manager, 1 from maintenance, and 2

from the restaurant. Ages ranged from 18 to 54 years. Experience varied: 2 were first-timers, 4 had 1-4 seasons, 2 had 5-9 seasons, and 1 had over 15 seasons.

Team sizes varied among respondents: one had 1-4 members, one had 5-9 members, and one had 15 or more members. Regarding season start and preparation, one respondent started a year prior, one six months earlier, five started 3-2 months before, and one 4-2 weeks before the season. A notable difference between these two groups was the season start time: the restaurant season began 3-2 months prior, whereas the bus transportation team's season started 4-2 weeks before the arrival of the first customers. One respondent emphasized, "Every year, background preparations start earlier. This is our intention, so that preparations can be done thoroughly before the rush hits."

Most preparations included 78 % staff training, 44 % maintenance, and 44 % diverse actions such as, "Internally coordinating with different departments, updating optional excursions and activity packages at the system level, aligning operations with other company activities, and updating materials," "Acquiring accommodations," and "Area construction."

Focus group survey

The first question to respondents was: "**What aspects do you find most challenging in preparing for the project in the value chain for the 2023-2024 season, especially when compared to previous year's preparations?**" There were ten options: staff recruitment, staff training, equipment purchases, equipment maintenance, planning of optional safaris, updating optional safari orders, contracting, meeting with other teams, none of these, something else, what? (Figure 11). Of the respondents, 67% chose "something else" totaling 6 individuals. One person considered staff recruitment the most difficult and 4 ended responding that "none of these".

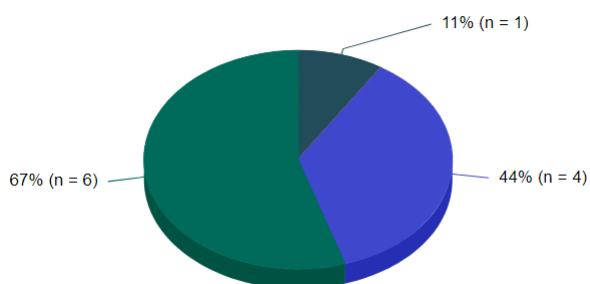


Figure 11. Focus group's challenges on preparations for the season 2023-2024

Answers given in given textfiled for "something else" included, of which one considered that: "It's not within my job description." Rest free-formatted responses were: "Illnesses", "Construction of the area (new Santa's cottage)", and "Generally, the operation start-up and refreshing one's

memory after a break. Certain tasks have become routine through experience, but at the beginning (and throughout) of each season, things need to be recalled—why certain things are done and how they are done.” “Tour operator’s weak communication and planning at the head. For example, 'Can we dress 150 pax tomorrow?’”

Next, the teams were asked: **"To what extent do flight schedules impact the day-to-day preparations of your team for the 2023-2024 project within the value chain?** There were 5-point Likert options: “Not at all”, “A little”, “I don’t know”, “A lot” and “Very much”. 45 % (n = 4) of respondents considered “Very much”, 22 % (n = 2) “A lot” and 22 % (n = 2) “A little”. 11 % (n = 1) replied “Not at all” (Figure 12).

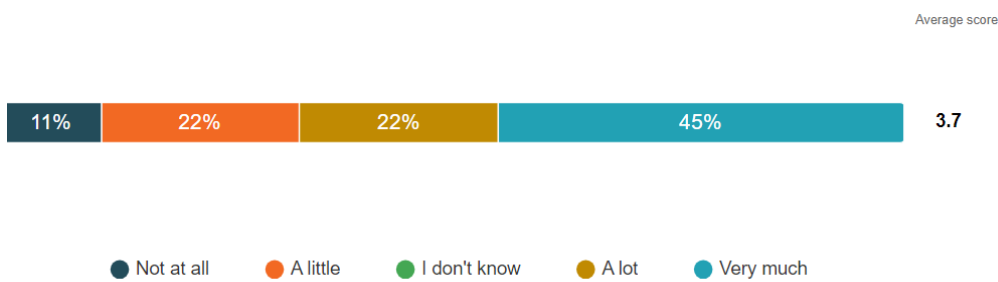


Figure 12. Focus group’s considerations of charter flight impact on preparations 2023-2024

To the topic **“How is the information communicated if a flight schedule has changed? Should there be an automated process of changes?”** there were actually two different questions presented. With the part a): *“Did your team get information about changes in flight times”* was given three choice: “Yes”, “No”, and “I don’t know”. To “Yes” responded 78 % of individuals with an additional textfield: “From tour operator’s administration team”, “I usually notice it myself, I closely monitor flights in real-time through Finavia and Flight Radar”, “Telegram, looking at flight radar”, “Lapland Safaris project team” or “Tour operator’s office” (Figure 13).

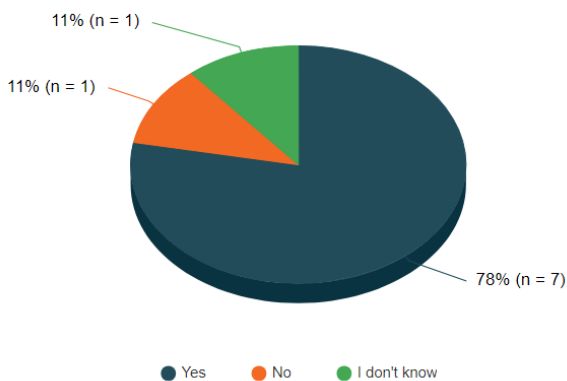


Figure 13. Focus group’s charter flight changes and communication 2023-2024

With the question part b): “Which of the following options would improve preparation for optional safaris, in case of a delayed flight?” were given six options (Figure 14): “A list of delayed customers arriving from the airport per optional safari”, “In case of a delayed flight, an estimate timing of when and where customers arrive”, “A mutually agreed method of reporting”, “A template in which all the previous information is distributed”, “Something else, what?” or “I don’t know”

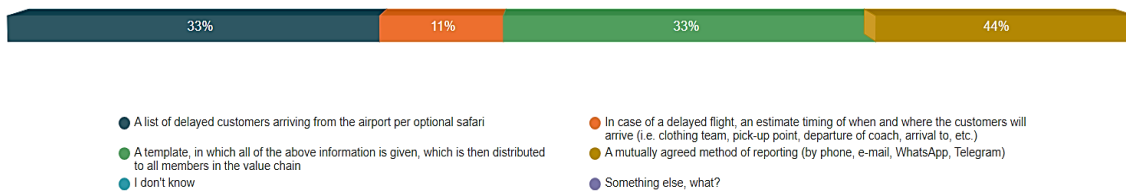


Figure 14. Focus group’s charter flight changes and given communication options 2023-2024

44% (n = 4) of respondents replied to “A mutually agreed method of reporting (phone, WhatsApp, Telegram, e-mail)”. 11% (n = 1) replied “In case of a delayed flight, an estimate timing of when and where customers arrive”. 33 % (n = 3) preferred “A list of delayed customers arriving from the airport per optional safari”. 33 % (n = 3) considered “A template in which all the previous information is distributed”. To “As something else, what” option, one respondent replied: “Not such a tight schedule (transportation, etc.) is a problem for unforeseen situations.” Two replied “ I don’t know”.

Lastly, focus group was asked: “Which event or issue at your opinion was repeated in the team’s feedback, which is perceived as a threat or risk/ positive thing” (Figure 15) In survey there were two different questions, one for enquiring risks and one for opportunities with same 11 options. The options for risks were: “Number of personnel”, “Personnel training”, “Equipment”, “Working tools”, “Customer behaviour”, “Communication”, “Schedules”, “Cooperations between different actors in service chain”, “Unclear rules or instructions”, “I don’t know” or “Something else, what?”

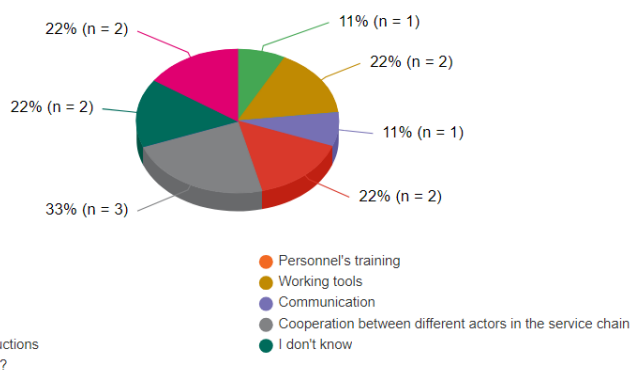


Figure 15. Focus group’s insights on perceiving risks 2023-2024

Three of respondents considered “Cooperation between different actors in the service chain” as a risk. “Working tools”, “Schedules” were considered by two respondents as risks. Additional two respondents replied: “I don’t know” or two considered “Something else, what?” as a risk. To “Something else, what?” in the free textfield was added as risks: “Rules or guidelines, but because changing situations complicate this part”, and “There wasn't anything like this.”

The options for *opportunities* were the same as in previous question: “Number of personnel”, “Personnel training”, “Equipment”, “Working tools”, “Customer behaviour”, “Communication”, “Schedules”, “Cooperations between different actors in service chain”, “Unclear rules or instructions”, “I don’t know” or “Something else, what?” (Figure 16).

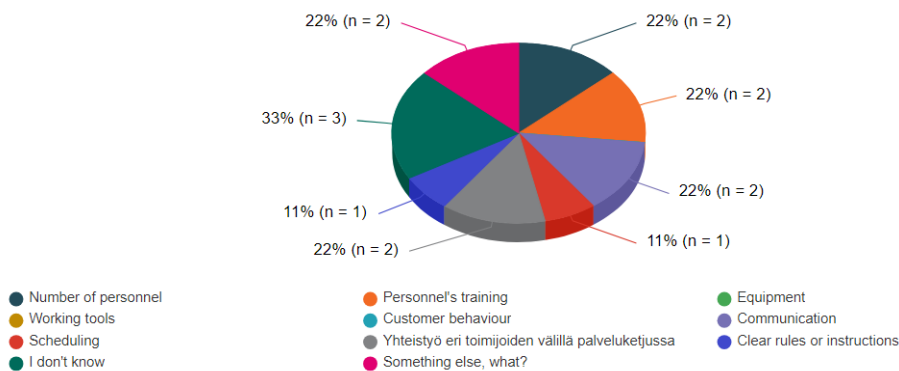


Figure 16. Focus group’s insights on perceiving opportunities 2023-2024

As to the opportunities, threeThree of respondents “I don’t know”. To options: “ Number of personnel”, “Personnel’s training”, “Communication”, “Cooperation between different actors in the service chain” and to “Something else, what” responded two individuals to each. Additional free textfield two respondents had added: “Good and approachable supervisors” and “The cooperation between the office and the trusted person worked well.” “Scheduling” and “Clear rules or instructions” were opted one respondent each.

Analysis on optional safari program

The respondents were given three examples of flight changes with the question; “**How much did these scenarios affect the preparation of your team?**” The given scenarios were: a) *A charter flight arrives over an hour late*, b) *A charter flight arrives an hour earlier than the published schedule*, c) *Charter flight schedules change a week before the season starts*. Options to answer were: “Not at all”, “A little”, “I don’t know”, “A lot”, and “Very much”. Four respondents considered it “A lot”, two considered it “A little”, and two respondents chose “Not at all”. One respondent replied “Very much”.

As next the focus group was questioned: **“Did any of the flight examples occur during the 2023-2024 season, affecting the production of optional excursions?”** Options were provided such as "Northern Light Adventure" in the evening, "Family Snowmobile Safari," "Snowshoeing/Cross-country Skiing," "Husky Heaven," and "Rudolph Reindeer" in both the morning and afternoon, additional choices included "None of these" and "I don't know." 5 respondents selected "I don't know," 2 chose "None of these," 1 selected "Snowshoeing/Cross-country Skiing in the afternoon," and 1 chose "Northern Lights Adventure in the evening."

To the question: **“Which of the following situations do you think occurred frequently during optional excursions?”** with given options: “Customers arrive late from the airport to the evening excursion meeting point.” Customers are in a hurry to get to the airport on the departure day, and there is confusion with transportation”, “The transportation for the afternoon optional excursions is delayed”, “None of these”, “Something else, what”.

Three respondents noted that “Customers are rushed to the airport on departure day, leading to confusion with transportation.” Two respondents mentioned that “Customers arrive late from the airport to the evening excursion meeting point.” One respondent mentioned that transportation for “Afternoon optional excursions is delayed.” Additionally, four respondents added other issues: "The buses coming to the estate are late to pick up customers due to flight delays (they were implementing a delayed pick-up from the airport)," and "The schedule for morning optional excursions did not hold."

4.1.3 Conclusions

The high-traffic UK departure airports for Lapland flights were Manchester (MAN), London Gatwick (LGW), and Birmingham (BHX). Among the 78 outbound flights, most were 2-night packages scheduled for weekdays. Of these flights, 25 experienced delays exceeding 15 minutes, accounting for 32% of the total. The primary airports experiencing delays were London Gatwick (LGW), Birmingham (BHX), and Bristol (BRS).

Significant delays exceeding 40 minutes during the 2023-2024 season included a 2-hour 31-minute technical issue in Birmingham, a 59-minute delay in Edinburgh, a 51-minute delay in Bristol, and two incidents in Luton resulting in delays of 50 minutes and 43 minutes, respectively. Additionally, London Gatwick experienced delays twice, each lasting 45 minutes. These delays occurred between late November and mid-December 2023. These instances highlight the difficulties encountered by flights to Lapland during the season, which could affect both customer satisfaction and operational effectiveness.

The impact of flight schedules on the planning of optional safaris is substantial, with notable effects on daily task allocation. While respondents couldn't confirm if any of the provided flight schedule changes occurred during the 2023-2024 season, it underscores the significant influence of flight schedules on preplanning and daily preparations for optional excursions. However, the communication of flight movements remains opaque, often leading teams to seek information directly, sometimes resorting to platforms like Flight Radar. This could be attributed to slow communication platform delivery.

During the 2023-2024 season, information about flight schedule changes was predominantly obtained via Telegram, later switching to WhatsApp due to connectivity issues with the case company's Airport Staff contact person. Flight Radar also served as a valuable source of information, cross-referenced with arrival flight data from Finavia for accuracy. Flight schedule changes significantly impacted the tasks and preplanning of 67 % of respondents, who rely on project coordinators for flight information. Establishing a common channel for flight delay updates could greatly streamline daily tasks. Alternatively, loosening the schedule could provide more time to anticipate unforeseen risks.

In preparing for optional safaris, flight schedules were found to have a significant impact, particularly on the afternoon Husky Heaven safari. Advance information about delayed customers per optional excursion was deemed highly beneficial. Surprisingly, flight delays also affected the schedules of afternoon excursions, with late bus arrivals for safaris, especially for those involving passengers participating on an extra, free activity day. Additionally, delayed bus transportation was seen as a risk factor for delaying the Snowshoeing/Cross-Country skiing excursion. The Northern Lights Adventure was also considered impacted by late arriving passengers to safari meeting points.

Risk identification analysis

Following topics were considered as risk in the focus group:

- Collaboration between different stakeholders in the service chain was perceived as a threat or danger.
- The impact of flight examples on the production of optional excursions; transportation for afternoon optional excursions was delayed,
- The schedules for morning optional excursions did not hold ie. Husky Heaven and Snowshoeing/Cross-country skiing.
- Schedules (urgency).
- Customers rushing to the airport and uncertainties with transportation.

- Flight delays affecting transportation for afternoon excursions, with buses arriving late from the airport. Considering that afternoon excursions occur on the extra optional excursion day of the charter rotation's 3-night package. On this day, customers may have three excursions booked: one in the morning, one in the afternoon, and optional evening snowmobiling.

Following topics were considered as opportunities in the focus group:

- The number of staff was seen as a positive aspect.
- Schedules.
- Communication.
- Clear rules and instructions.
- Good and approachable supervisors.

4.1.4 Validity and Reliability

The quantity of information gathered cannot compensate for the quality of interview material. Once the saturation point is reached, additional interviews do not yield significant new information. The type of interviews and their goals determine both the number of interviews needed and the appropriate analysis method. (Ojasalo & al 2022.) A qualitative survey focused on essential staff with experience in program service work in use case. In qualitative research, the value lies in the quality of the data, which aids in understanding the issue (Vilkka, 2015, 150.)

The scope of the survey was necessary as the RM perspective was broader than that of supervisors or unit employees. In February 2024, in-depth interviews were held with LNS's customer service supervisor to ensure the study's validity and reliability. The interviews covered various topics related to the company's profile, history, visitor statistics, and processes relevant to the use case project.

Validity

Validity, or the competency of a study, assesses whether the study effectively measures what it aims to measure. It ensures that the research captures the intended phenomenon accurately and comprehensively. Validity can be compromised by factors such as inaccurately defining the target population, biases introduced by the researcher, timing of data collection, and inappropriate research design. (Holopainen & Pulkkinen 2002, 16.)

There were no challenges in targeting the focus group, given its in-depth and thematic nature of the use case study. While structured survey questions facilitated data collection with simple yes/no replies incorporating qualitative elements through open-ended questions added depth to the research. These open-ended responses were crucial for exploring the risk factors and experiences

related to the research topic. Distributing the survey through LSN supervisor in Saariselkä, it ensured maximum participation.

Effective planning is essential for aligning survey questions with research objectives. Despite using an overlay matrix to prepare survey questions, time constraints, particularly due to schedule, necessitated rapid preparation. The reliability of qualitative research is a subject of debate, with varying perspectives on how it should be evaluated. While some suggest applying traditional concepts of validity and reliability from quantitative research, others argue that these concepts are inadequate for assessing qualitative research reliability. (Holopainen & Pulkkinen 2002, 16.)

Nine out of approximately 15 individuals employed by LSN and subcontractors participated in the survey, resulting in a response rate of about 60 %. Extending the response period beyond two weeks might have helped, but the survey's timing during the final weeks of the winter season made it challenging as respondents were heading home or on vacation. Due to validity and reliability concerns, not all interview and survey questions and responses were included in the final analysis. Instead, the focus was on analyzing the main research questions related to operational service process risks in the use case, along with critical subquestions, as shown in the overlay matrix (Table 1). The statistic will be delivered in full though to the commissioner.

Reliability

What makes a thesis report a good one? A thesis report's quality depends on its reliability, particularly in qualitative research, where assessment methods vary. Results' validity, measuring alignment with original objectives and accuracy, is pivotal, necessitating survey questions that directly address research goals and a high response rate from a representative sample. In qualitative research, the researcher's proximity to the subject allows for deep understanding and participation in their activities. Clear descriptions of the research process and interpretations are crucial for readers to assess reliability.

However, reproducibility remains a concern, impacted by errors in data collection, typing, analysis methods, and small sample sizes. In qualitative research, the researcher is usually very close to those being studied and frequently even participates in their actions. The researchers develop their own well-supported explanations for the phenomenon. An accurate description of the research process and explanations of the interpretations are critical because they allow the readers to draw conclusions about the research's reliability. (Ojasalo & al. 2022.)

The strength of this work lies in its exploration of the previously unexamined impact of charter flights and the valuable insights provided to the commissioner. Throughout the development phase, the author's strategic risk discussions were questioned, highlighting the project's

significance. However, a weakness of this work was maintaining research within agreed limits, particularly evident in planning the subquestions for the main research queries.

The usability of this thesis stems from its exploration of the employee experience as a project coordinator within complex processes. When companies hire new personnel, especially in small and medium-sized enterprises with limited flexibility, inherent risks arise. The need to integrate Risk-Based Thinking processes into project coordination becomes evident, particularly when managing numerous clients in a fast-paced environment. If this thesis fails to provide a ready-made risk plan for the project team, it can serve as a starting point. There are opportunities for further development in creating a documented record of project steps, whether in diary format or otherwise. This documentation can then be used to communicate insights on risks with stakeholders, including management, clients, subcontractors, and employees. By comparing past experiences and identifying new risks, stakeholders can better understand and mitigate potential challenges in future projects.

5 Discussion

This study was commissioned by Lapland Safaris North, and it explored how disruptions in charter flight traffic impact optional safari program production. Involving a British tour operator's package tours and Lapland Safaris North as program service supplier with its subcontractors in Saariselkä, Lapland. Flight disruptions, deviations from agreed-upon schedules between the tour operator and charter flight providers, operational disruptions necessitate timely communication of changes to Lapland Safaris North by the tour operator. Drawing on personal experience as a project coordinator during the 2023-2024 winter season, these deviations have been analyzed as illustrative use cases.

The main research problem was defined with three questions: "Is there an established process for managing disruptions to charter flights?" This was accompanied by supplementary questions: "Is there any management methods in place to oversee risks associated with charter disruptions?" Lastly, the investigation aimed to determine: "Could a risk plan help reduce or eliminate event-related risks linked to the use case project?"

The most frequent UK airports with flights to Ivalo were from heavily trafficked airports, Manchester (MAN), London Gatwick (LGW), and Birmingham (BHX). More than 32 % of all flights chartered by tour operator were delayed more than 15 minutes. Over 40 minute delays were 9 % of all tour operator's flights with an average of one hour delay. The majority, 53 % of charter rotations were 2-night stays in Saariselkä. Lapland Safaris optional safari program is aligned with the tour operator's package production, with a very tight schedules.

The impact of flight schedules on the program service production is substantial, with notable effects on daily task allocation. While respondents to a survey couldn't confirm if any of the provided flight schedule changes occurred during the 2023-2024 season, it underscores the significant influence of flight schedules on preplanning and daily preparations for optional safari excursions. However, the communication of flight movements remains opaque, often leading teams to seek information directly, sometimes resorting to platforms like Flight Radar.

A key research question on risk management examined if there is a common understanding of it within the organization's operations related to the use case. The primary risks identified were related to payments and the tour operator's ability to resolve them. Discussions centered on the contractual obligations between the tour operator and Lapland Safaris North, particularly regarding flight planning and documentation of flight capacity and schedules. Mapping all operational hazards in the diverse and complex program services sector poses a challenge, complicating their formalization into agreements.

Addressing strategic risks in the use case and the company's overall strategy, mission, and vision for risk management. The company, certified by ISO 9001:2015—should emphasize continuous efforts to identify changes in tourism and aviation at all organizational levels. Unidentified risks cannot be managed, and a communication from bottom-up direction fostering a culture of identifying risks, analysing, taking action and checking on them, continuously.

The usability of this thesis stems from its exploration of the employee experience as a project coordinator within complex processes. When companies hire new personnel, especially in small and medium-sized enterprises with limited flexibility, inherent risks arise. The need to integrate Risk-Based Thinking processes into project coordination becomes evident, particularly when managing numerous clients in a fast-paced environment.

If this thesis fails to provide a ready-made risk plan for the project team, it can serve as a starting point. There are opportunities for further development in creating a documented record of project steps, whether in diary format or otherwise. This documentation can then be used to communicate insights on risks with stakeholders, including management, clients, subcontractors, and employees. By comparing past experiences and identifying new risks, stakeholders can better understand and mitigate potential challenges in future projects.

This work excels in exploring the previously unexamined impact of charter flights, offering valuable insights to the commissioner. The author's strategic risk discussions underscored the project's importance. However, a weakness was maintaining research within agreed limits, particularly in planning the subquestions for the main research queries.

Gratitude is extended Lapland Safaris for their support and guidance throughout this challenging yet captivating thesis topic. Special thanks to my thesis supervisor at Haaga-Helia University of Applied Sciences, for your keen interest and invaluable assistance. Appreciation also goes to the team leads at LSN who contributed to the survey.

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Appendices

Appendix 1. Theme interview questions

To First interviewee, Area Manager of Lapland Safaris North

Research theme: Lapland Safaris organization and business development
Subthemes: Vision and mission, strategy
1.What is use case client's reference value for Lapland Safaris?
2.What is the common understanding of risk management as part of the company strategy?
Research theme : Use case project
Subtheme: Strategy
3.What is the common understanding of risk management in use case?
4.How have contractual obligations and potential risks been managed with the tour operator?
5.How is the profitability of the use case project in the years after the COVID-19 pandemic?

Appendix 2. Theme email interview questions

To Third interviewee, CEO of Lapland Safaris

Research theme : Lapland Safaris organization and business development
Subthemes: Vision and mission, strategy
1.What do you see as the biggest risk factors or opportunities in charter customer program service production?
Research theme : Risk-Based Thinking
Subtheme: Compliance
2.Would the Just-culture as a model be effective in the training method of the Safaris worker in Lapland?
Research theme : Use case project
Subtheme: Strategy
3.When was the first contract signed by Lapland Safaris and use case client?
4.How do you see the future of use case's experience travel in Lapland over the next five years?

Appendix 3. Theme online survey questions

To Focus Group

Research theme : Risk-Based Thinking
Theme: Compliance
<p>1.Risk management is work to secure the continuity of the company's operations and the well-being of the personnel.</p> <p>2.Risk management is assessment of situations, planning and practical actions, in which each staff member participates in her own role.</p> <p>3.Good risk management is proactive, informed, planned and systematic in nature.</p>
Research theme : Use case project
Subtheme: Risk factors (Project preparations 2023-2024 in value chain)
<p>4.What do you think is the most difficult part of this season's preparations compared to previous ones?</p>
Subtheme: Risk factors (Operational season 2023-2024 in value chain)
<p><i>Example cases of charter flight schedule deviations</i></p> <p>5.Does your team get information about changes in flight times? How and from whom?</p> <p>5.How much do changes in examples affect your team's preparation for day-to-day tasks?</p> <p>7.If you were automatically notified in advance of a change in flight information, how much would this make it easier for your team to anticipate option trips?</p>
<p><i>The effect of flight schedules on use case's optional safaris</i></p> <p>8.Were any of these flight examples realized during the 2023-2024 season, affecting the implementation of option trips?</p> <p>9.Which of the following situations do you think is repeated during optional safaris?</p> <p>10.Which of these different options do you think would improve preparation for lateness situations?</p>
Subtheme : Risk factors and Compliance (risk follow-up work at the end of the season in value chain)

11. Which event or issue at your opinion was repeated in the team's feedback, which is perceived as a threat or risk? Choose up to three options

12. Which event or issue at your opinion was repeated in the team's feedback, which is perceived as a positive thing? Choose up to three options