Innovation Paradigm in Media Management: Case STT

Maisa Lehtovuori

Master’s Thesis
Communication Management
2016
Abstract

**Goal of this paper is to identify the core values, i.e. life giving forces of news agency STT, and to utilize these values in enhancing and enabling innovation culture at STT. The framework of this thesis consists of, on one hand, innovation paradigm and the digital transformation media is going through, and, on the other hand, the new demands media management is facing: faster recognition of critical threats or problems, and business choices based on these.**

This paper is exploring the possibilities innovation paradigm applied to media management offers to a news agency in rapid transformation and deepening revenue crisis. Innovation paradigm emphasizes new kind of thinking, actions, and ways of actions; employees are led by a constant urge to renew themselves. Media management is defined especially by managing creativity and regeneration. Media management is, thus, considered in this paper with respect to innovation paradigm, as leading change and innovation in a creative industry.

Method used in this thesis is Appreciative Inquiry (AI), which started out as a process for theory-building but turned into a theory of organizational change process, based on an idea of organizational reality being socially constructed in interaction. AI facilitates transformation of a workplace and its turning into a learning community.

Appreciative Inquiry – the power of unconditional positive question – is built on a premise that organizations are continuously in a process of transformation. As AI appreciates the insight of employees in organizational change, it suits the innovation paradigm.

In May and September 2013 total of 21 STT-employees were interviewed about what they value the most at their workplace. Based on these interviews five life giving forces, mastery of basic news work, co-operation and team spirit, experimenting and innovativeness, customer orientation, and brand image were found and used as a basis for developing a new innovative digital unit, STT Digihub.

Idea of STT Digihub was to enhance innovation, enable networking and co-operation between units, as well as to build a team of professionals with versatile knowledge. The new unit was established in order to produce new kind of digital content which would add value to STT-clientele.

In this paper a clear picture of a STT-employee is formed: an uncompromising, ambitious, devoted and engaged professional who does not hesitate to do everything in her/his power for peer workers or the company. At the same time it becomes clear that it is extremely difficult to transform the company culture of strong processes and stiff hierarchy into an innovative, open community, or find a new role in the Finnish media ecosystem where the commercial media is struggling and unable to invest in developing STT.

**Asiasanat**

Appreciative Inquiry, Innovation Paradigm, Resilience, Media Management, Leadership, News Agency
## Content

1 Introduction .................................................................................................................. 1

2 Media, Crisis and a News Agency ................................................................................. 3
   2.1 Media Crisis ............................................................................................................. 3
      2.1.1 Print vs. Digital – Journalism as a Business .................................................... 4
      2.1.2 News Agencies in Crisis – the Web, Content and its New Producers ............ 5
      2.1.3 Media vs. Journalism ..................................................................................... 5
   2.2 STT: Market and Operational Environment ............................................................ 6
      2.2.1 The Meaning of STT in the Finnish Media Ecosystem .................................. 8
      2.2.2 How Are We Doing at STT? ......................................................................... 9
   2.3 Goals of the Study .................................................................................................. 10
   2.4 Research Questions ................................................................................................ 10

3 Innovation Paradigm Defining Management in Media ................................................. 11
   3.1 Innovation Paradigm ............................................................................................. 11
   3.2 Innovation ............................................................................................................... 12
   3.3 Prerequisites for Innovation in an Organization .................................................... 13
      3.3.1 Staying Alert for Serendipity ...................................................................... 15
      3.3.2 Innovation Leadership ................................................................................. 16
   3.4 Innovation Paradigm Applied to Media Management ............................................ 18
      3.4.1 What is Media Management? ..................................................................... 18
      3.4.2 Managing Identity and Mission through Brand ......................................... 19
      3.4.3 Managing Changing Editorial Work ......................................................... 20
      3.4.4 Strategic Challenges of Media in Finland ................................................. 21
   3.5 Summary: Innovation Paradigm in Media Management ....................................... 23

4 Appreciative Inquiry: Change Built on the Positive Core ......................................... 25
   4.1 What is Appreciative Inquiry? .............................................................................. 25
   4.2 Appreciative Inquiry as a Way to Change .............................................................. 25
   4.3 Collecting Data ...................................................................................................... 28
      4.3.1 Round 1: Critical Incident Interviews ......................................................... 29
      4.3.2 Round 2: the Appreciative Inquiries ............................................................ 30
      4.3.3 Appreciative Analysis and Implementation ................................................. 32

5 Findings .......................................................................................................................... 33
   5.1 Discovery of the Life Giving Forces ...................................................................... 33
      5.1.1 Mastery of Basic News Work ..................................................................... 34
      5.1.2 Co-operation and Team Spirit .................................................................... 35
      5.1.3 Experimenting and Innovativeness ............................................................... 35
      5.1.4 Customer Orientation .................................................................................. 35
      5.1.5 External and Internal Brand Image .............................................................. 36
   5.2 Dreaming of What Could Be: the Appreciative Analysis ....................................... 36
      5.2.1 Mastery of Basic News Work ..................................................................... 38
1 Introduction

When talking about media as perceived in this thesis, we are at the same time talking about highly creative and extremely process-oriented branch facing rapid changes in revenue logic, technological development and even editorial work and its demands. Tuomas Harpf reported 2014 that media’s crisis is even more deep than previously anticipated; At the same time with media’s crumbling revenue logic European economic crisis has prolonged and had its serious affects to Finland. There is no short-term solution to be found. What makes media’s crisis especially problematic compared to other business crises, is its effects on open democracy and public’s access to information. (Harpf 2014, 3, 7. See also Malmelin & Villi 2015, 134–135.)

This development has led to media houses going through recurring reduction of employees. Especially regional newspapers seem to be stiff and slow in innovating and exploring digital services and new ways of doing business in the digital age (Harpf 2014, 3). The digital revenues do not grow fast enough to cover the decline in revenues from traditional business areas. According to Harpf (2014, 6) the rapid change has taken newspapers, and broadcast media by surprise. At the moment there seems to be a habit of copying business models, like pay walls, and playing it safe. This does not work in the digital age, where there are no secure or fit-for-everyone revenue models. When writing this Long Play, selling one story at a time, is living and doing well, and planning on turning international. Also Finnish group-funding site Rapport, founded in November 2013, is trying to revive as it was one of the winners in Media Innovation Contest organized by the Ministry of Transport and Communications in March 2015.

Media is in a situation where there is a need to innovate new revenue logic, digital services and products, but at the same time deliver traditional news products – all this with shrinking resources. In spring 2014 the state of Finland agreed to support digital media innovations with 30 Million euros. The funding is administrated by the Finnish Funding Agency, Tekes. This might give the media possibility to build new business and survive from the ongoing media transformation – if the money is wisely spent and the change well lead. However, this funding will not help the object of this study, news agency STT, which, despite being defined by Tekes as a large company based on its ownership, is middle-sized when it comes to its budget and possibility to invest. With the criteria Tekes-funding has, STT is not able to apply for funding.

Media crisis has hit STT hard: client losses and revenue decrease have continued year after year, resulting in employee co-operation negotiations again in spring 2015. In 2014
STT created a new vision in order to respond to ongoing transformation: to invest in the future, and grow its digital business. A project was started to enhance innovation and new business development at STT. This paper is a description and analysis of a specific time span of that project, still going on; how news agency’s culture affects, supports and slows down change into an innovative knowledge organization. I concentrate namely on innovation paradigm and innovation leadership as means to renewing a media organization and its culture.

This thesis is exploring the possibilities innovation paradigm applied to media management might offer a news agency in rapid transformation and deepening revenue crisis. In May 2013 I interviewed the first time STT-employees about the things they value at their workplace. I had just lead a change process in my team, desk, with a great outcome: we managed to develop the editing shifts so that as a result the work became more motivating and effective and the end result – the news reports – more engaging and of better quality. In September 2013 I had a second interview round just before we went into employee co-operation negotiations in order to cut down our costs by 2.1 Million euros and our personnel by approximately 20 employees.
2 Media, Crisis and a News Agency

In this paper I concentrate on media and journalism as a business instead of journalism as an institution. I address the media crisis namely as a crisis resulting from dysfunctional business models, accelerating technological development, and new operational models. I will also introduce the concept of news agency, as well as the organization and current situation of STT.

A description of the unique situation news agencies possess on the media branch is included: the different ownership models, as well as the demands news agency business faces in the digital break. Also concepts regarding news agency as well as the objectives of this paper and research questions are presented.

2.1 Media Crisis

It has been repeated for years that media and journalism are in transformation or even crisis. If journalism is changing, so are the journalists – or should be. The change of journalism and editorial work has become an ongoing process.

The type of change the media business is encountering has been an evolution but it has rapidly turned into revolution (Green 2007, 21): multiple simultaneous, quite rapid change processes are happening at the same time both in the business environment, new technology and the way people use media.

Esa Väliverronen has pointed out several dimensions in media transformation. One of them is the harshening competition in following aspects:

1. Journalism becoming more clearly business.
2. New media, especially the Web, which is cheap, fast and extensive.
3. PR-offices challenging media in content production.

Mainly similar definition is done by Mark Deuze and Brian Steward who define three major transformations in contemporary media work contextualizing media management and influencing strategy:
1. General shift of power from professional content creators to users and owners.
2. Seeing managing media work as a conjunction of material and immaterial factors such as content, processes, people, technology, as well as beliefs, values and emotions – the most powerful being the role of technology.
3. Consumers’ relationship with content: active co-creators, who share, create and load content online. (Deuze & Steward 2011, 3–5.)

This transformation has – or should have its impact also on news agency strategy and management.

### 2.1.1 Print vs. Digital – Journalism as a Business

Profitability of print business is crashing, and there is a need to think of the time consumers spend with digital products or services instead of the amount of subscribers. Most media companies rely on print: it still brings in the most of the revenue, and sustainable digital income has not yet been discovered. Most of the advertising income comes from the print even though it has declined. (Saikkonen & Häkämies 2014, 63–67.)

It has become clear that digital advertising will never replace revenues from print advertising, even though paid digital circulation revenues increased 45 percent and digital advertising 8 percent globally in 2014. Globally, more than 93 percent of all newspaper revenues still come from print. Digital advertising revenues go mainly to social media and technology companies. (WAN-IFRA 2015, 8–9.)

In Finland newspapers’ share of media advertising was 33 percent still in 2014, whereas online media had a share of 23 percent. At the same time over 50 percent (54 %) of the sales came from circulation revenue. (Sanomalehtien liitto 2015.)

The print-oriented business has, thus, started to look elsewhere, in disruptive industries. There are many forms of business models, mCommerce becoming the dominant one (70 % of all global mobile internet revenue by 2017). E.g. Ilta-Sanomat (a client of STT) has proven significant growth in its video platform ISTV since its launch 2013: starting with 2 people it now employs 20, and has 4 million video plays per week. Its revenues come from banner ads, pre-roll and sponsorship, as well as from paid content. Main part of the traffic is mobile. (WAN-IFRA 2015, 8–10.)
2.1.2 News Agencies in Crisis – the Web, Content and its New Producers

As traditionally the main clientele of news agencies are the newspapers, their crisis has its specific consequences in news agencies: as clients are in deep economic trouble, it is ever more carefully considered whether what they get is moneys' worth or not.

According to CEO Emmanuel Hoog of AFP one challenge news agencies have in renewing themselves is the image of culturally belonging to written world. Today the information is predominantly visuals. (Hoog 2012.) What else has changed, then? SVP Jim Kennedy of AP states that e.g. the American news co-operative AP (the Associated Press) had for over 100 years total control of the newspaper ecosystem in the US as it required its clients to make it an exclusive source of wire news. Today this old news agency system exists no more: the clients have become competitors, and new portals like Facebook and Google are distributing content. The media market is overcrowded with content. As once news agencies were the kings of distribution, now anyone can create and distribute content, which is consumed 24/7. (Kennedy 2014.)

News agencies used to be the ones who held the monopoly in speed, which is now challenged by the Internet. The time from event happening until its outburst in media has never been as small as now, thanks mainly to social media and citizen journalists. At the same time clients fear that news agencies become their competitors in the Web. (Hoog 2012.)

Many of the disrupters, like BuzzFeed, Vox Media or Business Insider are native digital, excellent tech-platforms, have investment money, produce quality journalism in a totally new way, are entertaining although serious and very focused on innovation. Disruption comes from within the journalist profession, not just technology. (Kennedy 2014.)

Traditional news agency strategies or products are not working anymore: there has to be innovation instead of standardized content, old subscription models or pricing. This could mean more flexible content (real time, summarization, multiple versions and formats), expertise, new models like partnerships etc. (Kennedy 2014.)

2.1.3 Media vs. Journalism

In this paper media is considered as in media economics, not as an institution. Media and journalism are handled with respect to business, economics and market.
It has been said that there is a fundamental change going on in journalism where media and journalism are separating from each other. By media is meant production and distribution whereas journalism means content. The Internet is changing the link between these two: anyone can produce content to the Web without having to invest a lot in production and distribution. (Nordfors in Väliverronen 2009, 22.)

Jay Rosen (1995) defines media as an economic-technical entity defined by its business interests, and journalism as an institution, a specific societal practice maintaining democratic publicity. (Rosen in Väliverronen 2009, 23.)

This dichotomy is at the core of this paper: as the business logic of traditional content production has crumbled, there is a need to look for and define new business prospects and goals. Media business and its management are the focus of this paper, whereas journalism is not handled as such but as means of doing business.

According to Nando Malmelin media companies have been studied a lot from the economic and market aspects but less from the viewpoint of organizations, and their leadership (Malmelin & Villi, 2015, 11). In this paper news agency STT as an organization and business, as well its organizational culture and leadership are explored through the eyes of its employees.

2.2 STT: Market and Operational Environment

STT is Finland’s leading news- and picture agency, owned by nearly 40 Finnish media companies. STT has three business lines: Media Services, Communications Services, and Picture Sales.

The Finnish News Agency Suomen Tietotoimisto was officially founded in 1915. However, its roots lie already in 1887 as Woldemar Westzynthius started transmitting news to newspapers. Thus, it is one of the oldest still functioning news agencies. Long history as a “half-official” news agency has still its effects on at least the image of STT. (See Jussila 2007.) In 2010 STT bought picture agency Lehtikuva Oy from Sanoma, and STT-Lehtikuva was established. In January 2016 the news agency renewed its brand becoming simply STT. Lehtikuva is still used as a brand for pictures. Agency has a correspondent in Brussels, and night duty in Sydney, Australia. The company employs approximately 120 people, 75 of them journalists.
There are three different ownership models in news agencies: private, co-operative and state-owned (Boyd-Barrett & Rantanen 2000, 89). Using Boyd-Barrett’s and Rantanen’s (2000) term in a broader sense, Finnish News Agency STT is a co-operative agency, even though it is legally described as a private, joint-stock company. The owners of STT consist of leading – and competing – Finnish media companies, which STT provides access to affordable and reliable news service at all times. The biggest owners are Sanoma Media Finland Oy (34.3), Alma Media Oyj (24.1) and TS-Yhtymä (18.0).

STT’s clientele consists of nearly all privately owned commercial media companies in Finland as well as other companies, unions and public administration. The biggest media clients are MTV, Ilta-Sanomat, Alma Regional Media, Helsingin Sanomat, Ilkka-Pohjalainen and Ilta-lehti. STT’s revenue in 2014 was 15.8 Million euros.

STT is a typical news agency when it comes to tensions caused by its co-operative nature. There are competing owner interests affecting strategy and requiring constant balancing: As Boyd-Barrett and Rantanen (2000, 90) describe, those of

1. saving money vs. improving or conserving service,
2. exclusivity vs. universality,
3. entrepreneurship vs. covering the costs, and
4. owner preference of business-to-business vs. management orientation towards business-to-customer.

There is a great ambivalence between the interests of media companies in minimizing the competition and willingness to finance a profitable agency for collective benefits. Especially strong it may be among news agencies highly dependent on traditional media market. (Boyd-Barrett & Rantanen 2000, 90.) STT gets 79 per cent of its turnover from media (2013). The percentage is coming down slowly, as it was 86 in 1999 (Boyd-Barrett & Rantanen 2000, 91).

As customer-owners struggle with declining advertising income, profit loss and deteriorating business, they may become ever more reluctant to maintain desired levels of investment and rates of subscription – issues that were discussed by Boyd-Barrett and Rantanen already in 2000 (91). Even though dividends were not paid and the demands for profit percentage are moderate, this development led to employee co-operation negotiations at STT in fall 2013 resulting in 21 people losing their jobs. 13 of them were journalists. This was not enough, though.
In spring 2015 STT was again facing employee reductions resulting from client losses. Last regional offices were shut down, and 18 people were fired, 14 of which journalists. Again in September 2015 a new organization of two editorial units was introduced. In two years STT has lost nearly 30 journalists, which has a massive effect on its ability to produce a comprehensive news service.

Problematic in the business strategy of a news agency can be the reluctance of owner-clients to extend the agency services to new customers, resulting in revenue loss in the long run. As big a risk is questioning the whole existence of an agency, as happened in Norway in the 90’s; Owners considered whether they needed NTB at all as they all had the Internet. However, they ended up in giving the agency more freedom in exchange for discount. NTB set up NTB Plus, the revenues of which helped produce general news. (Boyd-Barrett & Rantanen 2000, 91.)

Even though the market position of co-operative news agencies is difficult, there is one clear advantage: the Internet. News agencies such as STT have news-gathering processes and infrastructure with networks of primary sources for writing, editing, and packaging, not to forget credibility to do this all. (Boyd-Barrett & Rantanen 200, 98.) Digitalization can be seen as a possibility for news agencies used to gathering and monitoring digital information. It is not easy, nor fast: e.g. Austria’s APA is turning into it-house: its Internet Business Services took according to Boyd-Barrett and Rantanen (2000, 99) 3 years to develop, and was unprofitable for 6 years.

2.2.1 The Meaning of STT in the Finnish Media Ecosystem

STT – as most of its customers – is still carrying the burden of print. Even though news agency is used to serving both print and broadcast media, reporters’ ultimate goal has for long been the print version of a news event. This has led to the fact that short message, wire and online version were often handled as “the beginning of a news report”, i.e. they were not treated as independent pieces of news. This has meant that big news was saved for the print, or that the print version often began the exact same way as the wire. Problematic is, who wants to read a story from a newspaper if it is yesterday’s news.

Laura Juntunen studied the use of sources in news media by analyzing media content. It turned out that 56 percent of STT’s news is based on external sources, and even 38 percent repeat the bulletin nearly as such. (Juntunen 2011, 23.) Even though the main purpose of STT is to take care of basic news monitoring and reporting, it can be asked, how necessary or even wise it is to repeat bulletins under the name of a news agency? This
question needs to be asked even more emphatic as the news produced by STT are very much used and needed among the Finnish media. However, it should also be kept in mind that many bulletins include significant societal information, and are necessary for the public to know (Juntunen 2011, 54–55).

News agency material was in 2011 basis for nearly third (30 %) of news in the Finland’s biggest media, and STT was a source in 93 percent of the news agency loans. Especially used news agency news pieces were in the Web, where most of the material was published as such. Nearly 34 percent of the online news was based nearly as such on the news agency text. (Juntunen 2011 40–41.)

STT was in Juntunen’s reporter interviews considered as a good backup, and very reliable, meaning that its facts are correct. When writing a news piece STT was used as background memo, so the main meaning of STT seems to be setting the agenda for the Finnish media. STT’s daily plan has a central meaning in Finnish news editing offices. (Juntunen 2011, 42-43.)

2.2.2 How Are We Doing at STT?

“I miss conversation on all levels, communication; less (micro)managing.”
(STT Employee Wellbeing Survey, April 2014.)

STT conducted a personnel wellbeing query in April 2014, about five months after the end of the first employee co-operation negotiations and four months after the new organization kicked in. As the query was conducted so quickly after the lay-offs, it is no surprise that the results were somewhat worrying, especially when it comes to work-related stress and top management.

Regarding working conditions nearly a third of the employees had recently been exceptionally tired. The same amount of people thought that contradictory expectations complicated their work. Workload was considered often too big by more than a third of the employees, and nearly a third suffered often from work-related stress. (STT Employee Wellbeing Survey 2014.)

Personnel’s feelings towards top management were torn: almost a third of personnel felt that the management has quite or very little interest in their opinions in work-related matters, but on the contrary more than a third felt the management is really interested in personnel’s opinions. Every fifth thought the management values the work of everyone quite
or very little, but, on the other hand, more than a third felt they value it. Top management’s
decision-making abilities were trusted quite or very much by more than a half, and not
trusted by more than a fifth of the employees. (STT Employee Wellbeing Survey 2014.)

It can be stated that the feelings of STT’s personnel are quite divided, which under the
difficult circumstances is understandable. However, the strong polarization when it comes
to the relationship with the top management can be seen as problematic. If this is consid-
ered with respect to organizational culture, it seems that the personnel of STT are not “in
the same boat”.

2.3 Goals of the Study

In this study I shall first introduce the results of Appreciative Inquiry from 2013, and then
describe the measurements taken in order to utilize these findings in strengthening the
innovation culture at STT.

Goals of this study are

- to explore and define the life giving forces (LGFs), i.e. core values of news
  agency STT as perceived by its employees, and
- to experiment on innovation leadership based on these values.

2.4 Research Questions

This paper aims at answering following questions:

- How to identify the core strengths of a company by involving its employees?
- How to enhance and enable innovation culture based on these strengths?
3 Innovation Paradigm Defining Management in Media

The framework of this thesis consists of, on one hand, innovation paradigm and the digital transformation media is going through, and, on the other hand, the new demands media management is facing: faster recognition of critical threats or problems and business choices to be made in order to succeed in the future (Malmelin & Villi 2015, 135). I consider most Finnish journalism studies somewhat reporting and descriptive of the current or past situation. In this thesis I pursue to take part in the new discussion of the management paradigm in media.

In this chapter central concepts in innovation paradigm are defined. The paradigm will be later in this paper utilized in developing the views of the STT-employees’ further. Key concepts that are discussed are innovation, organizational resilience, innovation leadership, and media management.

3.1 Innovation Paradigm

Hannele Seeck (2008) has studied management paradigms in Finland, each paradigm being dominant for approximately 20–30 years. Paradigms are demerged by technical features (concrete techniques) and ideological idiosyncrasies (assumptions or perceptions on problems addressed). Seeck identifies scientific management (taylorism), human relations movement (later human resource management), structural theories and cultural theories, which are the central management paradigms of the 1900’s. As the most recent and currently dominating paradigm Seeck introduces innovation paradigm. (Seeck 2008, 5–6.)

Innovation theories are trying to figure out how a company can constantly reform, and bring new or improved products and services to quickly altering markets in order to stay competitive. As an answer to this constant change, innovation theories seek solutions from contingency; it is by adjusting to ever altering context (ideological idiosyncrasy). (Seeck 2008, 34–35, 243.) Liisa Välikangas (2010) writes about resilient organization, organization which is constantly responding to change, and innovating before it is forced to.

According to Seeck (2008) innovation paradigm emphasizes new kind of thinking, actions, and ways of actions; employees are led by a constant urge to renew themselves whereas e.g. taylorism emphasized improving efficiency and productivity by mass production or machinery and human relations movement managing and mentoring. Central words describing the innovation paradigm are uniqueness and novelty, change and flexibility, crea-
tivity, innovations and innovativeness (technical features). (Seeck 2008, 34–35, 244.) All these words can also be used when describing current challenges news journalism and media are facing.

Hannele Seeck notes that innovation paradigm sees change inevitable for renewing; Restructuring is not a negative thing but a normal phenomenon in market logic (Seeck 2008, 244–245). Jani Rajaniemi (2010) states that innovativeness helps organizations enhance their performance, or create added value to their clients or other stakeholders. He goes even further stating that without innovation change in an organization is not even possible, and states that innovativeness gives an organization a possibility to survive problems it encounters. (Rajaniemi 2010, 47.) This perspective offers a chance to scrutinize structural change in media market as a normal development and phase, not a disaster. If restructuring is perceived as a normal phenomenon, the media’s structural transformation follows normal market logic, and, thus, offers a natural opportunity to generate new ideas and changes. In order to remain competitive it is often inevitable to go through a conflict first. (See Seeck 2008, 34.)

Employees are in innovation paradigm seen as learning and developing individuals, motivated by the opportunity to use their expertise and creative potential, especially in knowledge-intensive organizations. Central in knowledge work is creative and innovative use of knowledge. Innovation theories claim that a company has to be able to react quickly to change on the market by retargeting its resources. (Seeck 2008, 244.) This can be seen in media work, especially in the age of digitalization and new media products; data desks and revolutionary media startups have been established, and media content has diversified, especially outside traditional players. E.g. media like Vice with its up-close video reports, Storyful whose business is based on verifying virals, and Buzzfeed which has turned its success in light entertaining content to new ways of reporting news.

3.2 Innovation

There are numerous definitions for innovation. Innovations can be divided into technological and non-technological, where non-technological innovations in business models, and creating e.g. social or economic value are crucial with respect to company’s competitiveness (Thota and Munir 2011, 138). In this paper non-technological innovations are in the center: media’s crisis is namely a crisis in business models that are not working anymore, as stated before.
In this thesis also concepts of *administrational innovations and incremental / radical innovations* are used. Administrational innovations happen in social structures of an organization, and aim at e.g. improving organizational policies. Incremental innovations improve existing products, processes or services, whereas radical innovations create new ones. (Totterdell et al. 2002, 345–346 in Seeck 2008, 248–249.)

In this paper innovation is understood widely as *intentional creation of new ideas or inventions as an interactive process, the result of which is a new product, service, process, or way of action*. Essential to an innovation is its economical meaning, the accomplishment of which requires productization. Innovation process is not linear, but complex, and it includes insecurity, risk-taking and conflicts. (Seeck 2008, 246–248, Sydänmaanlakka 2009, 116.)

Innovation in this paper is, thus, understood as non-technological, improved or new intentionally created ways of actions or services. They can include technological elements but innovation is in the service or business model.

### 3.3 Prerequisites for Innovation in an Organization

Hannele Seeck and Marjo-Riitta Parzefall (2008) call for leadership that sets space for creativity and innovations born from it. They define the most important environmental factors contributing creativity being *freedom, sense of meaningful work, resources and time, and encouragement and acknowledgement* (Seeck & Parzefall 2008, 193).

Seeck (2008, 257–260) has reviewed several studies relating to innovation paradigm, and fundamental to an innovative culture and atmosphere in an organization are e.g.

1. networking, co-operation internally and externally
2. psychological security, and confidential relations,
3. genuine and open discussion about different views
4. diversity, as in versatile skills and knowledge; heterogeneous team
5. collective pride in members’ skills
6. risk-taking ability, and learning from successes and failures
7. acknowledging the need and encouraging innovativeness
8. leaders and HR supporting and enabling innovativeness (Huhtala and Parzefall 2006)
9. co-operative brainstorming.
It is said that corporate strategy gives a direction for its operations and development. Thus, strategy can be seen as the most important factor in enhancing innovativeness. It has to state support to innovativeness, and utilize experiences from previous innovation projects. Organization should have a clear vision of evolution on its branch, as well as understanding of its rivals and partners, and how to be a successful part of this ecosystem. (Van der Panne et al. 2003, Christiansen 2000, Parzefall et al. 2008 in Seeck 2008, 257.)

Liisa Välilikas (2010), however, challenges the idea of the importance of strategy as traditionally comprehended. She points out three factors backing up the idea that companies need to focus also on resilience: how to survive and succeed over major changes.

First: strategy is not enough, as even though there are excellent strategies there are also business failures – excellent strategy does not necessarily emerge as excellent performance, or investors might not believe in it. Strategy does not have the ability to cope with fundamental, revolutionary shifts in business environment. (Välilikas 2010, 14.)

Second: Resilience is a life guard when strategy needs changing, and when a company is in between strategies. As Välilikas writes, this state is dominant in most companies: e.g. Nokia is no-longer device-focused but a service company, and paper company UPM is becoming an energy company. (Välilikas 2010, 14.)

Third: Several strategy studies note that many companies fail because they cannot change: they keep on doing too much the things they are good at – even after there is no longer commercial value or market relevance. Danny Miller identifies this as Icarus Paradox, where the greatest asset of a company can lead to its density. (Välilikas 2010, 14–15, Miller 1992, 24.) This is an aspect seen on the media branch: it focuses too heavily on old business and is unable or slow to create new models.

Välilikas notes that strategy can also be considered a targeted process of discovery. However, routine behavior easily hinders this kind of practicing of strategy: hierarchies, structures and old business models blur the sight. New thinking and actions require also courage: there is always a risk of embarrassment and rejection. (Välilikas 2010, 18.)

Organizational culture has a huge impact on innovativeness both in organizational and individual level. It seems that bureaucracy, control and formality prevent innovativeness, whereas resilience and flexibility enhance that. Co-operation between business units or departments supports culture and atmosphere that is favorable of innovation. Ability to
cooperate relates to trust and open communications; innovativeness is anticipated by high level of team work in the organization. In an individual level people who see their work resulting in personal growth, achievements and recognition are more likely to take part in innovative work than those who find working environment dissatisfying. (See Seeck 2008, 257–262.)

3.3.1 Staying Alert for Serendipity

What is resilience then? Välikangas separates two kinds of interpretations: one is the capacity to recover from crisis and to survive trauma caused by the forced change with tenacity; the other is change without a crisis, nor trauma – acting before it is forced from the outside. Resilience is “the capability to turn threats into opportunities prior to their becoming either”. It is about seizing serendipity, and being sagacious, i.e. a company being capable to benefit from surprises, and having the ability to stay alert and tuned in order to discover or invent. (Välikangas 2010, 19-21.)

According to Välikangas in nature (i.e. genes) resilience aims at making the parts more resilient than the whole. Thus, she defines six characteristics to resilience:

1. Redundant, as insurance for failure or error.
2. Recombinatory, i.e. not monolithic, but able to combine with others.
3. Variative, as in mutating.
4. Subject to natural selection or resilience test, not complacent.
5. Subject to and/or beneficiary of serendipity, not isolated.
6. Mobile, i.e. able to interact across distance.

STT has a lot of what is called operational resilience, i.e. capability to avoid errors and recovering from them, mindfulness and robustness, (see Välikangas 2010, 30) as its 120-year history shows. However, there is a need for strategic resilience in the faster changing world. The company needs capacity to sustain and accomplish strategic change, to create positive surprises, as well as sustainability and escalation avoidance.

Välikangas (2010) defines “fallen eagles”, rules or beliefs we are used to living accordingly, but which no longer are true. I group these eight fallen eagles around following development:

1. Business environment is in constant rapid transformation: unknowable, extreme events make planning questionable; strategies get old before new ones
have been implemented; change needs to be practiced before crisis demands for it; organization-wide innovation is needed in order to discover new goals in changing business environment; imitating is easier than innovating – people tend to copy instead of rationally make their own judgment; and new business models, that cannot be copied, are invented by untraditional competitors. (Välikangas 2010, 4.)

2. **Communications face new demands but open new possibilities:** ideas are powerful and affect people’s behavior – they also travel easily, and tend to own us; high quality journalism is essential as people need to become more active and informed in order to guard the public interest. (Välikangas 2010, 4.)

In our time, where old industries crumble and communication is in the middle of revolution as ways of consuming, producing and making business of content is radically changing, there is a huge need for resilience and innovation. Resilient organization is also according to some definitions known as an agile organization, but where agile organization reacts to change, resilient organization is able to change without or before a crisis. Resilience refers to durable, long-lasting organizational practices. (Välikangas 2010.) These changes in our environment demand for new kind of leadership, also in media.

### 3.3.2 Innovation Leadership

“**HR is the most important strategic function of a company.**” (CEO Petteri Kilpinen, seminar speech on May 8th 2014, Supervisors & Personnel Fair.)

As one indication of the rise of the innovation paradigm there is more and more public discussion about satisfying work life: it is not enough one gets a paycheck, there has to be inspiration. Innovation theories see employees having objectives like ability to use ones knowledge and creative potential (Seeck 2008, 34). Leadership discussion about leading the culture and wellbeing, i.e. people, instead of processes has multiplied. E.g. CEO Petteri Kilpinen talks about shift from technocratic management theories to anthropological leadership theories, where people and their potential are in the center (Kilpinen 2008).

When talking about innovations, it must be recognized that innovating is mentally demanding and, thus, wearing. Stressed employees are less motivated, which makes the equation of less people doing more work destructive. Every other Finn feels lack of time a problem in own work. Essential is the feeling of governing work – this can be achieved by
dividing work to meaningful tasks and having a saying in one’s own work. (Seeck 2008, 267–268.)

Actually very few innovations succeed, and failing is often highly emotional and can have long-lasting affects in an organization. If this is not taken into account in management practices, it creates a real threat to resilience. It is possible according to Välikangas that one failure in a successful organization can traumatize the team and even cause new failures. It is crucial for leaders to support innovators’ enthusiasm and emotional engagement, which are the most important features for success. Otherwise the risk of turning from an innovator to a cynic or dropout is real. (Välikangas 2010, 63–65.)

Teresa Amabile and Steven Kramer have in their study from 2010 revealed that the best way to motivate people in their work is by facilitating progress. However, 95 per cent of the managers they surveyed ranked supporting progress last as a motivator. Progress starts with giving employees a meaningful mission. Amabile and Kramer write about inner work life which is about giving employees clear goals, autonomy, help and resources, showing respect for ideas and people who create them. (Amabile & Kramer 2011, 1–3.)

Inner work life matters because as stated in the previous chapter even brilliant strategy is not enough if the performance inside the company is not great. Inner work life influences employees’ creativity, productivity, work commitment, and collegiality. (Amabile & Kramer 2011, 6.)

According to Amabile and Kramer (2011, 6–7) there are three kinds of events supporting inner work life and their antagonists:

1. progress in meaningful work vs. setbacks
2. catalysts, i.e. events supporting project work vs. inhibitors of a project
3. nourishers, i.e. interpersonal events inspiring employees vs. toxins undermining employee.

Amabile and Kramer (2011, 7) also point out that negative events are more powerful than positive. Thus, managing for progress can be seen fundamental in good innovation management.

Innovations as such cannot be led or ordered; one can only create a context where the creation of innovations is more likely (Plompen 2005, 170). On one hand the ”spirit of entrepreneurship” should be endorsed, and active discussion of new ideas supported in
the organization. On the other hand innovation leadership can be perceived as creating context; what else is creation of innovation process and building innovation culture other than innovation leadership? Apilo et al. (2007, 34) claim that innovation process demands "cross-functional teams, funds, time, technological competency, knowledge of the business, as well as ability to learn". This process is led by innovation strategy.

Innovation process should be seen as one of the main processes of a company. When seeking for new angles, management should create prerequisites for the encountering of people, technologies and operations. Small improvements in products or processes are not sufficient if there is a transformation in technological or business logic going on in the industry. A company should alongside construct innovations that enable its business in the future. (Apilo et al. 2007, 36-38.)

3.4 Innovation Paradigm Applied to Media Management

In this chapter I will define concepts relating to media management, and indicate how innovation paradigm is in this paper applied to media management.

3.4.1 What is Media Management?

"The problem of contemporary media work, as felt and experienced by its practitioners, is management" (Mark Deuze, 2011, x).

In 2010s the discussion on media companies has concentrated mainly on effectiveness and profitability instead of content quality and societal impressiveness. New business models as well as sources of growth are sought. This might suggest that media management is closing in on business management. Traditionally decision making in media companies has been based on – besides business facts – principles of public service, as well as cultural impressiveness, creativity and intuition. Today the latter have been left more or less aside as media companies have turned into businesses that are supposed to profit their owners. This has led to short-term decisions in order to improve productivity, but not necessarily supporting future business prospects. (Malmelin & Villi 2015, 136–138.)

Media management is a young discipline, studied from several angles, but the connection between theories applied and the subject itself is loose. Nando Malmelin defines media management from three aspects:
1. Managing media companies where business is defined by the social nature of actions, rapid change, and difficulty to predict success of business or products.

2. Managing media organizations as creative knowledge communities the management of which requires understanding of conventions, cultures and policies.

3. Managing media professionals who traditionally are typically creative, independent and self-motivated. (Malmelin & Villi 2015, 13–14, 133.)

However, as Malmelin puts it: the distinct nature of media management is often too much emphasized as there are also other businesses these features are typical for. He states that there are two features defining especially media management: managing creativity and managing regeneration. (Malmelin & Villi 2015, 134.) Media management is, thus, seen in this paper with respect to innovation paradigm, as leading change and innovation in a creative industry.

Media companies have a special position in the market because of their wide effect on the society. Central in media management is the question of regeneration: how does the company need to renew itself in order to succeed in the changing society? (Malmelin & Villi 2015, 134–135.) This is the first encountering of innovation paradigm and media management: as the problem innovation paradigm is seeking an answer to is tightening competition causing a need to constantly improve operations and bring new services to the market in order to stay competitive (Seeck 2008, 34), we are looking at the question of regeneration.

3.4.2 Managing Identity and Mission through Brand

In addition to external factors a media company has to find its identity and mission (Malmelin & Villi 2015, 135). In this paper identity and mission emerge through brand, being a “name, term, design, symbol or other feature that distinguishes one seller’s product from those of others” (Wikipedia 2015).

It has become ever more important for a company to know its purpose and to be able to communicate this. Radical view suggests that building a brand has extended from a task of marketing department to a goal for the whole company (Malmelin & Hakala 2007, 53). Malmelin (2007, 53) states, that in the future brand has an important role in targeting business actions. In innovation paradigm this is shown in demands towards top management communication: Amabile and Gryzkiewicz state that the most important factor sup-
porting innovation in an organization is communicating that the company has a clear vi-
sion, and that it supports innovation and new ideas, and does not fear taking risks (in
Seeck 2008, 251).

Through a company’s brand its values and mission are easily understood, and it helps in
clarifying business goals and company’s position in the market. Brand, at its best, sup-
ports, builds, and directs the whole organization. (Malmelin & Hakala 2007, 61.) In media
companies today more is spent on public image and building a brand and less in content
production, where savings are constantly searched for. It seems that business result oc-
casionally overcomes journalism. (Herkman in Väliverronen 2009, 41.)

Editorial work has for long remained the same thanks to the public’s slowly altering expec-
tations and effective, stable processes. However, since the 90s the media’s revenue tar-
gets have had its reflections on editorial work: journalism is more and more defined by
market demands. (Herkman in Väliverronen 2009, 32.) This is where innovation paradigm
collides with media management again main focus being the preservation of competitive
edge and adaptation to market needs through innovation (Seeck 2008, 34).

3.4.3 Managing Changing Editorial Work

There are still journalists who see themselves as individual professionals or even artists
working solo. The media work, however, is all the more group work done in phases for
different platforms from different angles. According to Esa Väliverronen (2009) the main
points of changing editorial work are:

1. Growing demands on quality and interpretation.
2. Traditional printed journalism reporting past events is not working on new plat-
forms and digital space.
3. Multimedia and programming skills are needed ever more.
4. Deadline is all the time. (Ibid, 13–31.)

These changes mean a fundamental change in editorial work: Instead of, or in addition to
reporting what has happened, journalists need to analyze and combine information, think
of the next step, look into and evaluate the future. This changing puts more demands on
the professional skills as well as the analytical skills journalists have. This is where inno-
vation paradigm and media management encounter again: in addition to getting paid, em-
ployees have an urge to use their knowledge and creative potential (Seeck 2008, 34).
Mark Deuze (2007, 160) claims that journalistic profession especially in news media has turned from creative, individual work to ever more routine and standardized activities. As witnessed at STT, journalists spend a growing part of their working days by their desks in order to deliver what has been promised to the clients.

Kari Koljonen writes about two professional identities: the high modern and the agile modern journalists. Thus, he is trying to describe how the media and journalistic profession have been exposed to the same societal changes as other branches and professions. High modern journalist values news, and sees journalism as transmitting objective information, which has to be truthful, accurate, multidimensional and of societal meaning. Agile modern journalist produces content that appeals to both reason and emotions. (S)he finds storytelling and generating discussion as important as transmitting information. Information has to be truthful – other aspects are left for the audience to decide. (Koljonen 2014, 76–77.)

High modern ethos was dominant in the 70s and 80s, when media business was stable and predictable. Managing editorial work was maintaining the status-quo. (Koljonen 2014, 82.) In media management dominant was the scientific paradigm, taylorism (in Seeck 2008, 34).

Agile modern ethos was developed in respond to the constant change, or turbulence, media was caught in (Koljonen 2014, 82). Features of innovation paradigm emerged: according to Koljonen leadership has been emphasized, and operations have been constantly re-evaluated and renewed in order to be able to adapt to the uncontrollable change (2014, 82).

Despite the golden age of high modern ethos being in the 70s and 80s, there is still, in my experience, a constant negotiation between the high modern ethos and managing processes, and agile modern ethos and leading professionals in a news agency (see Koljonen 2014). Changing business environment requires constant regeneration, but reliability of delivery and predictability of news production expected of a news agency need excellent processes as well as process management.

3.4.4 Strategic Challenges of Media in Finland

The Federation of the Finnish Media Industry, Finnmedia, studied the main strategic challenges and future focuses of media businesses in Finland (Idean 2009 in Helle 2011). They came up with following trends that should be considered in business decisions:
1. Even the giants stagger. The change pace of the branch is accelerating.
2. Constant regeneration. Innovation is not an alternative but a necessity.
3. When I want it. Consumers are ever more demanding and conscious.
4. Diminishing target groups. Special needs of customers have to be taken into consideration.
5. Know-how stands out. Consumer- and producer-roles are mixed.
7. Omnipresent advertising. Advertising volume grows and practices are diversified.
8. One cannot do it alone. Networking becomes more important.

Merja Helle has added two more trends:

9. Competition of consumers’ time and interest requires interesting content both in print and digital media and better recognition of public’s needs.
10. Visions and strategies realize in everyday practices of content production, packaging and distribution. If an organization does not have common targets and means media content and working processes do not change enough. (2011, 162–163.)

In my experience the reasons Helle (2011) points out for a slow or non-existing development in organizational practices of media houses can be recognized at STT, as I will later in this thesis show. There are organizational problems, e.g. lack of communications and co-operation between editorial staff, sales, marketing and IT-department. Many media houses – the owners of STT – are also still very print-oriented, and with scarce resources they concentrate on printed newspapers, where most of the sales still come from.

As Helle puts it the challenge is not just creating new visions and business models. What is happening in media business demands excellent strategic change management and leadership. Customer relations, product range and brand, as well as media content production, purchase and control have to be reconsidered. (Helle 2011, 163.)
3.5 Summary: Innovation Paradigm in Media Management

Innovation theories aim at solving how a company can stay competitive in a rapidly changing business environment by constantly reforming and innovating. As a solution contingency or resilience are offered; as continuous adjusting and responding to change. (Seeck 2008, 34–35, 243, Välikangas 2010.)

There are several encounters in contemporary media management and innovation paradigm. As, according to Nando Malmelin (2015, 134) two features, managing creativity and managing regeneration, define especially media management, it can be defined as leading change and innovation in a creative industry. With respect to innovation paradigm the interests of leadership are change, creativity, innovation, and constant improvement.

Innovation paradigm, according to Hannele Seeck (2008) emphasizes new kind of thinking, actions, and ways of actions, change being inevitable for renewing. Employees are led by a constant urge to renew themselves. This is done by innovation leadership, i.e. creating innovation processes and building innovation culture. As the problem innovation paradigm is seeking an answer to is tightening competition causing a need to constantly improve operations and bring new services to the market in order to stay competitive (Seeck 2008, 34), we are looking at the question of regeneration.

In addition to external factors a media company has to find its identity and mission (Malmelin & Villi 2015, 135). These emerge through brand, which has an important role in targeting business actions. In innovation paradigm this is shown in demands towards top management communication: Amabile and Gryzkiewicz state that the most important factor supporting innovation in an organization is communicating that the company has a clear vision, and that it supports innovation and new ideas, and does not fear taking risks (in Seeck 2008, 251).

Since the 90s the media’s revenue targets have had its reflections on editorial work: journalism is more and more defined by market demands. (Herkman in Väliverronen 2009, 32.) This is where innovation paradigm collides with media management again main focus being the preservation of competitive edge and adaptation to market needs through innovation (Seeck 2008, 34).

These changes mean a fundamental change in editorial work: Instead of, or in addition to reporting what has happened, journalists need to analyze and combine information, think of the next step, look into and evaluate the future. This changing puts more demands on
the professional skills as well as the analytical skills journalists have. This is where innovation paradigm and media management encounter again: *in addition to getting paid, employees have an urge to use their knowledge and creative potential* (Seeck 2008, 34).

In following chapters I shall first introduce the results of Appreciative Inquiry from 2013 and 2014, and then describe the measurements taken in order to utilize these findings in strengthening the innovation culture at STT.
4 Appreciative Inquiry: Change Built on the Positive Core

In this chapter I will introduce Appreciative Inquiry as a way to organizational transformation. First I will describe the basis of the method, then define the central concepts of it. Last, I will describe how I am applying the method.

4.1 What is Appreciative Inquiry?

Rather than an organization development tool “Appreciative Inquiry (is) -- a philosophy and orientation to change that can fundamentally reshape the practice of organization learning, design, and development” (Watkins et al. 2011, 31).

The Appreciative Inquiry (AI) is one of few methodologies that are based on seeing the strengths and possibilities instead of problems. As many other theories and methods concentrate in finding solutions to existing problems, AI concentrates on the “life giving forces” of a company, aiming at transformation and the best possible future through these forces (Watkins et al. 2011, 22).

The concept of AI is quite young – it was first introduced by David Cooperrider and Suresh Srivastva in the 1980s (Watkins et al. 2011, 23, Ludema et al. 2000, 189). Its roots lie in action research, which the founders say has largely failed in achieving real fundamental organizational transformation (Ludema et al. 2000, 189). Action research is a method that combines social science inquiry and participants’ action (Somekh 2006, 1). Ludema et al. (2000, 189) claim that as it is problem-oriented, it cannot produce positive inspiration and passion nor commitment to development, and, thus, real alternative for status quo.

4.2 Appreciative Inquiry as a Way to Change

AI started out as a process for theory-building but evolved into an organizational change process. It has proven to be a method that facilitates surprisingly effectively the transformation of a workplace and its turning into a learning community. (Watkins et al. 2011, 23.) In addition to being a method, AI is a theory of organizational evolution. According to Tojo Thatchenkery most organizational development models are based on a positivist paradigm, i.e. organizational life is fundamentally existing. AI, on the other hand, is based on a socio-rationalist paradigm, i.e. organizational reality is socially constructed in interaction. (Thatchenkery 2003, 2.)
I argue that by focusing on the life giving forces of a company shall give it a sustainable competitive advantage as well as a way to fundamentally change its course. AI – the power of unconditional positive question – is built on a premise that organizations are continuously in a process of transformation. As it sees organizational life as socially constructed product of imagination, it takes into account a possibility to actively change this reality in collaboration. (See e.g. Thatchenkery 2003, Watkins et al. 2011, Ludema et al. 2000.)

I have chosen AI as a method to this paper merely based on previously mentioned views, as media is and will be in a continuous change, needing to renew itself as a creative industry in order to survive. In innovation paradigm employees are seen as learning and developing individuals, motivated by the opportunity to use their expertise and creative potential (Seeck 2008, 244). As AI appreciates the insight of employees in organizational change, it suits this framework.

AI has been successfully used in many organizations, the problems of which are actually not ignored but approached from the positive change core, as David L. Cooperrider and Diana Whitney (1999) call it. The aim of AI is to make the positive change core, the life giving forces of an organization explicit for all. By using AI this core can be reached: change initiates from every interviewees’ strengths, narratives, passions and dreams. AI has proven that “human systems grow toward what they ask questions about”. In AI only unconditional positive questions are asked, e.g. “describe a time when you have felt most alive and engaged in your organization”. Based on the answers, these stories, new propositions and, finally, images of the organisation and its possible future is created. (Cooperrider & Whitney 1999, 8–10.)

Life giving forces (LGFs) or core values are the basis for the existence of an organization. They are the values and ideas that result in the unique structure and processes of an organization. LGFs differ from organization to organization. AI finds these LGFs, “the best of what is” and aims at finding the future possibilities, “what might be”. (Thatchenkery 2003, 4–5.) Finding out the best of an organization and finding a way to strengthen it, shall enhance the competitive advantage of a company: it helps a company to concentrate on its core competences.

I also argue that asking positive questions gets people to think positively and, thus, enhances the acceptance of and development in situations of fundamental change at workplace. In this chapter I shall also discuss the AI as a method for changing the way people think.
Ludema et al. (2000, 189) claim that the questions we ask “set the stage for what we later ‘find’ and ‘discover’”. When asking the unconditional positive question, it actually affects or even predetermines the future of our organization and the social theory.

The critical, problem-oriented approach to action research often diminishes argumentation into a binary, which might limit the possibilities for invention. This, then, results in silencing differing voices: realities, values etc. that remain outside the binary become invisible. Communities are eroded as these binaries determine groups: good and bad and those who are in or out. Critique also creates social hierarchy: the binaries and, thus, created categories result in comparison and inferiority. Traditional action research easily leads people to see what is wrong, not what are the strengths and possibilities, thus influencing negatively to the way people think. (Gergen 1994a & 1994b in Ludema et al. 2000, 190–191.)

Appreciative Inquiry aims at continuous dialogue and collaborative action within organization. Ludema et al. (2000, 191) describe it as “a way of organizational life”, where the organization is constantly engaged with the questions of e.g. life, excellence and innovation. Organizational development is determined by the way it is looked at.

Phases of AI include a positive topic choice, discovery, dream, design and destiny. The chosen topic initiates the construction of organizational life: when positive, it contributes to flourishing. In discovery phase, the aspects of what gives life to an organization, i.e. the life giving forces (=LGFs), are searched for. (Ludema et al. 2000, 191–192.) Typically this phase is done by pair interviews, but can be done by the researcher: the aim is to discover what attracted the person to the organization by asking about their recent positive experiences at work. These interviews are then analysed and the LGFs or core values of the company are spotted. (Thatchenkery 2003, 7.)

The dream phase is literally about dreaming what could be. This phase frees employees and gives them an alternative: positive images of a possible future – which then influences the way they think. (Ludema et al. 2000, 192.) The core values are explored by appreciative interviews: aim is to find out the factors that contribute to sustaining these forces or values (Thatchenkery 2003, 8).

In the third phase the future is designed: personal opinions are transformed into organizational discourse through dialogue, a shared future is built (Ludema et al. 2000, 192). By analyzing the appreciative interviews, propositions of the desired future are stated. These have to meet specific criteria: a proposition needs to be transformational,
concrete and tangible, inspirational as well as connected to the life giving force that initiated it. (Thatchenkery 2003, 17.)

In the final phase, destiny, the future is made into reality through collaboration. Growing circles of participants are included in the conversation resulting in action – making the shared vision of future a reality. (Ludema et al. 2000, 192.) Thatchenkery (2003, 20) states that the implementation phase is the most important as well as the most difficult one. Implementation, according to him, often fails because the propositions are not compared to the criteria.

Positive questions trigger an evolution of organizational discourse through which social and organizational innovations are constructed. AI makes positive construction of reality happen as it turns organization’s attention from problems to energizing possibilities. The positive framework facilitates the employees to see beyond the problems and, thus, think of the future of the organization positively and open to changes. As a collaborative effort, AI enhances positive relationship building within the organization. (Ludema et al. 2010, 197.)

4.3 Collecting Data

The Appreciative Inquiry starts with a discovery phase, where life giving forces are searched and defined, often in pair interviews. In this thesis an application of AI was used, and I, as the researcher, conducted the interviews as one-to-one in two phases, first being the discovery, and second the dream phase. AI’s third and fourth phase, design and destiny then followed in 2014 and 2015 by designing and specifying an organizational change, a new unit, and executing it.

There were a total of 21 one-to-one interviews of STT employees, most of them journalists and women (16). Majority, 11, of the interviewees had worked at STT from 5.5 to 10 years in fall 2013, 6 of them for 12 years or longer, and 4 for 2–4 years.

Interviewees were chosen with the HR Manager so that the people interviewed represent men and women, all the age groups, and all the departments. Interviewees are also known to have a critical and constructive attitude towards organization and development. This might have an effect on the results, but the risk is conscious: in order to find life giving forces and develop and enhance them further, persons starting point has to be development-oriented.
There were two rounds of interviews, first in spring 2013, second in fall 2013. In spring 11 interviews were made, in fall 10. These interview rounds are the critical incident interviews and the actual Appreciative Inquiry (Thatchenkery 2003, 8).

4.3.1 Round 1: Critical Incident Interviews

First round of interviews, the critical incident interviews, was done in April and May 2013, when eleven people were interviewed. Seven of them were reporters and four from other units (e.g. Sales or Communication Services). Two of the interviewees were men. Four of them had worked at STT for 5.5–10 years, two for 2–4 years and five for 12 years or longer.

Critical incident interviews aim at finding out what truly attracts the employee to the organization. This is done by asking about specific experiences or situations, and getting a full description of the incidents. In this case interviewees were asked e.g. what they value the most at STT, when co-operation has been at its best and to describe situations where they had felt the most enthusiastic or successful and what supported this (Appendix 1).

The interviews were at this phase analyzed by prevalence of keywords, in order to derive common themes emerging, and to find the life giving forces: keywords were searched, tabulated and calculated. There were total of 45 keywords or concepts, such as speed, professionalism, co-operation, team spirit, openness, brand and values, basic news work etc. Similar words were grouped if it was obvious that there was a common meaning behind them.

The most mentions (11) got key words or word groups

1. having fun at work / good team spirit / working atmosphere / co-operation,
2. experimenting / innovations, and
3. customer orientation.

Nearly as many mentions (10) got

4. basic news work, and
5. a common goal / brand / values.

Thus, five core values or life giving forces (LGFs) were discovered based on the incident analysis of keywords:

1. Mastery of basic news work
2. Experimenting and innovativeness
3. Co-operation and team spirit
4. Customer orientation
5. Brand image (external / internal).

4.3.2 Round 2: the Appreciative Inquiries

The five life giving forces formed a foundation for the second round interviews, the purpose of which is to explore organizational factors that support and enhance these forces and, thus, the business and organizing of STT. This is done by using the Appreciative Inquiry.

Ten people – not participants in the round 1 – were asked more about these five LGFs or core values: e.g. what is the role of each value, what should happen or is happening in order to support each value and what kind of organizational structure or working habit would support them. Appreciative Inquiries were based on unconditional positive questions forming themes around the life giving forces (see Appendix 2).

The second round was done in August and September 2013, when ten people were interviewed. There were five reporters and five from other units, IT, Media Services, Communications Services, News Picture, and Picture Sales. Three of the interviewees were men. Seven of them had worked at STT for 5.5–10 years, two for 3–4 years and one for tens of years.

Interviews were transcribed, and a thematic analysis was done with respect to these five life giving forces and six organizational factors. Every interview response relating to an LGF found during the first analysis round was organized in a matrix with LGFs on one side and organizational factors on the other.

In this analysis a typical organizational analysis framework was used, and one extra was added because the thematic analysis showed the importance of this extra factor. The organizational factors used in the analysis are:

1. Organizational Structure
2. Decision making
3. Leadership
4. Communication
5. Organizational Practices (Thatchenkery 2003, 10)

**Organizational structure** includes responses related to e.g. editorial departments, changes in the organization and their effect on processes after STT and Lehtikuva integrated, editorial shifts, different editorial and development roles, and co-operative task-forces between departments or business units.

**Decision making** refers to executive decision making about e.g. product range or business models, decisions concerning e.g. different temporary development teams, views of board of directors, everyday editorial prioritizing, and joint responsibility of the brand of STT.

**Leadership** deals with relations with executives and middle management, feedback processes, and support from supervisors, trust and freedom experienced by the employees, trust in executives, project management, and change management.

**Communications** refer to both internal and external communications, and it was the most discussed organizational factor with organizational practices and business model in the interviews. Internally responses handle e.g. manager communications, interaction between Media and Communications Services, project communications, distinctive personalities of journalists and its effect on communications, personal relations with coworkers, and lack of communications in different situations. External communications include e.g. influence communications, customer communications, brand visibility in client media, and other brand communications.

**Organizational practices** include both human and technological processes but also cultural aspects, and it was the most discussed organizational factor before communications and business model. Responses handle e.g. editorial processes, including organizing in different situations, editing, fact checking, formatting and principles in information collection. This factor includes also STT’s mission and its effects on processes as well as brand’s meaning to reliability when reporting urgent incidents. Technological practices handle e.g. indexing, categorizing, distribution platform, editorial system, and devices.

**Business model** is in this paper understood widely, as everything that effects on the business possibilities of STT, and the changes the business might need. Business model can be defined as "an abstract representation of an organization, be it conceptual, textual, and/or graphical, of all core interrelated architectural, co-operative, and financial arrangements designed and developed by an organization presently and in the future, as
well as all core products and/or services the organization offers, or will offer, based on these arrangements that are needed to achieve its strategic goals and objectives” (Wikipedia 2016a).

Business model was one of the most discussed along with communications and organizational practices in the interviews. Responses related to this factor handle e.g. STT’s product and service range, value of news work, successful examples within news agency business, change in communications (e.g. own media) and its effect on business model, business development and new opportunities, price models, business units, and ability to invest.

These six factors are not emerging in the interviews with respect to every life giving force. Factors are handled in the analysis when they are included in the responses. Critical incident interviews (chapter 4.3.1) and Appreciative Inquiries (chapter 4.3.2) are analyzed and reported in chapter 5 Findings.

4.3.3 Appreciative Analysis and Implementation

After thematic analysis, the possibility propositions are created in respect with the matrix of LGFs and organizational factors. A possibility proposition is a statement that connects the LGFs with the image of “what might be” (Thatchenkery 2003, 15), i.e. propositions are formed in a new matrix based on the thematic analysis matrix.

There are three elements, novelty, transition and continuance which interact in creating possibility propositions. Propositions are formed by asking, what kind of elements relating to each organizational factor maximize the potential of each life giving force. After writing the propositions they were compared to following criteria:

1. It has to be new and challenging.
2. It has to be specific, concrete and tangible.
3. It has to be inspirational.
4. It has to be connected to the life giving forces and organizational factors. (Thatchenkery 2003, 15–17.)

In this thesis individual propositions form a specification report. Based on this specification report implementation was done. Specification and implementation phases are reported in chapter 6.
5 Findings

In this chapter I will analyze and report the two rounds of interviews, first the discovery phase (critical incident interviews), in order to discover the life giving forces or core values of STT, and then the dream phase (Appreciative Inquiries), where the life giving forces are further developed. In following chapters I will then describe how these life giving forces were taken into practice, how a new unit was defined in the design phase, and established in final phase, the Destiny.

When interviewing STT employees two common features became obvious: On one hand, these people are extremely ambitious and aim at excellence in everything they do. On the other hand, they are frustrated with the lack of money, time and resources that keep them from getting where they aim at.

The answers also tell about a certain editorial tradition: reporters are used to acting as gatekeepers to knowledge, i.e. they are used to deciding what to tell, who to interview and how and when to do this all. As anyone can aggregate, produce or create information this role does no longer exist. Editorial staff can be seen more and more as service-providers, who need to take user experience and needs into serious account. This shows how problematic the position of a news agency is perceived by its employees on the media market: it demands constant balancing between experimenting and customer satisfaction on traditional news services, between b2b-service and competing in the media market.

The starting point of the Appreciative Inquiry is an unconditional positive question instead of a problem-centric approach. However, in all the interviews – even though they started with a positive viewpoint – the discourse quickly turned into negative one, and a lot of cynicism and frustration emerged: *we would and could but we do not have the money, time, resources or allowance from the customer-owners.* This might be characteristic for a business that has suffered from diminishing revenues and, thus, resources for quite some time. It seems to be nearly impossible to find solutions without pointing out this development. However, this indicates that the staff is well aware of the business situation the company is in.

5.1 Discovery of the Life Giving Forces

As described in the previous chapter the first round of interviews, critical incident interviews, was done in April and May 2013, when eleven people were interviewed. Purpose of
this round was to identify the life giving forces (LGFs) or core values of STT as perceived by its employees.

When analyzed total of 45 keywords emerging in the interviews were recognized, tabulated and calculated. Similar keywords or concepts were unified and treated as one, e.g. every mention praising the personalities or company of ones coworkers (like having nice coworkers, having fun at work with coworkers) were grouped under good working atmosphere and team spirit. When responses referred directly to work (e.g. having motivated or professional coworkers) another keywords were created. The grouping of interviews will be discussed more in the following chapters of each individual LGF.

As a result of this classification the keywords that gained the most mentions were picked and formed into five life giving forces. At this point keywords or groups of keywords were unified further: e.g. having a good team spirit and experiencing good co-operation between colleagues were unified into one LGF, Co-operation and team spirit. The five life giving forces resulting from thematic analysis are:

1. Mastery of basic news work
2. Co-operation and team spirit
3. Customer orientation
4. Experimenting and innovativeness
5. External and internal brand image.

5.1.1 Mastery of Basic News Work

When thinking about the essence of a news agency it all comes down to the mastery of basic news work: a news organization lives from it, and according to the interviews this is obvious and a significant motivational factor to STT-employees. There were 10 mentions of basic news work in 11 interviews. If “hunger for news” is added, there were total of 15 mentions.

What is mastery of basic news work then? Answer lies within several other keywords emerging from interviews intrinsically related to editorial work, like neutrality, reliability, quality, quickness and integrity, as well as professionalism, strong processes, versatile subjects and tasks and planning. These keywords gained total of 63 mentions. Mastery of basic news work is defined by all of these adjectives and definitions, and as a concept it comprehends ideas of professionalism and expertise.
5.1.2 Co-operation and Team Spirit

Co-operation and team spirit was the second most important motivational factor, i.e. life giving force, mentioned by the interviewees. When grouping all the mentions related closely to co-operation, it got total of 48 mentions in 11 interviews.

This life giving force includes mentions fun at work, good team spirit, great atmosphere, co-operation, common goal, motivated coworkers and helping each other. As news agency work being as hectic as it is, common goal and mutual support combined with valued coworkers ease the stress and pressure experienced in continuing deadlines and demand of being alert at all times.

5.1.3 Experimenting and Innovativeness

Even a bit surprisingly in a company so strongly oriented to news production, experimenting and innovativeness were also mentioned in every interview. If also concepts readiness to change and developing working methods or processes are counted in the total amount of mentions rises to 22.

In spring 2013 the economic and structural crisis had already been hitting hard media businesses, which was seen at STT, even though it did not yet have consequences. The tightening crisis affected STT later same year, fall 2013. The interviewees were painfully aware of the need of structural and business-related changes and the need to regenerate, which can be seen in the interviews.

5.1.4 Customer Orientation

The fourth LGF, customer orientation seems to be derived from STT’s official value Customer’s Success, which, thus, obviously is well adopted and engaged to. Employees understand on a personal level that meeting the customer needs entitle news agency’s existence.

Customer orientation was, exactly in this form, mentioned in every interview, making it one the most mentioned LGFs. It can be related to another keyword, comprehension of one’s mission, which was in seven interviews mentioned with respect to understanding customer needs in everyday work. Total amount of mentions related to customer orientation and STT’s mission was 18.
5.1.5 External and Internal Brand Image

The fifth and last life giving force emerging from the interviews is brand image, both internal and external. Brand image as a concept itself got only seven mentions, but is shown throughout the interviews as pride of being a STT-employee.

Brand being a “name, term, design, symbol or other feature that distinguishes one seller’s product from those of others” (Wikipedia 2015), it is in this paper led from all the other life giving forces. These other LGFs, mastery of basic news work, experimenting and innovativeness, co-operation and team work, as well as customer orientation are concepts defining the essence of STT. STT-brand internally and externally consists of these LGFs.

5.2 Dreaming of What Could Be: the Appreciative Analysis

The previously introduced five life giving forces formed a foundation for the second round interviews, the Appreciative Inquiries. Ten people – different from round 1 – were asked more about these five LGFs or core values, and how they are connected to the seven chosen organizational factors (see Table 1).

The second round was done in August and September 2013 just before STT went into employee co-operation negotiations. Interviews were then transcribed, and a thematic analysis was done. Every interview response relating to an LGF found during the first analysis round was organized in a matrix with LGFs on one side and organizational factors on the other. In this analysis a typical organizational analysis framework was used, and one extra was added because the thematic analysis showed the importance of this extra factor, which was business model.
<table>
<thead>
<tr>
<th>Organizational Structure</th>
<th>Mastery of Basic News Work</th>
<th>Customer Orientation</th>
<th>Experimenting / Innovativeness</th>
<th>Cooperativeness / Team Spirit</th>
<th>Brand Image</th>
<th>Spirit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decision making</td>
<td>Responses concerning the relationship between digital and print content, organizing according to trial newspaper sections, editing, and shallow borderlines between units. Also comments about organisational change, and need for diverse knowhow.</td>
<td>Responses concerning decision making based occassionally too much on journalisty or on one customer's views; Problematic relationship with owner-customers and its effect on decision making.</td>
<td>Criticism about shutting down certain development group, and moving resources to editorial office.</td>
<td>Discussion about how approachable top management is, and how difficult it is to present ideas to the management. Comments about department heads presenting new ideas and trials. Wishes of getting encouragement in innovating, and openness in management communication.</td>
<td>Discussion about unsuccessful project management, and outsourcing organizational development projects to project groups instead of involving everyone.</td>
<td>Discussion about STT being a small firm, and the contradiction of being the representative of the brand - instead of &quot;someone else&quot; making the decisions of what STT is or what the brand represents. Comments about believing in oneself and acting on it.</td>
</tr>
<tr>
<td>Leadership</td>
<td>Responses concerning customer service, lack of discussion of customer needs during work days, lack of communicating customer needs to editorial staff.</td>
<td>Discussion about difficulties is &quot;selling&quot; new ideas to client-owners. Comments about a need for new platform for discussion when people work in shifts.</td>
<td>Discussion about scarce resources, but also about the need to show innovativeness (e.g. liveblogging or tablet journalism). Ideas about new communications business, and experimenting.</td>
<td>Discussion about the need for specialized reporters, importance of networking diminishing business value of basic news work. Comments about the need to find new businesses areas, and a risk of losing current status of STT as an &quot;official&quot; news agency.</td>
<td>Discussion about STT and Lehtikuva brands being separate, and a need to unify these. Comments about young people not knowing STT, and the contradiction between STT's value of being a forerunner, and how the public sees STT - if even knowing it - as quite stiff and oldfashioned actor.</td>
<td></td>
</tr>
<tr>
<td>Communication</td>
<td>Responses concerning production, especially concentration on solely news wire service. Discussion of new business areas, change in communications and media's state, e.g. access to public, and STT's place on the market.</td>
<td>Discussion about asking the customers how to develop business, and discussion about how to develop product range so that clientele can be kept. Comments about client-owners not wanting to develop STT.</td>
<td>Discussion about scarce resources, and also discussion about the need to show innovativeness (e.g. liveblogging or tablet journalism). Ideas about new communications business, and experimenting.</td>
<td>Discussion about the need for specialized reporters, importance of networking diminishing business value of basic news work. Comments about the need to find new businesses areas, and a risk of losing current status of STT as an &quot;official&quot; news agency.</td>
<td>Discussion about STT building Communications Services on STT brand, which supports business by being reliable. Comments about basic new work being a foundation of a solid brand.</td>
<td></td>
</tr>
<tr>
<td>Business Model</td>
<td>Responses concerning former STT and Lehtikuva integration, fact checking and editing, rush, reacting to news.</td>
<td>Responses concerning customer promises, indexing, formating, categorizing, new planning and their meaning to customers.</td>
<td>Comments about innovativeness demanding a more relaxed atmosphere. Also discussion about urgent news work always getting in the way of innovating, and questioning the ability to innovate when there is a strong urge to be effective in news production.</td>
<td>Discussion about lack of technical integration of STT and Lehtikuva, importance of &quot;mass production&quot; and being the fastest. Comments about a need for doing data journalism and cooperation in cross-checking news reports, editing practices and duty shifts 24/7/365.</td>
<td>Discussion about news winnings strengthening the brand, but at the same time fearing the brand disappearing. Comments about STT brand being &quot;too big for its size&quot;, too ambitious, thus resulting in frustration.</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Organizational values with respect to life giving forces of STT.
Appreciative Inquiries were based on unconditional positive questions and themed around life giving forces. As seen in the previous matrix, not all the organizational factors are emerged with in all the life giving forces. Also, the life giving forces are not emerging unattached, but overlapping and reinforcing each other.

In the following chapters each life giving force is reviewed with respect to relevant organizational factors: How can these organizational factors support the strengthening and further existence of life giving forces at STT?

5.2.1 Mastery of Basic News Work

The basis of mastering news work is even at times of digital revolution something that can be conceived sustainable. As this LGF is by STT-employees defined by neutrality, reliability, quality, quickness and integrity, as well as professionalism, strong processes, versatile subjects and tasks and planning, the core essence of news work is much more than defined processes or formats, which are something to be defined with respect to this LGF.

Organizational practices at STT support above all reliability. The reporters and photographers have assimilated the fact that news agency is a bulk producer that lives on its reliability.

“I see mass production as the most important.”

“We do well in accuracy, and -- fact checking, and that every piece of news is read by another person, and sub-editors read them.”

With respect to organizational practices and structure the digital transformation is demanding for change: this demand is forcefully emerging from interviews as in 2013 print-orientation was still seen all-around from production to organization:

“In our house there is a thought that as we have such few employees, it is more effective if one person writes four versions in comparison to one writing two and other writing two. – It has to do a lot about beliefs.”

---

1 Näen sen massan tuottamisen on tärkeimpänä.
2 Hyvin toimii sellainen tarkkuus ja -- asioiden tarkistaminen ja se, että kaikki jutut luetaan ristin ja toimitussihteerit lukee ne.
“This editing office is organized according to newspaper departments – maybe it could be somehow different. And newspaper-orientation shows also in many other things, I think it should change.”

The pace of the world is changing as people are online all the time: the usage of mobile devices is growing so there has to be offering around the clock. At STT the old order was still seen also in work shifts:

"In the morning there should be more people at work – we have quite many people working at 5-6 p.m. when print versions are completed. At 7-8 a.m. I think there is too few news coming out."

Being alert and ready for news actively 24/7/365 is something that was seen necessary in the interviews when asked how the basic news work could be enhanced in the future:

“There should be more duty shifts. – Maybe a general duty editing office where people write quick wire messages."

“As many as possible can do as many things as possible. Barriers should be low between the departments. I'm not sure whether we need departments at all, or do we just need a bunch of editors some of which have deeper knowledge of certain subject areas. – Most of all we need extremely good general reporters that can write of anything.”

---

3 Meidän talossa on sellainen ajatus, että meillä on niin vähän vääkeä, että on tehokkaampaa, että yksi ihminen tekee 4 versioita kuin että kaksi tekisi toinen 2 ja toinen 2. -- siinä on hirveän paljon uskonasiaa.
4 Tämä menee niiden lehtiversioiden osastojaon mukaan paljon tuo toimitus, -- että ehkä se voisi olla jotenkin erilainen. Ja mututenkin -- painettu lehti -keskeisyys näkyy aika monessa, että ehkä jotenkin sitten musta sen pitäisi muuttaa.
5 "Vaikka aamuisin olisi enemmän ihmisiä töissä, että -- meillä on aika paljon viiden-kuuden maissa, kun valmistuu jotain lehtiversioita. -- just siinä Klo 7-8 mun mielestä meiltä tulee liian vähän uutisia ulos.
6 Päivystämistä pitäisi olla enemmän – joku sellainen yleisempi päivystävä uutisdeski, jossa on ihmisiä jotka tekee nopeita juttuja. 
7 Mahdollisimman moni pystyy tekemään mahdollisimman montaa eri asiaa ja jossa tämmöiset raja-aidat on matalia ns. osastojen välillä. Mä en ole varma, tarvitaanko mitään osastoja lainkaan. Vai tarvitaanko vain iso könttä toimittajia, joissa toki on sitten tietyn aihealueen osaajia ja ihmisiä, jotka seuraa omata tai tiettyä aihealuetta. -- eniten tarvitaan ihan erittäin hyviä yleistoimittajia, jotka pystyy kirjoittamaan aiheesta kuin aiheesta
This transformation, however, cannot be reached over night but is a result of long-term development enhanced by work rotation and department transgressive news cases.

“The organization – has changed quite a lot already, and people have started to work across department barriers in a positive sense.”

STT is one of few news rooms in Finland where all the content is edited. It is becoming more and more common in many media houses that online news are written and published by online reporters – without editing. Sub-editors worked in 2013 at Desk from 9 a.m. to 11 p.m., and news is peer-edited also when there is no sub-editor on duty. This can be considered a big investment in reliability. Even in difficult economic situation there has been a strong will to maintain the editing culture at STT, and the shifts of sub-editors remained the same.

With respect to organizational structure the constantly shrinking resources complicate things: where to use them, and how to ensure that people manage their workload. The use of resources is seen even as a threat to business.

“STT has certain -- people assume that we go to certain press conferences and it’s sort of bulk news reporting. -- What happens when government opens up, and starts using new ways of communicating? -- Why would they tell us things they can tell straight to the public? -- STT is playing itself to the corner.”

As bulk news, i.e. basic news, is available free in the Web, it is all the time becoming more difficult to get money from it, the old business model is not working. Open data and solutions that allow people to find interesting knowledge from the Web are making the business all the more difficult. Frequent lay-offs in media, both STT and its customers, are one indication of a problem in revenue logic. Competition is harsh: for a news actor scoops are a vital condition, but not enough:

8 se organisaatio -- on muuttunut jo nyt aika paljon ja ihmiset on positiivisessa mielessä alkanut kulkemaan osastorajojen yli.
9 STT:llähän on tiettyä ihan tämmöisiä -- oletetaan, että näissä tiedotustilaisuuksissa käydään ja se on vähän semmoista bulkkiutisointia -- Mutta mitäs sitten kun valtionhallinto avautuu ja -- uudet viestintätavat otetaan käyttöön. -- miksi ne kertovat meille juttuja, kun ne voivat kertoa suoraan pois ja ulkomaailmaan --. Ja STT pelaa itseään vähän kanveesin tassä näin.
"We need – to make more own scoops, clearly own big news, which show to consumers. – so that STT is visible in the media. -- It helps of course if we have strong special editors with good connections -- but -- it (finding scoops) can be done so that one finds information in the right place."  

The business model based on duplicating news does not suit very well in the Internet era. The employees see a growing urge to come up with new business. There are e.g. opinions at STT that there should be a division between quick and slow journalism.

"I think that one tube (= news wire service) is not enough -- even in the near future, but we need to divide it into electronic -- and long, analyzing journalism."  

"We must build other things around it (news work) and strengthen the product range."  

"There should be more like data processing – hard to say – as customers can have different wished for it."  

"All (the successful news agencies) have gone to other business areas, and gained significant income. -- Those news agencies whose business is based on wire service are in trouble."

One major difficulty is the lack of modern technical solutions and resources, as is the case in many small or medium sized media houses.

---

10 Pitää tehdä -- enemmän omiaSKUuppeja ja sellaisia selkeästi omia isoja uutisia, mitkä näkyy sitten taas uutisten kuluttajille -- ette se jotenkin on medioissa esillä STT. -- Se auttaa tietenkin, että meillä on sellaisia vahvoja erikoistotöitä, joilla on hyvät verkostot, mutta -- Kyllä sitä (bongata SKUuppeja) voi tehdä ihan sillä, että löytyy tietoja oikeasta paikasta.
11 Mon mielestä yksi putki ei -- ihan lähistöläiset mediaesikunnat tule olemaan riittävä, vaan se täytyy eriyttää tämmöseen sähköiseen -- ja pitkään analysoivan journalismiin.
12 Sen (uutistyön) ympärille pitää rakentaa muuta ja vahvistaa kokonaisuutta.
13 "Enemmän pitäisi tulla sellaista datan pyörittelyä -- vaikea sanoa, kun -- asiakkailta voi olla sitten vähän erilaisia toiveita sen suhteen."
14 "Kaikki (menestyneet uutistoimistot) on lähtenyt myöskin muille liiketoiminta-alueille ja nimenomaan on saanut merkittäviä tulotoja. -- Ne uutistoimistot yleensä, joilla liiketoiminta perustuu pitkälti perusuutispalveluihin, niin ovat liemessä."
“Our production is so scarce, and never will be so extensive, that we could customize it enough -- but we would not even have the chance with our current technical platforms and distribution systems.”

“We have integrated with Lehtikuva -- but we have not integrated the technical side -- it would be sensible to have one system, i.e. Neo (editorial system), and one Web system that would present it (combination of text and pictures).”

5.2.2 Experimenting and Innovativeness

In this chapter I will describe a discourse I call the “barrier-talk”. It can be found in nearly all the interviews -- new ideas or even seeds of ideas are often turned down by pleading to scarcity of resources, even before they have been suggested to management. In my experience this is a typical discourse at STT emerging often when discussing or visioning what might be.

“If we start talking about something (a new idea), someone always points out, that they are really busy at IT-department at the moment. Or somehow some barriers arise.”

“One of STT’s traditional strengths is that we responsibly repeat the same process with high quality standards, downside being reluctance to change anything as it goes so smoothly.”

There is a common feature in all the interviewed reporters: they are namely news reporters, who value integrity and reliability high. They feel obliged to give the audience a versatile image of the world, so that people can make their own interpretations of what has happened. They are also very committed to common goals, and willing to reach for them, even though it seems hard or even impossible at times.

---

15 “Meidän tuotantokin on niin ohut eläkä meillä oma tuotanto tule ikinä olemaan niin iso, että me pystyttäisiin sieltä tekemään riittävää räättööntä. -- mutta siihen ei siis ole mitään toivoa nykyisillä teknisillä alustoilla ja jakeluilla.”
16 “Me ollaan integroiduttu Lehtikuvan kanssa -- mutta -- me ei olla integroitu sitä teknistä puolta, -- olisi järkevä, että meillä olisi yksi järjestelmä, toisin sanoen Neo, -- ja sitten meillä olisi yksi verkkopalvelu, joka sen (kuvan ja tekstin) esittäisi.”
17 “Jos aletaan puhumaan jostain, niin joku aina huomauttaa, että teknikassaka ollaan tällä hetkellä tosi kiireisiä. Tai jotakin tulee sellaisia rajoja.”
18 “Yks STT:n tämmönen perinteinen vahvuus on, että toistetaan samaa prosessia hyvin laadukkaasti ja luotettavasti -- mutta siinä downsidenä on usein se, että kun se menee niin kivasti, - - niin miksi ihmeessä miettisinkään muuttavani sitä.”
“Many people have too much work – there is a conflict in between wanting us work faster, but make fewer mistakes. It makes it hard for a single reporter to develop. -- The most glaring example are the legal reporters who don’t even have time for lunch.”

“People, who apply for a job (at STT) and stay here, are able to quickly change direction – people are motivated and interested in things happening fast.”

According to Mark Deuze (2011, 5) more creativity and innovation on both the firm and the individual level means more success and a greater competitive advantage. People at STT find the attitude towards innovation and trials being one of news agency’s core strengths. However, in practice, they are often limited by rush and lack of money, i.e. basic news work, the core of the news agency business, is nearly always put first when there is scarcity of resources.

"Are we using our time right? Is it necessary to report everything we are reporting now, or could we use 20–30 per cent of our time for testing new IT-tools? -- In general, it would be great to have time for conversation."

“If we had more money, yes, we could innovate more.”

Other possible explanation for barrier-talk is that experimenting and innovations are perceived something huge, requiring big investments, and a lot of time and energy. In the first round interviews, experimenting was described being more of a new working practice.

“Actually the concept of innovation – it means that we do something a little better. It is a state inside of peoples’ heads, so that we are ready to think outside our own process or box.”

---

19 Monilla on liikaa töitä -- on se ristiriita siinä, että haluttaan, että tehdään nopeammin, mutta sitten vähemmän virheitä. Niin siinä on vaikea ehkä yksittäisen toimittajan enää kauheasti kehittyä. -- räikein esimerkki on noi oikeustoimittajat -- eihän he lounaalle yleensä ehdi.
20 Tänne hakeutuu ja täällä pysyy sen tyypissä ihmiset, jotka on kykeneviä nopeasti muuttamaan suuntaa – ihmiset ovat motivoituneita ja kiinnostuneita semmoiseen, että asioita tapahtuu nopeasti.
21 "Käytetäänkö me nyt aikamme oikein? Että onko välttämätöntä uutisoida kaikesta siitä, mitä me uutisoidaan nyt vai voisiko ajasta esim. 20–30 % käyttää tammöiseen --, että -- läpikäydään uusia (teknisiä/it-) työkaluja. -- ylipäättään se olisi kova juttu, että olisi aikaa käydä keskusteluja."
22 "Jos meillä olisi rahaa, niin kyllä -- me pystyttäisiin enemmän innovoinaan."
“In that press conference I was working in a totally different way than before. – My own role was – new and different. -- We have the courage to try new ways of producing content, and that (case) was just like that.”

With respect to organizational structure and practices STT is a very structured and process-oriented news room: the Stylebook defines processes in news writing, information gathering, relationship building, social media, and practically everything one could imagine happening in a news room. This can be considered essential when target is to repeat predictable, strictly formatted quality news production from day to day for different customers as promised.

However, it is possible or even probable that this will result in a less experimental mind set – in my experience it seems to be difficult to turn ones thinking from following strict rules to free brainstorming. Interviewees also state that news production easily becomes a routine:

"Free ways of working (support experimenting), so there is probably – a contradiction then as I see our main duty being reporting news, and in news one easily falls into routine way of putting things."

"We have really stiff innovation culture – even though there is a lot of ideas on the personal level, this system is so heavy that executing them has turned out to be nearly impossible."

Aiming at excellence in reliability and setting strict rules for work hinders mistakes, but it might also hinder courage to try new things.

---

23 “Oikeasti se innovaatio-sana -- se tarkoittaa sitä, että tehdään jotain vähän paremmin. Se on tila ihmisten pään sisällä, että ollaan valmiita ajattelemaan myös sen oman prosessin ja boksin ulkopuolelle.”

24 “Siinä infon yhteydessä tein ihan eri tavalla kuin aikaisemmin. – Oma rooli – oli semmoinen uusi ja erilainen. – Uskalletaan kokeilla uusia tapoja tuottaa materiaalia, ja to i oli juuri semmoinen (tapaus).”

25 “Vapaat työtavat (edistää kokeilevuutta), että siinä on varmaa -- ristiriita sitten, kun meidän pää-työnä mä kuitenkin näen on tehdä uutisia, ja uutissahan hyvin herkästi sotuttaan rutiniinomaiseen tapaan esittää uutisia ja näin.”

26 “- täällä on hirveän jähmeä innovaatikulttuuri -- vaikka tuolla olisi henkilötasolla paljonkin ideoita, niin tämä koneisto on niin raskas, että niiden toteuttaminen on osoittautunut melkein jopa mahdottomudeksi.”
"(I wish) we would have a culture that allows failure, so that we could try something and then state that lets not do this after all."  

Reliability being a conservative value, it might restrict development, i.e. creativity and agility in organizational practices. Even too heavy customer orientation, although important, might have the same effect. Question remains: can there be successful news agency customers on a creativity-based branch in trouble when all the more free and qualitative content is available in the Web, if the basis of business – reliability in facts, quality and delivery – hinders development which is crucial at this market situation?

"It happens very often that even if a reporter has a day for it (experimenting, brainstorming), there is a news incident which the reporter is required to write about."  

“That is exactly our future challenge, how to create new, how to have the courage to create new, while we are so oriented towards effective action, which new never is.”

"I actually worry a bit in this company about our patent solution: solving our business problems by asking the customers. I quote Henry Ford here: 'If I had asked customers, what they want, they would have wanted faster horses.' Such changes our business needs right now do not come from our customers. If they had figured it out, they would do it themselves. Especially on the media side. We have to have the courage to invent the solution ourselves."
When it comes to leadership and decision making barriers come from scarce resources and prioritizing. They seem to have a big negative effect on development projects – even though development is seen essential with respect to future possibilities.

“Not even our project management ever works. So that someone would actually lead the project – it never works. It is not resourced enough, so it can’t work.”

“As work is changing, we should continuously digest new ways of doing it. Are we doing things right, development bit by bit. Not so that suddenly we are shocked that something should happen, and then we establish a task force and start thinking about it. Then it comes from the outside, it does not grow into the organization. Executives have the biggest responsibility – probably the media executives have not been able to utilize this. New (successful) firms like Google and Kone, they have a strong digital foundation. This is something media houses should be thinking.”

5.2.3 Customer Orientation

Barrier-talk emerges also when discussing customer relationship. As described earlier the relationship with the owner-customers, who are at the same time competitors, is problematic. It has proven to be difficult to make owners invest in the news agency as their own businesses are in trouble as well. Many Finnish media houses, especially regional media, are also very print-oriented, so they are not very eager to try new digital services or products, or at least pay extra for them. This has its effect on organizational practices.
"Our customers are really, really print-oriented. They want us to strengthen the print, so that they can do the other stuff (development) themselves."

"(Experimenting) is not in a good situation, because it takes too much from the basic news work. Well, last year we had the tablet trial, but it was left in the making."

As a news agency aims at its customer’s success it is possible that it is not able to create new digital business – the board of directors simply does not support it. When the majority of revenue still comes from the print, news agency is expected to support namely that business, not create new uncertain digital products. In this situation it would be crucial to be able to sell one’s innovations, to show there is profit coming. However, market situation being as blurry as it is, getting owners to invest has proved to be difficult. Creating new business models is, thus, problematic.

"We often have a good view of where we should go, but we have great difficulties in convincing our customers."

"They have a will to maintain us, but not to develop us – how could we make our owners to understand that maintaining is not enough."

News about new media consortiums (Lännen Media, Bauer Media etc.) are in my experience raising anxiety in the editorial department. The worries are not groundless. However, this is not the case among all.

"We should not be scared of media co-operation, but try to find means to participate. The idea of a news agency is that we do things media customers cannot do alone."
Both sales and editorial staff recognize that they do not know enough of customer needs, which might have a stagnating impact on organizational practices.

“It would be good if editorial department understood customer needs even better – it is really quick forgotten what they do and what their needs are.”

“Could we use e.g. technical solutions, that would measure which of our reports are read on the customer media pages?”

As the customer relations are as problematic as they are, inventing new business models becomes all the more attractive. However, the barriers rise again.

“Our customer base on the media business is quite static – how could we do things that would create new business or that we would find wholly new customers?”

“We have ran into the fact that the way these new customers use media is different (from traditional media), and they are used to lower unit costs, even free news. – Those cases often crash with the fact that we are too expensive or that our coverage is not suitable. We are customer oriented to the clientele we have had a long time.”

5.2.4 Co-operation and Team Spirit

Co-operation and team spirit, belonging to a group of STT-employees, is based on the interviews a significant motivational factor. The news agency work being stressful and hectic, it is crucial to have a good working atmosphere and strong collegial support.

---

38 “toimitukselle tekisi hyvää ymmärtää vielä paremmin niitä asiakkaan tarpeita sieltä asiakkaasta käsin -- se hämärtyy tosi äkkiä, mitä siellä asiakaspäässä tehdään ja mitä ne tarpeet on”
39 ”voitaisiinko me kännykkää sellaisia teknisiä sovelluksia, jotka enemmän haistelisi sitä, että mitä meidän juttuja asiakkaiden sivuilla luetaan?”
40 ”Asiakaskenttä mediapuolella on aika staattinen -- miten me voisimme tehdä asioita, että syntyisi vaikka uutta liiketoimintaa tai löytäisimme kokonaan uusia asiakkaita.”
41 “Hirveästi ollaan törmätytä siihen, että näiden uusien asiakkaiden tapa kännykätä media on erilainen ja ne on tottunut hirveään paljon halvepääjä, yksikkökustannuksineen, jopa ilmisesti uutisille. -- ne keisit usein törmäävät siihen, että ovat liian kallita tai se uutiskattavuus ei ole heille sopiva. -- eli me olemme asiakaslähtöisiä sille asiakaskunnalle, joka meillä on ollut pitkään.”
Co-operation is, on one hand, supported by concrete physical arrangements, and, on the other hand, made complicated by them. Reporters seek comprehension from their internal stake holder groups.

"IT-department is, in my opinion, situated too far in the corner. E.g. people in IT-support, and those who code editorial tools – it would be beneficial to work as a duty reporter for a half a day. – So they would see what the work is all about." 42

Organizational structure and its renewals have had positive effects on planning and content quality increasing co-operation. As politics and economics were seen to overlap more and more, a new organization was established. It seems clear that structure has a significant impact on decision making and leadership as well, and more inter-department co-operation is wished for.

"In economics and politics – there is a new common manager – it has affected so that the resource allocation is now considered more as one package." 43

"I wish we would more and more have teams where people from different editorial departments come together. The idea of job circulation is good; it namely breaks the invisible walls that have been built between departments." 44

"Our co-operation works really well (everyone does everything) – as we are so few, it is easier than on a department where there are dozens of people." 45

---

42: Tietohallinto mun mielestä fyysisesti sijaitsee liian nurkassa. -- Esim. supportin välille ja myös noille jotka meillä koodaa toimituksen työvälineitä -- olisi ihan hyvä esim. viettää puol päivää repopäivystäjänä. -- että ne näkisi mitä se työ oikeasti on.
43: Taloudessa ja politiikassa -- on nyt uusi esimiesjärjestely, että siinä onkin kahden osaston esimiehenä sama henkilö, niin kyllähän siinä huomaa, että sitten se resurssien jakaminen on enemmän, että sitä ajatellaan yhtenä pakettina.
44: Kyllä mä toivon, että enevässä määrin olisi sellaisia ryhmiä, joissa olisi sekoitetut eri toimituksista. Koska työkierron ajatus on mun mielestä hyvä, että sillä rikotaan just näitä näkymättömiä seinää, jotka on osastojen välille pääsyt rakentumaan.
45: Se meidän yhteispelissä toimii tosi hyvin (kaikki tekevät kaikkea) -- kun meitä on niin vähän, niin se on sitten helpompaa kuin sellaisella osastolla, missä on vaikka useita kymmeniä ihmisä.
The organizing at STT is in many ways appreciated. Clear structures and practices are conceived essential when dealing with equal treatment of employees – even though it may sometimes lead to experiences of harshness or inhumane treatment. This describes the contradiction seen also elsewhere: strong processes that support reliability in nearly machinery-like actions may sometimes result in forgetting the individual differences.

"HR-processes I find our strength. It may even feel inhumane sometimes, but processes are well thought off. It is not up to those structures if people are not feeling well."

Co-operation works best within small editorial departments. However, the cohesion of the whole firm has its difficulties; co-operation is hindered by communication problems or sensitivity – things are easily taken personally.

“This co-operation between the two floors (=editorial office and Communication Services and Sales). There are both communication and comprehension problems. Surprisingly often I hear the thought that se are not appreciated: when it is the Media Services (incl. editorial office) side that feels that Communications Services don’t appreciate them or editorial department feels that the sales don’t appreciate them."

“This house is full of sensitive artists and journalist spirits, and that makes things somehow difficult sometimes."

Especially in development projects co-operation and effective communications would be important. The lack of inter-department co-operation is hindering development from being successful and smooth. There seems to be a huge gap between excellent editorial processes and internal communications processes – the latter just do not exist. This has to do with the values and core essence of a news agency: top priority is the editorial work,
and lack of resources and, thus, practices is especially painfully shown in other operations.

“Live reporting has been extremely disorganized. It is a product that would need views from editorial department, sales, development and IT. It has not been in anybody’s hands. And that, I think, is quite typical for us.”

“Somehow the message does not go through – there are misunderstandings e.g. with technical staff – and the different floors – there might be a physical aspect.”

Employees’ experiences and organizational practices forming a culture have a significant impact on communications, which makes it demanding to improve or change. As Hannele Seeck (2008, 215) puts it, making a change as cultural transformation is a task that takes years or even decades, and it certainly causes resistance. As the practices are deep in peoples’ behavior; it would need a lot of effort and endurance to improve things in this respect.

“There would be a lot to be done (regarding communications), where we wouldn’t have to think whether we can tell about this thing now or not. But maybe there is not established easy ways or ability or chance or maybe even will to make room for it, because communications take time.”

“If editorial office has new ideas and asks from (IT-department), and doesn’t get an answer, they might not ask the next time. There is this negative experience.”

“People would like to communicate, but there is no time or the work processes don’t support communications – it’s in the culture that even if you are

---

49 “- liveseuranta ollut kyllä äärimmäisen sekavaa. - -se on semmoinen tuote, joka vaatisi sitä toimituksen -- näkemyksiä ja ymmärrystä ja toisaalta sitten tätä myynnin, kehityksen ja tekniikan porukkaa -- se ei oikein ole ollut kenenkään käsissä. -- Ja se on kai meillä suhteellisen yleistä.”

50 “- jotenkin se viesti ei vain kulje. -- tekninen henkilö vaikka -- puhuu sitä tekniikkaa, niin sitten tulee väärin ymmärryksiä.-- kerrosten ero -- kai siinä on joku tämmöinen fyysinen aspektikin”

51 “- olisi paljon kehitettävää, jossa ei tarvitse miettiä voiko tästä asiasta kertoa just nyt -- ei ehkä ole sitten -- vakiintuneita helppoja keinoja tai sitten sitä kykyä tai mahdollisuutta tai ehkä haluakaan raivata sitä aikaa sille, koska kyllä se vaan vie aikaa se kommunikointi.”

52 “- jos toimitus tuleekin ajatelleeksi tällaista ja sitten kysyy (tietohallinnolta) eikä saa siihen vastausta, niin seuraavalla kerralla ei siitnen välttämättä jakseta kysyäkään kun tavallaan on tullut se negatiivinen kokemus.”
in the chat, there is no one else. -- Successful firms listen to this stuff, and they sort of have succeeded in all of it (processes, tools etc.).”

STT-employees have found communications at its best in unofficial events. As communications demand time and encountering, it is quite natural that in hectic news room there is not as much space for unofficial discourse. However, in these occasions people get essential information and have new ideas that would be necessary for organizational development also during the work day. Interesting is that during unofficial events people seem to be more free to express and share their thoughts.

“There have been some summer parties – people have maybe the courage to talk about problems in those occasions – but there have been really fruitful ideas also from people who don’t express them at work.”

“CEO has a briefing but in those cases everyone just comes there, listens and leaves. It would be nice if there were more occasions for discussions with Sales and Communications Services.”

In editorial work criticality and questioning the given facts is essential. Team spirit and mutual trust within the editorial office is essential in this respect. In sudden incidents one has to be able to trust everyone doing their part – this is where the strong editorial processes come into the picture, in good and bad.

“There can’t be a situation where someone writes a report, that no one is interested in, alone, and then it just ends up in the wire – there is an atmosphere that we question and discuss things.”

53 “-- kyllä ihmiset haluaisi kommunikoida, mutta ei ole vaikka aikaa tai työtavat ei tue sitä kommunikaatiota -- kulttuuri on semmoinen, että vaikka olisi itse chatissa, mutta siellä ei ole ketään muuta. -- Menestyneet firmat kuuntelee niitä juttuja ja niillä on tavallakaan onnistuneesti niitä kaikkea.”
54 “- ne on olut jotain kesäjuhlia -- ihmiset uskaltaa silloin vapaammin puhua ehkä ongelmakohdista -- mutta siellä on tullu hirmu hedelmällisiä ajatuksia myös semmosilta ihmisiltä, jotka ei tuo niitä arjessa ja työssä.”
55 “- Tj. pitää jonkun infon, mutta siinäkin vain kaikki tulee sinne ja kuuntelee ja lähtee pois. Että olisi sekiva ehkä jos olisi jotain semmoista keskustelutilaisuutta enemmän myynnin ja viestintäpalveluiden kanssa.”
56 “- ei oikein voi olla sellaista tilannetta, että vain yksin tekee jotain juttua mikä ei kiinnosta ketään ja sitten se vaan päättyy tonne linjoille -- on tosi sellainen ilmapiiri että kyseenalaistetaan ja keskustellaan.”
“When there is a big incident, everyone bends – there is not so much thinking of who should do what, but we just execute.”

“Maybe sometimes (co-operation) is blocked by strong process mindset here. – That intrinsic desire to do ones own job as well as before may block co-operation.”

“Everyone is so busy – but maybe our structures hinder it (co-operation) more.”

Co-operation is seen vital also with respect to the competitive edge of STT. There is an unspoken demand to everyone to do their best and shut up on behalf of the success of the company.

“We are all in the same boat, so that everyone should understand that we are constantly evaluated by our customers and readers. There is a harsh competition on this branch, so a single reporter shouldn’t question why (s)he has to do what (s)he has to do, couldn’t someone else do it.”

“Only by being active and everyone is really working, our firm can do quality journalism, and it means also low borders between departments.”

“At the moment (co-operation) is hindered by, I think, a generation gap. Older journalists – and of course some of the younger ones – think that a journalist should be sort of reluctant or cynical – a reluctant attitude towards interviewees and colleagues is supposed to be a good thing.”

57 “kun on iso tapahtuma, niin kaikki joustaa -- ei ollut niin paljon jahkailua ja sellaista, että kenen kannattaisi tehdä mitä, vaan mentiin -- tekeminen edellä”
58 “- ehkä joskus sitä (yhteistyötä) torppaa semmoinen kova prosessiajattelu tällä. -- se sisäänrakennettu halu hoitaa omia töitä hirmu hyvin niin kuin aina ennenkin, niin muodostaa esteitä yhteistoiminnalle.”
59 “- kaikilla on niin kova kiire -- ehkä enemmän meidän rakenteet hidastaa sitä (yhteistyötä).”
60 “- me ollaan kaikki samassa veneessä, että jokaisen pitäisi ymmärtää, että meitä arvioidaan kokonaisuutena asiakkaitten ja lukijoiden toimesta. -- Tällä alalla on aika kova pudotuspeli menossa, niin ei pitäisi ensimmäisenä yksittäisen toimittajan miettiä, että miaksi minä joudun tätä nyt tekemään, eikö tuo toinen voisi.”
61 “- ainostaan aktiivisuudella, jossa jokainen tekee oikeasti hommia, niin meidän talo pystyy tekemään hyvää journalismia ja se tarkoittaa myös matalia raja-ajoja toimitusten välillä.”
62 “- tällä hetkellä (yhteistyötä) estää semmoinen nurkkakuntasuus, varmaan on tämmöinen ikäpolvin välinen ero. -- Vanhemmillä toimittajilla, mutta tietenkin löytyy myös nuoremminista toimittajista semmoista, että jos vähän stereotyyppisesti saa puhua, että toimittajan pitäisi olla
5.2.5 Internal and External Brand Image

As stated before brand image is in this paper led from all the other life giving forces. These previously analyzed LGFs, Mastery of basic news work, Experimenting and innovativeness, Co-operation and team work, as well as Customer orientation are concepts defining the essence of STT. STT-brand internally and externally consists of these LGFs.

STT-employees relationship with the company brand is divided: on one hand the historic importance and meaning are valued, but on the other hand, there are worries if it hinders STT from being seen as dynamic and able to change. Internally there is even a fear of having failed in brand building. The official company values related to the brand are not in all respects appreciated.

“Our company value of being a pioneer makes people outside the company laugh the most. – Internally I feel that we definitely are pioneers in many things, not in all though. E.g. technical distribution is definitely lagging behind. Our reputation is stiffer than we actually are.”

“We are claiming for reliability above all – there is a lot of backwardness and traditionalism and old media label, which in these times is not purely an asset. Reliability is everything.”

“It (brand) would need updating in agility and quickness. – The basis is that our content corresponds to our brand, so that we have interesting and rapid reports in addition to basic news production. So that we don’t just react but have our own -- scoops.”

tämmönen vähän kyyninen. -- tämmöinen vastahankainen asenne sekä haastateltavien että tämän
myös työtovereiden suhteen on muka hyve.

“Kyllähän se on semmoinen meidän arvoista tämä edelläkävijyys, mikä varmaan kyllä eniten
kentällä naurattaa. -- kuitenkin talon sisäisesti mä olen kyllä tarkalleen sitä mieltä, että me ollaan
edelläkävijöitä monessa asiassa, ei tokikaa kaikessa. Esim. teknisissä jakeluissa me ei
todellakaan olla. Meidän maine on paljon sellainen jähmeämäpi kuin me oikeasti oltaisiin.”

“Läpikuulutetaan sitä luotettavuutta -- siinä (brändissä) on myöskin paljon sellaista
vanhanaikaisuutta ja tämmöistä perinteekkyyttä ja vanhan median leimaa, mikä nyt näinä aikoina ei
ole pelkästään eduksi. -- luotettavuus on siinä kaikki kaikessa.”

“Kyllä se ehkä semmoisessa ketteryydessä ja nopeudessa kaipaisi semmoista päivitystä. -- lähtökohta on, että meidän sisältö vastaa sitä brändiä eli meillä on kiinnostavia ja nopeita juttuja kai-
ken sen perusytimeen lisääksi. -- ettei aina vaan reagoida, vaan on myös omia iltiöjuttuja ja omia
skuuppeja.”
“People internally are laughing a bit (to the brand values and strategy statements), which in my opinion, breeds form the frustration that – haha, agility, haha, pioneer. Which in my opinion is an odd sign of us failing in the brand work.”

After the integration of STT and Lehtikuva employees worry about deteriorating and confusing the two brands.

“Brands of Lehtikuva and STT are very different. Lehtikuva is strong brand abroad, -- whereas STT is known by no one. Then STT brand in the Finnish media is stronger – and more reliable.”

“I see it a bit – problematic that we have two brands. In Sweden TT has unified everything under one brand. They have felt that a brand has to be solid and clear. Is this – a step we have to – take? Now the board of directors has not given permission to it.”

A reliable and well-known brand is crucial to a media house because it opens doors to places not everyone gets to go. Brand is also currency: when respected it is easier to pay for it.

“We should do it (public relations) more, so that every new PR-officer knows STT and how significant media STT is. – If only on photographer and reporter are invited to a briefing, it should always be from STT.”

“If STT is not visible anywhere, it won’t be in the minds of the audience, and soon we can ask that if we are not in the minds of the readers, are our customers thinking that STT is not so important.”

66 “Meillä -- vähän naureskellaan sille, joka mun mielestä kumpuua siitä turhaumasta, että -- hehe ketteryys, hehe edelläkävijä. Joka on mun mielestä semmoinen jännä merkki siitä, että me ollaan vähän epäonnistuttu siinä brändityössä."
68 “Mä näen ehkä vähän -- ongelmallisena, että meillä on tässä kaksi brändiä. Että nythän Ruotsissa TT on tehnyt tämän, että kaikki menee TT:n alle. -- Ne on kokenut, että brändin täytyy olla yhtenäinen -- ja tarpeeksi selkeä. Onko tämä -- askel, joka meidän täytyy -- ottaa. Nythän hallitus ei ole antanut siihen lupaa."
69 “Sitä (suhdetoimintaa) pitäisi tehdä enemmän, että jokainen valmistuva tiedottaja tietää, mikä on STT ja miten merkittävä tiedonvälittäjä STT on. -- jos tilaisuuteen pääsee yksi kuvaaja ja toimittaja, niin se pitää olla aina STT-stä.”
At the same time the interviewees understand the role of STT as a bulk news producer: STT's brand cannot be too strong in order to serve customers the best possible way.

“We can never sort of overly brand ourselves, so that we won't take their (customers') space – they have to be the number one to their own readers and in their own region.”⁷¹

As the organizational practices before also the established STT brand is seen as a threat to innovativeness and regeneration of the company.

“It is an old brand, so it can be sort of a trap, so that we don’t need to be innovative and think of things from a new angle.”⁷²

Brand is conceived by interviewees as something STT-employees represent, what makes the essence of the company, and what they want intentionally influence and build both internally and externally. STT brand seems as described in the interviews bigger than the actual current size of the company – which makes people feel pressure and frustration.

“Personification (e.g. in Twitter) would certainly be needed, even though it is important to think what is our business profit in social media, but there are intangible benefits, like there are our customers present, who make budgets and decisions about STT-usage. They are people whose decision and sub consciousness can be affected.”⁷³

“It (the brand) would need work – so that we would think about our organizational culture, -- and how our brand suits it, and the people would work with that mentality – nowadays our brand work is, like our development work, so

---

⁷⁰ “Jos STT:tä ei ole näkyvissä missään, niin ei se ole kyllä ihmistenkään mielissä ja kohta voidaan sitten kysyä, että jos ei ole lukijoiden tiedossa, niin alkaako se asiakkaiden päässä kääntymään sellaiseksi, että eihän nyt STT niin tärkeä ole.”
⁷¹ “Me ei voida ikinä ikään kuin ylibrändätä itteämme, ettei me aleta syödä niiden (asiakkaiden) tilaa -- että heidän pitää antaa olla se ykkönen sitten omille lukijoilleen ja omalla alueellaan.”
⁷² “Se on vanha brändi, niin se voi olla sellainen loukku, että ikään kuin meidän ei tarvitse sitten olla innovatiivisia ja mieltä asioita uudelta kantilta.”
⁷³ “Sellainen henkilöytyminen olisi varmasti paikallaan (esim. Twitterissä) -- vaikka onkin tärkeätä mieltä, mikä meidän liiketaloudellinen hyöty on somesta, niin on myös sellaista aineetonta hyöty, joka liittyy just näkyvyyteen. -- koska siellä on meidän asiakkaisoikeus, ne, jotka tekee budjetteja ja päätöksiä siitä miten paljon STT:tä käytetään, niin ne on kuitenkin ihmisiä, joiden päätöksiin ja alitajuntaan myös liittyy vahvasti tai vaikuttaa mielikuvat.”
that there is probably somewhere a task force doing it. But we are not that big of a company.\textsuperscript{74}

"The brand is probably bigger that we actually are, after all, so we are quite ambitious – that we could create something which would change the media business. And that is a quite ambitious starting point when thinking about our size. Value of the brand should be adjusted to the size (of the company)."\textsuperscript{75}

Basic news work and its quality are seen as the most important factor contributing to brand value. Business also in other business units is based on high professionalism in basic news work. This strength is, however, seen deteriorating.

"We build our Communications Services’ products on our brand – but the brand comes from our basic news work and its quality – if -- it is not in order, it is the biggest risk to the brand."\textsuperscript{76}

"We are settled with our brand, but in the future I see that STT as a brand is more and more unfamiliar to the big audience."\textsuperscript{77}

Strong brand creates a safety net for STT in the turbulence media is in. There is a strong faith in surviving in the future, partially because of the reputation STT has. STT-employees believe there will be a time where lightly written, entertaining stories are not enough for the public. There is a need seen for STT also in the future.

"There are easily and fast all sorts of vague information spread around social media (e.g. after a terrorist attack), so it might be useful that STT has a reliable reputation. So that if someone in that chaos wonders what has really

\textsuperscript{74} - se (brändi) vaatisi sellaista sisäistä työtä -- että tämä organisaatiokulttuuri mietittäisiin, -- ja miten se brändi siihen istuu ja sitten ihmiset olisivat sillä mentaliteetilla tällä tällä -- nyt se meidän brändityököin on vähän samalla lailla kuin meidän kehitystyö on semmoista, että -- meillä on yarmaan joku brändityöryhmä jossain. Mutta kun tämä ei ole niin iso firma.

\textsuperscript{75} "Se brändi on ehkä suurempi kuin mitä me sitten kuitenkaan ollaan, eli meillä on aika kovat ambitiot -- että meiltä tulisi jotain media-alaa muuttavia juttuja ja se on aika kunnianhimoinen lähtökohta ajatellen tämän meidän koon. -- Se brändin arvo pitäisi laittaa siihen kokonsa mukaiseksi."

\textsuperscript{76} "Sen brändin varaan rakennetaan esim. viestintäpalveluiden tuotteet -- mutta kyllähän se brändi nousee sieltä perusutistoiminnasta ja sen laadusta -- jos -- se ei ole kunnossa, niin se on mun mielestä se isoin riski sille brändille."

\textsuperscript{77} "Kyllähän meillä siihen (brändiin) tuoditaudutaan, mutta tulevaisuudessa mä näen, että STT brändinä, niin sehän on -- suurelle yleisölle koko ajan vähemmän tunnettu."
happened, and they see STT, they might think that this information is correct. – but it (the brand) might not be (that well-known).”

“I believe and hope that at some point so called bullshit journalism (e.g. misleading headers) will have a counter-force, so that audience will want as objective as possible basic news. I believe STT has a spot there as STT has a fairly good reputation in this.”

5.3 Summary: From Definition to Dreaming

When analyzing the Appreciative Inquiries a clear picture of a news agency STT-employee is formed: an uncompromising, ambitious, devoted and engaged professional who does not hesitate to do everything in her or his power for peer workers and the company. At the same time it becomes clear that digital transformation and its consequences add stress and pressure as well as confusion: it seems to be extremely difficult to find a new role in the Finnish media ecosystem, where the large media houses (e.g. Sanoma, Alma, Yle) survive by themselves, and regional media is struggling and unable to invest on developing STT. There is not a clear path to be found.

The life giving forces of STT, however, live through this transformation, being deep in the culture of the company. The appearance of the forces, mastery of basic news work, co-operation and team spirit, experimenting and innovativeness, customer orientation and brand image, allow and even support change in practices, processes and organizational structure, as well as business logic or communications.

When being asked, STT-employees found numerous aspects relating to organizational factors that could be improved by enhancing LGFs.

5.4 The STT Editorial Office Changes after the Interviews

After these interviews and the employee co-operation negotiations in fall 2013 organization of STT editorial office was restructured. Until the end of 2013 there were nine depart-
ments: domestic, foreign, business, politics, sports, society and culture, desk, graphics, and news picture. From the beginning of 2014 these departments were first combined into four: Society (incl. business, politics, society and culture), 24h (domestic and foreign), Desk (desk and graphics), and News picture and Sports.

However, the management system still was arranged nearly according to the old division: there were four managers and two deputy managers (Desk, 24h) in charge of the four editorial departments, and in addition five superiors responsible for content. There was a head for business, politics, sports, news picture and graphics. This resulted in department inside department especially in Society, where business and politics reporters still mainly have their old duties.

STT’s news production was also enhanced by a creative solution: its night duties were shifted to Australia in spring 2014. This improved the employees’ wellbeing as there was no longer need for night shifts. The solution also improved the quality and quantity of news production as reporters were rested. There is also a new duty editing office run by news editors. This means that STT now had more duty shifts, which was hoped to have an impact on the pace of the news, and was also wished for in the interviews. This development was also wished for in the Appreciative Inquiries.

Just when people started to get used to the new order, STT lost a big part of its clientele of Helsingin Sanomat. This meant another round of employee co-operation negotiations in spring 2015. Total of 18 people were laid off, 14 of whom journalists.

In fall 2015 yet another organizational change came into effect: there are now three editorial units, 24h, News Picture and Sports, and Specialized Reporters, as well as five news editors, four of them in daily duty shifts and one as planning editor. 24h consists of duty reporters, sub-editors and online- and radio reporters. (Appendix 3.) The news room is heavily shrinking.
6 Creating STT Digihub

In this chapter I will first describe what kind of impact might the STT company culture built on LGF’s have on the required future changes in news agency work. The core values, i.e. life giving forces emerging from the interviews go hand in hand: there is not one without the others. When asked about mastery of basic news work people talked also about customers, innovations, brand image and team work, and vice versa. Thus, I argue that these values really are the core of STT culture: this is what the news agency is all about.

In this chapter I describe the new unit created on the basis of LGFs. First I discuss the STT innovation culture based my findings from the Appreciative Inquiries with respect to Hannele Seeck (2008), then I introduce STT Digihub, how it was defined and executed, what were its goals and how it succeeded.

6.1 Innovation Culture at STT

As previously introduced, Hannele Seeck (2008, 257–260) has identified several fundamentals to innovative culture and atmosphere in an organization. These are

1. networking, co-operation internally and externally
2. psychological security, and confidential relations,
3. genuine and open discussion about different views
4. diversity, as in versatile skills and knowledge; heterogeneous team
5. collective pride in members’ skills
6. risk-taking ability, and learning from successes and failures
7. acknowledging the need and encouraging innovativeness
8. leaders and HR supporting and enabling innovativeness (Huhtala and Parzefall 2006.)
9. co-operative brainstorming.

Seeck’s fundamentals form a basis for an innovative organization, and are, in addition, strongly connected. Innovating does not happen in a vacuum: there has to be co-operative brainstorming among versatile professionals. Psychological security and confidential relations ensure open and genuine discussion. Leaders need to support innovation – and have the risk-taking ability when discussing e.g. resource allocation or investments.

When considering these fundamentals with respect to the Appreciative Inquiries I conducted, a fuller picture of STT’s innovation culture can be built.
6.1.1 Inhibitor: Mastery of Basic News Work

According to the Appreciative Inquiries I conducted, employees see the most important duty of STT being mass production of news. This LGF is close to STT’s official value, reliability, which is the most important value in basic news work, as described by the employees in my interviews.

As organizational practices are planned to support above all reliability, I argue that innovation is hard, or even impossible under these circumstances: risk-taking ability or possibility to failures is non-existing in this cultural atmosphere, even though there is cross-department co-operation or acknowledgement to the need of innovation.

Organizational factors leadership and decision making (see Chapter 4.3.2) gain quite a lot of criticism in the Appreciative Inquiries. Based on the interviews I assess that management acknowledges the need for innovation, but has not succeeded in encouraging, supporting or enabling it. Even though the old business model or the “old-school” news are not working anymore, it is extremely difficult to come loose from the strong practices and processes. When prioritizing basic news work is put first.

STT’s performance in quantity of news items, as well as sudden incidents with respect to its resources originates from professionalism but also from previously mentioned precise processes and policies. In prioritizing a traditional way of news production is often applied: e.g. content is most often text. Based on my interviews some of the reporters find news planning managed top-down, and own possibilities to influence limited.

Process orientation easily restrains creativity, as many times the starting point is the format instead of the public need. Among other things the scarce resources seem to make it difficult to loosen from traditional (often print-oriented) planning and processes. Despite of close to real-time wire messaging digital journalism is not yet a routine at STT: data visualizations are mostly random add-ons. Often the added value of interactivity has not been considered, or it is considered as added value as such. Perception of intriguing digital content is groping – in all the Finnish media landscape.

Under these circumstances expertise in digital journalism is not growing fast enough at STT. Comprehension of digital journalism, or the possibilities or use cases the Web offers is only increased if at least part of the news production is originally planned and produced for the Web. Professional growth demands also repetition, which does not necessarily happen in normal rotation of editorial shifts.
Digital journalism means revolution for journalists who are used to traditional processes in content production. Thus, regeneration of the working habits of the entire editorial office is hard, or even impossible; Mastery of basic news work is more of an inhibitor than an enhancer when it comes to innovations.

### 6.1.2 Attractor: Customer Orientation

Second life giving force, the customer orientation, is close to STT’s official value customer’s success. It has a divided nature: on the one hand it can be considered as serving the customer and answering the customer needs as well as possible, and, thus, supporting sustainable business, on the other hand, as stated by one of the employees I interviewed, asking the customers as a patented solution at its worse hinders innovations.

STT will never find its own vision if it relies too heavily on differing customer needs. Media customers are at the moment in as severe business model crisis as STT – the best the news agency can do is to invent how to support regeneration in the Finnish media market.

At the moment psychological security, a fundamental for innovation (Seeck 2008, 257–260) is non-existing at STT; a fear of continuous customer losses and, thus, loosing ones job is too much present. Serving customers as well as possible just is not enough anymore.

As STT is mostly expected to support the print business (see Chapter 5.2.3), it becomes clear that customer orientation is merely a barrier when it comes to innovation. STT used to be a companion to its media customers, but that is not the case anymore: media customers network with each other forming consortiums, and leaving STT as an outside support or even without a spot. There have been attempts to build a tighter network with the clients, but without success worth mentioning.

A will to serve ones customers as well as possible is a fundamental to a successful company. Serving the media customers requires, however, a clear understanding on public’s needs, and succeeding in the shrinking media branch demands new business solutions. Thus, I ask, based on my interviews, do we at STT know enough of the public’s interests with respect to our production? Do we have the ability to come loose from traditional values and create new ones that strengthen the core of STT and enable future success? Customer orientation can act as an attractor, if treated right: not as a fundamental coming from the customers, but as a way of action when searching for new possibilities.
6.1.3 Supporter: Co-operation and Team Spirit

Internal co-operation and team spirit live strong at the STT’s editorial office: in rapid news situations, it is crucial to have solid processes for team work in order to have as much done as quickly as possible.

However, the cross-department co-operation is, based on my interviews, on a low level: In existing organizational structure e.g. producers lack conversation partners within the editorial office: this is reasoned by scarce resources, acute news situation etc., and, thus, changes in processes or products can hardly be advanced. Brainstorming and open discussion about different views is a prerequisite for innovating, but this is difficult at STT, because as one of the employees puts it: “In general, it would be great to have time for conversation”.

Surprisingly, communications seem to be the most challenging aspect at STT. There is a clear barrier between different floors, i.e. between the editorial department, and IT, Media- and Communications Services. Psychological security and confidential relations being fundamentals for innovating, there cannot be real co-operation between departments as long as there is no trust – based on my interviews there are overly sensitive people and feeling of not being appreciated, which is not apt to build trust. Bad experiences and lack of time hinder people from even trying. (See Chapter 5.2.4.)

As Martine Plompen (2005, 170) states, innovations as such cannot be led or ordered; one can only create a context where the creation of innovations is more likely. Internal entrepreneurship and active discussion of new ideas should be supported. Innovation process demands among other things cross-functional teams (Apilo et al. 2007, 34). In light of these characterizations and the interviewees’ comments about co-operation I argue, that STT is not using its employees’ full innovation potential nor have the company’s decision-makers been able to create a cultural context that supports innovation. At its best the strong processes of co-operation in editorial work could be applied to innovation processes – skills of co-operation, thus, working as a supporter for innovation.

6.1.4 Petrifier: Brand Image

Brand, emerging through every other life giving force, is at the moment, based on my interviews more of a “petrifier” than an enhancer when it comes to innovativeness. STT has its long history, and, thus, hard time letting it go.
Even though things have changed a lot in the last 120 years, the brand of STT alters slowly. Being strong and solid, it supports collective pride in employees’ skills, a fundamental in innovative culture, but also reliability in all the actions, emerging often stiff and overly careful.

The most important factor supporting innovation in an organization is communicating a clear vision. Equally important is that the vision supports innovation and new ideas, and does not fear taking risks. (Amabile & Gryzkiewicz in Seeck 2008, 251.) When looking at the brand image of STT as described by its employees I argue that the brand has not yet been able to renew: STT still stands for caution, rigidity, but also ambition and greatness, the latter causing more of a pressure than enthusiasm. When brand, at its best, supports, builds, and directs the whole organization (Malmelin & Hakala 2007, 61), it is possible that the way STT’s brand at the moment shows, is pointing at wrong direction.

Based on my interviews I argue that STT’s strong brand significantly undermines the risk-taking ability needed in order to innovate. This puts a lot of pressure to renewing the image of it. As Helle (2011, 163) puts it the challenge in contemporary media business is not just creating new visions and business models: customer relations, product range and brand, as well as media content production, purchase and control have to be reconsidered.

STT has taken one leap in brand building after the interviews: its brand was renewed in January 2016. As the STT-employees already in 2013 wished for (see Chapter 5.2.5), corporation name STT-Lehtikuva was shortened to STT, Lehtikuva remaining a brand for picture sales. The strong STT-brand gives an excellent starting point to regeneration: with support to innovation, a context that enables experimenting, and diverse team-building with courage in leadership the possibilities are limitless.

6.1.5 Enhancer: Experimenting and Innovativeness

The final life giving force I discovered in my appreciative analysis is actually at the center of this paper – and extremely torn. Experimenting and innovativeness is something people at STT would be eager to do but they feel they seldom have a chance: as I wrote before, basic news production always comes first being the core of STT’s existence. As the editorial office is pressured and in a constant rush, and, thus, has to rely on strong and solid processes, there is no space for innovation. Even if mentally supported, it is impossible to turn from routines to innovating if not having enough time to do so.
Based on my analysis, STT-employees seem to be painfully aware of mistakes and failures: reliability being deep in their organizational DNA, it is impossible to allow oneself mistakes. STT’s culture is strong in supporting failure-avoidance, as there is e.g. cake service when no mistakes have been made in a certain time, and listings of corrections sent to clientele every day. This can be considered crucial in order to stay reliable in public’s and clients’ eyes. However, it most certainly restraints courage to experiment also in other contexts.

Merja Helle (2011, see Chapter 3.4.4) described several trends that should be affecting business decisions, among other things the accelerating change pace of the branch, innovation as a necessity, and diminishing target groups. These trends make me ask, if the chosen strategy, bulk production of basic news is something media clients need today. Even though it traditionally is the core duty of a news agency, it shall not for long support a news agency of this size. Thus, I claim that the willingness to experiment and innovate should be supported, enabled and enhanced in order to stay competitive.

LGF experimenting and innovativeness lives through the other forces and exists or is hindered by them. As there is a strong urge to experiment in the core of STT-employees, it can at its best enhance and support innovation at STT. Work processes and technical tools would need a significant development in order for STT to find a new spot in the Finnish media ecosystem. Even though reliability is crucial for STT, it can also be asked, what does it mean to be reliable today? Is it the avoidance of mistakes, or the ability to regenerate?

6.2 Digihub as an Accelerator

STT’s new vision, STT 2017, created in 2014, states among other things that digital development and innovating is at the core of future business (STT Vision 2017). One attempt to reach for this vision was establishing of a new unit, STT Digihub in 2015.

Specification of STT Digihub – a new innovative digital unit – was published internally in October 2014, a year after the Appreciative Inquiries. Specification was written based on life giving forces that emerged during these Appreciative Inquiries, and by forming possibility propositions through thematic analysis. During that year STT was healing from employee co-operation negotiations, and a project group for digital innovation was established. At that time there were hopes to apply for the innovation funds Ministry of Transport and Communications had been planning to help the suffering commercial media.
Specification of STT Digihub is considered a trade secret, so it is not included in this paper. The specification includes investigative part of the state of digitalization in the media, vision for STT’s digitalization process, argumentation for a separate digital unit, as well as organizational, professional and process needs and definitions.

Following Digihub is considered with respect to STT’s innovation culture emerging from the interviews.

### 6.2.1 Planning STT Digihub

Based on the Appreciative Inquiries it becomes clear, in my opinion, that innovation culture at STT needs support and enhancing. Mastery of basic news work seems to inhibit innovation as failure acceptance and risk-taking are not features that are welcomed in the constant urge of reliability. Strong tradition and processes are difficult or even impossible to loosen from. Customer orientation should be used as a tool in innovation, i.e. in service- and user experience development. At its best asking customers can generate innovation.

There is a need for enhanced communications and trust-building: creating a context where diverse knowledge encounters can at its best enable and support innovation. The petrifying brand does not allow radical experimenting in the editorial office. Thus, there is a need for a separate unit where experimenting – and failing – is possible, without risking the reliability of news production.

STT Digihub specification consists of possibility propositions based on the life giving forces (see Table 2). Those propositions were compared to a criteria introduced earlier in this paper. The criteria includes of three elements: novelty, continuance and transition, and consist of following statements:

1. It has to be new and challenging.
2. It has to be specific, concrete and tangible.
3. It has to be inspirational.
4. It has to be connected to the life giving forces and organizational factors.

(Thatchenkery 2003, 15–17.)
The main target of STT Digihub is enhancing and enabling innovation culture and innovation processes at STT. The unit is a way to advance digital transformation: it will not mean outsourcing digital production from the editorial office, but to support it by a team specialized in it. The processes and learning of this “test lab” can then be scaled throughout the whole editorial office.

Uniting graphic, editorial and coding knowledge, new ideas and thus products will be generated. Small team is able to have genuine and open discussion about different views, and, thus, achieve the best possible outcome.

When it comes to basic news work, even though many content types are equally suitable for the Web and print, digitalization demands reflecting on what attracts public in the Web, what are the content types or formats that work. It has to be considered if there is a differ-

<table>
<thead>
<tr>
<th>Org. Factors \ LGFs</th>
<th>Customer Orientation</th>
<th>Experimenting / Innovativeness</th>
<th>Cooperativeness / Team Spirit</th>
<th>Brand Image</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational Structure</strong></td>
<td>Small independent team consisting of diverse professionals is able to produce innovative digital content.</td>
<td>Small independent team is agile in serving customer needs.</td>
<td>Unifying graphic, editorial and coding knowledge, new ideas and thus products is generated.</td>
<td>Small team supports editorial department in adopting skills relating to production of digital content.</td>
</tr>
<tr>
<td><strong>Decision making</strong></td>
<td>Long-term planning is easier outside editorial office, which is tied up with daily news.</td>
<td>Decision making is faster when it happens in a small team compared to several conversation rounds within a multidimensional organization of several managers.</td>
<td>Team, dedicated for innovation, can take risks, and learn from successes and failures.</td>
<td>Small team has genuine and open discussion about different views.</td>
</tr>
<tr>
<td><strong>Leadership</strong></td>
<td>Dighub is a strong acknowledgement of the need for innovativeness, and, at its best, encourages it.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Communication</strong></td>
<td>Communications btw sales, producers and production improve, thus, resulting in improving customer communications.</td>
<td>As small team achieves psychological security, and confidential relations, prerequisites for innovativeness.</td>
<td>Distinct know-how supports creativity when communication is daily.</td>
<td></td>
</tr>
<tr>
<td><strong>Business Model</strong></td>
<td>STT Digihub is needed in order to create new business models, digital services and products. This development cannot be done in the editorial office with scarce resources.</td>
<td>Unique products are sold distinctively meeting differing customer needs.</td>
<td>Independent team experiments on new business models.</td>
<td></td>
</tr>
<tr>
<td><strong>Organizational Practices</strong></td>
<td>STT Digihub refines and documents processes for producing digital news products.</td>
<td>A flexible team closely connected to sales improves communications and the possibility to react to customer needs.</td>
<td>Co-operative brainstorming is easier in a small team of diversified professionals.</td>
<td></td>
</tr>
</tbody>
</table>

Table 2: Possibility propositions of STT Digihub.
ence between the Web and print in subject areas and addressing them, and what are the elements in a great story for a modern digital channel and device (mobile, desktop, tablet). Content producer needs to resolve how to unite online reader’s freedom of browsing and interest in sticking by to a story. Digital consumer is often impatient and demanding: content has to offer more than in times before the Web, where you can easily leave for another attraction. Digihub is designed to improve STT’s digital orientation by acting as a team whose one mission is to renew content, processes and business models, and act as a partner in cross-organizational projects.

Customer needs and questions can be addressed faster as there is a dedicated team for this, close to the sales. New ways of customer communications, such as regular meetings for online customers or Digihub- conversation group in LinkedIn are introduced. I argue that agile and fast customer service and adaptation to customer needs is difficult or even impossible in a multidimensional organization where several managers need to be addressed in order to make decisions. STT Digihub will lower the threshold of communicating between different units.

As previously described, innovation theories see employees wanting to use their knowledge and creative potential. At the same time innovating is weary, and failures more frequent than successes – and often highly emotional. Thus, supporting enthusiasm and emotional engagement are crucial in leading an innovative employee. (Seeck 2008, 267–268, Välikangas 2010, 63–65.) Digihub is creating a context where innovation can be born.

### 6.2.2 Execution of STT Digihub

STT Digihub was established in January 2015, consisting of myself, a developer, half-time journalist and picture-editor, a graphic designer and a trainee, who learned coding. The team was enthusiastic and eager, with strong orientation to digital journalism, i.e. data journalism, data visualizations and application design.

During the first months of 2015, digital content was planned and made. Products were mainly targeted to media customers, but also to other organizations. At the same time target was to build and test digital tools that could be later utilized. Also processes for content production were documented. At the same time I advanced STT’s innovation projects, and took part in an innovation contest with couple of co-workers.
There were a lot of different and partially contradictory expectations towards the team, coming from e.g. the editorial office, picture sales, management and financial administration. As everything the team was doing, was new, it soon became clear that a better guidance, prioritizing and support would have been needed. Already in April-May 2015 the objectives of this experiment started to seem confused and eventually lost: as if people’s expectations were differing too much. We were not able to form a common vision of Digihub and its duties during its existence.

6.2.3 Was STT Digihub a Failure?

STT Digihub team was relocated after only 6 months, as the employee co-operation negotiations started. It turned out, that even though the team’s expertise was excellent in journalism and news work, it did not meet the new business requirements or the business needs it was expected to (even though these were not clearly stated or prioritized at any point). As a descriptive expression of the innovation culture at STT, the era of Digihub was never analyzed nor discussed – as is, based on my interviews, typical in failed or somehow unsuccessful projects at STT (see Chapter 5.2.2). This might be one of the reasons there is not enough innovation, and many projects keep on somehow failing. As genuine and open discussion, as well as learning from failures is fundamental to an innovative organization, STT has a lot to learn in this respect.

Digihub was a dream of many at STT, and that might have been what caused its failure – there were too many disappointments on the way. We had a great idea of a new, even revolutionary unit, which would solve all the problems in organizational structure, decision making, communications and innovating. There where high hopes, but lack of focus and concrete vision: Digihub was ambitiously expected to build innovation culture and processes from the scratch, and, in addition, do everything from digital journalism to paid content, data visualizations, and new product and business model innovations that would save the whole company. As there were only five full-time people, one of them a trainee, this was, of course, too much.

But was it a failure, then? With respect to its great ambitions in renewing the innovation culture and business models of STT: yes. But with respect to its concrete goals and tasks, and signals the team was given, no. Afterwards it is easy to say, that this experiment was a total catastrophe: the content produced was unprofitable and not even one new business model was discovered. However, it is reasonable to ask, was there ever a chance.
First aberration was the idea of producing new Web-content with extra charge to media clientele with bad economy. As there was no evidence of digital content actually turning into revenues clients were not interested enough. The amount of STT’s media clientele in total is also too small when targeting profitable business. The wire service being expensive and comprehensive it is difficult to get clients to pay extra when investment resources are scarce.

Second aberration was the lack of sales force and concept: there was one sales person and her supervisor in Media Services, who did the selling one by one. Digital content, especially production of data journalism or -visualizations requires a lot of working hours, which makes it difficult to become profitable. Concept should be clear and easily multiplied in order to make business. There should be enough time and a clear vision when building business in content production.

Third aberration was the lack of know-how: all the team members, although with versatile expertise, came from the editorial office with news production background. When an organization is as process-oriented and effective as STT, it turned out to be hard to act otherwise; as creativity and innovation require time and brainstorming different from basic news production, and employees are not used to thinking of commercial value of the produced content, new ways of acting would have required better focus and a clear vision. Even with a vision and better focusing, it is unclear if a team with this background operating within this organizational culture could have invented something totally new.

However, a lot of knowledge was gained during this project: the content produced was excellent, just too time-consuming, the innovation project started in Digihub still (January 2016) continues, and – above all – STT showed risk-taking ability, even though internal support and open, analytical discussion might have been insufficient. It is clear that innovation cannot be isolated to a separate unit, at least if the company culture does not support innovation.
7 Discussion

The goals of this paper were to explore and define the life giving forces (LGFs), i.e. core values of news agency STT as perceived by its employees, and to experiment on innovation leadership based on these values. Based on this, following questions were raised:

1. How to identify the core strengths of a company by involving its employees?
2. How to enhance and enable innovation culture based on these strengths?

The Appreciative Inquiry is an excellent tool for involving and engaging the employees in reshaping organizational learning, design, and development. In this study AI was applied more as a method for qualitative analysis, and less as an engaging organizational change process. AI should involve the employees all the way from Discovery to Dreaming and Designing and finally to Destiny in order to act as a tool for organizational change. (See Chapter 4 about AI.)

STT’s core strengths, the five life giving forces, were discovered by conducting two rounds or interviews: first the Critical Incident Interviews, which aim at finding out what truly attracts the employee to the organization. Based on these interviews keywords were discovered and the life giving forces (LGFs) formulated. (See Chapter 4.3.1.)

The second interview round, the Appreciative Inquiries, was based on the LGFs, Mastery of basic news work, Experimenting and innovativeness, Co-operation and team spirit, Customer orientation and Brand image. The purpose of these interviews was to find out which organizational factors support and enhance the organization’s life giving forces. These interviews were then analyzed in an Appreciative Analysis with respect to several organizational factors (structure, decision making, leadership, communication, practices and business model).

In Appreciative Analysis a clear picture of STT-employees was formed: uncompromising, ambitious, devoted and engaged professionals who do not hesitate to do everything they can for colleagues and the company. However, there are a lot of barriers between the LGFs, wishes and hopes, and building an innovative culture and experimenting organization. Digital transformation and its consequences add stress and pressure as well as confusion: the vision of a brighter future is vague or non-existing among the STT-employees. This can be read in the Appreciative Analysis, described more in Chapter 5.2.
Based on the Appreciative Analysis STT Digihub was designed in order to support and enhance the innovation culture and experimenting at STT. Even though the idea of a digital unit felt good, it became very soon clear that innovation cannot be isolated to a separate unit, at least if the company culture does not support or enable innovation. Innovation culture, on the other hand, cannot be forced but should be enabled throughout the organization. The era of STT Digihub is more described in Chapter 6.2.

Actually very few innovations succeed, and failing can have long-lasting affects in an organization. This creates a real threat to resilience if not taken into account in management practices. It is possible that one failure in a successful organization can traumatize the team and even cause new failures. It is crucial for leaders to support innovators’ enthusiasm and emotional engagement, which are the most important features for success. (Välikangas 2010, 63–65.)

As seen in the interviews and development since, it is extremely difficult to change how an organization works. Effective and really present change management is crucial if we want to see real changes in operations. E.g. for a business or politics editor it is easy to slip into old habits if management does not require otherwise, and the editing office is not organized so that this change is supported.

As STT as a news agency is seeking and negotiating its place in altering media business and changing content production environment, it is time to get back to the roots, i.e. the core values and life giving forces that make us what we are. These core values need to be decoded into contemporary media landscape: what is the competitive advantage they give us and how they fit with demands and possibilities media is facing

We are still on the media branch talking about media crisis as something temporary we expect to go away. There is a search for a new business model that would save us instead of adjusting to new world order and constantly regenerating. Should we actually start concerning media’s situation as the new normal? As the change pace of everything has multiplied a company should focus on contingency – adjusting and responding to change.

There are several proofs of innovation being possible on the media branch: Vice, Buzzfeed and Storyful, in Finland LongPlay and Aller Media. It is not the change pace and business model crisis itself that put media in the corner; it is merely a question of organizational culture and its relation to innovation.
As Liisa Välikangas (2010, 18) describes: old routine, i.e. hierarchies, structures and old business models blur the sight. It is often easier to stick with what you know than to expose oneself to embarrassment and rejection – even if it means failing in the long run.

Based on this analysis STT can hardly be described as a resilient or flexible organization: bureaucracy and formality prevent innovativeness (see Seeck 2008, 257–262). As the resources of STT are heavily shrinking, the editorial work has turned more and more into routine and standardized actions done by the desk (see Deuze 2007, 160, about the change in journalistic profession). Pressure and rush do not agree with growing demands of quality and interpretation (see Väliverronen 2009, 13–31).

Being resilient, i.e. being capable of turning “threats into opportunities prior to their becoming either” (Välikangas 2010, 19–21), is at the moment out of reach for STT. Based on this paper, STT’s organizational culture supports stability, reliability and effectiveness in execution of news. The change of this culture would need systematic, conscious development, and commitment to a new vision of what and where in the media ecosystem we want to be.

CEO Emmanuel Hoog (2012) of AFP (see Chapter 2.1.2) claims that news agencies used to belong to a written world. Based on this analysis this still seems to be the case with STT: content is mainly text, supplemented with picture and graphics. Also the monopoly in speed is gone: Twitter is often the first place to find information. STT still has its reliability – a strong asset in the world of trolls.

SVP Jim Kennedy (2014) of AP points out similar problems STT has: the control of the regional newspaper ecosystem is long gone. Clients are becoming competitors, and market is overcrowded with content. In Finland another threat is the small business area: the Finnish language used to protect us, but now it hinders possibilities to international growth. Remains to be seen, if it is possible to be profitable in the long run within such a small area.

“Culture eats strategy for breakfast”, famously said by management consultant Peter Drucker (Wikipedia 2016b), was one of the first quotes stuck in my mind when I started these Master-studies. It is a quote to be kept in mind when further developing the experimenting and innovation at STT.
References


GII 2015. URL: https://www.globalinnovationindex.org/content/page/data-analysis/ Accessed 7.12.2015


Interviews of 21 staff members of STT in April-May 2013 and September 2013.


Appendices

Appendix 1: Guide for the Interviews / Round 1

1. Mistä pidät / mitä arvostat eniten STT:ssä ja toimituksessa?
2. Millaisissa tilanteissa arvostat työyhteisöäsi eniten?
3. Millaisissa tilanteissa innostut työstäsi?
   a. Milloin olet viimeksi ollut innostunut?
   b. Esimerkki?
4. Kerro jostain viimeaikaisesta onnistumisesta työssä?
   a. Mikä työyhteisössä tuki tätä /johti tähän (omat vahvuudet, johtaminen, toimi-
      tuksen rakenne, prosessit, strategia, ihmissuhteet/yhteistyö, muu?)
   b. Mikä oli merkittävin tekijä onnistumisen kannalta?
5. Kerro jostakin tilanteesta, jossa yhteistyö STT:ssä on ollut parhaimillaan? Miksi?
6. Missä/milloin STT ja tämä työyhteisö on mielestäsi paras?
7. Mitkä ovat toimituksen työssä tärkeimmät asiat, jotka takaavat menestyksemme
   tulevaisuudessa? (IT, HR, työprosessit, johtaminen, omistajat, asiakkaat, alan kil-
   pailutilanne)
8. Missä onnistumme parhaiten täyttämään asiakkaan tarpeet?
9. Jos voisit muuttaa STT:ssä/työyhteisössä kolme asiaa, mitkä ne olisivat? Mitä ha-
    luaitsit tehdä, että meillä menisi vielä paremmin tai e.m. onnistumisia tulisi vielä
    useammin?
Appendix 2: Questionnaire for Appreciative Inquiries / Round 2

1. Mitä perusuutispalvelun pitäisi tulevaisuudessa olla
   - millainen toimenkuva parhaiten tuksi
   - millainen organisaatio tuksi parhaiten
   - tulee yhä virheitä, miten niitä saataisiin vähennettyä
   - versioita puuttuu, aamut ovat hiljaisia, mitä pitäisi tehdä, että korjaantuisi
   - näkökulma tulevaan, mikä auttaisi
   - nopeus, some, uutisten bongaus
   - omat skupit

2. Innovaatiot
   - millaiset työtavat edistävät
   - miten saisimme innovaatiot irti
   - miten uusia ideoita voisi koota ja tehdä näkyväksi
   - millaisiin ideoihin olet törännyt
   - millaiset tilanteet tukevat ideointia
   - mitä luovuus edellyttää johdolta
   - miten tekniiikan osamista voisi/pitäisi vahvistaa

3. Asiakaslähtöisyys
   - miten voisit omassa työssäsi olla paremmin asiakkaiden palveluksessa
   - miten saisimme asiakkaiden pysymään tyytyväisenä, mitä tulevaisuuden mediain- 
     sema vaatii
   - miten vuorovaikutteisuutta asiakkaiden kanssa voisi/pitäisi kehitettä
   - mitä toivoisit johdolta ja myynniltä, että asiakkaan tarpeet olisivat selvemmat

4. Yhteistyö, auttaminen, hyvä yhteishenki
   - miten työkiertoa voisi kehitettä, että se edelleen tuksi yhteishenkeä
   - millaisia yhteistyön muotoja toivoisit tulevaisuudessa
   - missä asioissa yhteistyötä voisi olla enemmän
   - kenen pitäisi tehdä yhteistyötä ja miksi

5. STT:n linja, brändi
   - kiristvyssä uutiskilpailussa, kuinka säilyttää ykkössasema
   - kuinka viestä brändiä
   - kuinka voidaan vakuuttaa asiakas ja kuluttaja linjan säilymisestä
   - kuinka hyödyntää ja säilyttää vahva
Appendix 3: Organization of STT editorial office since 1.9.2015

Vasteava päätoimittaja Miika Pettorsson
Uutispäätöimittaja Minna Holoajen

Pääliikä
Laura Kolu

Varaasimiehet
Hanna Anttila
Pauliina Pettilä
Ylja Vehkala (Anttilan sijainen)

Pääliikä
Peru Tuunola

Varaasimies
Pia Kiviniemi
Ilona Vihonen
(Rovinlenen sijainen)

Urheilun esimies
Kaija Ylimäki

24H
UUTISKUVA & URHEILU

Pääliikä

Pääliikä

Varaasimies

Varaasimies

Uutispäällikköt

24H
UUTISPUHTTU

24H
UUTISPÄÄLLIKÖT

24H
UUTISPUHTTU

Punaiteleva uutispäällikkö
Piritta Rautavaori
Mimma Lehtovaara
(Rautavuoren sijainen)

Uutispäällikköt
Merja Körönen
Mimma Lehtovaara
Mia Peltola
Jaana Vaahla
Laura Huuskonen (sijainen)
Anniina Luotason (sijainen)

ERIKOISTOIMITTAJAT

Rikos ja oikeus
Jonne Huuskonen

Ulkomaat
Niilo Simojoki

Brysselin- kirjeenvaihtaja
Anne Marjaanen

Politiikka ja talous
Olli Kuvanen
Anniina Luotason
Susanna Jäskeläinen
(Luotason sijainen)