Driving renewal, Hosted by Satu Rekonen

Episode 9: A change happens within – guest Niklas Nordling, Mercuri Urval

Satu: In this episode, my guest is Niklas Nordling, a seasoned developer and change leader, and an expert in HR management and organizational development. Niklas works at Mercuri Urval as a senior consultant and advisor to executives. He holds a doctorate in psychology and has over 20 years of experience in strategic organizational development and building new capabilities in internationally operating companies.

Niklas has worked as a management consultant, including at PricewaterhouseCoopers, led strategy consulting at IBM, and held a long-term leadership position at Nokia, where he was responsible for talent and organizational development. At Nokia, he oversaw strategic HR functions and the company's culture.

His work focused on advancing corporate strategy through the development of organizational culture and leadership—by implementing operating model changes, building new functional capabilities, and integrating acquisitions. Niklas is also a founding member and former CEO of a SaaS company providing mental health services.

In addition, he has held board positions in service businesses and in academia. Throughout his career, Niklas has consistently sought to apply scientific research to practical leadership approaches that foster new capabilities while promoting both productivity and well-being.

In this episode, we explore questions such as: How does an organization's view of human nature influence the way renewal is planned, communicated, and implemented in practice? How do an organization's history and past experiences shape its renewal goals and affect their practical progress? What's the difference between performance-driven and productivity-driven thinking— and how do these differences show up in daily operations and mindset? And finally, what might a knowledge worker's workday look like if it were designed from a human-centered perspective?

Welcome to the *Driving renewal* podcast, Niklas.

Niklas: Thank you, great to have be here!

Satu: Let's start today by focusing directly on people and explore organizational renewal from a human-centered perspective. Niklas, based on your experience and expertise, how do you see an organization's view of people—or its underlying assumptions about human nature—shaping the way renewal efforts are planned and carried out in practice?

Niklas: Thank you for the question. I believe this is a truly fundamental and important topic—one that, in fact, isn't asked nearly often enough.

When we think about companies, leadership, and people, many of us immediately think of things like company values or guiding principles. But behind those lies an even more essential question: how do the company's owners and leaders view human beings? What's their underlying image or belief about people?

Do they see people as trustworthy? As capable of learning and performing? Or do they assume people are self-centered or altruistic? These kinds of assumptions are rarely discussed explicitly, but they deeply shape how actions are taken. A person who holds a certain view of human nature will look at you and interpret your actions through that lens—for example, assuming your motives are self-serving, that you're trying to maximize your own benefit or reward.

Whereas in reality, your motive might be to do something meaningful together with others. These are very basic but powerful ideas. We also know that our view of human nature evolves with science—as research and knowledge progress, so does our understanding of what it means to be human.

Today, I would argue that there is a growing consensus: humans are psychosocial, group-oriented beings who are fundamentally altruistic. If we were to articulate that openly, it would already provide a much healthier frame of reference—one from which strong values can emerge, along with sound principles for action, thoughtful leadership practices, and better ways of organizing work.

Satu: In your view, how could organizations better embrace this kind of more human-centered understanding—and perhaps also be more responsive to the needs of individuals?

Niklas: I'd say that, based on my background—mainly in large, international corporations—leaders are generally very capable, aware, and well-educated. But still, surprisingly little time is spent engaging with research.

And by that, I mean research on human behavior—behavioral sciences, psychosocial disciplines, even basic neuroscience. Because at the end of the day, companies are made up of people. So we should have a pretty solid understanding of what today's scientific knowledge actually tells us about human beings—both as psychophysical organisms and from a psychological perspective. What influences our thinking, our decision-making, our ability to learn and grow? These are all central to what organizations are trying to do: develop their people, build capabilities, change, and renew.

But in many cases, organizations are still acting based on outdated assumptions. I think there's a real need to update that understanding—because science is constantly producing new insights. When I look back at my own journey since the early 2000s, I realize how much I didn't know back then. Around 2010, we started to see a real surge in fMRI-based brain imaging and related research into how people behave in real-life social situations.

That wave of research brought a huge amount of insight into what human interaction really looks like in everyday work life. And that knowledge just keeps expanding. If we don't take the time to engage with it and think about how we might apply it—to learning, teaching, leadership development, and organizational change—then I think we're missing out. That would be a real shame.

Satu: Do you have any examples of where this kind of understanding has been applied well—or thoughts on how it could be put into practice in everyday organizational work?

Niklas: One company that comes to mind—and many may not be aware of this—is Microsoft. They've done exceptionally strong work in organizational development, applying research-based methods at scale through simple, practical techniques.

Roughly ten years ago, maybe a bit more, they made a conscious decision to start applying scientific knowledge—particularly from applied neuroscience and brain research. They asked: what does this research tell us about learning, renewal, and adaptability? And how should that shape Microsoft's leadership principles, development practices, and goal-setting?

They've done outstanding work. And it hasn't turned into the kind of overly academic, complex system that some might fear. Quite the opposite. The application is simple and grounded, but it stays close to the core of the research—things like how psychosocial humans are, how inherently social our brains are, how much of our brain activity is driven by emotion, and so on.

They've managed to translate those insights into very concrete things: what it means for leadership principles, what it means for goal-setting. For instance, how much of a goal should support learning versus just pure performance and hitting a target?

Personally, I drew on the same kind of mental models when I was at Nokia. We really tried to bring applied neuroscience and solid behavioral science into our everyday practices. Around 2011–2012, in the NSN business, we were in a situation where something new had to be done. We didn't have the budget for classic large-scale change programs, so we had to take a different route.

We introduced neuroscience-based support tools for leaders and individuals during a major restructuring—and it worked. It gave people resources, it helped them build new capabilities, and it gave them tools to face both their work and everyday life more effectively.

Satu: Just to clarify for our listeners—NSN refers to Nokia Siemens Networks. Building on what you just shared, you've previously talked about the difference between performance-driven and productivity-driven approaches. How do you see an organization's view of human nature linking to that distinction?

Niklas: Thanks—that's a really good question. I assume many of our listeners, especially those working in companies, are familiar with how central performance tracking is in organizations. And of course, it's important—how else would we know how a company is functioning, how well it's achieving its goals?

But the way we think about performance hasn't really been updated. This focus on performance-based reward systems really took off in the 1960s, when companies started to look for new ways to distribute rewards. That's where the performance-driven logic came from: if you perform well, you get more.

But this decades-old approach hasn't been widely re-evaluated based on today's knowledge—particularly what we now know from research. And just to be clear, I'm not saying we should get rid of the idea that companies need to be productive. That remains key. If you're a CEO, your fundamental responsibility is to figure out how to make the company even more productive—because that serves owners, leaders, employees, and customers alike. A company can't operate without generating value.

But here's the thing: based on what we now understand about how humans function and when we perform at our best, people don't thrive in 'execution mode'—unless we're talking about very well-trained, repetitive tasks. Like, say,

a firefighter executing a rescue. That's performance mode in the most precise sense.

But for us knowledge workers, performance isn't about squeezing out results. It's about creative thinking, problem-solving, and meaningful interaction. And that requires a completely different brain mode—one that's more reflective and narrative. That's when we can have a truly productive conversation. But we're not 'executing' that conversation. Our brains aren't in performance mode—they're exploring, wondering, opening up.

And that's exactly the kind of setting that can generate new ideas, new solutions—whatever the case may be. So if you follow this thinking, performance and productivity are actually very different processes at the brain level.

People sometimes get caught up in the semantics, but if we apply this to performance management, the focus should really be on learning, exploration, reflection, taking risks, and experimentation—not just on whether you sold X number of pens today.

Satu: Yes. Then the question shifts to how to create an environment that, in a way, supports that productive activity within the organization.

Niklas: Yes, that too. It's not just about fine-tuning the process—it also has to fit the leadership style. It has to align with the overall way of working. If we broaden this idea of productivity versus performance, and start thinking about basic day-to-day work in knowledge-based companies, it is still largely managed through processes.

Certain information flows or operational flows define how things are done at which point, and how information then moves elsewhere and so on and so forth. These have historically never really been designed with the human in mind. Not with the person at the center, the one doing the work—but rather based on production management principles, system-driven approaches, or organizational theory.

But if you again put the person in the center—considering when they are at their best, how information should be delivered to them, in what form, when, how much time they should have to process it, to work with it, make decisions, apply it—then the processes would look very different. The workdays themselves might be very different.

Leadership would be very different. Teamwork would be very different. There's a huge opportunity here to redefine and redesign work if we truly start by putting the human at the center.

Satu: That's a really interesting thought. What would your hypothesis be—how might a workday look different if we truly placed the human at the center? Especially considering that so much of today's work involves solving complex problems.

Niklas: Of course, everyone has their own rhythms—how their biological clock works and so on. But let's simplify a bit. I think the workday would look very different if it were truly designed with the human at the center. Ideally, I'd have the chance to shape how my morning begins.

Would it start with lots of interaction? Or maybe with routine tasks? Or perhaps something that requires creativity? My day would likely be divided into parts—some focused time, followed by something else. Then some recovery time, and then maybe a shift to a different kind of task.

The brain is a bit like a muscle. If I'm working on something abstract, something about the future that's never been done before, it takes a huge amount of energy. I get mentally exhausted. But if I'm doing routine tasks, things that don't require much thinking, I use far less energy.

So based on that, everyone would probably define their ideal day a bit differently. And if you're in a team doing similar types of work, the team might start shaping its own ways of working—choosing tools, systems, and processes that really support their needs.

If the work is mostly about solving abstract, complex problems, you'd want different tools and systems than if it's more routine-based. What tools are best for me? What systems actually help me do my job? That line of thinking opens up so many possibilities for redesigning work.

And I'm not even talking about extreme individual customization here. Just grouping by role can take you far. Developers have a certain kind of work, salespeople another, project managers something else. Each of these roles has different energy drains—whether it's problem-solving, planning, or organizing.

So already at that level, you could rethink workdays, workweeks, support structures, moments of recovery, and leadership approaches in ways that better support people and their productivity.

Satu: This brings us nicely to the topic of leadership. Niklas, based on your experience, how do you see effective leadership in the context of renewal—especially when it involves a lot of uncertainty, behavioral change, learning, and even abstract thinking about the future?

What kind of leadership do you believe best supports that?

Niklas: Well, to begin with, we have to generalize a little—of course, everyone has their own individual needs. But if we assume that, on average, people are most productive when they're in a relatively safe and trusting state, then that becomes the foundation. Everything else builds from there.

Because if that's missing, our autonomic processes kick in. We start going into self-protection mode. Our attention shifts to scanning for threats. And when we're in that state—focused on risk or insecurity—we defend ourselves. And when we do that, we concentrate our cognitive and emotional resources on survival.

What gets lost? All the things leaders and organizations actually want: creativity, problem-solving, cognitive capacity, emotional engagement. It all disappears.

Fortunately, the idea of psychological safety—this sense of feeling safe and secure—is becoming more widely understood today. Without it, we simply can't show up at our best or be truly productive.

So the real question is: can leaders create that kind of environment? I don't think it actually takes a huge amount of bravery. If we have a relationship—if I feel I can trust you, if I believe you have good intentions, that you see me, hear me, and recognize me as a human being—that already creates safety. It's not rocket science.

In that kind of relationship, I start to open up. I start to reflect with you, to think aloud, to collaborate. I become productive. That's what I'm trying to say—it doesn't require anything extraordinary.

It's more about investing time in people and in the community. Taking time to ask: how's this team really feeling right now? What do they need to feel valued, capable, and seen? It might not come naturally to everyone, but if you stop and reflect for a moment, you can usually sense it—maybe they're worried about something, maybe I need to step in here, maybe someone just needs time or a space to talk things through.

That's the foundation. Once that's in place, then you can start issuing the kinds of challenges that move people and teams toward more ambitious goals. That's when it becomes possible. Because it feels like the foundation is solid—we're okay, we're supported. And from there, we can perform, be productive, even exceed our own expectations.

You could even borrow an analogy from sports: today's leaders need to be a mix of a technical coach—helping people understand how to do the work—and a mental coach, checking in regularly: is everything okay? Is the team in a good place? And if not, what do we need to talk about?

It's about combining technical guidance and emotional support—side by side.

Satu: I'd like to make a small connection here to the podcast-making process itself—and to the idea of psychological safety, which I also see as something truly fundamental. It's actually something that's been widely studied in relation to creative problem-solving, and consistently shown to be key.

I've often thought about those moments when a new guest joins me for an interview. It's such a unique situation—meeting someone for the first time, and then needing to quickly create a space where both of us feel safe enough to go deep into the topic at hand.

And I've come to realize how much it comes down to very small gestures—how we greet each other, whether we make eye contact, how we begin the interaction. Taking a bit of time to connect before recording, to build a bit of trust.

And today, I felt that we did exactly that. It was really nice that you asked me questions as well—it made it feel mutual, like a shared space from the very beginning.

Niklas: Exactly. Thank you—that really captured what I meant. And when you take that thought further, you start to notice how often leaders walk into a room and just see a group—a mass of people—without creating any space for that very basic human need: to feel safe.

Biologically, we're wired to seek out cues—am I safe in this situation? Is this group a safe place for me? And when those cues are missing, we miss an opportunity to create connection. As a result, things can feel a bit awkward or disconnected from the start.

The same goes for teams at work. Do they have those little routines or moments that help anchor people—ground them in their everyday environment in a way that feels safe and steady? From there, everything else can grow.

Satu: And at the same time, I've also seen the opposite—leaders or facilitators speaking to a larger group who still manage to create that sense of connection. And it really comes down to very small things—eye contact, how they respond to what someone says, whether their speaking style is more reflective and invites questions, or more declarative. Even body language can make a big difference. It's a big thing that's built from very small details.

Niklas: Yes.

Satu: I'd like to shift the focus a bit and talk about organizational renewal and how it plays out on different levels. What does renewal actually mean—or how does it show up—across the strategic, operational, and individual levels of an organization?

Niklas: One concept that's been central throughout my career is capability. It's really been a key theme in all the roles I've had. I've typically been brought in to help companies renew or transform—and that always involves creating something new. A new capability. Doing something better, more efficiently, or faster.

I just want to highlight this because not everyone necessarily stops to think: what does it actually mean for an organization to be capable?

So when we talk about renewal-capable or change-capable organizations, capability means that there's some kind of shared model of thinking—a concept or framework that defines what you actually mean by renewal or change.

For example, there was a time when we talked a lot about solution-oriented business. But then the question is: what do we mean by a 'solution'? How do we define it? You need that clarity, because without it, you can't share or build a common understanding with others. If there's no shared view of what renewal or a solution is, it becomes very hard to align.

And then, beyond the shared model, you need skills—competencies. People need to know how to act according to that model. Whether it's strategic renewal, operational change, or people-driven transformation, there has to be the ability to actually carry it out.

And then you also need a third element: capacity. In other words, enough of that skill or competence relative to the model you're working with. That's when you truly have capability.

I'm laying this out because people often ask—what does capability actually mean in an organizational context? And when you start unpacking what it means for an organization to be capable of renewal, these are the things you need to examine:

First, can the organization clearly define how it wants to renew itself in relation to its own business and operating context?

And what I've found interesting is that a truly renewal-capable, internationally operating company typically has capability on three levels.

First, it's strategically capable. That means it can recognize what needs to be done to stay competitive—and even lead—in its market. It knows, for instance, when to make acquisitions, when to divest, when to form alliances, or when to shift business models entirely. It reads the signals, interprets the data, and knows when action is needed to avoid drifting off course.

Second, it's operationally capable. It can execute those strategies by making the right decisions in terms of organizational structure, operating models, and systems—always in alignment with strategy, and in ways that enhance performance and productivity.

And finally—and maybe most importantly—it's capable of engaging with people. And this brings us full circle to everything we've been discussing. A renewal-capable organization is one that understands how to lead people based on what we now know about humans as learners, problem-solvers, and creative thinkers.

And it has both the processes and the resources in place to support that kind of leadership. When you have all of that, you're looking at a truly renewal-capable organization.

Satu: You played a central role in renewing Nokia's culture, and you spent a significant part of your career there in various roles. Could you tell us a bit about your career path at Nokia—and then we'll dive a bit deeper into that journey?

Niklas: I originally joined Nokia in 2004, starting in what you might call a fairly traditional HRD role—Human Resources Development—focused mainly

on leadership, competencies, and ways of working. At the time, I supported a unit that was quite service-oriented.

But soon after, in 2007, I moved into a new direction with NSN—Nokia Siemens Networks. That was when Nokia decided to form a joint venture with Siemens Com, creating an entirely new company from scratch. A global player built from the ground up. I was asked to take on the responsibility for change management in the post-merger phase

It was a fascinating time—building a new company completely from scratch: services, products, operating models, organizational structures, leadership systems, everything had to be developed. And at the same time, we had to lead the change in a way that made around 25,000 people feel part of this new company—help them understand how things worked here, how leadership was done, and what values and principles guided our decisions. That was the core of my work. We worked on that for several years, and it went really well.

Of course, NSN also went through tough times in the aftermath of the financial crisis. Around 2011, we faced a particularly critical moment—we had to make a complete strategic shift. We decided to focus solely on mobile broadband, exited many customer relationships, and unfortunately had to let go of a large part of our workforce.

But that moment also turned into a major learning opportunity. For the first time, we were able to really apply neuroscience in practice. We developed highly successful programs for leaders, teams, and individuals—literally walking them through how the human brain processes information, how people experience change, and what happens to us psychologically when we face major, often negative transformations.

We helped people understand how to deal with those experiences—and how to handle them better. We gave them capabilities and resources to process what was happening, both at work and in their everyday lives. And the results were remarkable. Not only did we succeed in making the shift from a business standpoint, but our employee engagement scores also rose significantly.

People felt that we genuinely cared about them—that we were investing in their ability to face the situation, to grow through it, and to learn something new.

Satu: Could you share an example of how you actually provided those capabilities and resources? What did that look like in practice?

Niklas: We organized various gatherings in different parts of the world, where we taught these concepts—but we did it through interactive, hands-on approaches. We provided new knowledge, and people were encouraged to try it out in practice.

At that time, many of these ideas were completely new to most people. And in an engineering-driven environment like ours, there was a strong appreciation for research-based knowledge—factual, observable information that could be verified. So this approach was incredibly valuable for them.

To be honest, I think we were just pragmatic. We had very limited resources—virtually no budget for this work—but we focused on scalable solutions that resonated with people and gave them genuinely new insights.

So once again, learning was at the center—learning, learning, learning. We supported people's ability to learn and solve problems on their own. That's really all it was. And it worked.

Satu: That's really interesting. And in 2014, Nokia acquired Nokia Siemens Networks back into the company. What role did you have at that point?

Niklas: I have to be honest—I was quite disappointed at the time. Personally, I didn't want to go back to Nokia. I had grown to love NSN and the new company we had built. But then the parent company came back and took full ownership of NSN, and that's when the new version of Nokia was formed—focused on Networks, HERE (the navigation systems), and technology.

This was also around the time Nokia sold its devices business to Microsoft, so there was a kind of natural reconfiguration happening across the organization. We became part of Nokia again under the Nokia brand.

At that time, the CEO was Rajeev Suri, who had been part of the NSN journey. He had seen firsthand how central culture was to the success of an organization. From that turbulent but in many ways successful NSN experience, he had come to understand that just as a company needs a clear strategy to lead and operate within—it also needs a culture that gives people a sense of belonging, direction, and purpose in their roles.

That marked the beginning of a very deliberate era of culture-driven leadership, which continued—at least up until the point when I left Nokia in 2021.

Satu: When we talk about company culture—what do you think we're actually referring to? What all does it include, in your view?

Niklas: That's a great question—because while today I think many people recognize that company culture matters and is worth investing in, back in 2014 that wasn't nearly as obvious. At the time, we brought in a well-known consulting firm to help us define what culture actually is—to articulate it clearly and make it understandable, especially for our colleagues from engineering and science-driven backgrounds.

We began to see culture as a way of leading. A way of interacting. A way of setting goals, communicating, and organizing work. In other words: *practices*. And I think that's a key component. Culture is formed through the daily practices in an organization. Not everything is written down in processes or manuals—but there are ways of doing things, shaped over time or built intentionally.

If we think about it more conceptually: humans are psychosocial, social mammals. We naturally create shared understandings—of what's valued, what's considered good, and how things are done here—because that's how a group stays cohesive. Without that, we couldn't function together. So culture will form, whether we plan for it or not. The question is: how do we influence it? How can we lead it?

At that time, we started shaping cultural capabilities that were aligned with Nokia's business, its market position, and what the company wanted to become. That led to our first concept of what kind of culture we would need in order to execute our strategy, fulfill our mission, and lead and collaborate effectively. That was the starting point—and over the years, we refined and applied that thinking further.

At the core, it came down to practices—ways of doing things that meet people where they are. By that I mean how people encounter leadership, processes, structures, and different ways of working. When we began, we did a deep analysis: what all do we need to renew, improve, and make more efficient? And the list was long. It included leadership development, innovation, product development, learning systems—you name it. If we wanted to become a high-performing company with a strong culture, we had a lot to do.

But then we started narrowing the focus to what really mattered—and from there, strategy evolved. For instance, in 2015, Nokia acquired Alcatel-Lucent, another major player with around 100 years of history, Nobel prizes, and about €15 billion in business on both sides. Bringing those companies together forced us to revisit all these questions again. Because when you make an acquisition like that, you gain something—and you give something up. You have to re-examine your identity and your way of working.

And what was fascinating to see was that while both companies were in the same industry and had been through similar crises—there was also a lot of similarity in lessons learned. But also big differences. Nokia, for example, was far more process-oriented and structured. Alcatel-Lucent operated much more through networks of people. Their innovation and creativity had a different character—more dynamic, more informal, and more driven through human connections. Ours was more structured and system-driven.

Both were successful—but in very different ways. And that was the exciting part: we gained new capabilities, different capabilities. But we also had to find ways to bring them together.

Satu: How did that merger affect Nokia's culture?

Niklas: All major events like that inevitably have an impact—especially when you're talking about a large company with a desire to build some kind of shared understanding of what's valued, what's considered good, what gets rewarded, and how success is defined.

At a certain level, you *can* create alignment—through things like goal-setting, reward systems, and performance management. But I also think it's important to be humble about the fact that, when you're dealing with tens of thousands—or even over a hundred thousand—people, there's never going to be just *one* way that people interpret 'our culture'. Everyone experiences it slightly differently. That's shaped by national cultures, personal backgrounds, maybe even religious or other social frameworks.

Still, strategically, you need a guiding idea: a view of *where* you need to be strong. And that's where the capability thinking comes back in. What are the core capabilities the business requires? If, for instance, the business demands strong innovation, then the culture has to reflect a value for learning, experimentation, and risk-taking. And that needs to be supported—not just in words, but through access to learning, opportunities, and systems.

Or if the business is shifting from being product-led to solution-oriented, then you need the right roles, practices, and structures that allow you to co-create with customers.

So in a company that large, you eventually find a few core capabilities that need to cut across the whole organization—and we focused on those. Even though we began with a massive, thorough list of things we wanted to improve, over time that focus narrowed and aligned more clearly with strategy, acquisitions, business development, and the evolving demands of marketing and technology.

In the end, the key areas centered around leadership, renewal capabilities in the workforce and organization, and the ability to work with emerging technologies and services with both innovation and flexibility.

And if I may add one more foundational piece—it goes back to where we started: every individual should have some understanding of cognitive biases, interaction, and what a good human encounter looks like. Because that's the soil where culture really takes root and grows.

Satu: Niklas, you mentioned that around 2014–2015 a strong focus on culture-building began at Nokia. Could you tell us more about the kind of culture you aimed to create—or the kinds of cultures you were trying to shape?

Niklas: Great question. The cultural foundation we aimed to build was rooted in the belief—shared by leadership at the time—that Nokia had always been a people-centered company. A values-driven one, even. So the starting point was really in the company's DNA: a deep respect for individuals, for human potential, for people's rights and capabilities. The idea was to create an organization where individuals could grow, learn, and develop.

On top of that came the question: what enables success? Customer centricity was key. And so was performance—we still had to be productive and effective. So those three perspectives formed the core of the culture we were building: people-centered, customer-driven, and high-performing.

Over time, though, that culture was tested and refined—especially as new ideas came in, like the importance of learning. In the beginning, the learning perspective wasn't emphasized much, but it later became central as we began to focus more on becoming a learning and renewing organization.

Leadership also evolved. New thinking came in—psychological safety, growth mindset—the idea of people as learners, as evolving beings. All of these started to shape and sharpen what leadership and culture needed to be. And importantly, we tried to keep that thinking dynamic—based on new knowledge.

That's what I think is healthy: ongoing dialogue. Culture is never something you finish. You can't say, *'Now we're done.'* It doesn't work like that. Development continues. People evolve. Organizations evolve. It's an ongoing process. So you have to keep learning, keep reflecting: are we still doing the right things? Are we creating the right conditions?

One important element we really invested in was data. We used every possible channel—surveys, webinars, events, digital tools—to gather insight. When we

created our first strategic culture agenda, we had over 100,000 data points from employees: what's working, what's not, what could be better.

And when you're in a role like I was—responsible for culture—you have to be data-driven. Otherwise, it's all just anecdotes. I remember situations where senior leaders would confidently say, 'This is how it is.' And I had to stay calm and say, 'That's an anecdote.'

But when I have a hundred data points showing the same pattern—that becomes information. A thousand? That's solid insight. And only then can you credibly speak on behalf of the organization. That's when you can say: this is what we believe, and here's why.

Satu: Can you think of an example where you had to challenge senior leadership's view—based on the data you had in front of you?

Niklas: Yes, that kind of dialogue was constant. The most significant period of challenge and mutual learning happened right after the Alcatel acquisition—because it was such a major shift. The company essentially doubled in size, revenue, and offerings in a single day—day one, so to speak.

We had a practice where I met with the executive leadership team every two months. In those sessions, we reviewed what we had learned from across the organization—based on all the different data-gathering channels—and how things were progressing in our cultural integration plan. We discussed what needed to be communicated, how it should be understood, and what adjustments might be necessary.

And yes, there was constant challenging of perspectives. Leadership is leadership—they naturally want to move fast and act efficiently. But sometimes their assumptions about people, their view of human nature, needed to be questioned. That was often the center of our discussions. We'd ask: What is this based on? Do we have evidence that supports this course of action? Is there data that actually contradicts it? We'd try to bring those questions into the room whenever we faced a new challenge or decision point.

This kind of dialogue went on through 2016 and 2017. Eventually, it became more structured around quarterly cycles. And by 2019, we declared that the cultural integration effort was complete—that we had, in a sense, become the new Nokia shaped by the merger.

Of course, even then, there were probably still people who felt it hadn't fully landed. That's to be expected. In a global company, you'll never have a completely uniform culture. But in the most important ways—how we worked,

how we organized, how we led—we had reached alignment to a meaningful degree.

Satu: Before we wrap up, I'd like to spend a moment on the role of organizational history. When you think about a company's past experiences—its history—how do you see that influencing its renewal goals and the way renewal actually progresses?

Niklas: We could honestly sit here and talk for five more hours about this—it's such a fascinating topic. I'll just share a quick anecdote to illustrate the contrast. When I started my own company, everything was new. Everything began from the same starting point. There was no history.

But when you step into an organization like Nokia, with over a hundred years of history, it's an entirely different story. There are so many layers—informational layers, even what you might call archaeological layers of how things have been done. And all of those layers are still alive in some way. They shape the present. There is no 'ground zero'—no clean slate.

And I'll say this—by the end of 2021, when Pekka Lundmark had come in as CEO, we reached a moment with the leadership team where we said: it's time for a reset. Over the years, we had accumulated a lot—company values, various leadership principles, different types of guidance documents, turnaround frameworks... it had become a huge pile of things.

So we made the decision to lay that all to rest. We said: let's start fresh and build the new Nokia platform—with a clear mission, a focused strategy, and our new 'Ways of Working,' which we called the Nokia Essentials. That became our foundation moving forward.

So yes—what I'm saying is, history matters a lot. It constantly shapes what you're doing and how you move forward.

Sometimes history helps—and sometimes it weighs you down. Especially when you're trying to drive renewal. The thing is, people—and our brains—can't simply 'unlearn.' We can't just erase something from our minds. The only way is to replace it with something new.

But when there's already a lot stored in there—and then we're adding even more, including critical new knowledge—it quickly becomes cluttered. And sometimes, we just need to consciously clear things out. Create mental space. Help people focus. Help them direct their attention to what really matters.

That's actually crucial—because if we don't, all those historical layers just keep living on. They blur the picture, confuse things, and make the water murky.

Satu: This has come up in previous interviews as well—that the easier you make change for people, especially behavioral change, through concrete examples or clear actions, the less cognitively taxing it becomes. Because change, after all, is exhausting. It consumes energy and puts a real cognitive load on people.

Niklas: You're absolutely right. And when I think about the human brain, I truly believe that 99.9999% of all information processing—what we call thinking or decision-making—never even reaches our conscious awareness. The part we're aware of is just a tiny fraction. And even the decisions we think we're making consciously are often just us allowing or inhibiting the automatic processes already running in our brain.

That's why it's such a powerful thing when we can create clarity—just a few clear things to focus on. It gives us that sharp feeling of knowing what to do, why it matters, and feeling confident—because it's shared. That shared clarity is key.

I remember a few moments like that from the old Nokia days, especially during the crisis periods at NSN. There were times when we had to really focus—when we had to organize around just a few essential priorities. And it was made very clear, even somewhat command-style: You focus on this. You in services, focus on that. You in sales, focus over here. It might have felt directive, but it brought tremendous clarity. People knew what to do—and more importantly, what *not* to worry about. They could let go of the noise. That's what creates that clear headspace.

Now, sure—that kind of approach doesn't lead to Nobel Prizes or groundbreaking innovation. But it does deliver highly effective, focused action in the moment.

Satu: It helps calm the crisis phase—it brings clarity.

Niklas, we've now explored renewal and how to support and lead it across different levels of an organization. As we wrap up, I'd like to ask you: based on your experience, what's one key insight or lesson you'd like to share with our listeners—something you see as essential when it comes to driving renewal forward in an organization?

Niklas: If I try to distill everything we've talked about—and we could still go so much deeper into all these layers—I'd say that the central thread for me is learning, learning, learning.

It starts with the basics. Renewal and change always mean that *a person* changes. I change. And for that to happen, I need space—space to direct my attention, to become curious. Because that's when things start happening inside us on a neurological level. Neurotransmitters are released, neural pathways begin to form, and real, lasting change becomes possible. That's when I learn something new.

And if we zoom out to the organizational level, the question becomes: how can we support that kind of lasting change and learning across the company? Do we have the kind of environment, tools, and practices that enable people to learn, to explore, to reflect?

Learning, learning, learning.

Satu: Thank you so much for this conversation, Niklas. I've taken away so many valuable insights—especially about what really matters when driving renewal in organizations. This discussion has truly deepened my understanding of the human-centered perspective, and how important it is to reflect on the underlying view of human nature that an organization holds.

Niklas: Thank you.