

ORDERING COMPETENCY

EMPOWERING ACTIVITY,
RELATIONS AND SERVICE
DEVELOPMENT



Interreg
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Prosperous forest
Diversification through Inclusion and Specialisation

THE GUIDEBOOKS IN THIS SERIES:

All guidebooks are produced as a joint effort of the Prosperous Forest – partnership. The main authors of each guidebook are listed below:

WHAT IS A SERVICE?

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RELATIONSHIP AND TRUST

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FOREST OWNERS' DECISION-MAKING

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ORDERING COMPETENCY

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(Only in Swedish and Finnish)

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CONTENT

HOW TO BUY RIGHT

IT TAKES (AT LEAST) TWO TO TANGO

COMPLEX SERVICES THAT ARE DIFFICULT TO ENVISION

UNDERSTANDING RATHER THAN KNOWING

ENGAGING AND EMPOWERING FOREST OWNERS

IMPROVING COMMUNICATION AND RISK MANAGEMENT

RELATIONSHIPS THAT SUPPORT SERVICES

HOW TO IMPROVE ORDERING COMPETENCY

RELATED KNOWLEDGE

CONFIDENCE IN DECISION MAKING

CONFIDENCE IN ORDERING SERVICES

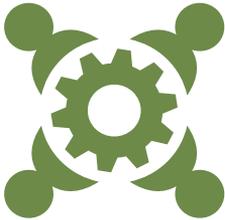


How to buy right



As the general focus on services increases, the concept of “ordering competency” is expanding beyond business-to-business sales and into consumer sectors. This is not surprising, as it is important to base the sale of services on relevant needs for both companies and consumers. Services, and the values that they produce, also need to be understood from the individual relationship/sale perspective and its specific function within larger chains of value-creation – i.e., within a business or the everyday life of an individual. For example, a service/value-creation can enable new service forms and needs, but when combined, it can also add up to a higher total value ($1+1=3$). Creating these (potential) values, however, requires both an understanding of the individual service/value and the bigger picture/value chains. To optimise value-creation, organisations and individuals need to understand both the sales process (value-proposition) and how services are bought/consumed.

It takes (at least) two to tango



Competence mostly refers to something that a person or perhaps a company possesses or practices. However, the concept “ordering competency” can also be understood as involving both the buyer and the seller in the sales interaction. This indicates that “ordering competency” is not just an individual skill but constitutes a relational product/outcome – e.g., through value-propositions and value-creation/consumption. This mutual relationship/dependency also allows the competence to develop in the interaction between the two actors, which, to an extent, becomes important both for the outcome of the individual sale and for the relationship. Competence, and all that it entails and who is perceived as competent, is dependent on the social setting and is shaped by different norms and traditions. In a forest-related context, the stereotypical idea of the older man experienced with manual forestry work is often the one perceived as having competence. These norms and stereotypes create potential barriers for both a more inclusive understanding of competence that goes beyond forestry. This more inclusive view can add important resources to the sale interaction and develop new relationships and skills.

Complex services that are difficult to envision

In some ways, ordering and buying a service is different from ordering or buying goods. The service is, once it is being produced, also consumed in that same moment as part of the interaction between the buyer and seller. The diversity of forest ownership defines the starting point, and the conditions of each service interaction vary. The long timeframes in forestry together with the possible impact of many different factors might make envisioning and understanding future implications and effects of different services difficult. The service interaction, combined with these types of external and individual factors/conditions, also make services and their potential values/outcomes heterogeneous. This adds to the complexity of understanding, articulating and ordering forest-related services and the specific values associated with these when forest owners make decisions. The general complexity of forest-related service ordering (e.g., assessing different alternatives effects on development of a forest combined with the norms and pressure of making (the right) choices, being active and having responsibility can push forest owners toward passivity/alienation.



Understanding rather than knowing

In addition to trust, knowledge is required to be an active part in the relationship and service interaction. Active participation requires knowing both their own needs and motivations and understanding the services and the sale interaction. This enables the person to ask for specific values associated with different services and to understand these. Knowledge can also improve the interaction, value-proposition and the experiences in a way that contributes to reducing or managing some of the complexity of the service interaction/sale and the differences in goals and conditions for individual forest owners. In short, the expectations of both partners need to match the outcome in the forest based on a common understanding what the order entails and its implications.



However, ordering competency should naturally include the ability to communicate clearly and having relationships that adapt and respond to the needs and conditions of individual forest owners. It also assumes a deeper knowledge of the forest owners beyond such things as studying a catalogue of services provided by a company or knowing everything that the service provider knows. If the sales interaction is only organised around these knowledges, it risks only utilising some available resources by focusing simply on the resources of the seller. The main

contribution of ordering competency to the business or the sale interaction is a more mutual relationship in terms of knowledge, understanding and engagement. This supports both the utilisation of the available resources and involvement of both parties. If forest owners are more knowledgeable and aware of their own goals, motivations and needs, ordering competency facilitates communication, the value-proposition and the sale in general. In this way, it also improves the ability of service providers to understand customers and their own current and future services through the forest owners' interests.

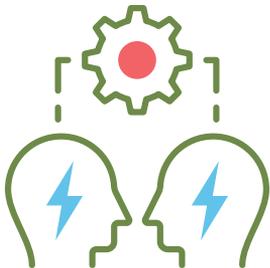
Engaging and empowering forest owners



Forest owners have great potential for managing and shaping how their forest develops based on their own needs, values and goals. Some forest owners, however, delegate decision-making to contractors or companies for various reasons. In the current service market, a forest owner can choose different levels of involvement and responsibility when managing their forest and other related activities. This includes the entire range, from planning and perform all the practical work in the forest personally to buying all forestry services. Although often a conscious and active choice by a forest owner, lower levels of activity, involvement or one-way communication in the service interaction can make providing services, establishing trust, communicating, and managing risks and expectations harder when providing services.

A good and inclusive service interaction depends on involvement and a mutual relationship, including feeling comfortable asking questions, expressing opinions and potential concerns, optimising value-creation and managing uncertainties/complexities in processes. This makes facilitating and promoting ordering competency important for empowering and engaging customers/forest owners in the service interaction – where multiple key activities occur (e.g., marketing, value-proposition and communication).

Improving communication and risk management



A vague service order risks leading to bad experiences or conflicts. To manage these risks better, it is crucial to have a mutual relationship and involvement. This, in turn, highlights the importance of ordering competency in increasing involvement levels. For forest owners, this involves the ability to manage and implement measures that support and are in line with their own goals. Ordering competency

supports and strengthens several positive aspects, such as knowledge, self-esteem/empowerment, their identity as a forest owner, the sense of inclusion, pride, a sense of responsibility, power, and authority. Skilled ordering of forest-related services is an effective way for the forest owner to take charge and reach their goals with their forest.

Relationships that support services

Mutual expectations and values for a service are needed to achieve customer satisfaction. Due to a wide range of possible expectations, both the company and the customer can ultimately save time and manage risks for miscommunication and mismatched expectations by investing in developing a long-term, mutual trust-based relationship. A service is intended to create value for both the company and the forest owner. This value is generated through both the practical (key) service, such as cleaning, planting, and thinning, but also the interactions of the service process. Customer satisfaction is a combination of tangible and intangible aspects and values of the service process, some of which can be hard to measure and externally evaluate. A mutual understanding and agreement by the service provider and consumer on the value creation is crucial to assess the quality and experience of the service. When providing the service, it is thus important to not just rely upon legal agreements/contracts but to pay attention to the conditions and expectations of the service offering.



How to improve ordering competency

A good place to start for a competent order process for a forestry service is knowing the status of the forest property and the goal for the intended measure. This information also needs to be communicated to the recipient of the order. Results from studies show that a better understanding of forest management empowers forest owners to make decisions about their forest, making them more confident in ordering forest-related services. This understanding and empowered involvement are the basis of ordering competency.





Related knowledge

There is a long list of related knowledge, so customer skills should be understood on different levels. An initial level to empower owners is their knowledge about forestry, e.g., values, management and risks. Efforts to increase knowledge should be adapted to the relevant level to make it as relevant as possible and optimise implementation.



Confidence in decision making

Empowerment through learning leverages related knowledge to personally implement their own goals and visions. Well-formulated goals for the forest ownership are required. Often the goals contain one or more of the following five categories.

- **Formal financial goals:** positive cash flow, development of investments etc.
- **Informal financial goals:** access to hunting, firewood, berries etc.
- **Production targets:** increased timber stock, growth, age/species distribution etc.
- **Environmental and aesthetic goals:** nature and cultural environment conservation etc.
- **Intangible goals:** lifestyle, identity, generational bonds, community etc.

A good understanding of their own goals, targets and values/needs builds a sense of empowerment and confidence to make decisions related to their forest. However, like service interactions and knowledge in general, ordering competency is more than a specified level of knowledge, they are also a relational product and status. Individual ordering competency needs to be assessed on each service relationship to optimise the interaction and to empower involvement and decisions. In a forest-related context where expertise is sought after, it is crucial to reflect upon the balance between the service provider and the forest owner in interactions and the relationship – and how this supports, or potentially hinders, decisions, sales and a mutual relation.

Confidence in ordering services

Due to the large number of actors and amount of information, it can be difficult for new forest owners to understand what services are available. Results from pilot studies show that informal discussions and peer-learning, with both professionals and other forest owners, can activate new or unexperienced forest owners to purchase forest-related services. This highlights how ordering competency is not primarily about teaching but about a mutual learning. Learning can also be supported through activities and measures that have different focuses and forms of empowerment. These could take the form of specific courses or lessons on different topics, targeted communication, information efforts and more interactive and peer-to-peer focused activities, such as mentorship programmes, study circles and workshops. Producing a forest management plan can also be a fruitful process in integrating and supporting mutual learning and developing ordering competency.



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