

HUMAK[®]

Becoming an entrepreneur in Finland

HUMAK UNIVERSITY OF APPLIED SCIENCES

LÖYDÄ URASI SUOMESSA
Tempo

HUMAK[®]

Yrittäjät
VARSINAIS-SUOMI

Vipuvoimaa
EU:lta
2014–2020



Becoming an entrepreneur in Finland

Niina Autiomäki, Irina Erlamo, Jenny Honka,
Iina-Maria Piilinen, Anna Pikala, Emilia Reponen,
Satu Riikonen, Markus Suomi, Hanna Tarvainen

ISBN 978-952-456-410-6

ISSN 2343-0664 (printed)

ISSN 2343-0672 (online)

Humak University of Applied Sciences Publications, 134.
© Humak University of Applied Sciences, 2022, Turku

Layout: Emilia Reponen



HUMAK[®]

Yrittäjät
VARSINAIS-SUOMI

Vipuvoimaa
EU:lta
2014–2020



Table of contents

How to become an entrepreneur in Finland	4
1. Me as an entrepreneur in Finland	5
2. Business idea	8
3. Customers	12
4. Product / Service	17
5. Profitability and pricing	23
6. Competitors and operating environment	28
7. Sales and marketing	32
8. Economic planning, taxation and accounting	36
9. Permits and insurance	42
10. Company forms	48
11. Next step on your entrepreneurship path.....	52

How to become an entrepreneur in Finland

In this guide book, you will learn about entrepreneurship in Finland. You will get a chance to develop your own idea and reflect upon issues related to me as an entrepreneur, business idea, costumers, products and services, profitability and pricing, competitors and operating environment, sales and marketing, economic planning, taxation and accounting, permits and insurance, company forms and business plan.

After reading this guide book, you will have all the information you need about taxes, different company forms, necessary permits for setting up a business and types of insurance.

This guide includes 11 sections. Each section contains information related to entrepreneurship, including a 'Finnish Context' information section.

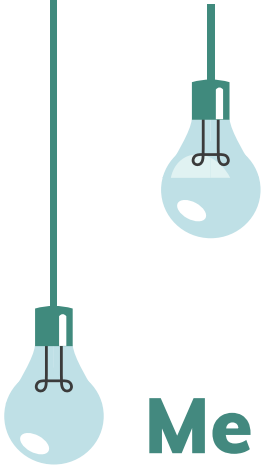
The book includes a variety of exercises. The exercises will deepen your skills as they cover the most important aspects of entrepreneurship.

The content includes also several links to videos, some of which are subtitled in different languages.

This guide book is related to Tempos How to become an entrepreneur in Finland - web course which is funded by the European Social Funds (ESF). Read more about the web course and join in: <https://tempo.humak.fi/how-to-become-an-entrepreneur-in-finland/>

1 Me as an entrepreneur





Me as an entrepreneur

Entrepreneurship is a rewarding, but also demanding activity. Internal entrepreneurship and an entrepreneurial attitude are necessary in all types of entrepreneurship and work! First, find out what it means to have internal entrepreneurship or an entrepreneurial attitude.

Internal entrepreneurship refers to a combination of qualities needed for running a business, but also to succeed in paid employment. A person with an entrepreneurial attitude is enthusiastic, proactive, and committed to their work, as if the company they worked in was their own. People with an entrepreneurial attitude are creative, ambitious, as well as willing and able to take responsibility in the same way that external entrepreneurs do. They often also specialise and take responsibility over different aspects of their jobs. Entrepreneurial persons, in the broadest sense, display the following attributes:

- good tolerance of stress
- independent worker
- team player
- curious and flexible
- patient and responsible
- creative problem-solver
- service-minded and social
- future-oriented
- solution-oriented
- likely to take initiative
- desire to learn and improve

Having an entrepreneurial attitude can also refer to the ability to take initiative and display an enterprise spirit in the long term, as well as to assume responsibility. There is no single definition of an entrepreneurial attitude.

You can reflect upon your own entrepreneur skills by assessing your abilities and goals. What kinds of skills have you gained through work or hobbies? What strengths do you have that you could leverage as an entrepreneur (such as flexibility, being a good learner or a hard worker)? You should also consider what aspects you will need to improve. Assessing your entrepreneurial skills is important, even though your idea should initially be based on demand and potential customers.

Finnish context

Nowadays, work is organised in many different ways in Finland. In addition to wage labour, there are many forms of entrepreneurship, all of which require an entrepreneurial attitude. You may want to set up your own restaurant or offer garden design services online. These represent different forms of entrepreneurship.

Exercise: Could I be an entrepreneur?

- 1) Watch [the video](#) about different types of entrepreneurship
- 2) Do the entrepreneur test at yrytyssuomi.fi.

Think the following questions:

- Do you agree with the results of the entrepreneurship test?
- What kinds of skills and qualities does entrepreneurship require?
- What form of entrepreneurship would suit you the best?

More information

Video: [Different forms of entrepreneurship](#)
(speaking in Finnish, subtitles in Finnish and English)

Online entrepreneur guides:

Suomi.fi: [Starting a business: Foreign entrepreneurs](#)

Tempo: [Where to find help for job search](#)

Info Finland.fi: [Entrepreneur in Finland](#) (many languages)

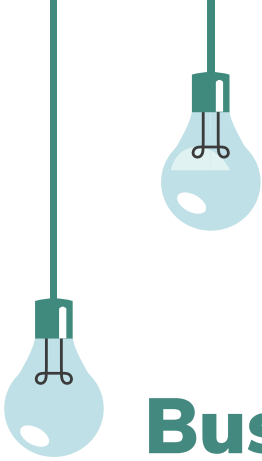
This is Finland: [Entrepreneur story](#)

SCU.edu: [A Good Start: Ethics for Entrepreneurs](#)



Business idea





Business idea

What will be your first move?

You will need an idea in order to carry out the exercises for this guide book. It does not have to be the final one that you will use for setting up your business, but you can use it to practice the steps that you will have to take when setting up your own company.

When developing your idea, consider what services or products there is demand for. It is also worth thinking about how you can stand out amongst other companies in the field. Is your product or service different? Will you be tapping into a new market? Will you introduce something new to the market? You can also reflect deeper on the topic by evaluating the reasons for setting up this particular company and its role. Is there already demand for your product or are you creating something completely new? What are people struggling with and could you come up with a solution to their problem? Is there something that is done differently in another country? Could it work in Finland as well?

Your personal skills can provide a good foundation for your entrepreneurship. These may be skills that you have developed at work, through education or even a hobby. Do you have any knowledge or skill that you could sell?

What is a business idea?

A business idea is an idea of what you would like to do as an entrepreneur. A business idea emerges when you have developed your initial idea into a viable plan. What, to whom, and how will your company sell its products? Once you have calculated how much money you will need to setup and run a business, you will use your business plan to guide your decision-making in the startup phase, and to convince financiers, for example, of the viability of your idea. In this section, we will discuss potential ideas, although you may, of course, already have come up with a more specific business idea. You can also start a business by buying an existing company

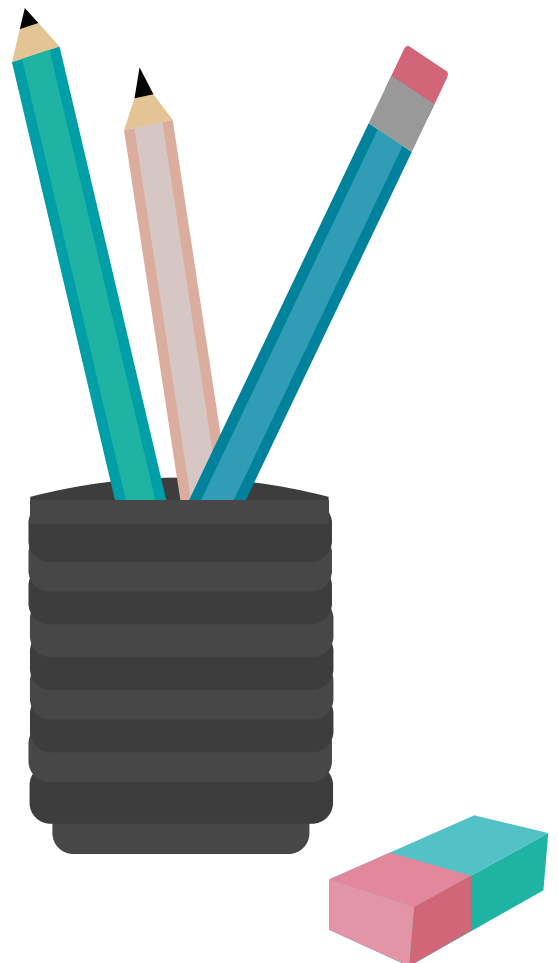
One advantage with this option is that old companies already have a product, customers, market position and turnover. Thus, the new owner can set out to implement their plan in a situation where the basics are already in place. Once you have outlined your idea, you can start actively searching for businesses for sale or talk with business owners. Many companies may also appear in silent listings.

Finnish context

There are tens of thousands of companies in Finland that need successors as their owners retire. Acquisition is one good way to start a business. You can either buy an entire company or just its business activities. With acquisitions, it is worth consulting an expert as they can assess all the potential risks and suggest an appropriate price. The idea is that company profits should cover the sum paid for the company within 2-6 years. Because such companies already represent viable businesses, the new owner can start drawing a salary from the outset. In these situations, former owners often take the role of mentor, guiding the new owner in the startup phase. The new owner can immediately start developing the company with their own ideas.

Entrepreneurs should consider ethical issues in their business operations. Both in Finland and around the world, ethical and responsible business conduct have aroused consumer interest. Customers are increasingly interested in the ethics and environmental friendliness of the manufacturing process. Responsible conduct is considered a highly important element that influences consumers' purchase decisions. Companies that operate ethically have gained a competitive advantage and their value in the eyes of consumers has grown. According to surveys and studies, socially responsible companies also succeed more easily. Partners and consumers want to know that a company operates ethically and their decision to cooperate or purchase from other companies is often based on this element.

When drawing up your business idea, it is worth considering how you can make your service or product ethical. Remember to consider all the stages of production of your product or service, from start to finish. Responsible conduct relates to the environment, the working conditions of employees as well as the economy. If you collaborate with other organisations or subcontract any work, also find out if those companies operate ethically.





Exercise: Creating a good business idea

Being an entrepreneur is based on having an entrepreneurial attitude and competences, the key elements of which are expertise and education. Competences can come from education, work experience, hobbies or everyday activities.

Write about all the skills that you have that are related to your idea and becoming an entrepreneur.

Questions for consideration:

- What is your idea?
- How did you come up with your idea?
- Why is your idea worth implementing? What is your aim?
- What expertise do you have in relation to your idea? What skills do you still need to develop? How can you develop them? What skills do you need to acquire elsewhere and take into account in the planning phase?
- What language skills do you have? Are they sufficient for implementing your idea?



More information

Video: [Queens company](#)
(speaking in English and subtitles in English and Finnish)

Video: [Sustainability in business](#)
(speaking in English, subtitles in English and Spanish)

Yrityspörssi: [Companies for sale in Finland](#)

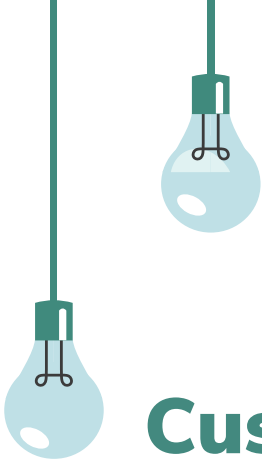
Harvard Business Review: [How to Design an Ethical Organization](#)

Social Justice Solutions:
[5 Ways Businesses Can Work Towards Being More Ethical](#)



3 Customers





Customers

Your business needs customers in order to survive

Your business cannot survive without customers no matter how good your business idea is. Therefore, it is good to start developing a business idea by considering potential customers and their needs. You might want to start by thinking about who might be interested in your particular product or service and which of their needs or problems your product or service would address. Defining your customers will also help you later on as you start developing your marketing strategy.

Who are your customers?

Remember, not all people can be your customers! You need to know who you are selling your products to. Try to find potential customers (i.e., people who might be interested in your product/service) and ask them the following questions:

Are you interested in this product/service? How much would you be willing to pay for it? Do not just ask friends or family. The right kind of customers can provide you with valuable information that you can use to develop and market your product or service.

Different customers base their purchase decisions on different criteria. Therefore, you should not market your product in the same way to all customer groups. Instead, consider using different marketing channels for different customer groups in order to make your marketing strategy more economical and effective.

So, you need to know your customers in order to:

- reach out and market your product to them in the places that they go to and through the channels that they use
- sell your product in a way that suits them best (for example, which is better, an online store or personal service?)
- know what your customers are willing to pay for (for example, a solution to their problem, the quality of a product or service, an economic price, good location, customer service, etc.)

Product customer = payer of product?

Have you ever considered that the person paying for your product may not actually be the end customer? For example, the municipality would be responsible for paying for any cultural services provided to a nursing home, while the residents of the nursing home would represent the customers of the service. Similarly, the decision to buy a bag of sweets can be made by a child, while the payer may be their parents. So, whose needs should your product aim to meet?



Gathering feedback from potential customers

You should not start selling your product until you have tested it on potential customers and analysed their feedback in order to apply potential improvements. When testing a product, you should use strangers where possible, as it is more difficult to get realistic feedback from friends. Ask potential customers if they would be willing to test your product for a discounted price. Product testing should be as realistic as possible. Just calling potential customers and asking them 'would you be interested in such and such a product and how can it be improved' will not get you very far. Instead, testing your product on potential clients over a period of one month, for example, or testing a service in a seminar workshop, will provide you with much more reliable feedback. But collecting feedback does not end there. You will also need to collect feedback while selling your product and from all nodes in the service chain: subcontractors, resellers, customers and potential customers.

Finnish context

Do you think Finnish customers differ from customers in other countries? Some say that Finnish customers generally like to make their purchase decisions in peace, instead of when being constantly approached by vendors asking them whether they like the product or not. People also say that Finnish customers do not complain about services very easily, even if they have had a bad experience.

However, age and background seem to have a stronger effect on people's purchase decisions than being Finnish, for example. One could roughly say that, for example, young Finns prefer vegetarian food and new experiences, while older people prefer good-quality and friendly service as well as familiar products.

One could also say that, in Finland, like in other similar countries, customers are nowadays happy to buy products from online stores and they want good and memorable

services that they can post on social media. Customers also want to hear and read about the experiences of others regarding products/services before making a purchase decision. People are increasingly looking for local and organic products and they often prefer experiences and services over goods. Also, customers often look for products that somehow contribute to their image.

Today's customers are responsible consumers who like to know the origin of the products and services they purchase. Customers may request more information about your product or service, so be prepared to tell them about the origin, manufacture, and the working conditions of those who produce your products. Entrepreneurs should be aware of the ethical issues surrounding their products. They should also think about how to market and communicate their ethical activities to stakeholders (customers and partners) and, at the same time, fix ethically questionable issues or think about how to justify them. Customers may contact you through your website, Facebook, or Instagram, for example, so you must make sure you answer everyone's questions. In social media, information and especially negative customer feedback spreads quickly and to a large number of people. It is thus a good idea to have a communication plan in place for these situations for making sure that you can respond to feedback appropriately and quickly.

When considering ethical issues, you should think about your target group and their interests. What interests them and what do they pay attention to when making decisions. For example, are they interested in nature conservation or human rights? Or is it important to them that the products are made in Finland? Ethically conscious customers are more strongly committed to a company and its products because knowing the background of the products makes them want to support the company.

Exercise: My customers

You should channel your resources towards the customers that are the most interested in buying your company's products and therefore represent your potential customers.

Questions for consideration:

- What is your target audience? Who are your customers?
Try to divide customer groups into smaller subgroups.
- Why are you interested in these customer groups?
- How many potential customers are there?
- Where are your customers? How can you find out your customers' contact information? How could you use a customer survey to get information about potential customers?
- Make a list of your customers. Who will be your first customer?
- How can you leverage your first customer for marketing your product?
- What are your customers' current buying habits (who do they currently buy their products from)?
- Who makes the purchase decision and pays for the product (adult, child, company, government, other)?
- Are there any ways in which your customers are not satisfied?
- What kind of product would your customers benefit from?
How can you meet this need?
- What specific added value can you offer your customers (related to payment, delivery, maintenance, etc.)?
- How can you get your customer to buy from you again?

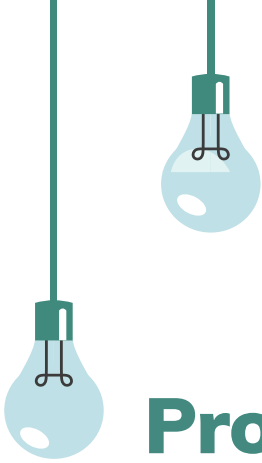
More information

Video: [How to choose your target groups and markets](#) (speaking in Finnish, subtitles in Finnish, English and Arabian)

Uusyrityskeskus: [Guide Becoming an Entrepreneur in Finland 2020](#) (page 33)

4 Product / Service





Product / Service

What is your product / service?

Can you describe your product briefly? Your business idea can only be transformed into a service or product when anyone can understand what it is about based on a brief explanation of what your product contains, who it is aimed at, what benefits it will bring to the customers, how much it will cost, and what is expected of the customers. Product concretisation and packaging will also make things easier. You do not have to develop a product or service for every customer from scratch, but you can sell predetermined add-ons to your existing core products.

People often think that customers want unique products or services that are tailored to their needs, but can customers actually know what they want before having seen the product? Here is an example: In your mind, compare two agrotourism entrepreneurs' websites, both marketing occupational health and welfare services. On one of the websites, it says that the farm can offer any type of content and several types of food, and customers are asked to send in a request for a proposal based on their personal needs. The other website, on the other hand, displays three boxes describing different options and below them in additional boxes all the extra services that can be purchased alongside them. Which of the two farms would you pick?

Production process, that is, how your product will be produced

Whether your business idea is a physical product, such as shoes, or an intangible one, like expert services, a game or an application sold online, you will need to think about how your product or service will be produced in practice. Will you need any materials? Will you subcontract any of the work in Finland or abroad? Your personal values may also influence the kinds of subcontractors, suppliers or materials you will use for your products. Also, will you need separate space for the production process?

In some cases, it makes sense to rent a shared workspace with other entrepreneurs, as you will thus save on rental costs and collaborate with others. Sometimes, however, it is better to get your own space, especially when you need a lot of space for production and storage. You can ask a business agent in your municipality for advice regarding production and business premises. One way to produce services or goods is to network, in other words, create a partnership or collaboration network that benefits all parties.

As an entrepreneur, you will also have to think about transportation, in other words, logistics. Logistics is not free and it must be considered in the price of goods and services. If you order your products from China, for example, ordering a small batch may not be profitable, and, thus, storage costs may end up being significantly high. The same goes for sales. For example, if you have an online store, shipping and return costs could end up rather high. Are your customers willing to pay these fees or should you include them in the price of your product? With expert services, travel costs may be considerable if your market area includes the whole of Finland. If you are an instructor, for example, could some of the training be carried out online?

Finnish context

An increasing number of Finnish customers wants to know about the manufacturing process and country of origin of the products they buy. Customers may be willing to pay more for ethically and sustainably produced items than for those whose country of origin and method of production are unknown or where there is suspicion that they do not follow ethical principles.

Your product could maybe also be sold overseas. Take a look at Alibaba.com or the Amazon.com online store to see what kind of manufacturers appear in them. These are just examples; there are many other similar subcontracting channels and e-commerce solutions.



Certificates verify the responsible conduct of your business

Certificates are one way to prove that your business is ethical. Popular and well-known certificates in Finland include the Swan Ecolabel, which indicates that the product or service is better for the environment (the amount of waste, energy and water consumption are lower and logistics are optimised), and the Key Flag symbol, which indicates that the product or service has been produced or manufactured in Finland. The criteria and eligibility requirements for each certificate are different. More detailed information can be found, for example, on the websites of the issuers of each label. If you are getting a certificate, you should notify both your customers and partners. Certificates demonstrate that an organisation operates ethically and responsibly. You usually have to pay for certificates granted to a service or product. The price may be fixed or it can be based on a company's total turnover.

As an entrepreneur, you can produce the products you sell yourself or have them made by someone else. You can also sell knowledge, i.e., expertise. In the case of services, you must be able to tell your customers as concretely as possible about the benefits they will gain from them, in other words, the added value of the services.



Exercise: Product planning 1/2

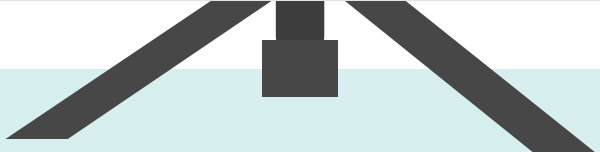
Questions for consideration regarding your product or service:

- What is your product?
- What is unique and excellent about it?
- How is it different from other similar products on the market?
- What is the quality of your product like compared to the products of your competitors?
- What competitive advantages does your product have?
- What weaknesses does your product have?
- How does your product need to be developed?



Exercise: Product planning 2/2

Questions for consideration regarding production:

- Where will your business be located?
 - What kind of business premises will your company need? Consider production, warehouse and customer service requirements.
 - What kinds of loading and unloading facilities and parking spaces will your company need?
 - In what kinds of facilities and where do your competitors operate?
 - What production equipment will you need? How much will it all cost? Make a concrete list of all the tools and equipment you will need. What tools do you already have that you could use in your company?
 - Will you need personnel? What kind of personnel and how much will you need? Make an estimation of potential personnel costs.
 - Will you need suppliers? How will you procure your products in practice?
 - Will you need subcontractors? If so, what kinds of subcontractors (think about your own skills, for example: what will you have to acquire/supplement)?
 - How will you manage your company's accounting?
 - How do you plan to monitor your company's current and past operations?
 - Who will handle the planning and budgeting of your company's accounts?
 - How will you arrange financing and collateral?
 - What kind of insurance will your company need? How much will it cost?
- 

More information

Video: a well-functioning business idea (speech in Finnish, subtitling in Finnish, Arabic and English)

Online entrepreneur guides:

Eetti.fi: [Pro Ethical Trade Finland](#)

Suomi.fi: [Starting a business: Foreign entrepreneurs](#)

Info Finland.fi: [Entrepreneur in Finland](#) (many languages)

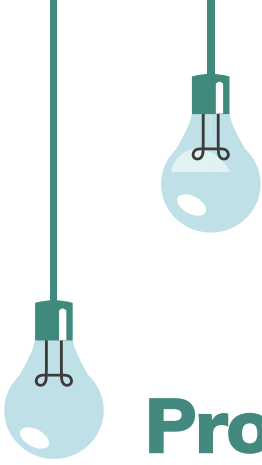
This is Finland: [Entrepreneur story](#)

SCU.edu: [A Good Start: Ethics for Entrepreneurs](#)



5 Profitability and pricing





Profitability and pricing

Pricing can be based on at least four premises:

- pricing based on costs
- pricing based on the market rate
- pricing based on customer benefit
- pricing based on standing out

Pricing based on costs

Pricing should be based on the cost of business operations. In cost-based pricing, prices exceed the cost of implementing the product or service. Entrepreneurs also include the expected amount of profit in their prices.

Pricing based on the market rate

Companies need to be aware of the prices at which its competitors are selling similar products. A company may price its products at the upper or lower end of the price range prevailing in the market, or between the two extremes. In general, pricing your products or services on the cheaper end of the spectrum is not a sustainable solution, as new companies lack some important advantages (large order volumes, strong market position, etc.) that would allow them to compete on price with other companies. Instead of price, you should compete on good quality or variety.

Pricing based on customer benefit

A key pricing criterion is the benefits that a company's product or service provides to their customers. If a company's operations make their customers' lives significantly easier, they may be willing to pay a considerable sum for the product or service. These include, for example, shopping collection and home delivery services.

Pricing based on standing out

A key pricing criterion is the benefits that a company's product or service provides to their customers. If a company's operations make their customers' lives significantly

easier, they may be willing to pay a considerable sum for the product or service. These include, for example, shopping collection and home delivery services.

A company will be able to price its operations more profitably if it is able to stand out from amongst its competitors in the market. Offering a product or service based on the same sales concept as that of your competitors will not make you stand out from other companies. However, finding new distribution channels, or providing excellent customer service, for example, can be good ways to stand out and thus justify higher prices.

Profitability calculation

Profitability calculations are based on an estimate of a company's future expenses and sales revenue. Profitability calculations are usually based on fixed operating costs, which are determined on a monthly or annual basis. This is combined with an estimate of the company's sales volume, which will act as an indication of monthly and annual results. It is usually easier to estimate costs, as these can be determined reliably. For example, you can request an offer on a rental space, determine your own salary and any other potential salaries, and predict many other costs very carefully.

Predicting sales is much more difficult. Will customers buy a product/service or not? How much will they buy? How much are they willing to pay for it? This information can be anticipated to a point through various trial sales, prototypes and surveys.

Sales volume as well as product and service prices must be assessed on a case-to-case basis. How much of product x can a company sell for price y ? In addition to the company's own activities, these are influenced by, for example, the size of the potential market, the competitive environment and the deployed marketing methods and distribution channels. There are many variables, and sales estimates are simply future speculations. One should not make overly optimistic estimates here, although there is also no reason to be too cautious. If the sold units are based on individual working hours (e.g., expert work, cleaning, electrical installation), you should also take into account that

- weekly working time should not exceed 40 hours
- employees must have at least four weeks off per year
- some of the work falls outside of billable work, for example, marketing, sales, invoicing, administrative tasks, which must also be taken care of, and the company cannot directly invoice the customer for these

Working hours can sometimes exceed 40 hours per week, but profitability cannot be based on extra-long working days, as entrepreneurs must also take into account their own wellbeing.



Fixed and variable costs

Company costs can be divided into fixed and variable costs. Fixed costs are those that remain stable regardless of the production volume or sales. Fixed costs include rent, insurance, marketing and accounting costs.

Variable costs, on the other hand, fluctuate depending on how many products or services are manufactured and sold. Typical variable costs include, for example, raw materials and supplies used in production, purchasing services linked to production, as well as freight charges for transporting finished products.



Finnish context

New entrepreneurs often think that low prices are a good way to start marketing their products or services. However, customers also have many other reasons for making a purchase decision; quality, speed, expertise, customer service, clear website or even how environmentally friendly a product is. What do you pay attention to when looking for new things?



In Finland, a low price can even be bad advertising. Instead, think about who your customers are, what they value, why they would buy from you, and emphasise these aspects in your marketing. It is always easy to lower prices, but not as easy to raise them.





Exercise: Pricing products and services

Think about the prices of similar products on the market.

- How will you price your products?
- What will your pricing be based on?
- What will be the sales percentage of each of your products?
- What will be the sales percentage among different customer groups?
- What will your operating costs be?
- What kind of sales volume will you need in order for the revenue to exceed expenditure?



More information

Video: [7 Pricing Strategies - How To Price A Product](#)
(speaking in English and subtitles in English)

Elo Mutual Pension Insurance Company: [Elo.fi](#)



6

Competitors and operating environment





Competitors and operating environment

How do others do it?

Your competitors play an important role in how you build your business right from the start when you start drawing up your business idea. Your competitors may operate in the same field or serve the same target group. Assessing your competitors will help you identify the strengths and weaknesses of your business, develop your company, and focus your marketing strategies better. Thus, it is useful to research who else offers similar products or services and how they do it. By evaluating your competitors, you will gain useful information about branding, marketing tools and price levels, etc. On the other hand, your competitors also represent a network of partners that helps bring visibility to your field.

Competitors are an important part of your operating environment. Entrepreneurs live in an ever-changing world where companies are influenced by a number of external elements. A company can only succeed if the entrepreneur is able to adjust its operations as the business environment changes. Thus, they will be better able to respond to potential threats and discover new opportunities. This requires curiosity, creativity, perseverance and decision-making ability from the entrepreneur, as the business environment is constantly changing.

A company's business environment consists of the following external factors, among others, which influence the company;

- developments in the field
- changes in demand
- measures implemented by public authorities
- technological developments
- demographic factors
- prevailing values and attitudes
- international environment

Information on the operating environment both at the stage of the founding of a company and later when running it can be obtained by observing the environment, networking, following magazines and events and other media in the field.

Business statistics are published by Statistics Finland and the Federation of Finnish Enterprises, for example. Another key channel for gaining new information is listening to customers and asking for regular feedback.

Finnish context

Finland is generally considered a good place for setting up a business because of its political stability, security, lack of corruption and clean environment, among other things. As a member of the European Union, many elements in Finland function uniformly with other Member States, although differences with other countries do exist in legislation, taxation and employment, among other things. The regulations are the same for all entrepreneurs and we recommend researching them and asking for help from experts. The Finnish business environment is currently changing because of the growing importance of ecological values, local production, the desire for experience instead of consuming goods, digitalisation and the spread of teleworking, for example. What other trends or signs have you noticed?





Exercise: Who are my competitors?

Find two companies that operate in the field you wish to enter, i.e., two competitors. Take a look at these two competitors. Assess their business activities and pick out anything that you can use to develop your own business idea and, while at it, also learn from their shortcomings. How could you improve your business?

Answer the following questions:

Who are your competitors?

- Which companies have a similar idea and customers as you?
- How do you stand out from these competitors?
- Are your company's marketing communications more interesting and better targeted? Is your product considerably better, why?
- Is your business location better?
- Do you offer more customer-friendly prices?

Having knowledge of the market is key to profitable sales. Before setting up a business, it is good to find out what kind of a market you will be operating in.

Questions for consideration:

- How large is the overall market in your field of operation (for example, in terms of volume, number of customers, sales, etc.)?
- How is the market evolving?
- What types of foreseeable developments can you detect in your operating environment?
- Does the demand for your company's products or services change according to season?
- What foreseeable changes (legislation, etc.) can you detect in the market?
- What growth prospects does your future company have?

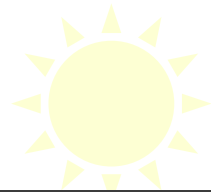
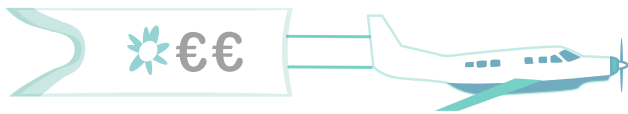


More information

Video: [This will create a competitive advantage for the company](#) (speech in Finnish, subtitling in Finnish, Arabic and English)

Uusyrityskeskus: [Guide – Becoming an Entrepreneur in Finland 2021](#)

7 Sales and marketing





Sales and marketing

Marketing will help get people interested in your business

Marketing will help customers find your product or service. It can also help you stand out from your competitors. Marketing is much more than just advertising. It includes:

- attractive product and service design
- spreading information about your products, services and their features
- appropriate pricing
- making it easy for customers to buy your products and services
- good customer service
- comfortable premises
- after-sales management

You will need information about your customers in order to market your product to them, including knowing who they are, what they do, where they look for information, what places they visit and at what time, as well as what they value (see section 2. Customers).

The Internet and social media are the cornerstones of marketing. This also means that in many fields, potential buyers, as well as competitors, may exist all over the world.

Company brand

Companies stand out because of their brand. The term brand refers to how a company is spoken about and the images it evokes. The building blocks of a successful brand include, for example

- name of the company
- logo
- brand promise
- the values that guide a company's operations
- website and other marketing materials

Marketing tools

You should use the Internet and social media regardless of your field. Consumers use search engines to look for information about products and services on the Internet, which is why it is also important to know what kinds of words they type in. Basic elements in marketing include a clear website that also works on a mobile device. The website should include basic information about the company and the services it offers. It is also a good idea to create a brand story.

Other marketing tools include:

- spreading the word about your business through your own networks
- e-mail
- telephone
- radio
- TV
- newspapers
- targeted marketing in social media

Save money and time by implementing targeted marketing. There are many tools that you can use for this purpose, such as your company's website, Facebook, Instagram, Google, Twitter, YouTube and LinkedIn. Make sure you update these platforms regularly. Design a functional sales process

Selling is a process in which marketing, sales transactions, after-sales management, and customer relationship management (CRM) are all linked to each other. The goal of marketing is to get customers to approach your product. Once they have, convincing them to buy it should be quick and easy. You should also facilitate future purchases for your customers.

Create a functional sales process; make sure that all the necessary information about your product is accessible, that it is possible to buy or book products online, shipment is fast, customers can give feedback if they wish, and your company's contact information can be found easily.

Sales skills are crucial to an entrepreneur's success. Don't hold back on practising them!

Finnish context

New entrepreneurs often think that low prices are a good way to start marketing their products or services. However, customers also have many other reasons for making a purchase decision; quality, speed, expertise, customer service, clear website or even how environmentally friendly a product is. What do you pay attention to when looking for new things?

In Finland, a low price can even be bad advertising. Instead, think about who your customers are, what they value, why they would buy from you, and emphasise these aspects in your marketing. It is always easy to lower prices, but not as easy to raise them.

Exercise: A good sales pitch

Prepare to yourself a pitch speech.

A sales talk or pitch is a short presentation where you summarise your skills and strengths in an easily digestible format and sell your idea to the employers/educational institutions/training, etc., of your choice! In addition to image and sound, you can include other elements to support your presentation.

A sales pitch refers to a firm and informative presentation aimed at a clear goal: sales, financing, a job, etc. The basic structure of a sales pitch is often based on the following elements:

- sparking the interest of listeners with an interesting question/statement
- problem/opportunity
- solution
- know-how/skills/team
- expressing what you are looking for
- contact details

Content can be added and cropped according to the available time. Below are a few examples of video pitches. You can find more on YouTube.

- [Pitching](#)
- [The Airbnb Pitch Deck that raised \\$500K in 2009](#)
- [How to sell your idea to an Investor | Princess Umul Hatiyya Ibrahim Mahama | TEDxAccra](#)
- [A 15-Year-Old Entrepreneur Impresses the Sharks - Shark Tank](#)

More information

Video: [Sales and marketing](#) (speech in Finnish, subtitling in English)

Traficom: [Fi domain availability](#)

Yrittäjät: [Guide to starting your own business](#)

[22 Entrepreneurs Share Their Best Marketing Tips](#)

Ukko.fi: [The Ideal Free Website](#)

8 Economic planning, taxation and accounting





Economic planning, taxation and accounting



Financing

In this section, you will calculate how much money you will need to start a business and assess different financing options.

How can I get started?

You need money to set up a business. The amount depends on what your company does. If you want to set up a restaurant, you will need more money than if you are a translator. You will also need financing to cover the first months until the cash flow from your customers is enough to cover your company's expenses.

Financing in the Finnish context

Please find listed below various sources of financing

Equity capital

Entrepreneurs can invest personal funds or contribute their own tools and machines to their company. This is called self-financing. Banks require a certain level of self-financing before they will grant you a loan. If a friend or family member invests in your company, they will at the same time receive a share in the company.

Borrowed capital or loans

If your personal funds are not enough, you will need to get a loan. Companies can request a loan from a bank. Banks require loans to be collateralised, either with an apartment or other property. Finnvera also offers loans and guarantees for people who are setting up a business. Your bank will handle negotiations with Finnvera. You can also get financing from Finnvera if you buy an already existing company.

Financing by venture capital

Venture capitalists are people or companies that invest in businesses. In exchange for the investment, they receive a portion of the company's shares. The terms of investment are determined in a shareholder agreement. You can also raise money through crowd-

funding. This involves a large number of individuals investing money in a company. There are several different models for crowdfunding.

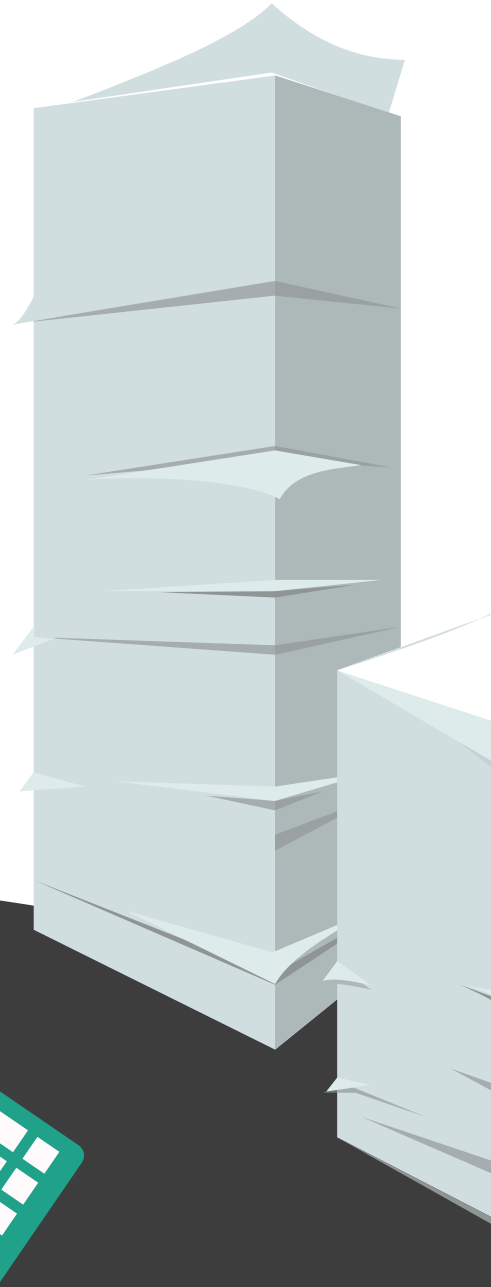
Public funding

Business Finland offers funding for companies that wish to develop their products or services or enter the international market. It also offers funding, advice, market information and networks to startup companies.

The Centre for Economic Development, Transport and the Environment (ELY) provides development grants for SME development and investments when they are starting out, restructuring, seeking to grow or internationalise. In addition, the ELY grants support for rural businesses. Companies operating in the countryside, but not in the field of agriculture, are eligible for this subsidy. The agricultural subsidies offer opportunities for a wide range of businesses, from startups and expanding businesses to companies that are in the process of developing or reforming their activities.

Startup grant

The startup grant is aimed at full-time entrepreneurs. New entrepreneurs are often unable to draw a salary from the start, so the startup grant can help them pay for their housing, food and other daily expenses. The aid is granted for a period of 6 - 12 months. The startup grant is offered by the TE Office. You can receive a startup grant if the TE Office considers your company's operations to be profitable. Having a business plan will make it easier for you to present your idea to the TE Office. You must apply for the startup grant from the TE Office before launching your company's operations. If you are interested in applying for the startup grant first find out more and then found and start your company. After starting your business you may not be able to receive this grant.



Taxes

In Finland, individuals as well as companies have to pay taxes. Taxes finance public services, which also companies benefit from. Companies pay income tax only on their profits. If a company's operations are unprofitable, they do not have to pay tax.

Taxation in the Finnish context

Corporate income tax (paid on profits)

Corporate and entrepreneurial income tax depends on the type of company. Company forms can be divided into partnerships:

- private trader, i.e., sole trader
- general partnership
- limited partnership

and **affiliated companies:**

- limited liability company
- co-operative

In partnerships, a company's profits are taxed as the company's owners' personal income. This income mainly represents earned income (wages) for the owners and it is taxed according to the same principles as other wage income, i.e., according to personal income tax rates.

Affiliated companies, on the other hand, are taxable entities. They pay corporate income tax, which is currently set at 20% in Finland. Also in affiliated companies, tax is paid only on profits.

In limited liability companies, the owners often work for the company and are paid a salary for their work, on which they normally pay personal income tax. In addition, owners may, under certain conditions, draw down dividends from their company, which are subject to capital gains tax.

Value Added Tax (VAT)

VAT is a consumption tax that is levied on almost all goods and services. In practice, VAT is paid by the consumers, but it passes through companies' bank accounts. Companies usually pay VAT on their activities on a monthly basis.

VAT is usually included in both the company sales and purchases. The amount of VAT to be accounted for is the difference between these, i.e., the VAT on purchases is deducted from that on sales.

Socially responsible companies also take ethical conduct into account in taxation and financial planning. They pay taxes in Finland and do not engage in tax evasion. Taxes benefit society as a whole, so in the long run, by paying taxes, companies indirectly make

sure that their customers are doing well and that they will have the opportunity to buy products and services also in the future.

VAT in 2021 (please check the Finnish tax authorities for possible changes)

The general value added tax rate (VAT%) in Finland is 24%. Most products and services fall into this category. However, VAT on food and restaurant services (not alcohol) is 14%, while VAT on books and cinema tickets, for example, is 10%.

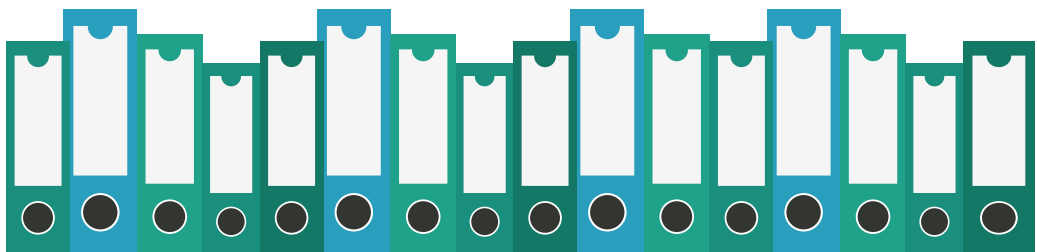
If the turnover (sales) of a new company is less than € 10,000 during one financial year (12 months), the company can decide whether to register for VAT or not. If the company does not appear on the VAT register, the prices of the products it sells will not include VAT. However, it can also not deduct the amount of VAT included in purchases, and this remains at the expense of the company.

Accounting in the Finnish context

Company accounting refers to the process of recording a company's expenses and revenue on a regular basis, as well as the storing and archiving of other business-related documents. A company's financial statements are created through accounting. These show the result of the financial year and the company's financial position, for example. Companies are often obliged to keep records. The way a company has to keep accounts and publish financial statements depends on the size and type of company.

Accounting is regulated by the Finnish Accounting Act and Regulation, as well as generally accepted accounting principles. In addition, accountants must be familiar with community and tax laws and monitor any changes in these. Accountants have to possess the ability draw up a company's financial statements. They must therefore have expertise in financial issues, which not all entrepreneurs themselves have. As a result, it is strongly recommended that entrepreneurs purchase accounting services from an external professional (usually an accounting firm) instead of carrying out their company's accounts themselves.

Becoming an accountant does not require a separate degree or certificate. You should choose your accounting firm carefully because your accountant will act as the expert regarding your financial matters. The Association of Finnish Accounting Firms maintains a register of authorised accounting firms. Authorisation ensures that the accounting firm has sufficient expertise and human resources to keep a company's accounts.





Exercise: Good accounting

- How do you organise your company's accounting?
- How will you plan your company's operations and monitor past operations?
- Who will handle the planning and budgeting of your company's financial statements?
- Where will you get your funding from and what will you use as collateral?
- What kind of insurance does your company need?
How much will it cost?

More information

Video: Company finance
(speaking in Finnish, subtitles in Finnish and English)

Video: Value added tax VAT
(speaking in Finnish, subtitles in English)

The Association of Finnish Accounting Firms

Online entrepreneur guides:

Suomi.fi: [Starting a business: Foreign entrepreneurs](#)

Info Finland.fi: [Entrepreneur in Finland](#) (many languages)

This is Finland: [Entrepreneur story](#)

SCU.edu: [A Good Start: Ethics for Entrepreneurs](#)



9 Permits and insurance





Permits and insurance

Permits in a nutshell

Permits and notifications when starting a business

1. Issue a startup notification, after which you will receive a business ID for your company.
2. Also, register your company in the necessary Tax Administration registers.
3. Register your company at least with the Trade Register and Prepayment Register.
4. If your turnover is more than €10,000, you will also have to register with the VAT Register.
5. If you are planning to hire any employees, you will have to register with the Employer Register.

Permits and notifications when running a business

Before registering and starting a business, you will need to make sure you know what permits are needed to run a business. You can get the necessary permits when you have registered your company and it has been allocated a business ID. A company may not start operations until it has obtained all the necessary permits.

1. **Premises:** First, you will need a permit for the location or site where you plan to carry out your business activities (these can be obtained from the municipal building supervision authorities or municipal environmental health services, for example). Apply for these permits in the municipality where your company's premises are located.
2. **Regulated trades:** Certain trades are subject to permits. If trading in your field is subject to a permit, you must obtain one before commencing commercial activities and the Trade Register must be notified of the granted permit. Please find a list of regulated trades [here](#)

- 3. Permits related to professions or competences:** As an entrepreneur, you may need different permits related to your profession or skills. For restaurant employees) must have a hygiene and alcohol passport, and a construction entrepreneur must have an occupational safety card and a hot work licence.
- 4. Registration or notification:** Some types of businesses require the trader to register or report the launching of their business activities separately.
- 5. Safety documentation:** Consumer services that may pose a safety risk need safety documentation. For example, setting up a gym or tattooing company requires safety documentation.

Copyright

Copyright, i.e., intellectual property rights, protects creative work and the livelihood of its authors. A photographer may have the copyright for their images, a designer can apply for design protection for a chair that they have designed, a cultural welfare educator can copyright an educational concept, and the inventor of a new innovation can patent the innovative parts of their product.

In addition to product protection, it is important to think about how to agree with your customers on the use of your product. Will you give your customers a one-time right to your product or hand over the entire patent? Or will you perhaps sign a license agreement with an international partner? Do you know what kind of a contract you will need in such a situation? If you are developing a new product, you should contact a copyright organisation in Finland, a trade union and business advisers in your field and get the process started.

When working with clients, make sure you have everything that you have agreed on in writing (preferably on paper, but also email discussions are fine).

As an entrepreneur, you also act as a customer of intellectual property rights. When you use images of others in your marketing, or music composed by others in your events, you will have to pay to use them.

Insurance

It is important to take out insurance before setting up a business in order to receive financial support, for example, in case you have to take sick leave or accidentally break a client's property. In Finland, there is only one compulsory insurance for entrepreneurs, but you should also consider taking out other insurance. When getting insurance, you should ask for offers from different insurance companies, i.e., ask for a quote on the insurance you need from more than one insurance company. The only compulsory insurance, the YEL insurance, is similar in form and price in every insurance company, but the prices and terms of other insurances may vary.

Compulsory insurance:

- YEL insurance, i.e., Entrepreneurs' pension insurance (approximately €125 / month -> you can determine the amount yourself). Keep your income up-to-date in your YEL insurance, as it is used as a basis for calculating, for example, compensation for sick days.
- If your company has employees, compulsory insurance for entrepreneurs includes an employee's pension insurance TyEL, a statutory insurance against accidents at work and occupational disease, and a group life insurance for employees. Employers also have to pay their employees' unemployment insurance contributions.

Recommended insurance

- Entrepreneur's accident insurance covers accidents at work and occupational disease. It also covers your medical expenses and secures your livelihood so that you can focus on healing in peace.
- Legal expenses insurance covers problems related to contracts, etc., but keep in mind that it only covers contracts signed after taking out the insurance. This is a cheap insurance.
- Professional indemnity insurance (approximately €30 / month) covers the costs if, for example, as a car entrepreneur, you accidentally scratch your customer's car or your customer slips because of oil in your yard.

Business insurance

If your company owns vehicles, business premises or other property, for example, you will need to get a separate business insurance in addition to entrepreneur insurance.

- Property insurance provides protection for your company's movable property, such as machinery and equipment against breakage or theft, for example.
- Real estate insurance covers, for example, damage caused by fires or water to a commercial property you own.

Finnish context

In Finland, a company can be established by anyone who has permanent residency anywhere in the European Economic Area (EEA). Whether you need a permit depends on where you live. If you are a citizen of an EU country, EEA country, Nordic country or Switzerland and want to move to Finland to start a business, you will not need a residence permit. If you do not live in the EEA and are a citizen of a country other than a member state of the European Union, an EEA country or Switzerland, you will need a residence permit in order to be self-employed in Finland. If you do not have a permit, you can apply for a residence permit for entrepreneurs or a startup residence permit in Finland.

You can apply for a residence permit for entrepreneurs (EHOL) from the Finnish Immigration Service. Traders usually have to register their business in the Trade Register of the Finnish Patent and Registration Office before they can receive such a permit. When applying for a permit, you must have a valid passport as well as be able to provide relevant business statements. The application can be submitted electronically or in paper form. Once you have submitted your application, you will need to appear before a competent authority to prove your identity. There, you will also have to present your identity card, original copies of annexes to your application and go through fingerprint identification. You can monitor the progress of your application electronically. The process usually takes about nine months.



Exercise: Permits and insurances needed

Think about what permits and insurance you will need to run your business. Here are some more instructions on what to write in the box:

Questions for consideration regarding your product or service:

- What permits will you need before starting business operations?
- What kind of insurance should you get for your company?
- Which insurance policies are mandatory for entrepreneurs in Finland?

More information

Video: [Trademarks and avoiding consumer confusion](#) (speaking in English, subtitles in English and Arabic)

Info Finland.fi: [Entrepreneur in Finland](#) (many languages)

Starting a business in Finland:

Business Finland: [Establishing a company](#)

NewCo Helsinki: [Guides](#)

Tukes: [List of services that require security documentation](#)

Read more about starting a food related industry:

Ruokavirasto: [Setting up a food business](#)

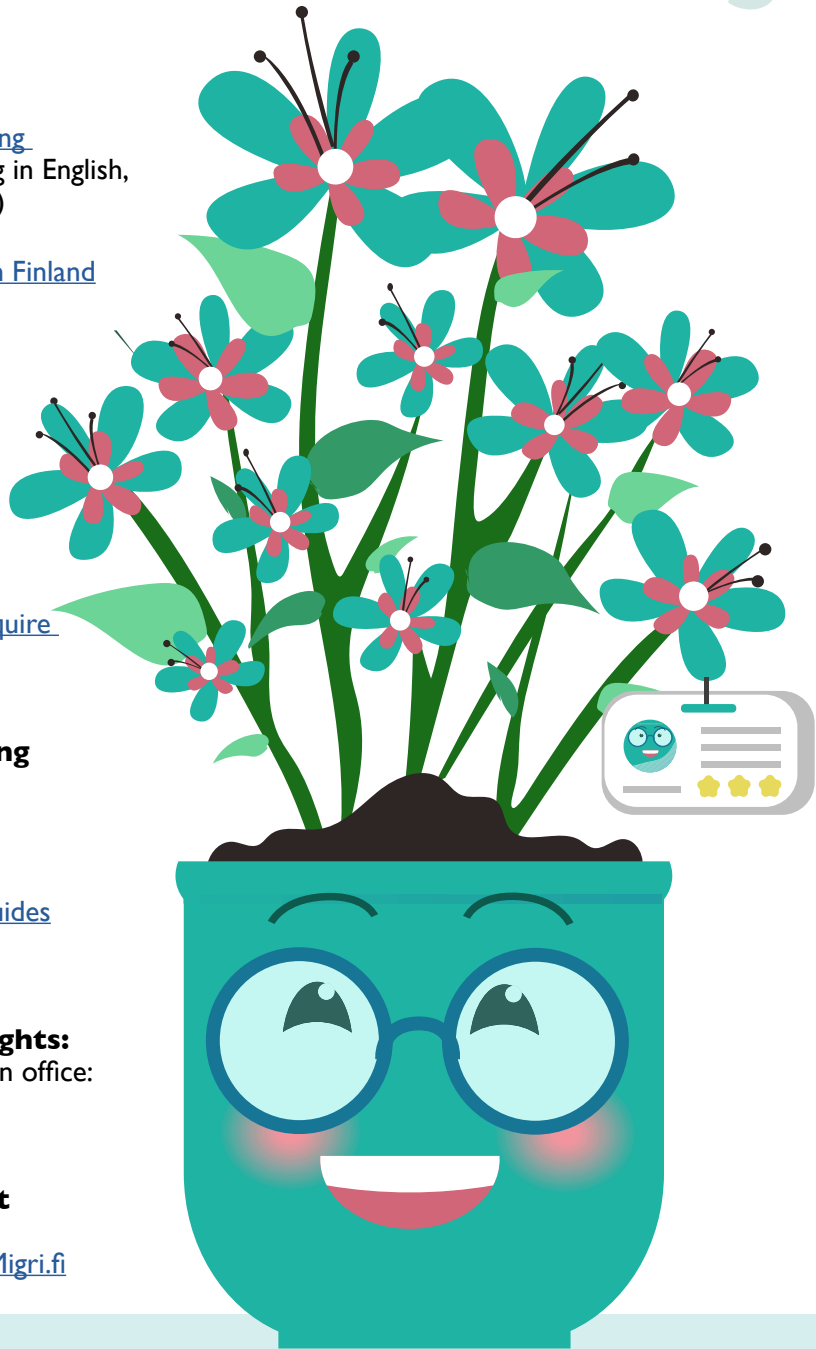
Ruokavirasto: [Food Sector Guides](#)

Find information about Intellectual Property Rights:

Finnish Patent and Registration office: [IPR Information for SME](#)

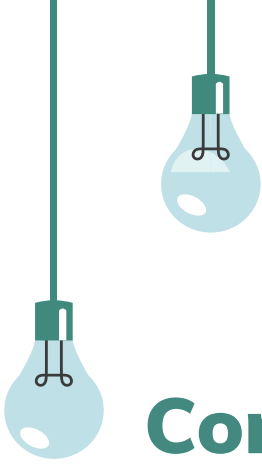
Information for resident permit application:

Finnish Immigration Service: [Migri.fi](#)



10 Company forms





Company forms

The following company forms exist in Finland:

- Cooperative - the members of cooperatives take the role of owners and decision-makers in the company. It is easy to become a member of a cooperative. Cooperatives usually have a monthly fee and a membership fee
- Private trader or sole trader - easy to manage. Light administration, but the company's assets and liabilities = entrepreneur's own assets and liabilities
- Limited liability company - harder to manage. Expensive to set up. Useful especially for growth companies, but can also be set up by just one person. Less risky, as the assets of the company and the entrepreneur are kept separate
- General partnership - requires trust between parties, as these types of companies have at least two partners who may operate independently
- Limited partnership - light administration. Like solo entrepreneurs, but with a silent investor.

Light entrepreneurship is also considered a company form. With light entrepreneurship, however, the entrepreneur is not actually considered an entrepreneur, but a cross between an entrepreneur and employee operating through an invoicing service. Light entrepreneurship is not considered a separate form of enterprise, and the term is not acknowledged in law.

Light entrepreneurship is a great way to test the profitability of your business idea or if you want to be just a part-time entrepreneur. Light entrepreneurship is suitable for selling services, but not products. In light entrepreneurship, you sell services to customers, who are charged by an invoicing service and paid onto your tax card after a commission of about 5% has been deducted from it by the invoicing service. With light entrepreneurship, you will not have your own business ID.

The most popular company forms

By far the most popular forms of enterprise in Finland are the limited liability company and private trader (i.e., sole trader) (Statistics of the Finnish Patent and Registration Office, January 2, 2020). There are fewer of other company forms. Becoming a private trader is the cheapest type of company, but it is good to note that private traders enter into contracts using their own name and are thus also liable for debts with their personal property. In other words, as a private trader, your company risks are also your own.

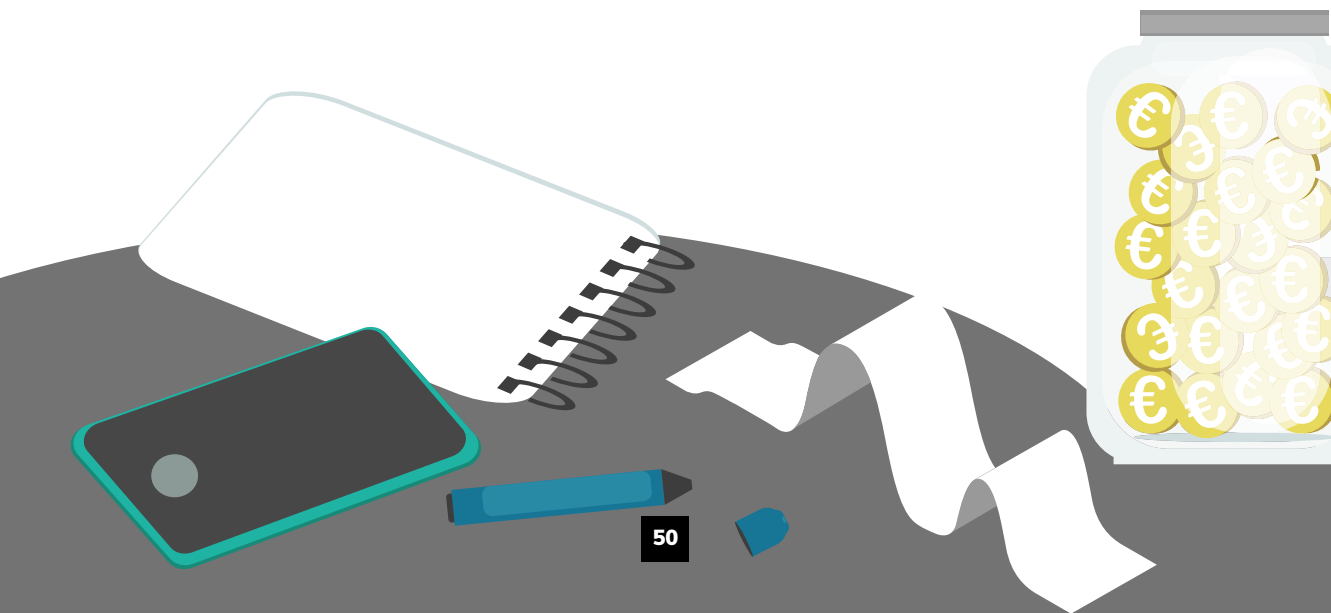
Finnish context

In Finland, a company can be established by anyone who has permanent residency anywhere within the European Economic Area (EEA). Eligibility for a permit is not based on nationality, but domicile. If you are a citizen of an EU country, EEA country, Nordic country or Switzerland and want to move to Finland to start a business, you will not need a residence permit. If you do not live in the EEA and are a citizen of a country other than a member state of the European Union, an EEA country or Switzerland, you will need a residence permit in order to be self-employed in Finland.

Your residence permit dictates the type of company you can set up in Finland. If you do not have a residence permit that you can use in Finland, you can apply for a residence permit for entrepreneurs or a startup residence permit in Finland. Asylum seekers can sell their skills through a cooperative or invoicing service, but they may not start a business until they have obtained a residence permit. Always check with the Finnish Immigration Service what kinds of businesses you are entitled to set up.

In Finland, companies can also apply for the social enterprise certificate. The label indicates that a company is engaged in tackling social or environmental problems. Such companies also use part of their profits to further their societal goals.

Cooperative, limited liability company, private trader... Which company form should you choose if you want to start a business and get a business ID that you can use for invoicing? It is important to make the choice on the right grounds, as the type of company you choose will have an impact on taxation, administrative time and liabilities.



The choice of the most suitable company form will be influenced by, for example the following factors:

1. The field of your business idea
2. Whether entrepreneurship is a main or a side job for you, or if you just want to try selling your skills first
3. Number of founders
4. Division of responsibilities
5. Personal use of time
6. Startup costs
7. Taxation
8. The company's growth targets

Please read more about different factors affecting company forms from the sources included under the heading More information.

You can change the company form later

You can always change your company form in the future as your business grows or if your business idea changes. Once you have chosen a company form, be sure to apply for a startup grant before setting up the business. Once the company has been created, you can no longer apply for the startup grant. The startup grant is a subsidy for startup entrepreneurs aimed at securing their livelihood in the early stages (approx. 6 - 12 months). you can apply for a startup grant from the TE office or through your local business consultancy services. Only full-time entrepreneurs can get a startup grant.

More information

NewCo Helsinki:

[Guide for becoming Entrepreneur 2021](#), page 41

Suomi.fi: [Forms of Enterprise](#)

Infonland.fi:

[Necessary residence permits for starting a business](#)

Association for Finnish Work: [Social enterprises](#)

Finnish Patent and Registration Office:

[Choose the type of your business](#)

Choosing a company structure: [Creativity and business workbook](#), page 35



111 Next step on your entrepreneurship path





Next step on your entrepreneurship path



1. Make a business plan and calculations

When thinking about the profitability of your business idea or starting a business, you should first make a business plan and calculations. These are a prerequisite for applying for a startup grant. They will also help you evaluate your business idea. You can also meet with a business advisor and go through your business plan with them, or attend an entrepreneurship course where you can create a business plan under the guidance of experts. Your business plan will evolve constantly, so you should update it regularly. You will find good advice on how to make a Business plan here: <https://tempo.humak.fi/how-to-become-an-entrepreneur-in-finland/> and <https://turkubusinessregion.com/en/from-idea-to-enterprise/>

2. Network and learn about entrepreneurship (in your field)

Attending business events is the best way to see if entrepreneurship is right for you. It is also a good way to meet entrepreneurs from different fields and hear about factors that should be taken into account when starting and running a business. Different business events are organised, for example, by regional centres for entrepreneurship, Suomen Yrittäjät and its regional organisations, and often also by universities and municipalities. You can find more information about business events by typing your municipality and business event in a search engine. It is also good to map out other entrepreneurs in your field. For example, you can arrange interviews with other entrepreneurs or attend an event for entrepreneurs in your field. Try and talk to as many different entrepreneurs as possible, in other words, network. This is a good way to get contacts and peer support for your business.

3. Try running a business before starting one

Does your business idea have customers? What are your customers willing to pay for your product or service? Does your service or product solve any problems or challenges that your customers may be facing? In order to answer the above questions, you will need to test your business idea before starting a business.

You can test your business idea even by going out and asking people in your target audience what they think of your business idea. If you already have a product or service, you

can try selling it and invoicing it through an invoicing service while you do not yet have your own business ID. You will have to deliver your tax card to the invoicing service, who will then invoice your customers and pay the amount onto your tax card after deducting a commission of about 5 percent.

4. Set up a meeting with a business advisor

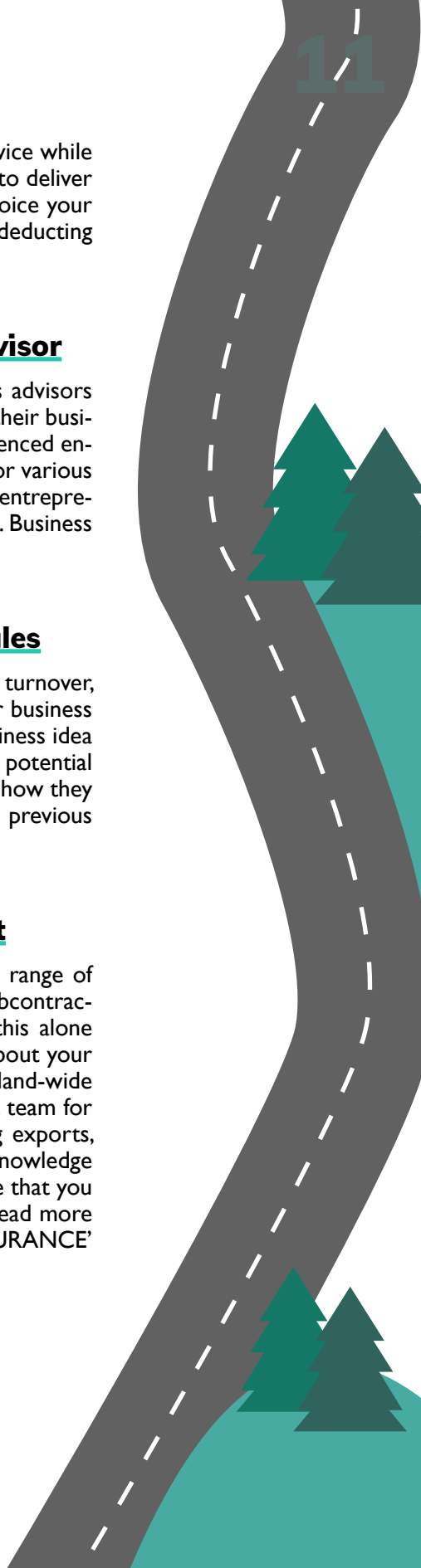
Your local business advisors are there for you. Business advisors provide support to startup entrepreneurs in developing their business idea and setting up a new business, as well as experienced entrepreneurs in developing their businesses and applying for various subsidies, for example. You can find business advisors in entrepreneurship and development centres or private companies. Business advice is generally provided free of charge.

5. Invest in branding, marketing and sales

Before starting a business or if you want to improve your turnover, you should focus on branding, marketing and selling your business idea, as a good business idea does not sell itself. Your business idea needs to be concretised and you have to make sure that potential customers hear about the product and know where and how they can buy it. For tips on how to do this, please see the previous sections of this guide.

6. Expand into the international market

The internationalisation of a company involves a whole range of measures from attending trade fairs to finding foreign subcontractors and resellers. We do not recommend you doing this alone or without first finding out more detailed information about your target countries and possible export subsidies. The Finland-wide Team Finland network has been established as a support team for entrepreneurs and it helps entrepreneurs in promoting exports, financing, as well as finding useful networks and market knowledge related to target countries. Remember to also make sure that you have protected your product in your target countries. Read more about product protection in the 'PERMITS AND INSURANCE' section.



7. Purchase an already existing business

There are many companies in Finland requiring successors. Buying an existing business is usually less risky than starting one from scratch. When you buy a company that is already operating, you will also get the company's customer register, sales channels, brand and tools needed for business operations, and perhaps also their retail space. It is also possible to buy a business activity instead of the entire company. Keep in mind that no old liabilities and debts of the company will not be transferred to the new owner.

8. Start your own business

You can start your own business online or at a business advisor's desk. Before that, however, you will have to decide which type of company you want to create. You can find information about this in the 'COMPANY FORMS' section. Before setting up a business, remember to submit a startup grant application to your local TE office (or in some areas the centre of entrepreneurship), as this cannot be done afterwards. The startup grant provides a discretionary monthly allowance for full-time entrepreneurs, securing their livelihood during the first months, the time it takes to stabilise a company.

You can also become a member of The Federation of Finnish Enterprises, where you will have access to training, counselling (e.g., legal services) and networks that can support your company.

9. Hire your first employee

Private traders may receive a wage subsidy for employees (when these are unemployed jobseekers) or a development grant from the Centre for Economic Development, Transport and the Environment (ELY Centre) when they hire their first employee, depending on the company's municipality. Find out whether your company could receive support from your local ELY Centre (development grant) or the Employment and Economic Development Office (salary support). When hiring employees, be sure to take care of the necessary tax matters. You may also consider hiring a paid or unpaid trainee.

More information

Video: [Starting a business in Finland!](#) (speaking in English and subtitles in English)

TE-palvelut: [A startup grant supports a new entrepreneur](#)

Vero.fi: [Tax Adviser's Instructions to Employer](#)

Yrittäjät: [The Federation of Finnish Enterprises](#)

Yrittäjät: [Guides and forms for business owners](#)



ISBN 978-952-456-410-6

ISSN 2343-0664 (printed)
ISSN 2343-0672 (online)

Humak University of Applied
Sciences Publications, 134.

© Humak University
of Applied Sciences, 2022

LÖYDÄ URASI SUOMESSA
Tempo

HUMAK[®]

Yrittäjät
VARSINAIS-SUOMI

Vipuvoimaa
EU:lta
2014–2020

