

The Finnish Business School Graduates' goals regarding growth entrepreneurship

If you cannot hear the future knocking, build a door.

Among organisations with social influence, The Finnish Business School Graduates is uniquely positioned to improve the operational preconditions for growth entrepreneurship. We want to actively develop ground rules and procedures that serve to provide encouragement in the rapidly diversifying working life. We have the capacity and competence to develop solutions that generate entrepreneurship and jobs. The future cannot be built on fear and prejudices. It needs to stem from the ability to identify opportunities.

WHY IS IT IMPORTANT TO IMPROVE THE PRECONDITIONS FOR GROWTH ENTREPRENEURSHIP?

Business school graduates

An increasing number of our current and potential members establish a growth company or are employed by one. By advocating growth entrepreneurship, we protect the interests of our members, participate in creating future practices and help change the world.

Finland

In Finland, small and medium-sized enterprises have a significant employment impact. Growth companies have a prominent role in securing the future of our welfare state. The number of large companies that employ more than 250 people is fairly low. After the global financial crisis between 2008 and 2011, as much as 28% of new jobs were attributable to a couple of hundred growth companies. A well-functioning growth entrepreneurship ecosystem will reform Finland's business sector, increase the number of companies engaging in international trade and steer society in a favourable direction.

The world

The global world needs global solutions to global problems. Agile growth companies engage in smart business activities and help make the world a better place. These companies can react quickly and take risks with trying something new. Changing the world requires swift action.

Vision

Working together to make Finland the most appealing place in the world for investment, work and establishing companies with local and global significance by the year 2030.

Situational picture

The ageing of the population, the declining birth rate and one of the highest rates of “brain drain” among OECD countries have long affected the availability of labour in Finland. It is no longer possible to postpone the efforts to find solutions to the disparity between supply and demand, and to increase the availability of employment. The coronavirus crisis, which has turned the world upside down, obliges us to channel resources towards growth faster than ever before.

On its increasingly growth-oriented path, Finland could be supported by allocating business grants to RDI activities, making the tax scheme more enticing and developing the regulatory environment in a more predictable direction. We must have the courage to build future success and be more prepared to draw investments to Finland.

The availability of competent labour is one of the key factors in terms of gaining direct international investments. Its importance has increased in the 2010s. The Finnish market's growth potential and geographical proximity to customer's can be manipulated to a limited degree, but the regulatory environment and the availability of skilled labour are much more susceptible to change. In addition to resolving domestic issues with mismatched supply and demand as well as demographic challenges, Finland must adopt an open-minded approach to increasing the availability of labour to ensure the country's appeal as an investment target. We also need many more top-tier foreign start-ups to establish themselves and invest in Finland. This requires us to work on a variety of attraction factors.

According to OECD's attractiveness comparison, Finland is moderately attractive for international experts and ranks near the top in global comparisons regarding quality of life. One thing we could do is to increase the number of international degree students at institutions of higher education by several orders of magnitude. In order to have a better chance of gaining employment in Finland, students should be able to form more connections with employers as part of their degree studies. This would reduce the shortage of skilled labour among businesses in the medium term.

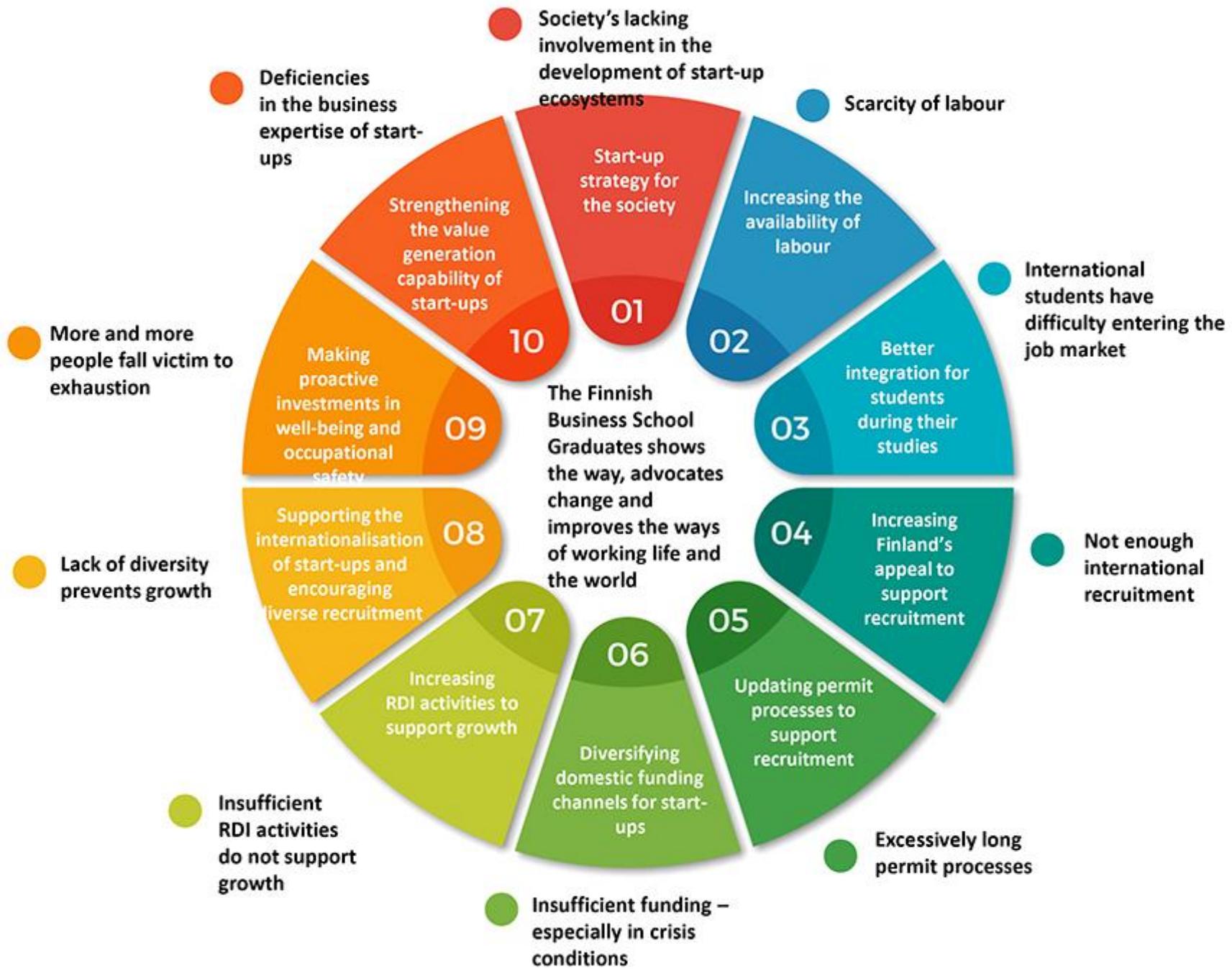
Based on the talent attractiveness comparison encompassed by OECD's latest attractiveness index, Finland should also carry out tax reforms focusing on the perspective of attractiveness. Reducing earned income taxation would improve the position of sole proprietorships and, on a more general level, support the recruitment of skilled labour – especially if the temporary solidarity tax were to be abolished at the same time. These changes would also make it easier to attract talent.

The development of the Finnish start-up ecosystem is an excellent example of how quickly and substantially the attitudes towards entrepreneurship are changing. As things stand, most people will end up trying their hand at entrepreneurship at some point in their careers. An increasing number of experts are now entrepreneurs. The threshold of setting up a business could possibly be lowered by reducing personal liability in cases where business risks are realised.

According to the latest Youth Barometer, more than 75% of young people believe that entrepreneurship will become more commonplace in the future. In addition to this, almost 70% of young people feel that an entrepreneurial attitude is required in all work. 58% of young people would like to try entrepreneurship at some point in their careers. This is why more opportunities to develop the capabilities for entrepreneurship should be available as early as during comprehensive education.

Significant trends in terms of growth entrepreneurship

- The Fourth Industrial Revolution – digitalisation
- Preventing climate change
- Accelerating urbanisation
- Increasing globalisation of the economy
- The circular economy
- “Brain drain” from Finland
- Era of continuous learning
- Ageing of the Finnish population
- Increasing number of entrepreneurs. More employees are becoming entrepreneurs
- Deteriorating trust in institutions
- Working life is changing at an increasing rate, and the old guard is ill-prepared for the rapid shift.
- The current population development and possible period of slow growth is threatening the sustainability of the pension system and society's ability to fulfil its commitments to social well-being
- People younger than 35 are retiring due to depression
- Employment will decline without a significant increase in work-based immigration



Top 10 problems

- 1) The start-up ecosystem requires long-term development
- 2) Availability of skilled labour
- 3) Weak connections to working life among international students
- 4) Not enough international recruitment
- 5) Prolonged permit processes
- 6) Funding of growth entrepreneurship – especially in crisis conditions
- 7) There has been a mismatch between the investments and depreciations of companies in Finland for years
- 8) Lack of diversity
- 9) Exhaustion among start-ups and young adults
- 10) Deficits in business expertise

Top 10 solutions

- 1) Creating a cross-administrative start-up strategy for Finland
- 2) Increasing the availability of labour
- 3) Strengthening the connections to working life among international students
- 4) Increasing Finland's appeal and drawing people to Finland
- 5) Making radical changes to work and residence permit arrangements
- 6) Releasing Finnish capital for use by growth companies
- 7) Preparing a realistic roadmap for increasing RDI investments to 4% of the GDP by 2025
- 8) Providing everyone with equal opportunities for success in various organisations
- 9) Making proactive investments in well-being, work conditions and occupational safety and health
- 10) Strengthening the capacity to generate customer-oriented value

Top 10 developments supported by The Finnish Business School Graduates

- 1) Making the growth entrepreneurship agenda a visible part of social discourse
- 2) Shifting the focus of lobbying to the reasons why the availability of work must be increased
- 3) Offering institutions of higher education courses and information related to Finnish working life in English
- 4) Supporting a persistent increase in Finland's appeal through a variety of methods
- 5) Continuing to influence essential bodies to affect rapid change
- 6) Advocating the facilitation of new funding channels
- 7) Making RDI even more of a focus of Akava's advocacy work
- 8) The Finnish Business School Graduates' participation in the Successful Multicultural Company campaign
- 9) Organising wellness events for entrepreneurs with partners
- 10) Offering a module on marketing and sales for start-ups as part of the School of Sales, strengthening mentorship arrangements and developing new forms of supporting business expertise with partners

52 examples of measures to initiate change

1. Social visibility

- 1) Paying more attention to the significance of growth companies to Finland's national economy and employment
- 2) Making determined long-term efforts to support the growth, internationalisation and success of start-ups
- 3) Shifting the focus of Finland's business support system to supporting growth and companies that are aiming for international markets

2. Availability of skilled labour

- 4) At the beginning of its term, the Finnish Government issues a decision-in-principle on the target for net immigration to Finland
- 5) Increasing the number of international degree students by several orders of magnitude
- 6) Amending the non-competition legislation to require a compensation for periods of non-competition
- 7) Promoting local agreements through balanced comprehensive solutions

3. International degree students

- 8) Making a strategic choice to integrate degree students more effectively into the Finnish labour market during their studies
- 9) Creating a Welcome to Finland scholarship aimed at all degree students from outside the EU and EEC
- 10) Providing a mentor for each degree student from outside the EU and EEC
- 11) Supplementing study programmes with high-quality internship and thesis programmes that can be completed in the corporate, public or third sector
- 12) Creating high-quality bachelor's degree programmes at institutions of higher education

- 13) Shifting the higher education funding model back towards supporting the proactive integration of international students
- 14) Extending the employment support services of institutions of higher education to cover at least the three years following graduation

4. Attractiveness and international recruitment

- 15) Removing obstacles, strengthening ecosystem activities and attracting top innovations to Finland
- 16) Attracting top-tier foreign start-ups and investors to establish themselves and invest in Finland
- 17) Drawing in international talent from nearby countries, especially through Finland's specialist visa arrangement
- 18) Exploring the opportunity to provide a post-graduation tax cut for talent immigrating to Finland
- 19) Abolishing the temporary solidarity tax in the same way as Sweden and reducing earned income taxation in all income categories
- 20) Strengthening the position of English as a language of communication in growth centres
- 21) Increasing the availability of foreign-language day care services and comprehensive education in growth centres

5. Matters relating to permits and visas

- 22) Target time for processing work permits: no more than two weeks and in accordance with the targets regarding official resourcing
- 23) Updating processing methods: increasing automation and the variety of authentication methods
- 24) Simplifying the start-up visa process by consolidating the various phases and providing applicants with a "one-stop-shop" for process management

- 25) Continuing the development of the start-up visa to ensure that visa holders can change jobs, and extending the scheme to cover the entire family, as is the case in France
- 26) Granting foreign degree students with an automatic work permit upon graduation

6. Funding

- 27) Providing start-ups with development support in the piloting phase
- 28) New funding programme for promising early-stage start-ups from Finnish Industry Investment
- 29) Facilitating the channelling of funding from domestic foundations to start-ups through legislation
- 30) Facilitating the employee issue process for unlisted limited companies

7. Investments

- 31) Significantly increasing public allocations to basic research conducted by institutions of higher education
- 32) Encouraging companies to develop their expertise and future prospects through investments in start-ups
- 33) Recruiting an RDI director for each ministry to provide extensive support to the development of innovation activities
- 34) Developing the ability to draw product development investments from large foreign companies to Finland by establishing a new unit under the Prime Minister's Office to serve as a one-stop-shop for relevant services and accelerate the development of the national operating environment
- 35) Creating a city-specific strategy for Finland, which affords special consideration to measures that support increasing RDI expenditures
- 36) Increasing the number of business incubators at universities and universities of applies sciences, and increasing their external funding

- 37) Reallocating €400 million from business support to the RDI support of VTT and Business Finland to support growth and reform
- 38) Updating the Act on Public Procurement and Concession Contracts to ensure that public procurements support the strengthening of innovation ecosystems better than before
- 39) Increasing the international mobility of researchers, and creating new operating models for drawing researchers back to Finland

8. Diversity

- 40) Increasing awareness of the benefits of a diverse business culture
- 41) Increasing inclusion in a variety of work communities in the context of integration processes
- 42) Expanding the International House Helsinki concept to a national scale
- 43) Obliging and resourcing cities to create host programmes for the spouses of international professionals
- 44) Encouraging those in positions of seniority to serve as mentors supporting the successful careers of international recruits

9. Well-being

- 45) Highlighting the benefits of working time banks in balancing work loads
- 46) Strengthening the protection of mental work well-being through EU regulation
- 47) Increasing the availability of low-threshold mental health services
- 48) Increasing employer expertise with regard to occupational safety and health

10. Business expertise

- 49) Strengthening expertise in marketing, sales and IPR extensively throughout Finland

- 50) Ensuring that institutions of higher education provide business studies that encompass multiple faculties and subjects as part of all study programmes
- 51) Incorporating more aspects of business development in studies related to entrepreneurial capabilities and skills
- 52) Encouraging social operators to increase mentoring, coaching and other support provided to beginning start-ups