Federation of Finnish Enterprises
Migrant entrepreneurship
VISION
To make Finland the best country in the world for entrepreneurs.

MISSION
We improve the position of entrepreneurs and their conditions for doing business.

Courage
Reliability
Regeneration
Finland’s largest business association

- A unique popular movement, entrepreneurial movement and business association
- Satisfied and engaged membership
- National, regional and local advocacy for small and medium entrepreneurs

Strong interaction between different parts

- International operations at the EU level
- Operations throughout Finland
- Local operations
- Regional and trade-specific operations
An organization founded by entrepreneurs

- Member businesses: 115,000
- Local societies: 379
- Regional associations: 20
- Jobs: 660,000 (incl. business owners)
- Members on municipal councils: 2,100
- Trade associations: 58
- Over 3,800 holders of positions of trust
Finland is a country of small businesses.

There are 292,377 companies in Finland*

- Only 0.2% of Finnish companies are large enterprises.
- Women account for 35% of business owners.
- Single-person businesses account for 68% of business owners.
- 93% of companies have fewer than 10 employees.
- 1.5 million people work in Finnish businesses.

*Businesses without primary production.
Source: Statistics Finland 2019.
Excl. agriculture, forestry and fishing.
The number of business has grown **strongly** in the 21st century.

## Entrepreneurs support exports

### Businesses’ turnover abroad, % of SMEs

<table>
<thead>
<tr>
<th>Export or business abroad</th>
<th>All businesses</th>
<th>Industry</th>
<th>Construction</th>
<th>Trade</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>22</td>
<td>42</td>
<td>8</td>
<td>32</td>
<td>20</td>
</tr>
</tbody>
</table>

### Forms of export or business operations in companies that export or have operations abroad*

<table>
<thead>
<tr>
<th></th>
<th>All businesses</th>
<th>Industry</th>
<th>Construction</th>
<th>Trade</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct goods export</td>
<td>41</td>
<td>82</td>
<td>49</td>
<td>64</td>
<td>18</td>
</tr>
<tr>
<td>Direct services export</td>
<td>39</td>
<td>13</td>
<td>37</td>
<td>17</td>
<td>56</td>
</tr>
<tr>
<td>Licensing or franchising operations</td>
<td>7</td>
<td>7</td>
<td>15</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Salary or contract manufacturing</td>
<td>6</td>
<td>6</td>
<td>16</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Foreign joint venture or subsidiary</td>
<td>14</td>
<td>17</td>
<td>17</td>
<td>16</td>
<td>12</td>
</tr>
<tr>
<td>Other</td>
<td>22</td>
<td>10</td>
<td>21</td>
<td>20</td>
<td>26</td>
</tr>
</tbody>
</table>

*Respondents could choose more than one option.

Source: SME barometer, autumn 2020
Businesses and labour market policy

- Approximately 20,000 companies
  - Average 45 employees each
  - Total approx. 920,000 employees

- Approximately 50,000 companies
  - Average 5 employees each
  - Total approx. 250,000 employees

Only a few companies bound by generally binding collective bargaining agreements use the shop steward system.

Restrictions in about 50 pieces of legislation affect this field.

There is hardly any flexibility, because labour legislation is mandatory.

Collective bargaining agreements do not apply to these companies.

Normally binding field

- Approx. 20,000 companies
- Average 45 employees each
- Total approx. 920,000 employees

Generally binding field

- Approx. 50,000 companies
- Average 5 employees each
- Total approx. 250,000 employees

Collective bargaining agreements affect different sectors in different ways.

*Approx. 20,000 companies
*Average 11 employees each
*Total approx. 220,000 employees

“Free field”
Why do we exist?
We advocate for entrepreneurs

Suomen Yrittäjät represents business owner led businesses. 93% of Finnish companies employ fewer than 10 employees.

We improve the position of entrepreneurs and their conditions for doing business. Our goal is to make Finland a better country to do business in.

Entrepreneurs and entrepreneurship take Finnish society as a whole towards a better future.
This is Finnish entrepreneurship
Finland is a country of small businesses

There are 286,042 companies in Finland*

- 93% of companies have fewer than 10 employees.
- Only 0.2% of Finnish companies are large enterprises.
- Single-person businesses account for 71% of business owners.
- Women account for 35% of business owners.
- 1.4 million people work in Finnish businesses.

*Businesses without primary production.
Source: Statistics Finland 2018.
Excl. agriculture, forestry and fishing.
The number of business has grown strongly in the 21st century.

**Entrepreneurs support exports**

**Businesses’ turnover abroad, % of SMEs**

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**Forms of export or business operations in companies that export or have operations abroad***

<table>
<thead>
<tr>
<th>Form of Export/Operation</th>
<th>All businesses</th>
<th>Industry</th>
<th>Construction</th>
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<td>operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary or contract</td>
<td>6</td>
<td>6</td>
<td>16</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>manufacturing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign joint venture or</td>
<td>14</td>
<td>17</td>
<td>17</td>
<td>16</td>
<td>12</td>
</tr>
<tr>
<td>subsidiary</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>22</td>
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<td>20</td>
<td>26</td>
</tr>
</tbody>
</table>

*Respondents could choose more than one option.

Source: SME barometer, autumn 2020
For these reasons it’s worth being a member of Suomen Yrittäjät

We make an impact on decision-making. We advocate for businesses and entrepreneurs.

We offer entrepreneurs a network for meeting and cooperating with each other.

We offer our members free advice, both online and over the phone, on the challenges of running a business.

A wide variety of free training sessions to keep entrepreneurial skills current. A broad range of local and national events.

Money-saving member benefits: discounts on insurance, phone contracts, fuel, accommodation and travel.

Information, help and tips for running your business. We offer a document bank, the Yrittäjä magazine, an electronic newsletter and social media channels.

MORE REASONS:
65 reasons to fall in love with Suomen Yrittäjät
Online tips for the most common challenges entrepreneurs face: yrittajat.fi.

Free personal telephone advice on weekdays from 08:00 to 18:00.

Tell us your member number and your call will be connected to a specialist.

Topics include:
• insolvency
• training
• changes of ownership
• environmental issues
• market and competition law
• corporate jurisprudence
• contract law
• taxation
• social security
• work life jurisprudence

or 09 229 222
CHANGES TO ENTREPRENEURSHIP
Changes to entrepreneurship

- More single-person enterprises
- Ageing entrepreneurs
- Accelerated urbanization
- Emphasis on start-up entrepreneurship
- Employer enterprises getting smaller
- Widespread labour shortage

- More SMEs expanding internationally
- Blurring of the boundary between entrepreneur and employee
- Young people significantly more excited about entrepreneurship
- More immigrant entrepreneurs
WHAT WE HAVE ACHIEVED
In unemployment protection, the position of a non-owning family member has been changed from entrepreneur to employee. This means that he or she will not face unfair losses of rights due to being insured in the wrong unemployment fund, nor by ending his or her employment in a family business which keeps operating.

“The unemployment fund rejected my application, because according to the unemployment office I primarily employed myself as an entrepreneur. At the same time, I’m no longer being paid adjusted unemployment benefit, so I have no more benefits. I absolutely do not consider myself an entrepreneur.”

Tiina Starcke

>> This is how we made an impact in 2018
The waiting period for entrepreneurs to receive sick pay was reduced from four days to one.

Suomen Yrittäjät lobbied for this change for a long time and submitted an initiative on the matter to the Ministry of Health and Social care in 2015.

“I have been off work sick for single days and even then I have done office work at home. Your flu gets longer and worse when you don’t have the time or opportunity to get sick.”

Sanni Kaikkonen

>> This is how we made an impact in 2018
Here are some of the areas we advocate in:

- Reducing entrepreneurs’ waiting period for sickness benefit from four days to one.
- Improved unemployment benefit for entrepreneurs’ family member.
- Capital of €2,500 no longer required to establish a limited liability company.
- Amendment to the Competition Act: fairer competition between public and private sector.
- Easier hiring through an Act that lowers the risks of recruiting.
For these reasons it’s worth being a member of Suomen Yrittäjät

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» MORE REASONS:
Time to fall in love with Suomen Yrittäjät
INFORMATION ABOUT OUR MEMBERS
Owner age and gender breakdown of member businesses 2021

Women 27%  
Men 73%

Source: Suomen Yrittäjät member register 2021
## Size of member businesses’ companies 2021

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>100-</td>
<td>0.2%</td>
</tr>
<tr>
<td>50-99</td>
<td>0.5%</td>
</tr>
<tr>
<td>20-49</td>
<td>2.5%</td>
</tr>
<tr>
<td>10-19</td>
<td>4.6%</td>
</tr>
<tr>
<td>8-9</td>
<td>2.5%</td>
</tr>
<tr>
<td>6-7</td>
<td>4.3%</td>
</tr>
<tr>
<td>4-5</td>
<td>8.2%</td>
</tr>
<tr>
<td>2-3</td>
<td>20.8%</td>
</tr>
<tr>
<td><strong>single-person business</strong></td>
<td><strong>56.4%</strong></td>
</tr>
</tbody>
</table>

*Source: Suomen Yrittäjät member register 2021*
Sectors of operations of member businesses 2021

- **Services**: 52%
- **Trade**: 17%
- **Construction**: 18%
- **Industry**: 13%
- **Other**: 1%

Source: Suomen Yrittäjät member register 2021
Company types of member businesses 2021

- Limited liability company: 62%
- Sole trader: 28%
- Limited partnership: 6%
- Partnership: 3%
- Other: 1%

Source: Suomen Yrittäjät member register 2021
Educational background of member business owners in 2021

- Professional qualification: 30%
  - Intermediate professional qualification: 24%
  - Master’s degree: 16%
  - University of applied sciences (UAS) degree: 14%
- Educational background of member business owners in 2021
  - Primary school: 10%
  - Upper secondary school: 4%
  - Master’s degree (UAS): 2%
  - Licentiate: 1%
  - Doctorate: 1%

Source: Suomen Yrittäjät member register 2021
MIGRANT ENTREPRENEURS
Migrants play a huge role in entrepreneurship

- The Atlantic: 40% of Fortune 500 companies founded by immigrants.
- Immigrants have a big role in certain areas. California best example.
- Google, Tesla, Yahoo, Intel, Ebay…
- Finland has great potential.
# Numbers of migrant entrepreneurs

Different ways of gathering statistics (figures for 2018)

<table>
<thead>
<tr>
<th></th>
<th>All of Finland</th>
</tr>
</thead>
<tbody>
<tr>
<td>By country of birth</td>
<td>19,489</td>
</tr>
<tr>
<td>By family background</td>
<td>16,985</td>
</tr>
<tr>
<td>By language</td>
<td>16,859</td>
</tr>
<tr>
<td>By citizenship</td>
<td>10,922</td>
</tr>
</tbody>
</table>

Source: Ministry of Employment and the Economy/Statistics Finland, Koto database via University of Turku
Entrepreneurs by language in the 21st century

Source: Ministry of Employment and the Economy/Statistics Finland, Koto database via University of Turku
Number of employees and entrepreneurs with foreign native languages in Finland in 21st century

Source: Ministry of Employment and the Economy/Statistics Finland, Koto database via University of Turku
Nationalities, workforce, entrepreneurs

### Largest entrepreneur groups

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>227,399</td>
</tr>
<tr>
<td>Estonia</td>
<td>2,859</td>
</tr>
<tr>
<td>Russia</td>
<td>1,187</td>
</tr>
<tr>
<td>China</td>
<td>722</td>
</tr>
<tr>
<td>Turkey</td>
<td>548</td>
</tr>
<tr>
<td>Thailand</td>
<td>476</td>
</tr>
<tr>
<td>UK</td>
<td>424</td>
</tr>
<tr>
<td>Sweden</td>
<td>348</td>
</tr>
<tr>
<td>Iraq</td>
<td>273</td>
</tr>
<tr>
<td>Germany</td>
<td>261</td>
</tr>
<tr>
<td>Italy</td>
<td>180</td>
</tr>
<tr>
<td>USA</td>
<td>166</td>
</tr>
<tr>
<td>Vietnam</td>
<td>152</td>
</tr>
<tr>
<td>Former Serbia &amp; Montenegro</td>
<td>150</td>
</tr>
<tr>
<td>India</td>
<td>146</td>
</tr>
<tr>
<td>France</td>
<td>139</td>
</tr>
<tr>
<td>Netherlands</td>
<td>121</td>
</tr>
<tr>
<td>Ukraine</td>
<td>120</td>
</tr>
<tr>
<td>Iran</td>
<td>110</td>
</tr>
<tr>
<td>Poland</td>
<td>106</td>
</tr>
<tr>
<td>Nepal</td>
<td>103</td>
</tr>
<tr>
<td>Pakistan</td>
<td>103</td>
</tr>
<tr>
<td>Latvia</td>
<td>101</td>
</tr>
</tbody>
</table>

### Share of workforce by nationality in 2018

- **Finland:** [Graph showing share of workforce]
- **Estonia:** [Graph showing share of workforce]
- **Russia:** [Graph showing share of workforce]
- **Iraq:** [Graph showing share of workforce]
- **China:** [Graph showing share of workforce]
- **Sweden:** [Graph showing share of workforce]
- **Thailand:** [Graph showing share of workforce]
- **Somalia:** [Graph showing share of workforce]
- **Afghanistan:** [Graph showing share of workforce]
- **Syria:** [Graph showing share of workforce]
- **Vietnam:** [Graph showing share of workforce]
- **India:** [Graph showing share of workforce]
- **Turkey:** [Graph showing share of workforce]
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- **Ukraine:** [Graph showing share of workforce]
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- **Germany:** [Graph showing share of workforce]
- **Former Serbia & Montenegro:** [Graph showing share of workforce]
- **Romania:** [Graph showing share of workforce]
- **Philippines:** [Graph showing share of workforce]
- **USA:** [Graph showing share of workforce]
- **Nepal:** [Graph showing share of workforce]
- **Iran:** [Graph showing share of workforce]
- **Others:** [Graph showing share of workforce]

### Share of entrepreneurs in workforce by nationality in 2018

- **Finland:** [Graph showing share of entrepreneurs]
- **Estonia:** [Graph showing share of entrepreneurs]
- **Russia:** [Graph showing share of entrepreneurs]
- **Iraq:** [Graph showing share of entrepreneurs]
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- **Iran:** [Graph showing share of entrepreneurs]
- **Others:** [Graph showing share of entrepreneurs]

Source: Ministry of Employment and the Economy/Statistics Finland, Koto database via University of Turku
Workforce by employment status, gender and nationality in 2018 (%)

Source: Ministry of Employment and the Economy/Statistics Finland, Koto database via University of Turku
Employment rate and share of entrepreneurs by time in country

Source: Ministry of Employment and the Economy/Statistics Finland, Koto database via University of Turku

[Charts showing employment rate and share of entrepreneurs categorized by time in country (0–4 years, 5–9 years, 10+ years) and gender (Men, Women, Men (E-S), Women (E-S)).]

*: Born in Finland with Finnish or foreign background
Breakdown by sector

Foreign-language-speaking entrepreneurs’ sectors in Finland in 2017 (n=14,605, %)

- Hotel, restaurant and catering: 19%
- Construction: 12%
- Wholesale and retail sales (+ vehicle repair): 10%
- Professional, scientific & technical operations: 10%
- Other services: 9%
- Admin. and support services: 7%
- Transport and warehousing: 3%
- IT & communications: 3%
- Health and social services: 3%
- Other: 8%
- Unknown: 16%
- Other; 8%

Source: Ministry of Employment and the Economy/Statistics Finland, Koto database via University of Turku
Migrant owned businesses employ about 30,000 in Finland.
New clients with migrant background at Finnish Enterprise Agencies 2019

- Capital region: 40%
- Vaasa: 20%
- Nationwide: 5%
- 15% of all companies founded are by migrants
Services for migrant entrepreneurs in particular

- Webinars in English
- Specific training program
- Monthly business workshops
- Facebook group: Finnish International Entrepreneurs
  - Immigrant Entrepreneur’s Network
  - English newsletter on current topics
- Migrant Entrepreneur of the Year -award
  - Business Unplugged
    - Yrittajat.fi/en
- Co-operation with different projects and stakeholders
  - Societal influencing
PROMOTING
ENTREPRENEURSHIP