Aalto University
School of Business

Entrepreneurial Insights into Developing the Entrepreneurship Ecosystem in Finland

The high importance of mentoring and networking in nascent entrepreneurship

Master's Thesis
Roope Nykänen
Aalto University School of Business
Entrepreneurship and Innovation Management
Spring 2018

Aalto University, P.O. BOX 11000, 00076 AALTO
www.aalto.fi
Abstract of master's thesis

Author	Roope Nykänen
Title of thesis	Entrepreneurial Insights into Developing the Entrepreneurship Ecosystem in Finland
Degree	Master of Science in Economics and Business Administration
Degree programme	Entrepreneurship and Innovation Management
Supervisor	Prof. Gregory O'Shea.
Year of approval	2018
Number of pages	6 + 56
Language	English

Abstract

This study investigates what insights entrepreneurs have for improving the entrepreneurship ecosystem in Finland. The research consists of qualitative interviews to determine what changes entrepreneurs would make in the ecosystem such that it would stimulate and encourage more people to create new companies that succeed and grow. The research indicates that Finland needs to change the way things are to make the environment more innovative. A proposed improvement is a higher focus on the development of communities for entrepreneurship. Establishing a well-functioning community for entrepreneurs provide networking opportunities and the social forces, feedback, and criticism of the community will fine-tune an innovation that has not been finalized. Central features of a well-functioning community for entrepreneurs are networking, mentoring and good-will.

Key words: Entrepreneurship, Entrepreneurship Ecosystem, Community, Innovation, Networking, Mentoring

Aalto University
School of Business

Aalto-yliopisto, P.O. BOX 11000, 00076 AALTO
www.aalto.fi

Maisterintutkinnon tutkielman tiivistelmä

Tekijä	Roope Nykänen
Työn nimi	Yrittäjien näkemyksiä yrittäjyyden ekosysteemin kehittämisestä Suomessa
Tutkinto	Kauppatieteiden maisteri
Koulutusohjelma	Yrittäjyyden ja Innovaation laitos
Työn valvoja	Prof. Gregory O'Shea.
Hyväksymisvuosi 2018	**Sivumäärä** 6 + 56 **Kieli** Englanti

Tiivistelmä

Tässä tutkielmassa perehdytään yrittäjien näkemyksiin siitä, miten yrittäjyyden ekosysteemiä voidaan kehittää ja yrittäjyyttä helpottaa Suomessa. Tutkielma koostuu haastatteluista, joiden tavoitteena on selvittää mitä asioita yrittäjät muuttaisivat nykyisessä yrittäjyyden ekosysteemissä jotta enemmän ihmisiä astuisi yrittäjyyteen ja perustaisi menestyneitä yrityksiä. Tutkielman tulokset viittaavat siihen, että Suomessa tarvitaan muutosta tehdäksemme ympäristöstä innovatiivisempi. Tutkielman ehdotus yrittäjyyden parantamiseen on keskittyminen yhteisöjen rakentamiseen ja kehittämiseen siten, että ne auttavat yrittäjiä verkostoitumaan ja luovat turvallisen ympäristön, jossa liike-ideat kehittyvät yrittäjän ja yhteisön vuorovaikutuksen ansiosta. Yhteisön keskeiset ominaisuudet ovat verkostoituminen, mentorointi, ja hyvä tahto.

Avain sanat: Yrittäjyys, Yrittäjyyden Ekosysteemi, Yhteisö, Innovaatio, Verkostoituminen, Mentorointi

Preface

I would like to thank all of my interviewees for giving their time and sharing their insights. In addition, I would like to thank Professor Gregory O'Shea, Juha Pihkakoski, Sofia Flygare, Jonatan Aurum, Mikko Järvinen, Lisa Schröder, Juuso Nykänen, Anna Shutko and Erika-Sofie Allekotte for their guidance and support in this thesis. Last, but not least, I would like to thank the entrepreneurs from Slush 2017, Sompasauna and a hot tub at NewCo for their entrepreneurial insights and feedback, as well as other entrepreneurs I have had the pleasure to discuss with along the way.

Abbreviations

IT: Information Technology

R&D: Research and Development

SME: Small and medium-sized enterprise

STI: Science, Technology and Innovation

OECD: Organization for Economic Co-operation and Development

Contents

Preface iii
Abbreviations iv
Introduction 1
Entrepreneurship and innovation 2
The emergence of literature on entrepreneurship ecosystems 2
The National Systems of Entrepreneurship theory 3
Entrepreneurship ecosystems 4
Components of entrepreneurship ecosystems 4
Creating entrepreneurship ecosystems 5
Entrepreneurship policy development in Finland 6
Current Finnish entrepreneurship policies 7
Development of Finnish entrepreneurship policies 7
Possible actions to enhance entrepreneurship policies 8
Main support measures for entrepreneurs in Finland 11
Conceptual Framework 12
Methodology 13
Research design 13
Data collection 14
Data analysis 15
Credibility 16
Research Ethics 18
Findings: Six components 20
Mentoring 20
Networking 21
Financing 21
Training 21
Legislation 22
Accessibility of information 23
Findings: Proposed improvements 23
Taking the first steps 23
Funding 24
Ecosystem and environment 25

Hiring and joining start-ups 26
Getting information 26
Address the pitfalls of entrepreneurship 27
Developing a competitive mindset 27
Findings: Positive factors 28
The company 28
Available resources and progress 29
Public organisations 29
Professional service 29
Findings: Negative factors 30
Difficult Mindset 30
Financing 31
Assumptions 32
Discussion 33
Establishing a community for entrepreneurs 36
The role of large organisations in an entrepreneurship ecosystem 38
Challenges entrepreneurs face and how they are dealt with in Finland 40
Potential research opportunities 40
Conclusion 42
References 44
Appendix: Interview questions 52
Example interview 53

Introduction

How would an entrepreneur transform the way things are in Finland such that it would stimulate and encourage entrepreneurs to create new companies that succeed and grow? The research question encourages stepping into the shoes of an entrepreneur and seeing the world from an entrepreneur's perspective, which may give insight into considerations that are relevant for building or improving current and future entrepreneurship policies and programs. Abundant literature exists on how governments and organizations can provide support to entrepreneurs, however, this research investigates the challenges and triumphs of entrepreneurship at the grass-roots level, by asking entrepreneurs themselves what they want and how they would want to be assisted. The purpose of this research is to investigate how to improve entrepreneurship policies and support programs from the entrepreneur's perspective, and attempt to build constructive ways how the policies and support programs in Finland could be developed.

This is a subjective research, and all the proposed conclusions are the author's own interpretations. This research focuses on bringing out the entrepreneurs' thoughts and opinions on policy improvements and on ways to develop the entrepreneurship ecosystem in Finland. This research does not focus on the general development of entrepreneurship policies in Finland; instead, it forms an overview of the current entrepreneurship policies and programs and narrows down on selected topics. The research findings indicate that the two most highly valued factors in entrepreneurship are mentoring and networking. These two factors, combined with the literature review, are further discussed to develop constructive ways to foster entrepreneurship in Finland.

Fostering entrepreneurship is an essential element of progress. Schumpeter identifies entrepreneurs as the driving force of innovation which leads to economic development, growth, and progress. OECD also stresses the importance of innovation, and specifically for Finland; enhancing innovation to address industrial and societal challenges. Therefore, innovation is vital for survival in this world that has drastically changed from technological development and global competition. Entrepreneurs are important for both being innovative as well as carrying out innovations. The government plays a large role in entrepreneurship (Mazzarol, 2014) and having an understanding of the entrepreneur's perspective may give policy-makers direction in which policies to develop to improve entrepreneurship in Finland.

Entrepreneurship and innovation

An entrepreneur is an agent of change (Kent *et al.*, 1982) through the innovation of new products, production processes, markets, organizations, and inputs (Schumpeter, 1911; 1936; 1942). An innovation is the commercialization of an invention, which is an "act of insight" (Li and Atuahene-Gima, 2001, p. 1124). Several researchers agree on the strong relationships between creativity, innovation and economic growth. Florida (2004, p. 124) states that: "In today's economy, creativity and competitiveness go hand in hand". Shepherd and Patzelt (2017) summarize that innovation leads to enhanced performance in new ventures (Capon *et al.*, 1990; Li and Atuahene-Gima, 2001), superior firm performance (Hull and Rothenberg, 2008; Thornhill, 2006), and dynamic firm capabilities (Eisenhardt and Martin, 2000; Teece *et al.*, 1997). Additionally, Shepherd and Patzelt (2017) summarize that in corporate entrepreneurship innovation leads to growth (Burgelman, 1984), higher profitability (Zahra and Covin, 1995), and competitive advantage (Covin and Miles, 1999).

Nascent entrepreneurs, in specific, are the main focus of this research. Shepherd and Patzelt (2017) depict nascent entrepreneurs as entrepreneurs who engage in a variety of entrepreneurial activities, including activities that make their businesses more concrete to themselves and others. Carter *et al.* (1996) further specify that nascent entrepreneurs often look for and purchase facilities and equipment, seek and obtain financial backing, form legal entities, organize teams, and dedicate all their time and energy to their business.

The emergence of literature on entrepreneurship ecosystems

In the 1930's, Joseph Schumpeter introduced the entrepreneur as an agent of "creative destruction" (Schumpeter, 1934). This meant that they created new products, services, process innovations, and organizational innovations with more value than those that existed, which forced incumbent firms to either upgrade their game or exit the market. Consequently, large corporations improved their research and development (R&D), which, in turn, lead to Schumpeter writing about large firms becoming central to innovations in the future. This shifted the research of entrepreneurship away from entrepreneurs as individuals to National Systems of Innovation; how they functioned and how knowledge was transformed into innovations (Autio *et al.*, 2014). It was not until 1979 that a breakthrough in policies occurred, when Birch found that new firms were creating more jobs than established firms were creating (Birch, 1979). Governments then shifted their focus towards small and medium-sized enterprise (SME) policies and emerging entrepreneurship policies (Berozashvili, 2011). Lambooy (2005) depicts

three such policies that are commonly being implemented. The first policy is more generic and is focused on deregulation, reducing transaction costs and allowing the market to act independently (Baumol, 2002). The second policy accepts more governance than the first one, and is associated with the Innovation System (Lundvall, 1992; Gregersen and Johnson, 1997; Castells and Himanen, 2002). This refers to "cluster policies" or "technology-centre policies" and the Regional Innovation Systems (Cooke et al., 2004), which attempt to analyse the nature and role of the principal players in the process. Clusters are strongly interconnected and complementary firms that are related across the boundaries of industries (Porter, 1990). Geographic proximity of clusters is emphasized as an important feature by Porter (1990), due to "region-specific" knowledge, resources and institutions of the clusters. The third policy is focused on stimulating the educational system towards technology and providing subsidies for sectors or business clusters that are perceived as promising (Lambooy, 2005). However, Isenberg (2014) points out that "the emergence of entrepreneurship as a policy priority has paralleled (and is at least partly in response to) disappointment with dictated industrial policy, barren "cluster" strategies, and the failure of a limited focus on a set of macroeconomic framework conditions." Recently, fostering entrepreneurship has become a central part of economic development strategies around the world, and entrepreneurship ecosystems are an important part of it (Isenberg, 2014). Entrepreneurship ecosystems will be further explored in this research.

The National Systems of Entrepreneurship theory

Autio *et al.* (2014) depicts previous literature with a simplification of National Systems of Innovation literature being focused on the context and ignoring the entrepreneur and entrepreneurship literature focused on the individual and ignoring the context. A combination of these two forms of literature is The National Systems of Entrepreneurship theory (Acs *et al.*, 2012), which seeks to understand entrepreneurial action as a systemic resource allocation process. Entrepreneurial action is defined by McMullen & Shepherd (2006, p. 134) as a "behavior in response to a judgmental decision under uncertainty about a possible opportunity for profit". Shepherd and Patzelt (2017) summarise that entrepreneurial action can generate economic gains and/or losses for the entrepreneur (Foss et al., 2007; Klein, 2008), preserve (Dean & McMullen, 2007) and/or destroy the natural environment (Dorfman & Dorfman, 1993; Tietenberg, 2000), uphold (Bornstein, 2004; Roberts & Woods, 2005) and/or ruin community culture (Badal *et al.*, 1998), and create (Bornstein, 2004; Dacin et al., 2011) and/or destroy (Khan, Munir, & Willmott, 2007) value for society. The National Systems of Entrepreneurship theory follows the guidelines in Table 1:

Table 1: Principles of the National Systems of Entrepreneurship theory.
1. Entrepreneurial action takes place under uncertainty: Entrepreneurs take risks when creating new firms to pursue opportunities that they perceive; 2. Entrepreneurial action involves resource mobilisation: Entrepreneurs access and mobilise resources to pursue opportunities; 3. The great majority of entrepreneurial actions are initiated by individuals or teams of individuals; 4. Entrepreneurs' actions are regulated not only by the perception of opportunity, but also, by the perception of the desirability and feasibility of opportunity pursuit; 5. The consequences of entrepreneurial action are regulated by the entrepreneurs' competencies, and also, by contextual factors, such as access to markets and the availability of resources.

(Source: Acs *et al.*, 2012)

Entrepreneurship ecosystems

Lambooy (2005) extends on the notion of innovation that it is not only the result of an individual's actions, but also, the interaction with "environments" such as markets, organizations, systems or institutions. Hence, innovation is the result of continuous interaction between individuals, organizations, systems, and institutions, in which price signals and other signals give a sense of direction for future development (Lambooy, 2005). An innovation or a potential opportunity that has not been finalized is likely to change after presenting it and interacting with a community, due to the community's social forces, feedback, and criticism (Shepherd and Patzelt, 2017). Therefore, communities are equally important in innovation, which directs this research towards entrepreneurship ecosystems. However, Isenberg (2014) raises concern about the misconceptions and mythology associated with the widespread term "entrepreneurship ecosystem", which has become a predominant metaphor for fostering entrepreneurship as an economic development strategy (Isenberg, 2014). An ecosystem is a dynamic, self-regulating network that is composed of several different types of actors (Isenberg, 2014).

Components of entrepreneurship ecosystems

Mazzarol (2014) introduces nine components of entrepreneurship ecosystems, which are government policy; regulatory framework and infrastructure; funding and finance; culture; mentors, advisors and support systems; universities as catalysts; education and training; human capital and workforce; and

local and global markets. The components can vary, and generally relate to legal and regulatory frameworks, infrastructure and the government policy settings for macro and micro-level aspects of the economy (Mazzarol, 2014). Mazzarol (2014) suggests that the first component, government policy, may be the most important component of an entrepreneurship ecosystem, because it is in direct relation to small businesses and entrepreneurship as well as over a wide cross-section of policies relating to taxation, financial services, telecommunications, transportation, labour markets, immigration, industry support, education and training, infrastructure and health. Mazzarol (2014) further elaborates on the other components and highlights that the financial sector includes sources of formal and informal debt and equity for new and growing businesses; culture considers aspects such as tolerance of risk and failure; business mentoring, advisory and support services need to be easily available; universities should be engaged in the system; education and training should be available for entrepreneurs and employees, including immigrants; the education and training also needs to generate the human capital and skilled technical workforce required by entrepreneurial firms; and large domestic and international markets must be accessible through large corporate and government supply chains.

Creating entrepreneurship ecosystems

Mazzarol (2014) emphasizes the importance of the government in entrepreneurship ecosystems, however, he also points out that the government should adopt an indirect leadership style and that the role of government is essentially that of a facilitator. Mazzarol (2014) summarizes Isenberg's (2010) nine components for the creation of an entrepreneurship ecosystem, which are shown in Table 2 below:

Table 2: Creating an entrepreneurship ecosystem
1. Stop emulating Silicon Valley – while Silicon Valley is a successful entrepreneurship ecosystem it is unique for its region and unlikely to be replicated in other areas. 2. Shape the ecosystem around local conditions – look for locally based industries with growth potential and existing capacity and build upon these foundations. 3. Engage the private sector from the start – entrepreneurship ecosystems must be led by the private sector and the role of government is to facilitate not try to lead or control. 4. Favour the 'high potentials' – while there must be room for all types of business attention should be given to fostering the growth of firms with the capacity for innovation and global market engagement.

5. Get a big win on board – success stimulates and motivates others to have a go and where there are successful firms they should be showcased and used as case examples for others.
6. Tackle challenges head-on – entrepreneurial activity in some areas may be stifled by an entrenched culture that is risk averse or conservative, this should be challenged by active communication and education programs.
7. Stress the roots – entrepreneurial growth oriented firms should not be flooded with 'easy money' through grants or venture capital flows. Firms must be profitable and sustainable with good financial management.
8. Don't over engineer clusters; help them grow organically – government enthusiasm for building industry clusters needs to be tempered by a realisation that they emerge organically from existing industries and not from attempts to 'pick winners' or building green fields science parks.
9. Reform legal, bureaucratic, and regulatory frameworks – a key role for government is to address legal, bureaucratic and regulatory issues such as taxation, licensing and compliance so that there are no unnecessary impediments to entrepreneurship and small business growth.

(Source: Isenberg, 2010, adapted from Mazzarol, 2014)

Mazzarol (2014) adds to the list that it is important to build upon local industry foundations that enhance organic growth of all existing industries, and not only high-technology ones. Although high-growth firms are an important part of economic development, they have an above average risk and it is not possible to pick winners (Mazzarol, 2014). Attempting to replicate a business model similar to Silicon Valley potentially risks failure and directs limited resources away from low to mid-tech industry sectors that may have a higher sustainability (Hirsch-Kreinsen *et al.*, 2008; Reboud *et al.*, 2014).

Entrepreneurship policy development in Finland

Finland was ranked as the 28th easiest place to start-up a business in 2016 (Doing Business, 2017). The ranking measures and compares the amount of time and money required to start-up a company as well as the amount of procedures that an entrepreneur is expected to go through to begin formally operating an industrial or commercial business (Doing Business, 2017).

The following section investigates what entrepreneurship policies have been implemented and are currently enforced, what measures have already been tried and tested, and where the policies could be headed.

Current Finnish entrepreneurship policies

The Finnish economy is currently heading towards high-technology manufacturing and knowledge-based services (OECD, 2017). Entrepreneurship policy initiatives are currently incorporated with different support initiatives to nurture entrepreneurship ecosystems (Autio *et al.*, 2014). Among the entrepreneurship policy initiatives, Autio *et al.* (2014) suggest that supporting new high-growth ventures is the most recent policy development, because high-growth ventures have been found to generate a large share of economic benefits in comparison to new firms in general (Autio, 2007; Birch *et al.*, 1997). Finnish policy initiatives that are designed for high-growth ventures are the Young Innovative Company Program of Tekes and the Vigo-Program. Both programs are designed to be very selective and accept skillful participants with high ambitions for growth, their support is based on the achievement of milestones, and the support is provided with high-intensity and with close collaboration between public and private sector organisations (Autio, 2007).

Development of Finnish entrepreneurship policies

Finland has become a highly competitive state in Europe through government incentives to promote technology-enhancing policies and actively supporting technological universities and research in the form of attention and funding (Castells and Himanen, 2002). The Finnish Government's White Paper on Industrial Policy in 1997 advocated for a shift from protection of existing businesses and industries to promoting and supporting entrepreneurial activity and ensuring favourable conditions for entrepreneurship through changes in legislation, education and taxation (Lundström and Stevenson, 2001). In 1999, a two-year Entrepreneurship Project was approved by all major ministries and launched in 2000. The project outlined measures to reform the taxation and social security systems, promote the founding of new companies and growth of existing ones, provide start-up financing and advisory support, reduce barriers to entry in entrepreneurship and integrate entrepreneurship education in the school system (Lundström and Stevenson, 2001).

OECD (2017) provides an overview of Finland's recent economic development and transition from a resource-based to a leading knowledge-based economy. The way how the industry and economy of

Finland developed over the years constituted a risk; Both the success of Nokia and the pre-existing structure of industry resulted in a rather narrow base for industrial and economic development (OECD, 2017). The financial crisis of 2008 hit Finland harder than its Nordic neighbours, and another recession followed in 2012. Finland's economic performance deteriorated significantly, which was largely due to harmful changes in the global electronics markets, Finland's electronics industry and forestry sector, and decreased trade with an important partner, the Russian Federation (OECD, 2017). Both government and business investment in R&D declined from 2010 onwards, and funding in R&D and innovation switched from an expansionary to a contractionary policy (OECD, 2017). Education, R&D and innovation are essential for Finland's future economic and social development to both address domestic challenges, such as an ageing population, energy efficiency and climate change, and to increase diversity and competitiveness in global markets (OECD, 2017).

Possible actions to enhance entrepreneurship policies

OECD, the organization for economic co-operation and development, recently published a thorough review of Finland's innovation policies, which assesses the Finnish innovation system and provides recommendations on how the system can be improved and how the government policies can contribute to such improvements. OECD (2017) states that the Finnish government needs a reformation to generate a whole-of-government policy for innovation-enabling system transitions, which would require the combined efforts of national and regional actors and a new model for public-private partnerships. Seven recommendations that OECD proposes are outlined below:

1. Recognize the continued importance of R&D, innovation and skills.

Education, R&D and innovation are vital for Finland's future economic and social development, and therefore the contractionary policy in public spending on R&D needs to be switched back to an expansionary policy. During the period 2011-17, the budget for Tekes, the national innovation agency, has been cut by 51%, in real terms (OECD, 2017). This large cut in Tekes' funding, as well as cuts in other research institutes, such as the Technical Research Centre (VTT), has created a gap in funding for technology development and innovation needed to revive the industry (OECD, 2017).

2. Develop a new vision for Finnish research and innovation policy.

Finland needs a new vision for science, technology and innovation that is driven by economic needs and societal challenges, such as energy efficiency, climate change and an ageing population (OECD, 2017). A whole-of-body policy is required for innovation-enabling system transitions, in which the Research and

Innovation Council would take a central role providing consultation and planning (OECD, 2017). OECD (2017) recommends embedding policy experimentation into the system and beginning with a policy mix that encourages radical innovation; builds on Finland's established strengths, such as services exports and Information Technology; revitalizes traditional industries, such as metal-machinery industry, forestry, chemicals and biopharma; improves competitiveness of Finnish firms in global markets and diversifies to new areas and new knowledge-based firms with high growth potential (OECD, 2017).

3. Foster innovation, productivity and diversification in the business sector.

Diversifying the economy is a demanding challenge for Finland. Finland does not have a comparative advantage in many industries in the global markets, and therefore, new export strengths need to be built, either through radical innovation projects or by extending the capabilities of established industries (OECD, 2017). Promising areas for radical innovations are clean and medical technologies and new ICT niches, such as gaming, and an established strength Finland could work on is services exports, which has remained strong and stable since 2008 (OECD, 2017). Small and medium-sized enterprises should be embedded into innovation ecosystems such that they are integrated into global value chains and they have easy access to business services that facilitate the development of necessary skills for internationalization (OECD, 2017). Social attitudes towards entrepreneurship seem to be developing in a positive direction, and more start-up activities and early-stage funding are available; however, an internationally linked ecosystem would greatly benefit new company formation and growth by providing a base for scaling up (OECD, 2017).

4. Enhance research addressing industrial and societal challenges.

Finnish research on industrial and societal challenges as well as "enabling technologies", such as biotech, nanotech, advanced materials and advanced manufacturing, need increased funding and support to turn innovations into concrete, viable and scalable solutions (OECD, 2017). More attention should also be focused on downstream innovation development and co-ordination between innovation actors (OECD, 2017).

5. Complete the reform of higher education institutions and public research institutes.

Specialization and scale are essential to improve the performance of the higher education sector in Finland, therefore, research and education institutes need to build a critical mass to become competitive research environments with high specialization (OECD, 2017). However, the research base is fragmented, hence consolidating research and education institutes through funding instruments and collaborative arrangements could lead to defragmentation and strengthening of the research base

(OECD, 2017). Incentives should be developed for higher education institutions to develop strategies and engage in knowledge transfer activities that contribute to economic and societal development (OECD, 2017). This could be encouraged through the reduction of the performance-based share in institutional funding, which then enables higher education institutions to better use their strategic resources to contribute to economic and societal development (OECD, 2017).

6. Improve internationalization of business research.

Returns of research are effectively increased through international linkages; however, Finland's capacity to attract foreign investments and foreign researchers is limited by high labor costs, language barriers and a peripheral geographic location (OECD, 2017). Finland should increase its attractiveness by specializing in key areas of research and innovation and better global marketing of the best local skills and technology assets, as well as promoting the business environment, quality of life, nature and safe environment to attract talent and FDI in both production and research and innovation activities (OECD, 2017). Internationalization is vital to improve Finland's performance and innovation system, develop competitive advantages in global markets, and diversify Finland's pattern of trade (OECD, 2017). High-technology goods accounted for 23% of total exports in 2005, but fell down to 6% in early 2016, which indicates a need for the development of new export niches and improving the accessibility of global markets for Finnish companies (OECD, 2017).

7. Further improve framework conditions for innovation and entrepreneurship.

A critical improvement of the innovation system of Finland is the replacement of policies from reactive and unpredictable ones to proactive policies which are set to continuously transform and move the entire innovation system forwards (OECD, 2017). Recent improvements of framework conditions promote employment, entrepreneurship and economic growth and are targeted at reducing regulatory burdens for businesses (OECD, 2017). Further improvements of framework conditions for innovation and business activities that Finland can develop are self-regulatory frameworks, which enable fair market competition, and entrepreneurship-enabling policy frameworks, such as insolvency laws that allow quick firm exit and tax regimes that benefit new firms (OECD, 2017). Economic development would benefit from business policies and product market regulations that encourage vigorous competition, smooth firm entry, fewer cumbersome regulations in certain sectors, and more flexibility in labour markets (OECD, 2017).

Main support measures for entrepreneurs in Finland

Entrepreneurs around the world consider their top three challenges to be access to talent, excessive bureaucracy, and scarce early stage capital (Isenberg, 2014). Foord (2008) addresses six broad categories through which governments can provide support for entrepreneurs: Property and premises strategies; Business development, advice and network building; Direct grants and loans schemes to creative businesses/entrepreneurs; Fiscal initiatives; Physical and IT infrastructure; and soft infrastructure. Soft interventions, such as advice, skills and enterprise training for start-ups and entry level employment are most frequently provided (Foord, 2008).

Finland has a variety of organisations that address these challenges and carry out specific roles, such as financing, training, and other support for entrepreneurs, which are introduced below:

Information on financing options is available on a variety of websites of public institutions, such as Tekes, TE-office, Finnvera, Sitra and Enterprise Finland. Tekes is the largest national technology agency, which provides financing for applied and industrial R&D activities and innovations within the business sector (TEKES, 2017). TE-offices are public employment and business service centers, which provide start-up grants as well as training for entrepreneurs (TE-office, 2017). Finnvera is a state financing company, which focuses on funding the start, growth and internationalization of enterprises (Finnvera, 2017). Sitra is a national fund for R&D, which investigates, explores and develops operating models in close co-operation with other responsible operators to build the future (SITRA, 2017). Enterprise Finland is a ministry of affairs and employment, which provides funding, training, recruitment, and networking services (Enterprise Finland, 2017). ELY centres are Centres for Economic Development, Transport and the Environment, which promote competitiveness, well-being and sustainable development at the regional level (ELY centre, 2017). Finpro accelerates the internationalization process for SME's, encourages foreign direct investment in Finland and promotes Finland as a travel destination (Finpro, 2017). Finnish Enterprise Agencies provide counselling to early stage businesses (Uusyrityskeskus, 2017). Companies in Finland can dial the Talousapu consultancy service offered by Enterprise Finland, which provides financial and debt counselling to companies (Talousapu, 2017).

In addition, a variety of entrepreneurial communities and organisations provide easy access to become involved in entrepreneurship and related events, such as AaltoEs, a student-run organisation that creates entrepreneurial events (AaltoEs, 2017); Arctic Startups, an independent, technology blog and event organiser (Arcticstartup, 2016); The Shortcut, a community driven organisation that arranges gatherings, workshops, trainings, and events related to entrepreneurship (TheShortcut, 2017); and

Young Entrepreneurs, Finland's largest entrepreneurs' organisation, which organises events both at the regional and national level (Nuoretyrittajat, 2017).

Conceptual Framework

This study investigates the research question from the entrepreneur's perspective and builds on six commonly provided services and forms of support for entrepreneurs in Finland. This perspective investigates how the entrepreneur would transform the way things are such that they would stimulate and encourage nascent entrepreneurs to create, grow, and succeed in Finland. The six components are networking, financing, legislation, educational training, mentoring, and accessibility of information. This list is not exclusive and there are countless other factors that affect entrepreneurship in Finland, but for the purposes of this research, these six will be further investigated. These components were chosen with two principles in mind; First, the components should be relevant to nascent entrepreneurs, and second, governments and organizations can make changes to the chosen components in order to influence entrepreneurship. The top three challenges for entrepreneurs, as identified by Isenberg (2014), are access to talent, excessive bureaucracy, and scarce early stage capital, which correspond to networking, legislation, and financing in the conceptual framework. Foord (2008) brings forth the notion of soft interventions, and states that advice, skills and enterprise training are the most common services provided for start-ups and entry level employment. These correspond to mentoring and educational training used in this conceptual framework. The final component, access to information, was chosen to further investigate the physical and IT infrastructure (Foord, 2008) of Finland, because the consultancy service, Talousapu, is one of the only phone services of its kind that provide information to entrepreneurs.

Methodology

This is an exploratory research that attempts to develop creative solutions to improve entrepreneurship in Finland. An exploratory study is an appropriate way of finding out "what is happening; to seek new insights; to ask questions and to assess phenomena in a new light" (Robson 2002:59). An exploratory study is useful if the precise nature of the problem is unknown, and the researcher wants to develop an understanding of the problem (Saunders *et al.* 2009). The chosen data collection method for this research is through interviews. An interview is a purposeful discussion between two or more people (Cannell and Kahn, 1957). Interviews are the most advantageous approach for data collection when the questions are complex or open-ended and when there are several questions to be answered (Easterby-Smith *et al.* 2008: Jankowicz, 2005).

Research design

The ontology of the research is subjectivist, which implies a social phenomenon that is created from the perceptions and consequent actions of social actors (Saunders *et al.* 2009). The interpretations of interviews and the conclusions are the researcher's own subjective opinions. A subjectivist viewpoint is appropriate, because each interviewee has a unique background and unique experiences in entrepreneurship and will therefore perceive the current state of entrepreneurship in Finland in a different light. Further, it is likely that each interviewee can identify unique ways how they could have been assisted in their early stages of entrepreneurship, and they will have differing opinions on how entrepreneurship can be improved in Finland.

The research onion (Saunders *et al.* 2009) was used to determine philosophies, approaches, strategies, choices and time-horizons before proceeding to data collection and analysis. The chosen methods for this research according to the research onion are interpretivist, inductive, grounded theory, mono method, and cross-sectional.

The epistemology of the research takes an interpretivist view, which implies that the researcher needs to understand differences in humans as our role as social actors (Saunders *et al.* 2009). The interpretivist perspective is relevant for this study, because the researcher must enter the social world of the research subjects and understand their world from their point of view, in order to understand what assistance the research subjects would have needed when starting their companies and how they would improve entrepreneurship in Finland.

This research uses the inductive approach. In this approach, data is first collected and then explored to see which themes or issues to follow up and focus on (Glaser and Strauss, 1967: Schatzman and Strauss, 1973: Corbin and Strauss, 2008: Yin, 2003). This requires the researcher to identify relationships between the data and develop questions and hypotheses to be tested as the research progresses. Theory then emerges from the process of data collection and analysis (Saunders *et al.* 2009).

The strategy used in this research is grounded theory, which implies that specific analysis procedures are used to build explanations and to generate a theory around the central theme that emerges from the data collected (Saunders *et al.* 2009).

This research uses interviews as a single data collection technique and corresponding analysis procedures, also known as mono method (Saunders *et al.* 2009). Due to the diverse nature of qualitative data, there is no standardized procedure for the analysis of such data. Two data analysis processes used are categorization and summarizing of meanings (Saunders *et al.* 2009), which will be further discussed in the Data analysis section.

This research is a cross-sectional study. This means studying a particular phenomenon at a particular time, similar to that of a "snapshot" taken at a particular time (Saunders *et al.* 2009). A cross-sectional study is appropriate for this research due to time constraints and for obtaining results relatively fast in an environment that is constantly changing from new policies and organizations that emerge. Therefore, the results will still be of value in the environment they are intended for.

Data collection

The participants for this research were selected using purposive or judgemental sampling. This means that participants were chosen based on who will best provide answers to the research question and meet the research objectives (Saunders *et al.* 2009). This form of selection is appropriate when working with a small number of cases, and when searching for participants who are highly informative (Neuman, 2005).

The data for this research is collected through five semi-structured, face-to-face interviews, in which the researcher has a list of themes and questions to be covered (Saunders *et al.* 2009). Qualitative interviews are suitable for exploratory studies (Cooper and Schindler, 2008), and best serve the purpose of answering the chosen research question, because it requires understanding the reasons behind the participants' attitudes and opinions. Semi-structured interviews allow the researcher to probe answers and ask for interviewees to explain, or build on, their responses, which adds depth and significance to the data obtained (Saunders *et al.* 2009). This is especially relevant when using an interpretivist

epistemology, where the researcher intends to understand the world from the participant's perspective and formulate conclusions on that basis. In semi-structured interviews, interviewees may lead the discussion into new areas that can be significant to the researcher's understanding of the problem. First contact was made with potential research participants in entrepreneurship events arranged in Helsinki. The thesis topic was briefly discussed, and participants were asked whether they would like to participate. Those who would be interested to participate were contacted via email to arrange an interview at a cafeteria of their choice and at a time of their choice. A cafeteria was chosen as the location, because it is convenient and assumed to be a comfortable choice for the interviewee. Sensitive information was not discussed during the interview. At the beginning of the interview, each participant was asked for permission to audio record the interview, ensured anonymity, and informed about ethical concerns and rights of the interviewee. Measures were taken to reduce different forms of bias and error when conducting the interviews. Interviewer bias, which is concerned with the comments, tone and non-verbal communication of the interviewer, can create bias in the way that interviewees respond to questions (Saunders *et al.* 2009). Therefore, the interaction with the interviewee was polite, curious and neutral such that the questions asked do not seem leading or provoking. Open questions were used to avoid bias (Easterby-Smith *et al.*, 2008). The interview questions were short, simple, and avoided the use of theoretical concepts or specific terminology, to ensure that both the interviewer and interviewee have the same understanding (Easterby-Smith *et al.,* 2008: Ghauri and Grønhaug, 2005).

Data analysis

The main data analysis process implemented is categorization of meanings, in which data is sorted into categories and then attached to meaningful pieces of text (Saunders *et al.,* 2009). Categories must have an internal aspect and an external aspect. Internal aspect means that the categories are meaningful in relation to the data and external aspect means that the categories are meaningful in relation to other categories (Dey, 1993). As key themes, patterns, and relationships between data emerge, categories are subdivided or integrated in order to refine and focus the analysis (Dey, 1993). Three elements of categorization that are relevant for the grounded theory strategy are open coding, axial coding, and selective coding (Corbin and Strauss, 2008). Open coding is the process of disassembling data into smaller units, in which similar units of data are given the same name or label. Axial coding is the process of recognizing relationships between categories that emerge from open coding. Axial coding is used for exploring and explaining a phenomenon by identifying what is happening and what environmental factors affect it, why it is happening, how it is managed in the observed context, and what the outcomes

are. The relationships developed in axial coding are verified against that data that has been collected. In this process, evidence is sought for the support of such "hypotheses" and for negative cases that show variations from the relationships. Selective coding is the process of identifying one of the principal categories as the central or core category. The other categories are then integrated with the central one in order to develop a grounded theory.

Another data analysis process used is summarizing of meanings and the key points of the interview. This process compresses long statements into shorter ones in which the main themes of what has been said is rephrased in a few words (Kvale, 1996). The emerging main themes are then further explored in forthcoming data collection sessions.

Self-memos are used as an analytical aid. It is the process of recording ideas that occur at any point about any aspect of the research (Saunders *et al.* 2009). Such instances commonly occur when transcribing interviews, constructing narratives, categorizing data, and writing the research paper.

Credibility

The credibility of research findings is an important issue. How does the researcher know that the findings are true? The answer is simply that the researcher cannot know. However, as Saunders *et al.* (2009) points out, the researcher's role is to reduce the possibility of getting the answer wrong. This can be achieved by paying close attention to reliability and validity in the research design. Reliability is defined by Saunders *et al.* (2009) as the extent to which the data collection techniques and analysis procedures will yield consistent findings. Easterby-Smith *et al.* (2008:109) propose three questions to consider for the reliability of the research:

1. "Will the measures yield the same results on other occasions?"

This depends to what extent should the answers be similar. From a larger scale, interviewees may introduce overlapping features and similar experiences or similar ideas to improve entrepreneurship in Finland. At an individual level, however, answers may be unrelated because the topics discussed in this research are complex and dynamic, and because semi-structured interviews have additional questions that relate to each interviewees' personal experiences and opinions. Therefore, it is unrealistic to expect this research to yield the same results on other occasions, because each interviewee has a different story to tell.

2. "Will similar observations be reached by other observers?"

In a similar economic, political, and social environment the answers could be assumed to produce similar results about the system and signal what may be wrong within the system. Additionally, similar

observations may be obtained by following a common structure for interviews during data collection. Essentially, by asking the same interviewees the same questions within a short time after this research, other observers are likely to find similar observations. However, the findings derived from qualitative interviews may not be intended to be repeatable since they reflect reality at the time they were collected, which is a situation that is subject to change (Marshall and Rossman, 1999).

3. "Is there transparency in how sense was made from the raw data?"

The data analysis is transparent, with its different components discussed in the Data analysis section. The research findings are presented using the grounded theory strategy together with open coding, axial coding, and selective coding.

Robson (2002) identifies four threats to the reliability of a research, which have been taken into account when designing this research. These threats are subject or participant error, subject or participant bias, observer error and observer bias. Subject or participant error refers to interviewees giving different types of responses at different times of the week, depending on how they feel. In order to avoid a possible feeling of "low" on a Monday or a "high" on a Friday, a more "neutral" time should be scheduled for the interview. All of the interviews were held around the middle of the week. Subject or participant bias refers to interviewees saying what others would like them to say, such as their bosses or colleagues. However, ensuring anonymity for the interviewees and organizations involved can reduce this bias. Observer error means that each interviewer will have a different way of asking questions to elicit answers. Easterby-Smith *et al.* (2008) and Silverman (2007) elaborate the concern to reliability as an issue whether alternative researchers would obtain similar information. Following a similar interview structure reduces this error. Observer bias means that each interviewer has a different way of interpreting the answers. It is emphasized that this research is a subjective interpretation of the data by the researcher and offers one point of view to the problem.

Saunders *et al.* (2009) define validity as a concern whether the findings are actually related to what has been researched and whether the relationship between two variables is a causal relationship. Robson (2002) identifies threats to the validity of a research, and the ones relevant to this research have been taken into consideration. History can be a threat to the validity of this research, because some of the interview questions ask about the performance of public organizations, which may have adopted new strategies and programs.

External validity is the extent to which the results of the research are generalizable (Saunders *et al.* 2009). However, the results, conclusions, and theories of this study cannot be generalized, due to different purposes of the public organizations and different experiences of the interviewees. The

suggestions for improvement that are derived from the participants' responses will not apply for all public organizations and all entrepreneurs.

Research Ethics

Research ethics is defined by Saunders *et al.* (2009) as having a responsible approach to formulating and clarifying the research topic, designing the research, gaining access to information, collecting data, processing and storing data, analyzing data and writing the research findings. This research takes a deontological standpoint. This means that the potential benefits of the findings cannot justify research that is unethical, such as the use of deception (Saunders *et al.* 2009). The research design should be morally defensible to all those involved, and morally defensible behavior is affected by broader social norms of behavior (Zikmund, 2000). Social norms refer to types of behavior that people are expected to take in a particular situation (Robson, 2002; Zikmund, 2000). This research has been conducted without any intention of causing harm or disadvantage to the participants. The raw data includes pros and cons of public organizations. Publishing information about the cons of the organizations may harm the organizations' reputation, which would not be the intention of this research. Therefore, such information is withheld. Instead, this research provides feedback and suggests improvements to public organizations in general. Direct feedback to the organizations will be provided by the researcher in private.

This research follows a code of ethics that takes into consideration the privacy and anonymity of participants, voluntary nature of participation and the right to withdraw, consent of participants, confidentiality of data provided by participants, effects on participants in the way that data is used, analyzed, and reported, and finally, the behavior and objectivity of the researcher (Saunders *et al.* 2009). The cornerstone of ethics is the avoidance of harm (Saunders *et al.* 2009), and different measures have been taken to minimize the likelihood of causing harm. Possible participants have been followed up only once by email, and participants have not been contacted repeatedly, in order to avoid invasion of privacy (Saunders *et al.* 2009). There was no attempt to apply pressure on participants to participate or to grant access to other sources of information or material that could be used in this research. Interviews can be intrusive and provoke anxiety or stress, especially in the case of face-to-face interviews, which place the researcher in a position of "power", because the researcher is formulating questions that may be probing and cause stress (Saunders *et al.* 2009). Therefore, a polite and curious behavior of the researcher, the type of questions that are asked and how the interview is conducted play a large role in creating the atmosphere and reducing stress and harm to the interviewee. None of

the questions asked were intended to be demeaning to the participant (Sekaran, 2003). The data processing and storage in this research comply with the Directive 95/46/EC by the European Union (EUR-Lex, 2017), which provides protection for individuals in relation to the storing and processing of personal information. Sensitive personal data (Saunders *et al.* 2009), such as the participant's racial or ethnic origin, political opinions, and religion are not collected or recorded in this research.

Findings: Six components

It is as if the world of entrepreneurship is hidden behind a curtain. Once you step to the other side, you see how much more there is to it. Nascent entrepreneurs tend to think of themselves as snowflakes, facing unique challenges all alone, but it turns out they have many challenges in common. Entrepreneurs are in the same boat and they tend to help each other out. Successful entrepreneurs, in particular, are very happy to help, if they see that their knowledge and information will be useful to the other person and it is not a waste of time. The following categorises and summarises the interviewees' thoughts regarding the six components studied in the conceptual framework, and their key insights are highlighted.

Mentoring

Mentoring is an essential component of entrepreneurship and is seen as either highly or very highly important among interviewees, with majority placing it at a very high level. Entrepreneurship has a lot to do with an individual's personal side, because everything depends the entrepreneur. Personal coaching and information are related to the entrepreneur's self-image and activating an entrepreneur's "Me" at the early stages would be very important. However, finding a suitable mentor can be a challenge and to some extent dependent on luck. Mentors know and understand the entrepreneur and want to help. Mentors have valuable experience and knowledge that can prevent an entrepreneur from failing, and they can also be the ones to push an entrepreneur forwards to achieve more.

There are several ways how mentors can share their knowledge and experience. Three distinguishable ways to share knowledge can be described as advising, mentoring, and coaching. An advisor is someone you sometimes go to now and then, they might be official for a start-up, they give some feedback for start-ups and ideas, offer networks, they talk to you and criticize you and provide answers to specific questions. A mentor, on the other hand, knows you more than anyone else. You can talk to a mentor like a friend, without being afraid of them being part of the company. Lastly, a coach thinks together with you and sits on your side, not in front of you. The coach's role is similar to that of a gym coach, who does the exercise with you and advises you how to do it, adjusting the way you think and perform. The best coaches are near your age, with one or two years more experience.

Networking

Networking is seen as highly important by all interviewees. Networking can be the defining factor between success or failure, because it can give information and access to the other five components as well as many other benefits, such as co-founders, employees and customers. However, starting off in Helsinki sets you at a disadvantage, because the local market is small and slow and there are not many large customers to get the start-up off the ground. Finnish markets cannot compete against Shanghai or Silicon Valley, where there is much more stuff happening around you and at a faster rate. However, entrepreneurship communities in Finland are strong and capable, and provide great places for networking.

Financing

The importance of financing is mostly high, however, it vastly depends on the type of start-up in question. For instance, a consulting firm is likely to require less finance to start-up than a construction company with large investments in assets. In this case, accessibility to sufficient sums of financing is important. On the other hand, the importance of finance could be directly related to the idea itself: if finance is difficult to find then it may indicate that you or your idea may not be ready yet. Generally financing tends to be the anchor. If an entrepreneur is not able to finance the business operations and nothing is done for the business, the entrepreneur will earn nothing in the next month. The start-up grant by TE office is also an important support for entrepreneurs, especially for non-EU citizens, who do not receive any student benefits, parents' aid or other government aid in Finland. The duration of the financial support is also important, because at the early stages there are countless things to arrange and take care of and it can easily take a year or more for the company to get wind beneath its wings.

Training

Educational training in entrepreneurship had a medium to low level of importance. Finland has a good level of educational training in universities and organisations, which are definitely beneficial for entrepreneurs. However, all of the interviewees gained their knowledge and experience from doing. Nevertheless, there are also examples of entrepreneurs who have done some things in their start-ups in the right order based on their entrepreneurship courses. Although training is a good source of knowledge, it may not be the most relevant form of getting assistance. Training programs can be misleading or even irrelevant, especially if the ones teaching it and pushing forth academic theories are

not entrepreneurs themselves. For instance, popular models and theories, such as business model canvases, are used to engage students in the theme of entrepreneurship, however, it can be a bad place to start for someone who does not know who they are targeting and if there is not adequate guidance throughout the process. Further, when looking at statistics, there is a low amount of people who studied entrepreneurship and actually became entrepreneurs after graduation. You may study entrepreneurship to understand it, but it does not necessarily make you an entrepreneur.

Legislation

Legislation has mixed results, ranging from high to low importance. The legislations for starting up and operating a company in Finland are good, in comparison to many other countries. The bureaucracy is manageable and not too difficult, especially now that start-ups can be established electronically. However, non-EU citizens have an additional challenge related to visas to reside in Finland. A non-EU citizen is required to have a secure income to be eligible to stay in Finland, which may force non-EU entrepreneurs out of the country before they manage to build a network, adapt to the culture, and finally get started with their own company. Additionally, start-ups can take a few years time before earning their first profits and providing the secure income required by the Finnish law.
Bureaucracy also depends on the type of business, with more strict regulations in certain fields, such as banking. Additionally, in Finland, companies operating in the business-to-business sector have less legislation than companies operating at the business-to-consumer level. For business-to-business companies it is more about reputation: if you do bad business and bad deals, the word will spread and interfere with your company's performance. Business-to-business companies have to be more cautious not to get scammed by fraudulent behavior due to little legislation to protect against the fraud. Currently, a common scam is a tape-recorded phone call by a salesperson to a new entrepreneur with the purpose of fishing out the word "Yes" from the entrepreneur, and the recording will later be edited to make the conversation sound as though the entrepreneur agrees to buy the product or service that the fraudulent salesperson is selling. Defining legislations that reduce scams but do not limit business operations can be a challenge, but if an entrepreneur acknowledges the scams then the damage is minimized and it is often not a large concern.

Accessibility of information

Accessibility of information has mixed results, with level of importance ranging from high to low. Searching for information online is a good starting point to get an understanding of what to do. There is a lot of information available, especially online. However, finding relevant information depends on whether you know how to look for it and how well you can make use of the theories that exist. At times it can be the case that finding a single sentence that contains the information you are looking for will require going through 20 pages of legislation, which makes acquiring information a time consuming process. Further, many of the questions that arise in nascent entrepreneurship are similar in nature, such as how taxation works in Finland and what payments need to be made when hiring an employee. Therefore, it is important to have fast and easy access to specific information, which can often be provided by mentors.

On the other hand, there is a perspective that the only way to understand entrepreneurship and acquire necessary information is by doing. This does not mean starting a company right away. Instead, a good approach to learn entrepreneurship is to go and help other startups. This way you learn all the things that you have to consider in entrepreneurship, which minimizes failing from careless mistakes at the early stage of your own startup. Then you know how to proceed, you already have networks, people know you, and you know who to talk to when you are starting up a company.

Findings: Proposed improvements

This section comprises of ways how entrepreneurship could be improved in Finland, with a greater focus on what to improve rather than how to carry out the improvements. Improving entrepreneurship has a lot to do with modifying the ecosystem and the environment. Modifications in areas such as funding, entrepreneurship ecosystem, accessing information and addressing pitfalls of entrepreneurship should be made with entrepreneurial insights in mind.

Taking the first steps

Probably the largest problem for a new entrepreneur would be “Where to start?” Giving a clear sense of direction from the beginning can strengthen motivation and confidence. The starting point is that you start selling the product or service, because that is the only thing that brings you money. Then you will

realize that you will have to invest more time and money into marketing to get the word out about your product or service. After that, you will then realize the next step you need to take to grow your business, and soon you will realize that you are operating a business. A second very helpful starting point is finding a mentor. However, finding a suitable mentor can be a challenge. Taking initiative and meeting with old and successful entrepreneurs is highly advisable; they are surprisingly helpful. Ask them for information and learn as much as possible. If something is hard for you, find someone who finds specifically that thing easy to do.

Funding

The Finnish startup support system is unique. It is possible to get money for a relatively small amount of effort. In comparison, in places such as India or Asia, where there are incredible amounts of venture capital money, entrepreneurs have to write almost a book when applying for the venture capital money, in which they describe their future prospects, how their business is doing at the moment, among other precise details. Also, the residents in those places can have even 18h work or school days. An entrepreneur from Finland, who is having difficulties with getting public start-up funding, may be overwhelmed by the high competition around the world. Therefore, if the business is intended to operate outside of Finland, then the application for public start-up funding could be more complicated. Funding for start-ups is rather even in Finland, with distributions of smaller amounts of money to a large amount of people. Every year, public institutions provide only small amounts of funding to hundreds of projects. There are some firms that have been set up with public money, but many of the successful start-ups have private investments and their own money in the business. An alternative method would be for public institutions to provide large funds for only a few projects so that they would actually become something. For instance, a research on Elon Musk's projects shows that his projects had investments worth of TEKES' budget over the last 20 years. This is not to say that money alone would guarantee success, but with such large amounts of money there is certainly room for failure and therefore large sums of money are likely to improve chances for success.

Loans from banks for funding start-ups is not a preferred option, because the loan tends to bring down the start-up at some point in the future. However, some Finnish banks have taken the Europe investment fund and Tekes into great use. The Europe investment fund guarantees one half of the loan, whereas Tekes guarantees the other half. With guarantees from both sides, banks have begun to offer loans that may not fulfil all the criteria that is normally required. This makes money more accessible, has less authorities involved in the start-up and could be a more market-based approach to funding.

Ecosystem and environment

Building an entrepreneurship ecosystem and environment is crucial for success. Instead of creating a new institution to provide better start-up support services, it would be more efficient to have the public sector take the role of creating an environment for entrepreneurship and creating an "entrepreneurial market." From an entrepreneurial perspective, it would be beneficial to make the system more aligned to the markets, beginning with the higher authorities. There are some confusing cases when the organizations that provide start-up funds to the public start off with the assumption that the personnel are good at choosing winners (successful entrepreneurs), which is questionable. One alternative could be for public organisations to invest in investments funds. In the end, it comes down to three cornerstones: human, social and financial capital. Which ones are the optimal tools that can be found in Finland? We have experienced entrepreneurs, whose experience would be useful even after bankruptcy. On average, Finns are wealthy and Finland has a high level of welfare. However, there is very little capital available for investments and it tends to be that money is tied down in real estate.

The entrepreneurial environment should encourage all stakeholders and not just favor winners. Why do we celebrate people who raise funds, and not the ones who find customers? Why do we celebrate a start-up that raised 4 million euros (which is also a good thing), but not a start-up that has not raised a single penny but is making money? Why do we not celebrate investors who helped a start-up and took the risk instead of the ones that come in when an entrepreneur is already making money and doubled their investments after two years? Early stage investors are not encouraged and rewarded enough for their efforts and risks to inspire more early stage investing.

The entrepreneurial events that are organized throughout the year are very good opportunities to meet people that inspire you, because that is what you need. Looking at history, the early villages and settlements that developed fastest were the ones with most connections, not the ones with highest or most superior technology or resources or number of people. The more they saw other people coming through and interacted with them, the faster they grew. They traded in a diverse environment, received rich resources and attracted more people. Therefore, encouraging diversity in entrepreneurship ecosystems is highly important.

Electronic services for entrepreneurship need to be simplified. If they are clear and simple, and have good transparency, then it will help startups later on. Entrepreneurship services should be open to everyone and a great place to physically offer such services would be next to universities. Close to universities is important in order to have proximity to students and make the services easy to access. Students could also feel proud to be part of a university's entrepreneurship program. Money could be

channeled to the university to promote entrepreneurship, which would also be in the interest of the university.

Hiring and joining start-ups

One of the best ways to learn entrepreneurship is by joining start-ups. There are many people interested in start-ups, and several start-ups would be interested in having more employees, but start-ups often cannot provide the salary to have more employees. A system that would encourage people to join start-ups would be very helpful. However, a suitable form of encouraging people to join start-ups is lacking. There is a debate whether companies would take advantage of a system in which employees would get subsidies for working in start-ups. On the other hand, many schools and programs on entrepreneurship have been established. The schools could be connected to the industry, and start-up hubs could be connected to schools around the world. A strong network may encourage students interested in entrepreneurship to join a start-up and learn valuable skills.

Getting information

Several questions arise throughout the course of entrepreneurship, and you want your answer fast so that the problem does not linger on and bother you. A convenient and efficient system of finding relevant information fast would be to call someone with more experience and asking directly: “How do I do this and that?” A Finnish organisation provides such phone service; however, it is not very popular among the interviewees. A large portion of the relevant information when starting a company are basic stuff that require just 10 to 15 minutes to learn, but often a much longer time to find the information through different sources. Key areas of expert advice are related to billing, marketing, and taxation. There are several entrepreneurship services and opportunities to receive support for entrepreneurship, and advice for entrepreneurs is infinite. There are numerous different institutions offering support and you have to do a lot of research to find it all out. Nowadays it is not so much about the quantity of information, but more about getting the right information at the right time and using the information you already have. Perhaps the problem is more on the side that entrepreneurs do not know how to listen or find out about relevant information. Coordinating the information somehow could be beneficial for improving support services.

Address the pitfalls of entrepreneurship

There are still some very bad pitfalls for entrepreneurs. Some start-ups need large investments, and if private investments have not been found, then the entrepreneur would have to turn to a bank, backing up the large loans with a house. In the recent years, there have been events that promote failure, to encourage people to try entrepreneurship and not be devastated by failure. As an idea, it is fun and creative. However, if you bankrupt a firm and lose your house, wife and kids, and have a 200,000e debt then the rest of your life is burdened by the failure. No matter what work you will be doing after that, it will take a long time to get rid of the debt.

A billion-dollar business is very difficult to establish in Finland, because of the risk of failure, bankruptcy, and ending up with a huge debt for the rest of the entrepreneur's life. This pitfall should be addressed appropriately, probably not by entirely removing the risk of personal bankruptcy, but by offering other ways to back up loans. Because if an entrepreneur takes the risk, but ends up in bankruptcy, the person will never give their full potential for the country, because of the large debt. From the governments perspective, a bankrupted and burdened entrepreneur is out of the game, because this individual is unlikely to contribute to the society or pay taxes for many years to come. There are several homeless entrepreneurs living on the streets. In the best case scenario a bankrupted entrepreneur finds employment somewhere and lives a decent life and is paying off the debt step by step. But that individual will certainly not be giving the value that he could have given, if he had received support and he had another chance to use all the information he had learnt from the first failed business.

Developing a competitive mindset

The global economy is moving at a fast rate and competition is intense, which raises the bar for new entrants into the market. Start-ups need to be highly capable and highly competitive if they are to succeed in global markets. Therefore, if an entrepreneur is struggling with applying and receiving public start-up funding in Finland, it is questionable whether such an entrepreneur would be able to survive outside of Finland. In this case, making the establishment of a start-up more complicated could make it more realistic and closer relate to the real world, which would better prepare the entrepreneur for the competition and all the hard work that lies ahead.

Findings: Positive factors

The positive side of entrepreneurship is often overlooked. Entrepreneurs have the possibility to travel their own path, and there are several ways how the entrepreneur can make the outcome positive. For an entrepreneur, a start-up can produce more value than some other form of occupation. Entrepreneurship gives freedom and responsibility. You are in charge and in control of everything, such as your own wellbeing and time usage. You can immediately see the results of your input. Usually what people see about entrepreneurs is that they are always working, late in the evening, sometimes on the weekends, and occasionally entrepreneurs complain that it is tough. However, there are employees who also work long hours and face tough times. Therefore, it is important to acknowledge the unique positive sides of entrepreneurship and make them more visible.

The company

A start-up is about doing things together. A start-up can be thought of as consisting of small processes that become large processes that produce money. You can measure it on a daily or weekly or yearly basis. When you set the wheel in motion, the processes are activated and the team starts operations. The team's income is dependent on this. At first, the team does not think about it, and in the beginning it is fun. But entrepreneurship has its ups and downs, and when the business slows down, the team's income goes down. After enough downs, the team starts to feel more committed and they want to hold onto the company. Then it is all the same what the coming Monday is like, because the business will be operating. The team is in the same boat and strong relationships form among those involved. Transparency has proven key to maintaining strong relationships. However, going at the same pace is very difficult. In one case, this is perceived as an advantage. When hiring a new person, he or she starts off with a slow pace, whereas the firm is moving forward fast. By providing support and encouragement to the new recruit, the pace begins to build up. Then the newly hired recruit develops and goes past the firm. At that point, the new recruit could apply for a better position somewhere else. That is when the firm has to pick up speed to keep up with the new recruit. These moments give direction to the firm, and ensure that both the start-up and the employee are doing well. Transparency and mutual goals are highly important.

Available resources and progress

A lively entrepreneurship ecosystem is encouraging. There are many start-up events and networking opportunities in Finland, which is very positive. There are a lot of equipment and working spaces and a high level of technology, which are important resources for networking and creativity. The rest is the people: the fact that it is possible to go to many events and meet people and become inspired. If you are doing the right thing you can find the right people and you can move together and do the right stuff. Finland is unique in the sense that there is a common understanding of progress. People want to do it better, regardless of whether it is a service or a product. They may be currently doing it wrong because they do not know about it. They are also learning; they want to do the right thing. Therefore, there is a feeling of a hope for the better. There are countries where I would not even talk about my thoughts on improving entrepreneurship because I know it would not get better. However, here I agreed to this interview because I feel that one day things will get better.

Public organisations

Public funding mechanisms are beneficial, and should be targeted at future growth. Tekes plays a huge role for software firms as a gateway to private investments. Tekes is assumed to be involved in all software start-ups. Tekes is seen as a low threshold source of funding, and a start-up grant by Tekes increases private investors' confidence in the business. However, if you have a negative decision from Tekes, then it is very difficult to receive investments from private individuals, because investors are cautious why Tekes had not approved the business idea. Further, if a public organization is involved in the business, it reduces banks' risks and makes them give loans more willingly. Those deciding on applications for public funding have a huge role.

Professional service

Flexibility, practicality and politeness are positive attributes of public organisations, such as Tekes, Finnvera and Te office. If things do not go as planned, it is often possible to renegotiate. Quick and polite responses make communication smooth and efficient and things continue to move forward. A positive improvement in Tekes is a development closer to a venture capitalist style, with less future predictions in the application process. However, this does not mean reducing bureaucracy. Overall, the amount of work required for the results from TE office and TEKES are good.

Findings: Negative factors

Several discouraging factors emerged from the interviews, such as confronting a difficult mindset, finding early stage investment, and a one-sided view of assumptions. Entrepreneurship has many challenges and discouraging moments, however, in your life you cannot carry several uncertainties. If your work is risky and unplanned, and at home there are uncertainties, then it may become overwhelmingly tough. At that point it may make sense to seek for employment for a year or two and then try entrepreneurship again after your life has calmed down. The way how things are in Finland is not perfect, but no system is. It does not make it bad, but it is simply a reality. It is important to acknowledge that this is where we are currently at, and if we are trying to improve the system, then we are on the correct path.

Difficult Mindset

A rigid and closed mindset inhibits entrepreneurship. Public institutions that have been around for a long time and have formed the strongest opinions and most strict regulations have the highest risk of being wrong with their opinions and behavior. For instance, strict regulations on office hours that limit the availability of a working space for entrepreneurs are highly unlikely to encourage entrepreneurship. False arguments to support strict regulations, such as: “If you are an entrepreneur and you cannot wake up at 7am then you cannot run a company” are discouraging and the lack of understanding towards entrepreneurs is disheartening, because some people are most productive outside of common office hours.

Generally, entrepreneurs can call anyone and have good chances of arranging a meeting, in comparison to an employee in a corporation and calling another corporation. People are curious to see what kind of entrepreneur you are, and others may get something out of the meeting with an entrepreneur. However, large companies do not have a hurry anywhere, and neither does the state. An entrepreneur may find reluctance to change and face replies such as: “This is how it has always been done before” or “A small, new company cannot solve our problems.” The world is slow, and achieving change is slow, which discourages entrepreneurs.

Many people out there, so called coaches, tend to be “destructive”. They waste your time, give wrong opinions and force ideas into you. However, a real coach sits next to you, thinks with you and works together with you. A real coach is not necessarily a person who has been known as a coach or has seen a

hundred start-ups. Watching a hundred pitches does not make you a real coach. You are a coach if you can sit next to the entrepreneur and work together.

Financing

Early stage funding is very important for start-ups, and investing programs in Finland are beneficial and a step in the right direction. However, the Finnish market is small and lacks the large investors or investing mechanisms that can be found in larger markets. There is more money moving around in larger markets, which makes them an attractive option for entrepreneurs and investors. Not only does Finland have a small amount of investors, but also, it lacks early stage investors. Many investors claim to be early stage investors but all they ask for are later stage. Further, private investors say they invest in people and nothing else. When you show them the people, they ask for business model, customers, traction and other facts and figures. Networks are often the key to early stage investors; when you know some investors for a long time, they get to know you and like you and even though they know you are going to fail they still give you money, because they expect you to be able to get back on your feet quickly and do better next time. Simply put, early stage investors act according to how they feel about the entrepreneur. Therefore, for an entrepreneur to understand the investors, it is important to understand the concept of "thinking diverse," which is about the way how people think and what motivates them. These play a major role on defining who people are and how people will behave and react.

Finland has a budget for start-up grants, which are provided as small sums of money to a large number of candidates. However, the money that is received from public funding programs is generally not enough to get production to a level required for making the business stable. Further, applying for a start-up grant is a time-consuming process and the best written application may not guarantee a successful start-up. However, that is what the funding is based on. Another source of frustration for entrepreneurs is spending vast amounts of time filling in the application, but the application is not accepted because this year's money for startup funding has already been used up. Some institutions providing start-up grants require future predictions that are very accurate. It is impossible to predict the future, and the person who most accurately predicts the future is most probably wrong. One approach to the application process is the creation of a "to-do" list of what is required to earn the startup funding and then calculating whether it makes sense to put the time and effort into applying for the funding. With this approach, applying for startup funding can be a good opportunity to train a) predicting the future b) evaluating how much time and effort it would take to get the desired results. This approach is also a good test for start-ups that intend to internationalize; if the start-up grant application does not go

through, it would probably prove challenging to operate the business itself, because international markets are much more complex than the start-up grant application. In the business world, you rarely get nice answers and sometimes people may not answer you at all. At times, Finnish government institutions can be unpredictable. After applying for a start-up grant and being accepted for the first phase, it is assumed that the institution would also be in the next phase. However, it may turn out that the institution does not take part afterwards, which can be confusing and discouraging. If you do not have much experience in dealing with government institutions, it will take some time to learn how to play the game.

Assumptions

A one-sided view of assumptions can discourage people from engaging in entrepreneurship. Common discouraging assumptions held by Finnish people about entrepreneurship are that it is very difficult, lonely and risky. The reality of entrepreneurship confirms these assumptions in several ways. There may be months when you don't earn income, which add to the challenge and stress of entrepreneurship. The company's performance is the entrepreneur's, or co-founding team's, responsibility. In teams, it may not always be clear who should be responsible and for what, which can lead to additional challenges if something is not completed and responsibility for specific tasks has not yet been assigned. There is a lot of work, every single thing has to be done from setting up the business to daily operations to future planning, and success is not guaranteed. The entrepreneur needs to have a motivational driver, a purposeful goal that the entrepreneur hopes to achieve, in order to not lose a sense of direction and reason to further pursue the business venture. It can be discouraging if entrepreneurs feel that they are wasting resources, such as money or employees' time on projects or operations that are inefficient. Considerations about performance, whether it is the most efficient way of doing things, can become tiresome and discouraging if you think too much and too deep about it.

Discussion

This research identifies several areas for improvement that could enhance the entrepreneurship ecosystem in Finland. OECD (2017) urges Finland to make changes in the way things are to increase innovativeness and competition. OECD (2017) suggests a reformation of the Finnish government to generate a whole-of-government policy for innovation-enabling system transitions. A new model for public-private partnerships and the combined efforts of national and regional actors are required for pursuing this reformation. The findings indicate a need for change in the entrepreneurship ecosystem in areas such as accessing information, addressing pitfalls of entrepreneurship and developing the entrepreneurship environment by having the public sector take the role of creating an "entrepreneurial market." OECD (2017) proposes seven changes to increase innovativeness and competition in Finland. The first is recognizing the continued importance of R&D, innovation and skills. Public spending on research and development has been diminishing for several years and needs to increase, changing from a contractionary policy to an expansionary policy. The second change is developing a new vision for Finnish research and innovation policy with a primary focus on radical innovations. The third and fourth ones are fostering innovation, productivity and diversification in the business sector and enhancing research addressing industrial and societal challenges. Innovations driven by economic needs and societal challenges in Finland, such as energy efficiency, climate change and an ageing population, are beneficial to both the economy and society. Further, several other countries face similar challenges, which opens up the possibility of expanding to foreign markets after a successful launch in Finland. The fifth change is completing the reform of higher education institutions and public research institutes by building a critical mass to become competitive research environments with high specialization. The sixth change is improving internationalization of business research. Attracting foreign talent and FDI in both production and research and innovation activities is vital to improve Finland's economic performance, innovation system and develop competitive advantages. Attractive characteristics of Finland that may appeal to foreign talent are the business environment, quality of life, proximity to nature and the safe environment. The seventh change is to further improve framework conditions for innovation and entrepreneurship. The current policies are reactive and unpredictable, however, proactive policies would better serve the system as they continuously transform and move the entire innovation system forwards. Economic development benefits from policies that encourage vigorous competition, smooth firm entry, removal of cumbersome regulations in certain sectors, and increase flexibility in labour markets. However, societal development may not benefit from all of the mentioned policies, such as

increased flexibility in labour markets. The literature review and the findings indicate that there is a need for change.

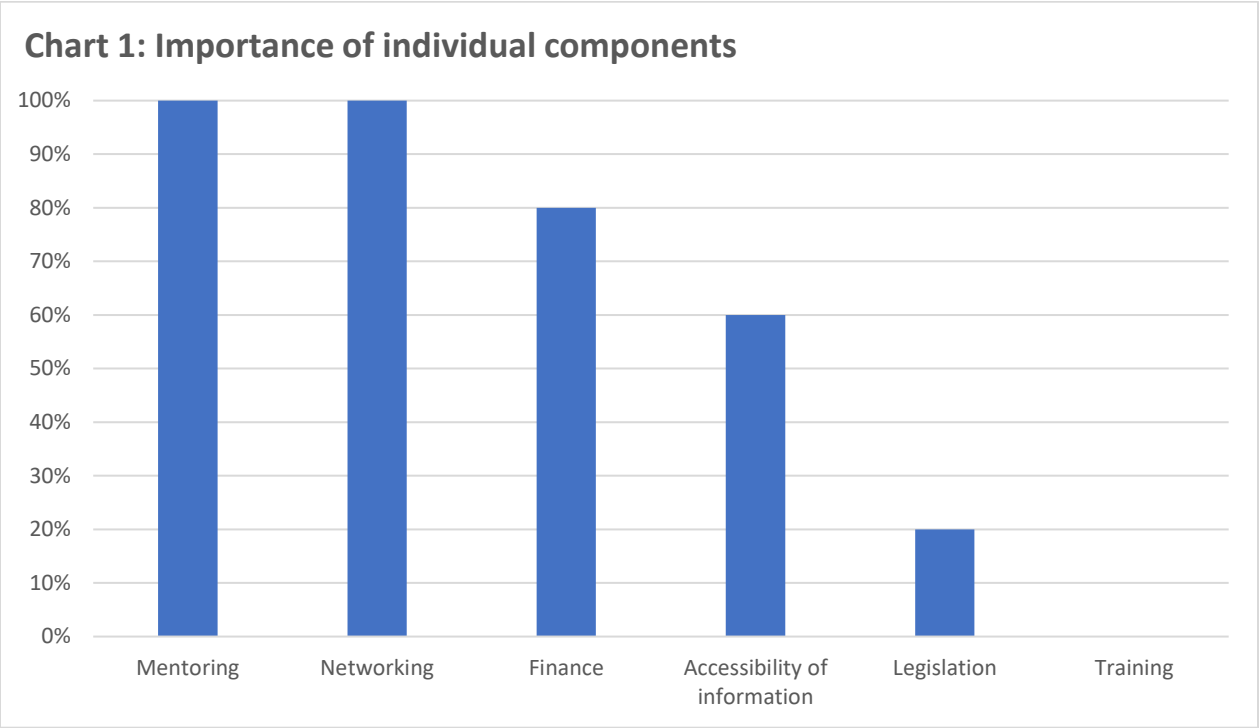
Conclusion 1: Finland needs to change the way things are to make the environment more innovative.

Innovation is closely linked to entrepreneurship, however, it is important to also note that it is not a prerequisite for entrepreneurship. A common trend is for investors is to seek out entrepreneurs with an unoriginal idea, but with an excellent way to execute the idea. Therefore, it is equally important to develop the environment to suit the needs of entrepreneurship, and not only focus on improving innovativeness. The conceptual framework builds on six factors that could improve the environment for entrepreneurship. At first, there seemed to be a large variance in which components were most important. However, towards the end of the research, two components were consistently regarded as highly valuable, and these are mentoring and networking. The other four components of the conceptual framework had varying results, and their importance was more dependent on each individual case. These are depicted in Table 3 and Chart 1.

Table 3. Results of the conceptual framework

	Low importance	Average importance	High importance	Interviewees who see the component as highly important
Mentoring	-	-	5	100 %
Networking	-	-	5	100 %
Finance	-	1	4	80 %
Accessibility of information	1	1	3	60 %
Legislation	3	1	1	20 %
Training	2	3	-	0 %

The interview responses have been summarized according to the level of importance for each component of the conceptual framework.



The interview responses have been graphically represented according to how many interviewees found the component to be highly important on its own.

It is important to note, however, that other factors apart from those in the conceptual framework have an influence on entrepreneurship, and their influence has not been measured. Further, this research does not investigate correlations between different factors, and there may be combinations that could work out even better to improve the entrepreneurial environment than a single component. However, the results from this research indicate that the two essential factors that enhance entrepreneurship are mentoring and networking. The third component, financing, is also highly valued among the interviewees. However, serial entrepreneur Dan Lok (2015) elaborates on financing and suggests that leveraging is more important than venture capital. His key lesson for an entrepreneur to succeed is that the entrepreneur does not need money, but a better strategy. This viewpoint could be a research topic of its own, and further research on this viewpoint is necessary to understand how it applies in a Finnish context, before proceeding to theory building in this area. Although this research finds that educational training alone does not have a high importance in nascent entrepreneurship, the literature review suggests that a combination of educational training and practical experience would be productive. Educational training has also received positive comments for improving an entrepreneurs' self-

confidence to take the first steps towards entrepreneurship. Another interesting point that has risen during a discussion about this research is the high focus of business pitching in entrepreneurship education. Many business schools these days focus heavily on business pitching skills at the expense of other skills necessary to run a business, and in the worst cases, entrepreneurship students perform outstanding business pitches but have no clue on how to proceed with the business idea they just pitched. This would suggest a rework in entrepreneurial education by reducing the focus on business pitching and going back to basics. The validity of this argument would be a research topic on its own and is definitely a topic worth pursuing, because business pitches are very commonly used to assess business ideas and teams without actually knowing the team members at a personal level. The high popularity of business pitches is likely to have affected the way how entrepreneurship education is being carried out in business schools and other organisations.

An environment in which several of the studied components can be found is a community. Communities are important for providing a suitable environment to shape innovations and providing important components, such as networks. Further, Lambooy (2005) brings forth the idea that innovation is the result of continuous interaction between individuals and "environments", such as communities. Shepherd and Patzelt (2017) agree that a community's social forces, feedback, and criticism will continue to shape an innovation that has not been finalized. Therefore, a community serves several roles, such as improving innovations and providing networking opportunities. A proposed conclusion is:

> *Conclusion 2: Building a well-functioning community for entrepreneurs is key to a strong entrepreneurship ecosystem.*

Establishing a community for entrepreneurs

Mazzarol (2014) introduces nine building blocks of entrepreneurship ecosystems, which are government policy; regulatory framework and infrastructure; funding and finance; culture; mentors, advisors and support systems; universities as catalysts; education and training; human capital and workforce; and local and global markets. The building block that this research is mainly focused on is mentors, advisors and support systems. In Finland, the core values that a community should be built around are networking and mentoring. The findings indicate that both are highly valuable in entrepreneurship. Networking can give access to the other five components studied in this research, and in some start-ups it is a determinant between success and failure, because it can provide direct contact with co-founders, employees and customers. Business clusters, open working spaces and communities provide good networking opportunities. Finland has a large amount of experienced entrepreneurs, and this

experience is a valuable asset that new entrepreneurs would greatly benefit from. Further, the interviewees pointed out that there exists this sense of goodwill in the entrepreneurship community in Finland, in which newcomers can receive a lot of support and guidance and they get a feeling of being in the same boat. If an experienced entrepreneur agrees to mentor a new entrepreneur, the knowledge and experience can prevent the new entrepreneur from failing and help to achieve goals more efficiently. The findings indicate that nascent entrepreneurs often see themselves and the problems they face as unique, however, they actually go through similar problems from the start.

Conclusion 3: Entrepreneurship should be seen more as a cooperation rather than an individual struggle.

Mentorship gives a head-start to entrepreneurship and an opportunity to jump over the common fails. Mentoring is also an essential tool for identifying an entrepreneur's self-image, which is important to understand as early as possible. An entrepreneur's self-image takes into consideration personal characteristics such as aspirations, passion and life goals, which will act as motivational drivers later on. The entrepreneurial environment should be welcoming, supportive and open to everyone. Further, diversity is essential for a rich exchange of ideas, and therefore should be encouraged. An open community that is easy to access and that provides services that are open for everyone is suitable for encouraging a variety of people to join. An active ecosystem, where there is a constant stream of new entrepreneurs, enables matching new entrepreneurs with those who have one or two years more experience. The continuous input of new talents into the community creates a sustainable, dynamic and self-regulating environment, because new talents can find or be assigned more experienced entrepreneurs as mentors. At first, new talents will take from the community, but later on they will give back to the community. Once the new talents have received mentorship and gained more experience over a year or two, they will be able to give back to the community by mentoring the newest talents of the community. The motivational driver is good-will between both sides, which is backed up with the finding that successful entrepreneurs tend to be helpful and willing to give if they see that the nascent entrepreneur is willing to learn.

Conclusion 4: The core values of a well-functioning community for entrepreneurs are networking, mentoring and good-will.

The first stepping stone for establishing a community are favorable conditions in the entrepreneurship ecosystem. Autio *et al.* (2014) states that in Finland, current entrepreneurship policies are associated with different support initiatives to nurture entrepreneurship ecosystems. Isenberg (2010) theorizes nine overarching components for the creation of an entrepreneurship ecosystem, which are to stop

copying Silicon Valley; shape the ecosystem around local conditions; engage the private sector from the start; favour firms with the capacity for innovation and global market engagement; get a big win on board to stimulate motivation; tackle challenges head-on through active communication and education programs; provide funding only to firms that are profitable and sustainable with good financial management; help clusters grow organically; reform legal, bureaucratic, and regulatory frameworks so that there are no unnecessary impediments to entrepreneurship and small business growth. From a closer perspective, there are positive and negative factors that need to be paid attention to for the creation of an entrepreneurship ecosystem. The positive factors that encourage entrepreneurship are the people in the start-up; available resources for productivity, such as working spaces and entrepreneurial events; public organisations that provide start-up funding; and professional service by other companies and organisations. On the other hand, negative factors are dealing with third parties that have a rigid and closed mindset; difficulties finding early stage funding; and having negative assumptions about entrepreneurship before trying it out. The entrepreneurial environment in Finland has seen improvements for the better by encouraging other stakeholders apart from the winners, for instance through Aalto Entrepreneurship Society's Day for Failure. It is also an important role of the community to encourage early stage investing by recognizing and rewarding investors who take the risk of investing in start-ups that are not earning profits. Further, it is important to recognize and reward other remarkable achievements, such as entrepreneurs who find customers or entrepreneurs who establish a profitable start-up without receiving any start-up funding. Currently, early stage investors are not encouraged and rewarded enough for their efforts and risks to inspire more early stage investing. Entrepreneurial events are a significant part of the community, because they provide very good opportunities to meet people that give a spark of inspiration.

The role of large organisations in an entrepreneurship ecosystem

Several different types of actors are involved in an ecosystem; however, Mazzarol (2014) suggests that the government may be the most important component of an entrepreneurship ecosystem, because it has a direct influence on small businesses and entrepreneurship as well as a wide cross-section of policies relating to taxation, financial services, telecommunications, transportation, labour markets, immigration, industry support, education and training, infrastructure and health. Foord (2008) discusses six ways how governments can provide support for entrepreneurs: Property and premises strategies; Business development, advice and network building; Direct grants and loans schemes to creative businesses/entrepreneurs; Fiscal initiatives; Physical and IT infrastructure; and soft infrastructure.

Mazzarol (2014) also specifies that an indirect leadership style is more appropriate for the government and that the role of government is essentially that of a facilitator. The research findings show six key areas in which large organizations can make a difference to improve the entrepreneurship ecosystem and, in some cases, act as a facilitator. The first is about taking the first steps in entrepreneurship and giving a clear sense of direction from the beginning, which can strengthen a nascent entrepreneur's motivation and confidence. Who else would be a better person to tell how to get started if not an entrepreneur? Therefore, mentorship is essential, and facilitating events that connect nascent entrepreneurs with mentors would be an important role of large organisations. The second key area is getting information quickly and easily. One improvement is developing electronic services for entrepreneurship such that they are clear and simple. Another efficient way of finding relevant information fast would be contacting an experienced person and asking the question directly. According to the findings, many of the problems that nascent entrepreneurs face are similar in nature, and therefore a suitable contact person would be a mentor, because the mentor has already gone through the stages of starting up a company. The third key area is developing a competitive mindset to prepare the entrepreneur for the competition and all the hard work that lies ahead. Training programs and mentorship can help to push an entrepreneur forward and develop a suitable mindset. On the other hand, if an individual is turning to necessity entrepreneurship as a last resort to find a source of income, then the mindset may not be the most suitable one to engage in entrepreneurship. The fourth key area is developing the environment for entrepreneurship by having the public sector take the role of creating an "entrepreneurial market," in which there is a demand for entrepreneurs. The entrepreneurial environment should encourage all stakeholders and not just favor winners. Entrepreneurial events stimulate the environment and are very good opportunities to meet people that give inspiration. The fifth key area is addressing the pitfalls of entrepreneurship. If an entrepreneur finances a start-up by taking a loan and backing it up with real estate, there is a tremendous amount at risk. Ending in bankruptcy could result in losing a home to stay in and living in debt for the rest of the entrepreneur's life. The risk of personal bankruptcy needs to be reduced, either through other ways to back up loans or finding other creative solutions. The sixth key area, which also encompasses several other key areas mentioned above, is hiring and joining start-ups. One of the best ways to learn entrepreneurship is by joining start-ups. Doing things in practice and 'learning by doing' help to understand where to start, what information is good to know and how competitive the environment may be. For instance, training programs lead by large organisations or educational institutions that direct those interested in entrepreneurship to volunteer in start-ups would greatly benefit all parties.

Conclusion 5: Large organisations, and especially the government, have a big influence on entrepreneurship and the development of communities for entrepreneurs.

Challenges entrepreneurs face and how they are dealt with in Finland

Isenberg (2014) summarises the top three challenges for entrepreneurs around the world to be access to talent, excessive bureaucracy, and scarce early stage capital. However, these three are at a relatively good level in Finland. Access to talent can be found through networking and head-hunting services. Entrepreneurship communities in Finland are strong and capable, and provide great places for networking. In addition, the bureaucracy for starting up and operating a company in Finland are more favorable than in many other countries, especially now that start-ups can be established electronically. However, non-EU citizens have an additional challenge, because they are required to have a secure income to be eligible to stay in Finland. This is an obstacle to entrepreneurship, because there seldom is a secure income at the early stages. Early stage private investments are scarce in Finland, however, public financing for start-ups is unique in the sense that it is possible to get money for a relatively small amount of effort. Larger markets, such as those in Asia, have larger venture capital, but also a lot more competition. Financing through public organisations, such as start-up grants by TE office, are an important support for entrepreneurs, especially for non-EU citizens, who do not receive any government aid in Finland.

Potential research opportunities

Future research can extend this study through the use of different research methods. Consistent results strengthen the existing theories and hypotheses, whereas differing results signal the need for additional theorizing. This study suggests that mentoring and networking are the most important factors that improve nascent entrepreneurship, however, research on these factors is still at an early stage. Additional research is necessary to understand the different ways how these two factors can improve nascent entrepreneurship and whether it applies for nascent entrepreneurs or a different group. On the topic of mentorship, an important field of research would be investigating what characteristics make a good mentor. Further, it is beneficial to conduct similar research on the other four factors, which are financing, training, legislation and accessibility of information. In particular, Dan Lok's view that "an

entrepreneur does not need money, but a better strategy" is likely to be a rewarding topic of further research.

A topic for further research on communities is investigating the different ways how a community affects entrepreneurship, and in particular, studying the interaction between an entrepreneur and the surrounding people during the ideation phase. The literature suggests that a potential business opportunity is shaped by the way how an entrepreneur and the community interact with each other, however, it is still unclear how much the potential opportunity changes, and which factors have the most influence. This opens up possibilities for further research on the factors within a community that enhance or inhibit the development of a potential business opportunity.

Early stage investing was found to have plenty of room for improvement in Finland. Investigating the role of early stage investing and what would encourage investors to take the risk and fund start-ups is a fruitful research topic. Another topic for further research is investigating what the largest problem for a nascent entrepreneur is, whether the bottleneck is the feeling of being lost and not knowing where to start or fear of failure or lack of financing or some other reason(s). Entrepreneurship has several pitfalls, which can lead to large debts and dramatic negative changes in an entrepreneur's life. Conducting a research on all the types of pitfalls in Finland is essential to understand them and to construct ways to reduce their effect. In addition, if an entrepreneur starts a company, ends in bankruptcy, but does not have a chance to try again or to pass on the knowledge and experienced gained from the first company, then a huge amount of information is lost. Further research could be conducted on ways how this knowledge and experience could be passed on and learned from.

Conclusion

This study adds to entrepreneurship research in Finland by providing insight on how entrepreneurs would help nascent entrepreneurs. These insights are based on experiences and ways to overcome problems in the local environment, which limits the application of these research results to Finland. Engaging in this study has also developed the personal characteristics of the researcher, namely in areas such as confidence in entrepreneurship and entrepreneurial competence. The starting point in this research is an understanding that entrepreneurship and innovation are important for economic development, growth, and progress. Improving conditions for entrepreneurship and encouraging radical innovation to address industrial and societal challenges are highly recommended by OECD. Improving entrepreneurship is not the responsibility of a single entity; it is a collective effort of several different actors. The government has a large role to play in creating the conditions for entrepreneurship to flourish, however, smaller entities, such as communities, also have important roles in the ecosystem. Six key areas for governments and larger entities to further develop are offering guidance to nascent entrepreneurs to assist with the first steps of a start-up; getting information about entrepreneurship efficiently; helping entrepreneurs develop a competitive mindset to prepare for the competition and hard work related to a start-up; developing the environment for entrepreneurship by creating an "entrepreneurial market"; addressing the pitfalls of entrepreneurship; and assisting people interested in entrepreneurship to join or be hired by start-ups. Entrepreneurship communities provide a suitable environment for an entrepreneur to join and share their innovations and experience. In turn, the community's social forces, feedback, and criticism can help to improve potential business opportunities. Three recommended core values of an entrepreneurship community are networking, mentoring and good-will. Financing is important in entrepreneurship and Finland has several public organisations that cover small start-up funding, however, early stage capital is scarce. It would be an important role of the ecosystem to encourage early stage investing by recognizing and rewarding investors who take the risk of investing in start-ups that are not earning profits, instead of recognizing and rewarding only those investors who realize large returns by investing in start-ups that are already growing and profitable. Other remarkable achievements are also worthy of recognition, such as entrepreneurs who find customers or entrepreneurs who establish a profitable start-up without receiving any start-up funding. An environment that encourages and rewards early stage investing is likely to generate more early stage investing. The legislation for entrepreneurship and accessibility of information are sufficient, however, legislations for non-EU citizens and simplifying e-services still have room for improvement. Educational training programs that are often offered as entrepreneurship support by organizations would greatly

benefit from programs where the participants can apply the knowledge in practice, such as through internship programs in start-ups. The entrepreneurial environment can benefit from developing and encouraging positive factors and understanding the negative factors. The positive ones are available resources for productivity, such as working spaces and entrepreneurial events; start-up funding; and professional service by other companies and organisations. A motivational factor that encourages engaging in entrepreneurship are the people and colleagues in the start-up. On the other hand, negative factors that discourage entrepreneurship are dealing with third parties that have a rigid and closed mindset; difficulties finding early stage funding; and having negative assumptions about entrepreneurship before giving it a try. To continue this research, it would be important to investigate the importance of other factors that encourage or inhibit entrepreneurship. These factors are unique for every entrepreneur. However, it would be an important finding if they have similarities according to geography, demography, or other components in the environment the entrepreneur is in, because then it may be possible to propose precise strategies for assisting nascent entrepreneurs. One factor that would be assumed to be highly important in entrepreneurship is learnability, and studying the role of learnability can be a fruitful topic of further research. To conclude this research; The government is important for creating the conditions for entrepreneurship to flourish. Communities are important for encouraging entrepreneurs and providing tools to grow and succeed. Entrepreneurs are important for being innovators and carrying out innovations.

References

Aaltoes (2017) *About us.* Available at: https://aaltoes.com/#about [Accessed: 21.06.2017]

Acs, Z., Autio, E. and Szerb, L. (2012) *National Systems of Entrepreneurship: Measurement Issues and Policy Implications*. SSRN eLibrary.

Arcticstartup (2016) *About.* Available at: http://arcticstartup.com/about/ [Accessed: 21.06.2017]

Autio, E. (2007) *GEM 2007 Report on High-Growth Entrepreneurship*, GEM Global Reports. London: GERA.

Autio, E., Ho, Y. and Wong, P. (2005) *Entrepreneurship, Innovation and Economic Growth: Evidence from GEM data.* Available at: http://web.a.ebscohost.com.libproxy.aalto.fi/ehost/pdfviewer/pdfviewer?vid=32&sid=59423292-e4b2-4c49-ba88-8c2f2a9f4505%40sessionmgr4008&hid=4204 [Accessed: 12.06.2017]

Autio, E., Handelberg, J., Kiuru, P. and Rannikko, H. (2014) *Analyses on the Finnish High-Growth Entrepreneurship Ecosystem.* Available at: https://aaltodoc.aalto.fi/handle/123456789/12444 [Accessed: 12.06.2017]

Badal, S., Hashemi, S. and Schuler, S. (1998). *Men's violence against women in rural Bangladesh: Undermined or exacerbated by microcredit programmes?* Development in Practice, 8(2), 148–157.

Baumol, W. (2002) *The Free-market Innovation Machine. Analyzing the Growth Miracle of Capitalism* (Princeton, NJ: Princeton University Press).

Berozashvili, A. (2011) *Swedish Government's targeted entrepreneurship policy to encourage entrepreneurship among women.* Available at: http://www.diva-portal.org/smash/record.jsf?pid=diva2%3A444611&dswid=-8158#sthash.2AcnOoNB.dpbs [Accessed: 15.09.2017]

Birch, D. (1979) *The Job Generation Process*. Unpublished M S Thesis, MIT, Cambridge, Boston.

Birch, D., Haggerty, A. and Parsons, W. (1997) *Who's Creating Jobs?* Cambridge, MA: Cognetics

Bornstein, D. (2004). *How to change the world: Social entrepreneurs and the power of new ideas.* Oxford: Oxford University Press.

Burgelman, R. A. (1984). *Designs for corporate entrepreneurship in established firms*. California Management Review, 26(3), 154–166.

Carter, N., Gartner, W. and Reynolds, P. (1996). *Exploring start-up event sequences*. Journal of Business Venturing, 11(3), 151–166.

Cooke, P., Heidenreich, M. and Braczyk, H.-J. (2004) *Regional Innovation Systems.* (London: Routledge).

Corbin, J. and Strauss, A. (2008) *Basics of Qualitative Research* (3rd edn). Thousand Oaks, CA: Sage.

Covin, J. and Miles, M. (1999). *Corporate entrepreneurship and the pursuit of competitive advantage.* Entrepreneurship Theory and Practice, 23(3), 47–47.

Cannell, C. and Kahn, R. (1957) *The dynamics of Interviewing.* New York and Chichester: Wiley.

Capon, N., Farley, J. and Hoenig, S. (1990) *Determinants of financial performance: A meta-analysis. Management Science*, 36(10), 1143–1159.

Castells, M. and Himanen, P. (2002) *The Information Society and the Welfare State; The Finnish Model.* (Oxford: Oxford University Press).

Cooper, D. and Schindler, P. (2008) *Business Research Methods* (10th edn). London: McGraw-Hill.

Corbin, J. and Strauss, A. (2008) *Basics of Qualitative research* (3rd edn). Thousand Oaks, CA: Sage.

Dacin, M. T., Dacin, P. A. and Tracey, P. (2011) *Social entrepreneurship: A critique and future directions*. Organization Science, 22(5), 1203–1213.

Dan Lok (2015) *How To Buy A Business With No Money*. [Online Video] Available at: https://www.youtube.com/watch?v=JGenV2sVkBE [Accessed: 15.09.2017]

Dean, T. J. and McMullen, J. S. (2007). *Toward a theory of sustainable entrepreneurship: Reducing environmental degradation through entrepreneurial action*. Journal of Business Venturing, 22(1), 50–76.

Dey, I. (1993) *Qualitative Data Analysis.* London: Routledge.

Doing Business (2017) *Economy Rankings.* Available at: http://www.doingbusiness.org/rankings [Accessed: 15.06.2017]

Dorfman, R. and Dorfman, N. S. (1993). *Economics of the environment: Selected readings*. WW Norton and Company.

Easterby-Smith, M., Thorpe, R., Jackson, P. and Lowe, A. (2008) *Management Research* (3rd edn). London: Sage.

Eisenhardt, K. and Martin, J. A. (2000) *Dynamic capabilities: What are they?* Strategic Management Journal, 21(10-11), 1105–1121.

ELY centre (2017) *Centre for Economic Development, Transport and the Environment.* Available at: https://www.ely-keskus.fi/en/web/ely-en/ [Accessed: 16.06.2017]

Enterprise Finland (2017) *Business services at one address.* Available at: https://yrityssuomi.fi/en/ [Accessed: 16.06.2017]

EUR-Lex (2017) *Access to European Union Law*. Available at: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:31995L0046 [Accessed 10.06.2017].

Finnvera (2017) *Finnvera in Brief.* Available at: https://www.finnvera.fi/eng/finnvera/finnvera-in-brief/finnvera-introduction [Accessed: 16.06.2017]

Finpro (2017) *Finpro.* Available at: http://www.finpro.fi/web/finpro-eng/finpro [Accessed: 21.06.2017]

Florida, R. (2004) *America's looming creativity crisis*, Harvard Business Review, 82(10), pp. 122–136.

Foord, J. (2008) *Strategies for creative industries: an international review*. Creative Industries Journal 1(2): 91-113. doi:10.1386/cij.l.2.91_l

Foss, K., Foss, N. J., Klein, P. G. and Klein, S. K. (2007). *The entrepreneurial organization of heterogeneous capital*. Journal of Management Studies, 44, 1165–1186.

Ghauri, P. and Grønhaug, K. (2005) *Research Methods in Business Studies: A practical Guide* (3rd edn). Harlow: Financial Times Prentice Hall.

Glaser, B. and Strauss, A. (1967) *The Discovery of Grounded Theory.* Chicago, IL: Aldine.

Gregersen, B. and Johnson, B. (1997) Learning Economies, Innovation Systems and European Integration, Regional Studies, 31(5), pp. 479–490.

Hirsch-Kreinsen, H., Hahn, K. and Jacobsen, D. (2008) '*The Low-tech Issue' in Innovation in Low-Tech Firms and Industries*, H. Hirsch-Kreinsen, D. Jacobsen, (Eds) and Cheltenham, Edward Elgar: 3-24.

Hull, C. and Rothenberg, S. (2008) *Firm performance: The interactions of corporate social performance with innovation and industry differentiation*. Strategic Management Journal, 29(7), 781–789.

Isenberg, D. (2010) *How to start an Entrepreneurial Revolution,* Harvard Business Review 88(6): 40-51.

Isenberg, D. (2014) *What an Entrepreneurship Ecosystem Actually is.* Available at: https://hbr.org/2014/05/what-an-entrepreneurial-ecosystem-actually-is [Accessed: 20.06.2017]

Jankowicz, A. (2005) *Business Research Projects* (4th edn). London: Business Press Thomson Learning.

Kent, C. Sexton, D. and Vesper, K. (1982) *Encyclopedia of Entrepreneurship.* Englewood Cliffs, NJ: Prentice-Hall.

Khan, F. R., Munir, K. A. and Willmott, H. (2007). *A dark side of institutional entrepreneurship: Soccer balls, child labour and postcolonial impoverishment*. Organization Studies, 28(7), 1055–1077.

Klein, P. G. (2008). *Opportunity discovery, entrepreneurial action, and economic organization*. Strategic Entrepreneurship Journal, 2(3), 175–190.

Kvale, S. (1996) *InterViews.* Thousand Oaks, CA: Sage.

Lambooy, J. (2005) *Innovation and Knowledge: Theory and Regional Policy.* Avalable at: http://www.tandfonline.com/doi/abs/10.1080/09654310500336444 [Accessed: 15.06.2017]

Li, H. and Atuahene-Gima, K. (2001) *Product innovation strategy and the performance of new technology ventures in China.* Academy of Management Journal, 44(6), 1123–1134.

Lundström, A. and Stevenson, L. (2001) *Patterns and trends in entrepreneurship/SME policy and practice in ten economies.* Available at: http://eng.entreprenorskapsforum.se/wp-content/uploads/2011/02/Patternsandtrends.pdf [Accessed: 16.06.2017]

Lundvall, B. (Ed.) (1992) *National Systems of Innovation: Towards a Theory of Innovation an Interactive Learning.* London: Pinter.

Marshall, C. and Rossman, G. (1999) *Designing Qualitative Research* (3rd edn). Thousand Oaks, CA: Sage.

Mazzarol, T. (2014) *Growing and sustaining entrepreneurial ecosystems: What they are and the role of government policy*, White Paper WP01-2014, Small Enterprise Association of Australia and New Zealand (SEAANZ), www.seaanz.org

McMullen, J. S. and Shepherd, D. A. (2006) *Entrepreneurial action and the role of uncertainty in the theory of the entrepreneur*. Academy of Management Review, 31(1), 132–152.

Neuman, W. (2005) *Social Research Methods* (6th edn). London: Pearson.

Nuoretyrittajat (2017) *Community of young entrepreneurs and students*. Available at: https://www.nuoretyrittajat.fi/en/young-entrepreneurs [Accessed: 28.06.2017]

OECD (2017) *Reviews of Innovation Policy: Finland 2017.* Available at: http://www.keepeek.com/Digital-Asset-Management/oecd/science-and-technology/oecd-reviews-of-innovation-policy-finland-2017_9789264276369-en#.WUQjR2iGOUk#page13 [Accessed: 16.06.2017]

Porter, M. (1990) *The Competitive Advantage of Nations*. (London: MacMillan).

Reboud, S., Mazzarol, T. and Soutar, G.N. (2014) *Low-Tech vs High-Tech Entrepreneurship: A study in France and Australia,* Journal of Innovation Economics and Management 2(14): 121-141

Roberts, D. and Woods, C. (2005). *Changing the world on a shoestring: The concept of social entrepreneurship.* University of Auckland Business Review, 7, 45–51.

Robson, C. (2002) *Real World Research* (2nd edn). Oxford: Blackwell.

Saunders, M., Lewis, P. and Thornhill, A. (2009) *Research Methods for Business Students* (5th edn). Pearson Education Limited.

Schatzman, L. and Strauss, A. (1973) *Field Research: Strategies for a Natural Sociology.* Englewood Cliffs, NJ: Prentice-Hall.

Schumpeter, J. (1911, 1936) *The Theory of Economic Development.* Cambridge, MA: MIT Press. (Translation in 1936 of the original German edition.)

Schumpeter, J. (1934) *The Theory of Economic Development.* New Brunswick: Transaction Publishers.

Schumpeter, J. (1942) *Capitalism, Socialism and Democracy*. New York: Harper and Brothers.

Sekaran, U. (2003) *Research Methods for Business: A Skill-building Approach* (4th edn). New York: Wiley.

Shepherd, D. and Patzelt, H. (2017) *Trailblazing in Entrepreneurship.* Available at: http://seeconf.org/trailblazing%202017.pdf [Accessed: 15.06.2017]

Silverman, D. (2007) *A Very Short, Fairly Interesting and Reasonably Cheap Book about Qualitative Research.* London: Sage.

SITRA (2017) *The future is a team effort.* Available at: https://www.sitra.fi/en/topics/facts-about-sitra/#what-is-it-about [Accessed: 16.06.2017]

Talousapu (2017) *Maksuton puhelinneuvonta ja nettipalvelu yrittäjille.* Available at: http://www.talousapu.fi/ [Accessed: 21.06.2017]

Teece, D., Pisano, G. and Shuen, A. (1997*) Dynamic capabilities and strategic management.* Strategic Management Journal, 18(7), 509–533.

TEKES (2017) *Funding for the best ideas.* Available at: https://www.tekes.fi/en/ [Accessed: 16.06.2017]

TE-office (2017) *A startup grant supports a new entrepreneur.* Available at: http://www.te-palvelut.fi/te/en/employers/for_entrepreneurs/services_new_entrepreneurs/startup_grant/index.html [Accessed: 16.06.2017]

TheShortcut (2017) *We are the shortcut.* Available at: http://theshortcut.org/#mission [Accessed: 21.06.2017]

Thornhill, S. (2006) *Knowledge, innovation and firm performance in high-and low-technology regimes.* Journal of Business Venturing, 21(5), 687–703.

Tietenberg, T. (2000). *Environmental and natural resource economics*. New York: Addison Wesley.

Uusyrityskeskus (2017) *What are the Finnish Enterprise Agencies?* Available at: https://www.uusyrityskeskus.fi/in-english/ [Accessed: 21.06.2017]

Yin, R. (2003) *Case Study Research: Design and Methods* (3rd edn). Thousand Oaks, CA: Sage.

Zahra, S. A. and Covin, J. G. (1995). *Contextual influences on the corporate entrepreneurship-performance relationship: A longitudinal analysis.* Journal of Business Venturing, 10(1), 43–58.

Zikmund, W. (2000) *Business Research Methods* (6th edn). Fort Worth, TX: Dryden Press.

Appendix: Interview questions

1. I have found six commonly used measures for providing entrepreneurship support. Out of the following, which ones have you used?

-Accessibility of information (for self-research)

-Financing

-Training (eg. Entrepreneurship courses)

-Legislation

-Mentoring, Coaching

-Networking

1.1 Would you like to add another form of start-up support that I haven't mentioned?

2. How important would you rank the five commonly used support measures? (High, medium, low)

3. Did you use specific organisations' services (eg. TEKES, TE toimisto Starttiraha, Finnvera, etc)?

4. From the support that you have used, what are your positive experiences of using them?

5. From the ones you have used, what are your negative experiences of using them?

6. What factors encourage you to try entrepreneurship?

7. What factors discourage you from trying entrepreneurship?

8. How would you improve the current entrepreneurship start up support system in Finland?

Example interview

1. (answered together with question 2)

1.1 These are adequate.

2. Mentoring – Very high. Personal coaching and information would be related to the entrepreneurs self image and activating an entrepreneurs “Me”. Mentoring at the early stages would be very important.

   Networking – High. Having good relations with people is important for finding partners and customers.

   Accessibility – Medium. There is a large amount of literature on entrepreneurship. It is important to get information.

   Financing – High. Finance can be anything. If you set up a consulting firm you don’t need much finance to start. But if you want to create a software or an ice hockey hall, then you need a lot of finance. On the other hand, finance would be directly related to the idea itself. Applying for only finance could be an indicator of how ready an entrepreneur is with the business idea. If finance is difficult to find then it may indicate that you or your idea may not be ready yet. Capital requirements differ, eg. building a software requires a large amount of capital, which can be 0.5-1 million euros.

   Training – Medium. In Finland, training is in a good state. Aalto ventures program and such are great and are definitely beneficial. Howevre, my experience in entrepreneurship is learning from doing. Some entrepreneurs may have done some things in the right order based on their entrepreneurship courses.

   Legislation – Low. Bureaucracy is not a hassle, unless you start up a specific firm, like banking. It is not astrophysics. Buying your own house may be more difficult than starting up a firm.

3. Finnvera, TEKES, TE toimisto, ELY, FinPro. We have also been with development organisations, eg vocational school projects. But it is more about networking. Yrityssuomi has a phone number

service available. But the question that was asked was perhaps too specific, at Yrityssuomi they did not know the answer.

4. Money has been received. Majority of the organisations provide funding. Coordination (of resources) is also provided, eg they offer an easy package of what to do next. TEKES has a huge role in relation to many other sources of funding. If you have a software firm, it is assumed that TEKES is involved. It is a gateway to private investments. If you have a negative decision from TEKES, then it is very difficult to receive investments from private individuals. TEKES is seen as a low threshold source of funding. If TEKES is funding the project, then private investors have more belief in your business. TEKES is seen as a fund that should accept business ideas somewhat loosely/easily. It is difficult to negotiate with private investors if TEKES doesn't grant your business idea funding: "TEKES didn't believe in our idea, but would you?"
   TEKES and Finnvera are flexible, especially Finnvera. If things do not go as planned, it is often possible to renegotiate. For instance on the loan side, the organisations often work together with banks, and if Finnvera is in the business, it reduces banks' risks and makes them give loans more easily. Entrepreneurship could be divided into parts, according to whether the thought has become an idea or the idea has become a concept. Whether the entrepreneur has a customer already or not. Also, an entrepreneur's own experience and career choices affect what help is needed.

5. TEKES is a little unpredictable. It is assumed that TEKES would be along in the next phase, but then it may turn out that TEKES doesn't take part afterwards. If you don't have much experience, it will take some time to learn how to play the game.
   Earlier Finpro (or team finland) had more networks for consulting services, which was more suitable for older and more mature companies. However, it has changed. Instead of providing consultation services, they provide free services.
   TE office has consulting services that are partly paid by TE office and partly by the entrepreneur. But may become a money automat for consulting companies, for them to get a little extra salary. Im not sure how popular these consulting services are.

6. To make the motivation remain, one way is a restricted dose of reward. It becomes an addicting rollercoaster of occasional success. It is also a mental chess-game to exercise your mind, where

you are continuously searching for a model that would make your company more profitable. Then there are other reasons similar to that of a good workplace, you have a good team and you feel happy working there. You also feel the significance of your work when you are working in a good team, which adds a sense of purpose. If you manage to sell your firm, it provides a great bonus.

In general, as an entrepreneur, you can call anyone and have good chances of arranging a meeting (in comparison to working in a corporation and calling another corporation). People are curious to see what kind of entrepreneurs you are, and others may get something out of meeting up with the entrepreneur.

What is the deeper meaning of all of this? Aging, loneliness, etc. Although you may earn less money than some other means, it provides other sources of joy and meaning. Your contribution may provide other things more valuable than money.

7. Big companies that have a closed mindset. Big companies don't have a hurry anywhere, and the state doesn't have a hurry anywhere. The mindset that discourages entrepreneurship is along the lines of: "This is how it has been done before. A small new company can't solve our problems."

   To become a big company with such a mindset, it may be that you start off at 25yrs of age with a great idea, and then you use your next 25years executing that idea. By that time, there then comes along another young lad of 25yrs age to suggest a brilliant idea. Then you say, lets look at that in 25 yrs time. The world is slow, and achieving change is slow, which is frustrating.

   In your life you cant carry several uncertainties. If your work is risky and unplanned, and at home there are uncertainties, then it may become overwhelmingly tough. At that point it may make sense to go to paid work for a year or two and then try entrepreneurship again after your life has calmed down.

   Starting off in Helsinki sets you at a disadvantage, because there isn't much of a local market, and there aren't too many large customers to get the start-up off the ground. Finnish markets are small and slow. Eg in Shanghai or Silicon valley there are a lot more stuff happening around you and a lot faster. Also, you would like to have the best personnel in your firm. Finland has technical skills and programming skills at a good level and good price-quality ratio, however, some areas have room for improvement, such as marketing and commercialization. Finally, if your firm goes bankrupt, then you lose your income.

8. If I could think about this system in higher authorities I would make it more aligned to the markets. There are some confusing cases Eg TEKES starts off with the assumption that the personnel are good at choosing winners (successful entrepreneurs), but I doubt that is the case. In the end it comes down to the three cornerstones: Human, social, financial capital. Which ones are the optimal tools that can be found here. We have experienced entrepreneurs, whose experience would be useful even after bankruptcy. On average, Finns are wealthy and Finland has a high welfare. However, there is very little capital available for investments, it tends to be that the money is tied down in real estate.

   Instead of creating a new institution to provide start-up support services, I would have the public sector take a role of creating an environment for entrepreneurship and creating an "entrepreneurial market."

   Instead of TEKES funding projects, it could invest in investment funds. There are firms that have been set up with public money, but many of them have private investments and their own money in the business. Eg. Healthvillage, (Vertical).

   Recently, the Europe investment fund has begun to guarantee half of the loan. OP and Nordea have taken this into use. They offer loans that may not fulfil all the criteria that they normally require if they have the guarantees from EU investment fund that covers half of the loan and TEKES covers the other half. This has less authorities' involved in the start-up and could be more market-based. It makes money more accessible and could build the environment.

   In Finland, we don't have the courage to play for the winners, but instead it is more even, with distributions of smaller amounts of money to more people. TEKES is a good example. Every year it funds hundreds of projects a little bit, instead of funding a few projects so that they would actually become something. For instance, an Italian researcher had found out that Elon Musks projects had investments worth of TEKES' budget over the last 20 years.