

Growth Trends 2021

In Finland, only one per cent of all companies are medium-sized companies, but these companies account for almost a quarter of the turnover of Finnish companies and more than 20 per cent of private sector employment.

When these figures are combined with small enterprises employing 10–15 people (5.8 per cent of companies), which account for 18.4 per cent of the combined turnover of Finnish companies, it is clear that SMEs have huge potential for growth, export and employment.

Company growth is the engine of the national economy and contributes to the wellbeing of Finland as a whole, but in these exceptional times, the engine is coughing and spluttering both in Finland and elsewhere in the world.

There is hope, however. Business growth comes from courage and ambitious goals. Despite the exceptional situation, companies have bold growth plans. Last year, a total of 660 growth companies completed Kasvu Open's growth company analysis. The companies' combined turnover was 417 million euros. The companies estimated that they will increase this figure by a total of 1.6 billion euros over the next three years.

The companies also predicted that they will create almost 9,000 new jobs in Finland over the same period — despite the coronavirus epidemic.

In Growth Trends 2021, we highlight three trends that are visible and affect the success of growth companies now and in the future.

1. Sales and marketing are the most important development targets for growth companies.

Growth companies identify the lack of know-how in both areas. They are also listed among the most important areas when growth companies are asked about future skills development.

2. Finances and growth financing are always on the agenda of growth companies.

Growth companies consider their financial know-how to be on a good level – but given the opportunity, many would be willing to receive coaching. The most common challenge among growth companies concerns the financing of day-to-day operations.

The average financing need of the growth companies that participated in Kasvu Open's Growth Track® coaching was 813,000 euros per company.

3. The future competence needs of growth companies are related to sales, marketing, and business development.

The biggest bottlenecks are related to export and international know-how, sales, and marketing.

The results of Growth Trends 2021 are based on data provided by 660 growth companies that applied for Kasvu Open in 2020, and on data collected by Kasvuryhmä on the growth opportunities of scaleup companies.

- **Jaana Seppälä**, CEO, Kasvu Open

