

# Research-based Awareness Raising for SME Business Transfers in Finland

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## Abstract

*Objectives.* The main objective of this paper is to increase understanding about the role of a business transfer barometer, implemented by a university, as a significant awareness raising activity and hence an important part of a well-developed business transfer ecosystem. In addition, the objective is to introduce an example of business transfer barometer including the key results of it.

*Literature Review.* The European Commission estimates that approximately 450 000 firms are being transferred each year in the EU27-countries. The annual number of business transfers is relatively small compared to the number of exits or start-ups. However, successfully transferred businesses outperform start-ups with respect to survival, turnover, profit, innovativeness and employment. Awareness raising usually refers mainly to activities related to sellers and buyers at the pre phase of a business transfer process. The aim of awareness raising is generally to promote earlier planning and thus increase preparedness for business transfer. The motivation for developing awareness raising has traditionally been related to the aging of entrepreneurs and the need to ensure the continuity of healthy firms. However, as researchers and policy makers increasingly view business transfers as a vital part of safeguarding healthy dynamics in the economy, awareness raising activities also seek to promote business transfers as a normal strategic action of firms and to strengthen the business transfer culture.

*Approach.* The barometer data was collected in May 2015 by a web-based survey to the members of the Federation of Finnish Enterprises. The target group consisted of entrepreneurs in the age group of 55 years or more. Altogether 1 786 responses were received.

*Results.* According to the barometer results, 39 % of the respondents are planning to sell the firm to an outside buyer at the time when they give up the main responsibility. 27 % are planning to close down the firm whereas 23 % believe they will find a successor within the family. The potential sellers considered finding a buyer or successor as the biggest challenge of business transfer. Valuation was considered the second greatest challenge. Numerous awareness raising activities were linked in some way to the barometer. The barometer has an impact within the Finnish business transfer ecosystem, both increasing awareness and improving the knowledge-base for policy.

*Implications.* The barometer had three different types of awareness raising impacts: the implementation of the survey served as awareness raising, the results could be leveraged in further awareness raising activities and, on a system level, the barometer enables evidence based policy making. Multiplier effects cannot, however, be achieved without a long-term perspective and a systematic approach to business transfer awareness raising. In order to improve coordination and to facilitate the development of long term information gathering systems and effectiveness measures, national advisory boards on business transfers should be considered. Key organizations must be committed to the goal of developing and maintaining a dynamic business transfer ecosystem. Business transfers are a practical way to start, develop and grow businesses. Therefore, it is very important that a systematic and long term approach to implementing business transfer awareness raising activities should be adopted.

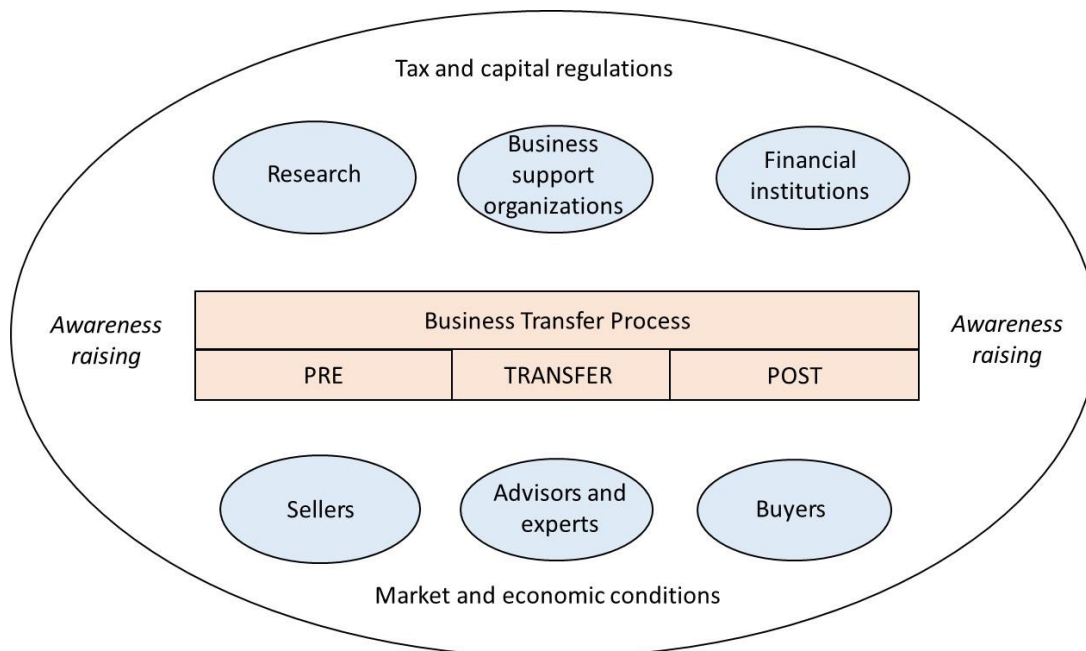
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## Introduction

Business transfers are essential to the vitality and performance of national economies (e.g. Van Teeffelen, 2012; KWF, 2009), for economic losses may arise from the fact that viable businesses do not find new owners and, as a possible consequence, are forced to shut down. Successfully transferred businesses outperform start-ups with respect to survival, turnover, profit, innovativeness and employment (e.g. Van Teeffelen, 2012; Meijaard, 2007). Every year approximately 150 000 firms are not being transferred across Europe due to system inefficiencies (European Commission, 2011). According to surveys, 20-25% of SMEs will find a successor within the family while almost 40% are looking for external buyers (Varamäki, Tall, & Viljamaa 2014; Battisti & Okamuro, 2010). As the number of successions within the family declines worldwide it is important that entrepreneurs examine alternative transfer and exit strategies (Ryan & Power, 2012).

A well-developed business transfer ecosystem with dynamic ownership transfer markets supports growth of SMEs. The development of an effective business transfer policy to produce and maintain such an ecosystem, however, requires backing with high quality research. Business transfers have been both an important strategic option in business management and an interesting research area in recent years. Existing business transfer research has however tended to focus on mergers and acquisitions of publicly traded large firms (Haleblian et al., 2009). Yet business transfers are becoming gradually more popular also with smaller firms, mostly due to aging of entrepreneurs. The aging of entrepreneurs and the increasing number of firms looking for buyers and successors offer great prospects for other entrepreneurs to pursue growth using acquisitive strategies. Ultimately, there are only two ways for a firm to grow: organic and acquisitive growth. Buying another firm or a business unit is often the faster and most economical avenue of growth.

Business transfers take place within an ecosystem (Figure 1), which can be more or less supportive of business transfers. National business transfer ecosystems of European countries vary widely (Viljamaa et al., 2015). A well-developed business transfer ecosystem will help develop dynamic ownership transfer markets and hence support growth and survivability of SMEs. Awareness raising activities, which generally aim at promoting earlier planning and thus increasing preparedness for business transfer, are a part of the ecosystem. Buyers and sellers are the core actors in a business transfer ecosystem. Business advisors such as accountants, lawyers and consultants are often needed in the process of carrying out a business transfer. In many ecosystems also business support organizations and financial institutions have an important role in business transfers. Market and economic conditions as well as the judicial environment are included in the ecosystem as conditions under which business transfers occur; both can be indirectly influenced by policy makers. Hence, policy makers and the general public should be considered as target groups for awareness raising activities together with the actors of the ecosystem.



## Figure 1. Business Transfer Ecosystem.

The main objective of this paper is to increase understanding about the role of business transfer barometer, implemented by a university, as a significant awareness raising activity and hence an important part of a well-developed business transfer ecosystem. In addition, the objective is to introduce an example of business transfer barometer including the key results of it. This example analyzes business transfer market and continuation outlook of Finnish SMEs from the potential sellers' perspective.

A business transfer is here defined as a change of ownership of any firm or business to another person or legal entity assuring the continuous existence and commercial activity of the enterprise when more than 50 % of the assets or shares are transferred (e.g. Van Teeffelen, 2012, 2010; Sten, 2006). This definition includes all varieties of business transfers, and it includes both a change in ownership and in management (Van Teeffelen, 2012; European Commission, 2002). Although business transfer primarily refers to non-family transfer, the expression is, for the sake of brevity, used also in contexts where both family and non-family transfers are being discussed. By succession we mean the process through which a predecessor assigns authority and ownership of business activities within the family to the next generation (successor) (e.g. Hautala, 2006; Sharma et al., 2001).

## Literature Review

### *Business Transfer Markets in Europe*

The European Commission has been proactive in researching and analyzing business transfer markets in Europe (e.g. European Commission, 2011). The latest estimates available from the Commission cover the annual volume of business transfers in a number of European countries in the period 2010 to 2014. In Germany about 22 000 firms will need a successor each year. In France the annual transfer volume is about 57 000 firms. The corresponding number of business transfers is about 6 600 in Austria, 6 000 in Finland, 4 000 in Norway and 35 000 in Romania. Using these countries as a sample and projecting the data proportionally, European Commission estimates that approximately 450 000 firms are being transferred each year in the EU27-countries. No statistics on business transfers are available from Eurostat and the only sources are national, but their analysis is subject to significant difficulties on matching the definitions used in each country (European Commission, 2011).

The economic impact of business transfers has been investigated in the Netherlands (Meijaard, 2011). The annual number of business transfers is relatively small compared to the number of exits or start-ups. Based on data from the Dutch Chambers of Commerce from 2002 to 2004, the annual averages have been about 14 000 business transfers, 47 000 exits and 44 000 start-ups. However, at the same time the annual number of jobs saved by successful business transfers (172 000) is larger than the number of jobs lost due to business exits (134 000) and more than three times as large as the number of jobs directly gained due to start-ups (54 000). Meijaard (2011) concludes that business transfers deserve more attention as a normal element of business dynamics.

Battisti and Okamuro (2010) have studied in New Zealand the determinants of entrepreneurial intention on exit modes: selling, passing on or closing. Among the entrepreneurs who prefer exit within five years the exit modes were: 71 % intend to sell their firms to a third party, 20 % intend to have succession (with family members or core employees) and 7 % plan to close down the firm. We expect a similar order to hold in the Finnish setting, with more aging entrepreneurs planning to sell outside the family than planning succession with the family; and with more entrepreneurs planning family succession than closure.

### *Business Transfer and Succession Studies in General*

A great number of business transfer and succession studies have been done in the field of family business, their total number being considerably higher than that of studies on business transfers outside the family (e.g. Battisti & Okamuro, 2010). Succession literature is mature in the sense that succession planning, protocol, and continuity studies have been the most typical form of business research (Benavides-Velasco, Quintana-Garcia, & Guzman-Parra, 2011; Giambatista, Rowe, & Riaz, 2005; Scholes, Westhead, & Burrows 2008). Succession has been studied in peer reviewed research through the perspectives of successors and incumbents, but also through successor training, family dynamics, succession planning, vision sharing and governance (Le Breton-Miller, Miller, & Steier 2004). This has led to the situation where there has been a lack of nonfamily studies in business transfers (Dawson, 2011).

The most extensively studied field both in succession and business transfer literature is the success of successions and business transfers. Previous studies can be roughly divided into normative and process studies. Many researchers have presented their own models for the successful implementation of a family business succession (e.g. Hautala, 2006; Stenholm, 2003; Cadieux, Lorrain, & Hugron, 2002; Sharma et al., 2001; Morris, Williams, Allen, & Avila, 1997; Fox, Nilakant, & Hamilton, 1996; Morris, Williams, & Nel, 1996; Barach & Gantisky, 1995; Ibrahim & Ellis, 1994; Handler, 1990) or a business transfer (Tall, 2014; Van Teeffelen, 2010; Meijaard, 2007, 2005).

In a family business a succession can be managed voluntarily in the long term (Le Breton-Miller et al., 2004) or it can be a forced action in which some sudden reason such as death or sickness of the incumbent necessitates the transfer of the firm to someone else (Sambrook, 2005). Decisions in family business succession are often made based on nonfinancial motives (Tatoglu et al., 2008) aiming to preserve the socioemotional wealth typical for family firms (Gomez-Meija et al., 2011) together with its social capital (Arregle et al., 2007). The statistics reveal that many small firms in Europe lack successors and buyers. However, not all entrepreneurial parents want their children to continue their business. The attitudes of the parents (predecessors) towards their children succeeding them in the family business can be divided into three categories: (1) obligation culture, i.e. parents definitely wish their children to continue the business, (2) freedom culture, i.e. the children are at liberty to decide whether or not they wish to succeed their parents, and (3) weaning culture, i.e. the parents specifically do not want their children to continue the business but rather view the possibility as a fallback alternative should the children fail to establish a satisfactory career elsewhere. (Varamäki, 2007).

Business transfer or a succession is a once-in-a-lifetime issue for most entrepreneurs (Van Teeffelen, 2012, 2010; European Commission, 2002), and this means that entrepreneurs tend to lack knowledge and experience of the transfer process. The most commonly mentioned reasons for transfer failure in research include the lack of succession planning, the inability to find an appropriate successor and the delay or postponement of the transfer because of emotional attachment. Awareness raising is in a significant role to decrease these kinds of obstacles. Other common reasons for the failure to obtain financing from a bank, the lack of trust between seller and buyer and the lack of agreement about the sale price.

Firm acquirers primarily meet difficulties in financing the transaction, the lack of management or professional experience, and legal and fiscal issues. (Van Teeffelen, 2012). In addition to the 'internal' attributes and characteristics of the owner-manager and their successor, there are a number of other obstacles, both internal and external, which can reduce the chances of business transfers overall. These are e.g. lack of family successors or outside buyers, i.e. deficiencies in market for firms, and taxation aspects (e.g. Stone et al., 2004; Stokes & Blackburn, 2002). According to Sambrook (2005), succession planning with no family successor can be a lengthy process involving e.g. recruitment and personnel development over time. Since early planning and preparation improves the business transfer success rate (Sharma, Chrisman, & Chua, 2003), one of the issues to be tackled is increasing preparedness for business transfers.

#### *Awareness Raising in the Field of Business Transfers*

Awareness raising usually refers mainly to activities related to sellers and buyers at the pre phase of a business transfer process. The aim of awareness raising is generally to promote earlier planning and thus increase preparedness for business transfer. The motivation for developing awareness raising has traditionally been related to the aging of entrepreneurs and the need to ensure the continuity of healthy firms. However, as researchers and policy makers increasingly view business transfers as a vital part of safeguarding healthy dynamics in the economy, awareness raising activities also seek to promote business transfers as a normal strategic action of firms and to strengthen the business transfer culture.

The target groups of awareness raising include all the actors of business transfer ecosystems (Viljamaa et al., 2015). Buyers and sellers, as the core actors, are natural key target groups (Figure 2). Although early planning improves the business transfer success rate, SME owners are frequently unaware of the need to prepare for transferring their business. Also, the vast majority of buyers and sellers in the SME business transfer markets have no previous business transfer experience and thus need support from advisors. However, business advisors such as accountants, lawyers and consultants are often not aware of their important role in business transfer processes. Small firms in particular are highly dependent on the advice of close-by experts like accountants and bank managers. These experts may not see it as their task to promote the possibility of business transfer, even when a transfer is clearly necessary to help ensure long term survival and development of the business.



Figure 2. Cartoon targeted to buyers and sellers.

In most ecosystems also business support organizations and financial institutions should be considered as target groups for awareness raising. Policy makers and therefore also business support organizations in many countries focus on start-ups at the expense of business transfers, although there is clear evidence that transferred businesses outperform newly started business, and that business transfers are an excellent way for SMEs to grow and thus develop their competitive position. Financial instruments for business transfers may also be lacking. Also the general public should be viewed as a target for awareness raising. Open media publicity can reach future entrepreneurs, business owners for whom exit is not yet on the agenda, and also the policy makers who shape the regulatory environment. It is also important to create an atmosphere in which selling a business appears normal and natural.

Viljamaa et al. (2015) find considerable differences in the breadth and intensity of awareness raising activities in different European countries, largely due to the heterogeneity of business transfer ecosystems. Activities range from activation letters, calls and visits to thematic events, training programs, online platforms and booklets. In Finland a variety of activities have been identified including activation letters, events, calls and visits, as well as business transfer barometers mostly targeted for aging entrepreneurs. The main emphasis in activities is at regional level but also national and local activities take place. There is a need to increase long term focus in awareness raising, as current activities are mainly carried out as one-time regional action, typically within projects. There are also challenges with measuring the results and a lack of further development measures for the firms. Even more importantly, a perspective of business growth and renewal should be adopted in awareness raising, as current activities tend to over-emphasize aging of seller entrepreneurs; this leads to lack of focus on the buyers. In France each year a multitude of thematic events about SME business transfers are organized by a variety of actors for both sellers and buyers. Also in Spain quite a number of activities takes place, including training workshops, other events and information materials. In Croatia business awareness raising activities are still undeveloped. Annual conferences on family businesses and round table discussions are held. The focus is largely on family business. In Sweden business transfers are not marketed, but some courses, booklets and brochures are available,

Business transfer barometers are implemented in France and Finland (Viljamaa et al., 2015) and tested also in Croatia. Barometers are typically aimed at potential sellers and repeated at regular intervals. A barometer can potentially play a significant role in systematically planned awareness raising activities.

## Approach and Method

### *Data Collection and Sample*

The data of barometer was collected in May 2015 as a web-based survey to the members of Federation of Finnish Enterprises. The target group consisted of the entrepreneurs in the age group of 55 years or more. The age group was chosen, because in Finland the most common age bracket for retirement is 60–64 years, and the aim of the study was to investigate future outlook of firms owned by aging entrepreneurs. It is reasonable to assume that the entrepreneurs' views on firm continuity are more credible within ten years of retirement age than before, and that potential for family succession has been considered if it is an option. A total of 13 835 questionnaires were sent out. During the data collection process, one reminder was sent to the entrepreneurs. Altogether 1 786 responses were

received. The scales for this questionnaire have been proposed and tested using Finnish regional and national data in 2010 and 2012 (Varamäki et al., 2010; Varamäki et al., 2012). This barometer was a repetition to 2012 survey where 2 843 responses were received.

During the implementation of the barometer from research design to publication of results, note was taken of any awareness raising related effects apparent. Also after publication of barometer results, information was gathered on uses of barometer data in awareness raising.

### Data Description

The respondents were 72 % men and 28 % women. The ages of the respondents ranged from 50 to 81 years with an average of 61 years. Although the number of years the respondents had worked as entrepreneurs varied from one to 62 years, average experience was exceptionally high, 25 years, due to the nature of the target group. Looking at educational background of the respondents, most of them had a vocational degree (47 %), but a considerable number also had a higher education degree (31 %). 22% had no formal professional qualification. Over a third (37 %) of the respondents were portfolio or serial entrepreneurs, i.e. they had possessed a controlling interest in more than one firm during their entrepreneurship career. 76 % of the respondents had established their firms by themselves. Correspondingly, 14 % had bought the firm or business while 14 had continued their family business through succession.

The firms were 31 % one-person-enterprises. 35 % had 2–4, 19 % had 5–10, 8 % had 11–20, and 4 % had over 20 employees. The industries of the firms were: 52 % services, 20 % retail trade, 14 % construction and 14 % manufacturing. In addition to descriptive statistics, cross-tabulation, chi-square test, t-test and ANOVA were used to analyze the data.

### Results of the barometer

#### Future Outlook of the Firm

One objective of this paper was to investigate the business transfer potential in firms owned by entrepreneurs in the age group of 55 years or more. The results of the present (2015) and 2012 surveys are presented in Figure 2. According to results, 39 % of the respondents are planning to sell the firm to an outside buyer at the time when they give up the main responsibility. 27 % are planning to close down the firm whereas 23 % believe they will find a successor within the family (in 2012 study 20 %). Of those that expect succession within the family or who are going to sell the firm, 36 % already know who the successor or buyer will be. 45 % of the respondents had not even started to search for successors or buyers. 7 % of the respondents had a co-owner or co-owners willing to take over when the entrepreneur steps aside.

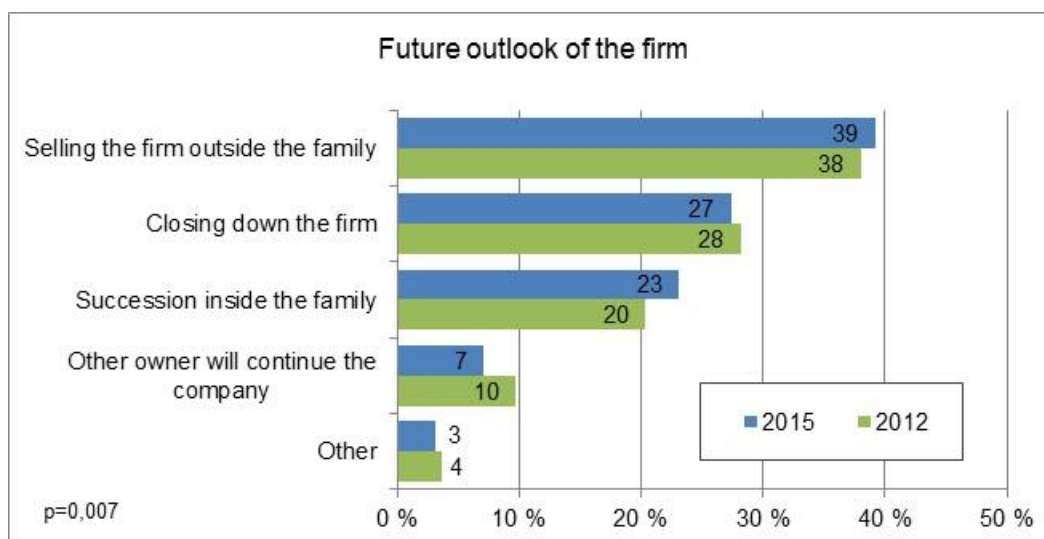


Figure 3. Future Outlook of the Firm in 2012 and 2015 surveys.

Four factors were statistically very significant for positive succession outlook: the entrepreneurs' gender (male) ( $p=.000$ ), educational background (lower education) ( $p=.004$ ), entrepreneur's own experience of succession ( $p=.000$ ) and portfolio entrepreneurship ( $p=.000$ ). Aside from the characteristics of the entrepreneur, the background of the firm also influenced the future outlook for business transfer in many ways. The size of the firm and the line of business had an effect on the outlook for succession. Succession is significantly more likely to occur in a firm with more than 10 employees than in smaller firms ( $p=.000$ ). 54 % of one-person-enterprises will close down, whereas closing down is expected for 23 % of the firms with 2–4 employees and for 10 % of the firms with 5-10 employees while for firms with 20 or more employees closing down is expected only for 1 %. The highest expectations for business transfer with an outside buyer are among the firms with 2–10 employees. Of the industries, construction firms have higher rate of expectation for succession and manufacturing firm for selling. Closing down is expected for 32 % of the firms in services, 32 % in construction, 22 % in manufacturing and 21 % in trade. All the variances between industries were statistically significant ( $p=.000$ ).





















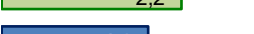

#### *The Attitudes of the Potential Sellers Towards Succession within the Family*

However, as expected, the majority (56 %) of the entrepreneur parents giving up their business estimate they adhere to the culture of freedom, i.e. their children may decide themselves whether they want to carry on their parents' business activities or not. Also, in line with an earlier study (Varamäki et al., 2010; 2012), there were fewer parents that definitely wish their children to continue their firms than parents that do not wish it. 25 % of the entrepreneur parents represented weaning culture and only 16 % obligation culture.

The background factors that most affected succession expectations have been discussed earlier in this article. The same factors also correlate with the entrepreneurs' views on whether they wish for their children to continue the business or not. Those with no vocational education or experience as portfolio or serial entrepreneur are more likely to represent obligation culture whereas those with an academic degree favour weaning culture ( $p=.000$ ). In line of business, manufacturing firms tend towards "obligation culture" and construction and trade to weaning culture ( $p=.000$ ). Growth in the size of the firm increases the tendency to obligation culture and decreases weaning culture ( $p=.000$ ). Further, obligation culture is represented relatively more often by family firms than others and firms with earlier experience of succession within the family ( $p=.000$ ). Of the firms with a history of at least one previous family succession, 30 % represented obligation culture and 14 % weaning culture whereas of the firms with no previous transfer from one generation to the next, 15 % represented obligation culture and 27 % weaning culture.

#### *Expected Challenges*

The greatest challenges related to forthcoming business transfers are presented in Figure 3 based on both 2012 and 2015 surveys. In line with several previous studies (Stone et al., 2004; Stokes & Blackburn, 2002; Varamäki et al., 2012), the potential sellers considered finding the buyer or successor the biggest challenge of business transfer. 23 % viewed finding the buyer / successor as a very significant and 24 % a significant problem. (mean 3.1; scale 1=not at all, 5=very significant problem). Valuation was considered the second greatest challenge (mean 3.1). Following these, other taxation (mean 3.0) and financing the business transfer (mean 2.9) were viewed as somewhat challenging issues. Other taxation refers here to other than inheritance or gift tax (mean 2.7). Especially the challenges related to different taxes and financing were experienced in recent survey as bigger challenges.

Experienced problems in forthcoming business transfer		1	2	3	4	5	Means on scale 1 - 5 1=not a problem at all 5=very significant problem
		%	%	%	%	%	
Finding the successor / buyer	2012	20	14	18	<b>25</b>	23	 3,2
	2015	23	11	19	<b>24</b>	23	 3,1
Valuation	2012	16	18	<b>29</b>	26	10	 3,0
	2015	11	21	<b>30</b>	25	12	 3,1
Transfer of knowledge from predecessor to successor	2012	19	21	<b>28</b>	21	11	 2,8
	2015	17	27	<b>30</b>	20	6	 2,7
Other taxation	2012	21	22	<b>29</b>	18	11	 2,8
	2015	16	19	<b>29</b>	21	14	 3,0
Financing	2012	24	23	<b>31</b>	15	8	 2,6
	2015	16	19	<b>33</b>	21	11	 2,9
Inheritance and gift tax	2012	<b>35</b>	20	22	12	11	 2,4
	2015	<b>32</b>	16	19	16	17	 2,7
Own knowledge	2012	26	24	<b>32</b>	13	5	 2,5
	2015	20	28	<b>32</b>	15	5	 2,6
Fixing up the company for selling	2012	<b>34</b>	24	23	12	6	 2,3
	2015	<b>34</b>	26	24	12	5	 2,3
Mental difficulty in giving of the company	2012	<b>35</b>	26	21	13	5	 2,3
	2015	<b>29</b>	<b>29</b>	22	14	6	 2,4
Writing the contract of sale and other bureaucracy	2012	<b>35</b>	32	19	10	3	 2,1
	2015	<b>33</b>	<b>33</b>	19	11	5	 2,2
Equal treatment of the children	2012	<b>59</b>	16	14	8	4	 1,8
	2015	<b>54</b>	16	15	10	5	 2,0

v.2012 n ≈ 2531; v.2015 n ≈ 1045

\*\*\* p < 0,001, \*\* p < 0,01, \* p < 0,05

Figure 4. Expected Problems in Forthcoming Business Transfer in 2012 and 2015 Surveys.

### Using the Business Transfer Barometer as an Awareness Raising Tool

The awareness raising activities linked in some way to the barometer were also analyzed. First, the research design of the study was planned with the main entrepreneurship promotion organizations. The Federation of Finnish Enterprises, with more than 110.000 members organized in regional and local associations, represents most of the potential business sellers and buyers in Finland. Second, almost 14 000 entrepreneurs received the survey, and they had to decide whether the topic was interesting enough to answer the questionnaire. Third, almost 2 000 entrepreneurs replied to the survey and had to think through their answers to 38 questions related to business transfer. Fourth, national and regional media published the results widely in various channels (TV, newspapers). Fifth, there were over 200 participants at the national business transfer conference in Helsinki in November 2015 where the results were presented. Also, there were hundreds of participants at regional business transfer seminars and the results were utilized in a series of regional events organized for accounting firms. Sixth, awareness raising letters have been sent to aging entrepreneurs as well as potential sellers and younger entrepreneurs as potential buyers based on barometer results. Finally, the barometer has an impact within the Finnish business transfer ecosystem, improving the knowledge based upon which policy is made. A summary of the analysis is given in Table 1.

Table 1. Business Transfer Barometer as Awareness Raising Tool.



Activity	Output	Impact
<b>Survey as Awareness Raising</b>		
Research design	- study designed together with entrepreneurship promotion organization	- importance of the business transfers highlighted within the organization
Implementation	- survey sent to almost 14 000 entrepreneurs - almost 2 000 entrepreneurs replied to the survey	- entrepreneurs within the sample had to decide whether the topic was interesting enough to answer the questionnaire - respondents had to think through their answers to 38 questions related to business transfer - increased awareness of the topic among potential sellers and buyers
<b>Leveraging the Results</b>		
Results in media	- national and regional media published the results widely in various channels (TV, newspapers)	- increased awareness of topic among general public and all target groups
National business transfer conference, regional business transfer seminars, Roadshow for accounting firms	- 200 participants at national conference where results presented - several hundred participants in total at regional events - results a part of content in a series of events targeting accounting firms; up to a hundred participants	- updated information and increased interest for BT advisors and potential advisors
Communication with individuals; results utilized in awareness raising letters	- letters to aging entrepreneurs as potential sellers - letters to younger entrepreneurs as potential buyers - letters to accounting firms as potential advisors and activators	- increased awareness among potential sellers/buyers - updated information and increased interest potential advisors
<b>Supporting Ecosystem Development</b>		
Utilizing results in policy development	- barometer provides up to date data for decision-makers - policy briefs developed based on results	- increased general awareness has an impact on policy makers' agenda-setting - evidence-based policy-making enabled

## Conclusions and Implications

In the best case a barometer can have a triple effect: it raises the awareness of those invited to take part in the survey, offers an opportunity to communicate up to date research results both to various target groups directly and to the general public through media exposure. Additionally, a business transfer barometer provides up to date information on expected rates of transfers and issues related to transfers, thus improving the existing knowledge base on business transfers. This in turn can help improve policy making as well as help target other awareness raising activities more accurately.

Singer et al. (2015) have argued that the advancement of successful business transfers is more easily accomplished when a business transfer is viewed as natural part of a firm's existence rather than a business failure. There may be cultural differences regarding the perception of exits, but there are also differences in business transfer ecosystems and in particular awareness raising activities. According to Singer et al. (2015) policy-makers tend to view SME business transfers as a matter of continuity rather than of growth and dynamism. This means there is a need for not just awareness raising directed at entrepreneurs but also for indirect awareness raising aimed at changing the general business and policy climate. Also, there is a need to emphasize the acceptability and desirability of transfers as well as their effect on SME growth and the economy in general.

One key conclusion of Viljamaa et al. (2015) is that the efforts to promote business transfers should be organized with a more long-term view, basing activities and policies on research evidence. The present study demonstrates that the type of barometer discussed in the paper serves as awareness raising on multiple levels. Ideally, activities build upon each other (Figure 4). Multiplier effects cannot, however, be achieved without a long-term perspective and a systematic approach to business transfer awareness raising. In order to improve coordination and to facilitate the development of long term information gathering systems and effectiveness measure, national advisory boards on business transfers should be considered. Such boards could be hosted, for example, by the main ministry responsible for business policy development. Key organizations must be committed to the goal of developing and maintaining a dynamic business transfer ecosystem.

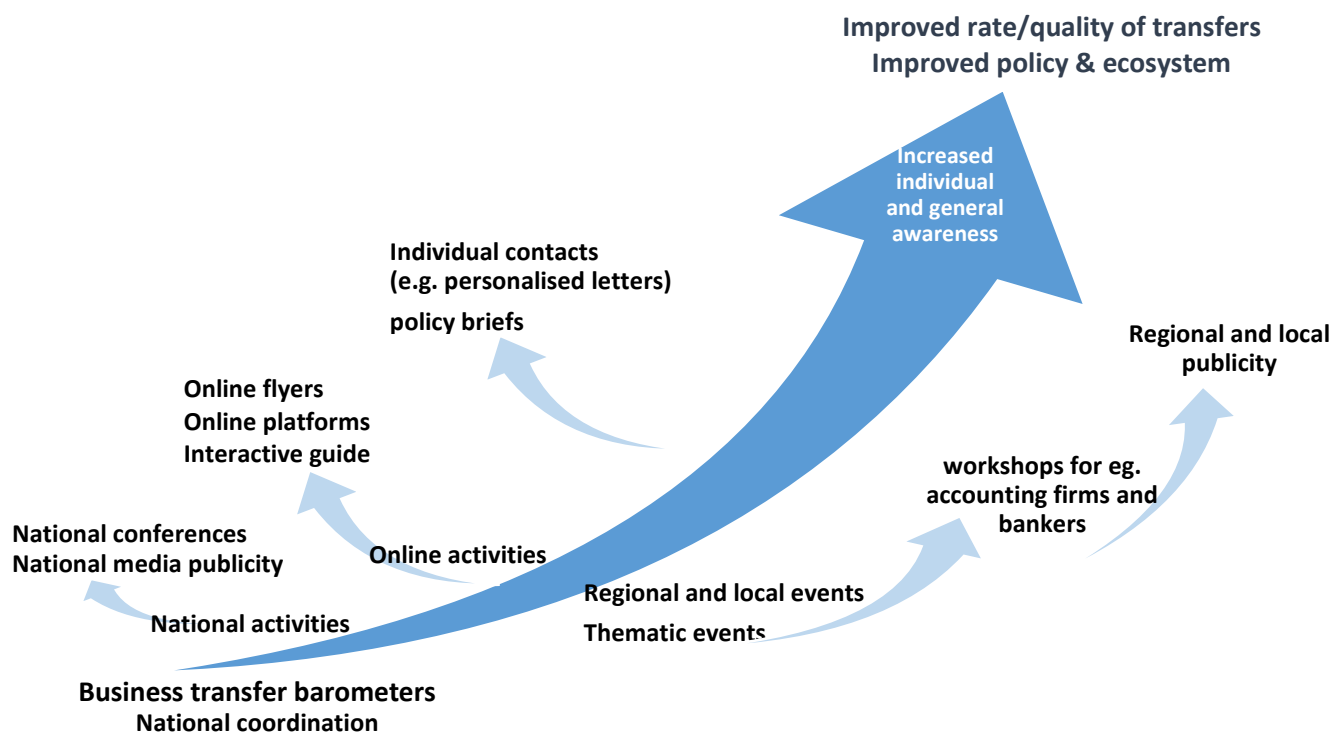


Figure 5. Awareness Raising Grounded in Barometers.

Ultimately, awareness raising is about making business transfers an ordinary, everyday part of doing business. Transferring a firm to a new owner should always be preferable to closing it down. As ecosystems differ in their supportiveness and resources for awareness raising are in short supply, careful use of existing resources is called for. Multiplier activities such as barometer should be favored over activities with narrower impacts. Business transfers are an important phenomenon for entrepreneurs of all ages. Business transfers are a practical way to start, develop and grow businesses. Therefore, it is very important that a systematic and long term approach to implementing business transfer awareness raising activities should be adopted.

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