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ESTABLISHING A SMALL SIZED BUSINESS IN FINLAND

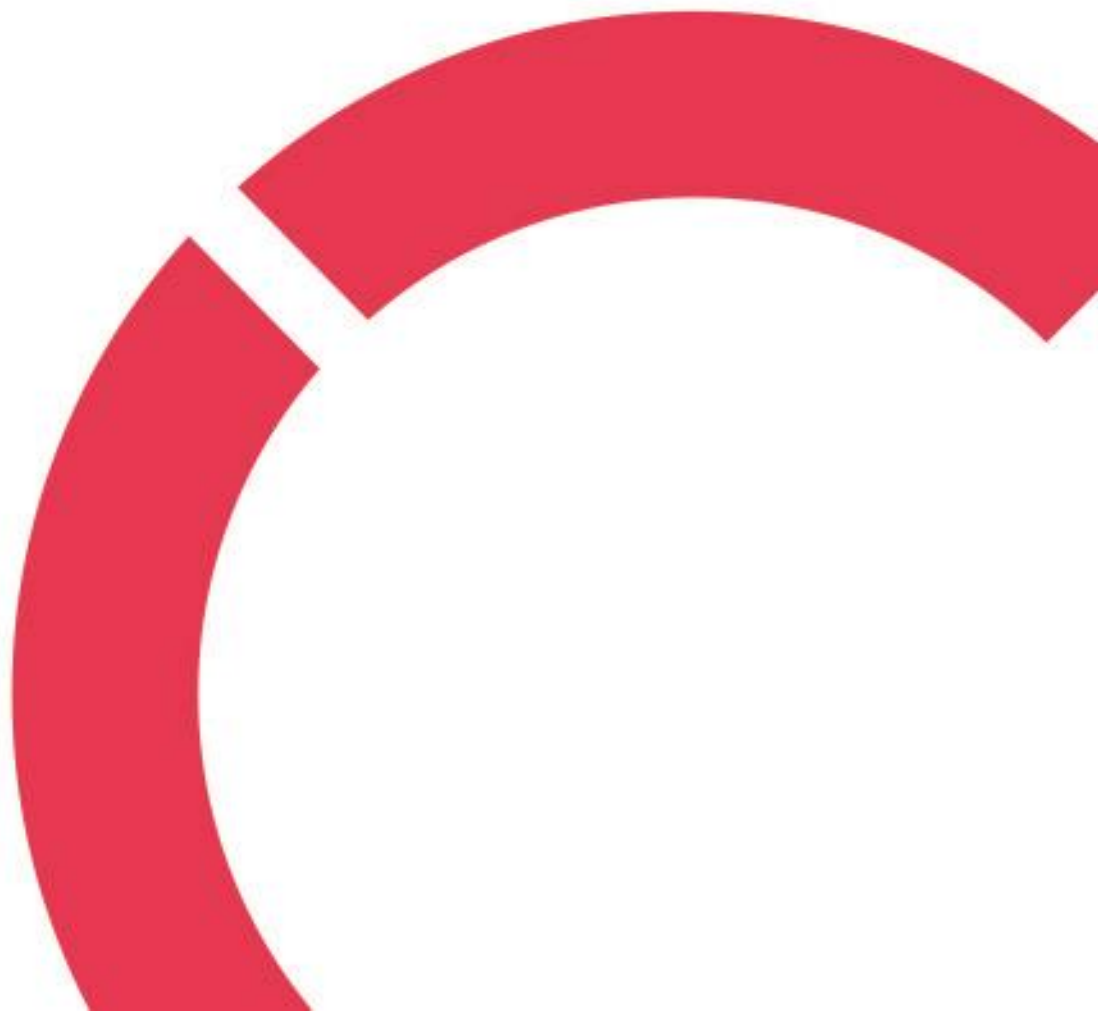
Case: Home decor and handicraft products

Thesis

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ABSTRACT

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<p>The process of establishing small home decor and handicraft shop has been examined in this thesis. It also covers the entire methodology of establishing the business from the beginning to completion. Throughout this thesis, the emphasis on the importance of small businesses in becoming self-sufficient. This thesis aims to provide readers with an overview of setting up a small business in Finland. Creating jobs that are meaningful and satisfying was the goal of this thesis.</p> <p>There are two parts to the business plan: the theoretical framework, which describes the purpose of the business plan and descriptions of theoretical issues relating to futurism. A small business establishment is described in the practice part, which includes practical experiences and challenges. It also explains how to earn profit and run a business with little capital. Knowledge of theoretical concepts gives a clear view of how to make the practical elements of a business establishment. In addition, the solutions to possible obstacles in various stages and how they can be turned into progress are reflected in the paper.</p>		

<p>Keywords Business, Competitor, Entrepreneur, Goal, Idea, Management, Market, Success,</p>

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1 INTRODUCTION

A small business has the distinct characteristic of having a limited workforce and a limited cash flow. Even though small businesses use fewer resources and cash flow, they can be owned by one owner or by more than one owner. Although the definition of a small business may vary from country to country, it is a successful method of self-employment around the world. Small businesses are example woodworkers, sewing and alteration specialists, freelance developers, import and export businesses, personal trainers, freelance graphic designers, and life/career coaches.

Nowadays, people are more interested in starting small businesses because they can use their skills in an independent environment. There are quite a few examples of failures and mistakes in small businesses. However, they figure things out and move forward with personal skills, which is a more challenging but wiser version of them. (Burk & Lehman 2004.)

One can turn his passion, specialization, and strengths into money by investing resources in a small business. Being a small business owner requires a self-directed workforce. In addition to self-employment, small businesses also create job opportunities for others, because of which they have a significant impact on the economic development of a country. Small businesses are essential to Finland's economic growth, and its business environment is supportive. In the EU, Finland is an excellent country for starting a small business, and it is one of the most stable countries in the world. (Finrepo 2022)

There are many potential sectors for starting a small business in interior decoration. The interior decor of the home is significant because it can impact everything from mood to potency and even confidence. Thus, the economic output of Finland will increase (Finn partnership 2018). Finnish home-decor brands include Pentik, Finlayson, Balmuir, Kotikulta, House, etc. However, Finland still needs more home decor businesses to meet customer demands. When one can offer the highest quality products at a low price, it can be a game-changer for small businessmen.

This thesis encourages people to establish small businesses to be self-sufficient. While many people have exemplary business skills, they are still fearful of starting a business. This thesis will help you see that starting a business isn't so difficult. There are risks, but those can be managed properly through

risk management strategies; it's not an easy thing to accomplish, but it's not impossible either. This thesis will discuss the foundation and operation of a small business. The study examines the marketing process and demand, management, SWOT, strengths, and weaknesses of a small business.

Establishing a small business that can ensure customers' highest satisfaction is necessary. As mentioned before, importing from countries with lower labour costs would be suitable for minimizing costs in the home interior decor sector. Bangladesh is known for delivering world-class products at a low cost of labour. Therefore, importing household items for interior decor from Bangladesh would be rational. The result will be higher quality goods at fairer prices and better environmental practices. Customers will have access to a standard web page. The technology provides customers with product details, easy ordering, and customer satisfaction.

In every stage of the company's life, from start-up to growth, Kosek is here to help the entrepreneur succeed. Kosek services are free of charge to all companies operating in Kokkola and Perho, Consulting with entrepreneurs and following up on each step are all part of the process. The monitoring period will depend on the company's situation and the expert's recommendation. Kosek also supports entrepreneurship in educational institutions. Their goal is to help entrepreneurs develop their businesses, providing professional guidance in orienting activities, bringing in new customers, and networking. Kosek provides financial guidance, business development, and group training to help companies start a business in Kokkola and Perho. (Kokkolanseudun kehitys oy 2022.)

2 BUSINESS START PLAN

A business plan is a document, describing the activities, what is going to be done and objectives. Business plans contain business ideas and steps to make the business up and going. However, a new entrepreneur can take his or her inspiration from any other start-up in a similar industry. Through research and several inspirations, entrepreneurs invent unique products and launch them to the market. While the idea generation and research stage one thing entrepreneurs should keep in mind are whether or not their products are going to be the answer to the market demand. If the business plan and design are according to the market demand, the newcomer will easily grape the attention of the potential customer.

Even though customers' demand is the driving force of every business, the structure of a business influences consumers' buying behaviour. This is essential to have a good plan and good skills if an entrepreneur wants to sustain itself. Launching a product that is high in demand might grasp immediate attention and popularity, but to remain in the game for a long time having a sustainable plan is a precondition. Implementation is another essential step. (Newco Helsinki 2022; Uusyrityskeskus 2021.)

No matter how good a plan is, if the capital isn't adequate to run the operation, there is no certainty about sustainability. Therefore, new entrepreneurs need to be very careful about funding or financial support. Moreover, during the planning stage entrepreneurs should establish more than one plan for moving forward under various circumstances. In this way the probability of success increases. The business plan starts on two methods, product, and service line, this is what business representatives suggest writing the business plan. Establishing a business plan is written according to instructions given by a representative. Every entrepreneur has a different concept to become an entrepreneur, and the business advisor does follow up on the entrepreneur's idea. (Uusyrityskeskus 2021.)

A business plan is a document describing the activities, what to do and objectives. Business plans contain ideas and steps to do the business up and going. However, a new entrepreneur can take his or her inspiration from any other start-up in a similar industry. Through research and several inspirations, entrepreneurs invent unique products and launch them to the market. While the idea generation and research stage, entrepreneurs should keep in mind whether their products will be the answer to the market demand. If the business plan and design are according to the market demand, the newcomer will easily grape the attention of the potential customer. (Uusyrityskeskus 2021.)

Even though customers' demand is the driving force of every business, the structure of a business influences consumers' buying behaviour. This is essential to have a good plan and good skills if an entrepreneur wants to sustain itself. Launching a product that is high in demand might grasp immediate attention. For a long time, having a sustainable plan has been a precondition in the game. Implementation is another essential step. (Uusyrityskeskus 2021.)

2.1 SWOT analysis

A small size business needs swot analysis to fix the organizational structure. Nowadays, planning is the most strategic way to build a company successfully. This analytical analysis is used for marketing purposes and business management. An entrepreneur can define swot analysis in 2 ways, internal and external (Gürel 2017). Internal analysis discovers the company inside the environment and how to turn weakness into strength. Find the opportunity where needed development. Business is always challenging; every day it faces new threats.

External analysis works effectively for an outside business atmosphere. Before entering the market, swot analysis helps to know the market position and own company capability. Many competitors exist in the market already with strong business policies. The threat is the biggest problem for organizational enhancement to reaching the goal. (Gürel 2017.)

Strength is a value of more skill and uniqueness from another entrepreneur. It gives more comparing positions with an existing competitor. It will help to gain inner motivation and positive thinking for organizational development. New ideas can change business circumstances. Nowadays, small companies are looking for new ideas online. It will gain business progress and be more valuable. Generally, this can be optimistic if an entrepreneur thinks differently from another competitor. (Gürel 2017.)

Weakness causes mental destruction to stop the regular work, and it can spoil the organizational performance. Weakness is an internal problem that can destroy daily and professional life also. Weakness can be intense, and entrepreneurs must earn it; self-motivation and rethinking will help them move on. Starting a new business can often lead to financial pressures that can impact. (Gürel 2017.)

An opportunity is a term that can be used to describe the external factors that contribute to organizational success. they are welcoming to customers because this method works as man-to-man marketing

(Kenton 2021). They achieve the goal with passion and are comfortable adjusting to company activities. Strengths and opportunities are considerable control, while weaknesses and threats are unfavourable.

Threats refer to external environment problems for organizations. Entrepreneurs try to find opportunities to spread brand value. Every external threat is harmful to the organization. For example, if the country cuts tariffs for home country products, an exporter cannot survive in the market. Instead of raising the price of materials, delaying exports, etc. There are more competitors on the market today, which is challenging for new entrepreneurs. (Kenton 2021.)

2.2 Market competitor analysis

Competitor analysis is a strategic marketing method, and it will discover other companies' weaknesses, strengths, and current situations. Every small, medium or prominent entrepreneur tries to create their place in a growing competitive market. Generally, it is essential to understand the market demand before entering the market. Gaining the trust of customers is not easy. Well-structured products give instant solutions to products and facilities that can earn the customer's trust. (Gerson 1991.)

Competitor analysis can be divided into two ways, traditionally and through the internet. It is essential to know competitors' current situations while entrepreneurs decide to enter the market. Competitor analysis does not ensure success, and it is business developing tactics necessary to face the challenges and take an essential move. SWOT analysis will help identify the area for improving the business development. Find out the competitor's strengths and opportunities first. This tactic is helpful for new entrepreneurs. (Gerson, 1991.)

Competitor's weakness	Primary sales channel
Positioning statement	Competition category
Main product	Strength

Figure 1: competitor analysis (Adapted from Beatriz estay; Big-commerce 2022)

2.3 Financial planning

Entrepreneurs think of innovative ideas for starting up a new business. They think about the possibility of future optimistic goals. They work according to plan and prepare to face every challenging step. Before starting a business, one needs an opinion first; then, funding is a vital element of business. All businesses need capital to start the business. Funding depends on the organization's capacity and idea; most of the time, capital is needed when the business is initiated. Indeed, capital is also needed in the middle of running a business. A business's capacity depends on the capital, and it will help make the business structure. The initial investment is the leading risk factor, and the decision must be taken carefully. It can destroy the business if the investment does not commit. (Kotro, 2007.)

Several financial resources in Finland give loans to entrepreneurs to start the business. When taking a business loan, terms and conditions, interest rates, and other policies are essential. What percentage of the interest rate will not harm the business? Finnvera offers the lowest percentage interest loan, but the business idea should apply. They offer most of the loans that purchase a franchise business. (Kotro, 2007.)

In Finland, the most common funding is to borrow from a bank. Finnvera is also a financial company that supports new entrepreneurs. A structural office or shop rent may also increase the investment. Online-based businesses can reduce costs and make it easy to progress. The challenges of small investments are not so difficult to tackle. Although capital is the company's heart, it is necessary to have a proper plan in which entrepreneurs invest the money. (Finnvera 2022.)

Generally, small businesses do not need much capital to begin in the first place. Every small business entrepreneur has savings and takes family and friends' support. Although, bank loans, credit cards, and government money are also incredible support for establishing a business in Finland. This money is a free investment from the government, and the company will pay taxes every month to the Vero from the dividend portion. Commodity tax and vat need to be calculated based on how much capital is required. Every financial calculation will discover the profit and revenue statement for a year. (Finnvera 2022.)

3 MARKET RESEARCH

Market research is a defined process of possibility to enter with a new product or service. This research evaluates the final consumer, and it is helpful to target the customers. Nowadays, market research is a backbone for company progress. Entrepreneurs need to know about the market demand from top to bottom; market surveys discover the customer demand. (Majurin 2014.)

So many small companies doing business in Finland follow other market strategies to follow their path to success in such a competitive market. The company works for profit; they should reduce the cost and prevent the uncertain risk of analysing the market. Clever steps to target the small cities, like Kokkola, Pietarsaari, Vaasa.

It is essential to understand the competitor's strategy and what is the next step. Every company tries to invent something to get focus on the customer. Market research provides information about the market position and whether the new product is acceptable. Follow the trend and 4ps mix marketing analysis if the same effect has already taken place on the market. (Majurin 2014.)

3.1 Small company's position in the Finnish market

Usually, small companies are built on their capabilities. There are various inevitable risks while starting a business-like scarcity of funding or picking the wrong strategy. The better an entrepreneur is prepared to face these risks, the higher his chances to build a successful small business. 92377 companies are operating in Finland, which is a good number. Small business is rapidly growing worldwide, also in Finland. A company can succeed where the market atmosphere is suitable for implementing the business idea. Home decor and handicraft products have a booming demand from customers; therefore, it is a viable business prospect in Finland. (Business Finland 2022.)

3.2 4ps of Market analysis

There are four marketing mix analyses; entrepreneurs should apply these marketing tools to succeed. This kind of marketing creates an environment where customers are willing to buy products. If entrepreneurs want to succeed in business, they should follow the 4ps marketing mix: product, price, place, and promotion. This tool helps develop communication with customers and makes the Business more worthy. (Collins 2008.)

The 4ps-marketing concept is a pillar of any marketing strategy. Customer satisfaction is a big issue; every company ensures product quality for market placement. Digital advertising and media platform are used as marketing tools to get customer attention, gives the best price, and marks the place where the product boost goes well. Brand value is also a term of the marketing concept. Every marketing concept analyses the market, pricing, place, product, and promotion details. These 4ps concepts approach the customer and make a brand value in the market. (Collins 2008.)

3.2.1 Product

Customers care about product benefits while selecting and also consider the price, quality, and product cycle of what they have chosen in the past. Sometimes products can be in the under developing stage, but if they are innovative products, they have the edge in the market. Customers buy products based on what they see as profit, where they could find the more beneficial outcomes for final consumption. Product enterprise marketing is critical if the product design is not perfectly made. (Horner & Swarbrooke, 2005.)

There are many kinds of development in the same market; they choose which is more reliable, standard, warranty, and get enough service after purchasing the product. It is the responsibility of an organization to take care of the products sold. Professional marketing provides all kinds of solutions and details for the products sold. (Horner & Swarbrooke, 2005.)

3.2.2 Price

A big company has a marketing team to discover new marketing plans. Some companies lower their prices to exist in the market and destruction other companies in terms of pricing. Pricing is a tricky psychological term. An entrepreneur needs to have pricing skills to understand product quality by

price. Every competitor has its business strategy to run the business. Thinking level, future-oriented steps, and personal skills help survive in the modern market. Pricing policy can reach the customer's mind; the method reminds the customer that the company is still in the market. Pricing is the primary focus for new entrepreneurs, as pricing skills are required to attract customers. Market surveys also give other companies' pricing concepts and how they fix the product's price. It is important to set a standard selling price in order to capture the market (Horner & Swarbrooke 2005.)

3.2.3 Place

With the strategy of surviving a small business, innovative ideas, and future-oriented concepts, an entrepreneur should focus on where he is planning to start his new business. Customers can purchase any product from the local or international market in the modern marketplace. A better place is essential to progress the business activities and product distribution. The distribution channel should be efficient. In the marketing mix, transferring products from the producer to the supposed person is known as location. In different words, it is miles how the product is offered and wherein its miles bought. This motion may be through a mixture of intermediaries with vendors, wholesalers, and outlets. (Horner & Swarbrooke, 2005.)

3.2.4 Promotion

In one market, several companies come with their product or service. To come up with something exceptional, one should consider competitors, customer demand, and product trends. Introducing the product is a priority of business development; A good product can make the brand values in a growing market. Social media, digital stage, man to man marketing, advertisement through tv or intelligent device, these methods introduce the product placement. An ad should be attractive and product-oriented; the customer will know about product benefits and is willing to know more. (Ehmke, Fulton & Lusk 2017.)

In Finland, digital product promotion is relatively easy to make. Still, most older people read paper magazines and newspapers. So, traditional product promotion is also required to target older customer

groups. The webpage is a modern technology; customers will know about product details before ordering what they are buying. New product launches, customer surveys, and feedback through web page surfaces are promotional for business organizations. (Ehmke, Fulton & Lusk 2017.)

4 ENTREPRENEURSHIP

People who have a business vision face the challenge of entering the business world. They hope to benefit more from a venture based on their ideas, or something they have created than to suffer harm. Entrepreneurship is freedom, working for an organization, and being dedicated to enhancing the company. We live in the modern world, and every day, time goes so fast; innovative products help to make life easier. Entrepreneurs bring such advanced products to the market. The big challenge for every entrepreneur is to develop new products and capture the market. Competition has increased so much that new entrepreneurs are afraid to establish a business organization. Entrepreneur means freedom to work and make something innovative for customers. (Gordon, Natarajatan & Arora 2009.)

4.1 Reason for establishing and achievement

I had a goal to start/establish a company while studying at Centria University of Applied Sciences. I have longed to be an entrepreneur; I previously worked for garments products in Bangladesh. However, in Finland, there are different types of requirements for home décor.

Need for achievement, solving the problem, and self-motivation are the primary tools for success. Entrepreneurship is freedom and complex, and one has to build one's organization. Entrepreneurs work hard for their own business and give something good to the customers; in the end, they hope for something good so that their motivation is not spoiled, and they can continue to work smoothly. An achievement for them when they can reach their goal through hardship. (Yimamu 2018.)

Apex Shoe Bd is a trendy shoe Brand in Bangladesh. Syed Manzur Elahi is the owner of Apex group Bangladesh. He resigned from his job and started working as an agent for a French leather importer in 1975. Apex footwear achieved many awards from the government as a leader of the entrepreneur, giving some hand-some effort to the national economy and social work. (Apex footwear ltd 2022). Every

achievement comes from hard work; entrepreneurial tasks have to be completed mentally and physically. The need for achievement should play a vital and effective role for the company. SMEs created jobs for unemployed people over 160,646 in 2019. SMEs generate more than half (57.5%) of the 445 billion euros. GDP increased by 40%, an excellent achievement for small and medium business entrepreneurs. A group achievement, but every entrepreneur tries to gain the national economy. (Suomen Yrittäjät 2022.)

4.2 Environmental impact on business

Every country has a different business culture, and big companies research business environments and cultural perspectives. There are many countries where it is tough to start a business. There are political issues and religious and business barriers. It is easy to start a business in Finland; the atmosphere is accurate to implement the idea. The supportive and accessible business representative who guides entrepreneurship. Finland is also the best place to work, certified, which is the advantage of establishing a new business. Entrepreneurship is not easy, but the government makes the atmosphere suitable for those who want to create their own business. (Business Finland 2022.)

4.3 Starting a business and motivation

A small business owner needs self-motivation to succeed. This part is essential to building that motivation. Running a small business is not so easy because an entrepreneur must make all kinds of decisions on their own. There are possibilities to improve the business organization. Besides, it can occur due to poor management or marketing research spoiling the business. Many entrepreneurs do not want to do business research about whether their products will be acceptable to the customer or not.

Whether they will survive in the market and or they will be able to take their business forward with more business strategies. For this reason, many entrepreneurs do not want to come up with new ideas to do business. Motivation and business stories can help a lot of entrepreneurs to increase self-motivation. Nowadays, many motivational speakers give motivation or tell the business story, how they start their business with struggle. There are examples of this in the Guidebook. (Uusyrityskeskus 2021.)

Rasmus felt the car business was profitable throughout Finland as a part-time entrepreneur. The car was imported from Sweden, and he sold it along with his studies. The sale of cars is turning out to be a

profitable hobby turned into a business. Having grown up with imagination and caring about customers, he wants to see a smiling face. Rasmus faces challenges head-on and is concerned about customer satisfaction, which is a key component of success. In Finland, the car industry is a strong economic sector. One wants to be a business owner here. Business stories about entrepreneurship and their motivation to succeed are arranged in an orderly fashion. Make smart decisions to support the future-focused goal, which is a dream business or experience. (Uusyrityskeskus 2021, 6-7.)

4.4 Innovation and vision

Innovation matters do not happen automatically. It is driven by entrepreneurship a potent mixture of vision, passion, energy, enthusiasm, insight, judgment, and plain hard work, enabling good ideas to become a reality. The power behind changing products, processes, and services comes from individuals whether acting alone or embedded within organizations who make innovation happen. (Bessant & Tidd 2015.)

Table 1: Entrepreneurship and innovation (Adapted from Bessant & Tidd. 2015, 12)

Start-up	Growth	Sustain	Renew
Individual entrepreneurs' new products and technological implement	Growing the business through new products	Business innovation to expand its market influence.	Changing the system, acting as agent for the next wave of change
Improving the business management Concerned about customer and innovation ideas	Developing management with skills	Spreading ideas widely, and engaging links to get enough attention from customers.	Innovation which began the business enable to move forward.
Attractive and target to cover the market	Developing the ideas Engaging more network		

When an entrepreneur thinks about business, he has a few plans to run the business. It is wise for entrepreneurs to do business with more than one plan. Entrepreneurs want to bring modern products or services to the market. It is a matter of intelligence to rearrange the old ideas in the market. For example, if we look at the home decor and handicraft companies used to make intelligent products. Still,

they are coming up with many kinds of innovations for customer demand. Tidd and Bessant (2015) introduce innovation for entrepreneurs because surviving in the market is a critical challenge. Innovative products will help to move the business forward. The nature of the invention is that it is fundamentally about entrepreneurship. Improving every business operation is the vision of entrepreneurship. (Bessant & Tidd, 2015.)

5 SMALL BUSINESS MANAGEMENT

Managing activities must follow up with the business environment. There are internal and external issues to starting the business. Without management, it will be impossible to run the business as efficiently as possible, and other activities should be coordinated. In a large company, management groups and managers oversee the organization. In a small company, the entrepreneur must oversee external and internal sites and manage the organization. A business can run without management, but soon it will be challenging because the business is unorganized. Therefore, this report clarifies the importance of small management in establishing a business. (Lind 2012.)

A new product wants to create a new place, and it should follow a unique formula, price, size, customized, and so on. Product making cost is essential because the selling price should be within reach. Plan to sell at less price than other companies. Importing goods from abroad or doing business with the material of one's own country are two different management. For small businesses, some notable managements are very applicable. Every product and service provider has streamlined its management to serve its customers in the modern world. Management is the direction and maintenance of an internal environment in an enterprise where individuals working in groups can perform efficiently and effectively towards attaining group goals. (Havinal 2009.)

Small business management and entrepreneurship are easy to maintain, although a lack of finance and capital management can suddenly destroy the business. There are several ways to fix the business performance. Still, these two places need to be kept right for the business to stand. It can be sole ownership or partnership business based on agreement. However, this industry sector is a fact of independence and is considered while scaling the small business.

5.1 Risk management

A risk management strategy can overcome some risks. Small businesses may close due to poor management, and it is challenging for those who enter the market without business experience about starting a small business. Such administration can fix the management, improvement, and future-oriented business activities. (Finrepo 2022.)



FIGURE 2: Risk management, (Adapted from Finrepo 2022)

Generally, a risk is an event or situation that negatively impacts a business. For instance, the risk of having hardware or cash stolen due to an insufficient security procedure. Business formulas vary widely from industry to industry. For the executive's plan to be effective, it should include a daily routine for better feedback. As for risk management techniques, it is crucial to allocate resources and time to establish an arrangement that minimizes the probability of an event impacting the business. Risk refers to the probability of a loss, damage, or threat to any enterprise, which means that an enterprise faces different risks, some of which can cause severe financial harm or even bankruptcy. Entrepreneurs cannot avoid risk, but they can minimize it by managing it well. Businesses are all exposed to risk. A company's future is difficult to predict, and there are many risks involved in doing business. Therefore, effective risk management is crucial for a business's success. (Finrepo 2022.)

6 PRACTISING BUSINESS PLANNING

I learned that the practical steps to starting a business are different from what I learned theoretically. The maintenance of these procedures is necessary for any business to run smoothly and without obstacles. During these procedures, it is imperative to maintain accuracy as a single mistake can lead to complete failure. In the next segment, I will explain how to establish a home décor and handicraft business in Finland. This part of the thesis is about home decor products and handicrafts. Though this business is not yet open to customers, it explains what it takes to establish a home décor business. This summary will help you get a small business off the ground.

6.1 Enterprise and formation of documents

The new trade is always welcomed in Finland. The home décor and handicraft businesses are profitable businesses, so my plan runs accordingly. With my skills and knowledge in business, I intend to move forward. A partnership requires at least two partners, who have the same rights and responsibilities in terms of the business's operations, decisions, liabilities, and threats. Business operations are made easier by responsibilities and benefits. Moving forward aloneness is one of the most significant benefits of small businesses. Therefore, I decided to go with an individual form of business. Several foreign countries do business in Finland as large companies. Finland has a relatively small new home decor industry. Anything can happen to it, I hope that it will run smoothly, moving forward with the individual decisions that seem logical to me. (Finnish patent and registration office 2021.)

After deciding to move forward with my business idea, I will need the designated company form. Several factors affect the structure of a company, including the type of business. These factors include the number of founders, the amount of capital, and many calculations. All these things must be documented once finalized. I'll follow up afterwards. When making these decisions, you should be very aware of what you are doing. These changes, however, require lengthy and complicated procedures.

Time-consuming changes can affect businesses, as they may cause operations to halt while on the go. For this reason, it is imperative to make concrete decisions. (Suomi. fi 2022.)

6.1.1 Operating plan

The operating plan plays a crucial role in any business. It is the blueprint for the organization. I prepared this plan during the planning process. I have divided the duties according to each position. In addition to the assignments, the operating plan also includes the budget distributions. My assets and resources have already been allocated, and I will follow my plan. I will be able to monitor the effectiveness of programs this way. In addition, if I realize that some projects are not working properly or are not as effective as I would like them to be, I can change the plans accordingly. In addition, under a project's guidance, each step forward is carefully monitored and evaluated. Digging out the actual development of an organization, an operating procedure is needed. (The alternative board 1990.)

It is possible to earn profits by selling low-cost home decorating and handicraft products from Bangladesh in Finland. Another valuable step in the process is to purchase low-cost products from Bangladesh. My goal is to sell these products at reasonable prices to Finnish consumers because Bangladesh is a reliable supplier of garment products to Finland.

6.1.2 Trade register

The purpose of a trade registration is to record the essential information about a business, such as its presence, articles of association, and concern bodies. A business' credibility is determined by the transparency of its trade register. The more information provided during this registration, the more likely the company is to progress. It is another essential step in initiating a business in Finland. It means a public enlistment that contains all the information about companies in Finland. This enlistment is a prerequisite to running a business in Finland. (YTJ 2022.)

Whenever any of these details change, they must be updated in this register. A business might face a penalty if the essential information and the information in the record aren't the same. As a result, registering for something isn't enough. Only credible information should be provided and actual (Finnish

patent and registration office 2021). Therefore, I must be logged into the trade register and keep our information updated there. Additionally, I will need to keep in mind to add all the new information to the record.

6.1.3 Value Added Tax

Each year, every business must pay a value-added tax based on the sale of goods and services they make. Maintaining a clear VAT record is essential to your business's goodwill. In Finland, the VAT rate on almost every item is 24%, so pricing will have to be carefully considered. Since the goods are going to be imported, I will have to include these charges in the price. VAT payments are performance-based, so I'll be paying them according to invoices during the early stages. Furthermore, a VAT release may be granted in the beginning years, depending on the turnover. (Vero 2020.)

I will need to register the company with the Value Added Tax Department. Once that is done, I will have to pay VAT. I should consider the total cost is affordable for the target customer when I add the VAT to the price. Accordingly, I can see that pricing will be a challenging segment for my business.

6.2 Insurance and other mandatory processes

An entrepreneur's pension insurance is mandatory for any business owner. It is also known as YEL insurance. This type of insurance is offered by any pension company. The entrepreneur may also take out some other insurance since it's a new and small business. Hence, there is no need to be concerned. It needs to be taken within six months of starting the business. (Varma 2022.)

For example, I am considering the availability of private health insurance. This will cover all employees if they are affected in any way during their jobs. When I create a business id for further progress, YEL insurance companies call me for taking their insurance and offer. One might think such a facility for a new business is too much, but without providing such facilities, it is hard to build a loyal employee base. On the other hand, employee loyalty is a significant factor to get a new business up and running in a short time. Without their loyalty and own responsibility, will never be able to move forward.

6.3 Payment Methods

The company falls under the small business category; I will be particularly interested in the payment method. The future can only be secure if there is a viable payment method. Therefore, I will accept financial institutions that are reliable and popular. After I open the business ID, many payment processing companies contact me to discuss their policies. Considering that my webpage is part of the WooCommerce platform, I plan to choose a payment method that is suitable for WooCommerce. Please see the following sections for payment information. As for the webpage I will use for business, I will be using the WooCommerce platform, and I have talked about how payment methods can be linked to it. (Vivawallet 2022.)

As with every organization, I will have my payment policies. Before conducting business with clients, I will have defined policies for credit and collection that I will discuss with them. The amount of credit we will grant them will be part of this discussion. Working capital or liquid assets will determine the level of liquid assets. It will be my responsibility to keep track of the customers and clients who do business with us on credit. I will introduce a formal credit application process. This will help me to minimize hassle during collection, allowing me to keep track of all the customers. (MacRae 2022.)

Identifying the ongoing clients' payment patterns is essential since it helps one realize what to expect. A method analysis will also assist in determining how to design the collection. I will make sure that clients fully understand my terms before I establish a credit relationship. You must explain credit terms clearly to your client so there are no misunderstandings. If there are misunderstandings, the reputation of your business is irreparably damaged. Conflicts of this kind can damage the market, reducing the number of potential clients. Therefore, all concerned representatives will remain well informed about the policies. (MacRae 2022.)

6.4 Accountants

Third-party accounting and auditing firms usually handle accounts and audits for small businesses. Finnish accounting firms usually offer their services in English. When needed, I will be able to show our audit reports to our vendors. It is a wise idea to check the credibility of the third parties. Therefore, before selecting an accounting firm, I will verify its credibility first. Transparency with chosen firms is

another important factor I will need to remember. They will not be able to maintain a thorough report if I conceal information from them. Due to this, the business will be less transparent. (Accountor 2022.) I will choose such a firm for sourcing products from Bangladesh. Thus, dealing in a common language is the best option.

6.5 Tulli/Customs

My business will include importing home décor goods from Bangladesh. As I mentioned earlier, this segment will be crucial to the success of the business. Taxes will be imposed on all the products I import, and I will also need customs clearance. Customs clearance must be performed before the arrival of the product. Customs will verify whether the products comply; they will also check if I am operating an illegal business under the cover of a legal industry. Tariffs and rates will need to be considered. If I knew all the customs regulations and rules, running an import-based business would not be hard. (Tulli 2022.)

My first thought when I was planning this business was how to provide a quality product at a low price to the customer. Because these handicrafts and home decor items can be found in Bangladesh at low prices, I started talking with traders and looking for easy ways. I wanted to know how to get them into Finland. Since I am an international student, I would like to know if products from Bangladesh could be imported and what percentage of tax should be paid. My conversation with Customs was about home decorating and handicrafts. Because handicrafts are organic, they have a lower tax rate than home decor items. (Tulli 2022.)

6.6 Hiring employee

Any organization or business needs to take this step. Managing the business becomes challenging if I cannot find qualified candidates for every position. To keep the business operating, the company needs a minimum number of employees. The standard of the business will be maintained, employees will be hired before I start, and the process will begin almost two months before I officially open the doors. This is a lengthy process, which will begin two months before the inauguration. As the company's ambassadors, employees must be carefully selected. (Henricks 2000.)

6.7 Online business platform

Having an online platform is essential in this era. As the business is product-based, being available on the digital platform is vital to maintaining a large customer base. Having a strong online customer base also helps a growing company in many ways. I will be able to increase my clientele through the digital platform. Establishing a customer base is essential to any new business. To start a virtual business, you must also plan and design an engaging digital platform. Before officially launching the business, all the segments mentioned above should be addressed.

There are so many small businesses that use apps to reach customers. Several innovations have been introduced recently, including shopping in your language, purchasing, payments, idea sharing, and many other innovations. Nowadays, companies release apps for mobile phones to benefit their customers. The online platform is a blessing for entrepreneurs with limited capital. Internet platforms can reduce costs and make it easier to reach customers. Since I won't have to shop to sell the product, I can offer the product at the lowest possible price if I sell it via the internet. It is possible to start a business online with less capital and reach more people. (woocommerce 2022.)

7 CONCLUSIONS

I developed a plan explaining how to successfully run a small business in Finland in the final part of my thesis. Additionally, I have attempted to cover all of the most common mistakes made by small business owners, as well as the most effective ways of avoiding them. In other words, the thesis is a helpful guide for any new entrepreneur to follow.

A small business that can be established and become successful within a short amount of time is the aim of the thesis. In the thesis, both theoretical concepts and practical concepts are adequately discussed. As the thesis was based on an organization whose profit calculations are not publicly available, financial calculations were not included. Conclusion: The final product and process have been very instructive for me, since I plan to start a small business myself. Due to my desire to study the base organization for a longer time, I completed the assignment on time.

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