

GO / NO-GO DECISION REPORT

Market Entry Assessment

Sweden: Residential Renovation

Sample Report, Illustrative Scenario

Prepared for	Sector	Geography	Date
Illustrative example	Residential Renovation	Sweden, from Finland	Sep 2026

This is a sample built around a composite, illustrative scenario. Company details are fictional; market and regulatory data are drawn from public sources current as of September 2026.

GO

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This is a sample of a Norvan Research Go/No-Go Report, built around a composite scenario: a Helsinki residential renovation contractor weighing whether to open a Stockholm operation. It shows the structure, the scoring method, and the level of detail a commissioned report is built to.

The Decision at a Glance

RECOMMENDATION

GO, WITH CONDITIONS

Three conditions attached. See section eight.

WEIGHTED SCORE

5.95 / 10

Rakennusliike Koivu Oy is a Helsinki-region residential renovation contractor, roughly twenty people, profitable, built over a decade on kitchen, bathroom, and energy retrofit work for housing associations. The company is considering opening a Stockholm subsidiary to bid on the same category of work in Sweden.

Our assessment is go, with conditions. The Swedish renovation market is recovering after a multi-year downturn, the regulatory path to operating legally is well defined even where it is slower than founders expect, and residential renovation specifically, as opposed to new-build development, is fragmented enough that a well-run entrant can win work without displacing an incumbent.

Two things have to be true for this to work. The Stockholm operation needs a locally hired lead from day one, not a Finnish manager commuting in. And the company needs four to six months of working capital set aside before its first invoice clears, because F-skatt approval, and the 30 percent withholding that applies without it, will otherwise strangle cash flow in year one. The full conditions are set out in section eight, and none of them are minor.

Key findings

- The Swedish construction market is valued at approximately 56.5 billion US dollars in 2025 and is forecast to grow at a 6.6 percent compound annual rate to 2030, with residential construction leading the recovery through 2026 and 2027.
- Housing starts rose 11 percent in 2025 to 30,250 dwellings. Boverket projects a further climb to roughly 35,800 by 2027, though this stays well below the 2015 to 2022 peak.
- Registering a Swedish entity and securing F-skatt status typically takes six to ten weeks combined, and no Swedish main contractor will sign a subcontractor without it.
- Close to a third of Swedish employers report difficulty finding qualified construction workers. New labour immigration rules from June 2026 raise the wage floor for posted foreign workers, which makes staffing a Swedish operation with Finnish labour more expensive than it was a year ago.
- Finnish-Swedish business expansions carry a well documented history of underperforming, most often because cultural and management style differences were underestimated, not because the underlying market was wrong.
- The domestic Finnish construction market has weakened sharply over the past two years, including the bankruptcy of several Lehto Group subsidiaries, the largest collapse in the sector in recent memory. That domestic pressure is part of what makes this decision time sensitive rather than optional.

The Question Being Answered

A go/no-go report starts by pinning down the actual decision, not the general topic around it. A market overview answers what is happening in a market. A go/no-go report answers a narrower and more useful question: should this specific company make this specific move, on this timeline, given what it can actually afford to risk.

For this scenario, the question is whether Koivu should commit capital to a Stockholm subsidiary and begin bidding on residential renovation work within the next twelve months, rather than waiting, rather than entering a different Swedish city, and rather than staying focused on the Finnish market alone.

Why this is coming up now

The push comes from home. The Finnish construction and residential market has been under sustained pressure, and the failure of several Lehto Group subsidiaries, the largest collapse the sector has seen in recent years, has made every mid-sized Finnish contractor rethink how concentrated its revenue should be in a single, currently weak, domestic market.

The pull comes from Sweden. Housing starts are climbing again after a multi-year slump, and the segment Koivu already knows, renovation and retrofit work for housing associations rather than new-build development, is exactly where Swedish demand is proving most resilient as interest rates ease and households resume deferred maintenance.

How we scored it

We scored the decision against six criteria: market demand and growth, regulatory and entry barriers, competitive intensity, labour availability and cost, cultural and execution risk, and the financial resilience of the parent company to absorb a slow first year. Section seven shows the full table and the reasoning behind each score.

Market and Demand

\$56.5B	6.6%	30,250	35,800
Swedish construction market, 2025	Forecast CAGR to 2030	Housing starts 2025, up 11%	Projected starts by 2027 (Boverket)

A recovery, not a boom

The Swedish construction market was valued at roughly 49.3 billion US dollars in 2024 and an estimated 56.5 billion in 2025, with independent forecasts putting the market at around 77.8 billion by 2030, a compound annual growth rate of about 6.6 percent. Industry analysts expect the broader construction sector to recover at close to 4.2 percent annually from 2026 to 2029, led first by infrastructure and energy transmission investment and only then by residential building.

Housing starts tell the more specific story. New dwellings started construction rose 11 percent in 2025 to 30,250 units, up from 27,173 in 2024. Boverket, the Swedish housing agency, projects a further rise to roughly 35,800 starts in 2027 before settling near 34,700 in 2028. Developers including JM and Bonava report selling more homes and working down completed inventory, though profit recovery at those firms remains incomplete. This is a market improving from a genuinely weak base, not one returning to the highs of 2015 to 2022, and demand should be read in that light.

The renovation segment, where Koivu would actually compete, tends to lag new-build cycles by twelve to eighteen months and is less exposed to interest rate swings, since much of it is discretionary maintenance on an ageing housing stock rather than new financed construction.

Why renovation specifically

A large share of the Stockholm region's housing stock dates to the 1960s and 1970s construction boom and is now well past the point where kitchens, bathrooms, and building envelopes need replacing rather than patching. Sweden's ROT tax deduction, which subsidises labour costs on qualifying renovation work, keeps demand for exactly this category of work structurally supported regardless of where the new-build cycle sits. This is the segment where Koivu's existing playbook, built on housing-association renovation work in Finland, transfers most directly.

The macro backdrop is not without friction. Inflation and interest rates have been higher than expected through 2025, and elevated economic policy uncertainty has made Swedish households more cautious about discretionary spending, renovation included. This is a real headwind, not a rounding error, and it is why the market score in section seven is a six rather than higher.

Regulatory and Entry Barriers

None of the barriers to entering the Swedish construction market are unusual by Nordic standards, but they are slower and more paperwork heavy than most Finnish founders expect, and underestimating the timeline is the single most common early mistake we see.

REQUIREMENT	TYPICAL TIMELINE	WHY IT MATTERS
Bolagsverket registration	2 to 4 weeks	A Swedish organisationsnummer is the prerequisite for everything that follows, including the F-skatt application.
F-skatt approval (Skatteverket)	4 to 6 weeks after registration	Without it, Swedish clients are legally required to withhold 30 percent from every invoice. No serious main contractor signs a subcontractor without it.
ID06 site access cards	Tied to F-skatt approval	The electronic ID system that controls who may enter a Swedish construction site. Workers without a card cannot legally be on site.
Byggnads collective agreement	Ongoing, from first hire	Sets minimum pay, currently from roughly SEK 26,000 gross per month, and site conditions that apply regardless of the employer's nationality.

Plan for six to ten weeks, not two

Registration and F-skatt approval run roughly six to ten weeks back to back before a company can invoice cleanly. Several Finnish contractors have compressed this by starting the Bolagsverket process before a single Swedish contract is signed, treating it as a fixed cost of market entry rather than something to begin once the first job is won. That sequencing alone removes most of the early cash flow risk described in section six.

A further tightening arrives in June 2026: new labour immigration rules raise the wage threshold for posted foreign workers to 90 percent of the Swedish median wage, up from 80 percent, roughly SEK 33,390 a month. This makes it structurally more expensive to staff a Swedish site with workers posted from Finland, and strengthens the case for hiring locally from the outset rather than treating the Stockholm operation as an extension of the Helsinki workforce.

Competitive Landscape

New-build residential development in Sweden is concentrated among a small number of national developers, JM and Bonava chief among them, both of whom report improving sales volumes but incomplete margin recovery through 2025. Koivu would not compete with these companies directly and should not try to.

Residential renovation and retrofit, the segment Koivu actually operates in, is structurally different. It is served predominantly by regional and local contractors rather than national brands. Materials retail platforms such as Bygghemma, part of the BHG group and the largest home improvement e-commerce operator in the Nordics, and Bygghemma are active in supplying the market but are not renovation contractors themselves. There is no dominant national renovation contractor in the way JM dominates new-build, which is both the opportunity and the reason this will be a trust and referrals market rather than one won on brand recognition alone.

Fragmentation cuts both ways. It means a well-capitalised, professionally run entrant has room to win work without displacing an established leader. It also means there is no single incumbent to study, benchmark against, or acquire a foothold from, and Koivu will need to build local credibility from close to zero, the same way it did when it first entered the Helsinki housing-association market a decade ago.

Where the opening is

- Stockholm's housing-association renovation segment mirrors the taloyhtio-driven model Koivu already knows from Finland, both in how work is procured and in how boards make decisions.
- Labour shortages reported by close to a third of Swedish construction employers mean qualified, reliable capacity is itself a competitive advantage, not just a cost to manage.
- ROT-subsidised renovation demand is comparatively insulated from the new-build financing cycle that is squeezing JM and Bonava's margins.

Risk Assessment

RISK	CHANCE	IMPACT	MITIGANT
Cultural and execution mismatch	High	High	Hire a Stockholm-based lead in the first 90 days. Do not run the operation remotely from Helsinki.
Cash flow drag from F-skatt delay	Medium	Medium	Begin Bolagsverket registration before bidding on any contract. Fund four to six months of working capital up front.
Labour cost inflation from June 2026 rules	Medium	Medium	Prioritise local and EU hiring over posted Finnish workers as the operation scales past its first crew.
Renovation demand softer than headline suggests	Medium	High	Enter through ROT-eligible residential renovation, which is less exposed to the new-build financing cycle.
SEK/EUR currency exposure on multi-year contracts	Low	Medium	Price and invoice in SEK. Revisit hedging only once the Swedish contract backlog exceeds roughly SEK 5 million.

The single largest risk on this list is not regulatory and not financial. It is cultural. The documented history of Finnish companies underperforming in Sweden traces most often to underestimating differences in communication style, decision-making pace, and management expectations, not to misjudging the market itself. A Finnish owner who assumes Swedish clients and Swedish site culture will behave like their Finnish counterparts is the most common way this kind of expansion quietly stalls in year two.

The Scoring Framework

Every criterion is scored from 1 to 10 and weighted by how much it actually determines whether this specific move succeeds, not by how much material exists to write about it. Weights and scores are set before the recommendation is written, not adjusted afterward to fit a preferred answer.

CRITERION	WT %	SCORE /10	WEIGHTED	WHY
Market demand & growth	25%	7	1.75	Genuine recovery in both new-build and renovation demand, but from a weak base and short of the 2015 to 2022 peak.
Regulatory & entry barriers	15%	5	0.75	Well defined path via Bolagsverket, F-skatt, and ID06, but six to ten weeks of lead time that is easy to underplan for.
Competitive intensity	15%	6	0.90	Fragmented renovation segment with room for a new entrant, but no incumbent to benchmark against or acquire.
Labour availability & cost	15%	4	0.60	Structural shortage reported by close to a third of employers, worsened by the June 2026 wage floor increase for posted labour.
Cultural & execution risk	15%	5	0.75	Well documented history of Finnish-Swedish expansions underperforming on management and communication fit rather than market fit.
Financial resilience of parent	15%	8	1.20	Koivu is profitable with a clean balance sheet and can plausibly absorb a slow first 12 to 18 months in Sweden.
TOTAL	100%		5.95 / 10	

How to read the total

SCORE RANGE	READING
7.5 to 10.0	Go. The case is strong enough to proceed without special conditions.
5.5 to 7.4	Go, with conditions. Proceed, but only once the named conditions are met.
3.5 to 5.4	No-go for now. Revisit in 12 to 24 months once specific weak points improve.
Below 3.5	No-go. The case does not support committing capital to this move.

A score of 5.95 sits inside the go, with conditions band, close to its lower edge. That is a deliberately narrow margin, and it is the reason the conditions in section eight are treated as requirements rather than suggestions.

Recommendation and Next 90 Days

Go, with conditions. The Swedish renovation market gives Koivu a genuine, time-sensitive opening, and the company's existing playbook transfers more directly than most cross-border moves. The score is not a comfortable one, and it should not be treated as a formality once the conditions below are checked off.

The three conditions

- 01

Hire the Stockholm lead before the first contract, not after

The single highest weighted risk in this report is cultural and execution mismatch. A Sweden-based, Sweden-experienced lead needs to be in place before Koivu signs its first job, not brought in once problems surface.
- 02

Fund four to six months of working capital specifically for the F-skatt window

Registration and F-skatt approval take six to ten weeks combined, during which any invoice issued without F-skatt status is subject to 30 percent withholding. This needs to be planned as a fixed cost of entry, not absorbed as a surprise.
- 03

Enter through renovation, not new-build

Koivu has no track record against capitalised national developers like JM and Bonava, and should not try to build one on day one. ROT-eligible residential renovation is where the company's existing reputation and operating model actually transfer.

First 90 days

WEEKS	ACTION
1 to 2	Begin Bolagsverket registration for the Swedish entity. Start the search for a Stockholm-based lead in parallel.
3 to 8	File the F-skatt application once the organisationsnummer is issued. Continue interviewing for the local lead role.
6 to 10	F-skatt approval expected. Confirm ID06 registration is in place for the first crew before any site work is scheduled.
8 to 12	Local lead hired and onboarded. Begin bidding on ROT-eligible renovation work only, not new-build.

A go/no-go report is only useful if it ends in a decision someone can act on, not a folder of information someone has to interpret. That is the standard this report, and every report we deliver, is held to.

Norvan.

Research

Norvan Research delivers independent go/no-go research for Nordic real estate and construction companies facing expansion, acquisition, or investment decisions. Clear evidence. A clear recommendation.

This sample was built around a composite, illustrative scenario. A commissioned report is built the same way, around your company's actual numbers and your actual decision.

Get in touch

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