



The  
Growth  
Company

# Growth Company Business Survey

Results for the 2<sup>nd</sup> January 2024 to 2<sup>nd</sup> April 2024

[www.growthco.uk](http://www.growthco.uk)

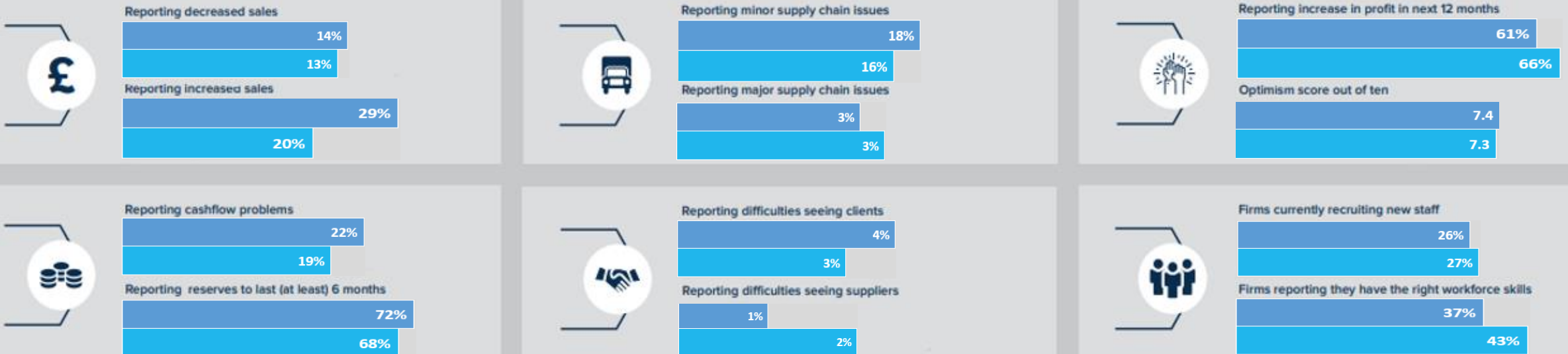
# GC Business Survey

The main survey findings reported by businesses in 2<sup>nd</sup> January 2024 – 2<sup>nd</sup> April 2024

The Growth Company exists to enable growth, create jobs, and improve lives. To inform how we support businesses and the economy, we continually monitor a range of data and intelligence to understand the impact of Covid-19, and other economic risks and opportunities.

The largest regular monthly business survey of its kind, the following findings are based upon a total of **386 businesses** that participated in our GC Business Survey from **2<sup>nd</sup> January 2024 and 2<sup>nd</sup> April 2024**.

## The main impacts of the current economic climate on businesses



▶▶ Previous month

▶▶ Current Month

## SURVEY SUMMARY

The latest survey results shows business confidence remains strong 7.3 same as last quarter in the face of difficult economic circumstances, the risks remain high rising costs, decreased sales even if we have increased sales in this quarter, and supply chain issues remain. Cost risks have increased in this survey but remains a major problem for 43% of firms, from 41% previously after a period of fairly static but elevated levels. There has been a slight fall in the proportion of firms stating they have reserves to last over 6 months, from 72% last month to 68% of survey respondents. This still remains one of the strongest positions in the last 2 years, however micro-size firms and those in leisure related industries are reporting the most risk. Cashflow problems remain, affecting 19% of businesses as a serious risk increased in this quarter. A similar proportion of firms are recruiting as last month 27% (vs 27% previously), and 19% of firms have adopted AI into their business.

**The GC Business Confidence Index.** a ranking of how confident businesses are on their growth prospects for the year ahead, currently stands at 7.3 out of 10, same as last month. However, business confidence varies between sector.

**Sales and profits.** 20% (vs 29% previously) of firms reported that they experienced an increase in sales in the latest quarter, and 61% expect profits to increase in the year ahead (vs 66%), similar to last quarter. Just 2% (vs 2%) expect profits to decrease.

### Main Impacts and Financial Resilience:

- Main impacts of the economy on firms: Rising costs 43% (vs 41%), cashflow issues 19% (vs 22%), minor supply chain issues 16% (vs 18%).
- 68% have cash reserves lasting over 6 months. Highest reserves in DCT, Manufacturing, and Green Tech.
- 20% (vs 22%) faced cashflow problems, with micro-size firms more affected by cashflow risk.
- Cashflow risks more likely in Health Care, Creative Industries, Hospitality & Tourism.

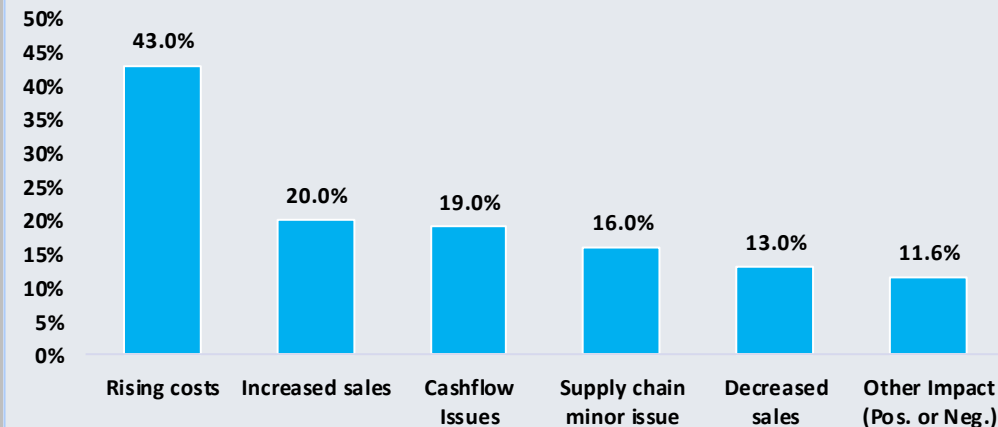
### Recruitment, Employment, and Skills Issues:

- 27% currently recruiting, 12% facing recruitment difficulties, and 45% say existing workforce skills partly meet business objectives.
- Technical skill gaps include specialist technical skills (32%) and advanced specialist IT skills (12%).
- People and practical skill gaps include selling (19%) and motivating staff (11%).

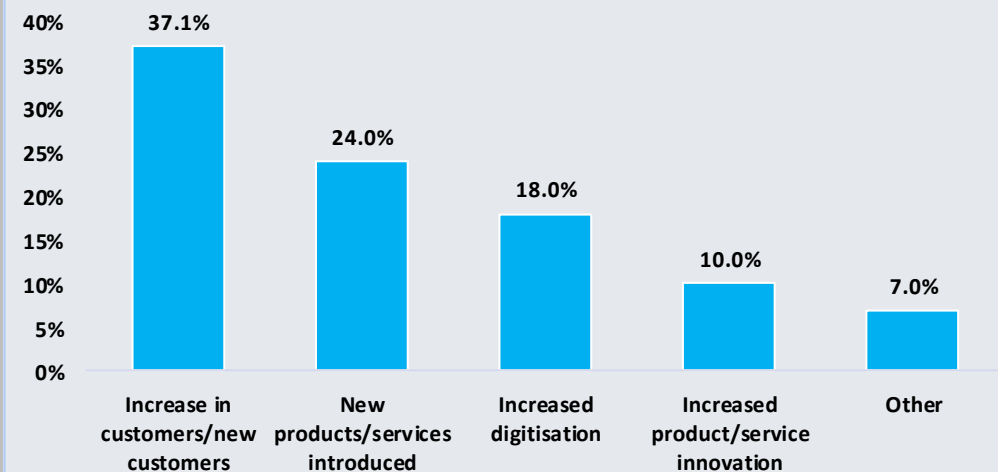
### Business Challenges and Support Needs:

- Challenges include access to new domestic sales opportunities (58%) and developing company business models (42%).
- Main areas for future support:
  - Innovation support (40%)
  - Business planning (34%)
  - Marketing (31%)
  - Workforce development (30%)
  - Financial advice (29%)
  - Addressing environmental impact (20%).

## Main Impacts

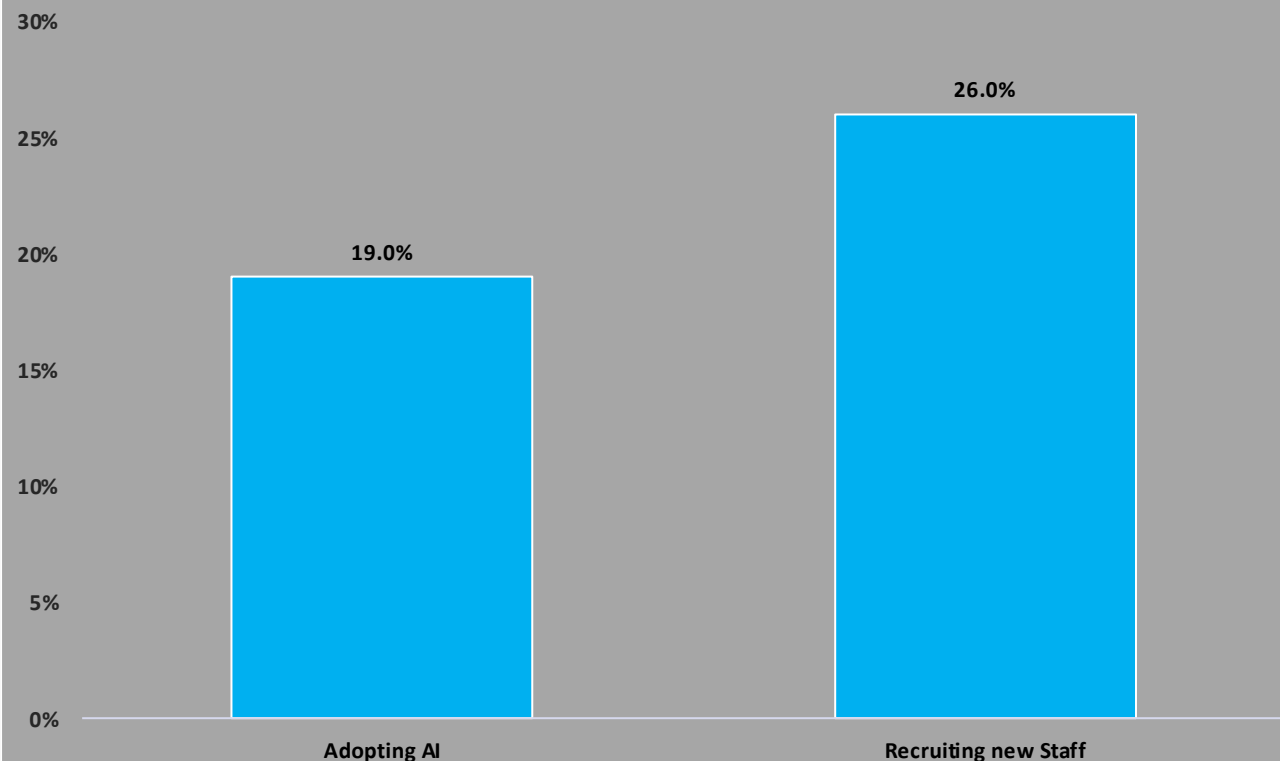


## Positive Impacts

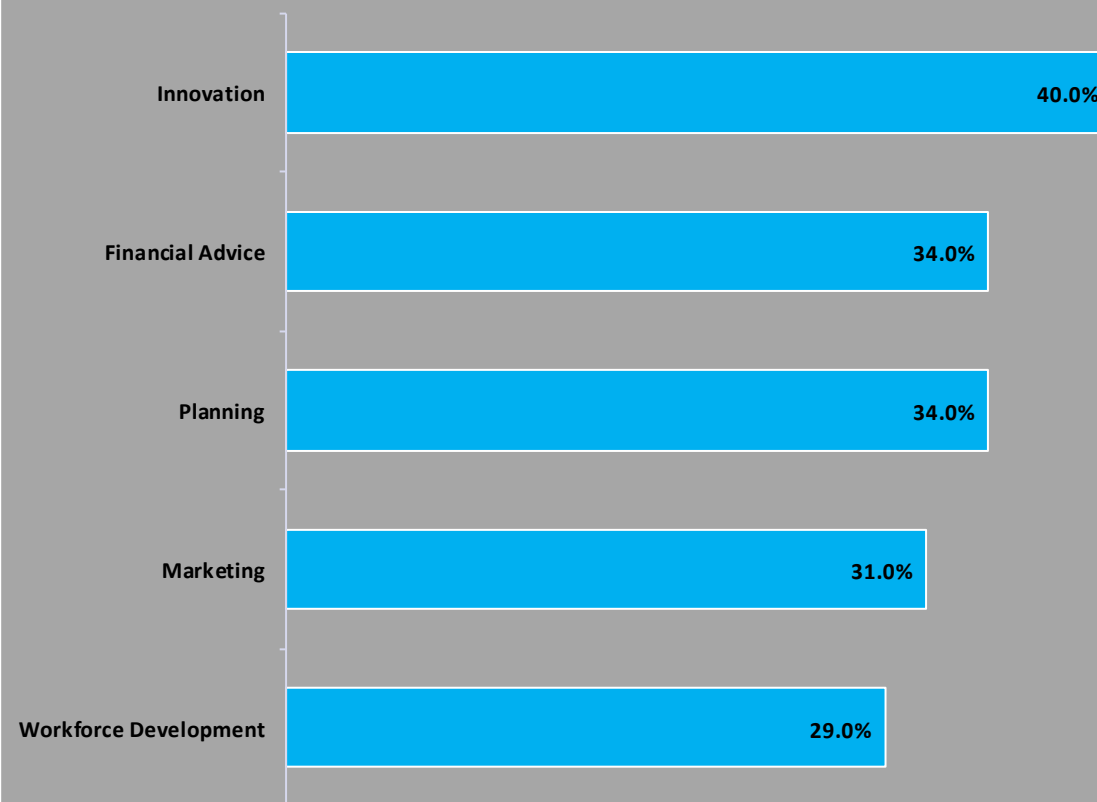


## Interest in business support

### Percentage of respondents interested in the following initiatives



### Top 5 areas for business support in the future



### Access support from the Growth Company

As a market leader in business and economy surveys, the Growth Company has engaged with firms throughout the pandemic and remains uniquely placed to provide invaluable intelligence on the challenges faced by business.

Our survey intelligence reports provide regular weekly input to central Government, as well as supporting a variety of local stakeholders in planning their response.

**For more information on the results presented here, or to take part in future surveys, please contact: [Atharva.Joshi@growthco.uk](mailto:Atharva.Joshi@growthco.uk)**

### Here are some of the ways we can support you:

- Advice and support on navigating Covid-19 business challenges: [www.businessgrowthhub.com/coronavirus](http://www.businessgrowthhub.com/coronavirus)
- Guidance and practical business support on EU Exit: [www.businessgrowthhub.com/eu-exit](http://www.businessgrowthhub.com/eu-exit)
- Help for training staff and finding new talent: <https://www.businessgrowthhub.com/services/support/people-skills-and-talent>