



The  
Growth  
Company

# Growth Company Business Survey

Results for the 30<sup>th</sup> July to 2<sup>nd</sup> September 2022

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

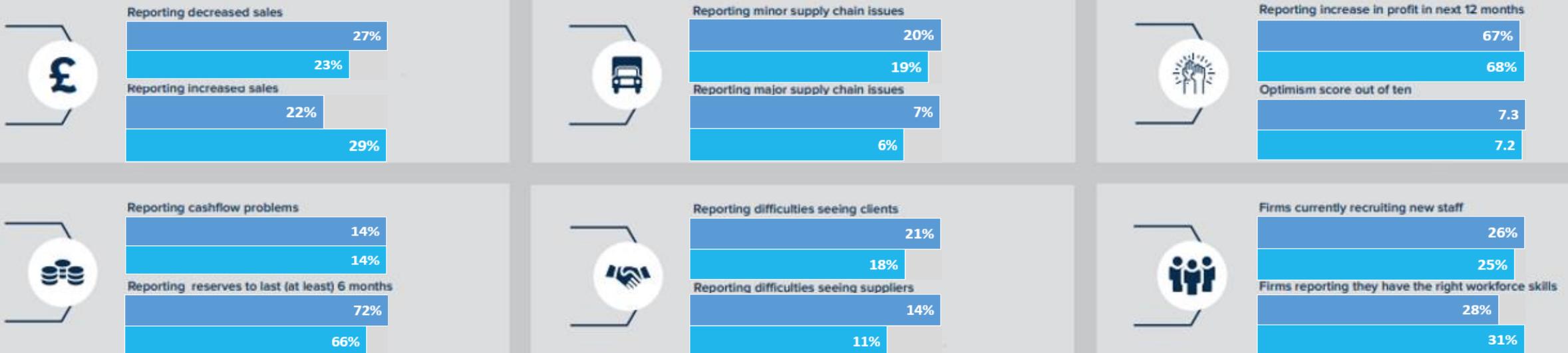
# GC Business Survey

## The main survey findings reported by businesses in August 2022

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 **311 businesses** that participated in our GC Business Survey from **30<sup>th</sup> July 2022 to 2<sup>nd</sup> September 2022**.

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



▶▶ Previous month

▶▶ Current Month

## SURVEY SUMMARY

The headline survey results up to the end of August shows that the proportion expecting sales to increase in the year ahead has risen by seven percentage points, and the proportion expecting profits to increase has increased by one percentage point. These levels of future confidence are at a time when many challenges are beginning to bear down on business. Future investment intentions have slightly decreased, but an increased proportion of firms are looking to increase spending on workforce development, product/service innovation, and digital transformation, compared to the previous month. The main areas of concern/impact for survey respondents are rising costs, supply chain issues, business travel visiting clients, alongside risks of falling sales. The main pressing challenges and business support needs focus on growing domestic sales, addressing innovation and workforce development, and developing the business plans/model.

**The GC Business Confidence Index.** a ranking of how confident businesses are on their growth prospects for the year ahead, currently stands at 7.2 out of 10, 0.1 index points lower than last month, and slightly lower than 7.3 recorded the same time last year.

- **Sales and profits.** 29% (vs 22% previously) of firms reported that they experienced an increase in sales in the last month, and 68% expect profits to increase (vs 67%, and similar to that seen in Jan/Feb 2022), whilst just 3% (vs 3% previously) expect profits to decrease.

### Main impacts from the current situation and financial resilience

- **Impacts.** The main impacts facing firms are decreased sales (23% vs 27% ), rising costs (23% vs 23% previously), minor supply chain issues (19% vs 20%), and business travel to visit clients (18% vs 21%).
- **Falling sales.** The proportion of firms reporting decreased sales shows variation by sector, and was most prevalent in Hospitality, Tourism, and Sport, Logistics, and Health and Social Care.
- **Cash reserves.** 66% (vs 72%) of firms report that they have cash reserves to last over 6 months. This still represents one of the strongest positions recorded in the last 2 years.
- **Cashflow.** 14% (vs 14%) of firms said they had cashflow problems (24% at the same time last year). Firms are still more likely to report cashflow risks in the Health and Social Care sector.

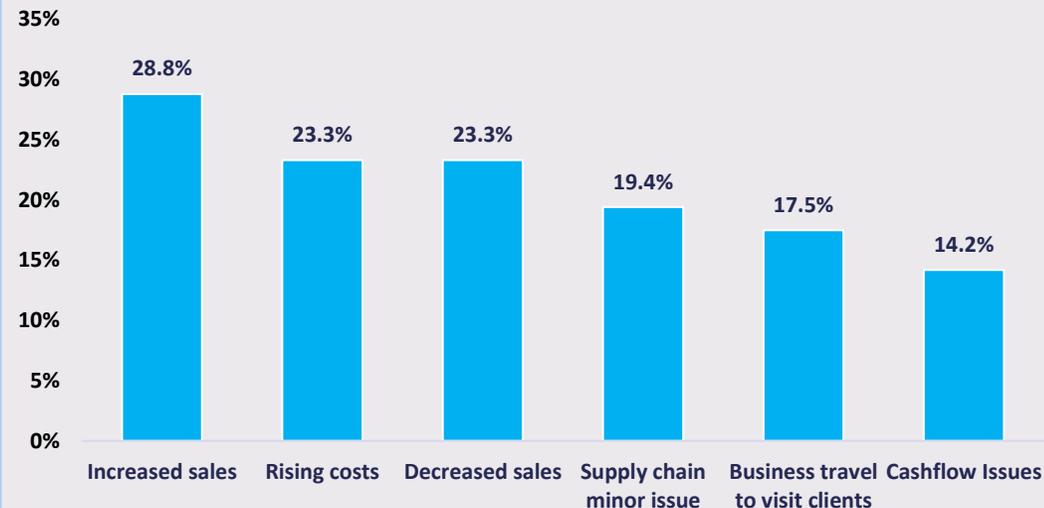
### Employment and skills

- **Recruitment.** 25% (vs 26% previously) of firms are currently recruiting new staff, and 49% (vs 38%) said they had difficulties recruiting for specific occupations.
- **Workforce skill gaps.** 56% (vs 55%) of firms said that their workforce skills are only 'partly' at the correct level to meet business plan objectives for the year ahead.
- **Workforce development.** 57% (vs 52%) of firms said they are looking to increase investment in workforce development in the next 12 months, 29% (vs 34%) said they thought investment levels would remain the same, and 13% (vs 13%) were unsure.
- **Redundancy risk.** 2% (vs 5%) of firms said they were in the process of considering making redundancies – mostly in back-office administrative / technical occupations, and customer facing roles.

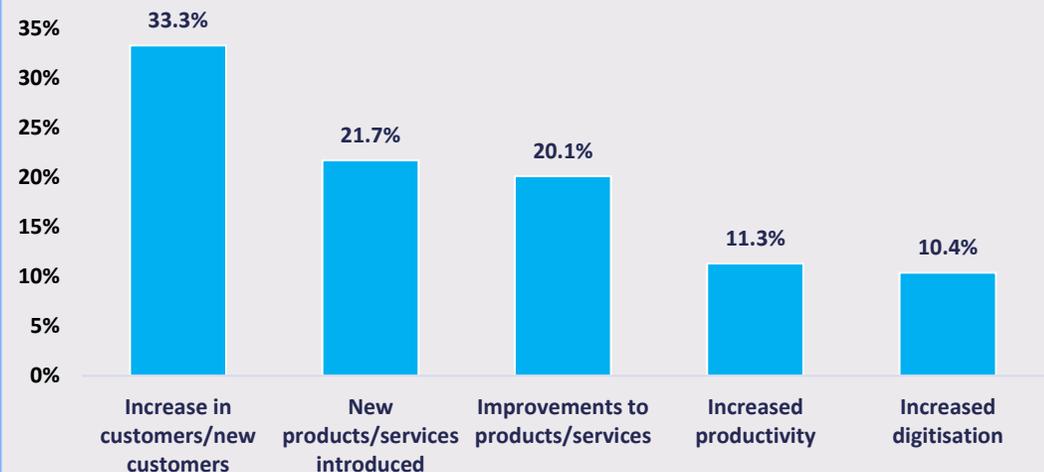
### Other challenges and future support needs

- **The main current challenges:** Access to new domestic sales opportunities (55% vs 60% previously), recruitment, workforce and skills development (46% vs 47%), developing business model and plans (46% vs 43%), managing overall business finances (35% vs 36%), and innovation (36% vs 29%).
- **Future support needs.** Workforce development (44% vs 38%), business planning (45% vs 34%), sales & marketing (34% vs 33%), innovation (29% vs 31%), and financial advice (29% vs 29%).
- **Environmental impact.** 9% (vs 13%) are looking for support on managing environmental impact.

## Main Impacts

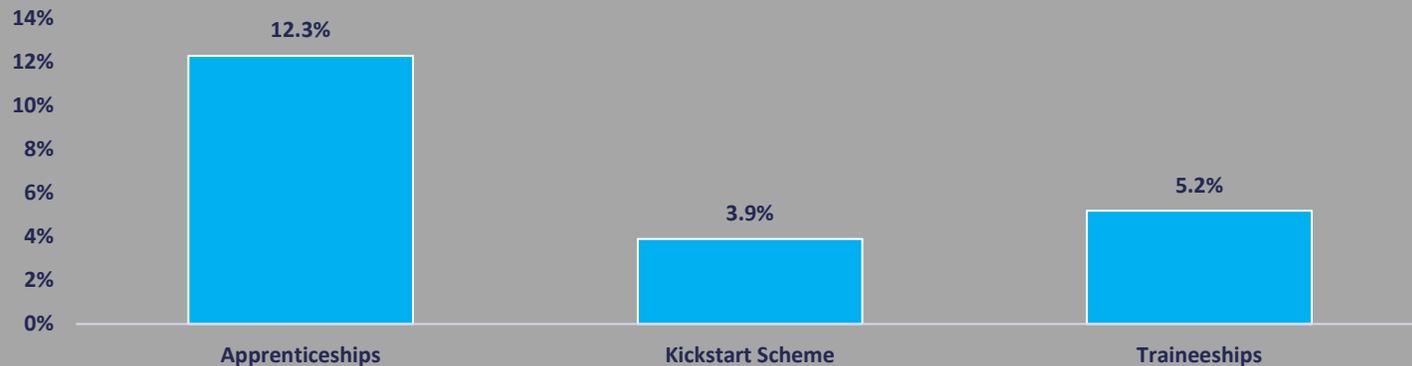


## Positive Impacts

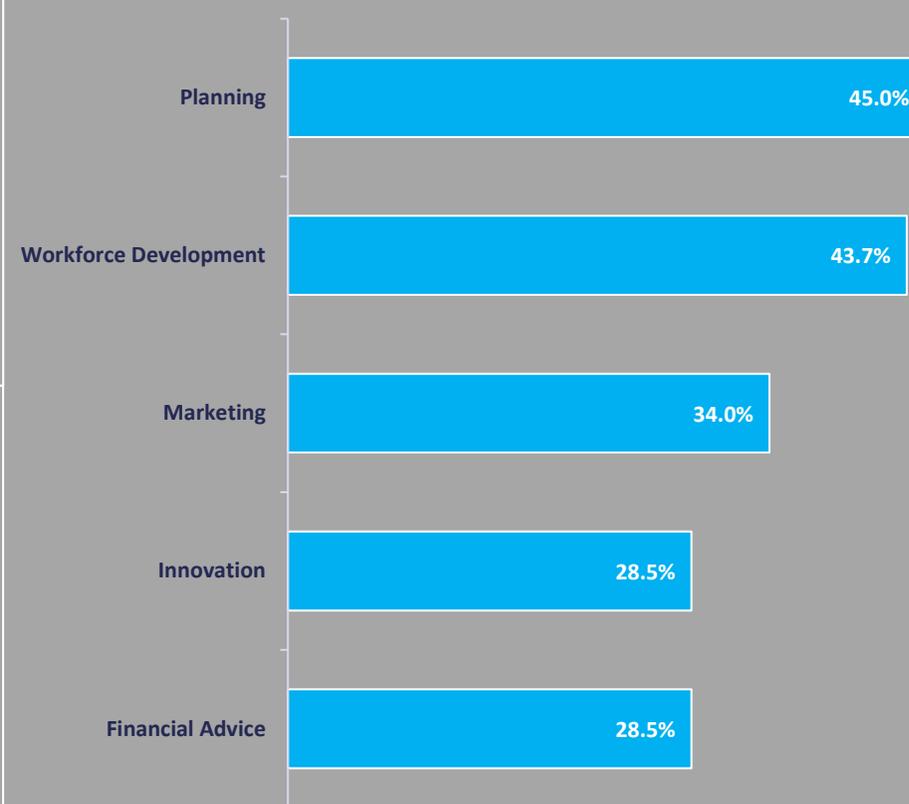


## Interest in business support and training

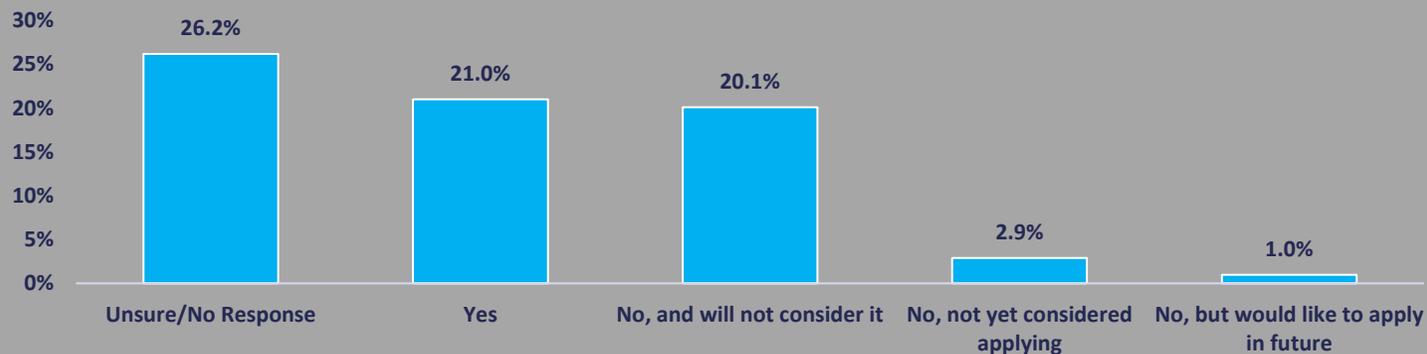
### Percentage of respondents interested in the following initiatives



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



### Firms accessing government loans and grants for assistance



### 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: [Sabirah.Chowdhury@growthco.uk](mailto:Sabirah.Chowdhury@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>