



Allied Irish Bank (GB) Press Release

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“Business confidence is up” say Owner Managers

- 73% of Owner Managed Businesses (OMBs) say they will be in a stronger financial position in a year’s time while only 3% say they will be worse off
- One third of businesses describe themselves as ambitious with a strong appetite for growth with plans to make it happen
- 20% will use alternative sources to fund future growth (including crowdfunding)

Owner-managed businesses are the engine of the British economy, creating wealth and jobs across all sectors and regions. Together they account for almost half of the nation’s private-sector employment and contribute around £750 billion to our GDP. Their health and growth is vital for our long-term prosperity.

Allied Irish Bank (GB)’s report of Steps to Growth touches on the regional splits across the country as well as sectorial viewpoints on business growth. Commenting on the findings of the report, Brendan O’Connor, Managing Director AIB Group (UK) p.l.c. said:

“More than two thirds of the businesses we spoke to believe they will be in a stronger financial position this time next year. A third have a clear strategy for achieving growth, while another third expect to be more opportunistic, creating new products and services in response to changing demand, or seizing market share where they can.”

Steps to Growth is built from market research, professional insight and national customer case studies. One example is Latis Homes, a sustainable design and house building company based in London that employs 32 people. “We want to become one of the nation’s largest house builders in the next five to ten years,” says Robert Luck, who co-founded the business with fellow architect Krishnan Pattni.

Law firm Sintons has evolved and adapted to serve clients in the North East and beyond for more than a century of legal, financial and social upheaval. “We have grown through recommendation and through selective hiring of outstanding new partners,” says practice manager Phil Ridley. The partnership also benefits from Newcastle’s thriving hotels and leisure sector, strong retailing and a world-class university.

Steps to Growth opens the discussions around crucial business topics, including the number one way companies implement their growth strategy, where 65% state operating efficiently is the solution. Other report findings include innovation being the key part of business strategies with three out of four respondents identifying it as highly important, especially within manufacturing and recruitment. The regional and sectorial divisions highlighted makes Steps to Growth a solid thought-leadership piece for the years to come.

OBSERVATIONS FROM EU REFERENDUM RELATED RESPONSES

Businesses surveyed are evenly divided on the potential impact to their business were the UK to leave the EU with 49% of them saying it would have a positive impact on their business while 51% say it would have a negative impact.

Perceptions of the impact were the UK to vote to leave the EU differ between industry sectors. Respondents in the Construction and Healthcare sectors have the most negative view. 70% of respondents in the Construction sector and 60% of respondents in the HealthCare sector indicated that their businesses would be negatively impacted.

The perception of the impact by respondents in the Hotel & Leisure sector and the Professional Services sector was more positive, with 63% of respondents in the Hotel & Leisure sector and 60% of respondents in the Professional Services sector indicating that their businesses would be positively impacted.

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NOTES TO EDITORS

About the report

The Steps to Growth Report is based on a survey of 300 senior decision makers in Owner Managed Businesses in the UK. For the purposes of this report Owner Managed Businesses are defined as businesses with a turnover of £1m+ where the owners, family members or shareholders are involved in the day-to-day decisions and activities of the entity or are directors of the company.