

# Business Monitor

## Q2 2015



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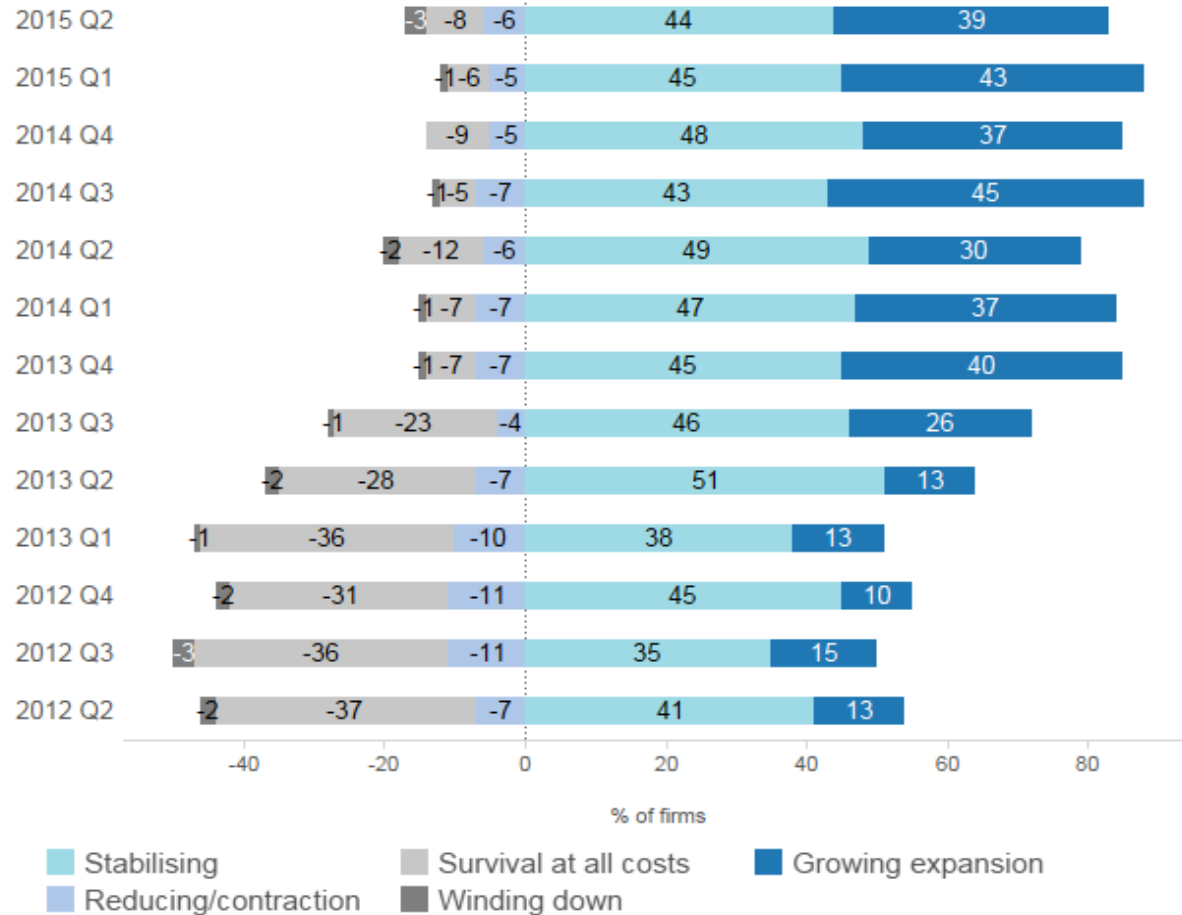
[intertradeireland.com](http://intertradeireland.com)

*Largest all-island business survey*

*“44% of businesses are stable but recovery driven by just 39% of firms that are growing ...”*

## Business position

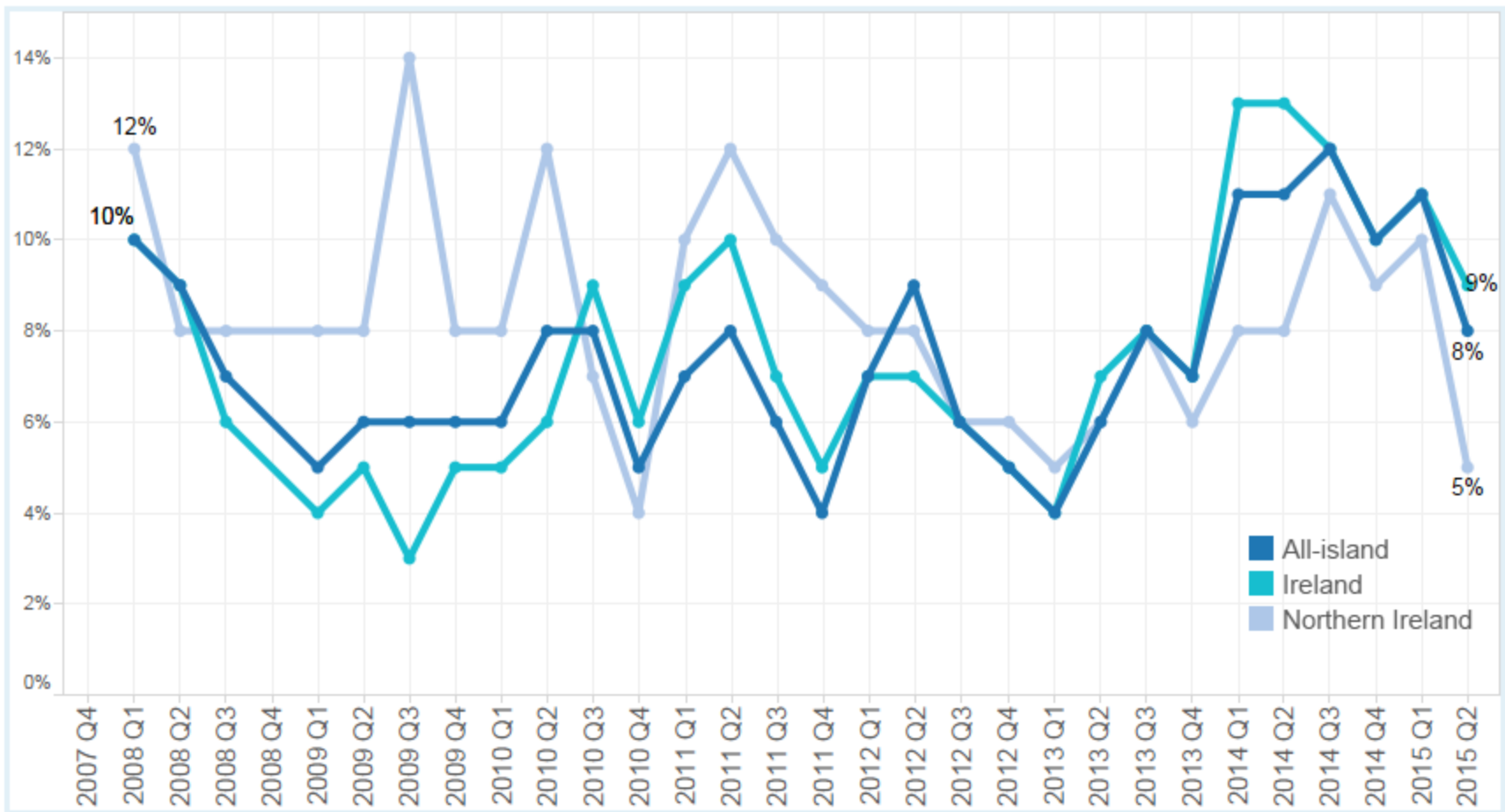
Which of the following best describes the current position of your business?



“...and a fall this quarter in the numbers of firms increasing employment...”

# Businesses increasing employment

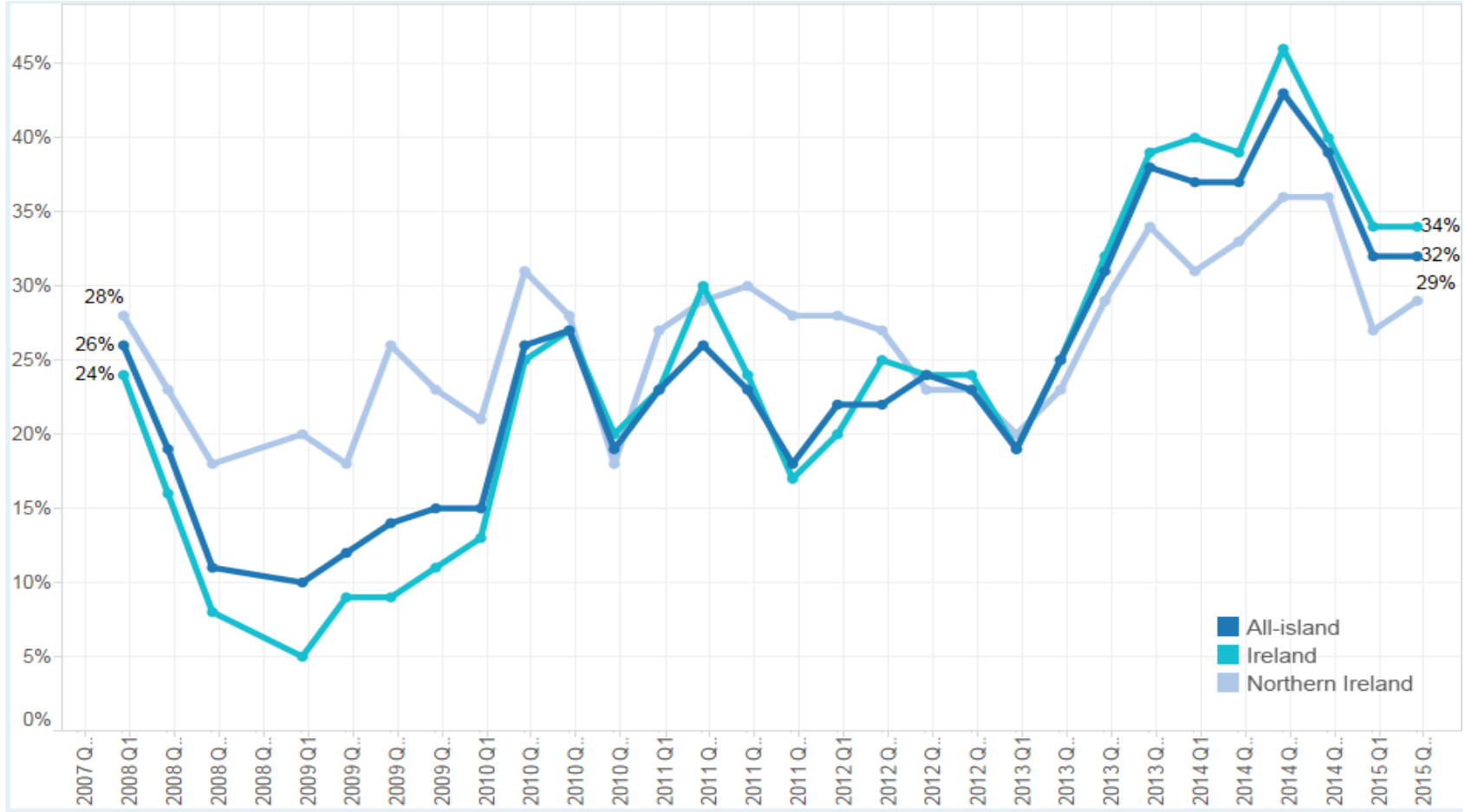
Businesses (%) reporting an increase in employment



“...the decline in the number of firms reporting sales increases has stopped this quarter...”

# Sales performance

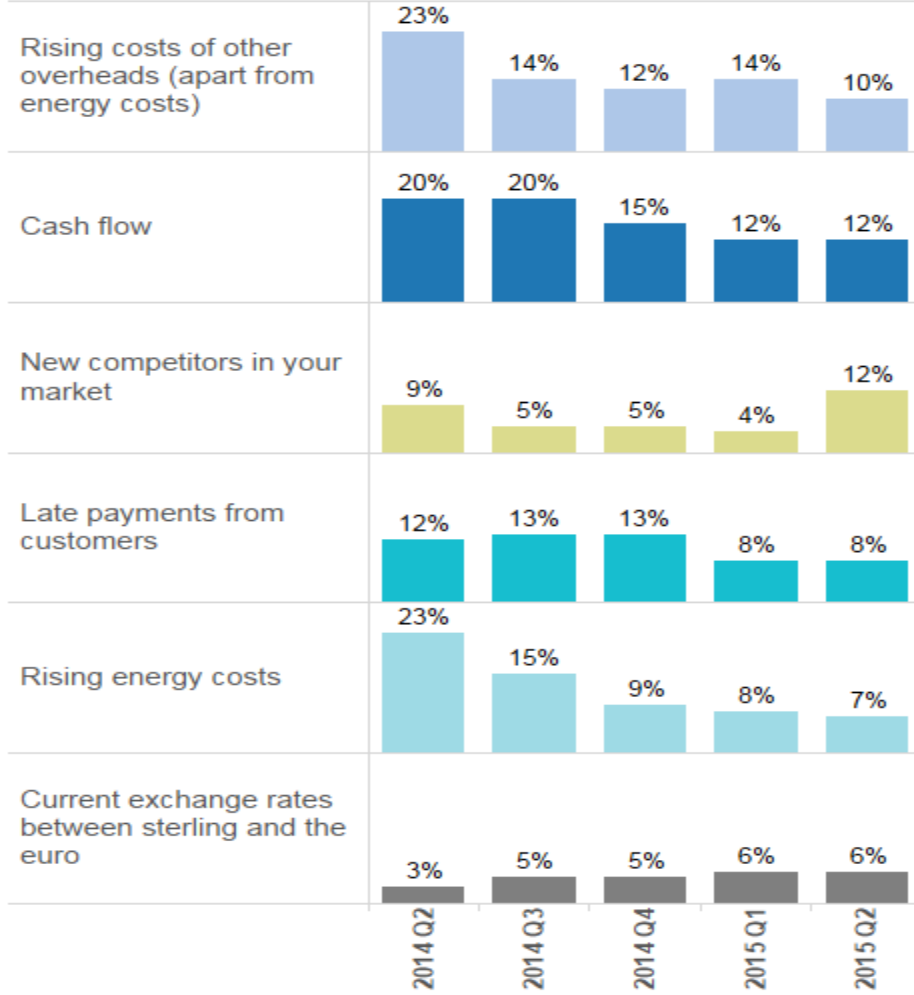
Businesses (%) reporting an increase in sales



“...challenges for business largely unchanged too...”

# Key challenges for businesses

- Most of the challenges faced by businesses continue to decline in importance
- Cashflow and new competition now the leading challenges facing firms
- Energy costs continuing to decline as a large issue, given continuing falls in fuel prices
- Although the exchange rate between sterling and the euro continues to be an issue for a small number of businesses, its importance is greatest for exporters and mid-sized businesses
- A growing number of firms, especially in Ireland, concerned with rising competition.



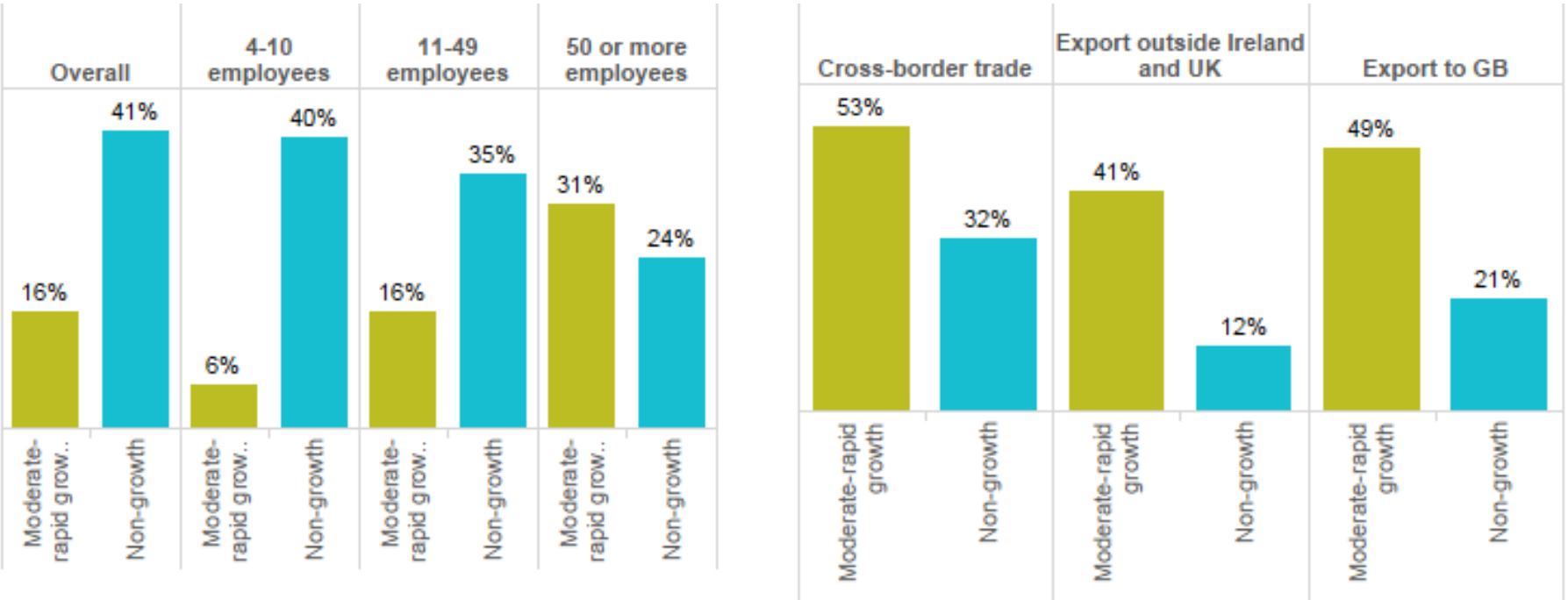
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**WHAT DO WE KNOW ABOUT  
THE FIRMS WHO ARE DRIVING  
GROWTH?**

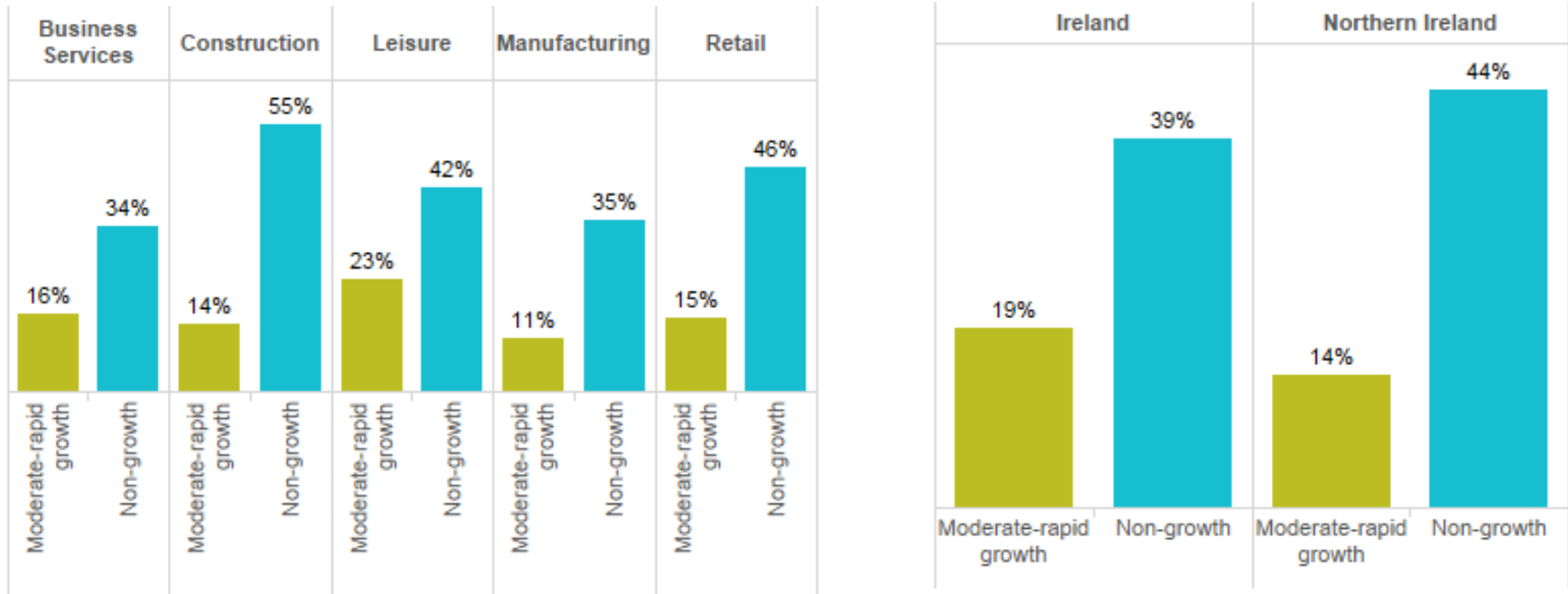
“Size matters ... market orientation important ...”

## Physical characteristics of growth businesses



“ ... sectors and location less so...”

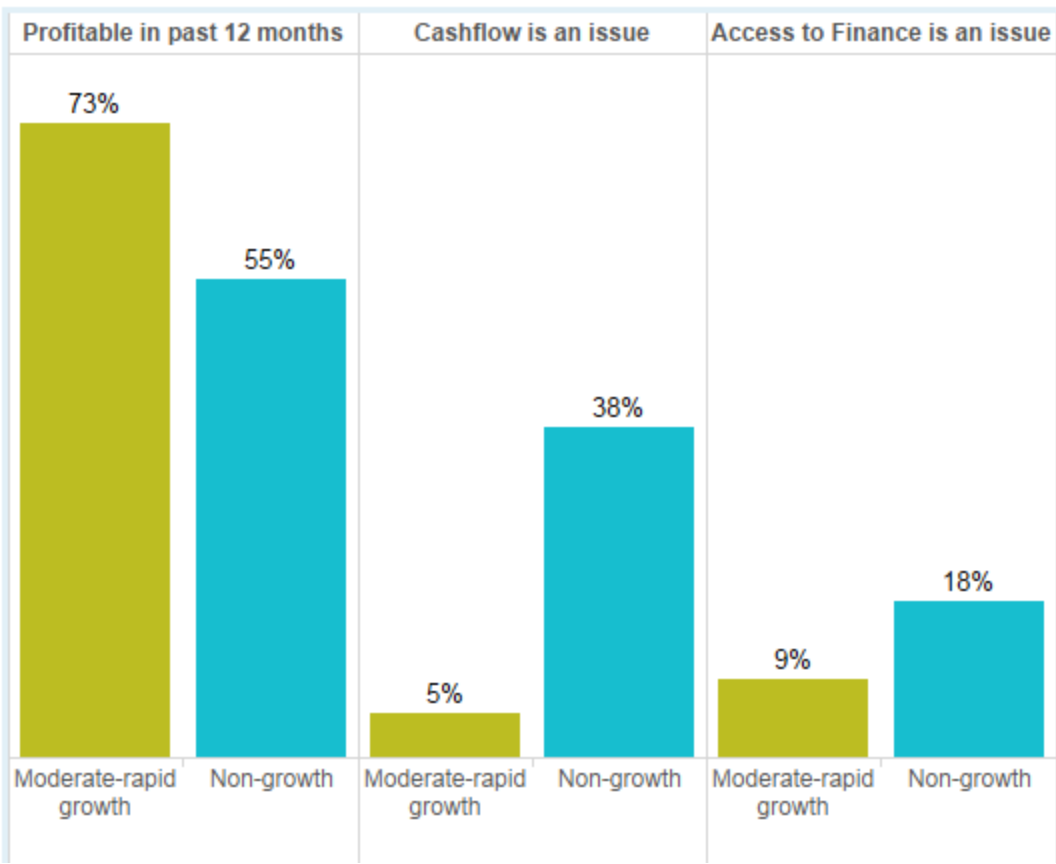
## Physical characteristics of growth businesses (2)





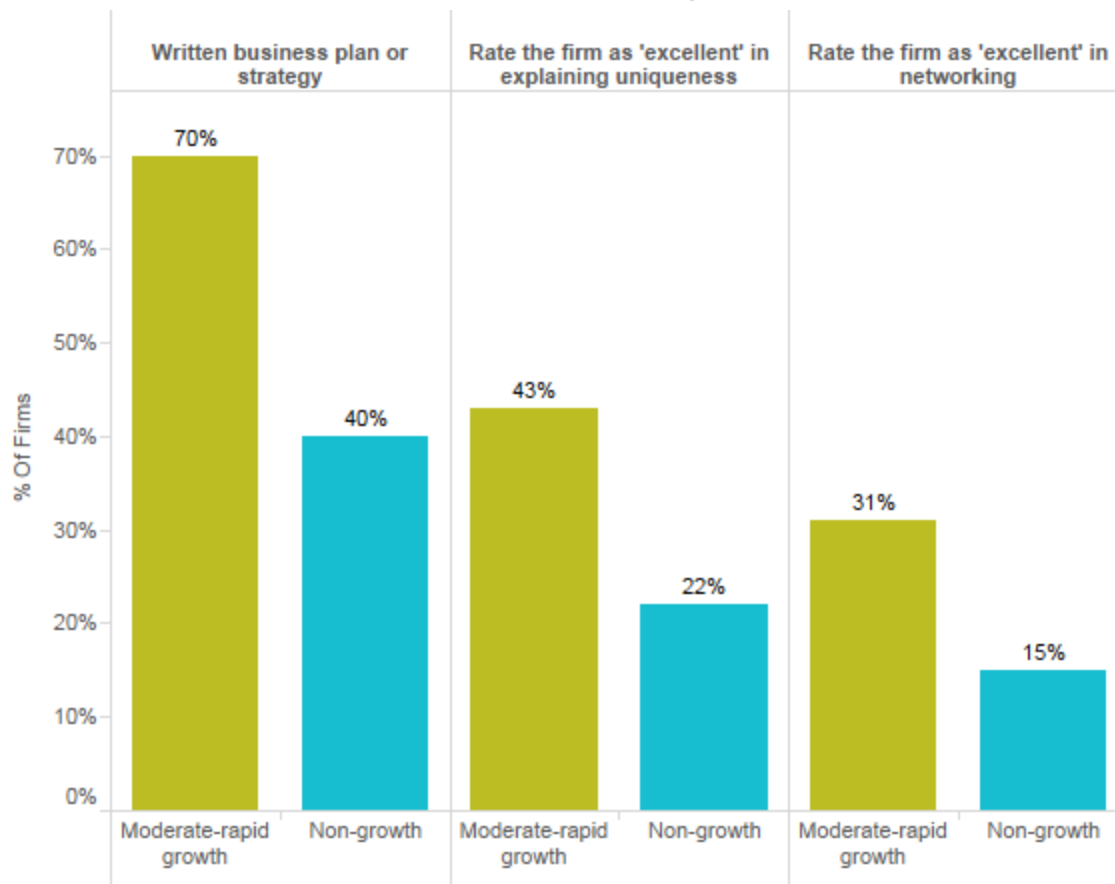
*“They are more profitable and face less financial issues...”*

## Finance and growth firms



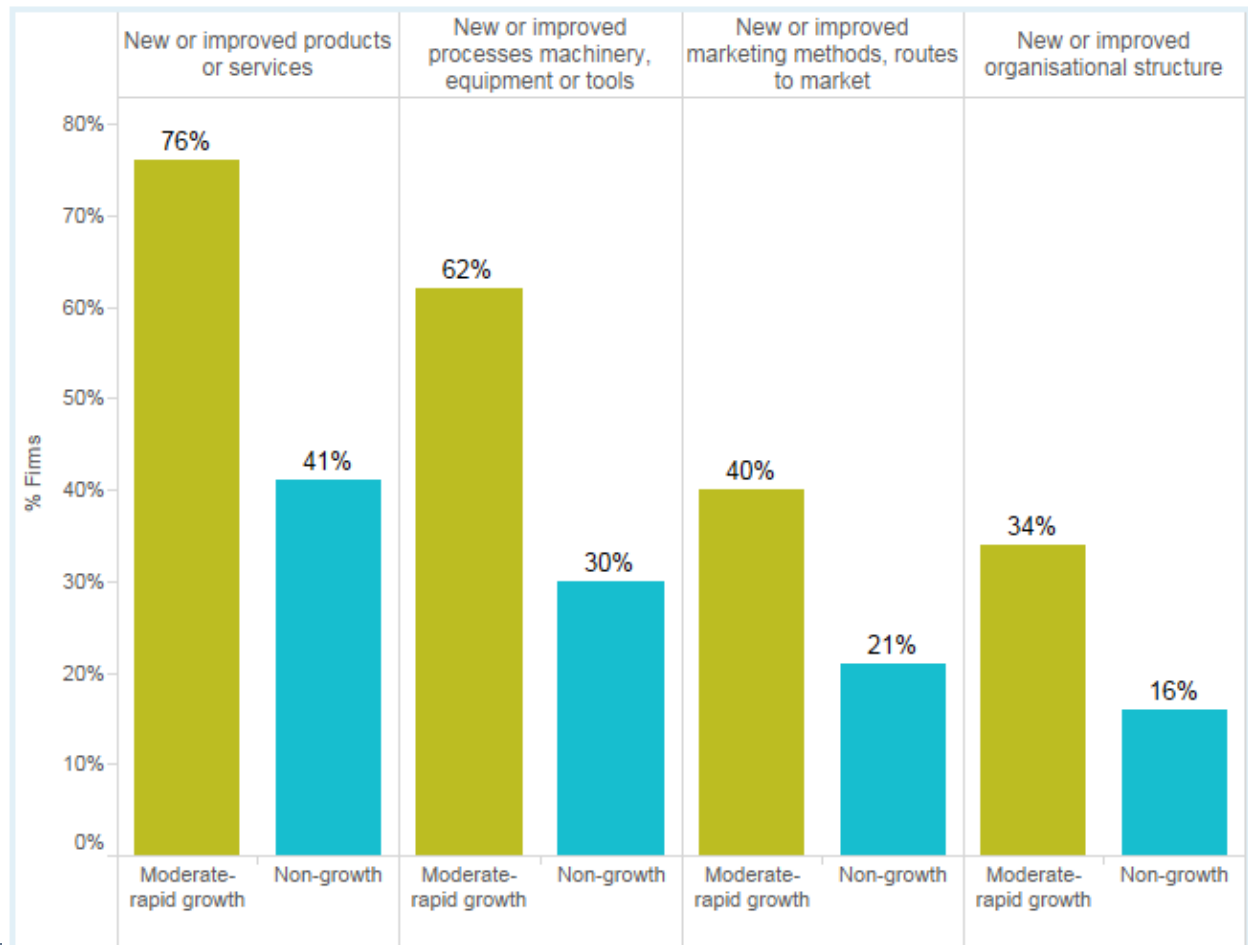
*“...place more importance on strategy, explaining their offering and networking with other firms...”*

## Organisation characteristics (1): Strategy, uniqueness and networking



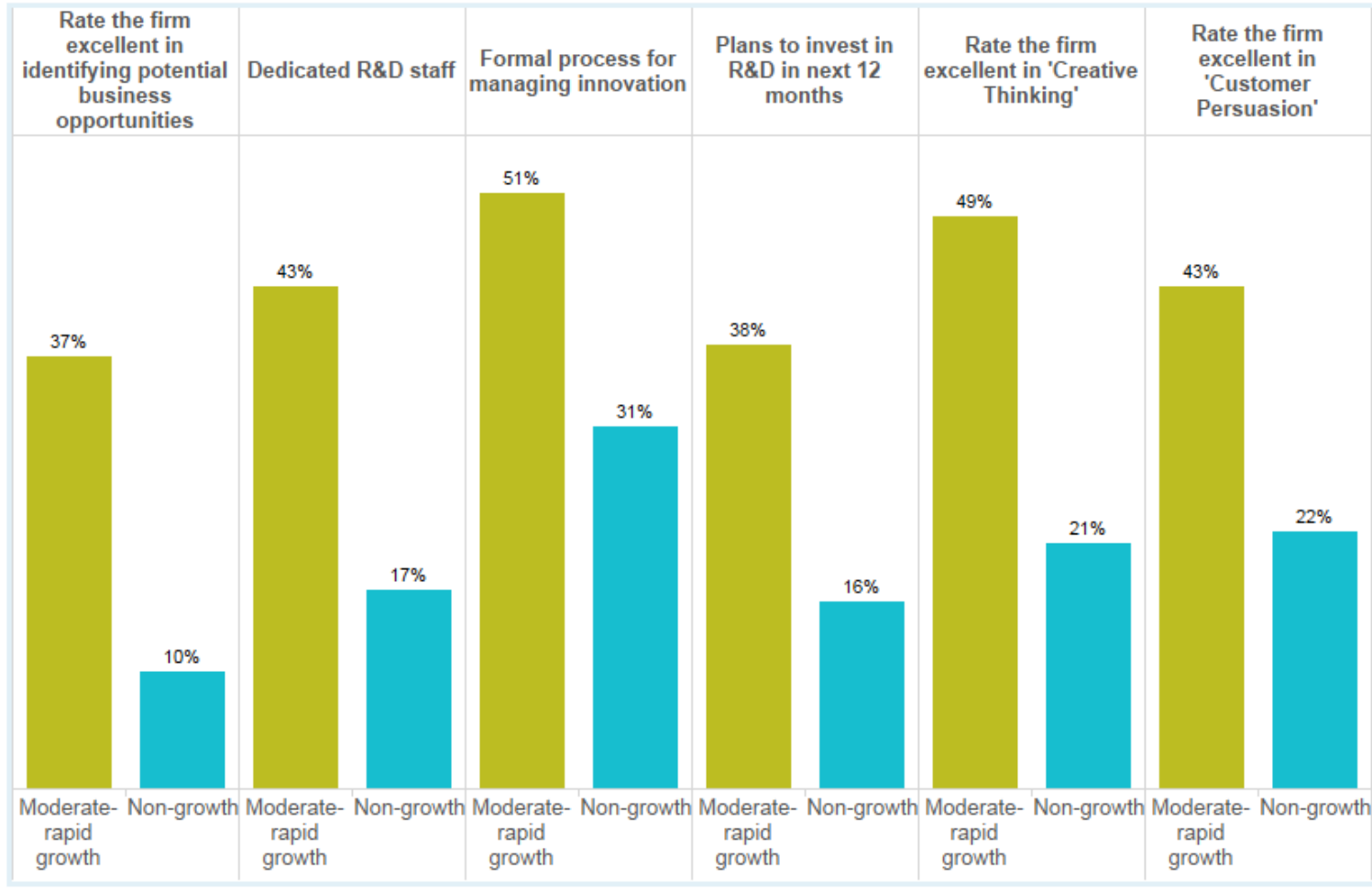
“...are much more likely to have innovated across all areas of the business in the past three years..”

## Innovation activity in firms



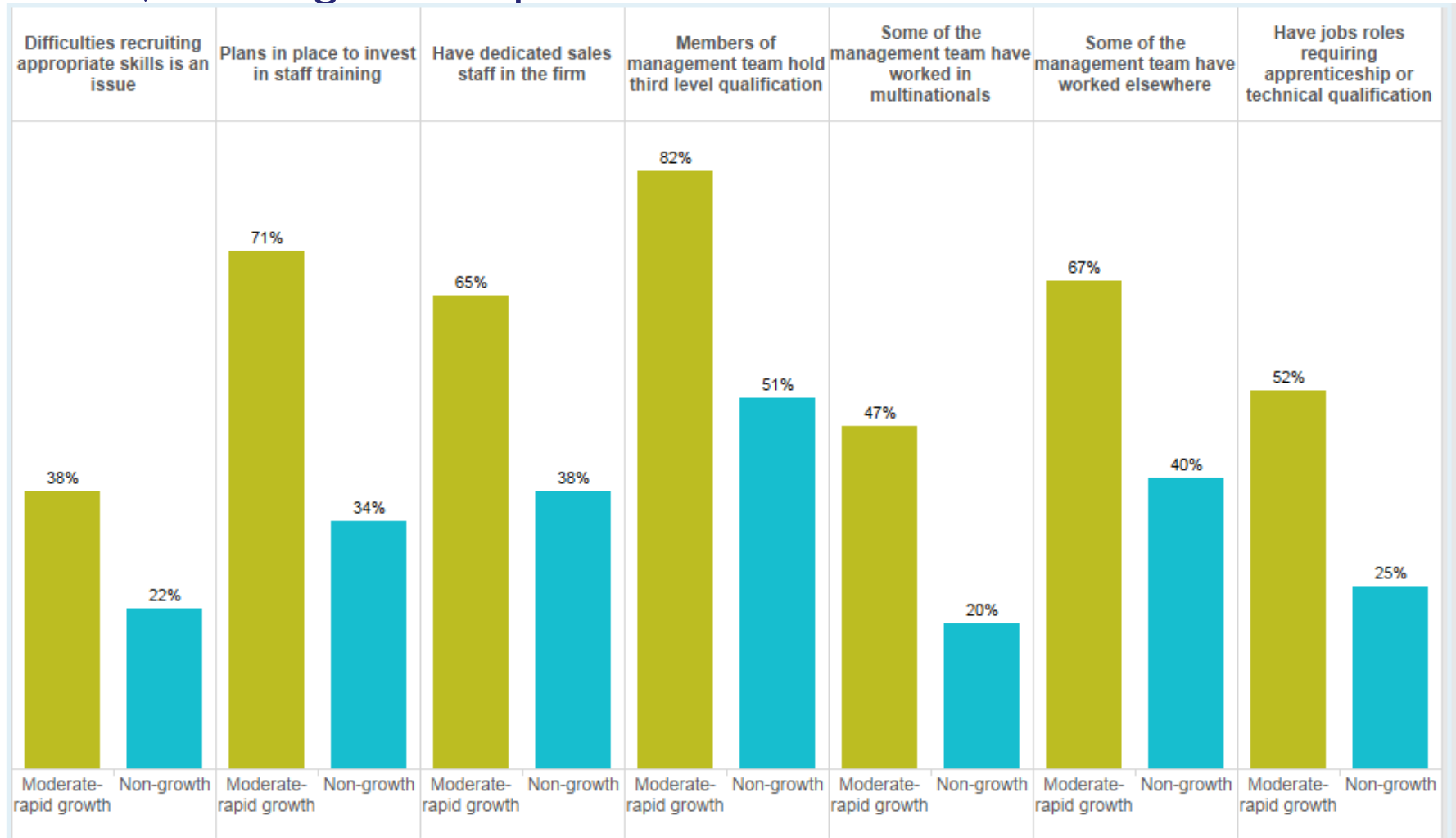
*“...place excellence in innovation processes, culture and skills at the core of the business...”*

## Innovation attributes in firms



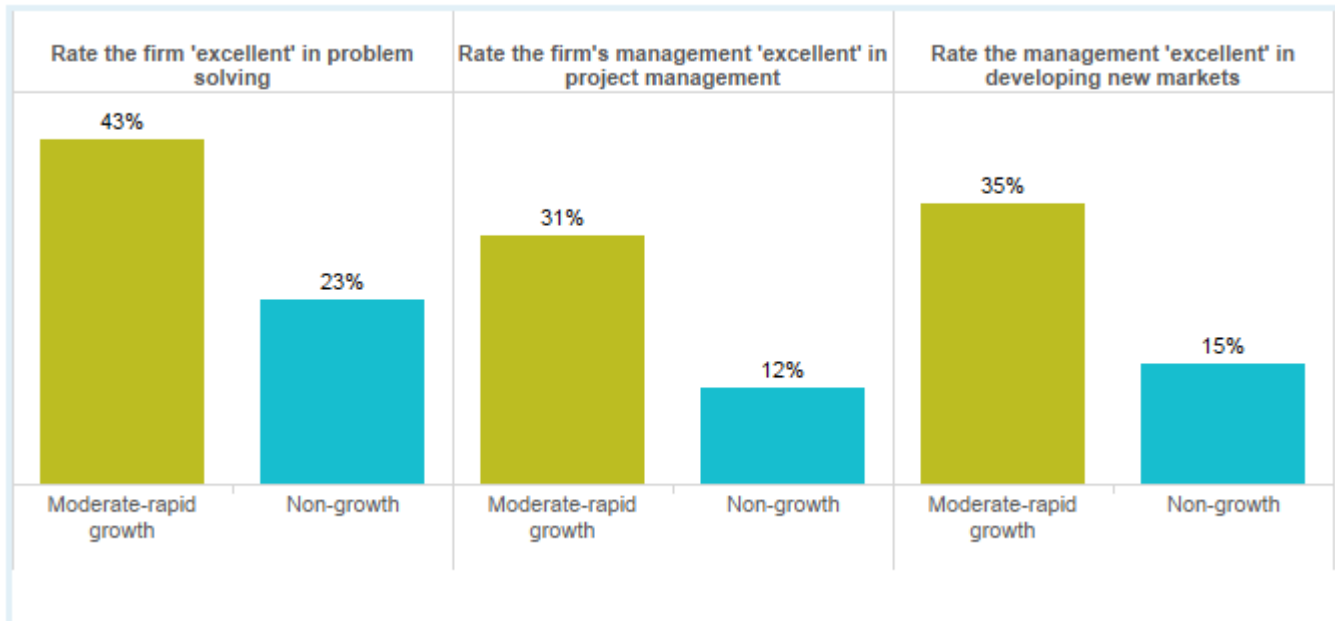
“... acknowledge the importance of training and skills but face some challenges in areas such as recruitment...”

## Skills, training and expertise in firms



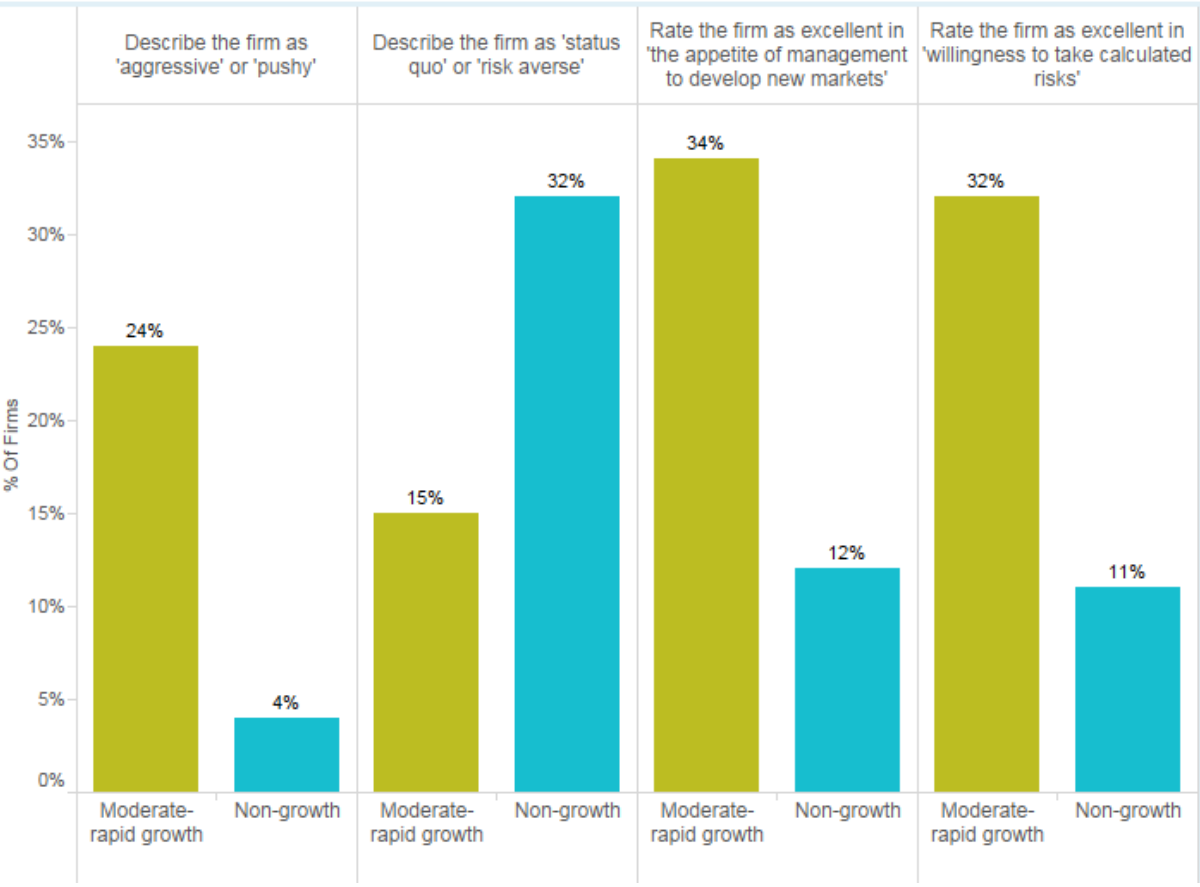
“... believe themselves excellent in key areas of management skills...”

# Management capabilities in firms



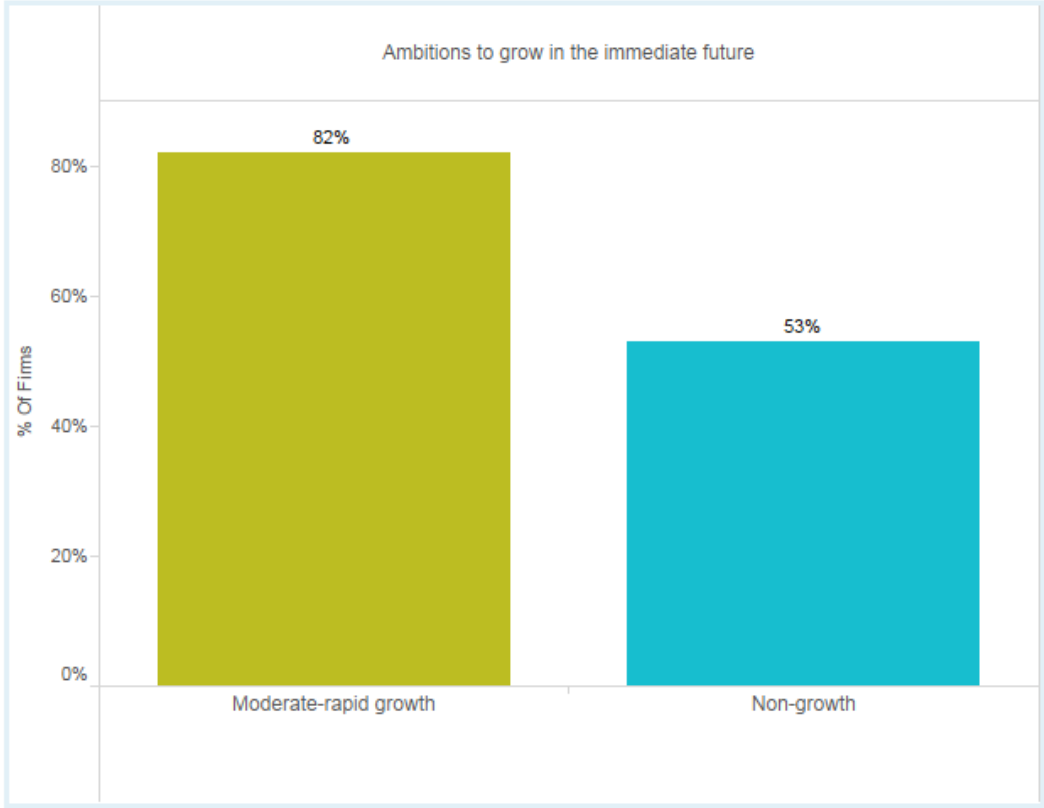
“... tend to see themselves as aggressive, with an appetite for further growth and willing to take a leap forward.”

# Enterprise culture in firms



*“but ambition to grow exists in all firms, including those not currently growing.”*

## Ambition in firms





# Conclusions...

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Recovery continues to develop but failing to be felt by all firms...

Looking behind the recovery can show which firms are driving growth and what are they doing differently or better...

Size and market orientation matter more than sector or location...

Outward looking, innovation, skills and getting the right people are key characteristics of the fastest growing firms...

...and ambition matters and can be found in non-growing firms where it should be encouraged.



# Discover what's possible

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