



Quick Glance

**Quarter 3
2018**

Jobs to become more skilled

The results of the Doncaster Business Insight Survey for the third quarter of 2018 show a flat picture for Doncaster firms with UK sales and orders slowing along with export sales and orders. Recruitment is similar with employment over the last three months and future employment expectations down.

Turnover, profitability and cash flow replicate the general slowdown, however investment in training has slightly increased. On balance, prices are expected to increase from the last quarter, with price pressures coming from raw materials and other overheads.

Factors that are of more concern to businesses than three months ago are Brexit, recruitment, competition and inflation. 35% of businesses believe that in three years time a higher percentage of their workforce will be employed in skilled / highly skilled jobs which fits with the national picture. Interestingly Doncaster businesses experienced greater difficulty recruiting to higher skilled and professional jobs than last quarter and for both skilled/technical staff and professional/managerial posts compared to the same period last year.

Hot topics

Thinking about the overall mix of jobs within your organisation, in three years time, what level of skills will be required?

35% of firms said a higher percentage of their workforce would be employed in skilled/ highly skilled jobs in three years time but 31% said there would be no change.

skilled/highly skilled

35%



Which of the five economic drivers identified in Doncaster's draft Inclusive Growth Strategy resonate with your business?



The majority of firms rated most of the five key drivers of inclusive growth as important but rated Education & Skills Growth as critically important.

In the event of a "No deal Brexit" nearly a quarter of firms will take some form of action to revise recruitment, investment or import/export plans.

1/4



Has your business been affected by any type of crime over the last 12 months?



31%

31% of firms said they had been affected by crime over the last 12 months.

How prepared do you feel your business is to prevent it being a victim of cybercrime?



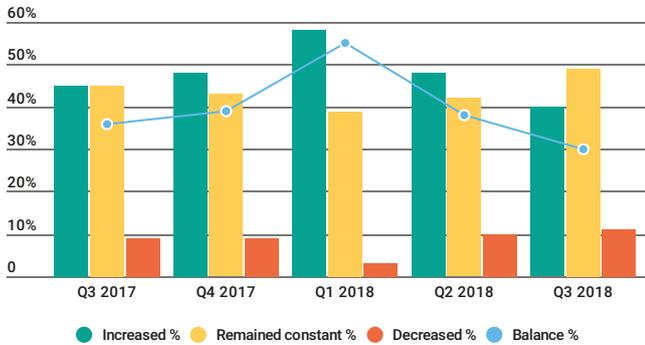
72%

72% of firms responded that they are very prepared or prepared to prevent being a victim of cybercrime.

Domestic sales



Over the past 3 months UK sales/custom/bookings have: Increased / Remained constant / Decreased



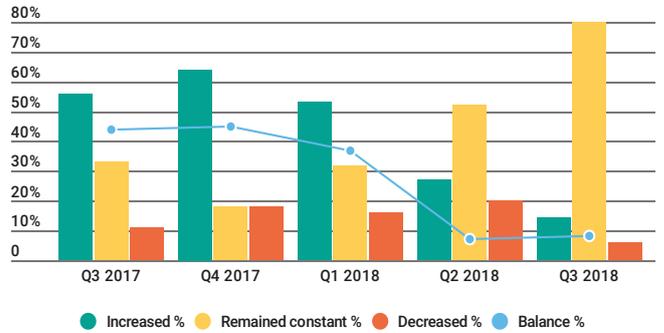
This quarter: On balance, UK sales are at lower levels compared to the same period last quarter.

Year on year: On balance, UK sales are at lower levels (6%) compared to the same period last year.

Overseas sales



Over the past 3 months overseas sales/custom/bookings have: Increased / Remained constant / Decreased



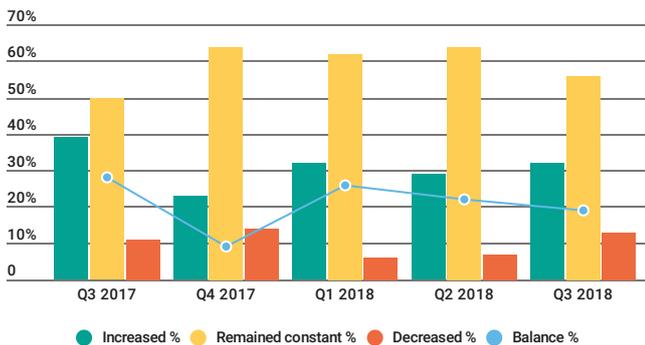
This quarter: On balance, export sales have decreased slightly.

Year on year: On balance, export sales have fallen by 36%.

Employment growth



Over the last 3 months has your workforce: Increased / Remained constant / Decreased

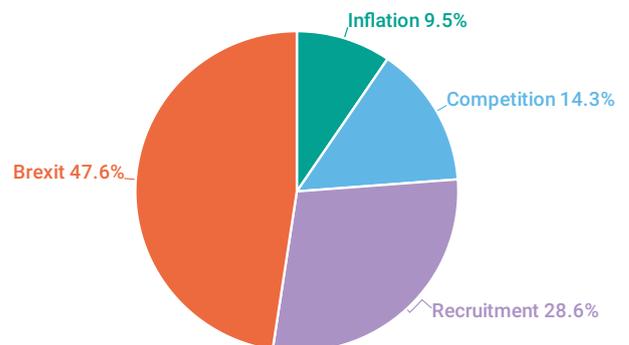


This quarter: More firms have increased rather than decreased their workforce but this is lower than last quarter.

Year on year: On balance, there is a decrease of 9% of firms employing.

Business challenges

Please indicate which of these following factors are more of a concern to your business than 3 months ago: Interest rates / Business rates / Competition / Exchange rates / Inflation / Taxation / Other

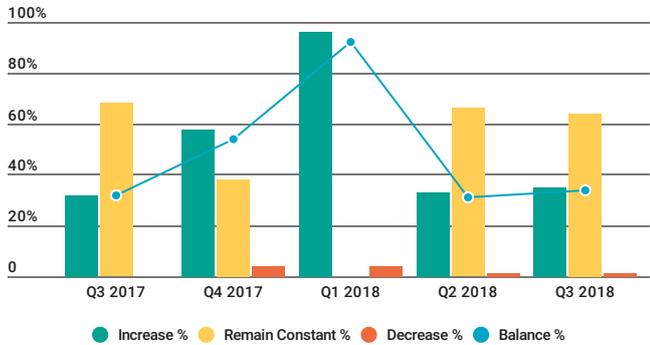


Results show: Brexit is of most concern for firms, followed by recruitment, competition and inflation.

Price



Over the next 3 months, do you expect the price of your goods/services to: Increase / Remain the same / Decrease

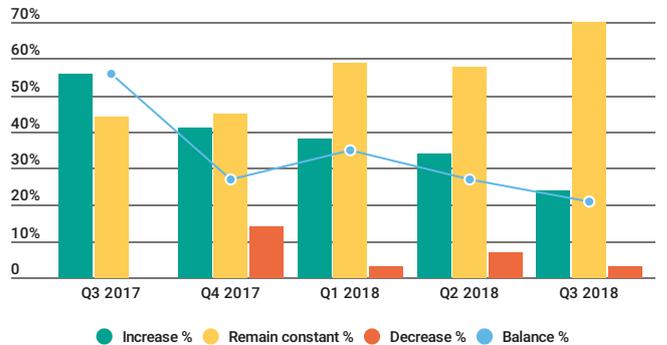


This quarter: The expectation of future price increases has risen since last quarter. Firms report a slight increase in raw material prices but other overheads, pay settlements and finance costs remain the same.
Year on year: On balance, price increase expectations have gone up slightly.

Employment expectations



Over the next 3 months, do you expect your workforce to: Increase / Remain constant / Decrease

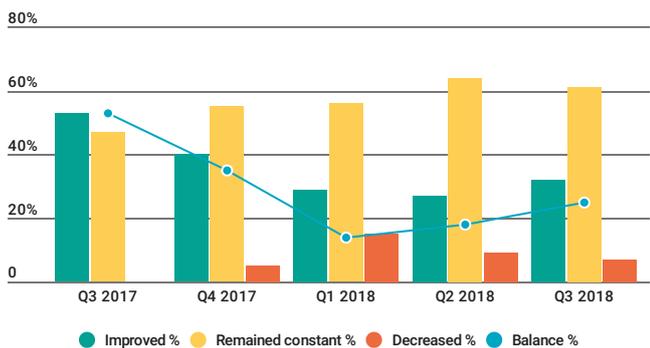


This quarter: On balance, firms' expectations of increases to their workforce over the next 3 months has decreased.
Year on year: On balance, firms expectations to increase their workforce has fallen by 35%.

Investment



Over the past 3 months, investment plans for training have: Increased / Remained constant / Decreased

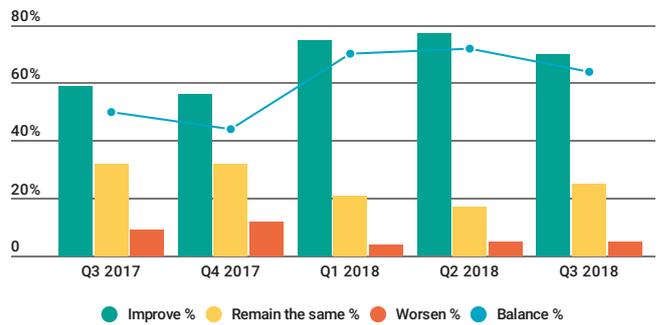


This quarter: On balance the overall trend for investment in training has slightly increased (7%) over last quarter.
Year on year: There has been a 28% reduction of firms investing in training.

Turnover



Over the next 12 months, do you believe turnover will: Improve / Remain the same / Worsen



This quarter: There are lower expectations of improved turnover since last quarter.
Year on year: On balance there is a 14% increase of firms expecting turnover to improve.

Doncaster Business Insight Roundtables

Key stakeholders attended monthly Roundtables to discuss a topical business matter, share their business sentiment, and form working relationships to address any needs. Here's what they said:

What do businesses need in the next round of Brexit negotiations?

"Firms aren't able to say whether they prefer to exit the EU on 30 March with a possible no-deal which could severely impact on SMEs but enable them to get on with the healing process, or extend the date to buy negotiation time which would prolong uncertainty."

"There is a nervousness about the social impact of Brexit – how it will affect housing construction and prices and the wider social landscape such as food prices due to potential supply chain changes. The rich/poor divide would be exacerbated."

"The Government's reputation with business is, at present, extremely low based on the poor handling of domestic business issues such as infrastructure and education. A failure by Government to reach a deal would cripple its credibility with industry."

Do the strategy's five drivers for inclusive growth resonate with your business?

"The strategy needs to be clearer about how the plan will be achieved and what's in it for business."

"There needs to be more clarity over the time-frame and realism over what can be achieved in three-years; whilst the detail is important for the next three years, the time-frame could be extended to 2030 to incorporate the 'what's next?'"

"There needs to be a change in perception of Doncaster on a local, national and international level; that the town it's place to live, work, learn and care."

What are the barriers to adopting new technologies?

"Many firms aren't aware or don't understand how they could incorporate new technologies into how they work."

"Leadership and management are key to a business adopting new technologies but are often too busy, see it as too expensive or don't have the necessary skills and knowledge to pursue it."

"New technologies are producing new data that needs to be analysed by a skilled workforce and improve productivity."

Register for forthcoming Roundtables at doncaster-chamber.co.uk

About Doncaster Business Insight

Doncaster Business Insight captures a regular snapshot of business sentiment on the local economy and hot business matters through a quarterly survey, monthly roundtable and quarterly breakfast briefing.

The results and feedback given by Doncaster firms help inform Doncaster Chamber, Doncaster MBC, local, regional and national policy makers and influencers to ensure the local business voice is heard, address any business matters and develop the right policies/structures that support business and the economy.

The results are also fed into the British Chamber of Commerce Quarterly Economic Survey which acts as a significant economic indicator for national and international organisations including the Bank of England.

We ask. You say. We do

For the full report visit doncaster-chamber/dbi-results

Dates for your diary

Take the survey every quarter during the following periods:

2018

Q4 - 6 Nov to 27 Nov

2019

Q1 - 18 Feb to 11 March

Q2 - 20 May to 10 June

Q3 - 26 Aug to 16 Sept

Q4 - 4 Nov to 25 Nov