

HIE BUSINESS PANEL SURVEY

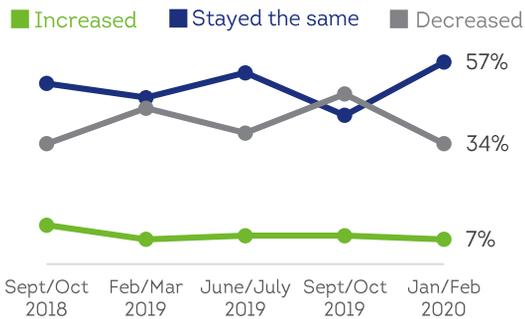
WAVE 15: BREXIT AND CHANGING BUSINESS ENVIRONMENT Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 'n nan Eilean



OPTIMISM, PROSPECTS AND PERFORMANCE

Confidence in the Scottish economy remained low, although net confidence* was higher than the previous two waves at -27. Views on business performance and optimism about future prospects remained high.

Economic confidence in last 6 months



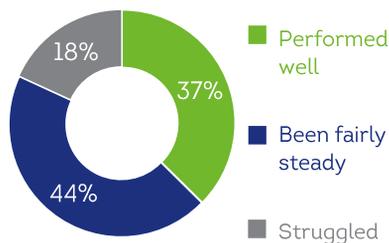
Higher than average confidence

- Financial & business services

Lower than average confidence

- Tourism
- Those who had struggled
- Those not optimistic about their prospects

Performance in last 12 months



Higher than average performance

- Large businesses (25+ staff)
- Tourism
- Lochaber Skye & Wester Ross
- International businesses

Lower than average performance

- Those not optimistic about their prospects

75%

very/fairly optimistic about their future prospects

43%

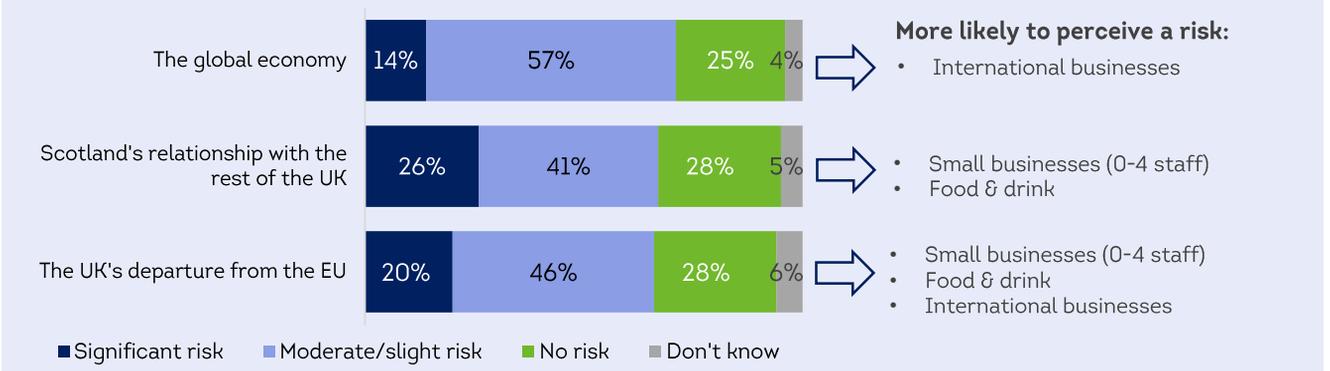
expected growth in the next year or two

55%

aspired to future growth

RISKS ASSOCIATED WITH POLITICAL AND ECONOMIC UNCERTAINTY

Around nine in ten businesses (89%) felt that at least one of these aspects posed some degree of risk.



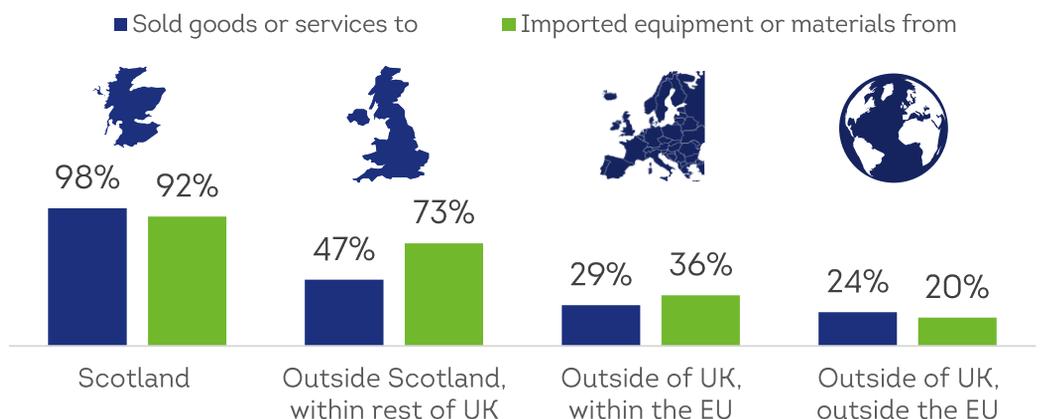
MARKETS OF OPERATION

31%

of businesses sold goods or services outside of the UK.

40%

imported from outside of the UK



*The net figure is the difference between 'increased' and 'decreased' levels of confidence

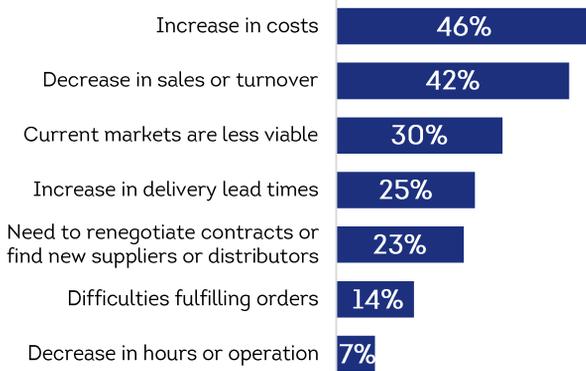
CHANGES IN LAST SIX MONTHS

To help measure the impact of the Brexit process so far, businesses were asked about changes in Brexit-related aspects of their business. Overall, there were more negative changes reported than positive in the last six months.



NEGATIVE IMPACTS OF CHANGES

Impacts of negative changes in past six months



POSITIVE IMPACTS OF CHANGES

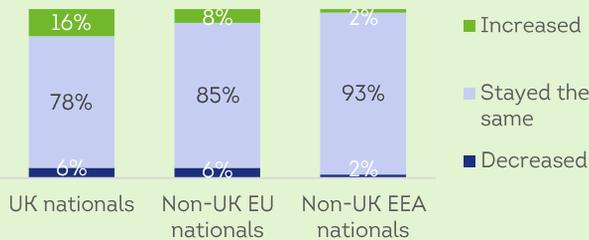
Impacts of positive changes in past six months



STAFF CHANGES

Businesses reported largely stable levels of employment within the last year

Changes in employment in last 12 months



Main reasons for staff leaving



All those who lost staff in last year (81)

PREPARING FOR BREXIT

Businesses were generally confident in their ability to respond to impacts of Brexit.

% confident in ability to: (top 4 most confident)



% not confident in ability to: (top 4 least confident)



WWW.PREPAREFORBREXIT.SCOT

55% had heard of the website

Of those who had heard of the website:



NOTES: Survey fieldwork was conducted between 29th January and 26th February 2020 using telephone interviewing. In total 1,002 businesses and social enterprises participated. For more detail visit www.hie.co.uk/business-panel. Findings are weighted to ensure a representative sample of the regional business base.