



SMALL BUSINESS SENTIMENT SURVEY

Innovation
Branding
Solution
Marketing
Analysis
Team
Success
Management

AUTUMN 2018

The Small Firms Association's Business Sentiment Survey tracks key trends in the small business sector.

It is based on responses provided by SFA member companies (less than 50 employees) across all sectors and in all parts of the country.

Over the course of the last 12 months small business sentiment has softened from 62%, in November 2017 to 59%, in November 2018. This uncertainty affect can be witnessed within our survey. Over the past six months respondents' intention to invest in their businesses has declined. Difficulties in attracting staff, Brexit and rising business costs have been identified as risks to small firms in the coming year, all of which have the potential to slow the growth of the economy in 2019.

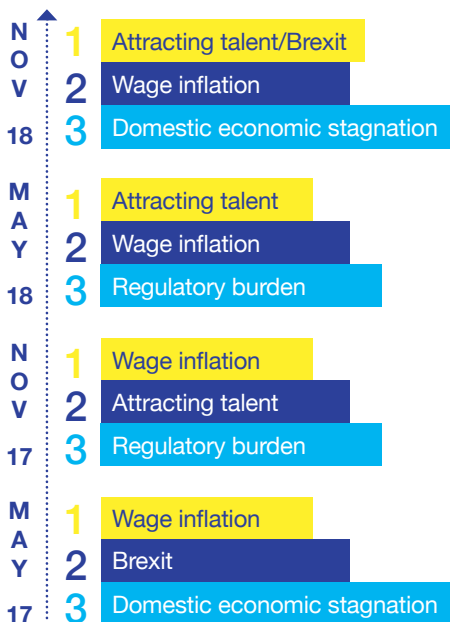
BUSINESS ENVIRONMENT



● Improving ● Staying the same ● Disimproving

Small business owners' confidence has improved over the past six months, with 59% now believing that the business environment is improving. However, over the course of the last 12 months sentiment has softened from 62% in November 2017.

BIGGEST RISKS



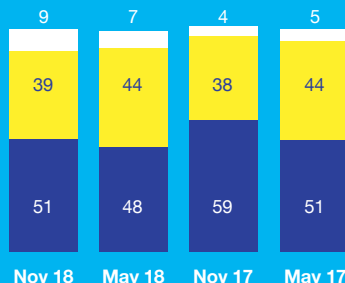
Both attracting talent and Brexit have been identified by respondents as the number one threat to small businesses at this time. These risks alongside rising labour costs have the potential to slow the growth of the economy in the medium-term.

BIGGEST OPPORTUNITIES



Domestic economic growth continues to be the primary driver of business opportunities. The Irish economy's rapid expansion is providing specific sectoral opportunities for many small companies.

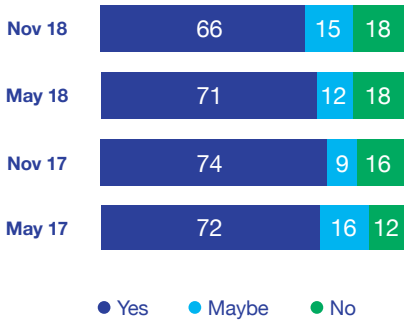
CURRENT BUSINESS PERFORMANCE



● Growing ● Maintaining ● Declining

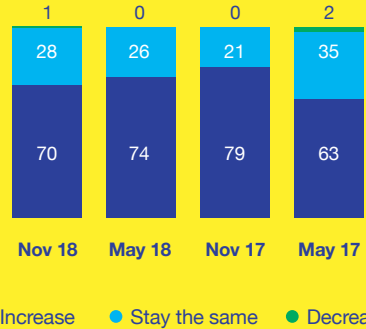
Despite the uncertainty of Brexit at this time, 51% of respondents said their businesses are growing. However, the number of respondents telling us that their business is declining continues to rise.

INTENTION TO INVEST



Small firms' intention to invest has slowed throughout 2018 compared to 2017. Two thirds of respondents plan on investing in their company in the next 12 months compared to 71% in May 2018.

INTENTION RE SALARY / WAGES



Where the performance of the business and the individual allows, survey respondents intend to award pay rises over the coming year.



INTENTION TO RECRUIT

Small firms will continue to recruit in 2019. The tight labour market could hamper small firms' plan to recruit over the next 12 months.



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SFA – being in business for yourself doesn't mean being in business by yourself