

10,000 Small Businesses

RUNNING ON EMPTY

As UK entrepreneurs recover from the pandemic, they are now faced with an ever-growing list of economic headwinds. To understand these obstacles, we surveyed a diverse group of small business owners from across the UK.

ECONOMIC TRENDS IMPACTING SMALL BUSINESSES

47% of entrepreneurs believe the economic outlook is worse for small businesses than at the height of the COVID-19 pandemic in 2021.

BIGGEST CHALLENGES FACED:

1. Difficulty recruiting new talent
2. Existing staff shortages
3. Rising inflation

THE RISING COST OF DOING BUSINESS

With UK inflation reaching a 40 year high, small businesses are feeling the squeeze.

78% of small business owners have been negatively impacted by inflation since the start of the year.

65% of those impacted by rising inflation also say it will restrict their ability to grow their business in future.

Spiralling energy costs are also having a detrimental impact on small business growth.

61% of small business owners say they have been negatively impacted by rising energy costs in 2022.

55% believe that rising energy costs will restrict their future growth.

THE GREAT RESIGNATION

The spike in staff departures has had a significantly adverse effect on entrepreneurs.

54% of small businesses have been negatively impacted by staff shortages since the start of the year.

SUPPORT FOR SMALL BUSINESSES

When asked what support they most need from government over the next 12 months, the three key things small business leaders identified were:

1. Capping energy prices
2. Acting to curb inflation
3. Increasing support for innovation e.g. expanding R&D tax credits

BUILDING BACK BETTER?

Despite the complexities of the current environment, 4 out of 5 graduates of the *10,000 Small Businesses* program are confident they are resilient enough to cope with the current economic conditions, with 92% saying that the 10KSB program helped give them the skills to succeed.