

MEDIA FACT SHEET FOR 2019 EY BUSINESS OUTLOOK SURVEY RESULTS

Respondent profile: Fast-growing ambitious disruptors on every continent who are self-determining, optimistic and customer-centric

Profile of respondents

- Represent companies in every sector, with
 - 8% in business 1-5 years
 - 23% in business 6-10 years
 - 33% in business 11-20 years
 - more than 36% in business 21 years or more
 - 39% are first-time entrepreneurs; 24% and 15% respectively have started two or three companies

Financial growth

- An effective team was cited most often as the biggest factor in supporting their success to date, with “deep industry knowledge” and “an innovative solution to a problem” cited as the next biggest factors
- Almost half generate annual revenue between \$1-5m annually; 43% generate revenue from \$5.1-\$50m

Future outlook

- They are bullish on the future:
 - 73% rating their business performance as better or significantly better in 2018 over 2017
 - 28% achieving growth rates of 6%-15%
 - 39% hitting growth rates of 16% and more
- For 2019, nearly 69% expect even better financial performance over 2018
- They attribute their optimism mostly to three factors equally:
 - strengthened abilities to compete in their industries
 - stronger leadership teams
 - sharper strategies
- When evaluating threats to their bottom lines in 2019, nearly 30% cite “scaling the business to achieve growth objectives” as the biggest challenge, with “finding and retaining quality employees” cited by nearly 20%.
- Nevertheless, to achieve that growth, almost half expect to hire more workers in 2019 compared to 2018, with more than 50% increasing salaries up to 5%.
- The two factors cited as contributing the most to successfully executing their 2019 growth strategies are customers (nearly 25%) and talent (20%)
- Looking at obstacles to achieving growth objectives,
 - recruitment and retention of talent was the biggest challenge (at 37%)
 - with the second being “working too much ‘in’ and not enough ‘on’ the business”
 - The right managerial talent was cited by 44% of respondents as the reason behind their operational vs. strategic focus

Talent: the critical success factor

- With talent surfacing as the critical success factor in the future of these companies, nearly 80% prioritize diversity and inclusiveness as a business value. However, almost as many (44%) do not measure D&I progress as those who do (45%).
- When it comes to employee benefits: While most (79%) have a bonus plan and almost as many (75%) offer health insurance, other kinds of benefits are less universally offered: maternity leave @60%; flex time @59%; family leave @51%; telecommuting @46; incentive compensation @44%