

## **MORE THAN HALF OF UK SMES EXPECT TO TAKE ON STAFF IN THE NEXT YEAR: HSBC SURVEY**

**\*\*\*54 per cent of SMEs expect to hire full-time staff\*\*\***

**\*\*\*54 per cent also favour permanent over contract employees\*\*\***

**\*\*\*Nearly 60 per cent of SMEs expect turnover to grow over the next year\*\*\***

**\*\*\*HSBC's £8bn fund available to help fund growth aspirations\*\*\***

More than half of UK small and medium-sized enterprises (SMEs) plan to take on new employees in the next 12 months – and even more expect their turnover to grow - according to a new HSBC survey.

Ipsos MORI surveyed more than 1,000 SMEs in the UK market, finding broad optimism about growth and a desire to recruit skilled, permanent staff to support increased activity.

Just over half of SMEs – 54 per cent – expect to hire staff in the coming year, with the same proportion believing that permanent, skilled staff will benefit the growth of their firm more than agency or casual staff.

Of the businesses surveyed, 57 per cent expect turnover growth in the next 12 months, with more than a third expecting at least six per cent growth. SMEs in manufacturing were most optimistic, with 63 per cent expecting turnover growth of some kind, followed by those in consumer and retail (57 per cent).

Ian Stuart, HSBC UK Head of Commercial Banking, said: “This survey shows that small and medium-sized businesses across Britain are not only positive about growth, they want to hire full-time staff to help them grow. Hiring and training skilled staff takes investment – which is why HSBC has committed £8 billion to lend to SMEs this year and why we are running more than 300 ‘Strategies for Growth’ workshops to help businesses realise their ambitions.”

### HSBC SME survey: Key Findings

- 57 per cent of SMEs expect turnover to grow in the next year, with one in ten expecting turnover growth of more than 20 per cent
- Only 14 per cent of surveyed SMEs expect turnover to fall over the coming year
- 54 per cent of SMEs expect to add a full-time member of staff this year.
- 54 per cent of SMEs believe permanent skilled staff are most likely to benefit their business – against only 12 per cent believing agency staff are best placed to assist them.
- Finding customers is the most pressing concern for all SMEs, while one in six SMEs say they are concerned by competition.
- Maintaining staff pay rises is a pressing issue for smaller SMEs, while labour and/or production costs are greater concerns for medium-sized enterprises.

### CASE STUDY: Small business hires two, new full-time staff with HSBC funding

Leicester-based Truck Doctor, which performs commercial vehicle and trailer safety checks, recently received a loan worth £135,000 from HSBC's national SME fund. The loan allowed the small business, which started-up with HSBC in 2010, to start offering two new additional services to customers – brake testing and play detectors, which immediately impacted their business. Truck Doctor has now recruited two, new full-time staff members to keep up with their growing customer base.

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*Notes to Editors*

**HSBC UK SME Survey:**

- The HSBC UK SME Market Survey was undertaken by Ipsos MORI between 11<sup>th</sup> May and 3<sup>rd</sup> June. 1006 interviews were completed on the telephone with SME businesses, the majority (81%) of which have been operating for 10 or more years.
- SME Definition:
  - Micro business: 1-9 employees
  - Small business: 10-49 employees
  - Medium business: 50-249 employees

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