Rockwell

SME Research

August 2023

amárach
25 years of research

S23-108

Rockwell
FINANCIAL MANAGEMENT

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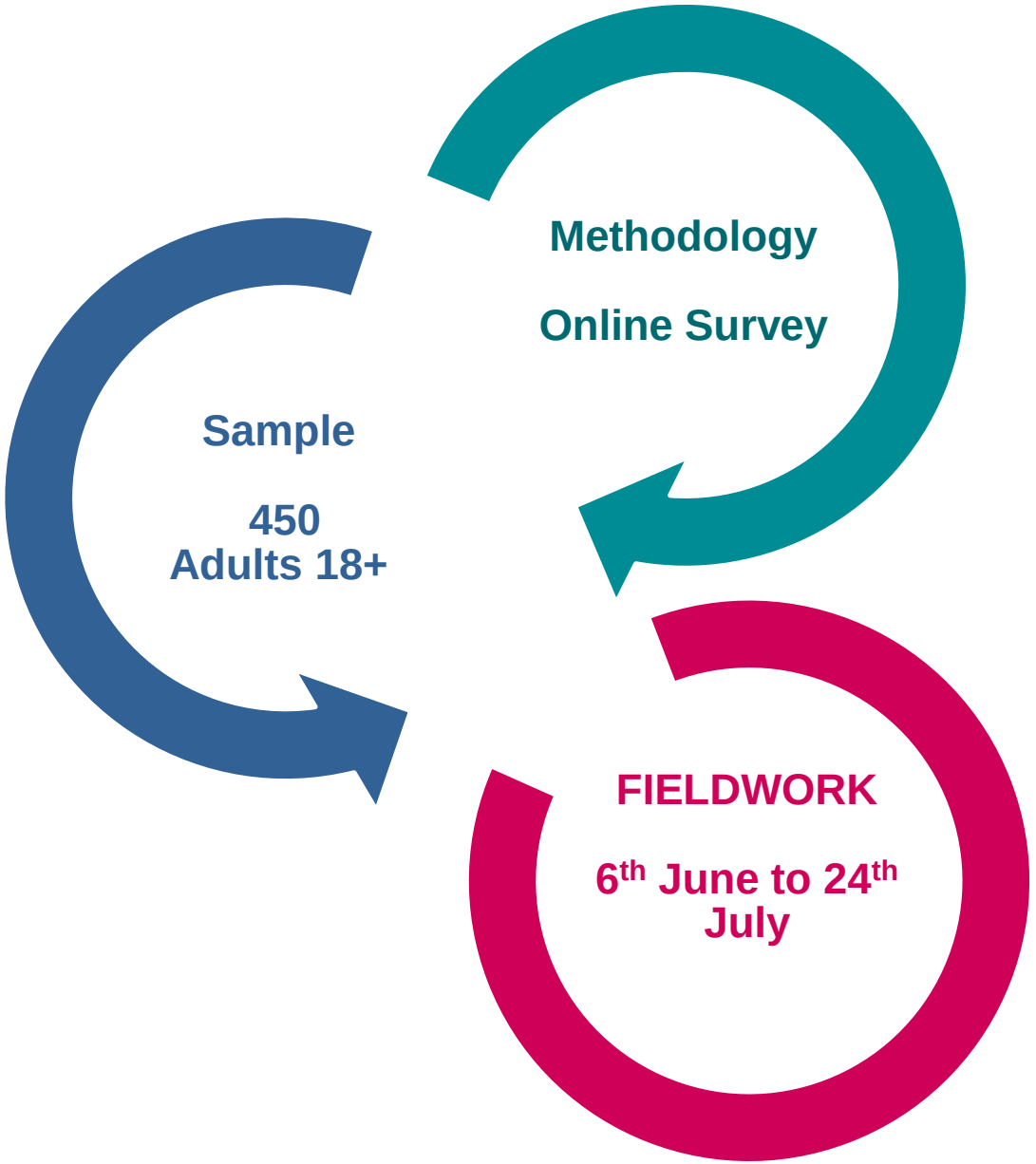
Methodology



Firmographics

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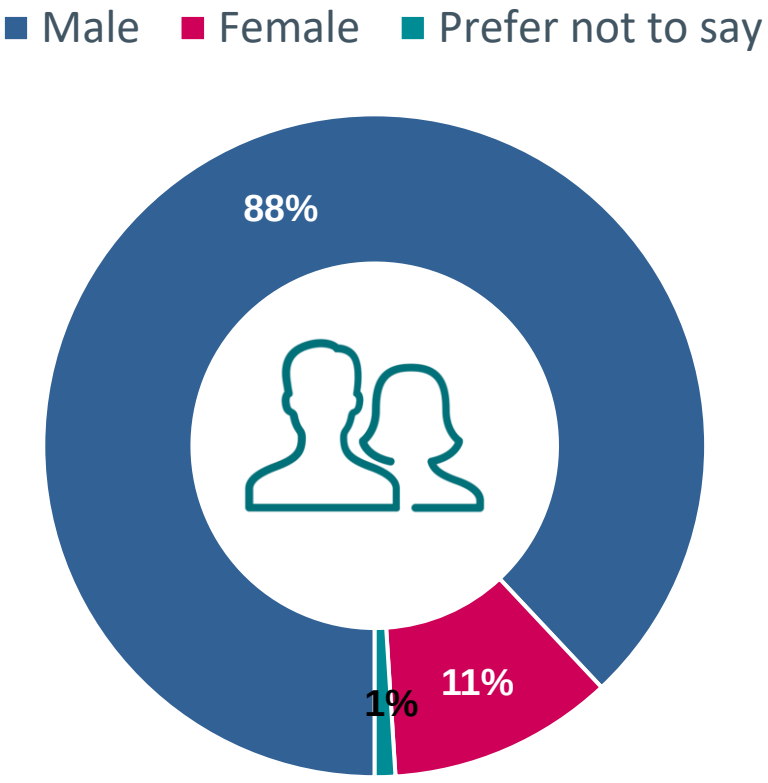
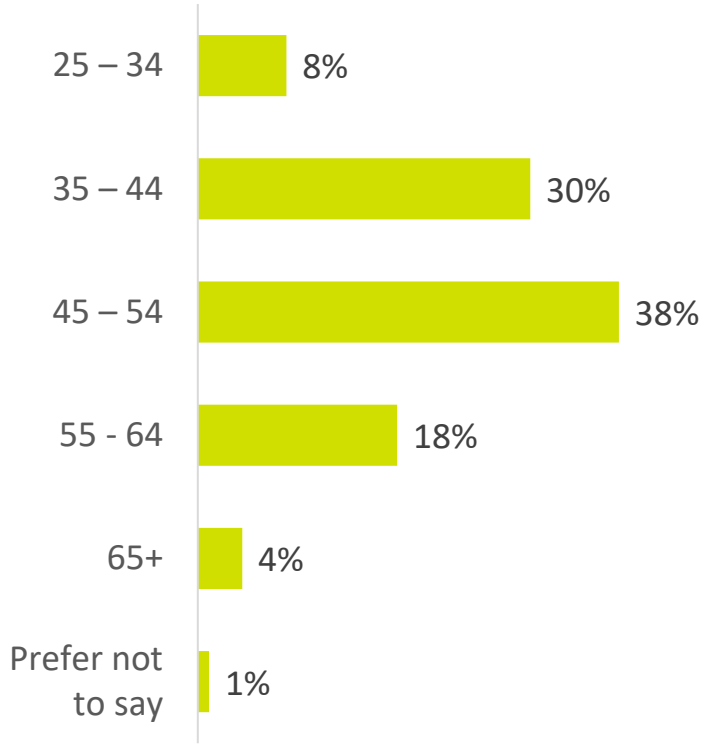
Sample Profile I

(BASE: All respondents – 450)

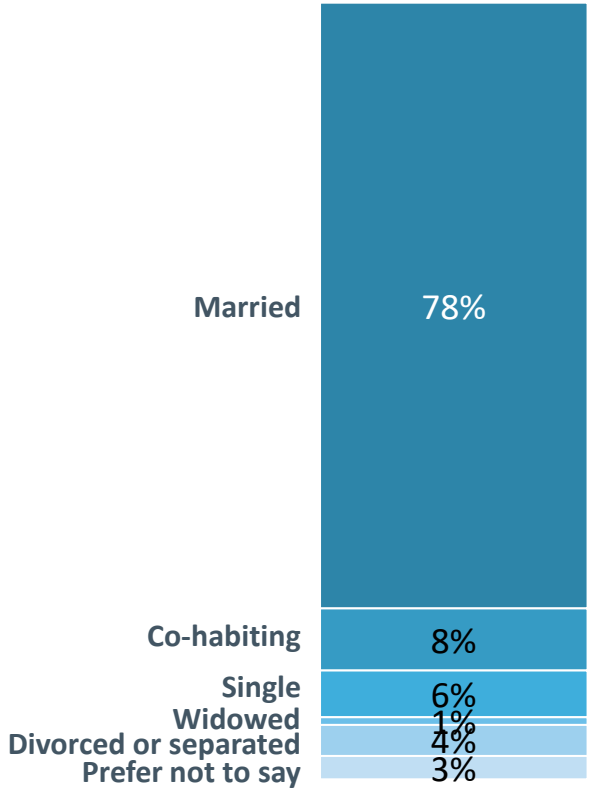
Gender



Age



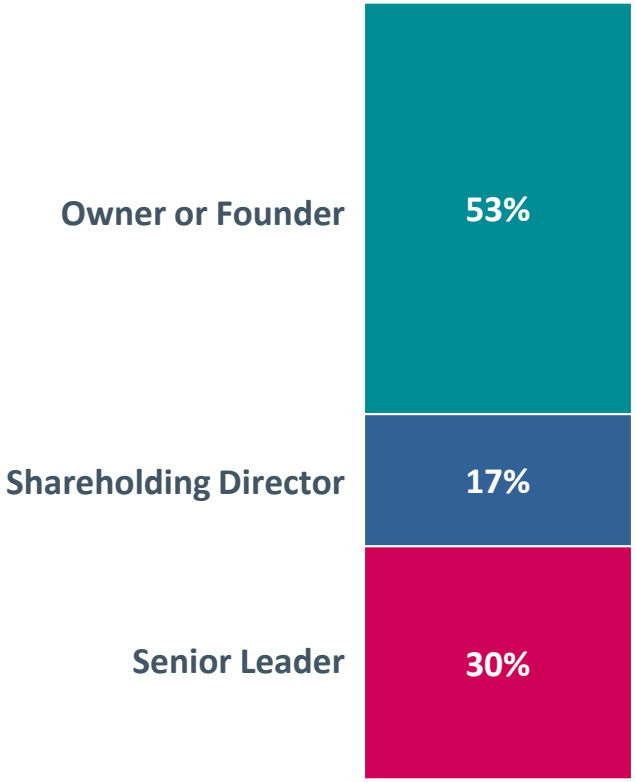
Marital Status



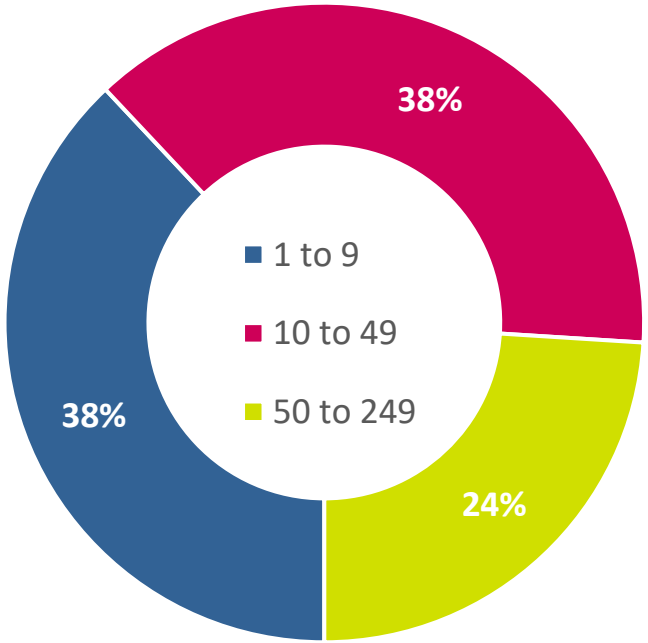
Sample Profile II

(BASE: All respondents – 450)

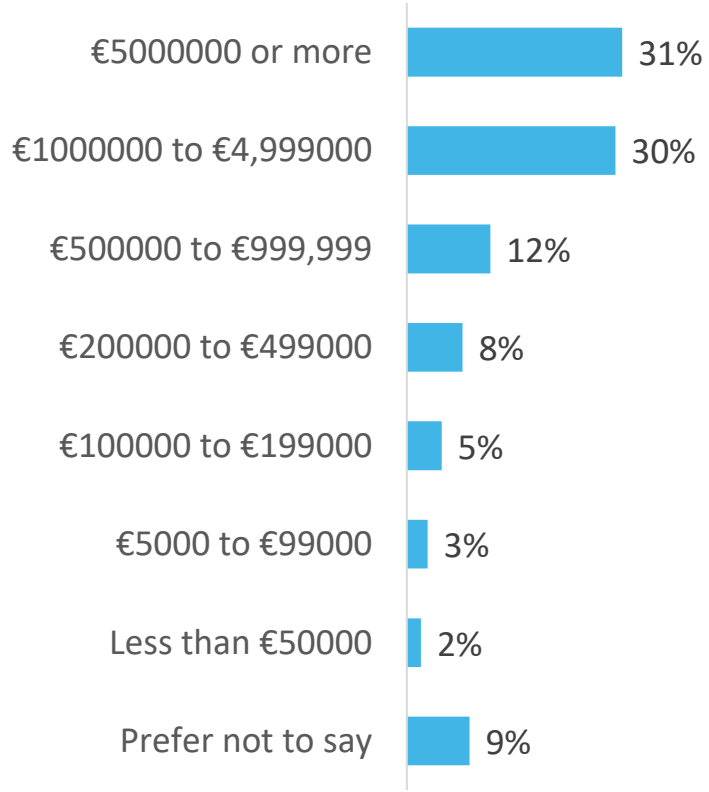
Position



Employees

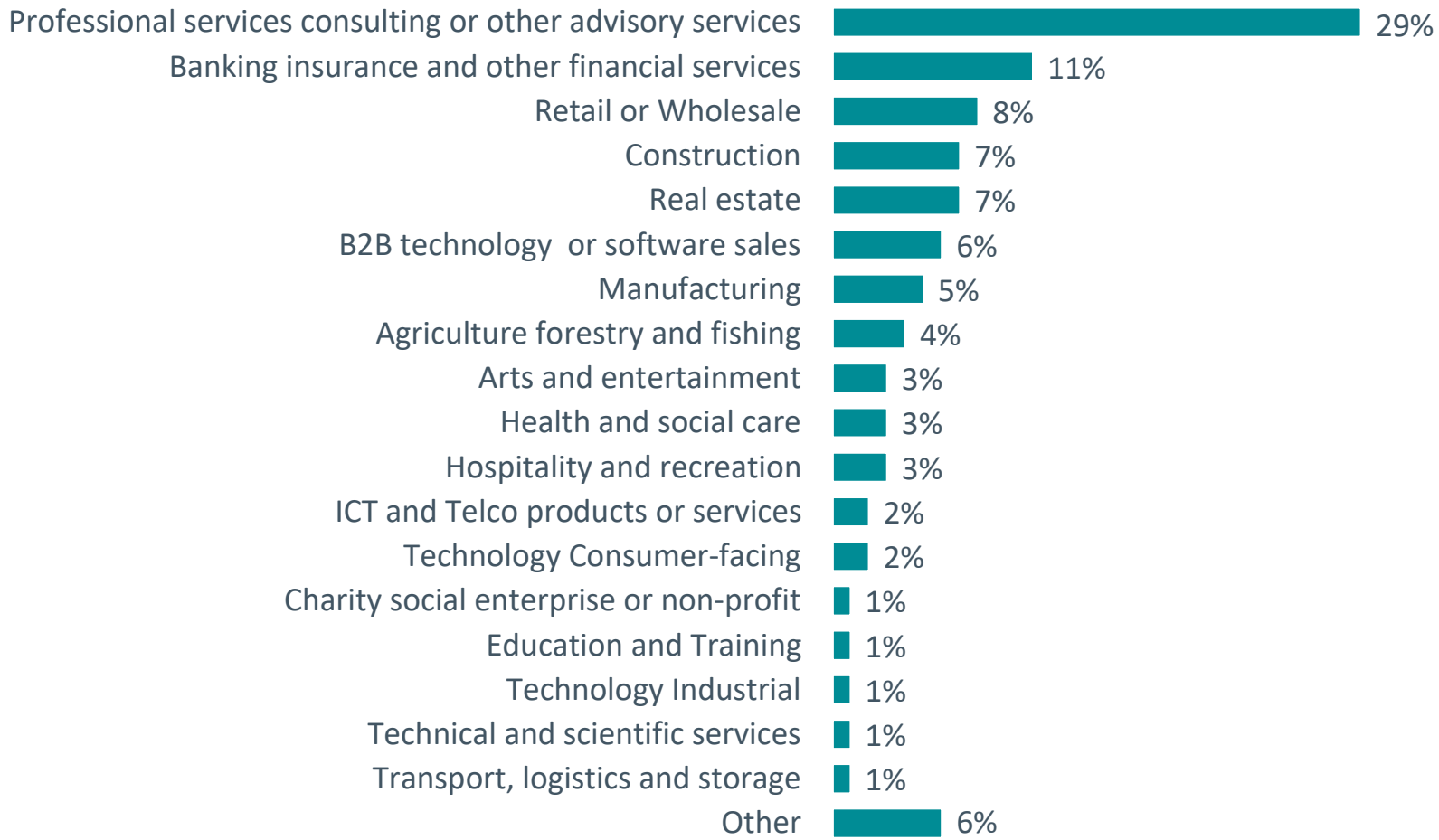


Annual Revenue



Sample Profile III

(BASE: All respondents – 450)



Confidence & Outlook

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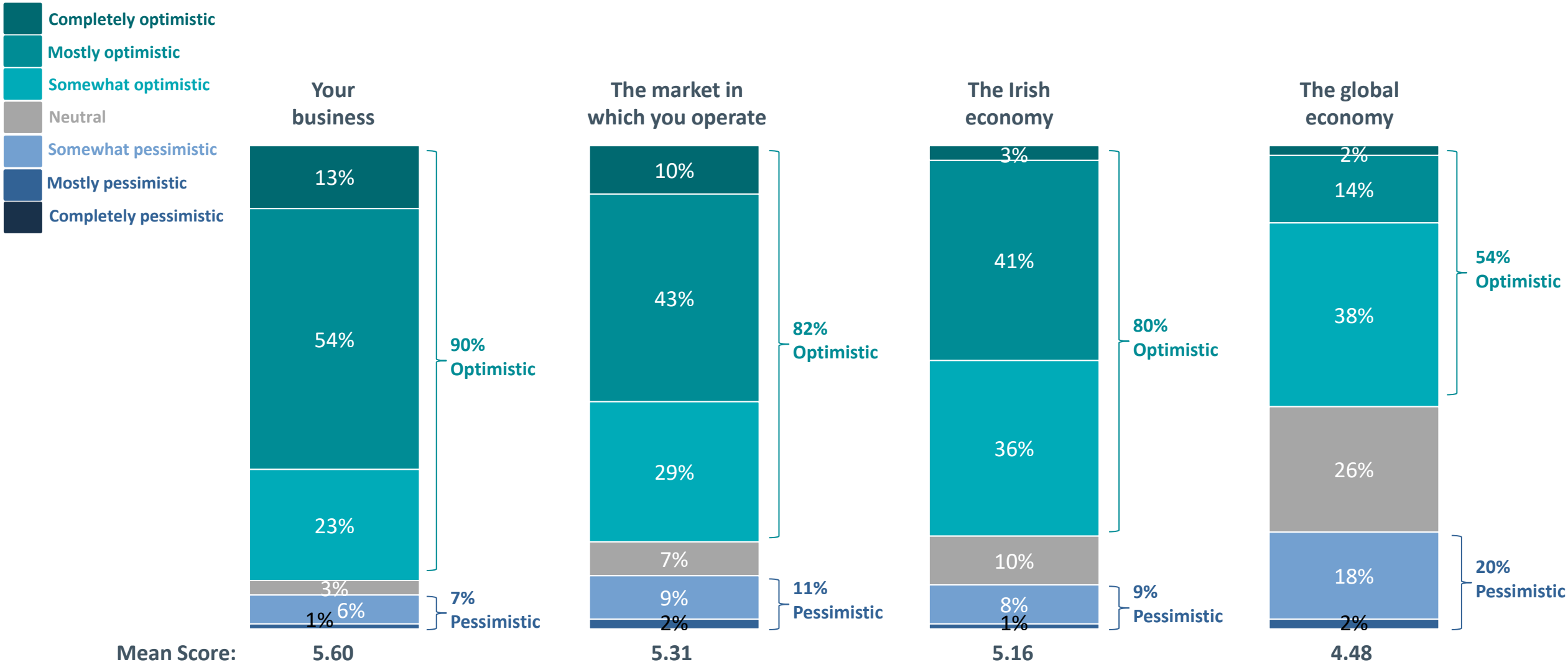
Overall optimism is very high for business (90%), markets (82%), and the Irish economy (80%); while still a majority (54%), optimism in the global economy is lower

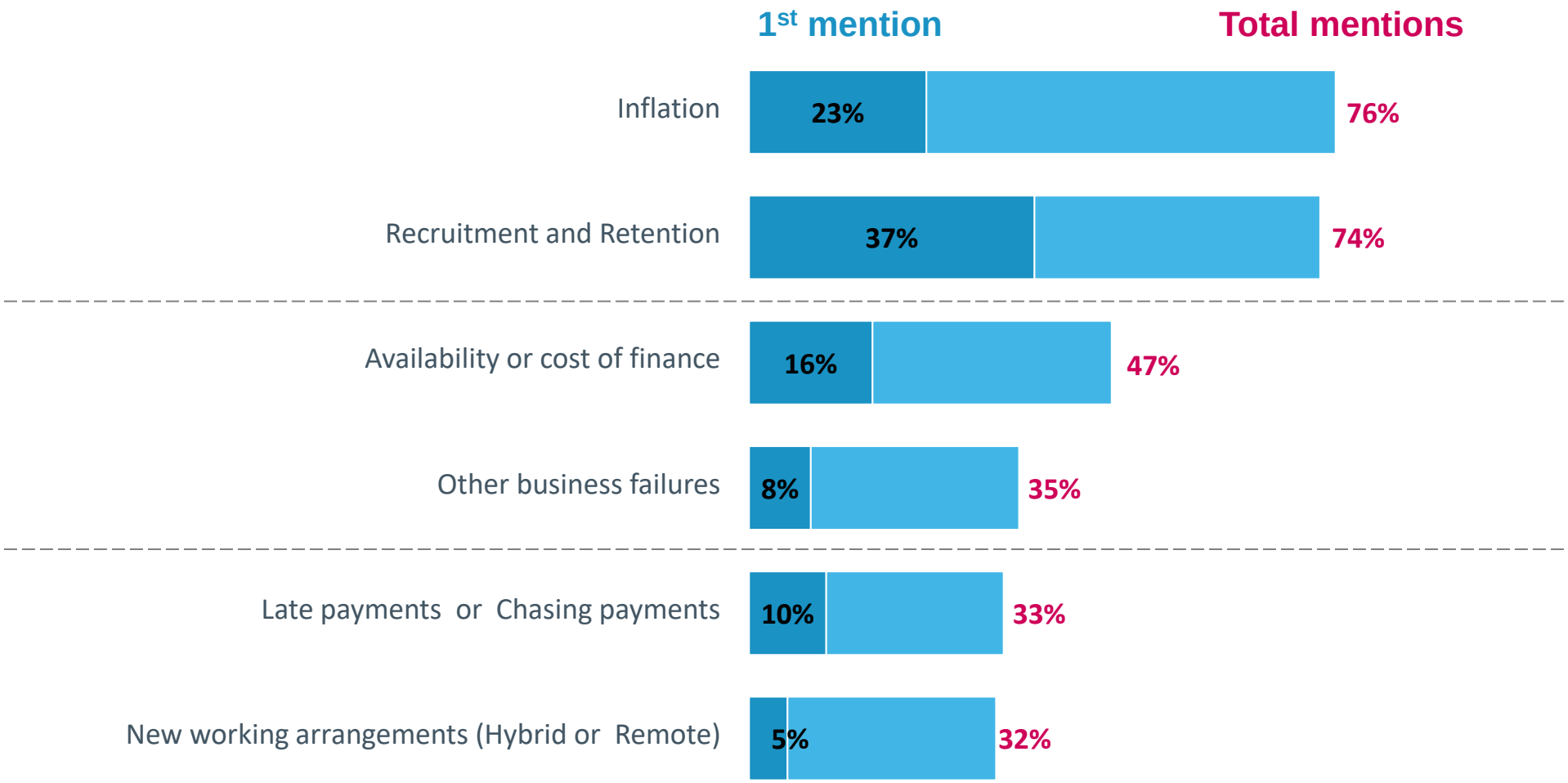
(BASE: All respondents – 450)



Q3 Thinking about the next 10 years please rate your level of confidence for each of the following.

The biggest challenges facing businesses are *inflation, recruitment & retention,* and *availability or cost of finance*

(BASE: All respondents – 450)



Q4. From the list below please rank which are the biggest challenges facing your business.

Biggest challenges - Firmographics

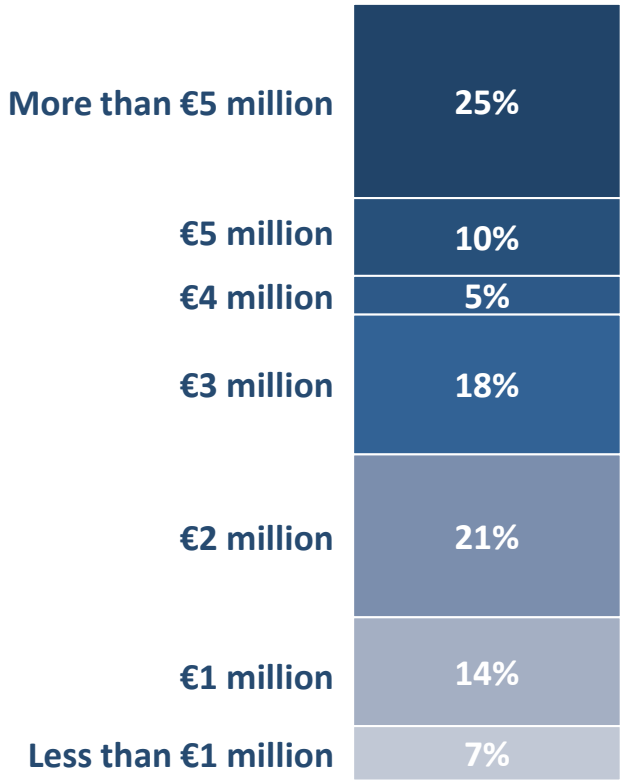
- *Inflation* is reported as being especially challenging by Senior Leaders and ages under 45
- Larger organisations (revenue and employee count) and Shareholding Directors are among the most likely to note *recruitment & retention* as a challenge
- Organisations with smaller head count and revenue over index for reporting late payments as an issue
- *New working arrangements* is reported as being more challenging by females and ages 55 and older

		Position			Employees			Revenue				Gender		Age		
	TOTAL	Owner/ Founder	Shareholding Director	Senior Leader	1 to 9	10 to 49	50 to 249	Under €500K	€500000 to €999,999	€1000000 to €4,999000	€5000000 +	Male	Female	Under 45	45–54	55+
N=	*450*	*240*	*77*	*133*	*169*	*172*	*109*	*83*	*54*	*134*	*140*	*397*	*49*	*172*	*173*	*101*
Inflation	76%	73%	74%	81%	78%	72%	78%	78%	78%	72%	76%	75%	80%	81%	75%	69%
Recruitment and Retention	74%	73%	81%	72%	61%	78%	86%	57%	57%	80%	84%	74%	71%	71%	77%	73%
Availability or cost of finance	47%	44%	49%	50%	50%	44%	46%	49%	48%	46%	43%	49%	31%	46%	48%	46%
Other business failures	35%	37%	23%	40%	42%	31%	32%	46%	37%	32%	33%	36%	33%	40%	35%	28%
Late payments or chasing payments	33%	34%	31%	32%	38%	35%	22%	42%	35%	33%	29%	32%	41%	37%	28%	34%
New working arrangements (Hybrid or Remote)	32%	35%	36%	22%	24%	37%	35%	19%	39%	34%	34%	30%	41%	23%	34%	42%

Q4. From the list below please rank which are the biggest challenges facing your business.

8 in 10 (79%) state their net worth would need to be €2 million or more for them to consider themselves as being wealthy

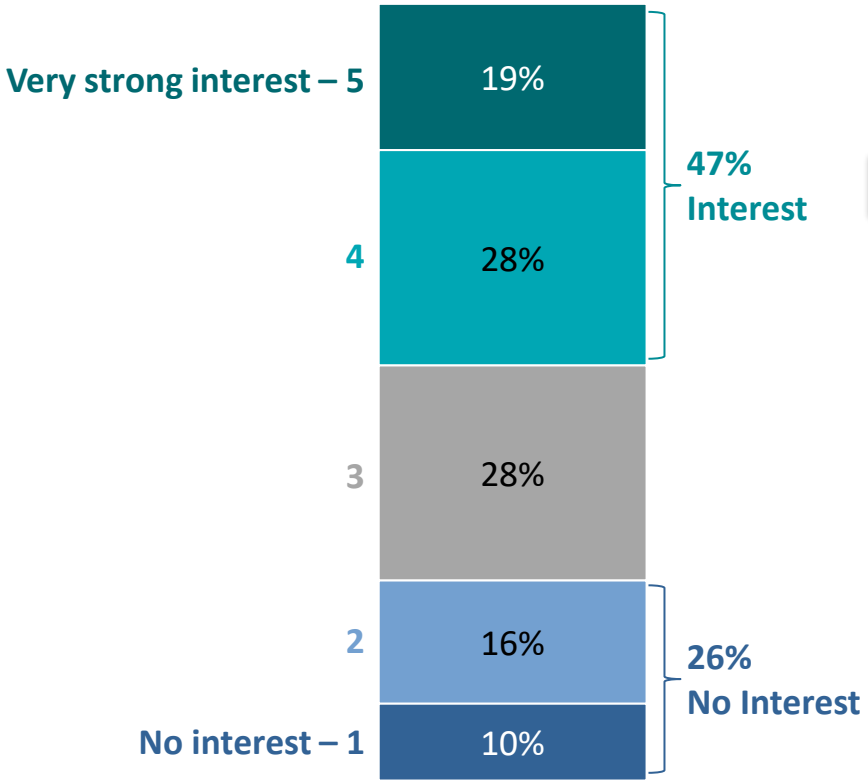
(BASE: All respondents – 450)



Q5. What would your net worth (your assets minus your debts) need to be for you to consider yourself as being wealthy?

Just under half (47%) report having an interest in the stock market, with males significantly more interested than females; interest also increases relative to company revenue

(BASE: All respondents – 450)



FIRMOGRAPHICS FOR INTEREST

Gender

Male	50%
Female	24%

Position

Owner/Founder	47%
Shareholding Director	42%
Senior Leader	50%

Age

Under 45	48%
45-54	45%
55+	50%

Employees

1 to 9	45%
10 to 49	49%
50 to 249	47%

Revenue

Under €500K	42%
€500000 to €999,999	46%
€1000000 to €4,999000	47%
€5000000 or more	51%

Q6. Do you have any interest in the stock market? Interest could include simply reading about it or monitoring what is happening on a fairly frequent basis.

Pensions

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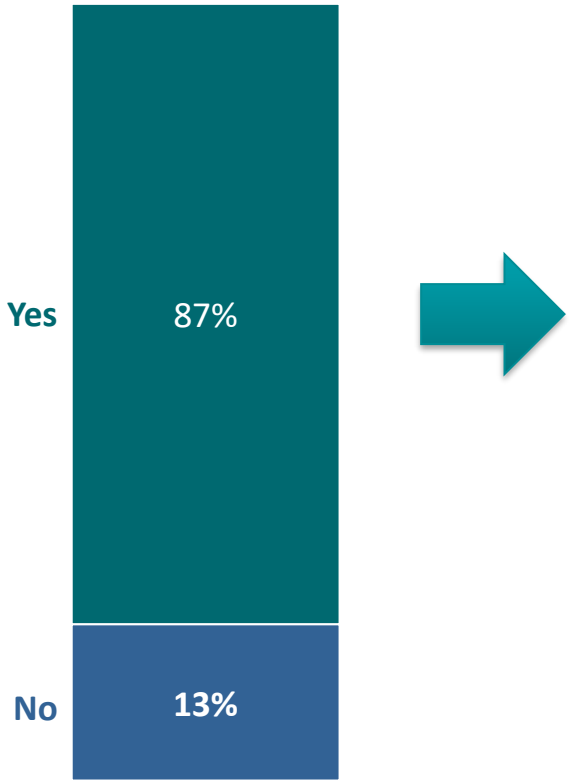
Almost 9 in 10 (87%) state they have a private pension, with those in Senior Leadership roles, older age groups, and those working in larger sized organisations over indexing

(BASE: All respondents – 450)



FIRMOGRAPHICS FOR YES

Gender

Male	87%
Female	90%

Position

Owner/Founder	83%
Shareholding Director	90%
Senior Leader	93%

Age

Under 45	84%
45-54	88%
55+	92%

Employees

1 to 9	85%
10 to 49	85%
50 to 249	94%

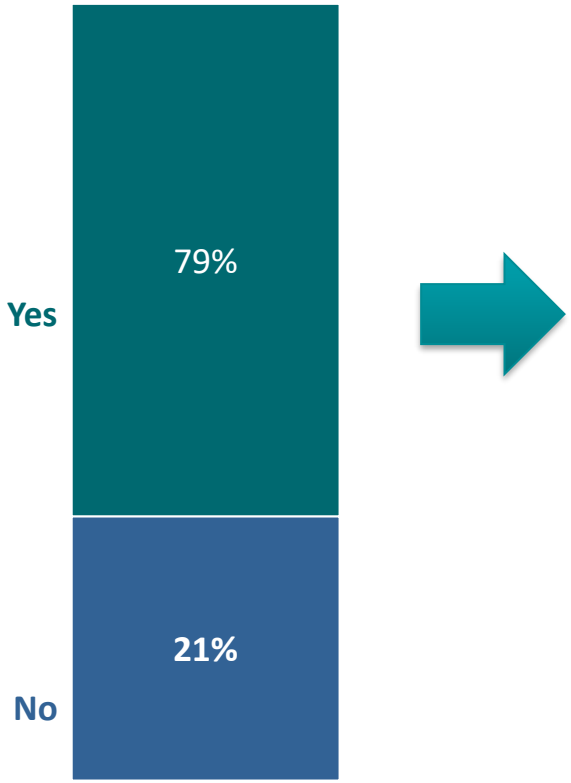
Revenue

Under €500K	86%
€500000 to €999,999	78%
€1000000 to €4,999000	88%
€5000000 or more	91%

Q7a. Do you have a private pension?

Of those with a private pension, four-fifths (79%) are currently funding it, with Senior Leaders, younger ages, and those working in larger sized organisations among the most likely; likelihood also increases relative to company revenue

(BASE: All who have a private pension – 393)



FIRMOGRAPHICS FOR YES

Gender

Male	79%
Female	82%

Position

Owner/Founder	72%
Shareholding Director	78%
Senior Leader	90%

Age

Under 45	89%
45-54	83%
55+	57%

Employees

1 to 9	73%
10 to 49	80%
50 to 249	85%

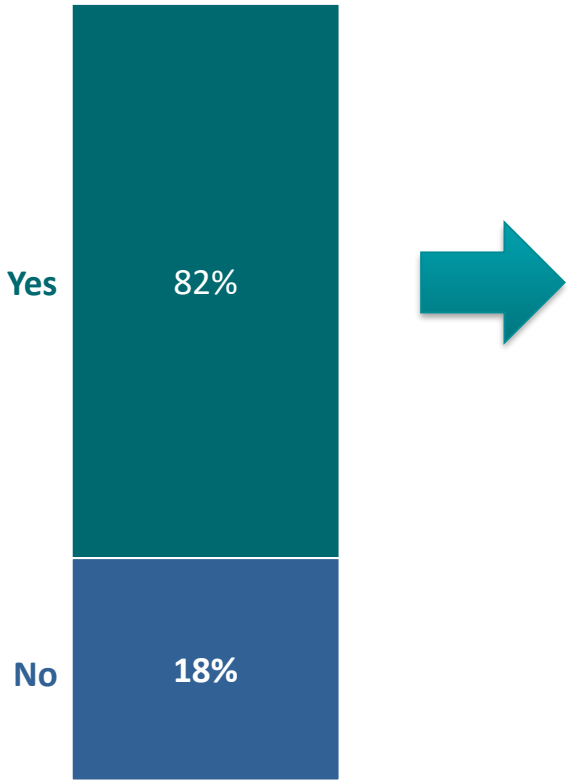
Revenue

Under €500K	73%
€500000 to €999,999	74%
€1000000 to €4,999000	80%
€5000000 or more	82%

Q7b. Are you currently funding your pension?

Just over 8 in 10 (82%) are aware of the auto-enrolment scheme, with females significantly under indexing

(BASE: All respondents – 450)



FIRMOGRAPHICS FOR YES

Gender

Male	84%
Female	67%

Position

Owner/Founder	79%
Shareholding Director	87%
Senior Leader	85%

Age

Under 45	79%
45-54	85%
55+	83%

Employees

1 to 9	79%
10 to 49	84%
50 to 249	84%

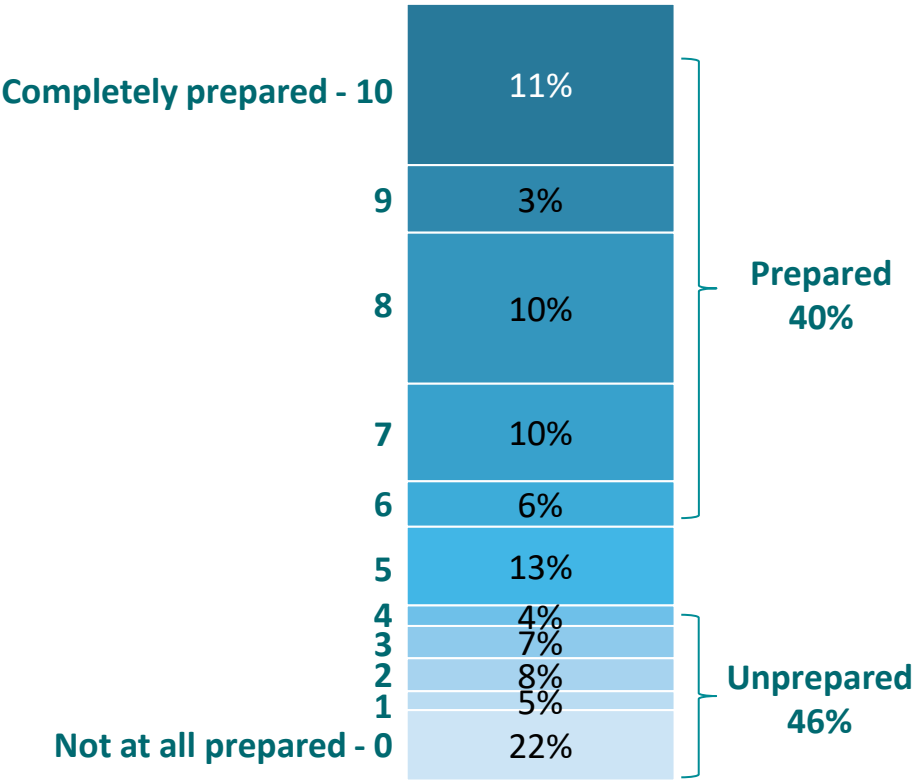
Revenue

Under €500K	78%
€500000 to €999,999	85%
€1000000 to €4,999000	81%
€5000000 or more	85%

Q8. Are you aware of the auto-enrolment scheme?

4 in 10 report their organisation is prepared for the auto-enrolment scheme. Females, company owners, and smaller sized organisations report being significantly less prepared.

(BASE: All respondents – 450)



FIRMOGRAPHICS FOR PREPARED

Gender

Male	42%
Female	31%

Position

Owner/Founder	35%
Shareholding Director	43%
Senior Leader	50%

Age

Under 45	41%
45-54	41%
55+	40%

Employees

1 to 9	31%
10 to 49	41%
50 to 249	55%

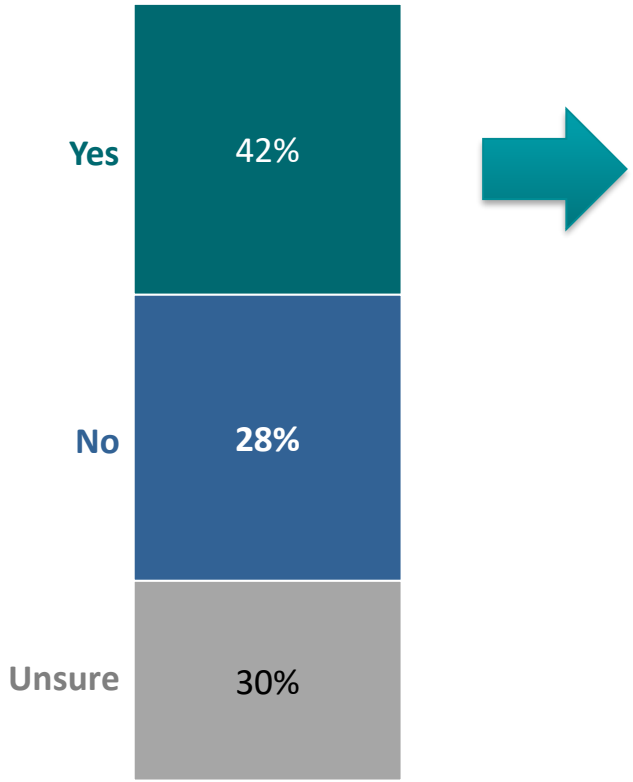
Revenue

Under €500K	31%
€500000 to €999,999	33%
€1000000 to €4,999000	34%
€5000000 or more	51%

Q9. How prepared is your organisation for the auto-enrolment scheme?

Just over two-fifths (42%) are planning to use the sale of their business to fund their retirement. This is highest among Shareholding Directors, ages 45-54, headcounts of 10-49, and revenues of €1 to 4.9 million; while least likely among females, micro organisations, and revenues less than €500k.

(BASE: All owners/founders or shareholding directors – 317)



FIRMOGRAPHICS FOR YES

Gender

Male	43%
Female	33%

Position

Owner/Founder	41%
Shareholding Director	47%

Age

Under 45	40%
45-54	47%
55+	38%

Employees

1 to 9	35%
10 to 49	49%
50 to 249	46%

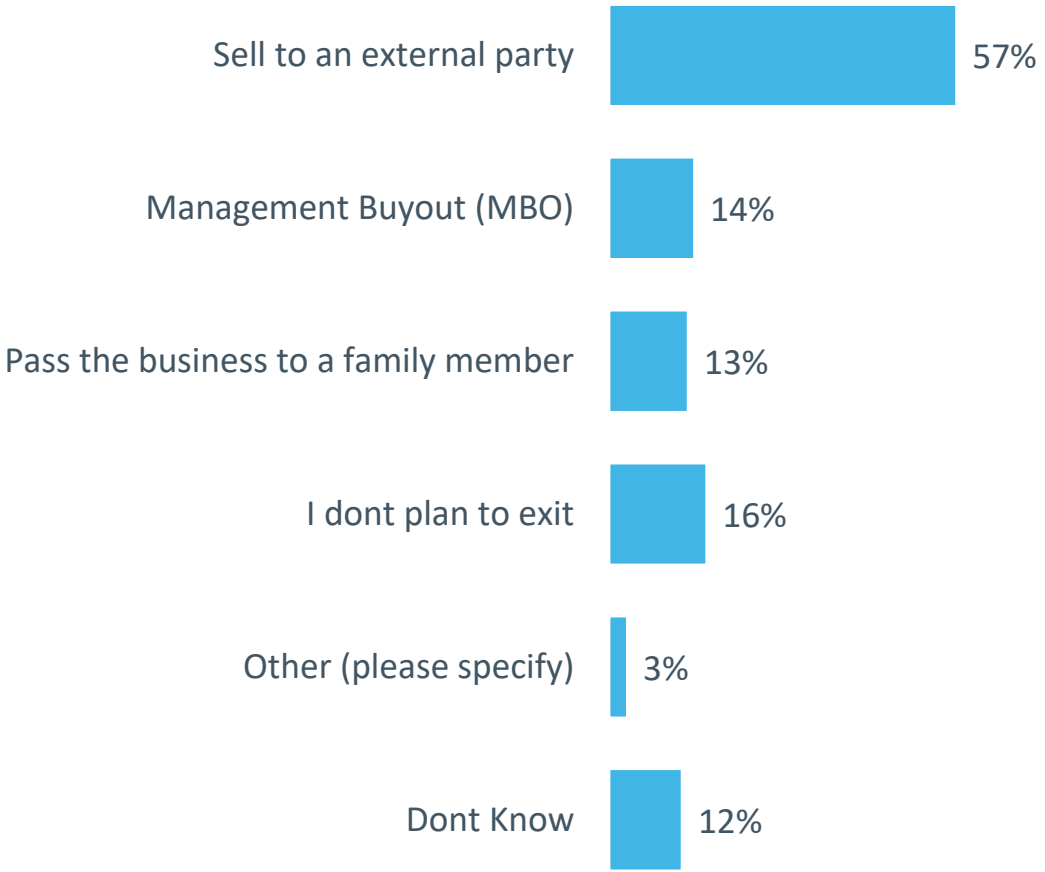
Revenue

Under €500K	28%
€500000 to €999,999	45%
€1000000 to €4,999000	52%
€5000000 or more	41%

Q10. Are you planning to use the sale of your business to fund your retirement?

The most popular exit strategy among owners/founders or shareholding directors is selling to an external party

(BASE: All owners/founders or shareholding directors – 317)



Q11. Thinking about your exit strategy do you plan on doing any of the following?

Exit strategy - Firmographics

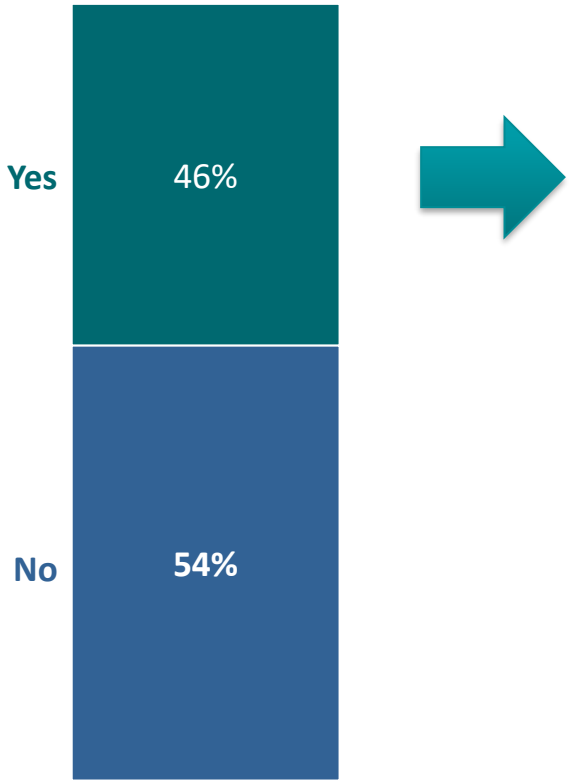
- Those in organisations with a headcount of 10+ and with revenue of between €1 to €4.9 million are among the most likely to report an intention to *sell to an external party*
- Shareholding Directors, those in organisations of 10-49 employees, and with revenues of €5 million or more over index for *MBOs*
- Those in organisations with a revenue of less than €500k are more likely to report they *don't plan to exit*

		Position		Employees			Revenue				Gender		Age		
	TOTAL	Owner/ Founder	Shareholding Director	1 to 9	10 to 49	50 to 249	Under €500K	€500000 to €999,999	€1000000 to €4,999000	€5000000 +	Male	Female	Under 45	45–54	55+
N=	*317*	*240*	*77*	*147*	*118*	*52*	*72*	*44*	*102*	*74*	*284*	*30*	*96*	*135*	*96*
Sell to an external party	57%	57%	57%	46%	65%	67%	42%	55%	67%	59%	58%	50%	54%	61%	54%
Management Buyout (MBO)	14%	12%	21%	9%	19%	17%	4%	14%	18%	22%	14%	13%	14%	14%	14%
Pass the business to a family member	13%	13%	12%	12%	14%	15%	8%	18%	10%	18%	14%	3%	18%	8%	18%
I don't plan to exit	16%	18%	10%	25%	8%	8%	29%	16%	13%	11%	16%	17%	17%	15%	17%
Don't Know	12%	13%	12%	14%	11%	10%	22%	7%	9%	8%	10%	27%	11%	13%	11%

Q11. Thinking about your exit strategy do you plan on doing any of the following?

Just under half (46%) have business protection in place in the event that they or a partner dies or is unable to continue in the business, this is higher among Shareholding Directors, organisations with 10+ employees, and revenues of €5 million or more

(BASE: All owners/founders or shareholding directors – 317)



FIRMOGRAPHICS FOR YES

Gender

Male	46%
Female	47%

Position

Owner/Founder	45%
Shareholding Director	52%

Age

Under 45	42%
45-54	48%
55+	49%

Employees

1 to 9	37%
10 to 49	52%
50 to 249	60%

Revenue

Under €500K	33%
€500000 to €999,999	41%
€1000000 to €4,999000	50%
€5000000 or more	54%

Q12. Do you have business protection in place in the event that you or a partner dies or is unable to continue in the business?

SUMMARY HEADLINES

- The vast majority of respondents are very optimistic about the prospects for their business (90%), market (82%), and the wider Irish economy (80%); however, optimism is less positive for the global economy (54%).
- Inflation is viewed as the biggest challenges facing businesses, followed closely by recruitment and retention of staff.

- 8 in 10 (79%) state their net worth would need to be €2 million or more for them to consider themselves as being wealthy.
- Less than half of all respondents (47%) report having an interest in the stock market.

- 9 in 10 (87%) have a private pension. Among those who do, four-fifths (79%) are currently funding it.
- While 8 in 10 (82%) are aware of the auto-enrolment scheme, just 4 in 10 report their organisation is prepared for it.

- Two-fifths (42%) are planning to use the sale of their business to fund their retirement. The most popular exit strategy is selling to an external party, followed by MBO and passing the business to a family member.
- Less than half (46%) have business protection in place in the event that they or a partner dies or is unable to continue in the business.

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