



WALES

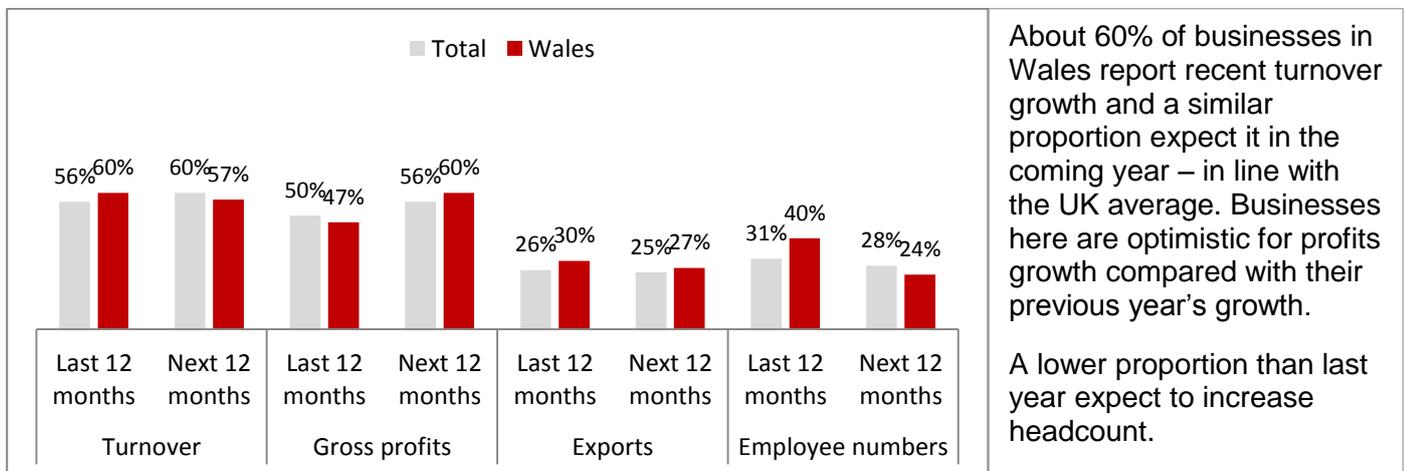
Background

1,010 members in UK businesses were interviewed by phone for the *ICAEW UK Enterprise Survey 2011* between June and Sept 2011 by Kudos Research; 71 of them in Wales. The survey forms our 15th annual UK Enterprise Report which, along with our Global Enterprise report, can be seen at icaew.com/SMEResearch. The 2011 survey was sponsored by SAP.

Summary

The picture for Wales is very similar to the UK average. Relatively high employment growth seen in the past 12 months is unlikely to be maintained into the next.

Growth – % reporting growth in last 12 months and expecting in next 12 months



Challenges and opportunities

- The greatest anticipated business opportunity for Wales' businesses (as in other regions) lies in new customers and markets, in some cases internationally.
- Competitive pressure and customer demand are expected by about four in ten to become more of a challenge in the coming 12 months, also in line with most other regions.
- Key objectives for businesses here and across the UK are to increase profitability – the single main objective for 29% - and increase turnover (24%).
- Over half (52%) of Wales' businesses say that the UK tax and regulatory environment is not business-friendly, in line with the UK average.

Globalisation

- Businesses in Wales are equally split (just over 40% each) over whether increasing globalisation will have a positive impact or no effect at all on them.
- 70% of the region's businesses have international activities, just above the UK average; 47% export (UK average 44%) and 42% import.
- Those interested in exporting would benefit from country and sector intelligence, and information on commercial and product regulations.