**Financial concerns plague over 70% of businesses globally with almost a third of businesses just hoping to survive the year**

Manchester, England. 6 January 2023 - According to a new survey, **72.3%** of bosses list rising costs as their top business concern.

Peninsula Group conducted a [survey of 79,000 businesses](https://www.peninsulagrouplimited.com/topic/business-advice/financial-concerns-plague-over-70-of-businesses-globally-with-almost-a-third-of-businesses-just-hoping-to-survive-the-year/) across four countries – Australia, Canada, Ireland, and the UK – to see what the top priorities and concerns were for employers in 2023.

Growth is the main business goal for **58.6%** of employers in all countries surveyed, but we can see the impact the recession is having in the UK and Ireland with **38.4%** and **34.7%** respectively listing survival as their main goal for the year.

Rising costs are the top concern for businesses in Canada (73%), Ireland (87.8%) and the UK (79.9%), whereas in Australia it places third. Labour shortages are the top concern for 66.2% of Australian businesses, with employee retention the second highest concern.

The cost-of-living crisis and staffing shortages are having a significant impact across all four countries, with **66%** of employers offering financial remuneration to help retention.

Those who are unable to offer financial incentives are offering flexible working hours (**50.9%)** and mental health support (**30.7%)** to help prevent employees leaving.

**54.6%** of employers have given employees a pay rise to offset the ongoing skills shortage. **49%** of employers list recruitment as their biggest challenge staffing wise, with pay increase requests coming in second at **39.1%.**

We’re also seeing a trend coming out of the global pandemic, with **37%** of employers having fully reinstated all pre-pandemic working models.

However, the temporary measures that were brought in during the pandemic have changed the shape of work for many, with **28.9%** of employers prioritising health and wellbeing and **27.7%** making some form of flexible working a permanent feature.

Alan Price, Group Chief Operations Officer at Peninsula, says “It’s truly staggering that we’re going into 2023 with a third of businesses saying their main goal is just to survive the year. This statistic clearly demonstrates the drastic impact that recent world events have had; a global pandemic, political turmoil, war in Ukraine and now recession coming in such quick succession has devastated many businesses, especially SME’s, with business owners now under pressure like never before.

“Here in the UK we can see the impact that the cost-of-living crisis and rising energy costs are having on businesses. We’re seeing ongoing strike action over pay across many sectors, and this is having a knock-on effect for all businesses. Labour costs are rising to meet the increased cost of living, and the increased cost of doing business is clearly a concern.

“It’s clear that this will be a tough year for many businesses, but there is also a mood of opportunity. Employers are seeing the value in retaining employees and, in turn, employees are reaping the benefits. More than half were given a pay raise and employers are looking at creative ways to retain employees, such as enhanced benefits packages or flexible working where a pay raise is not possible.

“For months, we’ve heard how difficult the job market is and, with skills shortages affecting many sectors as well as the cost and time involved in recruiting, it’s not really a surprise that so many businesses are concerned about the impact this will have on their business.”

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**Notes to editor**

Full survey data is available to download at <https://www.peninsulagrouplimited.com/topic/business-advice/financial-concerns-plague-over-70-of-businesses-globally-with-almost-a-third-of-businesses-just-hoping-to-survive-the-year/>

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