UK Business Leaders Pessimistic On Economy

Contributed by Ipsos Mori
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The majority of top British business leaders are pessimistic about the future of the countryâ€™s economy, according to Ipsos MORIâ€™s Captains of Industry survey.

Over half (56%) expect the countryâ€™s economic condition to get worse over the next 12 months, although not all sectors are expected to fare the same.

Half (52%) believe the Technology/media/telecoms sector to have the greatest potential for growth in the UK over the next 12 months, receiving more than twice as many mentions as any other sector. The UK is already believed to be strong in this sector, with over two-fifths (43%) stating that the country has a competitive advantage.

In contrast, the Financial Services sector divides Captainsâ€™ opinion to a much larger extent. While a fifth (20%) believe that it has the greatest potential for growth, a third (33%) believe it has the least potential. Financial Services is the sector where by far the largest proportion of Captains see the UK as having a competitive advantage (78%). Nearly half of Captains (49%) agree that the UK needs to do more to support it.

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Head of Financial Services at Ipsos MORI, Charles Adriaenssens, said:
â€œDue to recent low GDP growth and economic uncertainty in the Eurozone, Britainâ€™s Captains of Industry remain pessimistic about the future of the economy. While the technology sector has the strongest growth potential according to Captains, they still see the UK financial services industry as having a clear competitive advantage. Despite this, opinion is split as to whether financial services should receive further support to capitalise on its strong global position.â€•

Two-thirds (66%) agree that the UK economy needs to be rebalanced towards manufacturing to decrease our dependence on service industries. Interesting manufacturing ranked second in Captainsâ€™ predictions of the sector with the greatest potential for growth over the next 12 months (24%).

Whichever sectors perform well in 2012, Captains believe that the regional balance of the UK economy needs addressing. Nearly 9 in 10 (89%) agree that the UK needs to do more to promote growth for the regions outside of London.

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Technical note
Established in 1981 and conducted on an annual basis, the Ipsos MORI Captains of Industry survey is the authoritative view of senior business opinion in Great Britain today. 100 interviews were carried out with respondents selected from the FTSE 350, and top 100 by capital employed. Respondents are Chairman, CEO, MD/COO, FD or other board directors.Â Interviews were carried out face to face (6 were carried out over the telephone) between 12th September and 21st December 2011.

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