



INSTITUTE OF DIRECTORS
IN IRELAND

Director Sentiment Monitor 2019 (Q1)

Capturing our members views on key issues

The purpose of the Director Sentiment Monitor is to track on a quarterly basis our members' views on key issues, such as the economy, government performance and business confidence. The survey also addresses other key issues such as Brexit and talent.

The Q1 2019 Director Sentiment Monitor had 305 respondents. In addition, 67% of the respondents are current board members, with the remaining in senior executive roles. The survey was sent out to all members, with a link to the online survey, and was carried out during the time period 23rd -30th April 2019. We would like to thank our members for their valuable feedback.

The findings in this research have been rounded up or down to the nearest decimal point.

Gender

The gender breakdown of respondents is consistent with that of the last quarter, Q4 2018. The Q1 2019 survey had 77% respondents that were male and 22% that were female.
Role.

Job function

The role breakdown is also similar to Q4 2018. The respondents for the Q1 2019 survey carry out the following job functions:

- Chief Executive/Managing Director (42%)
- Senior Executive (23%)
- Non-Executive Director (15%)
- Chairperson (10%)
- Sole Trader/Consultant (4%)
- Other (6%).

Company type

The respondents for the Q1 2019 survey work in the following types of companies:

- Private sector SME (33%)
- Private sector large company (18%)
- Professional services (15%)
- Multinational/PLC (12%)
- Non-Profit/charity (8%)
- State/Semi-State (8%)
- Micro company (4%)
- Other (2%).

Industry type

The respondents for the Q1 2019 survey work in the following types of sectors:

- Financial Services (21%)
- Professional Services (15%)
- Consumer & Industrial Products (12%)
- Technology, Media & Telecommunications (10%)
- Construction (9%)
- Life Sciences & Healthcare (9%)
- Service Provider (7%)
- Charity, Non-Profit (6%)
- Other (8%).

Brexit

Below are some key findings in regards to how business leaders felt in the Q1 2019 survey in relation to Brexit:

- Business leaders still believe that in the short-term Brexit will have a negative impact on their business. This figure remains at 89%, which is the same as Q4 2018. Furthermore, 56% (59% in Q4 2018) also believe that the consequences will be negative in the long-term.
- In addition, 26% of respondents cite Brexit as the single biggest risk facing their organisation. This is back to Q3 2018 figures. In Q4 2018, this figure was 32%.
- Furthermore, 60% of respondents have also noted that Brexit uncertainty has impacted their organisation's strategic planning.
- While interestingly, 71% of respondents noted they were sufficiently prepared for Brexit, with a further 11% saying they were very well prepared. On the other end, 12% cited that they were under-prepared, with only 2% saying they were not prepared at all.

Business Confidence and performance

Below are some key findings with respect to how confident business leaders felt in the Q1 2019 survey.

- Irish business confidence has remained constant with 32% of business leaders feeling more optimistic, this remains unchanged from Q4 2018.
- While 23% feel more pessimistic in Q1 2019, this is down from 32% in Q4 2018.
- In addition, 45% in Q1 2019 cite that there has been no change, which is up from 36% in Q4 2018.

Financial performance

Business leaders' views on financial performance have remained unchanged at 60%, same as Q4 2018, with them believing that the financial performance of their primary organisation will improve in 2019. This had been 51% in Q3 2018.

What keeps you awake at night

Below are some key findings in regards to the key issues that business leaders cited as keeping them awake at night in the Q1 2019 survey:

- Nearly half of respondents (46%) cited sustainability and long-term growth prospects, this was 42% in Q4 2018.

- This was followed closely by attracting strong talent at 36%, which was 33% in Q4 2018.
- Structural change/changing business models also remains a strong concern at 31%, this was 30% in Q4 2018.
- On the issue of the availability of talent for their business, in Q1 2019 60% believe it has decreased, this was 62% in Q4.

Government performance

Below are some key findings in regards to how business leaders feel the government has performed in Q1 2019 with respect to consumer confidence and business decision-making. The respondents were asked whether the Government's performance has had a positive or negative response in regards to these areas.

Consumer confidence

- The results found 48% of business leaders believe consumer confidence has been positively impacted by the current government's performance to date, however, this is down from 70% in Q4 2018.
- While the number of directors citing they have been negatively impacted by the government's performance has risen from 7% in Q4 2018 to 17% in Q1 2019.

Business decision-making

- Furthermore, 28% of directors believe the Government's performance so far has had a positive effect on their business decision-making, this is down from 37% in Q4 2018.
- While the number of directors citing they have been negatively impacted by the government's performance has risen from 11% in Q4 2018 to 17% in Q1 2019.
- In addition, over half (55%) of business leaders believe it has had no effect (this was 52% in Q4 2018).

The following addresses the key findings of when business leaders were asked whether they thought a General Election may happen in 2019:

- More respondents in this survey believe that an election will not take place, at 38%, than will at 35%, with a further 23% citing 'maybe'.
- In Q4 2018, 43% of respondents believed that there would be a General Election in 2019, with 29% believing there would not, with a further 25% citing 'maybe'.

