



A REGION RESILIENT ABOUT

# Growth

REINVENTION AND RESILIENCE REPORT  
2022

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forbes**solicitors.**

# Welcome

## TO A REGION RESILIENT ABOUT GROWTH

**During the past two years, it has been a privilege to celebrate the stories and successes of the Forbes Reinvention and Resilience Top 50 businesses.**

**Looking at how companies across the North West bounced back from COVID-19 in 2020, followed by unrelenting determination and innovation shown last year in the face of ongoing disruption, has been inspiring.**

The Top 50 reports provided opportunity to champion the very best in business. They showed that companies appearing in the 2020 and 2021 lists had combined balance sheets of more than £1.2billion, helping sustain over 15,000 jobs across the region.

Having taken another look at the Top 50 alumni, we found they had boosted their combined pre-pandemic balance sheets by around £350million. Such performance is a welcome reminder that during times of economic hardship and market turmoil, there's still plenty of reasons to be optimistic.

It's this theme of optimism that has reshaped this year's report. Just when we thought some level of normality - if there's such a thing - was on the horizon after the impacts of the pandemic and Brexit, 2022 has brought more challenges and change for businesses.

The tragic war in Ukraine has strangled supply chains that were starting to breathe again and led to rising energy costs that

are hitting companies and their employees hard. Markets and consumer confidence have been rocked, with political bun fights and government changes doing little to help improve the situation for businesses having to also contend with widening skills shortages.

In the face of ongoing adversity, we thought it was important to take a more in-depth look at how businesses are remaining resilient about their prospects and growth opportunities.

We worked with an independent research agency (SAPIO Research) to survey North West SMEs, have revisited businesses that have shown outstanding reinvention and resilience, and considered some of the complexities that companies are faced with navigating in the year ahead.

Above all, it's clear from this year's report that the North West's businesses continue to work towards their individual and collective ambitions, and we're proud to live and work in a region so resilient about growth.

### PAULINE RIGBY

Managing Partner,  
Forbes Solicitors



IN THE NEXT 12 MONTHS,

# North West

SMES ARE:

REMAINING RESILIENT

**85%** expect revenues to grow

CREATING JOBS

**75%** plan to recruit

RAISING FUNDS

**71%** are planning to find new capital

INVESTING

**59%** plan to invest up to £250k to support growth

## TOP 5

SME GROWTH FACTORS:

- 35%** targeting UK expansion
- 32%** looking to grow organically
- 22%** aiming internationally
- 29%** investing in R&D
- 25%** looking for funding

## LEVELLING UP

**63%** of North West SMEs think the government's levelling up agenda is creating opportunity for their businesses

## PEOPLE POWER

SMES ARE INVESTING IN TALENT TO SUPPORT GROWTH

- 45%** have introduced flexible working
- 42%** have increased salaries
- 39%** are improving workplace culture

## BARRIERS TO GROWTH

- 45%** of SMEs think rising costs and inflation are the biggest threat to growth
- 31%** of SMEs targeting growth concerned about skill shortages

**Footnote:** Forbes Solicitors worked with SAPIO Research to survey 100 SMEs across the North West in August 2022.



# Growth

## CASE STUDIES

**COMBINED AI, BEHAVIOURAL INSIGHTS AND AUTOMATION  
PROVE A WINNING FORMULA FOR VOICESCAPE**

**Software as a Service (SaaS) communications business Voicescape has seen 80% growth in its annual recurring revenues during the past year, putting it on target to reach £6million turnover in the next 18 months.**

Growth has been driven through providing products and services that answer the critical commercial challenges faced by social housing providers and local authorities. Utilising an innovative combination of Artificial Intelligence (AI), behavioural science and automation, Voicescape has created a winning formula that's enabling organisations to engage with their tenants and residents around key customer touchpoints in a more scalable and cost-effective way.

Bill Williams, Chief Revenue Officer at Voicescape, explains: "Housing associations and local authorities often serve tens of thousands of customers, with a huge amount of time and resource invested in ensuring that services and satisfaction levels are maintained. "

"Managing satisfaction can be challenging, as customer interactions can involve complex matters such as rent and council tax arrears or organising housing repairs. This can often make it difficult for organisations to contact people, which risks welfare, regulatory and financial issues. We've developed solutions that help to scale contact and enrich overall engagement levels - without the need to recruit more people."

Voicescape's unique behavioural insights empower the interactions between these public service organisations and their residents by providing deeper clarity about their needs, motivations, and behaviours. This results in a more customer-centric approach to engagement.

Automation technology then makes tailored contact at scale so that, rather than an organisation repeatedly chasing payment arrears manually, which is costly and ineffective, calls from people wanting to find a solution to their problem are driven into a call centre.



Similarly, the whole process of organising maintenance visits can be re-engineered, so that people feel part of the process, meaning they are more likely to be at home at the time of an appointment. The likelihood of 'no access' visits or missed calls can be significantly reduced, freeing-up valuable resource for organisations to deploy where there is greatest need for support.

"It can sound straightforward to suggest there's no point in arranging a gas safety inspection for a time when a person isn't home, said Bill Williams. "In the same vein, if a person is regularly late with their rent or has fallen behind with their council tax, attempting numerous manual phone calls or sending them a legal letter to demand payment will not bring about the best outcome for either party."

"Many housing associations and local authorities will be familiar with these types of situations because they are often tied to legacy systems that are inefficient and ineffective. Voicescape's application of AI, behavioural science, and automation technology changes this. We're helping organisations to make decisions and take actions that tenants, and residents respond to better. The end result is a reduction in overall arrears, more completed maintenance appointments and greater levels of satisfaction and wellbeing."

Another benefit of Voicescape's solutions is that they can help improve job satisfaction and staff retention. Higher quality engagement with tenants and residents can minimise potential frustrations and complaints. Furthermore, the company's solutions save time and resource for organisations, as more people-focused engagement reduces repeated attempts to contact tenants and residents and having to rearrange appointments.

The demand for Voicescape's services has seen the company attract new customers nationwide, with referrals fast flowing between housing associations and local authorities. This has seen 40% new customer growth during the past 12 months, which is projected to continue apace in the coming year.

BILL WILLIAMS CONCLUDES:

**"IT'S IMPORTANT THAT WE CONTINUE TO STRIKE A HEALTHY BALANCE BETWEEN ARTIFICIAL INTELLIGENCE AND HUMAN INTELLIGENCE. ACHIEVING THIS UNDERPINS THE DEVELOPMENT OF INNOVATIVE SOLUTIONS THAT ARE DESIGNED TO BETTER SUPPORT PEOPLE, WHETHER THAT'S TENANTS AND RESIDENTS, OR STAFF, TO IMPROVE THE OVERALL SERVICE PROVISION AND PERFORMANCE OF HOUSING ASSOCIATIONS AND LOCAL AUTHORITIES."**



# Transformation

DATA-DRIVEN DIGITAL  
AND GROWTH

**With the majority (74%) of North West SMEs planning to invest in digital transformation and technology over the next 12 months, Forbes Solicitors' information, governance, and procurement expert Daniel Milnes looks at the importance of data protection to keeping business growth on track.**

Digitisation is a fast-growing trend amongst SMEs. A smaller scale and more agile operation makes it quicker for companies to test and roll out new technologies and software. Growing market competition and rapid technical advances are also breaking-down cost barriers. Small and medium sized businesses no longer need huge budgets to progress digital transformation. Alongside this, the impacts of COVID-19 have accelerated implementation of more digital ways of working.

The move towards digital is leading to greater demand for technical advice and guidance, with SMEs valuing just how important specialist expertise is. Forbes Solicitors' research shows the majority pinpoint the requirement for support with technology and innovation as the top area of their business where they want help. This is an approach that should be extended to data processing and protection if businesses want digitisation to drive truly sustainable growth.



## **THINK DIGITAL, THINK DATA COMPLIANCE**

Digital transformation can prove exciting for a business. It's easy to see and appreciate the benefits of shiny new technology and software. Unfortunately, this sentiment doesn't always extend to data processing and protection, meaning digitisation presses ahead without proper consideration about what this means for the collection, storage, and handling of information.

**IF BUSINESSES ARE DIGITISING HOW THEY WORK, IT'S ALWAYS ADVISABLE TO ALSO THINK ABOUT WHAT THIS MEANS FOR DATA COMPLIANCE. A DATA PROTECTION IMPACT ASSESSMENT, BASED ON THE UK GDPR, SHOULD BE UNDERTAKEN. THIS MAY SOUND DAUNTING, BUT WITH THE RIGHT KNOWLEDGE, IT CAN BE AS STRAIGHTFORWARD AS WORKING THROUGH A CHECKLIST.**

Taking this step can help avoid the risks of mishandling data, which can otherwise lead to unnecessary costs and issues that take time and resource to fix. Penalties for non-compliance with the UK GDPR went up in 2018 from £500,000 to £17.5million, and companies must also consider how data protection failures can impact corporate reputations and levels of confidence amongst customers.

## **AVOID ASSUMPTIONS, DO THE DUE DILIGENCE**

For many SMEs, digital transformation will involve the utilisation of external cloud-based services and products. Using third-party providers can provide affordable access to sophisticated solutions, as well as the ability to draw on specialist support to remove the headache of trying to manage complex technology and software in house. However, to properly reap these rewards, SMEs should properly quality check the security and processes of the providers they are intending to partner with.

A data protection impact assessment should be extended to the external organisation, with checks made to verify the measures they have in place to process and store data. A cloud-based solution is, crudely, very much like renting virtual space.

Businesses may want to approach this by asking how the space is managed and maintained, how access is authorised and what checks are in place to monitor for unwelcome entry.

It's advisable never to make assumptions about how secure third-party solutions are or to base decisions on one-off checks during initial procurement. Assessments should be undertaken on a regular, ongoing basis to ensure the security and management of external solutions is staying ahead of fast-evolving cyber criminals.

## **DON'T OVERLOOK OUTDATED SYSTEMS**

Many SMEs will often stagger digital transformation. Switching from legacy systems can be disruptive for businesses and prove more manageable in smaller, bitesize moves. There's also the consideration of economic uncertainty and rising cost pressures impacting cashflow and bottom lines. It can be more prudent to plan investment in new technology and software over the course of several months or years to support sustained growth.

When SMEs take a more staged approach, it's highly likely that older technology and manual systems will continue to be used during periods of change. These former assets and methods mustn't be overlooked during data protection impact assessments simply because they are ways of working that will soon be redundant. Outdated processes can be more vulnerable to breaches, corruption, and data losses.

Insurers and the Information Commissioner's Office often expect companies to ensure effective data management and compliance across all relevant areas of an organisation. There are very few exceptions for non-digital and outdated systems in the process of being upgraded. In many instances, obsolete systems will fail to achieve relevant certifications such as ISO27001 or Cyber Essentials.

Challenging market conditions are likely to see greater adoption of digitisation amongst SMEs, as they aim to optimise processes to save time and money and protect growth. This process must build in data compliance if it's to harness the full potential of digital transformation.

GROWTH DRIVES INVESTMENT AT

# Crow Wood Hotel

## & SPA RESORT

**Expansion and refurbishment work is underway at Crow Wood Hotel & Spa Resort, which will make the resort's Woodland Spa one of the biggest – if not the biggest – spas in the UK.**

The expansion forms part of a wider project, which will see just over £15million invested in the development of the popular resort over the next two years, with plans to increase facilities and capacity to accommodate growing visitor demand.

Crow Wood's growth follows the widely reported challenges of the pandemic years, which hit hospitality businesses particularly hard, and signals a new era in the resort's 21-year history.

Owner and founder of Crow Wood Hall & Spa Resort, Andrew Brown, explains: "Like many hotels, restaurants, and leisure businesses, we utilised government support to survive the obliteration of COVID-19. This provided us with the resilience to build back better and stronger and created an opportunity to re-embrace everything that made us such a hit with visitors before the pandemic.

"People were keen to get back out after the lockdowns to enjoy socialising, eating-out, weddings and pampering themselves. Our commitment to affordable luxury appealed even more to former and new visitors and has fuelled record demand."

Crow Wood's team has grown in response to demand, with the resort now employing 370 staff – its highest headcount since it first opened in 2001. Booming visitor numbers also inspired the £15m

investment, which will see a brand-new entrance for the spa and some new thermal features alongside a doubling of the overall size of the facility. The award-winning Bertram's Restaurant will also benefit from a new kitchen and development that will increase capacity by some 35%. Crow Wood's leisure club will receive brand new dance and spin studios, a dedicated free-weights and strengthening zone, plus new state-of-the-art equipment.

"We've always taken pride in being a luxurious yet welcoming social space, where people are afforded the space they want to relax and enjoy themselves at a price that's very affordable, added Andrew. "We didn't want to lose touch of this and investing in expanding capacity and refurbishing facilities was a natural next step to ensure we don't have to."

Andrew is confident that despite the economic challenges on the horizon, investing in growth is the right way forward. He concludes: "Undoubtedly, as we all feel the squeeze of rising energy prices, we can expect a slowdown in the demand we've seen recently. That said, people are now travelling from further afield to enjoy our facilities. The very concept of affordable luxury has the resilience to help weather the storm.

"People will still want their moments of indulgence and escapism, and to be able to treat themselves without feeling guilty and racked by a financial hangover. We will work hard to continue to offer this to visitors and will always strive to reinvest in Crow Wood Hotel & Spa Resort to ensure it meets and exceeds guest expectations."





A TASTE FOR QUALITY POWERS  
GROWTH FOR

Zooki

**Blackpool-headquartered Zooki has almost doubled sales in the past 12 months and now sells premium nutritional products in more than 35 countries around the world. The company has grown rapidly since its 2017 start-up and shows no signs of slowing down as it targets further expansion across the U.S., India, and the Middle East.**

A keen focus on quality-led innovation from day one has set Zooki apart in a highly competitive wellness market and secured listings with renowned retailers Selfridges and Harrods.

Co-founder of Zooki, Marcus Mollinga, explains how a passion for quality saw the innovative business reinvent nutritional supplements. "Our focus was to always create wellness supplements which taste really good. It sounds quite simple when you think about it, but we thought that if people enjoy the taste, they'll be more likely to be loyal to the Zooki brand.

"The obsession with great taste led to prioritising the use of high quality, natural ingredients and making sure that the supplements we created performed better than nutritional pills and capsules already on the market. For a host of reasons, some supplements pass too quickly through the body, with people not fully benefiting from the active ingredients they're taking."

Rethinking nutritional supplements led Zooki to steering away from making products in powder, pill, or capsule formats. Instead, they've created a range of liquid supplements, with the active ingredient, whether that's vitamin C, turmeric, or omega 3, encapsulated in lipids to aid absorption.

**"A LIPID ENCAPSULATED APPROACH HELPS THE BODY TO ABSORB MORE OF THE SUPPLEMENT", ADDED MARCUS.**

"This means people actually appreciate the benefits of taking a supplement, rather than flushing any extra goodness down the toilet."

"We always thought that if we got the quality spot on when it came to taste, ingredients and how the body absorbs supplements, that we'd have a winning formula for driving sales and building brand loyalty."

Zooki has complemented this winning formula with a subscription-based sales model, which rewards customer loyalty. In addition to selling direct to consumers, the business has enjoyed strong sales growth through TV shopping channel QVC, Holland & Barrett, Boots, and many other retail partners

The company is now focusing on expanding sales through major retail outlets in the U.S. Marcus concluded: "Our sales strategy is based on a diverse mix of channels to maximise reach and drive market penetration in a relatively short period of time. We'll develop this further in the next 12 months by investing in more direct marketing. We want to create more opportunities to further educate consumers about Zooki's unique approach to vitamins so more people can taste the quality of our products."

# Protecting IP

## TO PROTECT THE PURSUIT OF GROWTH

Driving business growth is often about doing something new and different. It involves an element of stepping into the unknown and a degree of risk that, when not planned for, can leave little margin between success and failure. Forbes Solicitors' commercial experts, John Pickervance and Daniel Fletcher, answer key questions about how SMEs can protect intellectual property to find the balance between risk and reward.



**Q: Forbes' research of North West SMEs found a fifth (22%) are planning to drive growth through international expansion. How can businesses protect their products and services when moving into new markets overseas?**

**JOHN:** "A good starting point is to think about all the steps an SME originally took when bringing products and services to market in the UK. These should be revisited and applied internationally by answering two critical questions; "Will my activities in this new territory infringe third-party intellectual property rights?" and "How can I protect my intellectual property rights to the greatest extent possible to increase value in my business, and prevent third-party copycats?"

"Properly answering these questions takes time, and more time should be allocated to busier markets where there's more commercial activity. Thorough research and due diligence should be undertaken to determine whether an SME's proposed trading and brand names or logos, product designs and its inventive steps can be protected via a registrable form of Intellectual Property (IP) right."

"Although the registration process can be complex, it will to a large degree, verify the opportunity for a business to trade with lesser risk of inadvertently ripping-off another entity already in the market and help protect their products and services against scrupulous imitation."

**DANIEL:** "Although some concepts in relation to IP are largely universal, each different country and jurisdiction is likely to have its own rules and procedures in relation to the registrability and infringement of the different forms of IP right. The Paris Convention for the Protection of Industrial Property and various other international treaties impose several international standards in relation to almost all forms of IP right."

"If an SME is seriously considering trading internationally, it must consider the ways in which it can obtain registration internationally. The traditional approach would be for the SME to apply for registration of the relevant right in each individual country that it intends to operate in. Although the World Intellectual Property Organisation in particular offers applicants a centralised and generally cost-effective way of obtaining registration for their IP Rights (in particular, trademarks, designs in patents) in multiple territories by submitting one application."



**Q: The Forbes research also found the region's SMEs are turning to Research and Development (R&D) to fuel innovation and new opportunities. When investing in R&D, what are the key steps that SMEs need to take early on to protect IP?**

**DANIEL:** "Before starting any R&D activities, it's worth defining exactly what the intended end result is. For example, if the aim is to create a new product or innovative way of doing something, then consideration can be given at the outset to how possible it will be to protect the new idea via a registrable form of IP right, such as a patent or design."

"Acting early means that an SME will be able to better seek the monopoly rights over what they are intending to create and register, providing that the subject matter of a patent or registered design is novel at the time of filing. It can become more difficult over time to seek the relevant protections for IP. For example, if a product is marketed or displayed to the public during R&D, it can affect the potential of securing a patent."

**JOHN:** "It is also important for SMEs to consider the basis on which R&D activity is taking place. Will it be carried out by employees or third-party consultants? The involvement of different parties of people may compromise the ownership of IP and make it more difficult to secure the relevant protections. Agreements should be drawn up and signed by the relevant parties before any R&D is undertaken. This can provide clear terms and conditions for which people operate under and help protect an SME's new ideas."

**Q: Are there any common IP mistakes that businesses make when diversifying their product and service offer? If so, what are these and what actions should businesses take to overcome them?**

**DANIEL:** "It's not unusual to see a business rushing a new idea to market, with this being more common during tough trading conditions. Companies may be keen to generate new revenue streams amidst shrinking sales or to stay ahead of increasingly aggressive competition. Whilst a speedy approach will be done with positive intentions, it often ends up backfiring as it limits levels of due diligence and can leave businesses exposed to otherwise avoidable risks such as IP infringements. If companies want to diversify to support growth, they should take the time to carefully plan their new product or service."

**JOHN:** "SMEs sometimes fall into the trap of believing that a registered trademark over their company name provides them with all the IP protection they need. This isn't always the case, and especially when a new product or service marks a significant shift away from a company's existing activities. Protection associated with a trading name is only afforded in relation to the goods and services covered by the registration. If registration is not obtained in relation to the new goods and services, there may be difficulties in preventing third-party misuse in the future."

PEOPLE-POWERED APPROACH TO  
*Enhancing*  
TALENT MANAGEMENT

**Effective staff recruitment and retention is critical to sustaining business growth and can prove increasingly challenging for companies to manage. Emma Swan, a partner and head of commercial employment at Forbes Solicitors looks at how to create robust people strategies that help solve the complexities of talent management.**

Forbes' research highlighted just how seriously SMEs across the North West view the challenge of managing talent. Around a third (31%) believe skills shortages are one of their biggest barriers to growth - it was the second highest ranking factor after inflation and a squeeze on costs. A quarter (25%) of SMEs also cited that they most require support with HR and learning and development.

Businesses are taking action to enhance recruitment and retention. The research found SMEs are prioritising flexible working hours (45%), pay increases (42%), improving workplace culture (39%) and focusing more on wellbeing (39%). All these areas of employment have their merits and must be carefully considered by companies if such changes are to support growth.

#### PUT PEOPLE BEFORE POLICIES

There are many steps that companies can take to make employment terms more appealing to existing staff and prospective recruits. Remote, hybrid and flexible working have all become increasingly popular following the impacts of COVID-19, whilst the possibility of a four-day working week with full time pay is also attracting growing attention as it's trialled by businesses nationwide.

It can be easy for companies to be influenced by the clamour surrounding popular employment policies, with potential new working arrangements leading the evolution of people strategies. Decisions can sometimes be rushed by employers to implement policies they think employees want or they see in other businesses. However, any possible changes should be informed by feedback from a company's employees and then considered in line with how a business can practically implement new policies.

Engaging staff to find out how the business can better support their wants and needs will provide insight that can be used to consider relevant employment policies. This will save employers time and money and can also reduce the risks of unequal or unfair treatment of employees.



## CREATE EQUAL OPPORTUNITIES FOR CHANGE

Balancing feedback from employee engagement with the practical, operational requirements of a business will allow for a comprehensive assessment of possible changes to employment terms. From here, employers are best advised to trial the implementation of new policies, rather than simply making wholesale changes.

While a trial period will help test how changes will impact productivity and day-to-day working processes, it also creates equal opportunity to reduce the risk of discrimination when introducing new ways of working and helps encourage inclusivity and diversity. Employers may want to think about the different groups of people who make up their staff and how their requirements impact the practicality of new working conditions. For example, a group of parents or people with caring responsibilities may have different demands and flexibility around changes to working hours compared to people who have no dependents.

Similarly, businesses may find that certain types of job role are more limited when it comes to changes to working arrangements. It may be the case that a factory-based occupation has less scope for remote working than an office-based role. The trial period can enable an employer to properly take these variations into account and address any disadvantages, which may otherwise be considered unfair or unfavourable.

## MAINTAIN ENGAGEMENT AND COMMUNICATION

It's critical to maintain clear, consistent, and transparent communication with all employees throughout the consideration and implementation of any new employment policies to maximise engagement in the process. Keeping employees updated helps to manage expectation and promotes better understanding of exactly what is happening, and why. This can often drive greater support for change and assist a smoother transition to new ways of working.

Effective communication should remain two-way, with employees provided with sufficient opportunity to feedback on changes. There are many ways to achieve this, from surveys through to regular meetings with line managers or town hall style meetings. Taking this approach will help employees to feel part of any changes and will greatly assist businesses when it comes to agreeing revisions to employment contracts, which employees have a legal right to accept or refuse.

People play an instrumental role in supporting business growth and will continue to do so even as companies invest in digitisation and automation. Forbes Solicitors' research shows three quarters (75%) of SMEs across the North West plan to recruit new employees as they pursue growth over the next 12 months. This is likely to see companies rethinking employment terms and conditions as they attempt to overcome recruitment and retention challenges. If changes to policies are to be successful, they should remain people-first.

## NORTH WEST BUSINESSES STILL PURSUING

# *growth ambitions*

## DESPITE HEADWINDS

Amy is an experienced journalist and writes for The Times Enterprise Network, regularly interviewing the UK's rising star companies. She previously worked for the Daily and Sunday Telegraph, reporting on business and enterprise, and specialising in SMEs.

Small and medium-sized companies in the North West are confident revenue will continue to grow over the next 12 months despite the challenging economic conditions they are navigating.

Some 85 out of 100 companies surveyed by Forbes Solicitors expect revenue to increase, driven by expansion within the UK and new product research and development. However, they are not complacent about the negative macroeconomic forces at work – 57% have less confidence in the strength of the local economy than they did a year ago, and the biggest barriers to growth are inflation (identified by 45% of respondents), skills shortages (31%) and a lack of access to finance (25%).

As a result, companies are backing self-help measures to keep their growth ambitions on track. Three-quarters plan to invest in digital transformation and new technology in the year ahead, and the same proportion plan to create jobs to address the skills gaps they are facing. Raising funds to support growth is also a priority, with 71% of companies planning to do so. Within that group, 24% will look at grants and government-backed schemes for SMEs, while 23% will use banks and 21% plan to rely on debt financing.

The companies in the survey group come from a broad range of industries, led by financial services, IT, healthcare, retail and construction. Three-quarters of them had revenue of between £1 million and £25 million. That ties in with the picture across the region as a whole, where no one sector dominates.

The priorities of the Greater Manchester Local Industrial Strategy, for example, are health innovation, advanced manufacturing, clean growth and the digital, creative and media industries.

### **Support for growth**

The North West is home to the country's largest city region economy outside London and more than 500,000 private companies. A thriving SME sector here is therefore vital to achieving the ambitions of the government's Levelling Up agenda. The good news for everyone with an interest in boosting growth more evenly across the UK is that 63% of Forbes' survey respondents believe Levelling Up is delivering opportunities for their business, and more than half (55%) expect greater momentum behind the initiative in the year ahead.

Sites in the region under consideration to become investment zones, for example, include Blackpool Airport and town centre, Ellesmere Port in Cheshire and Workington in Cumbria. As announced in the government's growth plan in September, the zones are intended to benefit from time-limited tax reliefs, streamlined planning processes to encourage house building, and greater investment powers for local authorities.

With the formidable headwinds in the form of energy prices, inflation and rising interest rates facing businesses of every size in every industry, any such support for investment will be a vital part of keeping North West companies' growth ambitions on track. The overwhelmingly positive outlook of the SMEs surveyed by Forbes is a testament to the resilience and adaptability they have shown in recent years, and their ability to keep evolving.

**RESILIENCE AND REINVENTION ARE THE ORDER OF THE DAY FOR SMES, WITH PLANS IN PLACE TO CREATE JOBS AND INVEST IN DIGITAL TRANSFORMATION AND PRODUCT**

BY AMY WILSON



# Final thoughts

DON'T RISK STANDING STILL

**Having surveyed North West SMEs, revisited the Top 50 from 2020 and 2021, and looked more at companies excelling in varying sectors, it's clear that themes of 'reinvention' and 'resilience' remain intrinsically linked to business prosperity.**

It also seems plausible that the importance of these attributes is likely to grow over the coming months. Turbulent markets and political uncertainty show little signs of stabilising in the near future. There's also a fast-moving shift towards more sustainable, circular economies, and increasingly digitised and automated ways of working, which inevitably bring a tide of change.

These are circumstances in which resilience and reinvention thrive. They are values that can prove pivotal to overcoming challenges and realising opportunities. However, I think there's another way to consider what we're seeing amongst the region's SMEs - an alternative perspective of reinvention and resilience that is well worth noting. It's the view that businesses are being brave and refusing to stand still.

Typically, during times of adversity, some companies batten down the hatches. External market and political factors that are almost impossible to control and even more difficult to predict can, understandably, create a climate of risk aversion. Businesses may prefer to favour protecting what they've got - and what they have more control over - rather than innovating or investing when such moves could have a higher chance of failure.

The North West SMEs that are surviving and thriving aren't taking this route. Instead, they remain truly entrepreneurial despite ongoing uncertainty and the rising costs of doing business.

Data from our research found that 'risk aversion' ranked way down the list of what the region's SMEs consider as the biggest barriers to growth.

Forward-thinking businesses don't stand still and are more prepared to take on risk, even when faced with some of the most difficult trading conditions we've seen in recent history. They are doing this because they are increasingly doing their homework to make more informed decisions and take calculated risks.

Whether it's deciding to launch a new product and service internationally, pursuing a merger or acquisition, diversifying into new markets, or raising investment through private equity, SMEs are willing to invest in due diligence to see exactly what is possible. They are bringing in specialist experience and expertise to stress test plans and goals, and more effectively manage risk than simply shunning it.

Growing levels of unpredictability and disruption have characterised trading conditions for most SMEs during the past two years and look like they will remain something of a constant for the foreseeable future. Businesses realise this, and that attempting to wait out periods of turbulence is not a viable option. Investing, innovating, and striving for growth can undoubtedly prove a risk, but less risky than standing still in ever-changing markets.

**Pauline Rigby**  
Managing Partner, Forbes Solicitors

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