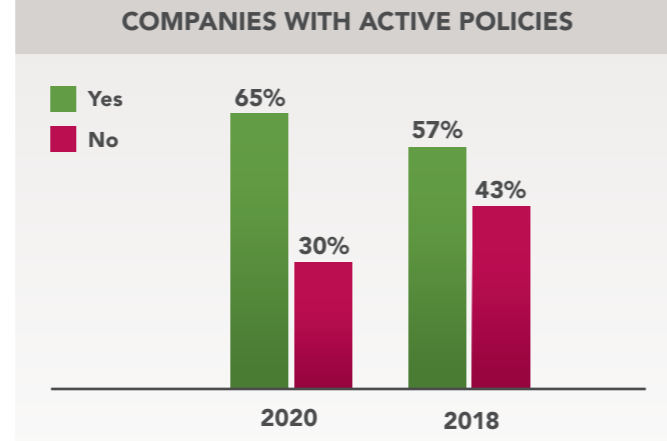




DIVERSITY AND INCLUSION

The first economic trends survey of 2020 captures the sentiment of the Cork business community at a time of unprecedented uncertainty due to the Covid-19 pandemic shock.

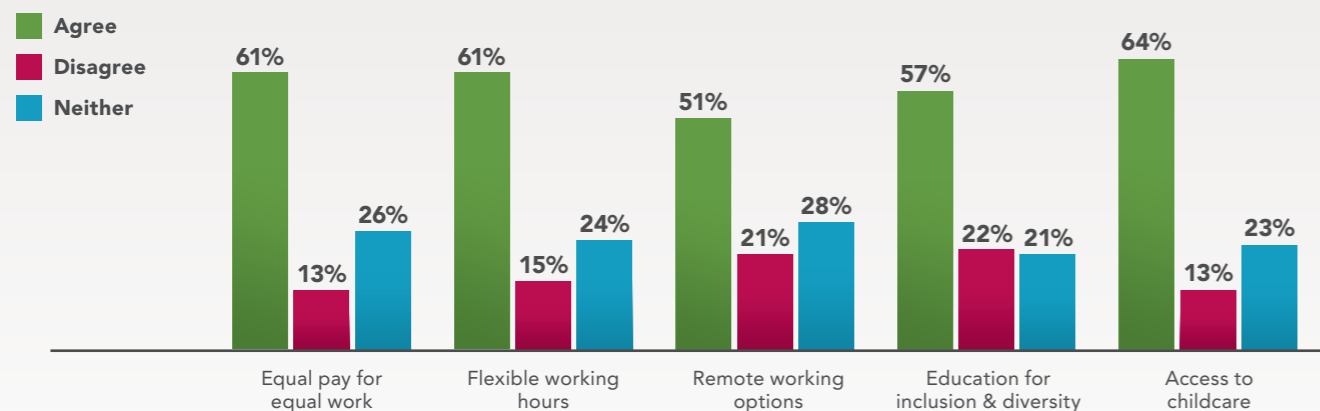
Previously we had asked members about their organisational experiences of diversity and inclusion in the workplace, and their own professional perspectives on the broader perceptions and challenges in this space. These questions had been asked originally in the first quarter of 2018. We have now asked these questions again, 2 years later. While it is still clear that persistent challenges remain, there has been a marked increase in business activity, policies and supports.



WE ASKED WHICH POLICIES ARE SUPPORTED CURRENTLY



WE ASKED MEMBERS WHAT THE SIGNIFICANT CHALLENGES ARE (NOT SPECIFIC TO YOUR OWN BUSINESS BUT BROADLY), HERE'S WHAT YOU TOLD US

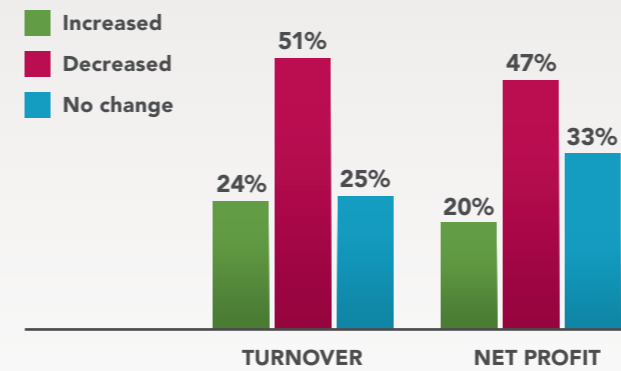


BUSINESS CONFIDENCE



In Q1 2020 we saw a sizable decrease in those reporting business confidence, now at 54% from 93% in the previous quarter.

TURNOVER AND NET PROFIT ESTIMATIONS AND PREDICTIONS

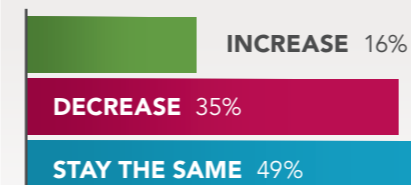


The survey shows that 11% of businesses expect an increase to turnover over the coming quarter 2, with 71% expecting a decrease to turnover over the same period. In relation to net profit, 9% of responding business expect an increase, while 75% expect a decrease.

For context, in Q1 2019, 80% of businesses expected an increase in turnover, while 67% expected an increase to net profit (note: in Q1 2019 the question asked to forecast for the 12-month period ahead).

EMPLOYMENT OUTLOOK

EXPECTED CHANGES TO EMPLOYEE NUMBERS OVER THE NEXT 12 MONTHS



For context, the same quarter in 2019 reported 4% of businesses expecting a decrease to employee numbers over the 12 months ahead, while 43% had expected numbers to stay the same, and 53% had expected employee numbers to increase.

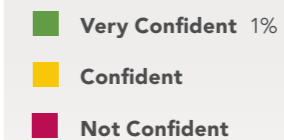
The latest quarter reports 24% of businesses as having open vacancies. Also, in the previous quarter this had been at 39%.

Of the 24%, 20% of these businesses are reporting difficulty filling the open roles (i.e. remaining unfilled for greater than 3 months since initial advertisement). As has been the trend in previous surveys, this is mostly in the area of engineering, with a shortage of skilled chefs also coming to the fore.

NUMBER OF BUSINESSES WITH VACANCIES ADVERTISED CURRENTLY



CONFIDENCE IN THE IRISH ECONOMY



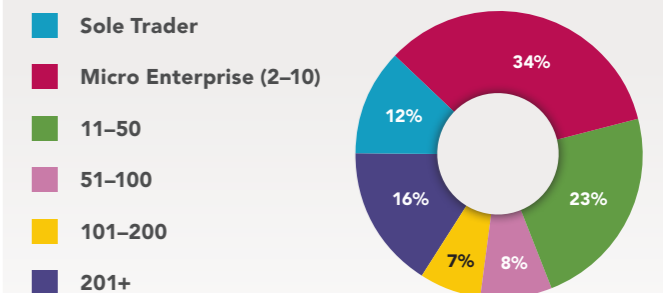
The survey reports a dramatic rise in those reporting as not confident in the Irish economy.

In the previous quarter, 13% of respondents had reported as not confident, with 8% reporting as very confident and 79% reporting as confident. In the same quarter for 2019, the survey had reported 79% of respondents as confident.

TOP 3 THREATS TO BUSINESS GROWTH

1. Covid-19
2. Managing cashflow
3. Changing consumer spending/reduced orders

RESPONDING BUSINESSES



The responding businesses represent a broad range of sectors: Industry/ Manufacturing (10%); Science & Technology (12%); Tourism, Travel Culture & Arts (15%); Construction (5%); Multisectoral (4%); Services incl. financial (47%); Transport (3%) and Digital Economy (4%).