

*Forward thinking.*  
Straight talking.

# *Helping businesses to build resilience*

A report on why business resilience  
is critical and how to build it

Gateley LEGAL

# Foreword: the rationale for resilience

## What does it take to build business resilience and why is it so important in today's environment?

UK businesses are, without doubt, facing testing times - a situation that is likely to continue for the foreseeable future. The general economic outlook, coupled with Brexit, paint a pessimistic picture. Add the likelihood of interest rate hikes, geo-political uncertainty, rising oil prices, digital disruption and cyber threats to the mix, and you soon start to see the potential for instability and an increasingly challenging, complex and uncertain environment.

There are, however, glimpses of positivity breaking through the doom and gloom. Conditions have been benign for some time with good liquidity in the marketplace, high employment rates, and positive increases in consumer spending and confidence.

Against this backdrop of mixed opinion and data the need for resilience is perhaps one of the only certainties. An organisation's leadership, workforce and systems need to be able to cope with multiple disruptive forces that, in many ways, have never been so prevalent. These really are unprecedented times - many of the events that are happening have never been seen before. The tried and tested ways of the past are unlikely to help us to prepare for this ever-more complex, uncertain and ambiguous world.

## Helping businesses build resilience

At Gateley we believe we have a key role to play in helping businesses address the issue of creating a more resilient operation. Specifically, our restructuring specialists work with businesses day in, day out, helping them to proactively address the people, structural, financial and legal issues related to creating resilience.

We wanted to understand the impact of regulation and compliance on resilience and the attributes and psychology behind effective organisational resilience.

We hope this report will provide a useful guide to professional advisers and businesses alike in starting the conversation around resilience, helping identify the key areas to consider and providing a few practical ideas on what advisers and businesses can do together to find solutions to these issues.

### ***Brendan McGeever***

Partner  
Head of Banking & Financial  
Services Group



***To create this report we surveyed leading professional advisers from accountancy, private equity and corporate finance firms as well as business turnaround professionals.***

# Executive summary

From our research, it is clear that definitions of business resilience are broadly similar. To most people, it means that a business has the ability to respond to the many risks it may face, ranging from macro-economic shocks to cyber threats, but that it has also prepared for these incidents in advance, and can adapt to the circumstances that follow.

It is unsurprising that industry experts overwhelmingly agree that business resilience is essential for long-term success. And several studies suggest that business resilience does pay off - those that are resilient are generally more successful, add more value to stakeholders, and are ultimately more profitable.

In our research with more than 140 professional advisers, this sentiment was underlined. Much of the uncertainty is of course related to Brexit. When asked which external negative factors would have the greatest impact on the UK economy and businesses, 56% of respondents said Brexit.

Our research revealed that planning is key to successful business resilience, as is having personal resilience, courage and flexibility. Psychology is seen to play an important role too. However, not all businesses have the ability to be resilient; it largely depends on the type of business and sector, and their attributes.

For example, 'people' businesses are three times less likely to be resilient than product businesses; over half of our survey respondents (59%) agreed with this.

Of course, not all businesses face the same risks, and they all deal with individual circumstances, which means their ability to be resilient differs. When we asked respondents which sector is likely to be most active in terms of restructuring due to distress, high street retail, perhaps unsurprisingly, came out on top at 57%. Manufacturing in the automotive supply chain was second, at 14%.

In terms of the changes facing organisations over the next 18 months to two years, the most resilient businesses were seen to be those with a predominantly online business model - an overwhelming majority of respondents (85%) selected this answer.

We also asked businesses which attributes were the most important in creating a resilient business. Over half (60%) said management and leadership. Close to a quarter said agility (18%) and culture (17%). Technology and infrastructure were regarded as less important (3% and 2% respectively).

“

*industry experts overwhelmingly agree that business resilience is essential for long-term success*

# Key findings

- Business resilience is essential for long-term success
- 59% of respondents said ‘people’ businesses are three times less likely to be resilient than product businesses
- Those businesses that are resilient are generally more successful
- 57% of those surveyed said the high street retail sector is most likely to be active in terms of restructuring due to distress
- The key to successful business resilience is planning
- 85% of those surveyed said the most resilient businesses were seen to be those with a predominantly online business model
- Having personal resilience and courage also plays a crucial part in business resilience, as well as flexibility
- 60% of respondents said management and leadership are the most important in creating a resilient business, followed by agility and culture

# Report contributors

This report is based on both quantitative and qualitative inputs, including a survey of 140 professionals (from turnaround, accountancy and corporate finance) as well as interviews and discussions with speakers and panellists following our annual Restructuring Conferences. Thank you to the Institute for Turnaround and their members for taking part in the survey.

## ***Brendan McGeever***

Partner, Head of Banking & Financial Services Group, Gateley Plc

Brendan is a leading corporate restructuring partner. He advises banks, funds, venture capitalists together with other financial institutions and stakeholders in businesses, on all aspects of corporate restructuring and turnaround. As well as corporate restructuring, he also advises insolvency practitioners on more complex assignments and can give advice on all aspects of corporate administration.



## ***Nigel Payne***

Non-Executive Chairman and Director, Gateley Holdings Plc

Nigel has extensive experience of listing companies, fundraising on the public markets and acting as either Chairman or Non-Executive Director of public companies. He is presently the Non-Executive Chairman of AIM quoted Stride Gaming plc, EG Solutions plc and Gateley (Holdings) plc. Previously Nigel was the CEO of Sportingbet plc, one of the world's largest internet gaming companies where he made a number of acquisitions whilst listed on the London Stock Exchange (both FTSE listed and AIM quoted).



## ***Richard Butler***

Director, CBI

Richard is responsible for CBI membership recruitment and retention across the West Midlands and Oxfordshire. This involves representing the region's business community on key policy issues and ensuring that the CBI has an active and constructive lobbying dialogue both with central government, but also with Andy Street, the WMCA Mayor. Current active policy issues include the region's skills base, transport infrastructure and energy as well as a desire to ensure we achieve a successful business outcome from Brexit.



## ***Vanda Murray OBE***

Chair of Board, Marshalls plc

Vanda is a Fellow of the Chartered Institute of Marketing, with executive experience covering a wide range of UK and international roles. She was previously the Chief Executive of Blick plc, which was a £100m security, communications and time management solutions group. Vanda held this position until the successful sale of this business to The Stanley Works Inc. in 2004. She has served as a Non-Executive director with a number of other listed companies in the construction sector.



## ***Mike Owtram***

Managing Partner, Kiddy & Partners

Mike specialises in developing the performance of senior executives and top teams and provides board-level, executive and high-potentials coaching. Mike also leads major client engagements for Kiddy. Before joining Kiddy, Mike worked for six years as Managing Consultant for Glowinkowski International, where he specialised in identifying and benchmarking the attributes of high performers, as well as consulting on other aspects of improving the performance of individuals, teams and organisations.



## ***Lorna Davidson***

CEO, RedWigWam

Lorna is an entrepreneur with a history of successfully building, managing and exiting businesses. With over 25 years of experience in the UK Grocery Market, Lorna is regarded as an expert in the field of retail and product sales. She has worked with many of the UK's leading brands creating demonstrable difference to their bottom line.



## ***Steve Richards***

CEO, Casual Dining Group

Steve has spent nearly 30 years in the leisure and hospitality space, operating hotels, night clubs, bars, pubs and restaurants in the PLC and private arena. In 2013 Steve joined American buyout firm Apollo Global Management as an Operating Partner working alongside their European Debt fund and soon after led the acquisition of failing restaurant group Tragus Ltd. In order to lead a transformation process and create Casual Dining Group, Steve stepped into the company as CEO in 2014.



## ***Dan French***

Partner, Restructuring, Gateley

Dan is an expert insolvency and business restructuring adviser to insolvency practitioners, institutional lenders and major corporates. He has 17 years' experience in the corporate restructuring and recovery market, with a particular interest in real estate issues arising within an insolvency context. Dan regularly advises banks, asset based and other lenders at a senior level.



# Understanding resilience

Resilient businesses demonstrate and share similar characteristics in how they prepare for the future, including where they might fail.

## Defining it

When describing business resilience, Gateley Holdings Plc, Non-Executive Chairman and Director Nigel Payne uses the following definition: ‘A company and its board’s ability to continue to deliver value by quickly, efficiently and effectively adapting to relevant change in order to safeguard and develop its people, its assets, its customers and its brand equity.’

From talking to other leading professional advisers, it seems to be widely acknowledged that resilient businesses identify and address issues and risks in advance - not just within their market but also in the wider economic, socio-economic, political and environmental landscapes. They consider the ways their organisation might fail in the future, be that through:

- economic shock
- compliance and regulation failures
- technology issues
- cyber threats
- supply chain problems
- terrorism
- strikes and trade disputes
- pandemic threats or natural disasters - which could all potentially cause unreparable damage to a business’ finances and its reputation.

Having this awareness is essential for controlling and mitigating risks, in turn helping the business to continue to operate and support sustained growth, and, indeed, survival. If issues do occur, resilient businesses are prepared and are able to respond and adapt, while seizing any opportunities presented.

In their ‘Tough at the Top’ study<sup>1</sup>, consultants Sarah Bond and Gillian Shapiro found that resilience was defined as the ability to recover from setbacks, adapt well to change, and to keep going in the face of adversity.

## Planning ahead

So, resilience is two-fold. Firstly, a business must have the ability to recover from a damaging situation, and secondly, the business must be forward-thinking, strategically planning ahead to prevent such situations happening in the first place.

Indeed, most experts see forward planning as key. As Richard Butler, Director at West Midlands & Oxfordshire CBI, says: “Resilience is about how you manage risks to prevent problems happening, rather than just being able to address those issues when they actually crop up.”

To plan effectively, resilience needs to be built into an organisation’s mindset. That way, issues in the market or its business model can be anticipated, ensuring the business is ready for any situation.

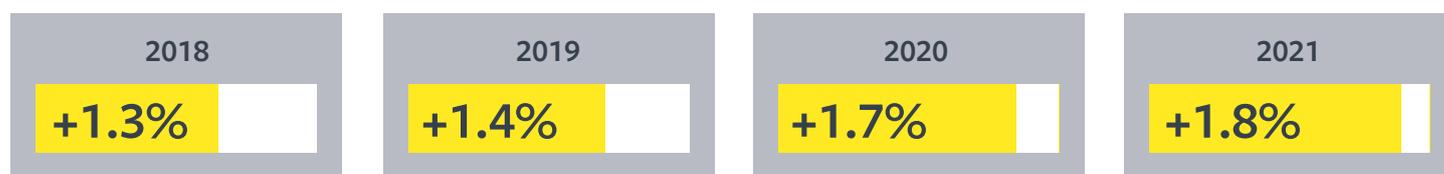
<sup>1</sup> <https://hbr.org/2015/01/what-resilience-means-and-why-it-matters>, and <http://shapiroconsulting.co.uk/wp-content/uploads/2014/11/Tough-at-the-Top.pdf>

# Resilience in a rapidly changing world

Today, there are economic, socio-economic, political and environmental factors affecting businesses that have never been seen before. These factors mean resilience needs to become part of a business' DNA.

## Economic outlook

The UK has experienced a long period of benign economic conditions, and is now starting to see more signs of financial stress. According to key economists, not only has the outlook worsened, but the risks are weighted to the downside. The EY ITEM Club<sup>2</sup> recently forecast the UK economy to grow at:



Some of the key economic indicators that are pointing to a tough time ahead include:

- Employment growth is likely to stagnate as the economy slows and migration from the EU reduces.
- Inflation could spike unexpectedly if there were energy price increases or a fall in sterling, resulting in lower revenues and higher costs.
- The slowing global economy is already impacting UK trade growth, with export expansion slowing in recent months.
- Signs suggest that foreign direct investment into the UK is reducing, and investment by domestic businesses is under pressure.
- The housing market is likely to remain subdued.

In this tough environment, businesses need to be resilient enough to withstand any economic shocks (reviewing, in particular, whether their cashflow is robust enough to handle a significant period of disruption) and meet challenges - which might come quickly - head on.

## What are the typical external measures of economic performance?

- Labour market/employment growth
- Trade activity
- Consumer finances
- Interest rates
- Oil prices
- Housing market
- Decline in value of Sterling
- Politics
- Corporate investments
- Public finances

<sup>2</sup> <https://www.ey.com/uk/en/issues/business-environment/financial-markets-and-economy#section1>

# An uncertain future

Today's world is undoubtedly volatile, uncertain, complex and ambiguous, and we are entering a period of time that presents an even greater level of uncertainty.

Much of this uncertainty is of course related to Brexit. When respondents were asked which external negative factors would have the greatest impact on the UK economy and UK businesses, over half (56%) said Brexit and 27% said weaker consumer spending.

Businesses should not forget the impact that politics has. In the EY Global Capital Confidence Barometer,<sup>3</sup> April 2018, 48% of respondents said policy uncertainty was the greatest near-term risk to the growth of their core business.

Worryingly, many of the events we're facing, and are likely to face in the future, have not been seen before. With no history for businesses to base their actions on, experts agree that resilience is more important now than it's been for a long time.

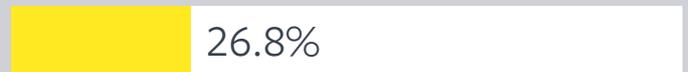
Steve Richards, CEO at Casual Dining Group: "The reason for building resilience is clear. The world and the markets we operate in are rapidly changing. There's the impact of digital on the high street, we've got Brexit to deal with etc. These are 'bigger than us' events, and when you're running a business you can't keep your head in the sand; you've got to think these things through and work through how to build a business that is capable of withstanding shocks that are beyond your control."

**In our survey, we asked: Which of the following external negative factors do you see as having the greatest impact on the UK economy and UK businesses?**

**Brexit**



**Weaker consumer spending**



**Lack of investment in infrastructure**



**Access to affordable finance**



**A decline in the value of sterling**



**Slower growth in the housing market**



<sup>3</sup> <https://www.ey.com/gl/en/industries/technology/ey-capital-confidence-barometer>

# It's personal

Business resilience isn't just a corporate level issue; it's also about a company's culture, its mix of people, and personal resilience. And it needs to be a team effort.

Resilience should always be viewed at both an organisational and individual level - failing at either will prevent a business from being truly resilient. Ensuring personal resilience in the workforce involves strong leadership, collaboration, investment in training, engaging with staff and treating them with respect, and enabling a work-life balance.

Whether working in a small, medium or large organisation, people are facing more and more demands, and are being pulled in multiple directions.

Referring to the State of the Global Workforce Gallup survey<sup>4</sup>, which shows that only 9% of employees are actively engaged, Vanda Murray OBE, Chair of the Board at Marshalls says: "That can't be allowed to continue. I hope [businesses] think about the way they communicate with their staff, think about the way they engage [with] them and the way that we get them to work together."

When Sarah Bond and Gillian Shapiro<sup>5</sup> asked firms in Britain what was happening in their own lives that required them to draw on their resilience reserves, 75% said the biggest drain was "managing difficult people or office politics at work," followed closely by stress brought on by overwork and having to withstand personal criticism. When asked where their reserves of resilience came from, 90% said "from myself," and a little over 50% said "from my relationships". Barely 10% said "from my organisation."

Dr Mike Owtram, Managing Partner at Kiddy & Partners, says: "One thing that people can do to become more resilient is to challenge their thinking. Sometimes we'll be in a difficult situation and our mind just wants to tell us why we're not doing a very good job, that we're not responding as others would, and so putting things in perspective is really important. One of the things we work on with people is their mental toughness."

Diane Coutu, author of How Resilience Works,<sup>6</sup> says: "Resilient people possess the characteristics - a staunch acceptance of reality; a deep belief, often buttressed by strongly held values, that life is meaningful; and an uncanny ability to improvise. You can bounce back from hardship with just one or two of these qualities, but you will only be truly resilient with all three. These three characteristics hold true for resilient organisations as well... Resilient people and companies face reality with staunchness, make meaning of hardship instead of crying out in despair, and improvise solutions from thin air. Others do not."

Richard Butler, Director at West Midlands & Oxfordshire CBI: "It's about getting everybody in whatever their role is to consider how they can make their business more effective, and therefore more resilient in the longer term."

Businesses should consider the implications of how different people respond to trauma and stress, and how this can affect outcomes for creditors, investors and other stakeholders when issues do arise.

“

***When you're managing a team of people, to make them a resilient team you have to trust them and empower them to be the best they can be***

Lorna Davidson  
CEO at RedWigWam

<sup>4</sup> <https://www.gallup.com/services/178517/state-global-workplace.aspx>

<sup>5</sup> <https://hbr.org/2015/01/what-resilience-means-and-why-it-matters>, and <http://shapiroconsulting.co.uk/wp-content/uploads/2014/11/Tough-at-the-Top.pdf>

<sup>6</sup> <https://hbr.org/2015/01/what-resilience-means-and-why-it-matters>

# Identifying & creating resilience

To create resilience businesses firstly need to identify which critical parts of their business make them successful. And what could undermine their success. Only then can they identify what parts of the organisation need proactively addressing.

## Common attributes of a resilient business

Whilst it is true that the market or sector a business operates in and the products or services it offers will shape how it needs to create resilience, there are some key characteristics that resilient businesses share regardless of those factors. Many of them centre around a number of key themes including quality of leadership and an ability to scan/analyse the future. Specifically, we have found the common characteristics include:

- a clear strategy, communicated and understood by all in the business;
- clear goals and a clear path identified to achieve those goals;
- a focus on the future;
- a geographically and economically diverse business model;
- an agile culture of continuous self-improvement;
- a well-developed “risk radar”; and
- an exceptional focus on the customer experience.

Businesses that aren’t resilient are found to typically have four characteristics:

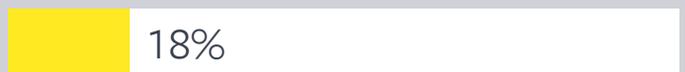
- unclear vision and poor internal communication;
- tomorrow is almost always the same as today;
- short-term trumps long or medium term virtually every time; and
- offices rife with politics and/or staff unease.

**In our survey, we asked: Which attributes were the most important in creating a resilient business?**

### Management and leadership



### Agility



### Culture



### Technology



### Infrastructure



# Resilience: how to help a business build it

We interviewed restructuring Partner Dan French on what can be done to support businesses in building resilience.

As a turnaround and restructuring professional I work with businesses at a point of extreme stress, be that financial, operational, cultural or, more often, all of these. During this period of firefighting, the focus is typically on the short term and on the immediate needs of the business to ensure survival and protect stakeholder interests.

We work with boards who are having to make vital decisions in a time-critical environment, in circumstances where the wrong decision may not only bring about the demise of the business, but may also incur personal liability for the directors, exposing their homes and their families to direct personal risk. We also work with businesses to build resilience in a proactive manner, helping them establish the right systems and processes as their business grows, so that when inevitably the business does suffer a set-back, it is resilient and well-placed to recognise and quickly adapt to whatever challenges it is facing.

There are some very practical ways of doing this that include:

- Ensuring that strong corporate governance processes are in place. Whilst these do not necessarily drive growth, ensuring that a business is fully compliant drives a culture of rigour and accountability.
- Strong management and leadership.
- Forward looking: setting agendas that focus on the future, not looking backwards.
- Robust boards, where management decisions are constantly challenged: self-congratulatory and complacent boards seldom fare well in the long term.
- Boards that are regularly refreshed: teams that sit in place for more than three years can become stuck in their ways, which can lead to stagnation.
- A strong, independent chairperson.
- Diversity: a resilient business will benefit from a board that contains a diverse range of experiences and backgrounds, bringing different perspectives to the decision-making process.
- “Headlight” teams: boards investing in and, more importantly, listening to research and development teams that are specifically tasked with identifying the trends and factors that will materially affect their business. Think Blockbuster vs Netflix.

# Psychology of resilience and how to build it

Companies that are resilient create more value, and value that is sustained. Understanding the psychological mechanisms which underpin resilience helps business leaders to build resilience within their organisations.

## Psychological resilience

Dr Mike Owtram highlights that psychology plays a big role in resilience and shaping business outcomes, and suggests that people's genes, mindsets and support structures all have an impact:

- What we think affects how we act and feel.
- What we feel affects how we think and do.
- What we do affects how we think and feel.

Which attributes are most important in creating a resilient business? Over half (60%) of respondents in our survey said management and leadership. Close to a quarter said agility (18%) and culture (17%). Technology and infrastructure were regarded as less important (3% and 2% respectively).

Leading in complex, rapidly changing environments often requires leaders to act in the absence of certainty or agreement. However, when under enhanced pressure and faced with uncertainty and complexity, people are more susceptible to biased decision-making. For example, we may rush to the most obvious decision rather than the best one, or look for what we hope to see, rather than what the data is really telling us. When lacking resilience, there's also an increased risk that we see the dark side of a person's personality - qualities that emerge in times of increased strain.

Psychological resilience is not just about the ability to bounce back from negative experiences, but is also about understanding how you tend to behave under pressure, and learning to adapt to the changing demands of stressful situations. It's about leaders, managers, and all employees generally, all developing the ability to adapt to changing circumstances and environmental contingencies, analyse situations against the possible ways of responding, and then to flexibly apply problem-solving strategies.

What's more, increasingly, resilience requires organisations not only to bounce back from adversity, but also to anticipate potentially disruptive change and take pre-emptive steps; in other words, to 'change before you have to'.

“

***Neuroscientist Rick Hansen recognises that if you simply focus on thinking what's positive about a situation for between 10 - 20 seconds, it lifts your mood and overcomes the fact that our brains are hardwired to think negatively.***

Dr Mike Owtram  
Managing Partner at Kiddy & Partners

# Resilience in action: what does it look like?

## *Case study 1*

Client X is a large family-run recruitment and facilities business.

- **Situation**  
In breach of banking covenants in 2016 and banks accelerated repayment terms.
- **Key Issues**  
Working capital facilities being used to fund IT capital expenditure when the client was hit with accelerated payment terms from HMRC, creating significant cashflow challenges.
- **How we helped**  
Initial option analysis with auditors; model financial planning to 2019; built relationship with CEO, gave comfort/support to the board and advised on audit trail.
- **Outcomes achieved**  
Refinancing completed in May 2017 providing platform for continued improvement of EBITDA performance of the company.

## *Case study 2*

A restaurant chain, part of a larger group specialising in casual dining.

- **Situation**  
Legacy of underperforming sites.
- **Key Issues**  
Due to trading losses and pressure from creditors, the client needed to significantly reduce their property portfolio to remove underperforming sites, whilst improving profitability and preserving their brand, as well as keeping key stakeholders on board.
- **How we helped**  
We designed a Company Voluntary Arrangement (CVA) that facilitated the closure of underperforming sites and compromised the claims of several aggrieved landlords. Removing significant overheads from the business created a stable and profitable platform for onward trade, whilst keeping existing management intact, and preserving stakeholder value and minimising disruption to the profitable business.
- **Outcomes achieved**  
Completion of the CVA provided a platform for continued trading and expansion and we now work for the wider group and have acted on various restructurings and a CVA.

# Complexity: the need for courage and flexibility

Nigel Payne has questioned whether the increasing complexity of rules, regulations and corporate compliance - such as GDPR and corruption and new accounting standards - allow businesses to focus on the specific areas that create resilience: namely courage and flexibility. He suggests that companies that follow the UK plc corporate line of regulatory compliance - which is of course important - typically don't do very well in resilience.

Mark Gregory, Chief Economist at EY, adds: "Resilience requires a lot of things [including] certainly flexibility because you are going to have to move as different events develop, but courage is important as well, because at some point you have to make decisions, and if you don't make decisions then even if you've got the best plans you're going to find yourself in a difficult situation. So, courage and flexibility are really at the core of resilience."

## Are you or your clients puzzled with increased complexity?

- Modern Slavery Act
- Compliance
- Regulation
- Corruption
- Governance
- GDPR
- The Bribery Act
- Chief Compliance Officer (CCO)
- Enhanced Audit Reports
- Social responsibility
- Criminal Finances Act
- IFRS & Statutory Accounts

**In our survey, we asked: Which businesses do you think will be most resilient when considering the changes that are facing organisations over the next 18 months to 2 years?**

**those with an online business model**

85%

**those with an offline business model**

15%

# Next steps to navigate risks

It is clear from this report, along with many others, that building resilience undoubtedly helps businesses to future-proof and navigate risks and opportunities.

# 1

To truly build resilience, a business needs to identify the plausible scenarios and risks they might have to deal with. They will need an agreed action plan for when issues and problems occur - this should include a process for managing stakeholders (whether customers, employees, suppliers and/or shareholders) and being flexible enough to adapt to new circumstances.

# 2

While some businesses are perhaps pre-disposed to resilience from working in specific sectors, having certain attributes and employing people that are personally resilient, all businesses can benefit enormously from preparing for the future. It's certainly worth all businesses addressing risks, and having a thorough, in-depth, informed resilience talk.

# 3

Businesses should ensure they have proper support networks in place and can obtain professional advice. The professional advisory community is of course a crucial part of this network, and can pre-empt discussions about business and personal resilience - potentially preventing any issues or damage occurring in the first place.

***During times of financial distress, businesses need certainty on outcomes and the options available, whether that's taking the business out of distress or achieving a turnaround.***

# How we help clients: Proactive restructuring and resilience advice

Our restructuring experts are proactive in advising on how to navigate both issues and opportunities to create and develop a resilient business. We have helped businesses through digital disruption and transformation, changes in customer preferences, refinancing, operational and managerial changes and much more.

As turnaround professionals we work with many businesses in distress. However, we also support businesses in proactively managing potential issues and seizing new opportunities. This proactive, progressive advice on business transformation includes:

- Advice on planning and implementation of operational reorganisation.
- Providing debtor or creditor advice in the negotiation of bilateral and multi-stakeholder financial restructuring.
- Analysing, structuring and delivering acquisitions and investments (equity, non-distressed and distressed debt, single-name and portfolio transactions).

If you would like to speak to one of our advisers about how we might help your business or your clients, please contact a member of our team or visit [gateleypc.com/services/restructuring](https://gateleypc.com/services/restructuring):

## North West



**Andrew Buchanan**

Partner

t: 0161 836 7702

e: [andrew.buchanan@gateylegal.com](mailto:andrew.buchanan@gateylegal.com)



**Stuart Tait**

Partner

t: 0161 836 7768

e: [stuart.tait@gateylegal.com](mailto:stuart.tait@gateylegal.com)

## Yorkshire & Humber



**Matt Leech**

Senior Associate

t: 0113 218 2477

e: [matt.leech@gateylegal.com](mailto:matt.leech@gateylegal.com)

## West Midlands



**Dan French**

Partner

t: 0121 212 7722

e: [daniel.french@gateylegal.com](mailto:daniel.french@gateylegal.com)

## London and South



**Nicola Kirk**

Partner

t: 0118 952 0823

e: [nicola.kirk@gateylegal.com](mailto:nicola.kirk@gateylegal.com)



**Ken Titchen**

Partner

t: 0207 653 1619

e: [ken.titchen@gateylegal.com](mailto:ken.titchen@gateylegal.com)

## East Midlands



**Chris Radford**

Partner

t: 0115 983 8208

e: [chris.radford@gateylegal.com](mailto:chris.radford@gateylegal.com)

# Interviews with the professionals

If you enjoyed reading this report we have much more useful content on the subject of resilience including video interviews from experts at EY, Grant Thornton, PWC and many more. Learn more about business resilience at: [gateleyplc.com/resilience](https://gateleyplc.com/resilience)



**Nigel Payne**



**Vanda Murray OBE**



**Mike Owtram**



**Mark Gregory**

[gateleyplc.com/resilience](https://gateleyplc.com/resilience)

# Survey results

In our survey, we asked: Which businesses do you think will be most resilient when considering the changes that are facing organisations over the next 18 months to 2 years?

those with an online business model

85%



those with an offline business model

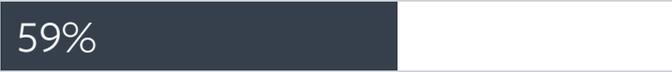
15%



Studies suggest that “people” based businesses were 3 times less likely to show resilience than “product” based businesses. Do you agree?

Yes

59%



No

41%



Which sectors do you think will likely be most active in terms of restructuring activity due to distress?

High street retail

57%



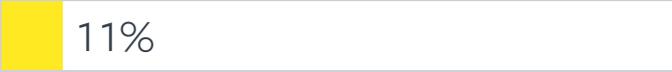
Manufacturing in the automotive supply chain

14%



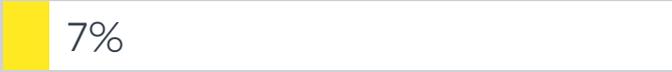
Casual dining

11%



Subcontractors in construction

7%



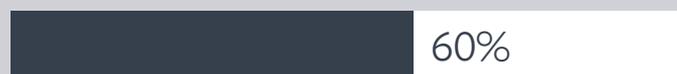
Food and drink production and supply

4%



In our survey, we asked: Which attributes were the most important in creating a resilient business?

**Management and leadership**



**Agility**



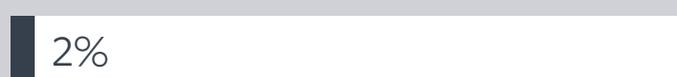
**Culture**



**Technology**



**Infrastructure**

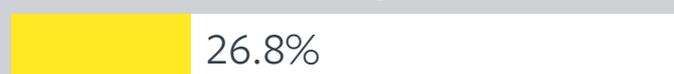


In our survey, we asked: Which of the following external negative factors do you see as having the greatest impact on the UK economy and UK businesses?

**Brexit**



**Weaker consumer spending**



**Lack of investment in infrastructure**



**Access to affordable finance**



**A decline in the value of sterling**



**Slower growth in the housing market**





This publication is intended for general information purposes only. It should not be relied on as a substitute for taking specific advice in particular circumstances. Neither Gateley Legal nor any other Gateley group entity accepts responsibility for any loss arising from reliance on information in this publication. Before acting on anything in this publication, please speak to your usual Gateley Legal contact. Gateley Legal is the business name of Gateley Plc.