



# **BUSINESS CONFIDENCE REPORT 2025**

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**RESEARCH SURVEY SUMMARY 2025**

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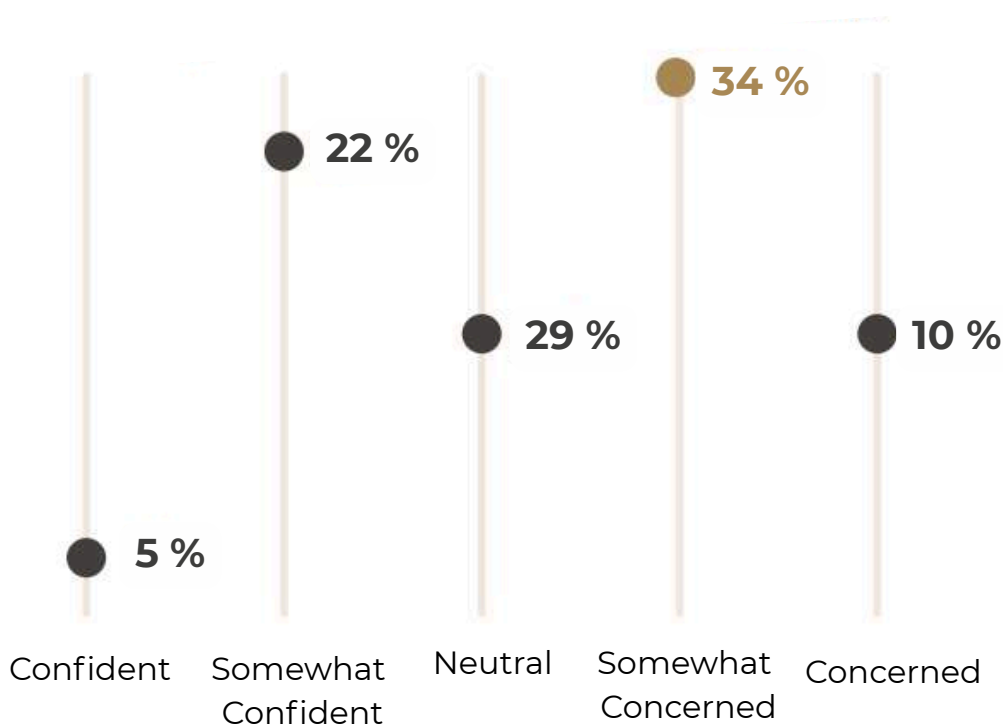
Gi Group Holding

# OVERVIEW

In recent years both the UK and Ireland have faced a range of economic challenges, with market conditions influencing hiring trends, talent acquisition, and workforce strategies.

To gain a deeper understanding of how these economic conditions are affecting recruitment and talent strategy, we sent our contacts a market confidence survey. With 2,000+ respondents sharing their perspectives, here are some valuable insights into hiring outlooks and market sentiment for the remainder of the year.

## How optimistic are you regarding the UK & Ireland's economy?



## THE RESULTS

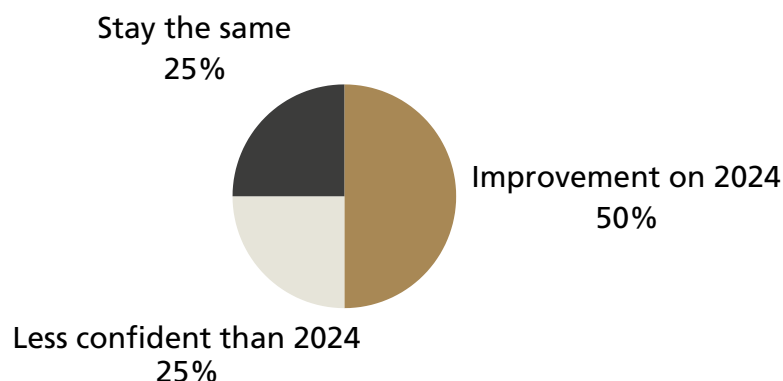
Although most respondents express concerns about the UK and Ireland's economies, a significant portion still maintain confidence, highlighting the complexities of the current economic environment.

Our survey reveals a prevailing sense of cautious optimism across the UK and Ireland. While the UK grapples with challenges such as reduced consumer confidence and economic uncertainty, Ireland's economic indicators point towards a more favorable outlook. Professionals in both countries are staying alert, carefully balancing optimism with an awareness of potential risks.

As we progress through 2025, navigating the evolving economic landscape will require adaptability and strategic planning to effectively address the challenges ahead.

## HOW DO YOU EXPECT YOUR CURRENT COMPANY TO PERFORM OVER THE NEXT 12 MONTHS?

Responses reflect a mixed, yet largely positive sentiment towards the next 12 months, particularly when compared with the previous year results. Nearly 50% of respondents expect improvement, which is encouraging and suggests that businesses are optimistic about the future, particularly those that have adapted well to post-pandemic challenges.



However, the quarter of respondents who are less confident points to the concerns around rising costs, economic uncertainty, and external factors like inflation and geopolitical tensions. Those expecting stability reflect a more cautious but practical approach, indicating that many businesses may simply aim to weather the current economic climate without significant growth or decline.

These results suggest that while there is cautious optimism, businesses remain aware of the ongoing challenges and are likely focused on maintaining resilience, controlling costs, and being adaptable in uncertain times.

50% of respondents anticipate an improvement on company performance over the next 12 months. That is a 24% increase on expected performance when compared to 2024's results.

**50 %**

expect improvement on previous year

**2025 results**

**26 %**

expect improvement on previous year

**2024 results**



# FACTORS CURRENTLY IMPACTING BUSINESS CONFIDENCE

Economic uncertainty remains a significant concern for businesses in both the UK and Ireland. While certain indicators suggest resilience, underlying challenges persist. The Lloyds Bank Business Barometer reported a decline in business confidence to 39% in April 2025, the lowest since January, though still above the long-term average of 29%. Economic optimism fell by 13 points to 28%, influenced by concerns over US-imposed tariffs and market volatility linked to President Donald Trump's trade policies.

Similarly, in Ireland, the Central Bank highlighted a significant increase in policy uncertainty due to shifts in geo-economic relationships, particularly concerning U.S. trade policies. However, Ireland continues to demonstrate resilience, with strong performance in sectors like technology and finance suggesting ongoing growth. Ireland's favorable corporate tax regime and status as a hub for multinational corporations contribute to its economic stability.

Cost of living and interest rates also remain key concerns for businesses in both the UK and Ireland. In the UK, inflation is a top issue, with 68% of businesses expressing concerns about rising costs. While the Bank of England's cautious stance on inflation has led to expectations of interest rate cuts, businesses are still wary of the long-term impact of higher borrowing costs on investment and growth.

In Ireland, inflationary pressures are expected to ease, but risks of persistent inflation could dampen consumer demand and affect business confidence. The Central Bank's Quarterly Bulletin indicates that while financial conditions are expected to ease, there is a risk of higher and more persistent inflation unless infrastructure constraints are addressed, which could lead to tighter borrowing conditions.

## TOP 5 FACTORS IMPACTING BUSINESS CONFIDENCE



**Economic  
uncertainty**



**Inflation &  
cost of living**



**Interest rates &  
borrowing costs**

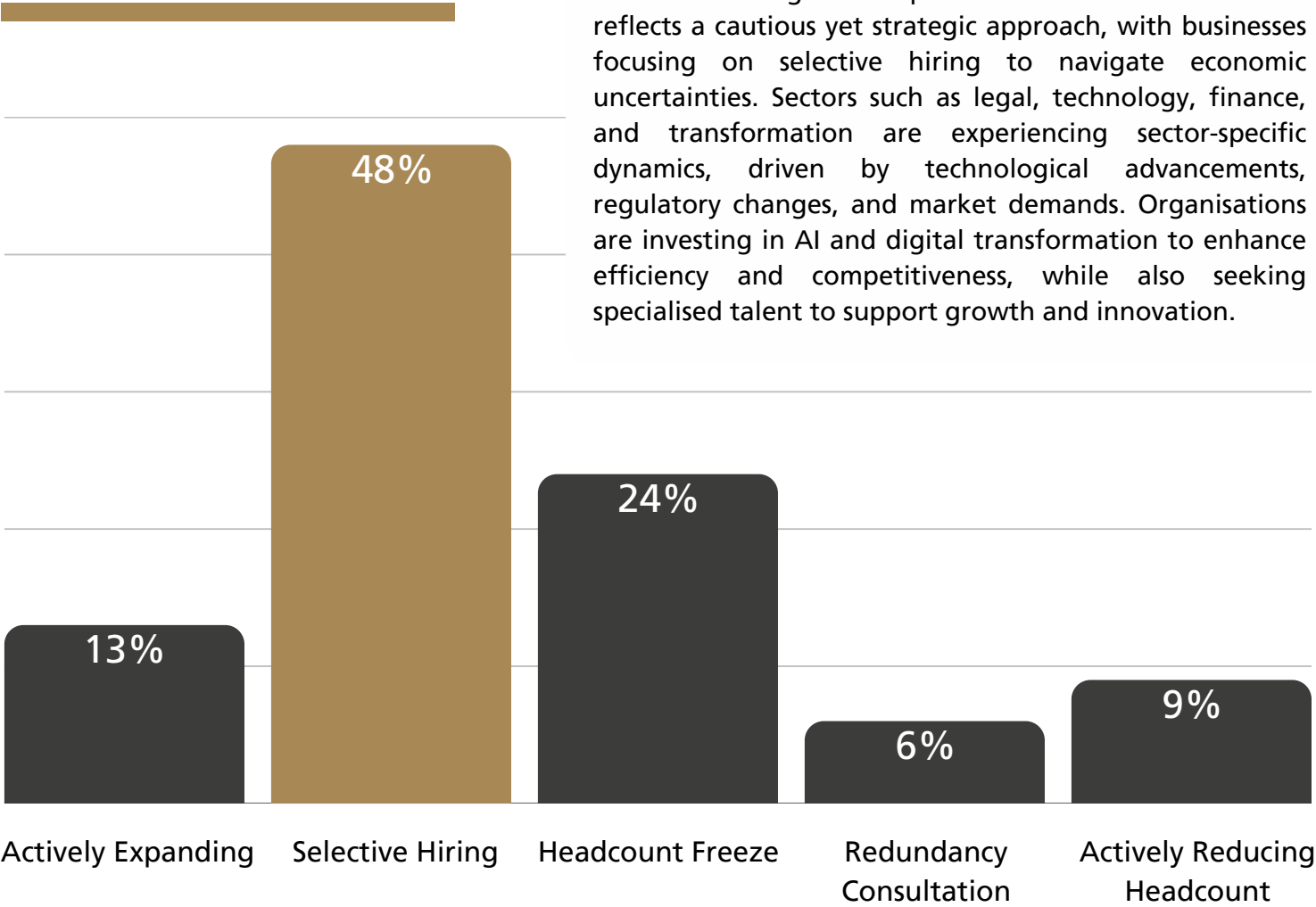


**Political  
leadership**



**Consumer  
demand**

# HIRING OUTLOOK FOR 2025

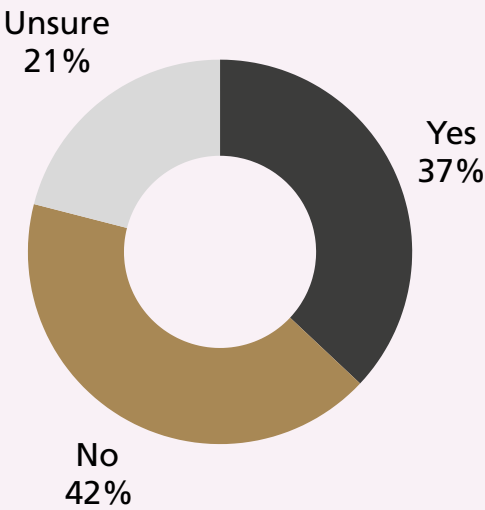


## Is your business embarking on any significant Change Programmes this year?

Our results reflect a spectrum of strategic priorities among UK businesses for 2025. While a significant portion of businesses (42%) are not planning major changes, there is a sizable group (37%) committed to transformation, potentially driven by digitalisation, operational efficiency, or evolving market needs.

The level of uncertainty (21%) highlights a cautiousness, where businesses are unsure of the scale and nature of change required in a turbulent economic landscape.

The recruitment outlook will likely be driven by the transformation plans of businesses, with demand for tech-savvy, change-oriented talent with leadership skills likely to increase as more organisations engage in large-scale initiatives.



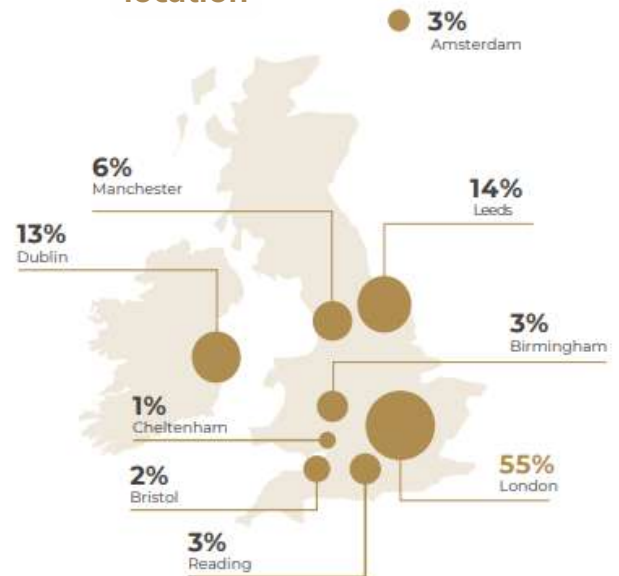
When asked *'would you relocate in the next 12 months'* - 61% of respondents said no.

This response reflects a trend toward stability and cautiousness, particularly in a period marked by economic uncertainty, rising living costs, and evolving work practices. For those who are considering moving\*, the choice is often driven by opportunities for a better quality of life or work opportunities, but these still remain in the minority.

This data speaks to a broader sense of caution among individuals who are prioritising financial security, familiar environments, and the stability offered by their current jobs and standard of living.

## RELOCATION

### Respondents current location



### Internationally

1

Europe

2

Asia

3

North America

\*Top 3 international locations respondents said they would relocate to over the next 12 months

### Domestically

1

London /  
South East

2

South West

3

Yorkshire /  
North East

\*Top 3 domestic locations respondents said they would relocate to over the next 12 months

# OUTLOOK

The results of our 2025 Business Confidence Survey highlight that companies are taking a measured approach to recruitment, focusing on selective hiring and investing in strategic areas like digital transformation, technology, and regulatory compliance.

Businesses are adapting to the changing economic climate by prioritising resilience, innovation, and cost control. While some are embarking on major transformation initiatives, others are maintaining stability and carefully navigating uncertainty. This strategic focus on transformation is expected to drive demand for specialised talent, particularly in technology and legal sectors.

Overall, while there are concerns about the long-term impact of economic conditions, businesses are staying agile, leveraging opportunities for growth in high-demand sectors. The trend toward stability, coupled with a clear preference for flexible work and cautious relocation decisions, reflects the broader sentiment of managing risk in an unpredictable environment. As we move forward through 2025, the outlook remains one of adaptability and strategic investment in the face of ongoing change.

**"THE RECRUITMENT OUTLOOK FOR 2025 REFLECTS CAUTIOUS OPTIMISM, WITH BUSINESSES FOCUSING ON RESILIENCE, ADAPTABILITY, AND STRATEGIC HIRING TO NAVIGATE ONGOING ECONOMIC CHALLENGES."**



**Matthew Wilcox**  
Managing Director

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