

MARCH 2016

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DID YOU KNOW?

In January, Forbes surveyed UK SMEs on what they thought would be the biggest challenges in 2016. Their top three responses were:

1. The ability to recruit and retain suitable staff
2. Economic conditions
3. Politics



IN THIS ISSUE

Top 4 Business Challenges in 2016

Read about the four biggest challenges that your business is likely to face this year.

Easy, Cost-effective Ways to Grow Your Business

The potential for growth has become more possible with recent technological advancements, and, by reading this article, you can learn how to effectively incorporate them into your business.

New Tech Can Help Your Business

Technological innovations are rapidly changing the landscape of every industry, and, to remain aware of what effects they may have on your business, review these six advancements.

Top 4 Business Challenges in 2016

UK businesses may face a slew of challenges in 2016—from compliance to political shake-ups, businesses will need to be prepared to stay successful. The following four topics are some of the biggest challenges facing businesses of all sizes this year:

1. **National Living Wage (NLW):** Beginning in April, workers over the age of 25 will be entitled to receive at least £7.20 an hour. This mandatory wage increase is seen by many employers as a potential hindrance to hiring staff and growing their businesses. In fact, a recent survey found that 80 per cent of SMEs believe that the NLW will have a negative impact on their ability to hire new staff and expand their businesses.
2. **Skills shortage:** Nearly half of all UK businesses are concerned that their workers lack the necessary skills to help their companies remain competitive and continue to grow. To effectively address this concern, some businesses have begun investing in extra staff training and establishing apprenticeship programmes in order to help close any existing skill gaps.
3. **Britain's uncertain future in the European Union:** The referendum on whether or not Britain will leave the EU (referred to by some as the 'Brexit') could take place as early as this June. If Britain were to leave, experts are concerned that it could limit exports to the EU and drastically reduce external business investments in Britain.
4. **Cyber risk:** Cyber-crime costs the British economy an estimated £34 billion annually, according to the Centre for Economics and Business Research. SMEs in particular are targeted 3 out of 4 times due to their limited protections. Regardless of your business' size, a cyber-attack can damage not only your finances, but also your reputation.

Contact **Crendon Insurance Brokers Ltd** for help preparing for these challenges and to safeguard against any accompanying risks.



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New Tech Can Help Your Business

Over the course of the past several years, technological innovations such as smartphones and near universal Wi-Fi have become deeply ingrained in our professional processes. Some of these advancements may provide your business with beneficial tools, which could help streamline and enrich your operations. You would be remiss if you did not consider the benefits from the following types of new technology:

Transport Developments

- Intelligent smart traffic management systems, which will improve traffic flow and save UK businesses an estimated £2.5 billion annually
- Infrastructure Plan 2050, which aims to develop and install kinetic pavements in London in order to harvest the energy of pedestrians and turn it into electricity for the city

Manufacturing Developments

- 3-D printers, which could allow businesses to manufacture their own products in-house or sell digital, downloadable copies of their product designs to customers
- Robotics and the automation of tasks are expected to account for 45 per cent of all manufacturing jobs within the next decade, according to industry experts

Safety and Security Developments

- Smart security devices, such as cameras or alarms, which can recognise suspicious behaviour and alert both you and the authorities of any potential malicious activity
- Cloud computing is currently used by nearly 40 per cent of all SMEs to store sensitive and customer data, according to industry estimates

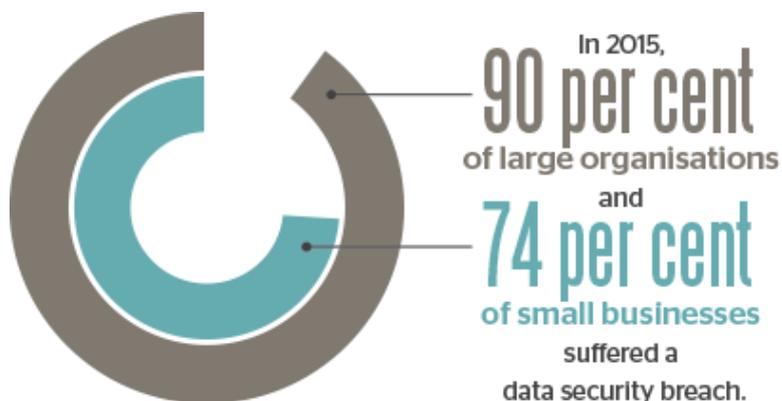
Easy, Cost-effective Ways to Grow Your Business

Achieving manageable, cost-effective growth is one of the biggest challenges facing any business. No matter how big your business is, you can benefit from the following easy ways to encourage growth:

- **Website design:** If your website is not attractive to potential customers, it may turn them away. Use these three inexpensive design tools to develop a more sleek and modern site:
 1. [shopify.co.uk](https://www.shopify.co.uk): an online shopfront for your products
 2. [squarespace.com](https://www.squarespace.com): a site-builder that offers several customisable options for your business
 3. [wordpress.com](https://www.wordpress.com): a blog site that lets you share news and updates as well as create a dialogue with customers
- **Brand exposure:** Utilise social media sites such as Twitter, Facebook and Instagram to instantaneously create a dialogue with the public. But don't forget to try real-world marketing strategies which can help your brand stand out and drive traffic to your website.
- **Financial efficiency:** Review each process of your business, and identify parts that could be completed faster and more efficiently digitally, such as marketing, customer retention and e-commerce.
- **Recruitment:** Finding the ideal candidate with all of the applicable skills and experience for a position can be difficult. However, with the aid of free online job boards, you can peruse in-depth profiles with supplemental materials, like social media accounts.

While the guidance above may provide your business with the tools to remain competitive, it could also expose you to a greater amount of risk. To ensure that your business has both the right tools **and** adequate cover, contact **Crendon Insurance Brokers Ltd** today.

Ignore Cyber Risks at Your Peril



Source: GOV.UK