

GM Quarterly Economic Review

Q4 2023

14th December 2023

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Deputy Director - Research & Information Systems

GM Chamber

Greater Manchester Business School

14th December 2023





Quarterly Economic Briefing

Welcome & Introduction to GMBS

Neil Shaw, Chief Executive, *GM Business School*

QES presentation

Subrahmaniam Krishnan-Harihara, *Deputy Director – Research & Information Systems, GMCC*

Sponsor presentation – NetZero for business

Hakeem Owolabi
Professor in Business and Innovation, GM Business School

Q&A

Chaired by: Chris Fletcher, *Policy Director, GMCC*

#GMEconomics for tweets



University of Bolton

**Strategic Plan
2023–2026**

Greater
Manchester
Business School

Our 2023/24 work will be focused around 4 priority areas:

- A first class learning experience
- Growing our reputation for applied research
- Driven by business
- An effective business school



Headline statistics for 2023



1646 enrolled students



80-85% students
satisfied with teaching



accreditation with
professional bodies



Universities UK

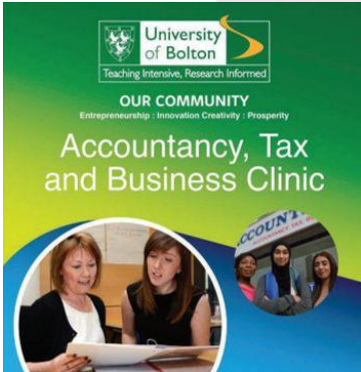
School of Law, Number 1 in the
country for student satisfaction



52 members of
academic staff



6+ new courses
under development



200+ SMEs supported &
110+ students involved



Our first
research conference



539 students supported



Over 300,000 Greater
Manchester businesses



Developing UK and overseas
college partnerships



NORTH
AMERICA

EUROPE

ASIA

Atlantic
Ocean

AFRICA

Indian
Ocean

SOUTH
AMERICA

AUSTRALIA

Students from 51 countries:

Nigeria 300+

India 150+

Romania 110+

China 8

Our courses

Undergraduate

- BSc Business Management
- BSc Business Management (with Foundation Year)
- BSc Digital Management & Marketing
- BSc Business Start-Up
- A range of BSc Business Management with top ups including; Supply Chain, Enterprise, Finance, Information Systems, People Management, Retail
- BA (Hons) Accountancy
- BA (Hons) Accountancy (with Foundation Year)

Postgraduate

- MBA Masters in Business Administration
- MBA Global Healthcare Management
- MSc International Management
- MSc Logistics & Supply Chain Management
- MSc Entrepreneurship & Innovation
- MSc Accountancy & Financial Management

New courses under development

- IMBA International Masters in Business Administration
- MSc Global Sustainability Leadership
- MPA Masters in Public Sector Leadership
- An extensive short course portfolio

An example course: BSc Business Management

Professional and Academic Skills Development	C
Financial Decision Making in Business	C
Business Environment	C
Contemporary Issues in Marketing	C
Information Systems and Big Data Analysis	C
People and Performance	C
Business Management and Career Development	C
Leadership, Management and Organisational Culture	C
Project Management	C
Enterprise, Innovation and Creativity	C
Business Case Study Analysis	C
Business Project	O
Dissertation	O
Strategic Management	C
International Human Resource Management	O
Learning and Development	O
E Commerce and Contemporary Marketing Practice	O
Global Consumer Behaviour	O
Integrated Digital Marketing Strategy	O
Retail Management	O
Strategic Information Management	O
Supply Chain Management	O
Logistics and Operations Management	O
Corporate Governance	O
Company Law	O
Financial Reporting for Management	O

Growing our reputation for research

- **Research centres** - 4 research centres to boost our research outputs, each lead by a Professor/Reader:
 - Centre for Digital Innovation & Accounting Research – Prof Hakeem Owolabi
 - Centre for Global Business & Enterprise – Prof Christian Harrison
 - Centre for Environmental Justice & Human Sustainability – Prof Benedict Chigara
 - Centre for Entrepreneurship & Empowerment – Reader Imtiaz Mostafiz
- **Galvanising Business School staff to boost research** – we have created the conditions for academics to succeed in boosting their research, this includes:
 - timetabling for 23/24 has reduced academics' teaching allocation to free up more time for research
 - identification of which of four research centres each academic is aligned to
 - Profs supporting staff 1-2-1 and a new professional development/training offer launched
- **Research panel** - chaired by Prof Chigara, to consider all research proposals and agree funding to support the progression of research and consider all proposals for staff to attend conferences
- **2023 Research conference and PhD symposium** – and plans for a 2024 conference
- **PhDs** - growing our future numbers

Other opportunities to explore

- **Academic staff exchange** – there is potential for academic staff from both institutions to undertake an exchange. This could be as short as 1 week, up to 1 academic year. This would give staff the opportunity to improve their understanding of overseas teaching practice etc
- **Business link up** – there are opportunities for UK and Chinese businesses to participate in joint academic activities online. This could include guest business lecturers, case studies etc
- **Research conference** – academic staff are welcome to participate in our annual research conference, presenting papers and participating in the conference activities in person or online

What is the Quarterly Economic Survey (QES)?

- The Greater Manchester QES is part of the UK's largest and most reliable business confidence survey
- GM Chamber administers the survey in GM and co-ordinates the North West QES, which goes to the BCC.



National QES results are used by the likes of HM Treasury, Bank of England and OECD for decision making.



GM QES is the primary source of economic intelligence in Greater Manchester.

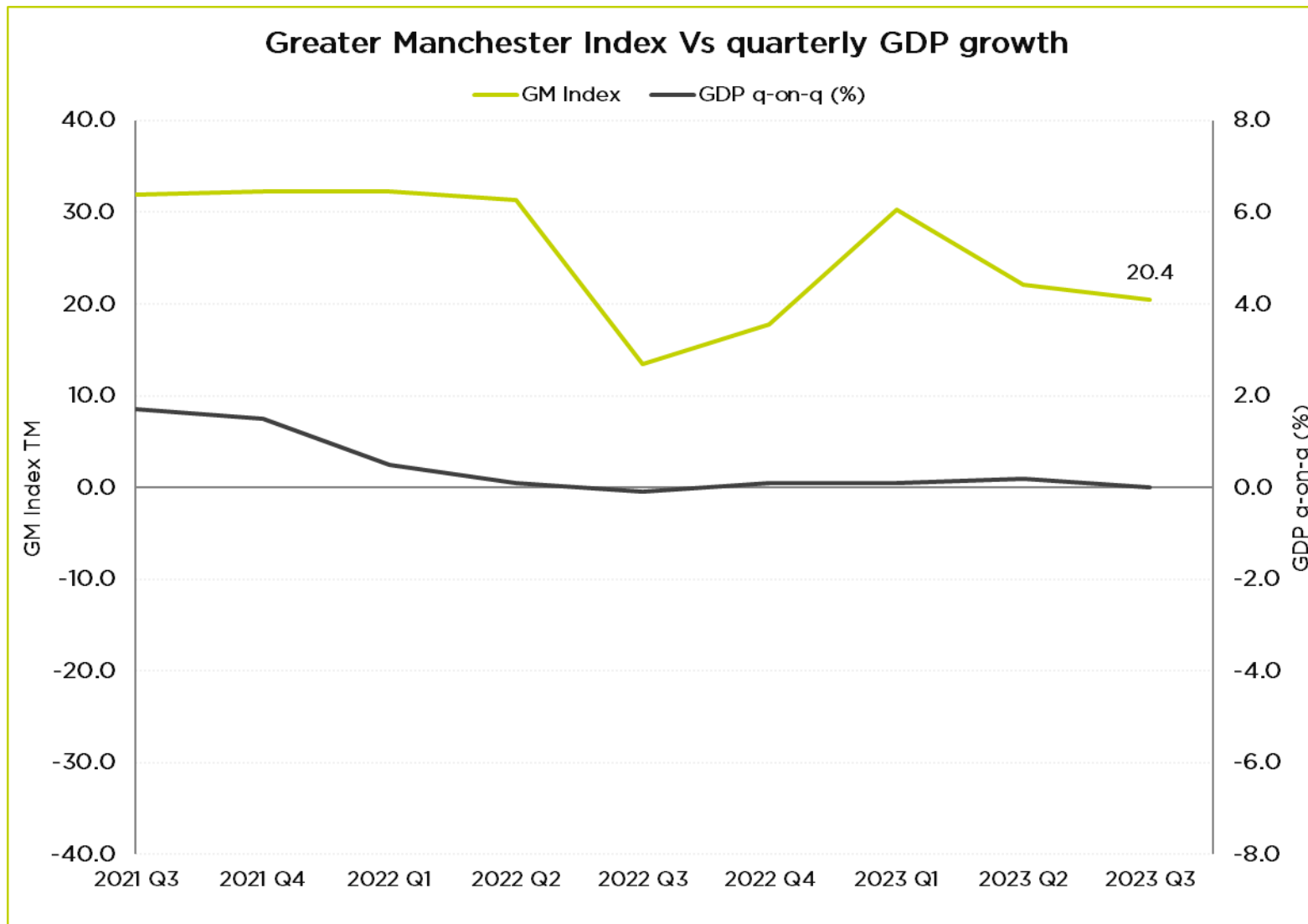


From the QES results, we calculate the GM Index™, a composite economic indicator for the GM Economy.



The findings are presented to the Greater Manchester Combined Authority's Economic Resilience Group and the 10 councils in GM for local decision making.

Where are we last quarter?



- Q3 GM Index was 20.4, a drop of 1.7 points from Q2.
- UK GDP declined by 0.5% in July '23.

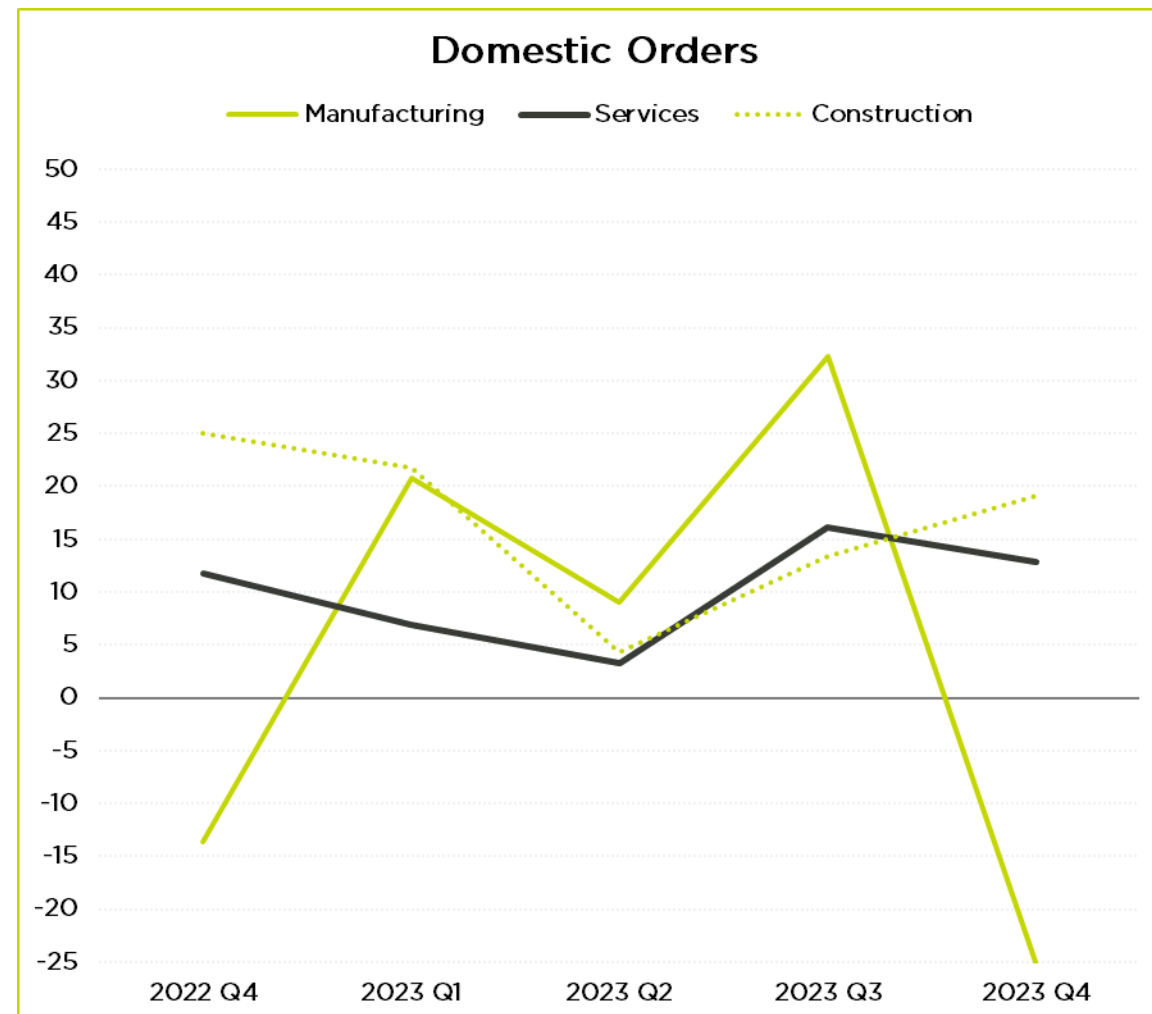
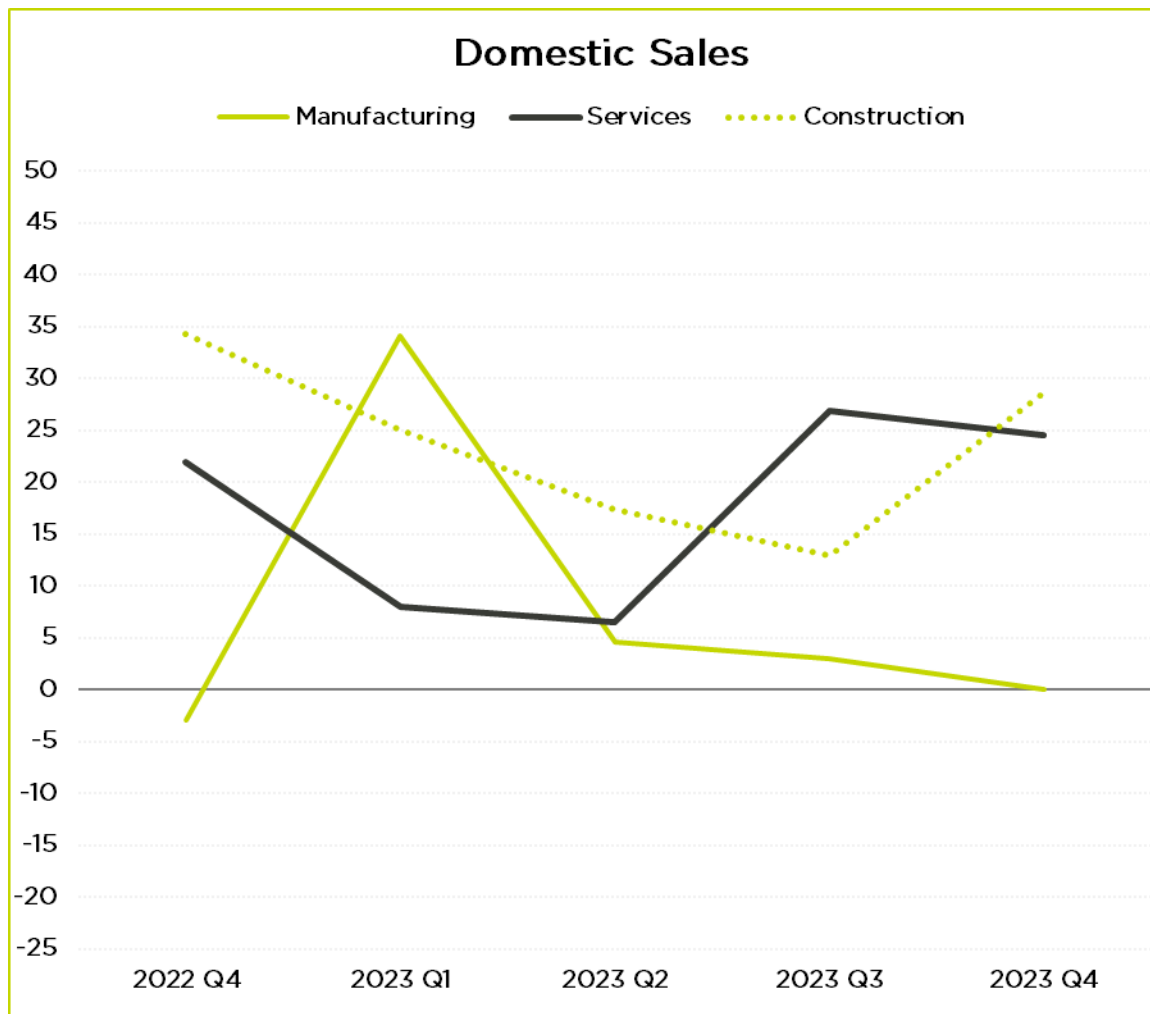
Source: GMCC QES, ONS GDP Quarter on Quarter growth: CVM SA % | Q3 2023 GDP based on forecasts

Where are we now?



- GM Index is 19.3, a drop of 1.1 points from Q3.
- UK GDP showed no growth in Q3 and in the three months to October.
- UK GDP declined by 0.3% in October.
- “Stagnation nation”.
- PMI indices for manufacturing and construction remain in negative territory. Services index entered growth territory after four months.

Domestic Demand



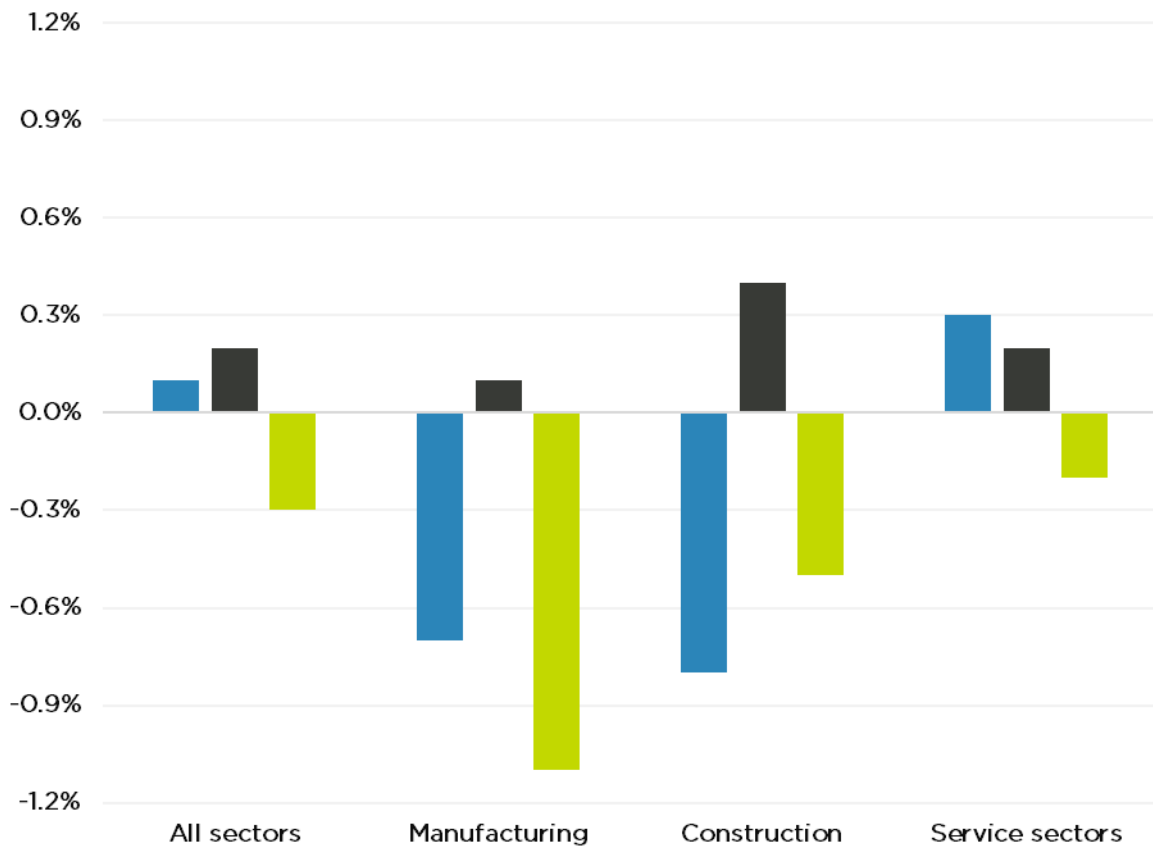
Overseas Demand



Sectoral performance - UK

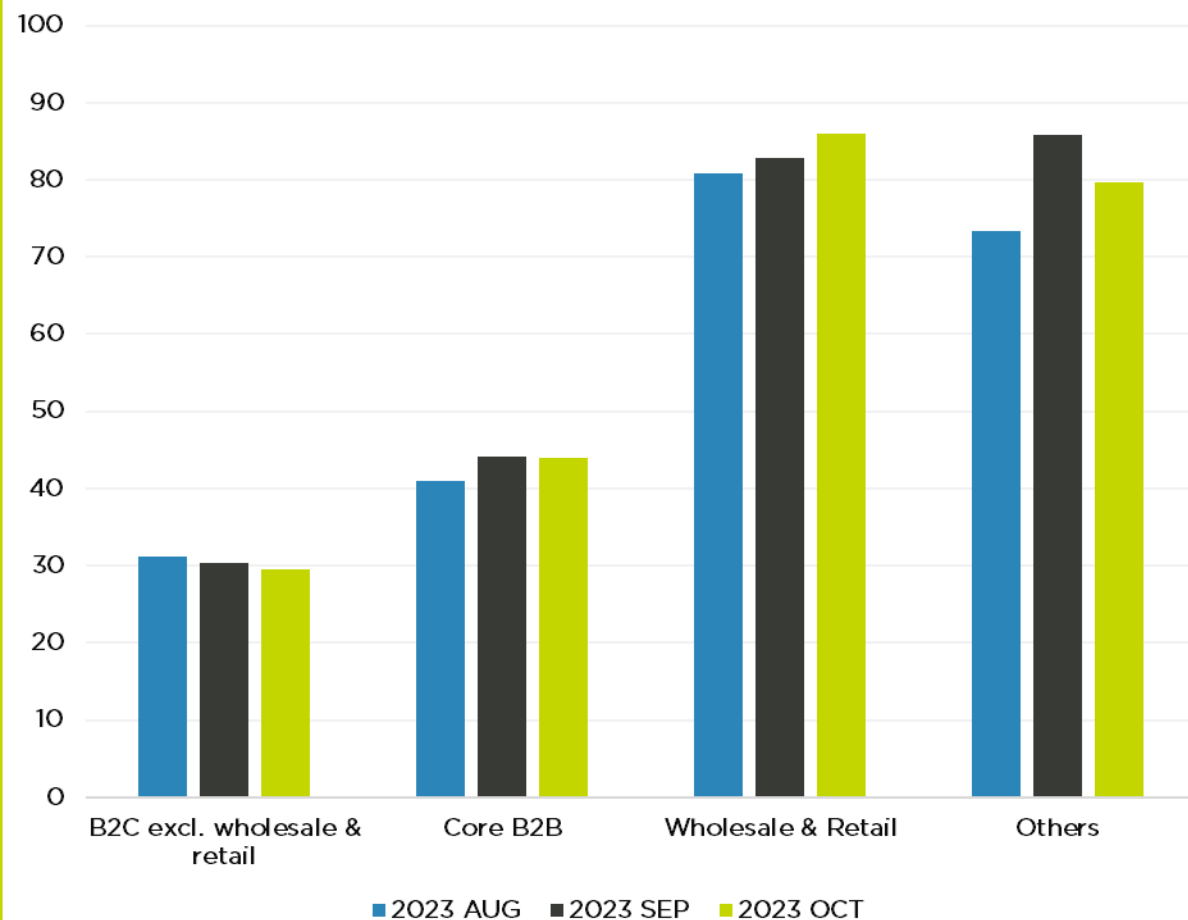
Monthly change (%)

■ 2023 AUG ■ 2023 SEP ■ 2023 OCT



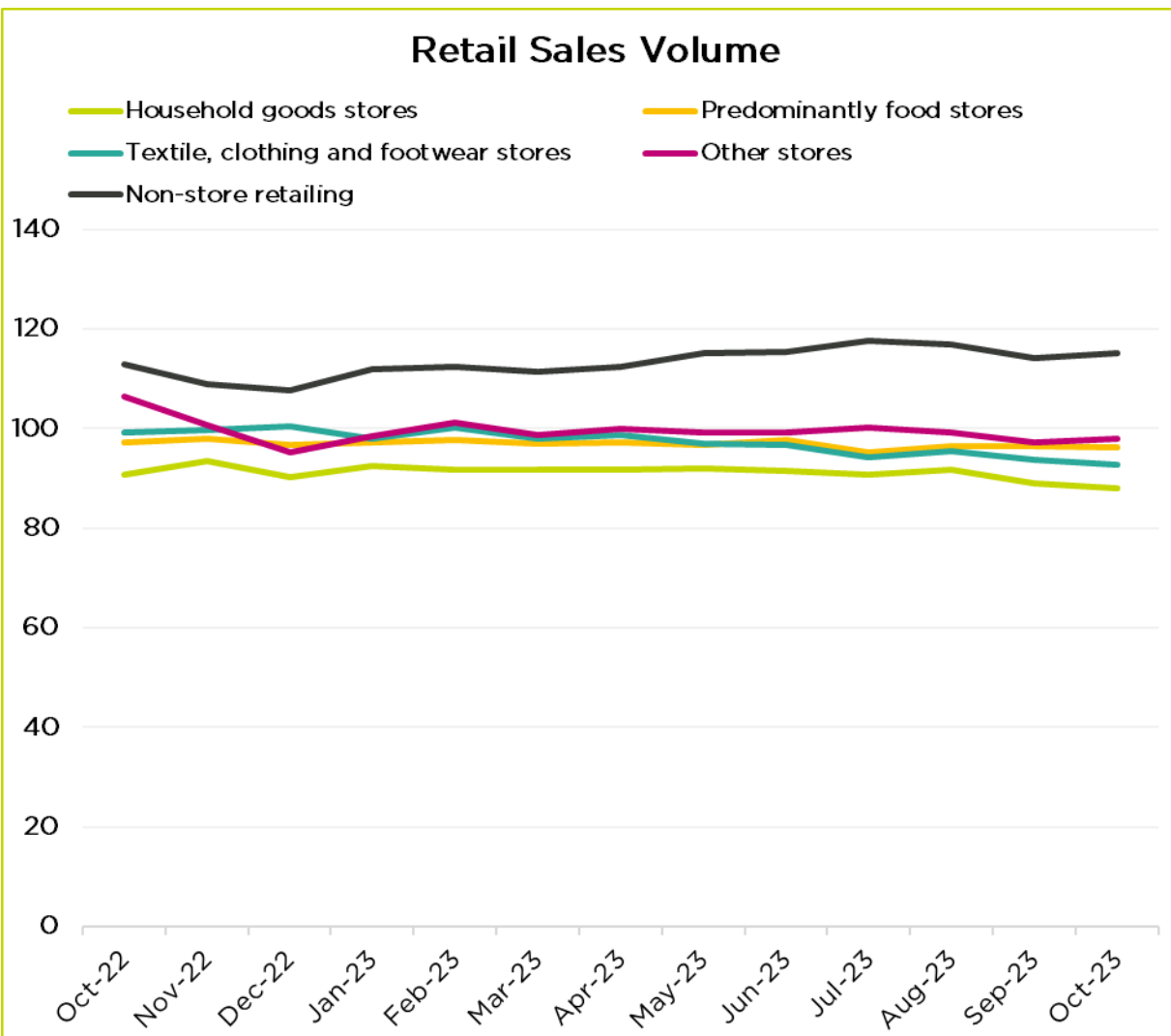
Source: ONS MGDP

Service sectors value add (£ billion)

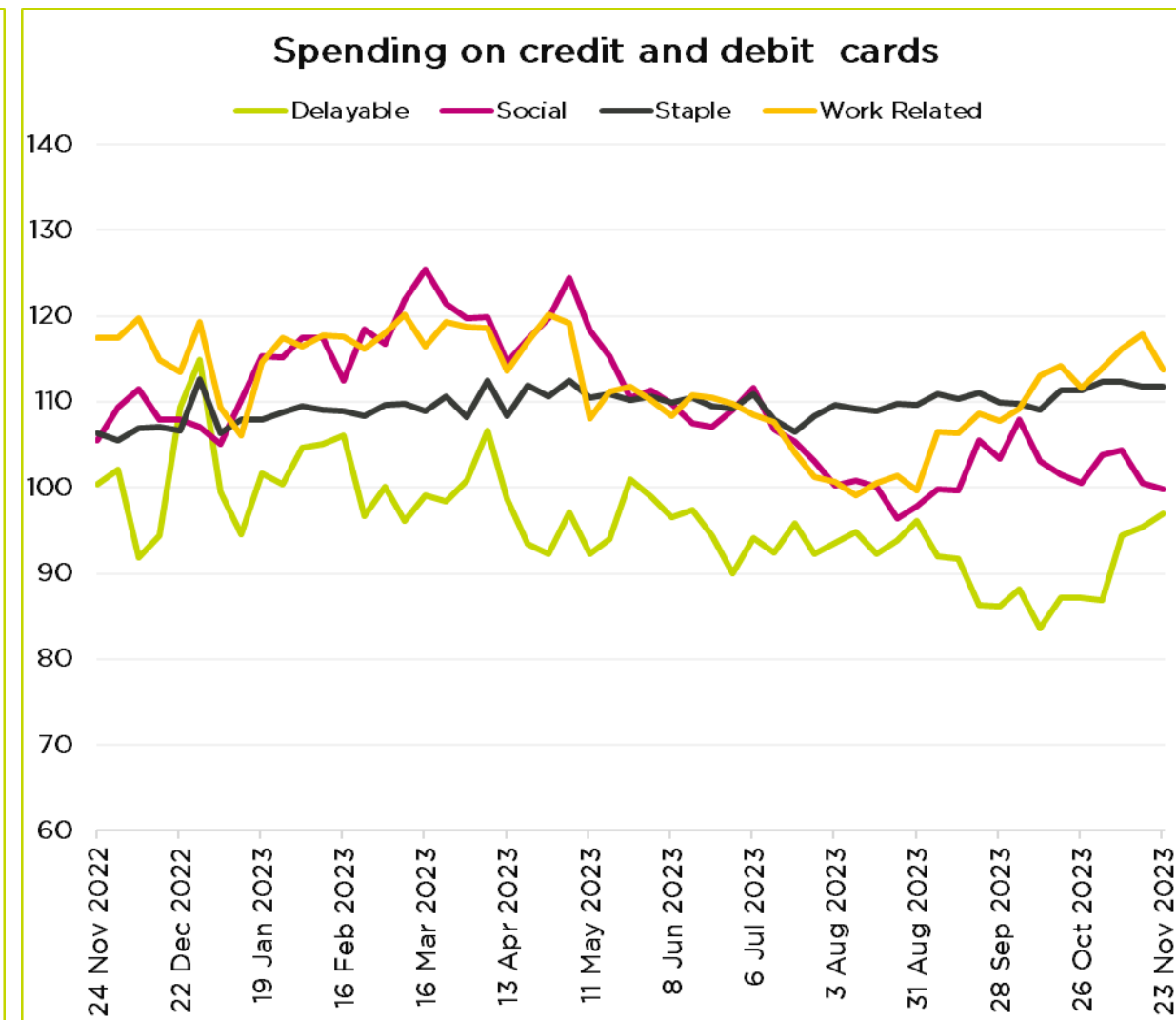


Source: ONS DIOP, ONS IoS, ONS Construction Output

Sectoral performance - UK

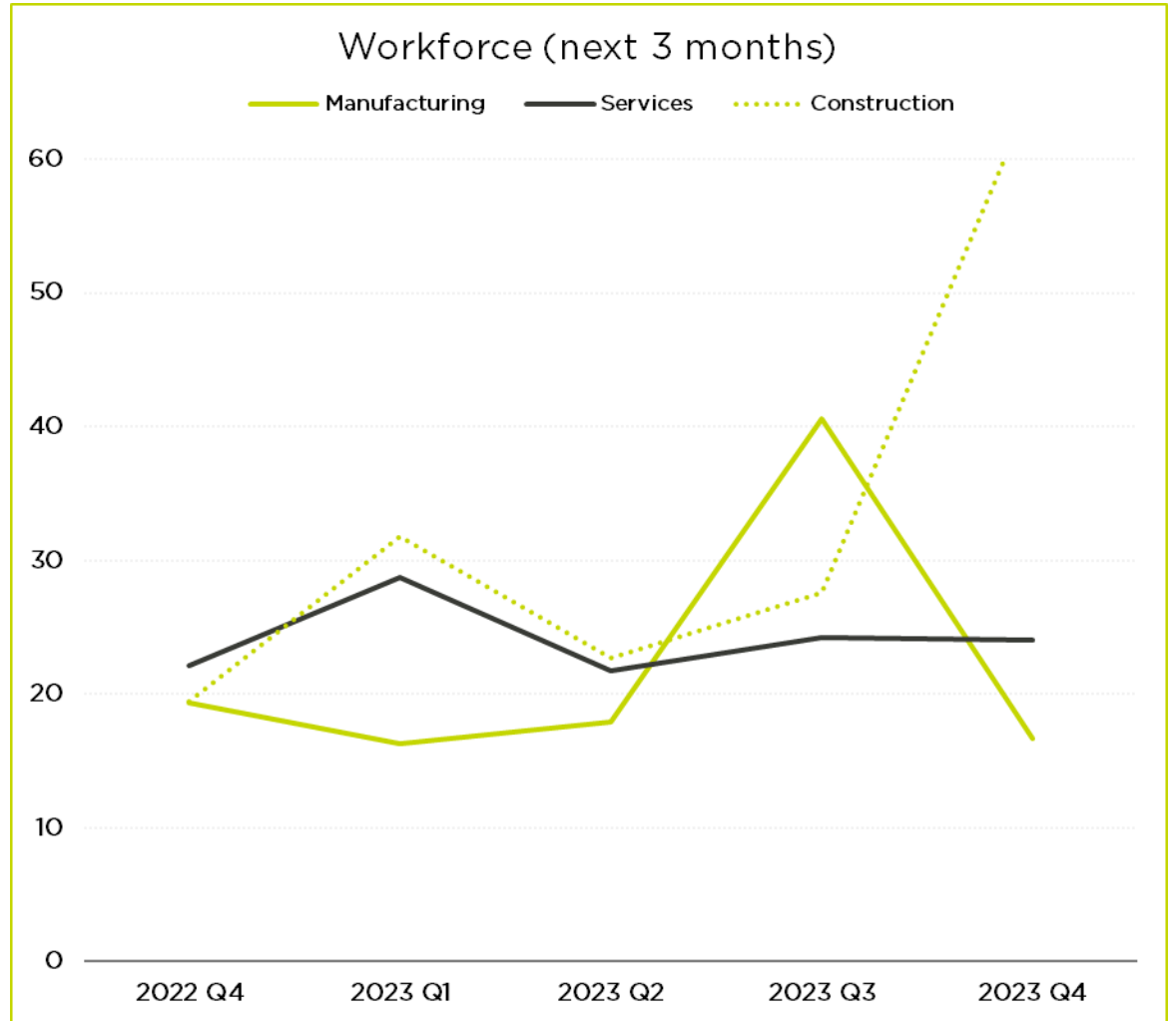
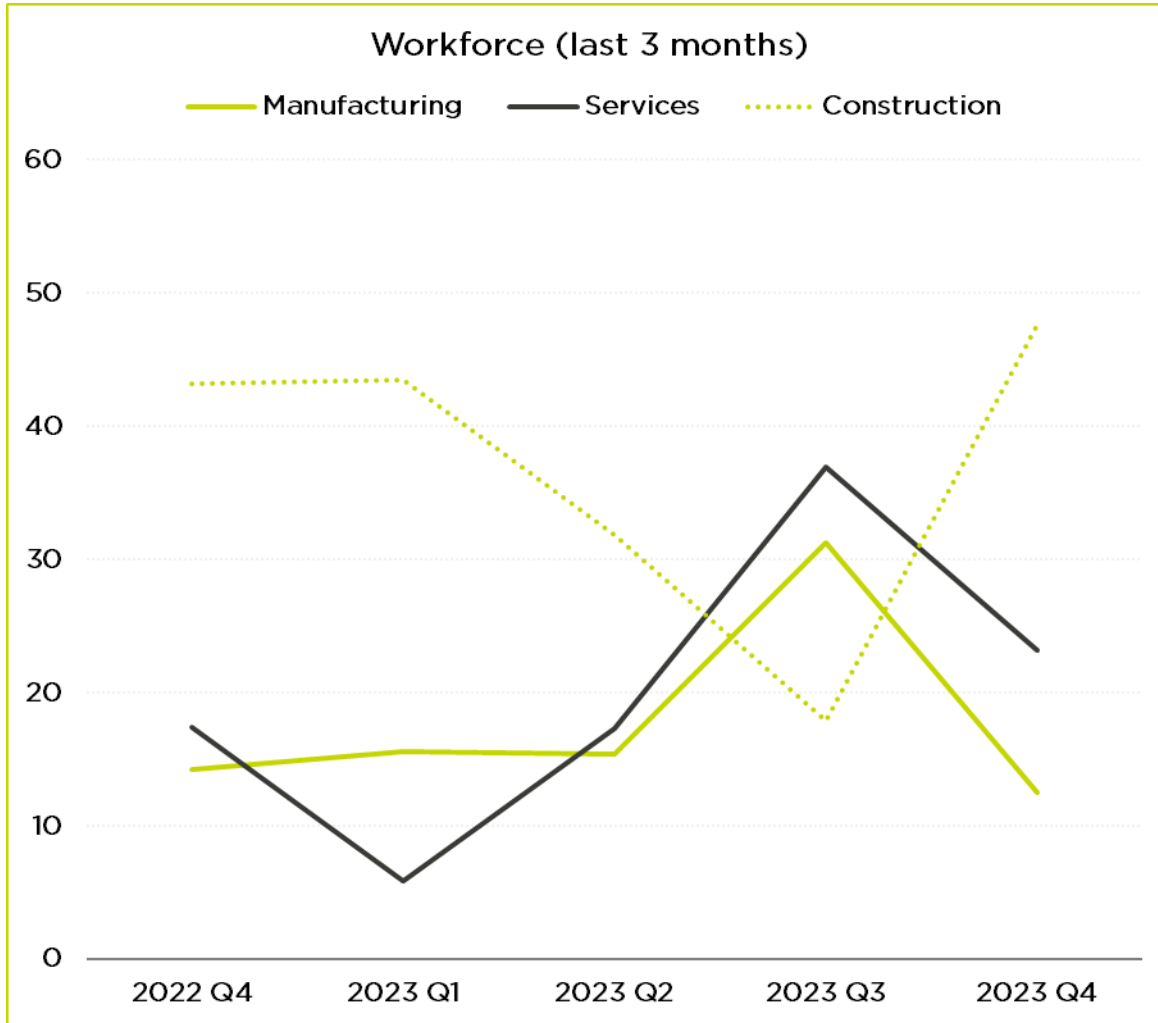


Source: ONS Retail Sales Index

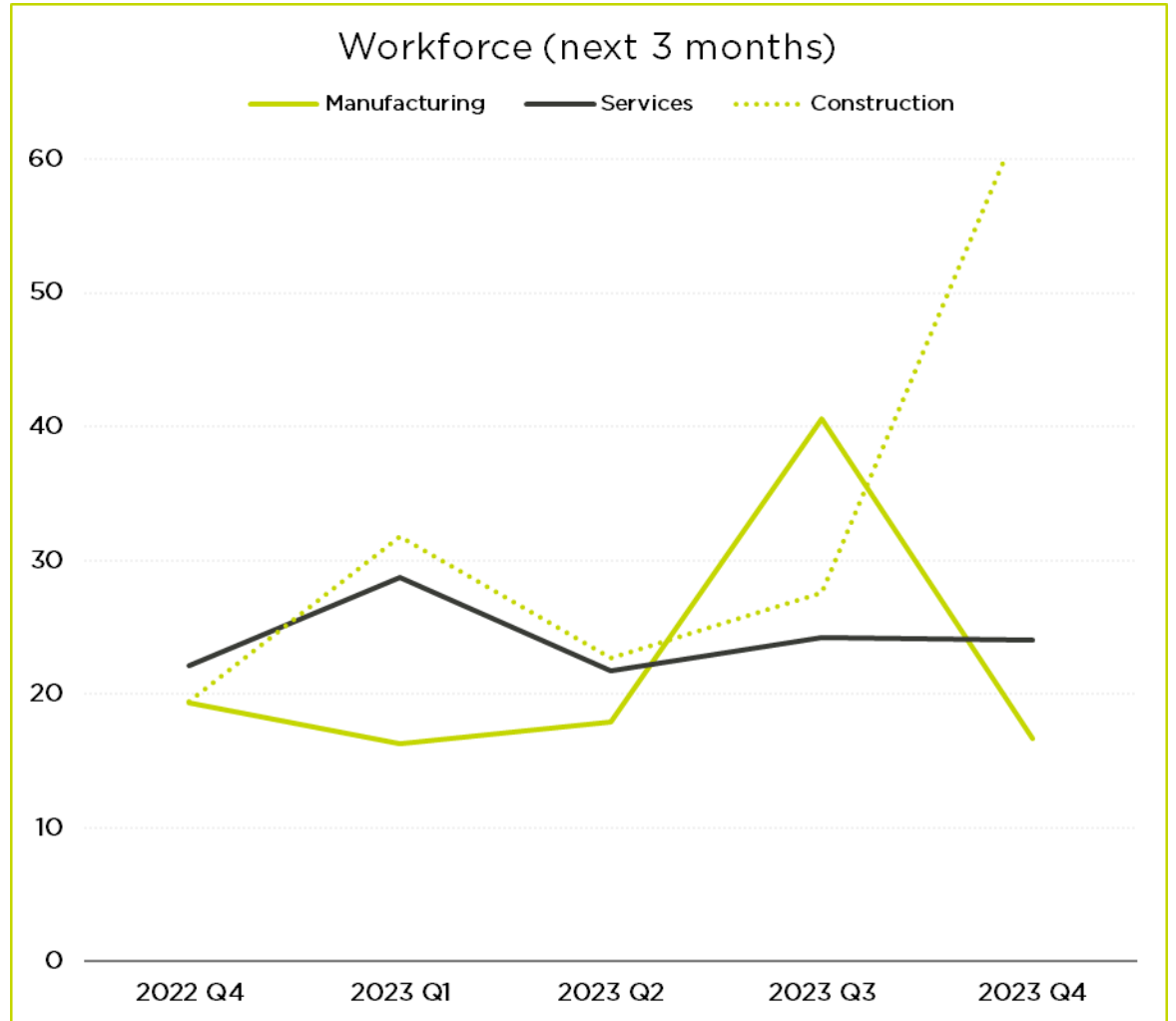
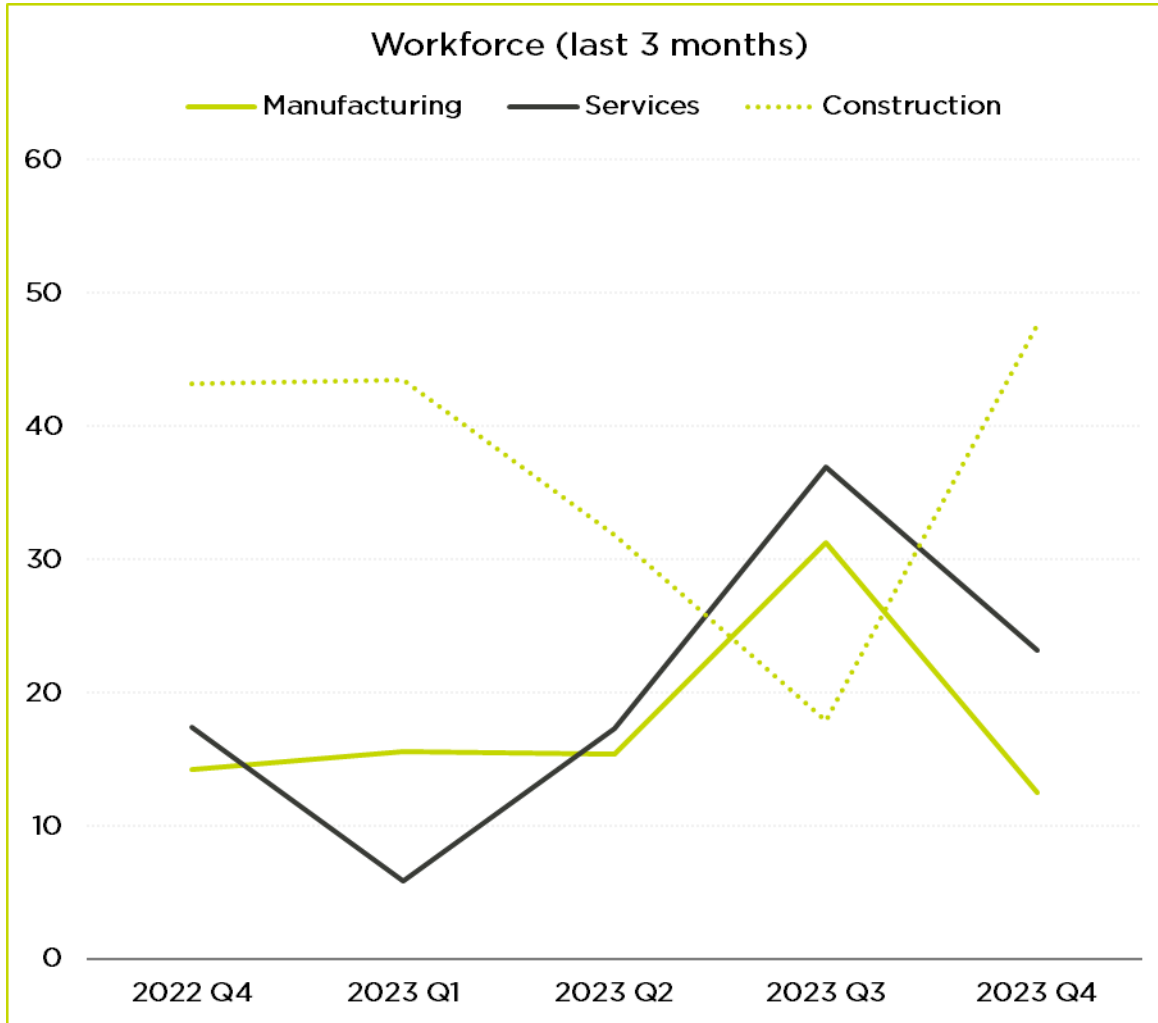


Source: ONS Retail Sales Index

Workforce Changes



Workforce Changes

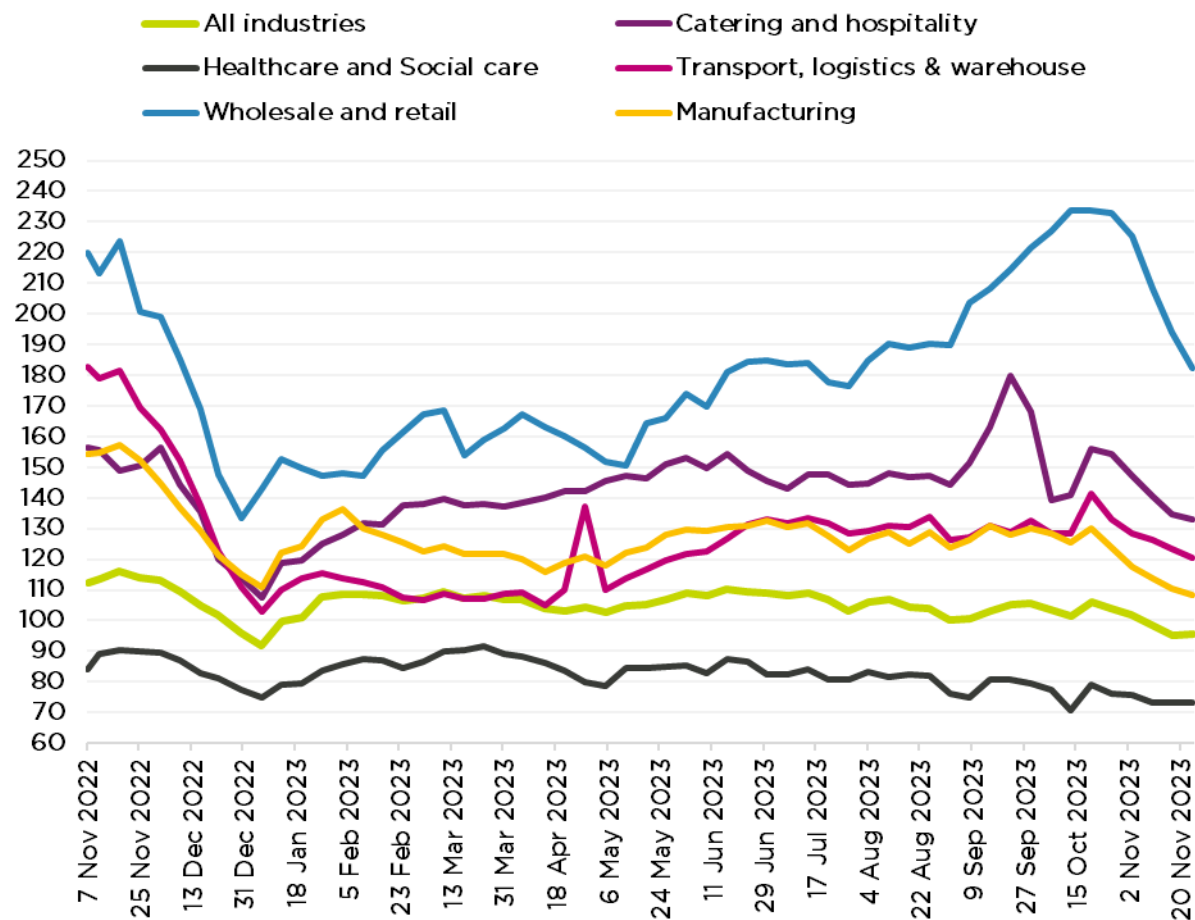


Recruitment



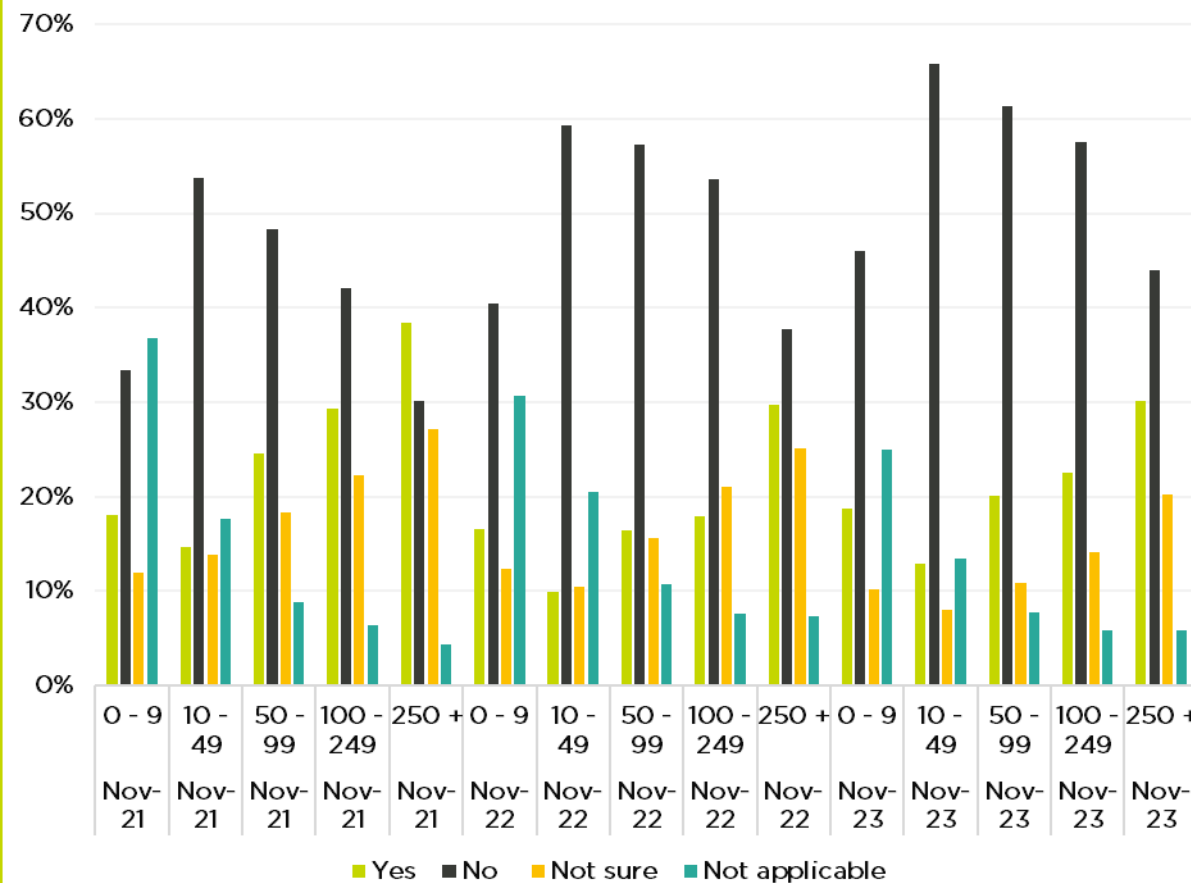
Labour market - UK

Advertised vacancies



Source: ONS Online job advert estimates

Permanently adopting work from home arrangements

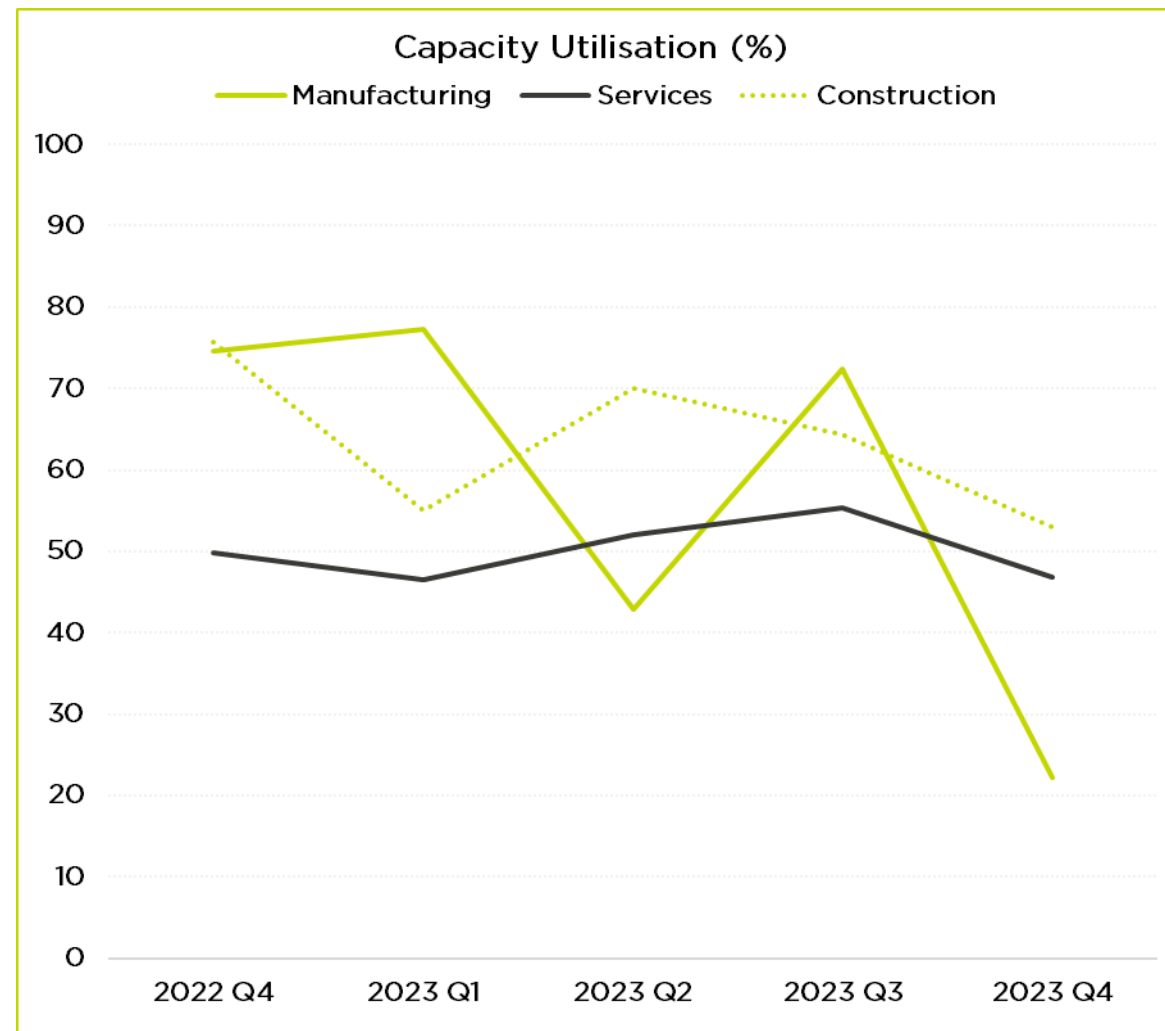
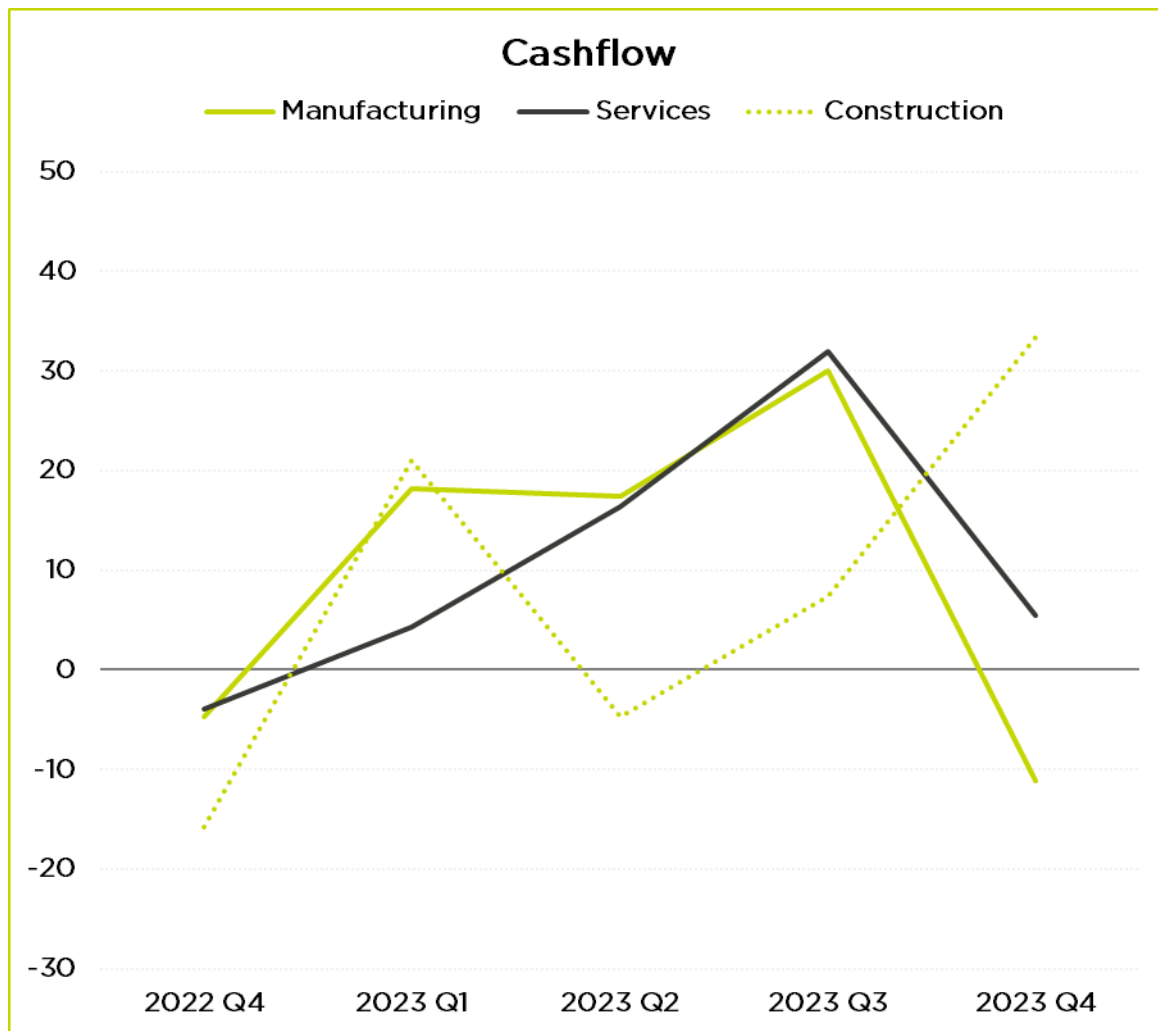


Source: ONS Business Insights and Conditions Survey

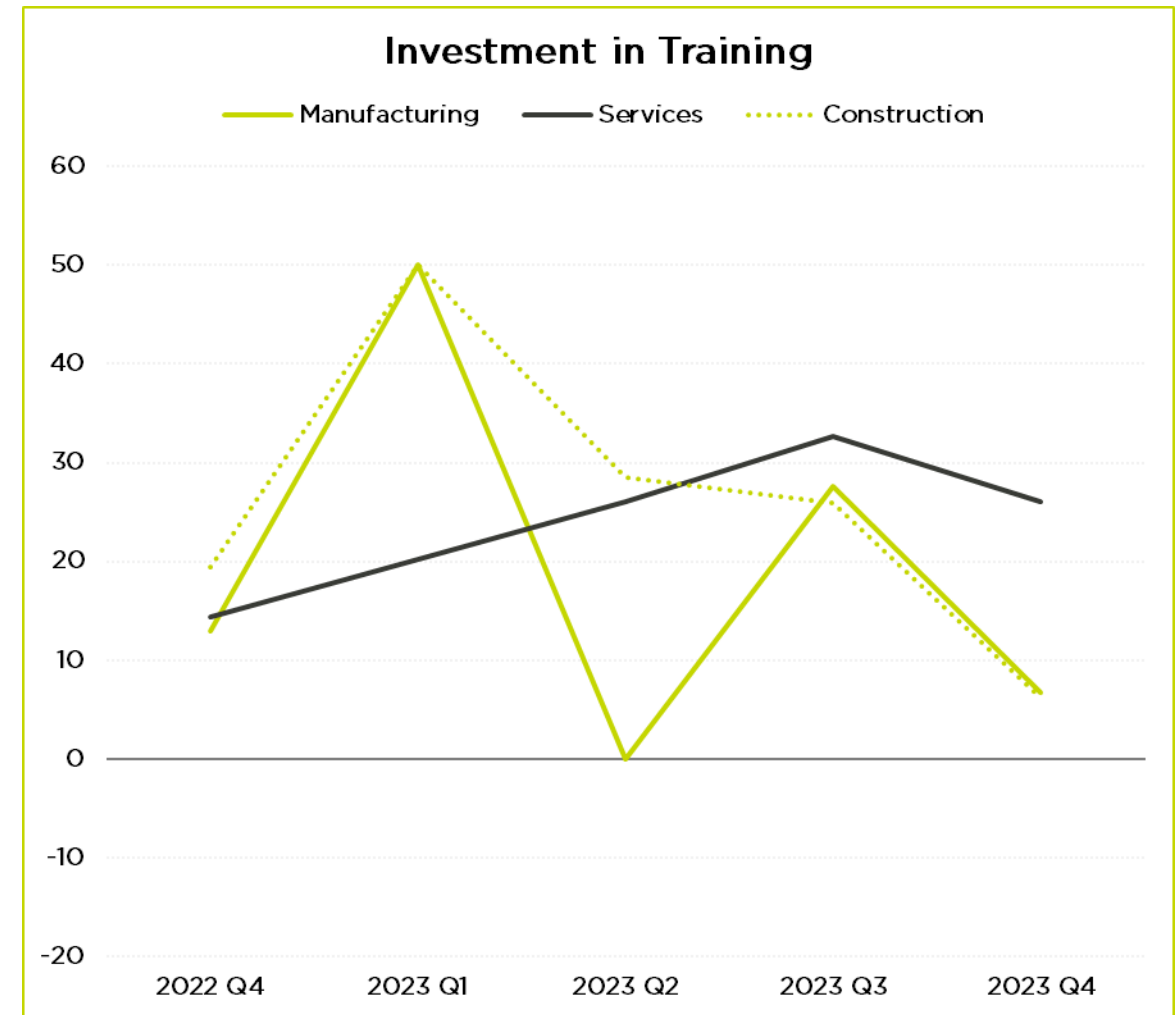
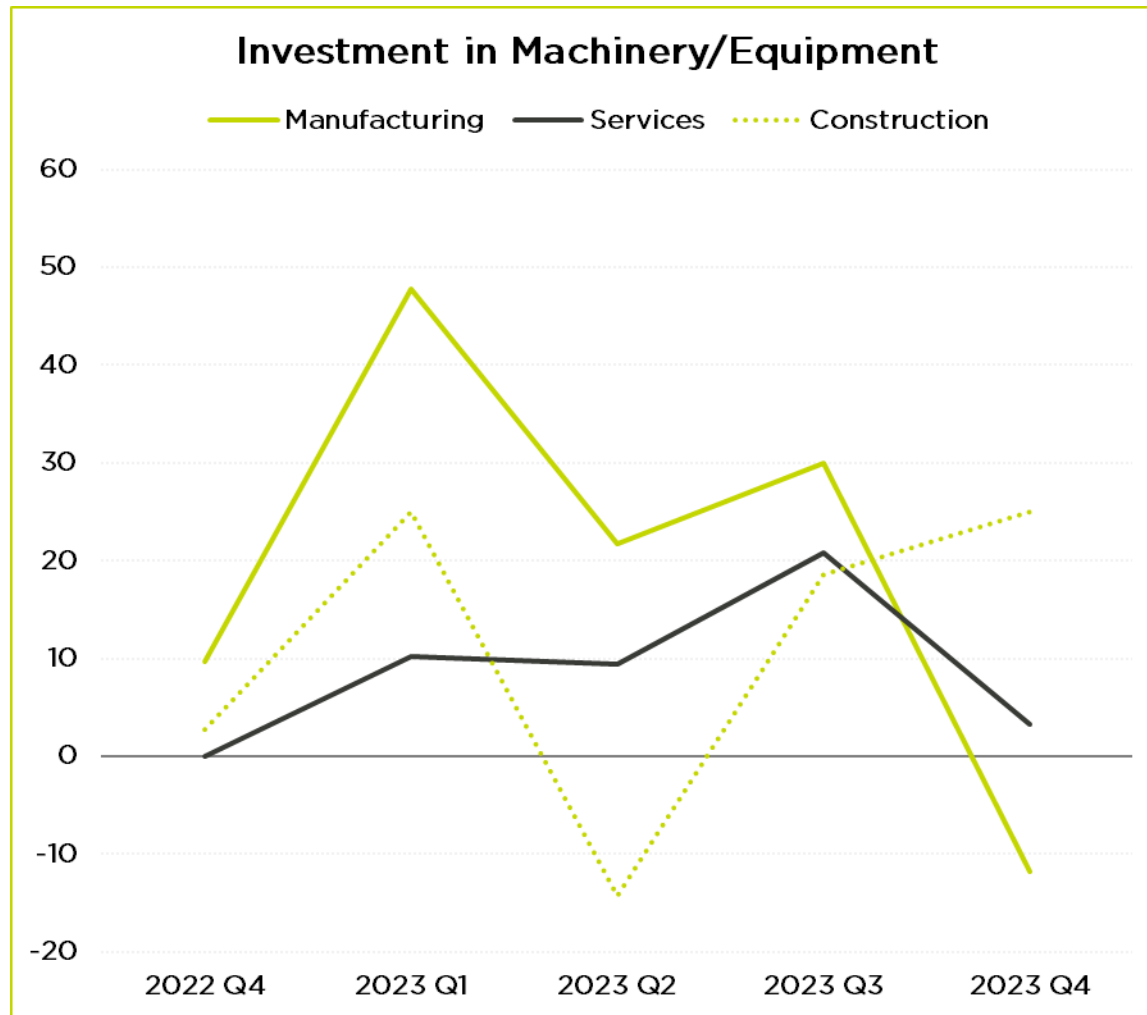
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Cashflow & Capacity Utilisation



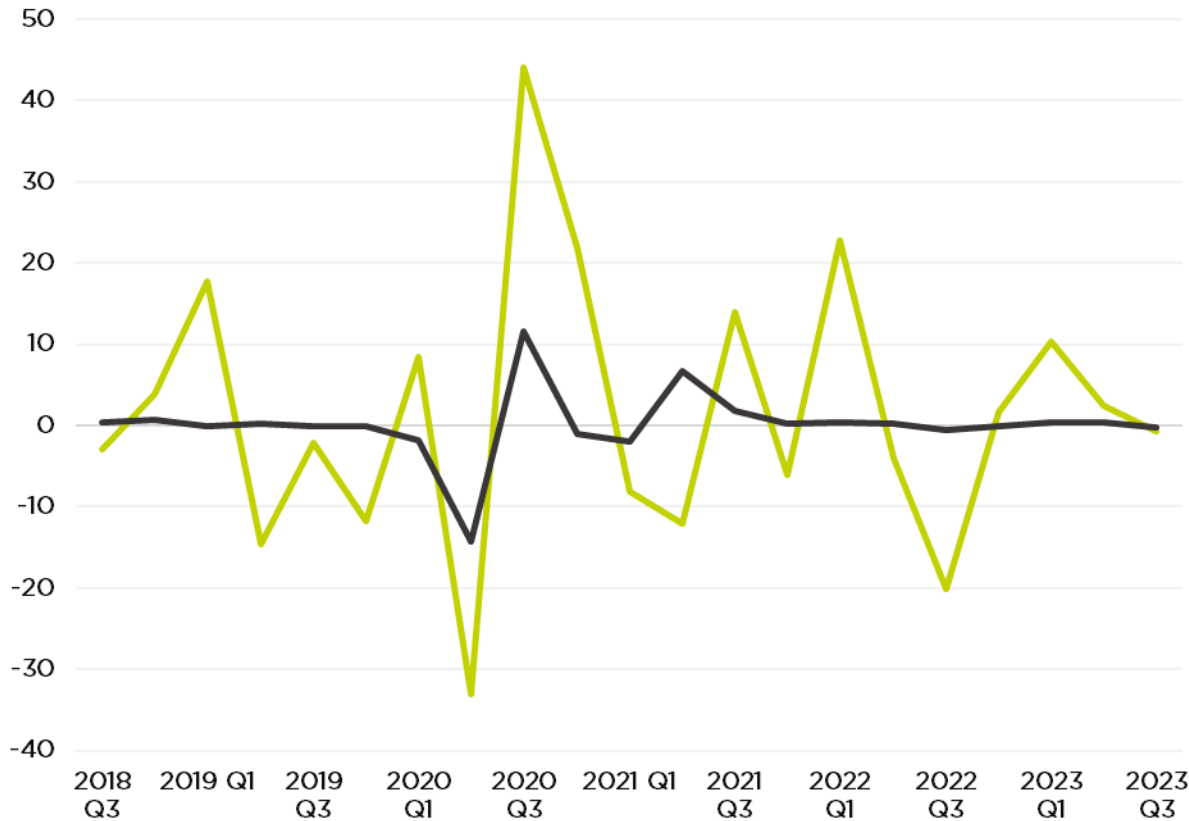
Business Investment



Investment & Household consumption

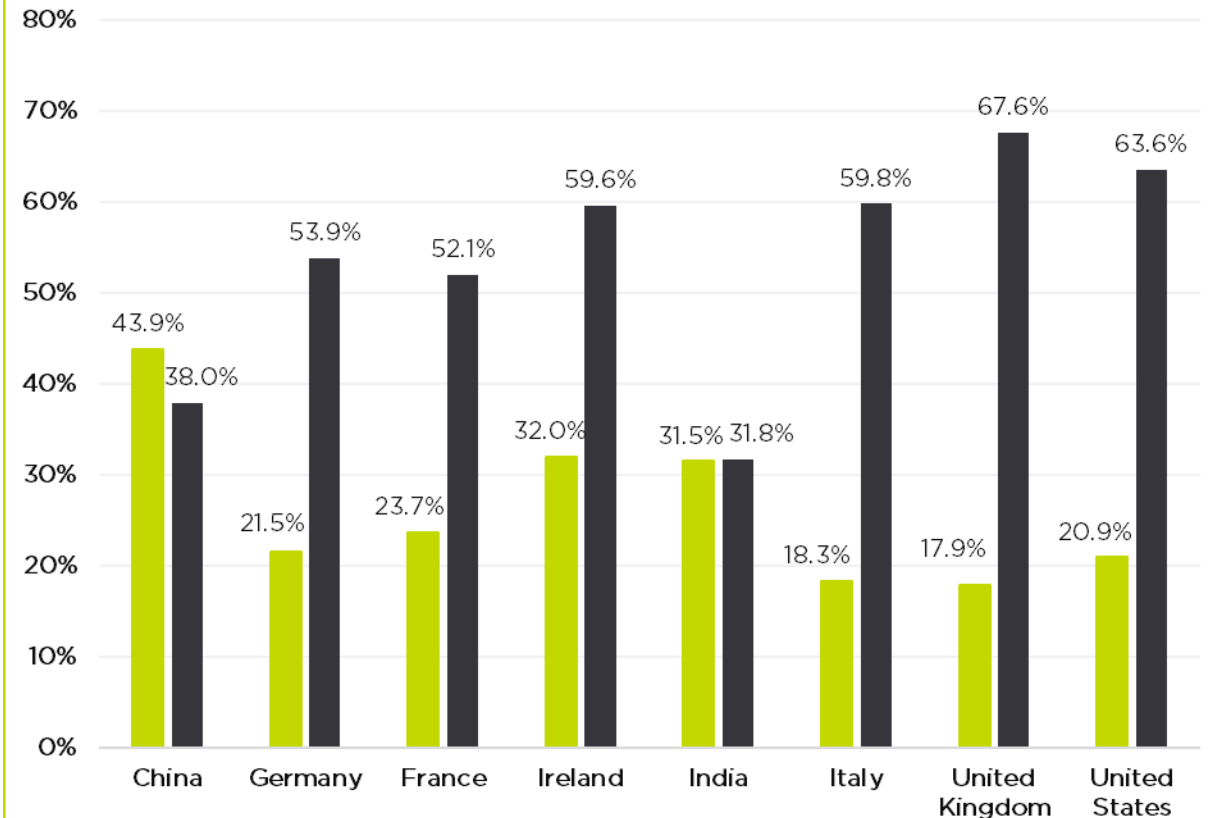
UK investment and household consumption

— Gross Capital Formation (Q on Q %)
— Household consumption expenditure (Q on Q %)



Investment & household expenditure as a % of GDP

■ Average GCF 2013-2022 ■ Average household final expenditure 2013-2022



- Business investment in the UK has been volatile. Schemes such as super deduction have created a tendency to invest in Q1 of the calendar year.
- Relative to other advanced economies, the UK has historically had lower levels of investment and the highest reliance on consumer spending.



Q4 Summary & GDP Forecast



There are many economic challenges which are affecting the UK economy



The cost of living crisis is affecting consumer spending. Retail sales in November and December could determine how the UK performs in the next few months.



Inflation has eased but prices remain high. Wages are still rising, putting pressure on businesses. High interest rates and borrowing costs are a major worry for businesses and households.



The UK economy is not expected to grow significantly in the next 2 years.



Attaining forecast growth of 0.3% to 0.4% growth in 2023 needs a bumper festive season.



Greater Manchester
Chamber of Commerce



Greater Manchester 
Business School

“NetZero, ESG and Sustainability in Business Survey Results”

- *Greater Manchester Chamber of Commerce (GMCC) in Conjunction with Greater Manchester Business School (GMBS)*



How important is it that you address sustainability issues in your business?

Responses

Very Important

Important

Somewhat important

Not so important

Not at all Important

Frequency

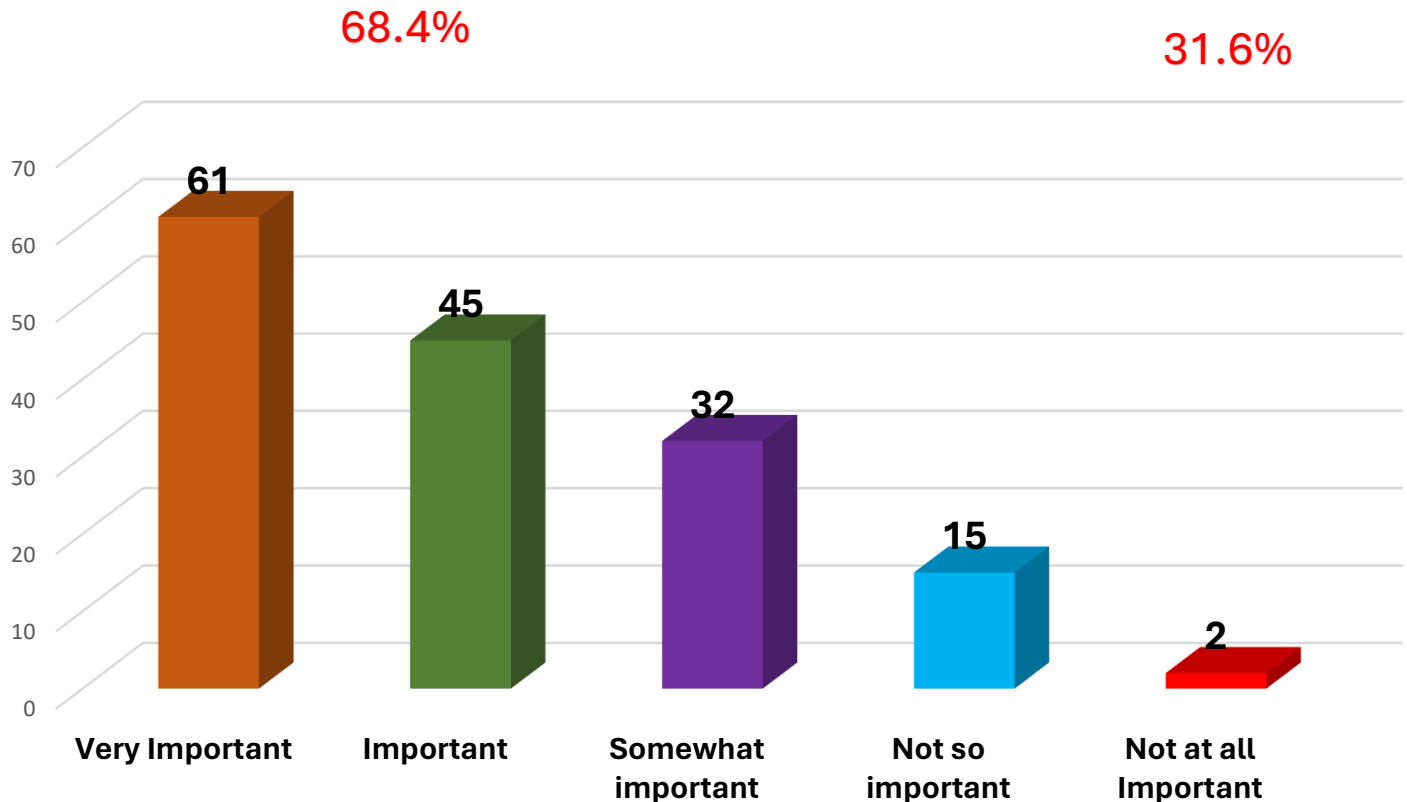
61

45

32

15

2

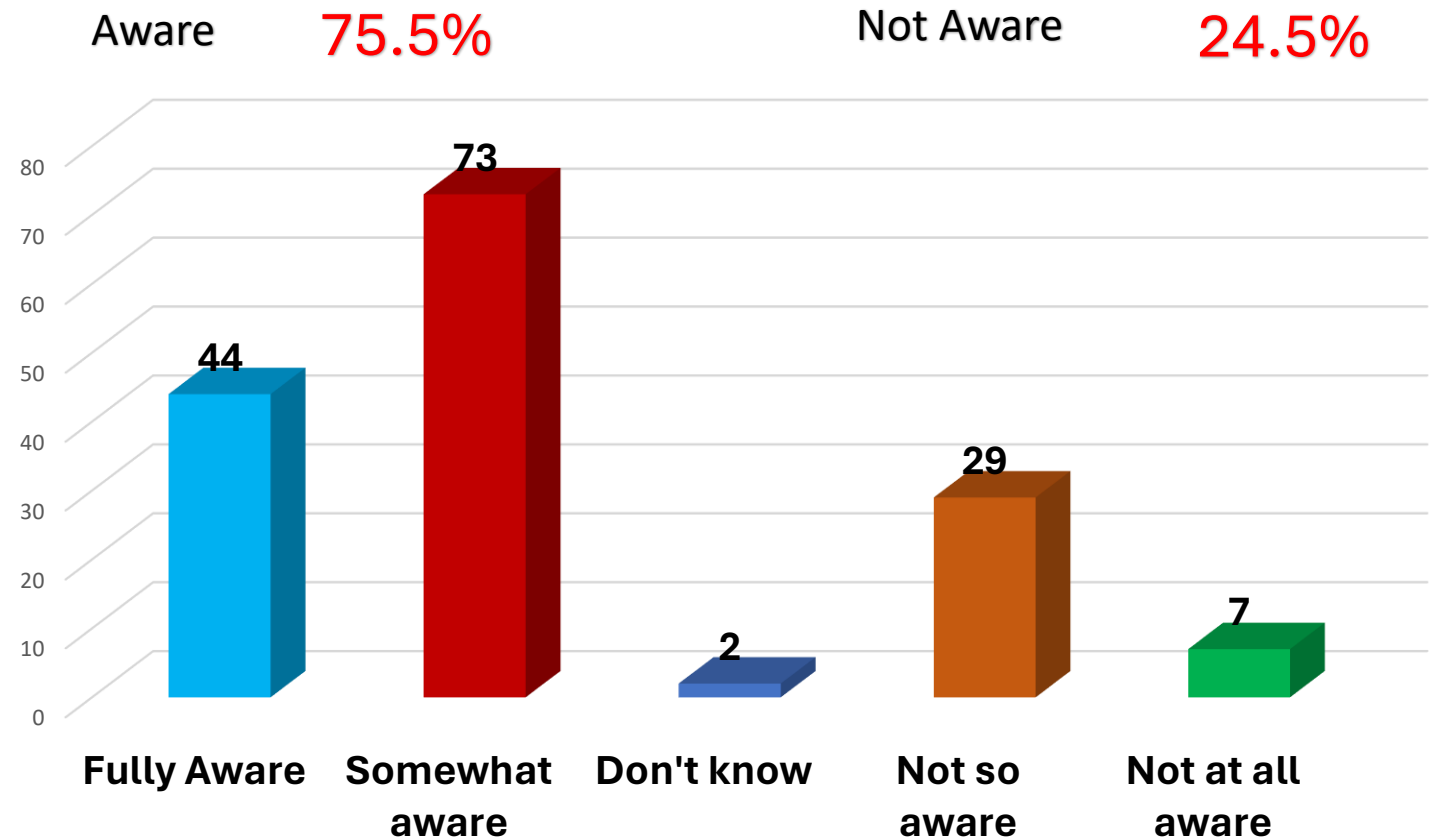


155 Complete Responses

Aligns with the Greater Manchester region's 2038 Carbon-Neutral-City Ambition

Level of Awareness of Environmental Social & Governance (ESG) as a Strategy to Address Sustainability Issues among Local businesses

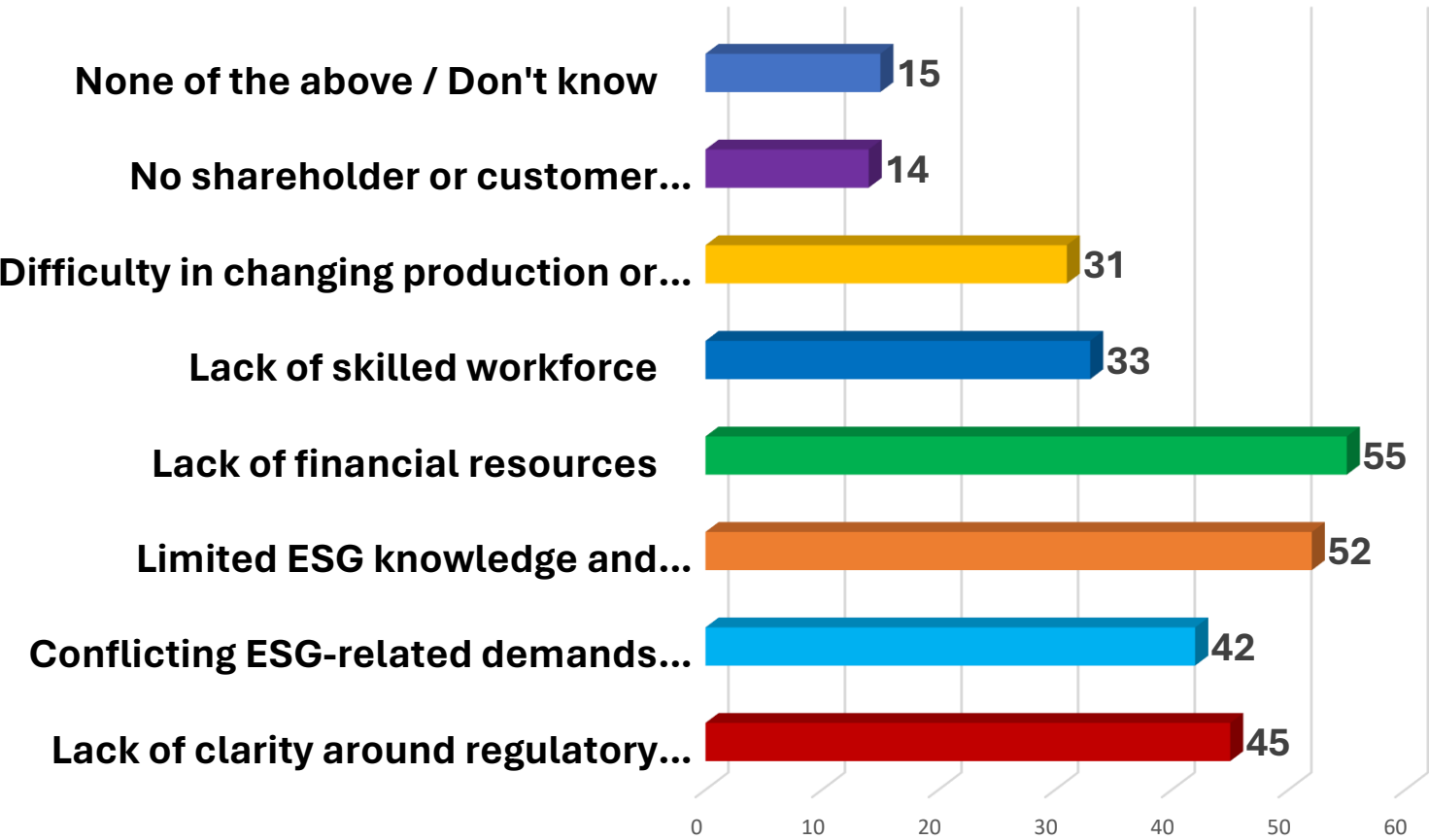
Responses	Frequency
Fully Aware	44
Somewhat aware	73
Don't know	2
Not so aware	29
Not at all aware	7



155 Complete Responses

Question of Awareness Vs Action (Cognitive Understanding VS Result-Oriented)
Awareness as a catalyst for informed action

key barriers to addressing sustainability / ESG issues in your Organisation.



Key Barriers	Frequency
Lack of clarity around regulatory and reporting standards	45
Conflicting ESG-related demands from different stakeholders	42
Limited ESG knowledge and awareness amongst staff	52
Lack of financial resources	55
Lack of skilled workforce	33
Difficulty in changing production or service provision processes	31
No shareholder or customer pressure for ESG	14
None of the above / Don't know	15

Questions – Granular analysis
on Sector & Size related Barriers

287 Complete Responses

Other barriers flagged by Survey Respondents

- 1. Cost is implementation*
- 2. General knowledge*
- 3. Cost of Carbon Certification*
- 4. Regulation of Costs of carbon certification.*



Fundamental Questions Going into the future....

- **Cost-Benefit Analysis** of NetZero Implementation
- **Green Growth** – Evolving Business Models & Strategy for Greener Profits
- **Tailored Approach to NetZero Transitioning** for Businesses of different sizes.
- **Co-Creation** & Transparent & Measurement of **Impact** etc.
- **Policy & Institutional Support** – training, carbon footprint mapping & costs etc.

Possible GMBS & SME Business

“SME businesses are faced with tough choices when considering Implementing NetZero/Sustainability Initiatives and the decision making at top management level can be difficult”.

Interviews & KTP Projects

- Co-Creation
- Tailored Implementation

Collaboration



Choice making, Trade-offs and Long-term Strategic Planning



“Sustainability
Initiatives
Currently in
Place in your
Business or
being Planned
in the next 12
months”



Thank you!

Q&A

#GMEconomics

