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Nine-in-Ten Businesses Caught Out by Unplanned Growth

New Research Reveals Businesses Not Prepared For a Growth Surge

Nine-in-ten (89%) organisations across the globe were left exposed to significant business dangers in 2015, due to the impact of unplanned growth that happened as a result of a growth surge. New international research from Epicor Software Corporation, a global provider of [industry-specific enterprise software](#), has unveiled the potential pitfalls of business growth, when it is unplanned.

The research, which was conducted by MORAR Consulting and commissioned by Epicor, questioned over 1,800 business leaders from 12 countries across the globe.¹

Of those surveyed in Singapore, 47 percent of businesses reported growth in 2015 and nearly 61 percent expect to grow in 2016, however only 6 percent experienced growth totally in line with their plans in 2015.

The business leaders surveyed admitted they often fear the consequences of growth, citing a number of negative impacts when growth is not planned for effectively. More than half (65%) said they worry that business growth puts excessive pressure on operations, damaging quality and customer satisfaction. A substantial number of businesses (57%) were also concerned that their business IT systems may prove unable to cope with managing a larger, more complex, business model. The top concern cited by CEOs was the perceived loss of customer intimacy that may come about as a result of growth.

Growth also poses a number of concerns about resource availability as business activities scale. Sixty-two percent of business leaders said that as a result of growth, they worry that their business might take on large or complex projects that they lack the skillset and technology to deliver effectively, damaging their brand reputation. They were also concerned that by growing the business, workloads



Having the right technology to accommodate 'what's next' is a key strategy for success.

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*Malcolm Fox
Vice President, Product Marketing
Epicor Software*

¹The research was conducted by MORAR Consulting and surveyed 1,824 managing directors, and heads of finance, operations and IT in businesses with 100+ staff spanning the manufacturing, distribution and service industries (and in businesses of all sizes in Retail) in Australia, Canada, China, France, Germany, Hong Kong, India, Mexico, Singapore, Sweden, the UK, and the US. (MORAR, Growth Survey, 2015).

may increase to a level that places too much pressure on staff, prompting key personnel to leave the organisation (56%). Half (56%) of business leaders polled worry they are not personally prepared for the challenges of managing a larger, more diverse business.

Globally, significant levels of unplanned growth were more likely to be experienced by mid-sized businesses with 100-999 employees (37%), than larger enterprises with over 1,000 employees (29%). Unplanned growth can bring challenges and pitfalls which nearly three quarters of businesses agreed are of at least some concern to them. Growth was most likely to be described as painful (in as many as one in ten cases) by smaller mid-sized businesses (100-249 staff) as they make the difficult transition from small to mid-sized enterprise.

In the light of this it is not surprising that business leaders in Singapore found growth to be difficult as well as rewarding, suggesting businesses locally need to prepare for growth more effectively. More than half (62%) admitted that they found growth challenging in 2015.

To support business growth, and prepare for its challenges better, 78 percent of businesses believe that an effective and integrated IT infrastructure is essential. "This adoption of new technologies should position organisations to reap the benefits of newfound efficiencies and pave the way for growth," said Malcolm Fox, vice president, product marketing, Epicor.

"Although the majority of businesses intend to grow in 2016, it's clear that there are significant concerns with regards to businesses ability to deal with growth," said Fox. "These concerns are not altogether unfounded, as our research shows even when businesses plan to grow, this growth can still surprise them; putting unexpected pressures on the organization. The proper time to prepare for growth surges is well in advance, as having an information framework to enable an organization to respond and keep pace in the face of growth has never been more vital."

To help manufacturing businesses plan growth better Epicor has released a new eBook that outlines the key success factors that manufacturers believe contribute to their growth. Download the eBook from www.epicor.com/company/business-growth.aspx

About Epicor Software Corporation

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