

TAKEN AT OUR GROWTH COMPANY RETREAT, IN THIS RESEARCH WE ASKED LEADERS OF HIGH AND FAST-GROWTH BUSINESSES ABOUT THE CHALLENGES AND OPPORTUNITIES THEY FACE IN THE YEAR AHEAD, AS WELL AS THEIR MOST LIKELY EXIT ROUTES.

In 2024, it's clear that growth company executives are focused on driving performance and recognise the need for world-class leadership skills to achieve this. Indeed, strengthening capabilities on the top team is one of their most pressing priorities in the year ahead. Just one in four leaders said they were fully confident they had the right skills and capabilities at the top of the business to navigate strategic uncertainty.

Commenting on their investors, half of respondents told us that pressure to provide returns can force management teams to adopt short-term thinking. That said, a similar proportion (59 percent) said this key stakeholder group is open to medium and longer-term growth strategies. Indeed, investment in new technology is going to be one of the biggest changes in growth companies this year.

When asked about their most likely exit from current private equity owners, leaders cited either trade or secondary options as their desired routes. The majority are confident that their organisations will deliver value to shareholders over the next year, whilst acknowledging that external reference points and mentoring will be critical to boosting executives ability to deliver this.

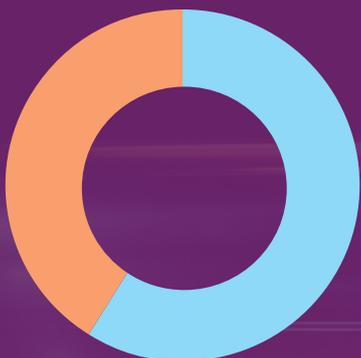


MATTHEW BLAGG, CEO, CRITICALEYE

TOP 5 PRIORITIES FOR LEADERS IN 2024



ARE YOUR INVESTORS ALLOWING YOU TO MAKE INVESTMENTS IN MEDIUM TO LONG-TERM GROWTH?

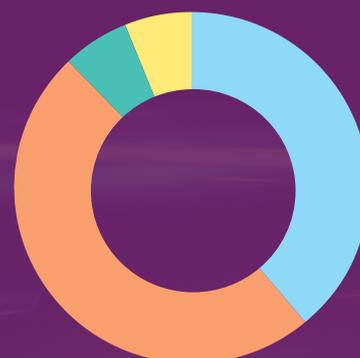


- Yes, they appreciate the strategic need to invest 59%
- No, the focus is on short-term returns 41%

“ There are expectations of high growth but with constraints on capital ”

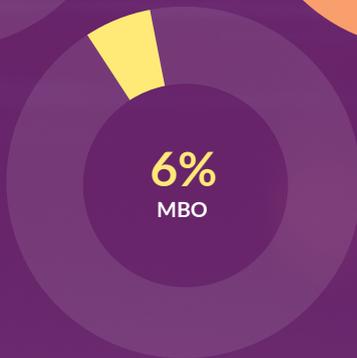
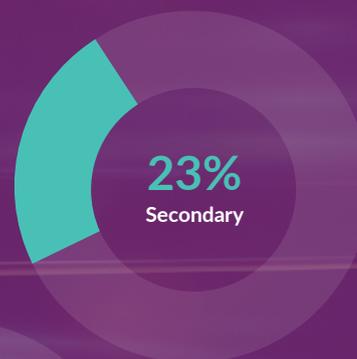
Growth Company Research Participant

HOW ALIGNED IS YOUR BOARD ON THE STRATEGY FOR GROWTH OVER THE NEXT 12 MONTHS?



- To a great extent 39%
- To some extent 49%
- To a minor extent 6%
- Not at all 6%

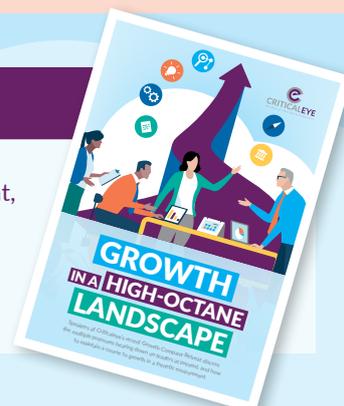
WHAT IS YOUR MOST LIKELY EXIT ROUTE?



CRITICALEYE INSIGHT: GROWTH IN A HIGH-OCTANE LANDSCAPE

Click [here](#) to read what leaders had to say about the multiple pressures bearing down on leaders at present, and how to maintain a course to growth in a frenetic environment.

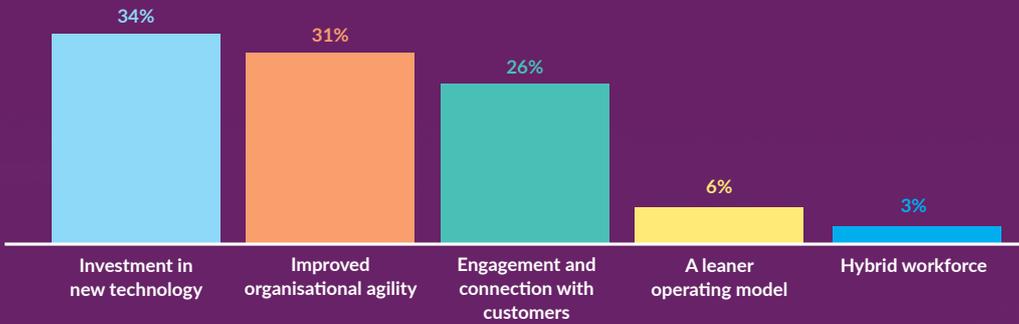
Featuring commentary from **Mark Veldon**, Partner and Managing Director, AlixPartners, **Matthew Blagg**, CEO, Criticaleye, **Amanda Cunningham**, CEO, Horizon Care & Education and **Lee Rochford**, Chair, Atom Bank.



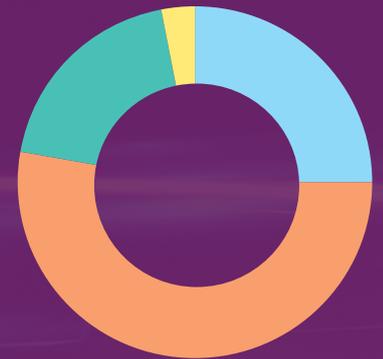
LEADERSHIP CHALLENGES

WE ASKED LEADERS IF THEY HAVE THE RIGHT SKILLSETS TO LEAD EFFECTIVELY AND WHAT CHANGES THEIR ORGANISATIONS ARE UNDERTAKING.

WHERE DO YOU SEE THE BIGGEST CHANGES OCCURRING IN YOUR ORGANISATION?

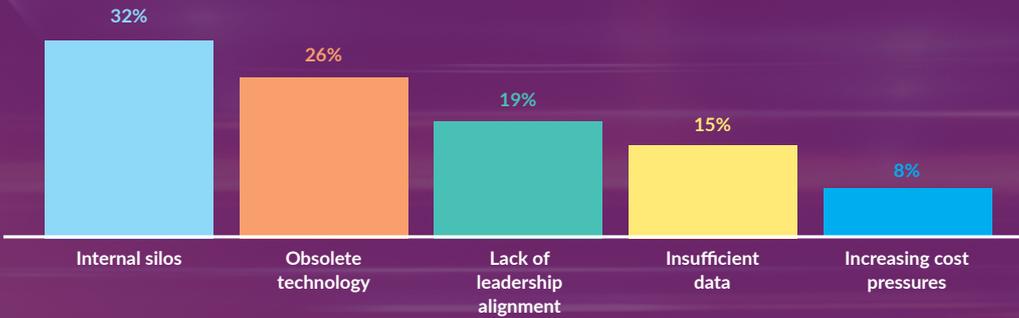


DOES YOUR SENIOR LEADERSHIP TEAM HAVE THE RIGHT SKILLS AND CAPABILITIES TO NAVIGATE STRATEGIC UNCERTAINTY?



- To a great extent 25%
- To some extent 53%
- To a minor extent 19%
- Not at all 3%

WHAT ARE THE BIGGEST BARRIERS TO BUILDING A FULLY CUSTOMER-CENTRIC CULTURE?



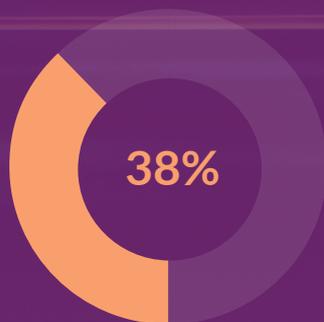
“Utilising technology to maximise opportunities is a key challenge for us”

Growth Company Research Participant

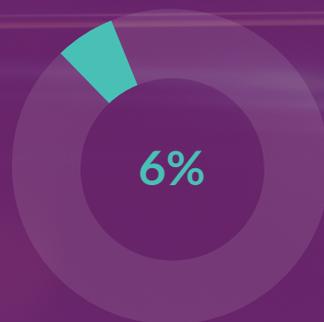
WHY DO SENIOR LEADERSHIP TEAMS BECOME TOO FOCUSED ON SHORT-TERM GOALS?



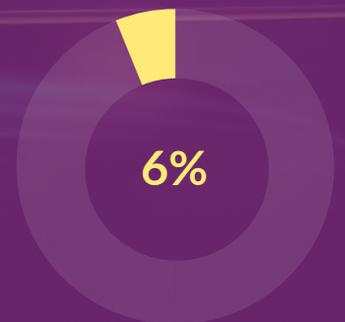
Pressure to provide a return to investors / shareholders



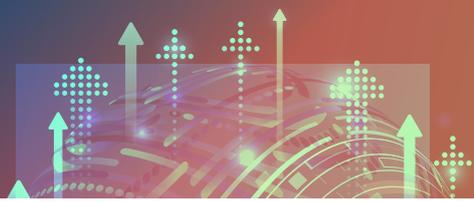
Leadership team too tactical, rather than strategic



Certain bonus and incentive schemes encourage short-term thinking

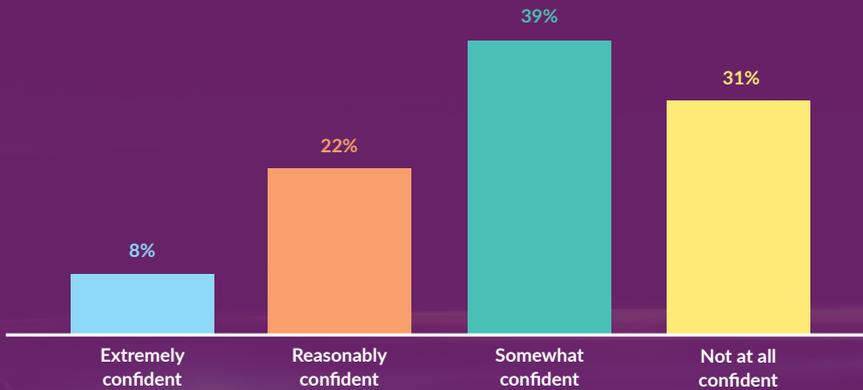


A lack of external reference points

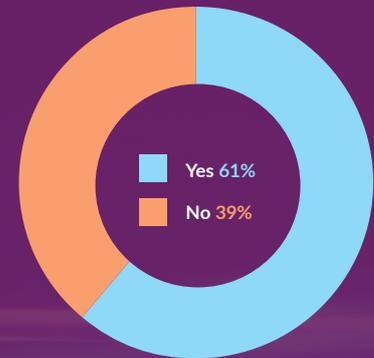


LEADERS GIVE US THEIR PREDICTIONS ON THE ECONOMY AND PLANS FOR BUSINESS GROWTH OVER THE NEXT 12 MONTHS.

HOW CONFIDENT ARE YOU THAT THE RATE OF ECONOMIC GROWTH IN THE UK WILL INCREASE OVER THE NEXT 12 MONTHS?



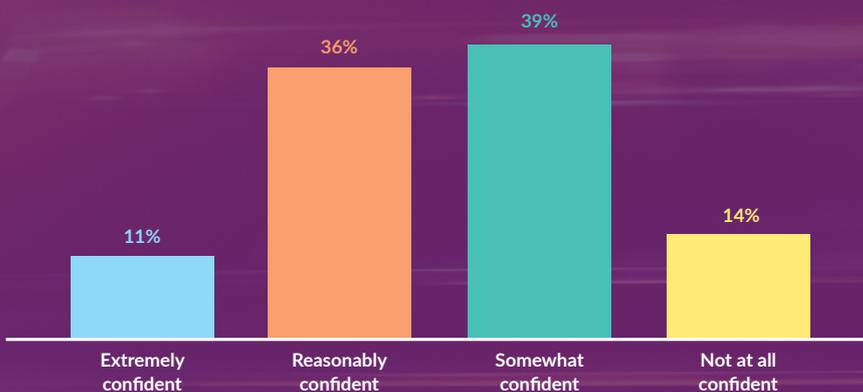
DO YOU EXPECT TO CONDUCT M&A OVER THE NEXT 12 MONTHS?



“At the moment, it’s difficult to get companies and governments to think long term about known challenges”

Growth Company Research Participant

HOW CONFIDENT ARE YOU THAT THE RATE OF GLOBAL ECONOMIC GROWTH WILL INCREASE OVER THE NEXT 12 MONTHS?



IN WHICH REGIONS DO YOU EXPECT TO SEE A STRONG GEOGRAPHICAL PERFORMANCE IN YOUR ORGANISATION OVER THE NEXT 12 MONTHS?

1. Europe



2. North America



3. APAC



THE INSPIRING LEADERS PODCAST: BECOMING A HIGH-IMPACT, FIRST-TIME GROWTH COMPANY CEO

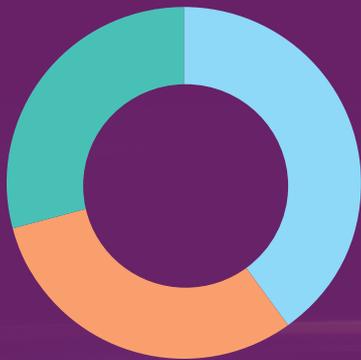
Click [here](#) to listen to our leaders discuss priorities for the next 12 months, advice for first-time CEOs and how the Chair can support their CEO. This episode is part of Criticaleye’s Inspiring Leaders Podcast and features special guests **Brittany Harris**, Co-founder and CEO, Qualis Flow, **Mark Whitby**, Chair, BibliU and Board Mentor, Criticaleye and **Melanie Lane**, CEO, Pod Point.



STAKEHOLDERS

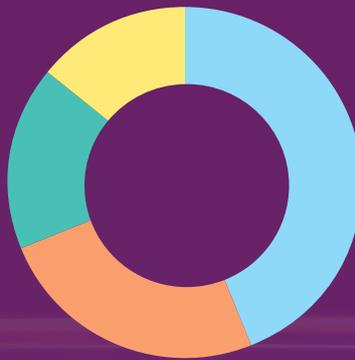
LEADERS REVEAL THE CHALLENGES OF SUCCESSFUL STAKEHOLDER MANAGEMENT AND ASSESS THEIR RELATIONSHIPS WITH THE CHAIR AND THEIR BOARD.

WHO IS YOUR MOST CHALLENGING INTERNAL STAKEHOLDER?



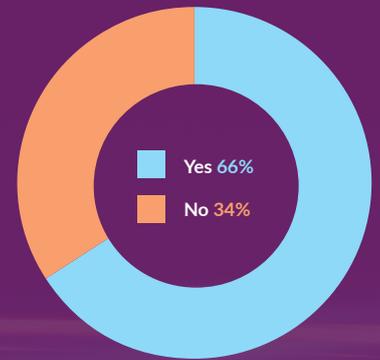
- Workforce 40%
- Senior leadership team 31%
- Chair / Board 29%

WHO IS YOUR MOST CHALLENGING EXTERNAL STAKEHOLDER?



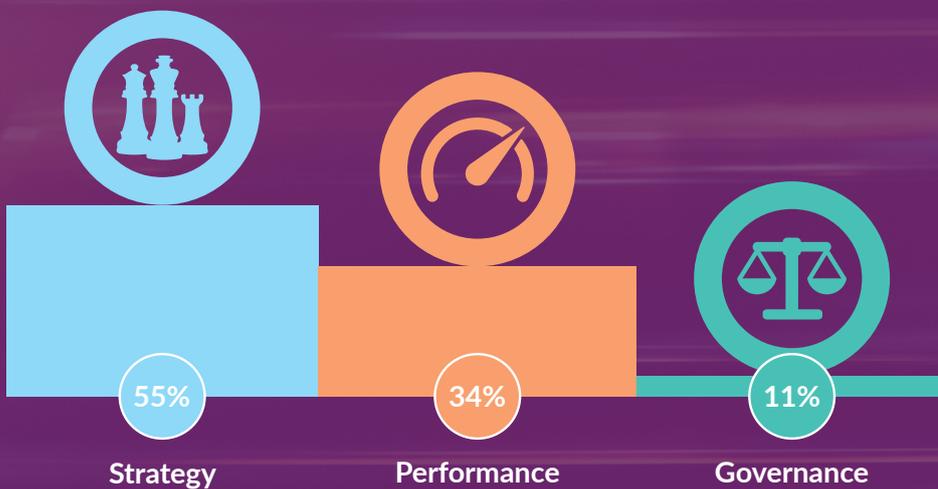
- Customers 44%
- Shareholders / investors 25%
- Regulator/s 17%
- Government 14%

DOES YOUR CHAIR ADD VALUABLE SUPPORT TO THE EXECUTIVE TEAM?



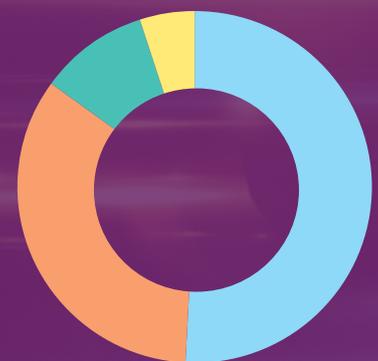
- Yes 66%
- No 34%

IN WHICH OF THE FOLLOWING AREAS DO YOU NEED TO IMPROVE THE QUALITY OF DEBATE WITH THE BOARD?



- Strategy 55%
- Performance 34%
- Governance 11%

HOW CONFIDENT ARE YOU IN YOUR BUSINESS BEING ABLE TO DELIVER VALUE TO SHAREHOLDERS OVER THE NEXT 12 MONTHS?



- To a great extent 51%
- To some extent 34%
- To a minor extent 10%
- Not at all 5%

CRITICALEYE INSIGHT: EXITING THROUGH TURBULENCE

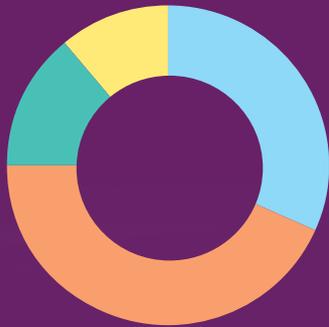
Click [here](#) to read what leaders had to say about the high interest rate environment and how it is impacting PE-backed businesses gearing towards an exit.

Featuring commentary from **Alastair Mills**, Managing Director & Head of European Business Services, H.I.G. Capital, **Nick Burns**, CEO, Reward Gateway and **Paul Lester**, Chair, Essentra.



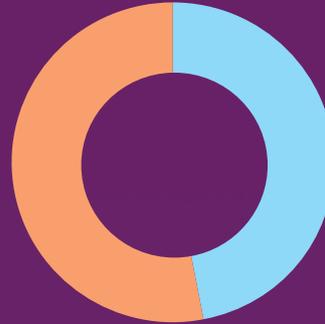
PERSONAL DEVELOPMENT

WE ASKED LEADERS WHAT THEY FIND MOST EFFECTIVE WHEN BUILDING SKILLS AND UNDERSTANDING THE EXTERNAL LANDSCAPE.



HAS MENTORING HAD A POSITIVE IMPACT ON YOU AND/OR YOUR LEADERSHIP CAPABILITY?

- To a great extent 31%
- To some extent 44%
- To a minor extent 14%
- Not at all 11%



TO WHAT EXTENT DO YOU AND YOUR SENIOR LEADERSHIP TEAM REQUIRE EXTERNAL REFERENCE POINTS?

- To a great extent 47%
- To some extent 53%
- To a minor extent 0%
- Not at all 0%

THREE-QUARTERS OF GROWTH COMPANY LEADERS SAY MENTORING HAS A POSITIVE IMPACT ON LEADERSHIP CAPABILITY

WHERE DO YOU NEED TO IMPROVE AS A LEADER?



UPCOMING EVENTS

GROWTH COMPANY FORUM 2024

UNLOCKING VALUE IN A NEW ERA

26 SEP 2024 / 08:20-11:35

AIM VIRTUAL ROUNDTABLE

CASE STUDY: WHAT NEXT FOR AIM

18 JUN 2024 / 08:30-10:00

PRIVATE EQUITY VIRTUAL ROUNDTABLE

CASE STUDY: HOW TO LEAD AN EXIT

24 OCT 2024 / 08:30-09:30

Criticleye supports senior leaders from a variety of businesses, sectors and geographies. With only 25 percent of growth company executives expressing full confidence in the ability of their team to navigate strategic uncertainty, we provide a confidential and trusted space, offering diverse views which leaders can draw from when making decisions for themselves and their organisations.

[Click here](#) to find out how we support growth company executives and non-executives.