



Scotland  
Institiud Stiùirichean na h-Alba

# State of the Nation Directors Survey

Spring 2023





# Background

**IoD Scotland introduced this important annual survey in 2021 to help us better understand and support our members and their organisations.**

As well as helping to inform our future service planning, the State of the Nation Directors Survey responses allow us to better represent our members in policy engagement with both the Scottish and UK Governments.

We used the findings of last year's survey extensively across our engagement with policy makers and wider stakeholders, and have used the same questions this year to build a picture of the changes to economic environment over the past 12 months.

Analysis of the results will ensure we are responding to the key policy issues for Scottish members, and that we reflect these through our work streams.

## Introduction

The State of the Nation Directors Survey was open to responses from members of the Institute of Directors in Scotland from 6th February 2023 until 10th March 2023.

We received a total of 162 responses, equating to 17% of the total IoD Scotland membership at that time (March 2023).

No responses were disqualified from inclusion.

## Next steps

IoD Scotland will use the results of this survey as the basis for planning engagement and activities with our members over the course of 2023. The answers shared give us a clearer steer on the key issues being faced by our members. We will use the insight and expertise provided to inform policy and decision-makers at both a Scottish and UK Government level.

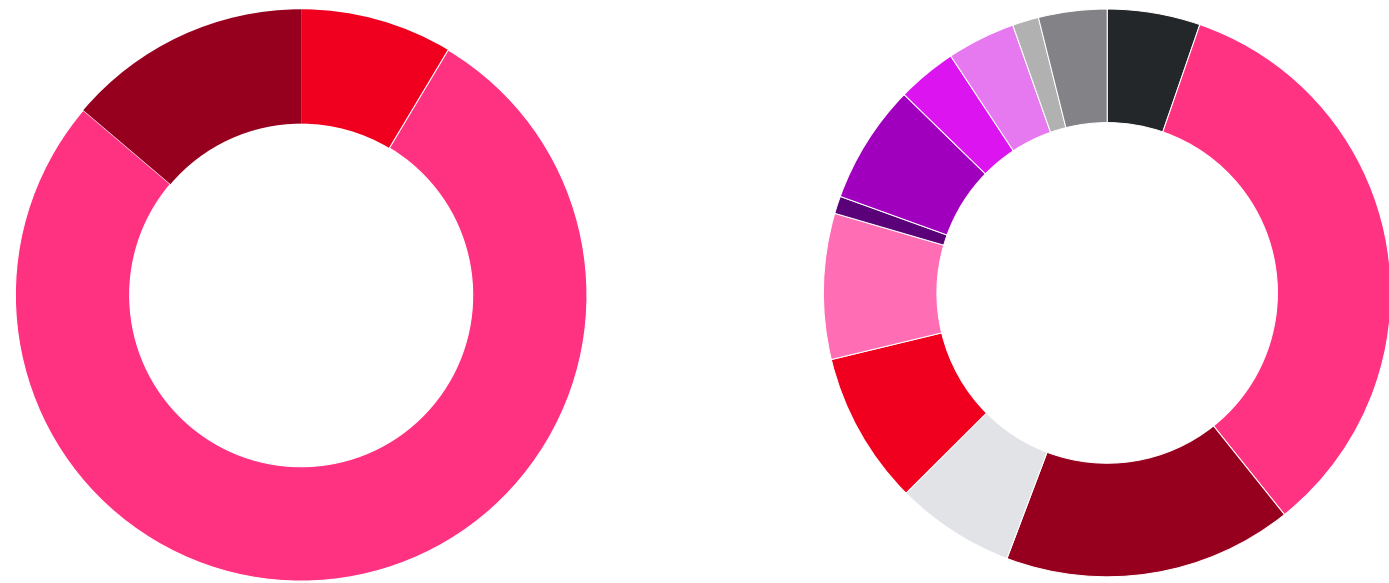
Thank you to all those who have fed into this important research. We look forward to further discussions with you all throughout 2023.



# What does the feedback tell us?

**IoD Scotland's membership continues to be predominately from the private sector and over half (58%) are firms with less than 100 employees. There has been a small shift in the size of organisations members represent, as in 2021 over 70% of respondents represented organisations with fewer than 100 employees.**

2021

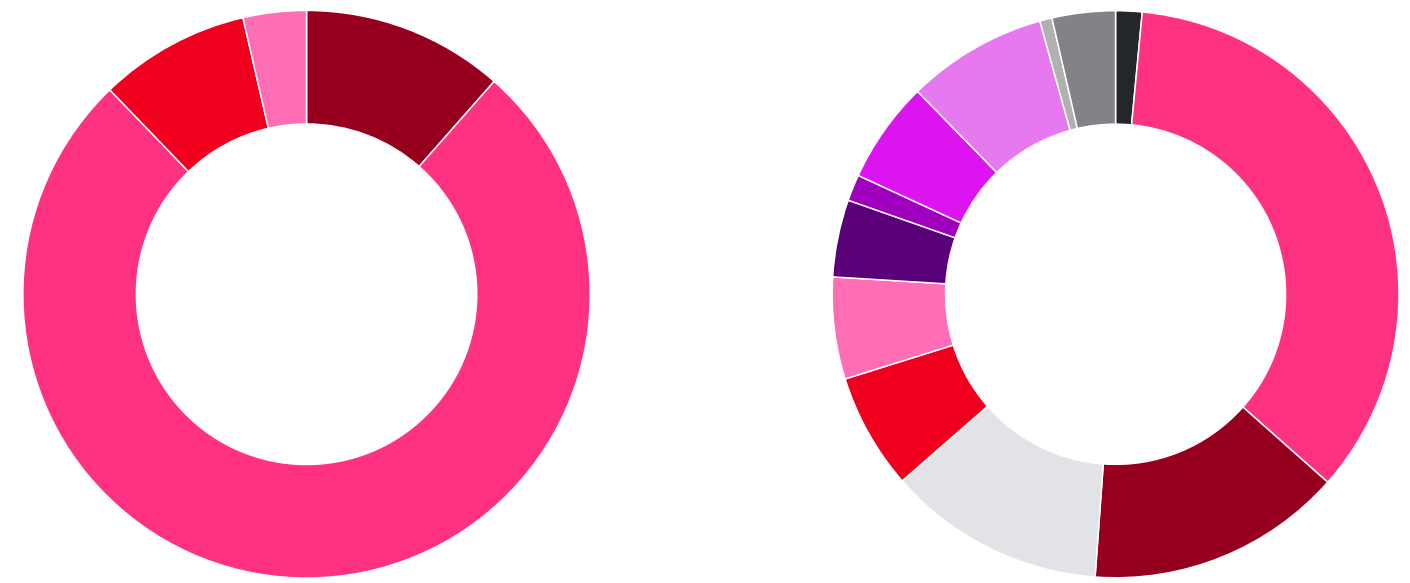


Sector	%
Private sector	78
Third sector / charity	14
Public sector	8

No. of employees	%
1-10	34
11-25	16
26-49	7
50-100	9
101-200	8
201-249	1
250-500	7
501-1,000	3
1,001-5,000	4
5,001-10,000	2
> 10,000	4
0	5

**90%**  
of respondents say  
**Good Governance and  
Leadership** are  
deemed important

2023



Sector	%
Private sector	76
Public sector	11
Third sector / charity	9
N/A	4

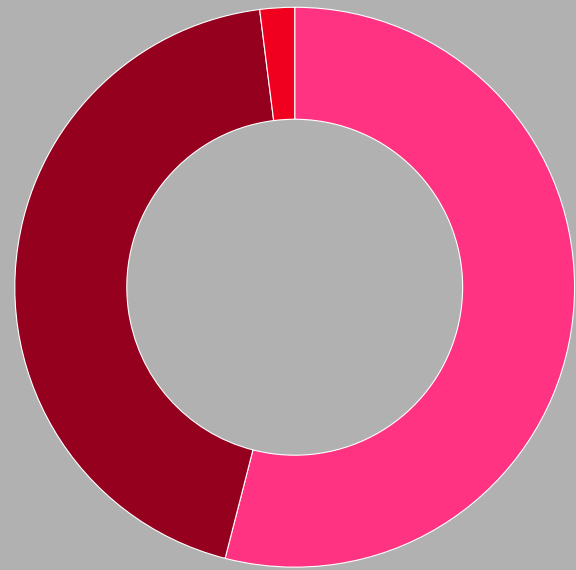
No. of employees	%
1-10	35
11-25	15
26-49	12
50-100	7
101-200	6
201-249	4
250-500	2
501-1,000	6
1,001-5,000	8
5,001-10,000	1
> 10,000	4
0	2



## Skills, employment and growth

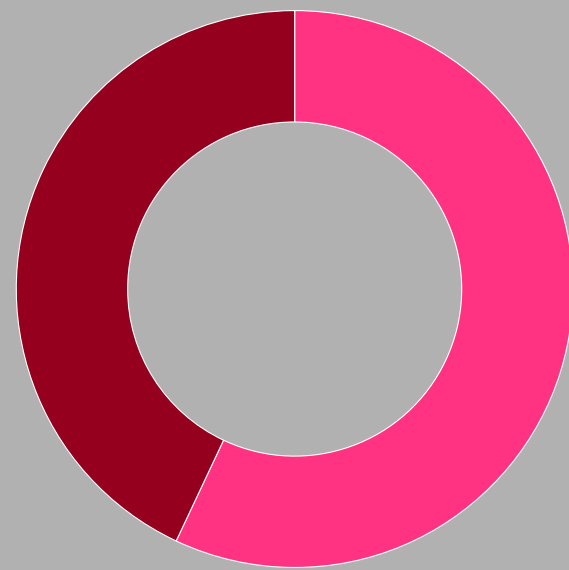
Skills and employment continue to be priority issues for IoD Scotland members.

Does your primary organisation have the right number of skilled people for your current jobs?



Response	%
Yes	54
No	44
Don't know	2

Do you feel confident that your primary organisation will be able to recruit the right people for the vacancies you need to fill in the upcoming year?



Response	%
Yes	57
No	43

Almost 75% of those completing the survey state that employment is the number one priority policy issue for them over the next 12 months, with science, innovation and technology and entrepreneurialism also ranking high in importance.

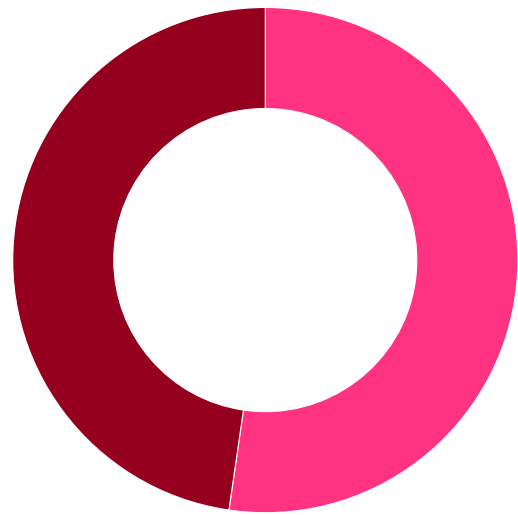




## Scottish Government Policy

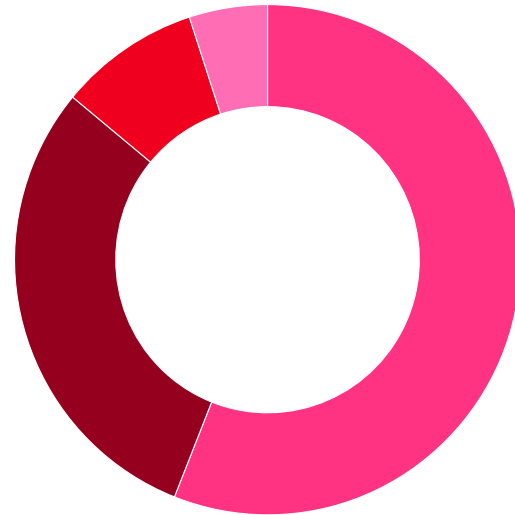
**Understanding of the Fair Work Nation Principles continues to be mixed. 48% of those completing the survey have not heard of the Fair Work Principles Framework. Of those that have, only 23% feel they have adopted the principles, and those who have cite pay and flexible hours as the main activity areas.**

As a director, have you heard of the Scottish Government's Fair Work Principles Framework?



Response	%
Yes	52
No	48

To what extent has your organisation embedded environmental, social and governance ("ESG") considerations into its business strategy, operations and product and/or service offerings?



Response	%
Partly	56
Fully	30
Not at all	9
Don't know	5

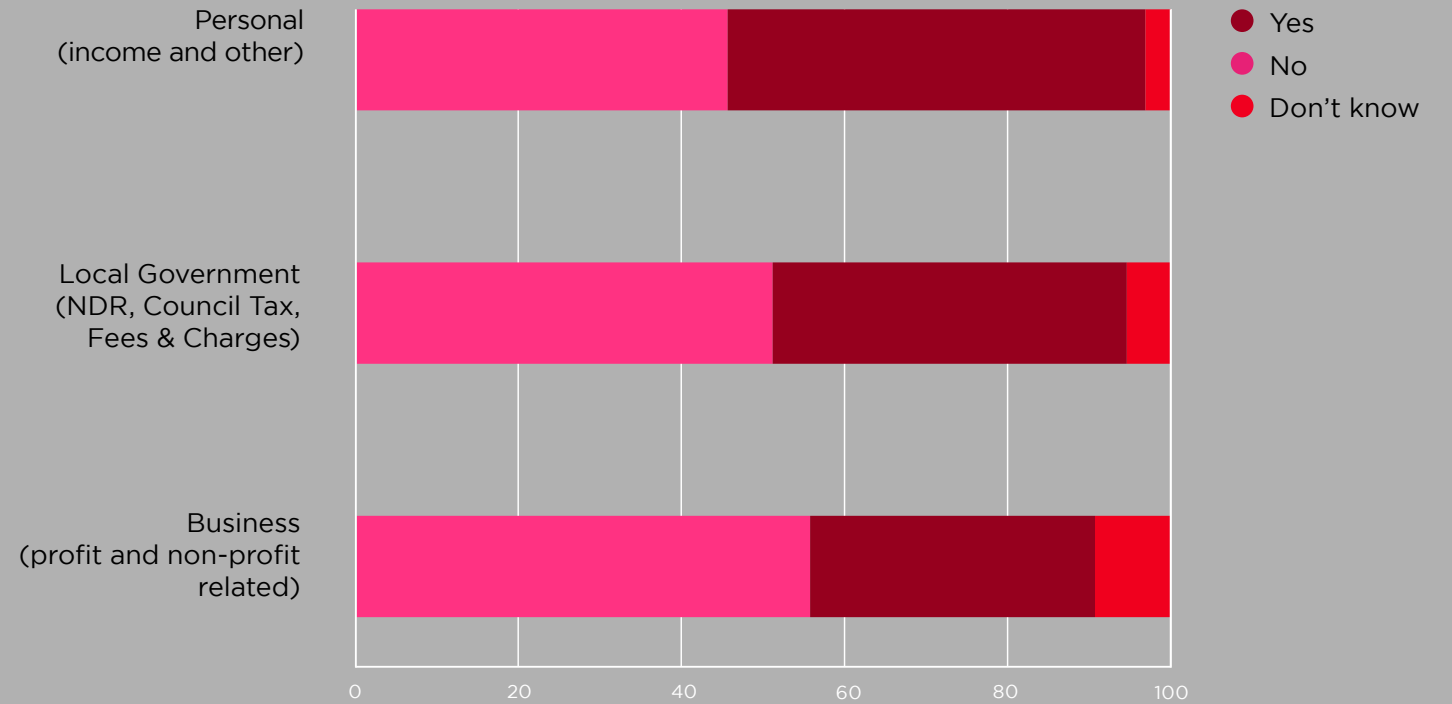
97% of respondents indicated that they were aware of the Scottish Government's Net Zero Targets and 86% of respondents said that they had either fully or partly embedded environmental, social and governance ("ESG") considerations into their business strategy, operations and product and/or service offerings.

50% of respondents feel they need further information and support to help their business go Net Zero to achieve wider Scottish targets.

## Taxation

**When asked the question 'Do you believe the taxes that you pay in Scotland are fair?', 56% responded their business taxes; 46% personal taxes and 51% local taxes are fair.**

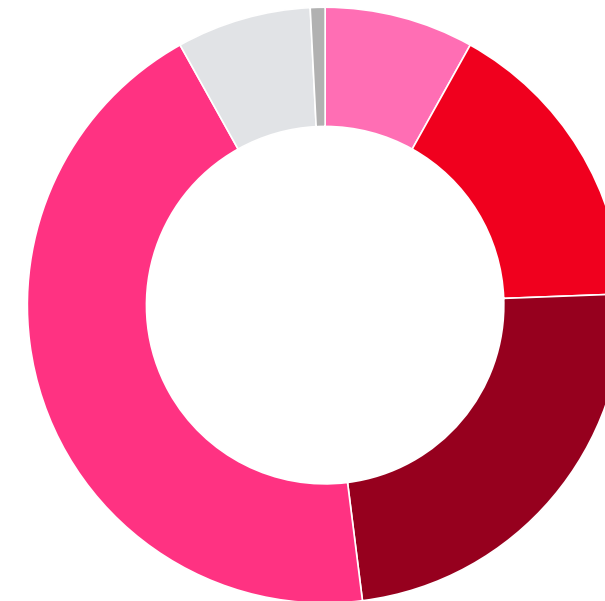
**35% felt their business taxes; 51% personal taxes and 43% local taxes are unfair.**





## The role of Government

**In responses which almost mirror those of last year, members were fairly united on their views of the role of the Scottish Government, with 82% (78% 2021) noting that ‘efficient delivery of public services; ensuring skilled workforce and effective regulation of the market’, were the primary roles of the Scottish Government.**



Response	%
Ensure efficient and effective delivery of public services	44
Ensure suitably skilled workforce - at all levels	24
Establishing and monitoring effective regulatory regimes to make the market fair	16
Supporting businesses financially (all types of financial supports)	8
Other	7
Don't know	1

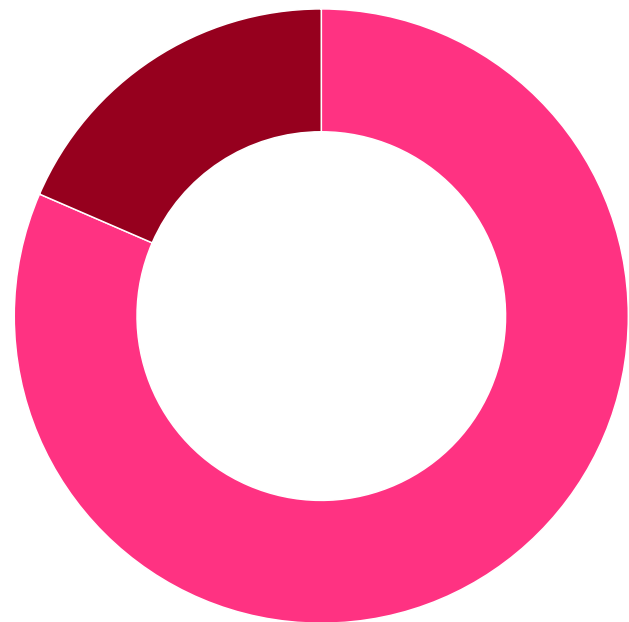
Echoing this, feedback on the UK Government was that ‘Establishing and monitoring effective regulatory regimes to make the market fair’ and ‘ensure efficient and effectively delivery of public services’ was its primary role too (58%).



## Professional development

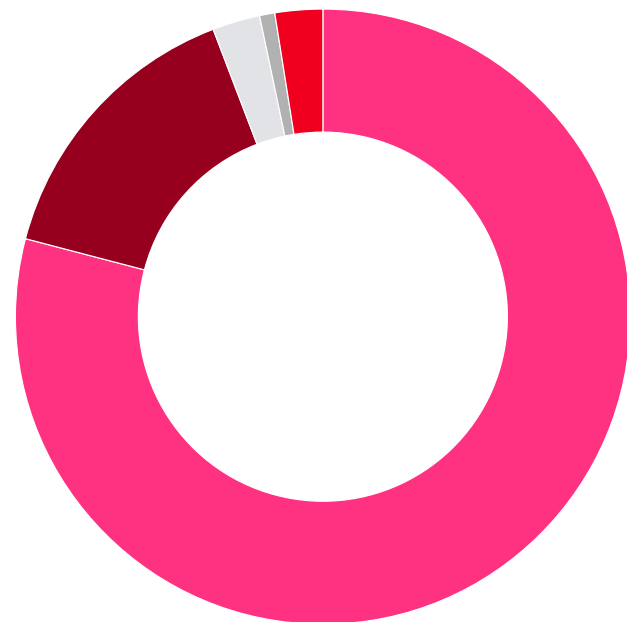
**Continuing Professional Development is viewed as very important for IoD Scotland members, both personally (81%) and for employees (79%).**

Have you personally undertaken any form of CPD over the past three years?



Response	%
Yes	81
No	19

How important is it for your primary organisation to invest in the skills of others?



Response	%
Very important	79
Quite important	15
Neither important or unimportant	3
Not very important	3
Unimportant	1





# Concluding remarks

**IoD Scotland will use the results of the Nation Directors Survey to shape our work streams and policy focus over the next 12 months.**

The feedback we have gathered has already proved to be hugely insightful, informative and useful when we are meeting with policy makers and other representatives.

Our sincere thanks go to all those who took the time to complete the survey and share their thoughts with us.

The next survey will be available in early 2024. In the meantime, we would encourage all IoD Scotland members to complete the IoD's Policy Voice survey.

Policy Voice allows us to take monthly snapshots of member views on current business issues. All IoD members will be invited to complete Policy Voice each month and share their views to influence how we talk to those in power on a range of business-critical issues – from trade to taxation, education to entrepreneurship and inclusion to innovation.

**Further information:**  
[iod.com/policyvoice](https://iod.com/policyvoice)



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The IoD in Scotland is committed to helping its members and the Scottish economy face the challenges affecting every sector and size of organisation. Connect with us to keep up with policy changes and ensure that your voice is heard in Holyrood and Westminster.

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