

BDO Northern Ireland's Brian Murphy... Taking The Optimist's View



Putting NI in pole position

It all depends on your outlook but, for a lot of us, having an optimistic business adviser is preferable to having a pessimistic one. In the same vein, the local economy benefits more from the glass half full brigade than it does from those who don't take that view.

BDO Northern Ireland's Managing Partner Brian Murphy makes no bones about the fact that he's a fully paid-up member of the glass half full club. His view of the current state of play, which is backed up by BDO and the Chamber of Commerce's recent Quarterly Economic Survey, is that Northern Ireland continues to buck the trend across a number of key commercial measures.

He goes on to say that Northern Ireland might just stand to gain from Brexit...once the outcome is decided and the dust has settled, that is. This is a view taken by a growing number around the local business community.

"We have an in-built conservatism in our region," says Brian Murphy. "We might be growing and we might be prospering, but we're certainly not going to be shouting about it."

The Quarterly Economic Survey produced one headline finding that might raise a few eyebrows. It found that 69% of the businesses surveyed said that they intended to expand over the coming three to five years. It's a proportion that might surprise some, given the ongoing discussions around Brexit.

"What's most positive in all of this is that business leaders have confidence and ambition in their businesses. That's crucial. Without confidence, local businesses can't make real progress."

He agrees that in the short term it's difficult for businesses to have confidence about the outcome of Brexit negotiations. However "whatever happens, we will be uniquely positioned to capitalise on the outcome. So, to my mind, we have to be optimistic and prepared."

"I often think that, once Brexit is concluded upon, it will be like the start of a race. Our neighbours in the Republic of Ireland will be ready to go, other UK regions will be ready to go and we will

have to be ready to go as well. There's no point in waiting to check the oil or change the tyres once we're on the starting line."

"In a lot of ways," he goes on to add, "Northern Ireland is economically where the Republic of Ireland was some 15 years ago...on the verge of great opportunity. Our lower cost base and the quality of our people makes us very attractive as a place to invest. We have a developing economy and that means that we have plenty of room for expansion."

"We don't have any political leadership to actively promote our potential. But business has shown that it can step up to the mark and that it can lead the way."

But how do we formulate economic plans without a government in place? Brian Murphy declines the opportunity to criticise local politicians. Instead, he points to what has been achieved since Stormont shut down...and with a minimum of input from Westminster.

"Business here has moved on, and moved on successfully, despite the absence of a real and working government. We're far too critical of ourselves and of Northern Ireland in general. We need to ease off on the criticism and we need to think of the opportunities that exist...rather than focus on the barriers."

"Sometimes we should look at how well we have done and pat ourselves on the back for our achievements to date. And, what's more, acknowledge that we do have the ability to achieve the goals we set ourselves. To go where we want to go."

Moving to specifics, Brian Murphy outlines a couple of issues that do affect businesses here.

"We don't have any political leadership to actively promote our potential. But business has shown that it can step up to the mark and that it can lead the way. The tourism sector, for example, is nearing annual revenues of £1bn because of rapid business-led developments that have improved the product. While there may not be one leader to make the case, it is important that we present a united front." We must continue to sell Northern Ireland, despite the lack of government and the uncertainties over Brexit.

Northern Ireland businesses, he adds, also need to be realistic on pricing. "We really don't like putting prices up," he says. "It's another of those inherent things about our nature. But low prices create pressure on profits. Sometimes we just have to bite the bullet."

Brian Murphy goes on to note that recruitment has its challenges, especially in certain sectors. He reckons that Northern Ireland has to work harder to attract candidates from other UK regions and the Republic of Ireland.

"Attracting people to work here hasn't been easy in the past. But this is a much more cosmopolitan and progressive place nowadays, so it could and should be done. We should be selling Northern Ireland more to the UK and international recruitment marketplaces, for example."

He goes on to pick another eye-catching statistic from the Quarterly Economic Survey. It's the one that says that a surprisingly high 76% of Northern Ireland manufacturing companies are actively recruiting as things stand.

"I think that's an amazing statistic, and it shows, as I said at the start, that the ambition is there."