

# “Business Pulse”

*A survey on the business environment in Greece*

*December 2021*



# Introduction



SEV Business Environment Observatory, with the support of MRB Hellas, conducts the annual survey "**Business Pulse**".

The **objectives of the survey** are:

- ✓ To measure the **expectations** for country's and companies' **economic performance**;
- ✓ To systematically monitor and assess **investment barriers** (both within the macro and the micro environment);
- ✓ To identify **feasible** and **realistic solutions** for a business-friendly investment environment;
- ✓ To assess the **impact of recent reforms** and
- ✓ To evaluate the **quality of services provided by public administration** to companies.

It is a **reliable and influential tool** for both public administration and companies, aiming to achieve a business-friendly environment for all.

This year's survey is **tailored to** the circumstances of **the pandemic** and focuses on the challenges that emerge for the day after, both for business and public administration.

## Survey's objectives



# Main findings



- **Reforms are improving the business environment**, according to the Indexes of Macro and Micro Obstacles (4.9 and 4.8 points respectively, with an optimum of 1). There is **significant improvement** in the **level of tax rates** (extreme difficulty fell from 70.6% to 45.5%).
- Companies expect a **gradual recovery of the economy** as they positively assess their current and future status, with the **highest percentages since 2017** (46% and 42% respectively); also 55% expect their turnover to increase in 2022.
- 53.7% believe that the measures to **support measures** in response to the pandemic are **effective**.
- **Teleworking is here to stay**, with 50% of businesses planning to adopt it regardless of the pandemic where it is appropriate.
- **Digital public administration services** show the importance of digital transformation for a more efficient economy; over 58% of businesses **rate** the top 3 digital public sector agencies **positively**.
- **Investment plans remain unchanged for 62% of large companies** despite the pandemic, highlighting the importance of achieving critical mass to ensure that companies remain resilient, and the economy grows.

- **72% of companies are concerned about price increases** including in the cost of raw materials, as well as transport and energy costs; the prospect for absorption without increases in price lists is not promising.
- Companies with more than 10 employees are concerned about **high energy costs**, as they consider it as the **main obstacle** to their daily operations (micro environment).
- 70% of companies have **high expectations of the National Recovery and Resilience Plan** and believe it will make a positive contribution to the economy.
- For a minority but significant part of the market, the **need for raising awareness** of the **challenges of green growth** is identified, as only 28.7% of small companies consider it very or extremely important (compared to 50% in large companies).

# The survey





### **Methodology:**

**CATI = 500**

**WEB = 110**



## **Survey's sample**

**Sample size:  
610 companies**

### **How:**

Survey via CATI and CAWI for companies operating in Greece. Representative sample in terms of:

- 1. Sector;**
  - 2. Size (number of employees) and**
  - 3. Headquarters location.**
- ✓ Random stratified sampling.
  - ✓ Weighting based on Hellenic Statistical Authority data and ERGANI.
  - ✓ Using ICAP's business database.

### **Who:**

C-level business executives

### **When:**

20.09-25.10.2021

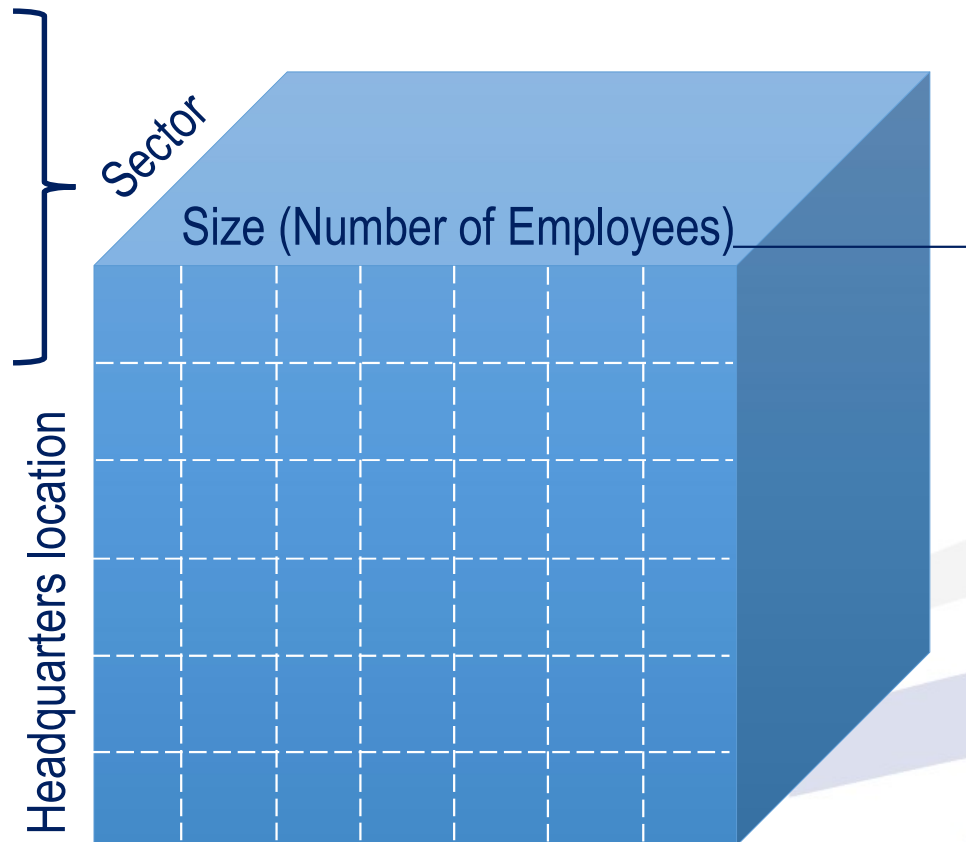


## Survey's sample

(in brackets unweighted / weighted breakdown by sector, headquarters' location and size)

- 1. Trade (190/206)
- 2. Services (189/190)
- 3. Manufacturing (68/30)
- 4. Construction (62/37)
- 5. Accommodation / Food service activities (61/101)
- 6. Transporting & Storage / Primary sector (40/46)

- 1. Attica (388/237)
- 2. North Greece (107/211)
- 3. Central / South Greece (66/87)
- 4. Islands (49/75)



- 1. Micro 1-9 (190/537)
- 2. Small 10-49 (223/61)
- 3. Medium-sized 50-99 (74/9)
- 4. Large 100+ (123/3)

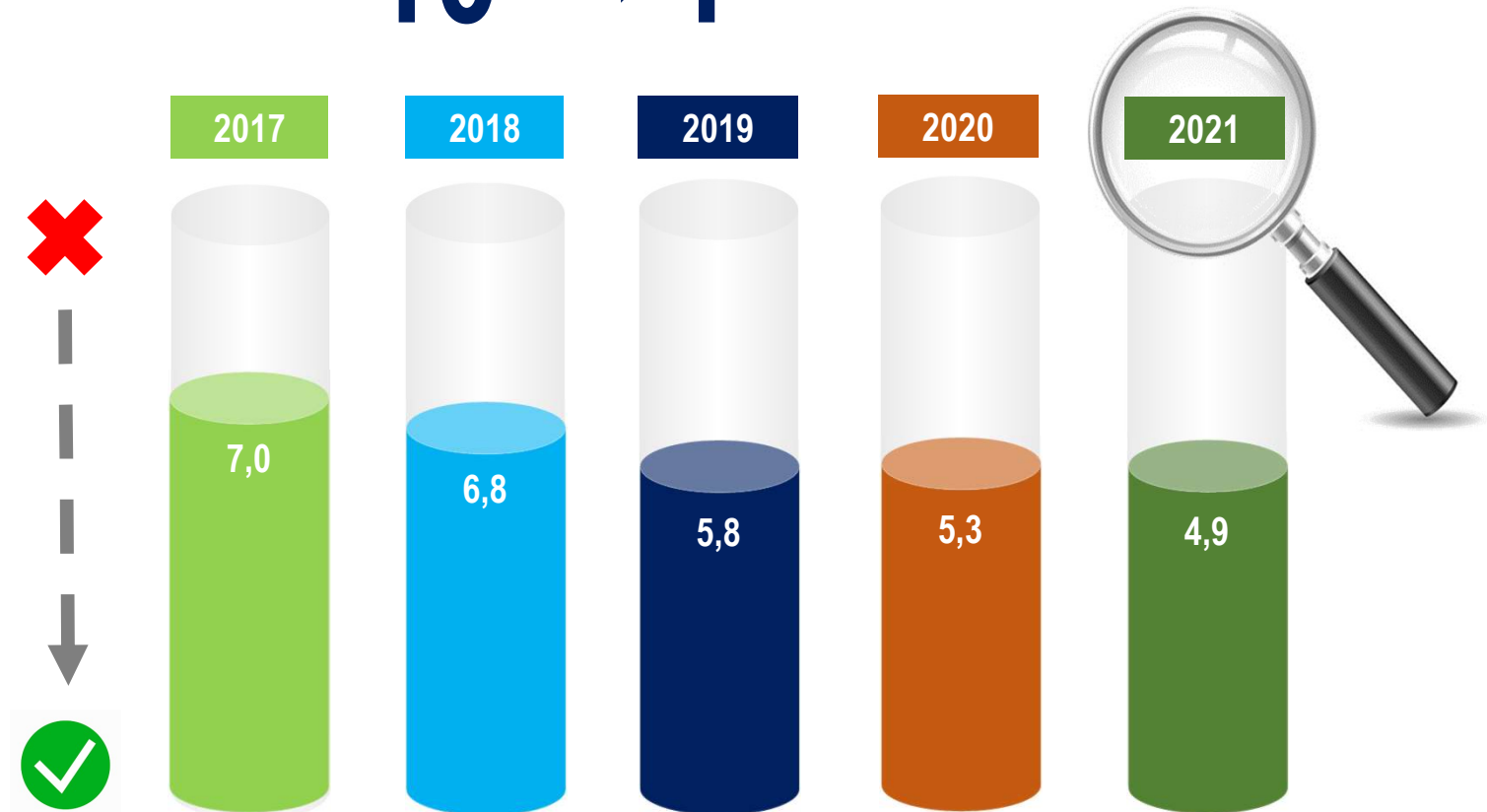
# Macro environment business obstacles



# INDEX OF MACRO ENVIRONMENT BUSINESS OBSTACLES

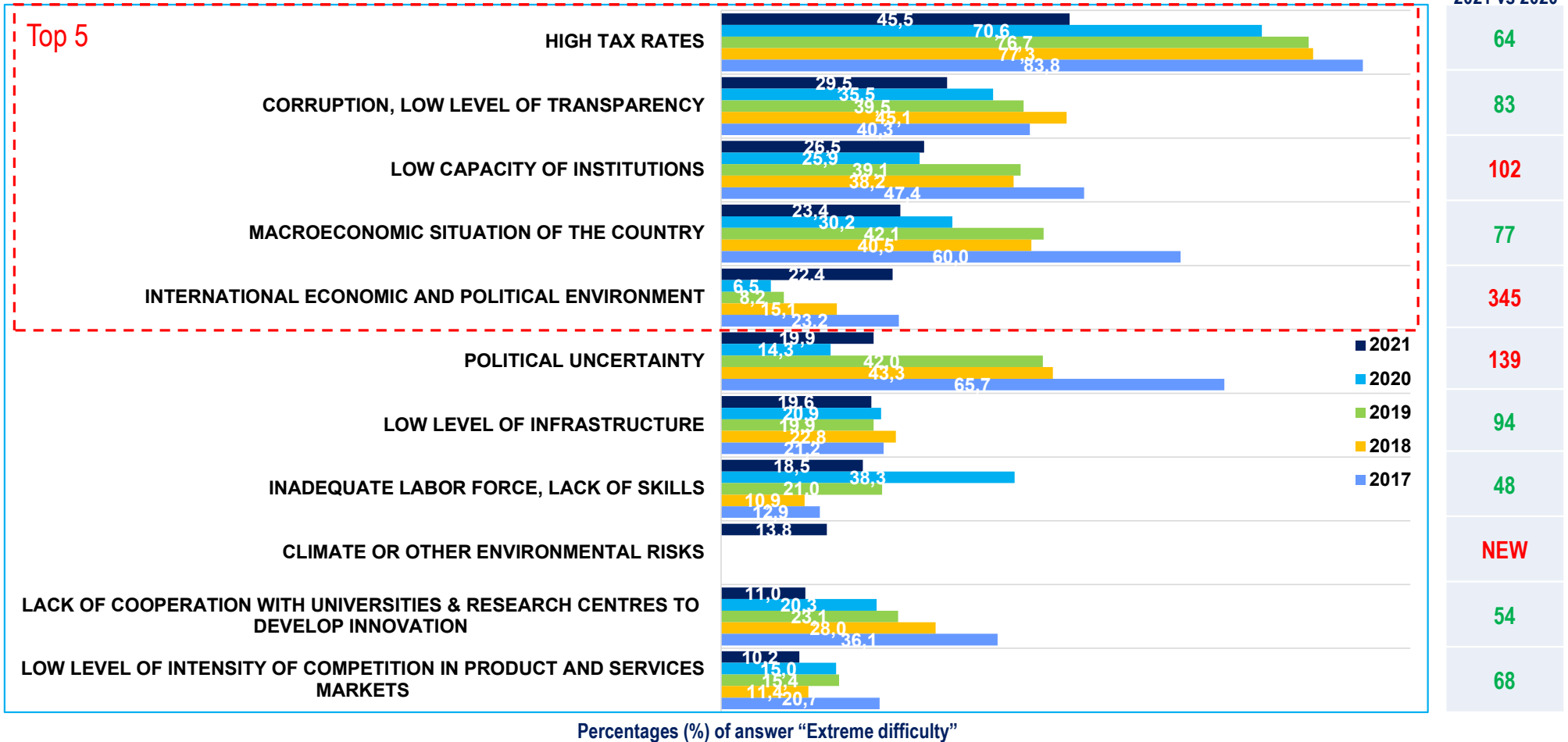
EXTREME DIFFICULTY **10** → **1** NO DIFFICULTY

Index of  
Macro  
Obstacles



# EVALUATION OF MACRO ENVIRONMENT BUSINESS OBSTACLES - TOP BOX

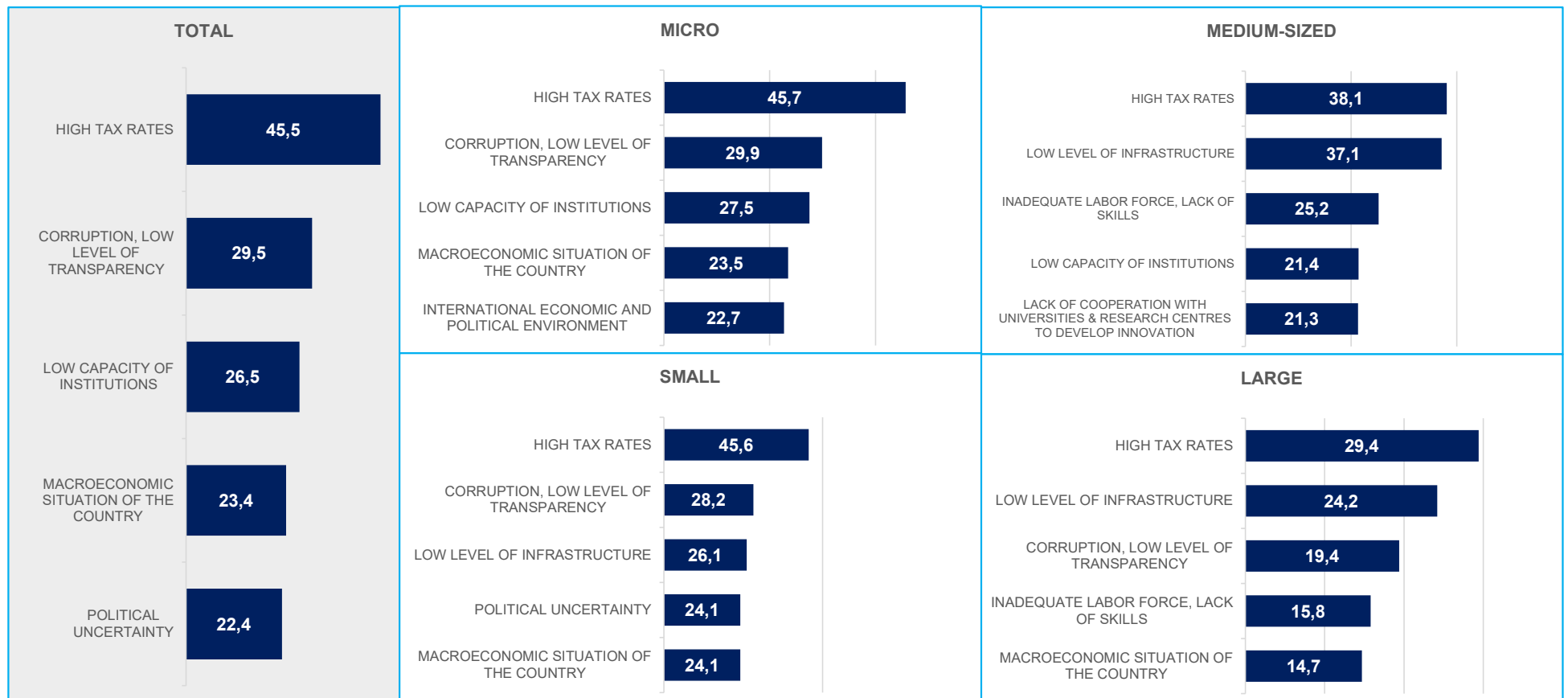
Thinking of your own company, please evaluate all the following categories of obstacles to business operation on a scale from 1 to 5, where 1 = NO DIFFICULTY and 5 = EXTREME DIFFICULTY.



# EVALUATION OF MACRO ENVIRONMENT BUSINESS OBSTACLES - COMPANY SIZE

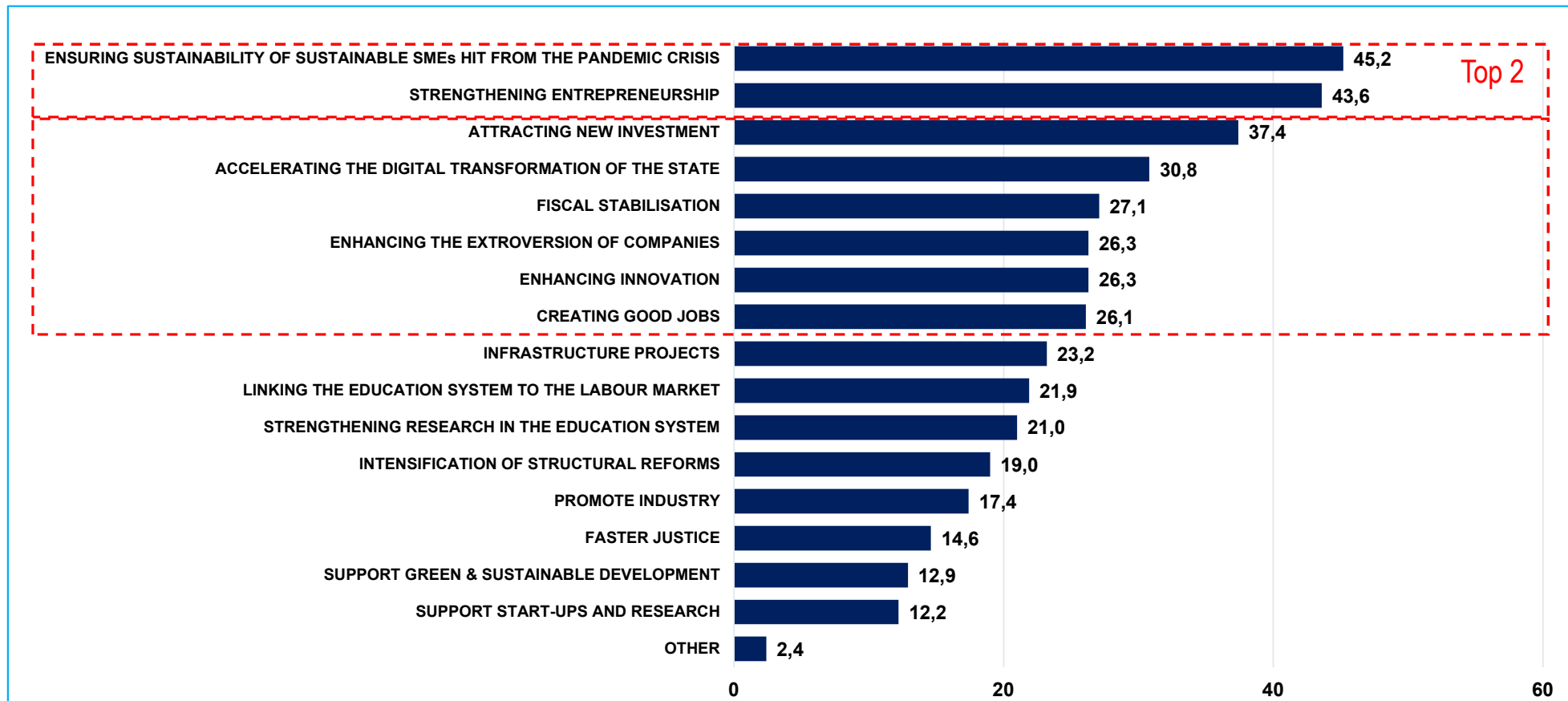
Top-5 obstacles to business operation at a macro environment level; analysis based on company size.

Scale from 1 to 5, where 1 = NO DIFFICULTY and 5 = EXTREME DIFFICULTY  
Percentages (%) of answer "Extreme difficulty"



# PROPOSALS TO IMPROVE THE MACRO ENVIRONMENT

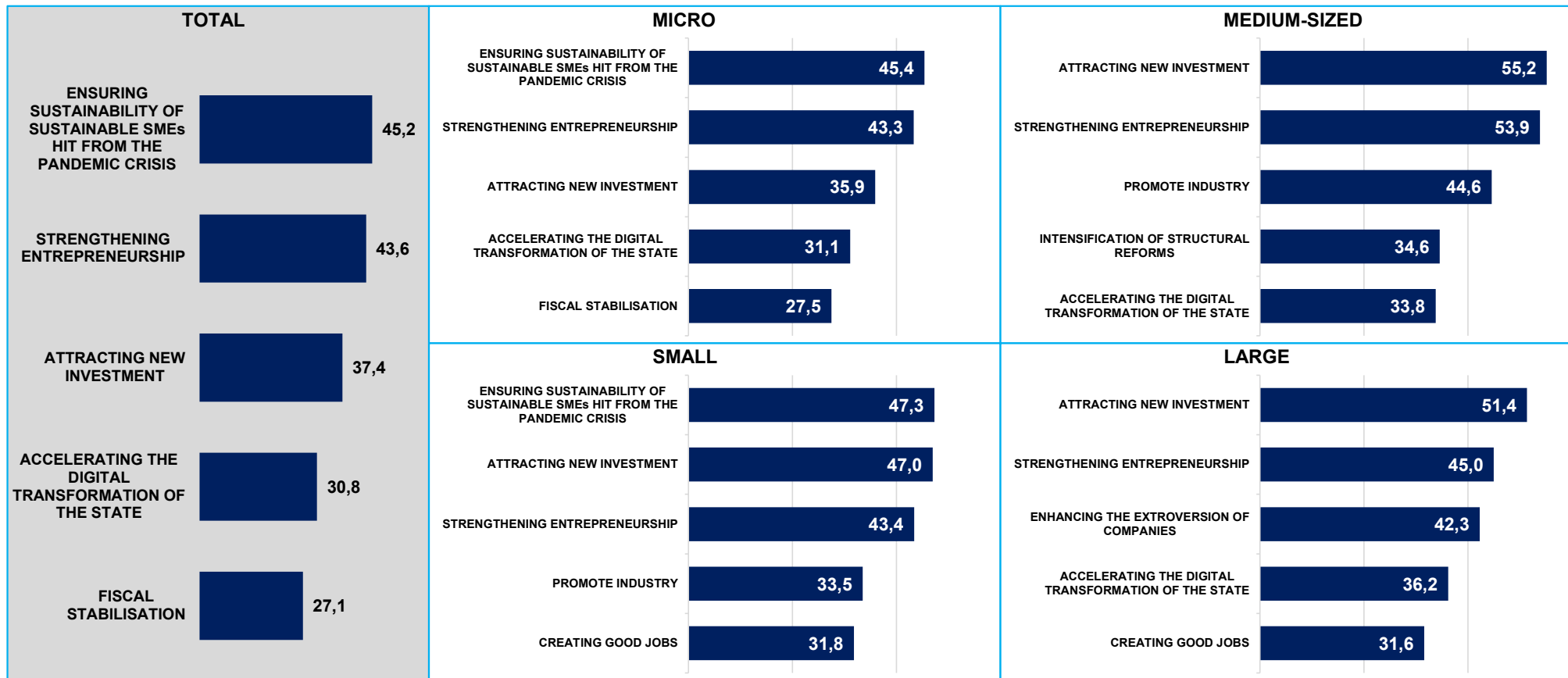
Choose up to five (5) top priorities for the country in order to recover from the pandemic.



Note: Option for five answers.

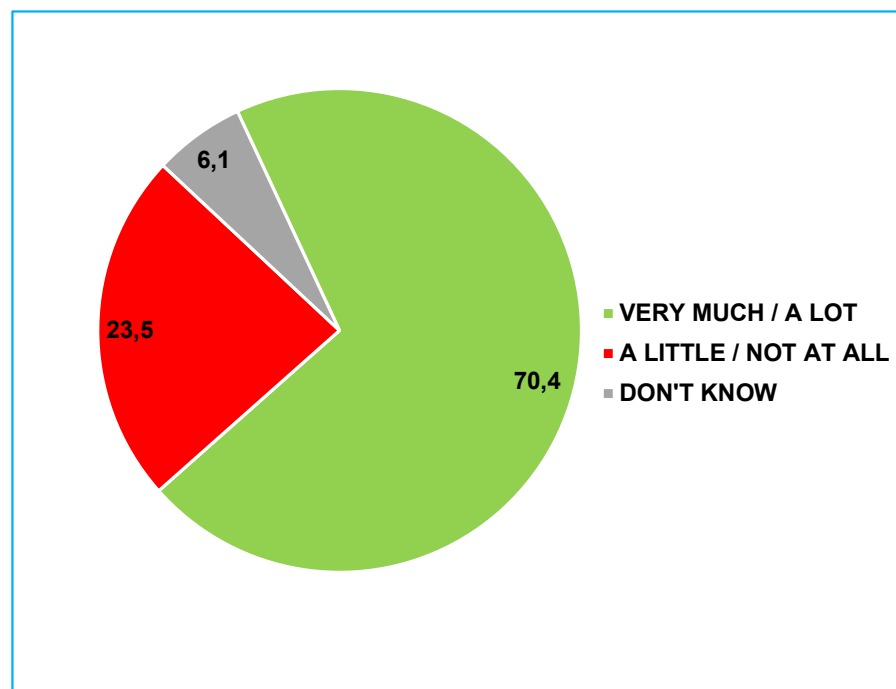
# PROPOSALS TO IMPROVE THE MACRO ENVIRONMENT - COMPANY SIZE

Choose up to five (5) top priorities for the country in order to recover from the pandemic.



## EFFECT OF THE NATIONAL RECOVERY AND RESILIENCE PLAN

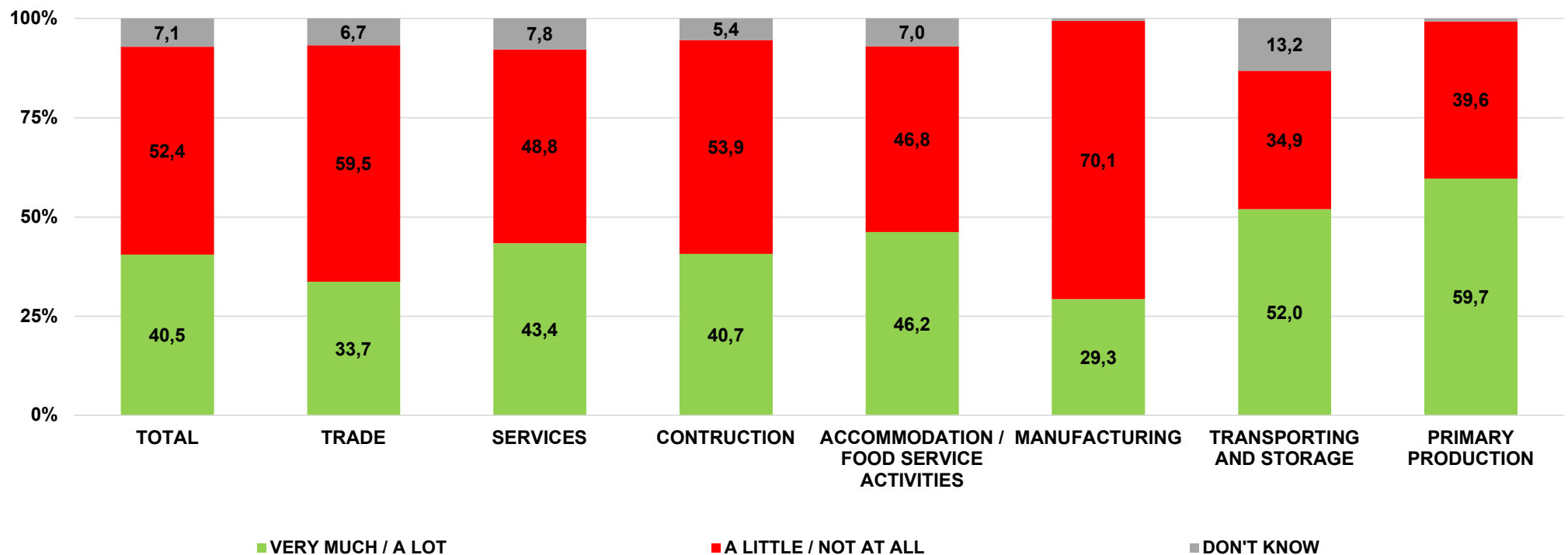
Will the National Recovery and Resilience Plan “Greece 2.0” contribute to recover from the crisis?





# EFFECT OF THE NATIONAL RECOVERY AND RESILIENCE PLAN - SECTOR ANALYSIS

Do you believe that your sector will benefit from the allocation of the National Recovery and Resilience Plan funds?



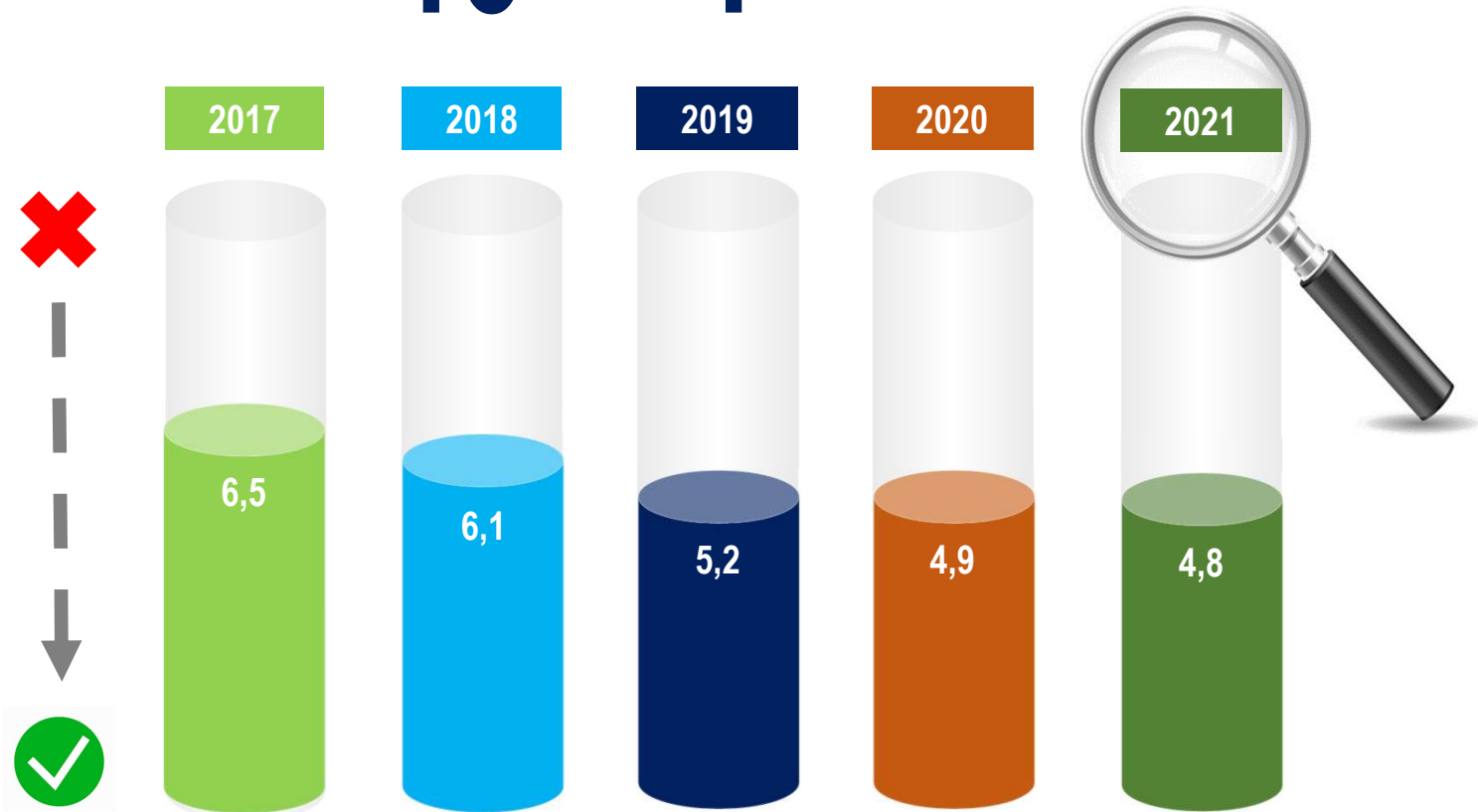
# Micro environment business obstacles



# INDEX OF MICRO ENVIRONMENT BUSINESS OBSTACLES

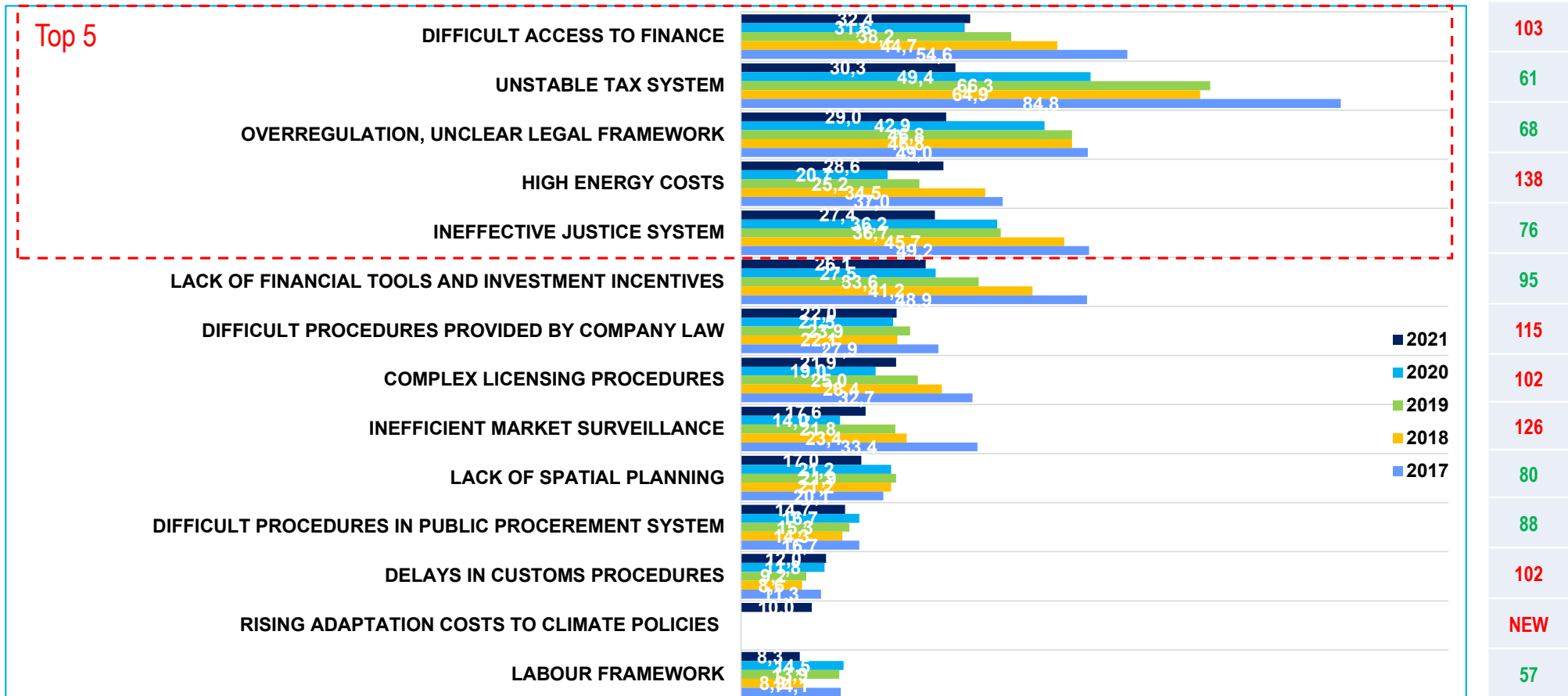
EXTREME DIFFICULTY **10** → **1** NO DIFFICULTY

Index of  
Micro  
Obstacles



# EVALUATION OF MICRO ENVIRONMENT BUSINESS OBSTACLES - TOP BOX

Thinking of your own company, please evaluate all the following categories of obstacles to business operation on a scale from 1 to 5, where 1 = NO DIFFICULTY and 5 = EXTREME DIFFICULTY.

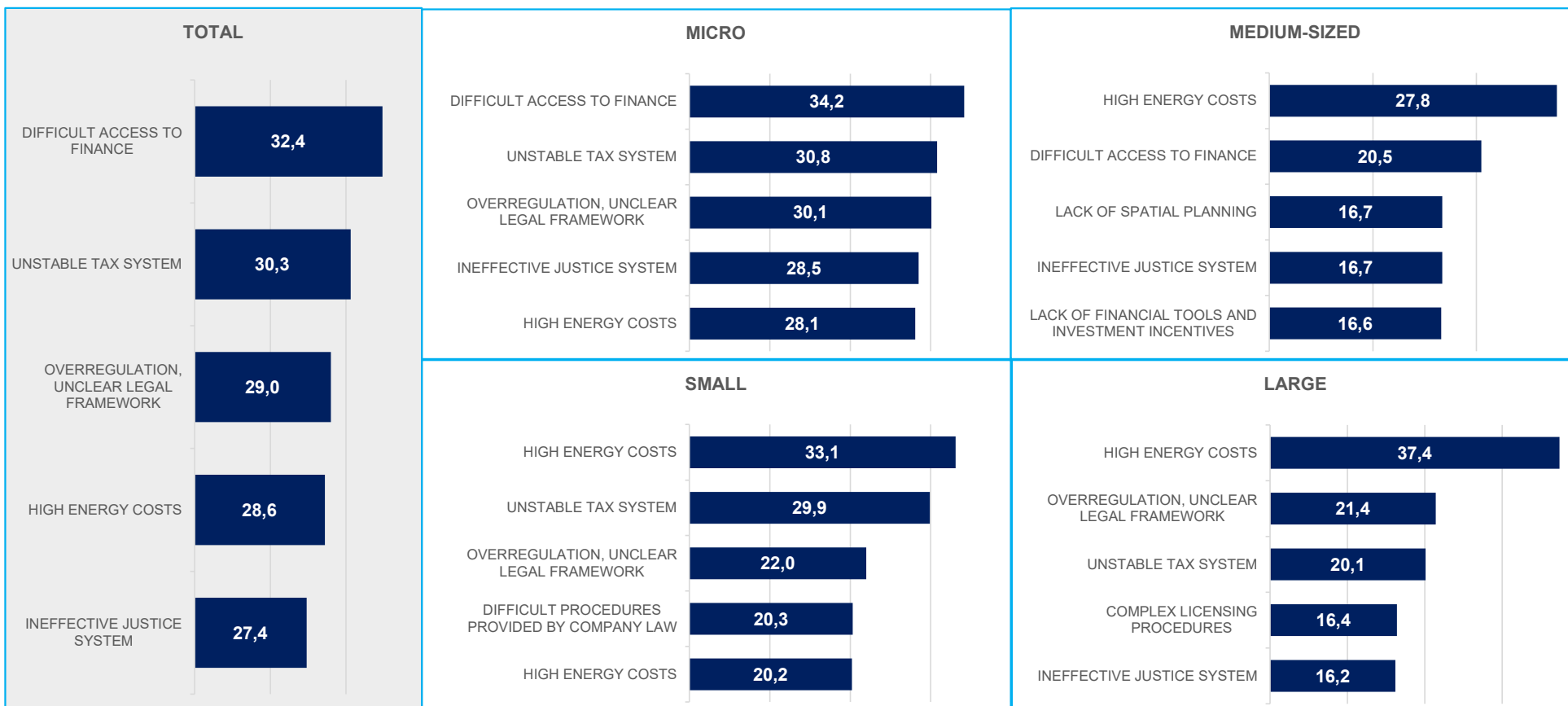


Percentages (%) of answer "Extreme difficulty"

# EVALUATION OF MICRO ENVIRONMENT BUSINESS OBSTACLES - COMPANY SIZE

Top-5 obstacles to business operation at a micro environment level; analysis based on company size.

Scale from 1 to 5, where 1 = NO DIFFICULTY and 5 = EXTREME DIFFICULTY  
 Percentages (%) of answer "Extreme difficulty"



# Solutions companies suggest to remove the micro environment obstacles

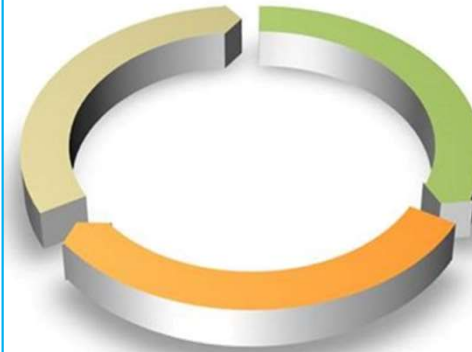
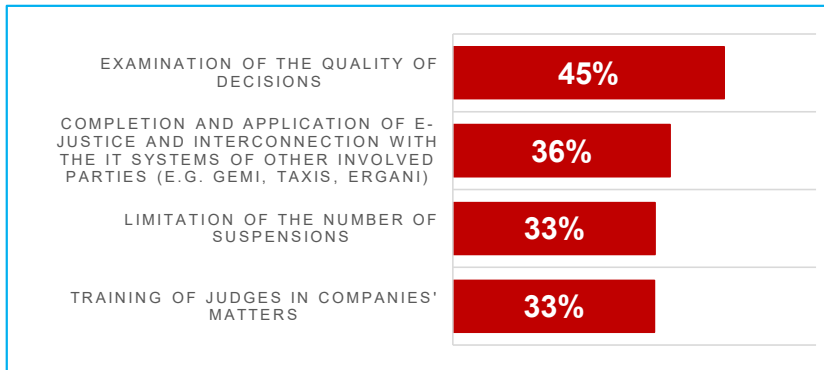


# SOLUTIONS FOR THE MICRO ENVIRONMENT - TOP 5

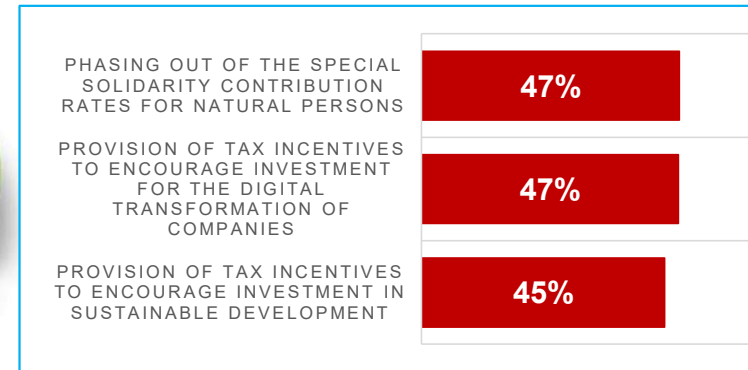
## 1. DIFFICULT ACCESS TO FINANCE



## 5. INEFFECTIVE JUSTICE SYSTEM



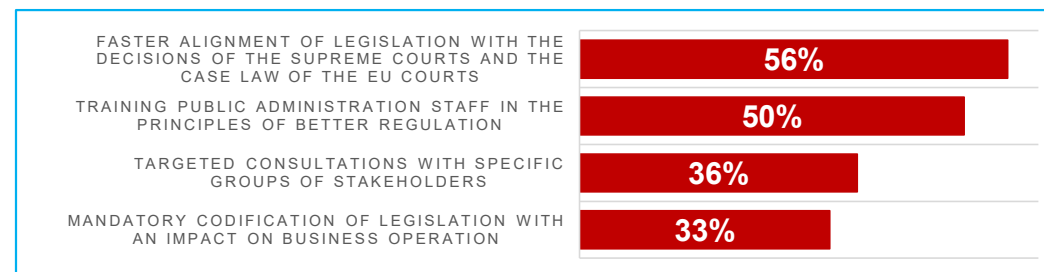
## 2. UNSTABLE TAX SYSTEM



## 4. HIGH ENERGY COSTS



## 3. OVERREGULATION, UNCLEAR LEGAL FRAMEWORK



NOTE: EACH RESPONDENT ANSWERED ONLY FOR THE TOP 4 OBSTACLES IN THE MICRO ENVIRONMENT, ACCORDING TO HIS/HER EVALUATION. GRAPHS SHOW SUGGESTED SOLUTIONS THAT RECEIVED A PERCENTAGE HIGHER THAN 30%.

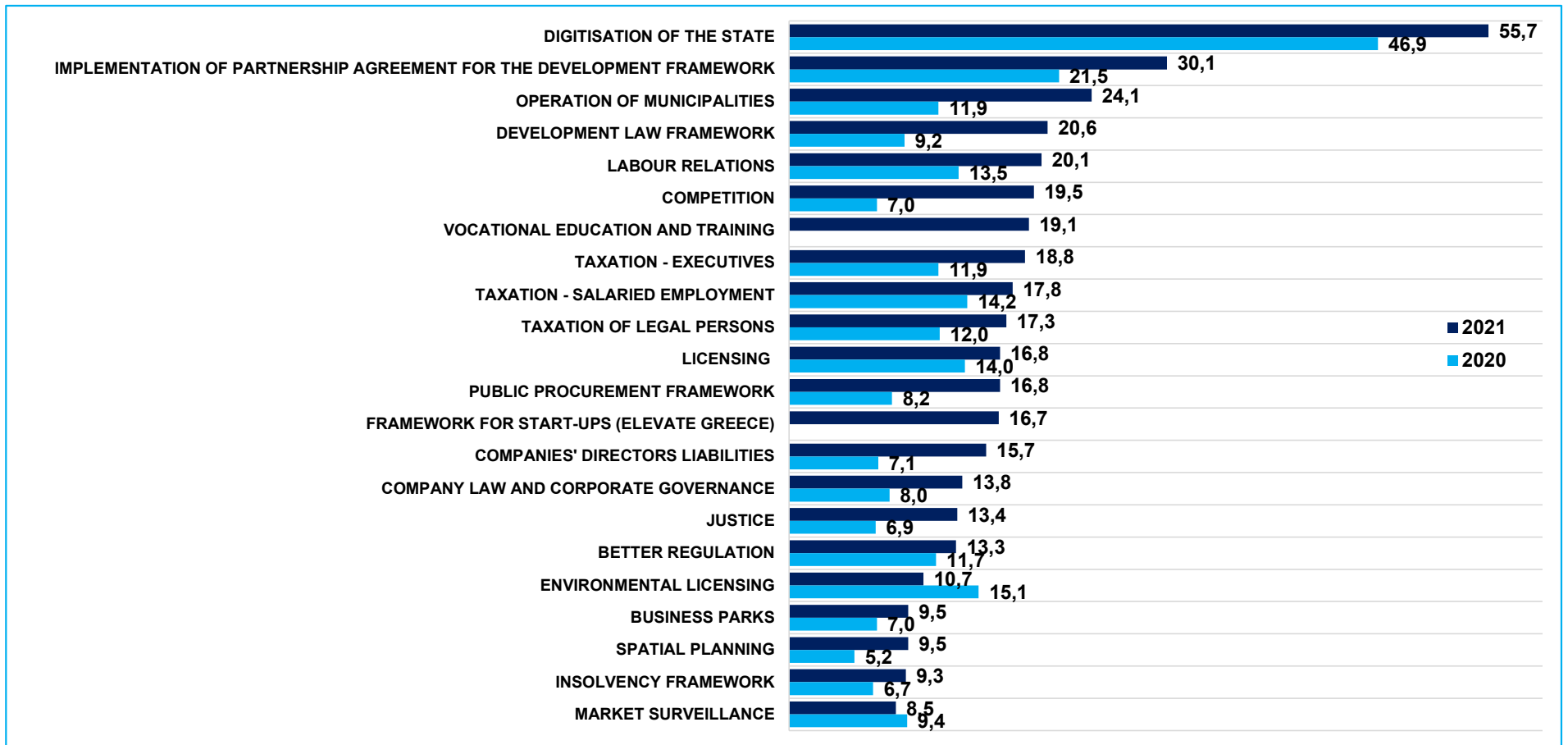
# Reform assessment





# REFORM ASSESSMENT FOR THE DAY-TO-DAY BUSINESS OPERATION

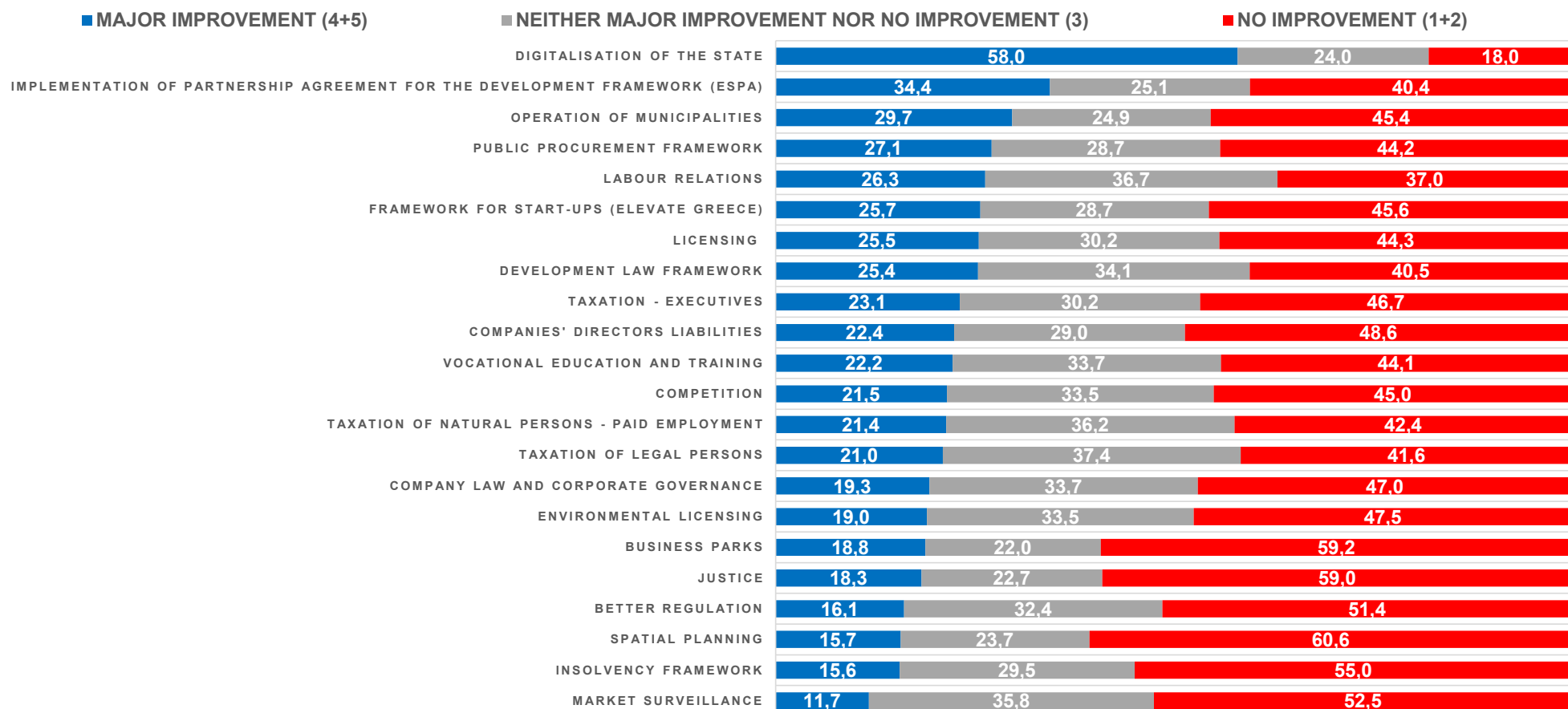
In each of the areas below, have you seen an improvement for your business in the last 12 months, on a scale from 1 to 5, where 1 = NO IMPROVEMENT and 5 = MAJOR IMPROVEMENT?



Percentages (%) of answer "Major improvement"

# REFORM ASSESSMENT FOR THE DAY-TO-DAY BUSINESS OPERATION

In each of the areas below, have you seen an improvement for your business in the last 12 months, on a scale from 1 to 5, where 1 = NO IMPROVEMENT and 5 = MAJOR IMPROVEMENT?



Answers from those with an opinion only.

# Quality of services provided by public administration to companies



# QUALITY INDEX BY THE SERVICES PROVIDED BY PUBLIC ADMINISTRATION

NO SATISFACTION

1 → 10

SATISFACTION

Quality Index  
by services provided



2017



4,8

2018



6,1

2019



6,0

2020



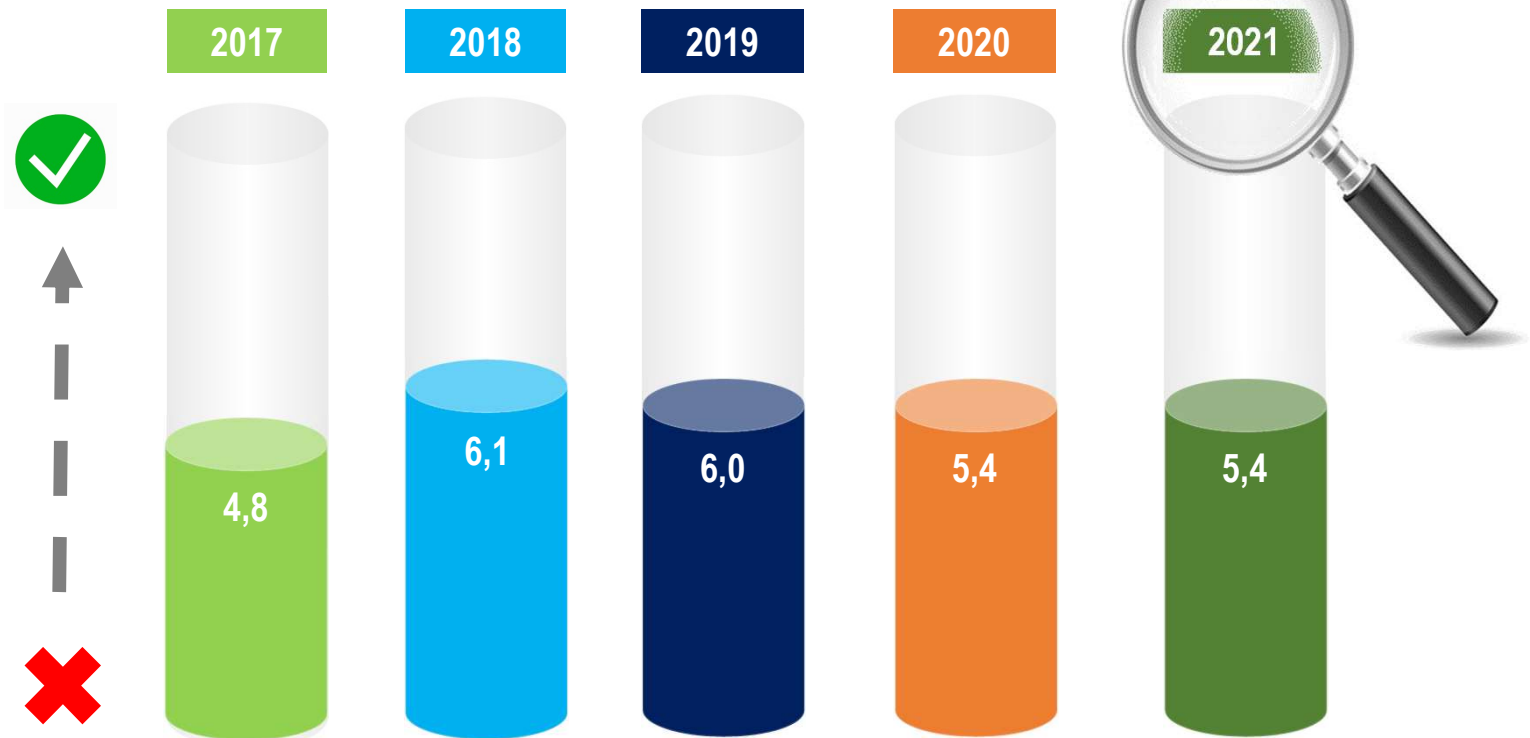
5,4



2021

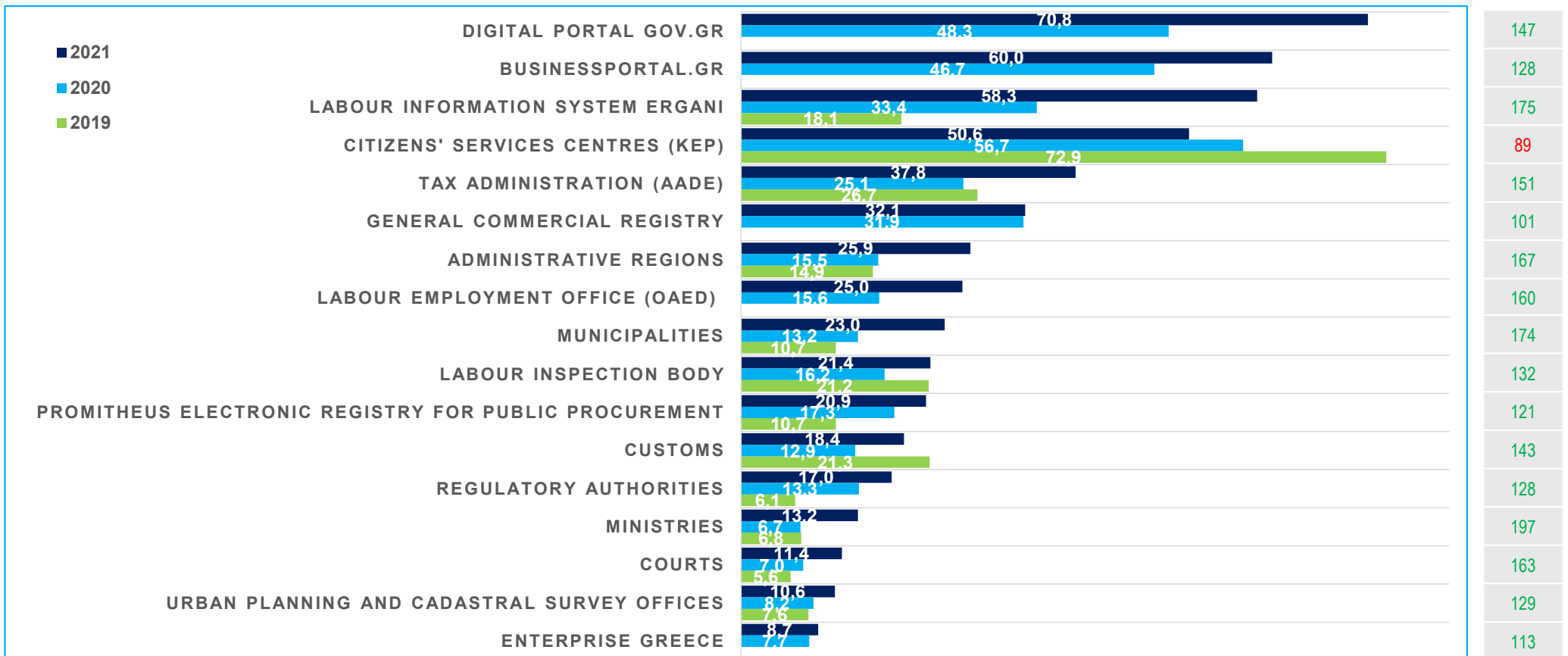


5,4



# EVALUATION OF QUALITY OF SERVICES PROVIDED BY PUBLIC ADMINISTRATION

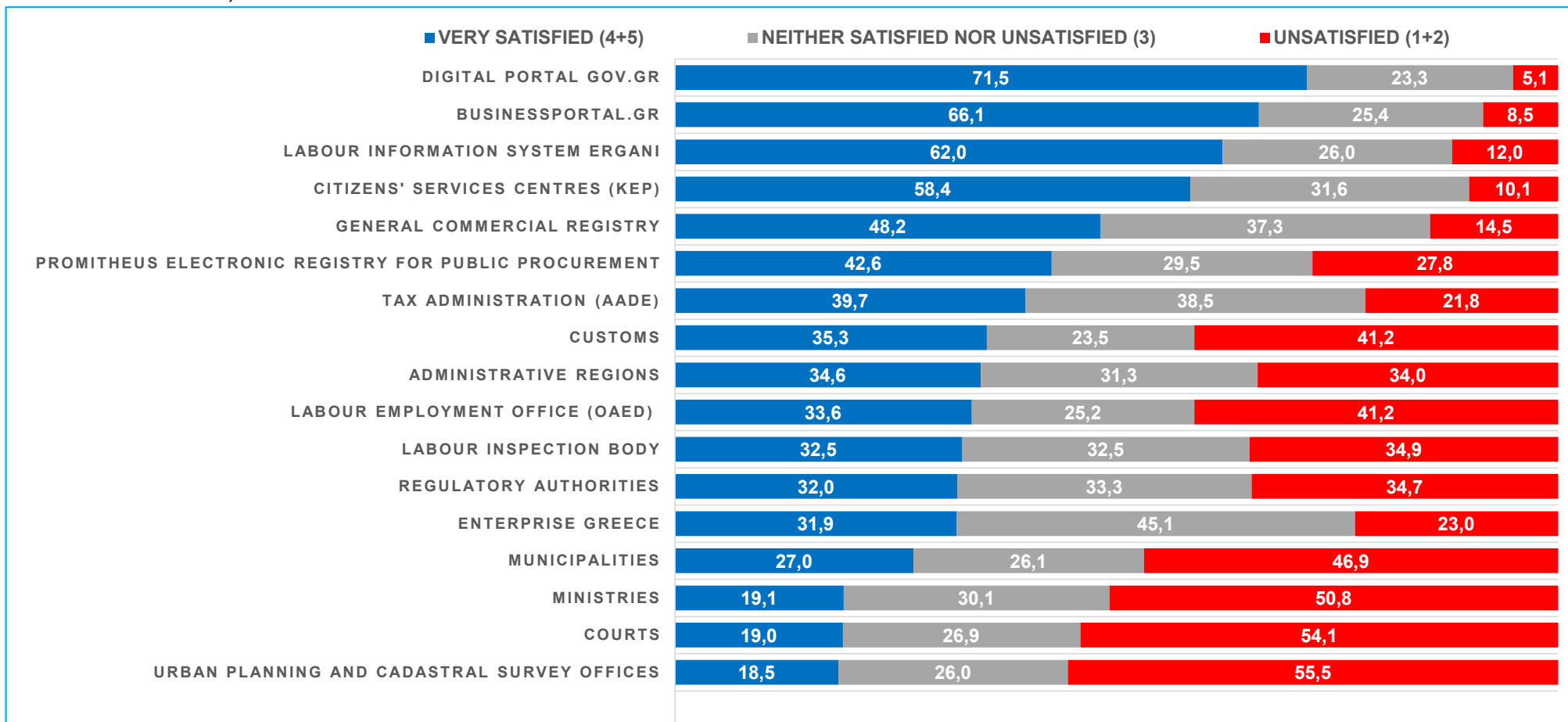
Based on your experience during the last two years, please evaluate your overall satisfaction by the quality of services provided by public administration, on a scale from 1 to 5, where 1 = UNSATISFIED and 5 = VERY SATISFIED.



Percentages (%) of answer "Satisfied / Very satisfied"

# EVALUATION OF QUALITY OF SERVICES PROVIDED BY PUBLIC ADMINISTRATION

Based on your experience during the last two years, please evaluate your overall satisfaction by the quality of services provided by public administration, on a scale from 1 to 5, where 1 = UNSATISFIED and 5 = VERY SATISFIED.

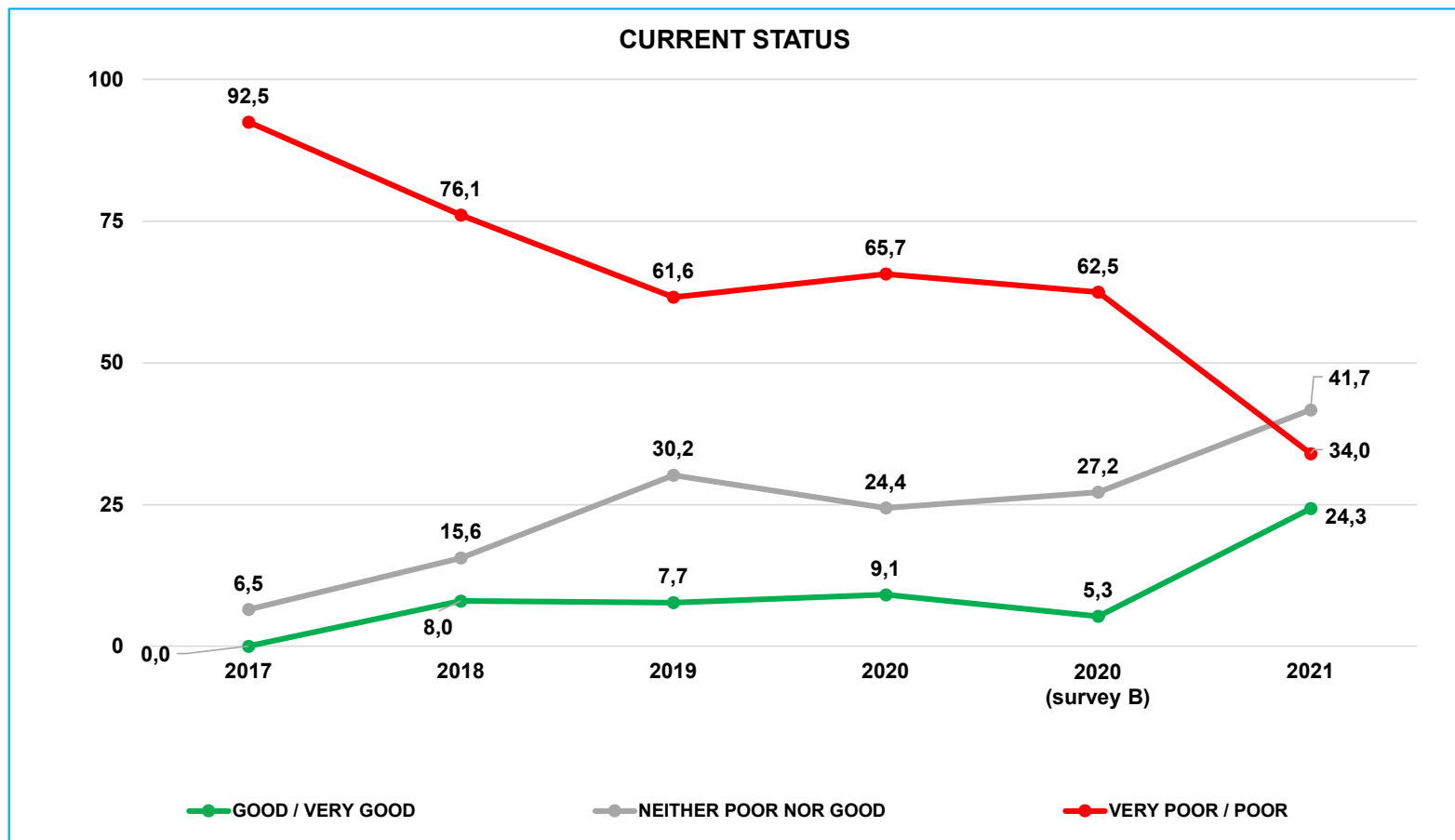


Answers from those with an opinion only.

# Business environment



# GENERAL OVERVIEW OF COUNTRY'S PERFORMANCE

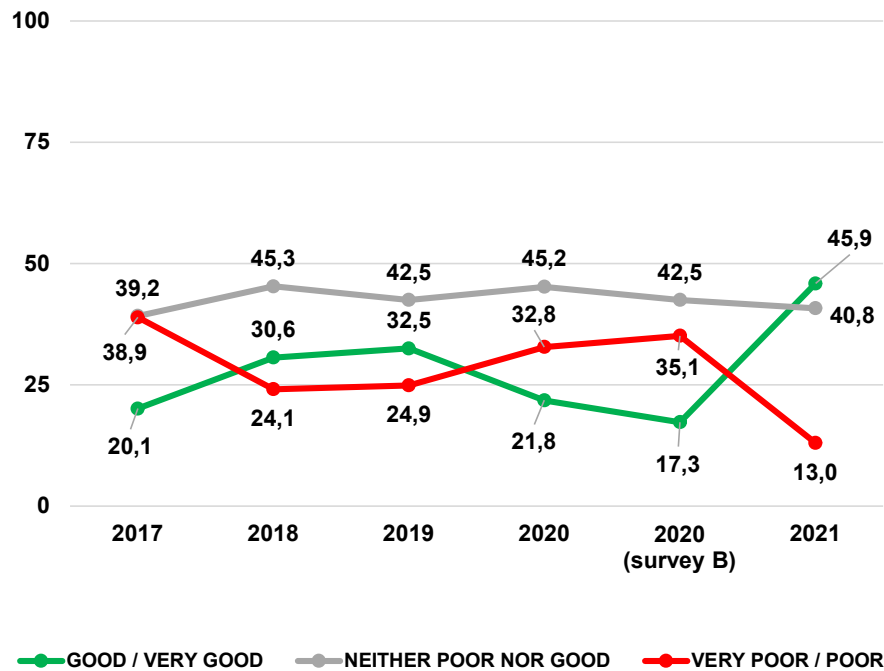


Note: Percentages exclude answers "Do not know / No answer".  
Survey B': Second survey conducted after the lockdown in 2020.

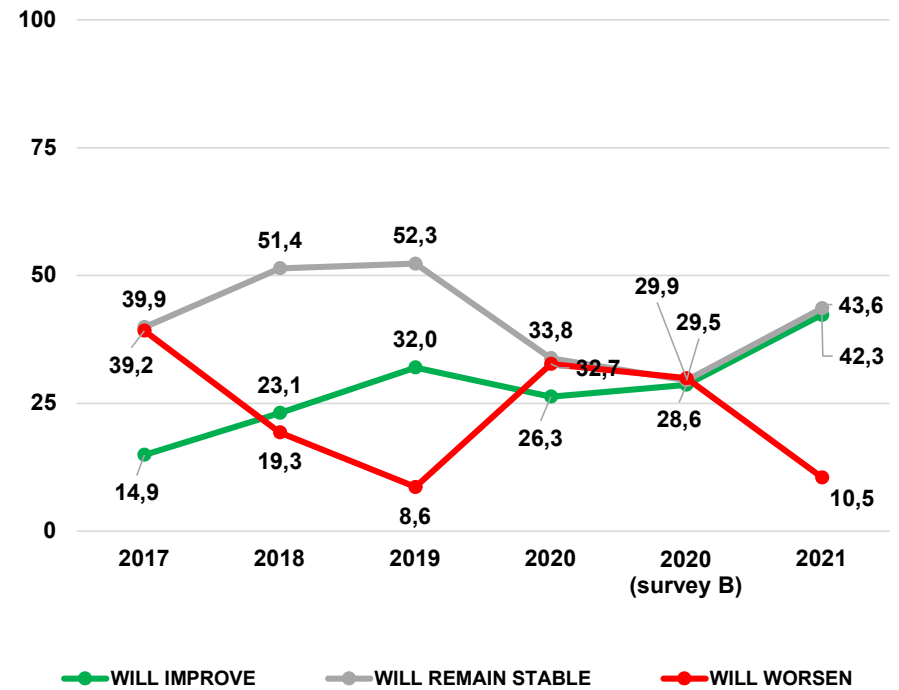


# GENERAL OVERVIEW OF COMPANY'S PERFORMANCE

## CURRENT STATUS

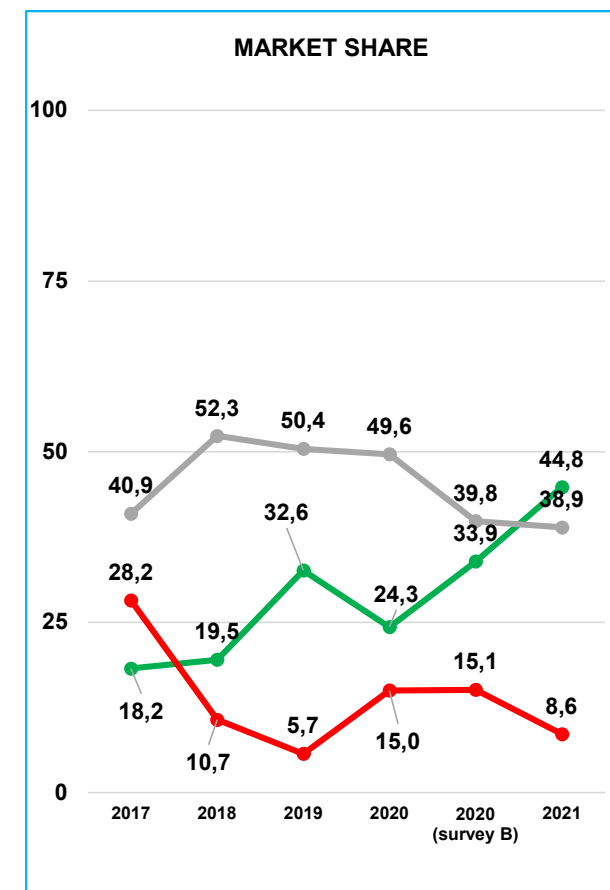
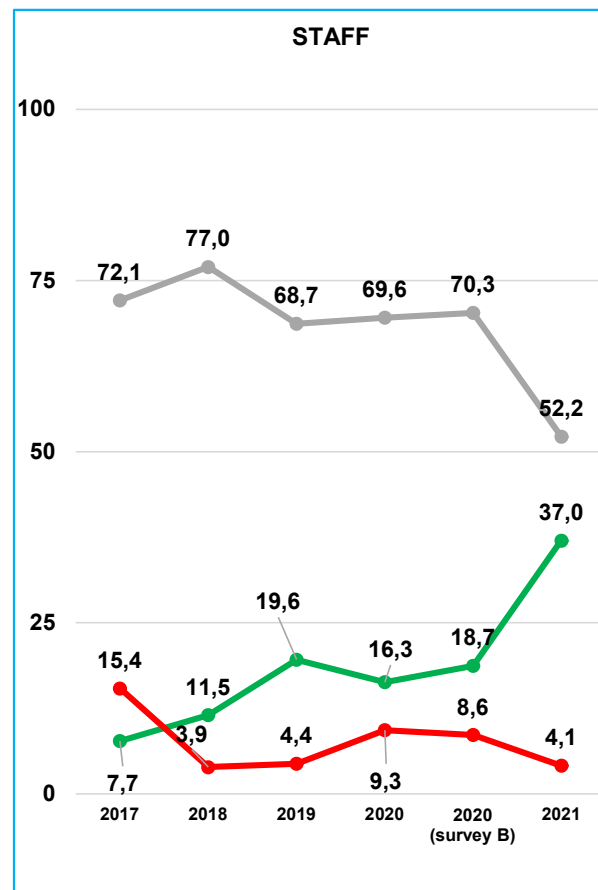
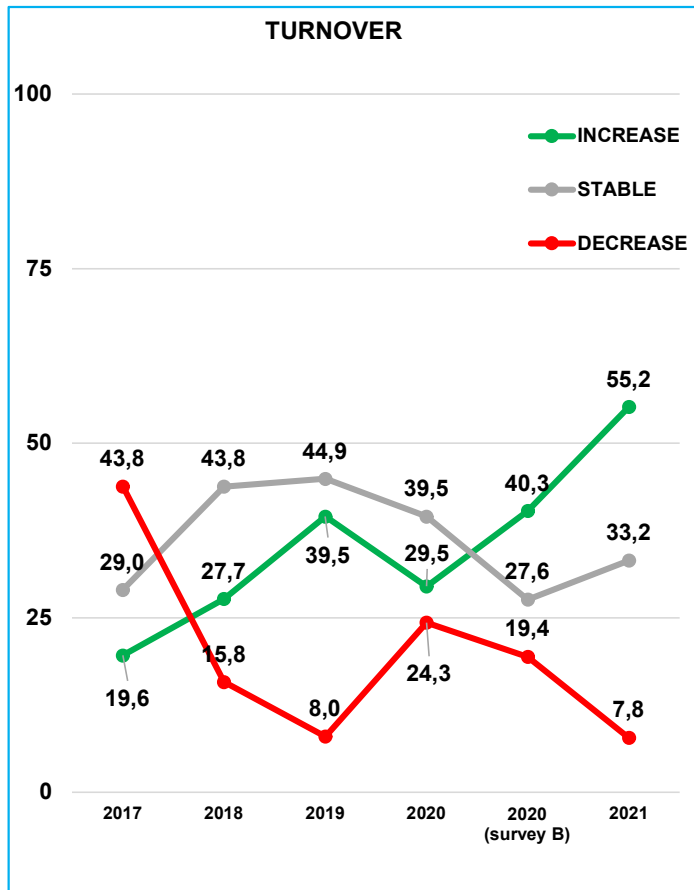


## FUTURE STATUS



Note: Percentages exclude answers "Do not know / No answer".  
 Survey B': Second survey conducted after the lockdown in 2020.

# GENERAL OVERVIEW OF COMPANY'S PERFORMANCE - FUTURE STATUS

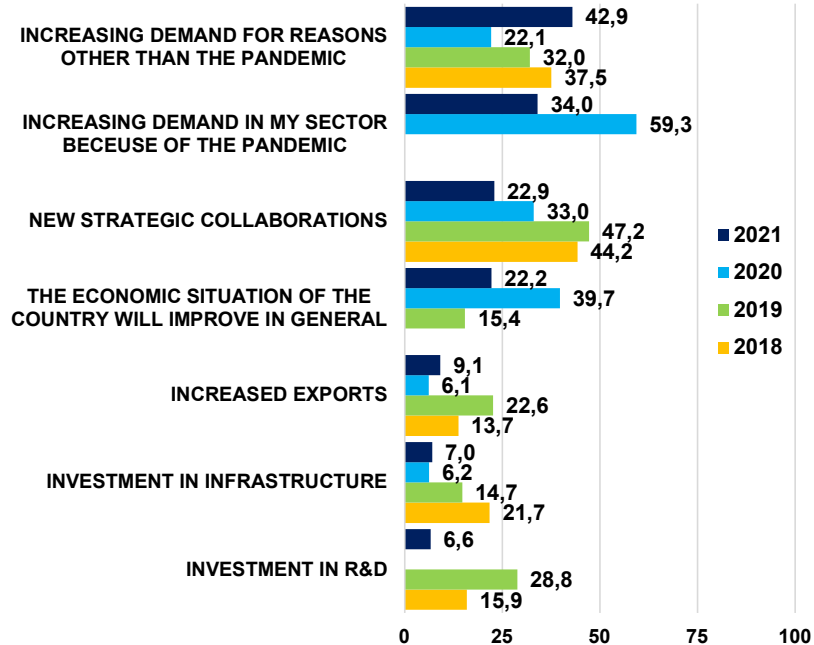


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 Survey B': Second survey conducted after the lockdown in 2020.

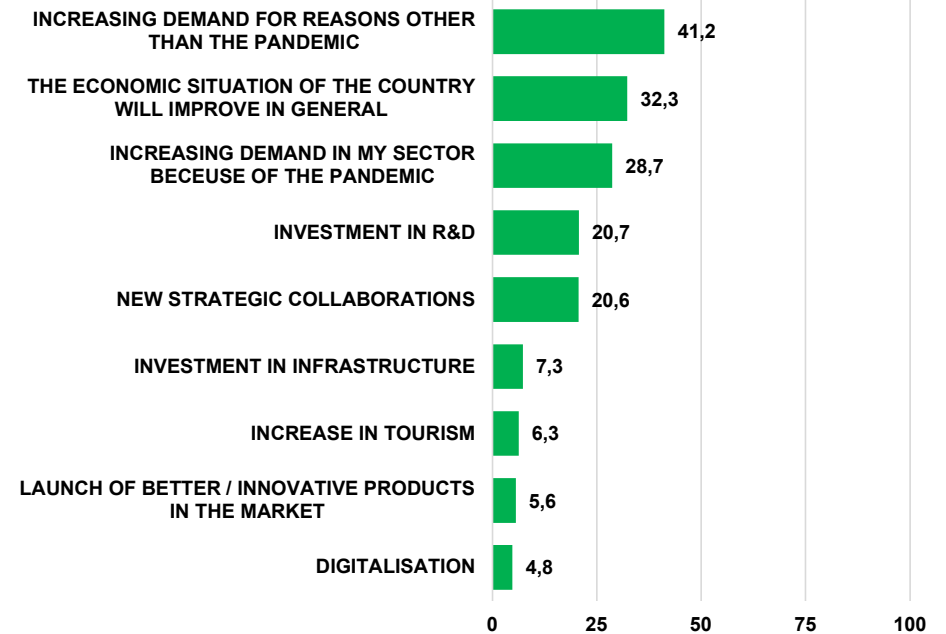
# GENERAL OVERVIEW OF COMPANY'S PERFORMANCE

## Reasons for turnover increase in the following year

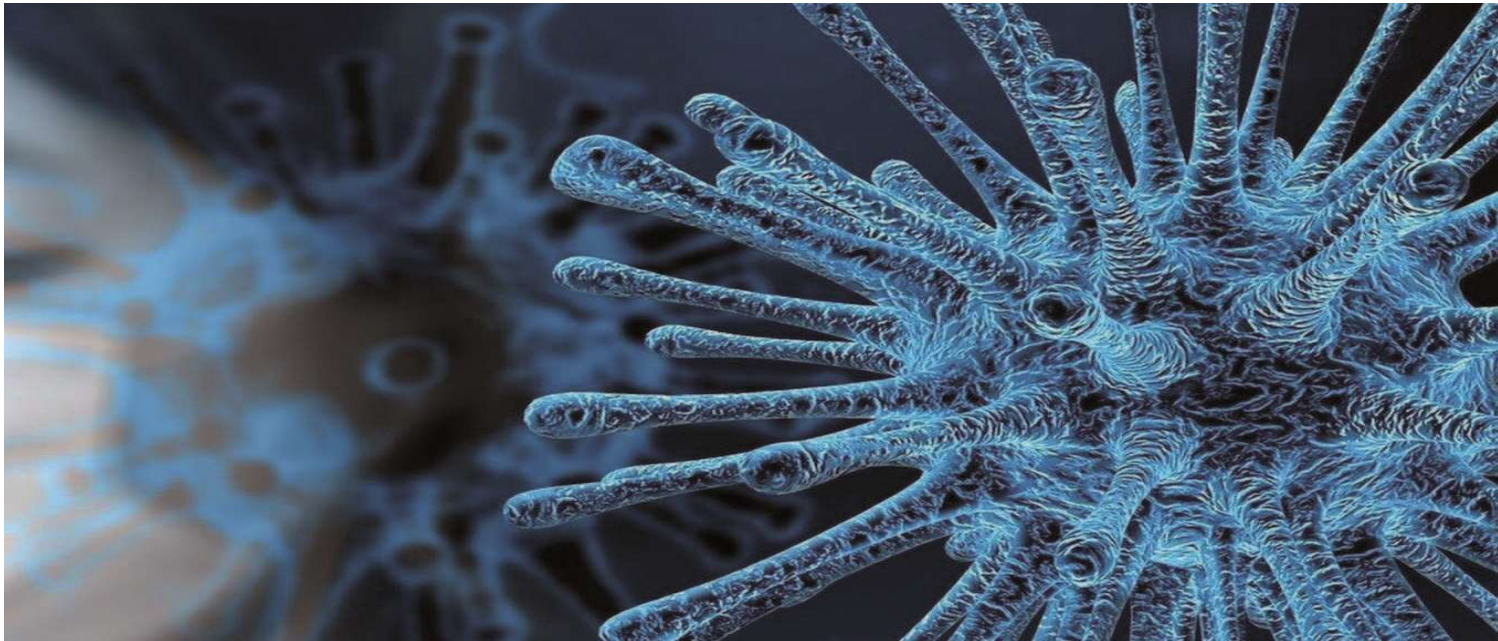
### FACT - WHAT ACTUALLY HAPPENED EACH YEAR



### EXPECTATION - TURNOVER INCREASE IN 2022

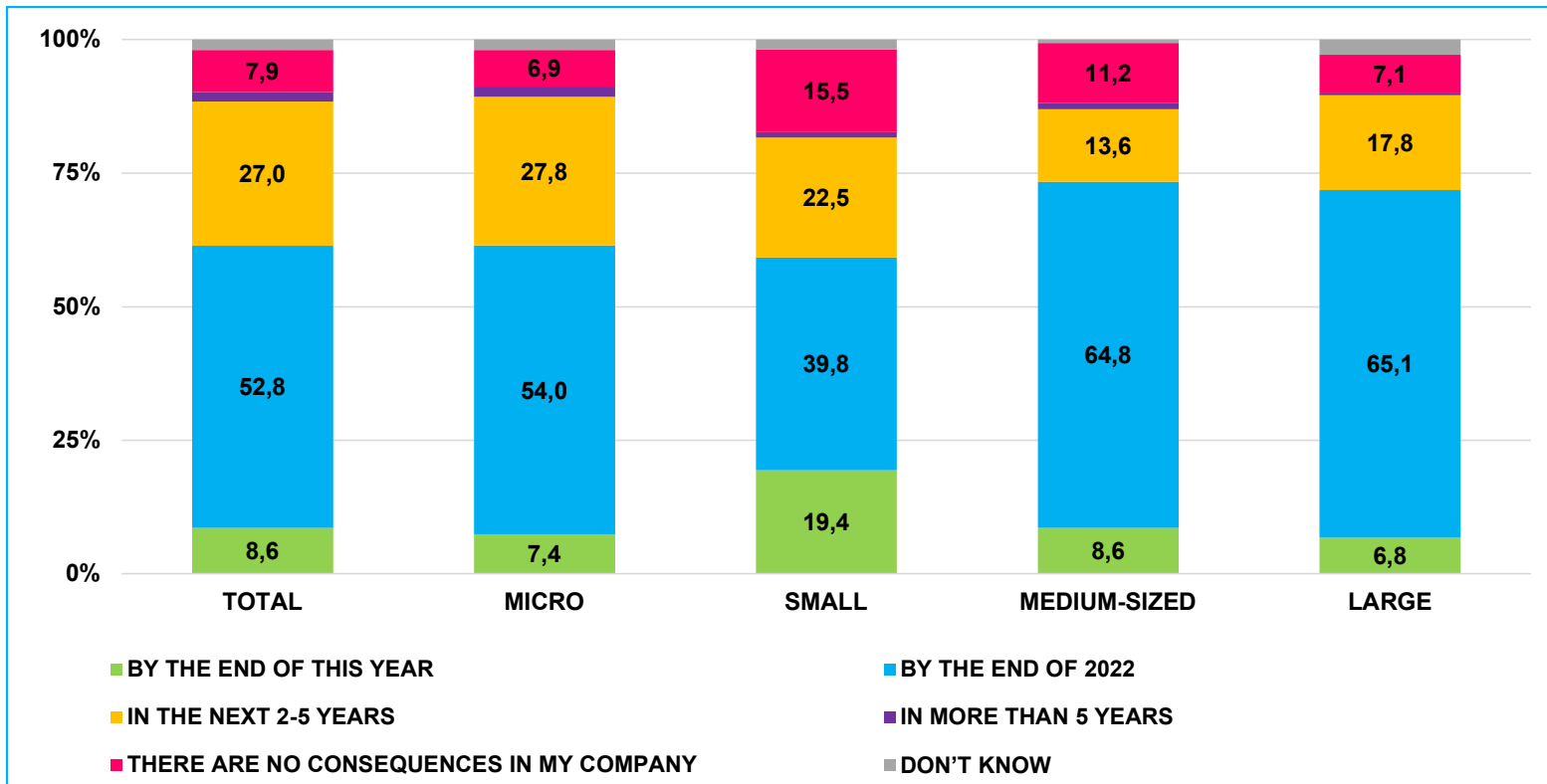


# Companies in the pandemic era



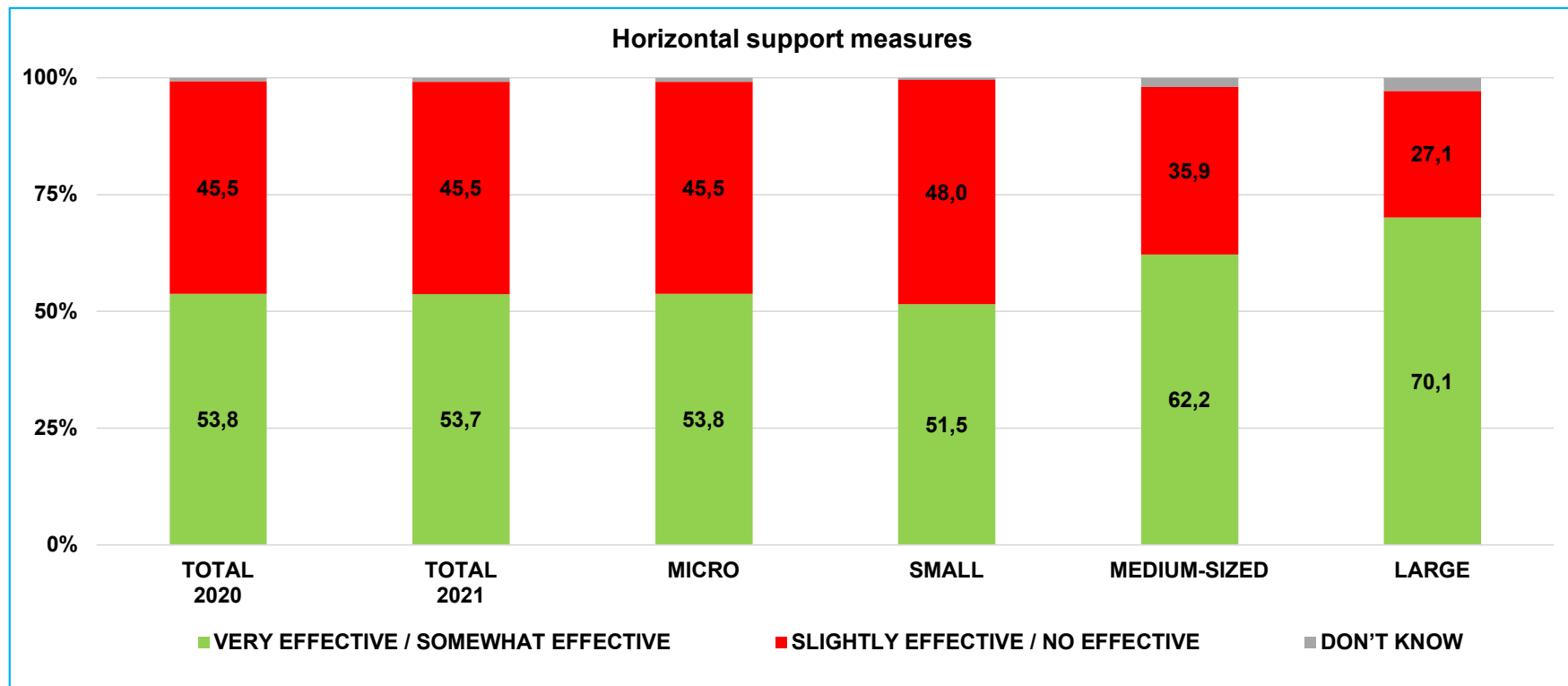
## DURATION OF THE PANDEMIC IMPACT - COMPANY SIZE

How long do you think any impact of the coronavirus pandemic will last for your company?



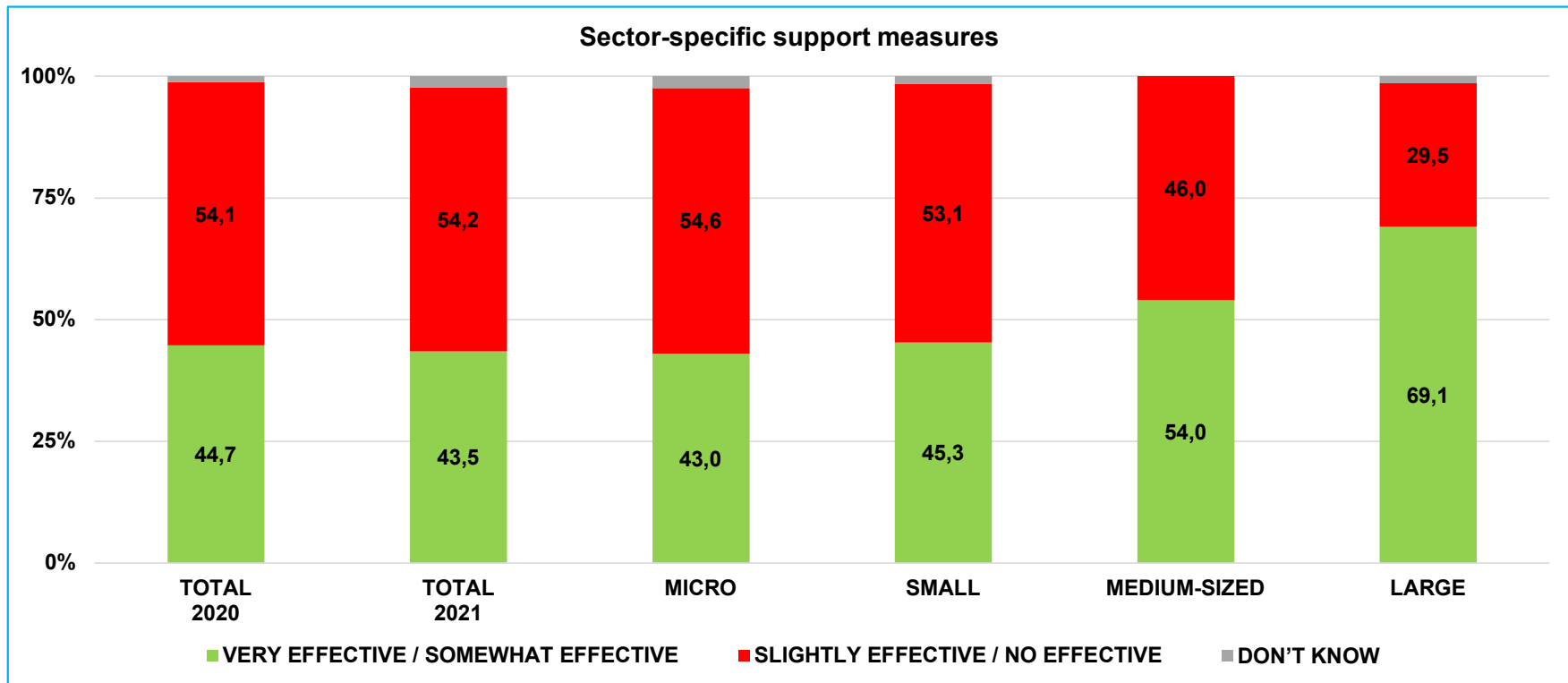
## EFFECTIVENESS OF HORIZONTAL SUPPORT MEASURES - COMPANY SIZE

What is your overall assessment of the support measures adopted by the government this year (2021) to address the pandemic coronavirus crisis as far as all businesses are concerned?



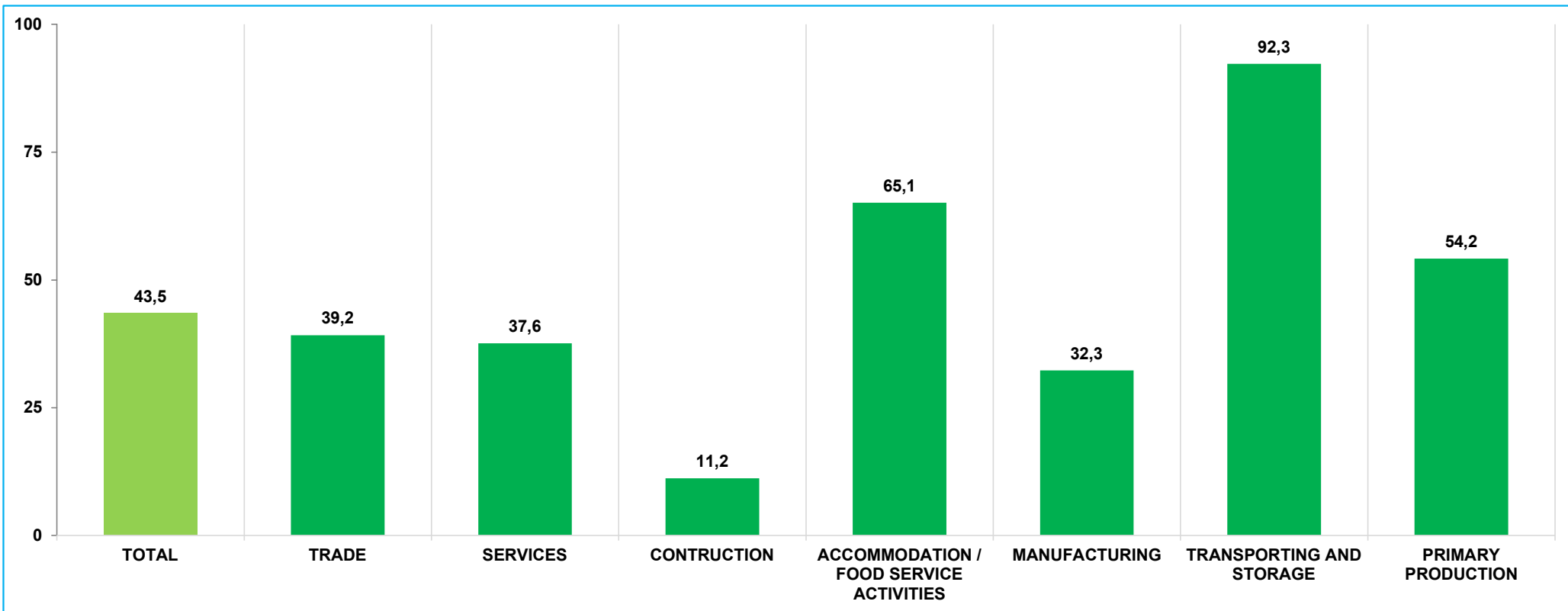
# EFFECTIVENESS OF SECTOR-SPECIFIC SUPPORT MEASURES - COMPANY SIZE

What is your overall assessment of the sector-specific support measures adopted by the government this year (2021) to address the pandemic coronavirus crisis?



# EFFECTIVENESS OF SECTOR-SPECIFIC SUPPORT MEASURES - SECTOR ANALYSIS

What is your overall assessment of the sector-specific support measures adopted by the government this year (2021) to address the pandemic coronavirus crisis?

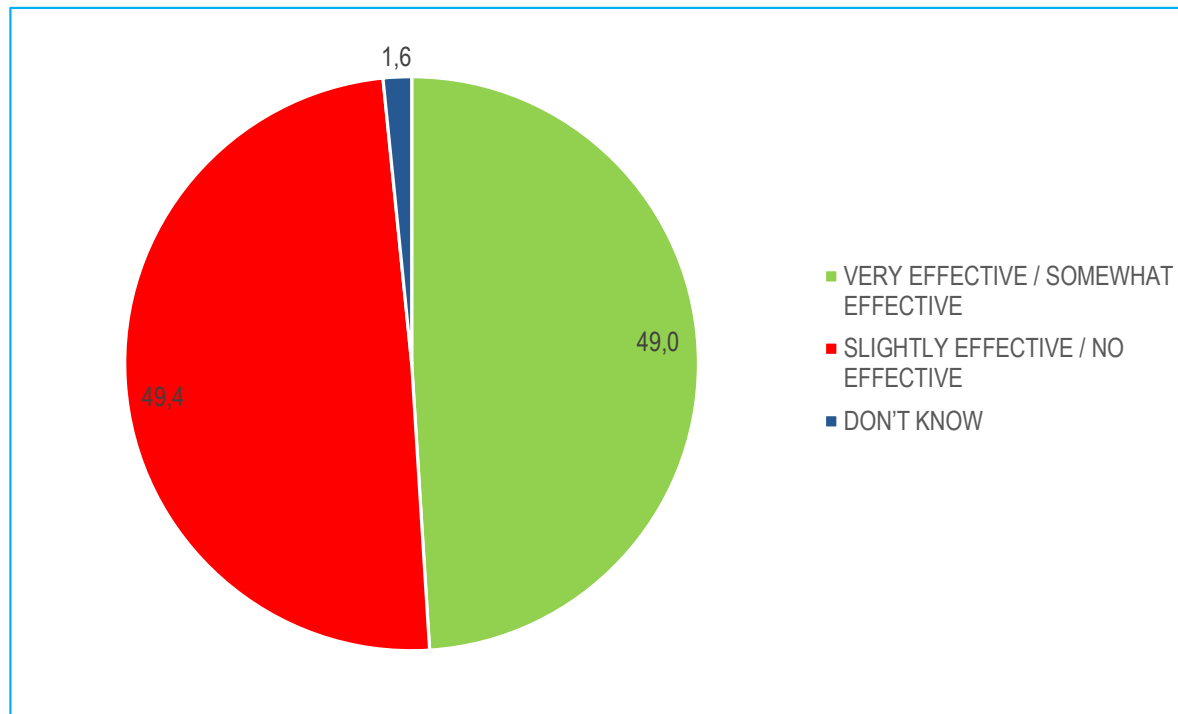


Percentages (%) of answer "Very effective / Somewhat effective"



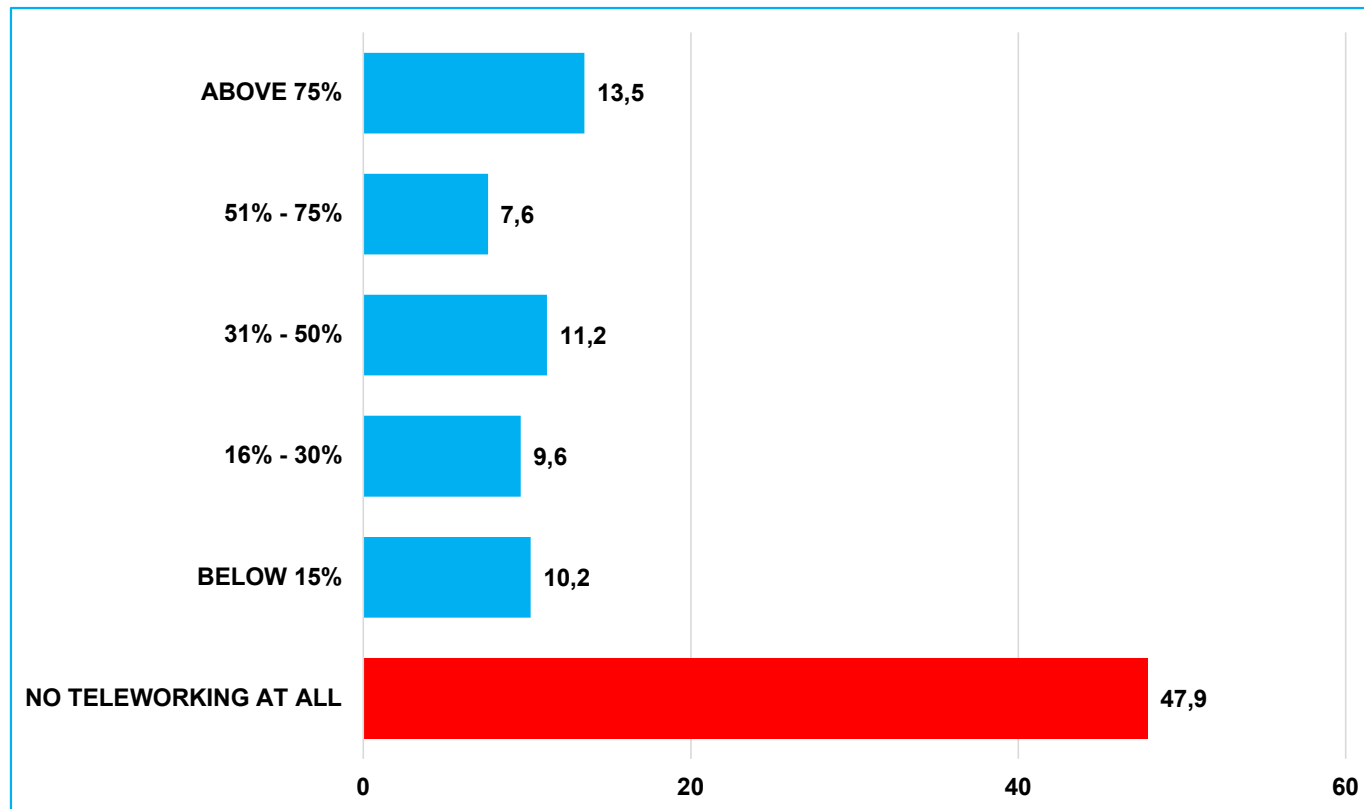
## EVALUATION OF MEASURES TAKEN FOR UNVACCINATED WORKERS SINCE MID-SEPTEMBER

How do you assess the government's measures implemented since mid-September for unvaccinated workers in the workplace in terms of protecting the individual company?



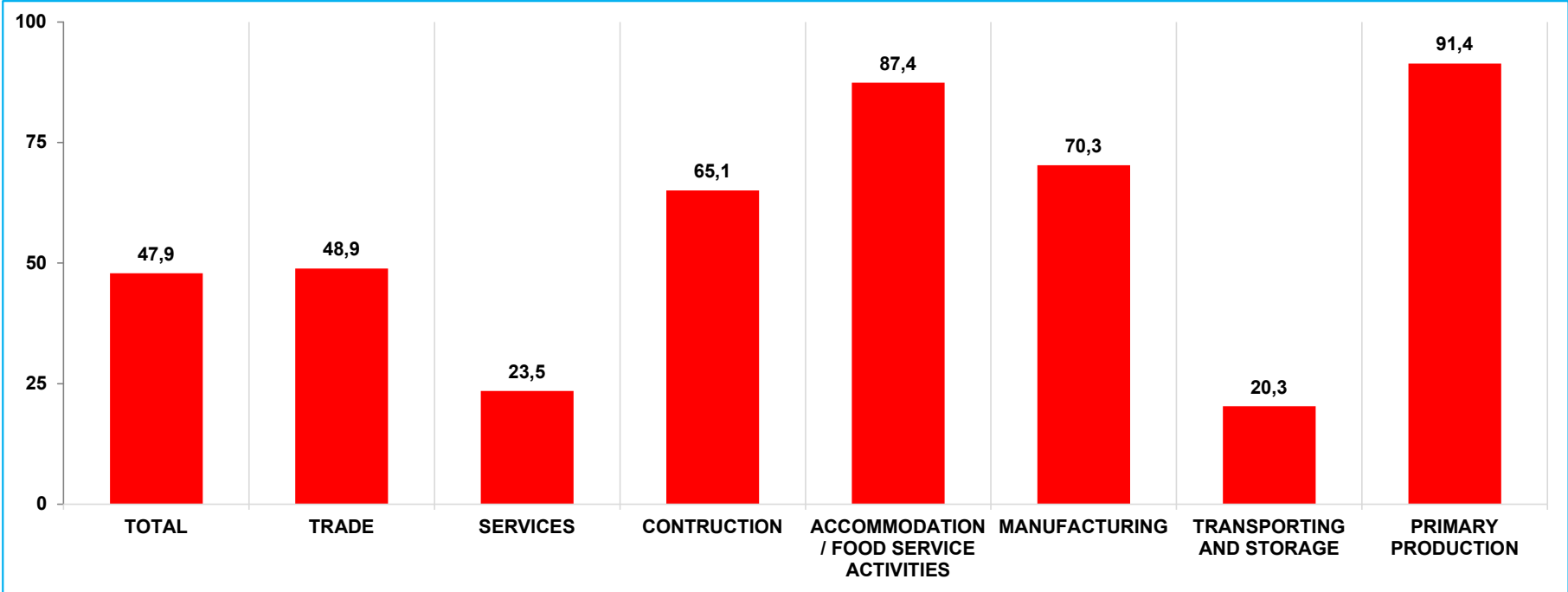
## TELEWORKING ADOPTION DURING 2021

To what extent on average (percentage of staff) was teleworking adopted in the year 2021 in your company?



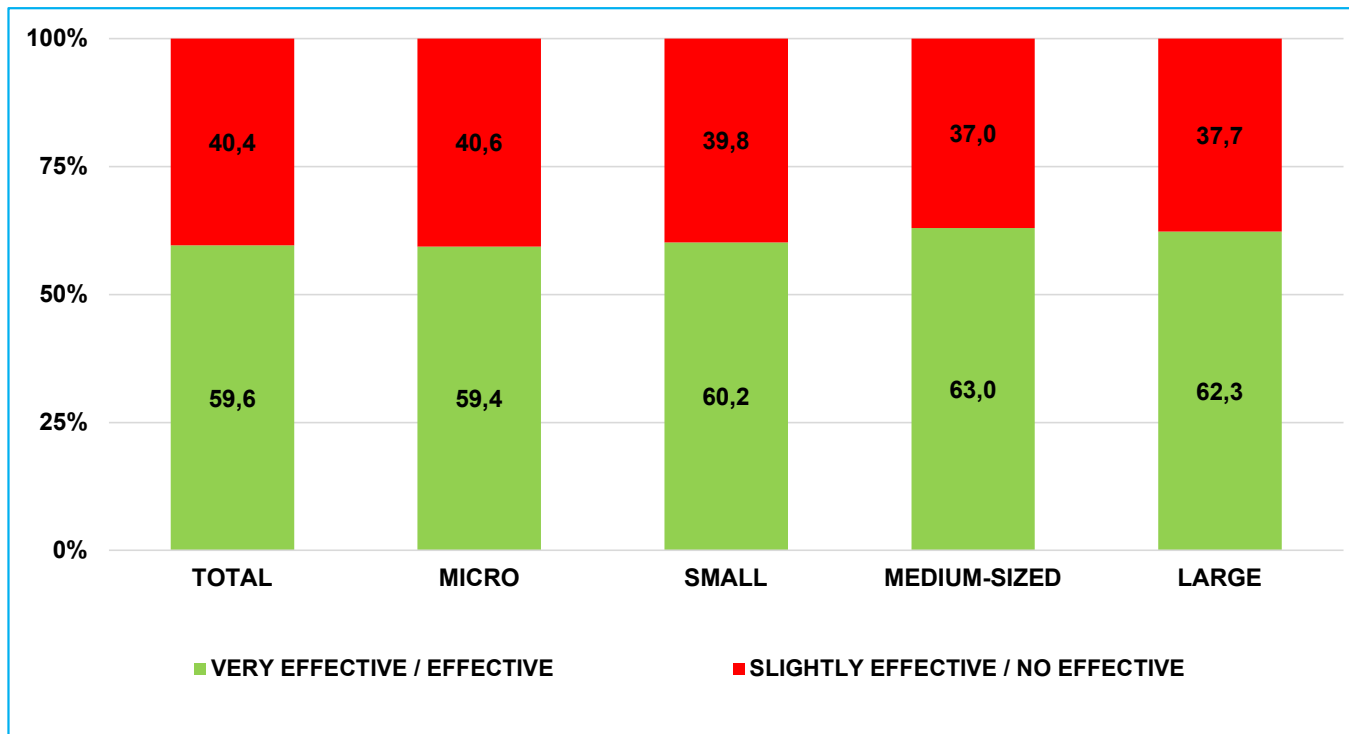
# TELEWORKING ADOPTION DURING 2021 - SECTOR ANALYSIS

Percentage of companies that did not adopt teleworking in the year 2021, per sector.



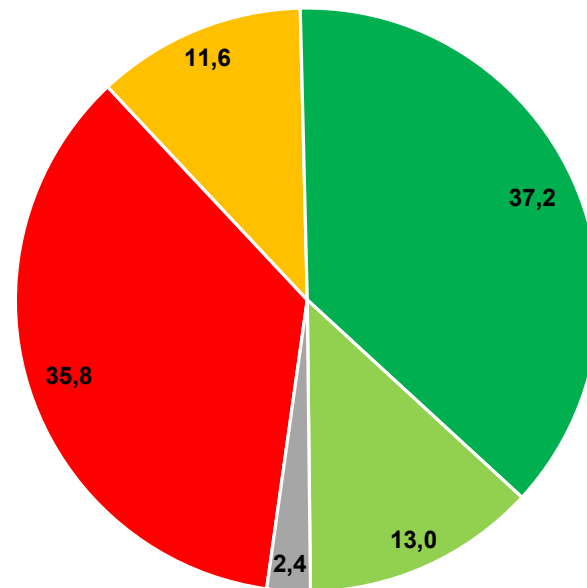
## TELEWORKING EFFECTIVENESS DURING 2021 - COMPANY SIZE

How do you assess the adoption of teleworking in your business in 2021?  
Only companies that adopted teleworking, N=318



## FUTURE OF TELEWORKING

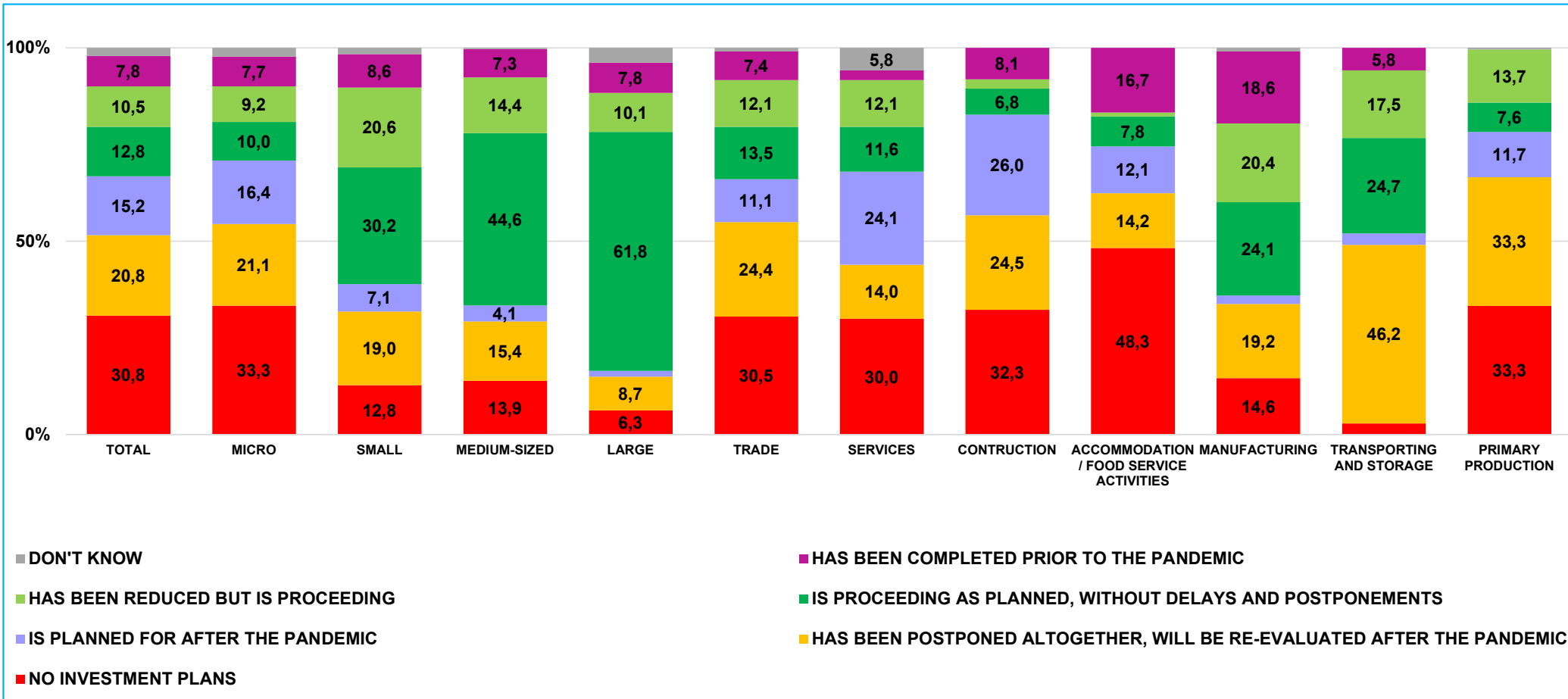
In your company, are you considering maintaining the ability of teleworking regardless of the coronavirus pandemic crisis?  
Only companies that adopted teleworking, N=318



- NO, IT DOESN'T FIT THE NATURE OF THE WORK
- NO, WE WILL NOT OFFER THAT OPTION
- YES, WE WILL OFFER THAT OPTION IN THOSE POSITIONS WHERE IT IS APPROPRIATE, ON A CASE-BY-CASE BASIS
- YES, WE WILL OFFER THAT OPTION IN ALL THE POSITIONS WHERE IT IS APPROPRIATE
- DON'T KNOW

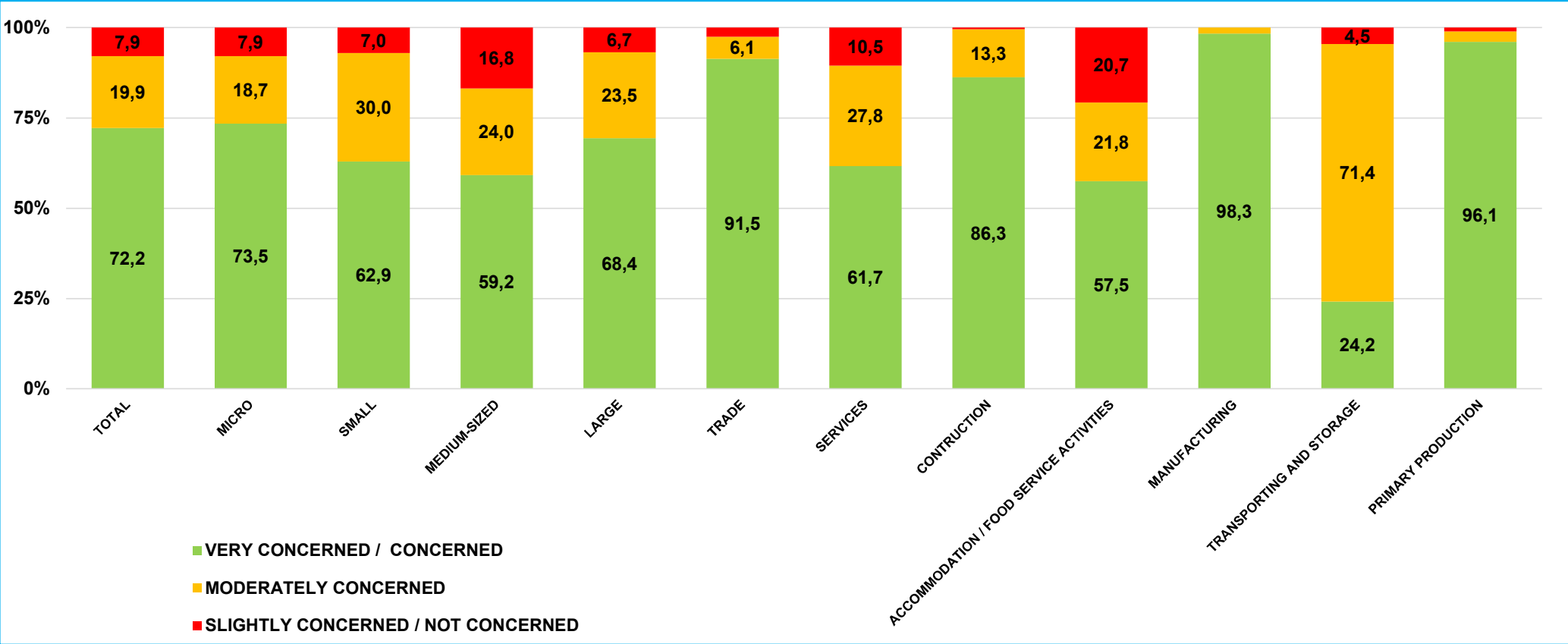
# INVESTMENT BUSINESS PLAN - COMPANY SIZE AND SECTOR ANALYSIS

Which of the following phrases fits best the company's investment plan during the pandemic (2020-2021).



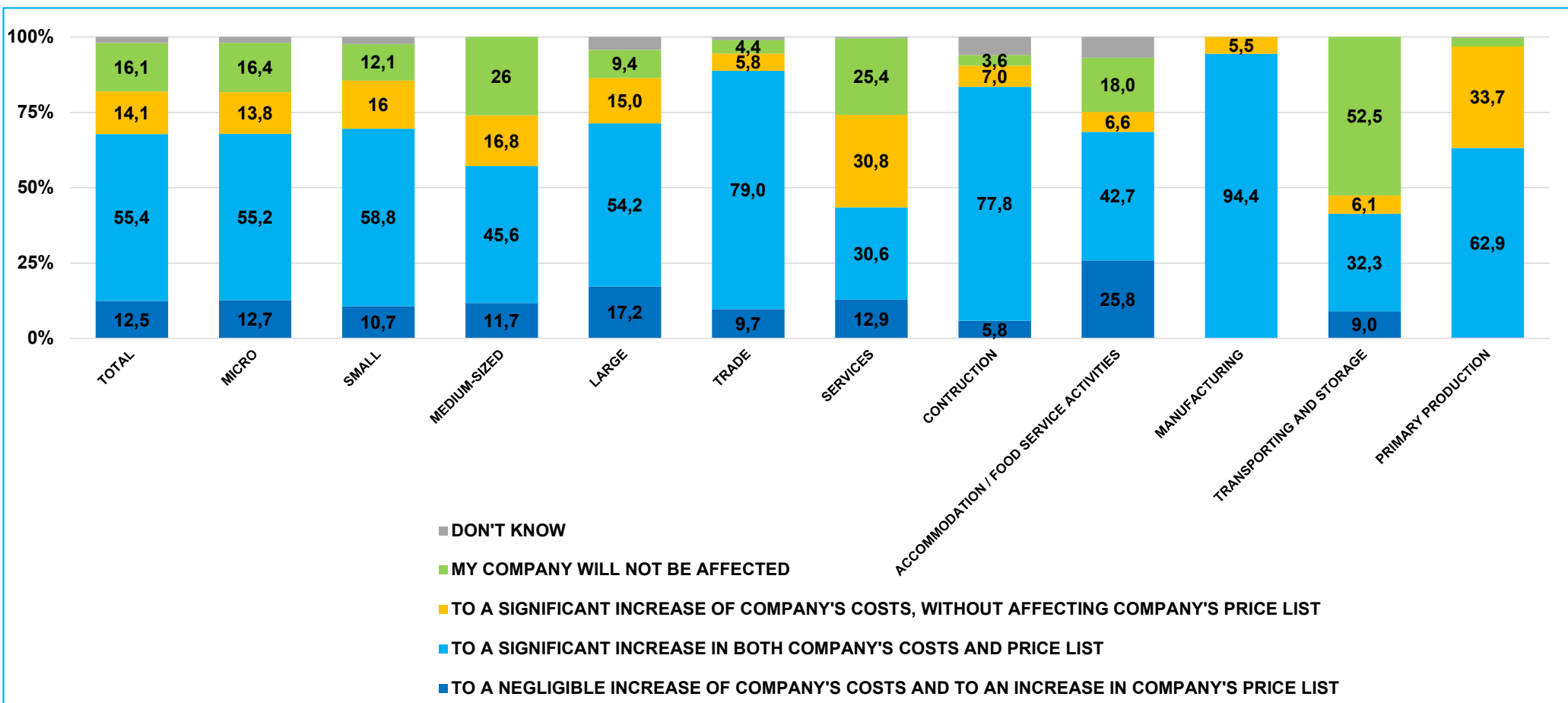
# INFLATION CONCERNS - COMPANY SIZE AND SECTOR ANALYSIS

How worried are you about inflationary pressures and the issue of raw material, energy and transport cost increases in the coming period?



# INFLATION CONCERNS - COMPANY SIZE AND SECTOR ANALYSIS

The increase of input prices will lead ...:



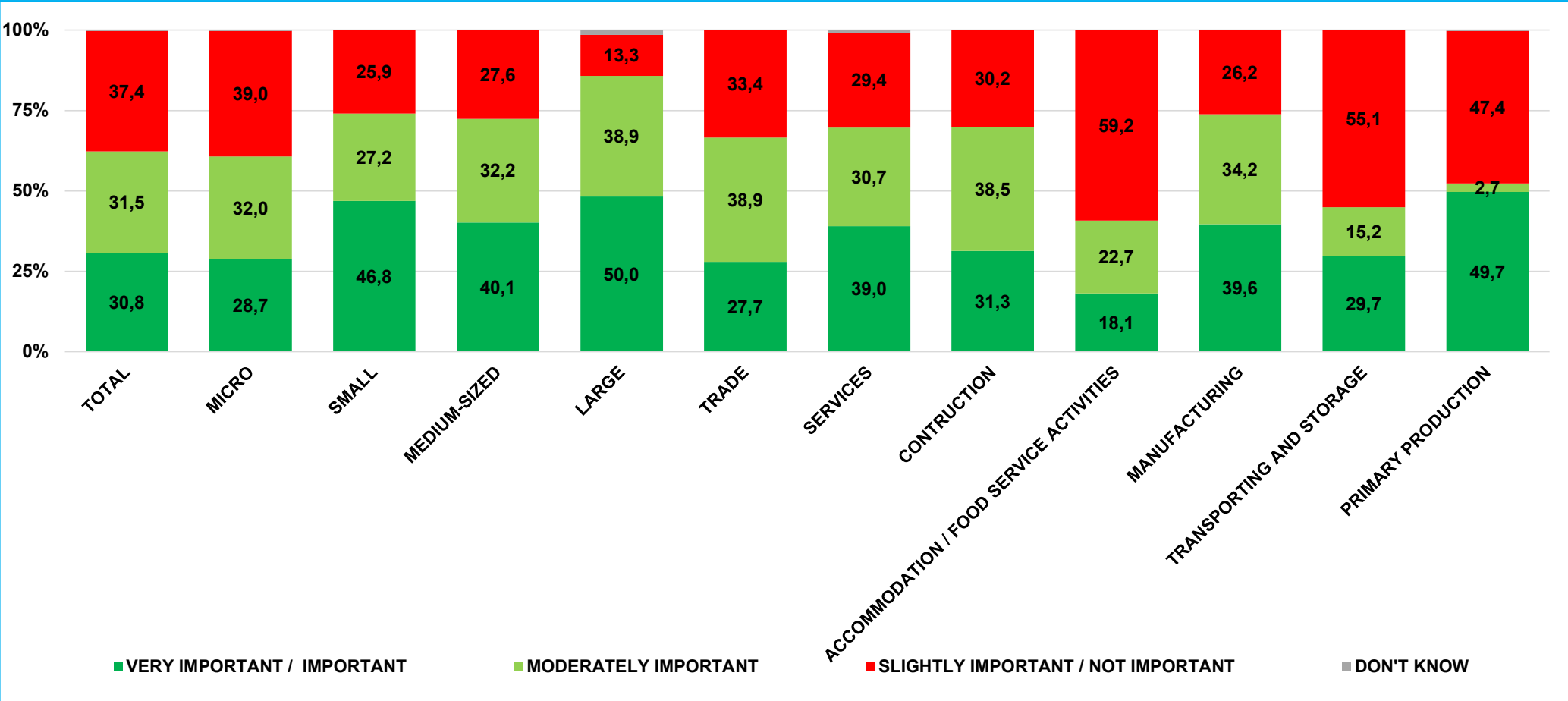


- **Green growth**
  - **CSR**



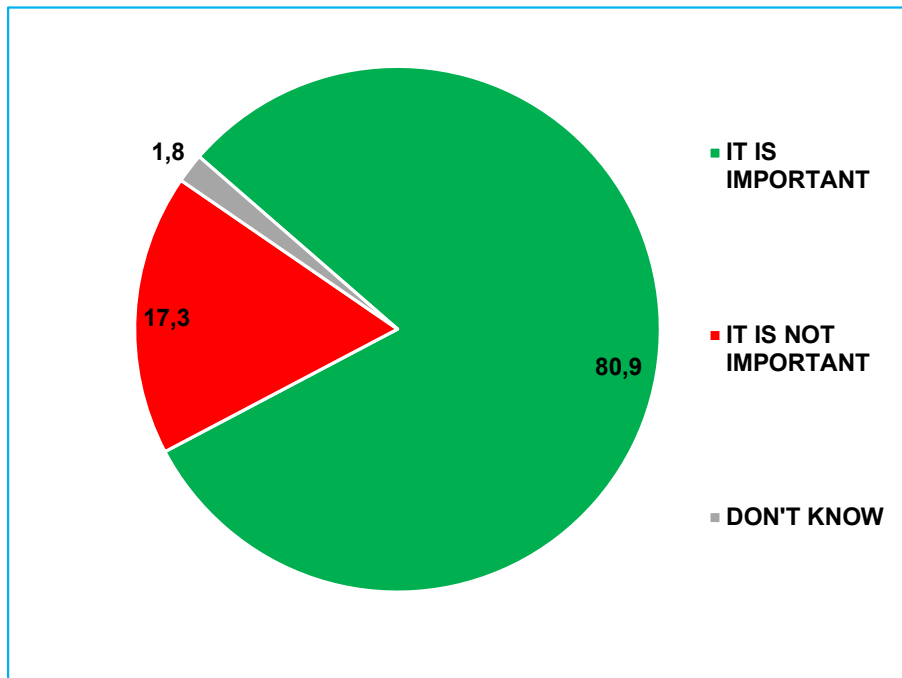
# IMPORTANCE OF GREEN GROWTH

How important are the issues of green growth for your company?



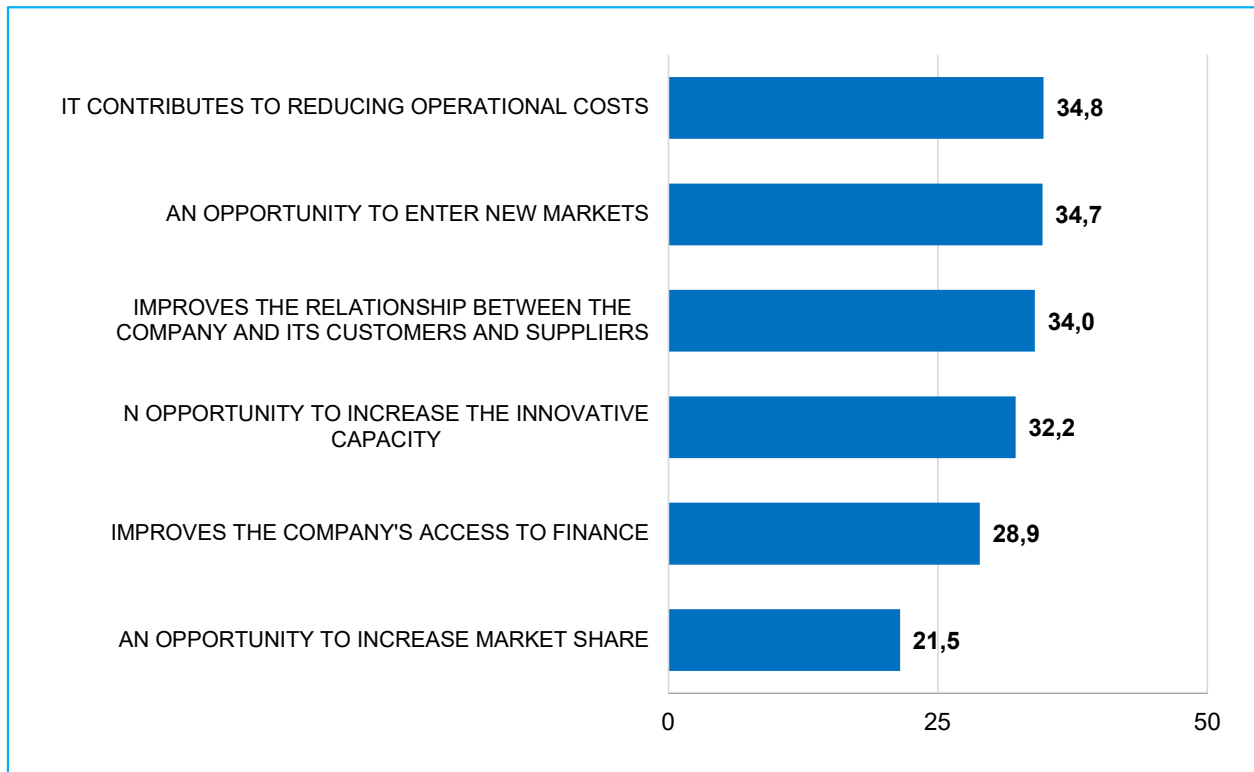
# IMPORTANCE OF GREEN TRANSITION

How important is the green transition of your company?



# IMPORTANCE OF GREEN TRANSITION

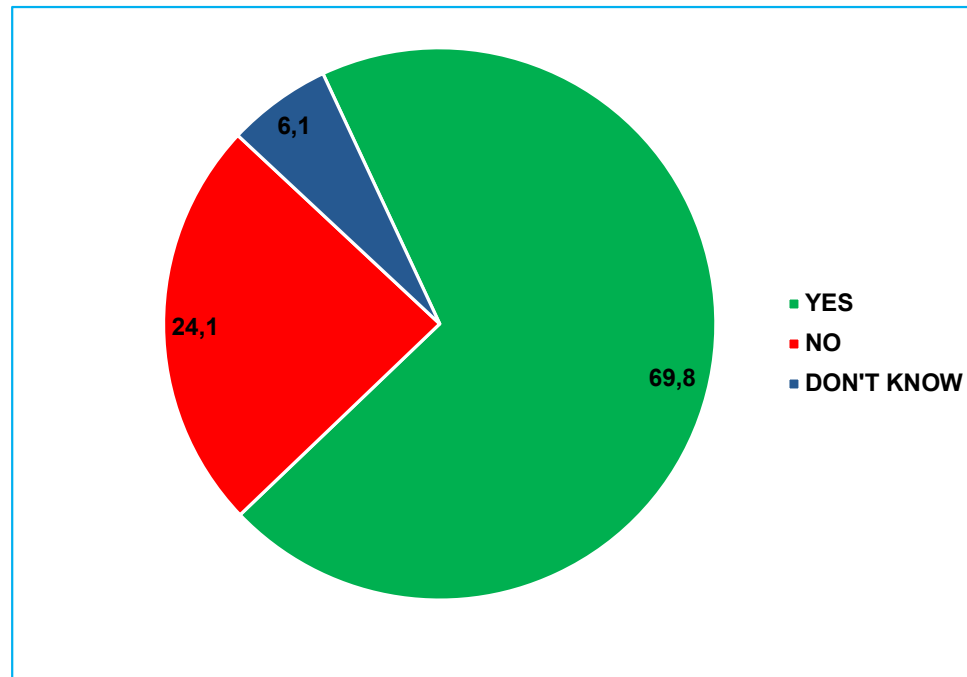
Regardless of your view on green growth issues, for which of the following reasons do you consider the green transition of your business important?



Note: Multiple answers allowed.

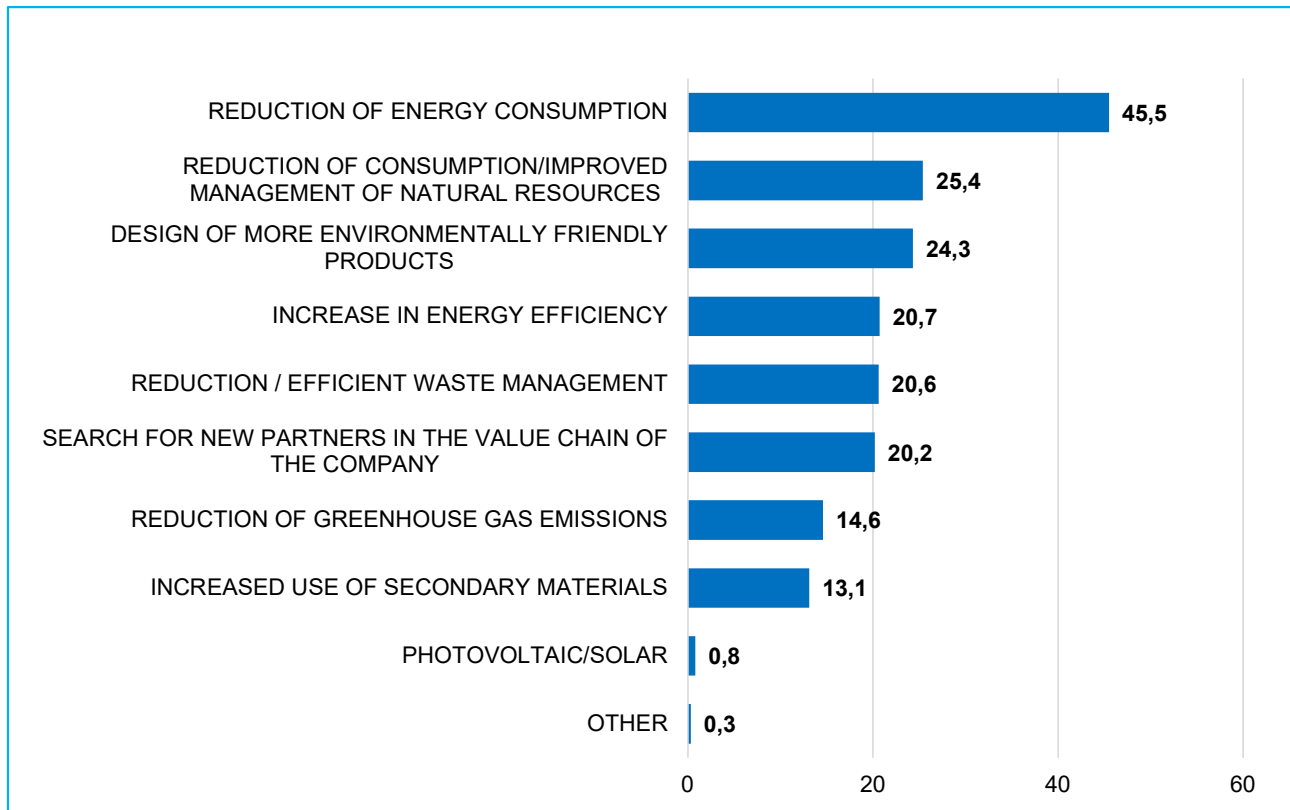
# GREEN INVESTMENT

Do you plan to invest in the near future for the green transition of your company?



# GREEN INVESTMENT

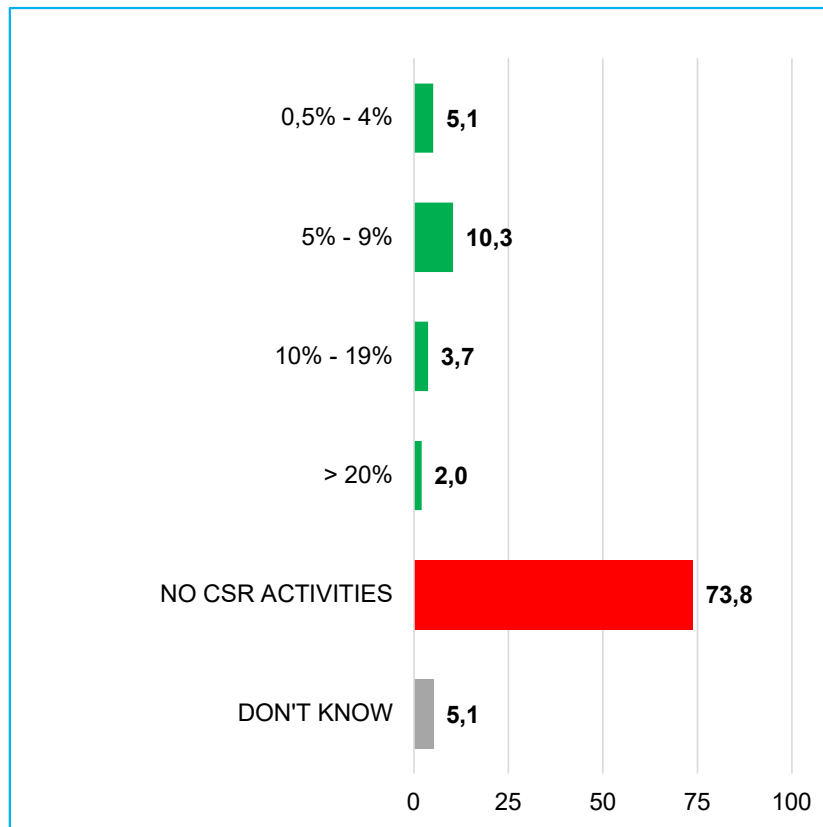
In which areas do you plan to invest in the near future regarding green transition?



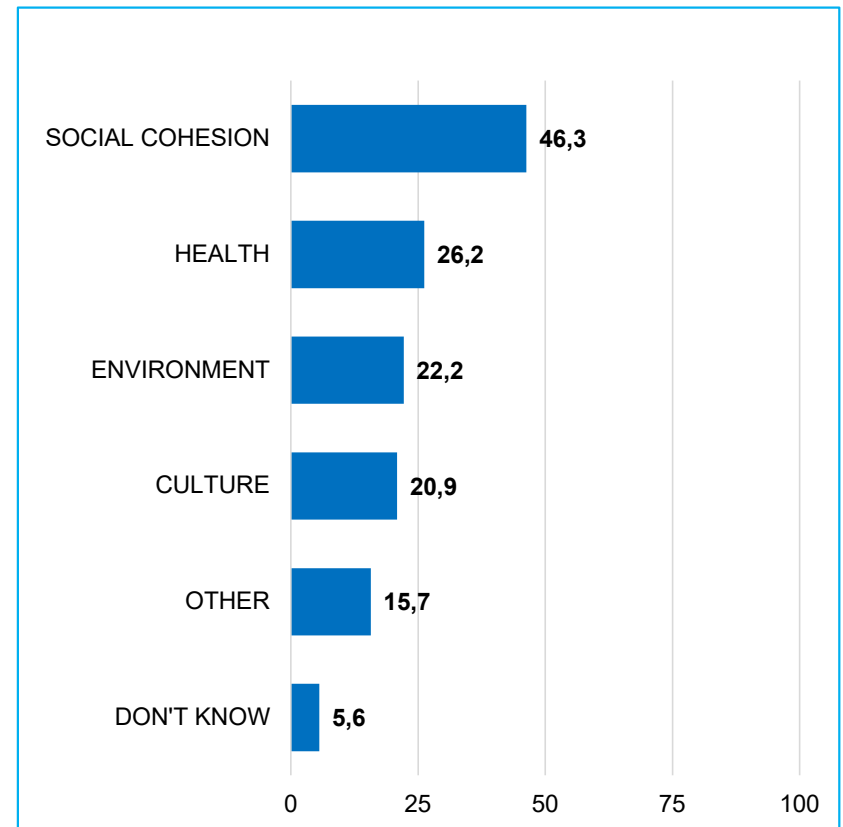
Note: Multiple answers allowed.

# CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

What percentage of the company's turnover is invested, on average, in CSR activities each year?



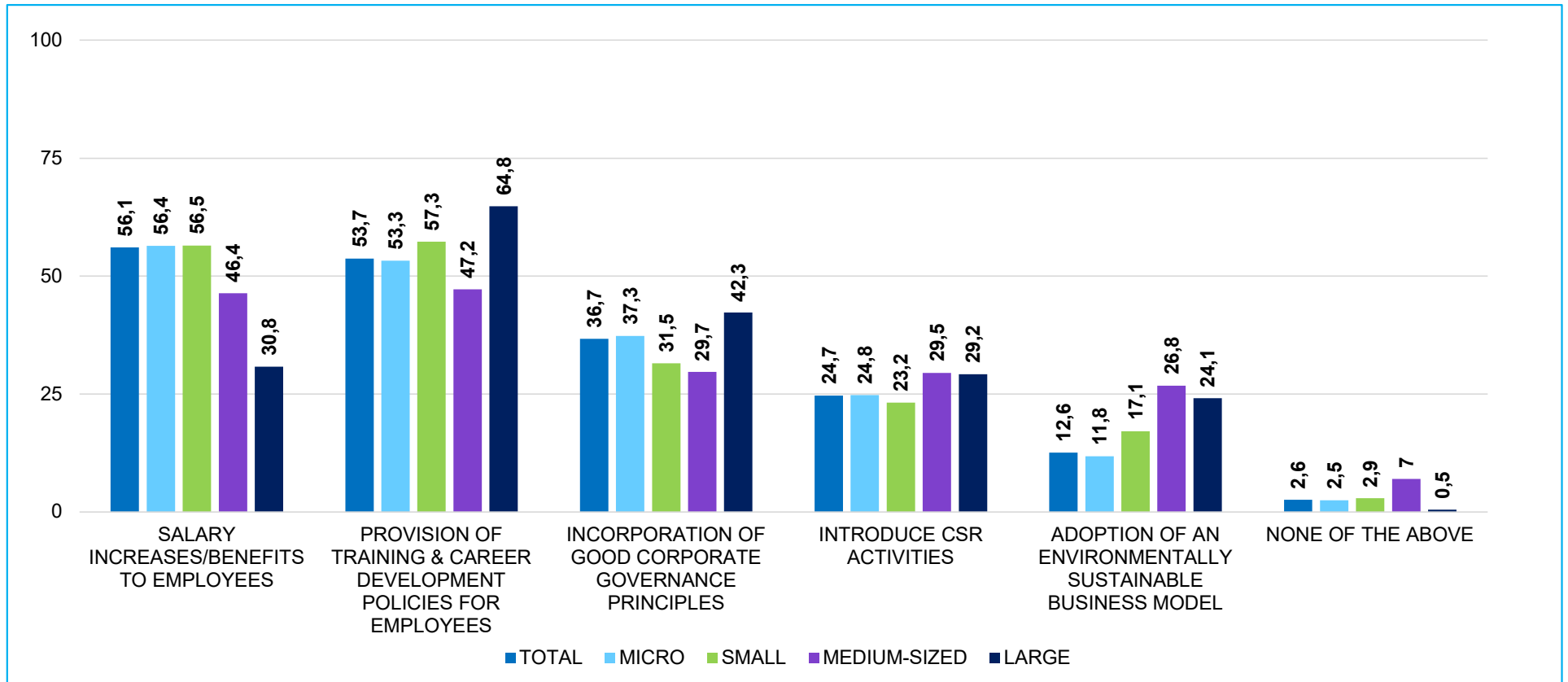
In which areas does your company invest?  
Those who invest in CSR activities, N=129



Note: Multiple answers allowed.

# BUILDING TRUST WITH SOCIETY

Please select the ways you think a company can most effectively contribute to enhancing society's trust in entrepreneurship.



Note: Multiple answers allowed.



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*December 2021*

