

Across the country skills factories are turning out talent

Resourceful companies don't wait for the people they need to show up. They help train them

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Uncertainty, instability, chaos. Newspaper headlines tell of Brexit indecision, rising inflation and volatile exchange rates, but when you visit some of the companies in this year's Fast Track 100, as I have, a different story emerges.

These privately owned firms are resilient in the face of challenges; they have stability and ambition and are planning for the future. High-growth, mid-sized businesses like these are what we at BDO call the UK's

economic engine because they continually outperform other companies in sales, profits and job creation.

This year's firms more than tripled their combined workforce to 19,300 over the three years, adding 14,000 jobs during the period. The Fast Track 100 shows that many businesses are thriving despite the uncertainty.

A reassuring characteristic of this year's league table is that half the companies, including five of the top 10, have headquarters outside London and the southeast. Geographical diversity makes the economy stronger, benefitting us all, and shows we can rebalance economic activity towards the regions.

One entrepreneur achieving success outside the capital is Nick Grey, founder and chief executive of the Worcester-based appliances manufacturer Gtech, which is No 54 in this year's table and appears for a third time. Grey founded the business in 2001 after working at Vax, and it now sells products

including cordless vacuums and electric bicycles in 19 countries. Its sales hit £91.2m last year.

Many businesses I talk to are struggling to manage skills shortages, and while Grey acknowledges that recruitment is a challenge, he says Gtech has been successful in finding top-quality employees.

"I always say I need to get grown-ups around me, so we try to provide an excellent working environment and culture. Being successful is the biggest thing in our favour: people like to be part of an effective team," says Grey. To drive its success, Gtech works closely with the University of Worcester and provides its 175 employees with funding for training, as well as offering flexible working arrangements.

Another league table company taking a proactive approach to recruiting and retaining staff is the automotive components manufacturer Red Arch (No 63). "We are located

within the heart of the British motor industry and are competing with manufacturers such as Jaguar Land Rover and Aston Martin for the best people," says managing director Mike Theaker. He set up the company in 2010 and has expanded it organically, providing patent-protected parts for BMW, Rolls-Royce and others. It operates from three facilities in Northamptonshire and has joined up with nearby Loughborough University to support more than 50 students with their studies over the past five years.

The relationship allows Red Arch to introduce would-be automotive engineers to innovative technologies such as carbon-reinforced ceramics and Bluetooth exhaust control. It also plans to launch an apprenticeship scheme with Northampton College in 2018. "This enables us to shape individuals to the needs of our business and helps



Nick Grey, founder of Gtech (No 54), offers flexible working to attract the best staff

overcome competition issues," says Theaker.

These close ties with local institutions increase Red Arch's competitiveness and provide the business with high-quality recruitment opportunities. For instance, its engineering director joined the business in 2012

after completing a PhD at Loughborough.

Companies like Gtech and Red Arch are addressing skills shortages before they become an issue, while others are utilising the government's apprenticeship levy with the help of training providers such as

Derbyshire's 3aaa (No 64). Set up in 2008 by Peter Marples and Di McEvoy-Robinson, it runs 38 academies that offer courses in areas including marketing, finance and digital technology. Last year it set up a dedicated team to support businesses drawing

on the levy, helping turnover hit £25.5m.

As addressed in BDO's New Economy report, we believe apprenticeships allow employers to tap an underused talent pool, which takes on particular importance as companies face skills shortages because of Brexit uncertainty and immigration caps.

Plans for infrastructure investment outlined in last month's budget, particularly in the Midlands and north of England, should also boost productivity. Measures such as a doubling of the investment limit in the Enterprise Investment Scheme for knowledge-intensive ventures will help as well.

Despite the challenges, the businesses in the Fast Track 100 are forging ahead, showing how an entrepreneurial approach can harness the tremendous talent we have across the UK.

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