

IoD - Press Release

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Firms reveal they can bank on loans

Over three-quarters of businesses belonging to the Institute of Directors (IoD) have no problems raising finance, a study released today by the IoD shows. Members of the IoD were surveyed in a nation-wide poll to examine the relationship between businesses and their banks.

In an encouraging display of confidence in the banking sector, 69% of IoD members said they had a good relationship with their bank, while only 5% admitted to being unhappy.

The survey found the most popular bank for IoD members is the Royal Bank of Scotland Group (RBS, Nat West and Ulster Bank). Some 27% of those surveyed said they banked with the Group. Barclays came in second with 23%, followed by HSBC with 15%.

Customer loyalty proved strong as well, with 44% of IoD businesses sticking with their bank for over ten years. A further 20% said they had been with their bank for between five and ten years.

Richard Wilson, Business Policy Executive at the IoD, said:

"For many people in this country, the banks lie somewhere between politicians and estate agents in the popularity stakes. However, IoD members recognise the importance of a profitable banking sector and most have a good relationship with their bank.

"The comparative strength of the UK economy and its banking sector means that most IoD members are able to get access to finance to fund their operations and bank-firm relations are good. The Government can help to prolong this relatively benign state of affairs by maintaining a stable macro-economic environment and by lightening the burden of taxation."

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Whatever problems IoD businesses suffer, access to finance is not a major one. Astonishingly, 87% of survey respondents said they had never had a request for finance turned down.

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Notes to editors

* For a copy of the full survey results please contact the IoD Press Office tel. 020 7451 3264 e. press@iod.com <<mailto:press@iod.com>>

* The IoD (Institute of Directors) was founded in 1903 and obtained a Royal Charter in 1906. The IoD is a non-party political organisation with upwards of 54,000 members in the United Kingdom. Membership includes directors from right across the business spectrum - from media to manufacturing, e-business to the public and voluntary sectors. Members include CEOs of large corporations as well as entrepreneurial directors of start-up companies.

* The IoD offers a wide range of business services which include business centre facilities (including six regional centres), conferences, networking events, issues-led guides and literature as well as information services and free access to a comprehensive business library and enquiry service. The IoD places great emphasis on director development and has established a certified qualification for directors - Chartered Director - as well as running specific board-level and director-level training and individual career mentoring programmes.

* In addition, the IoD provides an effective voice to represent the interests of its members to government and key opinion-formers at the highest levels. These include ministers, constituency MPs, Select Committee members and senior civil servants. IoD policies and views are actively promoted to the national, regional and trade media.

* For further information, visit our website: www.iod.com <<http://www.iod.com>>