



The Change Index 2025

Key Insights

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Our top findings

Market uncertainty is the biggest barrier to pursuing new opportunities.

85%

of business leaders are **confident in their organisation's ability to adapt to change**

51%

of business leaders are **not confident** that the Labour Party will deliver growth to the UK, but **21% remain confident**

33%

described the past 12 months as **challenging**

25%

expect the next 12 months to be **turbulent**

The Change Index continues to offer a compelling window into the minds of UK business leaders as they navigate a landscape defined by rapid transformation. From the rise of AI and new technologies to shifting customer expectations and economic uncertainty, the pace and complexity of change show no signs of slowing.

And yet, amidst this turbulence, optimism prevails. An overwhelming 85% of leaders express confidence in their organisation's ability to adapt, an encouraging signal of resilience across sectors. While market uncertainty remains the most significant barrier to seizing new opportunities, businesses appear undeterred, perhaps seasoned by the relentless change of recent years.

This report highlights the top challenges and opportunities shaping the business agenda from geopolitics and regulation to talent shortages and climate change. It also reveals a striking truth: despite the noise, UK businesses are not standing still. Many are more confident than ever in launching new products, investing in technology, and expanding into new markets.

I am sure these insights will spark meaningful conversations and inspire action in your own organisations. Thank you to all who have contributed.

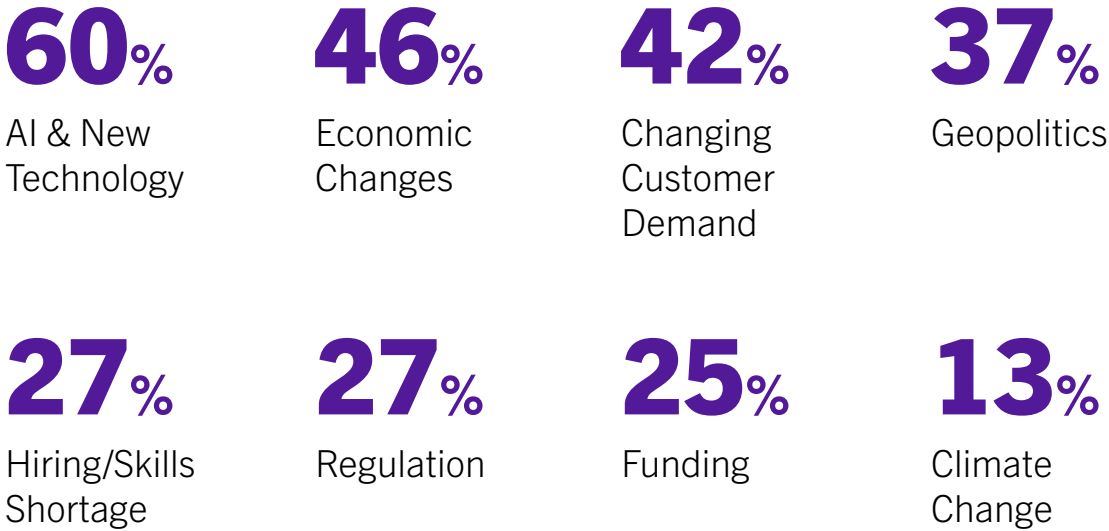


Julian Walker

Business Leader



What are the **three biggest changes** your business is navigating right now?



UK businesses are navigating a pivotal moment of transformation, constantly adapting just to stay ahead.

AI and new technology top the agenda, with **60%** of leaders identifying it as their top challenge to navigate right now. But it's not just about technology. Economic shifts, evolving customer expectations and geopolitical uncertainty are forcing rapid, strategic decisions. Innovation, resilience and agility are no longer optional for businesses, they're a daily necessity.

“

Awareness of what AI can do and how it can help businesses is evolving everyday. AI is something businesses can't ignore; those that embrace it are setting the pace for the future.”

Seb Holland
Innovator

Past 12 months

Competitive
Chaotic Promising
Turbulent
Challenging
Exciting

Next 12 months

Challenging
Chaotic Competitive
Turbulent
Risky Exciting Promising

Over the past 12 months, terms like **challenging**, **chaotic** and **turbulent** dominated, painting a picture of a business landscape defined by disruption, unpredictability and strain.

Looking ahead, while **turbulent** and **challenging** remain prominent, there's a notable emergence of more positive language. The rise in **promising** and **exciting** is a subtle but meaningful change in sentiment.

Businesses are still cautious, but many are beginning to see beyond the volatility, identifying opportunities for growth, innovation and renewal.

“

The language may still reflect uncertainty, but the shift in tone tells a bigger story. UK businesses are no longer just reacting to change; they're reframing it as an opportunity.”

Libby Wallis
Changemaker

“

A quarter of UK businesses are preparing for a turbulent and changeable year ahead - and as always the winners will be those that follow The 5 Ps Principle (Proper Planning Prevents Poor Performance).”

Julian Walker
Business Leader



Where confidence has grown

Confidence has risen most in launching new products **(39%)** and investing in technology **(34%)**, with businesses reassured by the Government's **£3.25bn** Transformation Fund and the AI Opportunities Action Plan which are incentives to invest and innovate.

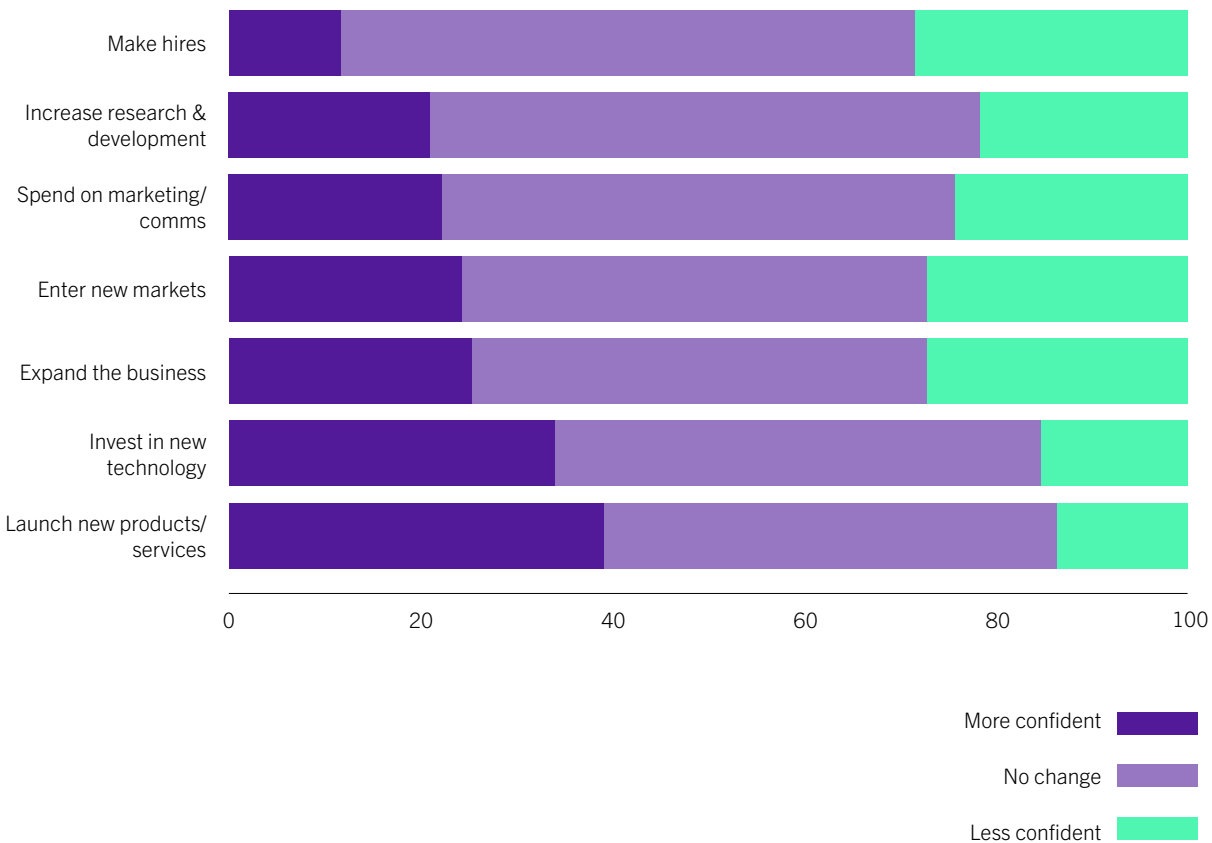
Where confidence has fallen

Conversely, confidence has dropped in expanding the business **(30%)**, hiring **(28%)** and entering new markets **(28%)**. These are core indicators of long-term growth with a decline here suggesting that businesses continue to be concerned about the economic outlook, labour market challenges and global trade uncertainty.

A mixed picture?

Interestingly, many respondents reported no change in confidence across all categories, particularly hiring **(60%)** and R&D **(58%)**. While sentiment is stabilising, businesses are still risk averse, holding off on major decisions until there is more clarity.

Change in Business Confidence since the UK General Election



The **political** impact

How do you feel about your business now compared to before the UK General Election? (July 2024)

45%

Confident

28%

Neutral

27%

Not Confident

Are you confident that the Labour Party will deliver growth to the UK overall?

21%

Confident

27%

Neutral

52%

Not Confident

“

It's hardly surprising that overall business sentiment and public faith in the Labour Government's ability to kickstart the economy has dwindled when there has been repeated warnings of “difficult decisions” needing to be made. But it holds a rare substantial majority and mandate. It should be bold and work with businesses to shape policies that will secure a better economic future for the UK.”

Feaven Abidta

Policy Specialist

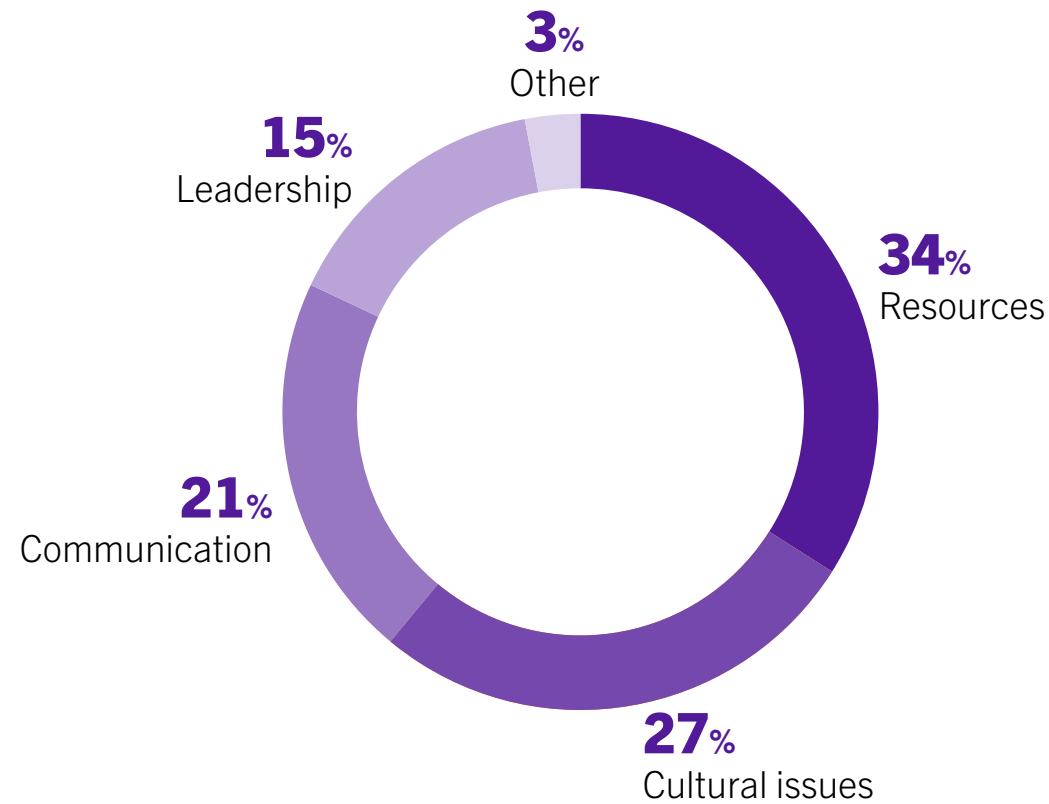
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A rocky first year to Labour's time in office, but Ministers will point to the Spending Review and their Infrastructure and Industrial Strategies to change the dial. Business should use this as an opportunity to be heard and put forward solutions that will deliver the growth we all aspire for.”

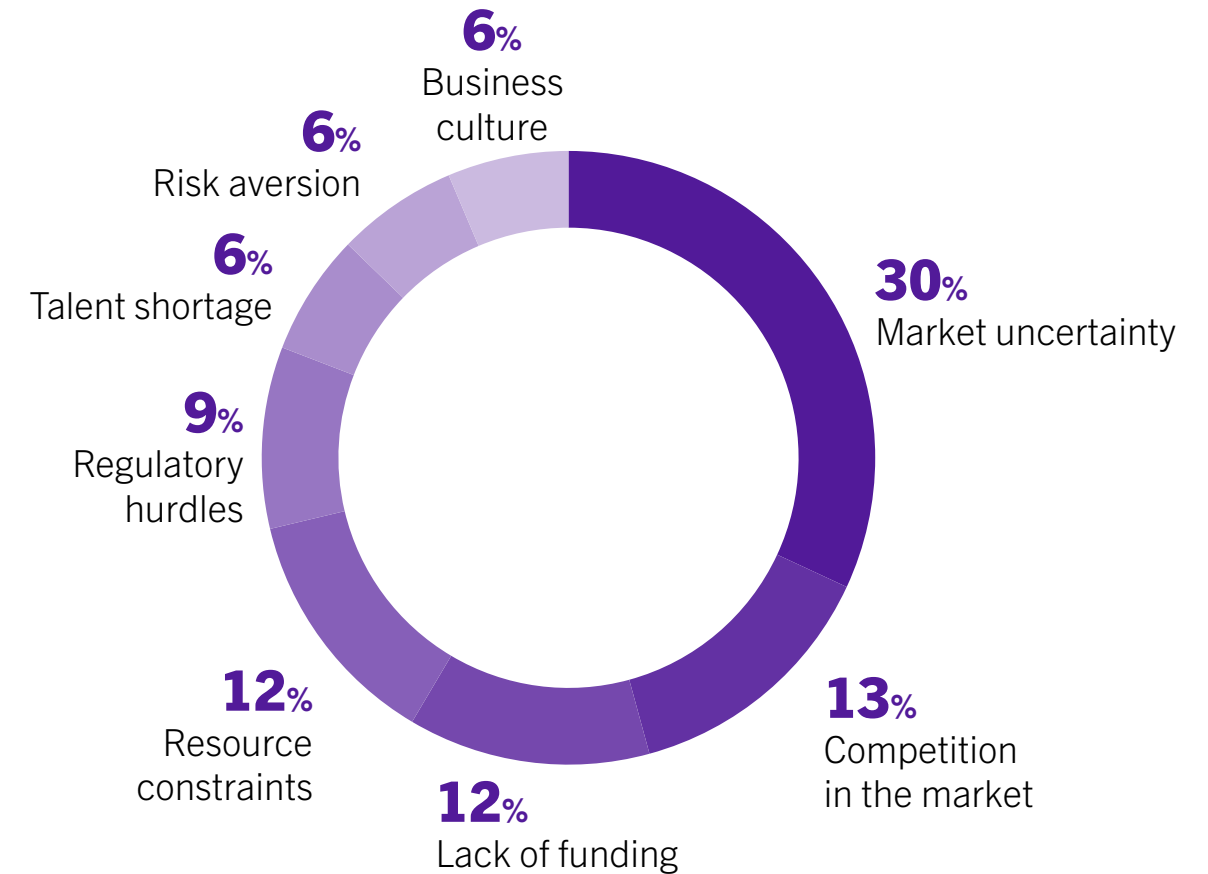
Darren Mason

Former Government Adviser





Resources are the most cited challenge, highlighting capacity and capability constraints within businesses. **Cultural issues** and **communication** also play a significant role, as does leadership issues, reinforcing that change is as much about people as it is about process for successful businesses.



Market uncertainty is the most significant barrier to businesses pursuing new opportunities. **Funding** and **resource constraints** also appear prominently, suggesting that economic and political stability are undermining business confidence.

How confident are you in your organisation's ability to adapt to change?

85%

Confident

9%

Neutral

6%

Not Confident

“

Is the storm really over? With 85% of UK businesses saying that they are confident in managing change, and only 6% lacking confidence, the answer to the question seems ‘yes’. However, in an era of systemic nervousness, are we taking reality for granted? What has really changed in the ability of business to manage the unexpected?”

Mark Thorpe

Thought Leader

“

Change brings opportunity, and businesses know that to succeed they need to adapt. Perhaps their confidence in recalibrating for what comes next is boosted by what they have faced up to in recent years. But as events continue to show, you're only as stable as the last crisis left you.”

Tim Field

Reputation Specialist



How are you navigating change?

Take part in the next
Change Index survey



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*Survey of 70 business leaders from a broad cross-section of UK industries
and company sizes between February and April 2025 to understand how they
are navigating change within their organisations.*