

## UKBB 109 June 2007 Analysis

The June survey sought panellists' views on waste management, customer service, fines to businesses failing to comply with trading standards and environmental health regulations plus the quarterly trends questions. The trends charts from the responses to the regular quarterly questions, analysed by size of firm and sector, can be found at: <http://www.ukbb.ac/analyses/trends.aspx>

### About the respondents

The UK Business Barometer surveys the people running small and medium size businesses. In the June survey, 110 respondents were drawn with the following population characteristics:

<b>Sector</b>			
Production & Manufacturing	Distribution	Services	Total
23.9%	6.4%	69.7%	100.0%

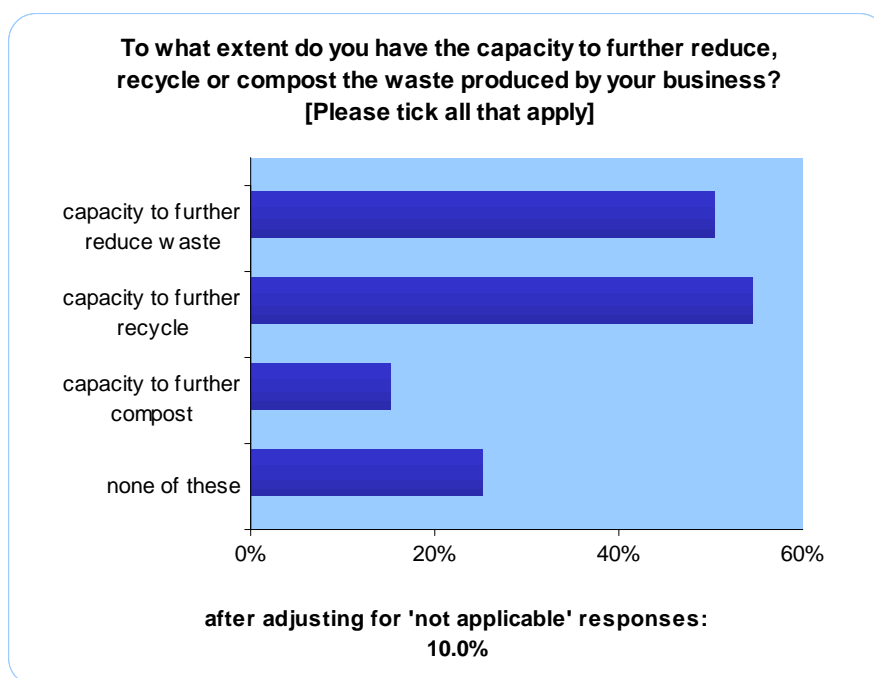
<b>Turnover (£)</b>			
< 1M	1M - 3M	> 3M	Total
68.8%	16.5%	14.7%	100.0%

<b>Number of Full-time Employees</b>					
1-10	11-20	21-50	51-100	100+	Total
59.6%	24.8%	10.1%	1.8%	3.7%	100.0%

### Survey findings

Following the publication on 24 May 2007 of the Government's "Waste Strategy for England 2007", the first section of the UKBB June survey investigated panellists' capacity for further reducing commercial/industrial waste.

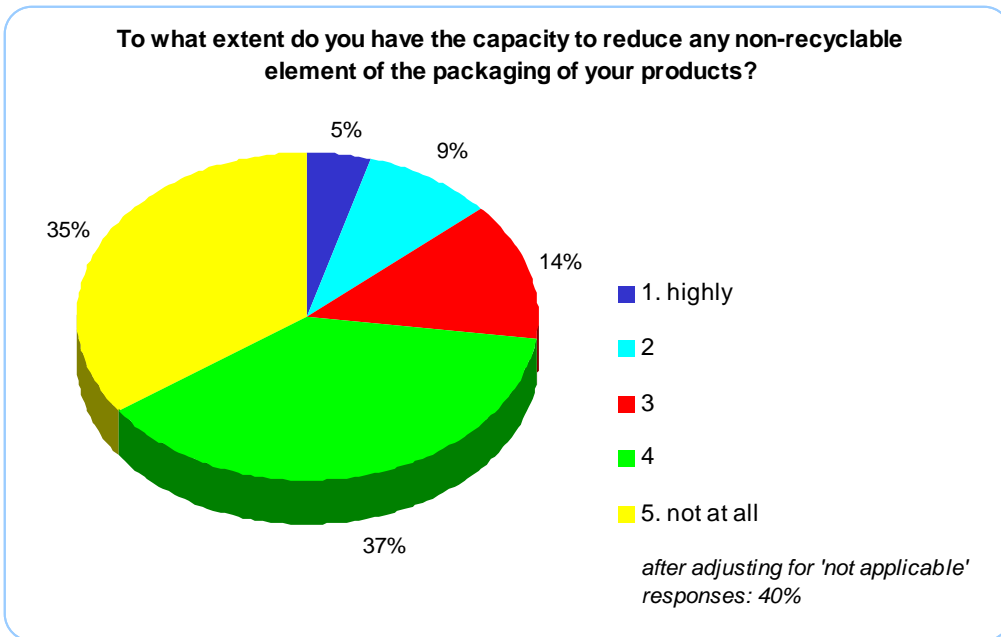
The first question looked at whether companies responding to the survey feel they can reduce their landfill waste. A high percentage can - 46% of respondents said they had the capacity to further reduce their waste and 49% have the capacity to do more recycling, while 14% could treat more waste by composting. Amongst the 46% who can further reduce waste, are 11% of respondents who said that they could not only further reduce waste but could also further recycle



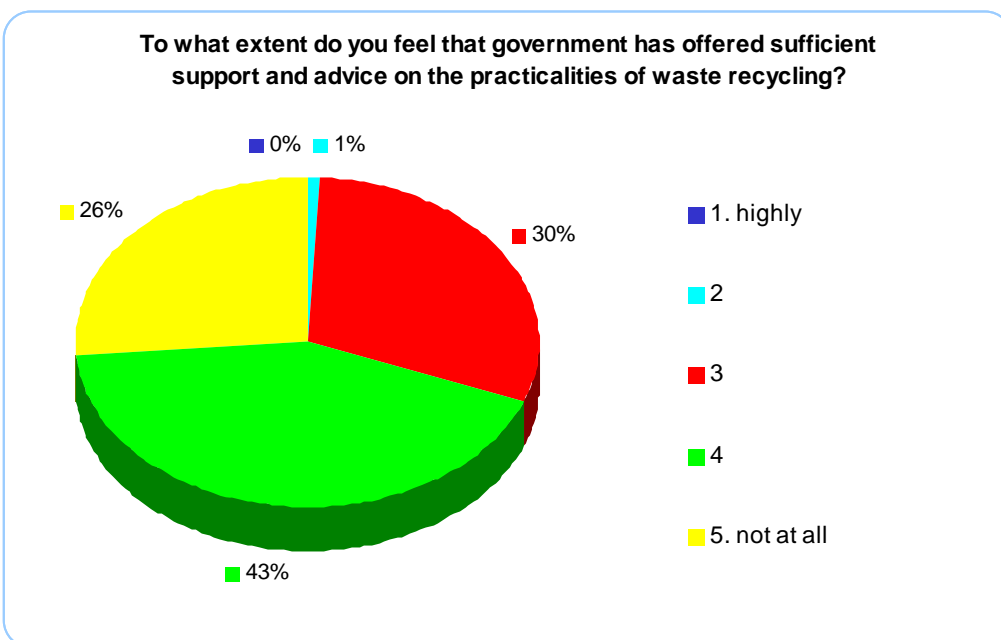
and do more composting, and 19% who said they could further reduce waste and further recycle.

23% of respondents said that they had no capacity to further reduce waste, recycle more or compost more and 11% said this was not applicable to them.

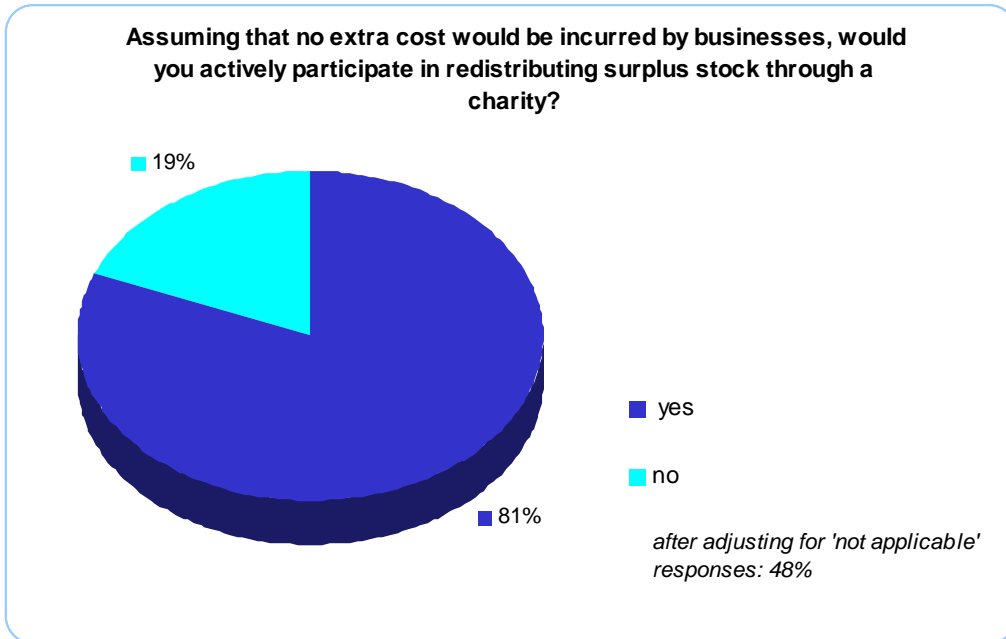
One of the producer responsibility waste stream legislation areas covers packaging waste. Among the 60% of survey respondents who provide packaged products, 14% say they have, to a high or reasonably high extent, the capacity to reduce any non-recyclable element of their packaging but 73% say they do not have, or only slightly have, such a capacity.



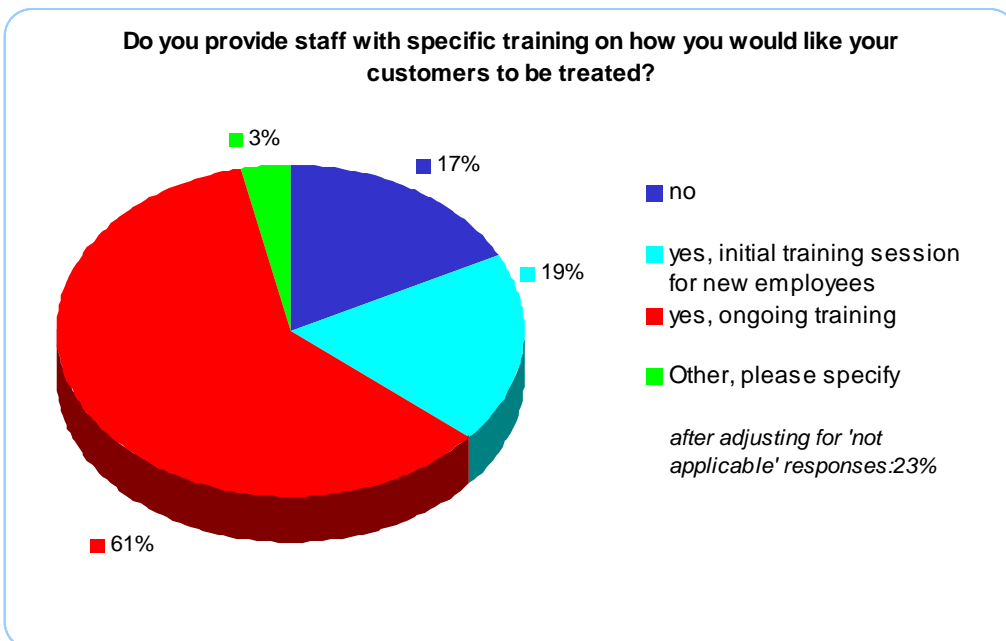
A very high proportion of respondents feel that government have not offered sufficient support and advice on the practicalities of waste recycling – when asked to what extent they thought sufficient support and advice had been offered on this, 69% responded with 'not at all' or 'very little'.



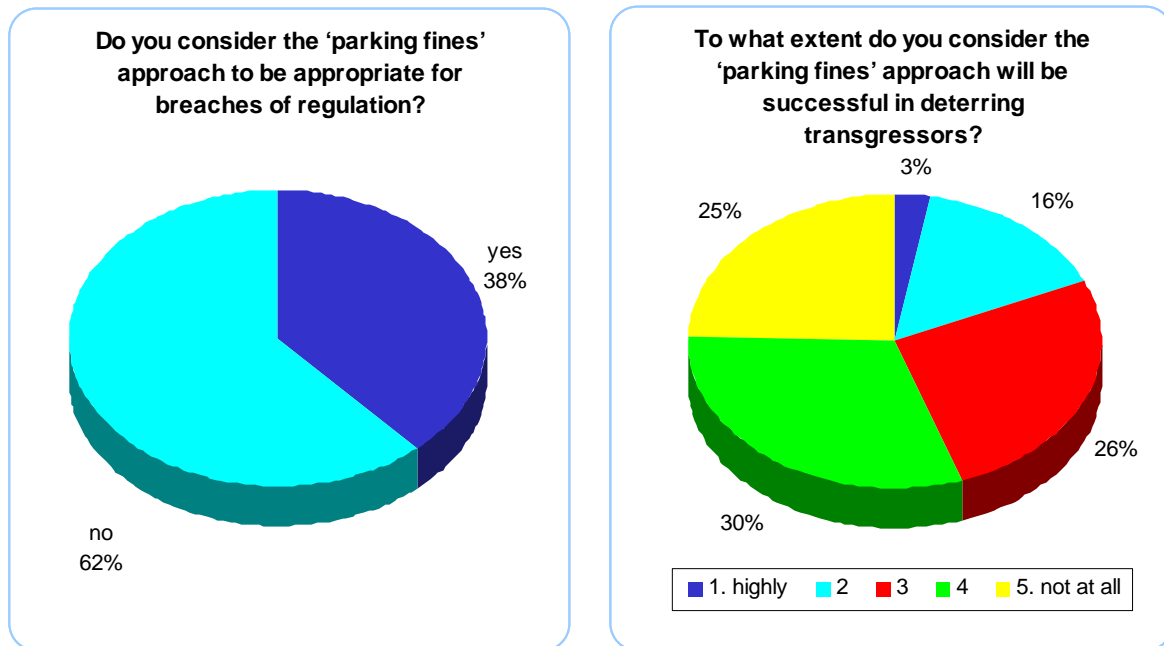
One way of reducing and recycling waste is to give away surplus stocks – a charity founded by the Prince of Wales, In Kind Direct, has been facilitating this for ten years. 81% of the respondents who found this question applicable said they would actively participate in this, assuming there would be no extra cost incurred.



Customer service standards are frequently under scrutiny, and a recent survey by the Institute of Customer Service suggests that overall levels of customer satisfaction are at only around 66%, while the British standards Institute has found that over 70% of customers say they wouldn't go back to a company where they have experienced poor customer service. 14% of respondents say that they provide no specific training for their staff on customer service, and 15% say they only provide an initial training session for new employees. However, 47% provide ongoing training. Other approaches made by respondents include monitoring customer satisfaction and amending customer care accordingly, reviewing monitoring with staff and also having regular discussions about customer care.



The majority of respondents to the UKBB are against on-the-spot fines for breaches of trading standards and environmental health regulations, although the introduction of these are currently under consideration as part of the Regulatory Enforcement and Sanctions Bill and the Compliance Code, which are out for consultation until August 2007. The government says that this is part of the simplification of regulation for smaller businesses but 62% of UKBB respondents, drawn from smaller businesses, consider the 'parking fines' approach is inappropriate for breaches of these regulations. Only 18% consider this approach will be highly or reasonably highly successful in deterring transgressors, while 55% think it is likely to be totally or almost totally unsuccessful. The topic gave rise to several individual contributions from respondents, especially emphasizing that careful conditions should surround such fining procedures, such as a written warning for a first offence and taking care that easy and trivial targets are not the only ones picked on.



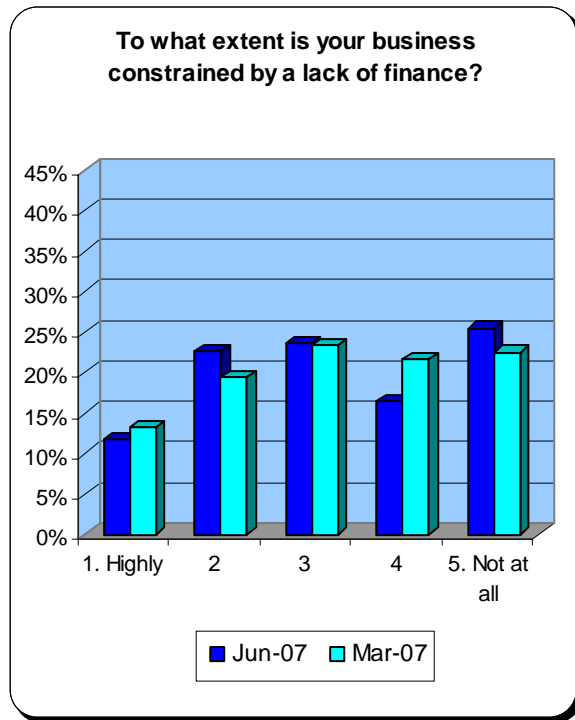
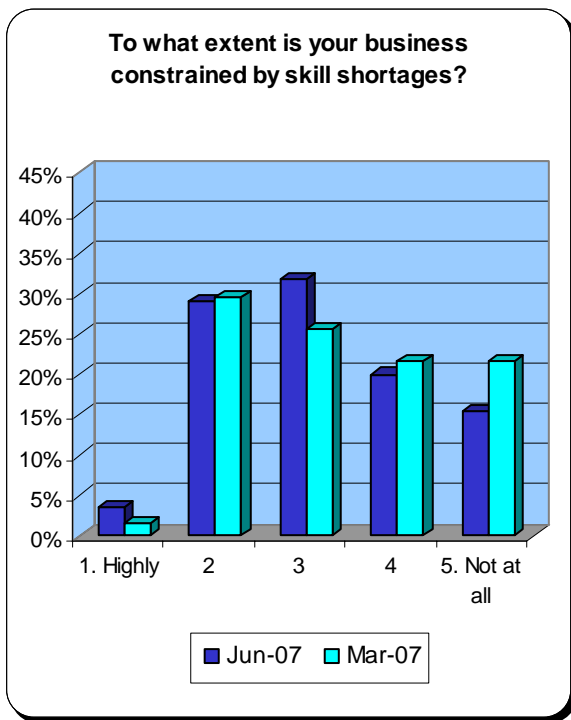
**Second Quarter 2007 Trends**

Constraints on business due to skill shortages increased on average during the June quarter but those due to lack of finance remained at the same level as the March quarter.

The index for businesses with turnovers of over £3M slightly decreased for constraints due to skill shortages, but this was offset by increases for both smaller and intermediate turnover businesses to produce an overall average index increase of 7% in the quarter.

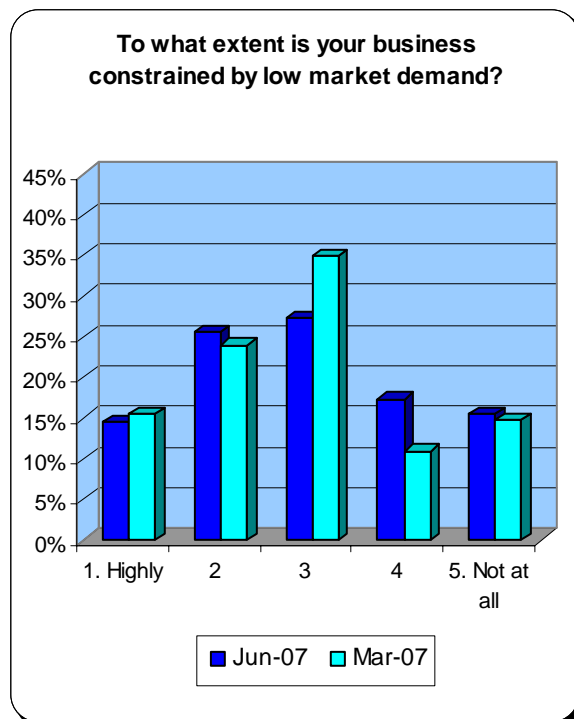
By sector, production and manufacturing and the services industries increased in constraints from shortages of skills while there was a decrease in the distribution sector index.

Constraints due to lack of finance increased for businesses with turnovers of £1M - £3M but decreased for businesses with turnovers of over £3M. Across each major sector the indices of average constraints were very close to those in March this year.



Constraints due to low market demand increased in businesses across the middle (£1M - £3M) range of turnover but decreased in the higher and lower ranges.

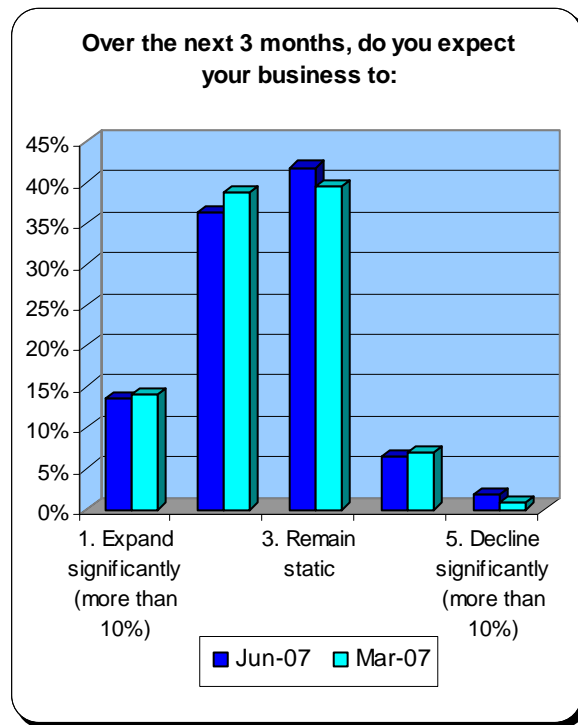
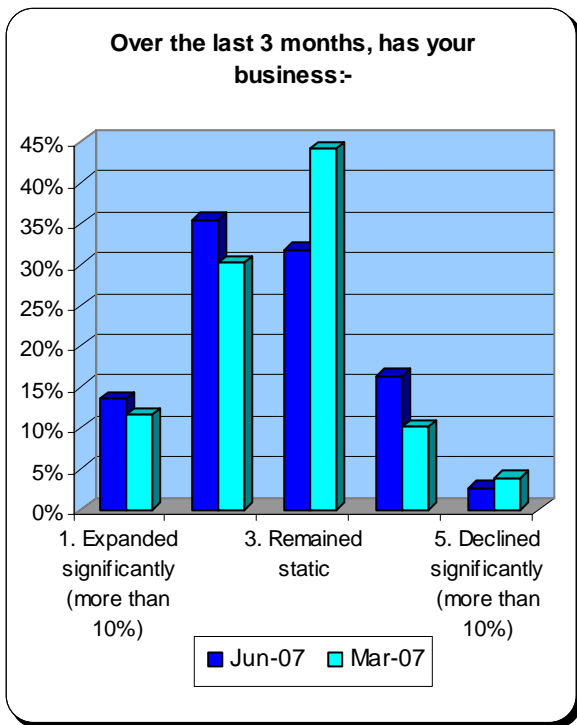
By sector, constraints decreased in Production and Manufacturing, but in the Distribution and Services sectors they changed very little. The overall average constraint index decreased by 2%.



Average growth in the last quarter increased in the higher range of turnover (>£3M), and in the Distribution sector, but decreased in the other turnover ranges and sectors. The overall average increased in the three month period by 1%.

Overall, respondents expect the growth rate in the next quarter to be slightly lower, but

business with turnover over £3M are expecting higher growth, as are those in the Production and Manufacturing sectors.



Listed below are some of the personal views supplied in feedback received from respondents to Survey BB109 June 2007

*Comments are listed under sector headings.*

Views expressed are those of individual panellists and may not represent those of the University.

**Motor Trade**

Parking fines I think would work if applied after a written warning with the cost of the next and further breeches. That is if the fines are high enough.

**Business Services**

The government goes on about waste reduction yet 50% of employed people work for it. In the school behind me they have a skip that is fill with food waste, garden waste, packing material and broken furniture and building material. This is regularly emptied. I do not respect people that say do as I say and not as I do.

With regards to the 'parking fines' system: As our business has only been up and running a couple of months I can already see how easy it is for startups and small businesses to fall foul of H&S regulations not through neglect but simply either through lack of resources and/or knowledge of the law.