

## KEYNOTES FROM APRIL

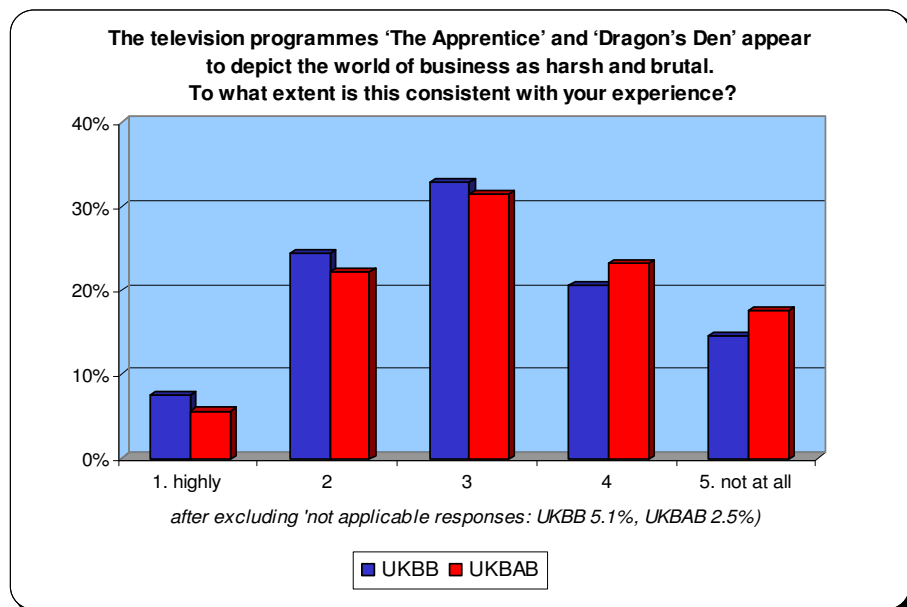
### 'As seen on TV'—Barometer panellists have their say on 'The Apprentice'

**'The Apprentice' depicts the world of business as harsh and brutal. But, is it really that way?**

Putting would-be entrepreneurs and managers into television competitions has proved very popular with the viewing public. However for most young people, watching these programmes may be the only experience of the world of business that they have come into contact with, and there is a potential for either encouragement or discouragement of future generations. Our respondents were asked for their view of the accuracy of that world as portrayed in the programmes.

#### The Panellists' view:

"Shows like 'The Apprentice' are unrelated to the world of business. They appear to provide entertainment for those who, 1700 years ago would have held season tickets for the Coliseum. If they are seen as anything else they inhibit the creation of a culture of enterprise."



Results were very close between the two surveys. After adjusting for those responding 'not applicable', 32% of UKBB and 28% of UKBAB respondents thought that the programmes' depictions were highly or reasonably highly consistent with their own experience.

On the other hand, 35% of UKBB and 41% of UKBAB respondents thought the programmes' depictions were only slightly or not at all consistent with their experience.

## > THE QUESTIONS APRIL 2006

April issues include: pre tax profit margins, growth of costs and working up to capacity.

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| <p><b>Q1.</b> Excluding normal seasonal fluctuations, how have your pre-tax profit margins changed in the past 6 months?</p> <p><b>Q2.</b> Excluding normal seasonal fluctuations, how do you expect your pre-tax profit margins to change in the next 6 months?</p> <p><b>Q3.</b> Excluding normal seasonal fluctuations, how has the overall annual growth of costs (ie both wage and non-wage costs) changed in the past 6 months?</p> <p><b>Q4.</b> Excluding normal seasonal fluctuations, how do you expect the overall annual growth of costs (ie both wage and non-wage costs) to change in the next 6 months?</p> <p><b>Q5.</b> To what extent are you working up to capacity (in terms of the full utilisation of resources) ? (100% would imply a need for additional staff or other resources)</p> <p><b>Q6.</b> How has the number of full time equivalent employees in your business changed over the past 6mths?</p> | <p><b>Q7.</b> How do you expect the number of full time equivalent employees in your business to change in the next 6mths?</p> <p><b>Q8.</b> To what extent are you more or less optimistic about the medium to long term future of the UK economy compared to a year ago?</p> <p><b>Q9.</b> The television programmes 'The Apprentice' and 'Dragon's Den' appear to depict the world of business as harsh and brutal. To what extent is this consistent with your experience?</p> <p><b>Q10.</b> To what extent do you feel that the issues confronted by smaller businesses are given adequate coverage in the media?</p> <p><b>Q11.</b> If you are a member of a trade association or similar grouping, do you gain benefit from membership?</p> <p><b>Q12.</b> In more general terms, are environmental sustainability issues becoming an increasing area of concern for your business?</p> |
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### About the respondents:

In the April 2006 survey, 138 respondents were drawn with the following characteristics:

Sector			
Production & Manufacturing	Distribution	Services	Total
25.4%	8.7%	65.9%	100.0%

Turnover (£)			
< 1 M	1M-3M	>3M	Total
71.0%	18.8%	10.1%	100.0%

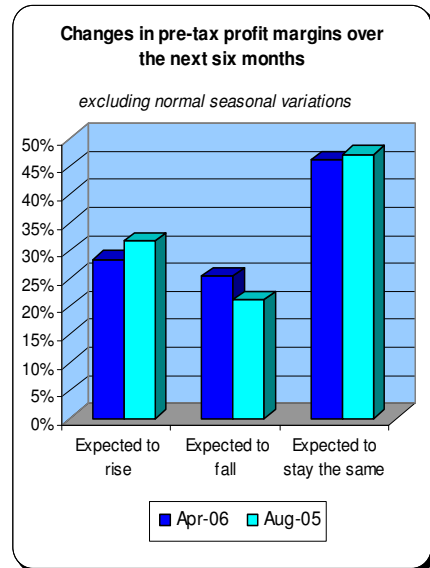
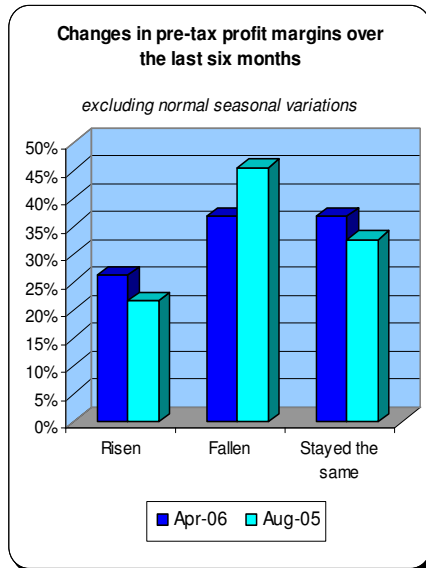
Number of Full-time Employees					
1-10	11-20	21-50	51-100	100+	Total
59.4%	26.1%	8.0%	2.9%	3.6%	100.0%

## Pre Tax Profits

Overall improvement seen with more to come in next six months.

Over the last 6 months 26% of respondents have seen pre-tax profit margins rise, while 36% have experienced decreases. This is an improvement compared with the last time we asked this question, in August 2005, when 21% had seen rises and 44% had seen falls.

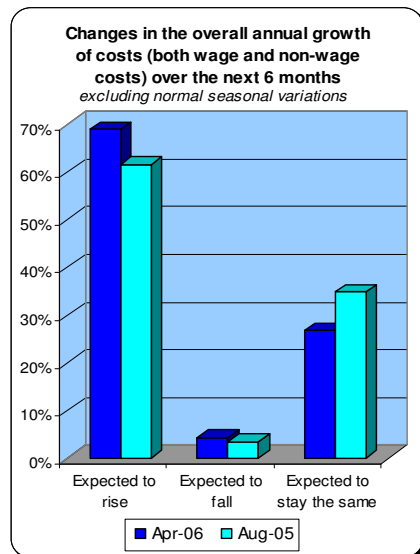
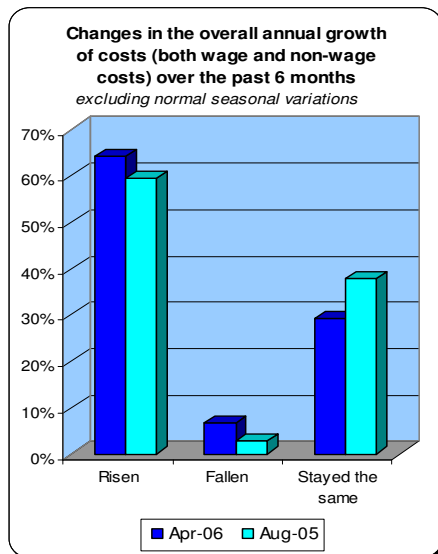
The next 6 months appears brighter, with 29% expecting pre-tax profits to grow, while only 25% expect reductions.



## Most see rise in costs as well

Two thirds of respondents report rises in wage and non wage costs.

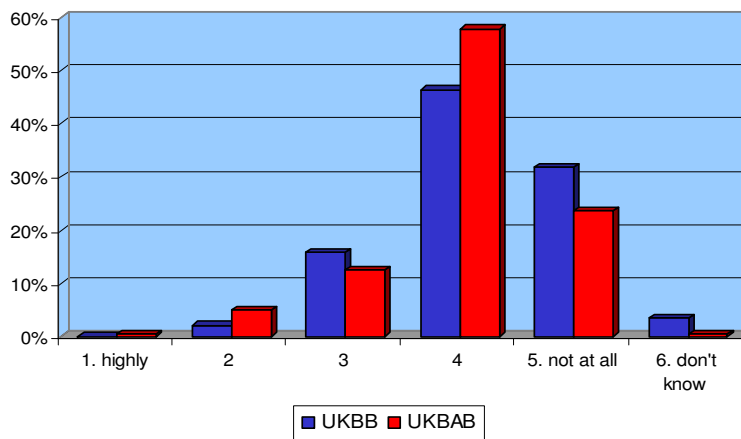
Regarding costs, nearly two thirds of respondents say that there has been rises in the annual growth over the past six months - only 7% experienced falls. Looking ahead, 69% say that they expect rates of increases to rise over the next 6 months, while only 4% expect lower growth in costs to come.



Media coverage for smaller businesses

Although a few respondents feel that smaller business issues are covered adequately in the media, 78% of UKBB respondents and 81% of UKBAB respondents feel that the media does not cover smaller business issues barely or at all adequately.

To what extent do you feel that the issues confronted by smaller businesses are given adequate coverage in the media?



Feedback into the April survey - Size matters.



Benchmarking key issues for smaller businesses

The last word this month goes to a panellist who thinks the government need to redefine 'small'.

“I get the impression that, to most in government, a small business has around 100 employees. The really small business with less than five employees gets no consideration and generally speaking is stamped on by all the legislation it gets.”

To access the full version of the March analysis visit [www.ukbb.ac](http://www.ukbb.ac)

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