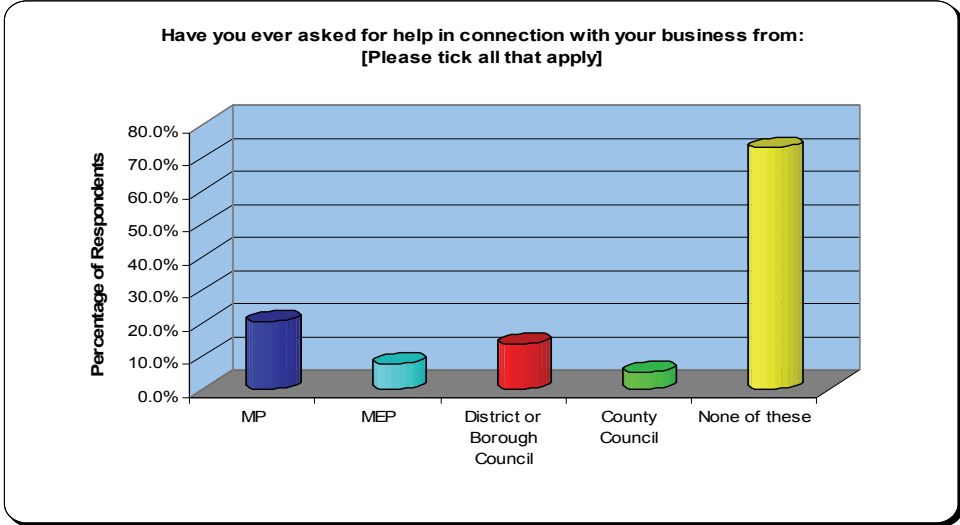


> KEYNOTES FROM AUGUST 2006 - BB99

How many businesses look for direct help from politicians and/or local government?

From time to time we ask panellists who they look to for business guidance. Given the effect that legislators, local and national, have upon business, we wondered if panellists had ever turned to politicians for advice. The results were interesting.

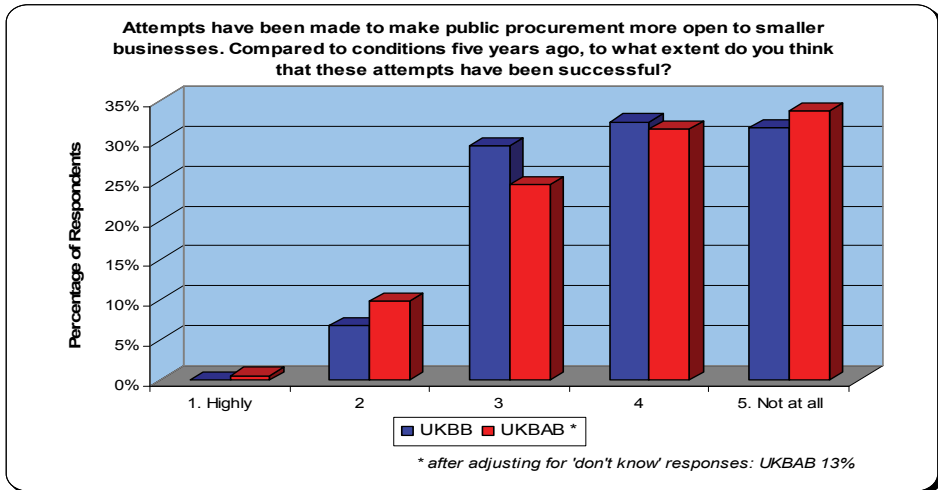


Public sector procurement—Is it easier now than it was five years ago?

The Office of Government Commerce and the Small Business Service have been tasked to improve opportunities for small and medium sized businesses in competing for government contracts. So far their efforts have made little impression on the respondents to the UKBB and the UKBAB who were both asked the same question on this topic. 7% of UKBB and 9% of UKBAB respondents thought the attempts had been highly or reasonably highly successful, while 64% of UKBB and 57% of UKBAB respondents thought they were not at all or only slightly successful.

The panellists' view:

More specific problems were highlighted through the survey comments facility. One panellist said that where public sector departments are competing with private sector companies, the procurement/ tendering process can be made so difficult that the contract will end up in-house. Another, a smaller contractor, has problems with preferred suppliers, which tend to be relatively large organisations. He is often asked to work with a preferred supplier as an employee, which reduces the respondent's profit, but increases the cost to the project owner because of the mark-up put upon the respondent's input.

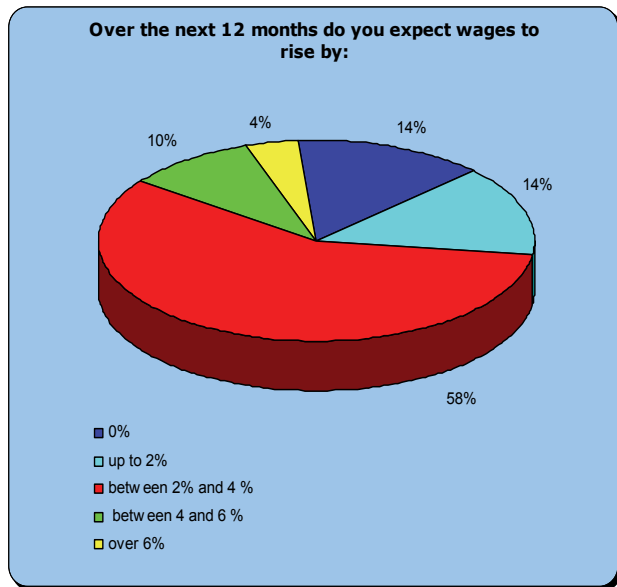


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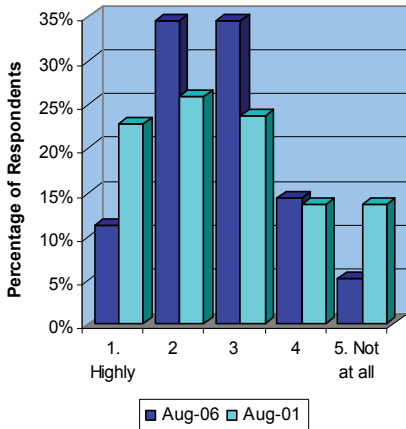
> KEYNOTES FROM AUGUST 2006 - BB99

Are wage increases being held down by labour from new accession countries?

Recently reports have suggested that wage increases are being held down by an increase in the supply of labour from new accession countries. 28% of respondents expect increases in the next year to be less than 2%, and 56% expect increases to be between 2% and 4%. Only 14% expect wages to rise by more than 4%.



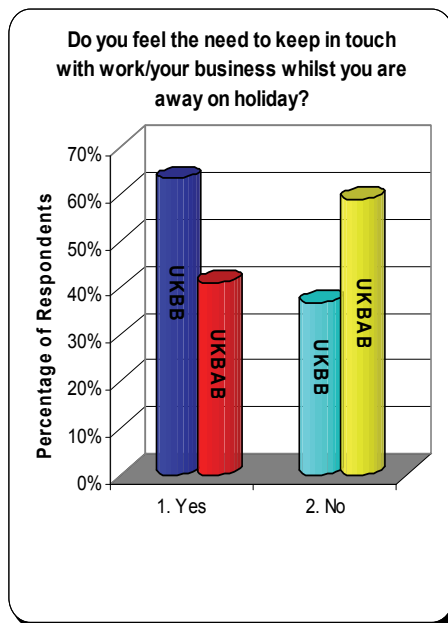
To what extent does the holiday season disrupt your business?



Just how disruptive is the holiday season?

46% of respondents to the UKBB view the holiday season as either highly or reasonably highly disruptive to their business. In 2001 when this question was last asked, the response over these two categories was fairly close, totalling 49% of the respondents to that survey.

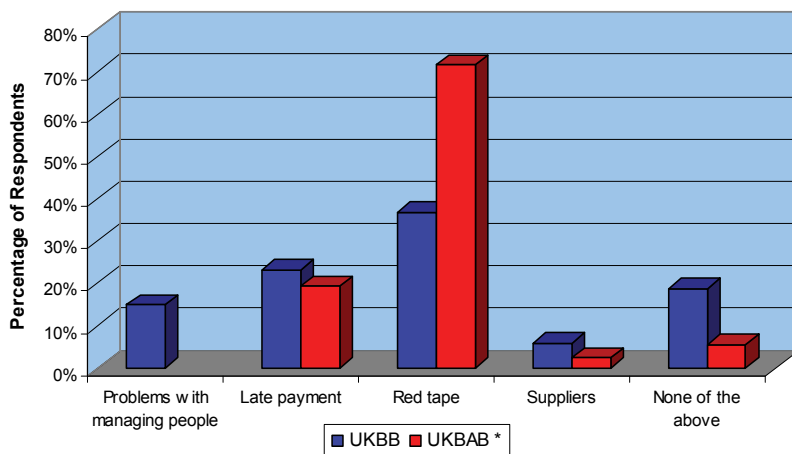
Keeping in touch with business whilst away on holiday ?



Getting away for a break is necessary for continued good health and efficiency in the workplace, but 63% of respondents to the UKBB feel the need to keep in touch with their business when away on holiday. The same question was put in the parallel survey of business advisers, the UKBAB, and amongst these respondents fewer felt unable to stay out of contact for the duration, but it was still a sizeable minority of 41%.

> KEYNOTES FROM AUGUST 2006 - BB99

What makes you most irate when trying to run your business successfully?



* after adjusting for 'don't know' responses: UKBAB 1%

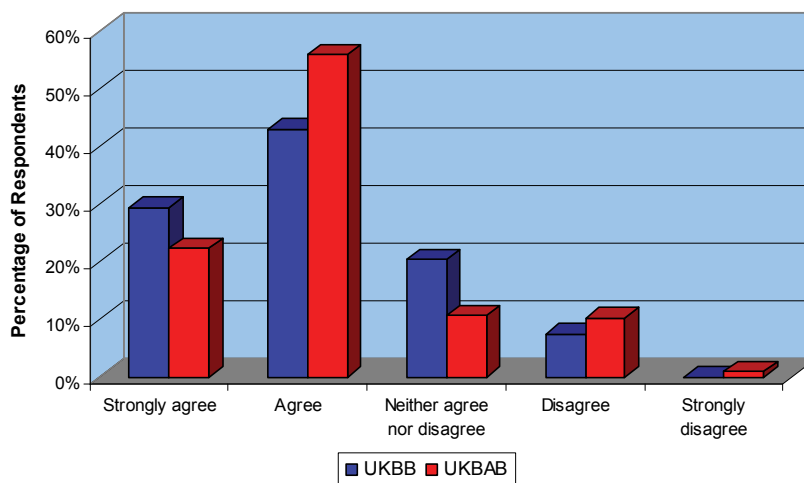
Is there such a thing as 'business rage' and, if so, what causes it?

Respondents are angered by different things. 37% said red tape most bothered them, but late payment came in second with 23%. Managing people and suppliers cause the most anger for 15% and 6% respectively. 19% said that none of these things make them 'most irate'. One respondent clarified their answer through a comment saying that bad debts made them most irate. Another said that finding reliable, hard working and honest new staff is their biggest bugbear and a third finds procrastinating clients the most irritating.

Is it all about the money?

A question which might have provoked a near unanimous reaction has returned a surprisingly wide spread of responses. Asked whether they agreed with the statement that at the end of the day, making money is the driving force behind most small businesses, 29% strongly agreed and 43% agreed, but 20% neither agreed nor disagreed, while 8% disagreed. UKBAB respondents were asked the same question and 78% either strongly agreed or agreed, while 11% disagreed or strongly disagreed.

At the end of the day, making money is the driving force behind most small businesses.



> THE QUESTIONS - AUGUST 2006 - BB99

- Q1. Have you ever asked for help in connection with your business from: [Please tick all that apply] ? an MP, MEP, District or Borough Council, County Council
- Q2. To what extent did the high temperatures in July have a detrimental effect upon your business?
- Q3. To what extent do you feel in need of advice on the practicalities of Corporate Social Responsibility?
- Q4. Over the next 12 months do you expect wages to rise by: 0%, up to 2%, between 2% and 4 %, between 4 and 6 %, over 6%
- Q5. Do you feel the need to keep in touch with work/your business whilst you are away on holiday?
- Q6. To what extent does the holiday season disrupt your business?
- Q7. Is the focus of your sales strategy geared more towards gaining new customers or to encouraging recurrent business?
- Q8. Do you believe that UK entrepreneurs are regarded in a more favourable light than they were five years ago?
- Q9. Do you think that the potential positive aspects of business failure, in terms of learning and experience, are recognised more clearly than was the case five years ago?
- Q10. Attempts have been made to make public procurement more open to smaller businesses. Compared to conditions five years ago, to what extent do you think that these attempts have been successful?
- Q11. At the end of the day, making money is the driving force behind most small businesses.
- Q12. What makes you most irate when trying to run your business successfully?

If you have a suggestion for a future question, please contact us via the email addresses given below.

Click here to view the complete set of results for this and for previous surveys: www.ukbb.ac/UI/surveys.aspx

About the respondents:

In the August 2006 survey 133 respondents were drawn with the following characteristics:

Sector			
Production & Manufacturing	Distribution	Services	Total
25.6%	7.5%	66.9%	100.0%

Turnover (£)			
< 1 M	1M-3M	>3M	Total
69.2%	17.3%	13.5%	100.0%

Number of Full-time Employees					
1-10	11-20	21-50	51-100	100+	Total
60.9%	24.1%	6.8%	3.0%	5.3%	100.0%



UKBB: Benchmarking key issues for smaller businesses

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