

The August survey took recruitment as its major theme. This time, from the factors directly impacting on recruitment, we asked if employment legislation deters from taking on new staff; if young people are being attracted into industries; for views on skill shortages, and on the employability of new graduates. The August Survey also looked at sales to the public sector, government plans for flexible working, the EU Work Time Directive, interaction with local schools and expanding barometer coverage..

About the respondents

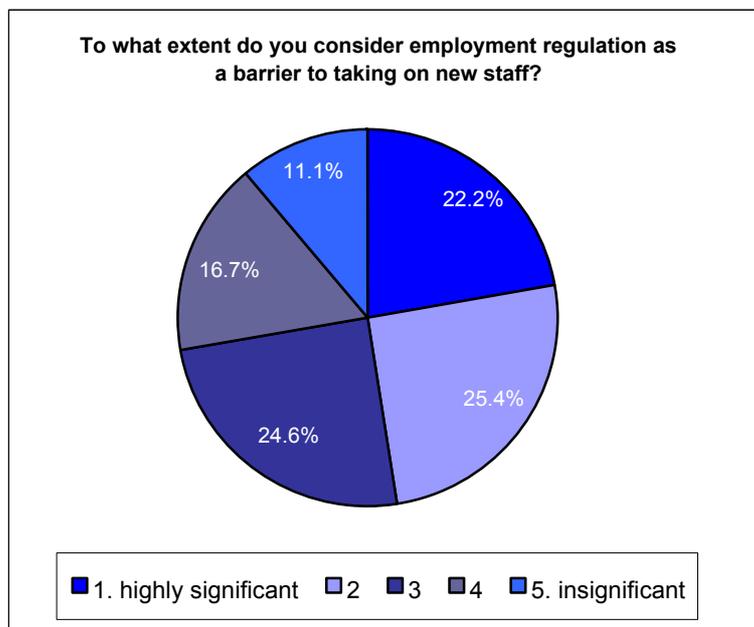
126 respondents were drawn with the following population characteristics:

Sector			
Production & Manufacturing	Distribution	Services	Total
37.3%	8.7%	54.0%	100.0%

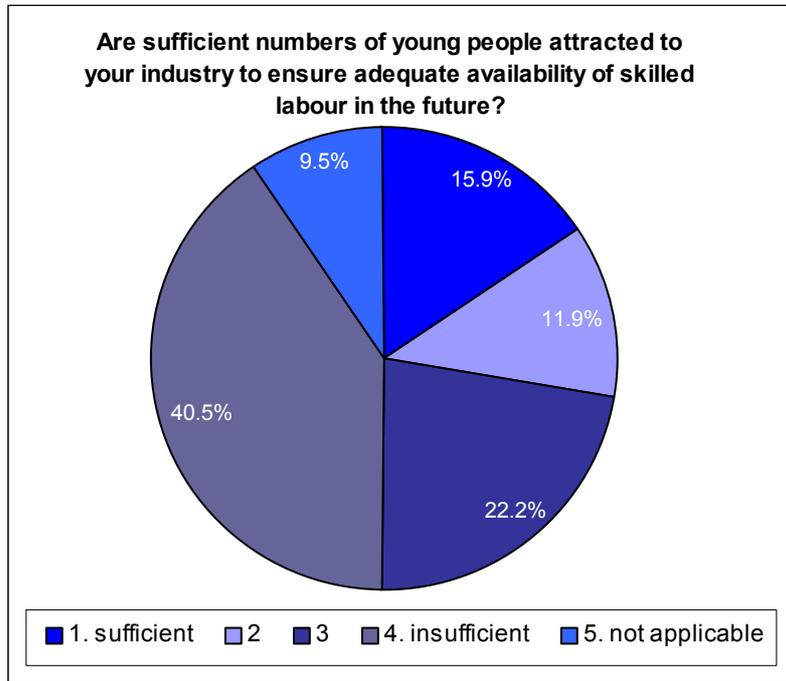
Turnover (£)			
< 1 M	1M-3M	>3M	Total
57.1%	23.8%	19.0%	100.0%

Number of Full-time Employees						
1-10	11-20	21-50	51-100	100+	unknown	Grand Total*
39.7%	35.7%	8.7%	4.8%	4.8%	6.3%	100.0%

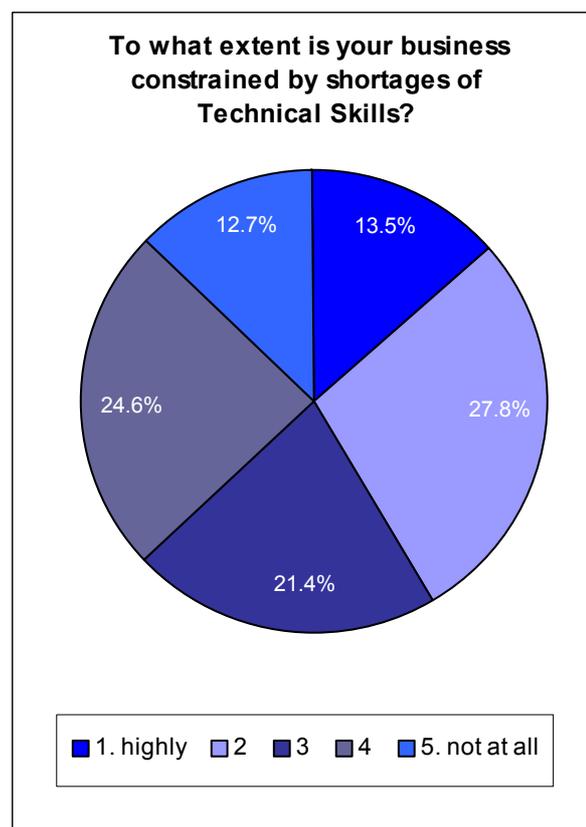
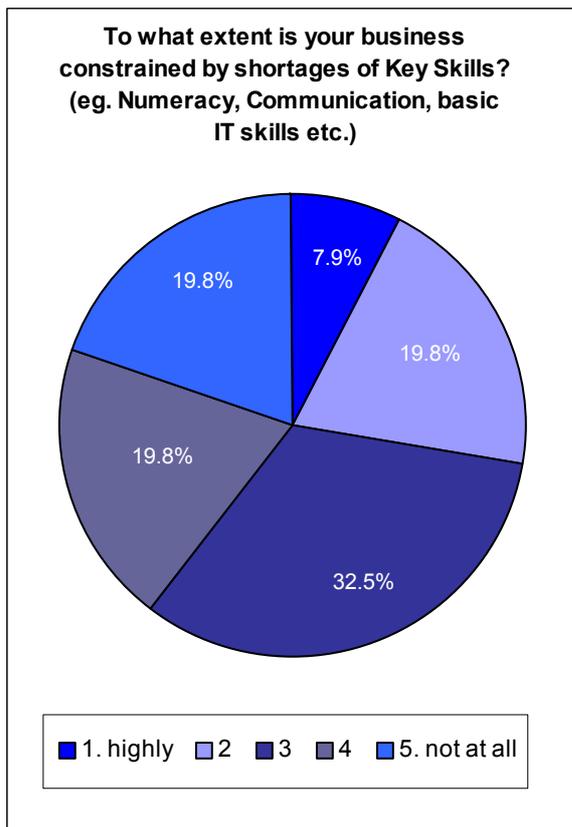
A previous Business Barometer Survey (November 1998) showed that the area of government legislation that gives most cause for concern is employment legislation. August’s survey question specifically on employment regulation showed that 48% consider employment regulation is a relatively highly significant barrier to taking on new staff, and only 11% see it as insignificant.



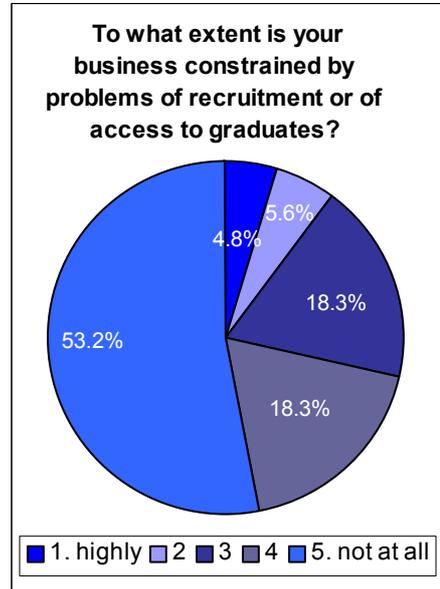
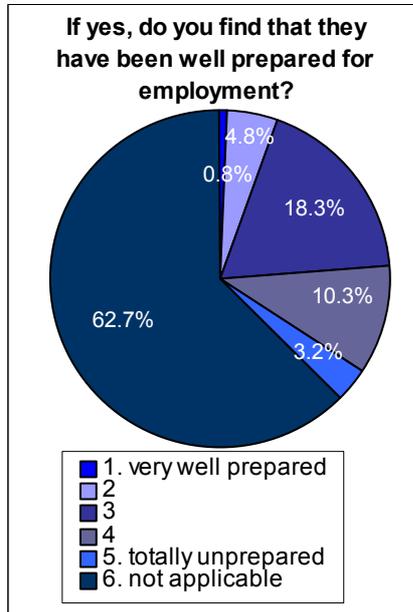
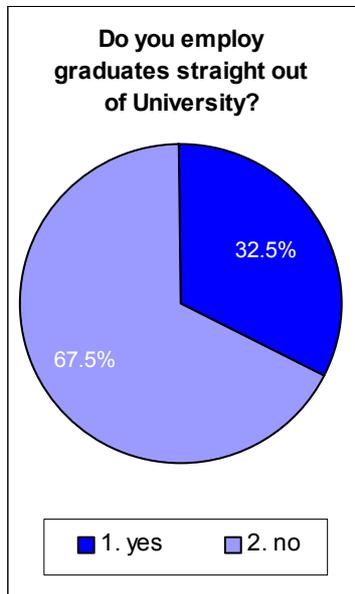
The adequacy of succession arrangements, training and skills are key to future success in industry. We asked if enough young people are being attracted for future requirements. The response from 28% was relatively sufficient, very similar to the response from the same question in July 1999, but 41% feel that insufficient young people are being attracted – in July 1999 it was only 24%.



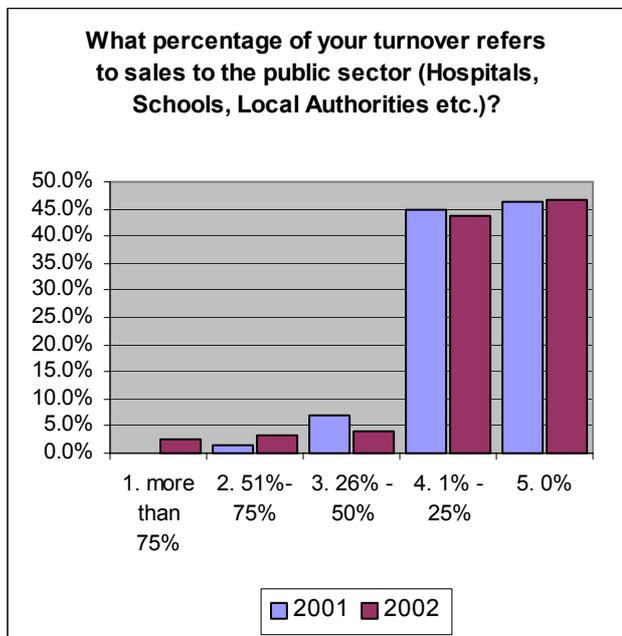
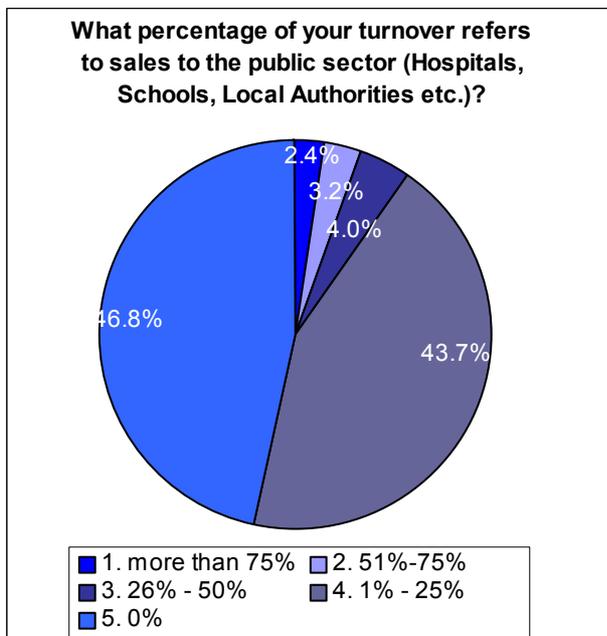
Constraint of business from lack of Key Skills is being experienced more now than in August 2000 – 28% are relatively highly constrained now, while it was only 13% then. Shortages of Technical Skills are also causing constraint in 41% of panellists' businesses, compared to 28% in August 2000.



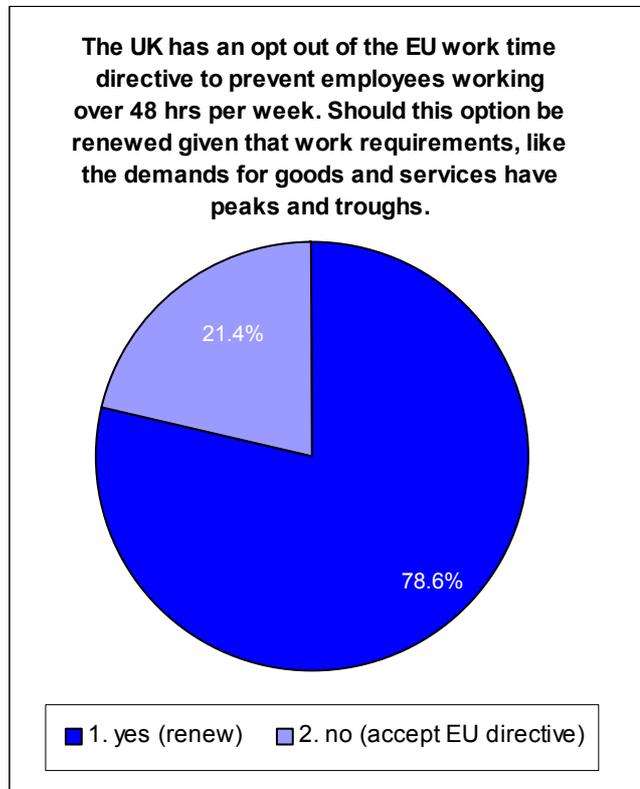
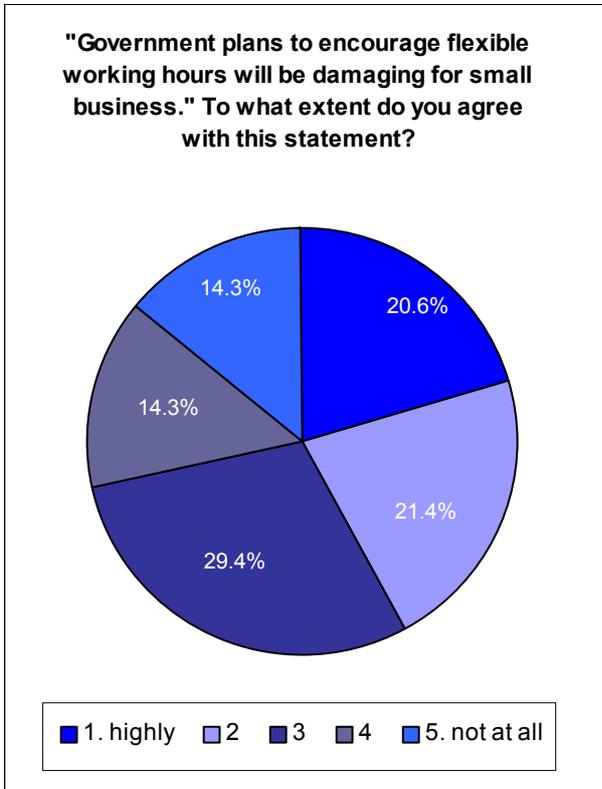
One third of respondents employ new graduates, but of those, more find that their new employees are unprepared for employment (14% of total) than prepared to some extent (6%). Even so, 10% of panellists find that their business is constrained by problems of recruitment or access to graduates.



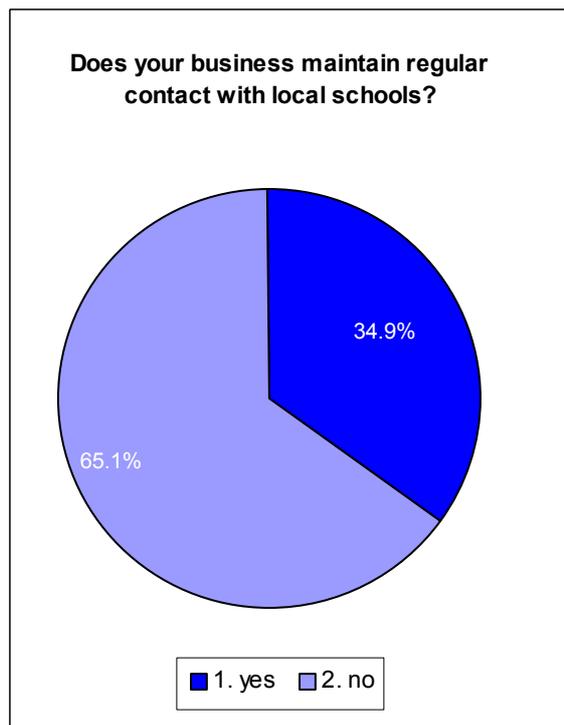
A year ago the government announced plans to encourage smaller businesses to participate in the supply chain for the public sector. Our survey shows some very small growth over the year, in the percentage of turnover deriving from sales to the public sector, particularly in firms deriving more than 50% of their turnover from the public sector.



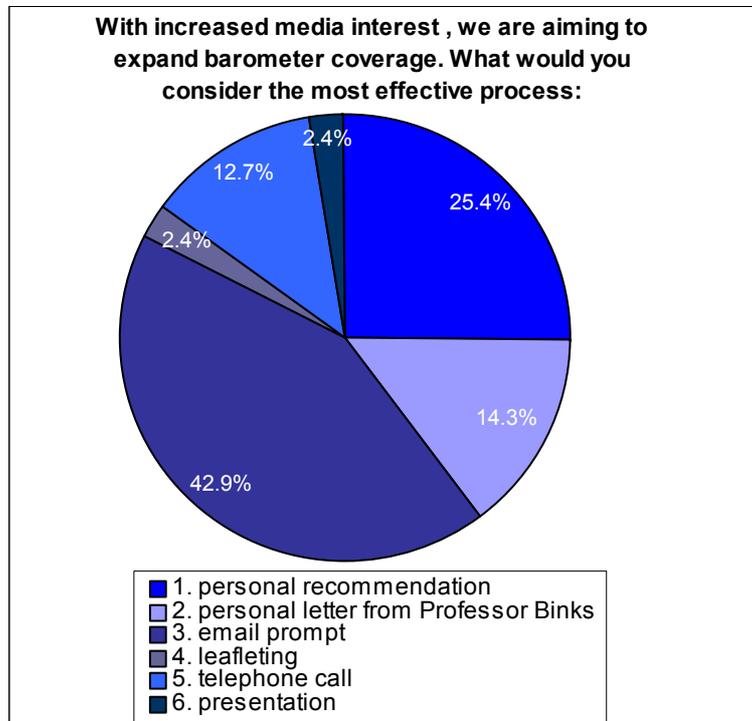
The DTI has recently surveyed employees on their working hours and ministers want to encourage flexible working. In our Survey of small business, 42% of respondents agree that encouragement of flexible working will be relatively highly damaging for small business, while only 14% disagree. 78% would like the UK to extend the opt-out provision of the EU Working Time Directive next year.



Interest in local firms and industry can begin at a very early age. We found that over a third of our respondents have regular contact with local schools.



Finally in August we asked our panellists for some advice on how to expand the panel! Mindful that busy CEOs have limited time for Surveys, but appreciate the opportunity to communicate their views directly to key influencers, we are looking for effective ways to approach and engage new panellists. Email came out as easily the most popular method of approach.



Listed below are extracts from feedback received in Survey BB51 August 2002  
Comments are listed under sector headings.

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

**Business Services**

EC and the UK government are still putting to much red tape on SMEs

**Retail**

Most small businesses feel the weight of government intrusion, yet do not have a vote in general elections. The Barometer is a way for businesses to express a vote and, publicising this the best way to solicit new contributors!

**Wholesalers**

Is the burden of "red tape" preventing many small business from expanding or even starting? How will insurance increases, particularly employers liability effect business?