

The May survey asked for views on UK entry to the Euro, reflections on starting a business, aspects of staffing and pressure of competition, - and the World Cup.

About the respondents

136 respondents were drawn with the following population characteristics:

Sector			
Production & Manufacturing	Distribution	Services	Total
36.8%	9.6%	53.7%	100.0%

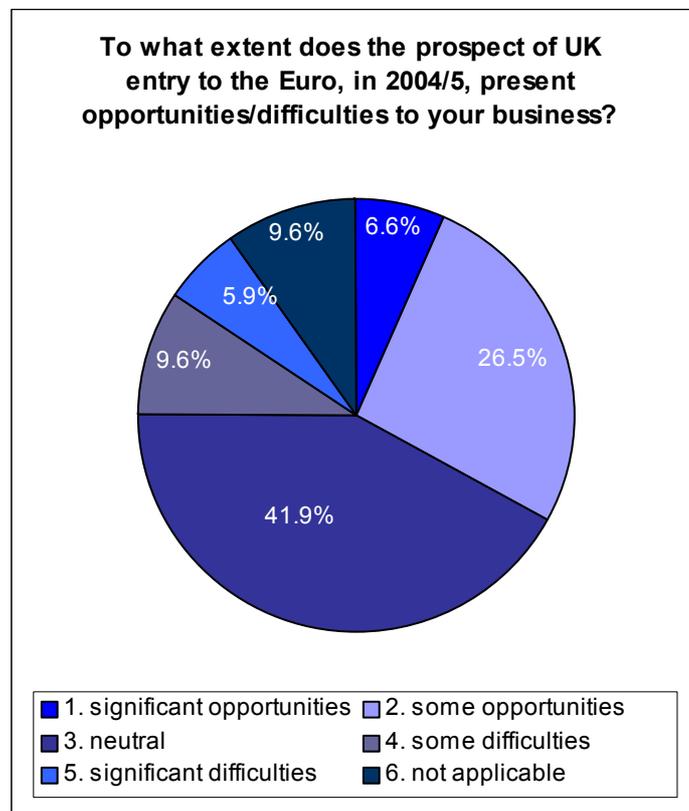
Turnover (£)			
< 1 M	1M-3M	>3M	Total
61.8%	19.9%	18.4%	100.0%

Number of Full-time Employees						
1-10	11-20	21-50	51-100	100+	unknown	Grand Total*
39.7%	36.0%	10.3%	3.7%	5.1%	5.1%	100.0%

UK entry to the Euro has once more been discussed in the media, with the mooted likely entry date becoming even closer. Since the Euro is now in currency use in Continental Europe, and more UK businesses and individuals have first hand experience of using it, we were interested to see if attitudes have changed recently.

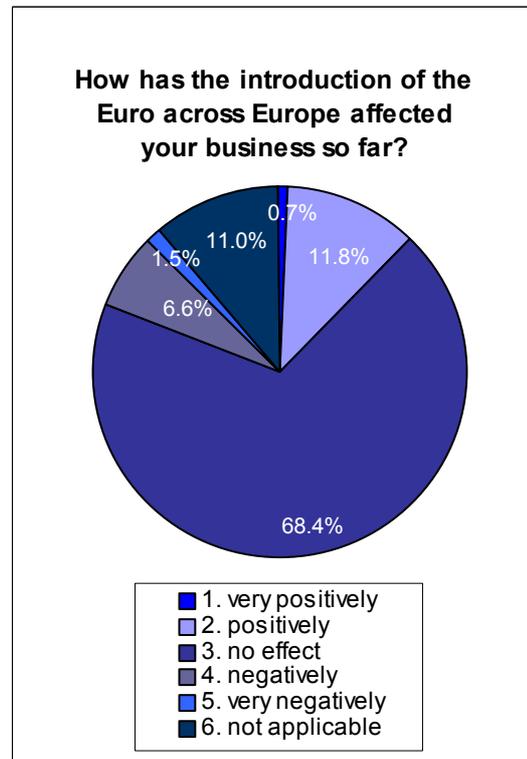
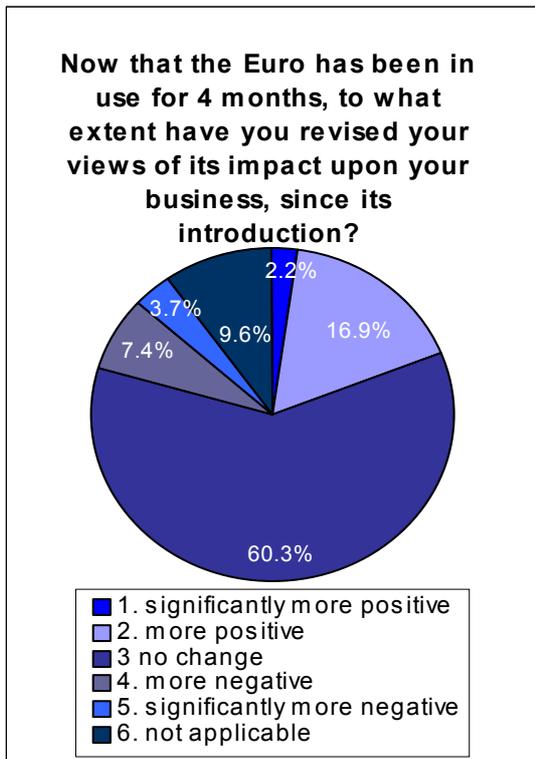
In February 2001 we asked panellists how they thought joining the Euro would affect business. The response was 6.6% very positive, 26.5% positive, 49.6% neutral, 10.3% negative and 6.8% very negative.

Our first question this May was phrased more personally i.e. it was related to the panellists own business rather than 'business' generally, but the response range was very similar, with a total 33% seeing business opportunities arising through entry to the Euro:

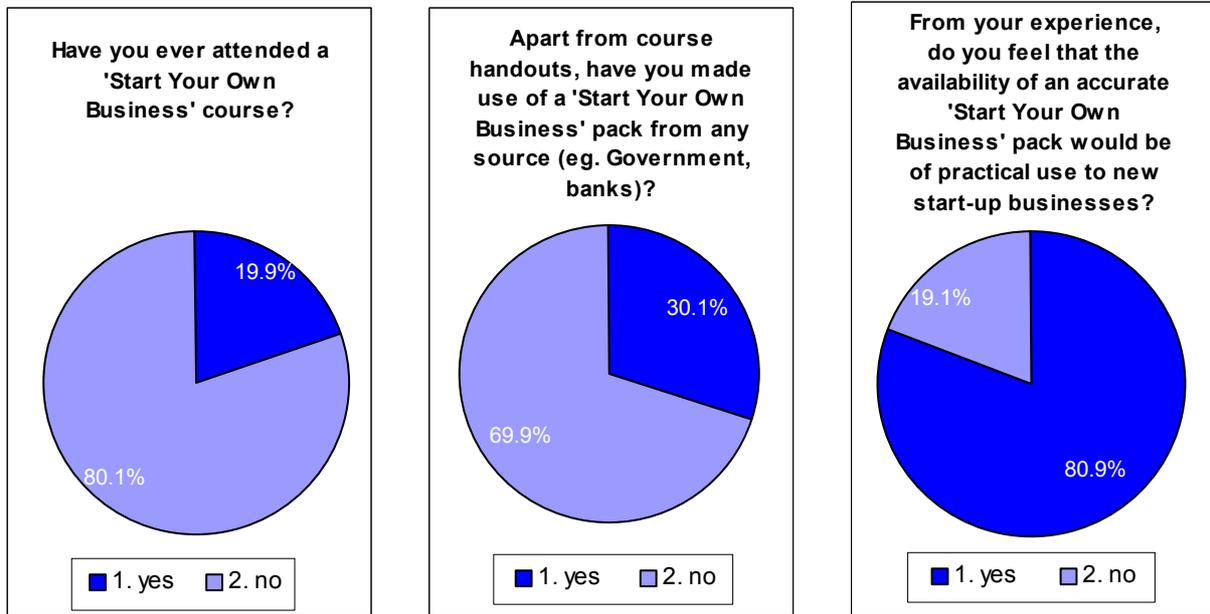


The two follow up questions were designed to find out how panellists perceive their own attitudes to have changed. Even though 60% have not changed their views of the Euro's impact on their businesses, 19% have now revised their views in a more positive direction, 2% significantly so. 11% now feel more negative, 4% significantly so.

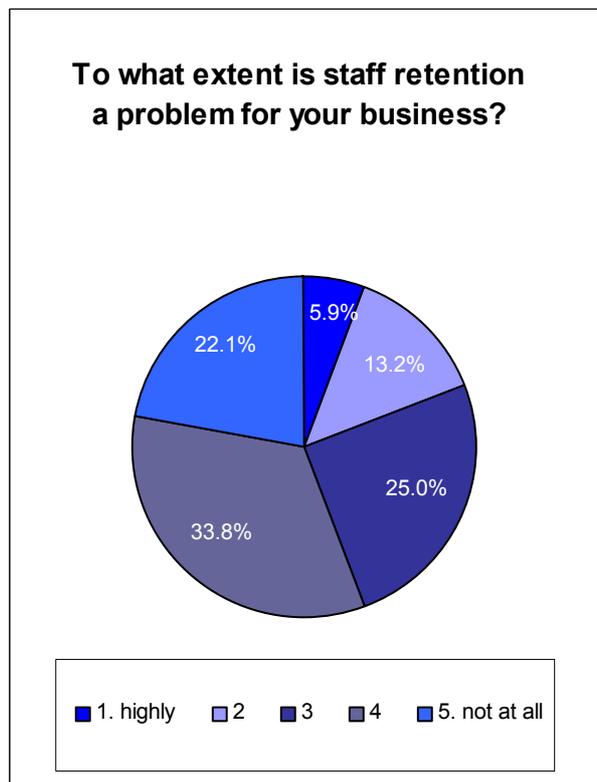
Already 12% have actually experienced a positive effect on their business since the Euro's introduction, but 8% have experienced a negative effect. 68% are unaware of any effect so far.



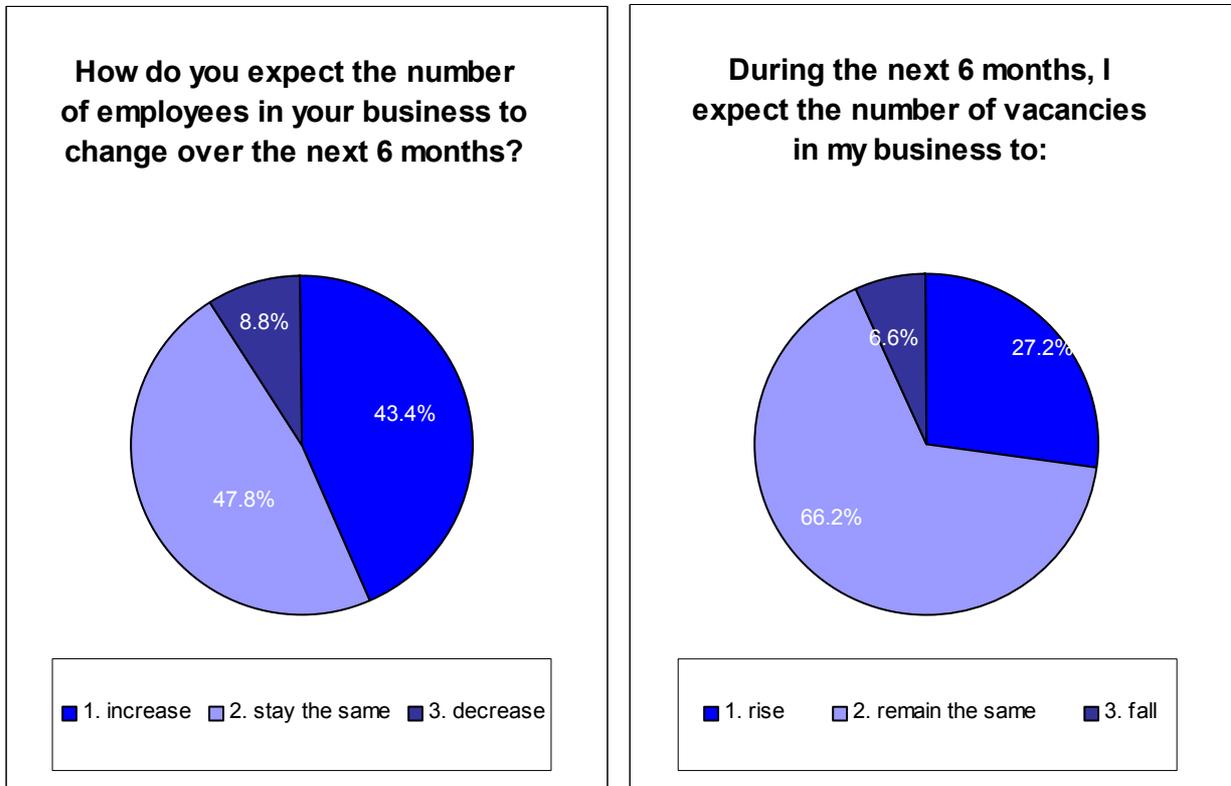
Questions 4 – 6 sought the experience and advice of panellists for the benefit of new start-ups. 20% of panellists have at some time attended a course on starting a business, and 30% have used a 'Start-up' advice pack. In the light of their own experience, 81% agree that the provision of an accurate 'Start-up' pack would be useful to new businesses. This is good news for the “*newbusinessnewlife*” initiative from the **east midlands development agency** and their guide of the same name.



Responses to three questions on demand for staff showed a buoyant attitude – 19% find staff retention is a problem, but 22% have no problem at all with this and 34% have only a slight problem.

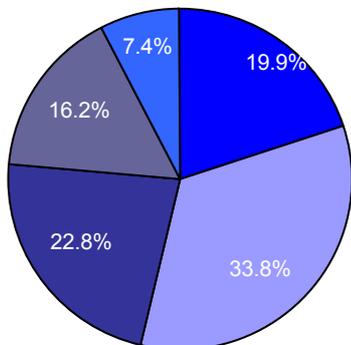


43% expect staff numbers to increase in the next six months, with 9% expecting decreases in staff numbers, and vacancies are also expected to increase in 27% of respondents businesses, with falls in numbers of vacancies only expected in 7% of businesses.



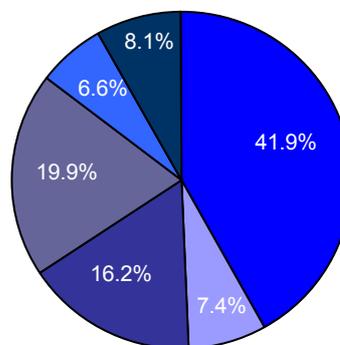
The two questions on profit margins revealed that amongst our respondents 54% are finding profit margins more constrained due to the pressure of competition than 12 months ago. 42% have taken sales and marketing initiatives for competitive reasons while 20% have cut overhead costs other than materials and labour:

Compared with 12 months ago, to what extent are profit margins constrained due to the pressure of competition?



■ 1. highly ■ 2 ■ 3 ■ 4 ■ 5. not at all

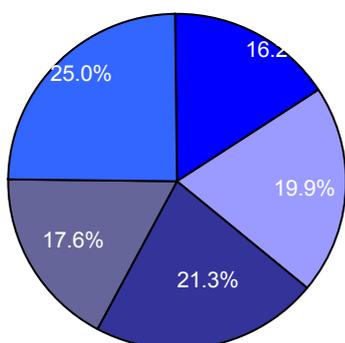
Which, if any, of the following measures have you taken in order to keep your business competitive?



■ 1. sales and marketing initiatives
 ■ 2. cutting the cost of materials
 ■ 3. cutting staffing costs
 ■ 4. reducing other overheads
 ■ 5. other
 ■ 6. none

Coping with the World Cup in the workplace has been the subject of many recent media stories, mostly relating to large businesses and organisations. Many smaller companies have concerns about the impact on their businesses – only 25% believe that there will be no effect on employees concentration and attendance, while 16% believe concentration and attendance will be highly affected.

To what extent do you think that the daytime coverage of the Football World Cup might affect your employees' concentration and attendance?



■ 1. highly ■ 2 ■ 3 ■ 4 ■ 5. not at all

Listed below are extracts from feedback received in Survey BB48 May 2002.

Comments are listed under sector headings.

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

Other

Being paid in Euro's is allowing the banks to take big (10%) commissions on transactions.

I believe (the UK) is a world player regarding business and finance our further involvement with Europe is not a bad thing however replacing the pound for the Euro will have a detrimental effect!

Business Services

Many start up/owner managers have invoiceable skills!

However in their first year they have to acquire a whole host of other skills! Although the current courses available teach these skills, (they do not do so) in the context of their skills level or within the context of their business!

There are many training opportunities but none which teach the application of knowledge specifically for their business.

Smuggled tobacco still a major problem affecting trade.

We aim to improve efficiency by getting staff to work smarter. Initiatives range from introducing or enhancing IT tools to departmental reviews of operations.

Re Business Start up: Not only are manuals useful but also the professional services offered by Enterprise Agencies

Wholesalers

Our Company are currently trying to overcome the difficulties of dealing with insurers following a substantial warehouse fire. Are other companies aware of their actual insurance policies or do they rely upon a brokers guidance. Have they thought about the "what if" scenario?

Production & Manufacturing

The weakness of the Euro was an initial advantage for mainland European producers, but now they are having to pay more for their raw materials and this is offsetting the currency advantage. I am personally against Britain joining the Euro although I have no problem trading in it.

We intend making provision for employees to see the England games and we therefore see it as an opportunity to spend some time with employees in a social rather than work related situation, which will have intangible benefits I am sure.

[Q12 To what extent do you think that the daytime coverage of the Football World Cup

might affect your employees' concentration and attendance?]

What nonsense; if everyone ignored football it would go away. Come to think of it, the same applies to pop music.