

November's survey asked for views on the entrepreneur, profit margins, cash holdings and bank deposits, borrowing, call centres, export orders, interest rates and how important it is to have a personal point of contact at the bank.

About the respondents

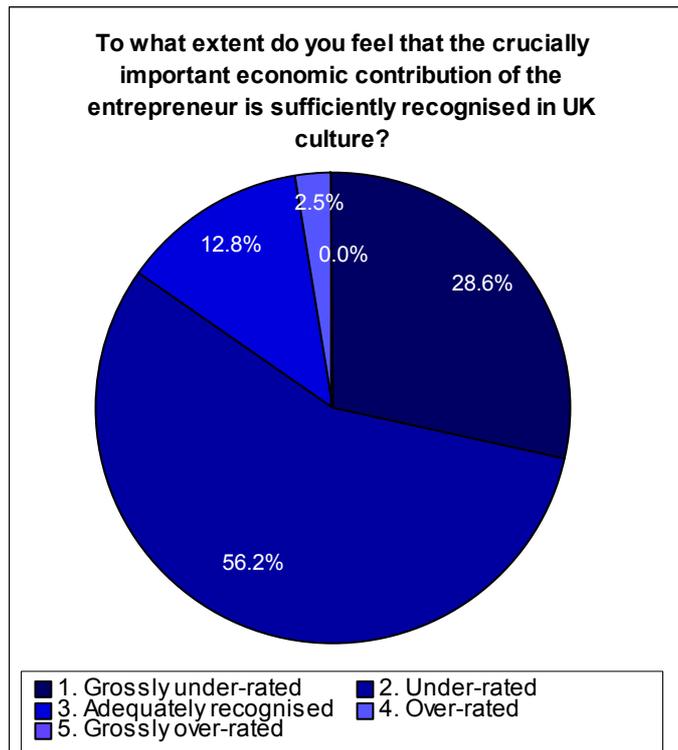
203 respondents were drawn with the following population characteristics:

Sector			
Production & Manufacturing	Distribution	Services	Total
26.1%	5.9%	68.0%	100.0%

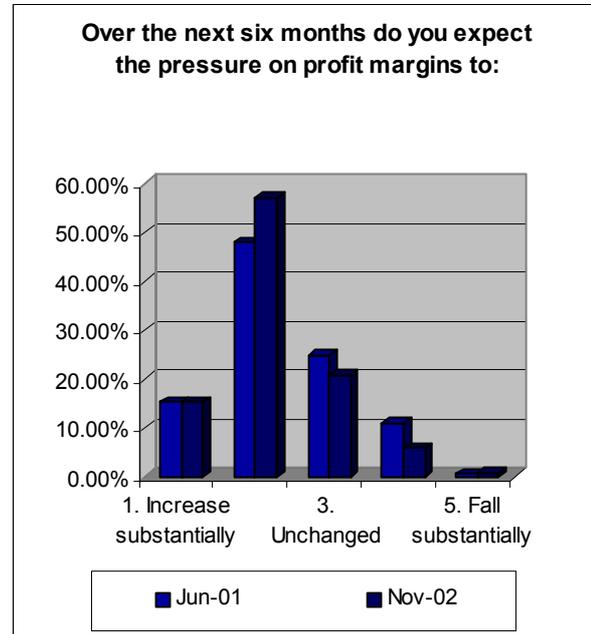
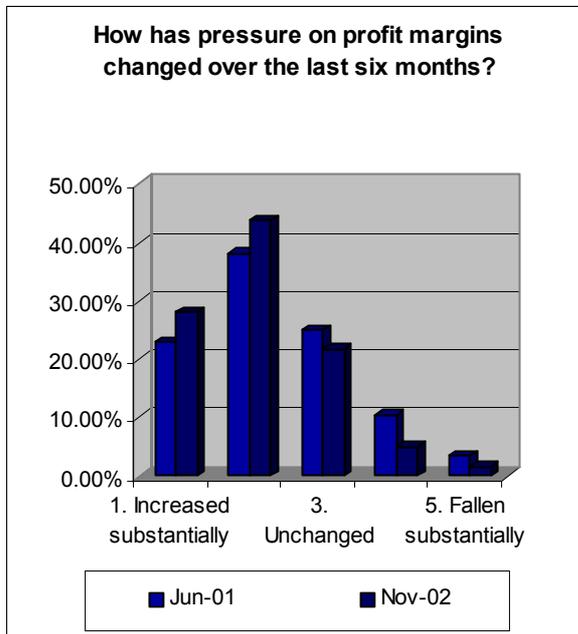
Turnover (£)			
< 1 M	1M-3M	>3M	Total
69.0%	17.7%	13.3%	100.0%

Number of Full-time Employees						
1-10	11-20	21-50	51-100	100+	Unknown	Grand Total*
46.8%	35.0%	5.4%	3.0%	3.0%	6.9%	100.0%

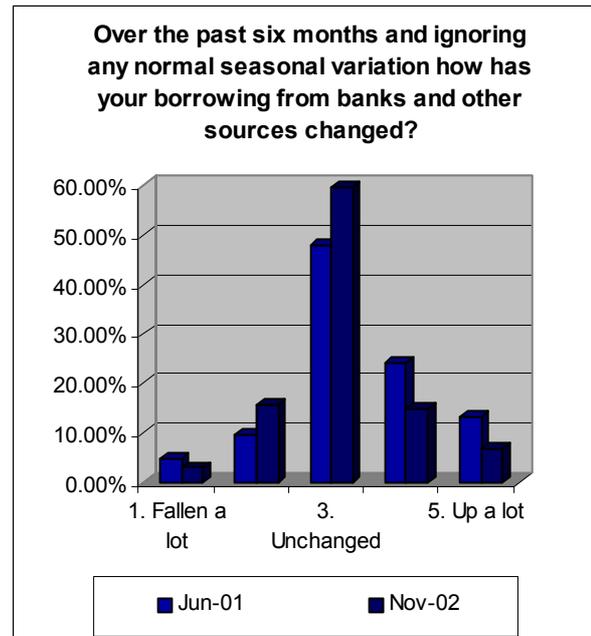
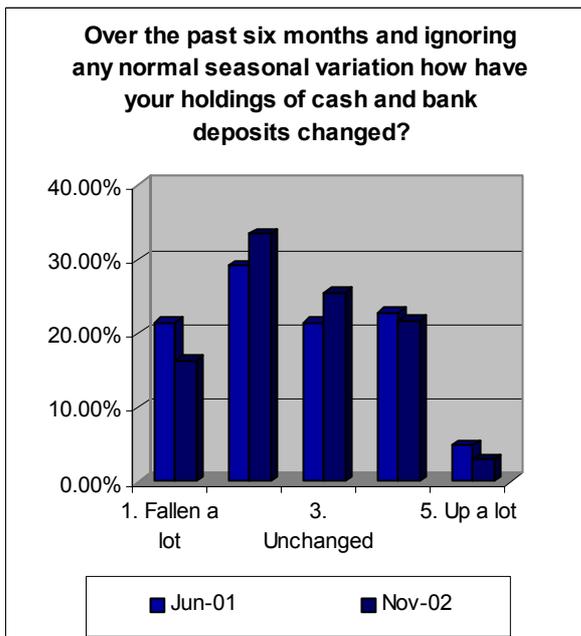
Our survey revealed that a large majority, 85%, of those responding, who would generally classify themselves as entrepreneurs, feel that entrepreneurs are not sufficiently recognised for their contribution to economic progress.



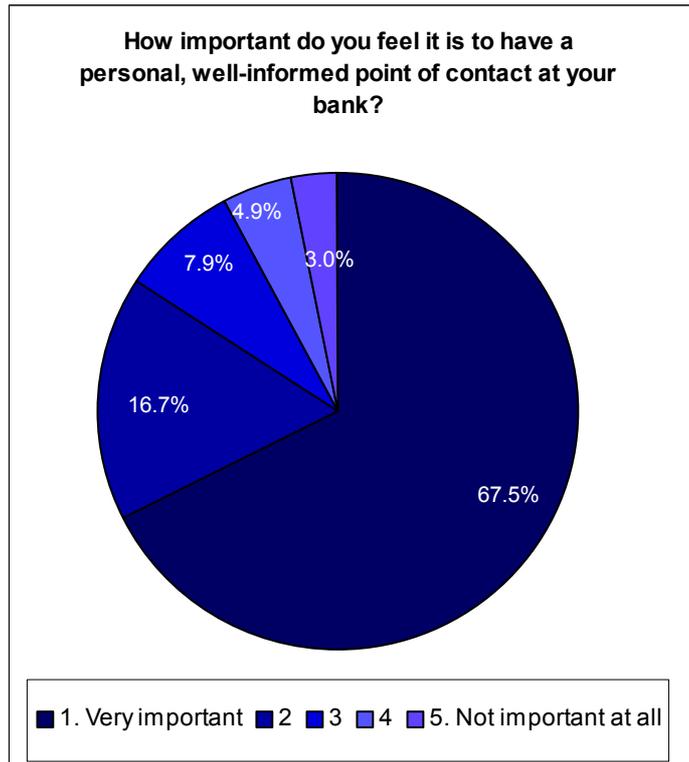
Pressure on profit margins has become more intense in the last year and a half. In November this year 72% said that pressure had increased or increased substantially, an increase of 10% in these responses from June 2001. 72% also said that their expectations for the next six months are for increased or substantially increased pressure, compared with 63% in June 2001



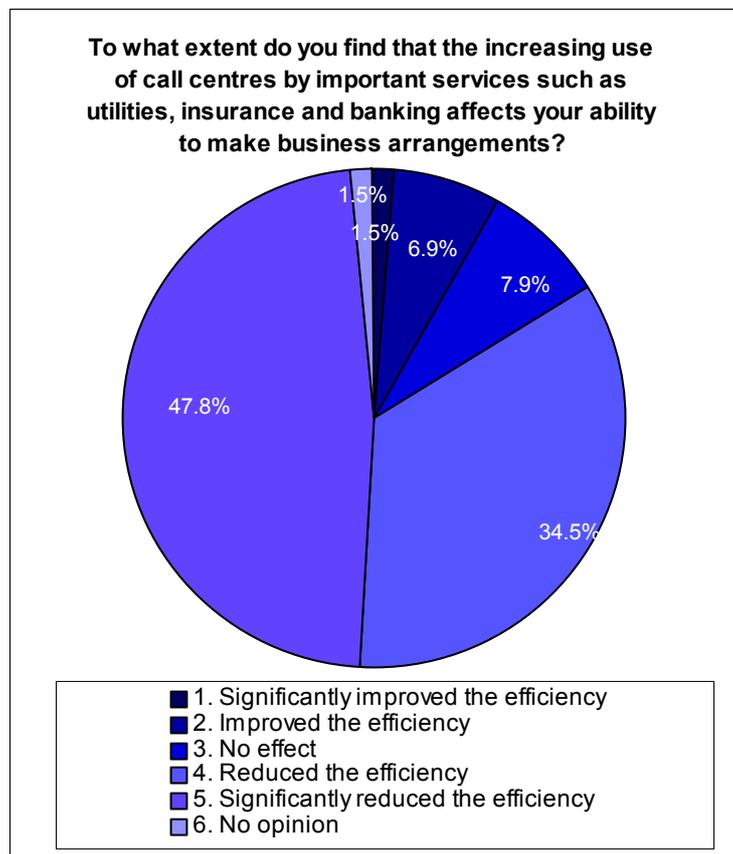
50% of respondents say that cash holdings and bank deposits have fallen to a greater or lesser degree over the last six months, with 25% saying they are unchanged and 25% saying they have increased. This is similar to the result of June 2001. On borrowing, 19% say that levels have fallen while for 22% they have risen. In June 2001, only 15% reported falls in borrowing levels while 38% reported rises in borrowing.



Small businesses need a close relationship with their bank – 85% think it is important or very important to have a personal, well-informed point of contact.

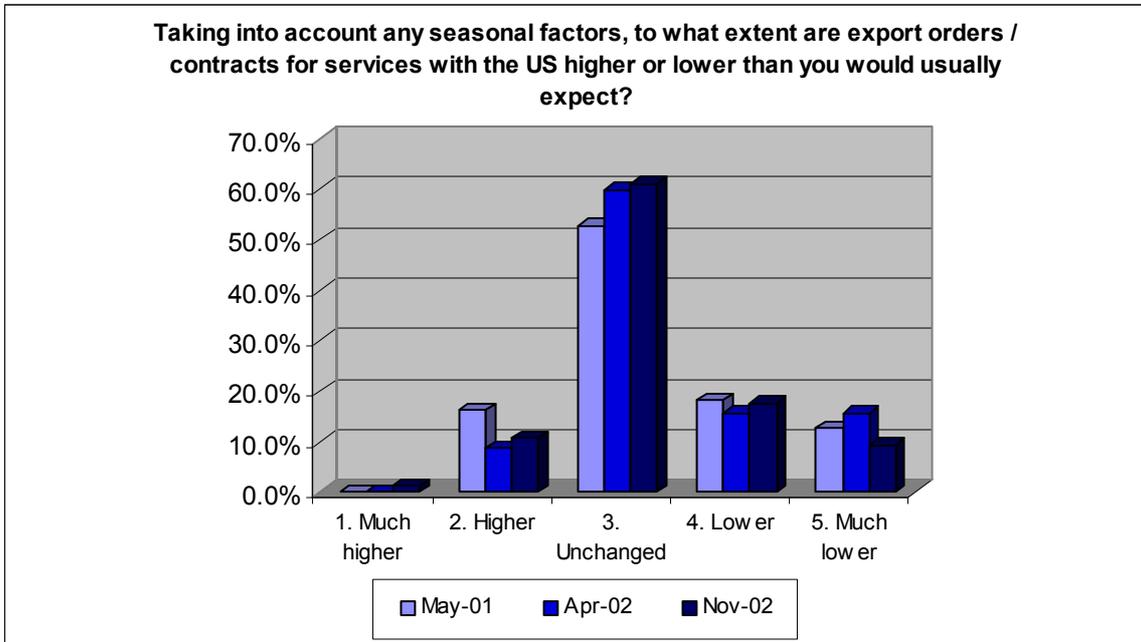


Respondents do not generally believe that Call Centres are helpful to their businesses. 82% believe that Call Centres reduce or significantly reduce the efficiency of businesses ability to make business arrangements. Only 8% believe they are a positive help and a further 8% think they have no effect.

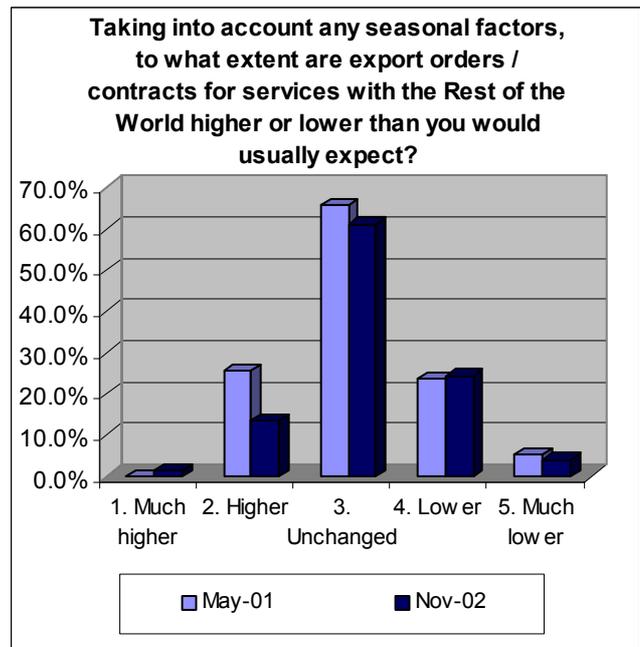
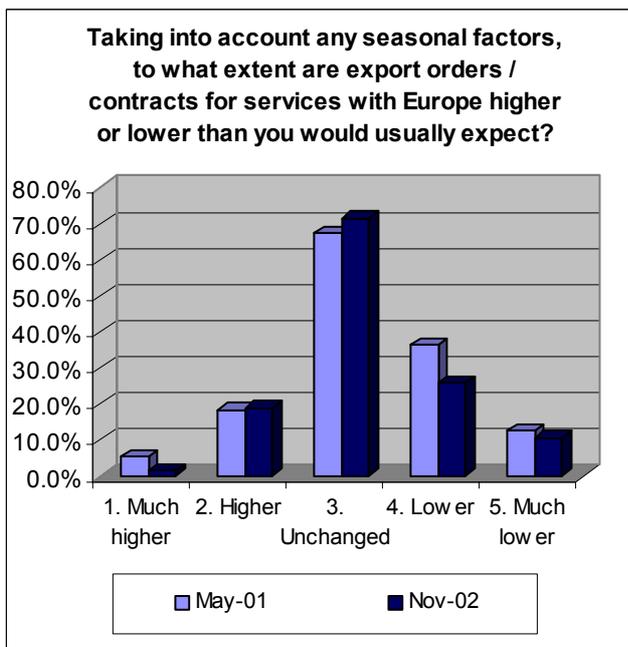


There were three questions on seasonally adjusted export orders or contracts for services, for the USA, Europe and the Rest of the World. 51% of respondents responded 'not applicable' to all of these, about the same as when we last asked these questions. The graphs shown below have been adjusted to exclude the 'not applicable' responses.

Although there is a decrease in the percentage that has increased exports with the USA since May 2001, there is a small increase since April 2002.

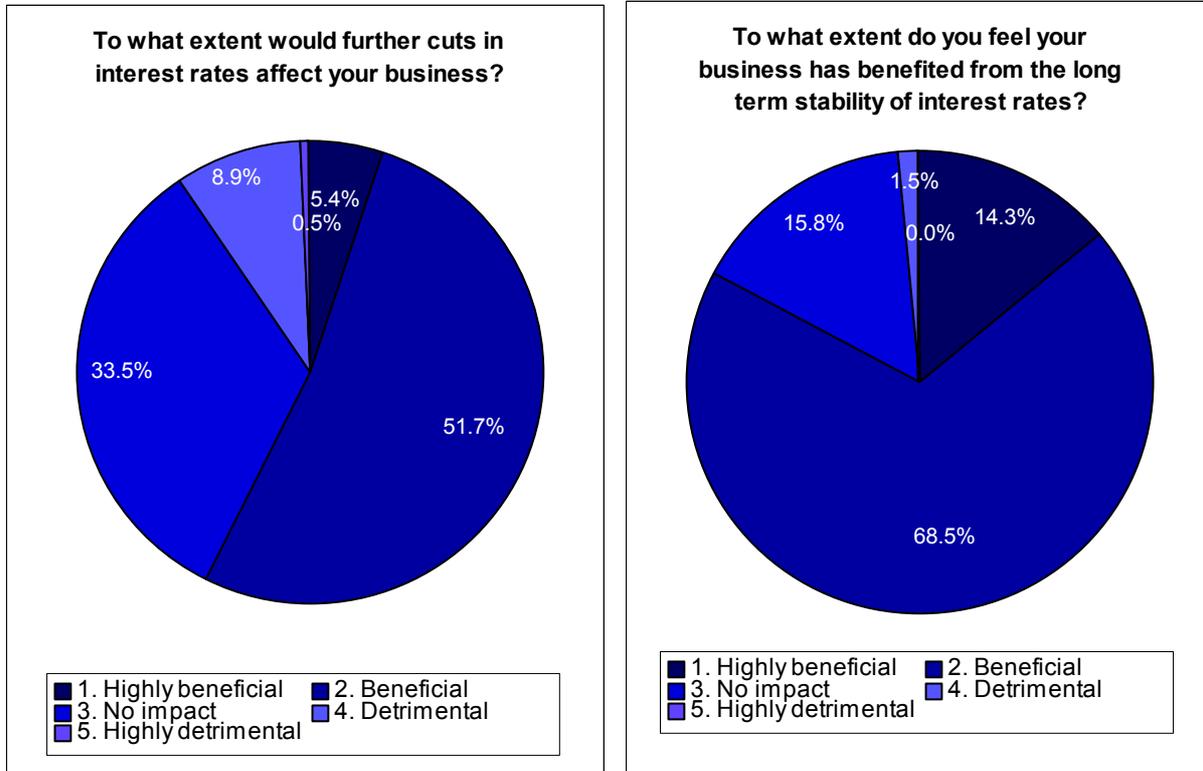


For Europe and the Rest of the World, the comparator with April 2002 is not available. Both show decreases in the percentage of respondents with higher than expected export orders or contracts, with a much more significant decrease for the Rest of the World.



The final two questions looked at the impact of interest rates on businesses.

57% would find further interest rate cuts beneficial or highly beneficial to their business, while only 9% found the prospect might be detrimental. 83% has found the long-term stability of interest rates to be highly beneficial or beneficial, and only 2% have found stability to be detrimental.



Listed below are extracts from feedback received in Survey BB54 November 2002

Comments are listed under sector headings.

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

Finance/Property

I think the issue of Professional Indemnity insurance and the huge increase in costs/lack of availability is dramatically affecting many sectors and especially ours as Independent Financial Advisers. This needs to be addressed!

Business Services

Q6.How important do you feel it is to have a personal, well-informed point of contact at your bank?

Re: Q6, Increasingly I find my bank unable to answer questions. Telephoning my local branch [which is about 500 metres away from me] is impossible, as I have to go through a national number, automated yes/ no responses; choices from 4 options etc. The end result - no contact!!!

The increase in US business is dominated by one contract in the Power Generation Sector

As organisations/companies get bigger, the importance of individual customers decreases and orgs become complacent about looking after them.

With interest rates low in Euro countries money has been used to invest in process improvement and R & D.

I feel that the major service suppliers (Banks, Utilities etc) have made business extremely more tedious, complicated and time consuming with the introduction of call centres, unsolicited calls, lack of personal contacts with experts. A particular culprit are Banks, where it is nigh impossible now to get in touch in person or with a voice on the other side of the phone line when discussing issues that would be previously have been resolved within seconds.

Q7.To what extent do you find that the increasing use of call centres by important services such as utilities, insurance and banking affects your ability to make business arrangements?

I would strongly recommend these institutions live up to their mission statements concerning customer care as expressed in their annual reports.

Q1.To what extent do you feel that the crucially important economic contribution of the entrepreneur is sufficiently recognised in UK cultures?

Your question about the importance of the entrepreneur seems extremely relevant - these institutions seem to be run by accountants with no knowledge whatsoever about their customer's needs.

There is no evidence that entrepreneurs are less capable of producing shareholder value than accountants. The entrepreneur however has a more balanced view about the equal importance of customer, employee and shareholder.