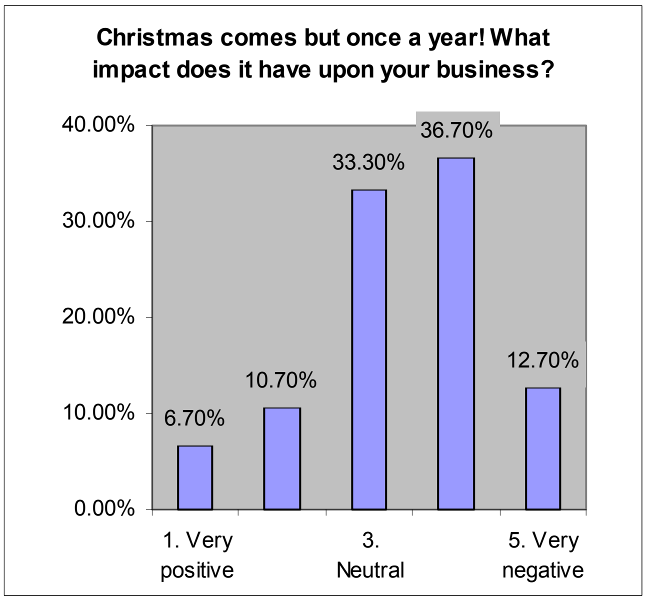
Survey BB44 January 2002
Responses from 150 (37% Production & Manufacturing, 53% Services, 10% Distribution)

The first survey of 2002 focused on innovation, trains, the impact of Christmas holidays and the incidence of illness in the workforce.

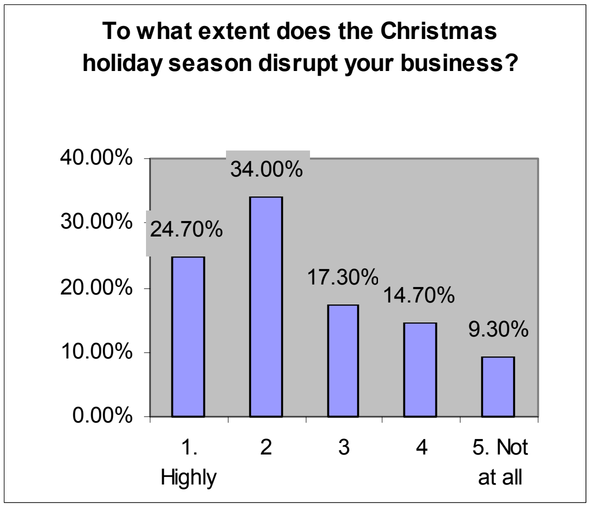
Q1



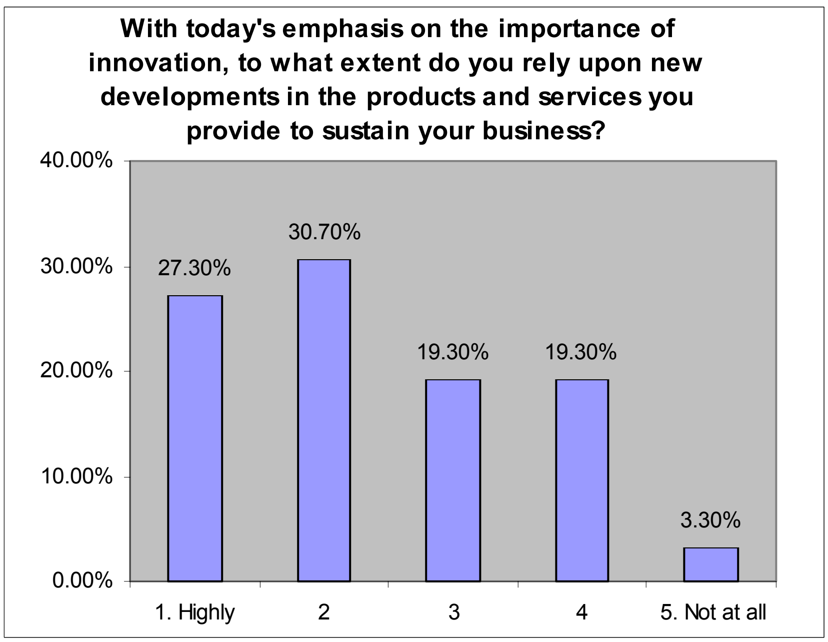
Q1/2

We were interested to find out what Christmas means in business terms. Our panellists find it a far more negative influence than positive - nearly 50% said that it has a negative or very negative impact on their businesses, 33% thought it neutral and only 17% receive a positive or very positive effect. Christmas holidays are also seen as disruptive to business: 59% said to a high extent, 17% find it neutral and 24% find it not disruptive or only disruptive to a small extent. Last August we asked a similar question about summer holidays and then 49% of respondents said that summer holidays were disruptive to their business, so it seems that Christmas is more of a hurdle than summer in terms of holidays.

Q2

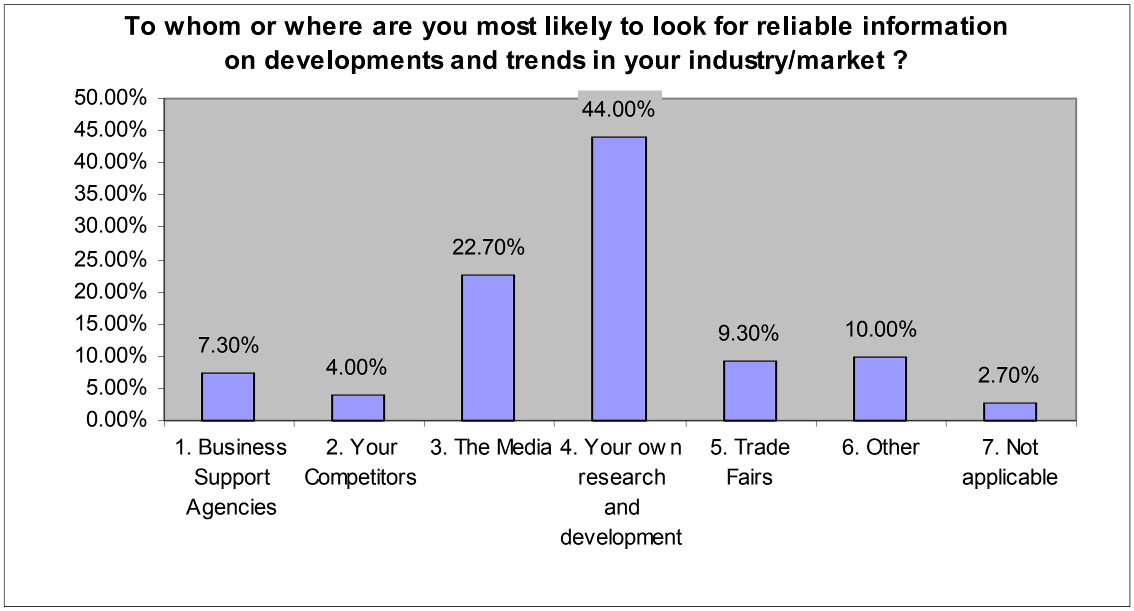


Q3

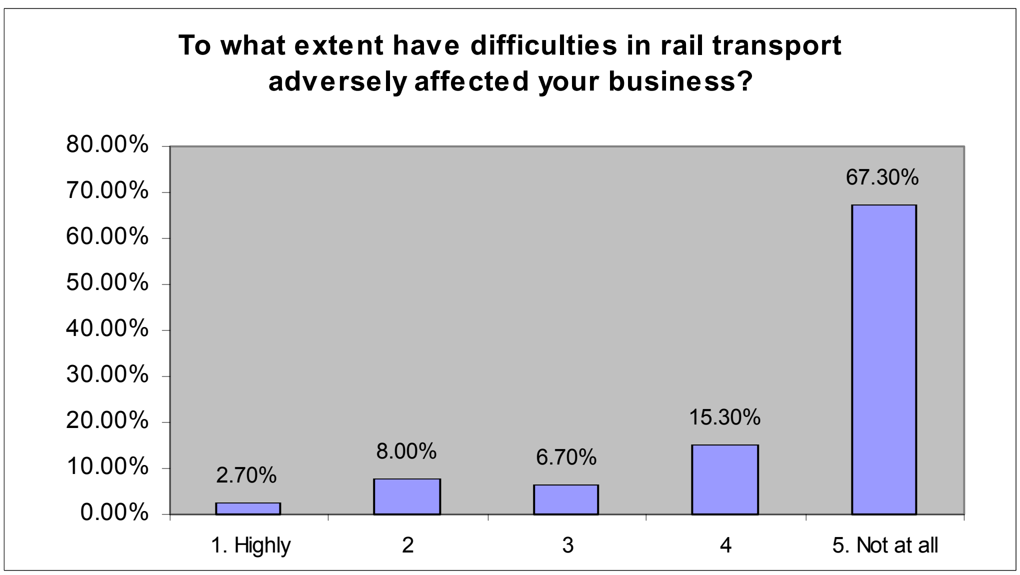


Q3/4 Our question on innovation in products and services revealed that 58% of panellists rely on innovation to sustain their businesses, showing how important innovation is to today's small and medium size firms. The most popular source of information (44%) on developments and trends in businesses' own industries or markets is the company's own research and development. Second to this was the media, providing 23% of respondents with this information. Other possible sources included Trade Fairs, Business Support Agencies, Competitors and unspecified others, but these categories all scored less than 10%.

Q4

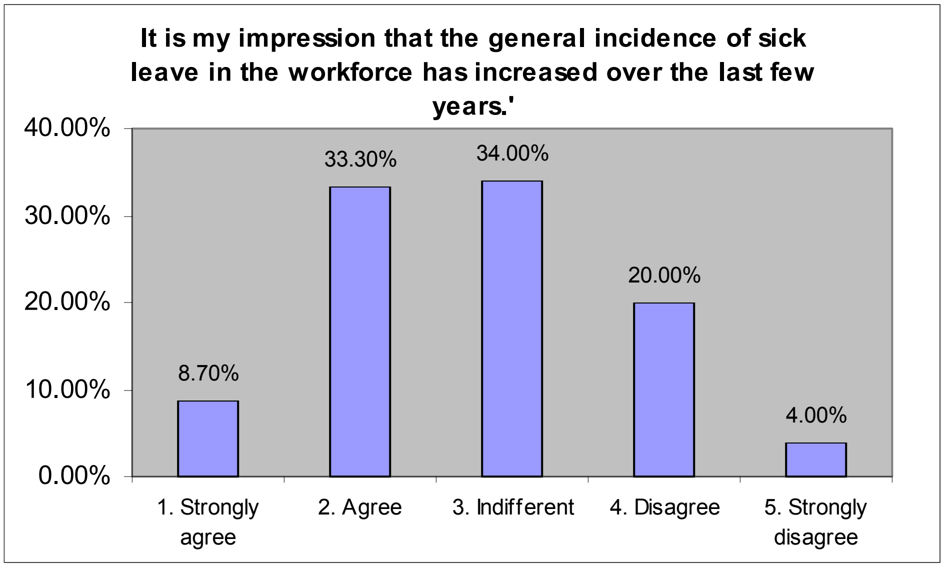


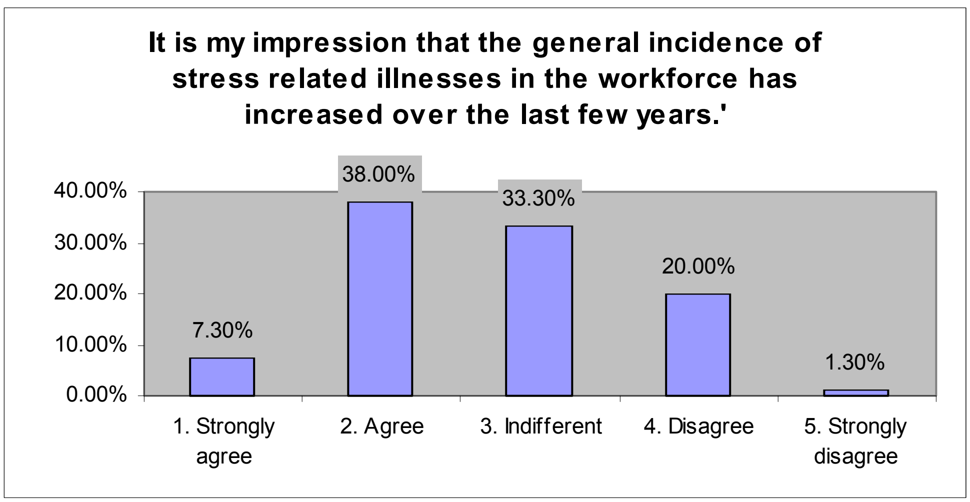
Q5



In December and January the disruption to train timetables was still featuring much in the news but although 3% of responding businesses were highly adversely affected, 68% were not adversely affected at all.

Q6/7



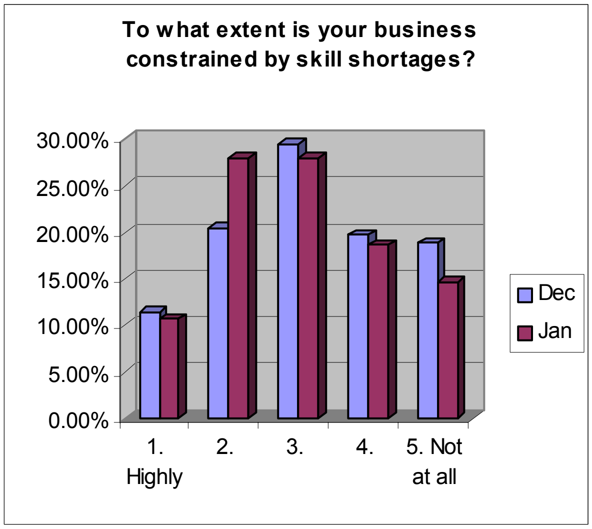


Q6/7

Our two question on health of the workforce produced broadly similar results, but growth in stress is thought to be a bit faster than in general sickness: general incidence of sick leave is thought to have increased in recent years by 42% of responding panellists, while general incidence in stress related illnesses is thought to have increased by 46%. The results showed that in both cases about one third of respondents felt indifferent on whether there had been increases in the last few years.

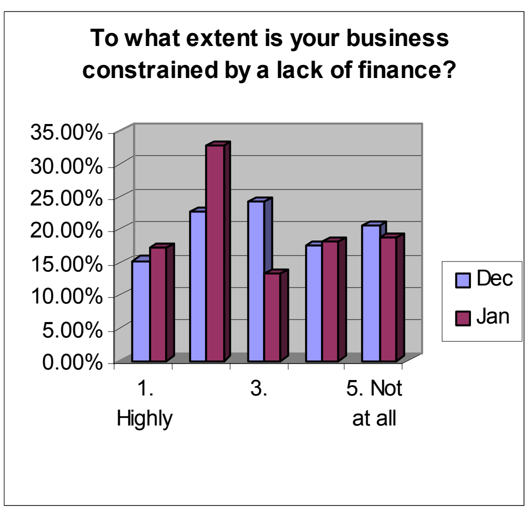
The Core Questions responses showed the following results this month:
(NB: The distribution by activity amongst the 150 respondents was: Production & Manufacturing (53), Distribution (12) and Services (85).

Q8



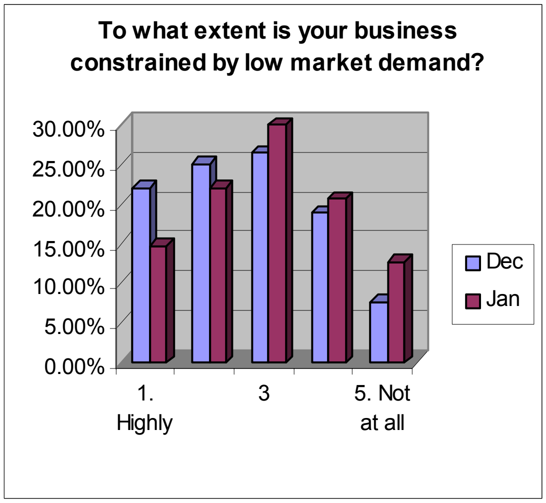
In January, overall constraint on businesses due to shortages of skills was again slightly higher, and is now comparable with the results of the July and August Surveys. The increase is particularly marked in the smallest business sector of under £1M p.a. turnover.

Q9



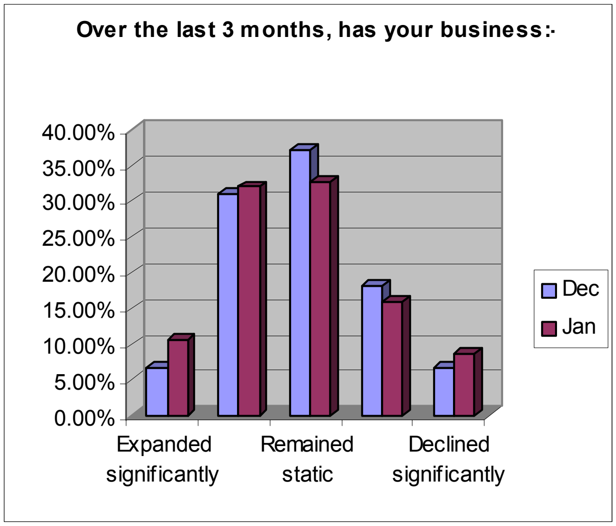
The average level of business constraint due to lack of finance slightly increased in both December and in January, again most markedly in the smallest turnover category.

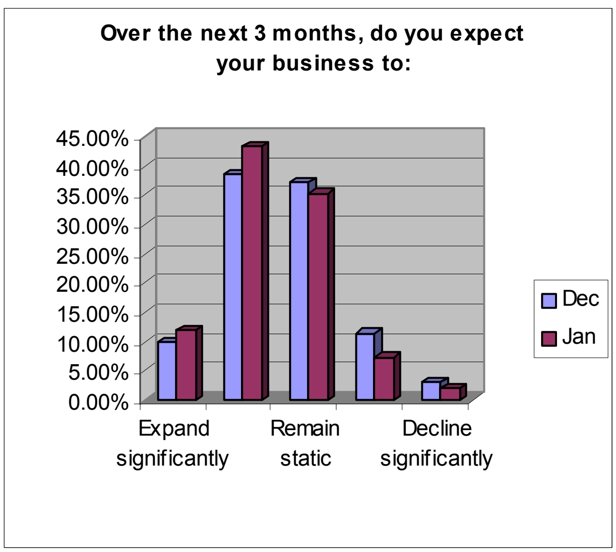
Q10



Average constraint due to low market demand fell back in January following small increases in the three previous months.

Q11/12





The profile of growth over the last three months in January showed a small downward change from December. Expectations about growth over the next three months were moderately optimistic with Distribution showing the greatest expected increase amongst industry sectors, and right across the board in terms of turnover size.

Listed below are extracts from feedback received in Survey BB44 January 2002.

Comments are listed under sector headings.

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

Retail

As 85% of Business is NHS we are constrained by the Department of Heaths imposed cut in dispensing Fee. on a 3-4% estimated increase based on a prescription number increase of 6-7%. This pattern of impositions at less than productivity has gone on for the last 10 years. Such Pressure leads to errors! and I have great concern that the present Governments changes to Local primary Care Trusts and very tight drug budgets will effect the quality of Pharmaceutical provision to the general public. Disasters Ahead!

Business Services

Re questions 6 & 7 Q6. 'It is my impression that the general incidence of sick leave in the workforce has increased over the last few years.' Q7 'It is my impression that the general incidence of stress related illnesses in the workforce has increased over the last few years.' this [increase] is a general perception for the area in general. We are very fortunate for our business that illness and time off for stress is virtually nil.

Production & Manufacturing

Enquiry and order levels for our products (Timber engineered components for the UK building industry) have been at an all-time high since we returned to work on 7th Jan.

The exchange rate has a great influence on our business ,the most important thing about it is that THE RATE REMAIN CONSTANT.

Wholesale

After the horrors of last year, January feels more buoyant, unless anything out of the ordinary takes place a year of consolidation and small growth.

Other

Q4 .. To whom or where are you most likely to look for reliable information on developments and trends in your industry/market ? As a sole proprietor, I contact fellow members of my member organisation and read the trade press relating to my business. I have never used a consultant or anyone like Business Links.

You mention innovation but we do not have a simple way to lock into EU potential grants that would allow us to innovate more.