

Press release for UKBB/UKBAB surveys BB99/BAB48 August 2006

What makes business people see red?

Red tape is the number one cause of 'business rage' among people running small and medium-sized businesses, according to the monthly internet survey run out of the University of Nottingham' Business School by The University of Nottingham Institute for Enterprise and Innovation (UNIEI).

When asked what made them most irate, bureaucracy and form-filling were cited by more than two-thirds of business advisers and more than a third of businessmen responding to the latest UK Business Barometer (UKBB) and its sister survey the UK Business Adviser Barometer (UKBAB).

The second most common cause of anger in the workplace was late payment by clients - cited by almost a quarter of all respondents to the surveys, which are run by The University of Nottingham Institute of Enterprise and Innovation. Managing people and dealing with suppliers were mentioned as lesser causes of irritation.

In other findings, the surveys suggested that TV programmes such as 'The Apprentice' and 'Dragon's Den' may be having a positive impact on the way the public views entrepreneurs. When asked if they believed that UK entrepreneurs are regarded in a more favourable light than they were five years ago, some 40 per cent of UKBB respondents believed that they are, almost three times as many as those who held the opposite view.

Among business advisers, the perception was even more pronounced, with 54 per cent believing entrepreneurs are seen more favourably than in 2001, compared to only seven per cent who thought they are regarded in a poorer light today.

Another change in the last five years has been seen on a particularly sensitive issue - business failure. The latest UKBB and UKBAB surveys both asked if the potential positive aspects of business failure, in terms of learning and experience, are recognised more clearly than was the case five years ago. Almost a third of business people said yes, compared to only six per cent who took the opposite view.

This change may reflect government attempts in recent years to lessen the impact on UK growth of the stigma of bankruptcy. For example the Enterprise Act 2002, which introduced some softening in penalties for 'honest' bankrupts, allowing earlier discharge and consequently enabling a 'fresh start'.

Where the news is less positive, the surveys suggest, is in efforts to make public procurement more open to small businesses. Despite the efforts of the Office of Government Commerce and the Small Business Service, the majority of respondents felt little had changed in terms of competing for government contracts.

Only seven per cent of UKBB respondents, and nine per cent of UKBAB respondents, thought that attempts to open up public procurement had been 'highly' or 'reasonably' successful in the last five years.

- Ends -

Notes to editors: The University of Nottingham undertakes world-changing research and provides teaching of the highest quality. Ranked in the *THES* World Top 100 Universities, its academics have won two Nobel Prizes since 2003. An international institution, the University has campuses in the United Kingdom, Malaysia and China.

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