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Business opinion split on impact of upcoming General Election

When it comes to discussing the potential effect of the upcoming General Election on business growth, it seems that many small- and medium-sized business owners simply cannot agree.

The issue has split opinion in the latest UK Business Barometer quarterly online survey, run by The University of Nottingham Institute for Enterprise and Innovation (UNIEI), and sparked more than 100 disparate comments speculating on what the political future may hold for the economy.

The latest (UKBB) asked respondents for their views on whether people should wait until after the General Election before starting up or expanding a business. It followed a recent interview on BBC's Working Lunch with Theo Paphitis of Dragons' Den fame, who said that entrepreneurs should not "take a gamble" because the UK is "in no man's land" and "politicians will not say what they're going to do about the economy". He advised people not to rush into anything but to take their time.

Respondents to the survey were unable to reach a consensus on the subject — one-third agreed highly or reasonably highly that it would be better to wait, while 41 per cent disagreed either totally or to some extent. This was also reflected in its sister survey the UK Business Adviser Barometer (UKBAB), in which 45 per cent agreed that now is not the time for expansion, while more than one-third (38 per cent) disagreed either totally or to some extent.

The broad-ranging views were reflected in the personal comments added by respondents. One commented: "At the end of the day, a business is set up to meet demand. If the demand is there why shouldn't they go ahead", while another maintained: "I see the way to expand my business is to be a survivor. Be mean and lean and see off the opposition. The man is right, now is the time to stay calm and stalk the market. The time to pounce will come." The business adviser cohort seemed slightly more positive at least, largely encouraging those with a robust business model and well-researched market to forge ahead in the face of political uncertainty.

The impact of the digital age on business was also assessed by the January survey and followed up on survey findings on internet usage from the year 2000. Re-visiting the topic at the beginning of a new decade, it asked panellists the same questions on using the internet for selling, buying, monitoring competitors' prices and monitoring suppliers' prices. The responses give a clear picture of the vast leaps that have been made in business reliance on technology.

When asked about selling through the internet, 39 per cent of respondents now use it highly or relatively highly compared to just six per cent in 2000, while more than half (54 per cent) buy products or services through the web to a high or relatively high extent now compared to nine per cent in 2000. The percentage of businesses not selling on the internet has dropped from 50 per cent to 28 per cent.

More follows...

The internet appears to have become increasingly useful in keeping tabs on competitors' prices, rising from six per cent in 2000 to one-third today and one-third also monitor suppliers' prices via the internet to a high or relatively high extent compared to nine per cent a decade ago.

January's survey also invited views on other topics including graduate job applicants, adverse weather conditions, short-term cash flow difficulties and cash flow projections plus a number of regularly-posed quarterly trends questions.

The UKBB and UKBAB online surveys pose a number of topical questions in a bid to uncover the key issues affecting the small business market and how it is coping with the current state of the economy. Operating over the web means that results can be rapidly generated and the surveys have unique software that enables results to be processed and posted on their respective websites immediately they arrive.

More information, including results and analyses, can be found on the web at www.ukbb.ac and www.ukbab.ac. Businesses and advisers wishing to contribute as panellists on the project should visit the appropriate Business Barometer website to register.

— Ends —

Notes to editors: The University of Nottingham is ranked in the UK's Top 10 and the World's Top 100 universities by the Shanghai Jiao Tong (SJTU) and the *Times Higher Education-QS World University Rankings*.

More than 90 per cent of research at The University of Nottingham is of international quality, according to RAE 2008, with almost 60 per cent of all research defined as 'world-leading' or 'internationally excellent'. *Research Fortnight* analysis of RAE 2008 ranks the University 7th in the UK by research power. In 27 subject areas, the University features in the UK Top Ten, with 14 of those in the Top Five.

The University provides innovative and top quality teaching, undertakes world-changing research, and attracts talented staff and students from 150 nations. Described by *The Times* as Britain's "only truly global university", it has invested continuously in award-winning campuses in the United Kingdom, China and Malaysia. Twice since 2003 its research and teaching academics have won Nobel Prizes. The University has won the Queen's Award for Enterprise in both 2006 (International Trade) and 2007 (Innovation — School of Pharmacy), and was named 'Entrepreneurial University of the Year' at the *Times Higher Education Awards* 2008.

Nottingham was designated as a Science City in 2005 in recognition of its rich scientific heritage, industrial base and role as a leading research centre. Nottingham has since embarked on a wide range of business, property, knowledge transfer and educational initiatives (www.science-city.co.uk) in order to build on its growing reputation as an international centre of scientific excellence. The University of Nottingham is a partner in *Nottingham: the Science City*.

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