

English Business Survey

Report on questionnaire development

February 2012



Content

Background to the English Business Survey	1
Questionnaire development workshop	1
Cognitive testing	2
Overview	2
General feedback on questionnaire	3
Feedback on specific topics and questions.....	6
Telephone pilot	18
Overview	18
General feedback on pilot survey	19
Feedback on specific topics.....	21
Conclusion	27
Appendix A: Cognitive interview guide	28
Appendix B: Pilot stage questionnaire	49

Background to the English Business Survey

The English Business Survey (EBS) is an important new survey commissioned by the Department for Business, Innovation and Skills (BIS) to provide a monthly assessment of business perceptions of economic and business conditions in each English region. Following a competitive tender process BIS selected TNS-BMRB to conduct the survey. It will be conducted continually between November 2011 and spring 2014 covering a sample of 3,000 workplaces in England each month. To minimise the burden on workplaces they will not be sampled more than once for the main survey in any 12 month period.

A detailed understanding of businesses' perceptions and plans across England will inform the Government's economic growth and rebalancing agendas. The information from this survey will be valuable to the Government, policy makers, businesses, and local partners in helping to guide policy and support private sector growth in all parts of England. The outputs of the survey should also provide valuable intelligence of the local economic and business conditions to businesses.

It is the intention that this survey will complement existing surveys by allowing a more detailed review of the regional and sub-regional picture of business performance and expectations.

Before the survey could be launched on a national scale, an extensive development phase was undertaken to ensure the survey captured the information required and produced high quality data.

This report documents the questionnaire development process which incorporated a questionnaire development workshop, cognitive testing and a large-scale pilot exercise.

Questionnaire development workshop

The first step in the questionnaire development process was to explore the key areas to be covered by the questionnaire. The topics to be included in the survey were discussed with stakeholders in two workshops. The first workshop addressed the key information areas required while the second workshop focussed specifically on the requirements from the survey and the questionnaire design.

The questionnaire workshop was held on 26 July 2011 at BIS' London office and was facilitated by TNS-BMRB researchers.

The key outcomes of the questionnaire workshop were:

- Providing sub-regional data would be critical.
- Questions should provide top level information and should not require too much detailed information, thus minimising the burden on business by ensuring they would not need to refer to other information.
- Questionnaire should take no longer than an average of 11 minutes to answer. This is important to ensure businesses take part and that the burden on them is minimised. A short targeted survey will also help to minimise costs.

- The questionnaire should mainly focus on areas where information cannot be found from other sources (it was noted that the need to obtain sub-regional data would mean some questions would overlap with those from other surveys).
- The periods respondents are asked about in the interview (the reference period) should be carefully tested to ensure businesses can provide the necessary information and that the data collected could be clearly presented.

A draft questionnaire was then developed for cognitive testing.

Cognitive testing

Overview

Following the questionnaire development workshop, cognitive testing was undertaken to test the new questions and to make sure that businesses were able to provide the information requested and that they understood the questions being asked. The purpose of the cognitive testing was not to look at particular respondents as case studies or to draw inferences from their responses about the population or specific sub-groups, but rather to ensure that they understood and answered the questions as anticipated, on the basis of their other responses.

The cognitive testing was designed to examine a number of aspects of the questionnaire and interview process including:

- The overall flow of the questionnaire
- The most appropriate person within the business to answer the questions
- The level of detail collected and the ability of businesses to provide the information
- Respondents' understanding of individual questions

The main focus of the testing was on the 'core' questions that would be included in the survey each month. The survey will also include some additional non-core questions each month to examine other policy relevant or topical issues. A small number of non-core questions were also tested at this stage (indicated in grey in the cognitive testing questionnaire included in Appendix A of this report). Once relevant topics are identified for inclusion in the non-core part of the questionnaire, suitable question wording is developed by collaboration between BIS and TNS-BMRB.

Below we summarise the main findings and recommended changes arising from the cognitive interviews. These were reviewed with BIS (and a colleague from the Office for National Statistics) and a revised draft questionnaire was prepared for piloting.

The sample for the cognitive testing consisted of 278 workplaces drawn from the Inter-Departmental Business Register (IDBR), which was the sample frame to be used for the main survey. The sample was drawn from a wide range of industry sectors and workplaces with different levels of employment in order to try to capture responses from a breadth of employers (the sample was selected to be broadly reflective of the distribution of workplaces across England i.e. the largest share of businesses are small, hence a higher number of small workplaces were selected to take part in the cognitive testing). A total of 28 cognitive interviews were conducted (10 face-to-face and 18 by telephone) by the TNS-BMRB research team between 22

August 2011 and 2 September 2011. Table 1 shows the profile of achieved interviews.

Table 1: Profile of achieved interviews during cognitive testing

	Group	No. of interviews
Size (employment)	0-49	16
	50-249	5
	250+	7
Industry sector (grouped)	Agriculture and Production	8
	Construction	3
	Other Services	12
	Education, Health and Public Administration and Defence	5
Single site organisation or multi-site organisation	Single-site	14
	Multi-site	14

Note: Size and industry relate to that of the workplace. Size is taken from the interview and industry is from the sampling frame.

The cognitive interview guide is included in Appendix A.

General feedback on questionnaire

Overall, respondents found the majority of questions to be generally clear and easy to answer. The owner, manager or Finance director was, in general, the most appropriate respondent to contact. They were often to be found on site which had practical advantages for fieldwork and tended to have a good overview of the business performance as a whole.

Multi-site organisations

In cases where a business is based over multiple sites the business is asked to provide information for the selected site only. The cognitive testing explored whether respondents at site level were able to provide the required information about a single site rather than the whole organisation. Overall, it was found that respondents in multi-site businesses were able to provide information about their workplace.

Whether external information needed

As the survey was designed to provide directional indicators of business performance only, it was not considered necessary to provide advance notification of the study. It was therefore important to test during the cognitive interviewing whether businesses were able to answer the questions confidently without having to refer to other information.

Most businesses did not need to refer to any other information to be able to answer the questions. However, at the early stages of the interview, some respondents, especially in small workplaces, expressed concern about whether this would be the case. They required further reassurance that the nature of the questions did not

require them to have accounts or other business information to hand during the interview.

RECOMMENDATION: Ensure the introduction to the survey and to the key measure questions make it clear that only simple directional indicators are sought and not actual figures.

Reference period

One of the key features throughout the questionnaire related to the reference period used for comparing past and expected performance i.e. whether to use actual months (i.e. a specified 30 day period prior to the interview date) vs. calendar months, whether to use a one month or three month comparison period and whether to use the same reference period for looking forward and back looking questions.

It was felt that respondents focussed better on calendar months rather than actual months. All respondents agreed that calendar months were better for them as they were basing responses on the last set of accounts published/full month. There were difficulties in answering about a specific thirty day period.

While respondents thought a three month period would provide a better indication of more substantive change (as opposed to small fluctuations), they were still able to answer questions on a month to month basis. While respondents said they were able to provide responses on either period, in a small number of cases workplaces did not report any change over a month even though when prompted changes had occurred.

The majority of respondents thought that keeping a similar reference period looking forward and back was a sensible approach. They felt they could answer if the reference period switched but that this may cause some confusion.

RECOMMENDATIONS: Amend the reference period to focus on a calendar month (so any interviews conducted in September will ask about August compared with a calendar month in the past and future).

The length of the reference period can be determined by the information required (as businesses can provide answers on both a one or three month basis), however, there were some indications that a one month reference period may not pick up substantive changes.

(Note: Following discussions with the project team it was decided to test a three month reference period in the pilot).

Keep the same reference period looking forward and back. However, if there is a strong reason for using a different reference period for specific measures, this would also work in practice.

Relevance of questions

One of the aims of the cognitive testing was to explore whether all questions were applicable to all industry sectors e.g. public sector or non-trading organisations. Most sections were appropriate for public sector or non-trading organisations. The only questions which were more difficult for some of the public sector/non trading

organisations were the questions on 'Outputs'. This was troublesome as it is positioned at the start of the questionnaire.

RECOMMENDATION: Include a series of prompts for public sector organisations to assist them in answering the question on outputs. These prompts would measure volume of output/business activity in terms of what provides their income and measured in terms of the accountable units that give rise to that income. For example, for schools it would be the number of pupils, for a council the number of council tax payers, for a museum the number of visitors, etc. However, it was recognised that this would be more complex to administer and whilst this would be appropriate for many public sector/not for profit organisations, it would not cover all of them including central government or grant making bodies. It was therefore agreed, in discussion with BIS to include a simpler prompt:

'By volume of output, we mean the volume of work or expenditure'

One further option was to place questions on the number of employees before outputs so that public sector organisations make a 'positive' start to the questionnaire and are not immediately starting with a question they feel they cannot answer. The order of questions works well for other organisations, so it was recommended that the order was not altered at that point but was monitored in the early stages of the telephone pilot.

Question wording of directional indicator questions

The wording of the directional level indicator questions implied that more detailed information was required from respondents such as the magnitude of any changes. Respondents thought that having the simple response scale i.e. higher, the same, lower, don't know, in the introduction to the first question of this type, and into the questions themselves made it easier to understand that they were only being asked for directional indicators.

RECOMMENDATION: After the introduction at the start of section B, suggest adding extra text: 'and tell me if it is higher, the same or lower'. Suggest changing question wording from...

How does the volume of output or business activity at this workplace this month (x to y) compare with the previous month (x to y)? Would you say it was...

*Higher
The same
Lower
Don't Know*

...to this question wording (for all questions):

Would you say the volume of outputs or business activity at this workplace in July was higher, the same or lower than in June?

*Higher,
The Same
Lower
Don't Know*

Question order

Overall, the ordering of the questions worked well and provided a logical flow. As noted earlier, the option of moving the employment questions to the beginning of the questionnaire was to be further considered in the telephone pilot.

Seasonal adjustment

In the initial development the issue of seasonal adjustment was discussed. It was decided that it was not feasible to ask respondents to make the adjustment in their head when responding. In the absence of this, and as initially there would only be a short series of data available, discussions with BIS post cognitive testing resulted in two annual output questions (**QTANNUAL** and **QFOUTYR**) being added.

Feedback on specific topics and questions

Characteristics

QSITE [ASK ALL]

Is this workplace the only one in your organisation or does your organisation have other workplaces, either in the UK or abroad?

SINGLE CODE

1. *Single workplace*
2. *Other workplaces*
3. *Don't know*

The cognitive testing aimed to find out whether there were any difficulties in answering these questions, particularly where there were sister/parent companies or other sites overseas. In general, respondents in multi site organisations had no difficulty in correctly answering this question. However, one respondent that operated two businesses from the same site was confused as to whether to answer for one or both businesses, suggesting that additional interviewer guidance would be required for these cases.

RECOMMENDATION: Add specific instructions for when this happens so that respondents only answer for the *sampled* business at that site.

At **Qtrade**, there were no problems in understanding the meaning of direct sales.

Output

At **Qoutput**, private businesses understood what was meant by the volume of output. For some public sector/not for profit organisations it was more difficult to understand the concept of 'output' and therefore extra guidance was required (as discussed earlier).

QOUTPUT [ASK ALL]

How does the volume of output or business activity at this workplace this month (between July 16th and August 15th) compare with the previous month (June 16th to July 15th)

Would you say it was...
READ OUT. SINGLE CODE
Higher
The same or
Lower
Don't know

Since most of the questionnaire asked about directional indicators, the questions which asked respondents to quantify certain estimates were given greater scrutiny. So at **QOUTPC(2)/QFUTotPC(2)**, the ability to provide a percentage was assessed as well as whether five per cent was an appropriate cut-off point.

The majority of respondents were able to give an estimate for the percentage by which output had either increased or decreased in the cognitive testing, although many needed reassurance that a ball point estimate was sufficient.

QOUTPC2 was not fully tested in the cognitive testing because the majority of respondents were able to answer **QOUTPC** with sufficient prompting.

QOUTPC [ASK IF QOUTPUT NOT DK OR 2]

By approximately what percentage is it [higher/ lower]?

ENTER PERCENTAGE
RANGE 0-100
DON'T KNOW

OUTPC2 [ASK IF QOUTPC=DK]

Is it more or less than 5% [higher/lower]?

1. *5% or more*
2. *Less than 5%*
3. *Don't know*

RECOMMENDATION: Test further on the telephone pilot but pay particular attention to how this works with a view to simplifying it if required.

At **Qcertain**, when respondents were probed further about their level of confidence in their answers to **QOUTPC(2)/QFUTotPC(2)** no negative responses were received. The ability to provide a response differed by the employment size of the business. Generally larger businesses (50+ employees) understood this question and provided higher estimates of their level of confidence in their forecast. Smaller businesses required a significant amount of explanation before they could answer this question; **Qcertain2** was easier for them to answer.

The phrase '50:50 chance' did not help to clarify what was required for those who had difficulty understanding the question.

QCERTAIN [ASK ALL]

And how confident are you that the volume of output or business activity next month will be [higher/lower/stay the same]?

READ OUT. SINGLE CODE

Would you say you are 50% confident (that is 50:50 chance), 60% confident, 70%, 80%, 90% 100%?

ENTER PERCENTAGE

RANGE 0-100

DK

RECOMMENDATION: Simplify wording of second line of question, remove reference to '50:50 chance' and add further prompt to say that only a rough estimate is required:

*Would you say you are 50% confident, 60% confident, 70% confident etc
PROMPT IF NECESSARY: we are only looking for a rough estimate
If they answer 'don't know' ask QCERTAIN2.*

At **Qcertain2**, the focus was on whether this was easier to answer or provided more accurate responses than **Qcertain**. This was easier for smaller businesses to answer. 'Confident' appeared to be a better word to use than 'certain'.

QCERTAIN2 [ASK ALL]

And how confident are you that the volume will be [higher/lower/the same] next month?

Would you say you are:

READ OUT. SINGLE CODE

1. *Very confident (100%)*
2. *Quite confident (75%)*
3. *Fairly confident (50/50)*
4. *Not very confident (25%)*
5. *Not at all confident (0%)*
6. *Don't know*

RECOMMENDATION: Ask question if respondent cannot answer **Qcertain**. Remove percentages from answer codes.

Exports

At **Qexpt**, respondents' understanding of the phrase 'selling goods and services directly for export' was tested to determine if they correctly understood that it only covered sales to businesses based overseas rather than in the UK, even if the goods

were ultimately exported. This was generally understood, but some respondents required further clarification.

QEXPT [ASK ALL]

Does your workplace currently produce or sell goods or services for export directly by this workplace?

1. Yes
2. No
3. Don't know

RECOMMENDATION: Suggest that wording be amended to:

'Does this workplace currently produce or sell goods or services for export directly overseas?'

QEXPDEP [ASK ALL]

To what extent are you dependent on imports for production of goods and services at this site? Would you say you are:

READ OUT SINGLE CODE

1. *Very dependent (you could not produce your goods and services without imported supplies)*
2. *Fairly dependent*
3. *Not very dependent*
4. *Not dependent at all –no supplies are imported*
5. *Don't know*

A non-core question,¹ **Qexpdep**, was tested for whether it was better to be asked in separate parts and whether respondents understood the word 'dependent'. It was felt this question would be better split into two questions, as the meaning was not clear to respondents. For example, 'not dependent at all' was answered by those who did not use imported supplies and those who used them but were not dependent on them as they could source them from within the UK if necessary.

RECOMMENDATION: Split into two questions, firstly asking if any supplies workplaces used in the provision of their goods and services are imported and, if yes, how dependent they are (not dependent at all, being that they could source from within the UK if necessary).

Capacity

QCAPCTY/QCPTY2 were tested for respondents' understanding of the term 'a satisfactory full rate of operation'. It was also looked at whether these two questions could be combined into one to help make the questionnaire shorter.

Medium to large businesses (over 50 employees at the site) were able to answer this question and had a clear understanding of what this meant for their business. However, the term 'satisfactory full rate of operation' could mean different things for

¹ The questionnaire was designed to have a stable core module of 9 minutes asked every month, with up to 2 minutes of 'non-core' questions varying each month.

different businesses, being defined by whether they were above or below budget, target, breakeven etc.

This question was extremely difficult for small businesses to answer. Both the wording and concepts were difficult to grasp for these smaller businesses. For example, some smaller businesses simply responded, "Well I'm quite busy at the moment" or that, "We could work longer or at weekends if necessary", but did not know whether this was above or below a 'satisfactory full rate of operation'. A lot of explanation and careful probing was therefore required to enable them to answer the questions, which would not be possible in a large scale survey.

QCAPCTY [ASK ALL]

Is your present level of output or business activity below capacity, i.e. are you working below a satisfactory full rate of operation?

1. Yes
2. No
3. Don't know

QCPTY2 [ASK IF QCAPCTY=2]

Are you currently operating above a satisfactory full rate of operation?

1. Yes
2. No
3. Don't know

RECOMMENDATIONS: There were two options: 1) Test in the pilot the current style of questioning (with minor modification to question and additional prompt as suggested below) and allow for high levels of non response, with a view to potentially excluding smaller businesses from answering this question in the main survey; OR 2) Merge the two questions into one simpler question.

- 1) Suggested modification to current question wording:

Is the level of output or business activity you are currently operating at below a satisfactory full rate of operation?

PROMPT IF NECESSARY: If your current level of output or business activity is such that your business cannot continue to operate as it is now, then yes you are operating below capacity

IF NO:

Are you currently operating above a satisfactory full rate of operation?

PROMPT IF NECESSARY: well could your business continue to operate at this level for more than a short time or is it not sustainable

- 2) Suggested wording for single, simpler question:

At this worksite are you currently working...

At capacity

Above capacity
Below capacity
Don't know

It was agreed to test the modified version of the current question in the pilot, with the option to move to a simpler version if this was not effective. Two alternative questions that were also put forward to be tested in the telephone pilot were:

QCPT [ASK ALL]

Would you say that your workforce at the moment are:

SINGLE CODE

1. *Underutilised*
2. *Used at a satisfactory level*
3. *Overstretched*
4. *Don't know*

QCPT2 [ASK ALL]

Would you say that your capital, by which I mean things such as buildings, plant and machinery, equipment, vehicles and computer hardware, at the moment is:

SINGLE CODE

1. *Underutilised*
2. *Used at a satisfactory level*
3. *Overstretched*
4. *Don't know*

Jobs and hours

Respondents had no difficulty at **Qemps** in including all people *working* at the site, rather than just employees.

Another non-core question, **QHow**, was tested but there were no issues with this question. The question worked well as it was and no additional pre-codes were identified.

QHRS [ASK ALL]

How does the total number of hours worked at this workplace this month (July 16th to August 15th) compare to the previous month (June 16th to July 15th)?

Would you say it was...

READ OUT. SINGLE CODE

1. *Higher*
2. *The same or*
3. *Lower*
4. *Don't know*

At **Qhrs**, respondents' knowledge of actual hours worked and how this changed was tested. Only those businesses where most employees were on hourly rates could answer this question effectively. Where most staff were salaried and hours were not

recorded, respondents found it hard to answer this question. This was the case for all but the smallest businesses (fewer than 5-10 employees).

Answers tend to be phrased in terms of levels of employment and output. If one or both of these were up, respondents tended to say hours were up and vice versa.

There was also confusion about whether paid leave counted. For example, at the time of the year the interviews were conducted, a lot of people were on summer holiday so respondents were unsure whether this meant that actual hours worked were down.

RECOMMENDATION: It was recommended that this question was deleted as most businesses could not effectively answer it.

However, it was appreciated that if effectively answered, this question could provide a useful measure of labour input for further analysis. It was agreed to revise the question and provide greater clarification of what was meant by actual hours worked and to test the question further in the pilot:

'Would you say the actual number of hours worked in [month] was higher, the same or lower than in [month]?'

PROMPT: We are interested in the actual number of hours worked including extra shifts and paid or unpaid overtime but excluding people who are on holiday or sick or not working for any other reasons.

QVAC [ASK ALL]

During the last month have you had any staff vacancies that you found hard to fill, or could not fill? SINGLE-CODE

1. Yes
2. No
3. No vacancies
4. Don't know/Uncertain
5. Refused

The final question looked at in more detail in this section was another non-core question, **Qvac**. The current wording of the question meant that it was asking two questions: a) During the last month have you had any vacancies that you have tried to fill and b) were they hard to fill?

RECOMMENDATION: Split into two questions with the first acting as a filter question for the second.

Prices

QPRICEBK (E1) [ASK ALL]

I am now going to ask you about the prices you pay for your inputs. For each of the following please tell me whether your average prices are higher, the same or lower this month (July 16th to August 15th) compared to the previous month (June 16th to July 15th)?

	1. Higher	2. The same	3. Lower	4. Don't know
Wage and non-wage labour costs across your workforce				
Non-labour (interviewer note: i.e. Raw materials, finance costs, property, transport)				
Total input costs (Note: only ask if one of above is higher and one is lower)				

At **QPRICEBK/FT**, it was of interest to explore whether respondents were able to understand the difference between 'wage and non wage labour costs' and 'non-labour costs'. The cognitive testing also explored whether a 'not applicable' code was needed.

Many respondents found these two statements hard to understand and needed clarification/prompts from the interviewer as to what the two terms included/excluded. This was mainly because the first statement 'wage and non wage labour costs' was (incorrectly) interpreted as including non wage costs. Respondents heard 'non wage' and assumed this was meant to include 'non labour costs' as well.

For some respondents (sole traders) 'wage/non wage labour costs' were not applicable.

RECOMMENDATIONS: Amend wording of 'wage and non wage labour costs across your workforce' to 'wages and other labour costs across your workforce'.

If this is still an issue during the piloting consider switching the responses so that the 'non-labour costs' statement is asked first.

Add a 'not applicable' response at **QPRICEBK** and filter these respondents out of **QPRICEFT**.

Credit conditions

QCREDLT [ASK IF QCREDIT=1]

In the last month (July 16th to August 15th) have you had customers paying you later than you require them to in your normal terms of business?

1. Yes
2. No
3. Don't know

At **QCREDLT**, the wording of the question was not that clear to respondents.

RECOMMENDATION: Amend wording to:

In the last month have your customers been taking longer to pay than in the previous month?

At **QTRACRD2**, there was no issue with understanding the 'importance of credit to success and growth'.

Investment

At **Qinvest**, the cognitive testing explored whether three months was a more appropriate reference period for the question than one month, whether the switch in reference period caused any difficulties and whether respondents included leased or transferred assets as well as bought assets.

Most respondents thought that three months was the minimum period to consider for this question. Some would have preferred to answer this using a yearly timescale as that was how they planned for investments.

The change in time period was recognised and did not cause any particular difficulty.

There were queries as to what to count in the timescale (for example, one respondent had ordered a piece of machinery six months ago and was still paying for it so felt he was still investing).

Some respondents needed clarification that this was investment in fixed assets, not stock, and that it included leased or transferred assets.

RECOMMENDATIONS: Need to determine and clarify whether timing is based on when the fixed capital investment has been ordered or order has been completed or installed.

Amend wording to the question/probing to clarify that it only covers capital investment.

Amend introductory wording to clarify it includes leased and transferred assets:

I now want to ask you about spending on capital investments, by which I mean things such as buildings, plant and machinery equipment, vehicles and computer hardware and software that you might have bought or leased.

QINVEST [ASK ALL]

Have you made any new capital investment over the last three months, that's between {May and August}?

PROMPT IF NECESSARY: Please include any capital investments which you have started to use or taken ownership of in the last three months. Please do not include those you have placed orders for but not started to use.

1. Yes
2. No

3. *Don't know*

At **Qftinvest**, some businesses said they made investments when needed, so may not have planned to make an investment in the next three months, but if one was needed then they had the capital to invest.

RECOMMENDATION: Amend response list to account for this by adding a 'maybe' code: *Yes, No, Maybe, Don't Know*

There were no issues with the understanding of increasing and maintaining potential at **QINVSTINC/QFTIVSTINC**.

QNCINVT [ASK ALL]

Are you planning to make any intangible investments over the next three month's (between August 16th and November 15th) at this workplace? By this, I mean things like computer software, marketing, training, computer services and so on.

SINGLE CODE

1. *Yes*
2. *No*
3. *DK/ Uncertain*

[If yes to above]

QNCWHT [ASK IF QNCINVT =1]

Which of the following kinds of investment?

READ OUT – MULTI CODE

1. *Computer software*
2. *Advertising / marketing*
3. *Copyright / Intellectual Property*
4. *Staff training*
5. *Research and Development*
6. *Other*
7. *Don't know/Uncertain*
8. *Refused*

Another question looked at in more detail in this section was a non-core question, **Qncwhat**. In general, the response codes were well understood by respondents but without prompting about the different types of investment some respondents incorrectly stated at the filter question (**Qncinvt**) that they had not made any investments. There appeared to be a lack of spontaneous knowledge about what should be included as an 'intangible investment' and respondents would not necessarily include investments such as training, marketing etc or other types of regular spend. This problem did not apply to capital investment where respondents tended to be very clear about what should be included, especially as examples were built into the question text.

RECOMMENDATION: Merge **Qncinvt** and **Qncwht** into a single question to avoid underestimating the level of intangible investment.

QSUPP [ASK ALL]

I am now going to read out the types of help that are available to business and supported by government. Can you tell me whether you are aware of any of these?

READ OUT. CODE ALL THAT APPLY

1. *The businesslink.gov website providing access to information and advice for businesses*
2. *The start-up hub providing learning tools and advice for new start-ups*
3. *The national mentoring website 'mentorsme'*
4. *Business Coaching for Growth*
5. *National Business Telephone Contact Centre*
6. *The start-up Britain website and campaign*
7. *UK Trade & Investment or UKTI*
8. *The commercial services provided by British embassies and consulates overseas*
9. *Other BIS initiatives/SfB programmes*
10. *Other HMRC led projects*
11. *None of these*

The final questions looked at in more detail in this section were non-core questions, **Qsupp/Qsuppuse**. It was found that response codes 9 and 10 (Other BIS initiatives/SfB programmes; Other HMRC led projects) were not sufficiently specific for respondents to answer (and acronyms should not be used or explained).

The list of services was found to be too long to be effectively covered in a telephone survey.

RECOMMENDATIONS: The question needs to be reduced in length to maximum of 5-6 initiatives. Response codes 9 and 10 should be removed.

Obstacles for growth

QOBST [ASK ALL]

Setting the general economic conditions aside, what, if anything do you see as the main specific challenge that your business is facing?

DO NOT READ OUT

1. *The economy*
2. *Obtaining finance*
3. *Cash flow*
4. *Taxation, VAT, PAYE, National Insurance, business rates*
5. *Recruiting staff*
6. *Keeping staff*
7. *Transport issues*
8. *Lack of broad band access*
9. *Regulations*
10. *Keeping up with new technology*
11. *Availability / cost of suitable premises*
12. *Competition in the market*
13. *Shortage of managerial skills/expertise*
14. *Shortage of skills generally*
15. *Lack of financial understanding*
16. *Crime*
17. *Pensions*
18. *Other*
19. *No obstacles*

A non-core question on obstacles to growth (**QObst**) was tested to check whether the response codes were appropriate and whether other response codes needed to be added. Respondents tended to say the main challenge to their business was the economy.

RECOMMENDATION: Add in codes for:

Cuts in public spending
Rise in the cost of utilities/ inputs

Telephone pilot

Overview

Following the cognitive testing, the questionnaire for the pilot stage was developed. The main purpose of the pilot was to test the contact procedures across a broader range of workplaces, to further test the questionnaire (including whether the modifications were effective and the routing was working effectively) and to get a better idea of the questionnaire length.

The main focus of the testing was again on the 'core' questions that would be included in the survey each month.

Below we summarise the main findings and recommended changes arising from the pilot. These were reviewed with BIS and a revised questionnaire finalised for the main survey.

The sample for the pilot consisted of 2,209 workplaces drawn from the IDBR. The sample was not drawn in the same way as it would be for the main stage survey. Instead, it was similar to the cognitive testing stage in that sample was drawn from a wide range of industry sectors and workplaces with different levels of employment in order to try to capture responses from a breadth of employers.

A total of 253 telephone interviews were conducted between 19 September 2011 and 30 September 2011. Table 2 shows the profile of achieved interviews.

Table 2: Profile of achieved interviews during telephone pilot

	Group	No. of interviews	
Type (IDBR legal status)	Public sector	48	
	Private sector	205	
Region	North East	8	
	North West	30	
	Yorkshire and the Humber	22	
	East Midlands	20	
	West Midlands	24	
	East of England	29	
	London	45	
	South East	45	
	South West	30	
	Size (employment)		Sample info
0 to 4		79	53
5 to 9		21	32
10 to 49		18	44
50 to 99		62	43
100 to 249		31	41
250 to 499		25	23
500+		17	17
Single site organisation or multi-site organisation	Single-site	116	
	Multi-site	137	
Industry sector (grouped)	Agriculture and Production	27	
	Construction	9	
	Other Services	151	
	Education, Health and Public Administration and Defence	66	

Note: Region, size and industry relate to the workplace. Size is taken from the interview and industry and region are from the sampling frame.

The pilot stage questionnaire is included in Appendix B.

General feedback on pilot survey

Ease of answering questions

Overall, the pilot went well. Most questions were understood, and easily and confidently answered by respondents. Many of the changes made following the cognitive interviews worked well. In some cases, the changes helped respondents answer the questions, but the problems uncovered at the cognitive testing were not fully resolved. A few questions which did not work well in the cognitive testing continued to be problematic. As a result some questions were removed from the survey following the telephone pilot (details of which questions are provided below with an explanation of why they were removed).

Interviewers were briefed to try to interview owners or senior managers, and to specifically ask for the owner/the managing director in small businesses and financial

directors for larger businesses. In some cases, businesses found it hard to identify the correct person to take part. In some cases the finance director was based at an alternative site and interviewers were transferred. It was preferable to collect site level information at the site selected rather than an alternative and this may mean therefore that interviewers should have more flexibility around who to ask for to avoid being unnecessarily transferred to an alternative site.

RECOMMENDATION: Provide additional guidance for interviewers (in the interviewer instructions) to help them advise respondents who the most appropriate person to take part is. It may help to clarify, *“who based at this site, has the best overview of this particular site or workplace?”*

Length of questionnaire

The average length of the questionnaire was 12 minutes 47 seconds. This meant around 5 to 6 core questions needed to be deleted to bring the overall questionnaire length to 11 minutes (9 minutes core).

RECOMMENDATION: TNS-BMRB recommended removing: **QCERTAIN**, **QCAPCTY** and **QCPTY2**, with further deletions to be agreed in discussion with BIS.

Introducing the survey

Overall the introduction to the survey worked well, but it was felt useful to provide extra information to interviewers to help them persuade different types of businesses to take part in the survey. These guidelines were provided in the interviewer instructions for interviewers to use for reference.

It may be helpful to refer to ‘organisations’ rather than ‘businesses’ for public sector workplaces (although many of these are likely to use the term workplace anyway).

Multi-site organisations

Following on from the cognitive testing a concern was whether multi-site organisations were able to give information about an individual site. Some organisations with multiple sites/branches referred interviewers to the headquarters. In some cases this was company policy, in others they did not feel they had the knowledge to respond.

Although the interviewers tried to convince referred respondents to participate most respondents refused to take part.

In one location the referral was to a site outside the UK (USA) and the question arose as to whether this would be considered valid. This raised the need to consider whether referrals within the UK but outside of England should be accepted.

RECOMMENDATIONS: Encourage site level participation as far as possible by stressing ‘we are building up a picture of business conditions *locally*’ and reinforcing reassurances that only directional indicators are required and confidentiality.

Prepare a reassurance letter specifically aimed at multi-site businesses, which explains the nature of the study and the importance of obtaining local (site) level information to maximise co-operation.

Monitor conversion rate of referrals during early stages of fieldwork.

Referrals are taken within the UK. The number of instances of referrals to outside of the UK were to be monitored with a view to determining whether they are followed up going forward.

Question wording of directional indicator questions

Most respondents understood that they only needed to provide directional answers and not detailed figures, so the revised introduction appeared to have helped encourage participation in the survey.

The revised wording of these questions also improved the flow of the interview.

Reference period

For the pilot survey, the reference period was amended to a three month period looking forward and backwards.

The change in reference period to three months caused no problems and respondents could provide the required information for this period. The reference period was clear but may cause presentational difficulties. Questions looking back take the previous month as the starting point e.g. interviewing in September refers to the three months prior to August; forward looking questions also use August as the starting point.

RECOMMENDATION: To review whether to use the same reference month for looking forward and back. After further discussions it was decided to use the same reference month for looking forward and backward. So for interviews conducted in September the reference month for backward looking and forward looking questions would be August.

Feedback on specific topics

Characteristics

At **Qsite**, specific instructions for dealing with two businesses at one site were added. The addition of this specific instruction worked well.

Output

The positioning of the output section was examined to determine if it was appropriate to begin the questionnaire with this section. The cognitive interviewing indicated that most sections of the questionnaire were appropriate for the public sector/non trading organisations. The only questions which were more difficult for some of these organisations to answer were the questions on outputs. When these questions were included in the telephone pilot (asking for percentages) respondents were less able to give an answer. At this stage it was found that they had agreed to take part having been re-assured that the survey focussed on directional level indicators only and were therefore surprised that exact percentages were requested (particularly as this was placed early in the questionnaire). These were troublesome as these questions

were positioned at the start of the survey, which made some of these organisations question whether the survey was relevant to them.

RECOMMENDATION: An option was to place the questions on employment level before outputs, so that public sector organisations made a 'positive' start to the interview before being presented with questions which were potentially more difficult for them to answer. The order of the questions worked well for other businesses. Further, the additional prompt improved understanding of the information required amongst many public sector organisations. Therefore it was recommended that the order of the questionnaire was not altered.

QOUTPUT [ASK ALL]

Would you say business activity or volume of output {IF QSITE=2 'at this workplace'} in {August} was higher, the same or lower than in {May}?

INTERVIEWER INSTRUCTION: IF PUBLIC SECTOR ADD IF NECESSARY – BY VOLUME OF OUTPUT WE MEAN VOLUME OF WORK OR EXPENDITURE

SINGLE CODE

1. *Higher*
2. *The same or*
3. *Lower*
4. *Don't know*

At **Qoutput**, an interviewer prompt was added for the public sector. The extra prompt for public sector helped but further clarification was needed that all activity should be included, not just trading.

RECOMMENDATION: Add further prompt: *"IF NECESSARY: WE ARE INTERESTED IN ALL ACTIVITY AT THIS WORKPLACE/THIS SITE, NOT JUST TRADING ACTIVITY"*

QCERTAIN [IF QFUTOUT NOT DK]

And how confident are you that the volume of output or business activity in {December} will be [higher/lower/stay the same]?

READ OUT. SINGLE CODE

Would you say you are 50% confident, 60%, 70% confident etc?

PROMPT IF NECESSARY: WE ARE ONLY LOOKING FOR A ROUGH ESTIMATE

ENTER PERCENTAGE

RANGE 0-100

DK

At **Qcertain**, the ability of respondents to provide a response in percentage terms was tested. As found in the cognitive interviews this question continued to cause difficulties.

Most respondents were able to provide an answer, but often they needed prompting several times to provide an answer and reminders that only an approximate percentage was required.

Most gave an answer of 50% or above, although there did appear to be an element of guessing involved in this. Only a small proportion gave a response below 50% but explained that this was a complete guess.

RECOMMENDATION: Given the need to delete questions to shorten the overall length of the questionnaire and that this question appears to be difficult for many respondents to answer, TNS-BMRB recommended deleting this question and asking **QCERTAIN2** of all respondents instead, as they were able to answer this question more easily and consistently.

Respondents had no problems answering **Qcertain2**.

RECOMMENDATION: As mentioned above, ask question of all respondents question and delete **QCERTAIN**.

QFUTotPC Respondents were asked to estimate by how much they expected outputs to be higher or lower. There were some difficulties with respondents giving an actual percentage figure and some people struggled to be so precise. The same issue arose as was seen for the output questions whereby respondents had participated in the survey only after reassurance that overall directional level indicators only were required and they were then concerned to be asked for exact percentages so early in the questionnaire.

QFUTotPC [ASK IF QFUTOUT NOT DK OR 2]

*By approximately what percentage do you expect output to [be higher/ lower]?
ENTER ANSWER
RANGE 0-100
DON'T KNOW*

RECOMMENDATION: If this question is included it should be included using a banded answer list to assist respondents in answering this question.

Exports

Qexpt featured new question wording and a new interviewer prompt. The revised question worked well.

Capacity

QCAPCTY [ASK ALL]

Is the level of output or business activity you are currently operating at below a satisfactory full rate of operation?

PROMPT IF NECESSARY: BY THIS I MEAN YOUR BUSINESS CANNOT CONTINUE TO OPERATE AS IT IS NOW FOR MORE THAN SIX MONTH OR SO.

1. Yes
2. No
3. Don't know

QCPTY2 [ASK IF QCAPCTY=2]

Are you currently operating above a satisfactory full rate of operation?

PROMPT IF NECESSARY: BY THIS I MEAN YOUR BUSINESS CANNOT CONTINUE TO OPERATE AS IT IS NOW FOR MORE THAN SIX MONTH OR SO?

1. Yes
2. No
3. Don't know

As in the cognitive testing **QCAPCTY/QCPTY2** were tested for respondents' understanding of the term 'a satisfactory full rate of operation'. As found in the cognitive testing, the majority of respondents found these questions extremely difficult to understand. They had to be repeated numerous times and even then the respondent tended to simply guess. Relatively few workplaces were able to answer these questions effectively.

An alternative for the capacity questions were included in the pilot questionnaire in a later section, **QCPT/QCPT2**. There were no issues with these new questions – respondents were able to answer these easily. These questions worked well and were far more easily understood than **QCAPCTY/QCPTY2**.

RECOMMENDATION: Delete these questions and use the alternatives **QCPT/QCPT2**.

Jobs and hours

QHRS [ASK ALL]

Would you say the actual number of hours worked {IF QSITE=2 'at this workplace'} in {August} was higher, the same or lower than in {May}?

PROMPT: WE ARE INTERESTED IN THE ACTUAL NUMBER OF HOURS WORKED INCLUDING EXTRA SHIFTS AND PAID OR UN PAID OVERTIME, BUT EXCLUDING PEOPLE WHO ARE ON HOLIDAY OR SICK OR NOT WORKING FOR ANY OTHER REASONS

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

A new interviewer prompt was included at **Qhrs** to try to help clarify the definition for respondents. The new interviewer prompt helped but the inclusion/exclusion of holiday or sick leave was still not clear.

RECOMMENDATION: Amend prompt to clarify 'we are interested in the TOTAL hours ACTUALLY worked including extra shifts and paid or unpaid overtime but excluding THE HOURS THAT WERE NOT WORKED AS PEOPLE WERE ON holiday, sick or not working for any other reason.'

Further to the difficulties experienced at **QHrs** respondents had even more difficulty answering this question looking forward.

QFTHRS [ASK ALL]

And do you expect the total number of hours worked {IF QSITE=2 'at this workplace'} in {December} to be higher, the same or lower than {August}?

SINGLE CODE

1. *Higher*
2. *The same or*
3. *Lower*
4. *Don't know*

RECOMMENDATION: This question was identified as a strong candidate for deletion based on the difficulties people had answering the question.

RECOMMENDATION: As mentioned above, keep these questions and delete **QCAPCTY/QCPTY2**.

Stocks

QSTOCK

Thinking now about stocks and inventories, would you say the volume of stocks or inventories {IF QSITE=2 'at this workplace'} in {August} is higher, the same or lower than in {May}?

SINGLE CODE

1. *Higher*
2. *The same or*
3. *Lower*
4. *Don't know*

At **QSTOCK/QFTSTOCK**, there was a query as to whether stock should include only stocks held at that site. It was assumed that it should. A few businesses interviewed said they held no stocks.

RECOMMENDATION: Clarify these issues in the interviewer briefing and add a 'not applicable' code for workplaces that do not hold stocks.

Prices

At **QPRICEBK/FT** it was of interest whether respondents were able to understand 'wage and other labour costs' – this had been amended from 'wage and non-wage labour costs' at the cognitive testing stage. The cognitive testing also identified that a 'not applicable' code was needed at **QPRICEBK** and so this was added to the pilot questionnaire.

The telephone piloting showed that the revised question wording worked well and respondents clearly understood what was being asked.

Investment

Qinvest was amended following the cognitive testing stage by adding further clarification in the introduction that investment included all assets whether bought or leased. A new interviewer prompt was also added to clarify that it only includes assets workplaces had started to use or take ownership of.

The text was slightly lengthy but worked well in clarifying what assets should be included.

Qftinvest was amended from the cognitive testing stage through the addition of a 'maybe' response code and a new interviewer prompt. With the amendments made to this question, most respondents could provide a definitive answer (yes or no). The 'maybe' prompt was difficult to explain to respondents and only applied to a small proportion of respondents.

RECOMMENDATION: Delete the response code 'maybe'.

Survey closing

There were no issues with the new ad hoc questions added at the pilot stage (**TANUAL** section).

QCONS [ASK ALL]

We/BIS would like to link your responses to other information that you have provided previously to Government. By this data linkage, we can reduce the burden of our surveys on your business and can improve the evidence that we use.

Data will only be used to inform research on businesses in aggregate – we will never release information that identifies any individual business – and your survey responses remain strictly confidential. Do you give your consent for us to do this?

SINGLE CODE

1. Yes
2. No
3. Don't know

A data linkage question was included as **Qcons**. Further clarification was needed that it was information previously provided by the organisation, not necessarily information provided by the individual spoken to.

RECOMMENDATION: Change wording to:

*“BIS would like to link your responses to other information **your organisation** has provided previously...”*

Conclusion

Overall the cognitive testing and the telephone piloting showed that the questionnaire structure worked well but there were some amendments required to individual questions and explanatory text to ensure that all businesses were able to answer the questions as effectively as possible.

The clear preference is to interview businesses at the site selected and collect information directly from that site. Interviewers have therefore been briefed to encourage this as far as possible but the option must remain to take a referral to another site if necessary and conversion of referrals be monitored.

Throughout the testing changes were made to the questionnaire to reflect issues identified.

The pilot and the first month of surveying highlighted that the questionnaire was too long. Further discussion with BIS resulted in core questions being deleted to ensure the interview could be completed within an average of 11 minutes, allowing for 2 minutes of non-core questions to be included each month. All changes are summarised in the table below.

	Added	Deleted
Post cognitive test	TANNUAL QOUTYR FOUTYR QCPT QCPT2	
Post pilot		FOUTYR QTRACRD QTRACRD2 QOUTPC QFuTotPC QCERTAIN QCERTAIN2 QCAPCTY QCPTY2 QFTHRS QOWN QPRICEFT2 QPRICEFT3
Post Month 1		QPRICEBK2/3 QCREDIT QCREDLT QCREDPBL QCREDPC

Appendix A: Cognitive interview guide

English Business Survey

Questionnaire

Cognitive testing Draft 7

DATE ISSUED: 18th Aug 2011

CONTACT

Cont [ASK ALL]

Good morning, my name is [INSERT NAME] calling from TNS-BMRB, an independent research agency. We are currently conducting the English Business survey for the Department of Business Innovation and Skills. Can I speak to:

IF <10employees: the owner or manager of the business at this site?

IF 10+ employees: the financial director

IF RESPONDENT NOT AVAILABLE AT THIS TIME, RECORD NAME AND JOB TITLE.

WHEN SPEAKING WITH CORRECT CONTACT

QPermis(Q2) [ASK ALL]

Good morning/afternoon, my name is [INSERT NAME] calling from TNS-BMRB, an independent research company. We are currently conducting the English Business survey on behalf of the Department for Business, Innovation and Skills. This survey will build up a better picture of business and economic conditions across the country to help promote business growth.

REASSURANCES

- Please be assured that the survey is completely confidential and that you and your business will not be identified in relation to the results of the survey.

1. Proceed with interview

CHARACTERISTICS

QSITE(QA3) [ASK ALL]

Is this workplace the only one in your organisation or does your organisation have other workplaces, either in the UK or abroad?

SINGLE CODE

- 1. Single workplace
- 2. Other workplaces
- 3. Don't know

NOTES: How do businesses answer this question, are they able to understand it?

Probe whether they have any sister companies/parent companies that they chose to include or exclude.

If it is difficult to answer probe why.

Does the location of workplaces abroad or in the UK cause problems in responding?

TSITE [ASK IF QSITE=2]

For all the questions that follow please give your answers for this /the xxxx workplace.

QTRADE [ASK IF MULTI SITE AND IDBR LEGAL STATUS NOT CENTRAL GOVERNMENT OR LOCAL AUTHORITY]

Does this workplace sell goods or services? By that I mean directly to the general public or, other organisations?

- 1. Yes
- 2. No
- 3. Don't know

NOTES: Check understanding of direct sales (ie that it doesn't cover sites servicing other parts of their organisation such as admin/back office processing sites, depots/warehouses, even if they have contact with customers e.g. respond to customer queries etc).

Check how they do not include sales to other parts of their organisation.

SECTION B – OUTPUT

I'd now like to ask you about business performance recently and how you expect performance to change in the future. Firstly, I'm going to ask you to consider performance this month, that is over the last 30 days between {July 16th and August 15th}, compared with the previous month {June 16th June to July 15th}.

QOUTPUT(B1) [ASK ALL]

How does the volume of output or business activity at this workplace this month (between July 16th and August 15th) compare with the previous month (June 16th to July 15th)

Would you say it was...

READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

NOTES: Probe the respondents' understanding of the reference period. What have they included and excluded here. Explore whether the respondent has really based their answer on this period of time or another period (for example this point in the month compared with the same point last month or calendar month or longer period e.g .last quarter)

Explore whether they monitor their business on a monthly basis or what period they use (eg quarter by quarter. If they monitor quarterly –would it be easier/better to compare the current month with three months ago).

Examine whether they feel one month or three month reference period would provide a better indication of substantive changes as opposed to general fluctuations.

Explore what the respondent understands by the term 'volume of output'. What would the answer be if we asked them about 'levels of output'. If the answer would be different explore why.

QOUTPC [ASK IF QOUTPUT NOT DK OR 2]

By approximately what percentage is it [higher/ lower]?

ENTER PERCENTAGE
RANGE 0-100
DON'T KNOW

QOUTPC2 [ASK IF QOUTPC=DK]

Is it more or less than 5% [higher/lower]?

1. 5% or more
2. Less than 5%
3. Don't know

NOTES: Explore how the respondent calculates this percentage, how accurate to they think the percentage they have given is.

Probe whether the bands >5% and <5% are the most appropriate in identifying substantive changes as opposed to general fluctuations.

QFUTOUT(B2) [ASK ALL]

And how do you expect the volume of output or business activity at this workplace next month (that is from August 16th – September 15th) to compare with this month?

Do you expect it to be...
READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

NOTES: RECHECK the respondent's understanding of the reference period. What have they included and excluded here. Explore whether the respondent has really based their answer on this period of time or another period (for example this point in the month compared with the same point last month or calendar month or longer period e.g .last quarter)

Explore whether it be easier/better (in terms of quality of information obtained) to look forward three months rather than one month and if yes –why

Examine whether feel reference period for looking back and forward should be the same and whether should be one month or three months and why

And how confident are you that the volume of output or business activity next month will be [higher/lower/stay the same]?

READ OUT. SINGLE CODE

Would you say you are 50% confident (that is 50:50 chance), 60% confident, 70%, 80%, 90% 100%?

ENTER PERCENTAGE

RANGE 0-100

DK

NOTES: Explore how respondents answer this question. How do they react to being asked to rate how certain they are of their answers?

What do they understand by 50% confident ie 50:50 chance?

The second QCERTAIN is an alternative to be tested. Ask the respondent if they would have found it easier or more difficult to answer this question. Test word confident and whether certain would have been better. Test question understanding and whether they can distinguish between 70% and 80% for example. Note whether anyone would give less than 50%

QCERTAIN [ASK ALL]

And how confident are you that the volume will be [higher/lower/the same] next month?

Would you say you are

READ OUT. SINGLE CODE

- 1. Very confident (100%)*
- 2. Quite confident (75%)*
- 3. Fairly confident (50/50)*
- 4. Not very confident (25%)*
- 5. Not at all confident (0%)*
- 6. Don't know*

NOTES: Explore how respondents answer this question. How do they react to being asked to rate how confident they are of their answers?

If they are sure probe what their basis is for being sure (what evidence do they have).

If they are not sure explore why.

If respondents struggle to answer the first version of the question explore whether they can answer the second version.

QFUTotPC [ASK IF QFUTOUT NOT DK OR 2]

By approximately what percentage do you expect output to [be higher/ lower]?
ENTER ANSWER
RANGE 0-100
DON'T KNOW

QFUTotPC2 [ASK IF QFUTotPC=DK]

Is that more or less than 5% [higher/lower]?

1. 5% or more
2. Less than 5%
3. Don't know

RECHECK how the respondent calculates this percentage, how accurate to they think the percentage they have given is.

CHECK whether the bands >5% and <5% are the most appropriate in identifying substantive changes as opposed to general fluctuations

EXPORTS

QEXPT (H1) [ASK ALL]

Does your workplace currently produce or sell goods or services for export directly by this workplace?

1. Yes
2. No
3. Don't know

NOTES: Probe what businesses understand by producing or selling goods or services **DIRECTLY** for export (i.e. that only covers sales to businesses which are based overseas and not to businesses based in UK even if ultimately for export)? Does this question work if businesses do not trade (Should it only be asked of trading businesses?)

QEXPT2 (H2) [ASK QEXPT =1]

How does the volume of exports from this workplace this month (between July 16th and August 15th) compare with the previous month (June 16th to July 15th)?

Would you say it was...
READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

NOTE: Do we need to mention the date each time?

QEXPTFT (H3) [ASK QEXPT =1]

And how do you expect the volume of exports from this workplace in the next month (August 16th to September 15th) to compare with this month (July 16th to August 15th)?

Do you expect them to be...
READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QEXPPLNS [ASK QEXPT =2]

Do you have any plans to start exporting or selling outside the UK from this workplace in the next 12 month's? SINGLE CODE

1. Yes
2. No
3. DK/ Uncertain
4. Refused

QEXPDEP [ASK ALL]

To what extent are you dependent on imports for production of goods and services at this site? Would you say you are...

READ OUT SINGLE CODE

1. Very dependent (you could not produce your goods and services without imported supplies)
2. Fairly dependent
3. Not very dependent
4. Not dependent at all –no supplies are imported
5. Don't know

NOTES: Does this question work if businesses do not trade (Should it only be asked of trading businesses?)

Check how easily respondents can answer question – would it be better to split question and ask whether any supplies they use in the provision of their goods and service are imported and if yes how dependent
?

(ADD TEST SCALE)

DOMESTIC OUTPUT

QDOM [ASK QEXPT =1]

How does the volume of **domestic** output or business activity at this workplace this month (July 16th to August 15th) compare with the previous month (June 16th to July 15th)?

Would you say it was...

READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Not applicable (all output is for export)
5. Don't know

QFTDOM [ASK QEXPT =1]

And how do you expect domestic output or business activity from this workplace in the next month (August 16th to September 15th) to compare with this month (July 16th to August 15th)?

Do you expect it to be...

READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QCAPCTY(B3) [ASK ALL]

Is your present level of output or business activity below capacity, ie are you working below a satisfactory full rate of operation?

1. Yes
2. No
3. Don't know

QCPTY2 [ASK IF QCAPCTY=2]

Are you currently operating above a satisfactory full rate of operation?

1. Yes
2. No
3. Don't know

NOTES: Explore this question in depth. We are trying to establish whether the business is operating below or above the optimum capacity (which is typically slightly below full capacity). Would one question to pick out above, at or below work better. What do respondents understand by this? Do they understand the term 'satisfactory full rate of operation' (if not need to amend wording of second question)- what do they take this to mean. When they think about capacity explore what they consider to be the main restrictions to capacity (is this number of staff, machinery etc). How standard is the concept of full rate of operation across businesses.

Why do respondents give the answer they do. Do they understand the term 'satisfactory full rate of operation- what do they take this to mean. Do they consider this to be a long term or short term issue.

[ASK IF MINING, QUARRYING, MANUFACTURING, UTILITIES, WHOLESALE AND RETAIL (INCLUDING MOTOR TRADES)]

QSTOCK

Thinking now about stocks and inventories. How does the volume of stocks or inventories at this workplace this month (July 16th to August 15th) compare to the previous month (June 16th to July 15th)?

Would you say it was...
READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QFTSTOCK

And how do you expect the volume of stocks or inventories at this workplace next month (August 16th to September 15th) to compare with this month (July 16th to August 15th)?

Do you expect it to be...
READ OUT. SINGLE CODE

- 1. Higher
- 2. The same or
- 3. Lower
- 4. Don't know

SECTION D – JOBS AND HOURS

QEMPS(A5) [ASK ALL]

How many people are currently working at this workplace?
Please include:

- Yourself (at this workplace)
- Full and part time employees
- Employees on permanent, temporary and fixed term contracts
- Staff employed on a temporary basis an agency
- Freelance staff or contractors

ENTER NUMBER
RANGE 1-99999
Don't know

Note: Test ability to answer this. May be difficult to include free lance/ agency as don't pay them directly and change on weekly basis. Also ask how/ whether they are able to include sub-contractors who may work there.

QEMPS2 [ASK IF QEMPS NOT DK]

INTERVIEWER: PLEASE CODE THE TOTAL NUMBER OF PEOPLE

- 1. 1
- 2. 2 to 4
- 3. 5 to 9
- 4. 10 to 49
- 5. 50 to 99
- 6. 100 to 249
- 7. 250 to 499
- 8. 500 to 999
- 9. 1000 to 4999
- 10. 5000 or more people
- 11. Don't know

CHECK THAT QEMPS=QEMPS2 – HARD CHECK

NOTES: This question should not add to interview time (it is not read out) but it acts as a consistency check to ensure the interviewer does not mistype.

QEMPS3(A6) [ASK IF QEMPS = DK]

Can you estimate whether the number of people working at this workplace would be ...
READ OUT. SINGLE CODE

1. 1
2. 2 to 4
3. 5 to 9
4. 10 to 49
5. 50 to 99
6. 100 to 249
7. 250 to 499
8. 500 to 999
9. 1000 to 4999 or
10. 5000 or more people
11. Don't know

QPPL (D1) [ASK ALL]

How does the number of people working at the workplace this month (July 16th to August 15th) compare to the previous month (June 16th to July 15th)?

Would you say it was...
READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

Note: Test ability of respondent to average employment for month and compare to average of previous month. Check to see if same types of people being included as in QEMPS.

And how do you expect the number of people working at this workplace in the next month (August 16th to September 15th) to compare with this month (July 16th to August 15th)?

Do you expect it to be...
READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QHow ASK IF QFTPPL =1 OR 3]

How are you expecting to change the employment levels at your workplace?

READ OUT. SINGLE-CODE

1. Less recruitment to fill current vacancies
2. Voluntary separations
3. Involuntary separations
4. Combination of methods
5. Renewing temporary staff contracts
6. Recruiting more permanent staff
7. N/A – don't change employee numbers
8. Don't know/Uncertain
9. Refused

Note: Test response categories (priority non-core question to test)

QHR5 [ASK ALL]

How does the total number of hours worked at this workplace this month (July 16th to August 15th) compare to the previous month (June 16th to July 15th)?

Would you say it was...

READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

Note: Test ability to answer this. How difficult is it for them to do the calculation in their head. Ask how they do this.

QFTHRS [ASK ALL]

And how do you expect the total number of hours worked at this workplace next month (August 16th to September 15th) to compare with this month (July 16th to August 15th)?

Do you expect it to be...
READ OUT. SINGLE CODE

- 1. Higher
- 2. The same or
- 3. Lower
- 4. Don't know

Vacancies

QVAC [ASK ALL]

During the last month have you had any staff vacancies that you found hard to fill, or could not fill? SINGLE-CODE

- 1. Yes
- 2. No
- 3. No vacancies
- 4. Don't know/Uncertain
- 5. Refused

PRICES

QPRICEBK (E1) [ASK ALL]

I am now going to ask you about the prices you pay for your inputs. For each of the following please tell me whether your average prices are higher, the same or lower this month (July 16th to August 15th) compared to the previous month (June 16th to July 15th)?

	1. Higher	2. The same	3. Lower	4. Don't know
Wage and non-wage labour costs across your workforce				
Non-labour (interviewer note: i.e. Raw materials, finance costs, property, transport)				
Total input costs (<i>Note: only ask if one of above is higher and one is lower</i>)				

NOTES: Test wording in relation to comment. Consider whether it is worth have an N/A code and routing these people out of QPRICEFT – explore in cognitive interviews (wage and non-wage a priority)..

QPRICEFT (E1) [ASK ALL]

I am now going to ask you about what you expect to happen going forward to the prices you pay for your inputs. For each of the following please tell me whether you expect your average prices to be higher, the same or lower in the next month (August 16th to September 15th) compared with this month (July 16th to August 15th)?

	1. Higher	2. The same	3. Lower	4. Don't know
Wage and non-wage labour costs across your workforce				
Non-labour (interviewer note: i.e. Raw materials, finance costs, property, transport)				
Total input costs (<i>Note: only ask if one of above is higher and one is lower</i>)				

NOTES: Explore how respondents understand the prices questions and whether they can separate out these different input costs. Are they thinking of average labour costs or considering the extra cost/reduced costs caused by changing levels of workers.

I'd now like you to think about output prices or prices charged.

How do the average prices you charged this month (July 16th to August 15th) compare to the previous month (June 16th to July 15th)?

Would you say they are...
READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QTRADE3 (G2) [[ASK IF QTRADE = YES OR SINGLE SITE AND IDBR SECTOR =TRADING]

How to you expect the average prices you charge next month (August 16th to September 15th) to compare with this month (July 16th to August 15th)?

Do you expect them to be...
READ OUT. SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

SECTION J – CREDIT CONDITIONS

QCREDIT [ASK ALL]

XX) Do you offer credit to your customers i.e giving them time to pay the invoice after receiving the goods and services? SINGLE-CODE

1. Yes
2. No
3. Not applicable (don't deal directly with customers)
4. Don't Know
5. Refused

QCREDLT [ASK IF QCREDIT=1]

In the last month (July 16th to August 15th) have you had customers paying you later than you require them to in your normal terms of business?

1. Yes
2. No
3. Don't know

QCREDPBL [ASK IF QCREDIT =YES]

Is this aREAD OUT ?

1. Very big issue
2. Quite a big issue
3. Fairly big issue
4. Not a big issue
5. Not an issue at all
6. Don't know

QCREDPC) [ASK IF QCREDPBL=1 OR 2 OR 3 OR 4]

For what proportion of your customer base is late payment a problem? READ OUT

Would you say it is:

1. Less than 10% of your customers
2. 10-<25%
3. 25-<50%
4. 50-<75%
5. Over 75%
6. Don't know

QTRACRD [ASK ALL]

In the last month (July 16th to August 15th), at this workplace, have your suppliers been willing to give you trade credit? i.e given you time to pay the invoice after receiving the goods and services

1. Yes
2. No
3. Not tried
4. Don't know

QTRACRD2 [ASK IF QTRACRD=1]

How important is this credit to the success/ for growth at this workplace?

1. Very important
2. Quite important
3. Fairly important
4. Not very important
5. Not at all important
6. Don't know

Notes: Check how this question is understood. What is understood by success/growth?
Does 5 point scale work?

REVOLVING QUESTIONS

QPUBLIC [ASK ALL IN PRIVATE SECTOR]

In the last month how much of your work was carried out for the public sector?

ENTER NUMBER

Range 0-100%

[ASK IF ABOVE NOT KNOWN] Would you say it is...

1. Less than 20%
2. 20-<40%
3. 40-<60%
4. 60-<80%
5. Above 80%
6. Don't know

Business support awareness/ use

SECTION I – INVESTMENT

TINEVST [ASK ALL]

I now want you to think about spending on capital investments, by which I mean things such as buildings plant/machinery, equipment, vehicles and computer hardware and what you expect to happen to this in the future. I'm going to ask you to consider investment over the last three months, that is from 16th May and August 15th.

QINVEST (I1) [ASK ALL]

Have you made any new investment in fixed assets over the last three month's (from 16th May to 15th August)?

1. Yes
2. No
3. Don't know

NOTES: Explore how the switch in reference period affects responses here. Does the respondent check notice the change? Probe whether only including items bought or also including assets which have been leased or transferred. Probe why businesses are not investing. Find out what is actually being included. Does respondent think 3 month reference period is more appropriate than one month and why

CHECK whether only including items bought or also including assets which have been leased or transferred

Has this investment increased the potential level of output or business activity at this workplace or has it simply maintained the existing potential?

1. Increased potential
2. Maintained potential
3. Don't know

NOTES: Explore respondents understanding of QIVSTINC.- do they understand that maintained is just replacement? Why do they think potential will be increased or maintained? What sort of investment is used just to maintain potential?

Thinking of the largest fixed capital investment you made over the last 3 month's:

What type of investment was it?

READ OUT – MULTI CODE

1. Land
2. Buildings
3. Plant / Machinery
4. Vehicles
5. Other
6. Don't know/Uncertain

QFTINVEST (I5) [ASK ALL]

Do you expect to make any new investment in fixed capital in the next three month's (between August 16th and November 15th)?

1. Yes
2. No
3. Don't know

QFTIVSTINC [ASK IF QFTINVEST=1]

Will this investment increase the potential level of output or business activity at this workplace or simply maintain the existing potential?

1. Increased potential
2. Maintained potential
3. Don't know

NOTES: Explore respondents understanding - do they understand that maintained is just replacement? Why do they think potential will be increased or maintained? What sort of investment is used just to maintain potential?

QCap2 [ASK IFQFTINVEST=2]

What are the reasons why you are not planning to make any new capital investments over the next three month's?

OPEN END (RESPONSE LIST TO BE ADDED)

NON-CAPITAL INVESTMENT

QNCINVT [ASK ALL]

Are you planning to make any intangible investments over the next 3 month's (between August 16th and November 15th) at this workplace? By this, I mean things like computer software, marketing, training, computer services and so on.

SINGLE CODE

1. Yes
2. No
3. DK/ Uncertain

[If yes to above]

QNCWHT [ASK IF QNCINVT =1]
Which of the following kinds of investment?

READ OUT – MULTI CODE

1. Computer software
2. Advertising / marketing
3. Copyright / Intellectual Property
4. Staff training
5. Research and Development
6. Other
7. Don't know/Uncertain
8. Refused

Note: Test response categories. Does it work as a non-read out question.

QSUPP [ASK ALL]

I am now going to read out the types of help that are available to business and supported by government. Can you tell me whether you are aware of any of these?

READ OUT. CODE ALL THAT APPLY

1. The businesslink.gov website providing access to information and advice for businesses
2. The start-up hub providing learning tools and advice for new start-ups
3. The national mentoring website 'mentorsme'
4. Business Coaching for Growth
5. National Business Telephone Contact Centre
6. The start-up Britain website and campaign
7. UK Trade & Investment or UKTI
8. The commercial services provided by British embassies and consulates overseas
9. Other BIS initiatives/SfB programmes
10. Other HMRC led projects
11. None of these

QSUPPUSE [ASK ALL who aware of at least one at Q1a, read list for each aware]

Has your business used or benefited from any of these?

READ OUT. CODE ALL THAT APPLY (INCLUDE ANSWERS FROM QSUPP).

1. The businesslink.gov website providing access to information and advice for businesses
2. The start-up hub providing learning tools and advice for new start-ups
3. The national mentoring website 'mentorsme'
4. Business Coaching for Growth
5. National Business Telephone Contact Centre
6. The start-up Britain website and campaign
7. UK Trade & Investment or UKTI
8. The commercial services provided by British embassies and consulates overseas
9. Other BIS initiatives/SfB programmes
10. Other HMRC led projects
11. None of these

OBSTACLES FOR GROWTH

QOBST [ASK ALL]

Setting the general economic conditions aside, what, if anything do you see as the main specific challenge that your business is facing ?

DO NOT READ OUT

1. The economy
2. Obtaining finance
3. Cash flow
4. Taxation, VAT, PAYE, National Insurance, business rates
5. Recruiting staff
6. Keeping staff
7. Transport issues
8. Lack of broad band access
9. Regulations
10. Keeping up with new technology
11. Availability / cost of suitable premises
12. Competition in the market
13. Shortage of managerial skills/expertise
14. Shortage of skills generally
15. Lack of financial understanding
16. Crime
17. Pensions
18. Other
19. No obstacles

NOTE: Check response categories are sensible and are the types of things respondents are in fact considering.

Finally I'd just like to collect some information about this business

QOWN [ASK ALL]

And is the organisation under UK or foreign ownership?

1. UK owned
2. Foreign owned
3. Don't know

Notes: Does this question work? Do respondents understand the question? What happens if UK Enterprise but USA Enterprise Group for example?

QPOST [ASK ALL]

Can you confirm the postcode of this workplace is xxxx xxx?

1. Yes
2. No
3. Don't know

QPOST2 {ASK IF QPOST=2 OR DK}

Can you tell me the correct postcode?

SPACE TO WRITE IN GENERAL COMMENTS/ THOUGHTS ABOUT
QUESTIONNAIRE

Appendix B: Pilot stage questionnaire

English Business Survey

Questionnaire

Telephone Pilot testing

DATE ISSUED: 12th September 2011

CONTACT

SCRIPTING NOTE: INCLUDE COMPANY NAME AND ADDRESS AT THE TOP OF THE INTERVIEWER SCREEN

Cont [ASK ALL]

Good morning, my name is [INSERT NAME] calling from TNS-BMRB, an independent research agency. We are conducting the English Business survey for the Department of Business, Innovation and Skills. Can I speak to:

IF <10 employees: the owner or manager of the business at this site?

IF 10+ employees: the financial director

1. CONTINUE (OUTCOME CODES THEN ON TO QPERMIS)
2. IF RESPONDENT NOT AVAILABLE AT THIS TIME (GO THROUGH TO OUTCOME CODES)
3. THIS IS NOT AN APPROPRIATE CONTACT

Cont1 [ASK IF CONT=3]

We are trying to speak to the person at this particular site who would be best placed to answer some general directional questions about the level of business at this site, is there anyone at this site who would be able to answer these types of questions?

Yes (OUTCOME CODES THEN ON TO QPERMIS)

No

DK

IF YES – Go to QPERMIS

IF NO/DK

Can you give me the contact details for someone at another site who would be able to give this information for this site?

YES – COLLECT CONTACT DETAILS (MAKE AN APPOINTMENT AND CALL NEW CONTACT DETAILS)

NO – CODE AS REFUSAL

IF RESPONDENT NOT AVAILABLE AT THIS TIME RECORD NAME AND JOB TITLE.

WHEN SPEAKING WITH CORRECT CONTACT

START TIMING POINT

QPermis [ASK ALL]

Good morning/afternoon, my name is [INSERT NAME] calling from TNS-BMRB, an independent research company. We are conducting the English Business survey on behalf of the Department for Business, Innovation and Skills. This survey will build up a better picture of business and economic conditions across the country to help promote business growth. You will **NOT** need any detailed business information to hand as we will only be asking for a simple indication of how your business is faring.

REASSURANCES (READ OUT IF NECESSARY)

- The survey will only take 10-12 minutes
- We are not asking for any detailed information about your business performance just whether things have got better or worse over the last few months or are they likely to do so in the future
- The survey will be covering key business issues such as employment, costs and investments
- As a result of this survey the government and your local enterprise partnership will have a much better understanding of how businesses in your area are faring in the current economic climate
- Please be assured that the survey is completely confidential to TNS-BMRB and NIESR and that you and your business will not be identified in relation to the results of the survey.

IF NECESSARY: NIESR is the National Institute for Economic and Social Research that is partnering TNS-BMRB on this survey.

Would you like me to send you through a letter from the Department of Business, Innovation and Skills to reassure you of the nature of this research? We would very much appreciate it if you are able to take part.

IF YES – ARRANGE TO SEND EMAIL

NOTES:

We will need to confirm exactly what information will be passed to BIS and available in the archive and adapt these assurances accordingly (EG we cannot say the business will not be identified if we are giving BIS employee count with SIC code and region – it would be very easy to identify an individual business

1. Proceed with interview

CHARACTERISTICS

QSITE [ASK ALL]

Firstly can I check, is this workplace the only one in your organisation or does your organisation have other sites, either in the UK or abroad?

INTERVIEWER INSTRUCTION: IF THERE ARE TWO BUSINESSES AT ONE SITE PLEASE GET RESPONDENT TO ANSWER FOR ONLY THE SAMPLE BUSINESS

SINGLE CODE

1. Single workplace
2. Other workplaces

3. Don't know

TSITE [ASK IF QSITE=2 OR QSITE=3]

For all the questions that follow please give your answers for **this** workplace.

IF REFERRAL: For all the questions that follow please give your answers for the {NAME OF BUSINESS} at {ADDRESS, TOWN}.

QTRADE [ASK IF (IDBR Legal status = 'Public corporation or nationalised body OR IDBR legal status = non profit body) OR ((IDBR legal status=company OR sole proprietor OR partnership) AND QSITE=2 OR 3)]

Does this site sell goods or services? By that I mean directly to the general public or, other organisations?

1. Yes
2. No
3. Don't know

SECTION – OUTPUT

I'd now like to ask you about business performance recently and how you expect performance to change in the future. Firstly, I'm going to ask you to consider performance **last month** compared with three months before that, that would be {August} compared to {May}, and to say whether the performance was higher, the same or lower.

QOUTPUT [ASK ALL]

Would you say business activity or volume of output {IF QSITE=2 'at this workplace'} in {August} was higher, the same or lower than in {May}?

INTERVIEWER INSTRUCTION: IF PUBLIC SECTOR ADD IF NECESSARY – BY VOLUME OF OUTPUT WE MEAN VOLUME OF WORK OR EXPENDITURE

SINGLE CODE

5. Higher
6. The same or
7. Lower
8. Don't know

QOUTPC [ASK IF QOUTPUT NOT DK OR 2]

By approximately what percentage is it [higher/ lower]?

ENTER PERCENTAGE
RANGE 0-100
DON'T KNOW

QOUTPC2 [ASK IF QOUTPC=DK]

Well, is it more or less than 5% [higher/lower]?

1. 5% or more
2. Less than 5%

3. Don't know

Now I'd like you to think forward three months and consider what your performance is likely to be in three months time.

QFUTOUT [ASK ALL]

Do you expect the business activity or volume of output {IF QSITE=2 'at this workplace'} in {December} to be higher, the same or lower than in {August}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QCERTAIN [IF QFUTOUT NOT DK]

And how confident are you that the volume of output or business activity in {December} will be [higher/lower/stay the same]?

READ OUT. SINGLE CODE

Would you say you are 50% confident, 60%, 70% confident etc?

PROMPT IF NECESSARY: WE ARE ONLY LOOKING FOR A ROUGH ESTIMATE

ENTER PERCENTAGE

RANGE 0-100

DK

QCERTAINLS IS A PILOT PROBE QUESTION (TO BE REMOVED AFTER PILOT – VERBATIM ANSWERS ONLY NO CODED DATA)

QCERTAINLS [IF QCERTAIN=0-49]

Why do you say that?

OPEN ENDED

DK

QCERTAIN2 [IF QCERTAIN=DK]

Well, would you, then, say you are...?

READ OUT. SINGLE CODE

1. Very confident (that's 90% or more)
2. Quite confident (75%)
3. Fairly confident (50%)
4. Not very confident (25%)
5. Not at all confident (that's less than 25% confident)
6. Don't know

QFUTotPC [ASK IF QFUTOUT NOT DK OR 2]

By approximately what percentage do you expect output to [be higher/ lower]?

ENTER ANSWER
RANGE 0-100
DON'T KNOW

QFUTotPC2 [ASK IF QFUTotPC=DK]

Well, will it be more or less than 5% [higher/lower]?

1. 5% or more
2. Less than 5%
3. Don't know

SECTION - EXPORTS

I'd now like to ask you about exports

QEXPT [ASK ALL]

Does {this business/ {IF QSITE=2 'this site'}} currently produce or sell goods or services for export directly overseas?

IF NECESSARY: BY THIS I MEAN YOUR SALES MADE DIRECTLY TO BUSINESSES OR PEOPLE BASED OVERSEAS (THAT IS OUTSIDE THE UK)

1. Yes
2. No
3. Don't know

QEXPT2 [ASK QEXPT =1]

Would you say the volume of exports {IF QSITE=2 'from this workplace} in {August} was higher, the same or lower than in {May}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QEXPTFT [ASK QEXPT =1]

And do you expect the volume of exports {IF QSITE=2 'from this workplace} in {December} in to be higher, the same or lower than in {August}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

SECTION - DOMESTIC OUTPUT

QDOM [ASK QEXPT =1]

Would you say the volume of **domestic** output or business activity {IF QSITE=2 'at this workplace} in {August} is higher, the same or lower than in {May}?

IF NECESSARY: BY DOMESTIC OUTPUT I MEAN SALES TO BUSINESSES OR PEOPLE WITHIN THE UK.

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Not applicable (all output is for export)
5. Don't know

QFTDOM [ASK QEXPT =1]

And do you expect domestic output or business activity {IF QSITE=2 'from this workplace} in { December} to be higher, the same or lower than in {August}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QCAPCTY [ASK ALL]

Is the level of output or business activity you are currently operating at below a satisfactory full rate of operation?

PROMPT IF NECESSARY: BY THIS I MEAN YOUR BUSINESS CANNOT CONTINUE TO OPERATE AS IT IS NOW FOR MORE THAN SIX MONTH OR SO.

4. Yes
5. No
6. Don't know

QCPTY2 [ASK IF QCAPCTY=2]

Are you currently operating above a satisfactory full rate of operation?

PROMPT IF NECESSARY: BY THIS I MEAN YOUR BUSINESS CANNOT CONTINUE TO OPERATE AS IT IS NOW FOR MORE THAN SIX MONTH OR SO?

4. Yes
5. No
6. Don't know

SECTION - STOCKS

[ASK IF MINING, QUARRYING, MANUFACTURING, UTILITIES, WHOLESALE AND RETAIL (INCLUDING MOTOR TRADES)]

QSTOCK

Thinking now about stocks and inventories. Would you say the volume of stocks or inventories {IF QSITE=2 'at this workplace'} in {August} is higher, the same or lower than in {May}?

SINGLE CODE

5. Higher
6. The same or
7. Lower
8. Don't know

QFTSTOCK

And do you expect the volume of stocks or inventories {IF QSITE=2 'at this workplace'} in { December} to be higher, the same or lower than {August}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

SECTION – JOBS AND HOURS

QEMPS [ASK ALL]

How many people are currently working at this workplace?

Please include:

- Yourself {SUPPRESS IF REFERRAL}
- All full and part time employees
- All employees on permanent, temporary and fixed term contracts
- Any staff currently employed on a temporary basis via an agency
- Any freelance staff or contractors who work at this site
- Work experience placements

ENTER NUMBER

RANGE 1-99999

Don't know

QEMPS2 [ASK IF QEMPS NOT DK]

INTERVIEWER: PLEASE CODE THE TOTAL NUMBER OF PEOPLE

1. 1
2. 2 to 4
3. 5 to 9
4. 10 to 49
5. 50 to 99
6. 100 to 249
7. 250 to 499
8. 500 to 999

9. 1000 to 4999
10. 5000 or more people
11. Don't know

CHECK THAT QEMPS=QEMPS2 – HARD CHECK

NOTES: *This question should not add to interview time (it is not read out) but it acts as a consistency check to ensure the interviewer does not mistype.*

QEMPS3 [ASK IF QEMPS = DK]

Can you estimate whether the number of people working at this workplace would be

...

READ OUT. SINGLE CODE

1. 1
2. 2 to 4
3. 5 to 9
4. 10 to 49
5. 50 to 99
6. 100 to 249
7. 250 to 499
8. 500 to 999
9. 1000 to 4999 or
10. 5000 or more people
11. Don't know

QPPL [ASK ALL]

Would you say the number of people working {IF QSITE=2 'at the workplace'} in {August} was higher, the same or lower than in {May}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QFTPPL [ASK ALL]

And do you expect the number of people working {IF QSITE=2 'at this workplace'} in {December} to be higher, the same or lower than in {August}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QHRS [ASK ALL]

Would you say the actual number of hours worked {IF QSITE=2 'at this workplace'} in {August} was higher, the same or lower than in {May}?

PROMPT: WE ARE INTERESTED IN THE ACTUAL NUMBER OF HOURS WORKED INCLUDING EXTRA SHIFTS AND PAID OR UN PAID OVERTIME, BUT EXCLUDING PEOPLE WHO ARE ON HOLIDAY OR SICK OR NOT WORKING FOR ANY OTHER REASONS

SINGLE CODE

5. Higher
6. The same or
7. Lower
8. Don't know

QFTHRS [ASK ALL]

And do you expect the total number of hours worked {IF QSITE=2 'at this workplace'} in {December} to be higher, the same or lower than {August}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QCPT [ASK ALL]

Would you say that your workforce at the moment are:

SINGLE CODE

1. Underutilised
2. Used at a satisfactory level
3. Overstretched
4. Don't know

QCPT2 [ASK ALL]

Would you say that your capital, by which I mean things such as buildings, plant and machinery, equipment, vehicles and computer hardware, at the moment is:

SINGLE CODE

1. Underutilised
2. Used at a satisfactory level
3. Overstretched
4. Don't know

SECTION – PRICES

QPRICEBK [ASK ALL]

I am now going to ask you about the prices you pay for your inputs. For each of the following please tell me whether your average prices were higher, the same or lower in {August} than in {May}?

NOTE FOR DP: CAN THIS BE SETUP AS A LOOP RATHER THAN A GRID,

1. Wage and other labour costs

PROMPT IF NECESSARY: Were they higher, the same or lower in [August] than in [May]?

1. Higher
2. The same
3. Lower
4. Don't know
5. Not applicable

2. Non-labour costs (IF NECESSARY: BY THIS I MEAN RAW MATERIALS, FINANCE, PROPERTY AND TRANSPORT COSTS)

PROMPT IF NECESSARY: Were they higher, the same or lower in [August] than in [May]?

1. Higher
2. The same
3. Lower
4. Don't know
5. Not applicable

3. [ASK ONLY IF ONE OF THE STATEMENTS ABOVE IS HIGHER AND ONE IS LOWER]

Total input costs overall

PROMPT IF NECESSARY: Were they higher, the same or lower in [August] than in [May]?

1. Higher
2. The same
3. Lower
4. Don't know
5. Not applicable

QPRICEFT [ASK ALL]

And what do you expect to happen to the prices you pay for your inputs over the next three months. For each of the following please tell me whether you expect your average prices to be higher, the same or lower in { December} than in {August}?

NOTE FOR DP: CAN THIS BE SETUP AS A LOOP RATHER THAN A GRID,

1. [ASK IF PRICEBK STATEMENT 1 NOT 'NOT APPLICABLE']

Wage and other labour costs

PROMPT IF NECESSARY: Do you expect these costs to be higher, the same or lower in { December} than in {August}?

1. Higher
2. The same
3. Lower
4. Don't know
5. Not applicable

2. Non-labour costs (IF NECESSARY: BY THIS I MEAN RAW MATERIALS, FINANCE, PROPERTY AND TRANSPORT COSTS)

PROMPT IF NECESSARY: Do you expect these costs to be higher, the same or lower in { December} than in {August}?

1. Higher
2. The same
3. Lower
4. Don't know
5. Not applicable

3. [ASK ONLY IF ONE OF THE STATEMENTS ABOVE IS HIGHER AND ONE IS LOWER OR ONE OF THEM = DK]

Total input costs overall

PROMPT IF NECESSARY: Do you expect these costs to be higher, the same or lower in { December} than in {August}?

1. Higher
2. The same
3. Lower
4. Don't know
5. Not applicable

QTRADE2 ASK IF (QTRADE = 1) OR ((IDBR legal status code = 'company'/'sole proprietor'/'partnership') AND (QSITE=1))

I'd now like you to think about output prices or prices charged.

Would you say the average prices you charged in {August} were higher, the same or lower than in {May}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QTRADE3 ASK IF (QTRADE = 1) OR ((IDBR legal status code = 'company'/'sole proprietor'/'partnership') AND (QSITE=1))

And do you expect the average prices you charge in { December} to be higher, the same or lower than in {August}?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

SECTION – CREDIT CONDITIONS

QCREDIT [ASK ALL]

Do you offer credit to your customers' i.e. giving them time to pay the invoice after receiving the goods and services?

INTERVIEWER NOTE: IF OFFER CREDIT FOR SOME CUSTOMERS ONLY CODE

AS YES

SINGLE CODE

1. Yes
2. No
3. Not applicable (don't deal directly with customers)
4. Don't Know
5. Refused

QCREDLT [ASK IF QCREDIT=1]

In {August} are a greater proportion of the customers that you offer credit to paying you later than your standard payment terms compared to {May}?

1. Yes
2. No
3. Don't know

QCREDPBL [ASK IF QCREDLT =YES]

Is this a?

READ OUT

1. Very big issue
2. Quite a big issue
3. Fairly big issue
4. Not a big issue
5. Not an issue at all
6. Don't know

QCREDPC [ASK IF QCREDPBL=1 OR 2 OR 3 OR 4]

For what proportion of your customer base is late payment a problem?

SINGLE CODE – PROMPT IF NECESSARY

Would you say it is:

1. Less than 10% of your customers
2. 10to 24%
3. 25 to 49%
4. 50 to 74%
5. 75% or more
6. Don't know

QTRACRD [ASK ALL]

In {August} have your suppliers {IF QSITE=2 'to this site'} been willing to give you trade credit? i.e. given you time to pay the invoice after receiving the goods and services

1. Yes
2. No
3. Not tried/credit not required
4. Don't know

QTRACRD2 [ASK IF QTRACRD=1]

How important is this credit to the success or for the growth of {this business/ {IF QSITE=2 'at this workplace'}}?

1. Very important
2. Quite important
3. Fairly important
4. Not very important
5. Not at all important
6. Don't know

SECTION – INVESTMENT

TINEVST [ASK ALL]

I now want to ask you about spending on capital investments, by which I mean things such as buildings, plant and machinery, equipment, vehicles and computer hardware and software that you might have bought or leased.

QINVEST [ASK ALL]

Have you made any new capital investment over the last three months, that's between {May and August}?

PROMPT IF NECESSARY: Please include any capital investments which you have started to use or taken ownership of in the last three months. Please do not include those you have placed orders for but not started to use.

4. Yes
5. No
6. Don't know

QIVSTINC [ASK IF QINVEST=1]

Has this investment increased the potential level of output or business activity of {this business /{IF QSITE=2 'at this workplace'}} or has it simply maintained the existing potential?

1. Increased potential
2. Maintained potential
3. Don't know

SECTION – CAPITAL INVESTMENT

QFTINVEST [ASK ALL]

Do you expect to make any new capital investment over the next three months that is between {September and December}?

INTERVIEWER INSTRUCTION: PLEASE ONLY CODE AS MAYBE IF RESPONDENT IS SERIOUSLY CONSIDERING INVESTING IN THE NEXT THREE MONTHS BUT HAS NOT FINALLY DECIDED (OTHERWISE CODE DK)

1. Yes
2. No
3. Maybe
4. Don't know

QFTIVSTINC [ASK IF QFTINVEST=1]

Will this investment increase the potential level of output or business activity at {this business/ {IF QSITE2= 'at this workplace'}} or simply maintain the existing potential?

1. Increase potential
2. Maintain potential
3. Don't know

TANUAL [ASK ALL]

I would now like to ask you about business performance recently and performance compared with one year ago.

QOUTYR [ASK ALL]

Would you say the business activity or volume of output {IF QSITE=2 'at this workplace'} in {August} was higher, the same or lower than in {August} last year?

INTERVIEWER INSTRUCTION: IF PUBLIC SECTOR ADD IF NECESSARY – BY VOLUME OF OUTPUT WE MEAN VOLUME OF WORK OR EXPENDITURE

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

QFOUTYR [ASK ALL]

Do you expect the business activity or volume of output {IF QSITE=2 'at this workplace'} in [August] next year to be higher, the same or lower than now?

SINGLE CODE

1. Higher
2. The same or
3. Lower
4. Don't know

Finally can I just check,

QOWN [ASK ALL]

Is this organisation under UK or foreign ownership?

1. UK owned
2. Foreign owned
3. Don't know

QPOST [ASK ALL]

And is the postcode of this {business /{IF QSITE=2 workplace'}} xxxx xxx?

1. Yes
2. No
3. Don't know

QPOST2 {ASK IF QPOST=2 OR DK}

Can you tell me the correct postcode?

INSERT TIMING POINT HERE

QPANEL [ASK ALL]

That is all the questions we have for you. We would like to keep in contact with the businesses that have taken part so that we can talk to you again if you are willing to do so and so that we can share the findings of the research. Firstly can I check I have the right name and contact details for you?

1. RECORD HERE IF REFUSED RECONTACT
2. Continue

IF 2. CONTINUE:

INTERVIEWER: ENTER THE NAME OF THE RESPONDENT
(3 SCREENS, TITLE, FIRST NAME, SURNAME) (INCLUDE REFUSAL CODES FOR ALL)

QTEL [ASK IF QPANEL=2]

And can I check is your telephone number [INSERT TELEPHONE NUMBER]?

YESIF NO COLLECT NEW NUMBER

QEMAIL [ASK IF QPANEL=2]

And can I take your e mail address?

QREPT [ASK IF QPANEL=2]

Would you like to receive a copy of the summary report when it is published?

1. Yes
2. No

QCONS [ASK ALL]

We/ BIS would like to link your responses to other information that you have provided previously to Government. By this data linkage, we can reduce the burden of our surveys on your business and can improve the evidence that we use.

Data will only be used to inform research on businesses in aggregate – we will never release information that identifies any individual business – and your survey responses remain strictly confidential. Do you give your consent for us to do this?

SINGLE CODE

4. Yes
5. No
6. Don't know

QREC [ASK ALL]

BIS may be conducting some further research on this topic in the future. Would you be happy for someone from TNS-BMRB to re-contact you and invite you to participate in this research?

1. Yes
2. No

© Crown copyright 2012

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. Visit www.nationalarchives.gov.uk/doc/open-government-licence, write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

This publication is also available on our website at www.bis.gov.uk
Any enquiries regarding this publication should be sent to:

Department for Business, Innovation and Skills
1 Victoria Street
London SW1H 0ET
Tel: 020 7215 5000

If you require this publication in an alternative format, email enquiries@bis.gsi.gov.uk, or call 020 7215 5000.

URN 12/601