



IFF Research

SME Business Barometer

June 2012

Report prepared for the Department of Business, Innovation and Skills

August 2012

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1 Introduction

Background

- 1.1 The Business Barometer is a series of surveys among small and medium-sized (SME) employer enterprises across the UK. The survey assesses how well or badly small businesses are performing, their needs, concerns and the barriers to growth. Each survey wave of the Business Barometer consists of at least 500 interviews with owners and managers of these enterprises, all of whom have previously been interviewed as part of a larger BIS survey – the 2006/07 and 2007/08 Annual Surveys of Small Business (ASBS), or the 2010 Small Business Survey (SBS).
- 1.2 The first Business Barometer was undertaken in December 2008, with further waves in February, April, June, September and December 2009, and in February 2010. The series of surveys was interrupted by the larger-scale SBS in the summer of 2010, which had very similar question content to the Barometer, but resumed in December 2010, February, August and November 2011, February 2012, and June 2012, the latter survey being the focus of this report.

Methodology

- 1.3 500 interviews were conducted between 18th June and 29th June 2012 using Computer Assisted Telephone Interviewing (CATI). All respondents had previously taken part in the 2010 SBS. Those interviewed were directors, owners and co-owners of the businesses.
- 1.4 One hundred and forty one interviews (28 per cent) conducted were with SME employers that had sought finance in the year before the SBS took place. This proportion was corrected (to 26 per cent) at the analysis stage through weighting¹.
- 1.5 In interpreting these findings it must be borne in mind that the sample is not fully representative of all SMEs in the UK in that:
 - Businesses with no employees have been excluded from this survey
 - Businesses that started up since the SBS are not interviewed
- 1.6 Nor is the survey exactly representative of SME employers that operated at the time of the SBS survey, as those that have closed since cannot be interviewed.
- 1.7 In this report we will highlight changes in the findings between the waves of the Business Barometer, and the larger SBS and ASBS surveys, that are statistically significant at the 95 per cent confidence level. In general, when considering the overall samples for two waves, a change of 4 to 6 per cent indicates a significant change¹.

¹ More details on the sampling and weighting process are given in the technical appendix to this report.

2 Summary

Growth

- 2.1 In terms of staffing levels, 55 per cent of SME employers in June 2012 were employing the same amount of staff as 12 months ago (a slight, but not significant, decrease since the February 2012 Barometer), 17 per cent were employing more staff than 12 months ago and 28 per cent were employing fewer staff.
- 2.2 Results for staffing levels expected over the next 12 months were similar to those seen in previous waves, with 63 per cent expecting to be employing the same amount of staff in 12 months, 24 per cent expecting to be employing more staff, and, in a decrease since February 2012, 13 per cent expecting to be employing fewer.
- 2.3 Turnover results over the past 12 months exhibited some changes from previous Barometers, with fewer SME employers having experienced growth; 39 per cent of employers reported having approximately the same turnover as 12 months ago (compared with 30 per cent in February 2012), 35 per cent reported that their turnover had decreased in the last 12 months (broadly in line with previous Barometers) and 25 per cent said that their turnover had increased (compared with 33 per cent in February 2012).
- 2.4 Turnover expectations for the next 12 months in the June 2012 Barometer are less optimistic than in the February 2012 Barometer, with the proportion expecting turnover levels to have decreased in 12 months' time remaining consistent at 16 per cent, but with 51 per cent expecting their turnover levels to be approximately the same (compared with 33 per cent in February 2012) and 29 per cent expecting turnover levels to have increased (compared with 33 per cent in February 2012).
- 2.5 In terms of growth ambitions, 61 per cent of SME employers aim to grow their business over the next 2-3 years. Of these SME employers, 64 per cent plan to fund this growth through using internal finance only, 12 per cent through using external finance only and 22 per cent plan to use both.

Business Environment

- 2.6 Once again, the economy was felt to be the main obstacles to business success in June 2012. In terms of specific challenges the economy posed to businesses, those mentioning it as the main barrier cited lack of demand from customers (85 per cent – compared with 72 per cent in February 2012, a significant increase), uncertainty about the future (79 per cent), increased running costs (59 per cent) and increased competition (43 per cent).
- 2.7 Ten per cent of SMEs identified cashflow as their main obstacle and 42 per cent in total mentioned it as being an obstacle *per se* (a significant decrease from 51 per cent in February 2012). Those mentioning cashflow as an obstacle said the biggest issues they faced in this area were a fluctuating income combined with steady outgoings (81 per cent – an increase on February 2012 when 73 per cent mentioned this issue) followed by late payment from individual customers (65 per cent) or from other businesses (65 per cent).

Access to Finance

- 2.8 Seventeen per cent of SME employers had sought finance in the 6 months prior to the June 2012 Barometer (a significant decrease since February 2012, when 23 per cent had sought finance), with the most frequently sought type of finance being a bank loan (39 per cent) followed by a bank overdraft (26 per cent) and leasing / hire purchase arrangements (14 per cent).
- 2.9 Gaining working capital or cash flow and acquiring equipment/vehicles were the most frequently mentioned reasons for seeking finance (mentioned by 42 per cent of those seeking finance and 21 per cent respectively – the latter being a significant decrease since February 2012, when it was mentioned by 32 per cent).
- 2.10 Before applying for finance, 80 per cent of those who had sought it in the 6 months prior to June 2012 took some sort of action to try and ensure their application would be successful. Over half (60 per cent) made sure their business plan was up to date, 51 per cent took advice from their bank and 30 per cent had their business plan looked over by a professional adviser.
- 2.11 Thirty-four per cent of those who had sought finance in the 6 months prior to the June 2012 business barometer did not obtain any of the finance sought from the first source approached. A further five per cent obtained some but not all of the finance applied for and three per cent obtained all the financed they had applied for but with some problems. Overall, SME employers had less difficulties when seeking finance, with 42 per cent of those seeking finance having some problems in obtaining it (compared with 60 per cent in February 2012) whilst 57 per cent had no difficulty at all (compared with 35 per cent in February 2012).
- 2.12 Overall, among those seeking finance in the last 6 months, 25 per cent were unsuccessful in obtaining it from any source (in line with the 26 per cent stating this in February 2012).

Business Support

- 2.13 In results similar to previous Barometers, 42 per cent of SME employers in June 2012 had sought advice or information on matters affecting their business in the last 12 months (four per cent from the public sector only, 27 per cent from the private sector only and 10 per cent from both).
- 2.14 Half of those seeking advice (50 per cent) sought financial advice. Sixteen per cent sought advice on business planning/strategy, twelve per cent on business growth, nine per cent sought legal advice, and nine per cent advice on tax/national insurance law and payments. Just three per cent of SME employers had advice needs for which they were unable to get external advice or support.
- 2.15 In November 2011 the content of the businesslink.gov.uk website was substantially updated and a telephone helpline was introduced to help support website users. The June 2012 Barometer contained questions seeking to assess early awareness and usage of the new services available through the updated businesslink.gov.uk website.
- 2.16 Eighty-three per cent of SME employers in the June 2012 Barometer were aware of the businesslink.gov.uk website. Twenty-four per cent of SME employers had used the website in the last 12 months and 16 per cent of SME employers had used the website since the start of November 2011.

- 2.17 Twenty-four per cent of those SME employers who had used the businesslink.gov.uk website since the start of November 2011 had noticed a change in content.
- 2.18 SME employers were asked about awareness and usage of several types of government support available to businesses, some of which (such as the 'My new business' section of the Business Link website) had been introduced in November 2011, as part of the re-launch of the Business Link website.
- 2.19 The support most SME employers were aware of was government guaranteed loans (30 per cent), followed by information on the businesslink.gov.uk website about finance and options available (28 per cent), the new helpline to provide support to users of the businesslink.gov.uk website (24 per cent – compared to 15 per cent in February 2012), and the national mentoring website 'Mentor SME' (23 per cent).
- 2.20 SME employers were also asked about their awareness and usage of the new government-funded coaching programme, *GrowthAccelerator*, launched on 23rd May 2012. Five per cent of employers indicated that they were aware of the programme, with one per cent having used it so far.
- 2.21 The most frequently used types of support were the finance advice on the businesslink.gov.uk website (seven per cent of all SME employers) and the UKTI support available for SME exporters (four per cent).
- 2.22 Ten per cent of SME employers had used a business mentor in the last 12 months and the areas mentoring was felt to have been most help in were developing a business plan / strategy (77 per cent), enhancing leadership and management skills (57 per cent), and increasing sales and profits (43 per cent).
- 2.23 Eleven per cent of SME employers were currently acting as a business mentor. When asked about the benefits of being a business mentor, 61 per cent agreed that it had enhanced their leadership and management skills and 51 per cent agreed that it had increased their sales or profits by providing them with the chance to reflect on their own business strategy.

Ben Davies, Lydia Fellows and Jessica Huntley Hewitt

IFF Research Ltd.

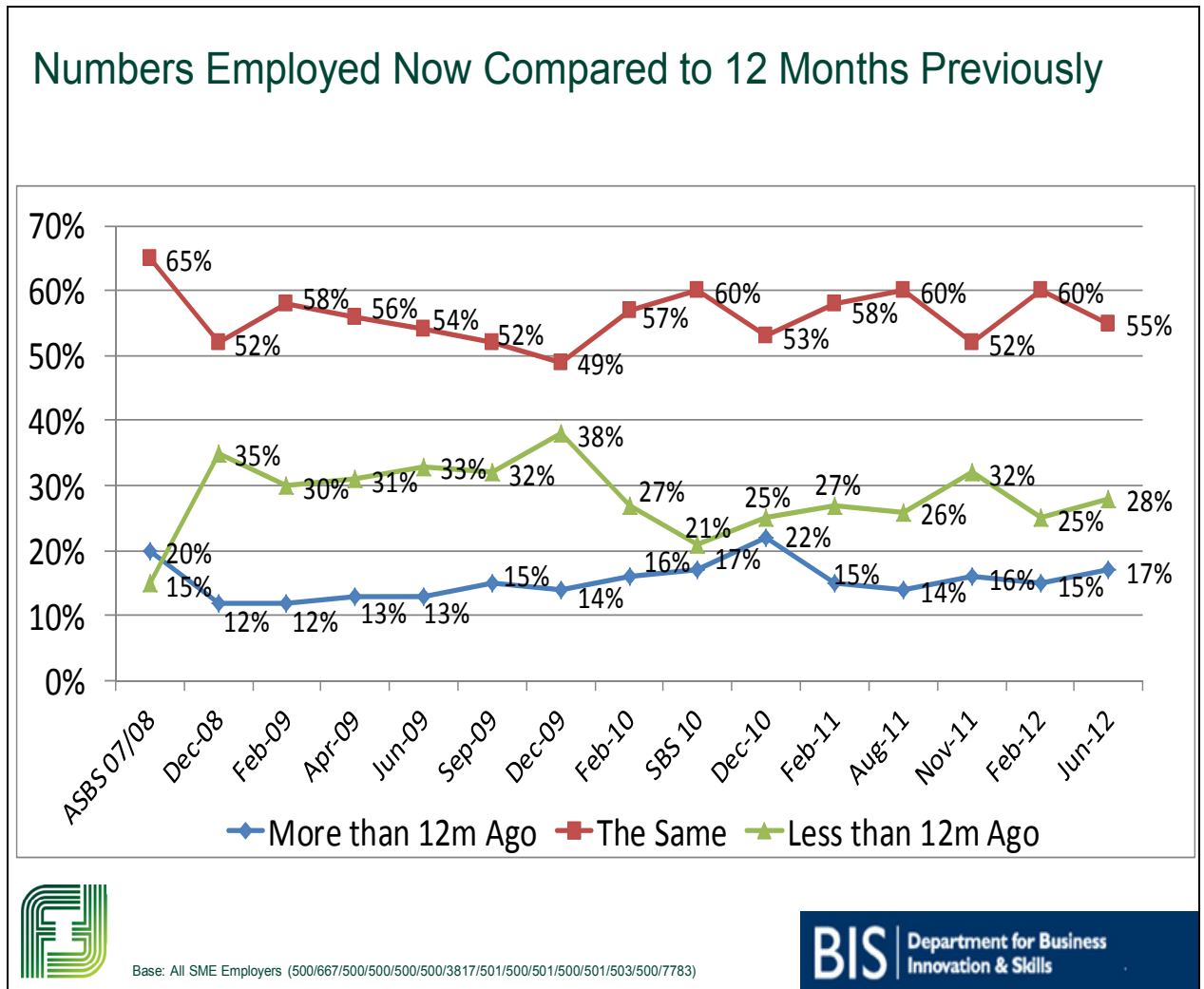
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3 Growth

Employment levels over the last 12 months

- 3.1 As shown in Chart 3a (below), 28 per cent of SME employers employed fewer people in June 2012 than was the case a year before. This is broadly in line with February 2012 when this figure stood at 25 per cent.
- 3.2 In a slight (but not significant) decrease since the February 2012 Barometer (when this figure was 60 per cent), 55 per cent of SME employers were employing the same amount of people as they were 12 months ago.
- 3.3 In June 2012, 17 per cent of SME employers were employing more people than 12 months ago, very similar to the February 2012 Barometer when the figure was 15 per cent, and also the previous three Barometer waves (16 per cent in November 2011, 14 per cent in August 2011 and 15 per cent in February 2011).

Chart 3a: Numbers employed now compared to 12 months ago - trendsⁱⁱ



- 3.4 The overall trend since the Barometer series began has been for SME employers to be more likely to employ fewer rather than more people compared with 12 months previously. The gap between these two measures closed in 2010, but 2011 saw the gap widen again. In the June 2012 Barometer, this trend has continued, with SME employers being more likely to employ fewer rather than more people compared with 12 months previously, with an 11 percentage point gap.
- 3.5 Analysis of the data by sector in June 2012 (see Table 3a below) shows that the construction sector is more likely than average to be employing fewer employees than 12 months ago (44 per cent compared with 28 per cent).

Table 3a: Numbers employed now compared to 12 months ago ⁱⁱⁱ – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
June 2012. n=	500	91	49	123	237
	%	%	%	%	%
June 12 – More than 12m Ago	17	24	20	12	17
June 12 – Fewer than 12m Ago	28	26	44	28	24
February 2012. n=	667	156	72	159	280
	%	%	%	%	%
Feb 12 – More than 12m Ago	15	23	6	11	18
Feb 12 – Fewer than 12m Ago	25	16	42	24	25
November 2011. n=	500	82	48	139	231
	%	%	%	%	%
Nov 11 – More than 12m Ago	16	20	18	11	18
Nov 11 – Fewer than 12m Ago	32	28	46	29	31
August 2011. n=	500	100	53	145	202
	%	%	%	%	%
Aug 11 – More than 12m Ago	14	22	17	15	8
Aug 11 – Fewer than 12m Ago	26	23	29	25	27
February 2011. n=	500	99	45	127	229
	%	%	%	%	%
Feb 11 – More than 12m Ago	15	20	7	11	19
Feb 11 – Fewer than 12m Ago	27	25	51	27	21
December 2010. n=	500	142	71	139	148
	%	%	%	%	%
Dec 10 – More than 12m Ago	22	18	38	16	24
Dec 10 – Fewer than 12m Ago	25	29	29	22	25
SBS 2010 (July-September). n=	3817	591	315	1157	1754
	%	%	%	%	%
SBS 10 – More than 12m Ago	17	20	19	16	18
SBS 10 – Fewer than 12m Ago	21	24	34	19	18
February 2010. n=	501	142	66	148	145
	%	%	%	%	%
Feb 10 – More than 12m Ago	16	17	7	9	25
Feb 10 – Fewer than 12m Ago	27	34	50	22	19

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research

Table 3a: Numbers employed now compared to 12 months ago ^{iv} – trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
December 2009. n =	500	130	69	136	165
	%	%	%	%	%
Dec 09 – More than 12m Ago	14	18	3	13	16
Dec 09 – Fewer than 12m Ago	38	53	49	36	30
September 2009. n =	501	132	72	143	154
	%	%	%	%	%
Sept 09 – More than 12m Ago	15	17	9	15	17
Sept 09 – Fewer than 12m Ago	32	33	46	23	36
June 2009. n =	500	130	60	148	162
	%	%	%	%	%
June 09 – More than 12m Ago	13	5	6	15	17
June 09 – Fewer than 12m Ago	33	51	45	25	30
April 2009. n =	501	157	62	136	146
	%	%	%	%	%
April 09 – More than 12m Ago	13	10	5	10	19
April 09 – Fewer than 12m Ago	31	41	46	29	25
February 2009. n =	503	111	61	145	186
	%	%	%	%	%
Feb 09 – More than 12m Ago	12	4	19	12	12
Feb 09 – Fewer than 12m Ago	30	37	40	23	31
December 2008. n =	500	123	62	137	178
	%	%	%	%	%
Dec 08 – More than 12m Ago	12	18	9	10	13
Dec 08 – Fewer than 12m Ago	35	32	49	38	29
ASBS 07/08. n =	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08 – More than 12m Ago	20	21	21	18	21
ASBS 07/08 – Fewer than 12m Ago	15	15	14	15	16
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

3.6 Thirty-seven per cent of SME employers have recruited new employees in the last 12 months (see Table 3b below) – a proportion similar to the February 2012 Barometer.

Table 3b: Recruited new employees in the last 12 months ^v – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
June 2012. n=	500	91	49	123	237
	%	%	%	%	%
June 2012	37	54	31	31	37
February 2012. n=	667	156	72	159	280
	%	%	%	%	%
February 2012	35	51	10	30	41
November 2011. n=	500	82	48	139	231
	%	%	%	%	%
November 2011	42	52	40	32	47
August 2011. n=	500	100	53	145	202
	%	%	%	%	%
August 2011	39	46	49	37	35
February 2011. n=	500	99	45	127	229
	%	%	%	%	%
February 2011	35	39	32	29	40
December 2010. n=	500	142	71	139	148
	%	%	%	%	%
December 2010	42	38	46	40	43
SBS 2010 (July-September). n=	3817	591	315	1157	1754
	%	%	%	%	%
SBS 2010	39	40	37	39	39
February 2010. n=	501	142	66	148	145
	%	%	%	%	%
February 2010	35	37	29	29	42
December 2009. n=	500	130	69	136	165
	%	%	%	%	%
December 2009	32	35	21	27	39
September 2009. n=	501	132	72	143	154
	%	%	%	%	%
September 2009	39	43	34	38	40
June 2009. n=	501	130	60	148	162
	%	%	%	%	%
June 2009	34	24	17	39	39
April 2009. n=	501	157	62	136	146
	%	%	%	%	%
April 2009	36	28	20	35	43

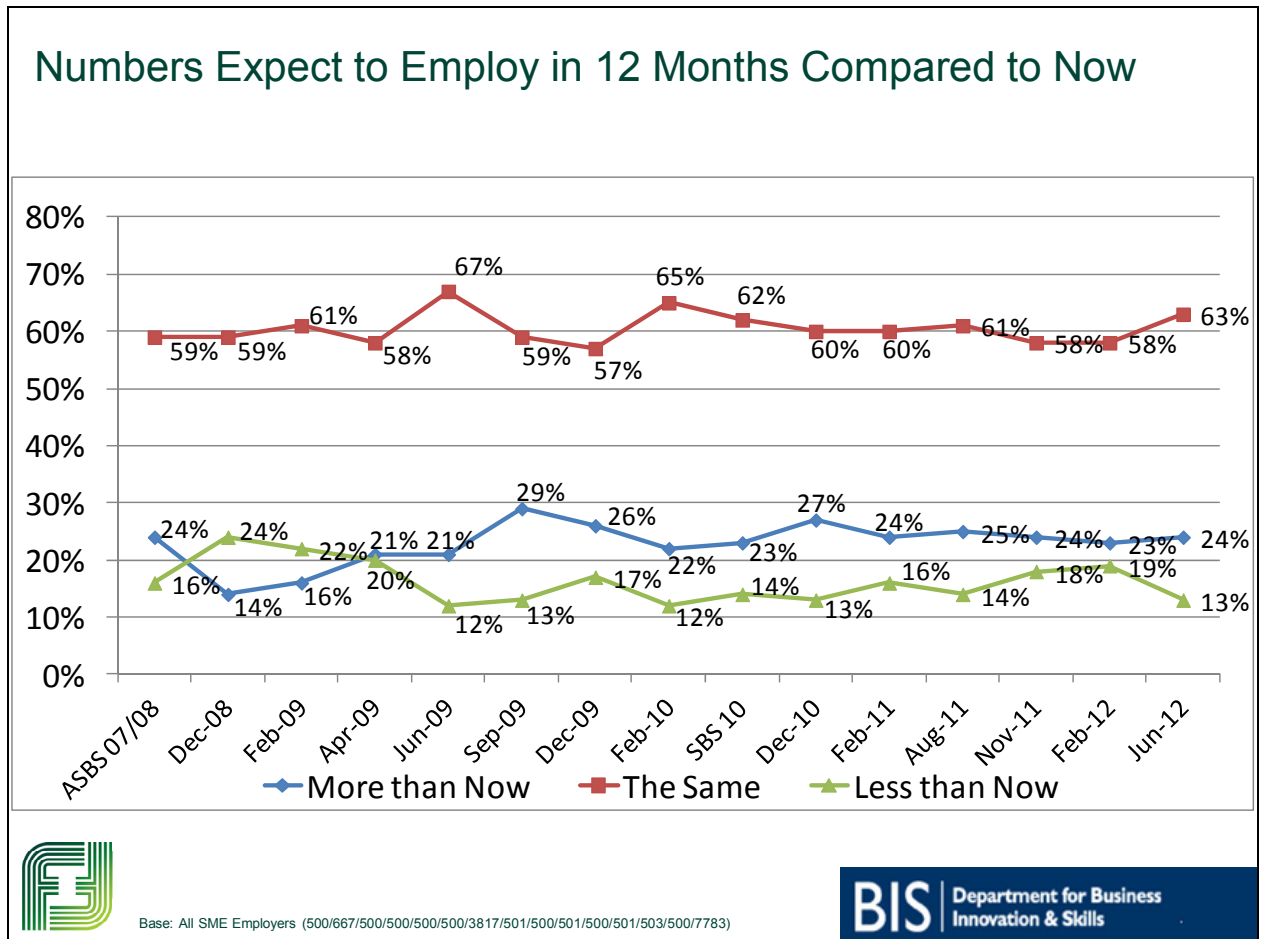
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research

Table 3b: Recruited new employees in the last 12 months^{vi} – trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
February 2009. n=	503	111	61	145	186
	%	%	%	%	%
February 2009	37	18	28	38	46
December 2008. n=	500	123	62	137	178
	%	%	%	%	%
December 2008	37	47	27	38	36
ASBS 07/08. n=	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08	44	45	44	43	45
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Expectations of employment levels in the next 12 months

3.7 In levels that have remained relatively constant since September 2009, a quarter (24 per cent) of SME employers in June 2012 thought that they would be employing more staff in 12 months time than they are currently, 63 per cent thought that they would be employing the same amount of staff and 13 per cent thought they would be employing fewer – a decrease since February 2012 (see Chart 3b below).

Chart 3b: Expectations of numbers employed in 12 months time^{vii}



3.8 Comparing predictions made in the June 2012 Barometer by each of the sectors, as with the February 2012 Barometer, SME employers in the services sector were least likely to predict that they would be employing fewer staff in 12 months' time (9 per cent compared with an average of 13 per cent).

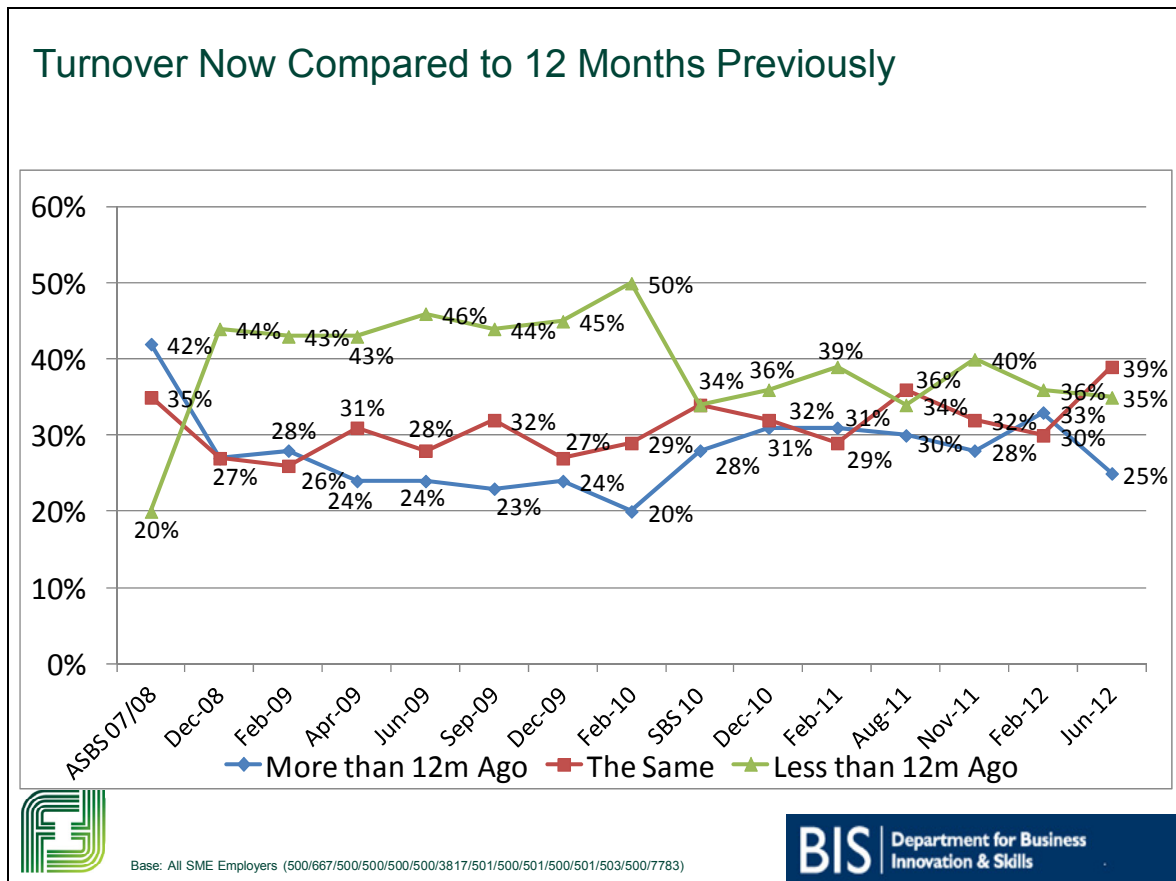
Table 3c: Numbers expect to employ in 12 months time compared to now^{viii} – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012. n=	500	91	49	123	237
	%	%	%	%	%
June 2012 – Will Employ More in 12m	24	27	23	20	28
June 2012 – Will Employ Fewer in 12m	13	10	20	16	9
February 2012. n=	667	156	72	159	280
	%	%	%	%	%
Feb. 2011 – Will Employ More in 12m	23	28	23	13	30
Feb. 2011 – Will Employ Fewer in 12m	19	18	17	29	12
November 2011. n=	500	82	48	139	231
	%	%	%	%	%
Nov. 2011 – Will Employ More in 12m	24	37	31	16	24
Nov. 2011 – Will Employ Fewer in 12m	18	15	23	19	16
August 2011. n=	500	100	53	145	202
	%	%	%	%	%
Aug. 2011 – Will Employ More in 12m	26	23	29	25	27
Aug. 2011 – Will Employ Fewer in 12m	14	22	17	15	8
February 2011. n=	500	99	45	127	229
	%	%	%	%	%
Feb. 2011 – Will Employ More in 12m	24	31	31	15	26
Feb. 2011 – Will Employ Fewer in 12m	16	10	28	15	16
December 2010. n=	500	142	71	139	148
	%	%	%	%	%
Dec. 2010 – Will Employ More in 12m	27	29	47	20	26
Dec. 2010 – Will Employ Fewer in 12m	13	11	9	8	20
SBS 2010 (July-September). n=	3817	591	315	1157	1754
	%	%	%	%	%
SBS 2010 – Will Employ More in 12m	23	27	19	23	22
SBS 2010 – Will Employ Fewer in 12m	14	13	16	13	14
February 2010. n =	501	142	66	148	145
	%	%	%	%	%
Feb. 2010 – Will Employ More in 12m	22	29	11	23	23
Feb. 2010 – Will Employ Fewer in 12m	12	9	17	10	14
December 2009. n=	500	130	69	136	165
	%	%	%	%	%
Dec. 2009 – Will Employ More in 12m	26	33	23	17	32
Dec. 2009 – Will Employ Fewer in 12m	17	16	17	17	18
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 3c: Numbers expect to employ in 12 months time compared to now^{ix} – trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
Sept 2009. n =	501	132	72	143	154
	%	%	%	%	%
Sept. 2009 – Will Employ More in 12m	29	35	33	21	32
Sept. 2009 – Will Employ Fewer in 12m	13	15	23	11	10
June 2009. n =	500	130	60	148	162
	%	%	%	%	%
June 2009 – Will Employ More in 12m	21	35	14	10	28
June 2009 – Will Employ Fewer in 12m	12	13	7	17	9
April 2009. n =	501	157	62	136	146
	%	%	%	%	%
April 2009 – Will Employ More in 12m	21	18	14	18	27
April 2009 – Will Employ Fewer in 12m	20	19	15	24	19
February 2009. n =	503	111	61	145	186
	%	%	%	%	%
Feb. 2009 – Will Employ More in 12m	16	21	14	11	18
Feb. 2009 – Will Employ Fewer in 12m	22	21	27	18	24
December 2008. n =	500	123	62	137	178
	%	%	%	%	%
Dec. 2008 – Will Employ More in 12m	14	14	22	11	15
Dec. 2008 – Will Employ Fewer in 12m	24	27	23	27	20
ASBS 07/08. n =	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08 – Will Employ More in 12m	24	22	24	21	29
ASBS 07/08 – Will Employ Fewer in 12m	16	17	18	17	15
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Turnover compared to 12 months ago

3.9 In a significant increase since the February 2012 Barometer, 39 per cent of SME employers in June 2012 state that their turnover has remained the same. For 35 per cent, turnover has decreased, broadly in line with Barometers going back to December 2010. In a significant decrease since the February 2012 Barometer, 25 per cent of SME employers said their turnover has increased in the last 12 months.

Chart 3c: Turnover compared to 12 months ago^x



3.10 As with the previous three Barometers, those in the primary/manufacturing sector were most likely to report an increase in turnover in the past 12 months, with 39 per cent stating turnover had increased (compared with an average of 25 per cent). As with previous waves, size of business impacted on likelihood to say turnover had increased, with 47 per cent of medium-sized business employers (50 – 249 employees) reporting an increase in turnover compared to 21 per cent of those in micro businesses.

Table 3d: Turnover now compared to 12 months previously ^{xi} – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012. n=	500	91	49	123	237
	%	%	%	%	%
June 12 – More than 12m Ago	25	39	19	28	20
June 12 – Fewer than 12m Ago	35	25	43	34	37
February 2012. n =	667	156	72	159	280
	%	%	%	%	%
Feb. 2012 – Turnover Greater Now	33	42	33	31	32
Feb. 2012 – Turnover Less Now	36	23	51	32	39
November 2011. n =	500	82	48	139	231
	%	%	%	%	%
Nov. 2011 – Turnover Greater Now	28	40	36	26	23
Nov. 2011 – Turnover Less Now	40	28	48	39	41
August 2011. n =	500	100	53	145	202
	%	%	%	%	%
Aug. 2011 – Turnover Greater Now	30	39	38	25	29
Aug. 2011 – Turnover Less Now	34	18	42	35	35
February 2011. n =	500	99	45	127	229
	%	%	%	%	%
Feb. 2011 – Turnover Greater Now	31	39	33	26	31
Feb. 2011 – Turnover Less Now	39	26	53	46	34
December 2010. n =	500	142	71	139	148
	%	%	%	%	%
Dec. 2010 – Turnover Greater Now	31	37	46	30	24
Dec. 2010 – Turnover Less Now	36	30	29	40	38
SBS 2010 (July-September). n=	3817	591	315	1157	1754
	%	%	%	%	%
SBS 2010 – Turnover Greater Now	28	26	24	26	31
SBS 2010 – Turnover Less Now	34	35	45	36	30
February 2010. n =	501	142	66	148	145
	%	%	%	%	%
Feb. 2010 – Turnover Greater Now	20	18	2	24	23
Feb. 2010 – Turnover Less Now	50	57	66	43	49

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research

Table 3d: Turnover now compared to 12 months previously ^{xii} – trends by sector (continued)					
Base = all SME employers	Base = all SME employers	Base = all SME employers	Base = all SME employers	Base = all SME employers	Base = all SME employers
December 2009. n =	500	130	69	136	165
	%	%	%	%	%
Dec. 2009 – Turnover Greater Now	24	24	12	28	24
Dec. 2009 – Turnover Less Now	45	53	44	44	44
September 2009. n =	501	132	72	143	154
	%	%	%	%	%
Sept. 2009 – Turnover Greater Now	23	19	27	23	24
Sept. 2009 – Turnover Less Now	44	50	49	40	44
June 2009. n =	500	130	60	148	162
	%	%	%	%	%
June 2009 – Turnover Greater Now	24	21	23	24	25
June 2009 – Turnover Less Now	46	49	50	49	41
April 2009. N =	501	157	62	136	146
	%	%	%	%	%
April 2009 – Turnover Greater Now	24	16	23	22	28
April 2009 – Turnover Less Now	43	48	49	47	36
February 2009. n =	503	111	61	145	186
	%	%	%	%	%
Feb. 2009 – Turnover Greater Now	28	30	13	24	34
Feb. 2009 – Turnover Less Now	43	42	47	49	37
December 2008. n =	500	123	62	137	178
	%	%	%	%	%
Dec. 2008 – Turnover Greater Now	27	36	14	22	31
Dec. 2008 – Turnover Less Now	44	36	45	52	41
ASBS 07/08. n =	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08 – Turnover Greater Now	42	47	40	38	45
ASBS 07/08 – Turnover Less Now	20	19	17	23	19
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Profit – performance in the last 12 months

3.11 Sixty-eight per cent of SME employers made a profit or surplus in the 12 months up to June 2012. Thirty-seven per cent had managed to increase their profit or surplus compared with the previous 12 months, whilst 31 per cent had made a profit or surplus which was lower than the previous 12 months. The overall proportion of SME employers stating they had made a profit was in line with levels seen in previous Barometers.

3.12 No sector was significantly more likely to have made a profit (see Table 3e below).

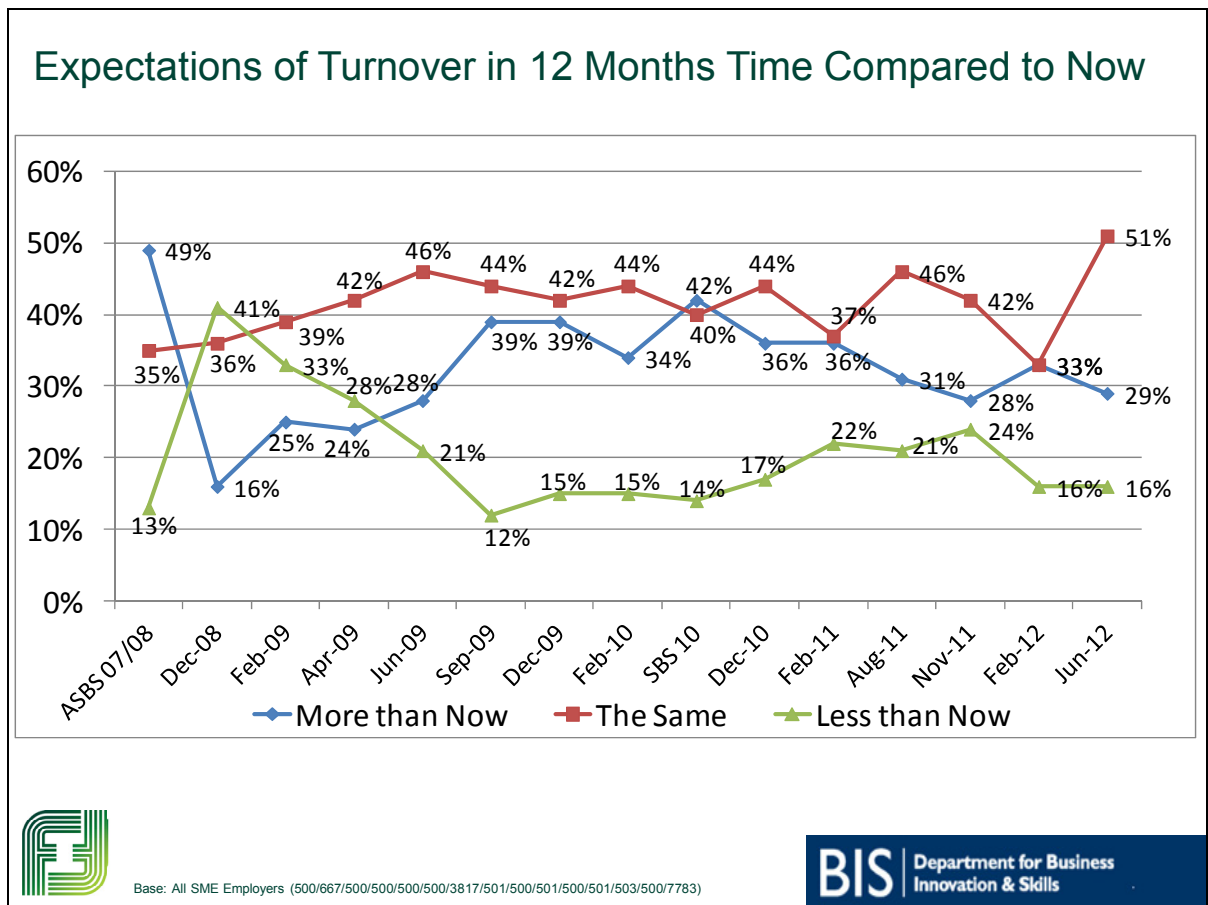
Table 3e: Whether generated a profit or surplus in the last 12 months ^{xiii} – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012. n =	500	91	49	123	237
	%	%	%	%	%
Yes – profit/surplus increased compared with previous 12 months	37	37	42	34	37
Yes – profit/surplus decreased compared with previous 12 months	31	31	30	34	29
No profit/surplus	26	26	24	29	25
Don't know/refused	6	6	4	2	9
ANY PROFIT/SURPLUS	68	68	72	68	66
February 2012. n =	667	156	72	159	280
	%	%	%	%	%
Yes – profit/surplus increased compared with previous 12 months	42	53	37	43	40
Yes – profit/surplus decreased compared with previous 12 months	24	19	25	23	27
No profit/surplus	27	22	35	29	25
Don't know/refused	6	6	3	5	8
ANY PROFIT/SURPLUS	67	72	62	66	67
November 2011. n =	500	82	48	139	231
	%	%	%	%	%
Yes – profit/surplus increased compared with previous 12 months	38	40	46	38	34
Yes – profit/surplus decreased compared with previous 12 months	23	15	17	20	29
No profit/surplus	32	35	31	30	33
Don't know/refused	7	10	6	11	3
ANY PROFIT/SURPLUS	61	55	63	58	63
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 3e: Whether generated a profit or surplus in the last 12 months ^{xiv} – trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
August 2011. n =	500	100	53	145	202
	%	%	%	%	%
Yes – profit/surplus increased compared with previous 12 months	41	47	46	41	38
Yes – profit/surplus decreased compared with previous 12 months	30	21	30	34	29
No profit/surplus	24	24	24	19	29
Don't know/refused	5	8	0	5	3
ANY PROFIT/SURPLUS	71	68	76	75	68
September 2009. n =	501	132	72	143	154
	%	%	%	%	%
Yes – profit/surplus increased compared with previous 12 months	28	23	29	25	32
Yes – profit/surplus decreased compared with previous 12 months	35	43	45	34	29
No profit/surplus	27	26	25	27	29
Don't know/refused	10	8	1	14	10
ANY PROFIT/SURPLUS	63	64	73	59	62
December 2008	500	123	62	137	178
	%	%	%	%	%
Yes – profit/surplus increased compared with previous 12 months	39	50	28	33	44
Yes – profit/surplus decreased compared with previous 12 months	26	21	49	27	21
No profit/surplus	29	27	17	35	28
Don't know/refused	5	2	5	5	7
ANY PROFIT/SURPLUS	66	72	78	61	65
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Future turnover expectations

3.13 As shown in chart 3d (below), 16 per cent of employers in the June 2012 Barometer expect their turnover to decrease in 12 months time – a figure that is in line with the February 2012 Barometer, but significantly lower than any of the 2011 Barometers. Also 51 per cent of employers expect their turnover to remain the same over the next 12 months, significantly more than those in the February 2012 Barometer, and a greater proportion than in any previous Barometer. The proportion of those SME employers expecting their turnover will have increased in 12 months time (29 per cent) has dropped below the proportion seen in the February 2012 wave (33 per cent), in line with the November 2011 wave but lower than previous Barometers going back to December 2010.

Chart 3d: Turnover expectations in 12 months time^{xv}



3.14 No one sector was more likely to expect either an increase or decrease in turnover in the next 12 months.

3.15 Again, size of business had an impact on likelihood to expect an increase in turnover in the next 12 months, with 45 per cent of medium sized business employers expecting an increase in turnover in 12 months time compared with 25 per cent of micro business employers making this prediction.

Table 3f: Expectations of turnover in 12 months time ^{xvi} – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012. n =	500	91	49	123	237
	%	%	%	%	%
June 2012 – Greater than Now	29	36	23	27	29
June 2012 – Less than Now	16	9	7	20	19
February 2012. n =	667	156	72	159	280
	%	%	%	%	%
February 2012 – Greater than Now	33	42	20	25	40
February 2012 – Less than Now	16	12	26	15	16
November 2011. n =	500	82	48	139	231
	%	%	%	%	%
November 2011 – Greater than Now	28	44	27	22	28
November 2011 – Less than Now	24	11	21	30	24
August 2011. n =	500	100	53	145	202
	%	%	%	%	%
August 2011 – Greater than Now	31	38	42	30	25
August 2011 – Less than Now	21	12	25	22	22
February 2011. n =	500	99	45	127	229
	%	%	%	%	%
February 2011 – Greater than Now	36	41	45	32	36
February 2011 – Less than Now	22	16	21	29	19
December 2010. n =	500	142	71	139	148
	%	%	%	%	%
December 2010 – Greater than Now	36	42	51	38	27
December 2010 – Less than Now	17	11	21	12	22
SBS 2010 (July-September). n=	3817	591	315	1157	1754
	%	%	%	%	%
SBS 2010 – Greater than Now	41	49	34	40	42
SBS 2010 – Less than Now	14	13	22	13	13
February 2010. n =	501	142	66	148	145
	%	%	%	%	%
February 2010 – Greater than Now	34	40	30	33	35
February 2010 – Less than Now	15	21	13	20	9
December 2009. n=	500	130	69	136	165
	%	%	%	%	%
Dec. 2009 – Greater than Now	39	40	24	44	38
Dec. 2009 – Less than Now	15	17	24	14	13

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research

Table 3f: Expectations of turnover in 12 months time ^{xvii} – trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
September 2009. n =	501	132	72	143	154
	%	%	%	%	%
Sept. 2009 – Greater than Now	39	45	29	35	44
Sept. 2009 – Less than Now	12	13	20	9	13
June 2009. n =	500	130	60	148	162
	%	%	%	%	%
June 2009 – Greater than Now	28	30	15	22	37
June 2009 – Less than Now	21	22	18	17	24
April 2009. n =	501	157	62	136	146
	%	%	%	%	%
April 2009 – Greater than Now	24	18	7	22	34
April 2009 – Less than Now	28	37	34	26	25
February 2009. n =	503	111	61	145	186
	%	%	%	%	%
February 2009 – Greater than Now	25	27	10	26	27
February 2009 – Less than Now	33	32	48	36	26
December 2008. n =	500	123	62	137	178
	%	%	%	%	%
December 2008 – Greater than Now	16	18	20	10	18
December 2008 – Less than Now	41	52	42	41	38
ASBS 07/08. n =	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08 – Greater than Now	49	51	44	47	51
ASBS 07/08 – Less than Now	13	11	13	14	11
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Profit/surplus in the next 12 months

- 3.16 Seventy-seven per cent of SME employers in June 2012 expected to make a profit or surplus in the next 12 months – in line with February 2012 (see Table 3g below).
- 3.17 As with turnover and employment expectations for the next 12 months, those in the primary/manufacturing sector were most likely to predict they would make a profit in the next 12 months, with 90 per cent making this prediction.
- 3.18 Eighty-six per cent of medium sized business employers thought they would make a profit, compared to 77 per cent of micro employers.

Table 3g: Expectations of making a profit in the next 12 months ^{xviii} – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012. n =	500	91	49	123	237
	%	%	%	%	%
Yes	77	90	72	82	70
No	20	10	19	16	28
Don't know/refused	3	*	9	1	1
February 2012. n =	667	156	72	159	280
	%	%	%	%	%
Yes	78	85	71	79	77
No	19	10	25	21	20
Don't know/refused	2	5	4	*	3
November 2011. n =	500	82	48	139	231
	%	%	%	%	%
Yes	70	88	64	69	67
No	25	10	31	27	27
Don't know/refused	5	3	5	4	6
August 2011. n =	500	100	53	145	202
	%	%	%	%	%
Yes	75	78	85	78	69
No	22	19	13	18	29
Don't know/refused	3	3	2	4	2

September 2009. n =	501	132	72	143	154
	%	%	%	%	%
Yes	76	77	76	75	75
No	21	22	19	22	20
Don't know/refused	4	*	5	4	4
December 2008. n=	500	123	62	137	178
	%	%	%	%	%
Yes	70	68	71	69	72
No	26	31	20	31	23
Don't know/refused	3	1	9	1	5
<p>Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure larger than zero but less than 0.5%</p>					

Growth ambitions over the next two to three years

- 3.19 Sixty-one per cent of SME employers expected to grow their businesses over the next two to three years in June 2012. This is again roughly the same proportion as with previous Barometers.
- 3.20 In June 2012, the TRAD sector was less likely to expect to grow their business over the next two to three years, while the Services sector was more likely to expect to grow their business (54 per cent and 68 per cent respectively).
- 3.21 Eighty-four per cent of medium-sized SME employers aim to grow their business in the next 2-3 years, compared with 79 per cent of small business employers and 57 per cent of micro employers.

Table 3h: Expect to grow over the next two to three years ^{xix} – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
June 2012. n =	500	91	49	123	237
	%	%	%	%	%
June 2012	61	68	50	54	68
February 2012. n =	667	156	72	159	280
	%	%	%	%	%
February 2012	64	66	62	60	69
November 2011. n =	500	82	48	139	231
	%	%	%	%	%
November 2011	64	70	43	59	72
August 2011. n=	500	100	53	145	202
	%	%	%	%	%
August 2011	68	77	63	61	73
February 2011. n=	500	99	45	127	229
	%	%	%	%	%
February 2011	70	73	75	71	67
December 2010. n=	500	142	71	139	148
	%	%	%	%	%
December 2010	69	63	66	71	72
SBS 2010 (July-September). n=	3817	591	315	1157	1754
	%	%	%	%	%
SBS 2010	74	77	78	69	75

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research

Table 3h: Expect to grow over the next two to three years ^{xx} – trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
February 2010. n =	501	142	66	148	145
	%	%	%	%	%
February 2010	67	70	56	63	72
December 2009. n =	500	130	69	136	165
	%	%	%	%	%
December 2009	66	74	61	62	67
September 2009. n =	501	132	72	143	154
	%	%	%	%	%
September 2009	63	69	51	62	66
June 2009. n =	500	130	60	148	162
	%	%	%	%	%
June 2009	62	64	58	55	69
April 2009. n =	501	157	62	136	146
	%	%	%	%	%
April 2009	60	63	63	50	67
February 2009. n =	503	111	61	145	186
	%	%	%	%	%
February 2009	65	61	48	62	74
December 2008. n =	500	123	62	137	178
	%	%	%	%	%
December 2008	56	56	44	58	55
ASBS 07/08. n =	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08	67	70	61	65	70
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

- 3.22 As shown in table 3i (below) 14 per cent of SME employers in June 2012 said that they had increased their growth plans (a result that is in line with the February 2012 Barometer but significantly lower than the November and August 2011 Barometers – when this figure stood at 23 per cent and 20 per cent respectively). The proportion of SME employers who had reduced their growth plans over the last 6 months also remained roughly in line with the previous Barometer (at 26 per cent – compared with 23 per cent in February 2012).
- 3.23 Those in the construction sector are now more likely than other types of business to have reduced growth plans (39 per cent compared to an average of 26 per cent).
- 3.24 Medium employers are more likely than micro employers to have increased their growth plans in the last 6 months (23 per cent compared with 12 per cent).

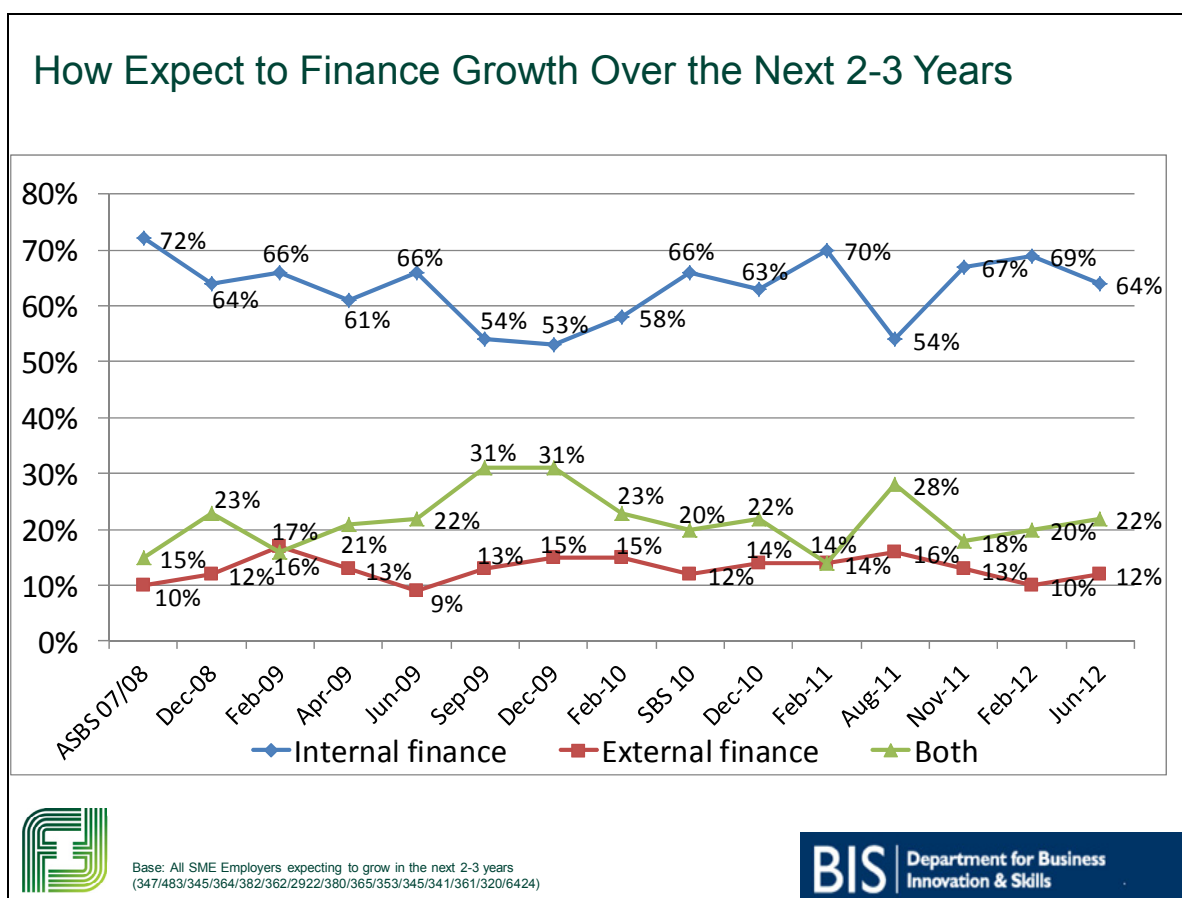
Table 3i: Changes to plans for growing business in the last six months ^{xxi} – trends by sector					
Base = All SME Employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	500	91	49	123	204
	%	%	%	%	%
Significantly reduced growth plans	13	9	24	17	8
Slightly reduced growth plans	13	12	15	11	14
Not changed growth plans	60	71	50	60	59
Slightly increased growth plans	9	6	6	5	13
Significantly increased growth plans	5	1	4	5	6
INCREASED	14	7	11	11	19
REDUCED	26	21	39	28	21
February 2012	667	156	72	159	280
	%	%	%	%	%
Significantly reduced growth plans	10	2	16	13	8
Slightly reduced growth plans	13	6	7	15	16
Not changed growth plans	63	69	73	62	58
Slightly increased growth plans	10	15	3	7	12
Significantly increased growth plans	4	8	*	2	5
INCREASED	14	23	3	9	18
REDUCED	23	8	23	29	24
November 2011	500	82	48	139	231
	%	%	%	%	%
Significantly reduced growth plans	11	6	6	15	10
Slightly reduced growth plans	11	12	5	13	11
Not changed growth plans	55	65	59	53	51
Slightly increased growth plans	20	14	29	17	21
Significantly increased growth plans	3	4	1	1	5
INCREASED	23	18	30	18	26
REDUCED	22	18	12	28	21
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 3i: Changes to plans for growing business in the last six months^{xxii} – trends by sector (continued)					
Base = All SME Employers	All	Primary/ Manu	Construct- ion	TRAD	Services
August 2011	500	100	53	145	202
	%	%	%	%	%
Significantly reduced growth plans	8	7	15	6	9
Slightly reduced growth plans	11	7	10	13	10
Not changed growth plans	61	67	59	68	53
Slightly increased growth plans	16	15	15	9	22
Significantly increased growth plans	4	3	1	4	6
INCREASED	20	18	16	13	28
REDUCED	19	15	25	19	19
December 2010	500	142	71	139	148
	%	%	%	%	%
Significantly reduced growth plans	7	8	20	4	6
Slightly reduced growth plans	7	2	8	8	6
Not changed growth plans	68	72	57	72	67
Slightly increased growth plans	12	10	8	11	15
Significantly increased growth plans	6	8	7	4	6
INCREASED	18	18	15	16	20
REDUCED	14	10	28	13	12
December 2008	500	142	71	139	148
	%	%	%	%	%
Significantly reduced growth plans	13	16	20	10	13
Slightly reduced growth plans	14	8	22	18	9
Not changed growth plans	64	63	55	62	69
Slightly increased growth plans	6	8	1	6	8
Significantly increased growth plans	2	3	1	4	1
INCREASED	9	11	2	10	8
REDUCED	27	24	42	28	22
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Investment and funding growth

- 3.25 Two thirds (64 per cent) of SME employers who aim to grow their business plan to fund this growth through only using internal finance, 12 per cent plan only to use external finance and 22 per cent plan to use both. This result is broadly in line with Barometers going back to SBS 2010, aside from the August 2011 Barometer where there was a trend for planning to fund growth using both internal and external finance to a greater extent.
- 3.26 Sector-wise, those in the primary / manufacturing sector are the least likely to plan to solely use internal finance to fund growth (50 per cent compared to an average of 64 per cent) but are the most likely to plan to use both internal and external finance (32 per cent compared to 22 per cent overall).

Chart 3e: How fund growth in the next 2-3 years^{xxiii}



- 3.27 Sixty-nine per cent of those who plan to grow their business over the next 2-3 years plan to invest in their business over the next 12 months to help to achieve this growth – a significant increase on 60 per cent in February 2012.
- 3.28 Those in the TRAD sector aiming to grow their business are the most likely to say they will invest in their business over the next 12 months to help achieve this growth (at 79 per cent) whereas those in the services sector are the least likely (at 63 per cent).

Table 3j: Whether planning to increase investment in next 12 months to achieve growth^{xxiv} – trends by sector					
Base = all who plan to grow	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012. n=	241	48	23	58	112
	%	%	%	%	%
No	30	33	33	19	36
Yes	69	67	67	79	63
- New machinery/equipment	45	65	53	45	36
- Training existing staff	49	38	58	52	48
- Hire new staff	42	39	56	49	35
- Move premises	9	9	13	8	8
February 2012. n=	483	121	47	107	208
	%	%	%	%	%
No	37	16	49	36	42
Yes	60	84	50	61	55
- New machinery/equipment	38	39	49	41	33
- Training existing staff	33	27	36	34	35
- Hire new staff	29	23	30	33	31
- Move premises	10	4	4	19	11
November 2011. n=	345	62	24	91	168
	%	%	%	%	%
No	32	19	24	45	29
Yes	66	81	75	53	68
- Training existing staff	46	40	79	41	45
- New machinery/equipment	41	47	42	36	40
- Hire new staff	35	35	58	30	35
- Move premises	7	6	8	4	8
August 2011. n=	364	84	37	98	145
	%	%	%	%	%
No	39	33	56	36	39
Yes	58	63	44	59	59
- Training existing staff	40	43	20	37	47
- New machinery/equipment	32	59	16	31	23
- Hire new staff	30	37	6	33	32
- Move premises	12	16	11	5	15
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 3j: Whether planning to increase investment in next 12 months to achieve growth ^{xxv} – trends by sector (continued)					
Base = all who plan to grow	All	Primary/ Manu	Construct- ion	TRAD	Services
February 2011. n=	382	83	36	102	161
	%	%	%	%	%
No	41	40	57	38	38
Yes	58	60	43	57	62
- Training existing staff	39	42	38	34	43
- New machinery/equipment	36	48	20	44	32
- Hire new staff	29	31	24	26	32
- Move premises	11	11	11	10	11
December 2010. n=	362	102	43	106	111
	%	%	%	%	%
No	36	31	29	47	30
Yes	62	65	65	51	69
- Training existing staff	41	47	54	26	49
- New machinery/equipment	43	51	39	40	44
- Hire new staff	35	35	44	17	45
- Move premises	9	7	17	5	10
February 2010. n=	380	115	42	108	115
	%	%	%	%	%
No	42	42	57	43	37
Yes	55	47	43	54	61
- Training existing staff	36	27	26	35	42
- New machinery/equipment	34	24	15	39	39
- Hire new staff	26	24	24	21	31
- Move premises	12	10	3	16	13
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

3.29 Close to one third (31 per cent) of businesses have reduced or delayed investment plans due to recent economic conditions, which is in line with the February 2012 and November 2011 Barometers (when this figure stood at 34 per cent and 32 per cent respectively). Six per cent had increased or brought forward investment plans due to recent economic conditions.

3.30 No one sector was more likely to have either reduced or increased investment in June 2012.

Table 3k: Changes to long term investment plans as a result of recent economic conditions^{xxvi} – trends by sector					
Base = All SME Employers	All	Primary/ Manu	Constructi on	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
Significantly reduced or delayed	16	11	15	17	16
Slightly reduced or delayed	16	13	19	17	14
Not changed long term	62	73	61	56	62
Slightly increased or brought forward	3	2	1	1	5
Significantly increased or brought forward	9	*	4	6	1
INCREASED OR BROUGHT FORWARD	6	3	5	7	7
REDUCED OR DELAYED	31	24	34	34	30
February 2012	667	156	72	159	280
	%	%	%	%	%
Significantly reduced or delayed	16	8	21	17	15
Slightly reduced or delayed	18	14	11	21	19
Not changed long term	60	71	68	55	58
Slightly increased or brought forward	3	5	1	3	3
Significantly increased or brought forward	1	2	-	1	2
INCREASED OR BROUGHT FORWARD	4	7	1	4	5
REDUCED OR DELAYED	34	22	31	38	34
November 2011	500	82	48	139	231
	%	%	%	%	%
Significantly reduced or delayed	17	8	21	22	15
Slightly reduced or delayed	15	21	5	14	17
Not changed long term	58	64	68	58	54
Slightly increased or brought forward	5	3	1	3	10
Significantly increased or brought forward	3	2	5	3	3
INCREASED OR BROUGHT FORWARD	8	5	5	6	13
REDUCED OR DELAYED	32	29	27	36	32
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research. * = a figure which is more than 0%, but less than 0.5%					

Table 3k: Changes to long term investment plans as a result of recent economic conditions^{xxvii} – trends by sector (continued)

Base = All SME Employers	All	Primary/ Manu	Constructi on	TRAD	Services
August 2011	500	100	53	145	202
	%	%	%	%	%
Significantly reduced or delayed	14	8	29	12	14
Slightly reduced or delayed	13	17	10	11	15
Not changed long term	67	70	57	70	67
Slightly increased or brought forward	3	3	4	2	3
Significantly increased or brought forward	2	2	1	6	1
INCREASED OR BROUGHT FORWARD	5	6	4	7	4
REDUCED OR DELAYED	27	25	39	23	29
February 2011	500	99	45	127	229
	%	%	%	%	%
Significantly reduced or delayed	20	18	29	24	16
Slightly reduced or delayed	13	11	7	12	15
Not changed long term	59	64	54	58	60
Slightly increased or brought forward	5	6	5	4	6
Significantly increased or brought forward	2	1	0	2	2
INCREASED OR BROUGHT FORWARD	7	7	5	6	8
REDUCED OR DELAYED	33	29	37	36	31
December 2010	500	142	71	139	148
	%	%	%	%	%
Significantly reduced or delayed	14	12	15	13	14
Slightly reduced or delayed	15	7	28	17	11
Not changed long term	64	73	47	62	67
Slightly increased or brought forward	5	7	4	3	8
Significantly increased or brought forward	3	2	7	5	*
INCREASED OR BROUGHT FORWARD	8	9	11	7	8
REDUCED OR DELAYED	28	18	43	31	25
December 2008	500	123	62	137	178
	%	%	%	%	%
Significantly reduced or delayed	19	18	26	18	18
Slightly reduced or delayed	14	20	26	15	8
Not changed long term	62	56	43	59	73
Slightly increased or brought forward	2	5	2	2	3
Significantly increased or brought forward	3	1	2	5	1
INCREASED OR BROUGHT FORWARD	4	6	4	7	1
REDUCED OR DELAYED	33	38	52	33	26

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research.

* = a figure which is more than 0%, but less than 0.5%

Exports

3.31 In results similar to previous Barometers, 22 per cent of SME employers taking part in the June 2012 Barometer were exporting goods or services outside the UK.

3.32 As with previous Barometers, the primary/manufacturing sector was the most likely to be exporting (33 per cent compared to an average of 22 per cent) and construction was the least likely to be exporting (at 10 per cent).

Table 31: Whether currently exporting goods or selling outside of the UK^{xxviii} – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
June 2012 - Exporting	22	33	10	23	22
February 2012	667	156	72	159	280
	%	%	%	%	%
February 2012 - Exporting	24	37	13	24	23
November 2011	500	82	48	139	231
	%	%	%	%	%
November 2011 - Exporting	24	32	7	26	25
August 2011. n=	500	100	53	145	202
	%	%	%	%	%
August 2011 - Exporting	23	45	6	21	23
February 2011. n=	500	99	45	127	229
	%	%	%	%	%
February 2011 - Exporting	20	34	8	24	16
December 2010. n=	500	142	71	139	148
	%	%	%	%	%
December 2010 - Exporting	26	42	20	28	20
SBS 2010 (July-September). n=	3817	591	315	1157	1754
	%	%	%	%	%
SBS 2010 - Exporting	23	36	13	18	24
February 2010. n=	501	142	66	148	145
	%	%	%	%	%
February 2010 - Exporting	22	33	17	21	21
December 2009.n=	500	130	69	136	165
	%	%	%	%	%
December 2009 – Exporting	24	44	6	18	26

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research
From the August 2011 Barometer onwards the question has changed to include the licensing of products outside of the UK

Table 31: Whether currently exporting goods or selling outside of the UK ^{xxix} – trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
September 2009. n=	501	132	72	143	154
	%	%	%	%	%
September 2009 – Exporting	18	41	7	14	18
June 2009. n=	500	130	60	148	162
	%	%	%	%	%
June 2009 – Exporting	20	34	7	14	24
April 2009. n=	501	157	62	136	146
	%	%	%	%	%
April 2009 – Exporting	16	36	7	10	17
February 2009. n=	503	111	61	145	186
	%	%	%	%	%
February 2009 - Exporting	19	37	4	15	21
December 2008. n=	500	123	62	137	178
	%	%	%	%	%
December 2008- Exporting	22	44	10	17	21
ASBS 07/08. n=	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08- Exporting	24	36	11	21	26
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

- 3.33 Twenty-eight per cent of SME employers who are currently exporting expect their exports to increase over the next 12 months. Seven per cent of exporters expect export levels to decrease in the next 12 months and 63 per cent expect levels to remain the same.
- 3.34 Thirteen per cent of exporting SMEs reported in the June 2012 Barometer that export levels had increased as a result of economic conditions. Fourteen per cent of those exporting said levels had decreased as a direct result of economic conditions. Both of these figures are in line with the February 2012 Barometer.

Table 3m: Whether levels of exports changed as a direct result of economic conditions^{xxx}						
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb. 2009	Dec. 2008
Base = all SME employers that export	n=121	n=190	n=137	n=139	n=123	n=154
	%	%	%	%	%	%
Significantly increased	3	1	8	4	10	5
Slightly increased	10	11	15	2	10	6
Not changed	69	74	60	71	57	74
Slightly reduced	8	12	12	14	18	3
Significantly reduced	6	2	3	7	6	12
ANY INCREASE	13	12	24	6	20	11
ANY DECREASE	14	14	16	20	23	16
Refused	3	0	*	2	0	0
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers						

3.35 Two per cent of SME employers not currently exporting plan to start doing so in the next 12 months, a proportion that is similar to previous Barometers.

3.36 Fifty-seven per cent of those who were not exporting at the time of the June 2012 Barometer and who had no plans to do so said this was the case because they did not have a product or service that could be exported. Thirty per cent said that it was not part of their business plan (a significant increase on the February 2012 Barometer) and 16 per cent said that they had sufficient business in the UK.

Table 3n: Main barriers to export^{xxxi}					
	June 2012	Feb 2012	Nov 2011	Aug 2011	SBS 2010
Base = all SME employers who are not exporting, and have no plans to do so	n=367	n=453	n=346	n=349	n=2766
	%	%	%	%	%
Do not have a product/service that can be exported	57	56	62	61	39
Not part of the business plan	30	23	13	19	34
Have sufficient business in the UK/prefer to be local	16	14	16	20	16
Lack of finance to enable exporting	4	2	5	3	N/A
Regulations/red tape	3	3	3	2	N/A
Business too small/new	1	1	2	3	2
Little knowledge of how to export	3	3	1	3	2
Difficulty finding overseas customers	3	3	1	2	3
Figures in bold are statistically significant changes at the 95% confidence level between the June 2012 and February 2012 Barometers					

4 Business environment

Obstacles to success

4.1 In the June 2012 Barometer, 37 per cent of SME employers said the state of the economy was the *main* obstacle to the success of their business. Obtaining finance was mentioned by 13 per cent (an increase since February), cashflow was mentioned by 10 per cent. Eight per cent mentioned Taxation, VAT, PAYE, and business rates and a further eight per cent mentioned competition. Regulations were mentioned as the main obstacle by five per cent of SME employers.

Table 4a: Main obstacle to the success of the business ^{xxxii}								
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb. 2011	Dec. 2010	SBS 2010	Feb. 2010
Base = all SME employers	n=500	n=667	n=500	n=500	n=500	n=500	n=3817	n=501
	%	%	%	%	%	%	%	%
The Economy	37	32	36	45	39	32	33	39
Taxation, VAT, PAYE, NI, rates	8	13	11	10	9	8	8	9
Obtaining finance	13	9	10	12	7	10	8	9
Cashflow	10	10	10	8	10	12	11	11
Competition	8	7	11	8	8	12	10	9
Regulations	5	7	6	6	8	8	7	7
		Dec. 2009	Sept. 2009	June 2009	Apr. 2009	Feb. 2009	Dec. 2008	ASBS 07/08
Base = all SME employers		n=500	n=501	n=500	n=501	n=503	n=500	n=7783
		%	%	%	%	%	%	%
The Economy		34	36	32	33	39	41	16
Taxation, VAT, PAYE, NI, rates		8	9	6	14	7	9	12
Cashflow		11	6	12	10	12	10	9
Obtaining finance		5	9	8	6	4	6	3
Competition		12	8	12	12	7	7	14
Regulations		8	13	12	8	12	7	12
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers								

4.2 As with previous waves, the economy was the main obstacle mentioned in all sectors. Those in the construction sector were most likely to mention the economy as the main

obstacle (51 per cent compared to 37 per cent overall) and those in the services sector were most likely to mention obtaining finance (17 per cent compares to 13 per cent overall).

Table 4b: Main obstacle to the success of the business^{xxxiii} - trends by sector					
Base = all SME employers	All	Primary/ Manu	Construc- tion	TRAD	Services
June 2012. n=	500	91	49	123	237
	%	%	%	%	%
The Economy	37	29	51	39	35
Taxation, VAT, PAYE, NI, rates	8	13	4	9	7
Cashflow	10	14	10	8	11
Obtaining finance	13	11	11	8	17
Competition	8	7	11	8	8
Regulations	5	7	1	5	6
February 2012. n=	667	156	72	159	280
	%	%	%	%	%
The Economy	32	23	53	28	33
Taxation, VAT, PAYE, NI, rates	13	12	9	24	5
Cashflow	10	12	10	7	13
Obtaining finance	9	6	2	12	10
Competition	7	12	4	7	7
Regulations	7	9	3	5	8
November 2011. n=	500	82	48	139	231
	%	%	%	%	%
The Economy	36	29	41	37	37
Taxation, VAT, PAYE, NI, rates	11	19	5	17	5
Competition	11	9	11	12	11
Obtaining finance	10	7	15	7	11
Cashflow	10	12	12	6	11
Regulations	6	8	14	4	4
Figures in bold are statistically significant at the 95% confidence level against the total for that wave					

Table 4b: Main obstacle to the success of the business ^{xxxiv} - trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construc- tion	TRAD	Services
August 2011. n=	500	100	53	145	202
	%	%	%	%	%
The Economy	45	37	36	47	48
Obtaining finance	12	5	17	7	16
Taxation, VAT, PAYE, NI, rates	10	12	1	17	6
Cashflow	8	14	13	4	8
Competition	8	3	13	9	6
Regulations	6	11	6	3	6
February 2011. n=	500	99	45	127	229
	%	%	%	%	%
The Economy	39	26	33	41	44
Cashflow	10	13	14	4	13
Taxation, VAT, PAYE, NI, rates	9	19	13	12	3
Competition	8	12	4	9	8
Regulations	8	3	9	8	10
Obtaining finance	7	3	9	8	6
December 2010. n=	500	142	71	139	148
	%	%	%	%	%
The Economy	32	23	28	26	42
Competition	12	13	11	16	8
Cashflow	12	9	14	13	13
Obtaining finance	10	14	5	12	10
Regulations	8	12	8	5	10
Taxation, VAT, PAYE, NI, rates etc.	8	6	8	11	6
February 2010. n=	501	142	66	148	145
	%	%	%	%	%
The Economy	39	43	53	32	38
Cashflow	11	18	12	11	8
Competition	9	7	10	13	6
Taxation, VAT, PAYE, NI, rates etc.	9	4	8	10	9
Obtaining finance	9	8	7	10	9
Regulations	7	7	3	9	7
Figures in bold are statistically significant at the 95% confidence level against the total for that wave					

Table 4b: Main obstacle to the success of the business^{xxxv} - trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construc- tion	TRAD	Services
February 2009. n=	503	111	61	145	186
	%	%	%	%	%
The Economy	39	36	50	41	34
Cashflow	12	17	13	11	11
Regulations	12	8	7	10	16
Competition	7	5	8	9	5
Taxation, VAT, PAYE, NI, rates etc.	7	5	11	8	5
Obtaining finance	4	7	1	1	7
Figures in bold are statistically significant at the 95% confidence level against the total for that wave					

- 4.3 Those who cited the economy as being the main obstacle to the success of their business were prompted with a list of potential economy-related issues and asked whether any of these were obstacles their business was facing.
- 4.4 Lack of demand from customers was the most frequently mentioned obstacle (mentioned by 85 per cent of those who has cited the economy as being the main obstacle to the success of their business). Uncertainty about the future was mentioned by 79 per cent, increased running costs by 59 per cent and increased competition by 43 per cent.
- 4.5 Those in the TRAD sector were more likely than average to mention increased running costs as being an obstacle (75 per cent compared with 59 per cent overall) and those in the services sector were less likely to mention this (44 per cent).

Table 4c: Reasons why the economy is main barrier to success^{xxxvi} - trends by sector					
Base = all SME employers	All	Primary/ Manu	Construc- tion	TRAD	Services
June 2012. n=	169	27	19	47	76
	%	%	%	%	%
Lack of demand from customers	85	95	82	82	86
Uncertainty about the future	79	86	73	74	84
Increased running costs	59	63	57	75	44
Increased competition	43	45	46	42	42
Not the right time to invest in the business	30	44	38	38	16
Other	16	18	19	9	19
Figures in bold are statistically significant at the 95% confidence level against the total for that wave					

Cashflow

- 4.6 In the June 2012 Barometer, 42 per cent of SME employers identified cashflow as an obstacle to the success of their business (a significant decrease from 51 per cent in February 2012) and 10 per cent said this was their main obstacle (a similar level to recent Barometers).
- 4.7 Looking at the underlying causes of cashflow difficulty the most common one mentioned was a fluctuating income combined with steady outgoings (mentioned by 81 per cent of those with cashflow difficulties – a significant increase on 73 per cent in the February 2012 Barometer). Late payment from individual customers and late payment from other businesses were the next most frequent causes mentioned (by 65 per cent in both cases).
- 4.8 The construction sector was more likely than average to mention late payment both from individual customers (86 per cent compared with 73 per cent overall), and from other businesses (96 per cent compared with 65 per cent), early payments required by suppliers (62 per cent compared with 42 per cent), and individual customers expecting them to offer credit (59 per cent compared with 41 per cent).
- 4.9 Those in the TRAD sector were less likely than average to mention late payment – both from individual customers and from other businesses (46 per cent and 51 per cent respectively), while those in the services sector were less likely to mention early payment being required by suppliers (30 per cent) and individual customers expecting them to offer credit (33 per cent).

Table 4d: Causes of cashflow difficulties ^{xxxvii}								
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb. 2011	Dec. 2010	SBS 2010	Feb. 2010
Base = All for whom cashflow is an obstacle	n=202	n=327	n=214	n=221	n=206	n=222	n=1687	n=249
	%	%	%	%	%	%	%	%
Income fluctuates while outgoings are steady	81	73	75	80	79	83	77	71
Late payment from individual customers	65	66	66	58	59	62	60	59
Late payment from other businesses	65	62	58	58	59	65	60	58
Need to offer credit to customers	41	43	46	35	31	41	39	38
Tax payment timings	39	41	46	35	46	44	42	30
High levels of working capital needed	46	37	42	43	49	38	49	34
Early payment required by suppliers	42	34	42	38	35	33	39	33
High levels of investment required by business	28	26	33	28	24	24	41	19
Outgoings fluctuate but income is steady	21	19	27	19	24	22	24	27
Difficult to get credit from suppliers	19	23	22	15	27	20	26	16
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers								

Table 4d: Causes of cashflow difficulties^{xxxviii} (continued)							
	Dec. 2009	Sept. 2009	June 2009	Apr. 2009	Feb. 2009	Dec. 2008	ASBS 07/08
Base = All for whom cashflow is an obstacle	n=219	n = 218	n = 256	n=233	n=269	n=262	n=3403
	%	%	%	%	%	%	%
Income fluctuates while outgoings are steady	75	73	74	80	71	74	71
Late payment from other businesses	69	56	68	64	63	64	56
Late payment from individual customers	63	54	65	62	67	61	56
High levels of working capital needed	50	46	43	45	38	39	49
Need to offer credit to customers	43	38	49	35	41	30	38
Tax payment timings	40	51	38	40	32	35	37
High levels of investment required by business	36	34	24	24	25	30	39
Early payment required by suppliers	33	34	39	34	36	38	38
Outgoings fluctuate but income is steady	20	32	25	26	17	23	26
Difficult to get credit from suppliers	24	23	20	24	19	18	18
Figures in bold are statistically significant changes at the 95% confidence level between the June 2012 and February 2012 Barometers							

Payment times from the Public Sector

- 4.10 Thirty-four per cent of SME employers in June 2012 had worked for public sector clients, with 27 per cent having worked for public clients in the last 6 months.
- 4.11 As with previous Barometers, the service sector was more likely to have worked for the public sector than average (39 per cent compared with 34 per cent overall), and the TRAD sector was the less likely (22 per cent).

Table 4e: Work for the Public Sector^{xxxix} - trends by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012. n=	500	91	49	123	237
	%	%	%	%	%
June 2012 – Any Public Sector Clients	34	38	47	22	39
June 2012 – Any Work Last 6 Months	27	30	37	16	31
February 2012. n=	667	156	72	159	280
	%	%	%	%	%
Feb. 2012 – Any Public Sector Clients	34	39	41	24	39
Feb. 2012 – Any Work Last 6 Months	24	26	32	18	26
November 2011. n=	500	82	48	139	231
	%	%	%	%	%
Nov. 2011 – Any Public Sector Clients	30	36	29	21	37
Nov. 2011 – Any Work Last 6 Months	24	31	24	13	30
August 2011. n=	500	100	53	145	202
	%	%	%	%	%
Aug. 2011 – Any Public Sector Clients	26	23	23	21	33
Aug. 2011 – Any Work Last 6 Months	17	16	15	11	24
February 2011. n=	500	99	45	127	229
	%	%	%	%	%
Feb. 2011 – Any Public Sector Clients	28	27	29	23	31
Feb. 2011 – Any Work Last 6 Months	18	19	23	14	20
December 2010. n=	500	142	71	139	148
	%	%	%	%	%
Dec. 2010 – Any Public Sector Clients	25	20	31	18	31
Dec. 2010 – Any Work Last 6 Months	20	17	24	13	25
February 2010. n=	501	142	66	148	145
	%	%	%	%	%
Feb. 2010 – Any Public Sector Clients	30	36	48	17	32
Feb. 2010 – Any Work Last 6 Months	23	29	42	11	25

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research

Table 4f: Work for the Public Sector^{x1} - trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
December 2009. n=	500	130	69	136	165
	%	%	%	%	%
Dec 2009 – Any Public Sector Clients	30	31	53	18	33
Dec 2009 – Any Work Last 6 Months	24	29	47	10	27
September 2009. n=	501	132	72	143	154
	%	%	%	%	%
Sept. 2009 – Any Public Sector Clients	27	37	36	15	30
Sept. 2009 – Any Work Last 6 Months	22	33	32	13	22
April 2009. n=	501	157	62	136	146
	%	%	%	%	%
April 2009 – Any Public Sector Clients	26	22	44	13	32
April 2009 – Any Work Last 6 Months	18	17	42	13	16
February 2009. n=	503	111	61	145	186
	%	%	%	%	%
Feb. 2009 – Any Public Sector Clients	26	25	37	23	26
Feb. 2009 – Any Work Last 6 Months	20	20	27	15	21
December 2008. n=	500	123	62	137	178
	%	%	%	%	%
Dec. 2008 – Any Public Sector Clients	20	19	30	12	23
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

- 4.12 Twenty-six per cent of those who have worked for the public sector in the last 6 months said they were doing more work for them than was the case 12 months previously (11 per cent much more work, 15 per cent slightly more work). This is a significant increase since February 2012 when 11 per cent reporting doing more work than previously (eight per cent much more work, four per cent slightly more work). Forty-three per cent were doing the same amount of work as before, 12 per cent were doing slightly less work than previously and 20 per cent doing much less work – a decrease since the 30 per cent in February 2012 who reported doing much less work.
- 4.13 Eleven per cent of those who had worked for the public sector in the last 6 months had noticed that they were being paid quicker than was the case before and the same proportion said payment had slowed down. Once again, the majority (57 per cent) said that the speed of payment had not changed and they were still mainly paid promptly; 17 per cent said that payment times had not changed and they were still mainly paid slowly.

Table 4g: Whether noticed any change in the speed of payment by Public Sector bodies in the Last 6m^{xli}												
Base = All who have dealt with public sector bodies in the last 6 months	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb. 2011	Dec 2010	Feb 2010	Dec 2009	Sept 2009	June 2009	Apr. 2009	Feb 2009
	n=158	n=187	n=135	n=130	n=115	n=128	n=136	n=160	n=141	n=180	n=125	n=127
	%	%	%	%	%	%	%	%	%	%	%	%
Payment has speeded up	11	7	6	10	6	2	10	11	10	8	15	13
No change – still mainly paid promptly	57	56	57	47	53	44	63	50	52	59	43	51
No change – still mainly paid slowly	17	15	17	20	8	23	10	21	26	22	6	2
Payment has slowed down	11	18	17	19	16	19	13	12	7	7	17	19
It varies/other	*	*	*	0	12	6	*	3	*	2	3	2
Don't know/refused	4	4	*	3	5	6	2	3	5	2	6	5
TOTAL PROMPT PAID	68	62	63	58	59	46	74	62	61	67	58	64
TOTAL SLOW PAID	28	33	34	39	22	43	23	33	33	29	23	21

Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers.
* = a figure which is more than 0%, but less than 0.5%

4.14 Among those who had worked for the public sector in the last 6 months, 59 per cent had Local Authorities as their main client, 17 per cent had Government departments, 15 per cent had Health Services and two per cent Higher Education Institutions.

4.15 Table 4h demonstrates that there are no significant differences in perceptions of payment times from the public sector by type of main public sector client.

Table 4h: Whether noticed any change in the speed of payment by Public Sector bodies in the last 6 months^{xlii}, by main type of Public Sector client			
Base = All who dealt with public sector bodies in the last 6 months	All	Local Authorities	Other Public Sector
June 2012	n=158	n=97	n=61
	%	%	%
Payment has speeded up	11	12	10
No change – still mainly paid promptly	57	54	62
No change – still mainly paid slowly	17	14	21
Payment has slowed down	11	17	3
Other/Don't know	4	5	4
TOTAL PROMPT PAID	68	65	72
TOTAL SLOW PAID	28	30	24

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave.

Table 4h: Whether noticed any change in the speed of payment by Public Sector bodies in the last 6 months^{xliii}, by main type of Public Sector client (continued)

Base = All who dealt with public sector bodies in the last 6 months	All	Local Authorities	Other Public Sector
February 2012	n=187	n=96	n=87
	%	%	%
Payment has speeded up	7	8	5
No change – still mainly paid promptly	56	50	61
No change – still mainly paid slowly	15	13	19
Payment has slowed down	18	26	7
Other/Don't know	4	4	7
TOTAL PROMPT PAID	62	58	66
TOTAL SLOW PAID	33	39	26
November 2011	n=135	n=78	n=55
	%	%	%
Payment has speeded up	6	6	8
No change – still mainly paid promptly	57	58	54
No change – still mainly paid slowly	17	10	26
Payment has slowed down	17	24	8
Other/Don't know	1	1	4
TOTAL PROMPT PAID	63	64	62
TOTAL SLOW PAID	34	34	34
August 2011	n=130	n=64	n=65
	%	%	%
Payment has speeded up	10	11	10
No change – still mainly paid promptly	47	47	47
No change – still mainly paid slowly	20	11	29
Payment has slowed down	19	29	9
Other/Don't know	3	2	5
TOTAL PROMPT PAID	58	58	57
TOTAL SLOW PAID	39	40	38
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave. * = a figure which is more than 0%, but less than 0.5%			

Table 4h: Whether noticed any change in the speed of payment by Public Sector bodies in the last 6 months^{xliv}, by main type of Public Sector client (continued)

Base = All who dealt with public sector bodies in the last 6 months	All	Local Authorities	Other Public Sector
February 2011	n=115	n=60	n=55
	%	%	%
Payment has speeded up	6	10	0
No change – still mainly paid promptly	53	53	53
No change – still mainly paid slowly	8	1	19
Payment has slowed down	16	18	12
Other/Don't know	17	18	16
TOTAL PROMPT PAID	59	62	53
TOTAL SLOW PAID	22	20	31
December 2010	n=128	n=72	n=54
	%	%	%
Payment has speeded up	2	3	*
No change – still mainly paid promptly	44	50	35
No change – still mainly paid slowly	24	17	34
Payment has slowed down	19	14	26
Other/Don't know	12	16	5
TOTAL PROMPT PAID	46	53	35
TOTAL SLOW PAID	43	31	60
February 2010	n=136	n=78	n=55
	%	%	%
Payment has speeded up	10	14	7
No change – still mainly paid promptly	63	49	77
No change – still mainly paid slowly	10	14	6
Payment has slowed down	13	17	9
Other/Don't know	4	6	1
TOTAL PROMPT PAID	73	62	84
TOTAL SLOW PAID	23	31	15
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave. * = a figure which is more than 0%, but less than 0.5%			

4.16 Six per cent of those who have worked for the public sector in the last 6 months said that they are usually paid within 10 working days of the receipt of the invoice. A further 10 per cent said that they tend to be paid 11 to 15 days later, 12 per cent within 16 to 20 days, 37 per cent between 21 and 30 days, and 32 per cent in longer than 30 days.

Table 4i: Average time taken for main Public Sector client to pay invoice by main type of Public Sector client^{xiv}			
Base = All who dealt with public sector bodies in the last 6 months	All	Local Authorities	Other Public Sector
June 2012	n=158	n=97	n=61
	%	%	%
10 days or less	6	7	5
11 to 15 days	10	4	17
16 to 20 days	12	13	9
21 to 30 days	37	40	33
Longer than 30 days	32	33	31
Don't know/refused	3	2	5
February 2012	n=187	n=96	n=87
	%	%	%
10 days or less	8	5	14
11 to 15 days	6	3	11
16 to 20 days	1	*	2
21 to 30 days	43	51	29
Longer than 30 days	38	36	41
Don't know/refused	4	4	4
November 2011	n=135	n=78	n=55
	%	%	%
10 days or less	6	4	8
11 to 15 days	9	7	12
16 to 20 days	7	6	6
21 to 30 days	37	48	22
Longer than 30 days	38	31	47
Don't know/refused	3	3	4
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave. * = a figure which is more than 0%, but less than 0.5%			

Table 4i: Average time taken for main Public Sector client to pay invoice by main type of Public Sector client^{xlvi} (continued)

Base = All who dealt with public sector bodies in the last 6 months	All	Local Authorities	Other Public Sector
August 2011	n=130	n=64	n=65
	%	%	%
10 days or less	2	3	1
11 to 15 days	2	1	3
16 to 20 days	9	11	7
21 to 30 days	41	42	41
Longer than 30 days	43	41	43
Don't know/refused	3	1	5
February 2011	n=115	n=78	n=55
	%	%	%
10 days or less	4	*	10
11 to 15 days	3	3	3
16 to 20 days	6	6	7
21 to 30 days	42	56	20
Longer than 30 days	37	29	52
Don't know/refused	8	7	9
December 2010	n=128	n=72	n=54
	%	%	%
10 days or less	8	12	1
11 to 15 days	5	3	7
16 to 20 days	8	4	14
21 to 30 days	31	37	21
Longer than 30 days	41	35	51
Don't know/refused	7	8	5
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave. * = a figure which is more than 0%, but less than 0.5%			

**Table 4i: Average time taken for main Public Sector client to pay invoice by main type of Public Sector client^{xlvii}
(continued)**

Base = All who dealt with public sector bodies in the last 6 months	All	Local Authorities	Other Public Sector
February 2010	n=136	n=66	n=66
	%	%	%
10 days or less	4	6	3
11 to 15 days	2	3	*
16 to 20 days	9	12	6
21 to 30 days	56	47	63
Longer than 30 days	27	31	25
Don't know/refused	2	1	3
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave. * = a figure which is more than 0%, but less than 0.5%			

Business confidence

4.17 In June 2012, 89 per cent of SME employers were confident that their businesses would still be trading in 12 months' time, whilst five per cent were not confident, both of these figures being in line with previous Barometers.

Table 4j: 'In 12 Months Time I am Confident My Business will still be Trading' ^{xlviii}													
	June 2012	Feb 2012	Nov 2011	Aug 2011	Feb 2011	Dec 2010	Feb 2010	Dec 2009	Sept 2009	June 2009	Apr 2009	Feb 2009	Dec 2008
Base = All SME Employers	N=500	N=667	n=500	n=500	n=500	n=500	n=501	n=500	n=501	n=500	n=501	n=503	n=500
	%	%	%	%	%	%	%	%	%	%	%	%	%
Agree strongly	72	72	72	76	75	80	73	79	75	74	70	73	61
Agree slightly	17	13	15	11	15	9	12	9	12	11	13	15	16
Neither agree nor disagree	5	9	3	9	4	4	6	4	7	6	6	5	9
Disagree slightly	3	2	4	2	3	3	4	2	2	3	3	2	3
Disagree strongly	2	3	4	2	3	2	3	3	3	3	4	4	9
Don't know	1	*	2	1	1	3	2	2	*	2	2	1	2
TOTAL AGREE	89	86	87	86	89	89	85	89	87	85	84	88	76
TOTAL DISAGREE	5	6	8	4	6	4	7	5	5	6	8	6	12
NET AGREE - DISAGREE	+84	+80	+79	+83	+83	+85	+78	+84	+82	+79	+76	+82	+64
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers * = a figure which is more than 0%, but less than 0.5%													

Table 4k: 'In 12 months time I am confident my business will still be trading ^{xlix} ' – by sector					
Base = All SME Employers	All	Primary/ Manu	Construction	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
June 2012 – Confident	89	96	79	88	90
June 2012 – <u>Not</u> Confident	5	*	9	7	3
February 2012	667	156	72	159	280
	%	%	%	%	%
Feb. 2012 – Confident	86	91	82	84	86
Feb. 2012 – <u>Not</u> Confident	6	1	5	8	5
November 2011	500	82	48	139	231
	%	%	%	%	%
Nov. 2011 – Confident	87	91	79	85	89
Nov. 2011 – <u>Not</u> Confident	8	1	14	12	5
August 2011	500	100	53	145	202
	%	%	%	%	%
Aug. 2011 – Confident	86	91	87	86	85
Aug. 2011 – <u>Not</u> Confident	4	0	6	3	5
February 2011	500	99	45	127	229
	%	%	%	%	%
Feb. 2011 – Confident	89	93	93	86	90
Feb. 2011 – <u>Not</u> Confident	6	4	4	7	8
December 2010	500	142	71	139	148
	%	%	%	%	%
Dec. 2010 – Confident	89	93	84	82	95
Dec. 2010 – <u>Not</u> Confident	4	2	4	8	2
February 2010	501	142	66	148	145
	%	%	%	%	%
Feb. 2010 – Confident	85	82	77	83	90
Feb. 2010 – <u>Not</u> Confident	7	8	11	7	6
December 2009	500	130	69	136	165
	%	%	%	%	%
Dec. 2009 – Confident	89	87	84	92	88
Dec. 2009 – <u>Not</u> Confident	5	7	4	4	5
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 4k: 'In 12 months time I am confident my business will still be trading' ¹ – by sector (continued)					
Base = All SME Employers	All	Primary/ Manu	Construction	TRAD	Services
September 2009	501	132	72	143	154
	%	%	%	%	%
Sept. 2009 – Confident	87	87	77	88	90
Sept. 2009 – <u>Not</u> Confident	5	5	10	7	3
June 2009	500	130	60	148	162
	%	%	%	%	%
June 2009 – Confident	85	81	78	84	90
June 2009 – <u>Not</u> Confident	6	12	7	6	5
April 2009	501	157	62	136	146
	%	%	%	%	%
April 2009 – Confident	84	72	69	86	91
April 2009 – <u>Not</u> Confident	8	13	9	10	3
February 2009	503	111	61	145	186
	%	%	%	%	%
Feb. 2009 – Confident	88	84	92	83	91
Feb. 2009 – <u>Not</u> Confident	6	5	4	9	4
December 2008	500	123	62	137	178
	%	%	%	%	%
Dec. 2008 – Confident	76	77	73	72	81
Dec. 2008 – <u>Not</u> Confident	13	13	19	12	11
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

4.18 In results similar to previous Barometers, three per cent of SME employers anticipated closure in the next 12 months and eight per cent anticipated a transfer of ownership.

Table 4I: Whether anticipate closure or full transfer of ownership in next 12 monthsⁱⁱ													
	June 2012	Feb 2012	Nov 2011	Aug 2011	Feb 2011	Dec 2010	Feb 2010	Dec 2009	Sept 2009	June 2009	Apr. 2009	Feb 2009	Dec 2008
Base = All	n=500	n=667	n=500	n=500	n=500	n=500	n=501	n=500	n=501	n=500	n=501	n=503	n=500
	%	%	%	%	%	%	%	%	%	%	%	%	%
Yes- Closure	3	4	3	3	2	3	4	5	3	2	6	3	7
Yes – Transfer of Ownership	8	8	7	5	4	6	4	5	2	6	6	4	6
Neither	88	84	88	88	91	89	86	86	90	89	82	92	83
Don't know/Refused	1	4	2	4	3	2	6	5	4	3	5	1	4
ANY CLOSURE/ TRANSFER	11	12	9	8	6	9	8	9	5	7	12	7	13
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers													

4.19 The transport, retail and distribution sector was more likely than average to think the business might close (six per cent compared with three per cent overall). The primary/manufacturing sector was less likely than average to think ownership might be transferred (two per cent compared with eight per cent overall).

Innovation

4.20 Thirty per cent of SME employers in June 2012 claimed to have introduced new or significantly improved processes in the previous 12 months, a proportion in line with previous Barometers.

4.21 In June 2012, no one sector was significantly more likely to have introduced new or significantly improved processes, in contrast to previous Barometers, where the services sector has consistently been significantly more likely to have introduced these.

4.22 Forty-five per cent of SME employers claimed to have introduced new or significantly new products or services, and once again there were no significant differences between the sectors.

Table 4m: Whether introduced new or significantly improved processes/products and services in the last 12 months– trends by sector^{lii}					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012.n=	500	91	49	123	237
	%	%	%	%	%
June 2012 – New or Significantly Improved Processes	30	34	23	29	31
June 2012 – New or Significantly Improved Products and Services	45	41	47	48	42
February 2012.n=	667	156	72	159	280
	%	%	%	%	%
February 2012 – New or Significantly Improved Processes	31	39	19	22	40
February 2012 – New or Significantly Improved Products and Services	42	44	24	38	49
November 2011.n=	500	82	48	139	231
	%	%	%	%	%
November 2011 – New or Significantly Improved Processes	32	25	25	21	46
November 2011 – New or Significantly Improved Products and Services	47	45	39	46	50
August 2011.n=	500	100	53	145	202
	%	%	%	%	%
August 2011 – New or Significantly Improved Processes	34	35	29	29	40
August 2011 – New or Significantly Improved Products and Services	52	51	44	52	56
February 2011.n=	500	99	45	127	229
	%	%	%	%	%
February 2011 – New or Significantly Improved Processes	35	42	34	21	43
February 2011 – New or Significantly Improved Products and Services	40	52	45	32	41
Small Business Survey 2010.n=	1904	292	148	583	881
	%	%	%	%	%
SBS 2010 – New or Significantly Improved Processes	33	32	29	26	40
SBS 2010 – New or Significantly Improved Products and Services	47	44	51	46	47
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 4m: Whether introduced new or significantly improved processes/products and services in the last 12 months– trends by sector^{liii} (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
December 2009. n=	500	130	69	136	165
	%	%	%	%	%
December 2009 – New or Significantly Improved Processes	34	32	12	34	41
December 2009 – New or Significantly Improved Products and Services	39	28	20	38	46
April 2009. n=	501	157	62	136	146
	%	%	%	%	%
April 2009 – New or Significantly Improved Processes	33	39	24	29	36
April 2009 – New or Significantly Improved Products and Services	44	50	36	44	44
December 2008. n=	500	123	62	137	178
	%	%	%	%	%
December 08 – New or Significantly Improved Processes	38	52	25	31	40
December 08 – New or Significantly Improved Products and Services	44	53	22	50	42
ASBS 07/08. n=	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08 - New or Significantly Improved Processes	33	39	25	27	38
ASBS 07/08 - New or Significantly Improved Products and Services	46	48	32	46	50
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Training

4.23 In June 2012, 64 per cent of SME employers had funded or arranged any training or development for staff in the previous 12 months (including any informal on the job training). As with previous recent Barometers, the TRAD sector was less likely than average to have arranged training (51 per cent compared with 64 per cent overall) and the services sector was more likely than average to have arranged training (76 per cent in this sector had done so).

Table 4n: Whether business has funded or arranged any training and development for staff in the organisation, including any informal on the job training, in the last 12 months^{iv}

Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
June 2012.n=	500	91	49	123	237
	%	%	%	%	%
June 2012	64	68	56	51	76
February 2012.n=	667	156	72	159	280
	%	%	%	%	%
February 2012	67	71	71	48	80
November 2011.n=	500	82	48	139	231
	%	%	%	%	%
November 2011	67	58	67	60	75
August 2011. n=	500	100	53	145	202
	%	%	%	%	%
August 2011	64	72	79	46	72
February 2011. n=	500	99	45	127	229
	%	%	%	%	%
February 2011	59	53	75	48	66
December 2010. n=	500	142	71	139	148
	%	%	%	%	%
December 2010	68	57	78	57	78
SBS 2010 (July-September). n=	1937	295	161	588	893
	%	%	%	%	%
SBS 2010	61	58	68	49	68
December 2009. n=	500	130	69	136	165
	%	%	%	%	%
December 2009	62	68	39	60	67
April 2009. n=	501	157	62	136	146
	%	%	%	%	%
April 2009	61	56	59	48	73
December 2008. n=	500	123	62	137	178
	%	%	%	%	%
December 2008	60	59	71	51	66
ASBS 07/08. n=	7783	1498	742	2989	2554
	%	%	%	%	%
ASBS 07/08	58	56	66	50	66

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research

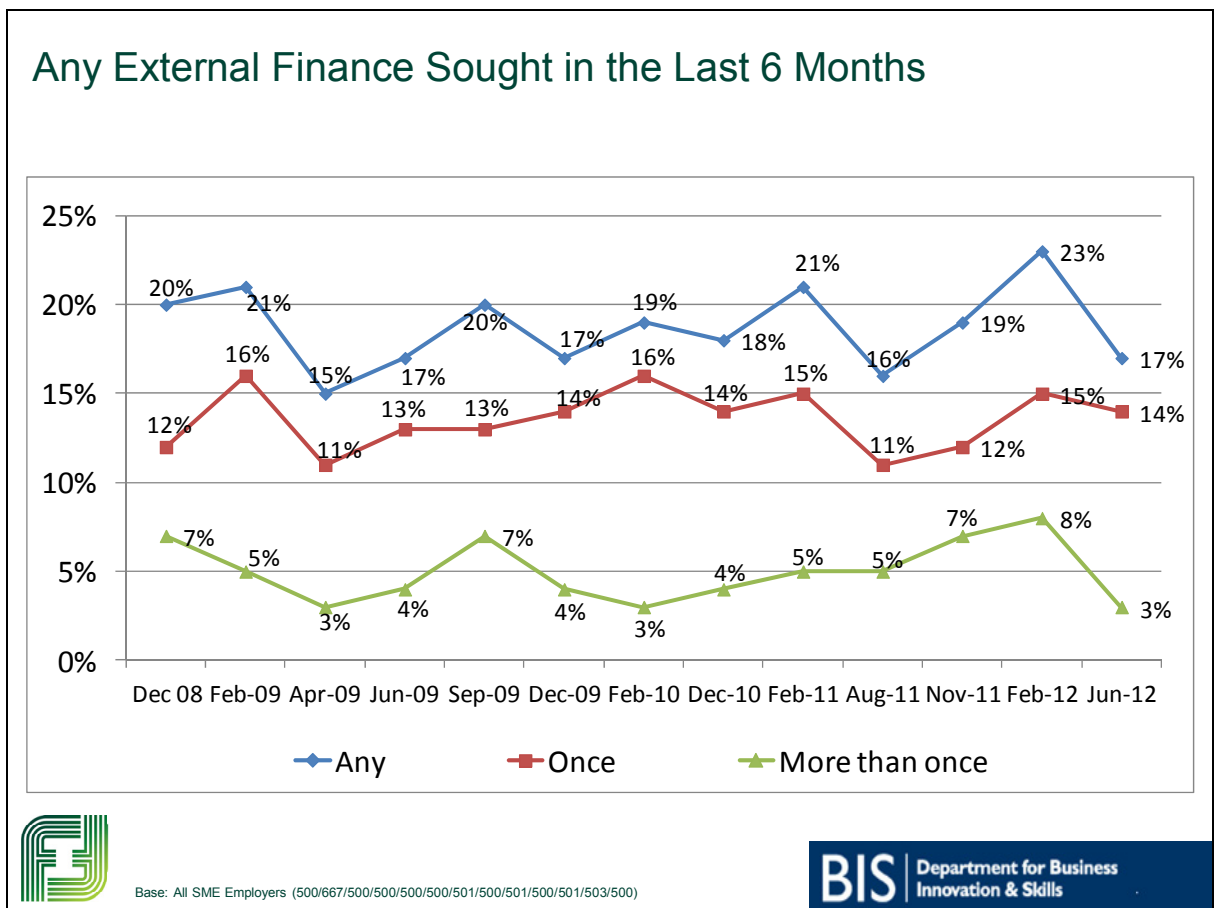
- 4.24 Larger businesses were more likely than smaller ones to offer training, with almost all (98 per cent of) medium SME employers offering training (compared to 86 per cent of small SME employers and 60 per cent of micros).
- 4.25 Forty-three per cent of those offering training had used some of it to develop management skills. SME employers in the primary/manufacturing sector offering training were least likely to use any of it to develop management skills (31 per cent compared to 43 per cent overall); while those in the services sector offering training were more likely than average to include management skills (51 per cent).
- 4.26 In terms of training plans for the next 12 months, among those who arranged training in June 2012, nine per cent of SME employers expected to reduce their investment in training, 68 per cent expected to maintain their level of investment and 22 per cent expected to increase their investment levels. Those in the TRAD sector were more likely than average to expect to reduce their investment in training over the next 12 months (16 per cent compared to nine per cent overall) and those in the construction sector were more likely to expect to maintain it (84 per cent compared to 68 per cent overall).

5 Access to finance

Applications for finance

- 5.1 Seventeen per cent of SME employers sought external finance in the 6 months prior to the June 2012 Barometer, a significant decrease since the February Barometer (when 23 per cent had sought finance in the last 6 months).
- 5.2 No single sector was significantly more or less likely than average to have sought external finance in the last 6 months.

Chart 5a: External finance sought in the last 6 months^{iv}



Reasons for seeking finance

- 5.3 The most frequent reason for seeking finance was for working capital or cashflow (42 per cent of those seeking finance did so for this reason). Twenty-one per cent of those seeking finance did so in order to acquire equipment or vehicles (a significant decrease since February 2012). Fifteen per cent of those seeking finance did so to buy land or buildings.

Table 5a: Main reasons for seeking finance ^{lv}													
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb 2011	Dec 2010	Feb 2010	Dec 2009	Sept 2009	June 2009	Apr. 2009	Feb 2009	Dec 2008
Base = All who tried to obtain finance in the last 6 months	N=95	N=200	n=99	n=113	n=128	n=108	n=121	n=105	n=121	n=109	n=109	n=144	n=98
	%	%	%	%	%	%	%	%	%	%	%	%	%
Working capital, cashflow	42	43	42	38	28	38	59	36	49	46	52	41	45
Acquiring equipment/ vehicles	21	32	20	38	34	28	28	31	18	16	25	26	25
Buying land/ buildings	15	8	10	10	12	9	6	7	7	6	11	9	10
Improving buildings	9	9	4	8	10	8	4	13	8	11	4	2	2
Research & development	2	2	5	0	6	10	3	4	1	2	1	4	2
Refinancing the business	*	3	6	7	5	1	2	3	*	8	2	11	0
Buying another business	*	*	0	0	3	0	*	3	*	*	2	4	*
Figures in bold are statistically *significant changes at the 95% confidence level between the June and February 2012 Barometers * = a figure which is more than 0%, but less than 0.5%													

- 5.4 Those seeking finance in the primary/manufacturing sector were less likely than average to do so in order to gain working capital or cashflow (seven per cent compared with 42 per cent overall). However this group of SME employers were more likely than average to seek finance in order to acquire capital equipment or vehicles (72 per cent compared to 21 per cent overall).
- 5.5 Those in the TRAD sector were significantly more likely to seek finance in order to improve buildings (22 per cent, compared with nine per cent overall), whereas the services sector were less likely to seek finance for this reason (one per cent).

Types of finance sought

5.6 As with previous Barometers, a bank loan was the most frequently sought type of finance (by 39 per cent of those seeking finance), followed by a bank overdraft (by 26 per cent), leasing or hire purchase (14 per cent) and a grant (11 per cent).

Table 5b: Types of finance sought ^{lvii} – trends													
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb. 2011	Dec. 2010	Feb. 2010	Dec. 2009	Sept. 2009	June 2009	Apr. 2011	Feb. 2009	Dec. 2008
Base = All who tried to obtain finance in the last 6 months	N=95	N=200	n=99	n=113	n=128	n=108	n=121	n=105	n=121	n=109	n=109	n=144	n=98
	%	%	%	%	%	%	%	%	%	%	%	%	%
Bank Loan	39	44	41	35	36	39	46	31	43	40	40	38	22
Bank Overdraft	26	22	22	23	25	18	33	24	34	27	19	35	32
Leasing or Hire Purchase	14	17	17	17	12	18	10	28	14	11	18	16	12
Grant	11	6	11	11	9	12	2	2	2	10	1	4	5
Mortgage for Property Purchase or Improvement	7	3	5	9	5	8	11	3	3	12	2	7	11
Loans from Family/Friends etc.	2	1	4	*	6	0	6	0	2	2	*	1	6
Factoring	1	3	*	1	3	1	4	*	1	1	4	1	1
Equity Investment	*	2	7	*	1	3	*	1	*	1	8	2	2
Loan from a CDFI	0	0	0	0	4	1	0	0	0	0	0	0	1
Government Guaranteed Loan/VAT Fund	0	0	0	0	1	1	*	1	0	3	6	N/A	N/A
Credit Card Finance	0	*	0	0	0	0	2	0	0	2	*	2	3
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers													
* = a figure which is more than 0%, but less than 0.5%													

5.7 SME employers in the TRAD sector were more likely than average to seek a bank loan (68 per cent compared to 39 per cent overall) and those in the construction sector were more likely than average to seek a bank overdraft (76 per cent compared to 26 per cent overall). Those in the primary/manufacturing sector were more likely than average to seek a leasing or hire purchase agreement (52 per cent compared with to 14 per cent overall).

Table 5c: Types of finance sought^{lviii} – by sector					
Base = all who have tried to obtain finance in the last 6 months	All	Primary/Manu	Construction	TRAD	Services
June 2012. n=	95	22	11	21	41
	%	%	%	%	%
Bank Loan	39	21	13	68	33
Bank Overdraft	26	5	76	22	24
Leasing or Hire Purchase	14	52	1	10	7
February 2012. n=	200	38	20	52	90
	%	%	%	%	%
Bank Loan	44	53	31	46	42
Bank Overdraft	22	11	43	19	24
Leasing or Hire Purchase	17	38	14	22	8
November 2011. n=	99	15	6	24	54
	%	%	%	%	%
Bank Loan	41	24	21	48	43
Bank Overdraft	22	16	71	23	18
Leasing or Hire Purchase	17	58	0	18	3
August 2011. n=	113	28	11	36	38
	%	%	%	%	%
Bank Loan	35	62	33	41	11
Bank Overdraft	23	16	27	23	27
Leasing or Hire Purchase	17	20	7	26	8
February 2011. n=	128	24	9	39	56
	%	%	%	%	%
Bank Loan	36	27	32	35	40
Bank Overdraft	25	14	60	28	16
Leasing or Hire Purchase	12	24	7	16	6
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 5c: Types of finance sought^{lix} – by sector (continued)					
Base = all who have tried to obtain finance in the last 6 months	All	Primary/ Manu	Construction	TRAD	Services
December 2010. n=	108	24	12	37	35
	%	%	%	%	%
Bank Loan	39	48	42	53	24
Bank Overdraft	18	23	28	7	24
Leasing or Hire Purchase	18	11	29	24	11
February 2010. n=	121	33	10	43	35
	%	%	%	%	%
Bank Loan	46	4	87	38	59
Bank Overdraft	33	44	2	36	31
Leasing or Hire Purchase	10	34	10	7	7
December 2009. n=	105	29	14	32	30
	%	%	%	%	%
Bank Loan	31	53	26	28	28
Bank Overdraft	24	4	18	34	22
Leasing or Hire Purchase	28	30	38	20	32
September 2009. n=	121	39	14	36	32
	%	%	%	%	%
Bank Loan	43	37	19	50	44
Bank Overdraft	34	21	27	46	26
Leasing or Hire Purchase	14	31	26	8	10
June 2009. n=	109	34	9	33	33
	%	%	%	%	%
Bank Loan	40	27	64	40	39
Bank Overdraft	27	36	62	30	14
Leasing or Hire Purchase	11	9	2	18	8
April 2009. n=	109	32	11	27	39
	%	%	%	%	%
Bank Loan	40	41	10	58	33
Bank Overdraft	19	26	19	15	19
Leasing or Hire Purchase	18	16	35	27	10
February 2009. n=	144	42	11	38	53
	%	%	%	%	%
Bank Loan	38	39	38	38	36
Bank Overdraft	35	56	26	43	22
Leasing or Hire Purchase	16	6	17	9	25

Confidence in seeking finance

- 5.8 Thirty-two per cent of SME employers seeking finance in June 2012 were very confident of success before they applied, a further 40 per cent were fairly confident, 24 per cent not very confident and 4 per cent not at all confident – a decrease on the 12 per cent in February 2012.
- 5.9 No sector was more likely than average to be very confident of being successful in gaining finance, or more likely to be not at all confident.
- 5.10 Medium SME employers seeking finance were more likely than average to be very confident of success (57 per cent compared with 54 per cent of small SME employers and 24 per cent of micros).

Table 5d: Confidence of success when applying for finance^{ix} – by sector					
Base = all who have tried to obtain finance in the last 6 months	All	Primary/Manu	Construction	TRAD	Services
June 2012. n=	95	22	11	21	41
	%	%	%	%	%
Very confident	32	33	40	37	28
Fairly confident	40	37	10	31	51
Not very confident	24	28	47	23	18
Not at all confident	4	3	0	9	3
February 2012. n=	200	38	20	52	90
	%	%	%	%	%
Very confident	29	61	18	26	27
Fairly confident	33	29	32	40	28
Not very confident	26	7	49	14	36
Not at all confident	12	0	2	20	8
November 2011. n=	99	15	6	24	54
	%	%	%	%	%
Very confident	28	59	11	23	22
Fairly confident	40	38	87	36	39
Not very confident	17	3	3	18	22
Not at all confident	14	0	0	23	12
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 5d: Confidence of success when applying for finance^{lxi} – by sector					
Base = all who have tried to obtain finance in the last 6 months	All	Primary/Manu	Construction	TRAD	Services
August 2011. n=	113	28	11	36	38
	%	%	%	%	%
Very confident	39	43	38	47	29
Fairly confident	40	45	7	27	61
Not very confident	13	5	55	9	11
Not at all confident	8	7	0	18	0
February 2011. n=	128	24	9	39	56
	%	%	%	%	%
Very confident	40	49	40	31	49
Fairly confident	40	42	40	45	32
Not very confident	9	7	20	4	13
Not at all confident	8	3	0	12	6
December 2010. n=	108	24	12	37	35
	%	%	%	%	%
Very confident	37	26	42	40	35
Fairly confident	28	36	57	12	32
Not very confident	22	12	2	20	31
Not at all confident	13	27	0	28	1
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

- 5.11 Eighty per cent of those seeking finance took some steps before putting in an application to try and ensure they would be successful in obtaining it. The most frequently taken action by SME employers was updating their business plan (done by 60 per cent of those seeking finance). Fifty-one per cent of SME employers took advice from a bank prior to applying for finance and 30 per cent had their plan looked over by a professional advisor.
- 5.12 In terms of this last action, those in the construction and sector were more likely than average to have had their plan looked over by a professional adviser (81 per cent compared to 30 per cent overall), to have received advice from a bank (89 per cent compared to 51 per cent), and to have read business websites (51 per cent compared to 10 per cent overall).
- 5.13 Those in the transport, retail and distribution sector were more likely than average to have updated their business plan (82 per cent compared to 60 per cent overall) whereas those in the services sector were less likely than average (47 per cent).

Table 5e: Whether any of the following steps taken to try and ensure success in obtaining finance^{lxii} – trends by sector					
Base = all who have tried to obtain finance in the last 6 months	All	Primary/Manu	Construct-ion	TRAD	Services
June 2012. n=	95	22	11	21	41
	%	%	%	%	%
Up to date business plan	60	63	56	82	47
Received advice from bank	51	37	89	64	40
Business plan looked over by a professional adviser	30	31	81	20	24
Spoke to other businesses to get their advice	23	16	34	18	27
Read business websites	10	0	51	6	8
Took a course in business finance	11	18	4	14	9
None of these	20	17	1	7	33
February 2012. n=	200	38	20	52	90
	%	%	%	%	%
Up to date business plan	55	47	64	46	62
Received advice from bank	44	36	24	51	43
Business plan looked over by a professional adviser	27	16	56	5	43
Spoke to other businesses to get their advice	25	20	33	23	25
Read business websites	21	2	28	16	26
Took a course in business finance	5	5	3	4	7
None of these	21	49	20	19	17
November 2011. n=	99	15	6	24	54
	%	%	%	%	%
Up to date business plan	61	42	84	61	65
Received advice from bank	41	29	76	49	35
Business plan looked over by a professional adviser	34	25	5	19	53
Spoke to other businesses to get their advice	23	3	0	30	27
Read business websites	22	*	71	20	27
Took a course in business finance	6	0	0	7	8
None of these	25	56	16	22	16
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure which is more than 0%, but less than 0.5%					

Table 5e: Whether any of the following steps taken to try and ensure success in obtaining finance^{lxiii} – trends by sector (continued)

Base = all who have tried to obtain finance in the last 6 months	All	Primary/ Manu	Construct- ion	TRAD	Services
August 2011. n=	113	28	11	36	38
	%	%	%	%	%
Up to date business plan	66	56	89	54	80
Received advice from bank	48	46	86	52	33
Spoke to other businesses to get their advice	30	22	53	26	34
Read business websites	28	17	49	30	26
Business plan looked over by a professional adviser	25	43	10	9	36
Took a course in business finance	3	11	0	2	1
None of these	19	41	7	22	6
February 2011. n=	128	24	9	39	56
	%	%	%	%	%
Received advice from bank	49	50	73	46	48
Up to date business plan	44	55	40	37	51
Business plan looked over by a professional adviser	26	36	33	21	30
Read business websites	20	24	17	20	19
Spoke to other businesses to get their advice	17	22	6	16	20
Took a course in business finance	6	0	6	6	7
None of these	33	34	20	42	22
December 2010. n=	108	24	12	37	35
	%	%	%	%	%
Up to date business plan	66	57	30	57	84
Received advice from bank	51	53	32	43	62
Read business websites	38	11	52	40	39
Business plan looked over by a professional adviser	37	39	3	23	56
Spoke to other businesses to get their advice	36	9	27	21	57
Took a course in business finance	4	0	0	5	5
None of these	10	22	39	11	*

Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research

* = a figure which is more than 0%, but less than 0.5%

Difficulties in obtaining finance

5.14 Thirty-four per cent of those who sought finance in the June 2012 Barometer were unable to get any finance at all from the first source they approached. A further five per cent obtained some, but not all, of the finance they required, and three per cent only obtained finance after some problems. Overall, 42 per cent reported having any difficulties at all, which is a decrease since February 2012 when 60 per cent reported having any difficulty.

Table 5f: Whether any difficulty obtaining finance from the first source approached ^{lxiv} - trends													
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb 2011	Dec 2010	Feb. 2010	Dec. 2009	Sept. 2009	June 2009	Apr. 2009	Feb. 2009	Dec. 2008
Base = All who tried to obtain finance in the last 6 months	n=95	n=200	n=99	n=113	n=128	n=108	n=121	n=105	n=121	n=109	n=109	n=144	n=98
	%	%	%	%	%	%	%	%	%	%	%	%	%
Yes – unable to obtain any finance	34	43	45	37	27	52	30	20	42	33	41	35	33
Yes – obtained some, but not all of the finance	5	10	14	5	2	5	6	4	2	5	2	5	7
Yes – obtained all of the finance required but with some problem	3	7	5	6	13	2	2	12	13	5	8	4	11
No – had no difficulty obtaining finance	57	35	31	49	55	37	53	52	40	51	42	51	46
Don't know	1	5	5	3	3	5	8	12	3	5	8	5	2
ANY DIFFICULTIES	42	60	64	48	42	60	38	35	57	44	50	44	52
Did not obtain finance from a subsequent source	25	26	34	21	17	26	24	16	25	27	24	18	25
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers													

5.15 Those in the primary/manufacturing were the least likely to have any difficulties (20 per cent) and larger businesses were least likely to encounter difficulties (13 per cent of medium SME employers encountered any difficulties, compared to 38 per cent of small SME employers and 45 per cent of micros).

5.16 Of those that were unable to obtain finance from the first source, 83 per cent had their application rejected and 9 per cent rejected the terms they were offered – a significant difference since February 2012, when 61 per cent had their application rejected and 30 per cent rejected the terms they were offered.

5.17 Reasons businesses reported for being rejected for finance included business sectors being considered too risky, the inability to offer enough security, applying for too much money, and the current economic climate. The base sizes for this question were too small to go into further detail.

5.18 Sixteen per cent of those who did not obtain the finance they needed went on to obtain it from another source (a significant decrease on 39 per cent in the February Barometer) and 73 per cent did not ultimately obtain the finance needed. In total, among those seeking finance in the last 6 months this represents 25 per cent being unsuccessful in obtaining it from any source (in line with the 26 per cent stating this in February 2012).

Reasons for not applying for finance

- 5.19 Eighty per cent of those that did not apply for finance in the six months before the June 2012 Barometer said this was because they did not need it.
- 5.20 In terms of reasons given other than a lack of need, 31 per cent of those who did not apply for finance said this was because they did not want to take on additional risk, 13 per cent said this was because they thought it would have been too expensive and ten per cent did not apply because they thought they would have been rejected. These proportions are in line with the previous three Barometers.

Table 5g: Reasons for not having applied for finance in the last 6 months^{lxv 2} - trends by sector					
Base = all who have not applied for finance in the last 6 months	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	405	69	38	102	196
	%	%	%	%	%
Did not need it	80	83	79	79	80
Didn't want to take on additional risk	31	28	44	25	33
Thought it would be too expensive	13	21	6	8	18
Thought they would be rejected	10	12	11	8	11
February 2012	467	118	52	107	190
	%	%	%	%	%
Did not need it	72	79	82	67	69
Didn't want to take on additional risk	31	32	28	34	30
Thought it would be too expensive	13	9	9	19	12
Thought they would be rejected	9	10	5	11	10
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research.					

² From August 2011 this was asked as a prompted question, whereas previously the question had been unprompted. This explains the changes in the data between results from August 2011 onwards and earlier Barometers. It is possible to give multiple answers as this question.

Table 5g: Reasons for not having applied for finance in the last 6 months^{lxvi} - trends by sector (continued)					
Base = all who have not applied for finance in the last 6 months	All	Primary/ Manu	Construct- ion	TRAD	Services
November 2011	401	67	42	115	177
	%	%	%	%	%
Did not need it	82	69	83	81	86
Didn't want to take on additional risk	34	36	33	32	36
Thought it would be too expensive	15	19	11	18	13
Thought they would be rejected	12	13	20	11	9
August 2011	387	72	42	109	164
	%	%	%	%	%
Did not need it	74	75	70	73	76
Didn't want to take on additional risk	31	34	26	37	26
Thought it would be too expensive	14	15	20	13	12
Thought they would be rejected	10	8	24	8	7
February 2011	372	75	36	88	173
	%	%	%	%	%
Did not need it	80	79	80	80	80
Didn't want to take on additional risk	6	9	8	4	7
Thought they would be rejected	5	5	5	7	3
Thought it would be too expensive	2	5	3	2	1
December 2010	392	118	59	102	113
	%	%	%	%	%
Did not need it	88	89	91	88	87
Thought it would be too expensive	5	2	2	3	9
Didn't want to take on additional risk	4	7	0	5	2
Thought they would be rejected	3	2	7	4	2
February 2010	380	109	56	105	110
	%	%	%	%	%
Did not need it	82	82	88	82	80
Didn't want to take on additional risk	8	8	5	10	8
Thought they would be rejected	4	4	2	3	4
Thought it would be too expensive	2	2	1	1	4
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research. * = a figure larger than zero but less than 0.5%					

Table 5g: Reasons for not having applied for finance in the last 6 months^{lxvii} - trends by sector (continued)					
Base = all who have not applied for finance in the last 6 months	All	Primary/ Manu	Construct- ion	TRAD	Services
December 2009	395	101	55	104	135
	%	%	%	%	%
Did not need it	83	88	75	83	85
Thought they would be rejected	6	4	5	11	4
Thought it would be too expensive	4	*	6	6	6
Didn't want to take on additional risk	3	3	3	2	3
December 2008	365	90	43	102	130
	%	%	%	%	%
Did not need it	81	88	92	69	86
Didn't want to take on additional risk	8	6	7	14	4
Thought it would be too expensive	4	5	1	4	4
Thought they would be rejected	2	3	0	3	2
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research. * = a figure larger than zero but less than 0.5%					

Existing bank lending - overdrafts

5.21 In the June 2012 Barometer, 49 per cent of SME employers reported having an overdraft facility at some point in the previous 6 months, a very similar proportion to previous Barometers. Those with overdraft facilities experienced the following changes in the 6 months prior to the June 2012 Barometer.

Table 5h: Changes to terms and conditions on overdrafts in the last 6 months ^{lxviii}													
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb. 2011	Dec. 2010	Feb. 2010	Dec. 2009	Sept 2009	June 2009	Apr, 2011	Feb. 2009	Dec. 2008
Base = All who have had an overdraft facility in the last 6 months	n=242	n=345	n=232	n=249	n=251	n=269	n=271	n=298	n=282	n=300	n=300	n=326	n=310
	%	%	%	%	%	%	%	%	%	%	%	%	%
Bank put up overdraft fees or interest rates	26	22	26	25	23	22	28	23	36	27	30	23	30
Bank required more security	11	14	9	14	12	11	8	13	19	N/A	N/A	N/A	N/A
Bank cancelled existing overdraft facility	3	5	3	2	1	4	2	3	3	4	4	5	1
Bank reduced overdraft limit	2	10	10	9	6	8	8	13	10	9	10	10	8
Bank extended overdraft limit	13	10	11	14	14	17	15	15	18	14	21	17	20
Bank relaxed security requirements	2	2	3	4	1	5	2	*	3	N/A	N/A	N/A	N/A
Bank reduced overdraft fees or interest rates	2	3	2	2	6	4	3	7	10	12	12	14	9
No change	56	58	54	53	51	60	47	48	37	46	44	47	52
Don't know	2	3	3	1	7	1	5	3	5	5	4	6	2

Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers

5.22 In terms of negative experiences reported, in results similar to previous Barometers, 26 percent of SME employers with an overdraft facility said their bank had put up overdraft fees or interest rates in the previous 6 months, 11 per cent said the bank had asked for more security and three per cent said the bank had cancelled their existing overdraft facility. However, just two per cent said that the bank had reduced their overdraft limit, a decrease from the 10 per cent in the February 2012 Barometer.

5.23 Those in the construction industry were more likely than average to say their bank had put up overdraft fees or interest rates (48 per cent compared to 26 per cent overall).

5.24 In terms of positive experiences reported, 13 per cent of SME employers with an overdraft facility said their bank had extended their overdraft limit, two per cent said their bank had reduced overdraft fees or interest rates and two per cent said their bank had relaxed security requirements.

5.25 Those in the construction sector were also more likely than average to say their bank had relaxed its requirements and allowed them to offer less security (seven per cent compared to two per cent overall).

Existing bank lending - loans

5.26 Twenty per cent of SME employers in June 2012 had had a bank loan at any point in the previous 6 months.

5.27 Table 5i below shows whether there were any changes to terms and conditions on bank loans in the six months preceding the June 2012 Barometer:

Table 5i: Changes to terms and conditions on bank loans in the last 6 months ^{lxix}													
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb. 2011	Dec. 2010	Feb. 2010	Dec. 2009	Sept 2009	June 2009	Apr. 2009	Feb. 2009	Dec. 2008
Base = All who have had bank loans in the last 6 months	n=101	n=160	n=106	n=119	n=101	n=116	n=118	n=110	n=109	n=114	n=121	n=129	n=129
	%	%	%	%	%	%	%	%	%	%	%	%	%
Bank renegotiated terms of existing loan less favourably for borrower	7	14	19	8	14	2	4	14	7	11	10	4	4
Interest rates increased on variable loan	7	9	18	11	8	4	13	4	3	17	11	12	12
Bank asked for more security	6	8	13	10	12	1	6	16	8	4	12	7	7
Bank cancelled existing loan	2	2	3	2	5	0	*	2	1	0	*	*	*
Bank renegotiated terms of existing loan more favourably for borrower	3	*	4	4	1	2	2	5	9	1	8	5	5
Interest rates decreased on variable loan	3	5	2	5	8	3	15	15	38	39	38	20	20
Any other changes	1	4	*	*	0	0	2	3	2	4	4	6	6
No changes	84	69	71	74	50	90	65	54	49	42	41	53	53
Don't know	2	7	*	2	8	1	6	9	2	7	4	4	4
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers * = a figure larger than zero but less than 0.5%													

- 5.28 In terms of negative experiences reported, seven per cent of those with an outstanding business bank loan said within the past 6 months their bank had renegotiated the terms of their loan less favourably for them, seven per cent said interest rates has increased on a variable loan, six per cent said the bank had asked for more security and two per cent said the bank had cancelled their existing loan. These proportions are all in line with the February 2012 Barometer.
- 5.29 In terms of positive experiences reported, three per cent said that the bank renegotiated the terms of an existing loan more favourably for them, and three per cent said the interest rates had decreased on their variable loan. These were most likely among those in the construction sector (18 per cent and 17 per cent respectively).
- 5.30 There was a significant increase in the number of employers reporting no changes to the terms and conditions of their existing bank loans (84 per cent compared to 69 per cent in February 2012).
- 5.31 Those in the construction sector were less likely than average not to have experienced any changes (63 per cent compared to 84 per cent overall).

Relationship with bank

- 5.32 Sixty per cent of SME employers in June 2012 reported they have a good relationship with their bank. The proportion reporting they have a *very* good relationship with their bank was 29 per cent; this is broadly in line with the February 2012 Barometer (when 25 per cent reported having a very good relationship).

Table 5j: Relationship with bank ^{xxx}														
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	Feb. 2011	Dec. 2010	SBS 2010	Feb. 2010	Dec. 2009	Sept 2009	June 2009	Apr. 2009	Feb. 2009	Dec. 2008
Base = All SME employees	n=500	n=667	n=500	n=500	n=500	n=500	n=381 7	n=501	n=500	n=501	n=500	n=501	n=503	n=500
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Very good	29	25	27	35	35	32	36	29	30	31	30	33	37	37
Fairly good	31	33	32	29	30	31	28	35	31	31	32	38	30	34
Neither good nor poor	24	24	23	22	19	23	21	23	21	19	19	17	17	19
Fairly poor	8	9	11	6	8	8	9	9	9	11	10	5	10	5
Very poor	6	6	6	6	7	6	5	4	7	7	6	6	5	4
TOTAL GOOD	60	58	59	64	65	63	64	64	61	61	62	71	67	70
TOTAL POOR	14	15	17	13	15	14	14	13	16	18	17	12	15	9
Figures in bold are statistically significant changes at the 95% confidence level between the June and February 2012 Barometers														

- 5.33 Those in the primary / manufacturing sector were more likely to report having a good relationship with their bank (75 per cent compared with 60 per cent overall).

Credit cards

5.34 Fifty-two per cent of SME employers had used credit cards for business purposes in the last 6 months in the June 2012 Barometer, a broadly similar proportion to that seen in previous Barometers. Six per cent had credit cards which they used for borrowing, a decrease from the 10 per cent in February 2012 who had carried over the balance on their business credit card.

Table 5k: Whether use a credit card for business purposes in last 6 months ^{lxxi} – trends by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
Have a business credit card, have carried over balance	6	3	1	10	5
Have a business credit card, have NOT carried over balance	45	61	57	40	41
Do not have business credit card	48	36	42	49	53
February 2012	667	156	72	159	280
	%	%	%	%	%
Have a business credit card, have carried over balance	10	9	11	14	6
Have a business credit card, have NOT carried over balance	47	53	36	43	51
Do not have business credit card	43	38	53	43	41
November 2011	500	82	48	139	231
	%	%	%	%	%
Have a business credit card, have carried over balance	7	2	5	12	4
Have a business credit card, have NOT carried over balance	49	57	64	45	45
Do not have business credit card	43	41	30	42	48
August 2011	500	100	53	145	202
	%	%	%	%	%
Have a business credit card, have carried over balance	7	9	*	11	4
Have a business credit card, have NOT carried over balance	43	54	48	44	38
Do not have business credit card	49	37	52	44	57
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					
* = a figure larger than zero but less than 0.5%					

Table 5k: Whether use a credit card for business purposes in last 6 months ^{lxvii} – trends by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
February 2011	500	99	45	127	229
	%	%	%	%	%
Have a business credit card, have carried over balance	10	9	7	17	7
Have a business credit card, have NOT carried over balance	41	48	39	44	37
Do not have business credit card	45	42	55	36	52
December 2010	500	142	71	139	148
	%	%	%	%	%
Have a business credit card, have carried over balance	4	6	1	2	6
Have a business credit card, have NOT carried over balance	48	49	50	43	50
Do not have business credit card	47	44	46	53	43
April 2009	503	111	61	145	186
	%	%	%	%	%
Have a business credit card, have carried over balance	8	8	9	6	9
Have a business credit card, have NOT carried over balance	48	45	60	32	58
Do not have business credit card	43	47	31	59	31
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					
* = a figure larger than zero but less than 0.5%					

5.35 Credit cards were most common in the primary / manufacturing sector (64 per cent), and least common in the services sector (47 per cent). Those in TRAD were the most likely to carry over balances on credit cards (10 per cent).

6 Business support

External advice

- 6.1 Forty-two per cent of SME employers had sought external advice or information on matters affecting business in the June 2012 Barometer, a figure that was in line with the 2011 Barometers but significantly less than in SBS 2010 when 49 per cent of SME employers had sought advice.

Table 6a: Whether sought external advice or information on matters affecting business^{lxixiii} – by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
YES – ANY	42	36	46	37	46
- any public sector	4	6	0	2	7
- any private sector	27	20	35	27	27
- from both	10	10	7	7	12
NO - NONE	58	63	54	63	52
February 2012	667	156	72	159	280
	%	%	%	%	%
YES – ANY	39	35	37	39	40
- any public sector	3	4	3	6	1
- any private sector	23	18	21	22	26
- from both	12	13	13	12	11
NO - NONE	60	65	63	59	58
November 2011	500	82	48	139	231
	%	%	%	%	%
YES – ANY	40	40	27	36	46
- any public sector	3	4	0	1	5
- any private sector	24	29	23	22	25
- from both	12	6	5	13	14
NO - NONE	60	60	73	63	53
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

Table 6a: Whether sought external advice or information on matters affecting business^{lxxiv} – by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
August 2011	500	100	53	145	202
	%	%	%	%	%
YES – ANY	42	35	42	37	48
- any public sector	3	*	0	3	6
- any private sector	26	17	39	24	25
- from both	13	17	2	10	17
NO - NONE	58	65	58	63	52
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

- 6.2 Fifty per cent of SME employers who had sought advice in June 2012 had sought financial advice. In results similar to the previous three Barometers, 16 per cent of those seeking advice in June 2012 did so about business planning/strategy, 12 per cent sought advice about business growth, and nine per cent about Tax/national insurance law and payments. Just six per cent sought advice about marketing/advertising (in line with February 2012, but a lower proportion than the 13 per cent in the two prior Barometers).

Table 6b: Types of advice sought in the last year^{lxxv}					
	June 2012	Feb. 2012	Nov. 2011	Aug. 2011	SBS (Summer 2010)
Base = all SME employers that sought advice in the last year	n=232	n=335	n=228	n=259	n=2129
	%	%	%	%	%
Financial advice	50	53	38	51	27
Business plan/strategy	16	20	18	18	4
Business growth	12	10	11	11	19
Legal advice	9	12	7	13	2
Tax/national insurance law and payments	9	11	8	12	16
Regulations	8	7	6	6	9
Employment law/redundancies	8	4	7	9	14
Marketing/advertising	6	6	13	13	4
Training/skills needs	6	5	5	7	6
Health and safety	1	4	2	5	6
Pensions	1	*	2	2	1
Government grants	*	*	1	2	2
Figures in bold are statistically significant changes at the 95% confidence level between June and February 2012					

- 6.3 Construction sector employers were more likely than average to have sought financial advice (83 per cent compared with 50 per cent overall), and to have sought advice about

training/skills needs (20 per cent compared with six per cent overall). Those in the services sector were less likely to have sought financial advice (38 per cent).

- 6.4 Eighty-five per cent of those who sought advice in the last 12 months were satisfied with the information they found (with 33 per cent being 'very satisfied' and 51 per cent being 'fairly satisfied').
- 6.5 There were no significant differences in satisfaction between the sector or size groups.
- 6.6 Just three per cent of all SME employers in June 2012 felt that they had had difficulties or important information or advice needs that they had not obtained external advice or support for in the previous 12 months. This proportion did not vary significantly by sector or size.

Table 6c: Whether had difficulties or important information or advice needs that did not get external advice or support for in the last 12 months^{lxvii} – by sector					
Base = all SME employers	All	Primary/ Manu	Construction	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
Yes	3	1	4	3	3
No	97	99	95	97	97
February 2012	667	156	72	159	280
	%	%	%	%	%
Yes	4	1	4	5	4
No	95	98	95	93	96
November 2011	500	82	48	139	231
	%	%	%	%	%
Yes	6	4	6	8	5
No	94	96	94	92	95
August 2011	500	100	53	145	202
	%	%	%	%	%
Yes	7	8	9	4	8
No	93	92	91	96	92
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

- 6.7 The reasons for not having sought advice³ were that SME employers had doubts about the benefit or value of obtaining advice (57 per cent), they did not know where to find the advice (55 per cent), they did not feel that the right type of advice existed (55 per cent), there were concerns over whether the advice could be trusted (51 per cent), they did not have time to use external advice (50 per cent), they felt they had sufficient expertise and resource within their businesses (36 per cent), and the advice was considered to be too expensive (34 per cent).

³ The base size for this question was only 15. Therefore, not too much should be read into the rank order of the reasons for not seeking advice.

Awareness and usage of the businesslink.gov.uk website in the last 12 months

6.8 In total, 83 per cent of SME employers in the June 2012 Barometer were aware of the businesslink.gov.uk website.

6.9 In terms of usage over the past 12 months, this 83 per cent aware of the website splits out into 59 per cent of SME employers being aware of the businesslink.gov.uk website, but not having used it in the last 12 months, and 24 per cent having used it in this period.

Table 6d: Aware of businesslink.gov.uk website / have used in last 12 months ^{lxxvii} – by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
July 2012	500	91	49	123	237
	%	%	%	%	%
AWARE – but have not used in last 12 months	59	64	48	57	63
AWARE - and have used in last 12 months	24	23	21	25	24
- Used since start of November 2011	16	13	6	19	19
- Used in last 12 months but not since the start of November 2011	6	8	12	8	3
TOTAL AWARE	83	87	69	82	87
NOT AWARE	16	13	31	18	11
February 2012	667	156	72	159	280
	%	%	%	%	%
AWARE – but have not used in last 12 months	62	59	56	61	65
AWARE - and have used in last 12 months	28	29	29	30	26
- Used since start of November 2011	12	10	4	14	14
- Used in last 12 months but not since the start of November 2011	16	19	25	16	12
TOTAL AWARE	90	88	85	91	92
NOT AWARE	10	11	15	9	8
November 2011	500	82	48	139	231
	%	%	%	%	%
AWARE – but have not used in last 12 months	53	63	59	47	54
AWARE - and have used in last 12 months	26	16	16	28	31
- Used since start of November 2011	5	3	6	3	8
- Used in last 12 months but not since the start of November 2011	20	13	11	24	21
TOTAL AWARE	79	79	75	75	84
NOT AWARE	21	21	25	25	16
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

6.10 Sixteen per cent of SME employers in June 2012 had used the businesslink.gov.uk website since the start of November 2011, when the website content had been substantially altered.

6.11 Of these businesses, 24 per cent had noticed a change in content and 60 per cent had not noticed a change in content.

Awareness and usage of types of business support

6.12 SME employers were asked whether they were aware of a number of different types of support available to small businesses and, if so, had they ever used any of the types of support.

6.13 The support most SME employers were aware of was the government guaranteed loan (30 per cent). In terms of aware awareness of the other types of support:

- Twenty-eight per cent of SME employers were aware of information on the businesslink.gov.uk website about finance and options available;
- Twenty-four per cent were aware of the new helpline to provide support to users of the businesslink.gov.uk website (an increase on February 2012, when 15 per cent were aware);
- Twenty-three per cent were aware of the national mentoring website 'Mentor SME';
- Nineteen per cent were aware of the recently added 'My New Business' section of the businesslink.gov.uk website;
- Fourteen per cent were aware of the growth and improvement services on the businesslink.gov.uk website;
- Fourteen per cent were aware of UKTI's support for SME exporters;
- Five per cent were aware of The Growth *Accelerator*, which supports high growth potential firms; and
- Five per cent were aware of the Business in You campaign and website.

6.14 The primary/manufacturing sector was more likely than average to be aware of three of the types of support (government guaranteed loans, UKTI support for SME exporters and the Business in You campaign and website).

6.15 There was no difference in awareness by size of business, except that micro-sized SME employers were less likely than average to be aware of government guaranteed loans (28 per cent of micros were aware compared with 40 per cent of small SME employers and 40 per cent of medium SME employers).

6.16 In terms of usage (also displayed in table 6e below - as a proportion of the total sample interviewed), the most used types of support were the finance information on the businesslink.gov.uk website (used by seven per cent of SME employers in the June 2012 Barometer), UKTI's support in relation to SME exporters (used by four per cent of SME employers), the national mentoring website 'mentor SME' (used by three per cent of SME employers), and government guaranteed loans (used by two per cent of SME employers).

Table 6e: Types of support or advice aware of / used ^{lxviii} - by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
Government guaranteed loan					
- Aware of	30	40	37	29	25
- Ever used	2	3	2	2	2
Information on Businesslink.gov.uk website about finance and options available					
- Aware of	28	31	23	30	26
- Ever used	7	14	6	7	6
New comprehensive start-up service 'My New Business' on the Businesslink.gov.uk website					
- Aware of	19	20	30	12	20
- Ever used	1	-	4	1	*
Business Link telephone helpline					
- Aware of	24	28	19	26	22
- Ever used	1	*	4	1	1
National mentoring website 'mentor SME'					
- Aware of	23	30	20	21	22
- Ever used	3	8	9	-	2
New growth and improvement services offered on businesslink.gov.uk					
- Aware of	14	17	23	11	13
- Ever used	1	3	4	*	1
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure larger than zero but less than 0.5%					

Table 6e: Types of support or advice aware of / used ^{lxxix} - by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
UKTI support for SME exporters					
- Aware of	14	22	1	13	17
- Ever used	4	9	-	3	4
Business in You campaign and website					
- Aware of	5	11	9	4	3
- Ever used	*	-	-	-	1
The GrowthAccelerator (previously Business Coaching for Growth)					
- Aware of	5	4	4	4	7
- Ever used	1	3	-	-	1
None of the above	40	32	46	35	45
February 2012	667	156	72	159	280
	%	%	%	%	%
Government guaranteed loan					
- Aware of	32	24	15	31	40
- Ever used	3	1	*	5	2
Information on Businesslink.gov.uk website about finance and options available					
- Aware of	24	20	19	22	28
- Ever used	5	5	8	4	5
New comprehensive start-up service 'My New Business' on the Businesslink.gov.uk website					
- Aware of	15	10	11	15	19
- Ever used	*	*	-	-	*
Business Link telephone helpline					
- Aware of	15	12	16	11	19
- Ever used	1	1	1	1	1
National mentoring website 'mentor SME'					
- Aware of	17	12	13	15	20
- Ever used	1	*	-	1	2
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure larger than zero but less than 0.5%					

Table 6e: Types of support or advice aware of / used ^{lxxx} - by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
New growth and improvement services offered on businesslink.gov.uk					
- Aware of	9	8	7	8	10
- Ever used	1	*	1	2	*
UKTI support for SME exporters					
- Aware of	10	11	4	9	12
- Ever used	2	6	*	2	2
Business coaching for growth (new for Feb)					
- Aware of	10	9	9	11	9
- Ever used	1	3	-	3	*
None of the above	39	51	61	36	31
Business in You campaign and website (new for Feb)					
- Aware of	2	1	3	1	3
- Ever used	*	*	-	-	-
November 2011	500	82	48	139	231
	%	%	%	%	%
Government guaranteed loan					
- Aware of	28	30	18	24	34
- Ever used	2	3	1	1	2
Information on Businesslink.gov.uk website about finance and options available					
- Aware of	23	15	7	25	29
- Ever used	3	5	6	3	3
New comprehensive start-up service 'My New Business' on the Businesslink.gov.uk website					
- Aware of	18	7	6	18	25
- Ever used	1	-	5	*	*
Business Link telephone helpline					
- Aware of	15	9	2	15	21
- Ever used	2	5	-	*	3
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure larger than zero but less than 0.5%					

Table 6e: Types of support or advice aware of / used^{lxxxix} - by sector (continued)					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
National mentoring website 'mentor SME'					
- Aware of	13	11	1	12	18
- Ever used	1	-	-	-	3
New growth and improvement services offered on businesslink.gov.uk					
- Aware of	9	1	6	10	12
- Ever used	1	-	1	-	1
UKTI support for SME exporters					
- Aware of	8	7	1	12	8
- Ever used	3	2	1	4	3
None of the above	47	49	72	46	39
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure larger than zero but less than 0.5%					

6.17 The 33 per cent of SME employers who were aware of government guaranteed loans were prompted about awareness of three types of loans: 40 per cent were aware of the Small Firms Loan Guarantee, 33 per cent were aware of the National loan Guarantee scheme, and 23 per cent were aware of the Enterprise Finance Guarantee. A further three per cent said they were aware of a type of a government guaranteed loan other than the ones above, and 35 per cent could not name the specific type of government guaranteed loan they were aware of.

Table 6f: Whether support in form of a Government guaranteed loan was in any of the following programmes^{lxxxix} - by sector					
Base = all aware of support in form of Government guaranteed loan	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	166	37	20	40	69
	%	%	%	%	%
SFLG – Small firms loan Guarantee	40	37	17	44	49
The National loan Guarantee scheme	33	45	16	38	30
EFG – Enterprise Finance Guarantee	23	25	18	26	20
Other	3	2	0	1	5
Unsure / can't remember	35	36	55	28	31
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

6.18 SME employers who were aware of any types of support were asked how they came to be aware of it.

6.19 The most common route to becoming aware of support was through the businesslink.gov.uk website (35 per cent).

6.20 Thirty-two per cent became aware of support available through local or national newspapers and 30 per cent became aware of support through business membership organisations and trade bodies.

Table 6g: How made aware of new / altered support^{xxxiii} – by sector					
Base = All who are aware of any types of government support	All	Primary / Manu	Construction	TRAD	Services
June 2012	315	64	34	80	137
	%	%	%	%	%
The Businesslink.gov.uk website	35	43	32	37	32
Local or national newspapers	32	34	33	28	35
Business membership organisations and trade bodies	30	30	11	28	38
An Accountant	20	28	4	25	17
Other websites for business users	28	38	20	23	30
A customer, supplier or other business contact	11	14	5	6	16
An online professional network (such as LinkedIn)	11	9	10	5	18
Enterprise agencies	9	5	4	6	15
Training providers	9	9	12	6	10
Your bank	9	14	12	12	3
Any other public sector sources of advice or support	8	8	1	5	14
Other	5	5	1	3	9
A solicitor/lawyer	2	8	1	1	-
Television	1	*	-	-	2
No - have not been directed to support or advice for businesses in the last 12 months	4	-	16	5	1
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure which is more than 0%, but less than 0.5%					

Table 6g: How made aware of new / altered support^{bxxxiv} – by sector (continued)					
Base = All who are aware of any types of government support	All	Primary / Manu	Construction	TRAD	Services
February 2012	381	88	35	91	167
	%	%	%	%	%
The Businesslink.gov.uk website	34	20	49	31	36
Local or national newspapers	28	28	18	33	26
Business membership organisations and trade bodies	24	26	15	29	22
An Accountant	16	11	15	15	19
Other websites for business users	11	11	4	7	15
A customer, supplier or other business contact	11	7	10	8	14
An online professional network (such as LinkedIn)	9	2	3	5	14
Enterprise agencies	6	7	4	6	7
Training providers	7	8	5	3	11
Your bank	6	4	12	7	5
Any other public sector sources of advice or support	5	8	9	1	7
Other	4	5	10	7	1
A solicitor/lawyer	3	-	2	3	3
Television	3	9	3	6	-
No - have not been directed to support or advice for businesses in the last 12 months	5	10	2	10	1
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure which is more than 0%, but less than 0.5%					

Table 6g: How made aware of new / altered support^{lxxxv} – by sector (continued)					
Base = All who are aware of any types of government support	All	Primary / Manu	Construc- tion	TRAD	Services
November 2011	280	46	18	79	137
	%	%	%	%	%
The Businesslink.gov.uk website	33	24	35	32	36
Local or national newspapers	30	30	18	31	30
Business membership organisations and trade bodies	30	29	43	24	33
An Accountant	22	10	40	22	22
Other websites for business users	20	13	22	21	21
A customer, supplier or other business contact	15	15	2	15	16
An online professional network (such as LinkedIn)	14	9	18	8	19
Enterprise agencies	8	14	-	6	8
Any other public sector sources of advice or support	8	7	1	3	12
Training providers	7	4	21	4	9
Your bank	6	7	2	4	7
A solicitor/lawyer	5	*	18	5	5
Television	4	10	-	2	3
Other	5	9	-	5	3
No - have not been directed to / provided information on where to find support or advice for businesses in the last 12 months	8	2	16	14	5
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research * = a figure which is more than 0%, but less than 0.5%					

Business mentors

6.21 Ten per cent of SME employers in June 2012 had used a business mentor in the previous 12 months (described as ‘somebody with business experience who supports you through the development and running of your business on a continuous basis’). This proportion was significantly higher in the construction sector (19 per cent), and small employers were more likely than average to have used a mentor (with 16 per cent of those interviewed having done so).

Table 6h: Used a business mentor ^{lxxxvi} – Trends by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
June 2012 - Yes	10	5	19	9	11
February 2012	667	156	72	159	280
	%	%	%	%	%
February 2012 - Yes	12	7	16	5	17
November 2011	500	82	48	139	231
	%	%	%	%	%
November 2011 - Yes	12	13	20	6	14
August 2011	500	100	53	145	202
	%	%	%	%	%
August 2011 - Yes	16	18	20	8	19
SBS 2011	3817	591	315	1157	1754
	%	%	%	%	%
SBS 2010 - Yes	11	10	10	8	15
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

6.22 Of those that had used mentors, 42 per cent had used a specialist business mentor, 31 per cent had used somebody who provides other services to businesses such as an accountant or lawyer, 15 per cent had used a friend or peer, and five per cent had used somebody with a commercial interest in their business such as an investor.

6.23 Of those that had used mentors, 76 per cent interacted with them primarily face to face, 18 per cent by telephone and four per cent by email.

6.24 Those using a business mentor were asked whether it had helped them in a number of areas, the results of which are shown in table 6i below.

Those using a mentor were most likely to say that it had helped them to develop business plans and strategy (77 per cent).

Table 6i: Areas in which businesses have been helped by using a mentor^{lxxxvii} – by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	65	9	7	13	36
	%	%	%	%	%
Developing business plans and strategy	77	80	55	67	96
Enhancing leadership and management skills	57	40	53	33	78
Increasing sales or profits	43	56	28	19	64
Developing new products or processes	29	55	-	24	42
People management such as recruitment	28	20	25	5	46
Obtaining finance	20	16	-	50	12
February 2012	97	15	11	10	61
	%	%	%	%	%
Developing business plans and strategy	84	48	71	100	88
Increasing sales or profits	51	92	49	43	48
Enhancing leadership and management skills	41	30	33	17	50
Developing new products or processes	37	8	51	41	36
People management such as recruitment	22	10	43	16	19
Obtaining finance	30	32	3	67	29
November 2011	73	14	9	12	38
	%	%	%	%	%
Developing business plans and strategy	72	60	52	57	90
Enhancing leadership and management skills	59	73	49	15	73
Increasing sales or profits	52	29	48	46	62
Developing new products or processes	41	23	51	7	54
People management such as recruitment	37	29	26	12	53
Obtaining finance	32	27	3	46	42
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

6.25 Seven per cent of those who had not used a business mentor had considered taking one on, whereas 93 per cent had not.

6.26 Of those that had considered using a mentor but not actually done so⁴, 43 per cent had been unable to identify a suitable person, 30 per cent had found a mentor but had decided not to use them, and 17 per cent were still in the process of deciding.

6.27 Eleven per cent of SME employers were currently acting as mentors, and a further four per cent were considering becoming one.

Table 6j: Whether acting as a business mentor/considering becoming one^{lxxxviii} – by sector					
Base = all SME employers	All	Primary/ Manu	Construct- ion	TRAD	Services
June 2012	500	91	49	123	237
	%	%	%	%	%
Yes – currently acting as one	11	6	10	4	18
Considering becoming one	4	2	4	5	4
Neither of these	84	92	86	89	77
February 2012	667	156	72	159	280
	%	%	%	%	%
Yes – currently acting as one	9	12	4	7	12
Considering becoming one	5	4	*	7	4
Neither of these	86	85	95	85	83
November 2011	500	82	48	139	231
	%	%	%	%	%
Yes – currently acting as one	9	8	5	7	11
Considering becoming one	7	13	5	5	7
Neither of these	83	79	90	87	79
August 2011	500	100	53	145	202
	%	%	%	%	%
Yes – currently acting as one	9	6	9	7	10
Considering becoming one	4	6	0	2	6
Neither of these	87	88	91	90	83
Figures in bold are statistically significant at the 95% confidence level against the overall finding for that wave of research					

6.28 Those who had become a mentor were asked about the potential benefits that it had brought to them. Sixty-one per cent of those acting as a mentor agreed that it had enhanced their leadership and management skills and 51 per cent agreed that it had increased sales or profit due to having the chance to reflect on their own business strategy.

⁴ 31 SMEs were asked this question – therefore the results should be treated as indicative only.

7 Technical Appendix

7.1 A sample of SME employers was drawn from those who had taken part in the 2010 SBS survey and who were willing to be re-contacted.

- Those that had been interviewed in the SBS women-led and MEG-led boost recalls, and those that had refused to take part, could not be interviewed⁵, or did not want to take part in future research in the December 2010, February 2011, August 2011, November 2011 or February 2012 Business Barometers were excluded.
- Only those with employees were sampled
- Those who had applied for finance in the 12 months preceding the 2010 SBS interview were over-sampled
- Larger SMEs were oversampled (10-49 employees, 50-249 employees)

7.2 Quotas were imposed on size of business (according to number of employees), broad sector (primary/manufacturing; construction; transport, retail and distribution; services), and whether finance had been sought in the SBS. The data were weighted at the analysis stage to correct any sampling bias and make the survey representative of all SME employers (based on 2009 SME statistics, published by BIS).

	Unweighted		Weighted	
	n=	%	n=	%
1-9 employees	227	45	420	84
10-49 employees	182	36	69	14
50-249 employees	91	18	11	2
Primary/manufacturing	91	18	69	14
Construction	49	10	62	13
Transport, retail and distribution	123	25	166	33
Services	237	47	204	41
Sought finance in the previous 12 months (in SBS 2010)	141	28	131	26
Did not	359	72	369	74
Total	500	100	500	100

⁵ E.g. because business had closed, moved or dead line encountered.

- 7.3 500 interviews were conducted between 18th June and 29th June 2012 using Computer Assisted Telephone Interviewing (CATI).
- 7.4 Figures reported on in this report are statistically significant at the 95 per cent confidence limit, unless stated otherwise. No design factor has been applied to the calculations. Where a change occurs for figures based on sample sizes of less than 10 respondents, this is not reported as significant.

Endnotes

ⁱ This depends on the percentage where the finding is at. A change of 3.7 per cent is required for findings around 10 or 90 per cent; a change of 5.7 per cent for findings around 30 or 70 per cent; and a change of 6.2 per cent for findings around 50 per cent. Throughout the report, changes are described as statistically significant or not. Significance testing has been done at the 95% confidence level.

Where a change occurs for figures based on sample sizes of less than 10 respondents, this is not reported as significant.

ⁱⁱ A1/A3. How many employees does your business currently employ across all sites, excluding owners and partners?/How many people did the business employ 12 months ago across all sites (still excluding owners and partners)?

ⁱⁱⁱ A1/A3. How many employees does your business currently employ across all sites, excluding owners and partners?/How many people did the business employ 12 months ago across all sites (still excluding owners and partners)?

^{iv} A1/A3. How many employees does your business currently employ across all sites, excluding owners and partners?/How many people did the business employ 12 months ago across all sites (still excluding owners and partners)?

^v A7. Have you recruited any new employees in the past 12 months?

^{vi} A7. Have you recruited any new employees in the past 12 months?

^{vii} A1/A5: How many employees does your business currently employ across all sites, excluding owners and partners?/How many people do you expect the business to employ in 12 months time (excluding owners and partners)?

^{viii} A1/A5: How many employees does your business currently employ across all sites, excluding owners and partners?/How many people do you expect the business to employ in 12 months time (excluding owners and partners)?

^{ix} A1/A5: How many employees does your business currently employ across all sites, excluding owners and partners?/How many people do you expect the business to employ in 12 months time (excluding owners and partners)?

^x A8/Q9: Can you please tell me the approximate turnover of your business in the past 12 months?/Compared with the previous 12 months, has your turnover in the past 12 months increased, decreased or stayed roughly the same?

^{xi} A8/Q9: Can you please tell me the approximate turnover of your business in the past 12 months?/Compared with the previous 12 months, has your turnover in the past 12 months increased, decreased or stayed roughly the same?

^{xii} A8/Q9: Can you please tell me the approximate turnover of your business in the past 12 months?/Compared with the previous 12 months, has your turnover in the past 12 months increased, decreased or stayed roughly the same?

^{xiii} A15: Taking into account all sources of income in the last 12 months, did you generate a profit or surplus?

^{xiv} A15: Taking into account all sources of income in the last 12 months, did you generate a profit or surplus?

^{xv} A12: In the next 12 months do you expect your turnover to increase, decrease or stay roughly the same?

^{xvi} A12: In the next 12 months do you expect your turnover to increase, decrease or stay roughly the same?

^{xvii} A12: In the next 12 months do you expect your turnover to increase, decrease or stay roughly the same?

^{xviii} A16b: Do you expect to make a profit in the next 12 months?

^{xix} A17: Over the next two to three years, do you aim to grow your business?

-
- xx A17: Over the next two to three years, do you aim to grow your business?
- xxi B2b: In the last 6 months, have you made any changes to your plans for growing your business?
- xxii B2b: In the last 6 months, have you made any changes to your plans for growing your business?
- xxiii A18: Do you expect to fund your business growth using internal finance or from external finance providers?
- xxiv A18b: Which of these types of investment, if any, are you planning to do in the next 12 months?
- xxv A18b: Which of these types of investment, if any, are you planning to do in the next 12 months?
- xxvi B1: In the last 6 months, have you made any changes to your long term planned investment levels as a direct result of recent economic conditions?
- xxvii B1: In the last 6 months, have you made any changes to your long term planned investment levels as a direct result of recent economic conditions?
- xxviii A22: Does your business currently sell goods or services or licence your product outside of the UK?
- xxix A22: Does your business currently sell goods or services or licence your product outside of the UK?
- xxx B3: In the last 6 months has your level of exports changed as a direct result of recent economic conditions? Have your exports...?
- xxxi A24a: What are the barriers that prevent your business exporting?
- xxxii B7: Which is the biggest obstacle to the success of your business?
- xxxiii B7: Which is the biggest obstacle to the success of your business?
- xxxiv B7: Which is the biggest obstacle to the success of your business?
- xxxv B7: Which is the biggest obstacle to the success of your business?
- xxxvi B7: Is the economy the main barrier to the success of your business for any of the following reasons?
- xxxvii B8: What do you consider to be the causes of this cash flow difficulty?
- xxxviii B8: What do you consider to be the causes of this cash flow difficulty?
- xxxix E1/E1a: Which of these are your direct customers?/Have you actually done any work for government departments or other public sector bodies in the last six months?
- xi E1/E1a: Which of these are your direct customers?/Have you actually done any work for government departments or other public sector bodies in the last six months?
- xii E1c: In the last 6 months have you noticed any change in the speed in which you've been paid by government departments or other public sector bodies?
- xiii E1c: In the last 6 months have you noticed any change in the speed in which you've been paid by government departments or other public sector bodies?
- xiiii E1c: In the last 6 months have you noticed any change in the speed in which you've been paid by government departments or other public sector bodies?

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- ^{xliiv} E1c: In the last 6 months have you noticed any change in the speed in which you've been paid by government departments or other public sector bodies?
- ^{xliv} E1c2: In the last six months how long, on average, would you say that it takes to get an invoice paid by your main public sector client? Allowing time for them to receive the invoice, would you say that it takes them.....
- ^{xlvi} E1c2: In the last six months how long, on average, would you say that it takes to get an invoice paid by your main public sector client? Allowing time for them to receive the invoice, would you say that it takes them.....
- ^{xlvii} E1c2: In the last six months how long, on average, would you say that it takes to get an invoice paid by your main public sector client? Allowing time for them to receive the invoice, would you say that it takes them.....
- ^{xlviii} E12: To what extent do you agree or disagree with the statement "In 12 months time I am confident that my business will still be trading."?
- ^{xliv} E12: To what extent do you agree or disagree with the statement "In 12 months time I am confident that my business will still be trading."?
- ⁱ E12: To what extent do you agree or disagree with the statement "In 12 months time I am confident that my business will still be trading."?
- ^{li} E10: Do you anticipate the closure or full transfer of the ownership of your business in the next 12 months?
- ^{lii} A19: I'd now like you to think about innovation within your business i.e. new products and services. Have you introduced new or significantly improved products or services in the past 12 months?/A20: Have you introduced new or significantly improved processes in the last 12 months?
- ^{liii} A19: I'd now like you to think about innovation within your business i.e. new products and services. Have you introduced new or significantly improved products or services in the past 12 months?/A20: Have you introduced new or significantly improved processes in the last 12 months?
- ^{liv} A21: Over the past 12 months, has your business funded or arranged any training and development for staff in the organisation, including any informal on the job training?
- ^{lv} D7: Have you tried to obtain finance for your business in the past 6 months?
- ^{lvi} D8: What did you try to obtain finance for?
- ^{lvii} D9: What type of finance did you seek? Please include all types of finance including where you failed to obtain it if applicable
- ^{lviii} D9: What type of finance did you seek? Please include all types of finance including where you failed to obtain it if applicable
- ^{lix} D9: What type of finance did you seek? Please include all types of finance including where you failed to obtain it if applicable
- ^{lx} D9a: Before you applied for finance how confident were you that you would be successful?
- ^{lxi} D9a: Before you applied for finance how confident were you that you would be successful?
- ^{lxii} D9b: And before you applied for finance, did you take any of the following steps to try and ensure you were successful in obtaining finance?
- ^{lxiii} D9b: And before you applied for finance, did you take any of the following steps to try and ensure you were successful in obtaining finance?
- ^{lxiv} D10: Did you have any difficulties obtaining this finance from the first source you approached?

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- lxv D16: Why have you not applied for finance in the last 6 months?
- lxvi D16: Why have you not applied for finance in the last 6 months?
- lxvii D16: Why have you not applied for finance in the last 6 months?
- lxviii D2: Have you experienced any of the following changes to the terms and conditions for business bank overdraft in the last 6 months?
- lxix D5: Have you experienced any of the following changes to the terms and conditions of your existing business bank loan over the last 6 months?
- lxx D1b: How would you describe your business's relationship with its bank? Please answer on a scale of 1 to 5, where one signifies the relationship is very poor and 5 that it is very good.
- lxxi D5a: Do you use a credit card for business purposes? IF YES: In the last 6 months have you tended to carry an outstanding balance over from one month to another on any of these cards?
- lxxii D5a: Do you use a credit card for business purposes? IF YES: In the last 6 months have you tended to carry an outstanding balance over from one month to another on any of these cards?
- lxxiii C4bi: In the last 12 months have you sought external advice or information on matters affecting your business?/C4bii: Was the advice that you sought from the public or private sector, or both?
- lxxiv C4bi: In the last 12 months have you sought external advice or information on matters affecting your business?/C4bii: Was the advice that you sought from the public or private sector, or both?
- lxxv C4biii: What did you seek advice about in the last year?
- lxxvi C21: Have you had any difficulties, or important information or advice needs that you did not get external advice or support for in the last 12 months?/C22: Which of the following, if any, were reasons why you did not seek information or assistance for these difficulties or needs?
- lxxvii C4bv Are you aware of the Businesslink.gov.uk website? And if so have you used it for any purpose in the last 12 months?/ C4bvi Have you used the Businesslink.gov.uk website since the start of November 2011?
- lxxviii C4bix Which, if any, of the following types of support or advice are you aware of?/ C4bx Which, if any, of the following types of support or advice have you used in the last 12 months?
- lxxix C4bix Which, if any, of the following types of support or advice are you aware of?/ C4bx Which, if any, of the following types of support or advice have you used in the last 12 months?
- lxxx C4bix Which, if any, of the following types of support or advice are you aware of?/ C4bx Which, if any, of the following types of support or advice have you used in the last 12 months?
- lxxxi C4bix Which, if any, of the following types of support or advice are you aware of?/ C4bx Which, if any, of the following types of support or advice have you used in the last 12 months?
- lxxxii C22a: Earlier you said that you were aware of support in the form of a Government guaranteed loan, was this in any of the following programmes?
- lxxxiii C4bxi: Can you tell me whether you were made aware of this new or altered support through any of the following...?
- lxxxiv C4bxi: Can you tell me whether you were made aware of this new or altered support through any of the following...?

^{lxxxv} C4bxi: Can you tell me whether you were made aware of this new or altered support through any of the following...?

^{lxxxvi} C23: In the last 12 months have you used a business mentor – that is somebody with business expertise who supports you through the development and running of your business on a continuous basis?

^{lxxxvii} C25a: Has business mentoring helped your business in any of the following areas...?

^{lxxxviii} C27: Are you currently acting as or considering becoming a business mentor for another business owner or entrepreneur?