

Research Report



Greater Manchester Business Survey 2014 – Greater Manchester data.

Prepared for: The Business Growth Hub and New Economy

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1 Executive summary

1.1 Background and objectives

The aims of the project were to deliver a Greater Manchester (GM) wide business survey that provided data on current and future economic performance and to identify the opportunities and barriers to growth across a range of themes including existing and potential support services, trade and internationalisation, barriers to enterprise and innovation and employment and skills.

Key partners for this project included Manchester Business Growth Hub, Manchester City Council, Oldham Council, Rochdale Metropolitan Borough Council and Salford City Council and the survey was also part funded by the Regional Growth Fund and City Deal.

1.2 Methodology

2,161 telephone interviews were undertaken with businesses across Greater Manchester. The survey sample was restricted to private sector businesses and voluntary/non profit-making organisations with at least one employee. Survey responses were establishment based, i.e. they were based on activities and practices at that site only.

Quotas were set by size (number of employees) and sector. The target number of interviews with medium/large employers (50+ employees) was over-sampled to ensure robust data within this group. The majority of contacts were provided by the client and were an extract of records from the Fame and Mint databases.

Fieldwork took place from November 2014 to January 2015. Interviews were conducted with the most senior person in day to day control of the business at that site.

Once interviewing was complete, the data was weighted by size and sector within each district (or grouped set of districts where appropriate) to ensure that it was representative of the local business population.

1.3 Profile of Greater Manchester businesses surveyed

Key profile of Greater Manchester employers taking part in the survey:

- The main sectors are wholesale/retail (18%) and professional services (15%)
- 78% of businesses have 1 to 10 employees
- 92% are private businesses
- 40% of businesses have been trading for over 20 years and 21% for between 11 and 20 years
- 71% of businesses are single site; 20% are branches/subsidiaries and 9% a head office

1.4 Business growth

1.4.1 Change in employment and turnover in the last 12 months

More employers in Greater Manchester reported an increase in the number of staff in the last 12 months compared to the previous survey (from 22% in 2013 to 26% in 2014). 62% of employers reported no change in their staff numbers, while 11% reported a decrease.

On average, businesses reported a 26% increase in the number of staff employed, while the average decrease was 30%, identical proportions to 12 months ago.

43% of employers in Greater Manchester reported an increase in turnover in the last 12 months, compared with 35% in 2013. There has been a reduction in the proportion citing a decrease in turnover since 2013 (18%, compared with 23%).

On average, employers reported an increase of 23% in turnover, with a similar average reduction reported by those reporting a decrease (24%).

1.4.2 Anticipated change in employment and turnover in next 12 months

Three in ten employers in Greater Manchester (30%) anticipate an increase in the number of staff in the next year and this suggests a more optimistic outlook than at the same time last year (when 25% anticipated an increase). The average increase is expected to be by 26% of the current workforce size. 24% anticipate a decrease in employment in the next 12 months.

Over half of all employers in Greater Manchester (53%) anticipate increasing their turnover in the next 12 months, with the average level of anticipated increase equivalent to 20%. This suggests a slightly greater optimism compared with 2013 (50% anticipating an increase then).

Just 7% of employers anticipate a decrease in turnover in the next year, with the average level of anticipated decrease to be 24%.

1.4.3 Growing the business

Around half of Greater Manchester employers highlight the products and services their company provides (47%) and their workforce and skills (44%) as the main drivers of growth. The main barriers to growth are access to markets/sales opportunities (24%), a lack of staff or skills (24%) and the need for finance (22%).

Around one in seven employers in Greater Manchester (15%) had sought finance for their business in the last 12 months, the same proportion as twelve months ago. The mean amount of finance sought was £1,940,000, which compares with a much lower figure (£392,000) in 2013. However, this average appears to be somewhat skewed by one deal worth over £10m. Finance was most commonly sought to use for financing business growth (25%), followed by to use for working capital/cashflow (24%) or capital equipment/vehicles (20%).

Over a third that sought finance (34%) reported experiencing difficulties with arranging it. This is a lower proportion than that reported in 2013 (40%). The most significant issue was that finance providers were not lending (26%).

Some two thirds of businesses are experiencing upward cost pressures, the most significant being energy prices (40%) and staff costs (35%).

In terms of methods of accessing finance, 42% of businesses utilised internal capital to start a business and the same proportion used banks to support business growth. However, friends and family were also particularly important when seeking finance to start up a business (23%). These observations run counter to the popular myth that bank loans are the main source of finance when starting a business, but do become more important when the business has a track record.

1.5 Recruitment and skills

1.5.1 Staff training activity

Almost two thirds of Greater Manchester employers (64%) have provided internal training in the last 12 months (71% in 2013) and 46% have provided external training (39% in 2013).

Overall, 77% of employers in Greater Manchester have provided some training in 2014, a little lower than the level (79%) in 2013.

1.5.2 Current opportunities for other employees

A quarter of employers (25%) provide unpaid work experience placements/internships and 17% paid work experience placements. 41% provide neither of these opportunities.

One in five Greater Manchester employers (20%) currently employs apprentices, irrespective of age group (16% in 2013). Employers are more likely to employ younger apprentices than those aged 25 or older:

- 10% employ apprentices aged 16 to 18
- 12% employ apprentices aged 19 to 24
- 4% employ apprentices aged 25 or older

Among all employers, 27% each consider that they are likely to employ 16 to 18 year old apprentices, 29% apprentices aged 19 to 24 and 29% apprentices aged 25 or older in the future.

1.5.3 Recruitment

In terms of how employers in Greater Manchester recruit, word of mouth is the most popular (30%) while slightly fewer use the Jobcentre or Universal Jobmatch online (24%).

Some 9% of Manchester employers had any hard-to-fill vacancies at the time of interviewing, up from 6% in 2013. They are most likely to have experienced recruitment difficulties for professional occupations (20% of those with difficulties, associate professional (20%) and skilled trades (20%).

The main causes of hard to fill vacancies centre on a low number of applicants with the required skills/qualifications (43% of those experiencing hard to fill vacancies). Other reasons cited include a lack of work experience (19%), not enough people interested

in doing the type of job (18%), a low number of applicants with the required work ethic and poor working conditions (7%).

1.6 Local area and community

1.6.1 Satisfaction with local area

Overall, more than six in ten businesses (62%) are satisfied with the local area as a place to do business, with 21% very satisfied. Just one in ten (10%) are dissatisfied.

When asked to rate a range of aspects of their local area, Greater Manchester employers were particularly positive about road transport access, access to public transport and the quality of their premises. They were least positive about business rate costs. A comparison of satisfaction levels in 2014 with those in 2013, show that aspects of the local area rated most positively (scoring 4-5) included:

- Access to public transport (71%; 66% in 2013)
- Road transport access (69%; 69% in 2013)
- Quality of premises (67%; 55% in 2013)

Less than half of Greater Manchester employers (45%) reported having experienced at least one incident of major business disruption in the last 12 months. Transport and congestion was the most commonly cited factor (20% of all businesses).

The majority of employers (63%) have plans in place to ensure that key functions continue in the event of serious disruptions (i.e. a Business Continuity Plan). In more than half of these cases (39% of all) these plans have been tested.

1.6.2 Potential relocation

13% of employers are currently considering relocation. This proportion is slightly up on that reported in 2013 (11%). The main reason given is the fact that their current premises are too small (34% of those considering relocation). Just over one in ten cite the cost of current premises (13%).

The majority of employers seeking to relocate (54%) intend to relocate within their current local authority area if at all possible. One in ten employers (10%) are considering relocating outside of Greater Manchester.

1.6.3 Support for the local economy and community

85% of Greater Manchester employers reported that their business currently actively reduces company waste (88% in 2013) and 66% that it actively tries to improve its energy efficiency (87% in 2013), while 61% currently consider the environmental impact of their buying decisions (65% in 2013). 73% consider themselves to be a living wage employer, a new question added in 2014.

1.7 Business support

1.7.1 Use of business support and advice in the last 12 months

54% of employers in Greater Manchester have used any of a range of professional support and advice organisations in the last 12 months.

Accountants/solicitors were most frequently used business services (24%) in the last 12 months, with 14% using banks, 11% local authorities and 10% the Greater Manchester Chamber of Commerce. The same support organisations were popular among those starting up their business.

Among those businesses which have not used the Business Growth Hub for support, 26% are aware of the Hub and the services it offers. This indicates that in total, 31% of businesses know of the Business Growth Hub and 6% (21% of those aware of the Hub) have used their services.

With regards to specific areas of support in the last 12 months, firms were most likely to have sought advice and support for workforce skills and training (25%), increasing sales through marketing (24%), business networking (21%) and using broadband/digital technology (20%). In terms of likely usage in the next 12 months, employers said that they wanted to advice on workforce skills and training (25%) and 24% increasing sales through marketing.

Just 8% of those that have used support or advice had difficulties obtaining it. This compares with 6% in 2013. The two main problems experienced were difficulties in finding out where to obtain support and advice (74% of those experiencing problems) and difficulty in determining the support and advice required (48%).

1.7.2 Business mentoring

13% of Greater Manchester employers had used a business mentor in the last 12 months up on 10% in 2013.

Business mentors were most likely to have helped in terms of developing business plans and strategy (36%).

Only a very small minority of respondents are currently acting as a mentor (4%), although 6% are considering becoming one.

1.8 Export, trade and connectivity

1.8.1 Relationships with international markets

One in five Greater Manchester employers (19%) has current dealings with international markets, an identical proportion to 12 months ago. Just 5% of employers have plans to deal with international markets in the future (4% in 2013).

Almost six in ten of employers with international dealings export (58%) and just over four in ten (42%) import. Just under four in ten also have other business relations (38%).

Links are most prevalent with Europe-based markets (78% of those who export do so to this area, 81% of those who import), while around at least four in ten have dealings with China (39% and 50%) and North America (46% and 37%).

Whilst the main route to overseas markets is direct selling (70%), some 37% of those exporting/importing have overseas agents.

Regulations appear to be the main barrier to overseas business (19%), followed by political risk (16%) and language and cultural barriers (15%). Nevertheless, some 57% of businesses claim that there are no barriers and only one company pointed to

currency fluctuations, despite this having been a period of major instability for a number of currencies against Sterling.

1.8.2 Interest in emerging economies

Around one in seven businesses in Greater Manchester (16%) have an interest in developing business links with emerging economies. This compares with a 15% with an interest in the BRICs (Brazil, Russian, India and China) economies in 2013.

Some 8% of businesses in Greater Manchester have links with China, 5% India, 4% Brazil and Russia. Other emerging countries where there appears to be some significant interest include Mexico, Nigeria, Indonesia and Thailand.

1.9 Innovation and technology

1.9.1 Innovation activities undertaken or planned

Just over a quarter of businesses (27%) intend to launch a new product or service in the next 12 months. Furthermore, two thirds (66%) have engaged in innovation activities in the last 3 years. This compares with a high 74% in 2013.

These activities are most likely to have included investing in new machinery/plant/ICT equipment/software (48%: 57% in 2013) and training which support the development or introduction of new products, services or business and process improvement (35%; 49% in 2013).

A similar proportion of Greater Manchester employers (65%) plan to undertake innovation activities in the next 3 years (76% in 2012). The main planned innovation activities reported reflect those that are already been undertaken.

More than four in ten of all Greater Manchester employers (42%) have experienced some constraints on innovation (43% in 2013). Lack of finance was the most frequently mentioned (19%), followed by a lack of time (17%).

1.9.2 Digital technologies

More than a quarter of employers overall (27%) have considered getting a faster or more reliable connection to the internet (28% in 2013). Around half of these employers (13% of all employers) are currently organising a faster connection.

Around a third of Greater Manchester employers (34%) report some barriers to adopting digital technologies that would improve their business (including broadband and cloud services). Local connectivity speed is most frequently mentioned as a barrier (19%), followed by a lack of knowledge (12%).

1.10 Comparison with 2012 and 2013

The figure below compares 2014 data with that of 2013 and 2012. A green shaded cell suggests an improvement or a move in an otherwise positive direction in 2014; while a red shaded cell suggests deterioration or a move in an otherwise negative direction in the last 12 months.

Generally, businesses in Greater Manchester have seen improvements across most key indicators since 2012, apart from drivers of growth and support for the local economy and community.

Employers have experienced increasing numbers of staff, both experienced and planned, and increasing turnover in the last 12 months. There are also significant improvements in satisfaction with the local area, particularly access to public transport. Businesses are slightly less interested in reducing company waste and improving energy efficiency as they gear up for growth.

Figure 1: Year on year comparison

Key Statistics and Trends	2014	2013	2012
Changes in staff in the last 12 months			
Increase	26%	22%	17%
Decrease	11%	15%	15%
Stayed the same	62%	63%	69%
Changes in staff the next 12 months			
Increase	30%	25%	21%
Decrease	4%	5%	6%
Stayed the same	64%	66%	69%
Changes in turnover in the last 12 months			
Increase	43%	35%	35%
Decrease	18%	23%	26%
Stayed the same	34%	32%	34%
Changes in turnover in the next 12 months			
Increase	53%	50%	43%
Decrease	7%	7%	11%
Stayed the same	34%	33%	39%

Key Statistics and Trends (continued)	2014	2013	2012
Main drivers for growth			
Products and services the company provides	47%	53%	57%
Workforce and Skills	44%	47%	48%
Satisfaction with local area			
Access to public transport	71%	66%	55%
Road transport access	69%	69%	57%
Quality of premises	67%	55%	na
Dissatisfaction with local area			
Availability of parking	26%	34%	31%
Business rate costs	24%	23%	24%
Crime and anti-social behaviour	22%	32%	29%
Image of area	20%	28%	26%
Whether considering relocating			
Yes	13%	11%	15%
Trades internationally			
Has export, import and other international links	19%	19%	20%
Support for the local economy and community			
Actively reduce company waste	85%	88%	84%
Actively try to improve energy efficiency	66%	87%	81%
Consider the environmental impact of buying decisions	61%	65%	63%
Support local community groups	55%	59%	37%
Support local schools	25%	32%	33%
Support residents back into work	23%	30%	24%
Training in the last 12 months			
Internal training	64%	71%	44%
External training	46%	39%	41%
Any training	77%	79%	60%

Significantly higher results that suggest improvement or a move in an otherwise positive direction are shaded in green;
significantly higher results that suggest deterioration are shaded in red

2 Introduction

2.1 Background and objectives

The aims of the project were to deliver a GM-wide business survey that provided data on current and future economic performance and to identify the opportunities and barriers to growth across a range of themes including, existing and potential support services, trade and internationalisation, barriers to enterprise and innovation and employment and skills.

There were a number of key partners for this project who required the study to deliver specific data for their local area or on particular themes, ensuring a robust and representative sample and providing data down to neighbourhood level. These included the Business Growth Hub, Manchester City Council, Rochdale Metropolitan Borough Council, Oldham Council and Salford City Council.

2.2 Methodology

2,161 telephone interviews were undertaken with businesses across Greater Manchester. The survey sample was restricted to private sector businesses and voluntary/non profit-making organisations that were trading, all with at least one employee. Survey responses were establishment based, i.e. they were based on activities and practices at that site only.

Quotas were set by size (number of employees) and sector, based on Standard Industrial Classification 2007 (SIC 2007) within each of the four boosted districts and the remaining districts combined, using ONS Inter Departmental Business Register (IDBR) statistics provided by the client. According to IDBR data, there are some 73,000 in scope businesses in Greater Manchester (i.e. excluding public sector and agricultural businesses).

The target number of interviews with medium/large businesses (50+ employees) was oversampled to ensure robust data within this group. Targets were also set for growth businesses across Greater Manchester, with 261 interviews achieved. Growth information was provided by the client with contacts identified as growth organisations.

The majority of contacts were provided by the client and were an extract of records from the Fame and Mint databases.

Fieldwork took place from November 2014 to January 2015, with 15 interviewers working on the survey. Interviews were conducted with the most senior person in day to day control of the business at that site.

Once interviewing was complete, the data was weighted by size and sector within each boosted district area, and a rim weight applied for each district separately to ensure that it was representative of the local business population.

The following table summarises the business population profile of Greater Manchester, the number of interviews completed and the unweighted and weighted distribution by size, sector and district. The data was weighted using IDBR statistics provided by the client.

Figure 2: Population, interviews and weighting of data

	Population (n)	No. of interviews conducted (n)	Unweight- ed sample (%)	Weighted sample (%)
Size				
1-10 employees	56440	1307	60%	78%
11-49 employees	12888	631	29%	18%
50-199 employees	2993	177	8%	4%
200+ employees	680	46	2%	1%
Total	73001	2161	100%	100%
Sector				
C - Manufacturing	4777	259	12%	6%
DE - Utilities	342	17	1%	0.3%
F - Construction	6509	139	6%	9%
G - Wholesale and retail trade	13057	489	23%	18%
H - Transportation and storage	1903	73	3%	2%
I - Accommodation and food services	4688	185	9%	6%
J - Information and communications	3271	104	5%	4%
KL - Finance and real estate	3880	110	5%	5%
M - Professional, scientific and technical activities	10967	253	12%	15%
NPQRS - Administrative, education, human health, arts and other activities	23607	532	25%	32%
Total	73001	2161	100%	100%
District				
Bolton	6989	100	5%	10%
Bury	4905	102	5%	7%
Manchester	14655	504	23%	20%
Oldham	5123	352	16%	7%
Rochdale	4926	349	16%	7%
Salford	6430	352	16%	9%
Stockport	9011	101	5%	12%
Tameside	4933	100	5%	7%
Trafford	8781	100	5%	12%
Wigan	7248	101	5%	10%
Total	73001	2161	100%	100%

2.3 Report contents

This report contains a written summary of the Greater Manchester data set.

Graphs and tables are used throughout the report to assist explanation and analysis. Although occasional anomalies appear due to 'rounding' differences, these are never more than +/-one percent. These occur where, for example, rating scales have been added to calculate proportions of respondents who expressed satisfaction with an issue (e.g. the total who said either very or fairly satisfied).

Sample bases in graphs and tables are the unweighted sample sizes (in order to be able to calculate confidence intervals). The data itself is weighted data, unless specified otherwise. '*0%' throughout this report indicates percentages of less than 0.5%.

In addition to this written report, a separate data report have been produced, which show the total results for each question and also the results cross-tabulated by the following respondent sub groups:

- Type of organisation;
- No. employees;
- Industry group and sector (SIC 2007);
- District;
- No. of sites:
- Location of HQ;
- Age of business;
- Whether undertaken training;
- Whether employ apprentices;
- Whether considering relocation;
- Whether had business advice in last 12 months
- Whether trade overseas;
- Innovation in last 3 years;
- Whether use internet;
- Growth organisations.

Where appropriate, comparisons are made between the survey findings; those of previous Greater Manchester business surveys (in particular, 2012 and 2013) and findings from the UK Business Barometer (undertaken by BMG Research).

The Business Barometer is a survey which follows up around 500 respondents from the biennial UK Small Business Survey (last undertaken in 2014) at six monthly intervals. The February 2014 Business Barometer are the most recently available statistics to use as a comparison. It should be borne in mind that the Barometer is based on SMEs; which is to say, it does not include establishments with 250 or more employees, while the Greater Manchester Business Survey is based on all employers, including those with 250 or more employees.

3 Business growth

3.1 Change in employment and turnover in the last 12 months

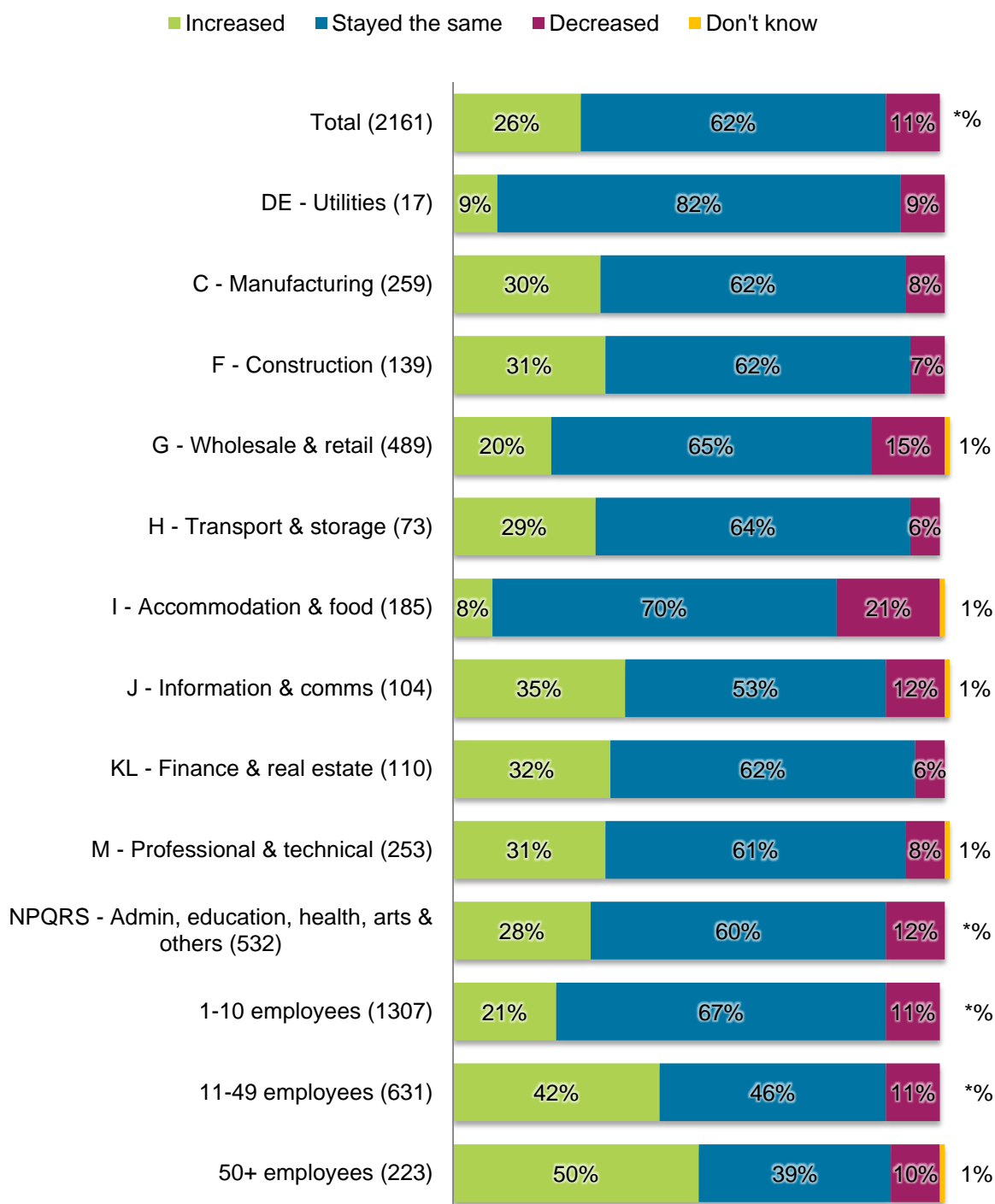
3.1.1 Change in employment in the last 12 months

About a quarter of employers in Greater Manchester (26%) reported an increase in the number of staff employed at their site in the last 12 months. This proportion is higher than in 2013 (22%). The proportion reporting a decrease has declined compared to a year ago (11%; compared with 15% in 2013).

The greatest likelihood of an increase in employment is to be found within the information and communications technology companies (35%) followed by financial and real estate companies (32%). Half of those employing over 50 (50%) have increased their employment in the previous twelve months.

Statistics from the February 2014 Business Barometer suggest that Greater Manchester employers have experienced a more positive trend in employment than the UK average. The Barometer reported that 18% of UK SMEs had experienced an increase in employment in the last 12 months, with 22% having experienced a decrease. The obvious conclusion being the Greater Manchester companies are outperforming the UK economy in terms of employment.

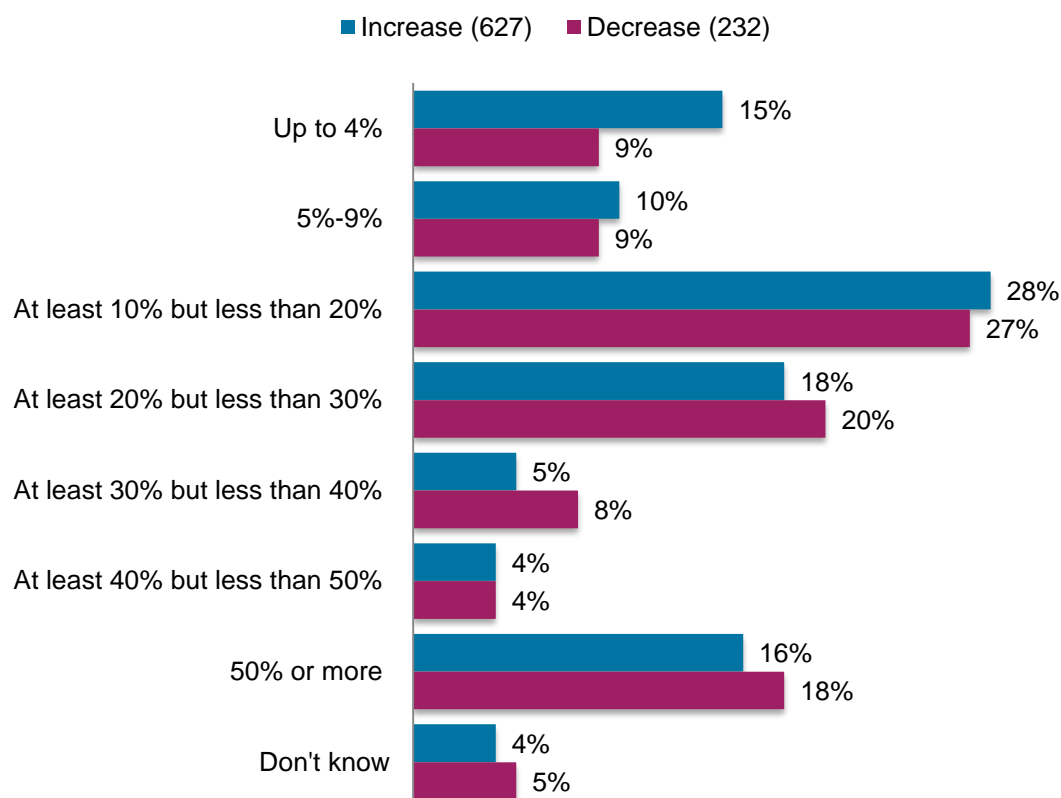
Figure 3: Change in employment in the last 12 months, by industry sector and size (all respondents)



Q15, unweighted bases in parentheses

On average, employers reported a 26% increase in the number of staff employed, while the average decrease was 30%. 18% of employers reporting a decrease have reported that their workforce has at least halved in the last 12 months.

Figure 4: Percentage increase/decrease in staff numbers (where experienced increase/decrease in staff numbers)



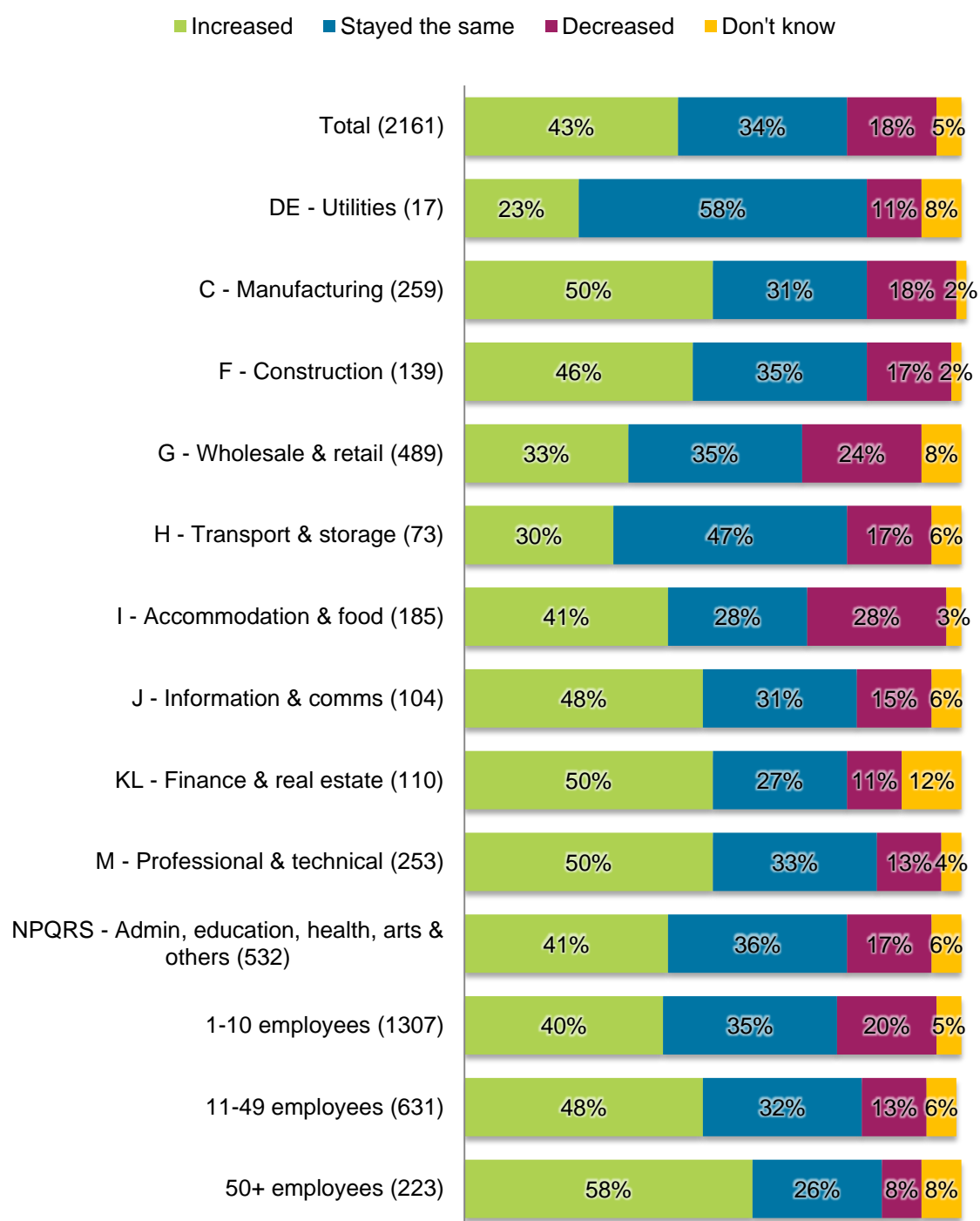
Q16, unweighted bases in parentheses

3.1.2 Change in turnover in the last 12 months

43% of employers in Greater Manchester reported an increase in turnover in the last 12 months, a significant increase on 35% reported in 2013. The proportion that reported a decrease in turnover is lower than a year ago (18%, compared with 23%). For a third, the level of turnover has remained unchanged (34%, compared with 32% in 2013). Compared with 12 months ago, Greater Manchester employers report a more positive picture in 2014.

Reinforcing comparisons on employment change, statistics from the February 2014 Business Barometer suggest that Greater Manchester employers have experienced a more positive trend in turnover than the UK average. The Barometer reported that 36% of UK SMEs had experienced an increase in turnover in the last 12 months, with 29% having experienced a decrease.

Figure 5: Change in turnover in the last 12 months, by industry sector and size (all respondents)



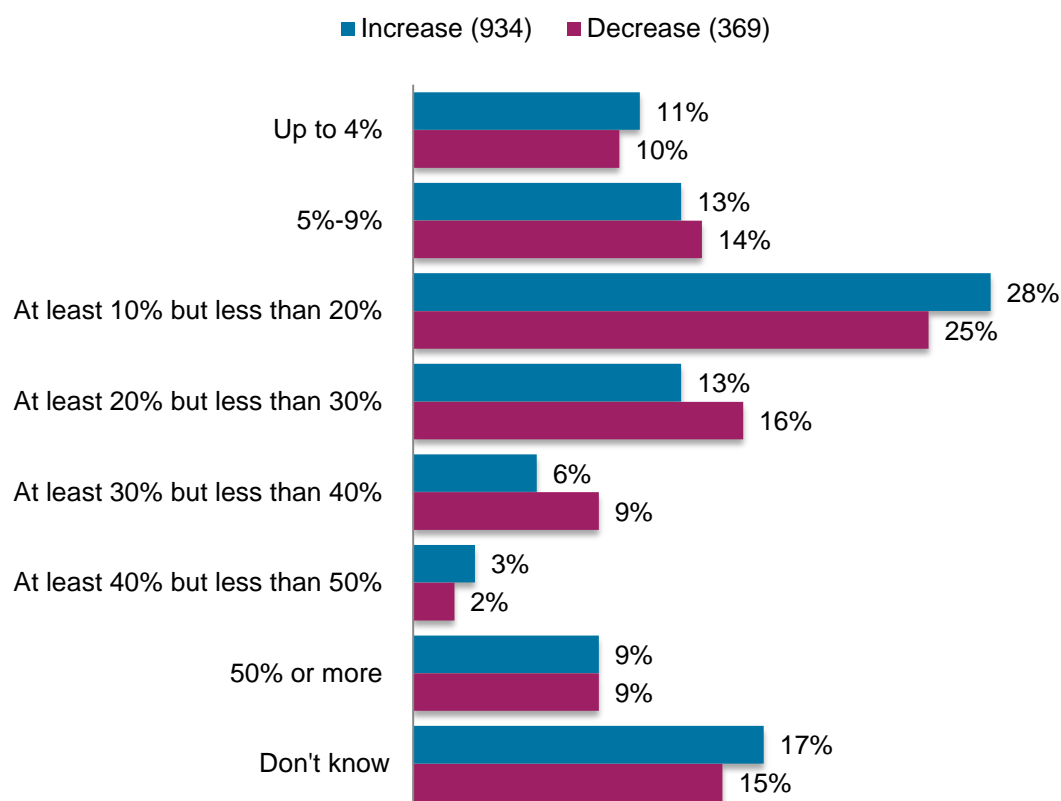
Q11, unweighted bases in parentheses

On average, employers reported an increase of 23% in turnover, while those reporting a decrease reported a similar average decrease (24%).

Around half of employers reporting increases or decreases in turnover reported the increase or decrease to be less than 20% (52% and 49% respectively).

Around one in six employers in both groups did not know the size of the increase or decrease.

Figure 6: Percentage increase/decrease in turnover (where experienced increase/decrease in turnover)



Q12, unweighted bases in parentheses

3.2 Anticipated change in employment and turnover in the next 12 months

3.2.1 Anticipated change in employment in the next 12 months

One in three employers (30%) anticipate an increase in the number of staff employed at their site in the next 12 months, while just 4% anticipate a decrease. The majority therefore (64%) do not expect any change.

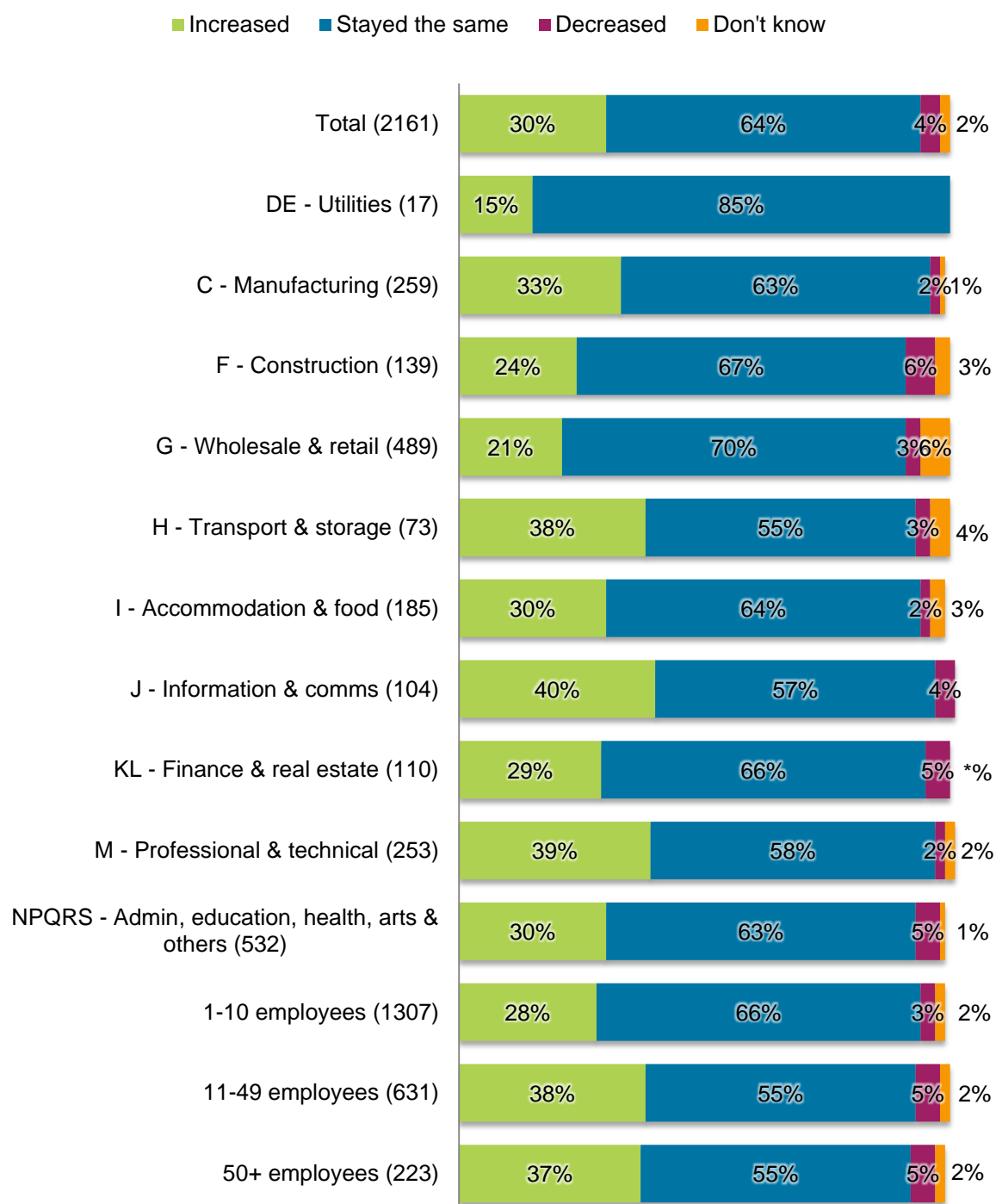
There is some more optimism among Greater Manchester employers going forward than at the same time last year, when 25% were anticipating an increase in employment and 5% anticipating a decrease.

Employers in information and communications (40%) and professional services (39%) are amongst the most optimistic, forecasting an increase in employment.

The February 2014 Business Barometer reported a slightly more pessimistic outlook, for UK SMEs, than for those in Greater Manchester. Nearly a quarter of UK SMEs

anticipated an increase in employment in the next 12 months (23%), and 9% anticipated a decrease.

Figure 7: Anticipated change in employment in the next 12 months, by industry sector and size (all respondents)

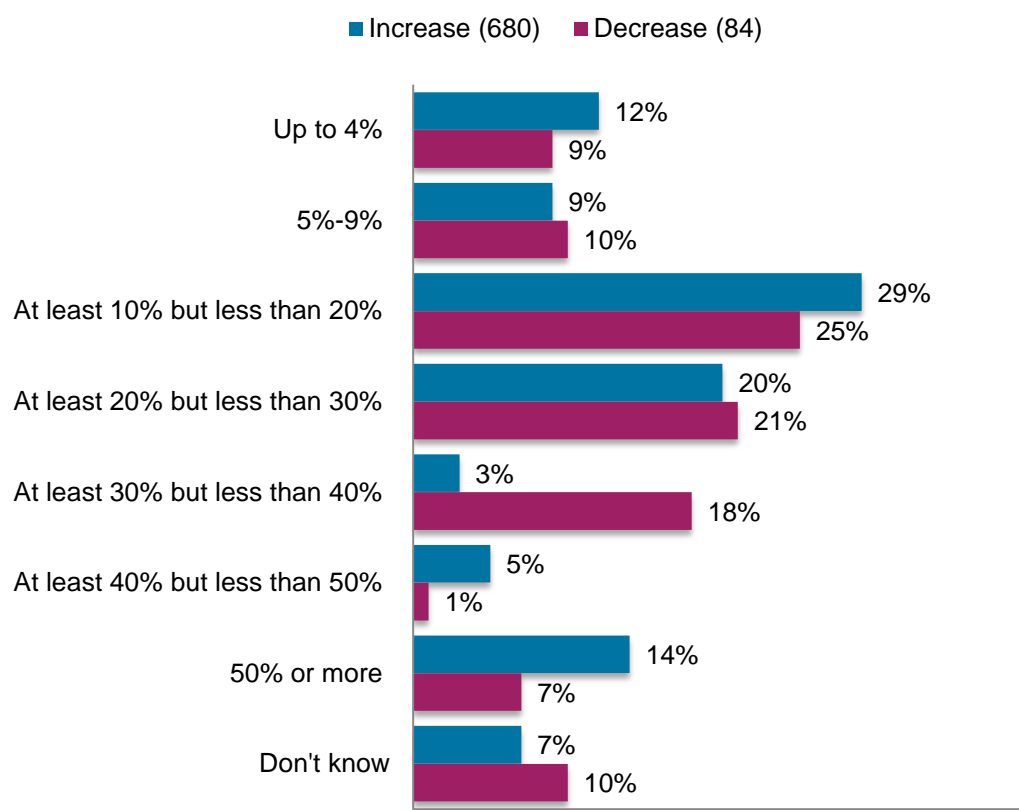


Q17, unweighted bases in parentheses

On average, employers anticipating an increase in staff numbers anticipate that they will grow their workforce by just over a quarter (26%). Those anticipating a decrease expect a reduction in their workforce of, on average, 24%.

7% of the very small sample that anticipate a decrease anticipate at least halving their workforce in the next 12 months.

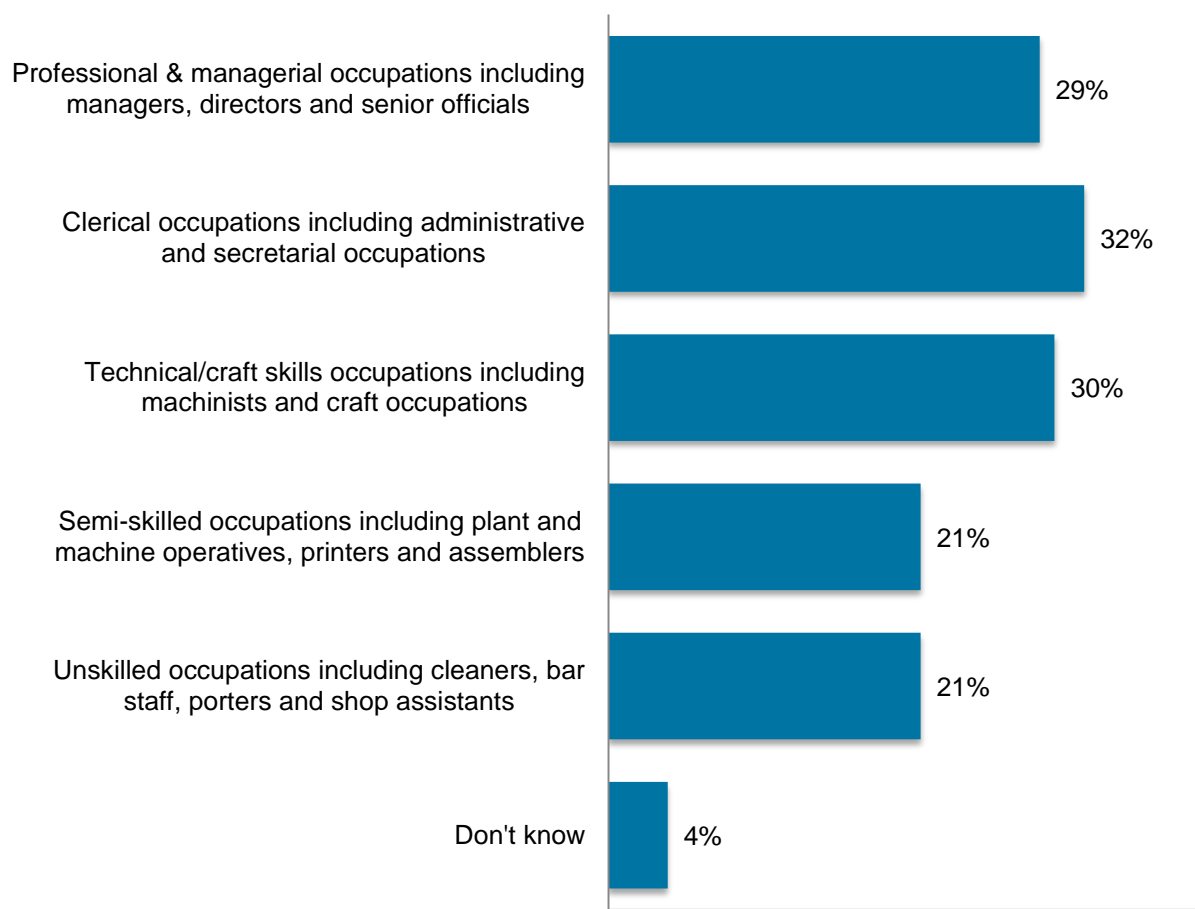
Figure 8: Anticipated percentage increase/decrease in staff numbers (where anticipate increase/decrease in staff numbers)



Q18, unweighted bases in parentheses

The main occupations in which there is an anticipated difficulty recruiting include clerical and administrative (32%) and technical/craft (30%), although professional and managerial (29%) are also reported as being potentially difficult.

Figure 9: Occupations to which staff will be recruited (where anticipate increase in staff numbers)



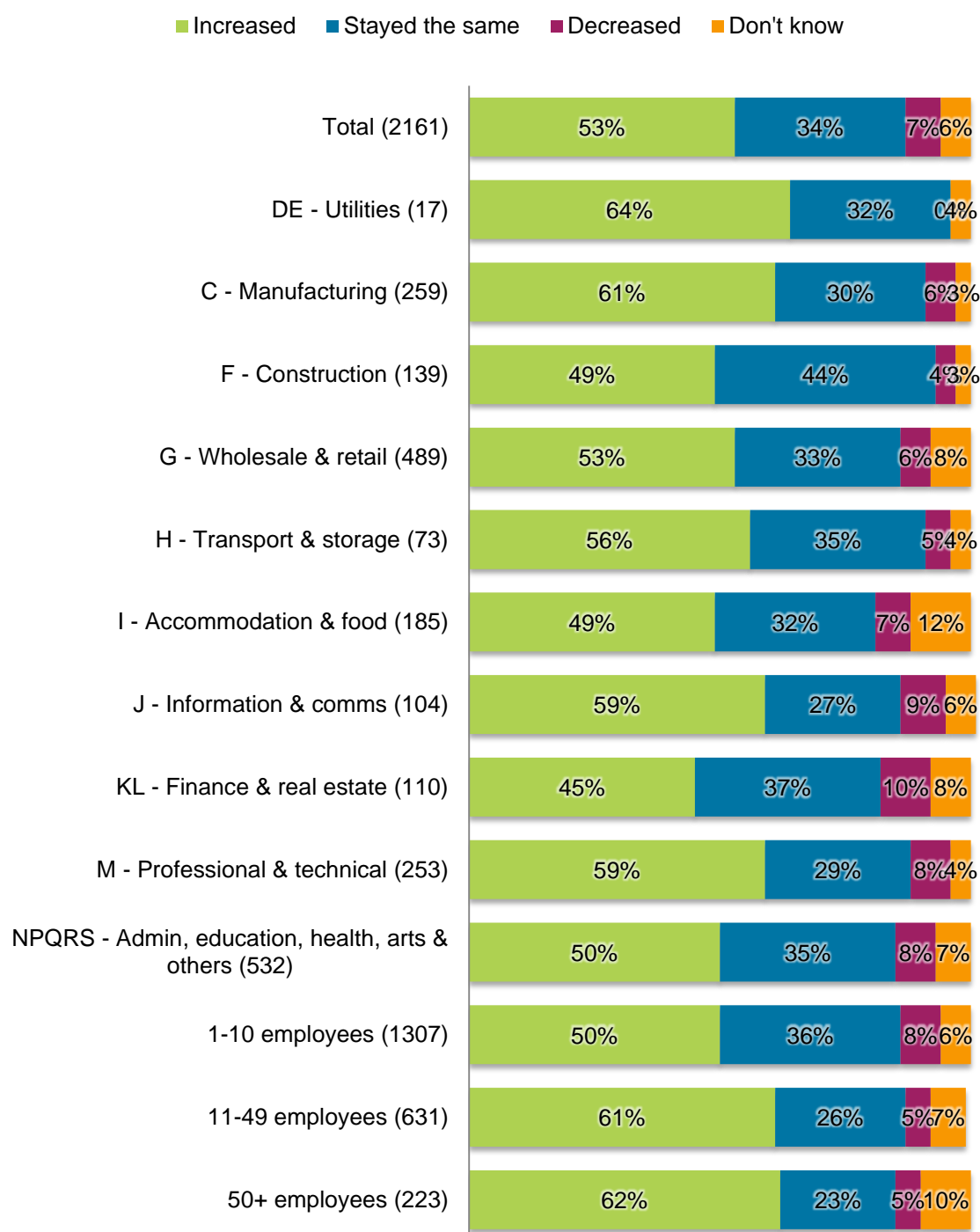
Q19, unweighted base = 680

3.2.2 Anticipated change in turnover in the next 12 months

Over half of all employers in Greater Manchester (53%) anticipate increasing their turnover in the next 12 months. This is a higher proportion than that reported in 2013 (50%). Just 7% anticipate a decrease, the same proportion as in 2013.

Employers in manufacturing (61%), the information and communications sectors (59%) and professional services (59%) are more likely than average to anticipate an increase in their turnover in the next 12 months.

UK SMEs, as suggested by the February 2014 Business Barometer, were positive with regard to anticipated growth in turnover, however, they were not quite as positive as Greater Manchester employers, with 48% of UK SMEs anticipating turnover growth and 11% anticipating some decline.

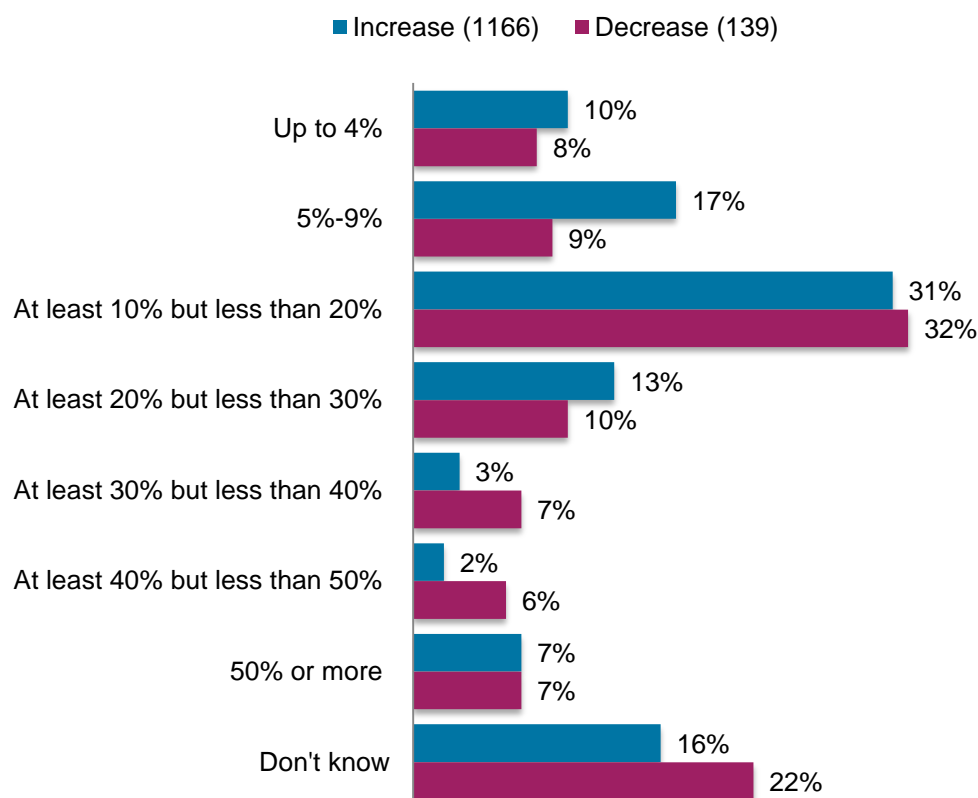
Figure 10: Anticipated change in turnover in the next 12 months (all respondents)

Q13, unweighted bases in parentheses

The level of anticipated growth in turnover in the next 12 months is, on average, 20%, with the average level of anticipated decrease slightly higher at 24%.

Over a fifth of employers (22%) expecting an increase or decrease did not feel able to quantify the size of it.

Figure 11: Anticipated percentage increase/decrease in turnover (where expect increase/decrease in turnover)



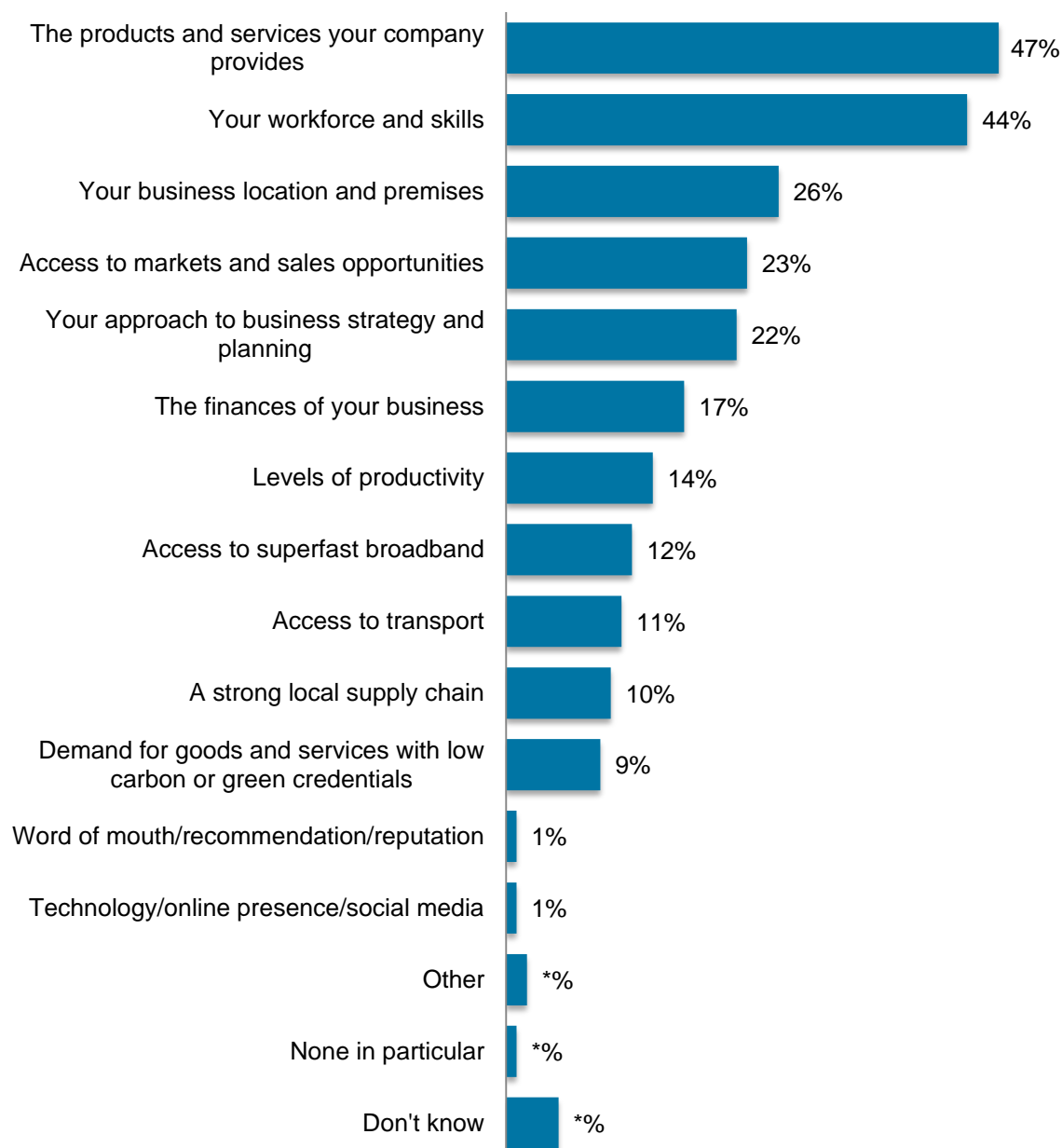
Q14, unweighted bases in parentheses

3.3 Drivers of, and barriers to, growth

Respondents were asked to select up to three main drivers of growth of their business from a list of potential drivers.

Most frequently selected was that of the products and services provided by the company (47%), with just under half of all employers citing workforce and skills (44%).

These were also the top two drivers of growth in 2013 (53% and 47% respectively).

Figure 12: Main drivers of growth (all respondents)

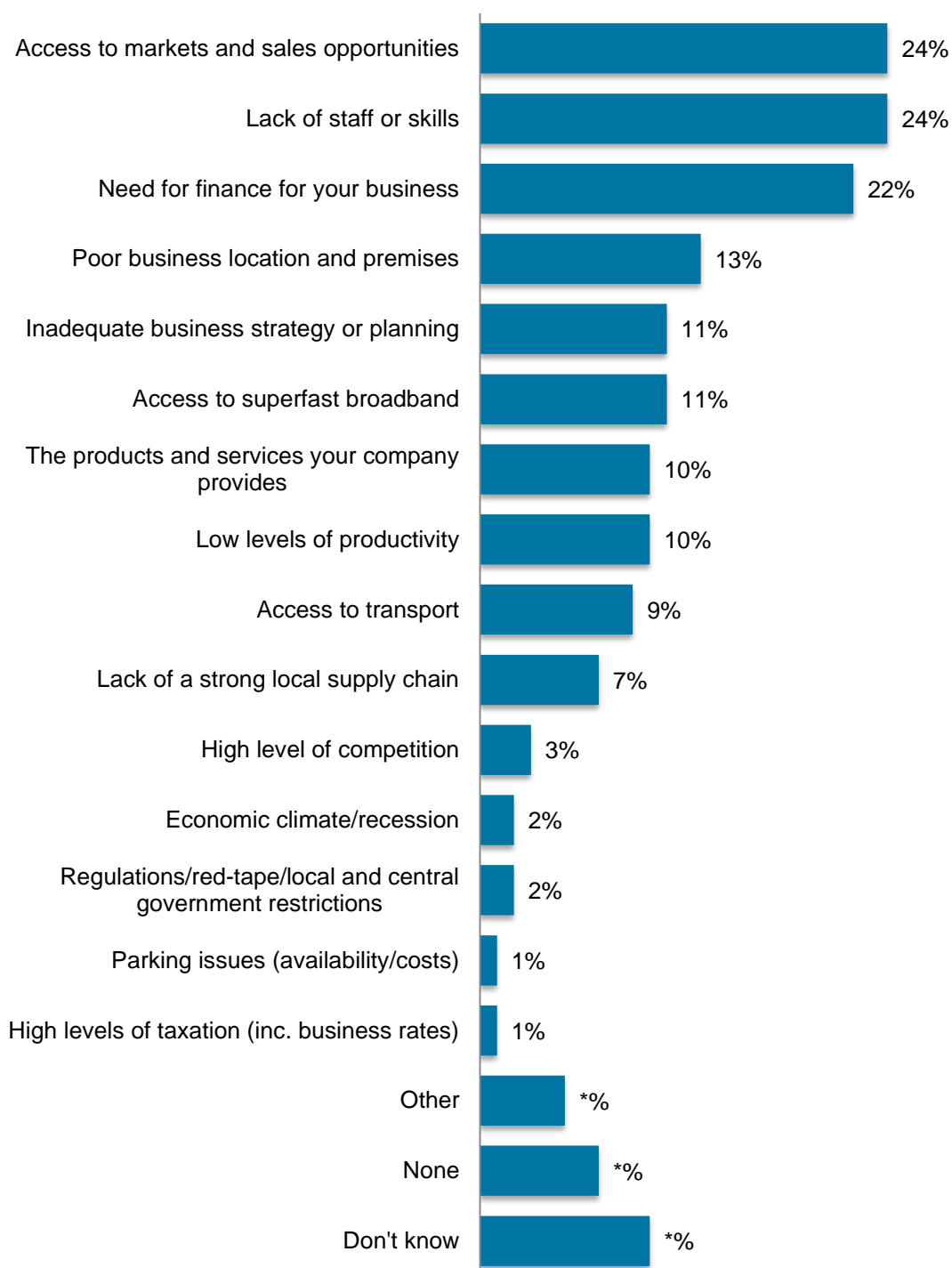
Q39, unweighted base = 2161

In terms of drivers of growth across different sectors:

- Businesses in the food and accommodation sector were more likely than other sectors to mention products and services the company provides (57%), the business location and premises (41%) and access to transport (27%)
- Those in wholesale and retail were more likely to mention the location and premises (33%)
- Those in finance and real estate were more likely to mention the finances of the business (25%)

- Those in information and communications were more likely to mention access to superfast broadband (23%).

Respondents were then asked to select the three main barriers to growth from a list of possible impediments. The main barriers mentioned were access to markets/sales opportunities (24%; 27% in 2013), a lack of staff or skills (24%; the same as 2013) and the need for finance (22%; 28%).

Figure 13: Main barriers to growth (all respondents)

Q40, unweighted base = 2161

There were again some differences by sector:

- Businesses in transport and storage were more likely to mention lack of staff or skills (45%) and access to transport (23%)
- Those in information and communications were more likely to mention access to markets and sales opportunities (36%) and access to superfast broadband (21%)

- Those in professional services were also more likely to mention access to markets and sales opportunities (33%)
- Those in food and accommodation were more likely to mention access to superfast broadband (21%) and access to transport (18%).

3.4 Financing growth

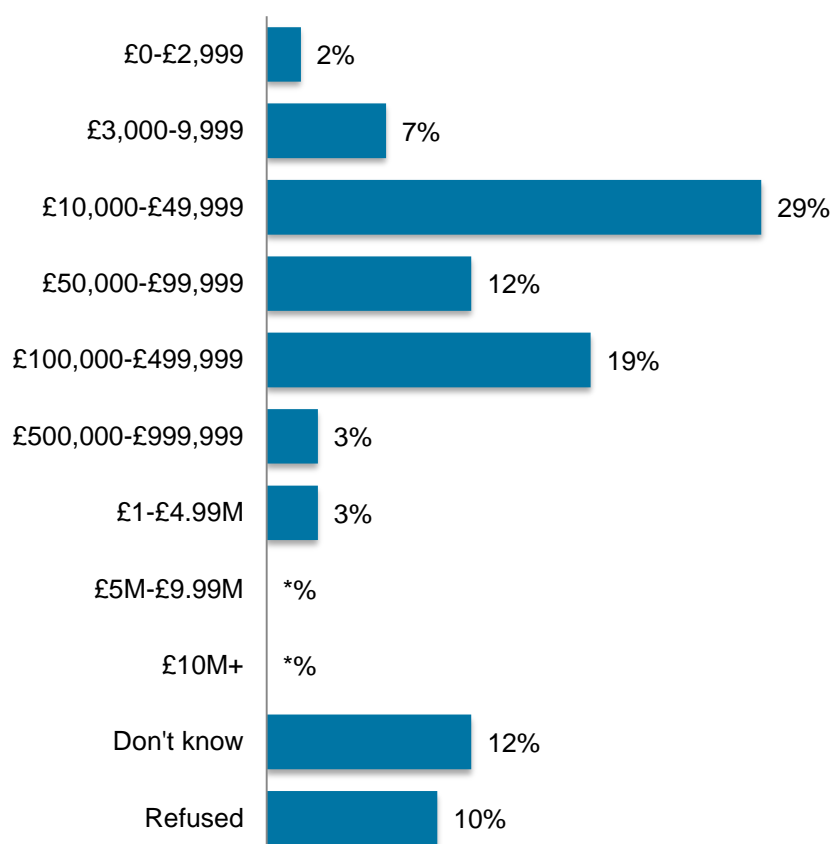
3.4.1 Finance sought

Around one in seven businesses (15%) had sought finance for their business in the last 12 months; the same proportion than that reported in 2013. The proportion of UK SMEs having sought finance (as reported by the February 2014 Business Barometer) was similar at 12% (although this referred to the last 6 month period).

This proportion seeking finance is significantly higher than average amongst transport and storage businesses (29%), manufacturing (25%) and businesses in Bury (21%).

Greater Manchester businesses who had sought finance had most commonly required between £10,000 and £49,999 (29%) or £100,000 and £499,000 (19%), although the mean amount sought was a £1,940,000. This figure is somewhat skewed by some large loans sought (one for over £10m) especially in Manchester City. This compares with a mean of £392,000 in 2013.

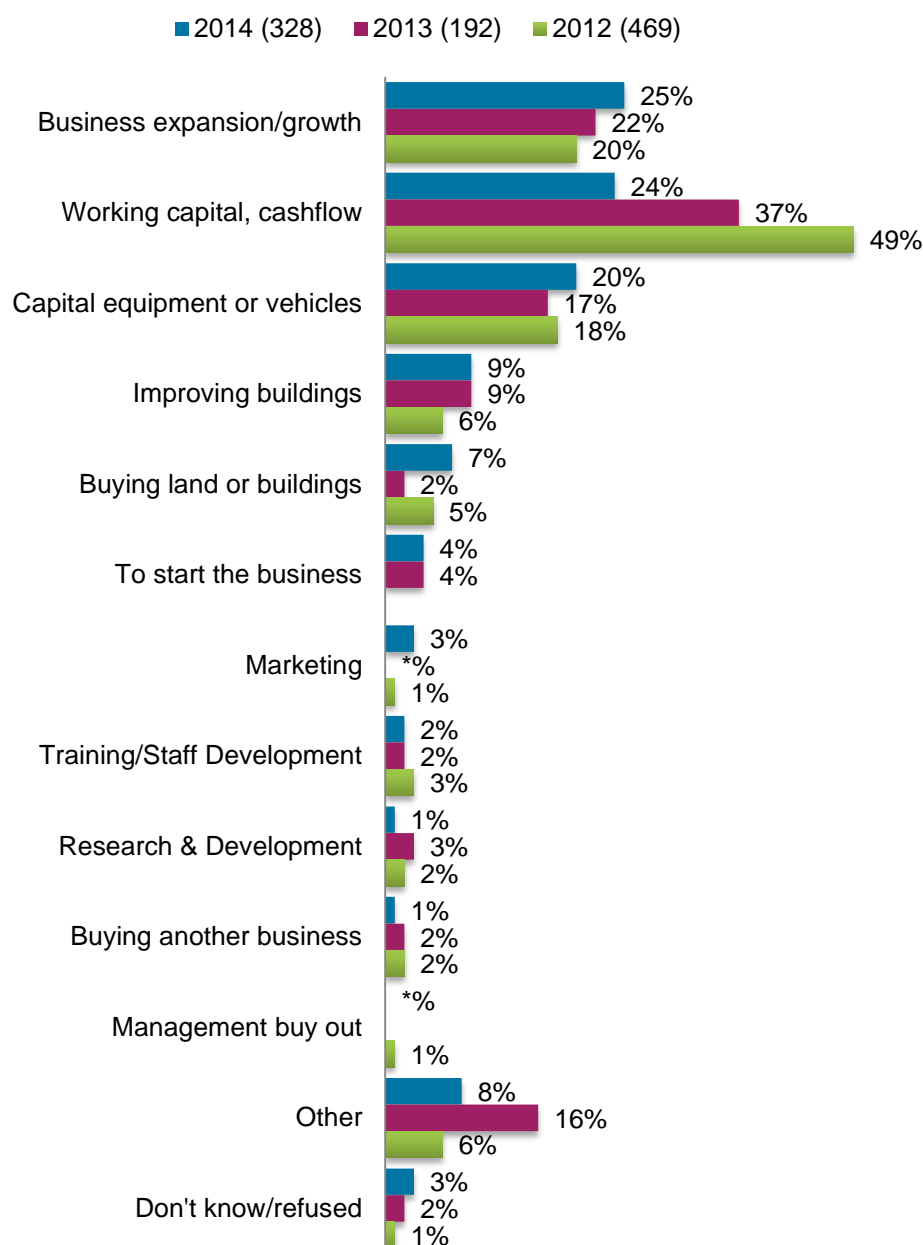
Figure 14: Amount of funding required (where sought finance)



Q43, unweighted base = 328

Finance was most commonly sought to use for financing business growth (25%), whereas 12 months ago it was for working capital/cashflow (37% in 2013). Overall, this is indicative of improving conditions within Greater Manchester and has to be seen as a very positive observation. The other main reasons in 2014 were for working capital/cashflow (24%) or capital equipment/vehicles (20%).

Figure 15: Purpose of finance – year on year comparison (where sought finance)



Q44, unweighted bases in parentheses

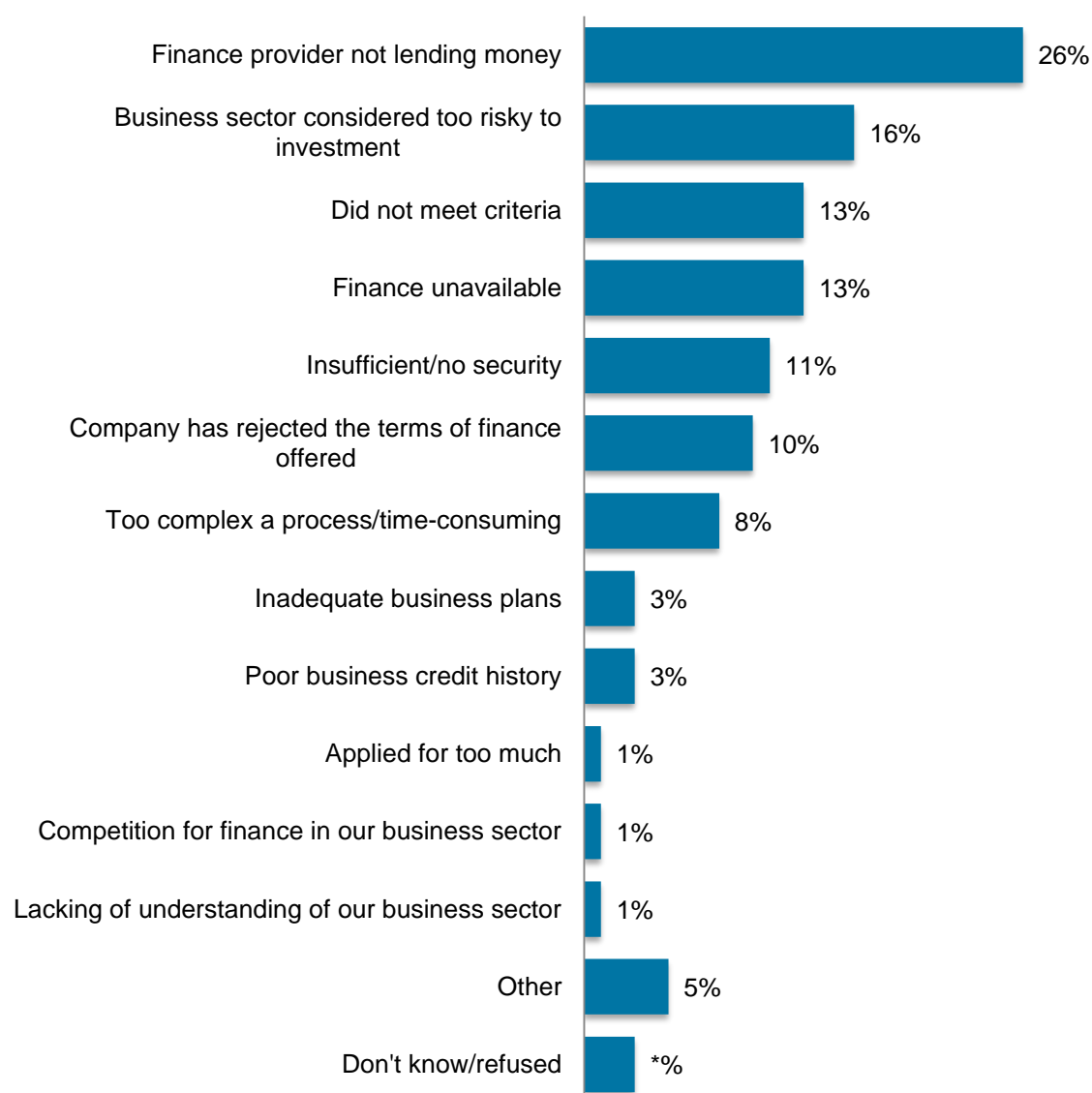
3.4.2 Difficulties in arranging finance

Of those that sought finance, 34% reported experiencing difficulties with arranging it. This proportion is lower than in 2013 (40%), although given that the main reason was

to finance expansion, this is still a worrying observation. This compares with 44% of UK SMEs that had sought finance, but had difficulty in arranging it, as reported in the February 2014 Business Barometer.

In terms of the difficulties experienced, the most significant is that finance provider is not lending (26%); while 16% feel that their business sector is considered too risky and 13% that finance is unavailable or that they did not meet the criteria. This once again highlights some worrying constraints to business growth in Greater Manchester.

Figure 16: Difficulties in arranging finance – unprompted, multiple response (where experienced difficulties in arranging finance)

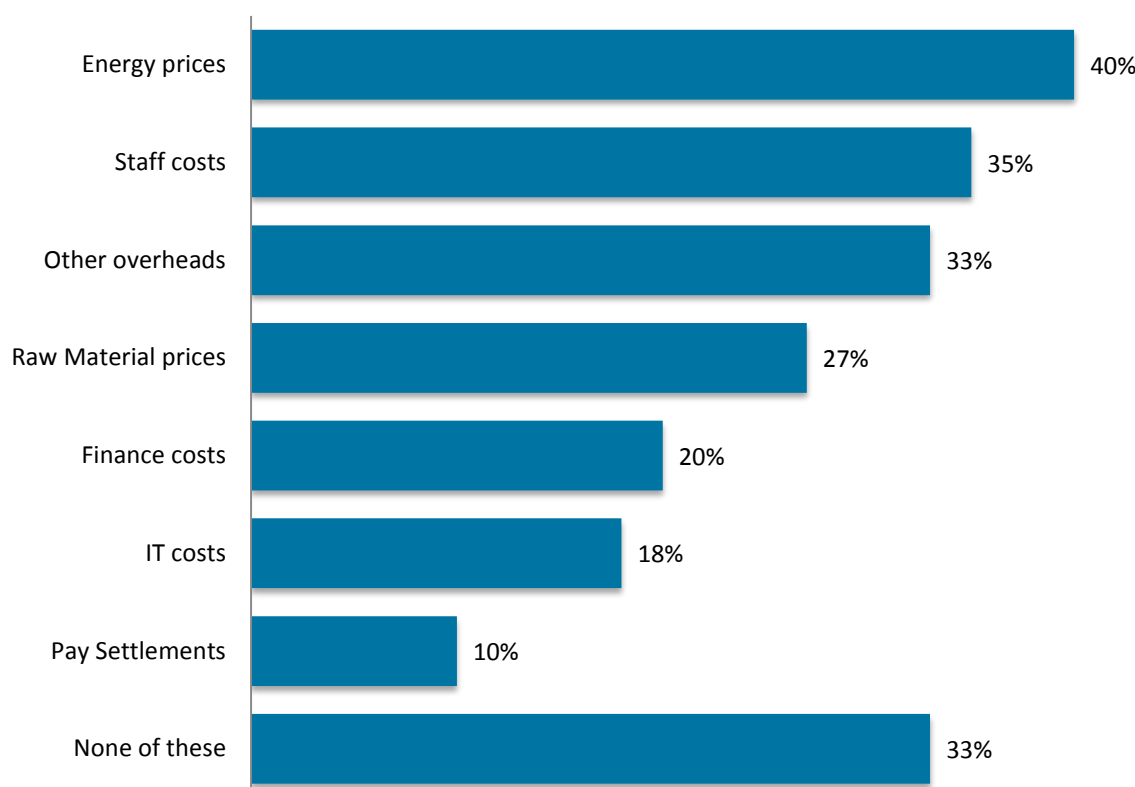


Q46, unweighted base = 94

3.4.3 Experience of cost pressures

Some two thirds of businesses are experiencing upward cost pressures, the most significant being energy prices (40%) and staff costs (35%).

Figure 17: Areas in which organisations are experiencing upward cost pressures (all respondents)



Q41, unweighted base = 2161

Those businesses in manufacturing (51%) and construction (55%) were more likely to mention raw material prices. Those in transport and storage (52%) and food and accommodation (52%) were more likely to mention energy prices. Those in transport and storage were also more likely to mention staff costs (49%).

3.4.4 Methods of accessing finance to support business growth

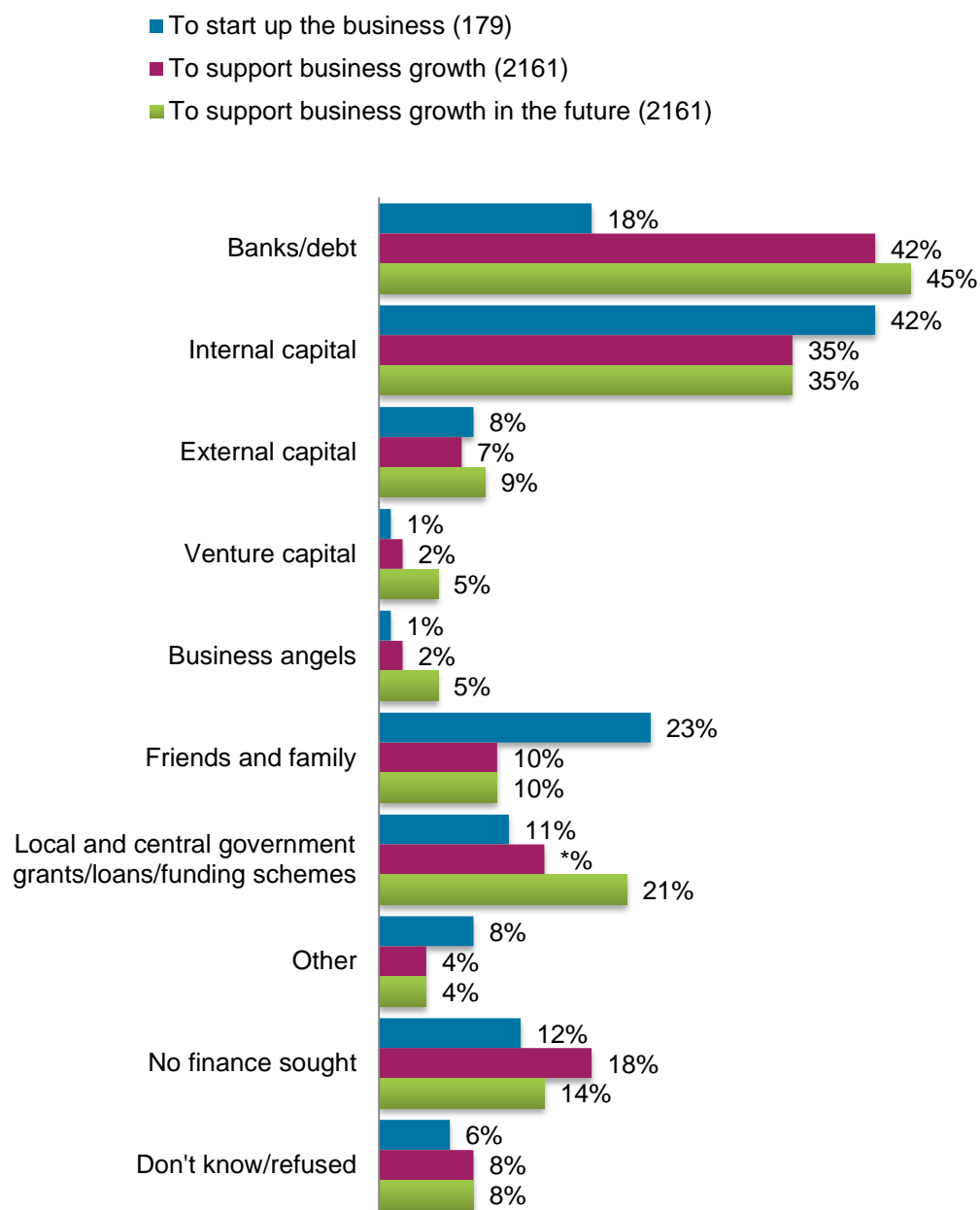
Respondents reported that their business is likely to access finance in a number of ways, the most common being through banks/debt, but internal capital is also important.

When starting up a business, internal capital (42%) and friends and family (23%) are the main two sources of finance for respondents. This is in contrast to the popular misconception that businesses rely on bank loans and equity finance at start up.

Sources of finance to support current business growth, or to support growth in the future include banks/debt (42% and 45% respectively) and internal capital (35% and 35%) being the main ones mentioned by businesses.

Few businesses said that they had used venture capital (1% to start up, 2% to support current growth and 5% to support future growth) or business angels (1%, 2% and 5%) for any stage of growth. Again this highlights the relatively limited impact these high profile activities have on the general business population.

Figure 18: Methods of accessing finance to support business growth, by reason for accessing finance (all respondents)



Q47-Q49, unweighted bases in parentheses

4 Recruitment and skills

4.1 Staff training activity

Nearly two thirds of Greater Manchester businesses (64%) have provided internal training in the last 12 months and 46% have provided external training. 14% have not provided any training in 2014.

The incidence of internal training is lower than in 2013 (71%), while the incidence of external training is higher than 12 months ago (39%).

Overall, 77% of all businesses have provided some training in 2014, compared with 79% in 2013.

Levels of internal training have been higher than average within:

- Food and accommodation (78%); administration/support/public and personal services (72%) and transport and storage (70%)
- Larger businesses: 86% of those with 11-49 employees; 96% of those with 50+ employees.

Levels of external training have been higher than average within:

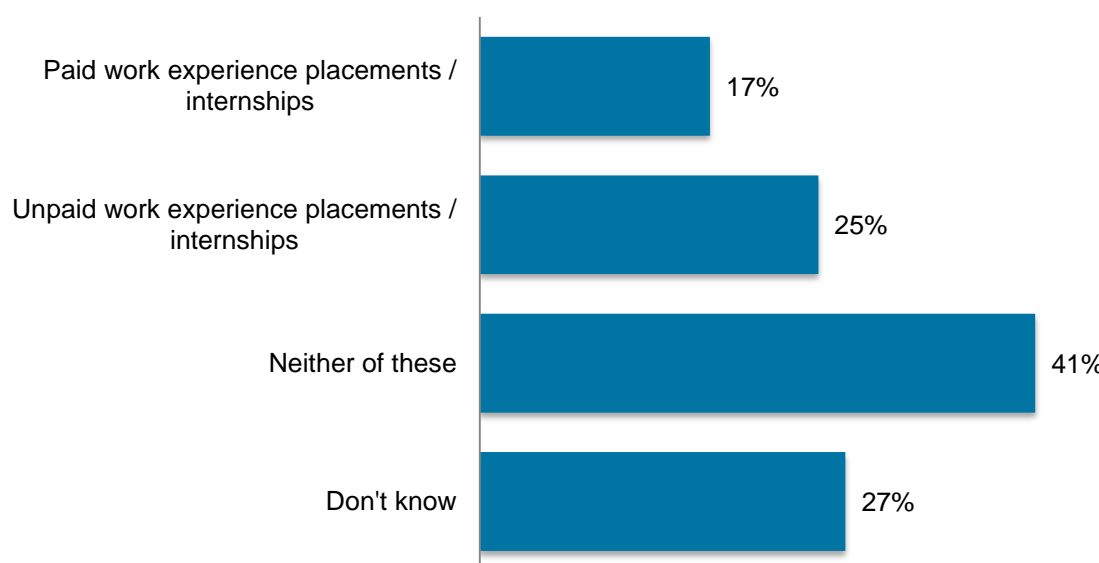
- Construction (60%); administration/support/public and personal services (56%); and professional services (49%); and
- Larger businesses: 61% of those with 11-49 employees; 64% of those with 50+ employees.

Q21, unweighted bases in parentheses

4.2 Current opportunities offered for specific employee groups

Overall, a third of businesses (33%) currently offer opportunities for paid and/or unpaid work experience placements/internships. A quarter currently offer opportunities for unpaid work experience placements, whilst 17% offer this to paid work experience placements.

Figure 19: Current opportunities offered for specific employee groups (all respondents)



Q22, unweighted base = 2161

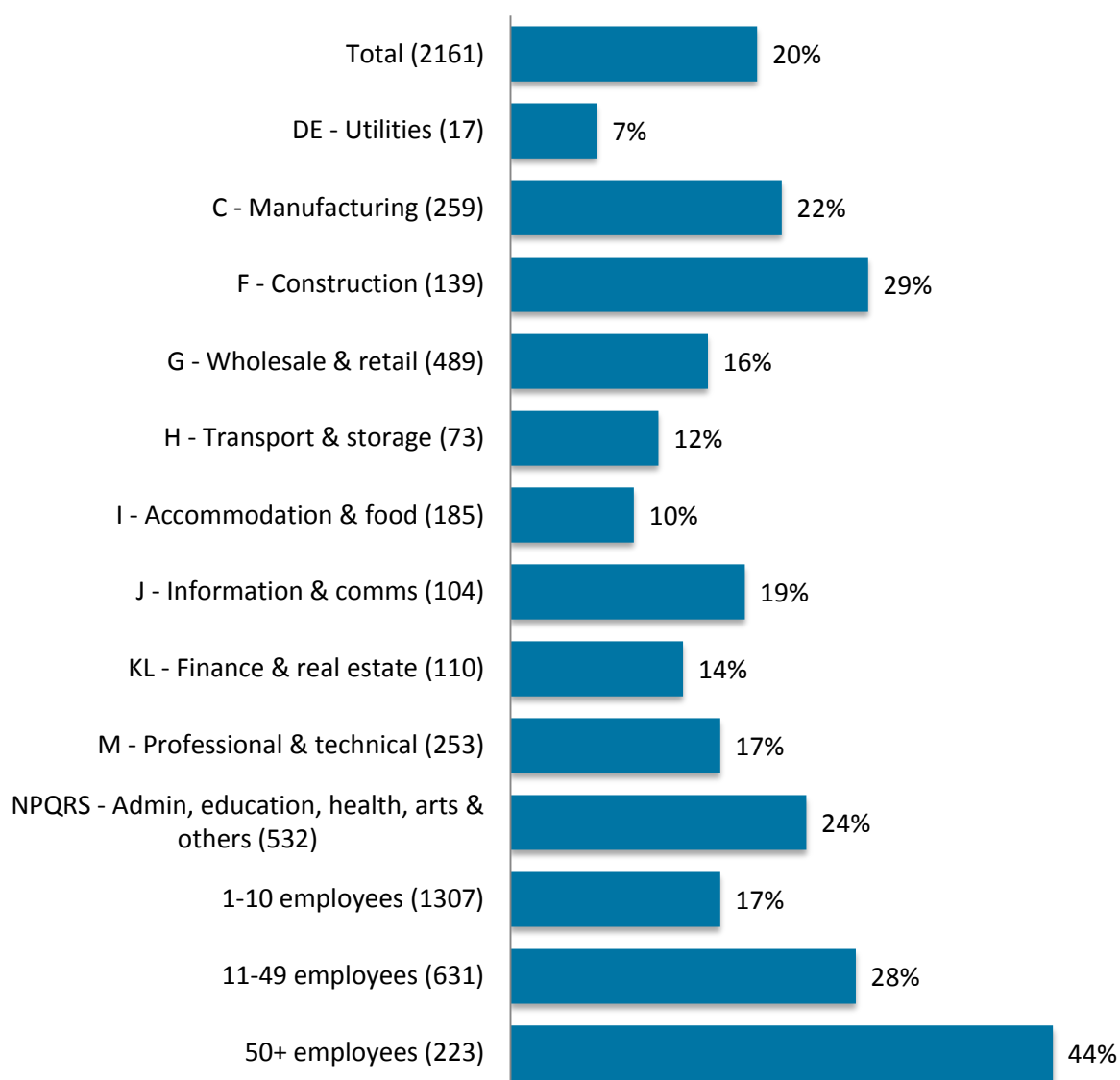
Larger businesses are more likely to engage either paid or unpaid work experience placements (56% of those with 50+ employees and 44% with 11-49 employees). Those businesses in admin and support services (42%) and those based in Manchester (40%) are also more likely to do so.

4.3 Employment of Apprentices

Overall, one in five Greater Manchester businesses (20%) currently employs any apprentices, irrespective of age group. This compares with 16% in 2013.

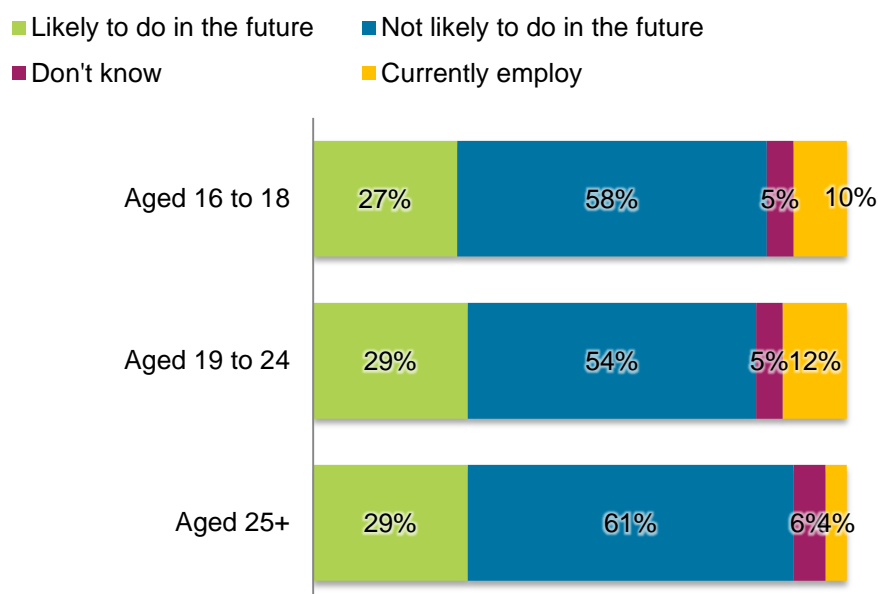
The majority of those employing apprentices employ those aged under 25; 10% of all businesses employ apprentices aged 16 to 18; 12% employ apprentices aged 19 to 24 and 4% employ apprentices aged 25 or older.

The proportion of businesses employing any apprentices increases to 29% within construction and to 28% within businesses with 11 to 49 employees and 44% of those with 50+ employees.

Figure 20: Current employment of Apprentices (all respondents)

Q23, unweighted bases in parentheses

Among all employers, 27% consider that they are likely to employ apprentices aged 16 to 18 in the future, rising to 29% for apprentices aged 19 to 24 and 25 and older.

Figure 21: Likelihood of employing Apprentices in the future (all respondents)

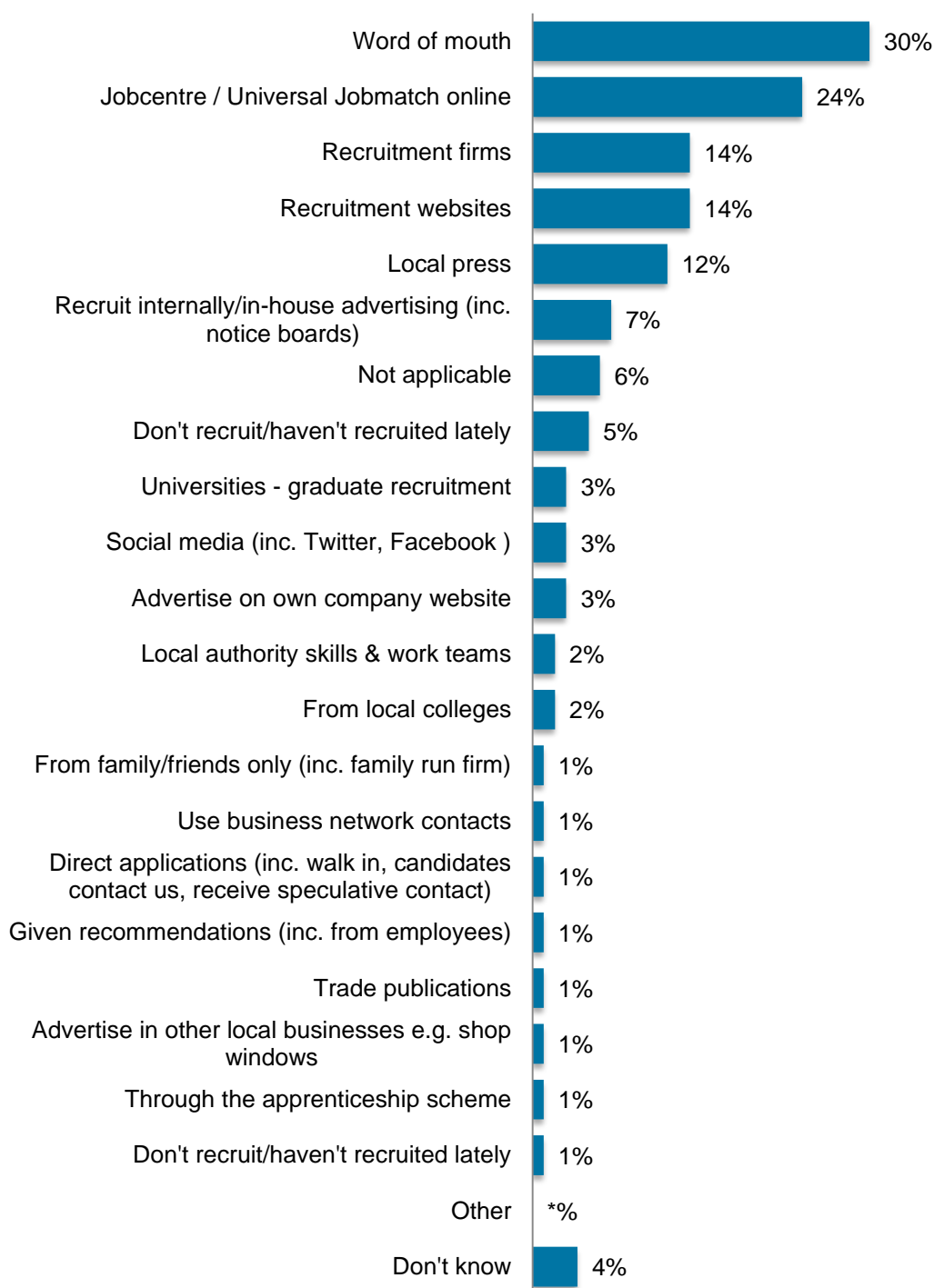
Q24, unweighted base = 2161

4.4 Recruitment methods

When asked, unprompted, how employers typically recruit for new staff, three in ten cited word of mouth (30%). Around a quarter (24%) cited the Jobcentre or Universal Jobmatch online.

Employers in construction (50%) and information/communication (35%) are particularly likely to use word of mouth. Those in food/accommodation (15%) and administration/support/public and personal services (19%) are particularly likely to use the local press.

Smaller employers were more likely than larger ones to use word of mouth while larger employers were more likely to use the Jobcentre/Universal Jobmatch online and recruitment firms.

Figure 22: Recruitment methods (all respondents)

Q25, unweighted base = 2161, those mentioned by at least 1%

4.5 Recruitment difficulties

Around one in ten Greater Manchester employers (9%) had any hard-to-fill vacancies at the time of interviewing; up from 6% as in 2013. This figure also compares to the national average of 5% reported in the National Employers Skills Survey (UKCES2013), although this was collected in 2013 and therefore less comparable.

The proportion increased to a quarter (25%) of employers with 50 or more employees and 22% of those in transport and storage.

One in five employers experiencing hard-to-fill vacancies each cite professional occupations, associate professional and skilled trades as those in which they have had problem recruiting in the last year. Around one in ten have experienced difficulties recruiting sales and customer service occupations and personal service occupations.

Figure 23: Occupations where experiencing hard to fill vacancies (where currently experiencing hard to fill vacancies)



Q27, unweighted base = 217

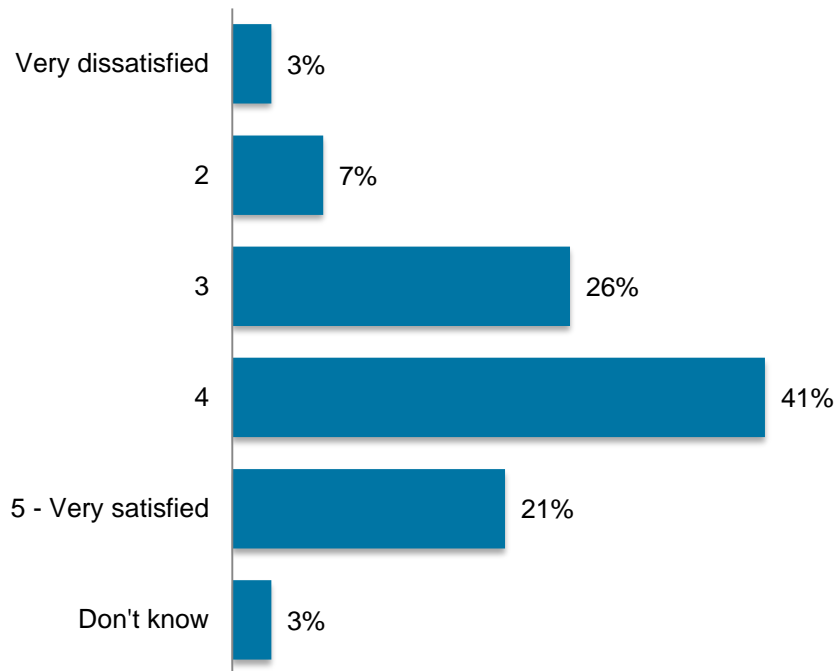
The main causes of hard to fill vacancies centre on a low number of applicants with the required skills/qualifications (43% of those experiencing hard to fill vacancies). Other reasons cited include a lack of work experience (19%), not enough people interested in doing the type of job (18%), a low number of applicants with the required work ethic and poor working conditions (7%).

5 Local area and community

5.1 Satisfaction with local area

Overall, more than six in ten businesses (62%) are satisfied with the local area as a place to do business, with 21% very satisfied. Just one in ten (10%) are dissatisfied.

Figure 24: Overall satisfaction with the local area as a place to do business (all respondents)



Q30, unweighted base = 2161

Those businesses more likely to be satisfied included:

- Those based in Trafford (81%)
- Those with 50+ employees (74%)
- Those in finance and real estate (74%).

Those more likely to be dissatisfied included:

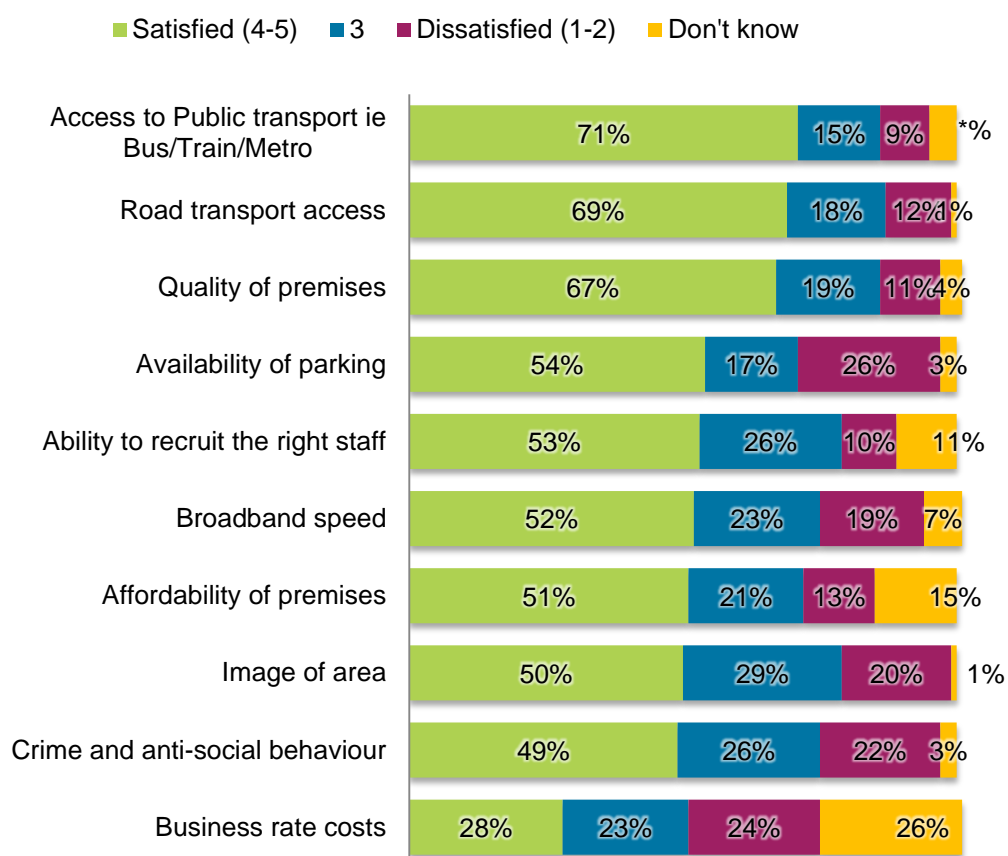
- Those considering relocation (22%)
- Those in transport and storage (20%)
- Those based in Rochdale (20%).

Businesses were asked to rate their level of satisfaction with aspects of their local area. They gave a rating of between 1 and 5, where 1 is very dissatisfied and 5 is very satisfied. The graph below shows a summary of those who are satisfied (scoring 4 or 5), neither satisfied nor dissatisfied (scoring 3) or dissatisfied (scoring 1-2).

Aspects of the local area rated most positively (scoring 4-5) included:

- Access to public transport (71%; 66% in 2013)
- Road transport access (69%; 69% in 2013)
- Quality of premises (67%; 55% in 2013)

Figure 25: Satisfaction with local area (all respondents)



Q29, unweighted base = 2161

Aspects rated least positively (scoring 1-2) included:

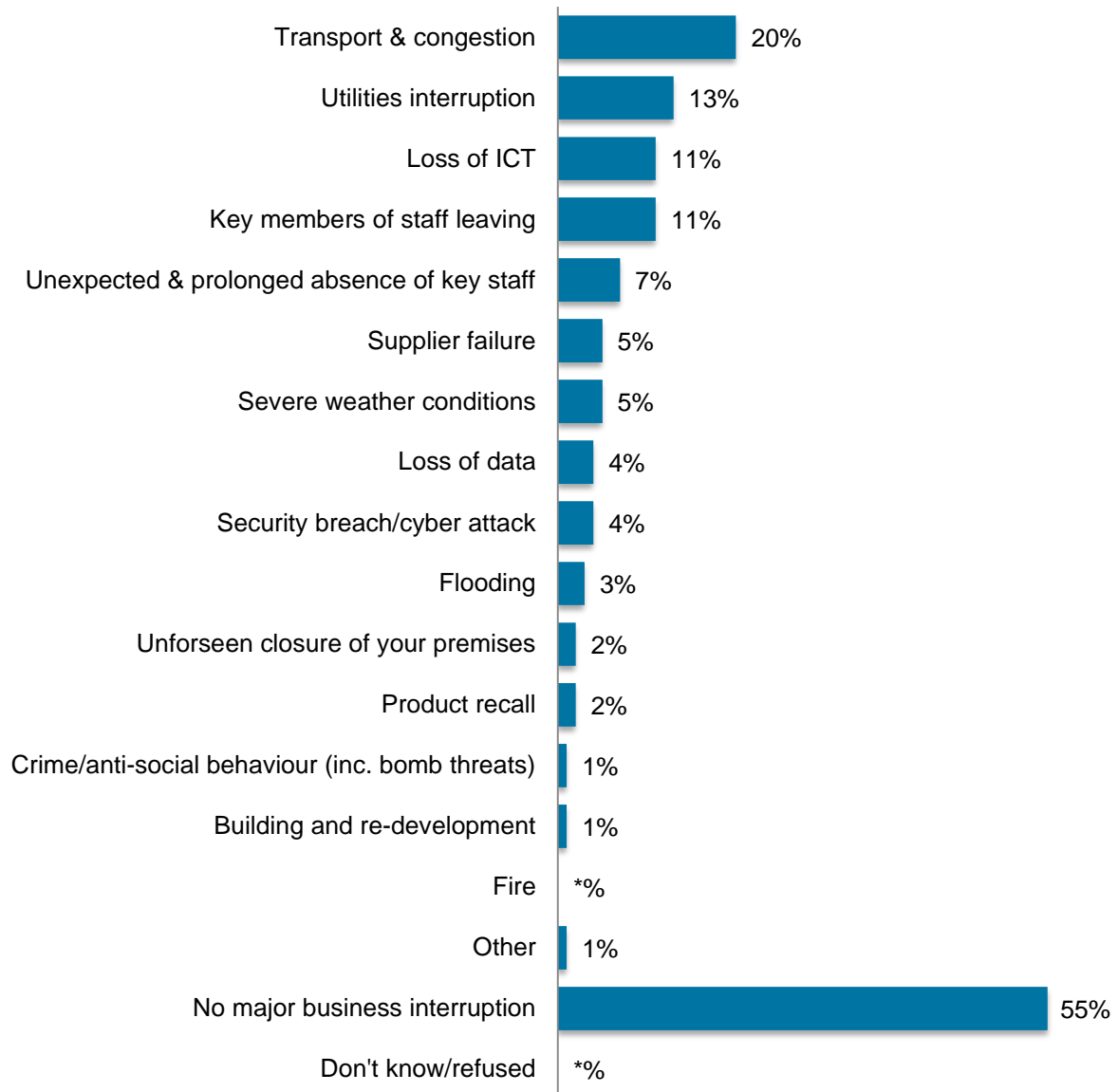
- Availability of parking (26%; 34% in 2013)
- Business rate costs (24%; 23% in 2013)
- Crime and anti-social behaviour (22%; 32% in 2013)
- Image of area (20%; 28% in 2013)
- Broadband speed (19%; 21% in 2013).

Respondents were asked if their business has experienced any major business disruptions in the last 12 months caused by one or more of a range of issues listed.

Nearly half of the respondents (45%) cited at least one and this is most likely to have been transport and congestion (20%). Utilities interruption was cited by 13%, while slightly fewer cited loss of ICT (11%).

Transport/storage businesses are more likely than average to have experienced disruptions of various types including transport and congestion (33%) and 17% loss of IT.

Figure 26: Business disruption experienced – prompted, multiple response (all respondents)



Q31, unweighted base = 2161

The majority of businesses (63%) have plans in place to ensure that key business functions continue despite serious disruptions (i.e. a Business Continuity Plan). In nearly two thirds of these cases (39% of all) these plans have been tested. In the remainder (25% of all) they have not been tested.

More than a quarter of businesses (29%) have no such plans in place, with a further one in twenty (5%) never having considered this type of planning and 3% not knowing whether such plans exist.

The propensity to have a Business Continuity Plan in place increases with business size from 58% of businesses with between 1 and 10 employees to 81% of businesses with between 11 and 49 employees to 88% of all businesses with 50 or more employees.

5.2 Potential relocation

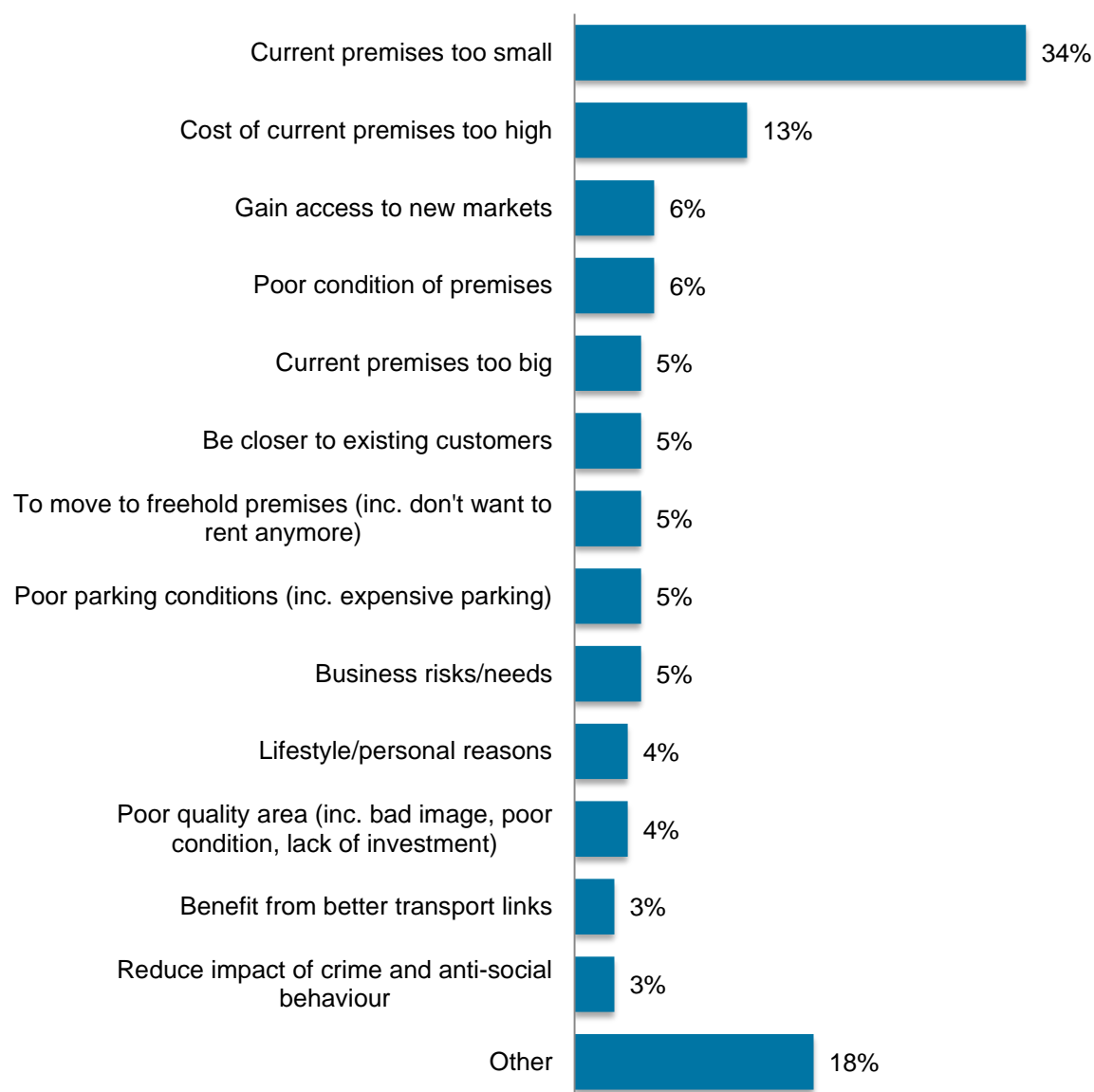
Just over one in ten firms (13%) are currently considering relocation. This proportion is slightly higher than in 2013 (11%).

Among those businesses more likely to be considering relocation are those in information & communications (26%), those established 2-5 years (26%) those in professional services (22%), those with any dealings overseas (22%) and growth businesses (21%).

The main reason for considering relocation is the size of premises, specifically, that they are too small (34%), although 5% of those considering relocation feel their current premises are too big. About one in seven (13%) cite the cost of their current premises as the reason for considering relocation.

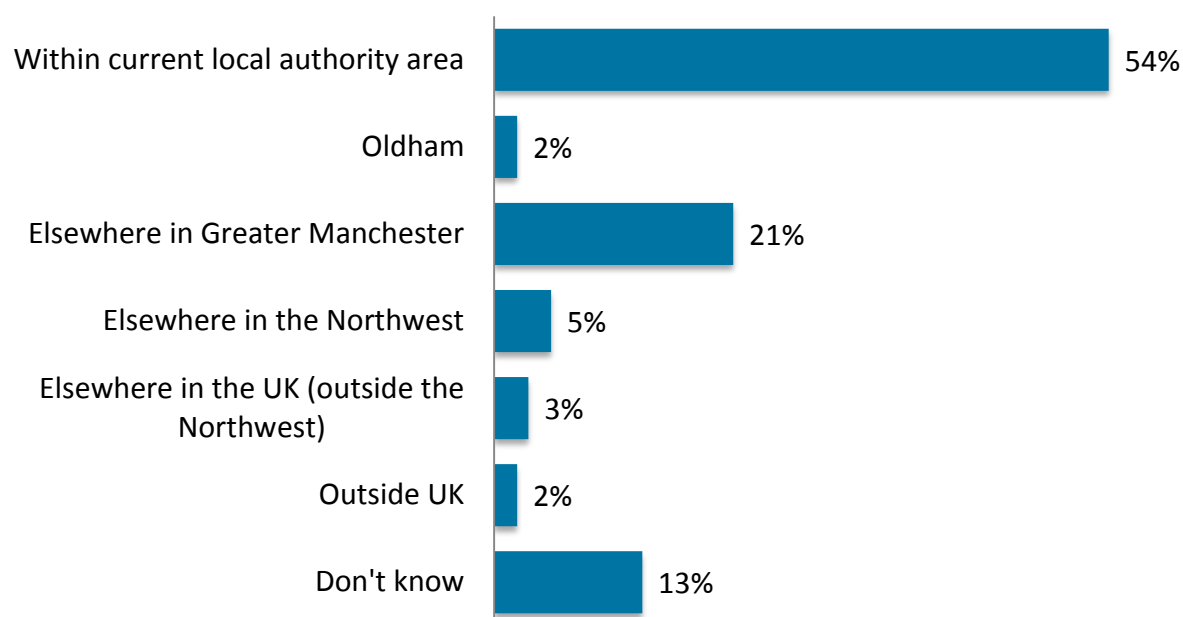
Of more concern are the following reasons (which although few respondents mentioned, do highlight the potential negative impact the property market can have on the region's business stock): regeneration of the area (2%), to move to freehold (5%, which can be in short supply in parts of Greater Manchester, especially as the economy recovers) and Compulsory Purchase Order (2%). This is even more worrying when it is the knowledge based sectors that are most likely to be looking to relocate including 26% in information and communications and 22% in professional services.

Figure 27: Reasons for considering relocation – unprompted, multiple response (where considering relocation)



Q34, unweighted base = 296, those mentioned by 3%+

Fortunately, the majority of businesses seeking to relocate intend to remain within their current local authority area (54%). Of the remainder, the majority intend to remain within the Greater Manchester area (21% of all considering relocation), while about one in ten are looking to move somewhere outside the Greater Manchester area, including a high 2% who are looking to leave the UK.

Figure 28: Possible relocation sites (where considering relocation)

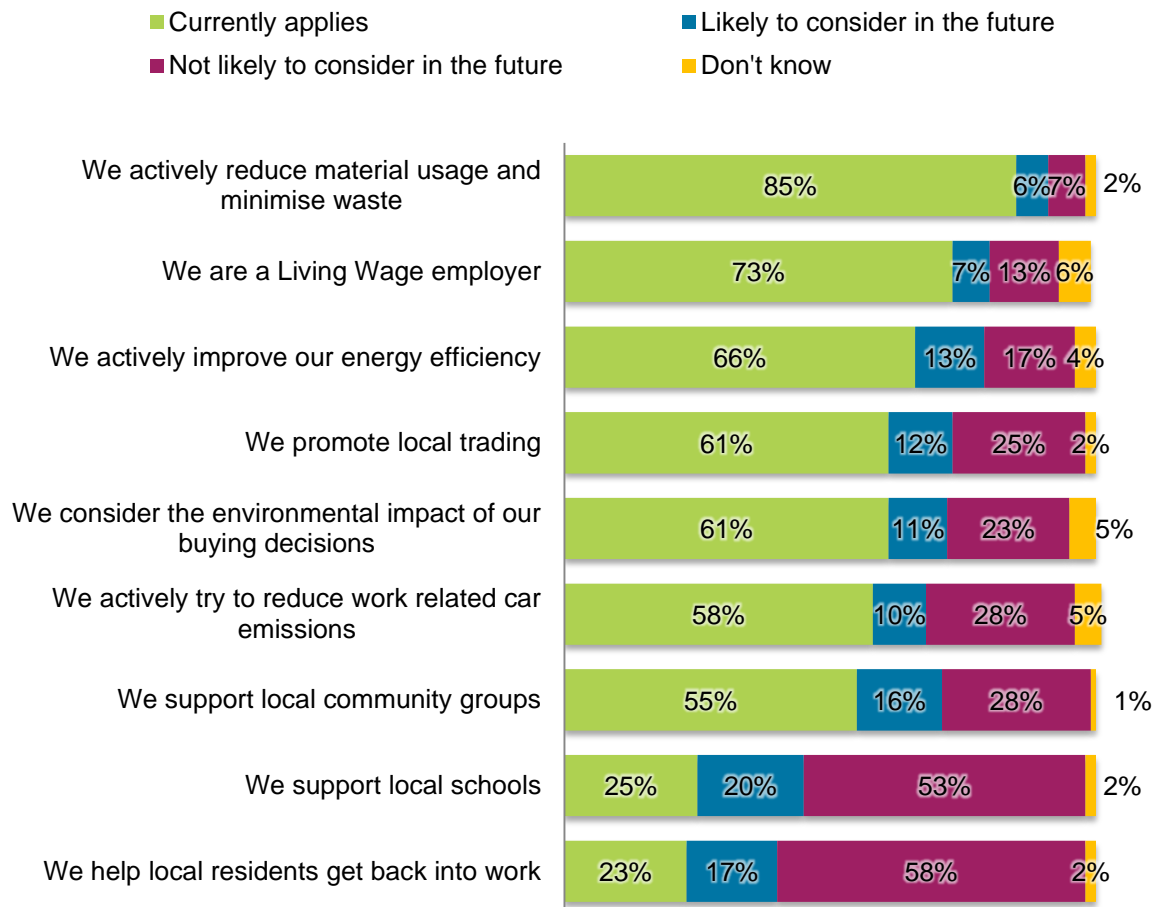
Q35, unweighted base = 296

5.3 Support for the local economy and community

Businesses were asked how they support their local economy and community.

They indicated broadly similar levels of support in various areas compared to the last two years, although there is a possible suggestion that as the economy is becoming more buoyant, environmental issues are becoming slightly less important. Nevertheless more than eight in ten respondents reported that their business currently actively reduces company waste (85%; 88% in 2013) and two thirds actively tries to improve their energy efficiency (66%; 87% in 2013), while about six in ten currently consider the environmental impact of their buying decisions (61%; 65% in 2013). A quarter support local schools (25%, compared with 32% in 2013) and over half support local community groups (55%; 59% in 2013) and promote local trading (61% up from 59% in 2013).

Nearly three quarters consider themselves to be a Living Wage Employer (73%, a new question in 2014) and nearly a quarter help local residents get back into work (23%, compared with 30% in 2013). 58% try to reduce work related car emissions (compared with 56% in 2013).

Figure 29: Support for the local economy and community (all respondents)

Q38, unweighted base = 2161

Significant differences in current activities by sector include:

- Construction businesses are significantly more likely to actively reduce material usage or minimise waste (93%) and be a Living Wage employer (89%)
- Information and communications businesses are also more likely to be a Living Wage employer (84%)
- Transport and storage businesses are more likely to promote local trading (78%), consider the environmental impact of their buying decisions (75%) and actively try to reduce work related car emissions
- Food/accommodation businesses are more likely than other sectors to currently support local community groups (75%)
- Administration/support/public and personal service businesses are more likely than other sectors average to currently support local schools (37%).

By size, the propensity to support the local economy and community is greater within larger employers; with employers with 50 or more staff are significantly more likely than smaller employers to be currently active in:

- trying to improve their energy efficiency (80%)
- considering the environmental impact of their buying decisions (78%) and
- supporting local schools (41%).

There are also other interesting differences, with the voluntary sector more likely to currently support local community groups (75% compared to 54% of the private sector), help local residents get back into work (66% compared to 19%) and support local schools (54% compared to 23%). In contrast, the private sector are more likely to be a Living Wage employer (74% compared to 66% of voluntary organisations).

6 Business support

6.1 Use of business support and advice

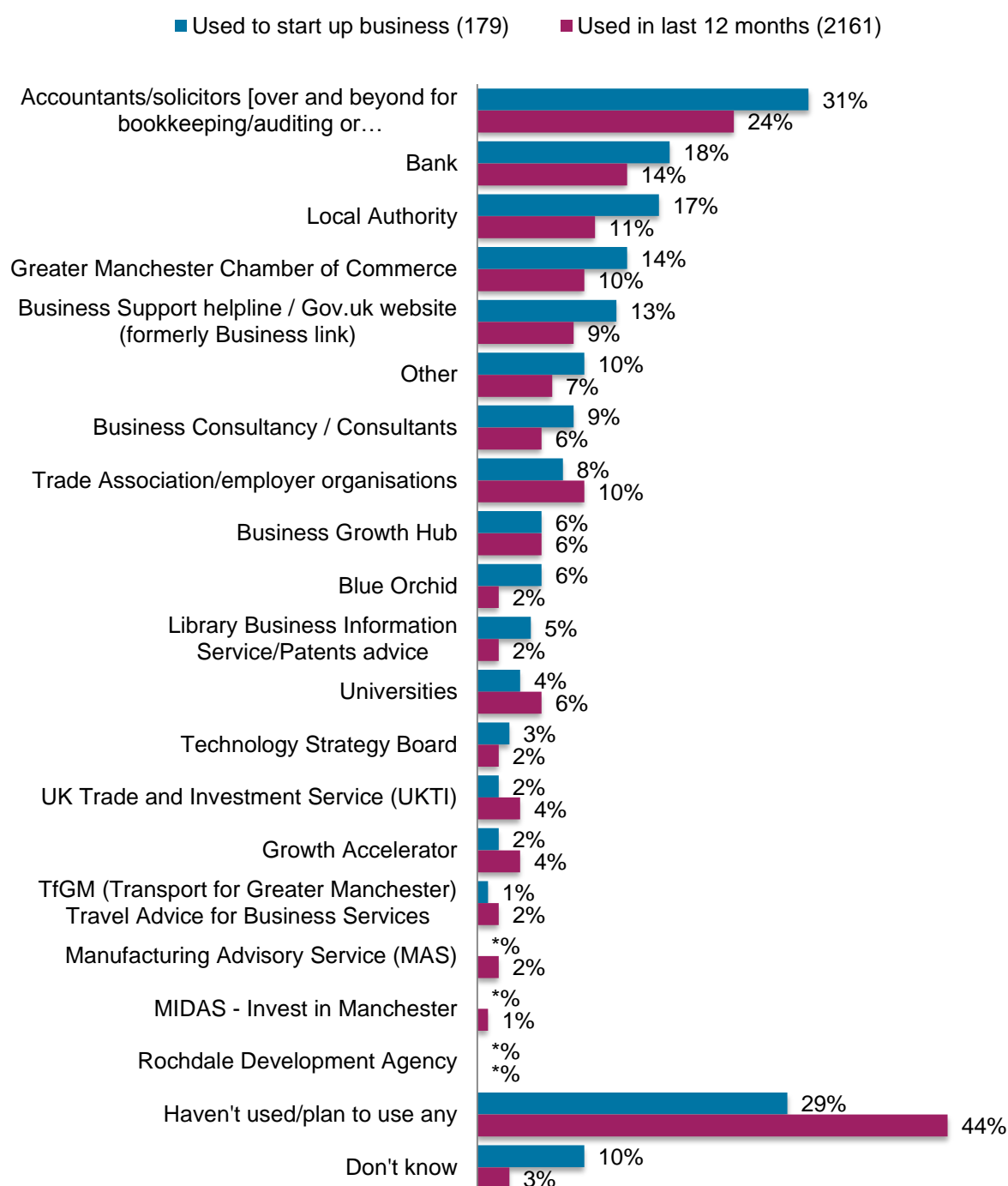
6.1.1 Use of business support and advice in the last 12 months

Over half of all businesses (54%) in Greater Manchester have used any of a range of professional support and advice organisations (either in the last 12 months, or when starting up the business in the last 3 years. This includes over two thirds of growth companies (67%).

In the last 12 months, just a quarter used accountants/solicitors (24%), while more than one in ten had used: trade associations/employer organisations/business networks (10%), banks (14%), Local Authorities (11%) or the Greater Manchester Chamber of Commerce (10%).

Those starting up their business had used similar organisations, but with higher proportions using each, particularly accountants/solicitors (31%) and banks (18%). A sizeable proportion of this group had also used their local authority (17%).

Figure 30: Use of business support and advice to start up the business (where trading up to 3 years) and in the last 12 months (all respondents)



Q50/Q51, unweighted bases in parentheses

Businesses that are more likely to have used any support services include:

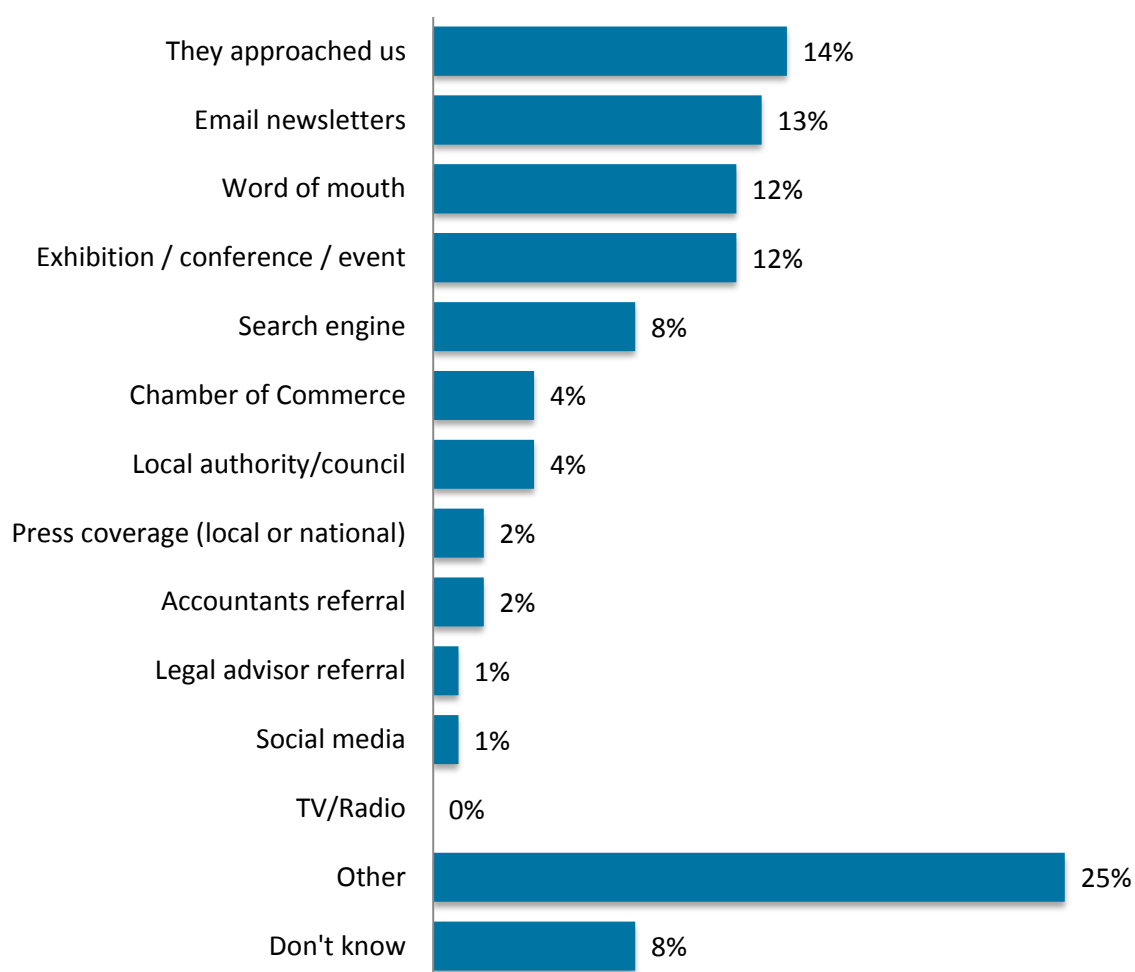
- Those in information and communications (69%)
- Growth businesses (67%)
- Voluntary organisations (68%)
- Large businesses (68% of those with 50+ employees)

- Those based in Wigan (63%) and Bury (61%)

6.2 The Business Growth Hub

Among those businesses which had used the Business Growth Hub in the last 12 months or to start up their business in the last 3 years, at least one in ten each mentioned first hearing about the Hub by being approached by them, via email newsletters, word of mouth or at an event.

Figure 31: Methods of first hearing about the Business Growth Hub (where used the Business Growth Hub in the last 12 months/to start up business)



Q52, unweighted base = 163

Among those businesses which have not used the Business Growth Hub for support, 26% are aware of the Hub and the services it offers. This indicates that in total, 31% of businesses know of the Business Growth Hub and 6% (21% of those aware of the Hub) have used their services.

Focusing on the 31% aware of the Business Growth Hub overall, those businesses in information & communications (45%) and manufacturing (40%) are more likely to be aware than in other sectors. This figure does not vary widely by district, although those based in Oldham (37%), Bolton (35%), Salford (34%) and Manchester (33%)

were statistically more likely to be aware. Those based in Wigan (22%) and Tameside (23%) are the least likely to be aware. 43% of growth businesses compared to 29% of non-growth businesses were aware of the Hub.

6.3 Areas of business support sought

Respondents reported that their businesses had sought support and advice in a range of areas in the last 12 months. From a prompted list of possible areas, they were most likely to mention workforce skills and training (25%), increasing sales through marketing (24%), business networking (21%), using broadband/digital technology (20%), access to finance and grants (19%), leadership and management skills (18%), expanding the workforce and recruitment (17%).

In terms of future use, the range of support and advice was similar to that already used in the past 12 months, with increasing sales through marketing (24%) and workforce skills and training (25%) again being the most popular. A sizeable proportion also mentioned expanding the workforce (19%) as an area for future support.

Figure 32: Areas in which businesses have sought support or advice in the last 12 months and where they are likely to seek support or advice in the foreseeable future – prompted, multiple response (where have used in last 12 months/all respondents)

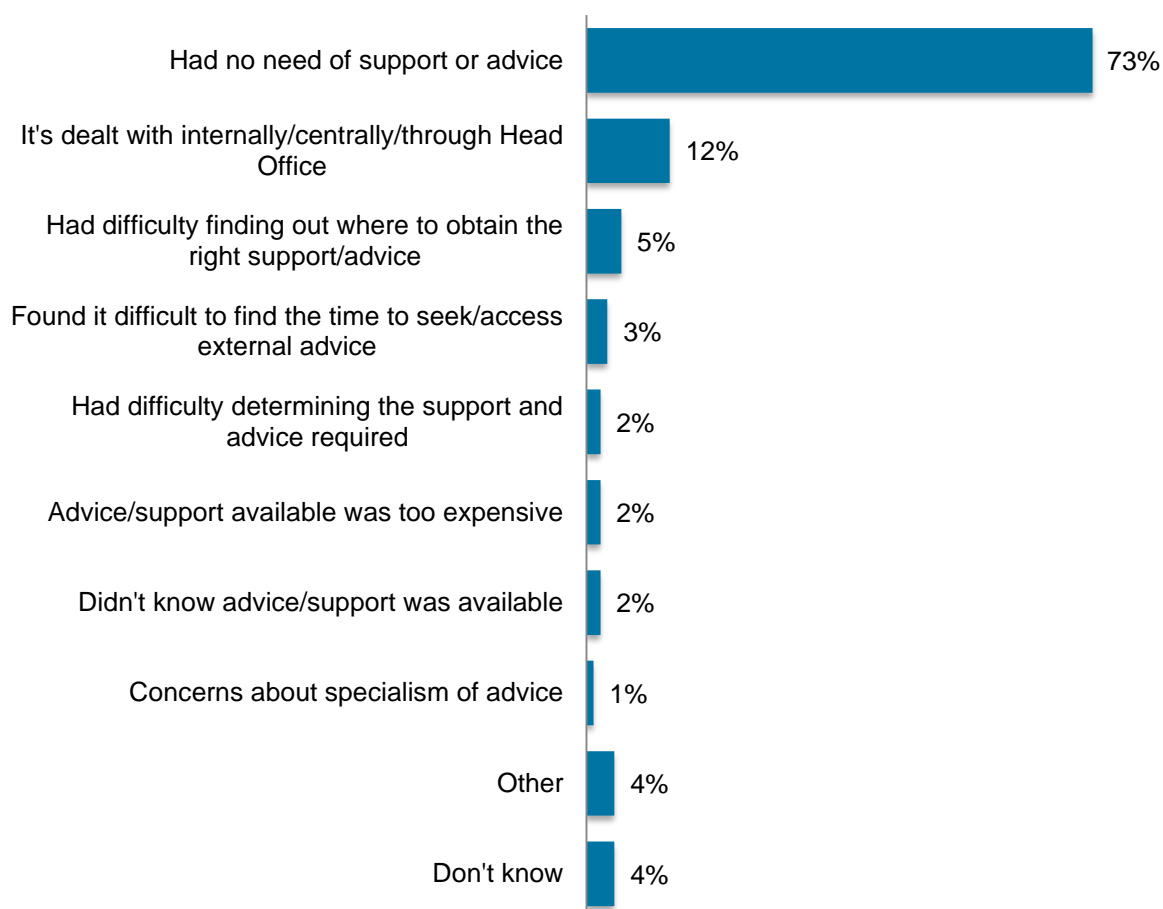
	Used in last 12 months	Use in foreseeable future
Workforce skills and training	25%	25%
Increasing sales through marketing	24%	24%
Business networking	21%	19%
Using broadband or digital technology	20%	16%
Accessing finance, including grants & subsidies	19%	19%
Leadership and management skills to grow your business	18%	17%
Expanding the workforce, recruitment/job creation, including recruitment of apprenticeships	17%	19%
General business growth advice	17%	19%
Reducing energy, material, water & waste costs	17%	17%
Availability of new premises or expanding your own premises	14%	14%
Public sector contract opportunities	12%	15%
Exporting/overseas trade	9%	9%
Help with innovation or research & development	9%	11%
Business continuity (minimising disruption to your business)	9%	12%
Exploiting digital services and E-Commerce	8%	12%
Supply chains	8%	8%
Sustainable travel, e.g. support for work-travel planning	3%	5%
Support helping my business deliver its social objectives	0%	10%
Other	9%	7%
None	25%	34%
Don't know	1%	4%
Q57-Q58, unweighted Bases	1138	2161

6.3.1 Difficulties in seeking business support and advice

Some 8% of businesses claim to have had difficulty accessing business support (compared with 6% in 2013), rising to 13% in the voluntary sector. The main reasons for having difficulty in accessing this support are that it is dealt with by Head Office (12%). However, of those facing difficulty some 74% report difficulty in finding out where to find advice (up on 60% in 2013), and 48% of all companies (compared with 37% in 2013) had difficulty in determining the right sort of advice.

Nevertheless, the most frequently cited reason for not using business support or advice was that there has been no need (73%; 55% in 2013).

Figure 33: Reasons for not using business support or advice (where have not used in last 12 months)



Q56, unweighted base = 960

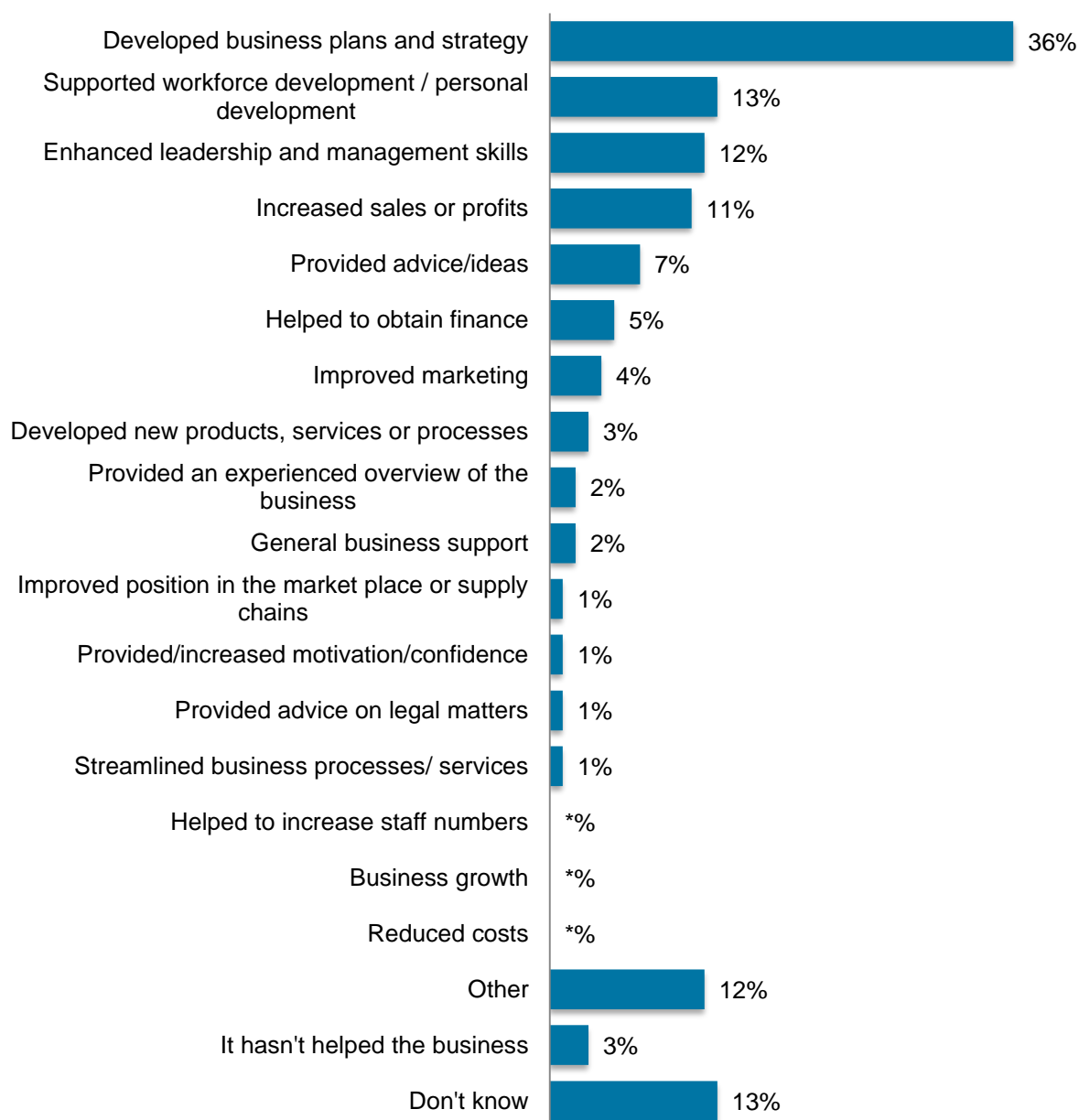
6.4 Business mentoring

13% of business have used a business mentor in the last 12 months (compared with 10% in 2013). The proportion is similar to the 14% reported amongst UK SMEs in the February 2014 Business Barometer.

The proportion of businesses using a business mentor is highest in information and communications sectors (23%) and lowest in food and accommodation (5%).

Business mentors are most likely to help their business in terms of developing business plans and strategy (36%). This was also the most frequently mentioned benefit in 2013 (29%). Businesses also highlighted that their mentors had helped with workforce development (13%), with enhancing their leadership and management skills (12%), and with increased sales or profit (11%).

Figure 34: How business mentoring has helped – unprompted, multiple response (where used a business mentor in the last 12 months)



Q60, unweighted base = 291

Despite the apparent benefits of mentoring, only a small proportion (4%; the same proportion as in 2013) of respondents are currently acting as a mentor for another business. Although some 6% said they were considering becoming a mentor (compared with 2% in 2013).

These figures are broadly in line with the national average reported in the February 2014 UK Business Barometer. 8% of respondents within UK SMEs stated that they were already a mentor, and 4% were considering becoming a mentor in 2014.

7 Export, trade and connectivity

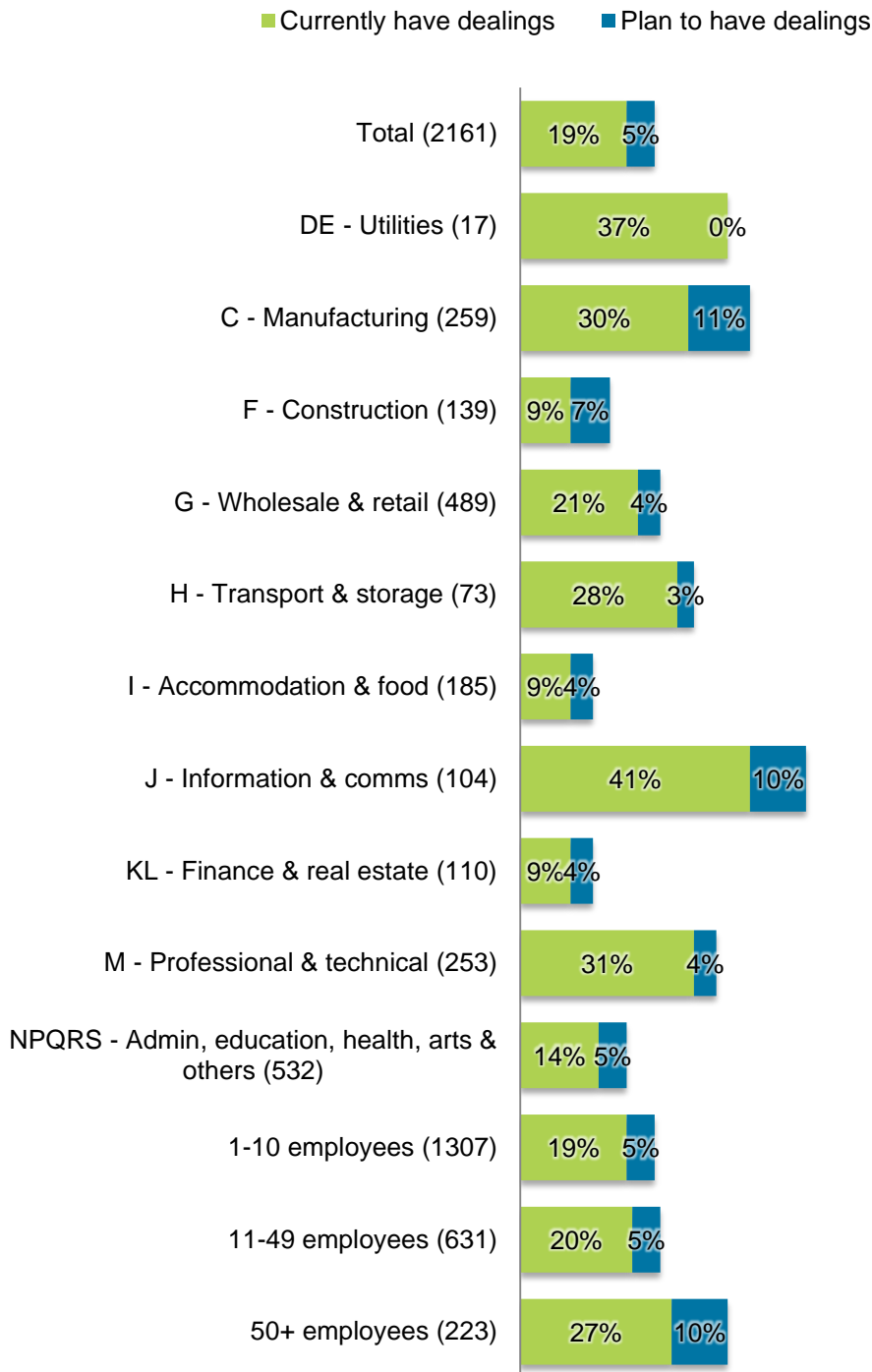
7.1 Relationships with international markets

One in five employers (19%) has dealings with international markets. The same proportion to that reported in 2013 (19%).

The proportion of UK SMEs that export, as reported by the February 2014 Business Barometer, was slightly higher at 21%.

One in twenty employers (5%) has plans to deal with international markets in the future. Again, this is a similar to that reported in 2013 (4%).

Figure 35: Proportion of businesses that deal with international markets, by industry sector and size (all respondents)



Q62, unweighted bases in parentheses

The proportion of Greater Manchester employers with international relationships is highest amongst:

- Information/ communications businesses (41%), professional services (31%) and manufacturing (30%)

- Large employers (27% of those with 50+ employees).

Plans to have dealings with international markets in the future are also highest amongst manufacturers (11%) and information/communication businesses (10%).

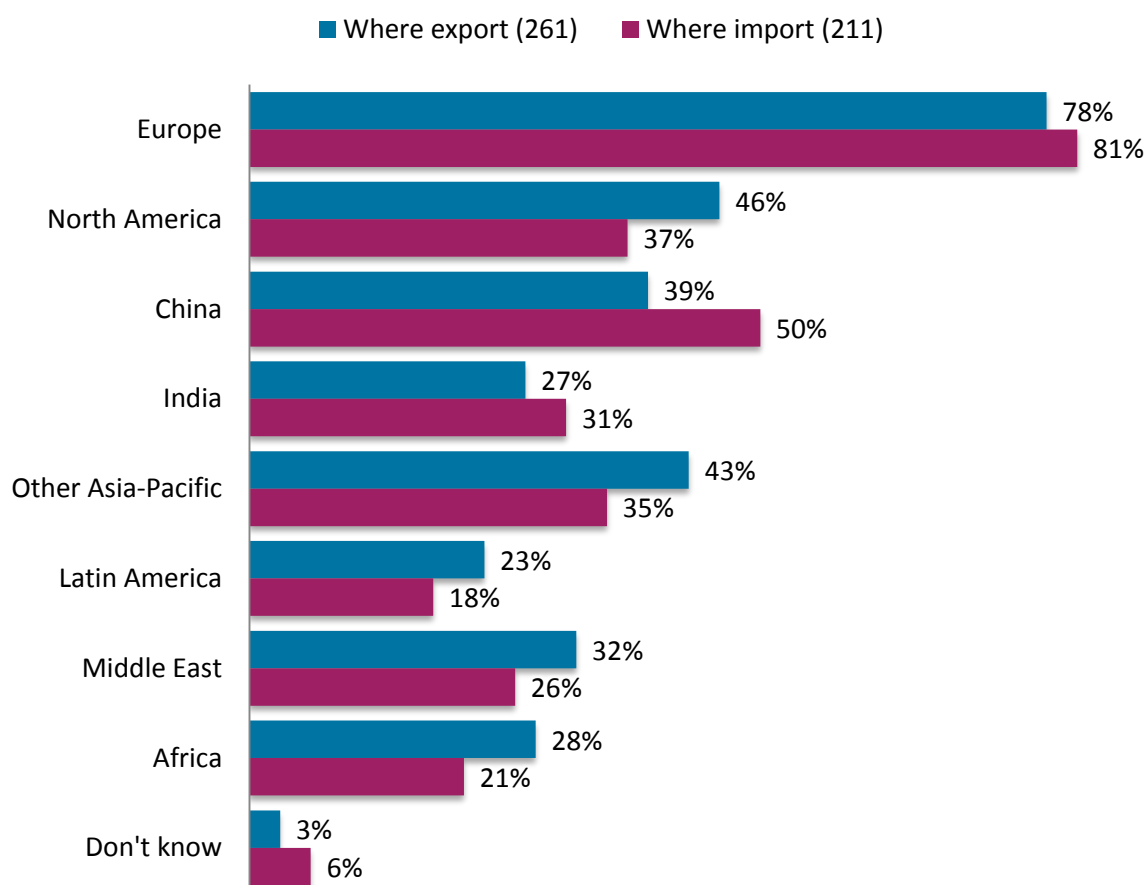
An interesting observation is that 31% of those planning to relocate have dealings with international markets. Also international links are most prevalent amongst companies in Trafford (28%), Bury (27%) and Manchester City (26%).

Almost six in ten employers that deal with international markets export to these markets (58%) and just under four in ten have other business relations, such as good contact links, networks, parent and subsidiary company links (38%). 42% are also involved in the importing trade.

Links are most prevalent with Europe-based markets (around three quarters); while around at least four in ten of those that import or export have dealings with China and/or North America.

Importing from Europe has increased since 2013 (from 67% to 81%). Exporting to China has also increased since 2013 (37% to 39%), whilst importing from China has increased slightly over the same period (54% to 50%).

Figure 36: Locations where businesses export/import (where export/import)

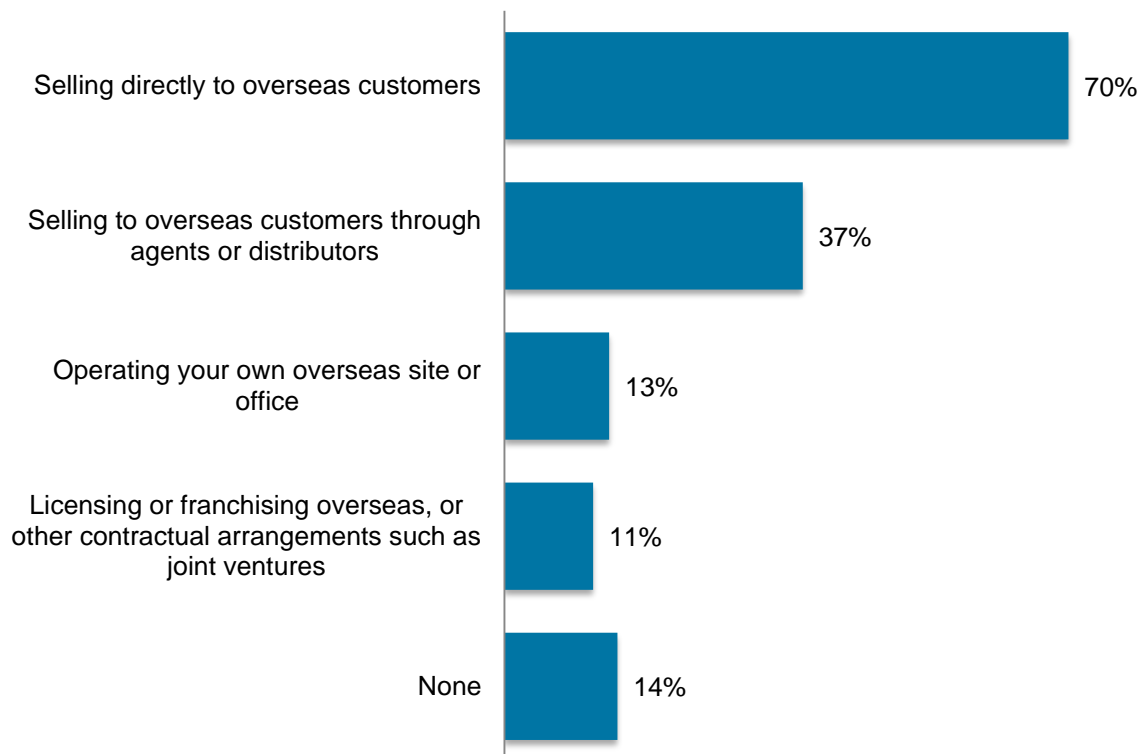


Q64 unweighted bases in parentheses

Of those with links to Europe just over a quarter have links to France and Germany (26% each). The commonwealth countries of Australia (22%) and Malaysia (14%) are the most prevalent within Asia Pacific. Whilst for South America, Brazil is the most common business partner (47%), the UAE (54%) in the Arab World and South Africa (46%) in Africa.

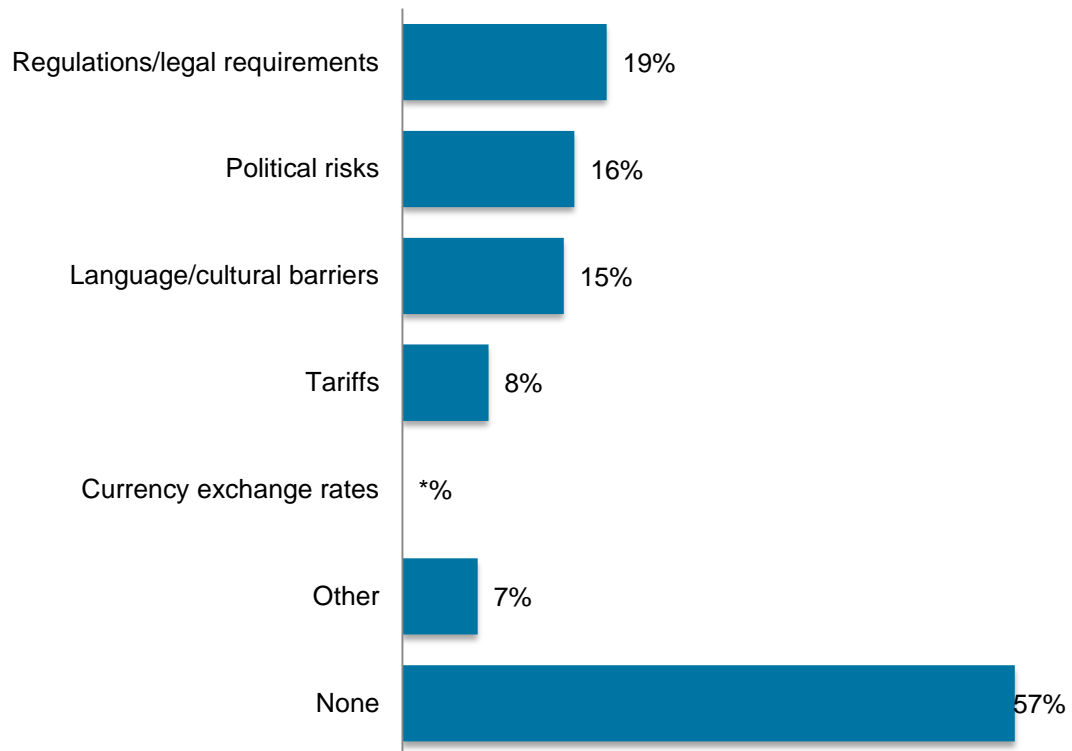
Whilst the main route to export markets is direct selling (70%), some 37% of exporters have overseas agents and 13% a representative office.

Figure 37: Overseas business activities which the organisation has been involved in (where export/import)



Q65 unweighted base = 315

Regulations appear to be the main barrier to overseas business (19%), followed by political risk (16%) and language and cultural barriers (15%). Nevertheless, some 57% of businesses claim that there are no barriers and only one company pointed to currency fluctuations, despite this having been a period of major instability for a number of currencies against Sterling.

Figure 38: Barriers to exporting (where export/import)

Q66 unweighted base = 315

7.2 Interest in emerging economies

Around one in seven businesses in Greater Manchester (16%) have an interest in developing business links with emerging economies. This compares with a 15% with an interest in the BRICs (Brazil, Russian, India and China) economies in 2013.

In terms of interest in emerging economies, China is top amongst Greater Manchester businesses (8%), followed by the Middle East (6%), India (5%), Russia (4%) and Brazil (4%). Other emerging economies of interest included Mexico, Nigeria, Indonesia and Thailand.

8 Innovation and technology

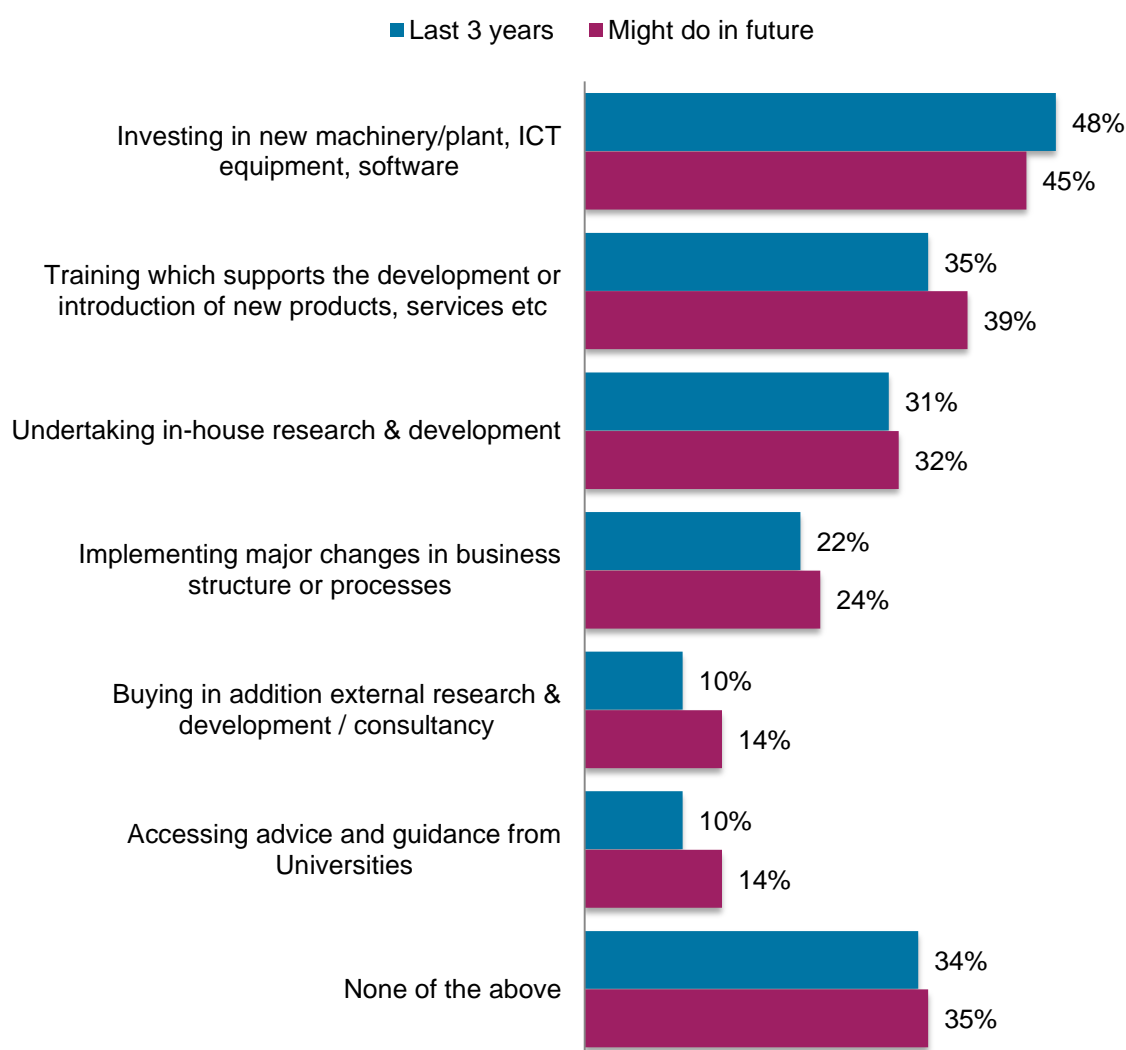
8.1 Innovation activities undertaken or planned

More than a quarter of businesses (27%) intend to launch a new product or service in the next 12 months, rising to 56% of those in information and communications sectors and 41% in manufacturing. 32% of growth businesses intend to launch a new product compared to 26% of non-growth businesses.

Two thirds of Greater Manchester businesses (66%) have engaged in innovation activities in the last 3 years. This compares with 74% in 2013.

Respondents are most likely to have invested in new machinery/plant, ICT equipment and software (48%), as was the case in 2013 (57%). Around a third (35%) have undertaken training which supports the development or introduction of new products, services or business and process improvement (49% in 2013).

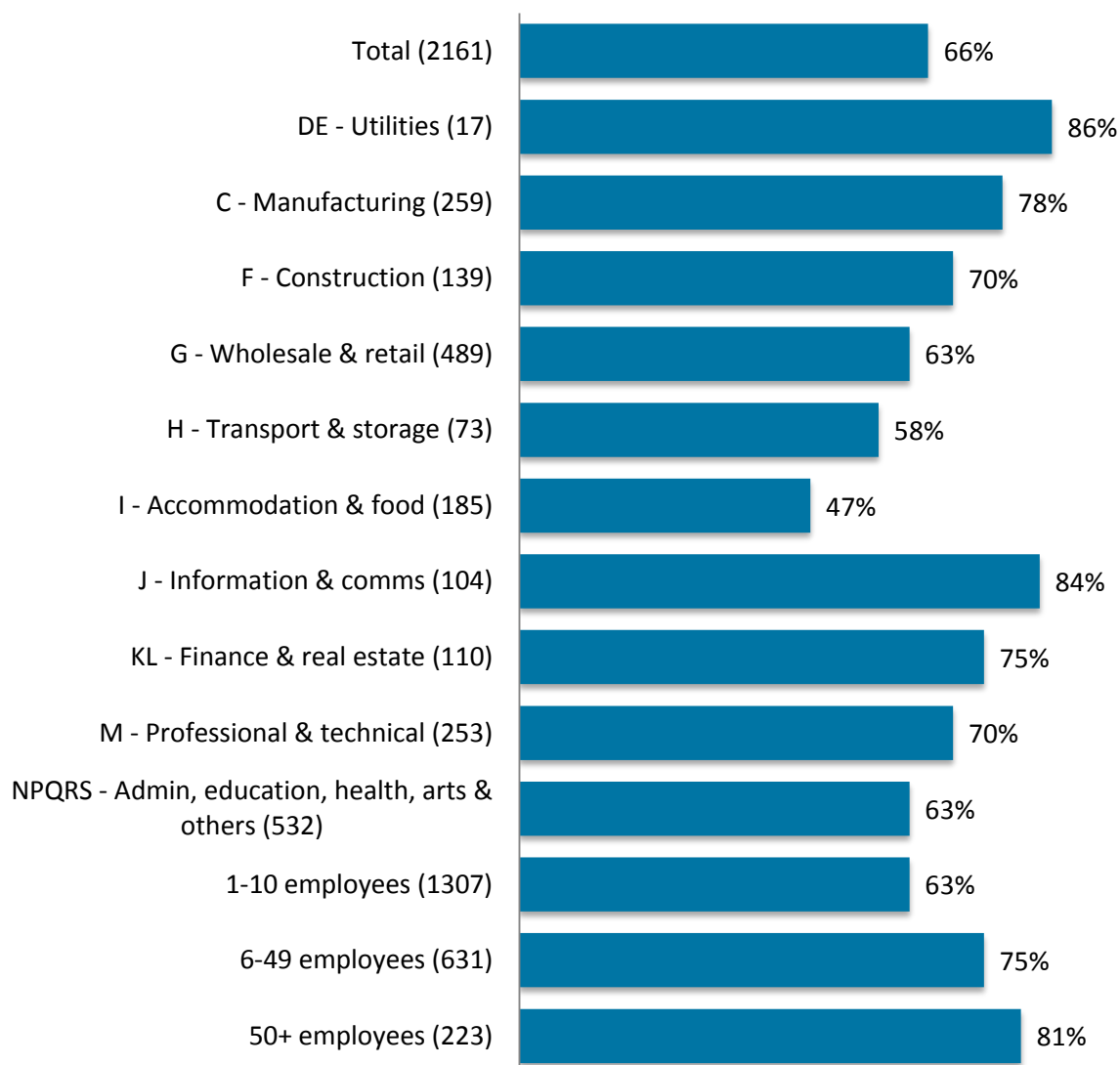
Figure 39: Innovation activities undertaken or planned (all respondents)



Q69-Q70, unweighted base = 2161

Innovation activity is significantly more prevalent amongst information/communication businesses (84%) and least likely within food/accommodation services (47%). The 86% among utilities is not significant due to the small sample base.

Figure 40: Proportion of businesses which have innovated in the last 3 years, by industry sector and size (all respondents)



Q69, unweighted bases in parentheses

A similar proportion of Greater Manchester businesses (65%) plan to undertake innovation activities in the next 3 years. This is a lower proportion to that reported in 2013 (76%). Again, the two most likely activities that might be undertaken are investment in new machinery/plant, ICT equipment and software (45%: 58% in 2013) and training which supports the development or introduction of new products, services or business and process improvement (39%: 54% in 2013).

Manufacturing businesses are significantly more likely than average to be planning to undertake investment in new machinery/plant, ICT equipment/software (63%) and

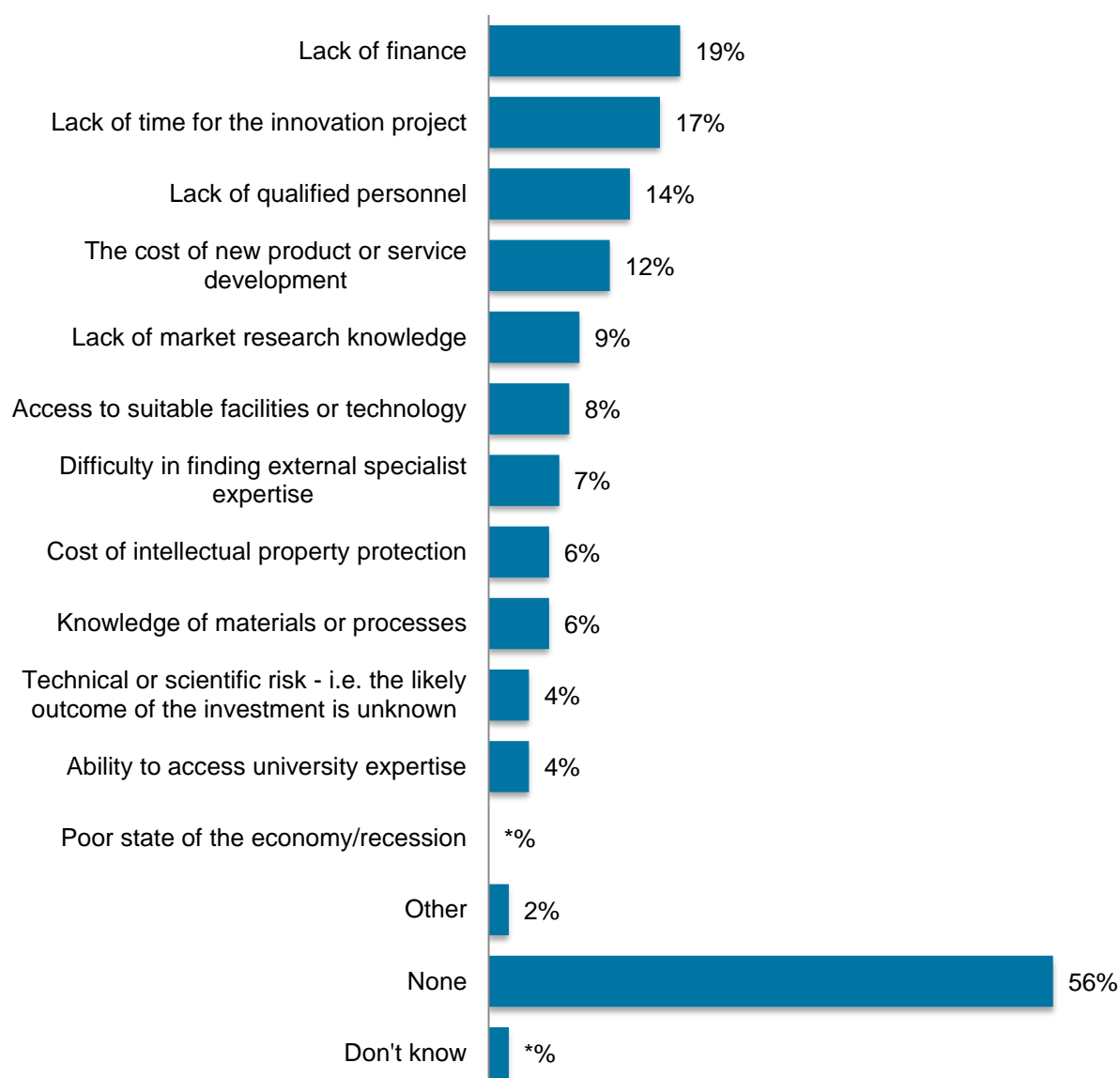
training which supports the development or introduction of new products, services or business and process improvement (44%).

8.2 Constraints to innovation

More than four in ten of all businesses (42%) have experienced some constraints on innovation, a similar proportion than those reporting barriers to innovation in 2013 (43%).

Lack of finance was the most frequently mentioned constraint (19%). This is also a contributing issue to another key constraint, that of the cost of new product or service development (12%). Lack of time is also relatively significant in holding innovation back (17%), as is a lack of qualified personnel (14%).

Figure 41: Constraints to innovation – prompted, multiple response (all respondents)



Q71, unweighted base = 2161

8.3 Internet connection speed

More than a quarter of businesses (27%) have considered getting a faster or more reliable connection to the internet. This compares with 28% in 2013.

Just over half of those that have considered a faster, more reliable connection are currently organising it (15% of all respondents). A further 6% of all businesses have not yet arranged it; 2% has considered it but found it to be too expensive.

8.4 Barriers to adopting digital technologies

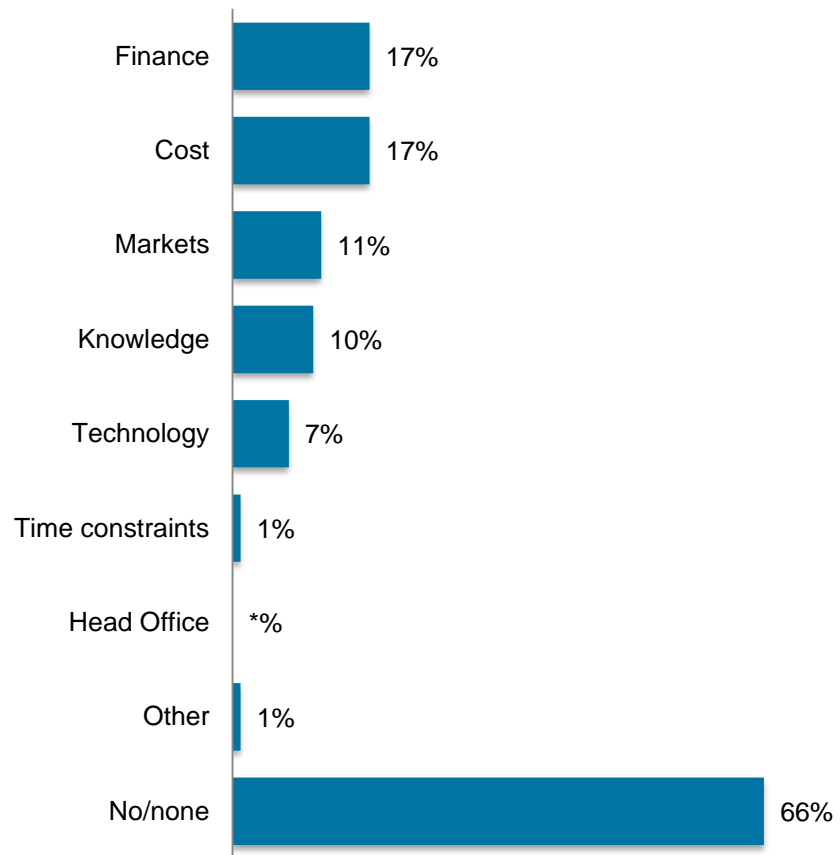
A third of all businesses (34%) report some barriers to adopting digital technologies, including broadband and cloud services, which would improve their business.

The speed of local connectivity is the most frequently mentioned (19%), with lack of knowledge coming in at 12%. Furthermore, one in ten pointed to a lack of skills and a lack of investment funding.

8.5 Barriers to increasing resource efficiency

A third of businesses (34%) report some constraint to increasing their resource efficiency, the most common reasons being finance and cost (both at 17%). In addition, 11% point to markets and 10% to knowledge, somewhat surprisingly rising to 13% in professional services and 12% in information and communications, but perhaps highlighting the difficulty in applying the concept of resource efficiency to their sectors.

Figure 42: Barriers to increasing resource efficiency to improve the business (all respondents)



Q74, unweighted base = 2161

Appendix 1: Profile of businesses in Greater Manchester

Figure 43: Profile of employers in Greater Manchester (all respondents, weighted data)

Type of organisation	
A private business	92%
A voluntary/non profit-making organisation	8%
Proportion of turnover generated from trading (voluntary/non-profit making only)	
None	0%
1-10%	19%
11-20%	12%
21-30%	4%
31-40%	7%
41-50%	9%
51-60%	6%
61-70%	4%
71-80%	7%
81-90%	6%
91-99%	4%
100%	22%
Don't Know	0%
Refused	0%
Size of organization (employees)	
1-10 employees	78%
11-49 employees	18%
50-199 employees	4%
200-249 employees	*%
250+ employees	*%

Percentage of workforce which is full time	
None	9%
1%-10%	3%
11%-20%	3%
21%-30%	4%
31%-40%	5%
41%-50%	9%
51%-60%	4%
61%-70%	3%
71%-80%	7%
81%-90%	7%
91%-99%	4%
100%	43%
Percentage of workforce which is part time	
None	43%
1%-10%	10%
11%-20%	6%
21%-30%	5%
31%-40%	5%
41%-50%	9%
51%-60%	4%
61%-70%	3%
71%-80%	4%
81%-90%	2%
91%-99%	1%
100%	9%

Percentage of workforce which is temporary/casual	
None	93%
1%-10%	4%
11%-20%	1%
21%-30%	1%
31%-40%	*%
41%-50%	1%
51%-60%	*%
61%-70%	*%
71%-80%	*%
81%-90%	0%
91%-99%	*%
100%	*%
Industry Sector (SIC 2007)	
C - Manufacturing	6%
DE - Water supply, sewerage, waste management and remediation activities	*%
F - Construction	9%
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	18%
H - Transportation and storage	3%
I - Accommodation and food service activities	6%
J - Information and communication	4%
KL - Finance and real estate	5%
M - Professional, scientific and technical activities	15%
NPQRS - Administrative, education, human health, arts and other activities	32%
Number of sites	
Single site	71%
This site is a branch/subsidiary	20%
This site is HQ	9%

Location of head office (where branch/subsidiary)	
Inside Greater Manchester	31%
Outside Greater Manchester, but inside the Northwest	12%
In the UK, but outside the Northwest	52%
Europe	2%
US	1%
Rest of World	1%
Don't know	1%
Annual turnover	
Less than £79,000	12%
£79,000 - £250,000	20%
£250,000 - £0.5M	16%
£0.5M - £1M	7%
£1M - £5M	11%
£5M - £10M	2%
£10M - £25M	1%
£25M+	1%
Don't know	11%
Refused	17%
Length in business	
Less than 12 months	1%
1 up to 2 years	4%
Over 2 up to 3 years	4%
Over 3 up to 5 years	11%
6 to 10 years	19%
11 to 20 years	21%
Over 20 years	40%
Don't know	1%

Appendix 2: Manchester businesses summary

Profile of Manchester businesses surveyed

Key profile of Manchester employers taking part in the survey:

- The main sectors are administration and support services (33%), wholesale and retail (18%) and professional and technical services (18%)
- 73% of businesses have 1 to 10 employees
- 87% are private businesses
- 38% have been trading for over 20 years and 20% for between 11 and 20 years
- 67% of businesses are single site; 24% are branches/subsidiaries and 9% a head office

The spread of businesses by regeneration areas is as follows:

Central	58
City Centre	185
East Manchester	55
North Manchester	72
South Manchester	85
Wythenshawe	48
Total	504

Business growth

Change in employment and turnover in the last 12 months

More than a quarter of employers in Manchester (28%) reported an increase in the number of staff employed at their site in the last 12 months, the same proportion as in 2013 (28%). Just over one in ten reported a decrease (12% compared to 15% in 2013).

On average, Manchester employers reported a 27% increase in the number of staff employed, while the average decrease was 33%. Twenty-one percent of employers reporting a decrease have reported that their workforce has at least halved in the last 12 months.

The greatest likelihood of an increase in employment is to be found within the information and communications technology companies (45%) followed by professional and technical services (43%) and admin, support and other services (36%). More than half of those employing over 50 (55%) have increased their employment in the previous twelve months.

Thirty-nine percent of employers in Manchester reported an increase in turnover in the last 12 months, compared to 36% in 2013. Just under one in five (17%) reported a decrease in turnover, compared to 21% in 2013. For over a third, the level of turnover has remained unchanged (36%).

Around half of employers reporting increases or decreases in turnover reported the increase or decrease to be less than 20% (52% and 45% respectively). Around one in seven employers in both groups did not know the size of the increase or decrease.

Those businesses in information and communications (63%), professional and technical sectors (52%) and those with 50+ employees (58%) are more likely to have increased their turnover.

Anticipated change in employment and turnover in next 12 months

About three-tenths of employers (31%) anticipate an increase in the number of staff employed at their site in the next 12 months, while just 4% anticipate a decrease. The majority therefore (62%) do not expect any change. These figures are similar to 2013, when 33% were anticipating an increase in employment and 5% anticipating a decrease.

On average, employers anticipating an increase in staff numbers anticipate that they will grow their workforce by more than a quarter (29%). Those anticipating a decrease expect a reduction in their workforce of, on average, 14%.

Employers in information and communications (58%) and professional and technical services (45%) are amongst the most optimistic, forecasting an increase in employment. Those with 50+ employees (49%) are also more likely to be optimistic.

The main occupations in which staff will be recruited focus on professional and managerial (46%) and clerical and administrative (34%).

Over half of all employers in Manchester (54%) anticipate increasing their turnover in the next 12 months, a similar proportion to that reported in 2013 (56%). Just 9% anticipate a decrease, again similar to 2013 (8%).

The level of anticipated growth in turnover in the next 12 months is, on average, 22%, with the average level of anticipated decrease slightly lower at 18%.

Employers in the information and communications sectors (72%) and professional services (67%) are more likely than average to anticipate an increase in their turnover in the next 12 months.

Comparison with 2014 UK Business Barometer

Manchester businesses generally performed better in past 12 months and has more positive outlook next 12 months than SMEs across the UK, as reported by the Business Barometer.

The Barometer reported that 18% of UK SMEs had experienced an increase in employment in the last 12 months, with 22% having experienced a decrease (compared to 28% and 12% respectively in Manchester). The Barometer also reported that 36% of UK SMEs had experienced an increase in turnover in the last 12 months, with 29% having experienced a decrease (compared to 39% and 17% in Manchester). 23% of UK SMEs anticipated an increase in employment in the next 12 months and 9% anticipated a decrease (compared to 31% and 4% in Manchester). 48% of UK SMEs anticipate turnover growth and 11% anticipate some decline (compared to 54% and 9% in Manchester).

Drivers of and barriers to growth

Around half of Manchester employers highlight the products and services their company provides (49%) and their workforce and skills (44%) as the main drivers of growth. The main barriers to growth are access to markets/sales opportunities (27%), a lack of staff or skills (25%) and the need for finance (26%).

Around one in six employers in Manchester (17%) had sought finance for their business in the last 12 months, slightly, but not significantly lower than twelve months ago (19%).

About a third of Manchester businesses that sought finance (34%) reported experiencing difficulties with arranging it. This is a lower proportion than that reported in 2013 (46%). The most significant issue was that finance providers were not lending (25%).

Some two thirds of Manchester businesses are experiencing upward cost pressures, the most significant being staff costs (40%), energy prices (39%) and other overheads (35%).

Recruitment and skills

Staff training activity

About seven in ten of Manchester businesses (69%) have provided internal training in the last 12 months and 45% have provided external training. Nineteen percent have not provided any training in 2014. The incidence of internal training is lower than in 2013 (73%), while the incidence of external training is higher than 12 months ago (41%). Overall, 80% of all businesses have provided some training in 2014, compared with the same proportion in 2013.

Work experience opportunities

Overall, four in ten businesses (40%) currently offer opportunities for paid and/or unpaid work experience placements/internships. This question was not asked in 2013. Three in ten businesses (30%) currently offer opportunities for unpaid work experience placements, whilst one in five (21%) offer this to paid work experience placements.

Businesses with 50+ employees (62%) are more likely to engage either paid or unpaid work experience placements, as are those in admin, education and other services (54%) and those in professional and technical services (48%).

Employment of apprentices

Just under one in five Manchester businesses (17%) currently employ any apprentices, irrespective of age group. This compares with 15% in 2013, not a significant difference.

In terms of the likelihood of employing apprentices in the future, 34% of all respondents say they are likely to employ any apprentices (irrespective of age group) and 43% say they are not likely to employ any. This compares to 22% and 60% respectively in 2013, suggesting that likelihood to employ apprentices in the future is significantly higher now than previously.

Employers are currently more likely to employ younger apprentices than those aged 25 or older:

- 7% employ apprentices aged 16 to 18
- 10% employ apprentices aged 19 to 24
- 3% employ apprentices aged 25 or older

Among all employers, 25% consider that they are likely to employ apprentices aged 16 to 18 in the future, rising to 34% for apprentices aged 19 to 24 and 25 and older.

Recruitment

In terms of how employers in Manchester recruit, a quarter used word of mouth (26%). A similar proportion (24%) used the Jobcentre/Universal Jobmatch online, with around one in five using recruitment firms (19%) or recruitment websites (17%).

Some 9% of Manchester employers had any hard-to-fill vacancies at the time of interviewing, similar to the 8% recorded in 2013. They are most likely to have experienced recruitment difficulties for professional occupations (25% of those with difficulties), associate professional occupations (27%) and skilled trades (16%).

The main causes of hard to fill vacancies centre on a low number of applicants with the required skills/qualifications (51% of those experiencing hard to fill vacancies). Other reasons include a lack of work experience (24%), not enough people interested in doing the type of job (14%), a low number of applicants with the required work ethic (12%) and poor working conditions (8%).

Local area and community

Satisfaction with local area

Overall, two thirds of businesses in Manchester (67%) are satisfied with the local area as a place to do business, with 18% 'very satisfied'. Just under one in ten (8%) are dissatisfied.

When asked to rate a range of aspects of their local area, Manchester employers were particularly positive about access to public transport (80%; 80% in 2013), road transport access (67%; 68% in 2013) and quality of premises (64%; 61% in 2013).

However, they were particularly negative about availability of parking (38% scoring 1-2; 40% in 2013), business rate costs (27%; 25% in 2013), crime and anti-social behaviour (30%; 32% in 2013), image of area (22%; 27% in 2013) and broadband speed (21%; 21% in 2013).

It is interesting that whilst businesses in Manchester are more likely to be satisfied overall with the area as a place to do business, they tend to be less satisfied with the list of specific aspects. This suggests that it is other aspects that drive overall satisfaction.

In terms of major business disruptions experienced in the last 12 months, half of respondents (50%) cited at least one and this is most likely to have been transport and congestion (21%). More than one in ten also each mentioned key members of staff leaving (14% of all businesses), loss of ICT (14%) and utilities interruptions (14%).

Around two thirds of Manchester businesses (65%) have plans in place to ensure that key business functions continue despite serious disruptions (i.e. a Business Continuity Plan). In nearly two-thirds of these cases (40% of all) these plans have been tested. In the remainder (25% of all) they have not been tested.

Potential relocation

Eighteen percent of employers are currently considering relocation. This proportion is slightly, but not significantly higher than in 2013 (16%). The main reason given is the fact that their current premises are too small (35% of those considering relocation). However, one in five cite the cost of their current premises (20%).

The majority of employers seeking to relocate (53% compared to 65% in 2013) intend to relocate within their current local authority area if at all possible. Eight percent of employers are considering relocating outside of Manchester.

Support for the local economy and community

In terms of supporting the local economy and community, more than four-fifths of respondents reported that their business currently actively reduces company waste (82%; 88% in 2013). More than six in ten each mentioned actively trying to improve their energy efficiency (64%; 84% in 2013) or are currently considering the environmental impact of their buying decisions (61%; 71% in 2013).

There is less support for helping local residents get back into work (25% of businesses currently provide this), supporting local schools (23%) and supporting local community groups (25%).

These lower levels of current support may suggest that as the economy becomes more buoyant, environmental issues are become less of a focus.

An additional statement was added in 2014, 'We are a Living Wage employer, eg we pay our employees a salary that is equal to, or greater than, the Living Wage of £7.65 per hour'. This has not been included in the graph below, because it is quite a different question from the environmental issues covered in the graph. However, 74% of businesses said they this currently applies to them, with 9% likely to consider in the future, 13% not likely to consider and 5% unable to respond.

Business support

Use of business support and advice in the last 12 months

Over half of all businesses (55%) in Manchester have used any of a range of professional support and advice organisations (either in the last 12 months, or when starting up the business in the last 3 years).

More than half of those starting up their business had used *any* business support (56%). At least one in five had used banks (22%) or accountants/solicitors (20%), while at least one in ten had used GM Chamber of Commerce (11%), the Local Authority (10%) or business consultants (10%). In the last 12 months, businesses had used similar organisations, but slightly lower proportions using each. Overall, 52% had used *any* business support in the last 12 months.

Among those businesses which had used the Business Growth Hub in the last 12 months (6% of all businesses in Manchester) or to start up their business in the last 3 years (4%), at least one in ten each mentioned first hearing about the Hub by word of mouth (19%), being approached by them (17%) or via a search engine (15%). These figures are similar to those for Greater Manchester.

Respondents in Manchester reported that their businesses had sought support and advice in a range of areas in the last 12 months (80% had sought any such support). They were also likely to seek a wide range of support in the future (68% seeking any such support).

With regard to specific areas of support in the last 12 months, firms were most likely to mention workforce skills and training (31%), increasing sales through marketing (31%), access to finance and grants (26%), business networking (25%), leadership and management skills (24%), expanding the workforce and recruitment (24%) using broadband/digital technology (24%) and general business growth advice (24%).

In terms of likely future use, the range of support and advice was similar to that already used in the past 12 months, with workforce skills and training (29%) and increasing sales through marketing (27%) again being the most popular.

Some 11% of Manchester businesses claim to have had difficulty accessing business support (compared with 8% in 2013). The main difficulties experienced include finding out where to obtain the right support (75% of those experiencing difficulties), it being too expensive (48%), determining the advice required (40%) and finding the time to seek support (38%).

Business mentoring

Fourteen percent of Manchester employers had used a business mentor in the last 12 months, compared to 13% in 2013. Business mentors were most likely to have helped in terms of developing business plans and strategy (32%).

Only a small proportion (5% compared to 4% in 2013) of respondents are currently acting as a mentor. Although some 7% said they were considering becoming a mentor for another business (compared to 4% in 2013).

Export, trade and connectivity

Relationships with international markets

About a quarter of Manchester employers (26%) have had dealings with international markets, similar to the proportion reported in 2013 (25%). Less than one in ten employers (7%) have plans to deal with international markets in the future (the same proportion as in 2013).

Half of Manchester employers that deal with international markets export to these markets (49%) and just under four in ten import (38%). Just over half also have other business relations, such as good contact links, networks, parent and subsidiary company links (38%).

Links are most prevalent with Europe-based markets (82% of those who export, 80% of those who import), while around two-fifths have dealings with China (48% and 63%) and North America (45% and 39%).

Whilst the main route to export markets in Manchester is direct selling (71%), some 31% of exporters have overseas agents and 21% a representative office.

Regulations appear to be the main barrier to overseas business among Manchester businesses (18%), followed by political risk (16%) and language and cultural barriers (9%). Nevertheless, some 63% of businesses claim that there are no barriers to exporting.

Interest in emerging economies

Just under a quarter of businesses in Manchester (23%) have an interest in developing business links with emerging economies. This compares with a 25% with an interest in the BRICs (Brazil, Russian, India and China) economies in 2013.

In terms of interest in specific emerging economies, China is top amongst Manchester businesses (15%), followed by India (10%) and the Middle East (9%). Other emerging economies of interest include Brazil (6%) and Russia (6%).

Innovation and technology

Innovation activities undertaken or planned

A third of Manchester businesses (32%) intend to launch a new product or service in the next 12 months.

About seven in ten businesses (71%) have engaged in innovation activities in the last 3 years, significantly lower than in 2013 (78%). Furthermore, a similar proportion (69%) plan to undertake innovation activities in the next 3 years, again lower than in 2013 (80%).

Innovation activities in the last 3 years have included investing in new machinery/plant, ICT equipment and software (49%), undertaking in-house research & development (40%) and undertaking training which supports the development or introduction of new products, services or business and process improvement (38%).

About half of Manchester businesses (49%) have experienced some constraints on innovation, the same proportion as those reporting barriers to innovation in 2013. Lack of time for innovation (23%) and lack of finance were the most frequently mentioned constraints (22%).

Digital technologies

A third of Manchester businesses (33%) have considered getting a faster or more reliable connection to the internet. This compares with 30% in 2013. Just over half of those that have considered a faster, more reliable connection are currently organising it (17% of all respondents).

Around a third of employers (34%) report some barriers to adopting digital technologies that would improve their business (including broadband and cloud services). Local connectivity speed is most frequently mentioned as a barrier (20%), followed by a lack of investment (12%) and a lack of knowledge (10%).

About four in ten businesses (39%) report some constraint to increasing their resource efficiency, the most common reasons being finance and cost (both 20%).

Appendix 3: Oldham businesses summary

This chapter discusses Oldham businesses in more detail. Each of the sections below contain a table showing the total (proportion across the whole of Greater Manchester), the figure among Oldham businesses, and within Oldham the figure by size band (number of employees) and grouped services (Production/construction and Services).

Significantly higher results that suggest improvement or a move in an otherwise positive direction are shaded in green; significantly lower results that suggest deterioration are shaded in pink.

Business growth

Oldham businesses have experienced lower levels of growth in the last 12 months than businesses across the whole of Greater Manchester. However, the key drivers of growth are the same; products/services the company provides and workforce & skills.

Medium sized businesses in Oldham are more likely to have experienced growth in staff numbers and turnover in the last 12 months than smaller businesses. Smaller businesses are more likely to perceive stability in these areas.

Businesses in production are more likely to have experienced an increase in turnover in the last 12 months. Those in the services sector are more likely to have experienced a decrease over the same period.

Figure 44: Key indicators of business growth (Oldham businesses)

	No. of employees					Grouped sector	
	Total	Oldham	1-10	11-49	50+	Production	Services
Changes in staff in the last 12 months							
Increased	26%	21%	17%	36%	29%	19%	21%
Decreased	11%	11%	9%	14%	28%	11%	10%
Stayed the same	62%	68%	74%	48%	44%	70%	68%
Changes in staff the next 12 months							
Increase	30%	27%	26%	32%	26%	31%	26%
Decrease	4%	3%	2%	4%	16%	1%	3%
Stayed the same	64%	67%	69%	58%	58%	63%	68%
Changes in turnover in the last 12 months							
Increased	43%	37%	35%	49%	25%	49%	33%
Decreased	18%	17%	18%	14%	10%	6%	20%
Stayed the same	34%	42%	45%	27%	49%	44%	41%
Changes in turnover in the next 12 months							
Increase	53%	48%	47%	55%	40%	53%	47%
Decrease	7%	6%	6%	3%	21%	3%	7%
Stayed the same	34%	37%	39%	29%	33%	37%	37%
Drivers for growth							
Products and services the company provides	47%	49%	49%	53%	34%	47%	50%
Workforce and Skills	44%	41%	39%	46%	48%	36%	42%
Unweighted bases	2161	352	222	104	26	86	266

Recruitment and skills

Fewer Oldham businesses have undertaken internal training in the last 12 months compared to Greater Manchester businesses. However, overall training levels are similar.

Medium sized businesses in Oldham are more likely to have undertaken internal and external training than smaller businesses.

Figure 45: Key indicators of recruitment and skills (Oldham businesses)

	No. of employees					Grouped sector	
	Total	Oldham	1-10	11-49	50+	Production	Services
Training in the last 12 months							
Internal training	64%	58%	50%	83%	100%	56%	59%
External training	46%	46%	37%	77%	81%	49%	45%
Any training	77%	74%	67%	97%	100%	76%	73%
Unweighted bases	2161	352	222	104	26	86	266

Local area and community

Oldham businesses are less likely to be satisfied overall with the local area as a place to do business than those across Greater Manchester. However, they are more likely to be satisfied with road transport access.

The main areas of support for the local economy and community among Oldham businesses are actively reducing company waste and being a Living Wage employer, both at similar levels as Greater Manchester businesses.

The only differences by size or sector within Oldham are that businesses with 11-49 employees are more likely to be satisfied overall with the local area than smaller businesses and production businesses are more likely to be a Living Wage employer than service sector businesses.

Figure 46: Key indicators of local area and community (Oldham businesses)

	No. of employees					Grouped sector	
	Total	Oldham	1-10	11-49	50+	Production	Services
Overall satisfaction with the local area as a place to do business							
% saying very/fairly satisfied	62%	56%	54%	66%	57%	48%	58%
Satisfaction with local area (% saying very/fairly satisfied)							
Road transport access	69%	74%	74%	75%	71%	74%	75%
Access to Public transport i.e. Bus/Train/Metro	71%	72%	72%	74%	62%	75%	71%
Quality of premises	67%	64%	62%	69%	71%	61%	64%
Dissatisfaction with local area (% saying very/fairly satisfied)							
Business rate costs	24%	26%	25%	32%	12%	20%	27%
Availability of parking	26%	27%	27%	27%	18%	20%	29%
Whether considering relocating							
Yes	13%	14%	15%	9%	15%	9%	16%
Support for the local economy and community (% saying currently applies)							
We actively reduce company waste	85%	86%	85%	90%	86%	83%	87%
We are a Living Wage employer	73%	74%	74%	74%	70%	85%	71%
Unweighted bases	2161	352	222	104	26	86	266

Business support

Oldham businesses have used similar levels of support and mentoring as Greater Manchester businesses, with more than four in ten having used business support to start up their business and more than half having used any business support in the last 12 months.

The only significant difference across sub groups is that businesses with 11-49 employees are more likely to have used business support in the last 12 months compared to smaller businesses.

Figure 47: Key indicators of business support (Oldham businesses)

	No. of employees					Grouped sector	
	Total	Oldham	1-10	11-49	50+	Prod- uction	Services
Use of business support							
Used any to start up business (where started up in last 3 years)	61%	44%	42%	77%	0%	57%	40%
Used any in the last 12 months	53%	56%	52%	66%	73%	58%	55%
Business mentoring							
Used a business mentor in the last 12 months	13%	12%	12%	13%	9%	11%	12%
Currently acting as a business mentor	4%	6%	6%	4%	5%	3%	7%
Unweighted bases	2161	352	222	104	26	86	266

Export, trade and connectivity

Fewer Oldham businesses have export, import or other international links compared to Greater Manchester businesses as a whole.

There are no significant differences by size or sector.

Figure 48: Key indicators of export, trade and connectivity (Oldham businesses)

	No. of employees					Grouped sector	
	Total	Oldham	1-10	11-49	50+	Prod- uction	Services
Trades internationally							
Has export, import and other international links	19%	14%	14%	11%	17%	20%	12%
Unweighted bases	2161	352	222	104	26	86	266

Innovation and technology

About two thirds of Oldham businesses have undertaken innovation activities in the last three years.

The data is similar to that for Greater Manchester and when analysing by size and sector.

Figure 49: Key indicators of innovation and technology (Oldham businesses)

	No. of employees					Grouped sector	
	Total	Oldham	1-10	11-49	50+	Production	Services
Innovation activities							
Any innovation activities undertaken	66%	65%	63%	69%	76%	72%	63%
Unweighted bases	2161	352	222	104	26	86	266

Appendix 4: Rochdale businesses summary

This chapter discusses Rochdale businesses in more detail. Each of the sections below contain a table showing the total (proportion across the whole of Greater Manchester), the figure among Rochdale businesses, and within Rochdale the figure by size band (number of employees) and grouped services (Production/construction and Services).

Significantly higher results that suggest improvement or a move in an otherwise positive direction are shaded in green; significantly lower results that suggest deterioration are shaded in pink.

Business growth

Rochdale businesses are less likely to have experienced growth in staff numbers in the last 12 months than across the whole of Greater Manchester. They are also less likely to forecast growth in turnover in the next 12 months.

Rochdale businesses with 11+ employees are more likely to have experienced growth than those with 1-10 employees. Service sector businesses are also more likely to have experienced growth than production businesses.

The key drivers of growth are products/services the company provides (similar to the Greater Manchester proportion) and workforce & skills (which is significantly higher than the Greater Manchester proportion). Interestingly, small and medium sized businesses (1-10 and 11-49 employees) are more likely to mention workforce & skills than large businesses (50+ employees).

Figure 50: Key indicators of business growth (Rochdale businesses)

	No. of employees					Grouped sector	
	Total	Rochdale	1-10	11-49	50+	Production	Services
Changes in staff in the last 12 months							
Increased	26%	20%	15%	37%	34%	27%	18%
Decreased	11%	11%	12%	11%	5%	5%	13%
Stayed the same	62%	67%	72%	52%	62%	68%	67%
Changes in staff the next 12 months							
Increase	30%	26%	24%	34%	31%	22%	28%
Decrease	4%	5%	4%	8%	0%	3%	5%
Stayed the same	64%	65%	67%	55%	65%	73%	62%
Changes in turnover in the last 12 months							
Increased	43%	42%	41%	50%	44%	56%	39%
Decreased	18%	20%	22%	13%	18%	9%	22%
Stayed the same	34%	33%	34%	32%	18%	36%	33%
Changes in turnover in the next 12 months							
Increase	53%	48%	46%	53%	54%	55%	46%
Decrease	7%	5%	5%	4%	0%	2%	5%
Stayed the same	34%	40%	40%	40%	31%	44%	39%
Drivers for growth							
Products and services the company provides	47%	45%	45%	44%	43%	49%	44%
Workforce and Skills	44%	50%	51%	53%	29%	52%	50%
Unweighted bases	2161	349	208	111	30	85	264

Recruitment and skills

Training activity is similar among Rochdale businesses compared to Greater Manchester businesses.

Large and medium sized businesses in Rochdale are more likely to have undertaken internal and external training than smaller businesses.

Figure 51: Key indicators of recruitment and skills (Rochdale businesses)

	No. of employees					Grouped sector	
	Total	Rochdale	1-10	11-49	50+	Production	Services
Training in the last 12 months							
Internal training	64%	61%	54%	81%	87%	51%	63%
External training	46%	45%	37%	69%	70%	52%	43%
Any training	77%	76%	71%	94%	96%	78%	76%
Unweighted bases	2161	349	208	111	30	85	264

Local area and community

Rochdale businesses are less likely to be satisfied with the local area as a place to do business than those across Greater Manchester.

The main aspects of satisfaction among Rochdale businesses are road transport access, public transport access and quality of premises. These are similar to those among Greater Manchester businesses, although Rochdale businesses are significantly less likely to be satisfied with public transport access. Rochdale businesses are more likely to be dissatisfied with crime & anti-social behaviour and the image of the area than Greater Manchester businesses.

The main areas of support for the local economy and community among Rochdale businesses are actively reducing company waste and being a Living Wage employer, both at similar levels to those across Greater Manchester businesses. Smaller businesses and those in production are significantly more likely to be a Living Wage employer than their counterparts.

Figure 52: Key indicators of local area and community (Rochdale businesses)

	No. of employees					Grouped sector	
	Total	Rochdale	1-10	11-49	50+	Production	Services
Overall satisfaction with the local area as a place to do business							
% saying very/fairly satisfied	62%	46%	44%	53%	35%	43%	46%
Satisfaction with local area (% saying very/fairly satisfied)							
Road transport access	69%	69%	69%	70%	69%	59%	71%
Access to Public transport i.e. Bus/Train/Metro	71%	65%	68%	59%	49%	56%	67%
Quality of premises	67%	62%	61%	68%	69%	53%	65%
Dissatisfaction with local area (% saying very/fairly satisfied)							
Crime and anti-social behaviour	22%	36%	36%	35%	43%	38%	36%
Image of area	20%	35%	35%	34%	38%	38%	34%
Whether considering relocating							
Yes	13%	13%	13%	14%	13%	8%	14%
Support for the local economy and community (% saying currently applies)							
We actively reduce company waste	85%	86%	85%	88%	91%	88%	85%
We are a Living Wage employer	73%	70%	71%	70%	51%	81%	67%
Unweighted bases	2161	349	208	111	30	85	264

Business support

Rochdale businesses have used similar levels of support and mentoring as Greater Manchester businesses, with the exception that they are less likely to have used a business mentor in the last 12 months.

Rochdale businesses with 11-49 employees are more likely to have used business support and a business mentor in the last 12 months than other size bands.

Figure 53: Key indicators of business support (Rochdale businesses)

	No. of employees					Grouped sector	
	Total	Rochdale	1-10	11-49	50+	Production	Services
Use of business support							
Used any to start up business (where started up in last 3 years)	61%	64%	61%	100%	0%	36%	69%
Used any in the last 12 months	53%	48%	45%	59%	64%	56%	47%
Business mentoring							
Used a business mentor in the last 12 months	13%	9%	7%	15%	15%	13%	7%
Currently acting as a business mentor	4%	4%	4%	4%	0%	1%	4%
Unweighted bases	2161	349	208	111	30	85	264

Export, trade and connectivity

Rochdale businesses are equally likely to have export, import or other international links as Greater Manchester businesses.

Within Rochdale, the 11-49 size band is more likely to have such links than other size bands.

Figure 54: Key indicators of export, trade and connectivity (Rochdale businesses)

	No. of employees					Grouped sector	
	Total	Rochdale	1-10	11-49	50+	Production	Services
Trades internationally							
Has export, import and other international links	19%	16%	13%	25%	23%	19%	15%
Unweighted bases	2161	349	208	111	30	85	264

Innovation and technology

More than six in ten Rochdale businesses have undertaken innovation activities in the last three years, rising to at least three quarters of businesses with 11+ employees. The data is similar to that for Greater Manchester.

Figure 55: Key indicators of innovation and technology (Rochdale businesses)

	No. of employees					Grouped sector	
	Total	Rochdale	1-10	11-49	50+	Production	Services
Innovation activities							
Any innovation activities undertaken	66%	62%	58%	74%	85%	63%	62%
Unweighted bases	2161	349	208	111	30	85	264

Appendix 5: Salford businesses summary

This chapter discusses Salford businesses in more detail. Each of the sections below contain a table showing the total (proportion across the whole of Greater Manchester), the figure among Salford businesses, and within Salford the figure by size band (number of employees) and grouped services (Production/construction and Services).

Significantly higher results that suggest improvement or a move in an otherwise positive direction are shaded in green; significantly lower results that suggest deterioration are shaded in pink.

Business growth

Salford businesses have experienced similar levels of growth and decline as businesses across the whole of Greater Manchester, with the key drivers of growth being products/services the company provides and workforce & skills.

Medium sized businesses in Salford are more likely to have experienced and to forecast growth than smaller businesses. Smaller businesses are more likely to have experienced a decrease in turnover in the last 12 months.

Production businesses are more likely to have experienced a fall in turnover in the last 12 months, and forecast a fall in both staff numbers and turnover in the next 12 months than the service sector.

Figure 56: Key indicators of business growth (Salford businesses)

	No. of employees					Grouped sector	
	Total	Salford	1-10	11-49	50+	Production	Services
Changes in staff in the last 12 months							
Increased	26%	29%	24%	47%	43%	22%	31%
Decreased	11%	11%	11%	9%	23%	16%	10%
Stayed the same	62%	59%	64%	45%	34%	62%	58%
Changes in staff the next 12 months							
Increase	30%	33%	30%	43%	37%	21%	35%
Decrease	4%	2%	3%	1%	0%	7%	2%
Stayed the same	64%	61%	63%	53%	63%	66%	60%
Changes in turnover in the last 12 months							
Increased	43%	44%	40%	54%	74%	34%	46%
Decreased	18%	15%	18%	6%	4%	24%	13%
Stayed the same	34%	34%	36%	31%	14%	39%	33%
Changes in turnover in the next 12 months							
Increase	53%	52%	51%	60%	53%	41%	54%
Decrease	7%	5%	6%	2%	0%	11%	4%
Stayed the same	34%	34%	35%	29%	40%	40%	33%
Drivers for growth							
Products and services the company provides	47%	43%	42%	51%	34%	45%	43%
Workforce and Skills	44%	42%	40%	47%	44%	48%	41%
Unweighted bases	2161	352	223	99	30	74	278

Recruitment and skills

Salford businesses have undertaken similar levels of training the last 12 months as Greater Manchester businesses.

Medium and large businesses in Salford are more likely to have undertaken internal and external training than small businesses.

Figure 57: Key indicators of recruitment and skills (Salford businesses)

	No. of employees					Grouped sector	
	Total	Salford	1-10	11-49	50+	Prod- uction	Services
Training in the last 12 months							
Internal training	64%	62%	54%	86%	100%	55%	64%
External training	46%	46%	40%	59%	84%	47%	46%
Any training	77%	73%	66%	95%	100%	72%	73%
Unweighted bases	2161	352	223	99	30	74	278

Local area and community

More than half of Salford businesses are satisfied with the local area as a place to do business, a similar figure to that across Greater Manchester.

Salford businesses are less likely to be satisfied with the local area in terms of road transport access and quality of premises than Greater Manchester businesses. They are also more likely to be dissatisfied with availability of parking and image of the area.

The main areas of support for the local economy and community among Salford businesses are actively reducing company waste and being a Living Wage employer, both at similar levels as Greater Manchester businesses.

Businesses with 50+ employees and those in the service sector are more likely to be satisfied with the quality of premises than their counterparts. Those in the service sector are more also likely to be dissatisfied with the availability of parking.

Those with 1-10 employees are more likely to be Living Wage employers.

Figure 58: Key indicators of local area and community (Salford businesses)

	No. of employees					Grouped sector	
	Total	Salford	1-10	11-49	50+	Prod- uction	Services
Overall satisfaction with the local area as a place to do business							
% saying very/fairly satisfied	62%	57%	55%	64%	67%	49%	59%
Satisfaction with local area (% saying very/fairly satisfied)							
Access to Public transport i.e. Bus/Train/Metro	71%	66%	66%	70%	51%	62%	67%
Road transport access	69%	63%	63%	66%	60%	60%	64%
Quality of premises	67%	58%	55%	65%	74%	45%	60%
Dissatisfaction with local area (% saying very/fairly satisfied)							
Availability of parking	26%	31%	33%	28%	24%	16%	34%
Image of area	20%	25%	25%	23%	20%	32%	23%
Whether considering relocating							
Yes	13%	16%	16%	18%	6%	23%	15%
Support for the local economy and community (% saying currently applies)							
We actively reduce company waste	85%	85%	84%	87%	95%	86%	85%
We are a Living Wage employer	73%	75%	78%	70%	54%	82%	74%
Unweighted bases	2161	352	223	99	30	74	278

Business support

Salford businesses have used similar levels of support and mentoring as Greater Manchester businesses.

The only difference by size or sector is that the Service sector is more likely to have used a business mentor in the last 12 months.

Figure 59: Key indicators of business support (Salford businesses)

	No. of employees					Grouped sector	
	Total	Salford	1-10	11-49	50+	Prod- uction	Services
Use of business support							
Used any to start up business (where started up in last 3 years)	61%	60%	64%	17%	0%	100%	60%
Used any in the last 12 months	53%	53%	53%	57%	49%	59%	52%
Business mentoring							
Used a business mentor in the last 12 months	13%	20%	21%	16%	10%	2%	23%
Currently acting as a business mentor	4%	4%	5%	1%	0%	1%	5%
Unweighted bases	2161	352	223	99	30	74	278

Export, trade and connectivity

Salford businesses are equally likely to have export, import or other international links as Greater Manchester businesses as a whole.

Salford businesses with 50+ employees are more likely to have such links compared to smaller businesses.

Figure 60: Key indicators of export, trade and connectivity (Salford businesses)

	No. of employees					Grouped sector	
	Total	Salford	1-10	11-49	50+	Prod- uction	Services
Trades internationally							
Has export, import and other international links	19%	20%	19%	19%	41%	16%	21%
Unweighted bases	2161	352	223	99	30	74	278

Innovation and technology

About two thirds of Salford businesses have undertaken innovation activities in the last three years, rising to at least three quarters of medium and large businesses. The data is similar to that for Greater Manchester.

Figure 61: Key indicators of innovation and technology (Salford businesses)

	No. of employees					Grouped sector	
	Total	Salford	1-10	11-49	50+	Production	Services
Innovation activities							
Any innovation activities undertaken	66%	65%	62%	74%	80%	65%	65%
Unweighted bases	2161	352	223	99	30	74	278

Appendix 6: Statement of Terms

Compliance with International Standards

BMG complies with the International Standard for Quality Management Systems requirements (ISO 9001:2008) and the International Standard for Market, opinion and social research service requirements (ISO 20252:2012) and The International Standard for Information Security Management ISO 27001:2005.

Interpretation and publication of results

The interpretation of the results as reported in this document pertain to the research problem and are supported by the empirical findings of this research project and, where applicable, by other data. These interpretations and recommendations are based on empirical findings and are distinguishable from personal views and opinions.

BMG will not publish any part of these results without the written and informed consent of the client.

Ethical practice

BMG promotes ethical practice in research: We conduct our work responsibly and in light of the legal and moral codes of society.

We have a responsibility to maintain high scientific standards in the methods employed in the collection and dissemination of data, in the impartial assessment and dissemination of findings and in the maintenance of standards commensurate with professional integrity.

We recognise we have a duty of care to all those undertaking and participating in research and strive to protect subjects from undue harm arising as a consequence of their participation in research. This requires that subjects' participation should be as fully informed as possible and no group should be disadvantaged by routinely being excluded from consideration. All adequate steps shall be taken by both agency and client to ensure that the identity of each respondent participating in the research is protected.

With more than 25 years' experience, BMG Research has established a strong reputation for delivering high quality research and consultancy.

BMG serves both the public and the private sector, providing market and customer insight which is vital in the development of plans, the support of campaigns and the evaluation of performance.

Innovation and development is very much at the heart of our business, and considerable attention is paid to the utilisation of the most up to date technologies and information systems to ensure that market and customer intelligence is widely shared.

