
Herefordshire Employer Survey 2010

Marc Bayliss

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Background

- Objectives:
 - Establish the views of local employers regarding a range of issues;
 - Provide survey data to underpin the Herefordshire Economic Assessment and revised local economic strategy;
 - Produce a report of the findings to inform a variety of audiences.

Methodology

- An interlocking quota sample of businesses was constructed, based on size and sector of business.
- Medium, large and the largest establishments were each over-sampled, while small businesses were under-sampled.
- Survey data was reweighted so that it represents the true distributions of the business community.
- Telephone interviews followed a prescribed questionnaire, taking approximately 20 minutes.
- 782 surveys completed – 9% of the total business community in the County.

Definitions

- Size of business:
 - Small (1-10 employees)
 - Medium (11-49 employees)
 - Large (50-199 employees)
 - Largest (200+ employees)
- Broad sector:
 - Manufacturing (SIC 01-45)
 - Services (SIC 50-74 and 93)
 - Public (SIC 77-99 with exception of 93)

Coverage of survey

- Nature of Herefordshire employers
- Business outlook
- Markets and international trade
- Migrant workers
- Broadband
- Transport
- Flexible working and childcare
- Sustainability
- Business support

Key Findings

Nature of Herefordshire employers

- Most organisations (89%) were from the private sector – the most common legal form was Ltd company.
- The vast majority of firms made strategic decisions from within the County – but just two-thirds of the largest firms did so.
- Decisions made elsewhere tended to be from another site in UK – few decisions made internationally
- A majority of self employed businesses were seeking to grow their turnover (64%) and number of clients (57%).
- Of those that weren't, contentment with current size and a desire to remain independent were key reasons

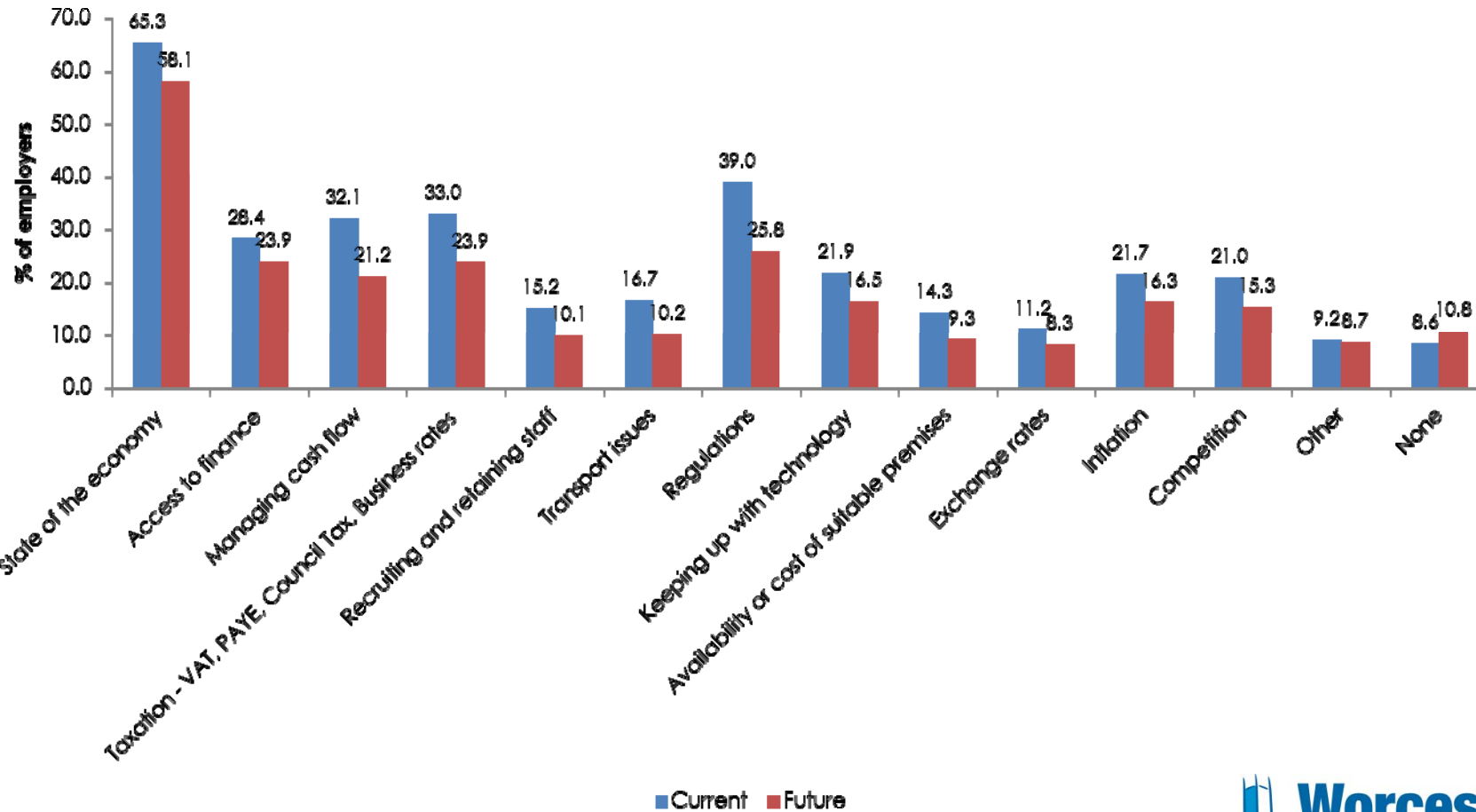
Business outlook

- Most important issues to local employers: suitability of premises for business; environment for staff and customers; and access by road.
- Least important issues: access by public transport; affordability of housing; and public sector business support.
- Employers awarded the most important issues with the highest quality ratings.
 - Larger firms more satisfied with many factors than smaller ones
 - Overall least satisfied with public transport and affordability of housing

Business outlook

- Most businesses (73%) had not seen a change in the size of workforce over previous 12 months.
 - 14% increased but 13% reported a reduction in workforce size
 - More positive about future with 19% expecting an increase and just 3% a decrease
- More businesses had experienced a contraction in turnover than a rise in last year – but nearly half expect a rise in the coming year.
- The state of the economy and legislation/regulations largest current concerns – expected to remain of concern over next three years.

Current & future issues



Markets and international trade

- Half (48%) of businesses gained a majority of custom from the local area
 - 76% of public sector employers gained the majority of their custom locally. 40% of manufacturing and 48% of services did
- Overall one in six exported goods or services, although over half of the largest firms did.
 - Service sector employers were most engaged with exporting (19.5%)
- Most common export markets were Europe, N America and Australasia.

Business networking

- More than half of businesses actively took part in networking activities
 - Propensity to network increased with size of employer
 - Public sector firms most likely to network (72%) while service sector firms least (53%)
- Most common benefits to networking were the opportunity to develop and share ideas, innovation and best practice (31%) and the ability to compare and discuss issues of common interest (30%)
 - 40% thought there were no benefits to networking however

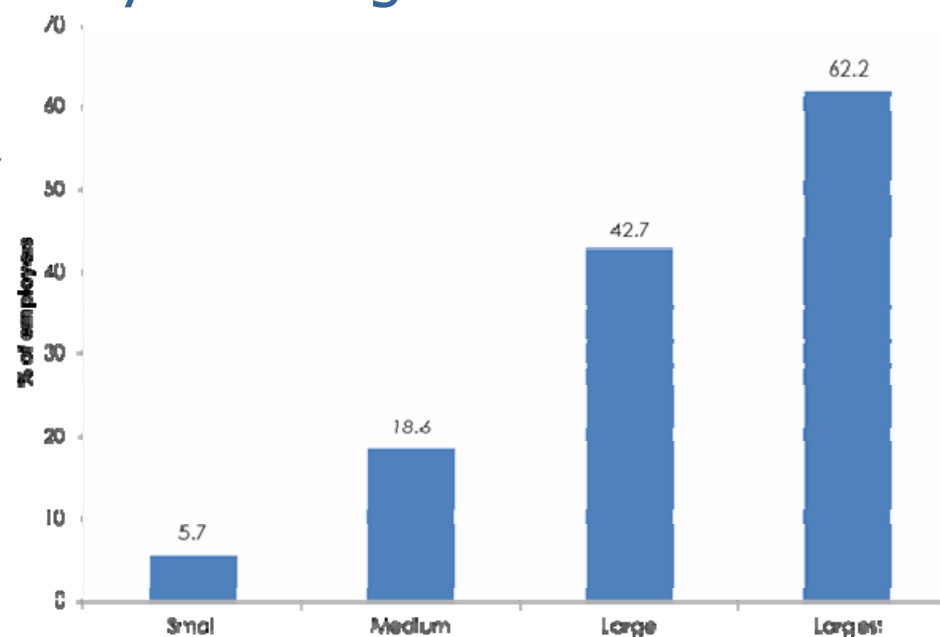
Business networking

- A third of employers saw benefits in more opportunities to locally network with other same-sector and general organisations, but not so much in networking with specialist groups

%	Other same-sector organisations	Other general organisations	Other specialist professional groups
Yes	31.2	36.2	23.8
No	62.2	56.0	69.2
Uncertain	6.5	7.8	7.0

Migrant workers

- Just 8% of employers had employed migrant labour - engagement varied significantly with organisational size
 - Hotels & restaurants (25%), manufacturing (15%) and agriculture (11%) businesses were above average users of migrant labour



Migrant workers

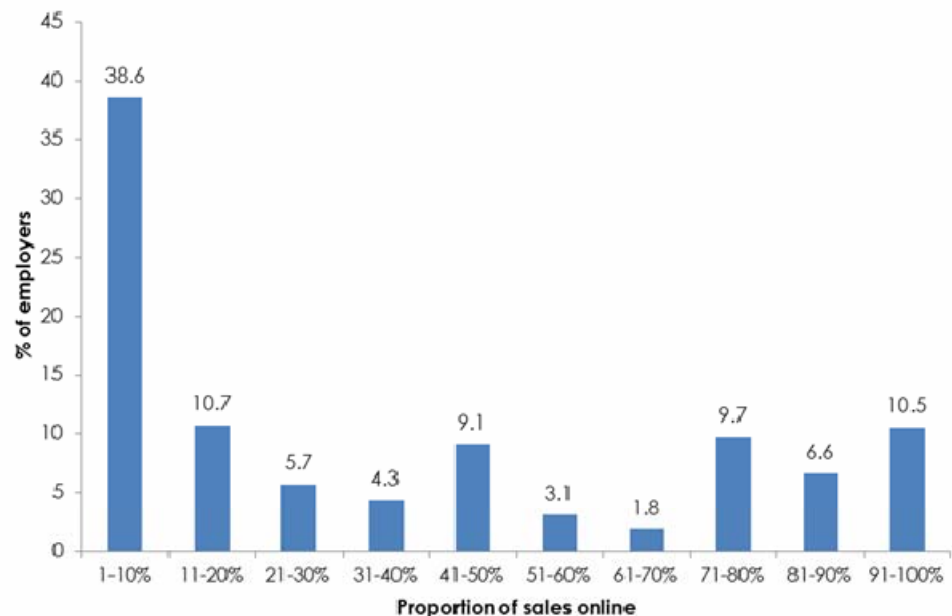
- Half of businesses who employed migrant workers did so on a permanent basis
 - Manufacturer sector firms made greatest use of seasonal contracts. Public and service sector firms were more likely to use permanent contracts.
- The suitability and increased motivation of the applicant were the key reasons for employing migrant labour
- Of those who employed migrant labour, just 26% felt it would not be important to their firm in the future

Broadband

- 82% of businesses needed Broadband, 87% had Broadband access
 - Manufacturing sector and small firms had the lowest proportional need and current access
- 2% of businesses needed Broadband but did not have access
- Most thought current access met their business needs – smaller firms were more content than larger ones
- More than half would need faster Broadband in the future – services firms had the greatest demand

Broadband

- A lack of faster Broadband would impair the development of many firms – larger firms were more concerned about the impact than smaller firms.
- A quarter of firms traded online.
 - Just 3% of the largest did so, while
- Overall, 7% of all firms operating in the County generated 50% or more of total sales online.

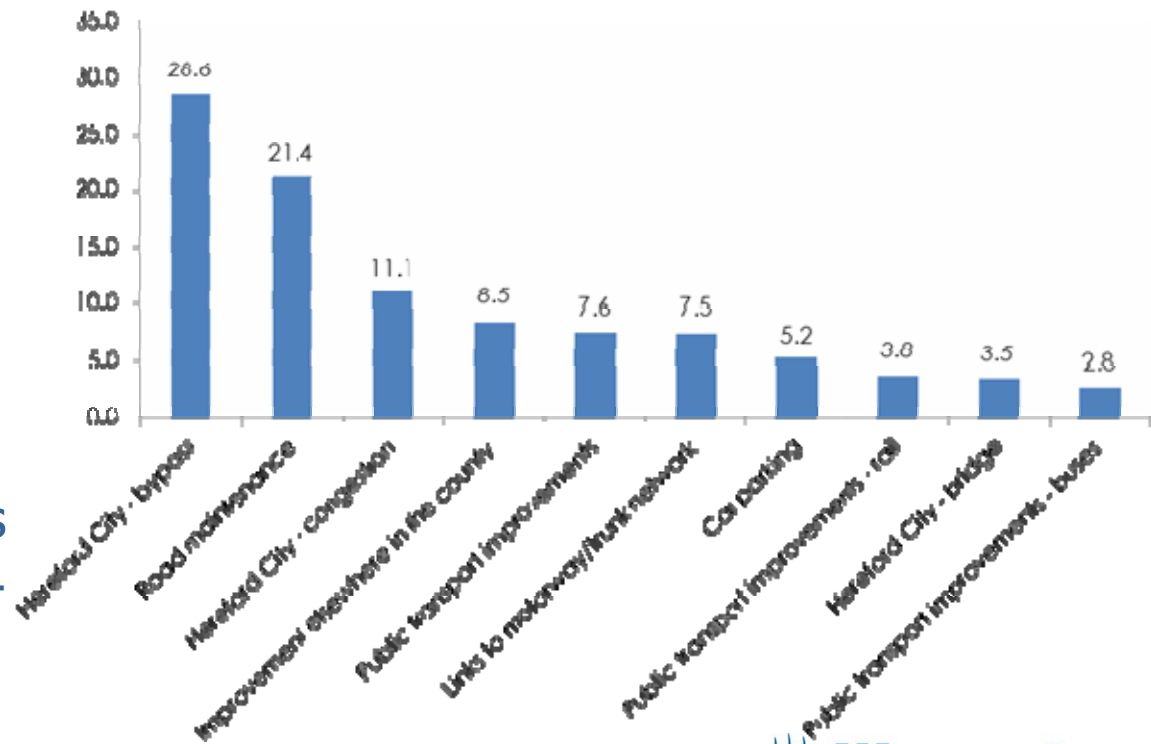


Transport

- An effective transport system was important to the delivery of goods and services for most (72%) businesses
 - Manufacturing employers placed the greatest importance (82%)
- Loss of man hours was the most prolific problem experienced due to the County's transport system
 - yet the lack of inward investment was the most significant problem experienced

Transport

- A bypass of Hereford City and improved road maintenance were identified as main transport priorities for all organisations
 - Tackling of city congestion (32%) was a particular priority for the services sector, where as public transport improvements (22%) was a priority for public sector employers.



Flexible working

- Less than half (43%) of businesses had a demand for flexible working from employees
 - Only 39% of small firms had a demand while 76% of medium and 85% of the largest did
 - Just 29% of manufacturing firms had a demand
- A third of businesses had flexible working policies
 - 31% of small firms had in place a policy while 77% of medium firms did.
- Part time working was the most common type of flexible working across all organisations, yet flexitime was the most common in manufacturing sector firms

Childcare

- One-in-ten firms were aware of employees with difficulties in finding quality childcare. The largest firms had the greatest proportion (36%) of childcare difficulties
- Very few (3%) of organisations had had anyone leave or turn down employment due to childcare issues.
- One-in-ten employers provided any specific help to employees in meeting childcare needs
 - Small organisations were least likely to provide assistance
 - Flexible working was the most common form of assistance

Sustainability

- Four out of five businesses had taken steps to reduce their environmental impact
 - 100% of the largest firms had taken steps while 86% of small firms had done so
- A waste management plan was most common initiative
 - Taken up by three quarters of all organisations and nearly all (93%) of the largest employers.
- Very few (5%) businesses had adopted a travel plan or were part of an accreditation scheme.
 - Higher take-up rates for larger employers and those in the public sector

Sustainability

- Limited barriers to sustainability initiatives. Two-thirds of all organisations had no barriers
 - 19% found cost a factor, while 10% found lack of time an issue
- 12% of businesses had set targets in relation to reducing energy/carbon/waste.
 - Just 11% of small firms set targets, while 72% of the largest firms had done so
- Promotion of sustainable travel/support was most common measure adopted as part of a travel plan (43%)
 - One-in-ten were in contact with the Council regarding their plan (20% of public sector firms)

Business support

- A quarter of firms had received business support in the past 12 months.
 - 45% of public sector firms had received support, 30% of manufacturers and just 23% of services sector firms
- Most common sources of support were Business Link and Chamber of Commerce, both utilised by 25% of firms
- Support is readily available in the County with less than 10% unable to source specific advice
 - Nature of such support was most often information regarding business grants and funding (33%) and technical/industry specific advice (30%)

Business support

- Herefordshire business directory (47%) and business grant administered by Herefordshire Council (38%) most recognised support services
- The internet was most common source of information regarding business opportunities, support or development (55%)
 - Local newspapers (27%) and trade associations (27%) were most avidly used by manufacturing firms, much more so than other sectors