



BUSINESS ADVISER BAROMETER

monthly brochure

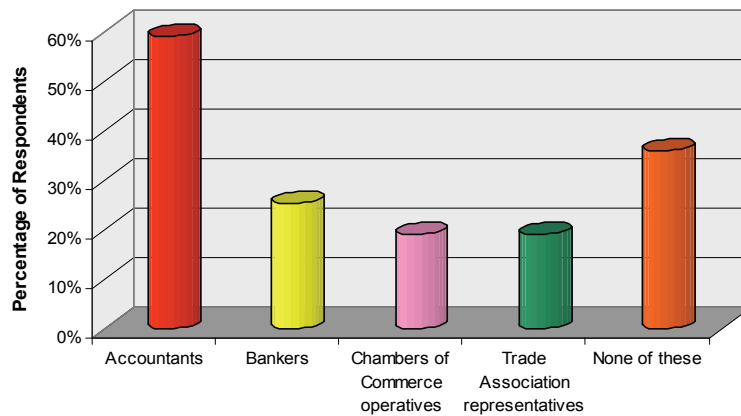
> KEYNOTES FOR AUGUST 2006 BAB48

Who are entitled to call themselves Business Advisers?.....

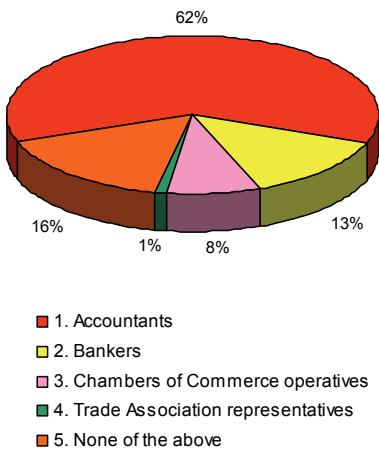
The panellists' view:

The first question in the August survey sparked off some interesting extra comments from participants. The value of the general business adviser with an all-round knowledge and up-to-date CPD was mentioned but it was also acknowledged that specialist advisers have a part to play and are signposted by generalists where appropriate.

Which of the following do you think are justified in referring to themselves as business advisers? [Please Tick All That Apply]



Of the following, who do you see as the main source of professional competition to business advisers?



36% of respondents said that none of the four named categories would be justified in calling themselves business advisers, although 60% of respondents say accountants and 25% say that bankers are justified. Chambers of Commerce and Trade Association representatives are both regarded as acceptable business advisers by 19% of respondents.

.....and, which of them is the main source of competition?

61% of respondents see accountants as being the main source of professional competition to business advisers. Only 13% of respondents saw Bankers as the main source of professional competition and 16% did not see any of the possible choices as competition. One of our respondents commented that professional business advisers should not be regarded as being in competition with other professions but should be able to recognise when such involvement should happen and vice versa.

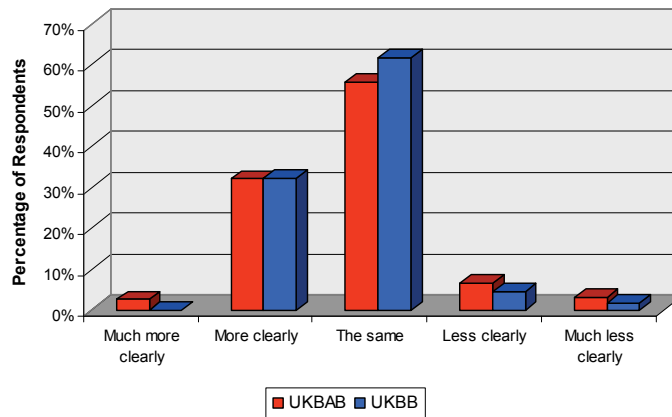
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> KEYNOTES FOR AUGUST 2006 BAB48

**The stigma of bankruptcy**

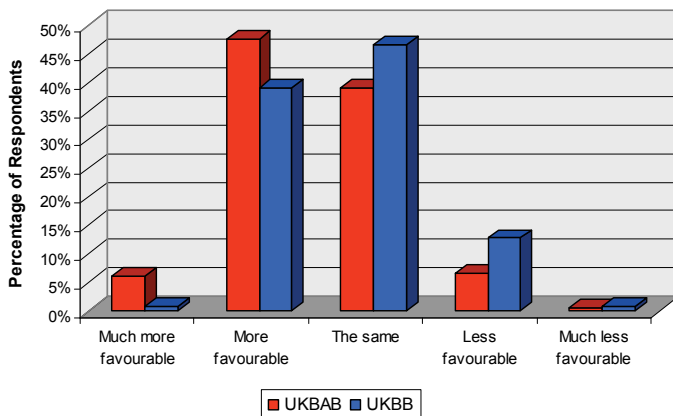
In recent years there have been government attempts at lessening the impact of the stigma of bankruptcy - the Enterprise Act 2002 introduced some softening in penalties for 'honest' bankrupts, allowing earlier discharge and thereby enabling a 'Fresh Start'. In the USA, there is a certain amount of protection provided by bankruptcy legislation (Chapter 11), allowing managers to continue trading while filing for bankruptcy, and to reorganise with the ultimate possibility of avoiding closure, preserving jobs and paying back creditors. The reputation of an entrepreneur in the US can be saved if he/she shows that they have learnt from their mistakes - business failure is seen as a necessary part of learning and subsequent success.

Do you think that the potential positive aspects of business failure, in terms of learning and experience, are recognised more clearly than was the case five years ago?



The UKBAB and the UKBB surveys both asked if the potential positive aspects of business failure, in terms of learning and experience, are recognised more clearly than was the case five years ago. 35% of UKBAB respondents and 32% of UKBB respondents think this is recognised more clearly, to a greater or lesser degree, while 10% of UKBAB and 6% of UKBB actually think that this recognition is less clear or much less clear than five years ago.

Do you believe that UK entrepreneurs are regarded in a more favourable light than they were five years ago.



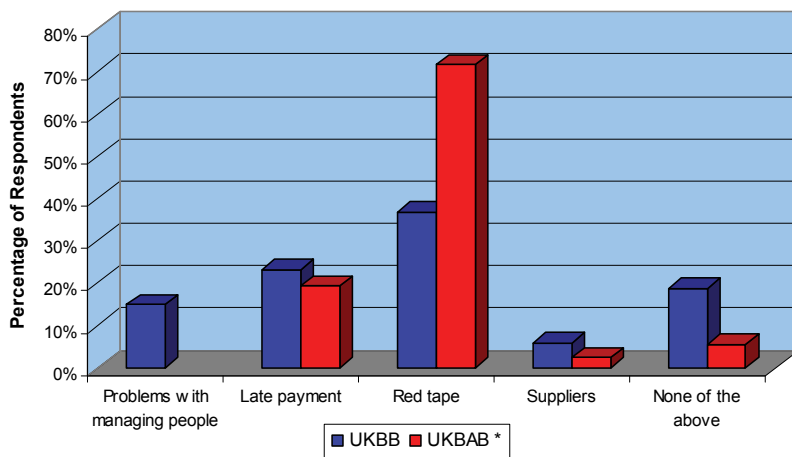
**Five years on, how are entrepreneurs viewed ?**

Although 39% of respondents believe that there has been no change in general opinions about UK entrepreneurs, 57% of UKBAB advisers believe that UK entrepreneurs are regarded more favourably now than they were five years ago. Only 7% think that entrepreneurs are looked on less favourably. UKBB panellists were asked the same question, and were a little less upbeat in their overall response, with 40% believing that entrepreneurs are regarded more favourably and only 14% taking the opposite viewpoint.

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What makes you most irate when trying to run your business successfully?



\* after adjusting for 'don't know' responses: UKBAB 1%

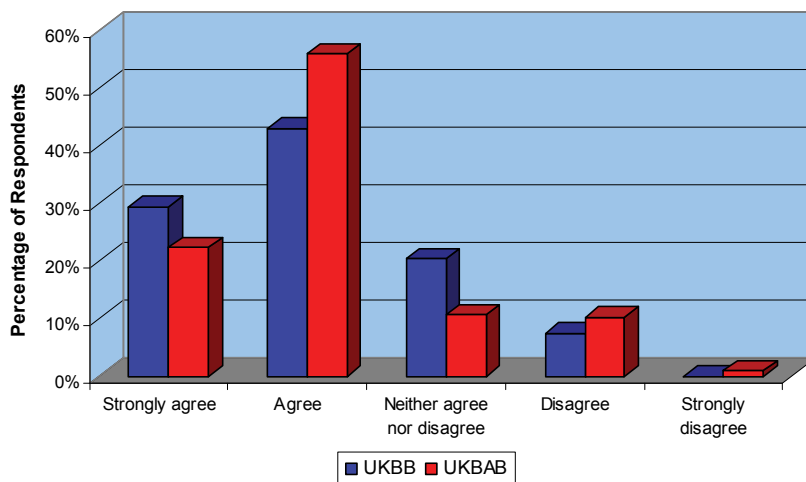
Is there such a thing as 'business rage' and, if so, what causes it?

UKBAB respondents were asked what makes their clients most irate. 72% of respondents said red tape and 19% said late payment made their clients most irate. Only 2% thought that suppliers caused anger and 6% said that none of these things make their clients most irate when trying to run their businesses successfully. Commenting on Red tape, one panellist noted that it was not so much the red tape itself that caused anger but more the response from those administering it. Our respondent went on to say that only Inland Revenue seems to be focussed on customer service.

Is it all about the money?

A question which might have provoked a near unanimous reaction has returned a surprisingly wide spread of responses. Asked whether they agreed with the statement that at the end of the day, making money is the driving force behind most small businesses, 22% strongly agreed and 56% agreed, but 11% neither agreed nor disagreed, while 11% disagreed. UKBB respondents were asked the same question and 72% either strongly agreed or agreed, while 8% disagreed or strongly disagreed.

At the end of the day, making money is the driving force behind most small businesses.





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> QUESTIONS FOR AUGUST 2006 BAB48

- Q1.** Which of the following do you think are justified in referring to themselves as business advisers? (Accountants, Bankers, BCC, Trade Assn)
- Q2.** Of the following, who do you see as the main source of professional competition to business advisers? (Accountants, Bankers, BCC, Trade Assn)
- Q3.** More online 'Health Checks' are being made available to business, including a new one from Business Link. To what extent do you feel that good business support can be delivered online?
- Q4.** In the last twelve months, have any of the following happened within your organisation/business? Have:
  1. you recruited more business advisers
  2. you remained a one person operation
  3. you and other business advisers in your organisation tended to work more hours
  4. you joined with another business adviser organisation either by merger or take over
  5. you made use of a new I.T. system or working process that allows you/other advisers to work more effectively
  6. you cut the number of business advisers
- Q5.** To what extent do you advise clients on the practicalities of Corporate Social Responsibility?
- Q6.** Do you feel the need to keep in touch with work/your business whilst you are away on holiday?

- Q7.** Is the focus of your business strategy geared more towards gaining new customers or to encouraging recurrent business?
- Q8.** Do you believe that UK entrepreneurs are regarded in a more favourable light than they were five years ago?
- Q9.** Do you think that the potential positive aspects of business failure, in terms of learning and experience, are recognised more clearly than was the case five years ago?
- Q10.** Attempts have been made to make public procurement more open to smaller businesses. Compared to conditions five years ago, to what extent do you think that these attempts have been successful?
- Q11.** At the end of the day, making money is the driving force behind most small businesses.
- Q12.** In your experience, what makes your clients most irate?

If you have a suggestion for a future question, please contact us via the email addresses given below.

Thank you.

Can good business support be delivered online?

Last month we asked respondents to the UKBB if they have used online tools for reviewing their businesses and found that 9% had already done so and that 63% would consider using one. Only 12% of the UKBAB panel responded positively to the idea that good business support can be delivered online, while 60% feel that good support cannot be delivered well online, a fifth of them going so far as to say that it cannot be delivered at all in this way.

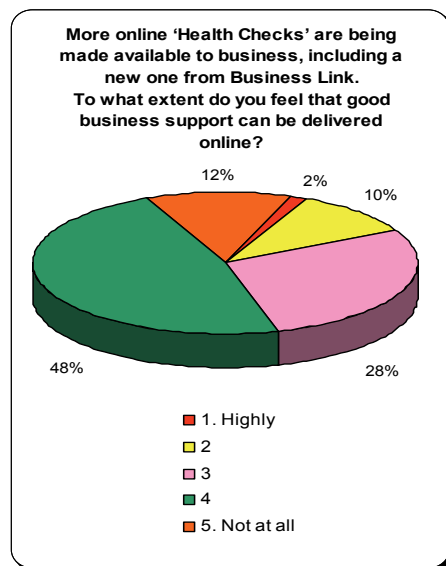
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Greater transparency of business needs as observed by the adviser community



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