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Why EU membership is important to UK SMEs: Shané Schutte, 13 October 2014
Foreword

The Open University has enjoyed a very long relationship with the Quarterly Survey of Small Business in Britain. It dates back to 1989 when the Small Business Research Trust (SBRT) relocated to our Business School, in the same year that we launched our MBA programme, and continued when we formally adopted the survey in 2009. I am delighted to see this Special Issue marking three decades of research, conducted in close cooperation with business owners, managers, policy-makers and the wider research community. This report recalls the dramatic changes that have rocked the business world over the last three decades, and examines their impact on the UK’s small and medium-sized enterprises. For me, it also underlines the role that universities can play as sources of rigorous, independent business research and academically challenging, yet also relevant and practice-based learning opportunities. Many of the 200,000 people who study with The Open University, along with our 400,000 active alumni, are themselves SME owners and managers, and we seek to connect with them through initiatives such as ‘Business Perspectives’ and ‘The Open University Business Network’. We are also engaging a wider audience through BBC/Open University co-productions such as ‘The Bottom Line’ and, looking to the next generation, our new undergraduate pathway in Enterprise and Innovation will become available to students from October 2015. So ‘congratulations and thank you’ to everyone involved with the Quarterly Survey of Small Business in Britain over the past thirty years. Publications of this kind demonstrate the importance of SMEs, both in the UK and internationally, and reinforce our commitment to continue working with them.

Professor Rebecca Taylor
Dean, The Open University Business School
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1. Introduction

1.1: Introducing the Special Issue – Richard Blundel

This special issue marks a particular milestone: it is now three decades since the Quarterly Survey of Small Business in Britain began the task of monitoring emerging trends and examining the experiences and opinions of business owners and managers. In this report, we have assembled contributions from a variety of sources with the following aims: to shed some new light on this important period in the history of small firms’ research in the UK; to explore the main changes and continuities in the small firms landscape over this extended period; and lastly, to draw some lessons for future work in this important research field. The remainder of the report comprises three parts: Section 2 sets out the historical background to the launch of the Quarterly Survey in 1984. This includes an account of the highly influential Bolton Committee Report of 1971, drafted by John Bolton’s biographer, and personal accounts from two small business specialists who were directly involved in establishing the Quarterly Survey. Section 3 opens with a small selection of the survey’s research topics and findings over the last 30 years. This is followed by a review of the technical challenges of conducting survey-based research, particularly when the work extends over such a long period, and an assessment of the Quarterly Survey’s contribution to the SME research and policy communities. We also hear from the editor in chief of the International Small Business Journal, which was also established in the early 1980s, on the challenges of establishing an academic publication that addresses the issues faced by smaller firms. In Section 4, some of our longest-serving panel respondents discuss the trends and changes that their businesses have faced over this period and comment on the prospects for 2015. They also reflect on the experience of completing all of those survey questionnaires. Section 5 offers some brief concluding remarks and comments on possible future directions for research of this kind.


1.2: Three decades of monitoring the UK’s small firms – Colin Gray

Small firms now very much command the attention of enterprise academics and policy makers. By the beginning of this millennium, policy support for small firms – or small and medium enterprises (SMEs) as they are widely called – was moving very firmly to centre stage in all regions of Britain and most member states of the European Union (EU). Indeed, in many member states, the economic importance of the small business sector has long had clear public recognition – statutory registration through chambers of commerce, strong political representation (for instance, Pierre Proujade and shopkeepers in France), and effective bureaucratic support (such as the Mittlestand in Germany). In Britain, the birthplace of industrial revolution and mass industry, policy recognition of the economic, political and social importance of small firms was not so firmly implanted. It traces its roots back initially to the 1929 post-Depression Macmillan Committee (1931) then, some 40 years later, to the publication of the influential Bolton Report in 1971. Macmillan identified a disparity of interests between the financial and industrial sectors, especially in relation to small firms which faced higher costs of finance than larger firms. Despite many attempts to narrow the access to finance gap, small business complaints that the finance sector ignores their concerns is a refrain that is still heard very loudly today.
Chaired by John Bolton¹, a successful and publicly-spirited industrialist, the Bolton Report directly inspired the conception of the Quarterly Survey of Small Business in Britain. Disturbed by the lack of accessible and relevant data on Britain’s small business sector, the research director and principal author of the Report, Graham Bannock promoted a regular survey of the small business sector to fill the gap to inform researchers and policy makers. The 10th anniversary in 1981 was marked by a conference of academics, ‘practitioners’ (i.e. business support professionals such as accountants) and policy makers (Curran and Stanworth 1982). Supported by a generous mix of public and private sector funding, the Quarterly Survey of Small Business in Britain was born in 1984 under the direction of its inspirer, Graham Bannock. Making up for lost time, the Quarterly Survey has produced a report on the state of Britain’s small businesses every quarter since then. In the beginning, with entrepreneurship as an academic discipline in its infancy, the focus of the special topics each quarter was very much led by the concerns identified by Bolton and those of interested financial institutions, government departments and bodies such as the Bank of England, Companies House, House of Commons Library, National Audit Office and so on. As academic, political and public policy interest in entrepreneurship and small business management grew, so too did the focus and reach of the Quarterly Survey. But, as many small firm owners know, success brings growth which, in many cases, can create its own problems, especially if there is an existing shortage of working capital, suitable skills and affordable premises. The Quarterly Survey has had to endure its own baptism of fire. Fortunately, in 1989, Open University Business School (OUBS) Dean, Professor Andrew Thomson, offered to host the Quarterly Survey at OUBS. Some 20 years later, with an increase in enterprise activities across the University, Andrew’s successor as Dean, Professor James Fleck, welcomed the Quarterly Survey formally into the Open University as a core element in its own growing enterprise research and teaching. The current Dean, Professor Rebecca Taylor, has continued this generous support of the Quarterly Survey.

The Quarterly Survey has been used widely as an economic barometer since it began in 1984. It has been and remains an important resource for SME academics, policy-makers and professional support providers (such as accountants, bankers, consultants and lawyers). It has revealed quarterly and longer term trends on entrepreneurship and key small business issues. It has also provided benchmarks for gauging SME regional, sector and size-related performance. The survey findings are also regularly reported in the national press and other media. In addition, each quarterly report contains a feature section on a selected small business issue. More recently, each issue now contains a number of ‘mini case studies drawn from Quarterly Survey respondents to the current special issue and open for use by other academics, policy makers and practitioners. Recent special features have included the impact of the ‘credit crunch’; how entrepreneurial and non-entrepreneurial small firms differ in their approaches to growth and the recession; sources of advice on business and regulation compliance; environmental performance and changing use of information and computing technologies. The Quarterly Survey is the longest surviving report focused entirely on small and medium businesses in Britain. It owes its survival and success to its historic knowledge of the SME sector; its dedicated and loyal research/production team, the long term support from the Open University and from generous core sponsors such as ACCA (the Association of Chartered Certified Accountants), Barclays Bank, Lloyds Bank and National Westminster Bank. Together we further addressed the issues raised by the Bolton Report and have cast light on new SME issues that have emerged in the new millennium.


1.3: Keeping the show on the road – Julie Sullivan

I Joined the Small Business Research Trust (SBRT) in June 1990, as secretary, shortly after the Trust relocated to the Open University Business School. At that time, we were based at the main Milton Keynes campus in the Horlock Building (although I have had many moves around the campus since then!) and I worked with Colin Gray, along with John Stanworth and Beverley Dash, who were located in offices at the University of Westminster. The Quarterly Survey was then in its seventh year of publication and was called, ‘The NatWest Quarterly Survey of Small Business in Britain’. I was involved mainly with helping to manage other projects for the Trust, so my main contact with the survey in those days was to keep the subscription and contact databases up to date, which included the media list for press releases, to make sure that everyone received the latest copies on time. As technology wasn’t so advanced and e-mail was not used to the same extent as today, the questionnaires had to be sent out by post with a stamped addressed envelope included for return. We then had to pass batches on to the researcher, again by post, until the system eventually switched over to on-line responses. In 2003, The Small Enterprise Research Team (SERTeam) was founded with Graham Bannock as Chairman and the same staff continued in post. When SERTeam closed in December 2008, I continued to work on the Survey at the Open University, alongside the editors, Colin Gray and (from 2010) Richard Blundel. At this stage, I began to get more involved with supporting the team with other aspects of the report, including liaising with our long-term researcher and analyst, Andy McCann. From 2012, another Open University colleague, Jackie Fry helped me, (among other things) to set up a new online questionnaire using Qualtrics software, which we used to send out invitations to our panel members. They are now invited to take part in the survey via e-mail and my role has been to deal with queries and ensure that the responses are processed effectively every quarter. For example, Jackie and I set up an automated system to monitor ‘bounce-backs’ (i.e. emails that are not received because respondents had changed address or were no longer participating in the survey). This enabled us to clean the database so that we were only sending to active respondents. Among other things, I have also been the main point of contact for survey respondents, subscribers, sponsors and general enquiries. I have also assisted with first drafts of the reports and, once it is finally ready for publication, have organised printing, circulated advance copies and alerted interested parties that the electronic version is available via our web-site. It has been a great journey, seeing the report change considerably over the years to what it has become today. In the early days I was told to expect to be in post for two years, so it’s good to share in the achievement of reaching our 30th Anniversary.

Julie Sullivan is the Administrator of the Quarterly Survey and has been a member of the research team since 1990.

\[2\] Andy McCann made an immense contribution to the Quarterly Survey for more than 20 years. He began work on the survey in 1991 when he joined Graham Bannock and Partners (see Quarterly Survey Timeline for details) and subsequently played a pivotal part in the analysis and authorship of the survey as well as producing numerous commissioned research studies.
2. Pioneers of small firms’ research

The contributors to this section provide a personal account of events leading up to the publication of the Quarterly Survey of Small Business in Britain. In doing so, they also offer a unique insight into the roles played by a relatively small and diverse group of academics, business practitioners and policy makers who worked together in this period to create a whole new field of small firms’ research, both in the UK and internationally. The first contribution profiles the Sir John Bolton, chair of The Committee of Inquiry on Small Firms in Britain (‘The Bolton Report’), which was published in November 1971. The Committee rejected direct fiscal support measures for small firms but argued that there was an urgent need for Government to provide stable economic conditions and to remove unfair barriers to small firms. It also recommended the creation of a special small firms department and that statistical data collection was extended to include smaller firms. Furthermore, the report concluded that: ‘the health of the economy requires the birth of new enterprises in substantial numbers and the growth of some to a position from which they are able to challenge and supplant the existing leaders of industry. We fear that an economy totally dominated by large firms could not for long avoid ossification and decay…’

2.1: John Bolton’s 1971 Committee of Inquiry – Andrew Thomson

John Bolton (1920-2003) is best known for his chairmanship of the Committee of Inquiry on Small Firms (1969-1971), but there was of course much more to him than that. The son of a railwayman in Wolverhampton, he was an articled clerk to an accountant when the outbreak of the Second World War saw him enter the British Navy, initially as a seaman but ultimately as a lieutenant with a DSC for gallantry. After the War he took a naval scholarship to study economics at Cambridge and then, most unusually for a Briton in those days, went to Harvard Business School for an MBA. He made a major success of his time at Harvard, becoming a Baker Scholar, becoming friendly with the current and then successive Deans of the School, and doing a year’s research on British industry for HBS after his graduation.

Again most unusually for the time, he then moved into a small electronics company, Solartron, of which he quickly became chairman and led it to rapid expansion until in the early 1960s it was taken over by Schlumberger and Bolton moved into a career mainly concerned with public service. This included an extremely important role in setting up the Foundation for Management Education, which in turn played a key part in the development of management education in Britain. He also became Chairman of the British Institute of Management at an unusually young age, chairman of the Rubber Industry ‘Little Neddy’, and vice-chairman of the Royal Commission on Local Government in England before being chosen as chair of the Committee on Small Firms. He also played substantial roles as a senior officer of Surrey University and the Engineering Industries Association and became one of Britain’s leading non-executive directors, as well as being a notable mentor and facilitator for both organisations and individuals. In this latter role he showed himself to have a high level of empathy and willingness to give freely of his time and advice.

To return to the Committee on Small Firms, it was somewhat unexpectedly set up by a Labour Government which believed in the corporate state and the value of scale in international competition and had largely ignored the small firm sector. The Committee’s members did not expect the size or length of the exercise it turned out to be, largely due to finding a ‘startling lack of information’ about the sector in general, so found itself obliged to assemble the basic data, using several different sources. Indeed the main driver of the Committee was the research effort from the internal research staff and externally commissioned papers, rather than any ideological or even policy perspectives,
and the members were genuinely surprised at the importance of small firms within the economy which emerged. But the information gathering exercise was inevitably a one-off operation, and it is therefore hardly surprising that the Committee recommended that the Central Statistical Office should develop a comprehensive enterprise census as part of its plans for business statistics. Within the Committee Bolton was a courteous and emollient chairman and essentially took the view that Westminster and Whitehall views should be respected; he was later to take a more radical view and wish he had been more assertive. The Report when it finally emerged in November 1971 was acclaimed on all sides and many of its recommendations immediately accepted by the Conservative Government\(^3\). It had a substantial impact on the way in which small firms were viewed, and raised a great deal of interest. Indeed even today it is still seen as the starting-point for considering the role of small business in the economy. After the Report a problem was that there was no representative body to speak on behalf of the sector; moreover in spite of the heightened recognition the small firm sector soon ran into increased difficulty in the oil crisis of 1973. So Bolton found himself expected to perform the role of championing the sector, and adopted it with initial politeness but then became more radical and demanding as the 1970s wore on. He made some major speeches, and stumped the country on a platform that the small firm sector was the answer to unemployment if only policy changes were made, as large firms started a process of shedding labour caused by technological change and globalization. More than a decade later he was still seen as the missionary figure for the sector, indeed ‘Mr. Small Business’, and as a result became a substantial and outspoken public figure to the point where the Labour and Conservative Governments, to say nothing of the Whitehall mandarins, probably saw him as an irritant which it wished would go away. But without Bolton the momentum which built up in the period after the Report might well have been substantially less.


2.2 Beyond Bolton: some observations and memories - John Stanworth

It was in the early 1970s that the early pioneering groundwork undertaken in the field of small firms in the UK by pioneers such as John Bolton and Graham Bannock was laid down on its way to assuming the status of a national institution. For my own part, I had completed a PhD in the small firms field in 1971, and was delighted to witness that year the publication by the Department of Trade and Industry of the ‘Report of the Committee of Inquiry on Small Firms’, with John as Chair and Graham as Research Director. John Bolton told me many years later that he had expected the Report to sink largely unnoticed, as had two previous Government reports with which he had been involved. A decade later, in November 1981 (10 years on to the month), I was to host the Annual Small Business Research Conference in London, following on from earlier pioneering annual initiatives staged by Ashridge Management College, Durham University Business School and Manchester Business Schools in the previous three years. For the first time, attendance exceeded one hundred, the guest of honour was John Bolton and the conference was themed: ‘Bolton Ten Years On’. A series of books followed bearing the Bolton date-line: ‘Bolton 10 years On’, ‘Bolton 20 years On’, etc. The following year (1982) saw the publication by Gower Press of a selection of key papers drawn from the 1981 conference and also the launch issue of the European Small Business Journal (later to become the International Small Business Journal)\(^4\). Key names were already emerging: James Curran, Allan Gibb, David Watkins, David Kirby, Michael Scott, Peter Wilson,

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\(^3\) The House of Lords debate on the findings of the Bolton Committee is available online at: http://hansard.millbanksystems.com/lords/1973/feb/21/small-firms-the-bolton-report-1

\(^4\) Robert Blackburn writes about the International Small Business Journal in Section 3 of this report.
Alistair Rainee, Paul Chaplin, John Lewis, Ronnie Lessem, John Ritchie and others. The fuse lit 20 years earlier led to an explosion of activity in the early 1980s, which has under-written the importance of SMEs in The United Kingdom and elsewhere since.

Other key players to emerge at this time were Clive Woodcock and Brian Wright. Clive Woodcock worked on The Guardian newspaper and devoted a weekly page to the issue of small businesses, citing and featuring liberally from academic sources. Clive subsequently went on to publish his own Small Business Guidebook and, in September 1982 launched the forerunner of the International Small Business Journal with Tom Cannon, Allan Gibb, John Stanworth and David Watkins as Consulting Editors. Brian Wright was appointed in 1981 as Director of the London Enterprise Agency and linked with the GLC’s Dr. Peter Barfield to produce the London Enterprise Programme – a series of training courses involving the (then) Polytechnic of Central London (now the University of Westminster) ranging from one-day Business Ideas Courses for start-ups to full-time linked weekend courses for growth businesses. The foundation of the Small Business Research Trust (SBRT) and the launch of the Quarterly Survey also in the early 1980s added powerful momentum to a movement which it is difficult to overlook today but whose origins are not always appreciated by more recent entrants to the field. An incubation period of a decade bore many of its most promising fruits in the early 1980s – ten years after publication of the Bolton Report.

2.3 The Quarterly Survey: origins and messages - Graham Bannock

I designed the Quarterly Survey some time in 1983, shortly after the foundation of the Small Business Research Trust. I had not accepted any position in the Trust, founded by Sir Charles Villiers and Stan Mendham, because I intended to be a subcontractor to the Trust for research work via my consultancy, Graham Bannock and Partners Ltd. We all felt that there was a need for regular information about the wishes and concerns of small firm owners, indeed the 1971 Bolton Report had indicated as much. Our first sponsor for the survey was National Westminster Bank, a relationship which endured for very many years. Recruitment of our sample was a problem and the Bank agreed to place leaflets in its branches asking for respondent volunteers. Stan Mendham was kind enough to seek them also through members of the Forum of Private Business. The resulting sample was certainly not random but its characteristics were close enough to those of the total SME population to be reasonably representative of firms with fewer than 100 employees. Our sample gave us an advantage over the only other regular research work at the time, The CBI Smaller Firms Survey, which being restricted to CBI members included much larger firms than ours. The QS was an immediate success and attracted considerable press attention. Since the publication of the Bolton Report, the national press had been giving more attention to small firm issues and in fact, the Guardian and later, The Financial Times had regular columns on the subject. It was an unusual feature of the time that large firms, such as British Steel, Pilkington and Shell also voiced concerns about SME issues. This was explained by the fact that SMEs are both suppliers and customers of

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5 The weighting used was based on data from the DTI which then, or later, were derived from a methodology based on VAT registers and created by two civil servants, Pom Ganguly and Michael Daly and myself. This methodology is, I believe, still used today and estimates the UK SME population at some 4.5 million.
large firms who in those days felt a social obligation to promote SMEs as regenerators of economic activity in areas of declining industry.

For many people the most interesting regular feature of the QS reports was the analysis of respondents’ most important problem. Of course respondents had many problems but there was some significance in what they considered to be the most serious at the time. The order of these problem areas has varied and there have been a few changes in the question but about six categories have been fairly predominant though some have varied cyclically. As an example, the February 1992 survey results for the most important problem expressed as a percentage of all respondents were:

<table>
<thead>
<tr>
<th>Problem</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low turnover and lack of business</td>
<td>36.0</td>
</tr>
<tr>
<td>Cashflow, payments/debtors</td>
<td>12.7</td>
</tr>
<tr>
<td>Competition from big business</td>
<td>7.1</td>
</tr>
<tr>
<td>Total tax burden</td>
<td>5.8</td>
</tr>
<tr>
<td>Government regulations</td>
<td>5.2</td>
</tr>
</tbody>
</table>

Although successive governments have constantly expressed their conviction on the importance of small firms they do not seem to have successfully addressed these problems. Low turnover, of course, is not something which public policy can do much about other than the pursuit of prudent and consistent macro-economic policy. Governments have taken action on the question of late payments by large firms but it has only been marginally effective since the issue reflects imbalances in bargaining power between large and small firms. Competition from big business is a question of competition policy but repeated inquiries have failed to identify targets for action and indeed in a few cases where tough action has been taken, such as in brewing, that action has proved counter-productive for small enterprises. Total tax burden is a somewhat different case. Low rates of corporation tax have been helpful though the majority of small firms are unincorporated. The fact remains that owners investing in their own business have to do so out of taxed earnings although paradoxically investment in other firms can attract tax relief for SME owners. Tax paperwork is a large element in the total burden of regulation – studies suggest between 40 and 50 percent.

Attempts have been made to simplify VAT administration for the smallest firms with some effect. The Cabinet Office does estimate the burdens imposed by regulation (regulatory impact assessments) but these assessments are only made for new regulation leaving the weight of the total burden which, is what really matters, unassessed.

The long term success of the Quarterly Survey speaks for its quality and value but also for the skill and determination of a succession of dedicated people since many problems have been encountered on the way. The managers of the survey it seems have been inspired and fascinated by tapping into the thoughts of millions of SME owners all these years.


One of these difficulties has been to find and retain long-term sponsors. The SBRT tried to mount other surveys to complement the Quarterly Survey, such as the Royal Bank of Scotland Survey of Smaller Exporters and the Lloyds SME Management Report, from both of which support was withdrawn. It is fair to say that the former Natwest Bank supported the survey for very many years and from the beginning while more recently Barclays provided support in kind as well as finance.
3. Research themes, trends and reflections

In this section we consider the kind of engaged research undertaken by the Quarterly Survey. In the first part, we have selected a few notable findings from the last 30 years. In the second part, Rob Baldock reflects on the technical challenges of conducting survey-based research, particularly when the work extends over a long period. This is followed by Richard Roberts’ reflections on the origins of the Quarterly Survey and an assessment of its contribution to the SME research and policy communities. In the final part, Robert Blackburn, Editor in Chief of the International Small Business Journal, discusses the challenges of creating the ISBJ, a publication that was also established in the early 1980s, and some of the main changes in small business research since that time.

3.1 Thirty years of findings: a small selection

For much of its life, the Quarterly Survey monitored a number of variables, including respondents’ views on the most important business problems, the performance of their business over the previous quarter (i.e. sales, profits, employment and investment), and its prospects for the coming quarter. It has also reported on a wide variety of ‘special topics’, often revisiting them several times and making comparisons over time. Here, we present a selection from that long list of topics, accompanied by short commentaries that bring each topic up to date. The Quarterly Survey website has full details of all of the topics covered and freely downloadable copies of our past reports.

- **Personal motivations and business goals**: Back in Q2, 1990, more than half of our respondents reported that the desire for independence was their prime motive for running their own business. Only 19 per cent selected making money. Some 8 per cent were motivated by a desire for security, 6 per cent felt they had no alternative to self-employment and 5 per cent were doing so out of family tradition. There was a tendency for the importance of making money as a motive to increase with size of firm and independence to be of lesser importance. We have revisited this topic several times over the years. For example, in Q2, 2009, we again found that small business owners were more motivated to maintain their independence than to make money; they also tended to set themselves relatively modest growth targets as they sought to ‘manage the recession’. We also found firms run by women reporting that they were more often content for their business to remain at their present size (48%) than those run by men, or with joint male/female ownership (30%). On the most recent occasion that we addressed this topic (Q2, 2014), ‘being your own boss’ remained one of the ‘top three’ advantages of running your own business (50% of respondents), followed by ‘more flexible working hours’ (39%) and ‘can be more creative and / or innovative (29%) and ‘avoids negative aspects of working for a larger organisation’ (29%). While the samples are not directly comparable, ‘opportunity to obtain greater personal wealth and / or earnings’ was in fifth place on this occasion (27%) and the survey suggested some strong gender differences in the types of advantage selected.

- **Communications technologies and the Internet**: Our Q2, 1991 report compared its results with one of our first surveys, conducted in 1985 and found that the proportion of respondents with one or more computers had increased from 36 per cent to 68 per cent. This was largely because of a dramatic increase in the penetration of computer usage in the smaller firms (e.g. from 20 per cent to 56 per cent amongst firms with fewer than 5 employees). Perhaps surprisingly, it found that more than twice as many small firms had computers in Britain as compared to Japan. Retailing was the only sector where less than 50 per cent of small firms have computers though it had shown the biggest increase since 1985. By Q2, 1996, 81 per cent of small businesses had one or more computers and we could conclude that, ‘Saturation is
approaching, with less than 4 per cent of all firms intending to buy their first computer.’ Just over seven years later (Q4, 2003) we were reporting another technological advance – the use of networked computers by small firms had grown sharply in recent years, but few of our respondents had fully embraced ‘e-commerce’. At this point, all of the firms in the survey with 10 or more employees (and most of the rest) were now using computers and half of them had some kind of network. This proportion had grown sharply in recent years and we expected the trend to continue. One in seven of our respondents in 2003 were already using wireless networking and this proportion was set to double within a year. In Q1, 2011 we found that most small firms expected to use or invest in information and communications technologies (ICT) during the year, with relatively larger and more entrepreneurial firms taking the lead in social networking, smartphones and cloud computing. Around a quarter of sole traders, rising to over half of firms with 20 or more employees, expected to create or update their business websites. Relatively larger firms were more likely to use or invest in a range of other ICT, including new business software. In addition, firms which rated themselves as most entrepreneurial were three times as likely as the least entrepreneurial to use social networking sites such as LinkedIn and Facebook and seven times as likely to expect to use ‘cloud computing’. In Q1, 2013 we examined the use of mobile and web-based services and found that more than 21% of respondents were using ‘cloud-based’ providers to run their back office services, compared with just 8% in 2011. While SMEs were ‘showing the way’ by embracing mobile internet technologies, security, privacy and technology were still major challenges in moving a higher proportion of business activity online.

**Business information and advice services:** In Q4, 1993 we found that one-third of small firms did not have ‘easy and timely’ access to the information that they needed to run their business. However, this was a much lower proportion than that reported five years previously (50%) (Q3, 1988). Problems with access to information seemed to affect all firms with a turnover of less than £1.5m to a similar extent and we suggested that this may be related to workload: In 1988, when demand was much stronger, nearly two-thirds of those who had a problem had said that this was because they were too busy to absorb the available information. The 1993 report also found that: ‘Firms in all of the main sectors also find government regulations the main subject of difficulty.’ Access to this kind of information was a problem reported by 16% of all respondents. When we revisited the topic in Q1,2002, Government regulations were still, ‘by some margin, the area where the greatest proportion of Britain’s small firms have had trouble in finding the advice and information they need.’ For example, only 22 per cent had successfully obtained regulatory information over the previous 12 months. By contrast, while many small businesses needed help in adopting new technologies, there was not obvious shortfall. For example, 30 per cent of small businesses sought advice or information about technology or the Internet over the past year and had been successful in obtaining it. Only 6 per cent said they needed such help but found it difficult or impossible to obtain. In our most recent report on this topic, we found that, three quarters of SME respondents (75%) used one or more sources of business advice or information in the last year. Accountants were the most commonly cited source of helpful advice or information, identified by 50% of businesses. ‘Customers, suppliers and other business people’ were second (37%), and banks took third place (31%). By contrast, only 17% identified ‘Government-funded services’ as a helpful source. Businesses with plans to ‘expand significantly’ were more than twice as likely to use five or more services (20%), compared to those with no growth plans (9%). The ‘top five’ specialist areas where SME owners and managers had actively sought business advice and information were: regulations and compliance (28% of respondents), accounting (28%), sales and marketing (27%), financing (22%) and information technology (17%).

**Retirement and succession planning:** In Q2, 1995 we reported that, although many respondents had not yet decided what they would do with their business when they retire or otherwise stop running it, one third expected ultimately to sell their business, one sixth to pass it
on to a member of their family and one tenth (mostly those running one or two person firms), expected to close their businesses. The picture looked less optimistic in Q1, 2001 when some 16 per cent of those who would like to leave the business reported that they could not afford to; a further 38 per cent had no immediate plans or desire to leave the business. Many respondents hoped to sell the business (or their share of it) in due course, but those planning to leave the business in the near future were less hopeful of their chances of doing so. By Q3, 2008, in the immediate aftermath of the credit crunch, almost one-third of small business owners (31%) said that they expected to struggle on their pensions and almost half of those aged 60 or over thought they would have to carry on in business for longer than previously intended due to the effect of market conditions on their pensions and savings. The average small business owner expected to retire at age 67 but only 18% expected to have a comfortable pension on retirement. The most recent report on this topic (Q1, 2012) revealed strikingly diverse views being expressed about retirement prospects, and the fate of the businesses once the owners have moved on. While almost half of owners were still expecting to retire by the age of 65, the remainder was divided between those expecting to keep on working, and others who do not know when they will retire. The majority of owners expected to receive an adequate or comfortable pension, but more than a quarter thought that they were going to struggle financially. More than a third of business owners planned ultimately to sell their stake in the business, while a quarter intended to pass their business on to another member of the family.

There are many other topics to explore in the Quarterly Survey archive. For example, we have produced several reports on Government regulations and paperwork over the years (e.g. Q3, 1999; Q2, 2003; Q3, 2004; Q4 2005; Q1, 2008)\(^7\) and a series of reports that have tackled various issues related to the European Union\(^8\). Some topics are now of largely historical interest. For example, in Q4, 1998 we reported that less than half (46%) of firms trading with countries about to adopt the Euro were able to correctly identify the symbol used for the new currency\(^9\). Similarly, in our Q1, 1999 report, nine out of ten (90%) of small firms with computers said they had taken steps to check and ensure Year 2000 compliance of their computer systems. Furthermore, three-quarters (75%) believed – correctly as it turned out – that all of their computer systems were now Year 2000 compliant, so unlikely to be troubled by the so-called ‘Millennium Bug’. However, many long-running topics, such as skills development, remain highly relevant today. Smaller firms continue to express concern about a lack of skilled and trained employees (e.g. Q3, 1998; Q4, 2000; and Q4, 2006), and more recently (Q3, 2012), we have identified considerable size-related variations in formal staff training. For example, more than two fifths (44%) of firms in the ‘1-4 employee’ band did not offer any provision of this kind, compared to just 6% of firms with between 50 and 250 employees. The Quarterly Survey has also tracked emerging trends. In Q4, 2010 we reported that environmental issues were not a high priority for most businesses, but that the picture was changing. Relatively larger and more entrepreneurial firms were taking the lead in environment-related investment and in measuring carbon emissions, with cost-saving and personal commitment being the most important influences. By Q3, 2011, many businesses were reporting that they could see no benefits in making environmental improvements in the depths of an economic recession. As one respondent put it, ‘[I] can’t see how to ‘green’ our business without a major investment of money that we do not have at this time.’ Our Q4, 2013 report on resilience and recovery introduced another dimension with the unexpected finding that extreme weather conditions over the last five years had posed ‘a real threat’ to more than a quarter (27%) of our respondents’ businesses. We suggested that this was an

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\(^7\) SBRT also produced a commissioned report on regulation in 2005, based on a joint workshop with ACCA and ISBE; the impact of regulation on smaller firms is also discussed in Section 4 of this report.

\(^8\) The most recent of these (Q3, 2014) examines exporting and includes a question on the impact of EU membership on respondents’ businesses.

\(^9\) Respondents were presented with four somewhat similar symbols and were asked to select the correct option, or ‘Don’t know’. The Euro currency was adopted by 11 European countries on 1\(^{st}\) January 1999.
interesting result, given the continuing debate over public policies for climate change mitigation and adaptation, and the role that SMEs might play in reducing business-related carbon emissions\(^\text{10}\).

### 3.2 The evolution of small business research methods – Rob Baldock

In many respects the Quarterly Survey is similar in character to the more successful small businesses that it reports on. Over the course of thirty years the survey has consistently demonstrated the flexibility to adapt to changes in small business research methods, whilst remaining topical and relevant to its audience of academics, practitioners and policymakers, exhibiting the kind of resilience in riding out economic downturns and stormy conditions that it reported amongst small businesses in a recent (Q4 2013) edition.

Essentially the Quarterly Survey is a quarterly cross-sectional snapshot of a broadly representative sample of circa 1,000 UK small businesses. Its strength is an ability to address topical themes at the time, notably the recent Scottish independence debate, when it was possible to draw insight on the current views of both Scottish and other UK small businesses. Cross-sectional surveys are criticised for their inability to provide temporal trend data\(^\text{11}\), which can be particularly problematic for policy makers who ideally require evidence based over time in order to properly assess policies. In this respect the Open University Small Business Survey is unique in two ways. First, its longevity has provided the opportunity for quasi longitudinal analysis (i.e. repeat cross sectional data\(^\text{12}\)), and second, it contains a panel survey element of around 200 small businesses providing some ongoing continuity of owner-manager respondents. However, this is not without problems both with regard to the changing nature of research aims and requirements and the changing nature of small business.

I am a mere novice, when compared with the founders of the Survey, having entered the world of small business research under the tutelage of the legendary David Smallbone 20 years ago. At that time our research approach involved mixed methods similar to those of the current Quarterly Survey, invariably involving telephone surveys supported by a smattering of semi-structured and more in-depth face-to-face interviews to add qualitative insight. However, we did not have The Open University’s extraordinarily loyal panel of small firms, many of whom still regularly respond on a regular basis. In those days, this type of panel survey would have been undertaken by post. Probably the most important evolution that has taken place is the development of the information superhighway\(^\text{13}\), which we now know as the Internet, and the ability to conduct on-line surveys. The Quarterly Survey has embraced new approaches to data collection, introducing the now widely adopted computer assisted telephone interview (CATI) approach to conduct its larger scale business data collection and on-line survey instruments for its smaller panel survey. The team has also obtained qualitative insights through extended semi-structured interviews, which may be conducted by telephone or Skype and form the basis for short case studies. It is also clear that recent trends in

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\(^{12}\) See Rafferty A. and Walthery P. (2011) Analysing change over time: A guide to ESDS microdata sources. Colchester: [Economic and Social Data Service] UK Data Service. Available at: [www.ukdataservice.ac.uk](http://www.ukdataservice.ac.uk)

\(^{13}\) The name was purportedly coined by US Vice President Al Gore in the early 1990s.
social media research\textsuperscript{14}, including content analysis, and open access approaches such as on-line drop-in commentary forums and dialogues, present new challenges and opportunities for the development of small business research.

Having recognised the Quarterly Survey’s unique position in UK small business research, it is time to explore the Survey’s use as a longitudinal research tool, including the limitations and potential pitfalls. As stated, longitudinal research can offer considerable advantages in demonstrating trends and impacts, but it is fraught with technical problems. In pure research terms longitudinal surveys require re-surveying of the same businesses. Inevitably there will be ‘panel decay’ as businesses close over time, raising issues around the ‘like for like’ substitution of businesses in order to maintain sufficient survey size. Clearly, in the case of the Quarterly Survey, research has only taken place in quasi-longitudinal fashion, since the vast majority of small businesses contacted via the telephone survey are different on each occasion, while only a small proportion of respondents provide continuity through their participation in the panel survey. However, thanks to the overall survey sample sizes and their distribution by regional location and broad sector, the survey has provided some suitably robust and representative findings for UK small businesses. Matching survey questions can also present problems, particularly when there have been changes in the operations of businesses, their products and services or general trading conditions over time. For example, the recent (Q1 2014) survey of business networking used broadly similar set of questions to a much earlier (Q2 2002) survey. Whilst the majority of the matched questions worked well, there were a few anomalies. For example, the raw data from one question suggested that ‘informal’ networking had declined from 43\% to just 18\% of responding businesses over a 12 year period. However, on further investigation, it became apparent that respondents to the 2002 survey had interpreted involvement in ‘informal networks’ in a different way their counterparts in 2014. This was probably as a result of the increased use of Internet-based networking activities in the intervening period, which were not clearly defined as ‘formal’ or ‘informal’ in the original question. These examples illustrate a few of the perils of longitudinal survey analysis and highlight the researcher’s role in designing effective survey instruments and interpreting the findings appropriately.

There is a multitude of factors that researchers need to take into account when analysing the activities and performance of small businesses, including the state of the economy within the economic cycle and governance issues. This task is often complicated by definitional uncertainties and changes. For example, firm size is widely recognised as a key variable, but it is important to note that it was not until the mid-1990s that formal definitions of small and medium-sized enterprises (SMEs) were widely introduced across the European Union. In 1996 the European Commission established a three-fold categorisation of micro (0-9 employee), small (10-49 employee) and medium (50-249 employee) enterprises that has since become widely adopted, replacing the previous (100 employee) threshold for small businesses. Research on regional variations has also been the subject of definitional changes. The Quarterly Survey has continued to present its data at the regional scale, matched to the former English Regional Development Agency (RDA) areas\textsuperscript{15}. While this remains common practice, it could be argued from a current policy perspective that larger sub-regions or the 39 smaller current Local Enterprise Partnership (LEP) areas might be more appropriate scales. Finally, arguably the most important change to have taken place over the last 30 years is the globalisation of business activity through the rise of the digital economy, which has impacted on the structure and operation of businesses and required repeated upgrading of the UK business Standard Industrial Classifications (SICs) to include a far greater range of IT related activities. Though such changes may be necessary, they can make the sector matching of businesses over time both complex and unreliable.

\textsuperscript{14} See, for example: Weir D. and Bartlett J. (2014) \textit{Towards a Social Media Science: Tools and Methodologies}. Southampton: National Centre for Research Methods (NCRM).

\textsuperscript{15} The RDAs were abolished in June 2010 and closed in March 2012.
In conclusion, over the past 30 years the Quarterly Survey has built up a considerable and unrivalled bank of small business data on a wide range of small business research topics, enabling quasi-longitudinal analysis. Sustaining a business survey over such a long period has presented multiple technical challenges, which have resulted in some important and largely unavoidable compromises. Though this collection of 120 survey reports cannot claim to provide have provided a comprehensive insight into the many issues it has tackled, they continue to offer an invaluable source of high quality data and analysis, a vital commentary on contemporary trends and a stimulus for further research. Happy 30th birthday to the Quarterly Survey and best wishes for the future!

Dr Rob Baldock is a Senior Research Fellow at the Centre for Enterprise and Economic Development Research (CEEDR), Middlesex University Business School. He has worked for over 20 years on SME business support policy, with a particular specialism in access to finance. Rob has authored reports for the Department for Business Innovation and Skills and published in a wide range of journals, including Urban Studies and the International Small Business Journal.

3.3 On the origins and role of the survey – Richard Roberts

I probably share many similar recollections to other contributors concerning the origins of the Quarterly Survey. I recall well the rather luxurious surroundings of the original SBRT office in Dean Trench Street, the other side of the road from the old Conservative Central Office. Bert Nicholson left the Smaller Business Association (SBA) to help run the Trust and I took over his job working for the lobby group. Bert had set up the SBA ‘state of trade’ survey in 1981 and from the start the SBRT survey had a lot in common with the SBA version. However, I would really like to make a few observations about the role the Quarterly Survey has played over the decades as an indicator of small business research trends.

It is easy to forget that before the SBRT was set up, and the survey began, we had no industry-wide representative survey of small firms of the type we tend to take for granted now. The CBI survey of manufacturing firms was beginning to be reported by employee size band (I think at the time 200 staff was the bottom size band). However, outside of this survey coverage was sparse, often limited to small lobby group surveys and rarely split by size of firm. The SBRT took the lead on developing a large scale, comprehensive nationwide survey of small business activity split by size band and weighted to represent the national population.

In addition, the SBRT also played a significant role in developing other lines of research in a long standing series of special topics. Looking through the long back catalogue of surveys now we can see how the personnel running the survey, especially Colin Gray, became very adept at picking up new lines of research and often undertaking some of the very earliest rigorous survey work on the details. In Q3, 1985 for example, the SBRT first looked at the emerging issue of the role of computers in small firms. At the time the BBC Micro and the Spectrum ZX were selling well but while the IBM PC was on the market in late 1982 it had few business users.

I would argue that the selection of the special topic and the resulting research material was masterful, worthy of an editor of any national newspaper. The survey was especially strong in developing research themes on training, the use of advice, technology and finance and a whole generation of small business researchers owe it a debt as the starting point of more in-depth work. Also, the editorial team did something very unusual at the time. They deliberately repeated the same topics at regular intervals and in most cases ensured that the questions did not change (or at least enough were repeated to get some consistency on results over time). As a result, the survey is a key source of information on the evolution of some of these issues over three decades (a gem for historians in future years I am sure).
I would also add a comment on the ‘Problems Facing Small Firms’ section. Although the exact content list has changed a couple of times I think over the decades, as a whole this must be one the longest running surveys sets of data of this type worldwide. It was always studied in detail by politicians and policy makers alike to take the temperature of the SME community. I have lost count of the number of times I have used the data on the number of firms citing access to finance as a problem when preparing briefing notes for Barclays Chief Executives over the years. Whoever dreamt this part of the survey up should have found a way to charge a fee for its re-use!

So, thank you to the SBRT/OU Quarterly Survey for a unique contribution to the UK SME research community over recent decades. Discussion, debate and analysis would have been much less well informed without its results and editorial analysis.

Richard Roberts is an Honorary Professor at the University of Birmingham, based at the Centre for Research in Ethnic Minority Entrepreneurship (CREME). Richard has more than 30 years’ experience of researching the SME sector and was formerly SME Market Analysis Director at Barclays Bank. He is currently working on a major research project with CREME: ‘Making diversity everyone’s business,’ a collaborative project to promote diversity, access to finance and access to markets in ethnic minority entrepreneurship.

3.4 The ISBJ: creating an international journal – Robert Blackburn

The International Small Business Journal (ISBJ), founded by Clive Woodcock in 1982, is now one of the world’s leading small business and entrepreneurship journals. There was no certainty that this would be the case when it was launched. Like many of the pioneering activities of the early 1980s, including the Quarterly Survey of Small Business in Britain, this was a subject field that was considered by many academics as a minority sport. However, the commitment and determination of the originators, the growth in interest by academics, private and public sector organisations and policy makers, coalesced to produce an environment where a Journal on small firms had the potential to flourish. Starting very much as a small-scale endeavour, the early years of survival of the ISBJ were very much down the enthusiasm and expertise of the founder and a core of academics. The first edition was launched under the title European Small Business Journal, but was subsequently changed to the current title within a year. The content was predominantly European in nature but there was a realisation that the field, its potential contributors and audiences, were international and there was a clear gap in the market for serious academic contributions.

Over the past 30 years we have witnessed a growth in the scale and quality of the articles in the Journal. The first edition had five articles, of mainly invited contributions by leading European scholars, plus 13 abstracts and reviews. Clearly the vision was to develop a community of scholars, put small business studies on the map and reach a wide audience. It may be argued that this vision has been realized. The scale and quality of the operation has boomed. By 2014 we were processing over 400 papers per year and publishing six articles plus reviews, in eight issues. A major turning point in the development of the Journal was the acquisition by Sage publications in 2000 which brought with it new systems and access to a professional marketing team. This was further bolstered to a full online system in 2009 for authors, editors and reviewers. Recognition of the high quality of the Journal was further underlined with an ISI impact factor from 2009 which meant it could now be identified as one of the leading world journals in small business and entrepreneurship.

Given the above developments in the ISBJ, this leads one to ask the question: ‘how has small business research progressed in terms of its knowledge base?’ Without doubt, the field has broadened its scope of discovery drawing upon other disciplines and showing a degree of permeability. However, it also retains a focus on some of the ‘old chestnuts’, such as the challenges of resource acquisition for business owners, different patterns of development and growth,
engagement with public policy interventions and their relations with wider environments. There have also been some breakthroughs in our understanding, such as on the different populations of entrepreneurs and what this means for their business opportunities and threats (e.g. ethnic minority enterprises), the learning processes of owner-managers, the contributions of small firms to the economy (e.g. the minority of firms that grow) and the ways in which the wider environment influences the type and size of small firms (e.g. the re-configuring and downsizing of larger organisations; small firms in different locations).

We have also witnessed developments in the methodologies used in the field. The early years of submissions to the ISBJ were very much characterized by analyses of original data based on a limited number of interviews or postal surveys of owner-managers. Whilst many of these studies provided an essential understanding of the real world of small businesses, teasing out the motivations of individuals, their aspirations and experience, much remained to be done in terms of establishing credibility amongst academic peers and showing that this was an enduring field of research. It may be argued that any new academic field takes time to develop and the legitimizing process that the field of small business and entrepreneurship has gone through is appropriate. With time the Journal as seen developments in the methodologies used by researchers. Compared with other journals, the ISBJ has a qualitative inclination but this type of research has been overtaken by other approaches in terms of the volume of submissions and publications. Possibly the biggest changes have been the rise of quantitative methods using large-scale data sets on the one hand, and the growth in the sophistication of qualitative methods on the other. With the latest trend towards using 'big data' and the growth in access to large-scale data sets it is unlikely that this pattern will change. Hence, although the ISBJ, and other journals in the field, have made substantial contributions to understanding the phenomena of entrepreneurship and small business ownership, much remains to be done. Generally, there is a feeling in the research community that this revolves around the need for more conceptual thinking and theorization. This is something that we should be proud of and certainly something that I hear about other areas of study in the broader social sciences. We are in a good place to continue to raise levels of understanding because of the openness of the area. Indeed, the subject matter itself is constantly changing – the activities and scale of small businesses in today’s economy are quite different from those 30 years ago.

In sum, the ISBJ has continued a tradition of being a journal that is open to different styles of research, opening up new areas for investigation and not necessarily sticking to the rule-book. This is an approach that the pioneers of the field and the founder of the Journal would I hope appreciate.

4. Practitioners’ perspectives

This section is based on a series of interviews with longstanding members of our online survey panel, most of whom have been completing the Quarterly Survey for more than 20 years. We are grateful to all of our interviewees and to other members of the online panel for taking time to participate in this project. In the first part our panel members highlight key trends and changes over the last 30 years and consider the prospects for their industry sector in the year ahead. The second part reflects on their experience of taking part in a small business survey over such an extended period.

4.1 Key changes, challenges and prospects for 2015

One of the key themes in these interviews, and in other discussions with SME owners and managers, is the impact of technological change and in particular, that of communications technologies and the Internet. For example, one of our longstanding respondents, Jonas Ewe, explained how he started a company in 1982 that pioneered the manufacturing of high quality low-voltage lighting products in the UK. The company prospered the introduction of LED light sources during the last decade. Another long-term respondent, Peter Thorne, Managing Director of market intelligence specialist, Cambashi (www.cambashi.com) described the impact of Internet technologies on his company: ‘Like the Quarterly Survey, we are celebrating our 30th anniversary this year, and over that time the changes in our business have been dramatic. The pace of change really accelerated in the mid-1990s, when the Internet and communications revolution took hold. For us, better online access dramatically simplified the process of finding and using information. For our clients, improving communications made it more possible to run global operations from a single location. Thirty years ago, our customer was an office-based manager who wanted a report to read. That doesn’t happen very often these days!’

The following interviews also highlight the consequences of increasing regulatory pressures on smaller businesses. As other researchers and many of our own previous studies have suggested, there are particular concerns around the ways in which new legislation is implemented, including: failure to recognise or address the distinctive contexts, resources and practices of small businesses, insufficient advance notice so that firms can adapt themselves to new regulatory environments, and the absence of support measures that might mitigate the resulting financial and administrative burdens that can become disproportionate when they are applied to smaller organisations.

Metrix Marketing

Mike Holland and Stephanie Smye launched their marketing consultancy, Smye Holland Associates (SHA) in the East Anglian city of Peterborough in 1987. They started out in a room ‘no bigger than a broom cupboard’, but having traded successfully for a few months, they relocated to offices in Peterborough city centre, which became their base for the next 25 years. Mike has been participating in the Quarterly Survey since the 1990s.

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16 The interviews in this section were conducted by Deneise Dadd and Richard Blundel in November 2014. Additional material was obtained from company websites and other publicly-available sources.
Trends and changes

Mike mentioned that one of their first decisions was about office technology: should they purchase their own fax machine? He felt that communications technology had continued to play a key role in the way the business has developed over the last three decades. For example, at one time their work involved a great deal of photocopying but today they are mostly working with electronic documents and media files. The company makes much less use of telephones and now relies heavily on email communication. Mike commented that, ‘I thought we’d use Skype more frequently; in practice we rarely use it for video calls but it has proved to be useful when we’re collaborating on documents.’ Technological innovations have also influenced the kinds of products and services they provide: ‘On the service side we’re now working on different communication channels, such as designing websites – our work on magazines, for example, is being superseded as publishers make greater use of their websites, with traditional magazines being more of an adjunct these days.’ Mike identified another major change that had been influenced by technological innovation. ‘In 2012 the lease was expiring on our Peterborough offices and we started to think about alternative locations. Then we realised we didn’t need an office at all!’ Mike and his six colleagues decided to switch to home-based working, operating as a virtual team courtesy of web-based technologies. Their online interactions are supplemented by occasional phone calls and a twice monthly team meeting. At first Mike was hiring temporary office space for these meetings, but he quickly realised that it would be more cost-effective to meet at home, so now the team takes turns to host meetings in their own front rooms – and as Mike noted, ‘the catering is much better’. Having just recruited two new members of staff who are located farther afield, Mike was conscious that he would need a new kind of induction process to help them get to grips with home based working. However, it was proving to be very effective in business terms, while also reducing the company’s environmental footprint.

Looking forward

Mike felt that the core business challenges remained unchanged over 27 years, ‘They have always been the same; maintaining cashflow comes first, closely followed by margin and overall profitability. I still remember our excitement at receiving that first cheque and despite all the changes – including the move to electronic transactions – you still need to get the cash in!’

Website: www.metrixmarketing.co.uk

17 The transition to home based working but Mike’s company was featured as a case study in a report by the Peterborough Environment City Trust (PECT), a local charity that is working to reduce the environmental impact of businesses and households. Further details of PECT’s work are available at: http://www.pect.org.uk/
Paul White Photography

Paul White is a commercial photographer with more than 30 years’ experience. His business is located in the village of Womersley, North Yorkshire, but his client base extends across the UK. Paul’s passion for building photography stems from an initial training as a chartered surveyor. He has since become a specialist in architectural, construction and aerial photography, as well as taking on a variety of creative marketing photography assignments for design agencies. He has been participating in the surveys since 1997.

Kings Cross, London
By Paul White

Trends and changes

Paul was clear that, ‘the transfer from film-based imaging to electronic imaging’ has been the key change affecting his industry. He explained that once electronic imaging came in, it had a huge impact and ‘completely transformed the business overnight, very, very quickly, much more quickly than we expected’. Paul recalled that around the turn of the century his business had grown to the point where he was employing 12 staff and had 4,000 square feet of business premises, including his own photographic lab, ‘that was going to be my retirement plan’. As the digital revolution transformed photography, he had to make some radical changes to the business: by 2004 he was down to 2 employees and today he works on his own. Another effect of the transfer to electronic imaging is that, ‘it has taken away the route access into the industry for young people’. Up to 2002, when college leavers who had taken photographic courses wanted to pursue photography as a career they would be taken on as trainees. Paul had quite a few trainees who trained with him in his photographic lab and then moved on. The only way for these young people to, ‘start up now is to set up on their own as a self-employed person, there are no routes in’. Paul felt the lack of formal training opportunities is, ‘the biggest tragedy that the industry is almost like a closed shop. It’s very, very hard to get in’. We asked Paul what he saw as the major issues micro, small and medium-sized businesses like his faced in 2015. Paul believed that ‘as a one man band on my own it’s basically the vagaries of the economy’. He also felt that the UK’s North-South divide is a major issue. He is based in the North and 50% of his business is from the South, which means he has to do a lot of travelling, ‘Every week I’m in the car or the train travelling south because that’s where the business is. There is not enough business in the North of England.’ He added, ‘regional variations are enormous and in the last five years as investments have primarily been restricted to the South East of England, from my perspective, it has got a lot worse’. Consequently, he works competitively in the south because his prices are about 20% cheaper. As someone whose work requires extensive travel in the UK, Paul also felt that ‘the UK’s infrastructure is a huge, huge problem that is slowing the country down’. For example, to get to an assignment in Manchester, about 50 miles from where he is based, would involve a two hour drive in rush hour traffic, and about 50 minutes at other times. He suggested that the impact of regional variations and infrastructure issue on businesses should be explored by small firms’ researchers.
Another result of the technological changes has been increased competition from people who have entered the industry, often seeing it as a route into self-employment having received a redundancy package. However, these new entrants do not necessarily have all the relevant technical skills and experience. Despite the challenges, Paul says that he will carry on doing what he believes is best for his clients and for his business.

Company website: www.paulwhite.co.uk

The Aziz Corporation

Aziz Corporation provide leadership communications support, executive coaching, and media training to middle and senior executives in the UK and other parts of the world. In October 2014, the company celebrated 31 years in business. Its founder and CEO, Professor Khalid Aziz has been responding to the Quarterly Survey since its inception in 1984.

Trends and changes

Khalid believed that the key changes were, ‘tougher legislation, particularly around employment and compliance issues’ and he highlighted the risk of employees abusing industrial tribunals. He also added that employers are expected to collect things like student loans repayments, administer childcare certificates, which are, ‘extra burdens with no compensation’. He explained that, ‘whilst we think these are good things, it seems employers alone get asked to shoulder the burden of political decisions’. Other changes Khalid has observed over these 30 years included higher levels of taxation and pensions, both for the company and employees. He also added that he was disappointed that, ‘for a small business, the European community doesn’t seem to have done much good for us in terms of flexibility and ease of trading’.

Khalid Aziz

Looking forward

As we closed our short interview, we asked Khalid what he saw as the major issues micro, small and medium-sized businesses like his faced in 2015. Khalid felt that the UK was still not out of the recession because, ‘we still don’t have anything like the flexibility in labour hiring that we had before’. In addition, he believed that, ‘we have some immediate to long-term embedded issues around the general quality of people we can employ in terms of their education standards’. He explained that although he has employed exemplary workers from the EU, it is sad that there are ‘indigenous people who could take up the jobs but don’t seem to have the motivation’. For 2015, he thought that the UK needed to hold firm on reducing taxation, particularly personal taxation, so that the economy can accelerate again. He added business tax rates are, ‘a tremendous burden on businesses and are a brake on progress’, especially since they are payable whether the property is occupied our not. He believed this latter point meant there is no natural incentive for government to address the issue because they collect taxes regardless. Khalid thought it would be good to sit down with government ministers and say, ‘let’s just look at what it was like 30 years ago and see if there are things from that era which we could apply to today to boost business and employment.’

Company website: www.azizcorp.com
Flooring UK

Flooring UK, formerly A.S. Parker & Co Limited, has been trading for over 60 years in the North West of England. They provide carpet and flooring solutions through two large warehouse stores in Southport and Warrington, as well as via their website. Its owner, Chris Latham, has been in the flooring business for around 40 years and has been participating in the Quarterly Survey since 1994.

Trends and changes

Chris saw the key change for businesses in his industry as increased regulation. From his perspective, ‘there is more Big Brother, you know, looking over your shoulder’, and he highlighted several examples in areas such as health and safety, fire regulations and human resources (HR). He jokingly added: ‘you can’t tell somebody ‘you’re a stupid b******’ anymore and give them a clip around the ear. You have to go through the motions …’. Chris gave a recent example of how HR regulations have become more onerous for smaller businesses. One of his employees was arriving late for work on a regular basis. In the past, this kind of problem could be dealt with informally but now it is necessary to follow a strict set of disciplinary procedures: ‘I can’t just go down there and say, “if you’re late again I’m going to sack you”, even though I’d have probably told him five times. I have to write to him, inviting him to a disciplinary hearing. I’m going to have to invite someone to come in and sit with him, you know, and then I have to write to him and tell him the outcome. And this all takes time. And whilst I quite believe in looking after people with human rights, this is just absolutely bonkers’.

Looking forward

Chris anticipated some issues around the use of office technology in 2015. More specifically, he explained that he was currently trying to find a new software programme that was appropriate for businesses in the carpet industry. Although there are several people offering technology-based solutions, he preferred the traditional approach and, ‘would rather go back to an order book and a pen and some duplicating paper’. He felt that putting orders on the computer was more time-consuming and often introduced errors and other problems: ‘We’ve always had a pen and a pad and, you know, there haven’t been that many mistakes over 40 years, but now we’re having computers and if the computer crashes or the cloud goes down or something, then we have problems like that’. He also gave an example of the frustrations of dealing with a major global software supplier: when he called to complain he, ‘got through to Germany and then I went through to somebody in Cardiff and they just don’t care because they are such a big organisation’. Chris also concedes that, since his son is quite keen on using technology in the business, he generally leaves him to deal with it.

Company website: www.flooring.uk.com
Meddings Group

During World War II the Meddings family began manufacturing drill press machines at the request of the British Government. Today they are a group of companies delivering machine tools (Meddings Machine Tools), pool and spa products (Thermalec), precision CNC machining and fabricating services (Meddings Engineering), suppliers, designers and manufacturers of non-destructive testing equipment (Meddings Radiographics), and suppliers of industrial products (Merlin Industrial Products). Director, Peter Meddings has been taking part in the Quarterly Survey since 2002.

Trends and changes

Peter emphasised the increased paperwork involved in running a business and felt that there had been, ‘a dramatic increase in bureaucracy and the need to tick boxes, almost for the sake of ticking boxes’. He believed this was the, ‘single biggest change that has occurred over the last 20, 30 years’, so when he compares today’s situation to what he had to do when he started in the business, ‘it’s truly frightening’. Peter felt there had been a massive increase in bureaucracy around issues such as employment law, pensions, health and safety, fire regulations and business processes such as certifications and standards. Putting a more positive gloss on this all, however, Peter believes that if countries could get together to harmonise standards and certifications this would be a very positive move. For example, electrical standards vary between countries, often acting as a non-tariff barrier to entry into that market. If there was more harmonisation international trade would benefit.

Looking forward

Peter believed that a major issue facing micro, small and medium-sized businesses in 2015 would be, ‘economic, interest rate and exchange rate stability’. He explained that his businesses import and export a lot of their products, ‘and one of the things we, as a business, appreciate is stability’. Peter felt that Government had an important responsibility in this area. Although he recognised that policymakers have to react to unanticipated events, like the banking crisis of six years that led to the global recession, they need to think carefully before resorting to new legislation: ‘It’s very important for government to not keep changing the rules and I think it’s even more important for Brussels not to keep changing the rules, not to keep imposing new rules and regulations.’ Peter added that he often joked with friends he would like Parliament and Brussels to close for two years, ‘because they feel they have to keep legislating, legislating and legislating in order to justify their existence and to justify their salaries’. He wished that everybody would stop, ‘changing the rules, stop legislating for a period of time to allow business to get on, consolidate, stabilise and to move forward.’

Company website: www.meddings.co.uk/company/
RB Construction Group Ltd

The RB Construction Group Limited is located in Burgess Hill, West Sussex. The company was formed in 1978 and primarily serves the public sector, including local authorities, county councils and central government departments, through framework and tendering agreements. Denise Best, the company secretary/manager has been completing the Quarterly Survey since 1990.

Trends and changes

Denise thought the increase in regulations and pace of change in this regulatory environment was a worrying trend. She explained the issues in these terms: ‘We feel bombarded with ever increasing blizzards of regulations, the implications of these regulations and finding time and resources to develop the skills necessary to implement them effectively. Denise also highlighted a lack of skills, with businesses in this industry sector often struggling to recruit staff with the necessary skills needed. The main changes affecting her business also included Health and Safety regulations, EU regulations, HMRC regulations and Government Agency regulations. Government agencies should also try and work with the construction industry to improve standards rather than ‘a fine and big stick approach’. Her company had decided to outsource more processes to deal with these issues because they were becoming too time consuming and problematic to handle internally. Another key change Denise observed was that time management had become increasingly important in the building industry: ‘Management of time is crucial to improve the effectiveness, efficiency or productivity of the Company’. She explained that Government Agencies need to collaborate fully with the industry on future initiatives and regulations, to allow the industry to plan for the changes and develop the skills necessary to implement the requirements. For example, because we were informed at an early stage when the Building Information Modeling (BIM) initiative was due to be launched, the company was able to have all the necessary skills and training in place to be BIM ready. Her advice to regulators is better collaborative working at an early stage and to actively assist SMEs to achieve the necessary skills and resources to implement new initiatives and regulations.

Looking forward

Looking to the future, Denise said her main business concerns were around a sense of political uncertainty and lack of government direction: ‘Who will be the party to lead us in the 2015 elections and can we trust any of them anyway? As we enter a prolonged period of low growth partly due to the increase in government debt, exasperated by the flatlining of the Eurozone and other financial woes of the world, debt will have to be tackled either with raised taxes or a substantial decrease in public spending. How will that affect us as a business? Add to this is the ever increasing volumes of regulations from Brussels; all creating an environment of unfairness and uncertainty’. She added that the other issues included communications technology, ‘which unfortunately in this country we seem to lag behind’. Denise gave as an example: the huge differences in mobile phone coverage and speeds across the UK and the slow rollout of high speed broadband across the whole of the country, all holding businesses back. Overall, Denise felt that the ‘discomfort of uncertainty’ was a good way to sum up her major concern for 2015.

Company website: www.rbconstructiongroup.com

An industry body (NBS) has noted that, ‘There are many definitions of Building Information Modelling (BIM), but it is simply the means by which everyone can understand a building through the use of a digital model.’ Further information available at: http://www.thenbs.com/bim/what-is-bim.asp
Secure Engineering

Clifford Corne established Secure Engineering in 1988, and was joined in 1990 by his partner Linda Doherty. Secure Engineering is an electronic security system company that installs security cameras, access control and other related electronic security equipment. The business employs 14 people at its offices near Maidstone, Kent, supported by a number of subcontractors. Linda and Clifford have been participating in the Quarterly Survey since 1991.

Trends and changes

Linda highlighted the many technological changes that had taken place over the last two decades: ‘The technology is much more connected, with cameras, phones and the internet, and it’s also more accessible.’ This has led to some new competition from information technology (IT) companies, and although IT companies’ services do not cover all areas of security, the business needs to, ‘keep on top’ of this and respond accordingly to the situation. Linda and Clifford also spoke about the changes in corporate procurement policies, particularly since the financial crisis, which have resulted in some customers taking a shorter-term view as they cut their budgets: ‘Procurement has so much weight attached to it but today’s narrow, “cheapest price” mindset creates a real problem; the relationships with suppliers have become increasingly faceless and the people doing the purchasing focus only on meeting an annual budget’. They both saw this as a particular problem when companies are buying services, which require all the support relationships that go with it if they are to work effectively. Linda and Clifford have responded to these challenges by gaining a deeper understanding of ‘value chain’ concepts in recent years; they are now seeking to engage their customers with these ideas in order to improve their overall competitiveness. The other major change they have seen has been in employee legislation, including the new pension arrangements: ‘I’ve been doing it for years but it’s getting more and more difficult to do these things in-house – so we have to get specialist finance people to deal with it.’ It has also become necessary to employ a specialist health and safety advisor in order to bid for many of their big contracts, which puts them at a disadvantage in relation to larger competitors. Clifford commented that, ‘These are good ideas that the Government is talking about, but unless we get support to deal with the changes, it creates difficulties for us as a smaller firm’. Reflecting on their experience of doing business in a rapidly changing and often challenging market, Linda concluded that: ‘We have to work smarter and harder, but we will do it.’
Looking forward

Linda and Clifford agreed that recruiting new engineers is one of the main challenges facing businesses in their industry. The Ministry of Defence is one of the few remaining sources of really talented and experienced people. The Directors are also actively engaged in team-building but, ‘though we do offer training, it takes a lot of effort and you can still lose people.’ They went on to explain the future of Secure Engineering: ‘Looking forward, we need to focus on producing an, ‘environment of success’ across the whole business. By simply being a part of the Secure team, employees will naturally work together for the good of the firm, looking to achieve the goals that take us further towards our overall success story.’ As we ended our conversation, Clifford emphasised the importance of taking a long-term view and described how they were seeking to make the business more environmentally sustainable: ‘We’re not eco-warriors but we both come from backgrounds where everything was re-used, and it’s something we do naturally. So we try to be ‘eco’ these days - trying to employ locally, reducing waste, using hybrid vehicles and so on - though it’s difficult when competitors don’t think that way.’

Company website: www.secureeng.co.uk

TCL Communications Limited

TCL Communications Limited is a telecoms and IT engineering company, employing 10 people and based in Fulham, West London. Hugh Meddings, the Managing director of TCL has been participating in the Quarterly Survey since the 1990s.

Trends and changes

Hugh felt the main change was, ‘the growth of the Internet, in every which way’. He explained that this had affected both sides of his business, but in different ways: ‘For telecoms, it’s IP (Internet Protocol) telephony for offices, whereas on the IT side, everything is driven by the Internet, including Internet access and what have you and networks’. These technological changes have also generated the biggest challenges for businesses like TCL because, ‘the availability of information is that much wider’. Even though his Internet access sometimes slows down Hugh doesn’t have any specific problems in this area: ‘It may not always be as fast as one wants but it is there’. Hugh added that bureaucracy has been another key change over this period, ‘the amount of paperwork one seems to be doing these days seems to have increased’, including human resources (HR) regulations, ‘that’s changed substantially but luckily I don’t get too involved in it’.

Looking forward

Hugh explained that he needs the economy to be reasonably buoyant because it drives a lot of what they do: ‘Keeping the economy positive is one of the main things, from our point of view’. As a business they needed other businesses to be relocating or making technology changes; they also needed people to want to carry on doing business so that TCL Communications could provide them with the necessary infrastructure services (i.e. the telecoms and IT) as well as the associated cabling. ‘If they’re increasing office size or if they’re moving offices then that drives what we do’.

Company website: www.tclcomms.co.uk
4.3: It’s survey time: reflecting on the experience of taking part

During the interviews, we asked our longstanding respondents about their experience of completing the Quarterly Survey over such a long period of time. Most acknowledged that, while it might not have had a direct influence on their day-to-day practice, there were some hidden advantages to be gained by taking part. Denise Best (RB Construction Group Ltd) shared the following reflections:

‘Taking part in the survey makes you analyze your processes in greater depth. As a company we tend to prioritize the output rather than the process of the output, or the journey to achieve the output. The survey brings to the fore the challenges an established company has and causes us to carry out an in-depth evaluation of a company; that usually involves questions such, “Are we managing ourselves effectively? What are we trying to achieve? Do we need to improve ourselves and the processes involved to achieve better outcomes for the client, the employees, the supply chain and the environment?”

Denise also felt it made them conduct a far deeper analysis of their processes – from start to finish: ‘that’s what we are always trying to do – improve, innovate’. In trying to keep up with her clients and their expectations they have to manage a number of issues such as regulations, competition, and innovation. She believed the survey acted as a sort of internal trigger that, ‘initiates an in-depth corporate analysis evaluation’. Denise shares the survey with her colleagues and they have team meetings and open discussions about the findings.

Linda Doherty (Secure Engineering) thought that the survey was, ‘a good sounding board’ and found it interesting to see what other businesses are doing. Clifford added that in the early days, ‘you often felt on your own as a small company – quite lonely at times’ and taking part in the survey gave you a network and even a source of comfort when times were difficult. Things have improved over the years, however, and they feel that today’s smaller firms are now better recognised by Government and other organisations, including universities. They found that interaction with a university was an effective way to overcome potential insularity and fixed mindsets that can occur in many small businesses; it could help to open people’s eyes to new ideas and ways of working.

Other panel members commented on how the survey acted as a point of comparison, opened the participant’s eyes to new ideas and ways of working, or provided less tangible benefits, such as feeling part of a wider community:

‘Completing the survey always triggers a moment’s reflection on the bigger picture. It would be hard to point to any specific actions we’ve taken, but we circulate reports that have covered issues such as salaries and recruitment to the management team, and I know the fact that this is primary research, not speculation, means that I and my colleagues feel confident the information is reliable.’

‘During those years, I really enjoyed receiving your Quarterly Survey. They were helpful, like feeling the pulse of small businesses. Quicker beat or slower?’

‘It was interesting how the trends highlighted in the reports tended to mirror my own personal experience.’

‘It helped me see trends, how the world was changing … the best thing about it was in the recession in 2008 when everything slowed down you came to realise that you weren’t on your own that what was happening to you was happening to everybody else’.

‘It has created a sense of community, a kind of “we are not alone”’.  

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19 Linda and Clifford describe their work with the University of Kent’s SME programmes in an earlier case study: See the Quarterly Survey of Small Business in Britain, Q3 2013 for more information.
5. Conclusion and future directions

We hope you found this Special Issue interesting and would welcome your comments and feedback. The current editorial team certainly enjoyed working with such a wide range of contributors, and it has also provided us with a valuable opportunity to reflect on the past and to consider our future directions. Looking across the report as a whole, the following themes stand out:

- Though it may be something of a business cliché, it is hard to overstate the sheer pace of change over the last three decades. As highlighted in earlier sections, the spread of digital technologies has had a particularly dramatic impact on small businesses of all kinds, helping to create new markets and re-shape business models.
- Long-term, engaged research initiatives such as the Quarterly Survey can provide unique insights, both at the time the original studies are conducted and in retrospect when the evidence is re-examined and, in some cases, re-interpreted with the benefit of hindsight. For example, I was particularly struck by the comments of our long-term respondents about the benefits of participating in the survey (Section 4.2). In addition, even the briefest glimpse at the three decades of Quarterly Survey findings can prompt new interesting research questions that would merit a more in-depth historical analysis (Section 3.1).
- There are considerable technical and methodological challenges in sustaining any research project over an extended period, given the many changes that are bound to occur (Section 3.2). Research of this kind is also fairly resource-intensive, highlighting the importance of similarly long-term financial and institutional support.

The digital revolution has also transformed our own ‘industry’ – conducting and publishing applied business research. There are many new, quicker ways to collect and analyse data, printed reports have been largely displaced by electronic documents, while social media and podcasts have challenged conventional approaches to dissemination such as press releases. Above all, there has been a massive increase in the amount of information available to our readership. The quality of some of the newer entrants may be variable, and the provenance occasionally doubtful, but much of this information is timely and well-packaged in ‘media-friendly’ formats. With most specialist small business publications also migrating on-line, there is a danger that the more complex or detailed messages are getting lost in all of the resulting ‘noise’. These technological changes raise a number of questions about how best we respond, as researchers seeking to create rigorous, independent and reliable knowledge in this field. Drawing on lessons learned from the last 30 years, I would suggest three pre-requisites for any similarly ambitious, long-term research project: (1) a stable institutional base, combined with what would now be termed a ‘sustainable business model’; (2) a ‘blended’ (online and face to face) approach that enables researchers and practitioners to engage constructively over an extended period; (3) effective communication strategies that enable the research team to connect with a wider audience. The Open University is now home to a thriving community of researchers, many of whom have research and teaching interests around small businesses, social enterprises, innovation and entrepreneurship. We are actively developing new approaches that will continue to promote the core aims of the Quarterly Survey, while also addressing these wider changes – watch this space!

Richard Blundel, December 2014

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20 Producing a quarterly publication can sometimes resemble the proverbial task of painting the Forth Bridge, and there is a lot to be said for standing back occasionally, in the hope of gaining some much-needed perspective!
6. The Quarterly Survey timeline

1931 The Committee on Finance and Industry Report (‘The Macmillan Report’) is published in June. Its main finding is the identification of what became known as the, ‘Macmillan Gap’ – the disparity in costs between UK’s financial and industrial sectors. This gap was seen as dangerously acute because smaller firms faced higher transactions charges, an early instance of the so-called ‘equity gap’ that continues to cause concern today.

1959 The economist Edith Penrose publishes the highly influential study, *The Theory of the Growth of the Firm*, which examines growth process within industrial firms, industrial concentration and the relationship between large and small firms in a growing economy. Her work remains a cornerstone of present day strategic management and industrial economics (n.b. the current Quarterly Survey editor attended the Edith Penrose centenary conference, which took place at SOAS in November 2014).

1971 The *Committee of Inquiry on Small Firms in Britain* (‘The Bolton Report’) is published. The Committee, which is chaired by Sir John Bolton, rejects direct fiscal support measures for small firms but argues that there is an urgent need for Government to provide stable economic conditions and to remove unfair barriers to small firms. It recommends the creation of a special small firms department and that statistical data collection is extended to include smaller firms. The report concludes that: ‘the health of the economy requires the birth of new enterprises in substantial numbers and the growth of some to a position from which they are able to challenge and supplant the existing leaders of industry. We fear that an economy totally dominated by large firms could not for long avoid ossification and decay…’

1981 The first national small firms conference is held in London, aimed at addressing many Bolton-related issues and monitoring development of knowledge of the UK small firm sector in the post-Bolton decade. The proceedings and key papers are edited by John Stanworth as, *Bolton 10 Years On*.

1983 The Small Business Research Trust (SBRT) is founded under Sir Charles Villiers, (Honorary Chairman and Trustee), along with Stan Mendham, Forum of Private Business (Vice Chairman and Trustee).

1984 The *Quarterly Survey of Small Business in Britain* is launched by Graham Bannock as first regular UK survey of small firms.

1985 The first quarterly report, based on national data from two consecutive quarters is published in May. On 24th May, The Guardian reports that the survey, ‘Plugs a long existing information group for policy-makers in the small business sector’. John Stanworth is appointed SBRT Director General and Colin Gray, Deputy Director General.

1986 The SBRT commissions James Curran to conduct a review of UK small firm research, which is published as, *Bolton Fifteen Years On: A Review and Analysis of small Business Research in Britain 1971-1986*.

1988 Beverley Dash joins SBRT as Projects Manager and stays in post until the SERTeam closes in 2008.

1989 Stan Mendham is appointed Honorary Chairman of SBRT, which is relocated to the Open University Business School in Milton Keynes. Colin Gray joins Graham Bannock as joint editor of Quarterly Survey. The survey finds that high interest rates are currently the most important problem reported by SME owners and managers.

1990 Julie Sullivan joins SBRT to provide administrative services, continuing as a member of the team to the present day.

1992 The *Quarterly Small Business Management Report* is founded and edited by John Stanworth with research support from David Purdy and sponsorship from Lloyds Bank.

1996 Andrew McCann sets up his own consultancy, McCannics, but also remains responsible for production and research of the re-titled *NatWest/Small Business Research Trust Quarterly Survey of Small Business in Britain*.


2003 The Small Enterprise Research Team (SERTeam) is founded with Graham Bannock as Chairman. In October, the final issue of the *Bank of England Quarterly Report* series, which included key QS findings since the 1980s, is published.

2004 The Quarterly Survey is re-titled, NatWest/SERTeam Quarterly Survey of Small Business in Britain.

2005 Colin Gray and Graham Bannock become joint editors of the re-titled survey.

2006 Colin Gray is appointed executive Chair of SERTeam. Quarterly reports are made available online for the first time.

2007 The title reverts to *Quarterly Survey of Small Business in Britain* following the conclusion of 20 years of sponsorship by NatWest Bank.

2008 The SERTeam closes in December after 24 years of independent operations. Following a strong year, the Quarterly Survey continues with Colin Gray as editor and with support from Barclays, the Department of Business, Enterprise and Regulatory Reform (BERR) and the Finance and Leasing Association (FLA).

2009 The Quarterly Survey is formally adopted by The Open University Business School. New sponsorship arrangements are made with ACCA (the Association of Chartered Certified Accountants) and Barclays Business.

2010 Richard Blundel takes on role of joint editor with Colin Gray. Andrew McCann remains principal researcher writer and Julie Sullivan continues as administrator. Colin organises an ‘Entrepreneurial Leading out of the Recession’ workshop with the Leadership Academy.

2011 Colin Gray retires from The Open University and becomes an Emeritus Professor. In July, the *Financial Times* and other media cover our findings on capital allowances rules.

2012 Andrew McCann stands down after more than two decades’ work as lead researcher for the Quarterly Survey. Jackie Fry takes over the research role on an interim basis and Colin Gray becomes Associate Editor. The survey is reconfigured with greater emphasis on special topics and quarterly reports are made freely available in a downloadable PDF format and *Qualtrics* questionnaire software is introduced for our on-line survey sample. In April, both the *Financial Times* and *Daily Telegraph* report our findings on retirement and succession planning and in July, on business information and advice.

2013 Rob Baldock joins the team as a researcher and author and Deneise Dadd joins us to carry out case study interviews. The FLA commissions a report on financing capital investments.

2014 Quarterly Survey findings on recovery and resilience feature in the *Mail on Sunday*, the online magazine, *Real Business*, and other specialist media. Richard Blundel presents recent Quarterly Survey findings at the Open University Business Network’s ‘Breakfast Briefing’ and at the Institute for Small Business and Entrepreneurship annual conference.
Recent special topics

2014

Q1 Networking trends
Q2 Goals, Values and Success Criteria
Q3 Competing in the European Union
Q4 30th Anniversary Issue

2013

Q1 Mobile and web based services
Q2 Job creation and contracting out
Q3 Business advice and information
Q4 Resilience and recovery

2012

Q1 Retirement, succession & illness
Q2 Business advice & education
Q3 Education, training & skills development
Q4 SMEs and the British Business Bank

2011

Q1 ICT, smartphones, cloud computing
Q2 Capital allowances
Q3 Focus, employment, ‘greening’ business
Q4 Post-recession trends

A full list of Quarterly Survey special topics is available at: www.open.ac.uk/quarterly-survey