# COVENTRY AND WARWICKSHIRE SURVEY OF EMPLOYERS 2002: KEY FINDINGS FOR STRATFORD ON AVON DISTRICT

**Report prepared for**
**Stratford on Avon District Council**

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# CONTENTS

# LIST OF TABLES

## LIST OF FIGURES

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Responsibility for the report and its contents rests with the authors.

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# GLOSSARY

**Hard-to-fill vacancies** are those vacancies classified by the respondent as hard-to-fill.

**Skill-shortage vacancies** were defined as hard-to-fill vacancies where at least one of the following causes was cited by the respondent: low number of applicants with the required skills, lack of work experience the company demands, or lack of qualifications the company demands.

**Recruitment problems** or difficulties refer to either hard-to-fill or skill-shortage vacancies.

**Skill gaps,** or internal skill gaps, is the extent to which employers perceive their employees' current skills as insufficient to meet current business objectives. Respondents were asked to comment on an occupation-by-occupation basis about the extent to which employees were 'fully proficient at their current job'. In order to gauge the extent of skill gaps survey respondents were asked:

*"What proportion of your existing staff at this establishment in [a particular occupation] would you regard as being fully proficient at their current job: all, nearly all, over half, some but under half, very few?"*

**Skill deficiencies** refer to the sum of skill gaps and skill shortage vacancies.

**Establishment based measures** provide an estimate of the total number of establishments reporting a given skill deficiency.

**Employee based measures** weight establishment data by the total number of employees at the establishment.

**Weighting** is undertaken to adjust for sample design and non-response to ensure that the survey results are representative of the population of employers. Weighted data are also grossed up to population estimates in the weighted base provided in each table.

**Weighted base** refers to the base for percentages according to whether it has been weighted according to the employee or employer based measure.

**Unweighted base** refers to the raw survey data.

**Industry sector.** A number of different industry breakdowns are given (all based on the Standard Industrial Classification, SIC). Generally, production refers to manufacturing and construction combined. Distribution, transport, *etc.* contains the wholesale, retail, transport and storage, and communication industries. Public administration *etc.* contains offices of local and central government, health, and education. This is not synonymous with the public sector since it potentially contains a number of private sector providers of education and health services. Other services refers to community and voluntary services.

**Reporting of data**: in tables, the symbol '-' denotes that no cases were present. The symbol '*' denotes that the percentage of cases was less than 0.5 per cent.

# EXECUTIVE SUMMARY

This report is one of four area-based reports drawing upon information collected as part of the Coventry and Warwickshire Survey of Employers 2002[1]. The report presents key findings relating to business and employment in the Stratford on Avon District Council area.

The report needs to be seen in a broad context. While the information presented relates to the Stratford district, many of the issues dealt with (such as barriers to business performance or recruitment difficulties) are not unique to the district or even to the Coventry and Warwickshire area, but matters of national concern. This report provides key information about business and employment in the district and highlights matters that are of specific relevance to the area. The report does not, however, seek to repeat analysis already carried out in regard to Coventry and Warwickshire as a whole and reported in the main survey report. This report needs to be read in conjunction with the main report.

The Coventry and Warwickshire Survey of Employers 2002 comprised 1,697 interviews with employers in Coventry and Warwickshire. Of these, 291 were with employers in Stratford on Avon. Interviews were conducted by telephone between 10th April and 13th May 2002. The principal respondent was the person in charge of human resource and training issues at the site, or someone recommended by that person. The sample of employers was drawn from the Coventry and Warwickshire Chamber of Commerce database of employers.

The report set out some of the findings from data from employers in Stratford. A number of key messages can be drawn out from this information. These key messages were as follows:

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1 Coventry and Warwickshire Survey of Employers 2002, Learning and Skills Council Coventry and Warwickshire, Coventry. The other areas covered by separate area reports are the Coventry and Nuneaton Regeneration Zone, Warwick District and Rugby District.

- The characteristics of employers and jobs and the issues to be faced in Stratford were similar to those of Coventry and Warwickshire as a whole. Any differences tended to be differences of degree rather than fundamental.
- The survey confirmed much that was already known about employers and employment in Stratford. In particular, it was found that more than half of all employers were located in either retail or wholesale distribution or in business services. Employers were predominantly small in size, although such small business accounted for only a small proportion of total employment. The proportion of very large establishments in Stratford was small in both absolute and relative terms. Women now make up a small majority of the workforce (well above the national average). Although the occupational structure of jobs in Stratford followed that of Coventry and Warwickshire, there were relatively fewer jobs in the professions, skilled manual trades and in elementary, unskilled occupation while there was a relatively large proportion of employment in managerial, administrative and secretarial and personal service occupations.
- The period 2001-2002 saw a strong and better than average performance from businesses in Stratford with almost 50 per cent reporting growth in turnover or budget. It was of concern that Stratford also had a relatively large proportion of businesses reporting a decline in activity (as opposed to remaining stable). This may indicate a degree of polarisation within the local area with some sectors prospering while others languish.
- Business confidence was high in Stratford at the time of the survey with over half of employers expected turnover to increase over the next 12 months. Most employers acknowledged that the main drivers of business growth lay in market and global factors largely outside the local economy.
- Despite general optimism, few private sector employers (just 16 per cent) felt there were no barriers to business growth. The most common barriers identified were lack of demand, an inability to recruit suitable skilled staff and a number of more local concerns relating to lack of premises, poor transport infrastructure and business rates.
- Almost 40 per cent of employers had introduced a new product or service during the last 12 months. A slightly larger proportion planned to do so during the next 12 months. It was of concern that most innovation was carried out by a minority of businesses. Half had not introduced any innovations in the last year and had no plans to do so in the immediate future.
- Barriers to innovation were widely recognised, as much by employers who had innovated as by those that did not. The most commonly mentioned barriers to innovation were lack of funds, lack of suitable staff and lack of suitable premises. Of these, there were indications that a lack of room for expansion and a shortage of suitable premises may be the key barrier to business innovation.
- Although (as indicated above) business expectations of increased future activity were high, this was not reflected in similar expectations of employment growth. Overall, employers believed that employment would increase slightly or remain stable.
- Around 17 per cent of employers reported having unfilled vacancies. Two thirds of these indicated that some of these vacancies were hard to fill. Where vacancies were hard to fill, around half were hard to fill because of a shortage of suitably skilled people. Despite this, many hard to fill vacancies were for elementary unskilled jobs where skill was less likely to be an issue.
- Many employers reported skill gaps, most commonly in respect of personal service and sales occupations. The most common gaps related to generic skills such as numeracy

and problem solving as well as more specific skills in foreign languages or the possession of a driving license.

- Although the incidence of skill shortage vacancies and skill gaps was small, many businesses identified serious costs arising from such skill related problems. It could be inferred from this that even relatively small skill deficiencies can impact on business if they relate to key parts of the business. It has already been noted that many employers saw a shortage of suitable staff as a barrier to innovation.
- Training was the most common response by employers to perceived skill related difficulties. Around two thirds of employers reported that they had arranged or funded some form of training for their staff during the 12 months prior to the survey. Despite this widespread engagement with training, only a minority of employers had formal training plans or training budgets.
- In common with employers elsewhere in Coventry and Warwickshire, those in Stratford saw the availability and cost of suitable land or premises as the main factor determining their decision to locate at their present site. Nonetheless, employers in Stratford were more likely than others to mention the area's attractiveness and positive environmental qualities as a secondary factor in their choice.
- Employers in Stratford tended to give above average ratings to the area as one in which to do business. Nonetheless, around 30 per cent felt their situation was no more than adequate and almost a half had some concern about their locality. Top of the list of concerns were lack of parking and traffic congestion, although other concerns such as poor public transport, lack of space and crime were also mentioned.
- Around 30 per cent of employers claimed that their business had been affected by crime during the previous 12 months. Most saw the necessary response to crime as being more police on the beat and closed circuit television.
- Around 70 per cent of employers in Stratford had sought some form of business information, advice or consultancy in the last 12 months. While a wide range of organisations was approached, trade/industry/professional associations and Coventry and Warwick Chamber of Commerce were commonly contacted about both general business matters and about training. In addition, banks, accountants and solicitors together with Business Link was often approached with respect to business enquiries while further education colleges and training companies/providers were approached about matters relating to training. Around one in eight employers said that they had difficulty in obtaining the information or advice needed, usually because they were not aware of how to obtain that help.

# 1. INTRODUCTION

## 1.1 The report

This report is one of four area-based reports drawing upon information collected as part of the Coventry and Warwickshire Survey of Employers 2002[2]. The report presents key findings relating to business and employment in south Warwickshire, specifically findings relating to the Stratford-on-Avon District Council area.

The report needs to be seen in a broad context. While the information presented relates to the Stratford district, many of the issues dealt with (such as barriers to business performance or recruitment difficulties) are not unique to the district or even to Coventry and Warwickshire, but are matters of national concern. This report provides key information about business and employment in the district and highlights matters of specific relevance to the area. The report does not seek to repeat analysis already carried out with respect to Coventry and Warwickshire as a whole and reported in the main survey report.[3] This report needs to be read in conjunction with the main report.

## 1.2 The Coventry and Warwickshire Survey of Employers 2002

The Coventry and Warwickshire Survey of Employers 2002 comprised 1,697 interviews with employers in Coventry and Warwickshire. Of these, 291 were with employers in Stratford district. Interviews were conducted by telephone with organisations operating at sites within Coventry and Warwickshire. The main fieldwork took place between 10th April and 13th May 2002. Interviews were conducted using Computer Aided Telephone Interviews (CATI) from IFF's telephone centre. The average interview length was 23

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[2] The other areas covered by separate area reports are the Coventry and Nuneaton Regeneration Zone, Warwick District and Rugby District.

[3] Coventry and Warwickshire Survey of Employers 2002, Learning and Skills Council Coventry and Warwickshire, Coventry.

minutes. The principal respondent was the person in charge of human resource and training issues at the site, or someone recommended by that person.

The sample of employers was the Coventry and Warwickshire Chamber of Commerce database of employers. This contained around 15,000 records of employers in Coventry and Warwickshire. A stratified sample structure was adopted in order to ensure that sufficient interviews were undertaken to allow reliable analysis by key variables such as size, sector, and Local Authority District (LAD). The sample was stratified by size within sector within each LAD. A total of 291 interviews were conducted with employers in Stratford LAD.

The interview covered a range of topics:

- general organisational information (industry, number of employees, location, *etc.*);
- structure of employment (employment by gender, full-time/part-time status, occupation, *etc.*);
- recruitment (number of vacancies by occupation, hard-to-fill vacancies);
- skill needs of employers and the proficiency of their existing staff);
- training activity;
- information and communication technology (ICT) performance;
- take up of government initiatives and business support;
- location issues;
- experience of crime.

The characteristics of the achieved sample are described below *(Table 1.1)*.

**Table 1.1**
**Characteristics of the achieved sample**

| | Total number of interviews in Coventry and Warwickshire | Total number of interviews in Stratford LAD |
|---|---|---|
| **Total** | **1,697** | **291** |
| | | |
| 1-10 employees | 803 | 148 |
| 11-24 employees | 424 | 69 |
| 25-199 employees | 426 | 11 |
| 200 plus employees | 44 | 5 |
| | | |
| Production | 356 | 54 |
| Distribution | 441 | 81 |
| Transport and communications | 79 | 12 |
| Finance and business services | 391 | 75 |
| Public administration, health and education | 298 | 45 |
| Other services | 132 | 24 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)

## 1.3 Reporting of data

The data presented in this report have been weighted to reflect the known population of workplaces in Coventry and Warwickshire based on the Annual Business Inquiry 2000 (ABI). Weighting therefore takes into account both the sample design and non-response. Weighting was undertaken on an interlocking size by sector basis within each LAD. Hence survey results are representative by sector, size band, and overall at both the Stratford LAD and Coventry and Warwickshire levels of analysis. Data have been grossed up to the population totals in the ABI.

Data are presented, where appropriate, in two ways: (i) based on the number of workplaces reporting a particular issue; and (ii) based on the number of employees in workplaces. In some instances, for example, the reader will want to know the number of workplaces that report, say, that they have between one and four employees. In other instances the reader might be more interested to know how many employees are engaged in those workplaces with one to four employees. The first statistic suggests that 83 per cent of workplaces have between one and four employees, whilst the second statistic reveals that they account for only 10 per cent of all employment.

All data in tables are presented using weighted and unweighted bases. In tables, the symbol '-' denotes that no cases were present. The symbol '*' denotes that the percentage of cases was less than 0.5 per cent.

Wherever necessary comparisons are made between the Stratford and the Coventry and Warwickshire as a whole. In this way it is possible to assess the extent to which Stratford is different in some respect from the average situation in the county.

## 1.4 Structure of report

*Chapter 2* describes the characteristics of employers (workplaces) and jobs (employment) in Stratford. *Chapter 3* looks at the performance of businesses in Stratford and examines evidence of barriers to growth and innovation. In *Chapter 4* information is provided about skill needs, recruitment and recruitment difficulties and training issues. Matters pertaining to business location and business support are considered in *Chapter 5* while *Chapter 6* provides a conclusion that brings together the key findings from the preceding chapters.

# 2. EMPLOYERS AND JOBS IN STRATFORD

## 2.1 Stratford on Avon district

Stratford on Avon district is part of southern Warwickshire. The district contains a mix of the urban and the rural. The principal town is Stratford upon Avon (with a population in excess of 24,000) but other population centres are found in Alcester, Studley, Southam and Wellesbourne (each of which have populations of over 5,000).

The Stratford area, like other parts of Coventry and Warwickshire, has benefited from the transfer of business and population from the south of England. Stratford has also attracted 'commuter households' from Coventry and the West Midlands conurbation. Stratford offers geographical proximity and an attractive environment in which to live and work. Such developments provide support for the local economy and underpin the development of new business. They also create challenges for the area, in the form of pressure on the land and housing markets, pressure on the social and transport infrastructure.

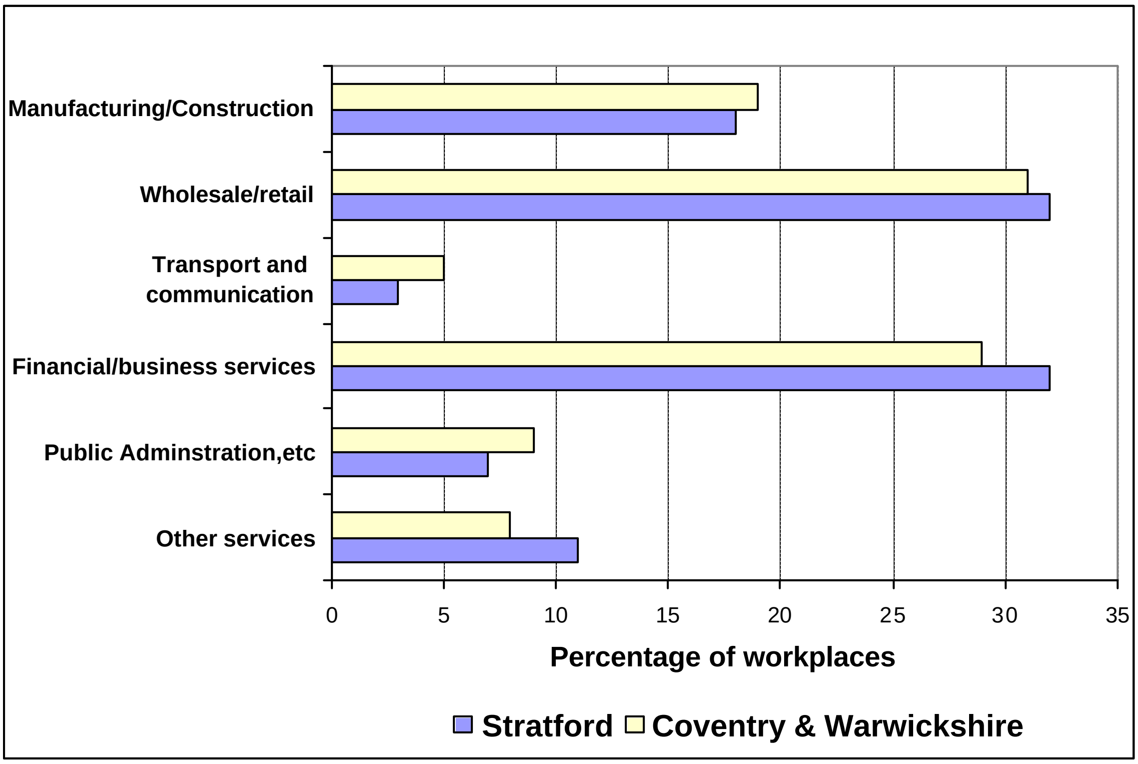
A wide range of business activity can be found in Stratford. Traditional activities reflecting the rural nature of the area are important but the area has witnessed major changes in recent years. In particular, there has been a significant growth in the information and communications and research sectors. A leading example of this is the Design and Engineering Centre at Gaydon (now part of the Ford – Premier Automotive Group). Alongside these activities has been growth in service sector businesses, particularly in the finance sector. NFU Mutual, for instance, has its headquarters in Stratford upon Avon.

Despite the general prosperity of much of the Stratford area, it should be noted that some parts of the local economy have not fared so well in recent years. In particular, the farming and agricultural sector has experienced great difficulties for a variety of reasons. While directly affecting only a small proportion of business activity in the area, these difficulties have had a disproportionately large effect on the more rural parts of the area.

## 2.2 Types of business activity

The pattern of economic activity in Stratford follows closely that of Coventry and Warwickshire as a whole. There were, nonetheless, differences in emphasis between Stratford and the rest of the county (see Table 2.1 and Figure 2.1).

**Figure 2.1**
**Distribution of workplaces by industry and area**




Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)

The largest group of employers within Stratford was those operating within the business services sector. This activity accounted for 29 per cent of workplaces in Stratford and was four percentage points above the corresponding figure for the rest of Coventry and Warwickshire. Wholesale and retail distribution accounted for a further 25 per cent of Stratford workplaces (the same proportion as the rest of the county) and together with business services represented more than all employers in Stratford. Many workplaces in these two sectors were small and for that reason the proportion of employment accounted for by business services and distribution was less than half of total employment, just 28 per cent.

The scale of manufacturing activity has declined nationally and regionally for several decades and this is evident in the relatively small proportion of employers engaged in manufacturing activity in Stratford. Just 8 per cent of Stratford workplaces were engaged in manufacturing, two thirds of the figure for the rest of Coventry and Warwickshire. Such manufacturing workplaces as there were, tended to be small so that only 9 per cent of employment in Stratford were in the manufacturing industries. This situation can be contrasted with that of the rest of Coventry and Warwickshire where not only was the proportion of manufacturing workplaces larger (12 per cent) but such workplaces accounted for a disproportionately large share of employment (22 per cent) because many manufacturing workplaces in the rest of the county (especially in Coventry) were large employers.

Employers in the public administration, education and health sectors accounted for around 9 per cent of all workplaces in both Stratford and the rest of the county. Because these workplaces were large employers, they accounted for larger proportions of jobs; around 18 per cent in the case of Stratford and 21 per cent in the rest of the country.

Activities in the field of information and communications technology (ICT) have been an important source of business growth and innovation in recent years. There is no 'official' definition of what constitutes an ICT business, so the Coventry and Warwickshire Employer Survey relied on self-classification by respondents. On this basis, around 14 per cent of Stratford employers identified their business as an ICT business. This was a similar proportion to that identified in Coventry and Warwickshire as a whole.

## 2.3 Size of workplace

Workplaces in Stratford were more likely to be small employers than was the case in the rest of the county (see Tables 2.2 and 2.3). Around 87 per cent of workplaces in Stratford employed 10 or fewer employees compared to 82 per cent in the rest of Coventry and Warwickshire (Table 2.2). Workplaces employing more than 25 employees were under-represented in Stratford (compared to the rest of the county), especially in respect of the very largest workplaces. Table 2.3 shows that 22 per cent of all the workplaces in the county employing 1-10 people were located in Stratford but the corresponding figures were lower in respect of all other workplace sizes. Only 6 per cent of large workplaces (250 or more) in the county were located in Stratford.

Small workplaces (employing 1-10) were most prevalent in financial and business services (95 per cent of all workplaces) and in other services (96 per cent): see Table 2.4. Because of the scale of wholesale and retail activity, around 28 per cent of the smallest establishments were located in that sector while 35 per cent were located in financial and business services (Table 2.5). Large workplaces tended to be located in manufacturing, wholesale and retail distribution, finance and business services and in the public sector. Half of all establishments employing 200 or more were located in public administration, education or health and social services.

## 2.4 Types of jobs in Stratford

On the basis of levels of employment reported in the Coventry and Warwickshire Employer Survey 2002 it is possible to estimate the number and distribution of jobs in the Stratford local economy. Total employment was estimated at just over 60,000 (see Table 2.6). This represented around 16 per cent of employment in the Coventry and Warwickshire area.

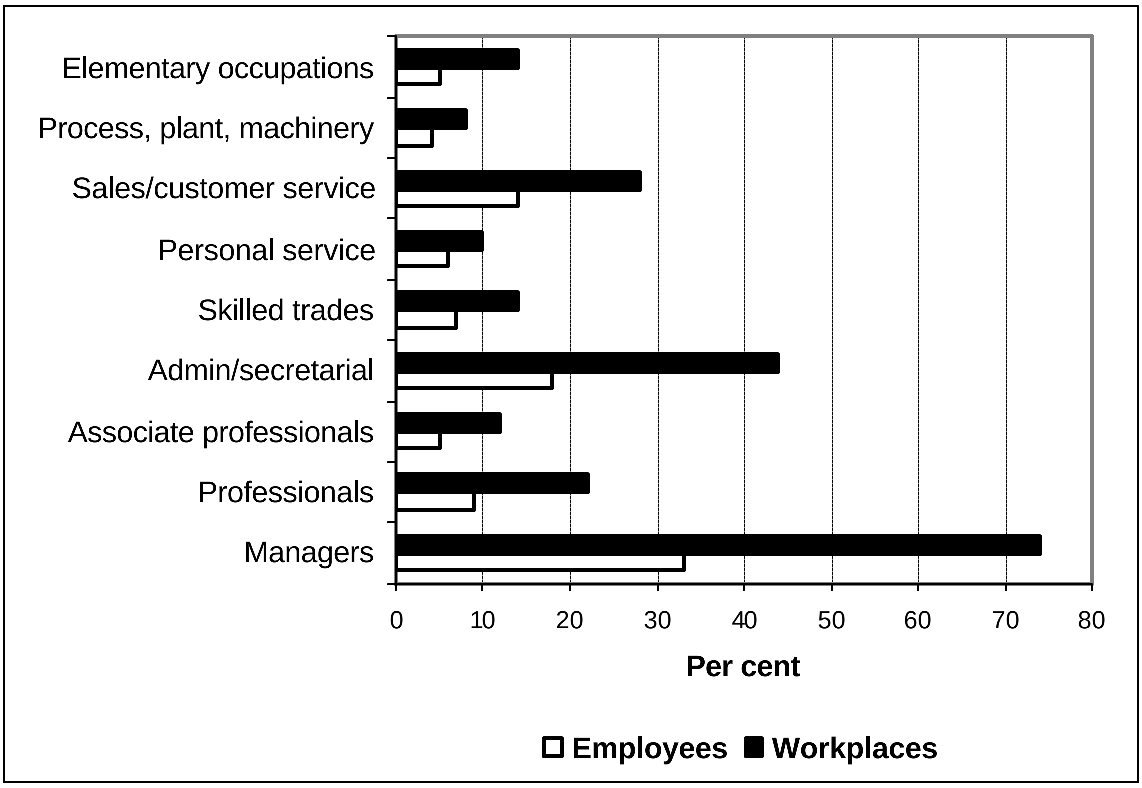
As already noted, employment was predominantly in enterprises located in the financial and business service industries (37 per cent) and in distribution (23 per cent). Around 35 per cent of employees were working in establishments that employed 10 or fewer employees. While there were very few really large establishments in the Stratford area, those that were located there accounted for a relatively large proportion of jobs (around 26 per cent worked in establishments employing 250 or more employees (see Table 2.6).

Women form the majority of the workforce in Stratford, accounting for around 58 per cent of the workforce, although this was not the highest proportion of female employment in Coventry and Warwickshire (see Table 2.7). This was a high level of female employment when compared to the UK national average of 47 per cent. The proportion of women in the workforce was fairly similar across the establishment size distribution (around 56 per cent) except for very large establishments (200 or more employees) where as much as 70 per cent of the workforce was female. The latter was probably a reflection of the fact that very large establishments tended to be in the distribution sector or in public administration, education and health, both of which were major employers of women.

Around 29 per cent of the workforce were employed in jobs at part-time hours of work (see Table 2.7). Part-time employment was most prevalent in establishments located in distribution, hotels and restaurants, public administration, education and health and other services. It was particularly low in manufacturing, construction and primary activities such as agriculture. Part-time employment was less common in very large establishments.

Figure 2.2 describes the pattern of occupational employment across Stratford. Workplaces seldom employed all types of occupations, the precise mix of jobs being a reflection of the type of business activity carried out at the establishment and the nature of the organisation. Figure 2.2 shows that the largest single occupational group was that of managers and senior administrators. These types of jobs were found in almost three-quarters of all workplaces, and accounted for around a third of all employment in Stratford. At the other extreme, only 8 per cent of workplaces employed process plant and machine operatives and such employment accounted for only 4 per cent of the total. This reflected the low level of manufacturing activity in the area. Substantial numbers of workplaces employed people in administrative and secretarial jobs and in sales and customer service jobs.

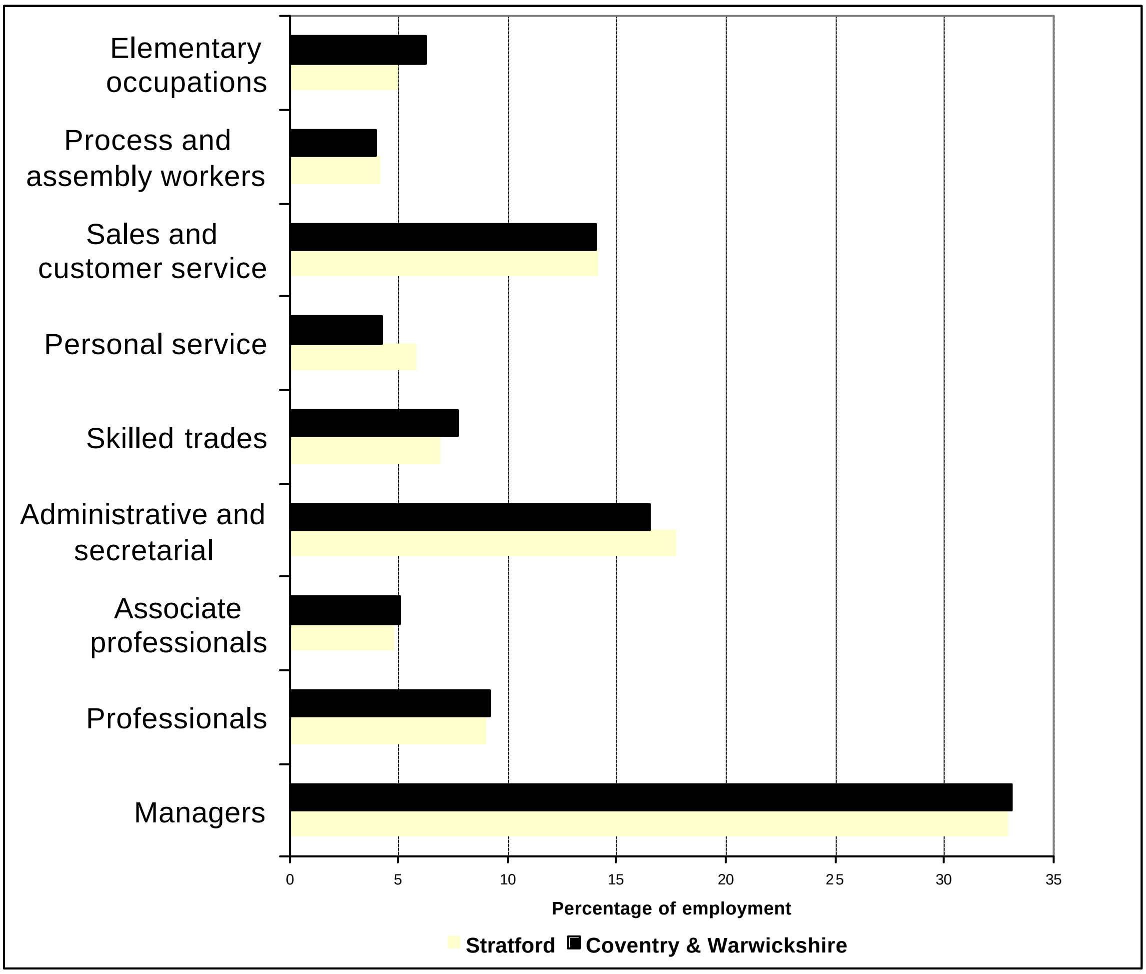
**Figure 2.2**
**Occupational structure of employment**




Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)

Figure 2.3 provides a comparison between the occupational structure of employment in Stratford and that of Coventry and Warwickshire. As might be expected, there was considerable similarity between the areas. Insofar as there were notable differences, the proportion of people employed in managers, administrative and secretarial, and personal service occupations were somewhat above the average for the county of the whole. Conversely, the proportion of employment in professional and associate professional occupations, skilled manual trades and unskilled elementary jobs was below the county average.

**Figure 2.3**
**Occupational structure by area**




Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)

## Table 2.1
## Characteristics of employers by industry

Column percentages

| | Workplaces | | Employees | |
|---|---|---|---|---|
| | Stratford-on-Avon | Coventry & Warwickshire | Stratford-on-Avon | Coventry & Warwickshire |
| Primary | 5 | 3 | 3 | 2 |
| Manufacturing | 8 | 12 | 9 | 22 |
| Construction | 5 | 4 | 3 | 3 |
| Wholesale/ retail | 25 | 25 | 15 | 17 |
| Hospitality | 4 | 5 | 8 | 7 |
| Transport and communication | 3 | 5 | 3 | 7 |
| Financial intermediation | 3 | 4 | 24 | 7 |
| Business services | 29 | 25 | 13 | 12 |
| Public Administration, education, health and social work | 9 | 9 | 18 | 21 |
| Other services | 11 | 8 | 6 | 6 |
| Total | 100 | 100 | 100 | 100 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: all employers

## Table 2.2
## Size distribution of workplaces by area

Row percentages

| | Number employees | | | | | |
|---|---|---|---|---|---|---|
| | 1-10 | 11-24 | 25-199 | 200+ | *Weighted base* | *Unweighted base* |
| Rest of Coventry & Warwickshire | 82 | 10 | 8 | 1 | *23614* | *1406* |
| Stratford | 87 | 8 | 5 | * | *8181* | *291* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)

## Table 2.3
## Share of workplaces by size and area

Column percentages

| | Number employees | | | | |
|---|---|---|---|---|---|
| | 1-10 | 11-24 | 25-199 | 200+ | Total |
| Rest of Coventry & Warwickshire | 78 | 83 | 86 | 92 | 79 |
| Stratford Employers | 22 | 17 | 14 | 8 | 21 |
| *Weighted Base* | *24701* | *2753* | *2122* | *219* | *29796* |
| *Unweighted Base* | *803* | *424* | *426* | *44* | *1697* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)

## Table 2.4
## Size of workplace by industry

Row percentages

| | Number employees 1-10 | 11-24 | 25-199 | 200+ | Weighted base | Unweighted base |
|---|---|---|---|---|---|---|
| Manufacturing and construction | 88 | 6 | 6 | | 1127 | 54 |
| Wholesale and retail | 84 | 11 | 5 | * | 1779 | 81 |
| Transport and communication | 83 | 6 | 11 | | 207 | 12 |
| Finance and Business Services | 95 | 3 | 2 | * | 1964 | 75 |
| Public Administration *etc*. | 55 | 28 | 15 | 2 | 448 | 49 |
| Other services | 96 | 3 | 1 | | 657 | 24 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)

## Table 2.5
## Size of workplace by industry

Column percentages

| | Number employees 1-10 | 11-24 | 25-199 | 200+ |
|---|---|---|---|---|
| Manufacturing and construction | 19 | 14 | 23 | |
| Wholesale and retail | 28 | 40 | 32 | 22 |
| Transport and communication | 3 | 3 | 8 | |
| Finance and Business Services | 35 | 13 | 11 | 29 |
| Public Administration *etc*. | 5 | 27 | 23 | 50 |
| Other services | 12 | 4 | 2 | |
| Total | 100 | 100 | 100 | 100 |
| *Weighted Base* | *5398* | *479* | *287* | *18* |
| *Unweighted Base* | *148* | *69* | *69* | *5* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 2.6**
**Numbers employed Stratford, 2002**

| | Estimated employment | Percentage of total |
|---|---|---|
| **Number of employees** | | |
| 1-4 | 10345 | 17 |
| 5-10 | 9093 | 18 |
| 11-24 | 7990 | 13 |
| 25-49 | 5557 | 9 |
| 50-99 | 4953 | 8 |
| 100-249 | 6637 | 11 |
| 250-499 | 2180 | 4 |
| 500-999 | - | - |
| 1000+ | 13514 | 22 |
| Total | 60297 | 100 |
| | | |
| **Industry** | | |
| Manufacturing/construction | 8812 | 15 |
| Wholesale/retail | 13937 | 23 |
| Transport and Communication | 1876 | 3 |
| Finance/Business Services | 22011 | 37 |
| Public Administration, Health and Education | 1073 | 17 |
| Other | 3360 | 6 |
| Total | 60269 | 100 |
| | | |
| **LAD** | | |
| North Warwickshire | 28,888 | 8 |
| Nuneaton and Bedworth | 29,158 | 8 |
| Coventry | 153,077 | 41 |
| Rugby | 29,565 | 11 |
| Stratford | 60,297 | 16 |
| Warwick | 64,525 | 17 |
| Total | 375,481 | 100 |
| | | |
| *Weighted Base All Employers* | *375481* | |
| *Unweighted Base* | *1697* | |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers: employee weighted measure

**Table 2.7**
**Employment by gender and hours of work by size of workplace and industry**

| | Average percentage female employment | Average percentage male employment | Average percentage part-time employment | Average percentage full-time employment |
|---|---|---|---|---|
| **Number of employees** | | | | |
| 1-10 | 59 | 41 | 34 | 66 |
| 11-24 | 55 | 45 | 37 | 63 |
| 25-199 | 56 | 44 | 31 | 69 |
| 200+ | 71 | 29 | 19 | 81 |
| | | | | |
| **Industry** | | | | |
| Primary | 30 | 70 | 27 | 73 |
| Manufacturing | 42 | 58 | 20 | 80 |
| Construction | 55 | 45 | 24 | 76 |
| Wholesale and retail | 59 | 41 | 42 | 58 |
| Hotels and restaurants | 72 | 28 | 52 | 48 |
| Transport and communication | 37 | 63 | 15 | 85 |
| Finance/Business services | 67 | 33 | 14 | 86 |
| Public Administration, *etc* | 44 | 56 | 42 | 58 |
| Other | 78 | 22 | 45 | 55 |
| | | | | |
| **LAD** | | | | |
| North Warwickshire | 52 | 48 | 26 | 74 |
| Nuneaton and Bedworth | 59 | 41 | 36 | 64 |
| Coventry | 46 | 54 | 20 | 80 |
| Rugby | 60 | 40 | 37 | 63 |
| Stratford | 56 | 44 | 28 | 72 |
| Warwick | 45 | 49 | 23 | 77 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers providing information

# 3. BUSINESS PERFORMANCE

## 3.1 Recent change in business activity levels

Time series data from the Coventry and Warwickshire Survey of Employers showed that business performance during the period 2001-2002 had, on average, improved considerably over immediately preceding years. In Coventry and Warwickshire as a whole, around 41 per cent of businesses reported that their turnover had increased over the previous 12 months. This contrasted with just 28 per cent a year earlier and 36 per cent during the year before that.

Evidence from the survey shows that business performance in Stratford was stronger than the average across the county (see Table 3.1). Almost half (48 per cent) of businesses in Stratford reported that their financial turnover (or budget if in the public sector) had increased over the 12 months prior to the survey (compared to 40 per cent of businesses in the rest of Coventry and Warwickshire). The difference between the proportions experiencing growth and those experiencing a fall in activity (28 per cent), while larger than the average, was less than might be expected due to the above average proportion of businesses in Stratford reporting a decrease in turnover/budget (20 per cent compared with 11 elsewhere in the county).

Evidently, the fortunes of business in Stratford were rather more mixed than in the rest of Coventry and Warwickshire. Part of the explanation for this will lie in the industrial composition of business in the Stratford area. The area had a larger than average level of agricultural and hospitality/tourism related businesses, both of which were badly affected by the recent outbreak of foot-and-mouth disease and subsequent restrictions on business and movement. The sample size for Stratford is too small to allow a detailed investigation of this issue by industry but Table 3.2 provides some indication of the differences between businesses in terms of their recent performance. Businesses reporting a fall in turnover during the previous 12 months were more likely to be small establishments in the private sector. Large establishments were more likely to report an increase in turnover or budget and this was the case in all the establishments surveyed that employed 200 or more people.

## 3.2 Business expectations

Business expectations are often based on recent experience. This being so and given the better than average performance of businesses in the Stratford area, it was not surprising to find that an above average proportion of employers in Stratford (56 per cent) believed that their business activity would increase over the next 12 months (see Table 3.3). This compared with a figure of 49 per cent for the rest of Coventry and Warwickshire. These figures represent a substantially more optimistic position that 12 months earlier. While 51 per cent of employers in the 2002 Coventry and Warwickshire Employer Survey expected an increase in activity, the figure in the 2001 survey was only 32 per cent.

The most common reasons for an expectation that activity levels would increase were all related to increased demand and business expansion (Table 3.4). Private sector establishments mentioned a wide range of other specific factors leading to business growth – such as changes in personnel, increased prices, refurbishment of premises – as well as mentioning factors of a more global nature. Such specific or global economic factors were less frequently mentioned by employers in the public sector and never by those in the voluntary sector.

Amongst private sector employers who expected business to decline, most blamed an expected fall in demand together with global economic conditions. Public sector organisations that expected a fall in activity overwhelmingly saw changes in funding as the likely reason for the expected decline (Table 3.5).

Private sector employers were asked to indicate the main barriers to the growth of their business during the following 12 months. It is important to note that only 16 per cent felt there was no barrier to business growth (although a further 8 per cent did not know). Thus, at least three quarters of private sector business in Stratford felt there was some form of barrier to future business growth. Table 3.6 describes the main barriers to business growth mentioned by private sector employers. It is important to bear in mind that respondents were identifying the main barrier to growth and thus restricted to a single response (the main barrier). In at least some cases employers will face multiple barriers and this will not be reflected in the Table.

Generally, private sector employers tended to see competition from other businesses and a lack of demand as the main barriers to future growth of their business. In the case of employers located in Stratford, they were somewhat more concerned than the average employer in Coventry and Warwickshire about a future lack of demand (15 per cent mentioned this factor) and somewhat less concerned about the effect of competition (mentioned by 8 per cent). Elsewhere in Coventry and Warwickshire, the relative order of concern was reversed with competition, rather than lack of demand, being the most commonly mentioned barrier to business growth.

Barriers to business growth other than competition and lack of demand were less frequently cited but were still important. Poor economic conditions and market/industry conditions were probably reflecting further concerns about levels of demand. Around 7 per cent of Stratford employers mentioned that a shortage of appropriately skilled staff was the main barrier to future growth, while others cited such diverse factors as business rates, capacity and cash flow constraints, poor transport and communications structure or lack of premises.

## 3.3 Business innovation

One response to concerns about competition or lack of demand is to innovate. The introduction of a new or improved product or service may, if successful, fend off competition or stimulate additional demand for the business. The survey asked businesses whether they had introduced such new products or services and whether they had plans to do so in the future. The findings are shown in Table 3.7.

Table 3.7 shows that around 39 per cent of business had introduced a new product or service during the previous 12 months. This was an identical proportion to that found in the rest of Coventry and Warwickshire. Correspondingly, around 60 per cent of employers had undertaken no innovation. This need not be of concern if innovation were planned for the future. Table 3.7 shows that around 46 per cent of employers planed to introduce a new product or service over the next 12 months. This was a larger proportion than the average amongst other employers in the county. Nonetheless, it was of concern to note that 87 per cent of businesses that were planning to innovate in the next 12 months were the same ones that had already introduced a new product or service during the preceding 12 months. Conversely, 78 per cent of those who had not introduced a new product or service in the past 12 months had no plan to do so in the next 12 months either. The evidence points to a quite sharp division between employers who were innovating on a fairly frequent basis and others who were not innovating at all.

Innovation might not take place if employers faced some form of barrier to innovation. In fact, a majority of employers in Stratford (62 per cent) reported facing no barriers to the introduction of new products or services. Only 36 per cent felt they faced such a barrier (see Table 3.8) although this proportion was considerably greater than the average for Coventry and Warwickshire as a whole (where 28 per cent reported a barrier to innovation).

The main barriers cited by employers were lack of funding for innovation (25 per cent of those facing a barrier to innovation) and lack of suitable staff (15 per cent). A lack of suitable premise (10 per cent), lack of time to develop new products or services (9 per cent) and the cost of innovation (8 per cent) were also commonly perceived barriers (see Table 3.9). Hardly any employers questioned the relevance of innovation to their business (even where they were not currently innovating) and few said they lacked the knowledge to introduce new products or services if they wished to do so.

The existence of a barrier to innovation did not necessarily prevent innovation. In Stratford more than half of employers (53 per cent) who had introduced a new product or service in the last 12 months also said they had faced some form of barrier to innovation. Clearly in these cases, the barriers had not proved insurmountable. Nonetheless, the identification of some form of barrier to innovation was more common amongst those who had not innovated (72 per cent) and this suggests that some of these employers were deterred by their perceptions of the barriers faced.

The recognition of a barrier to innovation was more common amongst businesses that had introduced a new product or services than amongst those that had not. Around 36 per cent of innovating employers identified funding as a barrier (compared to 20 per cent of non-innovators). Similar differences were apparent in regard to lack of suitable staff (19 per cent and 4 per cent respectively) and lack of suitable markets for new products/services (18 per cent and zero per cent). Perceptions of cost, lack of space or premises and training issues were more common amongst those employers who had not innovated than those who had. This difference was most marked in respect of space or premises (10 per cent of innovators and 26 per cent of those not innovating). This may indicate that considerations of lack of space or suitable premises had acted as major deterrents to innovation for some, if not all, businesses in Stratford.

**Table 3.1**
**Change in turnover/budget in last 12 months**

column percentages

| | Stratford | Rest of Coventry & Warwickshire | All |
|---|---|---|---|
| Increased | 48 | 40 | 41 |
| Stayed the same | 26 | 34 | 32 |
| Decreased | 20 | 15 | 16 |
| Don't know | 7 | 11 | 10 |
| | | | |
| Balance (positive – negative) | +28 | +25 | +25 |
| | | | |
| *Weighted base* | *6181* | *23614* | *29795* |
| *Unweighted base* | *291* | *1406* | *1697* |

Source: Coventry and Warwickshire Surveys of Employers 1999-2002
Base: All employers

**Table 3.2**
**Change in turnover in last 12 months by establishment characteristics**

row percentages

| | Increased | Stayed the same | Decreased | Total | Balance (% points) |
|---|---|---|---|---|---|
| **All establishments** | 48 | 26 | 20 | 100 | + 28 |
| | | | | | |
| **Number of employees** | | | | | |
| 1-10 employees | 46 | 26 | 20 | 100 | +26 |
| 11-24 employees | 54 | 26 | 16 | 100 | +38 |
| 25-199 employees | 65 | 18 | 10 | 100 | +55 |
| 200+ employees | 100 | - | - | 100 | +100 |
| | | | | | |
| **Type of organisation** | | | | | |
| Public sector | 55 | 19 | 11 | 100 | +44 |
| Private sector | 47 | 18 | 19 | 100 | +28 |
| Voluntary sector | 50 | - | 10 | 100 | +40 |
| | | | | | |
| **Whether in ICT industry** | | | | | |
| In ITC industry | 47 | 18 | 19 | 100 | +28 |
| Not in ICT industry | 48 | 27 | 20 | 100 | +28 |
| | | | | | |
| **Investors in People** | | | | | |
| IiP accredited | 66 | 17 | 1 | 100 | +65 |
| Committed to IiP | 28 | 14 | 21 | 100 | +7 |
| Not involved in IiP | 47 | 27 | 21 | 100 | +26 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers
Note: Percentages will not sum to 100 as 'don't know' responses have been ignored.

**Table 3.3**
**Expected change in turnover/budget in next 12 months, 2000-2002**

Column percentages

| | Stratford | Rest of Coventry & Warwickshire |
|---|---|---|
| Increase | 56 | 49 |
| Stay the same | 29 | 34 |
| Decrease | 7 | 7 |
| Don't know | 8 | 10 |
| | | |
| Balance (positive – negative) | +49 | +42 |
| | | |
| *Weighted base* | *6181* | *23615* |
| *Unweighted base* | *291* | *1406* |

Source: Coventry and Warwickshire Surveys of Employers 2000 - 2002
Base: All employers

**Table 3.4**
**Reasons for expected increase in turnover/budget in next 12 months**

Percentage citing reason

| | Public | Private | Voluntary | All |
|---|---|---|---|---|
| Increase in business | 57 | 19 | 50 | 21 |
| Business growth/expansion | 22 | 17 | 50 | 17 |
| New/better products/services | 2 | 12 | - | 11 |
| General trend | 3 | 4 | - | 3 |
| More efficient working/extra production | - | 5 | - | 4 |
| New marketing/advertising | - | 5 | - | 5 |
| Company restructuring | - | 6 | - | 5 |
| Market/industry changes | - | 3 | - | 3 |
| Increased costs | 2 | 1 | - | 1 |
| Refurbishment | 1 | 3 | - | 3 |
| General economic conditions | - | 5 | - | 4 |
| Global events | - | 6 | - | 6 |
| Changes in personnel | - | 2 | - | 2 |
| Price increase | - | 3 | - | 3 |
| Changes in funding | 7 | - | - | 0 |
| Legislation | 3 | - | - | 0 |
| Website/Internet | - | 1 | - | 1 |
| Other | 4 | 9 | - | 8 |
| Don't know | - | 1 | - | 1 |
| | | | | |
| *Weighted base* | *229* | *3172* | *7* | *3429* |
| *Unweighted base* | *18* | *151* | *2* | *173* |

Source: Coventry and Warwickshire Survey of Employers 2002
Base: all employers expecting an increase in turnover/budget

**Table 3.5**
**Reasons for expected decrease in turnover/budget in next 12 months**

percentage citing reason

| | Public | Private | Voluntary | All Stratford employers |
|---|---|---|---|---|
| Reduced business | - | 46 | - | 36 |
| Market/industry changes | 9 | 4 | - | 4 |
| Competition | - | 2 | - | 2 |
| General economic conditions | - | 12 | - | 9 |
| Global events | - | 10 | - | 8 |
| Changes in funding | 73 | - | 100 | 15 |
| Company restructuring | 11 | - | - | 1 |
| Increased costs | 8 | - | - | 1 |
| New/better products/services | - | 1 | - | 1 |
| New marketing/advertising | - | - | - | - |
| Legislation | - | - | - | - |
| General trend | - | - | - | - |
| Price increase | - | - | - | - |
| Changes in personnel | - | - | - | - |
| Other | - | 29 | - | 23 |
| *Weighted base* | *55* | *351* | *27* | *434* |
| *Unweighted base* | *5* | *12* | *1* | *18* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: all employers expecting a decrease in turnover/budget

**Table 3.6**
**Main barriers to growth of business in next 12 months**

percentage citing reason

| | Stratford | Rest of Coventry & Warwickshire | Total |
|---|---|---|---|
| Competitors actions: price, volume, quality | 8 | 10 | 11 |
| Lack of demand for product/service | 15 | 8 | 10 |
| Shortage of appropriately skilled staff | 7 | 6 | 6 |
| Legislation | 5 | 5 | 5 |
| Poor overall economic indicators | 6 | 5 | 5 |
| Market/industry conditions | 6 | 3 | 4 |
| Don't want to grow business | 2 | 3 | 3 |
| Capacity constraints | 3 | 2 | 3 |
| Cash flow constraints | 1 | 2 | 2 |
| Disadvantageous business rates | 3 | 2 | 2 |
| Availability of development finance | 1 | 2 | 2 |
| Poor transport/communication infrastructure | 2 | 1 | 1 |
| Global events | 2 | 1 | 1 |
| Investment/financial constraints | 4 | 1 | 1 |
| Time | 1 | 1 | 1 |
| Costs (overheads/wages) | 1 | 1 | 1 |
| Fuel prices | 1 | 1 | 1 |
| Interest rates | 3 | * | 1 |
| Lack of suitable premises within area | 2 | 1 | 1 |
| Competition from imports | 1 | 1 | 1 |
| Value of the pound | 1 | 1 | 1 |
| Lack of management development training | 2 | - | * |
| Lack of information technology | - | * | * |
| Lack of land/price of land | - | * | * |
| Barriers to exporting | * | * | * |
| Other | 6 | 9 | 9 |
| Don't know | 8 | 13 | 13 |
| No barriers exit | 16 | 13 | 15 |
| | | | |
| *Weighted base* | *5631* | *15980* | *26122* |
| *Unweighted base* | *242* | *1118* | *1360* |

Source: Coventry and Warwickshire Survey of Employers 2002; Base: all private sector employers

**Table 3.7**
**Introduction of new product or service**

column percentages

| | Stratford | Coventry & Warwickshire |
|---|---|---|
| Last 12 months | | |
| Have introduced new product/service | 39 | 39 |
| Have not introduced new product/service | 61 | 60 |
| Don't know | - | 1 |
| | | |
| Next 12 months | | |
| Plan to introduce new product/service | 46 | 40 |
| No plans to introduce new product/service | 52 | 56 |
| Don't know | 2 | 4 |
| | | |
| *Weighted base* | *6181* | *29,796* |
| *Unweighted base* | *291* | *1697* |

Source: Coventry and Warwickshire Surveys of Employers 2000-2002
Base: All employers

**Table 3.8**
**Existence of barriers to introduction of new product or service**

column percentage

| | Stratford | Rest of Coventry & Warwickshire | Coventry & Warwickshire |
|---|---|---|---|
| Barriers exist | 36 | 28 | 29 |
| No barriers exist | 62 | 72 | 67 |
| Don't Know | 3 | 1 | 4 |
| | | | |
| *Weighted base* | *6181* | *23654* | *29765* |
| *Unweighted base* | *291* | *Na* | *1697* |

Source: Coventry and Warwickshire Surveys of Employers 2000-2002
Base: All employers

**Table 3.9**
**Barriers to introduction of new products or services**

| | percentage citing reason |
|---|---|
| Lack of funding | 25 |
| Lack of suitable staff | 15 |
| Lack of space/suitable premises | 10 |
| Time constraints | 9 |
| Cost issues | 8 |
| Lack of appropriate markets | 5 |
| Lack of resources | 3 |
| Competition | 2 |
| Training issues | 2 |
| Financial constraints | 1 |
| Customers do not want new product/service | 1 |
| Suppliers not interested/would not allow | 1 |
| Not relevant to business | 1 |
| Risk averse culture | 1 |
| Technology | 1 |
| Established market | * |
| Other | 10 |
| Don't know | * |
| | |
| *Weighted base* | *6181* |
| *Unweighted base* | *291* |

Source: Coventry and Warwickshire Survey of Employers 2002
Base: all employers reporting a barrier to introducing new products/services

# 4. RECRUITMENT, SKILLS AND TRAINING

## 4.1 Employment change in the past 12 months

Using information provided by employers covered by the survey, the level of employment in Stratford (in early 2002) was estimated to have been just under 56,000[4]. During the 12 months prior to the survey, employers in the area were estimated to lost over 10,000 employees as the result of staff turnover but to have recruited over 20,000 people. The net result was to increase employment overall by around 9,000 from 2001 levels.

Respondents were asked about the extent to which they expected employment to grow in the next 12 months. Each respondent was given a score of 100 if the reported that they expected employment to increase significantly and a score 0 if they thought employment would decrease significantly (with intermediate scores for intermediate expectations of employment change). An average score of 50 across all employers would mean that respondents (on average) expected employment to remain unchanged while mean scores above 50 would imply a more optimistic view while a score below 50 would imply a more pessimistic perspective. The overall score for employers in Stratford was 61 and this was the highest score of all the local authority districts covered by the survey although the differences were not great. The mean score for Coventry and Warwickshire was 58. Employers in Stratford can thus be seen as being of the view that employment would increase a little and perhaps slightly more than elsewhere in the county.

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4 It is difficult to check the accuracy of this estimate since the main source of official employment data (the Annual Business Inquiry) is always out of date and currently relates to 2000 (almost two years before the survey).

## 4.2 Recruitment

Around 41 per cent of all employers in Stratford reported that they had recruited at least one person in the 12 months prior to the survey (see Table 4.1). This was little different from the corresponding figure for Coventry and Warwickshire as a whole (39 per cent). The proportion of employers recruiting increased with the size of establishment with only 37 per cent of small employers (1-10 employees) recruiting while all of the very largest employers (200 plus) had recruited. This is hardly surprising and largely reflects the numbers involved with large employers having to recruit on a frequent basis since they are subject to almost continuous labour turnover while small employers are only subject to periodic turnover and hence an intermittent need to recruit.

Differences between employers in different industries will partly reflect differences in industry establishment size structures but also reflect differences in the scale of labour turnover and the extent of employment growth (see Table 4.1). For instance, 73 per cent of employers in hotels and restaurants had recruited in the past year, with the figure being high because of the high levels of staff turnover in such activities. The proportion of employers in the construction sector who were recruiting was low because of the low level of activity in the sector whereas the large proportion of employers recruiting in financial services reflects a combination of turnover and employment growth.

**Figure 4.1**
**Recruitment from specific groups, by area**

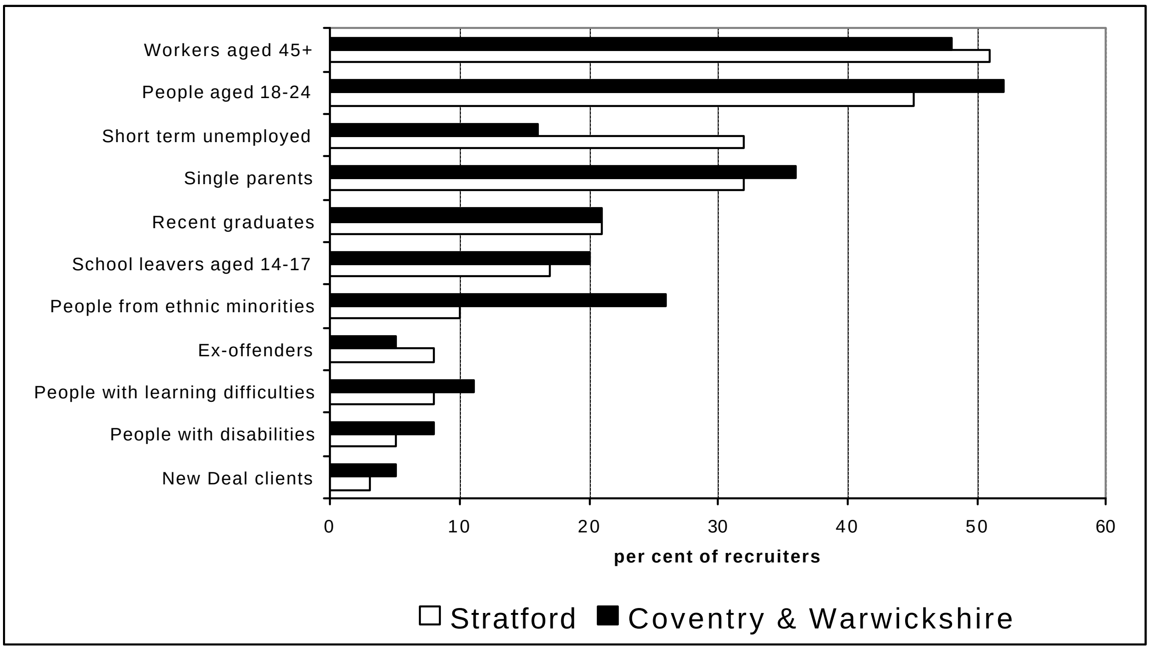
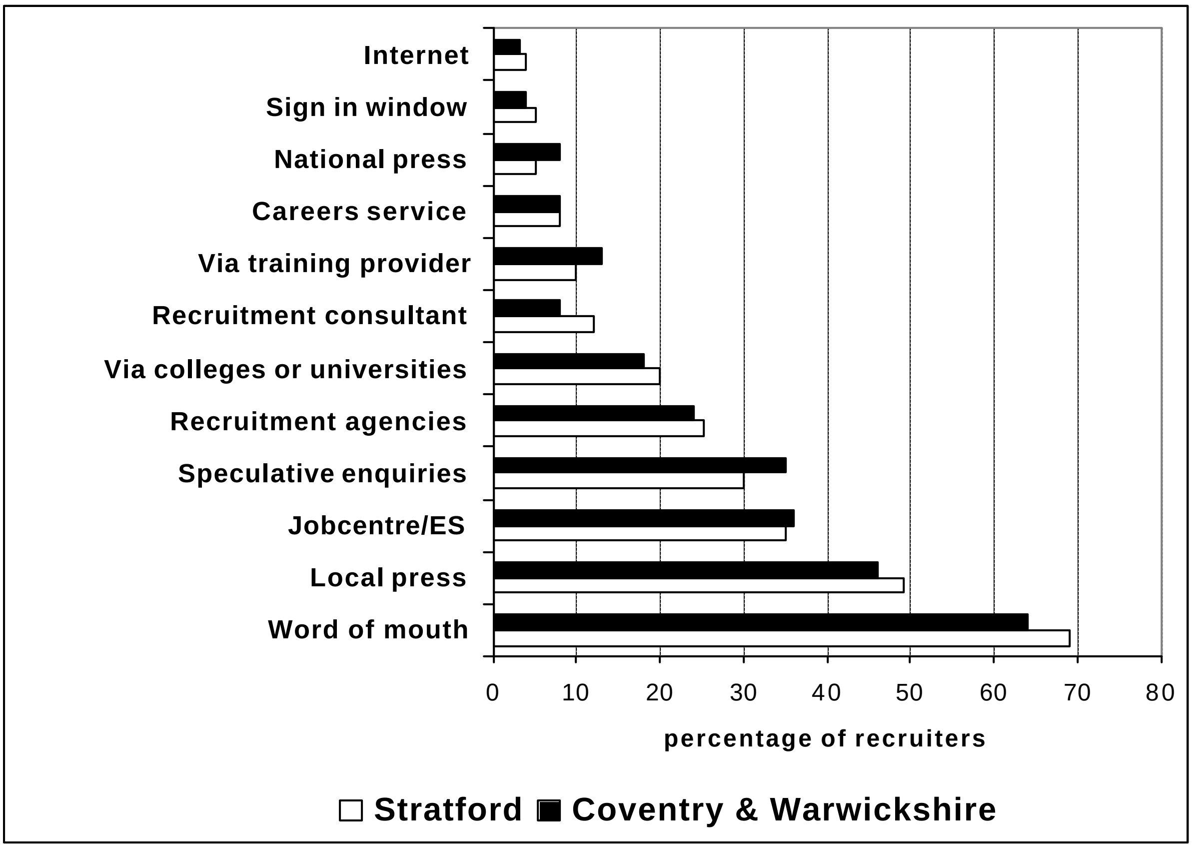



Figure 4.1 describes the extent to which employers in Stratford recruit from different groups in the labour market. The chart indicates that, compared to Coventry and Warwickshire as a whole, employers in Stratford were somewhat more likely to recruit older workers (45 or older), the short-term unemployed and ex-offenders. Correspondingly, employers in Stratford were less likely than their counterparts in Coventry and Warwickshire to recruit from other groups, such as young people (aged 18-24), school leavers, lone parents, people from ethnic minorities and people with

some form of disability or learning difficulty. It is important to stress that such patterns of recruitment may not reflect deliberate actions by employers but simply be a reflection of the demographic characteristics of the population of Stratford and the nature of the jobs on offer. School leavers, for instance, are less likely to be recruited to activities such as financial and business services (which were of above average importance in Stratford) than were older people, often with higher levels of skill and qualifications. Similarly, employers in Stratford may recruit relatively fewer members of ethnic minorities simply because the main concentrations of ethnic minority populations lie elsewhere in the county.

Figure 4.2 describes the methods used by employers to seek recruits. The most commonly use recruitment method was 'word of mouth' (used by almost 70 per cent of employers who were seeking to recruit. Advertising in the local press and notifying the Jobcentre were also commonly used methods, as were speculative enquiries by individuals seeking work. Other methods, such as the Internet, national press, agencies and similar organisations were used less frequently.

**Figure 4.2**
**Recruitment methods used**




While the pattern of usage was broadly similar across the county, there were small differences between Stratford and the rest of the county. When compared with Coventry and Warwickshire, there was greater use in Stratford of methods such as 'word of mouth', local press advertising and adverts in shop windows. National press advertising, the Jobcentre and the Careers Service or training providers were used comparatively less.

## 4.3 Vacancies

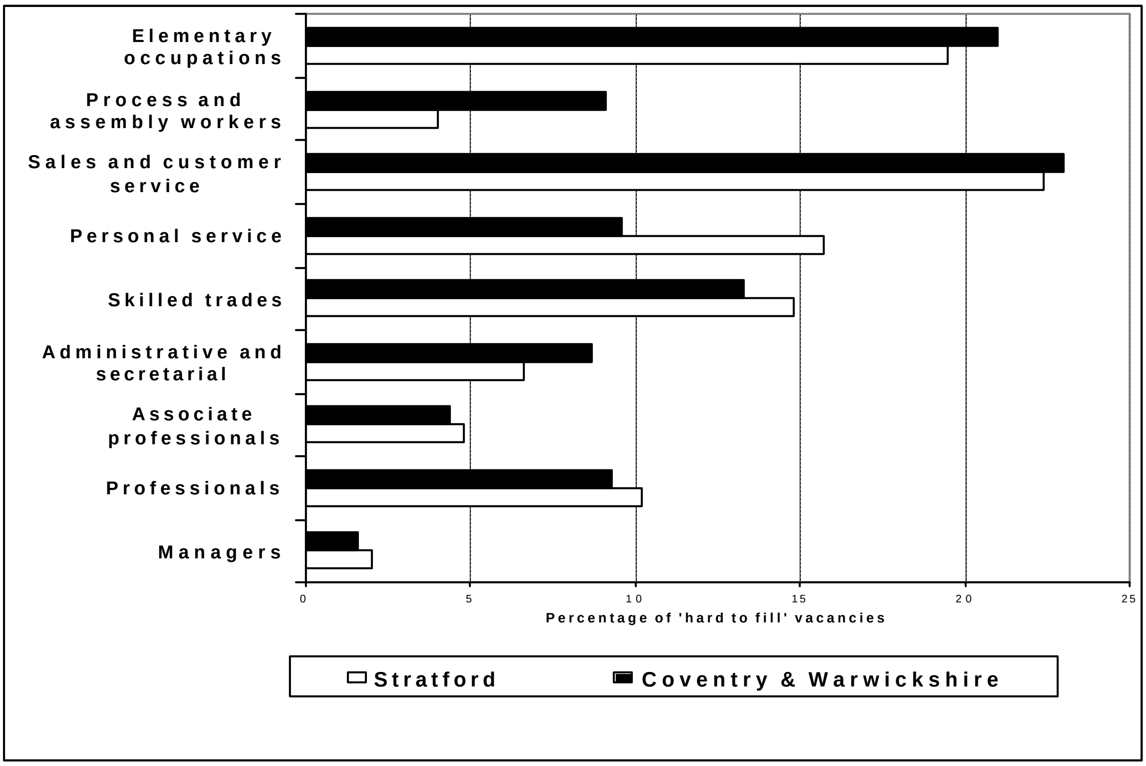
Around 17 per cent of employers in Stratford reported at least one unfilled vacancy at the time of the survey (Table 4.3). This was a similar figure to the average for Coventry and Warwickshire (16 per cent). Around 10 per cent of employers reported at least one 'hard to fill' vacancy while 7 per cent reported a skill shortage vacancy. The differences between Stratford and the rest of Coventry and Warwickshire were small and could easily be due to sampling variation. Nonetheless, the survey indicated that employers in Stratford were facing slightly more difficulties in recruiting than employers elsewhere in Coventry and Warwickshire. If so this would be consistent with the above average performance of business and employment in the Stratford area.

Data from the survey suggests around 2,200 vacancies in the Stratford area at the time of the survey (see Table 4.4). The likelihood of reporting a vacancy was strongly related to establishment size. As a rule the number of reported vacancies at any workplace was quite small (an average of around 2 vacancies) but the number increased with size. The pattern of vacancies by occupation is shown in Figure 4.3.

**Figure 4.3**
**Distribution of vacancies by occupation and area**


Around 66 per cent of employers with vacancies reported that some vacancies were hard to fill. Small workplaces (1-10 employees) were less likely to report hard to fill vacancies (62 per cent) while large workplaces (200 or more employees) were most likely (71 per cent). The total number of hard to fill vacancies was in the region of 340, amounting to almost 2 per cent of total employment in Stratford. The pattern of hard to fill vacancies by occupation is shown in Figure 4.4. The pattern of hard to vacancies in Stratford was similar to Coventry and Warwickshire, but employers in Stratford appeared to experience less difficulty recruiting to manual jobs (such as unskilled and operative occupations) and greater difficulty in recruiting to non-manual jobs (such as personal service workers, managers and professionals and to skilled manual trades).

**Figure 4.4**
**Distribution of hard-to-fill vacancies by occupation and area**




Not all hard to fill vacancies were the result of skill shortages. This is evident from Figure 4.4 which indicated that many hard to fill vacancies were for elementary (or unskilled) occupations. Around half of all hard to fill vacancies were estimated to have arisen because of shortages of skills of one sort or another.

In addition to vacancies that were hard to fill, businesses may also face a skill shortage within their existing workforce. Such a situation is referred to as a skills-gap. A skills-gap arises when there is a gap between the skills possessed by the workforce and those required to meet the needs of the business. Around 30 per cent Stratford employers reported skills gaps. Respondents were asked to rate the extent to which their workforce fell short of total proficiency. Employers identified employees in personal service and sales jobs as well as those in elementary or unskilled jobs as most likely to contain less than full proficient staff. Managers, secretarial and clerical workers and process and plant operatives were thought most likely to be fully proficient. The most common skills gaps related to problem solving, numeracy skills, foreign language skills, literacy skills, lack of work experience, lack of a driving licence and inappropriate personal attitudes. Some employers indicated that portions of their staff were less than fully proficient because they were newly recruited, inexperienced or not yet fully trained.

Hard-to-fill vacancies and skills gaps can impact on the performance of the business. A number of impacts were identified by respondents. These included difficulties with meeting customer service objectives, difficulties in meeting quality standards, delays in developing new products and services, increased operating costs and the loss of business or orders. Businesses responded to such difficulties in a variety of ways. Around 58 per cent provided further training for employees and 17 per cent expanded their trainee programme. Around 13 per cent attempted to increase recruitment and 6 per cent expanded the recruitment channels used to hire employees. The proportion of employers seeking to change their working practices was small (8%).

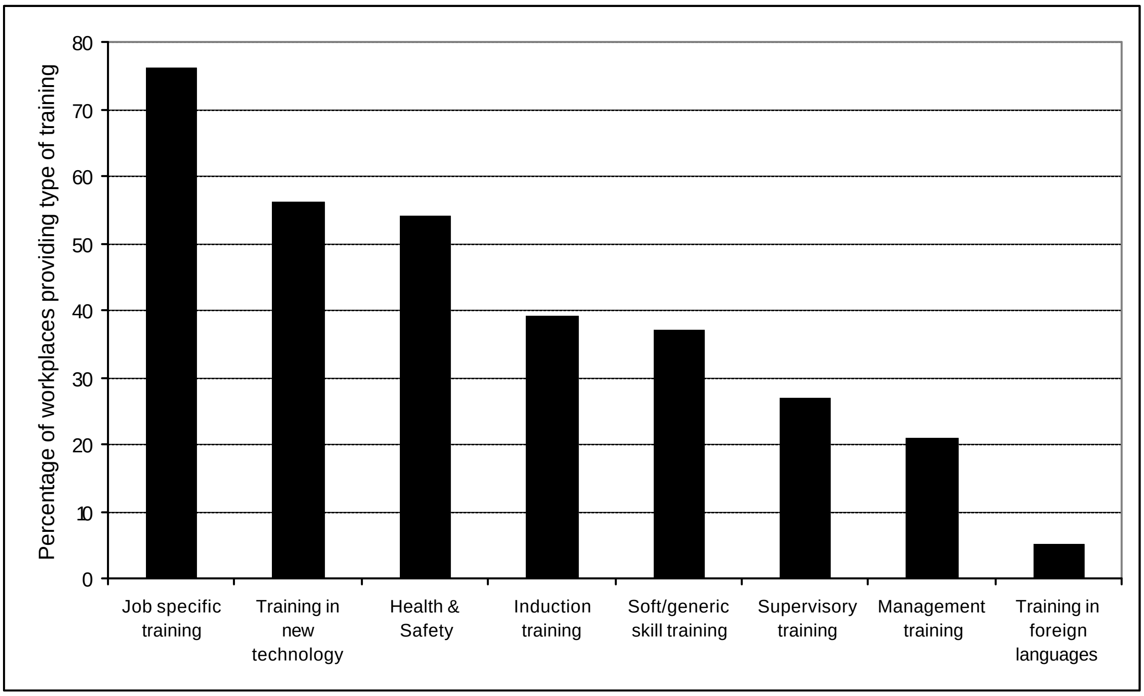
## 4.4 Training

Around 65 per cent of employers in Stratford had arranged or funded some form of training for their staff during the 12 months prior to the survey. This was a similar but slightly smaller proportion than in Coventry and Warwickshire as a whole (63%). Around 44 per cent of employers had provided some form of 'off the job' training while 55 per cent had provided some form of 'on the job' training. The extent of training amongst Stratford employers was not dissimilar to employers in the rest of the county (see Table 4.8). It is important to note that 35 per cent of employers in Stratford indicated that they had arranged no training at all for their workforce. Variations in training provision by establishment size and sector are reported in Table 4.8, Table 4.12 and Table 4.13.

Training provision by employers was formalised in only a minority of cases and these tended to be the larger employers (Table 4.10). Although 45 of employers had a business plan, only 22 per cent had a formal human resource plan. In this regard Stratford was no different from employers in the rest of Coventry and Warwickshire or, indeed, in England. Only 26 per cent of employers in Stratford had a training plan and this was a lower proportion than was found in Coventry and Warwickshire (35 per cent). Similarly, only 21 per cent Stratford employers had a training budget. Where Stratford employers had a training budget, they spent £3,954 on average (Table 4.11).

Where employers had arranged or funded training for their workforce, the content of the training varied considerably. Figure 4.5 describes the main types of training reported by employers in Stratford. The majority of training did not lead to a qualification or other form of certification (Table 4.14).

**Figure 4.5**
**Types of training arranged or funded by employers in Stratford**



Many employers in Stratford (65 per cent) identified barriers that inhibited the delivery of training to their employees. The most frequently cited reasons the cost of training (mentioned by 17 per cent of Stratford employers), lack of time to source training (15 per cent), an inability to afford staff the time for training (13 per cent) and inconvenient times for courses (9 per cent).

**Table 4.1**
**Expected future employment growth**

| | Average score |
|---|---|
| ***Number of employees*** | |
| 1-10 | 57 |
| 11-24 | 60 |
| 25-199 | 59 |
| 200 plus | 61 |
| ***Industry*** | |
| Production | 62 |
| Distribution | 60 |
| Finance/Business Services | 56 |
| Public Administration, Health and Education | 60 |
| Other | 54 |
| ***LAD*** | |
| North Warwickshire | 58 |
| Nuneaton and Bedworth | 56 |
| Coventry | 57 |
| Rugby | 58 |
| Stratford | 61 |
| Warwick | 57 |
| Total | **58** |
| *Weighted Base (All)* | *11,557* |
| *Unweighted Base* | *985* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers providing information

## Table 4.2
## Recruitment activity

Row percentages

| | Recruited in last 12 months | Not recruited in the last 12 months | Total |
|---|---|---|---|
| ***Number of employees*** | | | |
| 1-10 | 37 | 63 | 100 |
| 11-24 | 62 | 38 | 100 |
| 25-199 | 76 | 24 | 100 |
| 200 plus | 100 | - | 100 |
| | | | |
| ***Industry*** | | | |
| Primary | 47 | 53 | 100 |
| Manufacturing | 38 | 62 | 100 |
| Construction | 18 | 82 | 100 |
| Wholesale and Retail | 35 | 65 | 100 |
| Hotels and Restaurants | 73 | 27 | 100 |
| Transport *etc.* | 30 | 70 | 100 |
| Financial intermediation | 95 | 5 | 100 |
| Real Estate | 35 | 65 | 100 |
| Public Administration | - | - | |
| Education | 66 | 34 | 100 |
| Health and Social work | 77 | 23 | 100 |
| Other | 41 | 59 | 100 |
| | | | |
| **Total** | **41** | **59** | **100** |
| | | | |
| *Weighted Base* | | | *6181* |
| *Unweighted Base* | | | *291* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers providing information

**Table 4.3**
**Overall number of vacancies**

| | Percentage of employers reporting | |
|---|---|---|
| | **Stratford** | **Coventry & Warwickshire** |
| All vacancies | 17 | 16 |
| All hard-to-fill vacancies | 11 | 10 |
| Skills-shortage vacancies | 7 | 5 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 4.4**
**Vacancies and hard-to-fill vacancies by size of establishment**

| **No. of employees at establishment** | **1-10** | **11-24** | **25-199** | **200+** | **All** |
|---|---|---|---|---|---|
| **Vacancies** | | | | | |
| % reporting vacancies | 12 | 45 | 61 | 62 | 100 |
| Average number of vacancies (mean) | 1 | 2 | 3 | 28 | 2 |
| Total number of vacancies | 737 | 483 | 553 | 437 | 2209 |
| Vacancies as % of employment | 3.79 | 6.04 | 3.49 | 2.57 | 3.67 |
| **Hard to fill vacancies** | | | | | |
| % reporting hard-to-fill vacancies | 62 | 63 | 66 | 71 | 66 |
| Average number of hard-to-fill vacancies (mean) | 0.08 | 0.50 | 1.15 | 8.07 | 0.19 |
| Total number of hard-to-fill vacancies | 211 | 83 | 50 | - | 343 |
| Hard-to-fill vacancies as a % of employment | 2.33 | 2.97 | 2.08 | 0.82 | 1.93 |
| *Weighted base* | *5398* | *479* | *287* | *17* | *6181* |
| *Unweighted base* | *148* | *69* | *69* | *5* | *291* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers
Note: Where vacancies or hard to fill vacancies are expressed as a proportion of employment, this refers to all employment within category, not just to employment in those establishments with each type of vacancy

**Table 4.5**
**Skill shortage related vacancies by size of workplace**

| No. of employees at establishment | 1-10 | 11-24 | 25-199 | 200+ | All |
|---|---|---|---|---|---|
| % reporting skill-shortage hard-to-fill vacancies | 29 | 36 | 34 | 77 | 30 |
| *Weighted base* | *5398* | *479* | *287* | *17* | *6181* |
| *Unweighted base* | *148* | *69* | *69* | *5* | *291* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers
Note: Where vacancies or hard to fill vacancies are expressed as a proportion of employment, this refers to all employment within category, not just to employment in those establishments with each type of vacancy.

**Table 4.6**
**Extent of on-the-job and off-the-job training**

percentages

| | **Stratford Employers** | **All other Employers Coventry and Warwick** |
|---|---|---|
| Off and on-the-job training | 31 | 33 |
| Off-job only | 11 | 9 |
| On-job only | 23 | 21 |
| Any off-the job | 43 | 42 |
| Any on-the-job | 54 | 54 |
| None | 34 | 32 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF); Employees Skill Survey 2001
Base: All employers

**Table 4.7**
**Provision of training by size of workplace and industry**

percentages

| | Size of Workplace | | | | Industrial Sector | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1-10 | 11-24 | 25-199 | 200+ | Public | Private | Manufacturing/ Construction | Wholesale/ Retail | Finance/ Business Services | Public Admin & Gov | Other Services | Total |
| Off-the-job and on-the-job training | 26 | 60 | 76 | 100 | 41 | 30 | 75 | 62 | 62 | 88 | 60 | 31 |
| Off-the-job only | 12 | 12 | 6 | - | 2 | 12 | 5 | 4 | 7 | 93 | 67 | 11 |
| On-the-job only | 24 | 17 | 12 | - | 18 | 24 | 11 | 18 | 18 | 93 | 77 | 23 |
| Any off-the job | 38 | 72 | 82 | 100 | 43 | 42 | 80 | 65 | 69 | 92 | 66 | 43 |
| Any on-the-job | 50 | 77 | 88 | 100 | 59 | 53 | 86 | 79 | 80 | 93 | 77 | 54 |
| None | 38 | 38 | 6 | - | 39 | 34 | 9 | 16 | 13 | 3 | 16 | 34 |
| *Weighted base* | *5398* | *479* | *287* | *17* | *457* | *5631* | *1127* | *1986* | *1913* | *448* | *657* | *6181* |
| *Unweighted base* | *148* | *69* | *69* | *5* | *41* | *242* | *64* | *91* | *75* | *55* | *24* | *291* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 4.8**
**Provision of training and the existence of formal training plans**

percentages

| | Any off-the job | Any on-the-job | Neither |
|---|---|---|---|
| Business plan | | | |
| Yes | 59 | 56 | 31 |
| No | 39 | 43 | 64 |
| HR plan | | | |
| Yes | 34 | 32 | 5 |
| No | 65 | 67 | 95 |
| Training plan | | | |
| Yes | 44 | 40 | 7 |
| No | 55 | 59 | 93 |
| Training budget | | | |
| Yes | 31 | 29 | 7 |
| No | 66 | 69 | 92 |
| | | | |
| *Weighted base* | *2636* | *3359* | *2117* |
| *Unweighted base* | *179* | *204* | *55* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 4.9**
**Average training expenditure by size of workplace and industry**

| | Average Training Budget (£) |
|---|---|
| **Number of Employees** | |
| 1-10 | 2206 |
| 11-24 | 7396 |
| 25-199 | 8386 |
| 200+ | 78000 |
| | |
| **Industry** | |
| Primary | 500 |
| Manufacturing | 9863 |
| Construction | - |
| Wholesale and Retail | 3113 |
| Hotels and Rests | 6053 |
| Transport / communications | 2453 |
| Finance/Business Services | 5000 |
| Real estate | 3402 |
| Public Administration | 14500 |
| Education | 6332 |
| Health & Social Work | 2573 |
| Other Services | 2896 |
| | |
| Public | 7193 |
| Private | 3389 |
| | |
| *Weighted base* | *6181* |
| *Unweighted base* | *291* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers with training budget

**Table 4.10**
**Percentage of staff receiving training by industry**

Column percentages

| | Manufacturing /Construction | Wholesale & Retail | Finance/ Business Services | Public Admin, *etc* | Transport & Communication and Other Services |
|---|---|---|---|---|---|
| Number of staff receiving training | | | | | |
| None | 10 | 19 | 16 | 3 | 21 |
| 1-20 | 24 | 36 | 28 | 22 | 31 |
| 20-49 | 9 | 10 | 12 | 18 | 14 |
| 50-99 | 9 | 12 | 8 | 18 | 6 |
| 100-199 | 34 | 6 | 3 | 4 | * |
| 200+ | 10 | 13 | 3 | 29 | 23 |
| Total | 27 | 24 | 18 | 21 | 3 |
| *Weighted base* | *100745* | *89899* | *67204* | *78028* | *39626* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
*Base: All employers providing training data*

**Table 4.11**
**Staff receiving training by size of workplace**

Column percentages

| | 1-10 | 11-24 | 25-199 | 200+ | Total |
|---|---|---|---|---|---|
| Any off the Job | 77 | 13 | 8 | 1 | 100 |
| Any on the job | 81 | 11 | 8 | 1 | 100 |
| Both | 73 | 15 | 11 | 1 | 100 |
| None | 97 | 3 | 1 | - | |
| Weighted base | 2636 | 3359 | 1930 | 2117 | 6181 |

**Table 4.12**
**Proportion of staff gaining a qualification from training**

Column percentages

| Proportion of staff gaining a qualification from training | |
|---|---|
| 0% | 57 |
| 1-10% | 22 |
| 11-25% | 3 |
| 26-50% | 5 |
| 51-74% | 4 |
| 75-100% | 7 |
| Don't know | 2 |
| *Weighted Base* | *4064* |
| *Unweighted Base* | *236* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 4.13**
**Barriers to providing more training**

| | | Percentage citing barrier |
|---|---|---|
| What limits to amount of training | | |
| **Cost Issues** | | |
| | Cost of training | 17 |
| | Cannot afford staff time off for training | 18 |
| | Capital budget reservations | 6 |
| **Supply Issues** | | |
| | Times of day at which course run | 4 |
| | Quality of training offered by training providers | 1 |
| | Do not have expanded staff to provide training | 1 |
| | Cannot find training needed | 1 |
| **Management Issues** | | |
| | Lack of time to source training | 15 |
| | No one in organisation skilled at buying training | * |
| | Never been able to prove benefits of training | * |
| | No one skilled at identifying training needs | * |
| | Concerns about trained employees taking jobs with other companies | * |
| **Other** | | |
| | Staff not interested in developing skills | 4 |
| | Other | * |
| **No barriers** | | 33 |
| Don't know | | 5 |
| *Weighted base* | | *6181* |
| *Unweighted base* | | *291* |

Source: Coventry and Warwickshire Surveys of Employers 2002
Base: All employers

# 5. LOCATION AND BUSINESS SUPPORT

## 5.1 Location

On average, businesses in Stratford had been established for 27 years and operating at their current bcation for around 18 years (see Table 5.1). There was no obvious relationship between the age of a business and workplace size. Although the very smallest establishments (1-4 employees) had been in business for an average of 18 years and larger establishment had been in business for much longer, the largest establishment (more than 500 employees) had been in business for only 8 years. There were, however, differences between industrial sectors. Public sector organisations had been established loner than private sector ones and this was equally true of the time at their present location. Businesses operating in the other services sector were notable not only for being established for much longer than other businesses in Stratford, but had also been located at their current site for much longer than other employers.

In common with most employers in the Coventry and Warwickshire Employer Survey, those in Stratford indicated that the main reasons for locating at their present site were the availability of land (cited by 44 per cent of employers) and the cost suitable premises (35 per cent). Compared to these two factors, all others were relatively insignificant. Nonetheless, it was apparent that employers in Stratford were somewhat more likely those in Coventry and the north of the county, to mention the quality of the environment and the overall attractiveness of the area as reasons for choosing their present location. Correspondingly, they were less likely to mention access to markets, proximity to other firms or access to business support services.

Respondents were asked to rate the local area in which they were located as a place from which to do business. Possible ratings ranged from ‘excellent’ to ‘poor’. Around 27 per cent of employers in Stratford rated their location as ‘excellent (see Table 5.2)’. This was a significantly higher proportion than the average for Coventry and Warwickshire as a whole

(20 per cent) and very much higher than in areas such as the Regeneration Zone (just 9 per cent). Nonetheless, 31 per cent of Stratford employers rated their current location as no more than 'adequate'. Area ratings were given a numerical score ranged from 100 for 'excellent' to zero for 'poor'. The mean rating score for Stratford was 63.4 and this was higher than the 59.1 mean score for Coventry and Warwickshire.

Just over half (53 per cent) of employers in Stratford had no 'concerns' over their current location (correspondingly, almost half did have concerns). Table 5.3 identifies the main concerns mentioned. Top of the list is lack of parking and traffic congestion (mentioned by 9 per cent and 7 per cent of employers, respectively). The level of concern about traffic and parking issues appeared greater amongst Stratford employers than the average for Coventry and Warwickshire.

Other concerns included lack of space for expansion, poor public transport, theft and vandalism and the violent perpetrated upon staff. As regards crime, Table 5.4 indicates that the experience of crime by employers was less in Stratford than in any of the other local authority districts that make up the Coventry and Warwickshire area. Nevertheless, almost a third (30 per cent) of employers had experienced some form of crime that affected their business during the previous 12 months. In common with employers elsewhere in Coventry and Warwickshire, employers in Stratford see more police officers on patrol as part of the action required in response to crime (see Table 5.5). This was mentioned by 27 per cent of respondents. Closed circuit television was also mentioned by (13 per cent of employers).

## 5.2 Business support

As indicated above, access to business support services was less likely to be mentioned as a reason for locating in Stratford than was the case elsewhere in the county. Despite this, around 30 per cent of employers had in fact sought some form of business information, advice or consultancy during the 12 months prior to the survey. This was a similar proportion to the Coventry and Warwickshire average. A similar pattern of advice content was also evident, with health and safety, information technology and accounting topping the list of areas in which such support was sought. Beyond these three areas, many other types of advice were mentioned (see Table 5.6).

Employers in Stratford made use of a wide range of organisations for business advice and consultancy (see Table 5.7). Banks, accounts and solicitors topped the list of organisations approached (28 per cent) but trade and industry associations, consultancy firms, Coventry and Warwickshire Chamber of Commerce and Business Link Coventry and Warwickshire were also frequently approached organisations.

In regard to information about training, almost 90 per cent of employers had sought some form of advice on training during the past 12 months (Table 5.8). Such advice was most commonly sought from trade or industry bodies, consultancy firms, Coventry and Warwickshire Chamber of Commerce as well as Further Education Colleges and Training companies or providers. Many other organisations also provided such advice.

Around 12 per cent of employers in Stratford reported that they had found it difficult to obtain the information and advice they required. In the main such difficulties were attributable to a lack of information about where to look or who to approach, the lack of business support in the immediate vicinity of the business and a lack of help from the person or organisation contacted.

**Table 5.1**
**Average number of years at current location**

| | Length of time at site | Total time established |
|---|---|---|
| | Mean duration in years | |
| ***Local Authority District*** | | |
| North Warwickshire | 14 | 36 |
| Nuneaton and Bedworth | 16 | 33 |
| Coventry | 13 | 26 |
| Rugby | 18 | 32 |
| Stratford | 18 | 27 |
| Warwick | 16 | 30 |
| ***Size of workplace*** | | |
| 1-4 | 13 | 18 |
| 5-10 | 29 | 45 |
| 11-24 | 16 | 38 |
| 25-49 | 11 | 35 |
| 50-99 | 39 | 64 |
| 100-249 | 18 | 28 |
| 250-499 | - | - |
| 500+ | 8 | 8 |
| ***Industry*** | | |
| Manufacturing /Construction | 20 | 38 |
| Wholesale and Retail | 14 | 33 |
| Transport and communication | 8 | 8 |
| Finance and business services | 12 | 25 |
| Public administration, Government, Health, Education | 19 | 34 |
| Other services | 56 | 62 |
| Public sector | 39 | 66 |
| Private sector | 15 | 25 |
| *Weighted Base* | *1681* | *1681* |
| *Unweighted Base* | *291* | *291* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 5.2**
**Rating of current location by area**

column percentages

| | Stratford | Coventry and Warwick |
|---|---|---|
| Poor | 7 | 7 |
| Adequate | 24 | 29 |
| Good | 42 | 43 |
| Excellent | 27 | 20 |
| Don't know | 1 | 2 |
| Total | 100 | 100 |
| Mean | 63.4 | 59.1 |
| Weighted Base | 6,181 | 29,796 |
| Unweighted Base | 291 | 1,697 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 5.3**
**Concerns about location**

| | Percentage citing concern |
|---|---|
| Lack of parking | 9 |
| Theft and vandalism | 4 |
| Traffic congestion | 7 |
| Insufficient room to expand | 5 |
| Poor access to public transport | 2 |
| Run down area needs development | 2 |
| Cost of property | 2 |
| Lack of social functions/amenities | 2 |
| Poor access to markets or suppliers | 1 |
| Issues relating to staff safety and violence | 2 |
| None | 53 |
| Weighted Base | 6181 |
| Unweighted Base | 291 |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 5.4**
**Experience of crime by local authority district**

Row percentages

| | Experienced crime | Not experienced crime | Total | *Weighted Base* | *Unweighted Base* |
|---|---|---|---|---|---|
| **Local Authority district** | | | | | |
| North Warwickshire | 39 | 61 | 100 | *2,473* | *148* |
| Nuneaton and Bedworth | 42 | 58 | 100 | *3,335* | *266* |
| Coventry | 46 | 54 | 100 | *8,266* | *463* |
| Rugby | 44 | 56 | 100 | *3,465* | *239* |
| Stratford | 30 | 70 | 100 | *6,181* | *291* |
| Warwick | 40 | 60 | 100 | *6,111* | *290* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

**Table 5.5**
**Actions required in response to crime**

Percentages/multiple response

| | Stratford | Coventry and Warwick |
|---|---|---|
| More police officers patrolling | | 27 |
| More CCTV cameras | | 13 |
| Resources to improve crime prevention measures | | 2 |
| Improved street lightening | | 2 |
| Advise on crime protection | | * |

Source: Coventry and Warwickshire Survey of Employers 2000 - 2002 (IER/IFF)
Base: All employers

**Table 5.6**
**Areas of information, advice or consultancy sought in last 12 months**

Percentage citing area of information

| | Stratford | Coventry and Warwick |
|---|---|---|
| Health and safety | 23 | 28 |
| Information technology | 23 | 21 |
| Accounting/bookkeeping | 22 | 20 |
| Training and staff development | 17 | 20 |
| Legislation | 13 | 19 |
| Employment issues | 14 | 18 |
| Marketing | 18 | 16 |
| Recruitment | 16 | 15 |
| Business planning and development | 17 | 15 |
| Funding/grants | 17 | 14 |
| Environmental issues | 11 | 12 |
| Financial management/planning | 12 | 11 |
| Sales | 9 | 10 |
| Quality initiatives | 6 | 10 |
| Investment | 13 | 10 |
| Product approvals | 12 | 7 |
| Investors in People | 4 | 6 |
| Exporting | 3 | 4 |
| Legal advice | 1 | * |
| Other | 1 | 1 |
| None | 30 | 33 |
| Don’t know | 9 | 9 |
| | | |
| Unweighted base | 291 | 1,697 |
| Weighted base | 6181 | 29,796 |

Source: Coventry and Warwickshire Surveys of Employers 2001 - 2002
Base: all employers

**Table 5.7**
**Organisations approached for information, advice and consultancy**

| Organisation | Percentage citing organisation |
|---|---|
| Banks, accountants and solicitors | 28 |
| Trade/industry associations/professional bodies | 20 |
| Consultancy firms/individual consultants | 14 |
| Coventry and Warwickshire Chamber of Commerce | 10 |
| Business Link Coventry and Warwickshire | 5 |
| Colleges and universities | 3 |
| Environmental health agency/health and safety executive | 3 |
| Warwickshire County Council | 5 |
| District councils | - |
| Department for Trade and Industry | 1 |
| Recruitment agency | 4 |
| Coventry City Council | - |
| Job Centre | - |
| West Midlands Development Agency | - |
| University of Warwick | 2 |
| Local Education Authority | 2 |
| Other | 18 |
| None | 12 |
| Don’t know | 5 |
| *Unweighted base* | *118* |
| *Weighted base* | *2679* |

**Table 5.8**
**Organisations approached for information on training**

| Organisation | Percentage citing organisation |
|---|---|
| Trade/industry associations/professional bodies | 21 |
| Consultancy firms/individual consultants | 30 |
| Coventry and Warwickshire Chamber of Commerce | 20 |
| Further education colleges | 22 |
| Training company/provider | 16 |
| Warwickshire County Council | 6 |
| Coventry City Council | - |
| Business Link Coventry and Warwickshire | 5 |
| University of Warwick | 4 |
| Department for Education and Skills | 1 |
| Department for Trade and Industry | 1 |
| Learning and Skills Council | - |
| Coventry University | * |
| Local Education Authority | * |
| Local Health authority | - |
| Learn Direct | 1 |
| Employment Service/Job Centre | 1 |
| District Councils | - |
| Health and Safety Executive | - |
| Advantage West Midlands/West Midlands Development Agency | - |
| Other | 18 |
| None | 12 |
| Don't know | 5 |
| *Unweighted base* | *118* |
| *Weighted base* | *2679* |

**Table 5.9**
**Awareness of initiatives**

| Initiative | Per cent aware |
|---|---|
| National Vocational Qualifications | 89 |
| Modern Apprenticeships | 55 |
| Learn Direct | 56 |
| New Deal | 45 |
| Management development programme | 40 |
| Workforce development programmes | 24 |
| Government's Work-Life Balance initiative | 6 |
| Eco Management Audit System | 11 |
| Green Travel Plans | 11 |
| Not aware of any initiative | 2 |
| *Unweighted base* | *291* |
| *Weighted base* | *6181* |

Source: Coventry and Warwickshire Survey of Employers 2002 (IER/IFF)
Base: All employers

# 6. KEY MESSAGES FROM THE SURVEY

This report has set out some of the findings from data from employers in Stratford collected as part of the Coventry and Warwickshire Employer Survey 2002. A number of key messages about employers and employment in Stratford can be drawn out from this information. These key messages were as follows:

- The evidence from the survey indicates that the nature of employers and jobs, and the issues faced by business, in Stratford were similar to those of Coventry and Warwickshire as a whole. Any differences found tended to be differences of degree rather than fundamental.
- The survey confirmed much that was already known about employers and employment in Stratford. In particular, it was found that more than half of all employers were located in either retail or wholesale distribution or in business services. Employers were predominantly small in size, although such small business accounted for only a small proportion of total employment. The proportion of very large establishments in Stratford was small in both absolute and relative terms. Women now make up a small majority of the workforce (well above the national average). Although the occupational structure of jobs in Stratford followed that of Coventry and Warwickshire, there were relatively fewer jobs in the professions, skilled manual trades and in elementary, unskilled occupation while there was a relatively large proportion of employment in managerial, administrative and secretarial and personal service occupations.
- The evidence from employers was that the period 2001-2002 had seen a strong performance from businesses in Stratford with almost 50 per cent reporting growth in turnover or budget. This performance appeared stronger than that of businesses located elsewhere in Coventry and Warwickshire. Nonetheless it was of concern that Stratford also had a relatively large proportion of businesses reporting a decline in activity (as

opposed to activity remaining stable). This may indicate a degree of polarisation within the local area with some sectors prospering while others languish.

- Confidence was high amongst employers in Stratford in early 2002 at the time of the survey. Well over half (56 per cent) of employers expected their level of activity to increase over the forthcoming 12 months. Where this was the case, most employers felt that future business growth would result from increasing levels of demand. Where employers expected business to decline, this too was largely attributed to an expectation of falling demand. It would thus appear that most employers acknowledge that the driver of business growth lay in market and global factors largely outside the local economy.
- Despite their general optimism, few private sector employers (just 16 per cent) felt that they faced no barriers to future business growth. The most common barrier that employers believe they faced was, again, a lack of demand or market for their output or services. Concerns were also expressed about an inability to recruit suitable or appropriately skilled staff as well as a number of more local concerns relating to lack of premises, poor transport infrastructure and business rates.
- Almost 40 per cent of employers had introduced a new product or service during the last 12 months. A slightly larger proportion planned to do so during the next 12 months. Such innovation is essential to the long-term performance of businesses and the local economy. It was of concern, therefore, to note that most of the innovation was being carried out by a minority of businesses. Almost half had not introduced any innovations in the last year and had no plans to do so in the immediate future.
- Barriers to innovation were widely recognised and acknowledge. This applied as much to those that did innovate as to those that did not. The most commonly mentioned barriers to innovation were lack of funds, lack of suitable staff and lack of suitable premises. The most marked difference between businesses that innovated and those that did not was in their perceptions of space and premises. Few innovators saw this as a significant barrier while it was commonly seen as a barrier by those businesses that did not innovate. This may indicate that a lack of room for expansion and a shortage of suitable premises may be a key barrier to business innovation.
- Evidence from the survey suggests that employment in Stratford increased sharply in the 12 months prior to the survey. Although (as indicated above) business expectations of increased future activity were high, this was not reflected in similar expectations of employment growth. Overall, employers believed that employment would increase slightly or remain stable.
- Around 17 per cent of employers reported having an unfilled job vacancy and around two thirds of these indicated that some of these vacancies were hard to fill. Where vacancies were hard to fill, around half were hard to fill because of a shortage of suitably skilled people. Despite this, many hard to fill vacancies were for elementary unskilled jobs where skill was less likely to be an issue.
- Many employers reported skills gaps – where the existing workforce did not possess all the skills needed to achieve the aims of the business – and these were most commonly reported in respect of personal service and sales occupations. The most common skills gaps related to generic skills such as numeracy and problem solving as well as more specific skills in foreign languages or the possession of a driving license.
- Although the incidence of skill shortage vacancies and skills gaps was small, many businesses identified serious costs arising from such skill related problems. These included lost orders and sales, increased operating costs and difficulty in meeting quality standards. It could be inferred from this that even relatively small skill deficiencies might

impact on business if they relate to key parts of the business. It has already been noted that many employers saw a shortage of suitable staff as a barrier to innovation.

- Training was the most common response by employers to perceived skills related difficulties. Around two thirds of employers reported that they had arranged or funded some form of training for their staff during the 12 months prior to the survey. Despite this widespread engagement with training, only a minority of employers had formal training plans or training budgets.
- In common with employers elsewhere in Coventry and Warwickshire, those in Stratford saw the availability and cost of suitable land or premises as the main factor determining their decision to locate at their present site. Nonetheless, employers in Stratford were more likely than others to mention the area's attractiveness and positive environmental qualities as a secondary factor in their choice.
- Employers in Stratford tended to give above average ratings to the area as one in which to do business. Nonetheless, around 30 per cent felt their situation was no more than adequate and almost a half had some concern about their locality. Top of the list of concerns were lack of parking and traffic congestion, although other concerns such as poor public transport, lack of space and crime were also mentioned.
- Around 30 per cent of employers claimed that their business had been affected by crime during the previous 12 months. Most saw the necessary response to crime as being more police on the beat and closed circuit television.
- Around 70 per cent of employers in Stratford had sought some form of business information, advice or consultancy in the last 12 months. While a wide range of organisations was approached, trade/industry/professional associations and Coventry and Warwick Chamber of Commerce were commonly contacted about both general business matters and about training. In addition, banks, accountants and solicitors together with Business Link was often approached with respect to business enquiries while further education colleges and training companies/providers were approached about matters relating to training. Around one in eight employers said that they had difficulty in obtaining the information or advice needed, usually because they were not aware of how to obtain that help.