Greater Manchester Business Survey 2017 – Oldham Report

November 2017

Prepared for;

business growth hub

Proud to be part of The Growth Company

GMCA GREATER MANCHESTER COMBINED AUTHORITY

MANCHESTER CITY COUNCIL

Oldham Council

STOCKPORT METROPOLITAN BOROUGH COUNCIL

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1. Introduction

The Business Growth Hub supports growing and ambitious businesses by offering access to a wide range of business support services.

Since 2012 the Business Growth Hub and Manchester City Council have worked together with other partners to deliver a Greater Manchester-wide (GM) business survey to build up a picture of GM's business base, to understand how it is changing, and how business support can help firms to grow. This year, Stockport Council and Oldham Council made a significant contribution and funded a sample boost in their areas.

The project is part-funded by the European Regional Development Fund (ERDF).

Qa Research (Qa) and economic development and research consultancy Ortus Economic Research Ltd (Ortus) were jointly commissioned to deliver the 2017 survey.

This report outlines headline findings from the latest business survey for those business surveyed within the Oldham Council area only.

1.1 Aims and objectives

The aim of the GM-wide survey is to provide data on current and future economic performance and practices especially for growth businesses, across a range of themes, including:

- Enterprise demographics and performance
- Local trading environment
- Drivers and barriers to growth including access to finance
- Views on existing and potential support services for enterprise
- International trade and connectivity
- Innovation and digital
- Recruitment & skills
- Inclusive growth

1.2 Methodology

This is the fifth time this survey has been carried out and a similar approach to that used in previous years was also applied, with interviewing completed by telephone.

In total, 1,500 telephone interviews were completed with businesses across Greater Manchester by Qa Research from its contact centre based in York. Interviewing was completed by early August 2017.

To ensure that comparisons could be made with data from previous years, the same questionnaire was used, although some revisions were included to ensure questions continued to cover the main areas of interest and that they remained relevant.

Interviewing was restricted to private sector businesses and voluntary/non- profit-making organisations that generate at least 50% of income from trading. Additionally, all businesses had to have at least one employee.

Contacts for the survey were provided by the client[1]. The local authority areas of Manchester (500 responses), Oldham (250) and Stockport (250) were over-sampled to ensure suitably sized samples of businesses in these local authority areas to enable stand-alone analysis.

[1] Drawn randomly from large business datasets for which they hold the required subscriptions

2. Key findings for the Oldham Council area

This section outlines findings for key measures amongst respondents based in the Oldham Council local authority area (referred to here as *Oldham*).

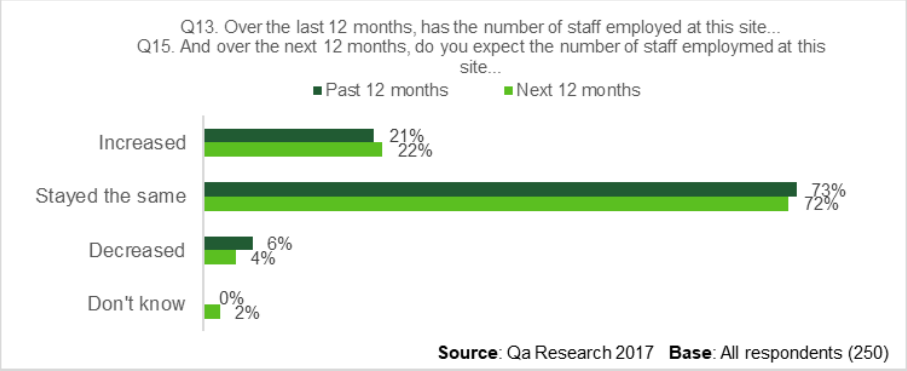
2.1 Business Growth

In this section the analysis focuses on questions in the survey covering changes in levels of employment over the past 12 months and anticipated over the coming 12 months.

2.1.1 Changes in employment in the previous and next 12 months

Just over one fifth of firms in Oldham (21%) reported an increase in employment in the previous 12 months, with around the same proportion (22%) anticipating increasing employment in the next 12 months, as outlined in Figure 1. The majority of firms (73%) reported that employment had stayed the same in the last year and 6% reported a decrease. Only 4% of firms were anticipating that employment will decline in the next 12 months.

Figure 1: Change in employment in previous and next 12 months (Oldham)



Comparison with Greater Manchester
These findings are broadly in line with those across Greater Manchester as a whole, although the proportion of firms in Oldham that have experienced a decrease in employment over the last 12 months is lower than the number across the whole of Greater Manchester (6% compared to 12%).

2.1.2 Scale of employment change

Of those firms that have experienced an increase in employment over the last year, 60% had seen an increase of up to 20% and one in ten reported an increase of more than 50% as indicated in Figure 2. A fifth of firms (21%) that had seen employment fall reported that it had done so by more than 50% and 64% had reported employment to have fallen by up to 20%.

Figure 2: Level of change in employment in the previous 12 months (Oldham)

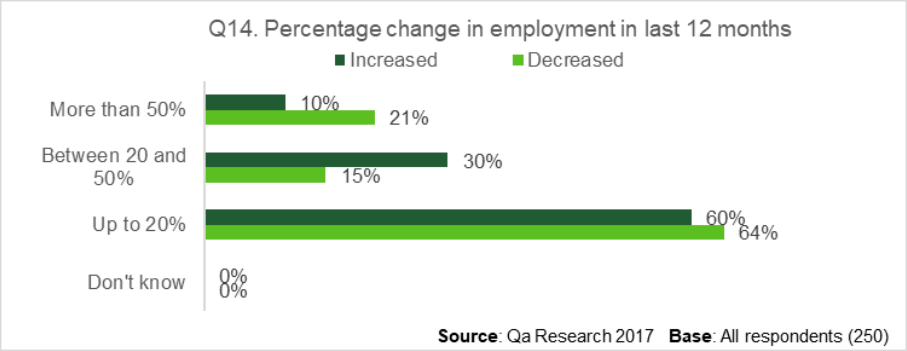
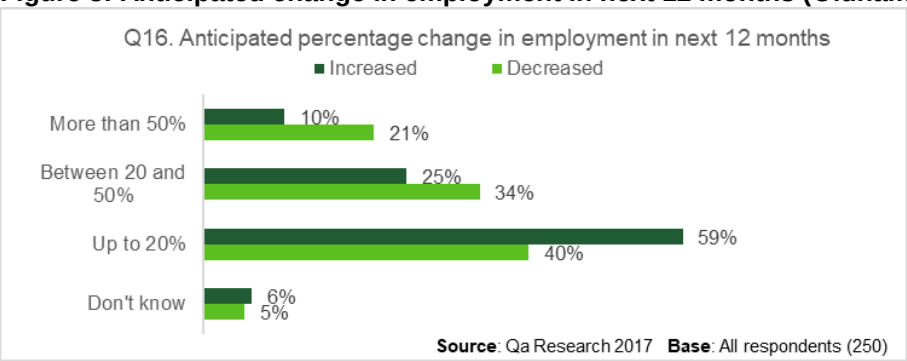


Figure 3 indicates that the majority of firms that were planning to increase their workforce in the next 12 months were planning to do so by up to 20% (59%) compared to 10% that were planning on increasing employment by over 50%. Of those firms planning to cut jobs just over a fifth (21%) were planning to cut more than 50% of their workforce.

Figure 3: Anticipated change in employment in next 12 months (Oldham)



2.2 Recruitment and Skills

2.2.1 Training

The majority (60%) of firms in Oldham have provided training for their staff in the last year as shown in Figure 4. Of these firms 39% have provided internal training and 44% have used an external training provider. Of the firms that haven't provided any training to staff over the last 12 months (39%), the majority have no training plan or budget in place (34%).

Figure 4: Provided staff training in the last 12 months (Oldham)

Comparison with Greater Manchester
Firms in Oldham were more likely to have not provided any staff training in the last 12 months (39% compared to 31% across GM) and to have no training plan or budget in place (34% compared to 27% across GM).

2.2.2 Work experience and internships

The majority of firms in Oldham (75%) do not offer opportunities for work experience or internships, paid or otherwise as shown in

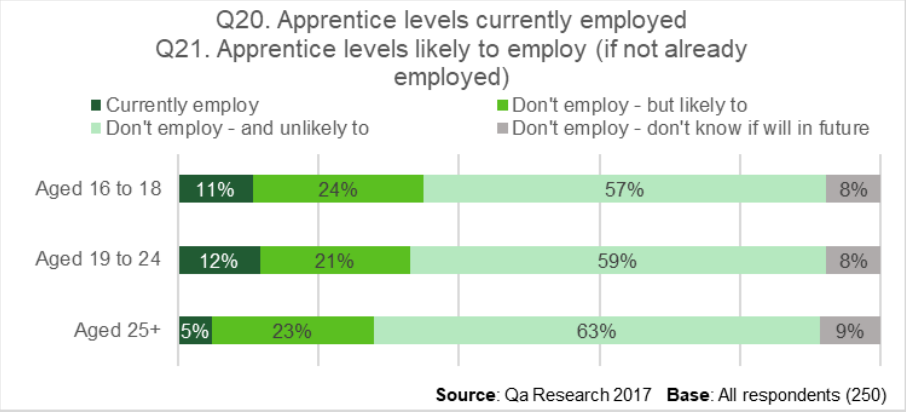
Figure 5. Firms are more likely to offer work experience placements or internships on an unpaid basis (22%) than on a paid basis (9%).

Figure 5: Work experience/internships offered (Oldham)

2.2.3 Apprenticeships

The majority of firms in Oldham indicated that they do not employ apprentices, and that they are not likely to do so in future as shown in Figure 6. Whilst around one-in-ten employ apprentices aged 16 to 18 (11%) and 19 to 24 (12%), very few employ any older apprentices aged 25 and over (5%).

Figure 6: Apprenticeships offered/likely to offer (Oldham)



2.2.4 Hard to fill vacancies

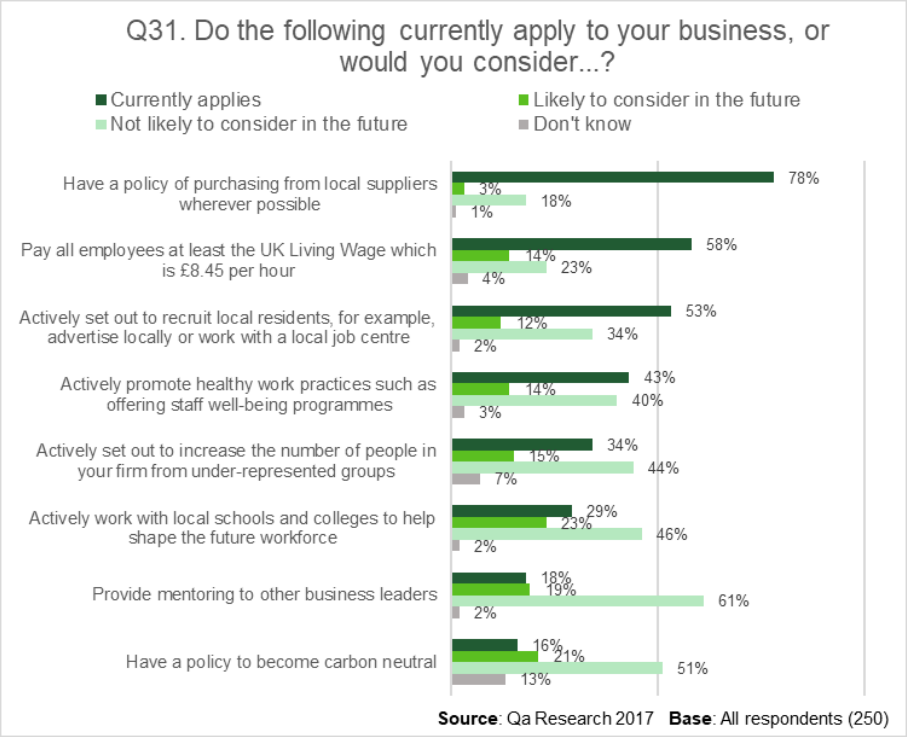
Figure 7 indicates that the majority of firms in Oldham do not currently have any vacancies that are hard to fill (87%).

Figure 7: Hard to fill vacancies (Oldham)

2.3 Community engagement and inclusive growth

Figure 8 shows that over three quarters (78%) of Oldham firms have a policy to source from local suppliers where possible and a further 3% will consider implementing such a policy in the future. Over half (58%) of firms pay all employees at least the UK living wage and a further 14% are likely to consider doing so in the future. More than half of firms (53%) actively set out to recruit local residents and a further 12% are likely to consider doing so in future. One half of all businesses (51%) are not likely to consider introducing a policy to become carbon neutral in the future.

Figure 8: Community engagement and inclusive growth (Oldham)



Comparison with Greater Manchester
The responses from firms in Oldham relating to community involvement and inclusive growth are in line with those from other respondents in Greater Manchester.

2.4 Drivers and Barriers to Growth

The four main drivers of growth reported by firms in Oldham were 'workforce and skills' (37%), 'developing new products or services' (14%), 'access to markets and sales opportunities' (11%), and their 'approach to business strategy and planning' (9%), as shown in Figure 9.

Figure 9: Drivers of growth (Oldham)

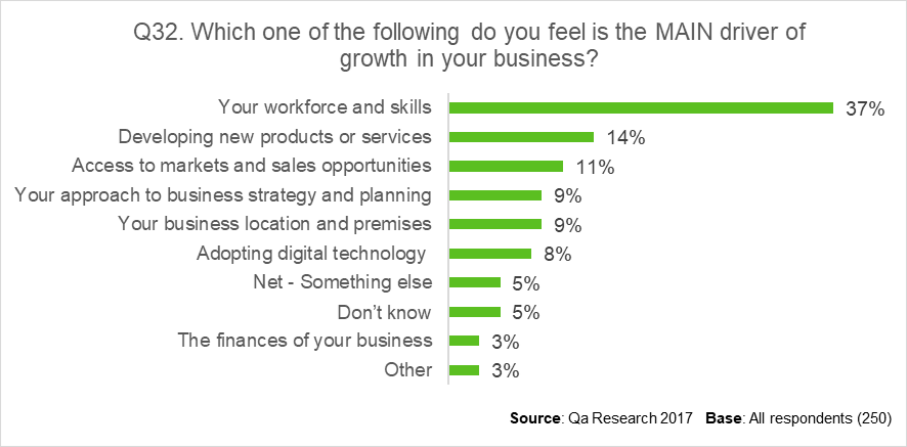
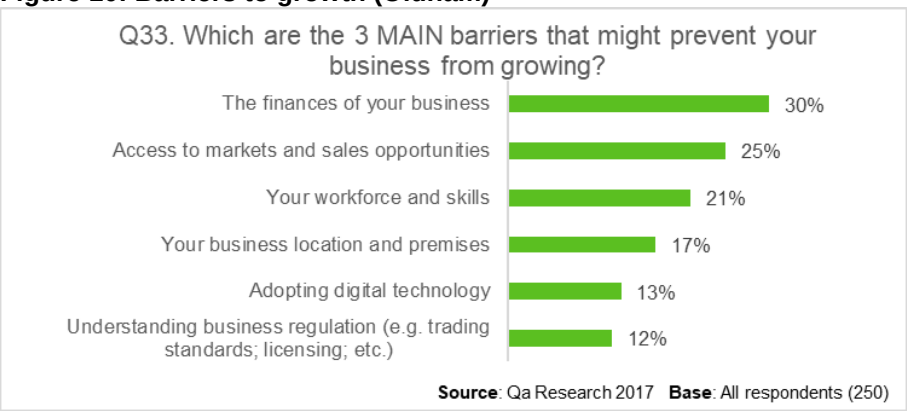


Figure 10 shows the main barriers to growth reported by firms in Oldham include 'the finances of the business' (30%), 'workforce and skills' (21%) and 'business location and premises' (17%).

Figure 10: Barriers to growth (Oldham)



Comparison with Greater Manchester
The responses from firms in Oldham are generally in line with those from firms across GM for both drivers and barriers to growth. One difference is that the proportion of firms that report that their 'business location and premises' as a barrier to growth is lower in Oldham (17% compared to 21% across GM).

2.5 Business Support

2.5.1 Accessing business support in the last 12 months

The survey also found that in last 12 months, 8% of businesses in Oldham had sought some form of information, support or advice. Figure 11 indicates that the key sources of such information

support and advice include accountants or solicitors (3%), Business Growth Hub (3%), business consultants (2%) and the bank (2%).

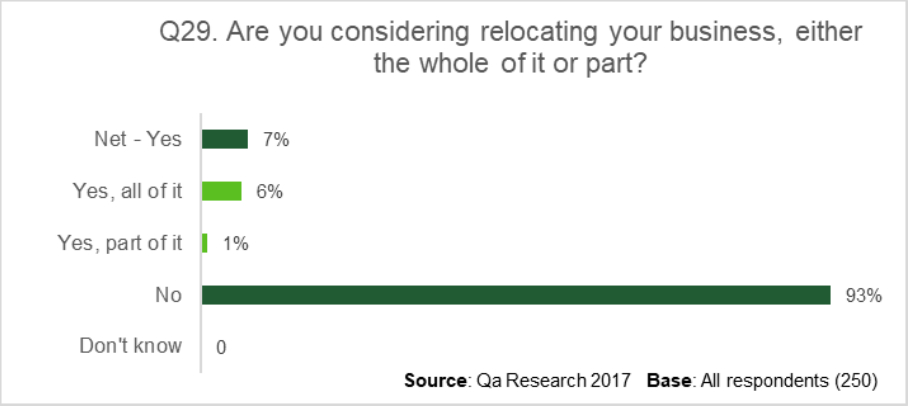
Figure 11: Accessing business support (Oldham)

Comparison with Greater Manchester
The proportion of firms in Oldham seeking business advice (8%) is lower than the Greater Manchester figure (15%).

2.6 Business location

Firms in Oldham were asked about any plans they had for relocating their business and 7% indicated that they were considering relocating. Figure 12 shows that 6% were considering relocating the whole of their business and 1% were considering relocating part of their business.

Figure 12: Business relocation plans (Oldham)


Q29. Are you considering relocating your business, either the whole of it or part?
Net - Yes
7%
Yes, all of it
6%
Yes, part of it
1%
No
93%
Don't know
0
Source: Qa Research 2017 Base: All respondents (250)