



Building better business resilience

Understanding business resilience
among under-represented groups
in London

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EXECUTIVE SUMMARY

Headlines

Supported by the JPMorgan Chase Foundation this report highlights the preliminary findings from a new survey of business adversity and resilience in 600 small businesses located in six London boroughs, three low-income and three middle-income. The study aims to identify the characteristics and strategies that foster resilience survival and growth in SMEs, and to develop practical toolkits to support under-represented entrepreneurs in their efforts to develop more resilient businesses. Four key findings emerge:

- Male and female-led businesses were equally likely to have experienced an existential threat to the survival of their business in the past five years. However, male business owners judged the potential for future threats to be less significant than their female counterparts.
- Ethnic-led businesses were significantly more likely than non-ethnic led businesses to have experienced a threat to the survival of their business. This effect was more evident for younger ethnic businesses and those located in low-income boroughs.
- Ethnic-minority business owners also judged the potential for future threats to be greater than their non-ethnic counterparts. Key issues included increased competition from new and existing sources, cost rises, problems with premises and changes in regulation or legislation.
- Psychological measures of personal resilience on average vary little between male and female business leaders and those from ethnic and non-ethnic groups. There is more significant variation within each group.

Detailed findings

37% of all businesses surveyed had experienced a crisis that threatened the survival of their business over the past 5 years.

- Ethnic-led businesses were 15% more likely than non-ethnic led businesses to have experienced such a crisis, and 17% more likely to have done so in low-income boroughs.

Female and ethnic business leaders identified different priorities for their businesses than males and non-ethnic leaders.

- Females attached higher importance than males to increasing the environmental benefits of their businesses (65% vs 51%) and contributing to their local community (63% vs 44%). These differences were amplified in low-income boroughs.
- Ethnic leaders rated increasing the environmental benefits of their business more highly than non-ethnic ones (64% vs 55%). They were also more likely to attach high importance to contributing to their local community (65% vs 48%), and this increased in low-income boroughs (76% vs 51%).

Female and ethnic business leaders judged future threats in a similar way, and differently from male and non-ethnic leaders.

- Male and non-ethnic business leaders generally judged potential future threats to be less significant than their female and ethnic counterparts.
- Female leaders attached more importance than males to increased competition from new sources (39% vs 26%), increased competition from existing sources (45% vs 31%), cost rises (56% vs 46%) and changes in regulation or legislation (49% vs 41%).
- Ethnic leaders judged increased competition from new sources (43% vs 27%), increased competition from existing sources (45% vs 35%), cost rises (57% vs 48%) and changes in regulation or legislation (54% vs 41%) to be more significant than non-ethnic leaders did.

Similar proportions of businesses had consulted external sources of advice over the past 12 months, however the sources that they had consulted varied by type of leader.

- Female leaders were less likely than males to have consulted a legal adviser (57% vs 67%) and an accountant (76% vs 83%).
- Ethnic leaders were less likely than non-ethnic leaders to have consulted a legal adviser (55% vs 65%) and an accountant (71% vs 83%). They were more likely to have consulted a mentor (51% vs 44%).

Implications

The survey findings indicate material differences in the ways in which ethnic and female-led small businesses in London run their businesses, and in how they plan for and experience adversity, compared to their male and non-ethnic counterparts. Some of these differences appear to be amplified in low-income and middle-income boroughs. The findings support the view that developing targeted initiatives and support mechanisms for these under-represented groups is both appropriate and timely. They also suggest that the challenges faced by different under-represented populations have both general and more specific elements which could be addressed through bespoke support mechanisms.

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1. INTRODUCTION

Small and medium-sized enterprises, or SMEs, are crucial to the economy. However, very little is known about the ways in which SMEs in general, and businesses run by entrepreneurs from under-represented groups in particular, experience challenges and shocks that threaten their survival. Identifying routes to resilience for these businesses in the face of such threats is the overarching objective of this research project.

We define resilience as a strategic objective intended to help an organisation to survive and prosper. A highly resilient organisation is more adaptive, competitive, agile and robust than a less resilient organisation, and it rebounds from adversity strengthened and more resourceful. This study explores the ways in which micro and small businesses, with between 3 and 99 employees, experience and respond to shocks. It has a particular focus on businesses owned and run by entrepreneurs from under-represented groups. We identify female business leaders and those self-identifying as ethnic-minority as under-represented within the general entrepreneur population. Ethnic-minority led businesses are referred to as ‘ethnic-led’ in this report. Research shows that individuals from these groups that do succeed in starting their own businesses often experience greater barriers to entry, and lower turnover and survival rates than other groups (Wishart, 2018)¹. Given the important contribution that SMEs make to the UK economy, accounting for 99% of businesses, 60% of private-sector jobs and 52% of private-sector turnover (FSB, 2018)² developing a more detailed understanding of the resilience of these businesses, as well as the specific experiences of under-represented entrepreneurs, is both important and timely.

This research forms part of a two year, five-country study into small business resilience, funded by the JPMorgan Chase Foundation and led by the Enterprise Research Centre (ERC) at Warwick Business School and Aston Business School. The primary aims of the study are to identify the characteristics and strategies that foster resilience, survival and growth in SMEs, and to develop practical toolkits to support under-represented entrepreneurs in their efforts to develop more resilient businesses.

1 Wishart (2018) *Under represented entrepreneurs: A literature review*, Enterprise Research Centre. Available at: <https://www.enterpriseresearch.ac.uk/wp-content/uploads/2018/07/Under-represented-entrepreneurs-Revised-10.18.pdf>

2 FSB (2018) *Small business statistics* [Online]. Available at <https://www.fsb.org.uk/media-centre/small-business-statistics> (Accessed 6 Dec 2018)

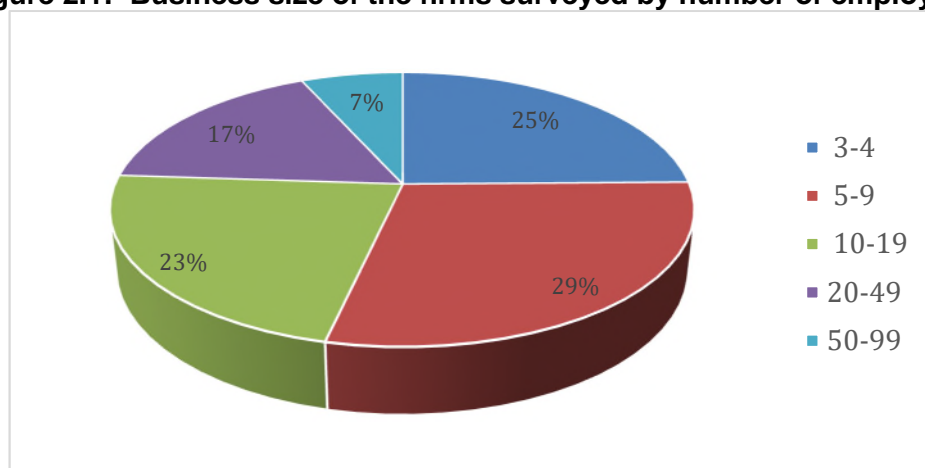
This report provides a preliminary account of the findings of a survey of 600 small businesses, carried out in 6 Boroughs in London during September and October 2018. The findings are organised into three sections, followed by an initial conclusions section. The first section offers a detailed profile of the businesses surveyed. The second examines the ways in which small businesses anticipate and plan for adversity, and the final section focuses upon their experiences of, and reactions to, adversity.

2. PROFILE OF THE BUSINESSES SURVEYED

The leaders of 600 small businesses, with between 3 and 99 employees, were surveyed. The study was conducted in three middle-income and three low-income London boroughs³ and equal numbers of businesses were surveyed in each type of borough. Of the 300 businesses surveyed in each type of borough, 150 were female-led and 150 male-led. Around 90 of the 300 businesses surveyed in each type of borough were led by ethnic entrepreneurs.

The breakdown of businesses surveyed mirrors the overall business population in the boroughs surveyed, in terms of number of employees. The overall breakdown of the firms surveyed by size is shown in Figure 2.1. The breakdown by borough is shown in Table A1 in the appendices.

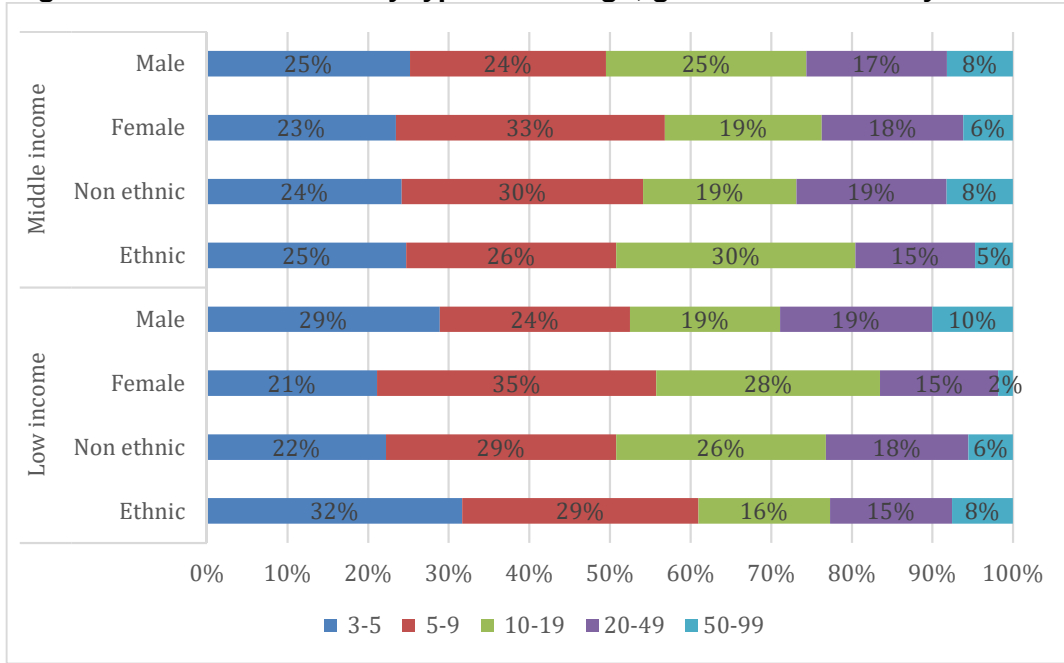
Figure 2.1: Business size of the firms surveyed by number of employees



³ Low-income boroughs: Tower Hamlets, Lambeth, Hackney. Middle-income Boroughs: Camden, Ealing, Hammersmith and Fulham. Based on Index of Multiple Deprivation (IMD) measure, 2018. Low-income boroughs are from the bottom third of London boroughs ranked in increasing order of IMD score, middle-income are in middle third.

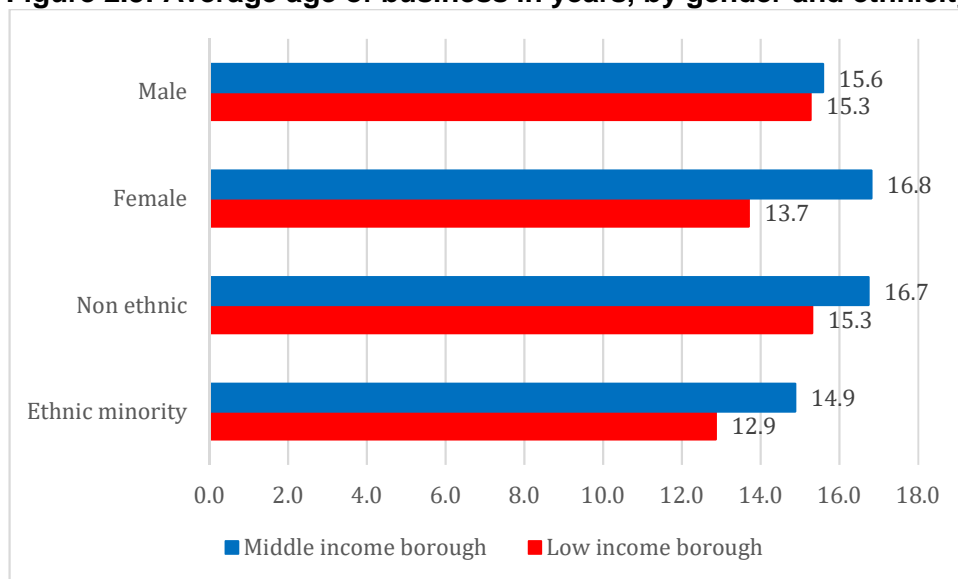
Although there were small variations, business size did not vary by type of borough, gender or ethnicity of leader, as demonstrated in Figure 2.2.

Figure 2.2: Business size by type of borough, gender and ethnicity of leader



Businesses based in low-income boroughs were, generally, younger than those in middle-income boroughs (see Figure 2.3). Ethnic-led businesses were on average slightly younger than non-ethnic led firms.

Figure 2.3: Average age of business in years, by gender and ethnicity



The average turnover of the businesses is shown in Figure 2.4. The variation in turnover reflects the range of business sizes surveyed. Figure 2.5 shows the proportion of businesses reporting increased turnover in the past 12 months.

Figure 2.4 Average turnover (£000) of business by gender and ethnicity

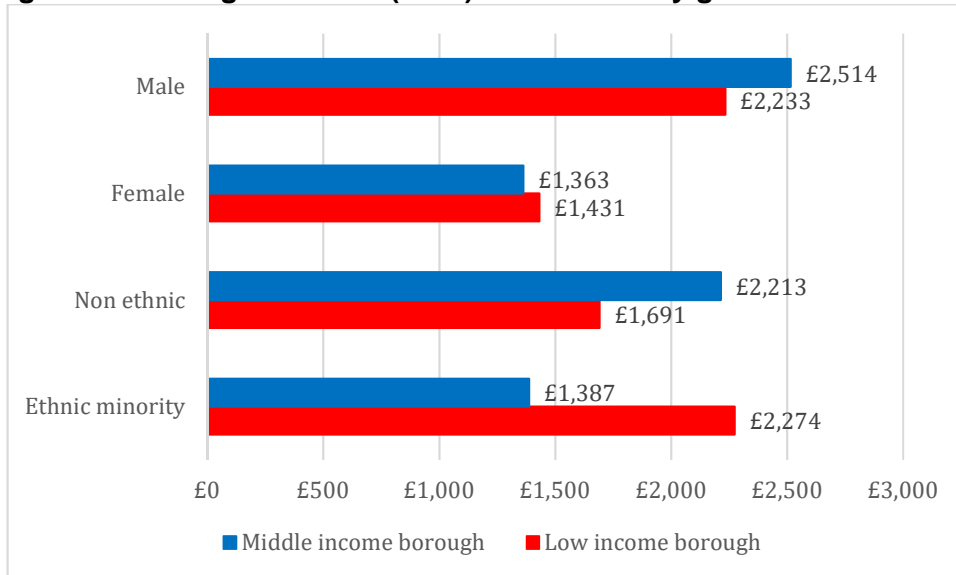
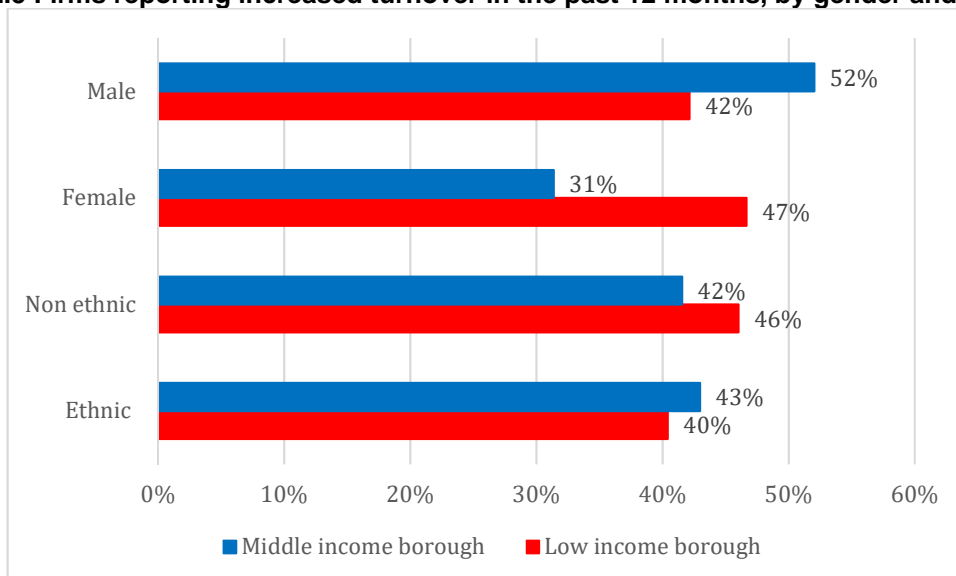
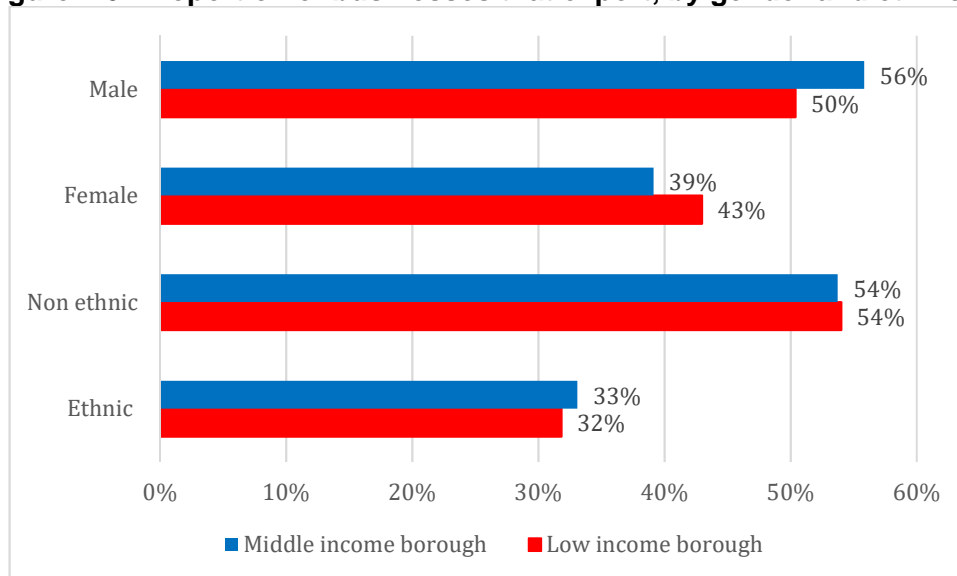


Figure 2.5 Firms reporting increased turnover in the past 12 months, by gender and ethnicity



On average, of our sample, around half of firms led by male and non-ethnic respondents claimed to export, and this did not vary by type of borough (see Figure 2.6). However, female and ethnic-led businesses were significantly less likely to say that they exported than their male and non-ethnic counterparts, which may reflect the different business sectors that they occupy.

Figure 2.6: Proportion of businesses that export, by gender and ethnicity



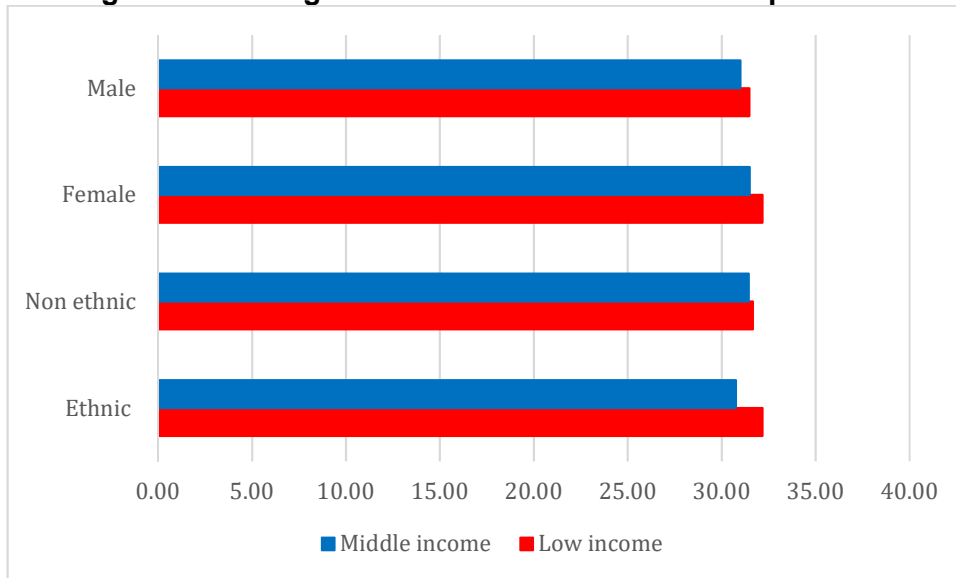
The survey applied the Connor Davidson 10 item resilience scale (CD10) to all respondents. This is a widely-used instrument for the measurement of individual resilience, based on statements about how individuals deal with difficult situations. Respondents rate items on a five point Likert scale from zero (not at all true) to four (true nearly all the time). Summing the scores for the ten statements gives an overall score of between zero and forty. A higher score indicates higher individual resilience. A link between individual resilience of a leader and the resilience of their business has often been asserted in the literature (e.g., Ayala and Manzano, 2014⁴ ; Powell and Baker, 2011⁵). This study found no significant difference in the mean resilience scores of the different groups of respondents, as shown in Figure 2.7. This suggests that there is no notable difference between the (average) ability of male and female or ethnic

4 Ayala, J.-C., & Manzano, G. (2014). The resilience of the entrepreneur. Influence on the success of the business. A longitudinal analysis. *Journal of Economic Psychology*, 42, 126-135.

5 Powell, E. E., & Baker, T. (2011). Beyond making do: Towards a theory of entrepreneurial resourcefulness. *Frontiers of Entrepreneurship Research*, 31(12).

and non-ethnic business leaders to cope with adversity although this varies widely within each group.

Figure 2.7 Average CD10 scores for individual respondents



In summary, the sample of businesses surveyed mirrored the business population in the boroughs under study in terms of business size. Key differences between business types were apparent, notably that ethnic-led small businesses and those based in low-income boroughs were more likely to be younger, and that female and ethnic-led businesses were less likely to export. It is also worthy of note that no variation in the mean individual resilience scores of the business leaders surveyed in each group was identified.

3. ANTICIPATING AND PLANNING FOR ADVERSITY

This section explores the ways in which the business leaders that were surveyed think about business objectives and threats, and how they plan for future adversity.

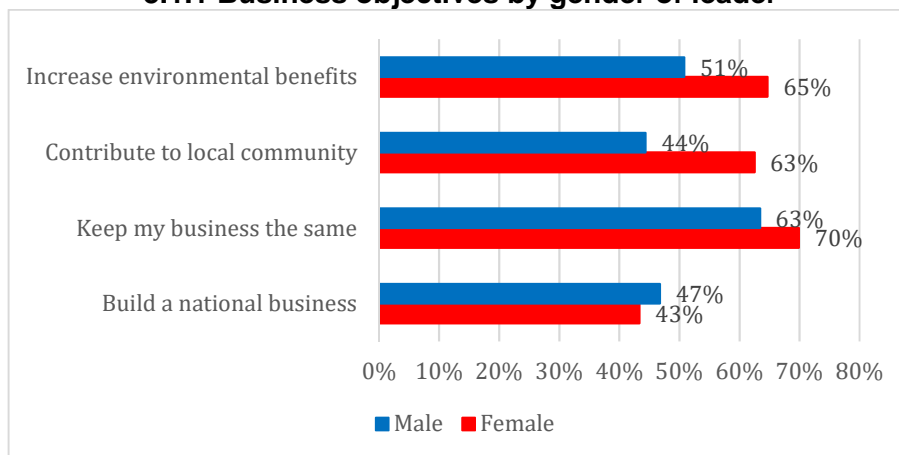
3.1 Ambition and business objectives

Previous research has identified a connection between the ambitions that a small business's leader identifies for their business and the performance of the business. This is a link which may also have implications for the ways in which businesses experience and respond to adversity. A question focusing on the ambition of the business leader from previous research

(Roper and Hart, 2018⁶) was included in our questionnaire. It measures ambition based upon the objectives that the leader expresses for the business. Some variation in the stated objectives of business leaders was found between groups of respondents.

Overall, female business leaders more often prioritised increasing the social and environmental benefits of their businesses and making a contribution to the local community than their male counterparts. This is consistent with the findings of the Global Entrepreneurship Monitor report (Hart et al, 2018⁷) which showed that women, and especially younger women under 30, are more likely to be motivated in setting up their business to address social issues and create meaning as well as to make money. Female leaders were also more likely to express the aim of keeping their businesses the same size than males, while males were slightly more likely to want to build a national business (see Figure 3.1.1). This effect was more pronounced in medium-income boroughs (see Figure 3.1.2), where female managers were even more likely to express the aims of environmental and community contributions than male leaders. Conversely, in low-income boroughs (see Figure 3.1.3), the difference between male and female leaders was smaller. This suggests that contextual differences between medium and low-income boroughs may be at work, provoking different aspirations in business leaders, or perhaps attracting different kinds of entrepreneurs.

3.1.1 Business objectives by gender of leader



6 Roper, S & Hart, M (2018) *The State of Small Business Britain*, Enterprise Research Centre. Available at: <https://www.enterpriseresearch.ac.uk/wp-content/uploads/2018/06/SSBB-Report-2018-final.pdf>

7 Hart, M Bonner, K Levie, J & Heery, J (2018) *Global Entrepreneurship Monitor United Kingdom 2017 Monitoring Report*, Enterprise Research Centre. Available at: <http://www.enterpriseresearch.ac.uk/wp-content/uploads/2018/07/GEM-UK-2017-Final.-03.07.2018.pdf>

Figure 3.1.2 Business objectives by gender of leader for middle-income boroughs

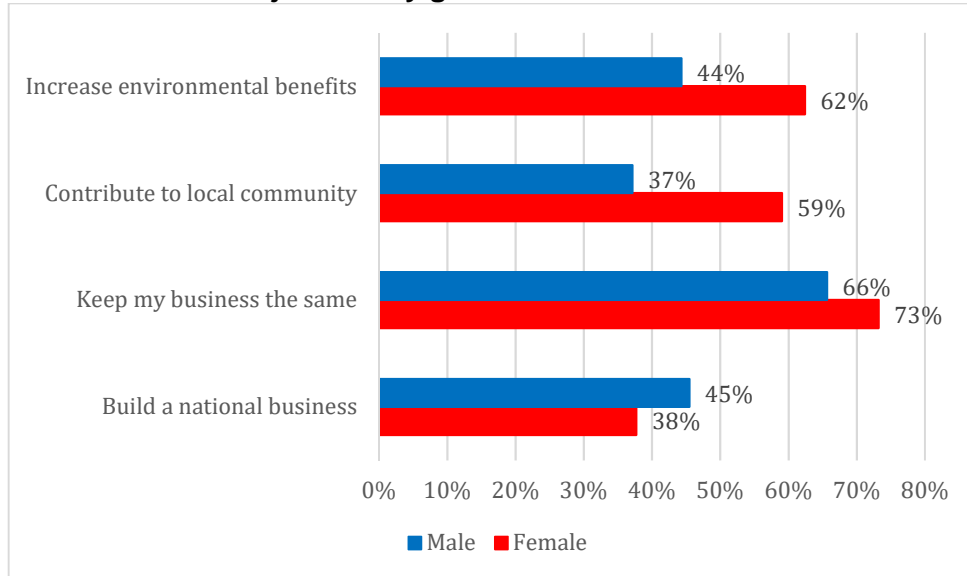
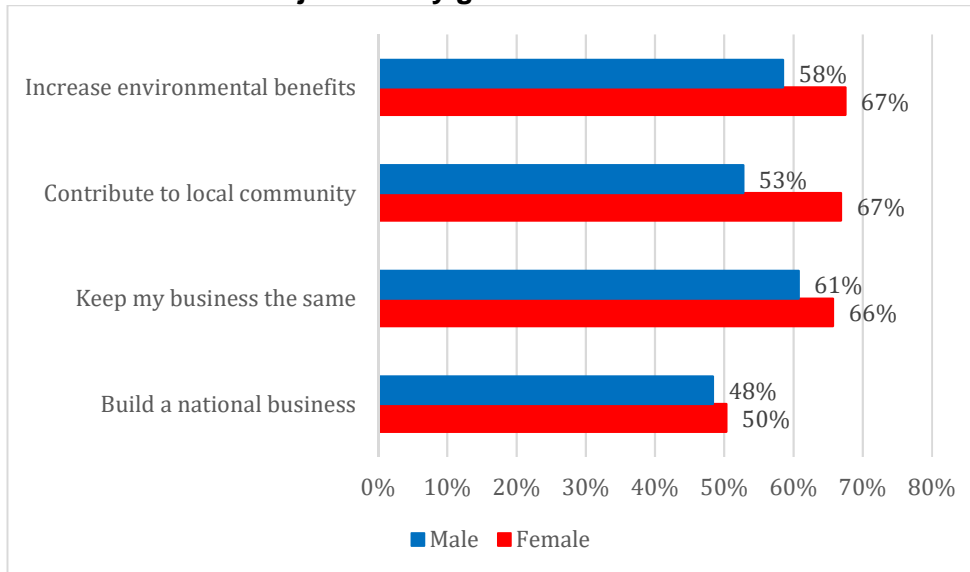


Figure 3.1.3 Business objectives by gender of leader for low-income boroughs



Ethnic-led businesses were, overall, more likely than non-ethnic ones to prioritise objectives related to the community and environmental contributions of their businesses, and less likely to plan to build a national business (see Figure 3.1.4). This finding is consistent with the findings of the Global Entrepreneurship Monitor (2018) report which shows that ethnic business owners, and indeed immigrants, are more likely to be motivated to create a business to address wider social and community issues. The extent of these differences varied between type of borough. In particular, the propensity of ethnic leaders to express community-contribution objectives was significantly higher versus non-ethnic leaders in low-income

boroughs, (see Figure 3.1.6) suggesting that this choice of objective may be linked to contextual factors in these boroughs.

Figure 3.1.4 Business objectives by ethnicity of leader

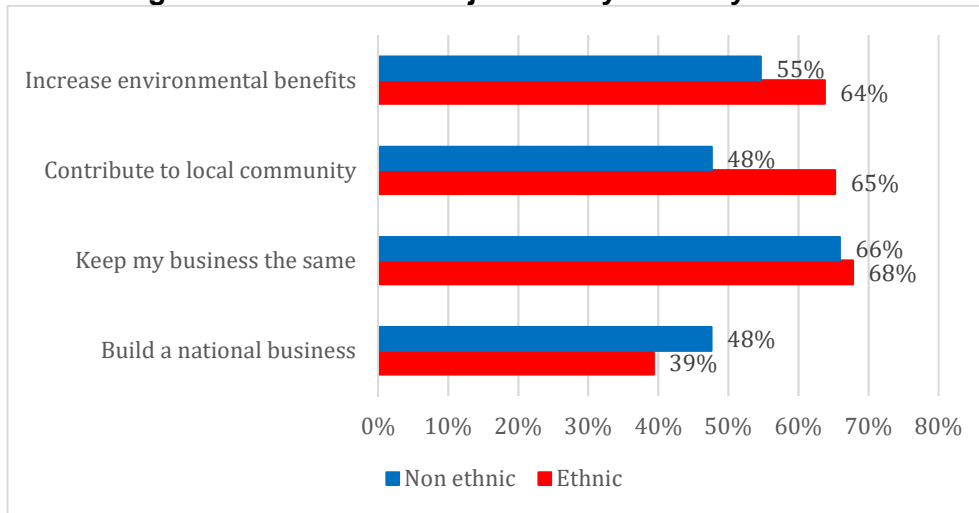


Figure 3.1.5 Business objectives by ethnicity of leader for middle-income boroughs

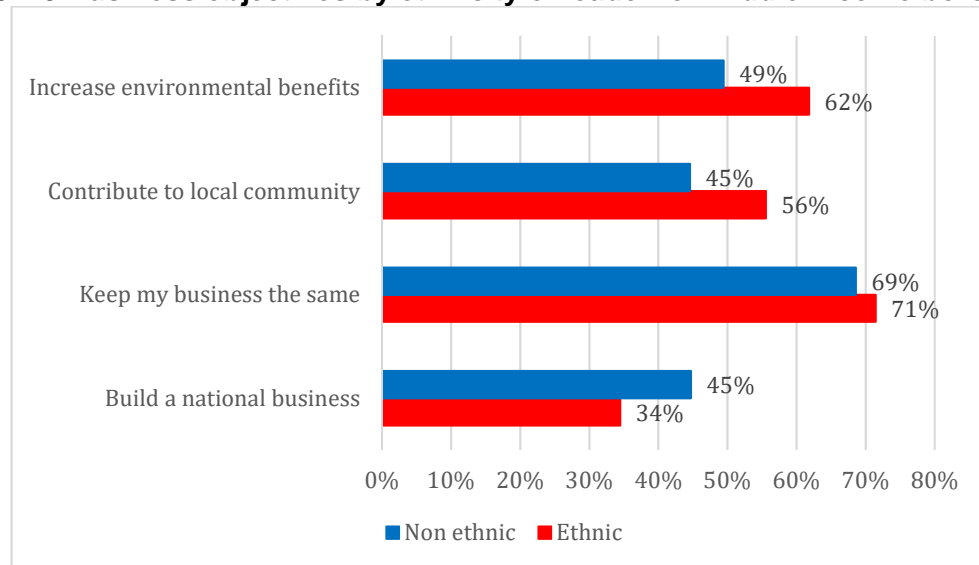
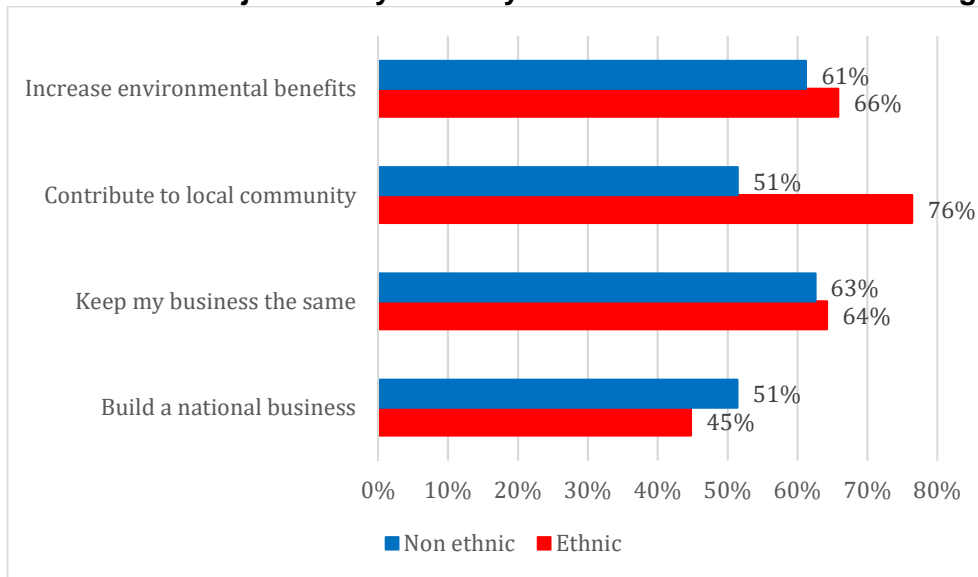


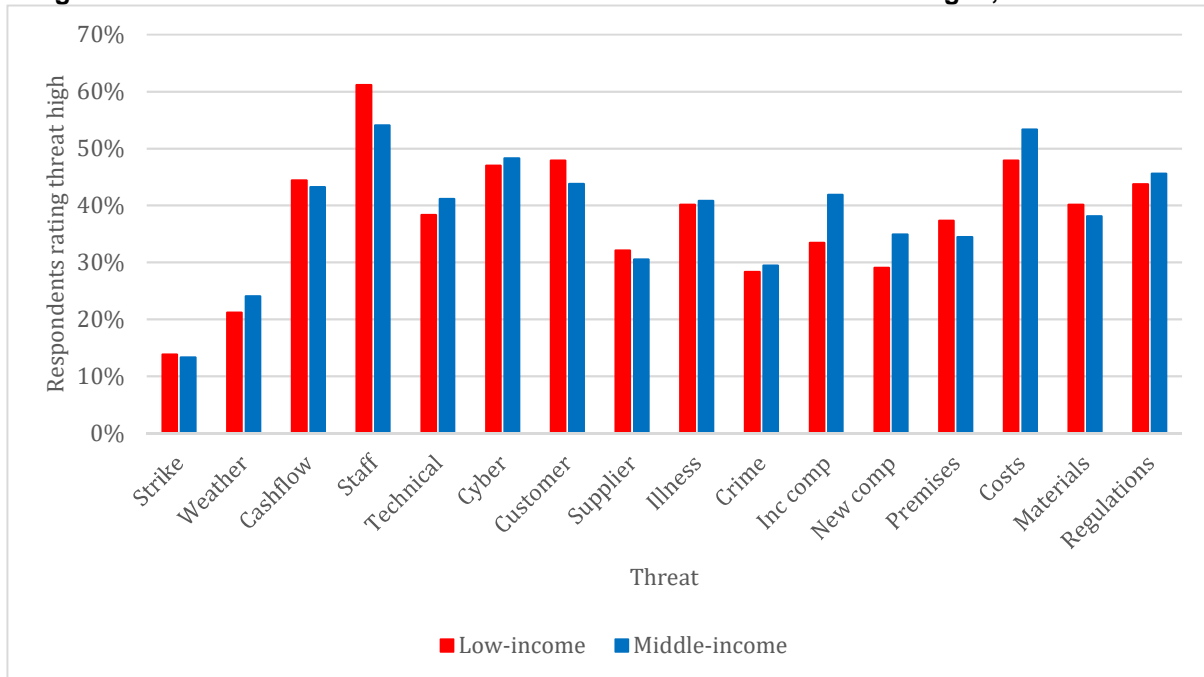
Figure 3.1.6 Business objectives by ethnicity of leader for low-income boroughs



3.2 Perceived threats

Respondents were asked to indicate the importance of a number of potential business threats, using a Likert scale, where 1 was 'not a threat at all' and 5 was 'a very significant threat' (see Appendix 3). The tables below show the proportion of respondents that judged each threat to be a 4 or 5 on this scale. There is very little overall difference in the importance attached to threats by all businesses surveyed from low-income and middle-income boroughs (see Figure 3.2.1). The only exception to this is concerns about loss of staff or recruiting new staff members, which are expressed more often by business managers in low-income boroughs, and which may indicate a difference in the proportion of labour-dependent businesses in these areas.

Figure 3.2.1 Perceived threats: low-income versus middle-income boroughs, all businesses



Female and ethnic business leaders appear to rate the business threats in remarkably similar ways, and in two key ways that differ from their male and non-ethnic counterparts. Firstly, both female and ethnic managers generally judged threats to be more significant than their counterparts. Secondly, they judged several challenges in particular to be more potent threats to their businesses than their counterparts did. These included increased competition from new and existing sources, cost rises, problems with premises and changes in regulation or legislation (see Figures 3.2.2 and 3.2.3).

In addition to this, female leaders worried more than any other group about personal circumstances such as illness and staff issues, while ethnic leaders expressed more concerns about cybercrime and data theft. It is possible that differences in the sectors in which these businesses are operating may partially account for this divergence. Nevertheless, the results indicate material differences in the attitudes of different entrepreneurs towards risks within their businesses. Acknowledging and incorporating these differences into policy and support initiatives may well drive the development of more relevant, targeted and effective interventions to assist these entrepreneurs in building resilient businesses.

Figure 3.2.2 Perceived threats: Female versus male-led businesses, all types of boroughs

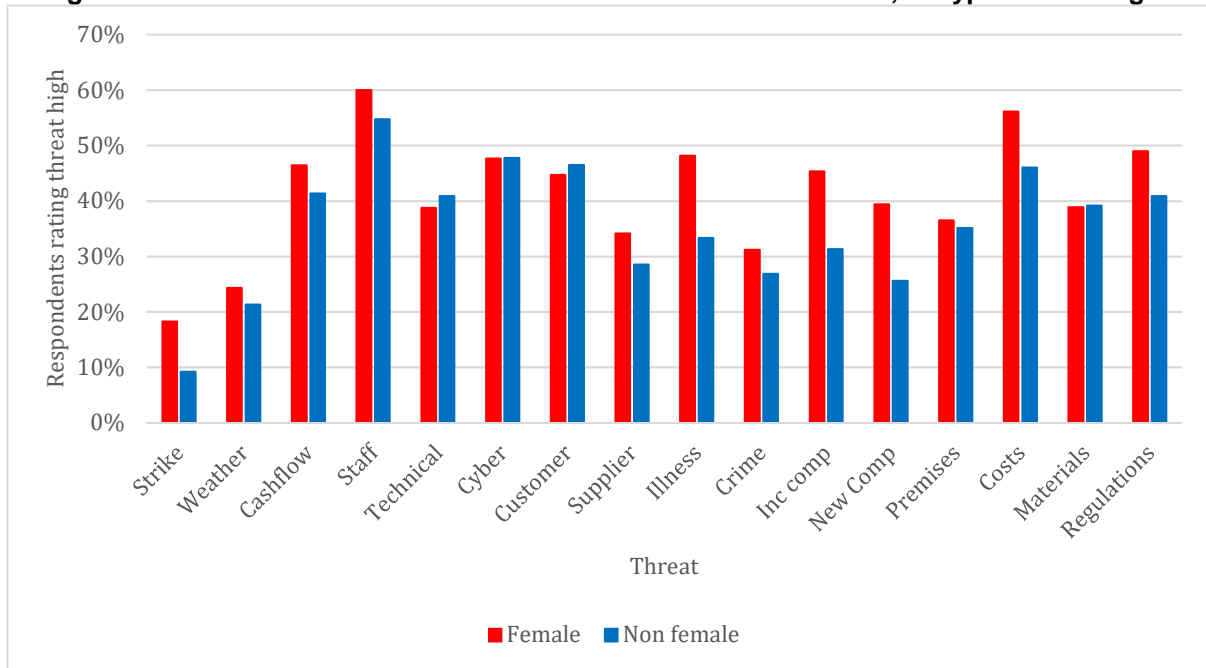
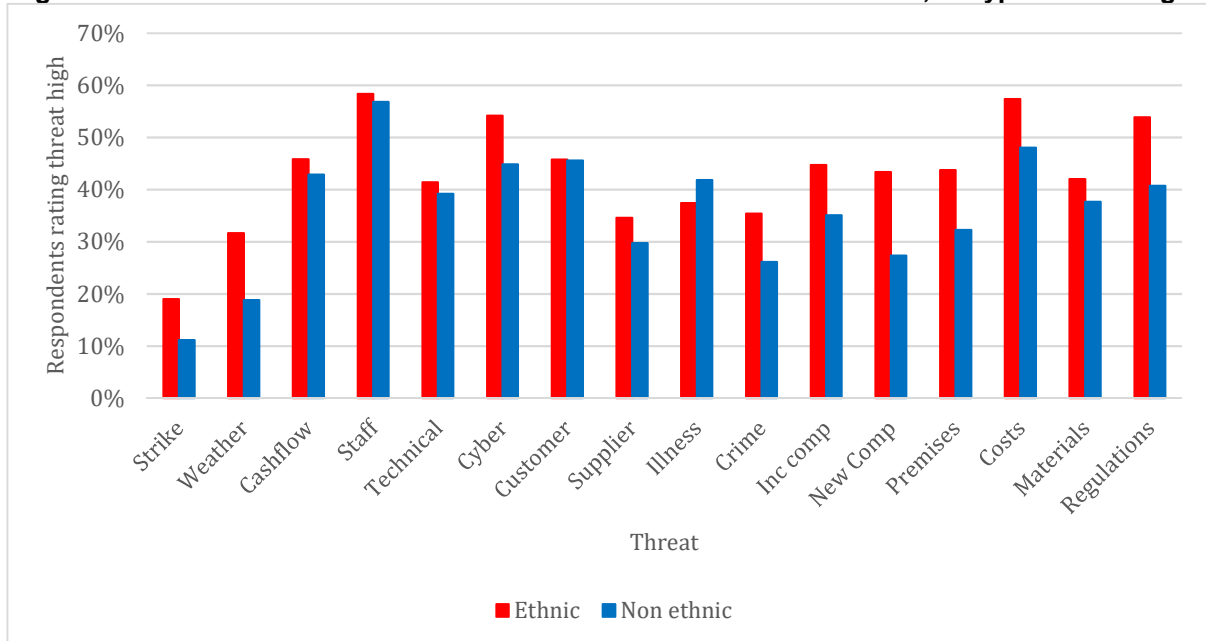


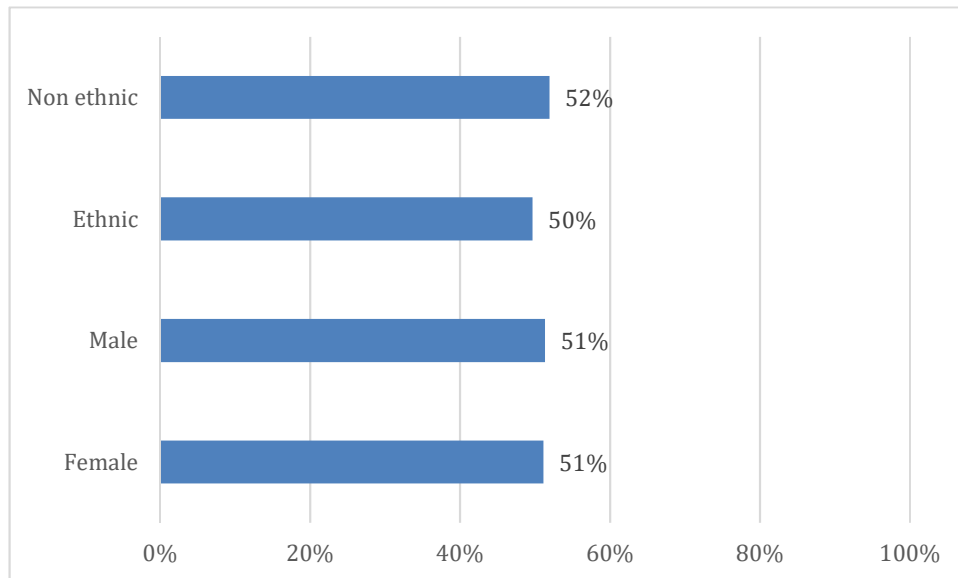
Figure 3.2.3 Perceived threats: Ethnic versus non-ethnic led businesses, all types of boroughs



3.3 External advice

Overall, similar proportions of each group under study had sought external advice over the past 12 months.

Figure 3.3.1 Proportion of businesses seeking external advice in past 12 months



Of those that had sought external advice, there were differences in the sources of advice that they chose. Female and ethnic business leaders were less likely to have consulted an accountant or legal adviser than male and non-ethnic businesses, and this effect appears to be amplified, particularly for females, in low-income boroughs (see Figure 3.3.4). These two groups are also slightly more likely to have consulted a mentor or friend than their male and non-ethnic counterparts (see Figures 3.3.2 and 3.3.3).

The differences in the ways in which these entrepreneurs utilise external advice suggest differing awareness of, or perhaps attitudes towards, the various sources of advice available. They may also indicate inconsistent availability or promotion of some sources of advice across geographical areas.

Figure 3.3.2 Sources of advice: All female vs male led businesses

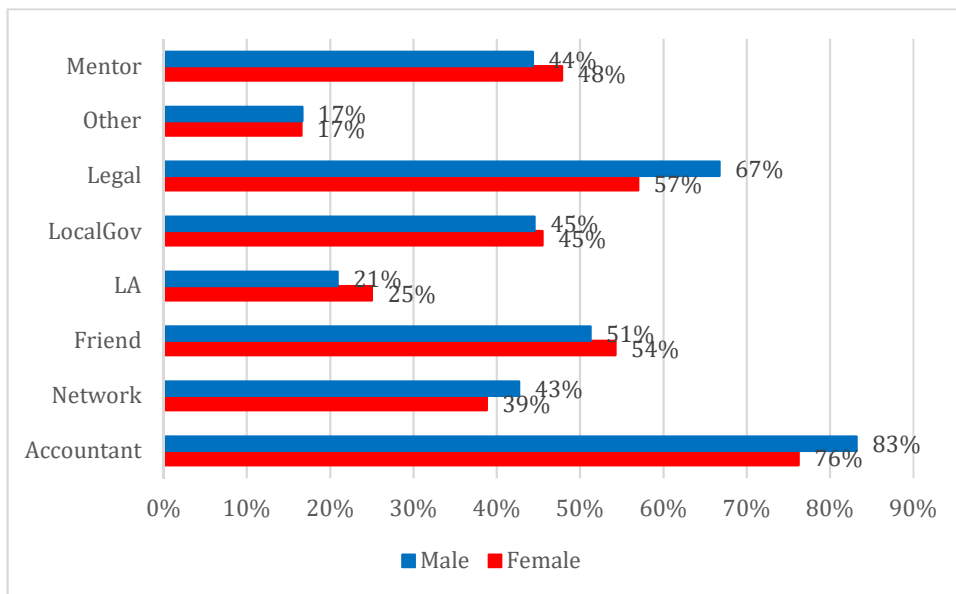


Figure 3.3.3 Sources of advice: All ethnic vs non-ethnic led businesses

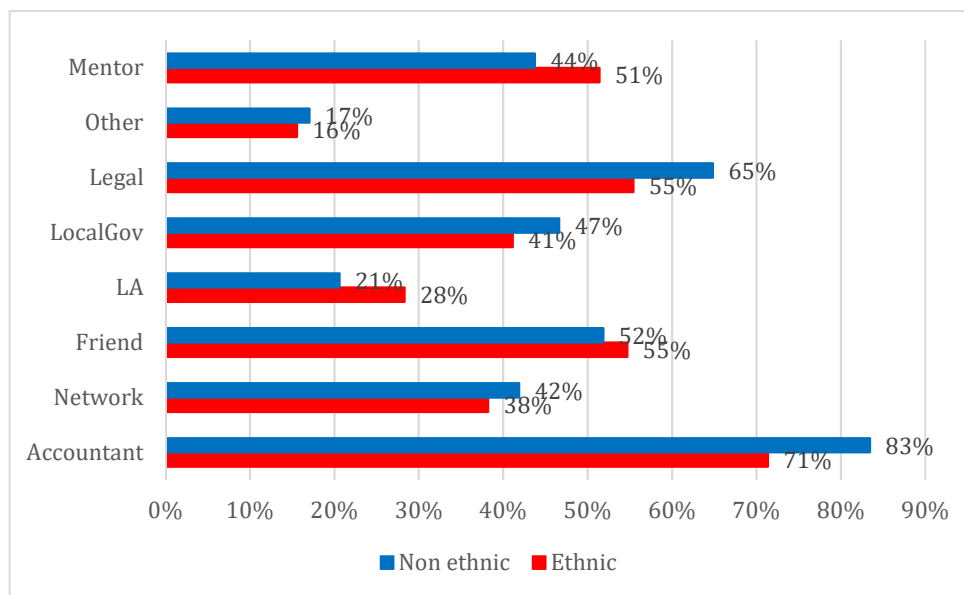


Figure 3.3.4 Sources of advice in low-income boroughs

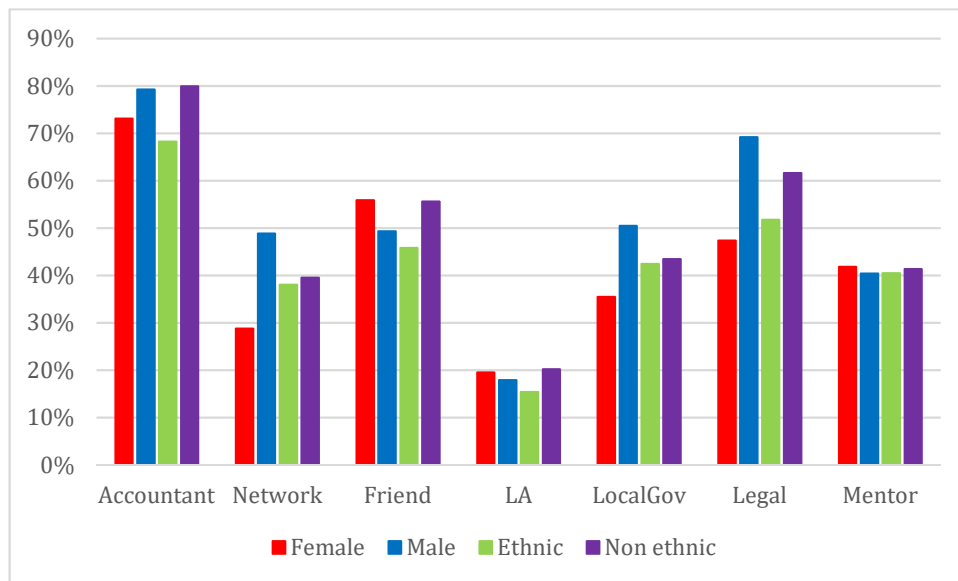
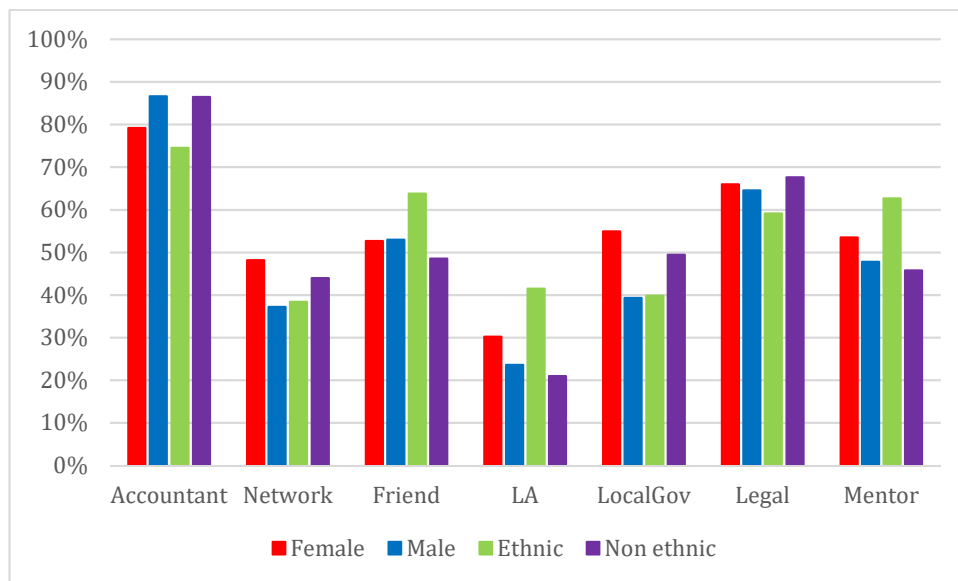


Figure 3.3.5 Sources of advice in middle-income boroughs



In summary, the study has identified clear differences between the two main under-represented sub-groups of the population, and between the two type of boroughs in which the research was conducted. Female and ethnic business leaders have a greater focus on community and environmental objectives than their male and non-ethnic leaders. There are also clear differences in the ways in which female and ethnic leaders approach risk, as they worry generally more, and about different issues, than their counterparts. These leaders also utilise external advice in different ways, and favour different sources of advice.

4. EXPERIENCES OF ADVERSITY

This section considers the 37% of respondents whose firms had experienced a crisis (defined as a situation that threatened the survival of the business) in the recent past. The survey results show that female-led businesses were no more likely than male-led businesses to have experienced an existential crisis in the past five years. However, ethnic-led businesses were significantly more likely than non-ethnic led businesses to have experienced such an event (see Figure 4.1). This was more evident for ethnic businesses in low-income than in middle-income boroughs (see Figure 4.2). Ethnic businesses experiencing a crisis also appear to have a slightly younger profile than non-ethnic businesses (see Figure 4.3).

Figure 4.1 Businesses that had experienced a crisis in the past five years

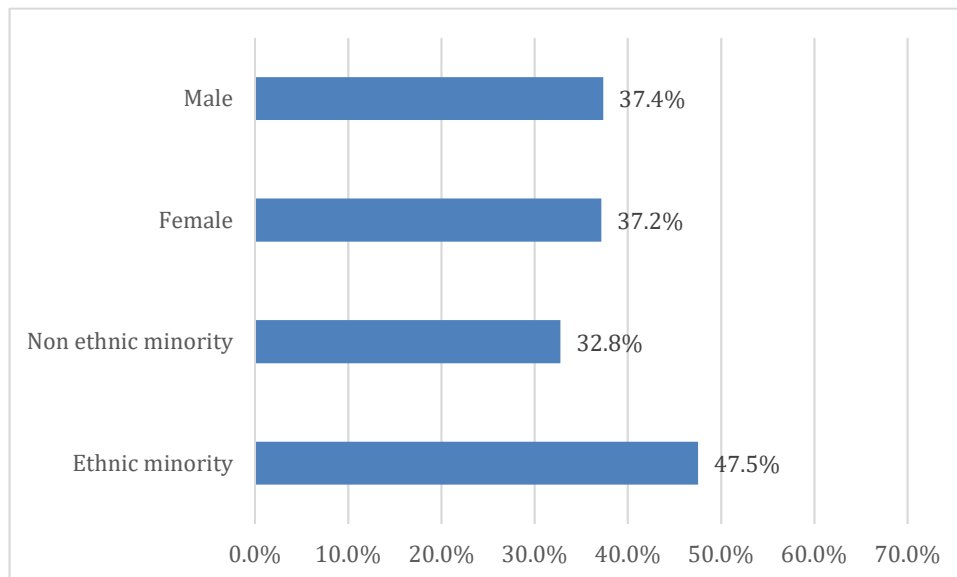


Figure 4.2 Businesses that had experienced a crisis in the past five years by type of borough

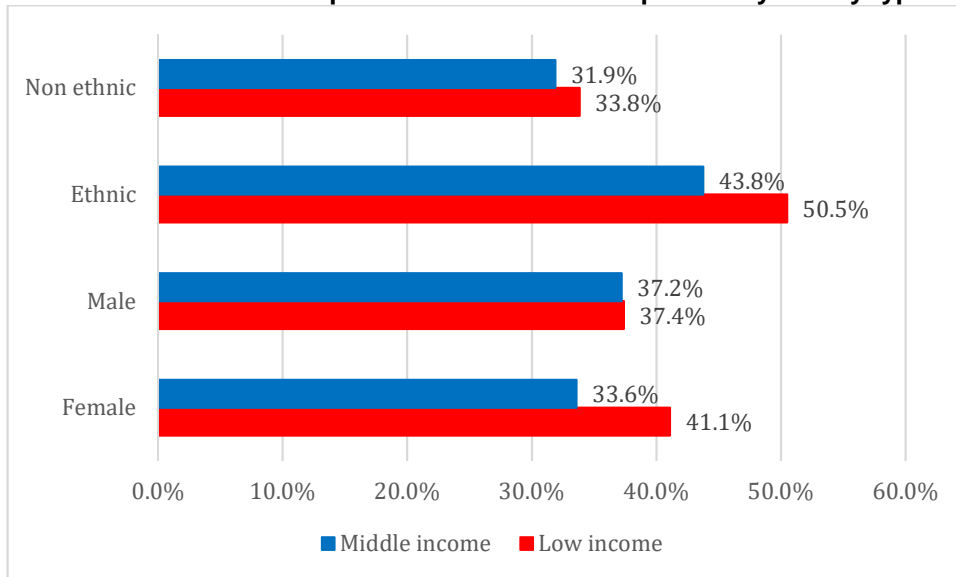
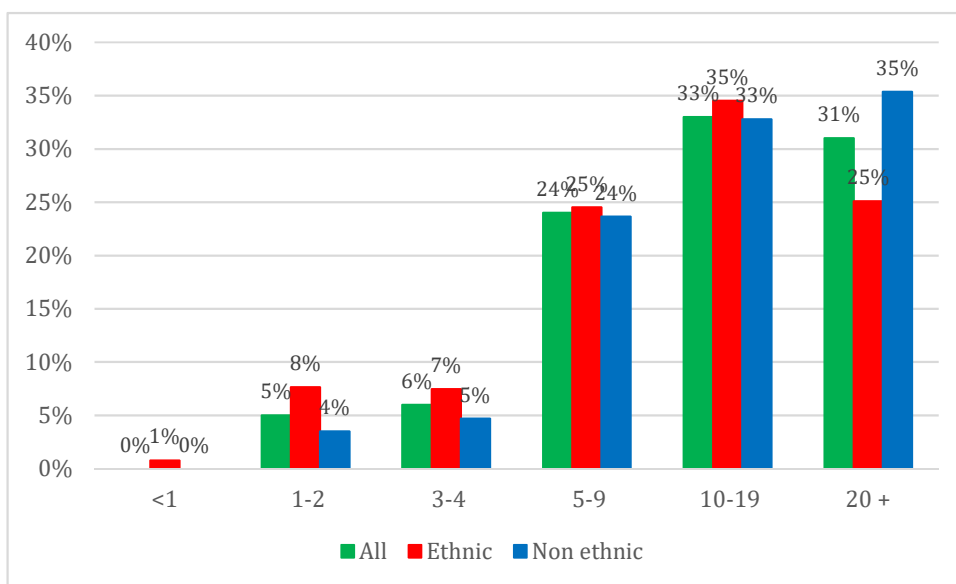


Figure 4.3 Crisis by age of business (yrs)



Ethnic-led businesses are more likely to have experienced a crisis that threatened the survival of their business than their non-ethnic counterparts. That this appears to be more likely in low-income boroughs indicates a potential link with contextual factors. We will explore this in the qualitative research and case studies we will be undertaking during the next phase of this study.

5. CONCLUSIONS

The preliminary findings of this study indicate that ethnic and female-led small businesses have particular characteristics that distinguish them from their non-ethnic and male-led counterparts. The results also suggest that female and ethnic business leaders approach risk and experience adversity in specific and unique ways. These findings support the view that targeted guidance and interventions specific to their needs would be an appropriate way to support these entrepreneurs in their business ventures.

A representative sample of the small business populations in the six boroughs under study was surveyed. Some key differences among the respondents were found, notably that ethnic-led small businesses and those based in low-income boroughs are more likely to be younger, and that female and ethnic led businesses are less likely to export. These findings indicate that gender, ethnicity and location differences may well be linked to business outcomes in these small businesses.

That female business leaders more often prioritised the social, environmental and local community benefits of their businesses than their male counterparts and were more likely to express the aim of keeping their businesses the same than males, indicates an underlying difference in the ways in which these groups approach business objectives. That this effect was more pronounced in medium-income boroughs implies that contextual differences between medium and low-income boroughs are impacting. Whether these contextual factors are influencing individual business leaders' world-views, or drawing in particular kinds of entrepreneurs, this effect is worthy of further research. Overall, these are differences that have implications for policy and interventions related to entrepreneurship in females.

Similarly, that ethnic-led businesses were more likely than non-ethnic ones to prioritise objectives related to the community and environmental contributions of their businesses, and less likely to plan to build a national business suggests a divergence between these two groups which also has implications for policy. As with the female versus male comparison, the variation of these differences between type of borough indicates that choice of objective may be linked to contextual factors present in these boroughs. These findings may have implications for the development of initiatives to support ethnic-led businesses in the future.

This study finds that female and ethnic business leaders appear to judge business threats in remarkably similar ways, and in two key ways that differ from their male and non-ethnic counterparts. Not only do they judge threats to be more significant than their counterparts, they also worry more about some specific kinds of threats. As noted above, it is possible that the sector that the businesses operate within may be impacting here. Nevertheless, these results indicate material differences in the attitudes of different entrepreneurs towards risks within their businesses. Acknowledging and incorporating these differences into policy and support initiatives may well drive the development of more relevant, targeted and effective interventions to assist these entrepreneurs in building resilient businesses.

The survey found divergence in the sources of advice that different kinds of entrepreneurs had sought, and that this appears to be linked also to type of borough. This indicates inconsistent awareness of, and attitudes towards, the range of advice available. It may also evidence inconsistencies in the ways in which these sources are made available and promoted across boroughs and business communities, and perhaps ultimately communications issues between business advice agencies and their audiences.

The finding that ethnic-led businesses, particularly those based in low-income boroughs, were significantly more likely than non-ethnic led businesses to have experienced an existential threat to their business ought to be of interest to a wide range of stakeholders. Understanding why this is, and the interventions that are needed to address it, could potentially impact positively on many small businesses and, in turn, on their communities and on the economy as a whole.

It is notable that while we detected no variation in the individual resilience scores of the business leaders surveyed, female and ethnic led businesses are clearly experiencing challenges in different ways from their male and non-ethnic counterparts, and in ways which may disadvantage them. This suggests that interventions focused on these groups, which address their specific characteristics and circumstances, could form the basis of future policy and interventions, and could in turn work to alleviate these differences.

These preliminary findings are based on the first phase of this study, in London. The research will now be extended to other European cities, and surveys will be carried out in Paris, Frankfurt, Milan and Madrid during early 2019. We anticipate that the final research report will be published in late Autumn 2019.

Appendix 1: Building better business resilience: The London Survey

The Building better business resilience (BBBR) survey aimed to provide a representative view of the experience and attitudes to adversity across low-income and middle-income London Boroughs. The survey was structured to provide robust information on two groups which are under-represented in the general population of business owners: members of ethnic minority groups and females.

The telephone survey was undertaken with 600 firms across six London Boroughs, three low-income boroughs (Tower Hamlets, Lambeth, Hackney) and three middle-income Boroughs (Camden, Ealing, Hammersmith and Fulham). Individual Boroughs were chosen for inclusion in the survey using the Index of Multiple Deprivation. Firms with 3-99 employees were targeted with subsidiary companies, not-for profit businesses and public sector organisations excluded from the survey. Within each type of Borough survey quotas were set in terms of responses from male (150) and female (150) business owners and ethnic (min. 75) and non-ethnic (max. 225) business owners. Quotas were also imposed on firm size bands (employment) to ensure reasonable response numbers among larger firms. In the survey analysis responses are weighted to give representative results for the surveyed Boroughs.

The telephone survey questionnaire included five main sections covering:

- Business characteristics and performance
- Characteristics of the lead business owner
- Resilience strategies and planning
- Experiences of adversity and response strategies
- Personal resilience

The questionnaire was piloted with 30 firms between 19-21st September 2018 and, following some minor revisions, fieldwork was undertaken from 26th September to 7th November 2018.

Weights are used to ensure representative results for each type of Borough and are summarised in Table A1 with the business population provided by Experian.

Table A1: Derivation of survey weights

Borough type	Borough	Size	Universe (Experian)	% of universe	Achieved interviews	% of interviews	Weight	Weighted base
Low-income	Hackney	3-4	987	3.92%	22	3.66%	1.0721	24
		5-9	1,111	4.42%	32	5.32%	0.8297	27
		10-19	913	3.63%	27	4.49%	0.8081	22
		20-49	634	2.52%	12	2.00%	1.2626	15
		50-99	213	0.85%	7	1.16%	0.7272	5
	Lambeth	3-4	919	3.65%	29	4.83%	0.7573	22
		5-9	952	3.79%	34	5.66%	0.6691	23
		10-19	753	2.99%	26	4.33%	0.6921	18
		20-49	605	2.41%	23	3.83%	0.6286	14
		50-99	217	0.86%	3	0.50%	1.7286	5
	Tower Hamlets	3-4	972	3.86%	19	3.16%	1.2225	23
		5-9	1,223	4.86%	32	5.32%	0.9133	29
		10-19	948	3.77%	21	3.49%	1.0788	23
		20-49	687	2.73%	10	1.66%	1.6418	16
		50-99	272	1.08%	4	0.67%	1.6250	7
Average income	Camden	3-4	1,392	5.54%	21	3.49%	1.5841	33
		5-9	1,744	6.93%	31	5.16%	1.3444	42
		10-19	1,431	5.69%	29	4.83%	1.1792	34
		20-49	1,199	4.77%	14	2.33%	2.0467	29
		50-99	506	2.01%	8	1.33%	1.5115	12
	Ealing	3-4	1,159	4.61%	23	3.83%	1.2042	28
		5-9	1,327	5.28%	31	5.16%	1.0230	32
		10-19	899	3.57%	15	2.50%	1.4323	21
		20-49	618	2.46%	11	1.83%	1.3426	15
		50-99	259	1.03%	4	0.67%	1.5474	6
	Hammersmith & Fulham	3-4	797	3.17%	29	4.83%	0.6568	19
		5-9	883	3.51%	33	5.49%	0.6394	21
		10-19	719	2.86%	26	4.33%	0.6609	17
		20-49	587	2.33%	19	3.16%	0.7383	14
		50-99	223	0.89%	6	1.00%	0.8882	5
Total			25,149	100.00%	601	100.00%	-	601

Appendix 2: Profile of boroughs

Table A2: Demographic profiles of boroughs under study

	Camden	Ealing	Hammersmith & Fulham	Tower Hamlets	Lambeth	Hackney
GLA Population Estimate 2017	242500	351600	185300	304000	328900	274300
Average Age, 2017	36.4	36.2	35.7	31.4	34.5	33.1
Proportion of population aged 0-15, 2015	17.3%	21.4%	17.4%	20.1%	17.6%	20.7%
Proportion of population of working-age, 2015	71.0%	66.8%	72.3%	73.9%	74.6%	72.1%
Proportion of population aged 65 and over, 2015	11.7%	11.8%	10.3%	6.0%	7.8%	7.2%
Unemployment rate (2015)	4.0%	5.8%	4.7%	9.2%	5.9%	5.9%
Male life expectancy, (2012-14)	81.8	80.6	79.7	78.1	78.9	78.5
Female life expectancy, (2012-14)	86.7	84.2	84.1	82.5	83.3	83.3

Table A3: IMD average scores and ranking for boroughs under survey

Ranking (of 33)	Local Authority District name (2013)	IMD - Average score
16	Ealing	23.6
18	Hammersmith and Fulham	24.4
19	Camden	25.0
26	Lambeth	28.9
31	Tower Hamlets	35.7
33	Hackney	35.3

Appendix 3: Threats

Respondents were asked to rate this list of possible challenges which their business may face in the future on a scale of 1 to 5, where 1 was 'not a threat at all' and 5 was 'a very significant threat'.

	1 Not a threat at all	2	3	4	5 Very significant threat	Don't know
Disruptive events like strikes or industrial action	1	2	3	4	5	6
Natural disasters like extreme weather events or floods	1	2	3	4	5	6
Unanticipated cash flow problems	1	2	3	4	5	6
Loss of key staff members or difficulty recruiting suitable personnel	1	2	3	4	5	6
Technical failures in equipment	1	2	3	4	5	6
Cyber-attack, hacking or data theft	1	2	3	4	5	6
Loss or failure of a major customer	1	2	3	4	5	6
Loss or failure of a major supplier	1	2	3	4	5	6
Personal circumstances such as illness	1	2	3	4	5	6
Crime, either within or outside the company	1	2	3	4	5	6
Increased competition from existing competitors	1	2	3	4	5	6
Emergence of new competitors	1	2	3	4	5	6
Issues with your business premises	1	2	3	4	5	6
Cost rises in materials, services or labour	1	2	3	4	5	6
Disruption in supply of materials or services to your business	1	2	3	4	5	6
Changes in regulation or legislation	1	2	3	4	5	6



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