The Small Business Service:
Business support, use, fees and satisfaction: Econometric Estimates

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Abstract

This paper seeks to assess advice and information support for firms provided by the Small Business Service (SBS) Business Link. It uses a new survey of client use, satisfaction and experience of service fees. The general level of satisfaction with, and use of, the service is high: 28% of all respondents use the services and 82.6% are satisfied or very satisfied. However, levels of use and satisfaction vary considerably between areas, with 13 Business Link local hubs accounting for 40% of the dissatisfied or very dissatisfied respondents. In addition, there is strong variation in satisfaction between services, with grants, diagnostic assessment, financial and accounting advice having low ratings. Charging a fee has been claimed by the SBS to improve the client's sense of value of the services received. Fees are currently charged for services in 37.3% of cases. However, there is little positive association of fee charging with satisfaction, whilst for four services charging a fee decreases satisfaction. It is concluded that the SBS has many strengths to build upon, but will need to introduce a step change in performance in some areas and some services, and should reconsider its commitment to using fees as a means of creating a sense of value among its clients.

JEL Codes: M13, L80, L50
Keywords: business advice, client satisfaction, Small Business Service, Business Link

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Introduction

The Small Business Service (SBS) was announced in the March 1999 Budget, with the first local service bodies operating under its contracts from April 2000. The SBS inherits most of the features of Business Link (BL) and is continuing to use the term BL as a 'brand' for marketing advice and information services to small firms. However, some important modifications of BL have occurred with the launch of SBS, particularly a more direct contract relationship to local delivery and a reduction in the number of local BL partnership 'hubs' from 89 to 45. This paper seeks to evaluate how successful the SBS structure for BL services is likely to be. It does this using new survey evidence of client evaluations of the BL system. The survey evidence covers the client's use, experience of BL fees for services, and satisfaction. The client evaluations indicate some important concerns for the design of SBS. Particularly important are problems arising from the continued emphasis on services having to raise income from fees, and continuing variation in the quality of different services and different local partnerships.

The paper first outlines the development of the SBS. It then reports in turn the survey evidence for service use, fee impact and satisfaction levels with SBS BL services in 1999. It also makes some direct comparisons with client evaluations of BL in 1997 in order to assess whether local business support services have been improving.

The Small Business Service (SBS)

The development of the Small Business Service was announced from the Treasury by Gordon Brown in the March 1999 Budget, with detailed specification subsequently developed under Stephen Byers, Secretary of State for the DTI. Detailed proposals, and a formal consultation process on the form of the SBS, were launched in June 1999 (DTI, 1999a), with a final form of contracting process announced by Patricia Hewitt, Small Firms Minister, in November 1999 (DTI, 1999b). The SBS reconstitutes BL as a network of outlets

or ‘franchises’, which have been contracted to the SBS since April 2000, though with a transition process covering the period 2000-2001. The objectives of the SBS BL system are to provide information, advice, help with government grants, and a referral service to other public and private sector suppliers. The principles which the SBS is seeking to satisfy cover two areas - regulation and the structure of business support - but they overlap (DTI, 1999a, pp. 18-20, 29):

1.Regulation

-The SBS should perform as a strong and independent voice to advise on the interests of small businesses to Ministers.

-The SBS should work with commercial providers of advice and support, not in competition with them, making use of the best possible electronic delivery methods, as well as offering other choices.

-Its principal approach will be to signpost to specialist sources of advice, both from regulators and from commercial sectors.

2.Business Support

-The SBS should improve coherence and quality across the range of government support for small business.

-It should put the needs of small business first, before the needs of the provider.

-It should capitalise on opportunities of new technology and e-commerce, particularly for businesses in remote rural areas.

-It should contribute to Government’s wider economic and social objectives.

-It should take account of support available elsewhere.

-It will provide a single gateway for all government services directed primarily or mainly to small businesses.

We focus chiefly on the second, business support, function of the SBS and within this on the performance of the local partnership BL 'hubs' or 'franchisees' that are the main agents for service delivery.

The service delivery arm for SBS advice and information for small firms through Business Link was originally launched in 1992, andby 1996 the whole of England was covered. The local structure was chiefly based on the boundaries of Training and Enterprise Councils (TECs). A system of "Business Shops" (BS) in Scotland and "Business Connect" (BC) in Wales parallels developments in England, but the emphasis of these systems from the start was for a single network as a gateway to other local suppliers. In England, the initial core activity of BL was to be a system of generalist advisors (personal business advisors - PBAs), as well as specialist advisors for exporting, design and innovation and technology, an information service, and administration of a number of specific schemes which allow access to grants, loans or other business supports, often in conjunction with other partner organizations. The partner organizations in BL include TECs, chambers of commerce, enterprise agencies and local government, with a range of other organizations playing a role in different locations. The partnership structure had the important aim, like the SBS, of seeking to reduce confusion in the delivery of local business support services. Michael Heseltine (1992, p. 9), then Secretary of State at the DTI, sought BL to overcome the confusion where small firms were "faced with a welter of advice and information of variable quality from a confusing maze of local agencies whose services often appear to be in competition with each other". The resulting partnerships were structured around a network of local "hubs" (89 in 1999) many of which had local satellites (over 200 in 1999) which allowed partners to play different roles in either the management and/or the delivery of services at different scales.

SBS has sought to move away from this partnership structure for management of local service delivery. The geographical structures for franchises, which had been left very much to local partners and TECs to define for BL, were now pre-defined as 45 local areas. These areas coincide almost completely with the 47 areas for the development of local Learning and Skills Councils which are the successor bodies of TECs (DfEE, 1999). Most important, however, instead of the DTI contracting TECs who then sub-contract local partners, there is now a direct contract between the SBS as a non-departmental public body (NDPB) within DTI, and each local area which is now referred to as a franchisee. Moreover, the franchisee, must have SBS as their only line of business; i.e. they must have an independent management, independent of partners and other "host" organizations (DTI, 1999b, p. 22). Although existing BL partners were given a first opportunity to bid to be the local franchisee, the option could also be put out to open tender (DTI, 1999b, p. 1). In the first round of bidding 32 of the 45 bids had been successful by May 2000, with the remaining 13 being subject to open tendering.

SBS has also departed from BL in the way in which service objectives are defined. Whereas BL was conceived as a structure of core services (of which PBAs and specialist advisers were a key part) as well as local flexibility to fit local partner capacities, the SBS works from the starting point of offering a "SBS Gateway". The Gateway is "designed to provide a comprehensive knowledge network of business support organisations, initiatives and information from the public, private and voluntary sector bodies and trade associations... (with) a single national phone number (and website address) providing access to 'information managers' who will use (their knowledge of possible support bodies and other information) to answer queries" (DTI, 1999b, p. 8). The Gateway concept is a marked departure from the former BL in two respects. First, it allows a national system and uniform quality standard to be the entry point for the client, whereas entry to BL was dispersed across each of the 80 hubs with different contact points and logos, with variable quality and varying approaches. Second, SBS adopts an explicit objective of using the call

centre structure to route clients to the best source of advice within or outside the BL system. Local handling by BL hubs has been demonstrated to encourage 'holding on' to clients within the system with very low levels of referral resulting. This has most recently been re-stated as a concern in a survey ofIoD members (IoD, 2000). Third, the Gateway itself is seen as a major part of the system, perhaps handling the majority of all enquiries, many only lasting 2 or 3 minutes and being dealt with in the Gateway by a call centre 'information manager' or website, and never being referred to PBAs or specialist advisors. Under BL, local handling meant thatPBAs and other advisors often had to deal with brief enquiries, losing valuable time that could be devoted to more intensive advice. Fourth, the national call centre structure will also coordinate a standardised IT-based client management system, whereas BL had a wide range of management and IT software systems which were often incompatible and prevented integrated management or collection of fully comparable national statistics.

Many potential improvements in quality and consistency of the SBS system of BL should result from the development of the Gateway alone. In addition, the SBS has modified a number of the other elements of BL. One important change is the widening of the targets for firms for which the service is designed. Under the initial BL objective, firms of 10-200 employees "with growth potential" were the primary target (DTI, 1992, 1996). However, SBS is more open: its customers are all "SMEs of below 250 employees, including micro and start-up businesses, the self-employed and those thinking of forming their own business. The principal focus (remains)... to enhance the performance of firms with growth and high growth potential. (But) It will also need to respond to all referrals from the SBS Gateway" (DTI, 1999b, p.5). Second, the PBA advisor service will now be more highly focused: "to selected customers because they are growth or growth potential businesses and have a high strategic fit with regional economic strategies" (op. cit., p.12). Third, referral or "brokerage" is a key output sought of "tailored packages of services... rather than signposing or off-the-shelve solutions" (op. cit., p.12).

A further shift of emphasis of considerable significance is the funding requirement for SBS. Although franchisees will have to achieve financial sustainability, they can plan on a "steady state funding" with "an agreed annual contribution" by DTI to local costs. Within this funding agreement there is an important change of emphasis. "Earning income is not the primary target... and should not dictate priorities to distort actions" (op. cit., p. 19-20). This contrasts with the earlier emphasis on BL as meeting self-financing targets, latterly 25% of fee income. However, the SBS guidance from DTI is ambiguous, because it is also stated that "charging for value-added services remains an important principle... franchisees will therefore be expected to have an effective charging policy... (which can) assume that the existing approach to income generation, including the current broad assumption of 25% of income from customers, will continue" (op. cit., p.20). There remains, therefore, a clear DTI and SBS target of seeking to create a "sense of value" for services through the use of fees.

Most of the developments of BL made within the SBS mark important positive improvements, with the exception of the remaining perverse incentive effects of fee income targets on managers and advisors that may discourage referral or the most appropriate advice being offered. These perverse incentives have been demonstrated by Ernst and Young (1996); Sear and Agar (1996), Priest (1998) and Bennett and Robson (1999a).

However, the more centralised and consistent structure of the Gateway and the direct NDPB contract to franchisees should certainly help to overcome the most important criticism of the BL system: its variable local management quality and complexity (see e.g. BPRI, 1995/6, 1997; KPMG, 1994; Ernst and Young, 1995, 1996; Roche, 1997; HoC 1996). In particular, satisfaction surveys have demonstrated the very variable nature of client assessments, running the full range from highly satisfied to highly dissatisfied (Priest, 1998; Bennett and Robson, 1999a).

The greater focus of advisor effort on a more tailored or 'brokered' service should also clarify management and personnel targets and allow a more effective focusing of resources. However, advisor quality still remains an important constraint on the system. The variable quality of advisors is shown to be one of the most important influences on evaluations of client satisfaction and other criteria by Ernst and Young (1996), Sear and Agar (1996), Tann and Lafaret (1998) and Bennett and Robson (1999a). The problem is recognised by DTI, who are seeking to overcome it by enhanced emphasis given in SBS to advisor training, accreditation and continuous assessment.

We turn below to assessing how far these developments within the SBS are likely to overcome the problems that have been recognised in BL services.

Assessment of SBS BL Services

The following empirical assessment uses the 1999 and 1997 surveys of BL customers developed from the University of Cambridge ESRC Centre for Business Research (CBR) survey of small firms (summarized in Cosh and Hughes, 1998, 2000). These surveys are large scale samples (1296 respondents in 1999) which allow BL use to be assessed within the context of the wider pattern of use of other sources of external business advice. The respondents are the same firms at the two survey dates, which facilitates like-for-like comparisons[1]. In the surveys advice is defined as meeting the objectives of the business, and excludes basic information provision. Respondents are asked to identify each source of advice they had used in a previous period of time[2]. For Business Link (BL), respondents are then asked whether a fee was charged and the level of their satisfaction. The paper has particular importance because it not only assesses the 1999 role of BL advice, but also allows some evaluation of changes of Business Link performance between 1997 and 1999. The discussion here is divided into five parts: assessment of the total level of use of BL compared to other sources of advice; assessment of

the pattern of use of different BL services; the extent of use of fees and their impact on use; satisfaction with BL services and how this is influenced by fees; how individual BL hub performance has developed over the 1997-99 period; and whether continuing, new and discontinued users differ from each other. These assessments are then used to conclude on the likely developments of SBS and the improvements in design still required.

Use of BL

The general level of use of BL is shown in Table 1. This demonstrates that BL is now the most important government-backed source of external advice to small firms. The level of use has, however, changed little since 1997. What is most notable is the relative decline in use of many other sources. Part of this may reflect the fact that Business Link users in 1997 were more likley than non-users to reply to the 1999 survey (Bullock and Hughes, Appendix, in Cosh and Hughes, 2000). This difference in response rates is 27% compared to 22%. Comparisons between the 1997 and 1999 surveys also need to be treated with care because the phrasing of the questions and time period over which advice was received is not exactly the same. However, it is clear that all the other government-sponsored sources of advice are now experiencing lower levels of use than BL: forTECs only 12.7%, enterprise agencies 10.0%, and RDC or regional agencies 3.4%. TECs also record a considerably lower level of use in England and Wales than their Scottish counterparts of Local Enterprise Companies (LECs). Hence BL now plays a much more primary role than it did in 1997. BL is now used by more than twice as many respondents as TECs, and nearly three times the number of users of local enterprise agencies. But in Scotland the reverse occurs: LECs are used by more than twice as many respondents as use Business Shop.

Table 1 also provides an assessment of the variation in sources of advice by firm type. It shows that differences between firms are significant particularly for sector and size differences, but less

important for age or growth differences. Manufacturing firms and larger firms are significantly more likely than smaller firms to seek external advice from each of the government-backed agencies analysed.

The cross tabulations in Table 1 can be deceptive. We have also performed a multivariate analysis of the levels of use of external advice. Because the dependent variable is binary (respondents are users or non-users of a particular type of advisor)logit estimates must be used. This methodology allows us to test which of the characteristics of the firm have statistically significant influences on the levels of use of external advice after controlling for all other variables, as has been undertaken for the 1997 survey byRobson and Bennett (2000). In the logit model the following continuous variables are included as controls for firm type: log of the number of employees, rate of growth, profitability per employee, and skill level of the firm. We also include three dummy variables: manufacturing/services, exporter/non-exporter, and novel process innovator. The latter variable is defined as those firms which had introduced a process innovation which was not only new to the firm but also new to the firm's industry.

The logit regression results are reported in Table 2. For the 1999 survey data the logit estimates are similar to those for 1997: there is no instance of sector or rate of growth being a statistically significant feature for use of government-based agencies. Increasing size of firm is one of the main variables explaining the increasing use of advice. Increasing size of firm is statistically significantly associated with greater use of TECs and BL. Novel process innovation has a positive statistically significant relationship with the use of enterprise agencies and RDC/regional agencies. Referring back to Table 1, therefore, size alone is the significant feature that underlies most of the other cross tabulation differences shown.

Use of different Business Link services

Whilst the general use levels of BL have been maintained or increased between 1997-1999, an important shift in the type of services being used has taken place, shown in Table 3. This is too great to be the result of any sample attrition effects. Whilst general business information and grants remain the two most highly used services, advice services in general, and the specific advice of personal business advisors (PBAs), sales and marketing, export, and training have all increased significantly. It is particularly interesting that the use of PBAs has increased, given previous research which shows that PBAs have some of the highest levels of quality variation and hence have been one of the major sources of concern about the BL system (see e.g. Bennett and Robson, 1999a).

A striking feature of Table 3 is that there is only a modest number of statistically significant differences between types of firms using BL services. This is very similar to the results of the 1997 survey. However, as in Table 1, cross tabulations can be deceptive. In order to test the effect of differences in firm type further we performed a multivariate analysis using logit estimation for use of the BL scheme as a whole, as well as for each individual BL service. The same explanatory variables were used as those employed in the logit estimates above. Additionally, we controlled for the characteristics of individual BL provider hubs, and variations in the characteristics of local partners or competitors, as has been done for the 1997 survey (Bennett et al., 2000). The logit estimates for the 1999 survey, shown in Table 4, generally confirm the results of Table 3 and show similar results to those in 1997. The use of individual BL services is significantly influenced (negatively) by profitability per employee and (positively) by size of firm, and a mixture of negatively and positively for exporting, but few other variables have a statistically significant relationship with the use of BL.

A more detailed further analysis of how use of BL has developed can be undertaken by making comparisons between the types of user of

BL in 1997 and 1999. Table 5 shows that repeat and continuing users of BL over the two years comprise 15.5% of the survey respondents, and are a much higher proportion in England than in Scotland or Wales. Continuing users constitute 41.6% of 1997 BL users, but only 27.3% of Business Shop and 18.1% of Business Connect users. For BL, and in Wales, new users roughly equal the number of former users who are no longer users of services, but in Scotland new users are at half the level of lost users. Although care must be exercised in interpretation of these results because of small sample sizes in Scotland and Wales, BL does appear now to be the most successful of the support schemes available, both in generating the highest level of use and highest retention level. This is a contrast to the earlier period of development of BL as found by Bennett andRobson (1999a).

It is important to understand the differences between types of firm that are new, continuing or discontinued users. An analysis of variance was undertaken for the England sample (where the sample size is sufficient) of the first column in Table 5. The ANOVA seeks to explain how far differences between use relate to firm characteristics. The results, reported in Table 6, confirm a marked influence of sector and exporting, and a lesser effect of firm size, in differentiating types of user. Manufacturers are more likely to be users of BL in general, but continuing use by manufacturers is three times more likely (75% of sample) compared to services (25%), whereas use by new and discontinued users from manufacturing is twice as likely as from services. For exporting, there is a similar stronger tendency for continuing users to be exporters (50%) than non-exporters (42%), but the differences are not as marked as for sector differences, and there is less distinction between continuing and new or discontinued users (although this is still statistically highly significant).

This analysis therefore suggests that the focusing of BL is working most strongly through the pattern of continuing use, is very important for manufacturing, to a significant but lesser extent for exporters, and overall is stronger as firm size increases. This is both aneffect of BL

management outcomes and self-selection by users in response to the service experiences they have encountered.

The pattern of use of BL has also become more highly focussed in terms of service selection. Table 7 shows that whereas the majority (58%) of users in 1997 used three or more services, in 1999 the use of three or more services had reduced to 48% of users, with the main types of use being for one or two BL services. Overall 48% of BL users used a smaller number of services in 1999, whilst 29% increased their range of service use. A comparison of BL users and non-users in 1997 shows BL users also to be large users of all sources of advice and many different BL services (Bennett and Robson, 1999a). Whilst this is still true in 1999, BL users have generally become more focussed. These results are too marked to be due to any sample attrition effects, and must reflect a maturing of the system as a result of improved focus of management and advisor effort.

Fees charged for BL services

User fees have been a controversial area of BL services, but the continued use of fees to create a "sense of value" for BL services is a major plank of the strategy for the SBS. Overall, 37.3% of service use in 1999 incurred a fee (Table 8). PBAs have the highest use of fees, at 57%. High use of fees also characterises sales and marketing advice, diagnostic assessment, training/IiP, export advice, and finance and accounting advice, which all have 40% or more users paying fees. Between 30% and 40% of users pay fees for innovation and technology advice, grants, and product and service design advice. For general business information and education and university links, less than 20% of users are charged a fee.

Remarkably few firm characteristics show statistically significant relationships with the use of fees for particular services. Sector, age and size of firm are not statistically significantly related to fee charging for any of the services in Table 8. Growth is statistically significant only for the use of export advice.

Logit estimates are made of the chances of a fee being charged or not in Table 9. As in the cross tabulation, few statistically significant features of firm characteristics or location explain fee charging behaviour.

These results show that fee charging is now an important aspect of the advice provided by BL, with PBAs, diagnostic assessment, and sales and marketing advice emerging as the main fee sources. However, it is surprising that fees are not systematically associated with firm size, age, sector or other firm characteristics, which suggests that variation is related either to the specifics of each business problem addressed, or to differences in local BL manager or advisor practice. This is assessed further below, as well as how fees are related to satisfaction levels.

Satisfaction with BL services

Variations in quality, which have been a major concern with BL since its first establishment, were restated by the then Small Firms Minister Barbara Roche in 1997, re-stated again by Patricia Hewitt the new Small Firms Minister in 1999, and are part of the problem SBS is focusing on tackling from its outset (DIT, 1999b). The 1999 survey allows assessment of how far BL has improved its quality and reduced its variability. In the CBR survey, firms indicate how satisfied or dissatisfied they were with the BL services they had used on a four point scale. We focus below on the combined percentage of satisfied and very satisfied to provide an overall measure of quality.

A key finding, shown in Table 10, is that average client satisfaction with BL services has increased substantially amongst survey respondents, from an average of only 69.3% satisfaction in 1997 to 82.6% satisfaction in 1999[3]. As this is a panel sample of the same firms this is a genuine increase in like-for-like comparisons. Despite any upward bias in the results, the average satisfaction level in 1999 probably at least meets the satisfaction targets set for BL by DTI,

which are generally for 80% satisfaction or greater (DTI, 1996). Training/ IiP, education and university links, and product and service design advice show the highest levels of satisfaction, at 94.9%, 89.7%, and 89.3%, respectively. Other services above the DTI 80% target include, in rank order: PBAs, general business information, export advice, and innovation and technology advice. The achievement of DTI user satisfaction targets for 7 out of 11 services should be a source of encouragement for the DTI and SBS. It also tends to counterweight the more negative assessment ratings of other recent smaller-scale surveys (e.g. IoD, 2000). However, four services still substantially fail to achieve the 80% target: sales and marketing advice, diagnostic assessment, finance and accounting advice, and grants.

In analysis of the 1997 CBR survey, few systematic factors were found explaining satisfaction differences between services, between BL hubs areas and management characteristics, or between different types of geographical location. Hence, it has been deduced that the main cause of quality differences is case-by-case variation in advisor quality or skills related to the problem being addressed (Bennett and Robson, 1999a; Bennett et al., 2000). For the 1999 responses there are similar results: remarkably few statistically significant relationships are found in Table 10 for the relation of satisfaction levels to the type of firm. Indeed the only statistically significant relationship (at the $p = 0.05$ level or better) is the positive relation between age of firm and satisfaction with innovation and technology advice. The results in Table 8 are thus consistent with our earlier deduction that the main determinant of client satisfaction with BL services is the quality of the advisors on a case-by-case basis (Bennett andRobson, 1999a; Bennett et al., 2000).

However, to assess further the factors lying behind individual BL performance, as for the earlier cross tabulations, we also test for robustness by undertaking a multivariate analysis of the relation of client satisfaction with the characteristics of the firm, the structure of the local BL, and local partnership/competition. This is done

separately for each individual BL service. Because the dependent variable (satisfaction) takes ordinal values from 1 to 4, orderedlogit estimation of satisfaction is undertaken, with the same explanatory variables as used in the earlier analyses of use levels. We also undertook two stages of analysis: (i) including as a dummy variable whether or not a fee was charged, and (ii) no control for fee charging.

The ordered logit analysis of satisfaction is reported in Table 11 with fee charging included as an explanatory variable. The estimates show few positive statistically significant relationships of firm-type with satisfaction, but there is a highly significant positive association between paying a fee and satisfaction for two BL services: use of PBAs and sales and marketing advice. We interpret this as demonstrating that higher service intensity increases satisfaction, which also increases the opportunities to charge a fee, but only for these two services. As in the interpretation of the 1997 survey (Bennett and Robson, 1999b), it is higher intensity rather than charging a fee which appears to be the key feature leading to higher satisfaction levels. This interpretation is reinforced by noting that for the majority of cases that it was possible to estimate, the relation of satisfaction to charging a fee is negative, even though these are not statistically significant. This is particularly true for general business information, export advice, training/ IiP, and grants. There is thus no clear evidence that fee charging has any simple or fundamental relationship with satisfaction.

Because of the confusing influence of fee charging, the multivariate ordered logit models were re-estimated for satisfaction with each BL service excluding the fee variable (Table 12). This shows a wider range of statistical features of firm type and BL local structures influencing satisfaction. The difference of results derives from some intercorrelation of fee charging with firm type (particularly size) and the different local structures of BL. There are both positive and negative influences on satisfaction of the age of the BL. There is thus no clear relationship with the expectation that an older BL is better developed and managed. Similarly the number of outlets has both a

positive and negative influence for different services. The scale of the BL, measured by the number of PBAs, is a negative influence on satisfaction for diagnostic assessment, suggesting that smaller BLs may be able to generate higher quality for this service. The number of visits made by PBAs and other advisors reduces satisfaction, suggesting that it is more basic information rather than intensive advice that is required. The role of local partners/competitors, measured by chamber and TEC staff numbers and services, is both positive and negative for different services, suggesting that some relationships are working better than others EU Structural Fund eligibility is a positive influence on satisfaction for sales and marketing, and innovation and technology advice.

The key conclusion from this multivariate analysis is that fees have little systematic relationship to the client's sense of value as measured by satisfaction. Also, whilst in 1997 these were virtually no correlates of BL satisfaction with performance, and where there were it was chiefly the age of the BL which was important (Bennett et. al., 2000), in 1999 a number of other differences between BLs have emerged. This suggests that, as performance has steadily improved, the particular characteristics of different local areas have come to play a role. But the age of establishment of the BL has now largely ceased to be a factor.

We can assess further how individual BL performance varies between areas by looking at individual local hubs. We do this below for those hubs which have five or more respondents, of which there are 28 in the case of use, and 25 hubs for satisfaction. Whilst we must exercise care in interpreting these results because of small sample sizes, some clear implications can be drawn.

Table 13 shows the ranked performance of BL hubs for the extent of their market penetration (measured by the proportion of the sample using the BL in their area). There is a wide range of penetration rates, the highest ranked having more than four times the level of the lowest. Comparison of these data alone are, however, misleading,

since the size of the area influences the results: generally the areas with the largest local business community have the lower penetration rates. Despite this difficulty two features stand out from the table. First, the 1997 and 1999 ranks of use levels do relate loosely to each other. The highest used BL in each year is the same, Cewtec, and eight of the top ten for highest use BLs in 1999 were also in the top ten for 1997. The statistical relationship between use levels in the two years is fairly strong (R^2 of 0.39, which is significant at $p = 0.0005$). Second, however, there is little relation between age and 1999 use levels. Whilst there are generally fewer younger BL hubs at the top of the table (only Peterborough of the most recently established BLs is in the top 14), and 6 of the younger BLs are in the lower 13, the two oldest BLs in the sample (Birmingham and Leicester) are in the middle of the ranks of use, and other age groups are spread fairly evenly.

Satisfaction levels are shown for individually ranked BL hubs in Table 14. In general there is only a weak relation between 1997 and 1999 performance (R^2 between the satisfaction values in Table 14 of 0.02, not significant at $p = 0.10$). Whilst many of the best performers in 1997 continue to be good performers in 1999 (notably Birmingham, Hereford and Worcester, and Leicester), some of the poorest performers in 1997 are now among the highest (e.g. Focus, Dorset and Leeds), whilst some of the highest 1997 performers have dropped a long way in the rankings (particularly Hertfordshire and Cewtec). Also, the age effect is again minor, with only a slightly higher number of the longer established BLs in the upper part of the rankings.

The top ranked BLs are already achieving 100% satisfaction from our sample, and 8 of the hubs achieved at least 90% satisfied or very satisfied. Eighteen hubs surpass the 80% satisfaction criterion. At the other end of the table four BLs in the sample reach only the 60-70% satisfaction level. These are Hertfordshire, Gloucestershire, ELTEC and Thames Valley. A further 9 for which we have very small samples of only 2,3 or 4 users have dissatisfaction levels of 50% or

less. These are Lawtec, Solihull, St. Helens, Merseyside, Walsall, Northumberland, Stockport, Milton Keynes and Lincolnshire. The key finding from this tabulation is that the 13 worst performing BLs account for 40% of the dissatisfied and very dissatisfied users in only 21% of the BL areas. Poor performance is therefore becoming more focused as the general level of BL quality increases.

The SBS has sought to tackle some of these issues by merging areas. Six of the 13 poorest performing areas are now being merged with other areas, and one of these 13 is being divided (Thames Valley). This suggests that structural reorganisation may help to increase the performance of some of the poorest performers. However, six of the areas are keeping essentially the same boundaries with the development of the SBS (ELTEC, Hertfordshire, Gloucestershire, Lawtec, Northumberland and Lincolnshire). Our results suggest that in these areas other managerial and structural reforms may need to be considered.

Of the SBS bids for the 13 poorest areas in our sample, only three were unsuccessful in the first round (East Lancashire, Gloucestershire and Merseyside). Whilst the small sample size in some of our areas constrains the extent of evaluation possible, the lack of general relation of unsuccessful SBS bids to our measures of performance does suggest that client satisfaction is playing a smaller role in decisions on SBS bidding than other factors. This in turn suggests that SBS may be in danger of missing its target for becoming a client-focused service.

New, continuing and discontinued users

One of the original objectives of BL was repeat usage (DTI, 1992). In the SBS launch the general target of continuing use has been more muted, being replaced by a focus on the Gateway as a routing mechanism; the focus of continuing users is via a more targeted account manager model of advisers. Hence, SBS has replaced the general target of stimulating reuse by a more targeted one. It is

instructive to assess how the BL system is now satisfying repeat, new or discontinued users.

The satisfaction ratings of BL for different types of user are compared in Table 15. Continuing users, who used BL in both 1997 and 1999, increased their satisfaction by 10% overall, and for all categories of service except finance and accounting advice. The greatest increases in satisfaction for continuing users occur for export advice (up 21%), training /IiP (up 18%), product and service design (up 17.6%), and education and university links (up 16%). The overall changes between 1997 and 1999 are statistically significant at $p = 0.01$, and are also significant for the individual services of training/IiP at $p = 0.01$, and for PBAs and grants at $p = 0.1$.

Those users of BL in 1997 who no longer use BL had significantly lower 1997 satisfaction levels than the users who continued (at $p = 0.01$). Their overall 1997 satisfaction was 61.4% compared to 73.9% for continuing users, and their satisfaction was lower particularly for PBAs, sales and marketing advice, finance and accounting advice, product and service design advice, and innovation and technology advice. These services each have 20-30% lower satisfaction for discontinued users compared to continuing users, indicating that dissatisfaction has been a primary cause of not repeating BL use. This finding will be disappointing to BL managers since it indicates that quality problems experienced in the early years of BL may put off potential clients who have already sampled the service.

New users to BL in 1999 have high average satisfaction levels at 81.4%, but not as high as earlier and continuing users (83.9%). They have lower satisfaction than continuing users particularly for diagnostic assessment, and advice on product and service design, innovation and technology, and grants. They have higher satisfaction than continuing users, however, for information, export advice, finance and accounting advice, and education and university links. Thus, whilst there is a general pattern of more experienced continuing users being able on average to obtain higher satisfaction, this is not

uniform across all services, and the differences between these two groups, and for each individual service used, are not significant at p = 0.01. However, the relatively high levels of satisfaction are generally an encouraging indication of the quality of the BL system in 1999, and tend to counterbalance the more negative findings of those BL users in 1997 who were dissatisfied and are not repeat users in 1999.

An important aspect of the 1997 survey of BL satisfaction was the high numbers of respondents recording 'very dissatisfied', which was equal to or exceeded those that were very satisfied for six out of the eleven BL services examined. The very dissatisfied exceeded 10% of respondents for six services, and exceeded 20% for the case of grants. This was interpreted as strong evidence of variations in advisor quality, and also of false expectations being raised in the marketing of BL, particularly in the case of grants. The analysis of the 1999 responses of the very dissatisfied and very satisfied in 1999, compared to 1997, is shown in Table 16. The very dissatisfied decrease in all cases, and the very satisfied increase in all but two cases (advice on finance and accounting, and training/IiP). The changes are statistically significant at p = 0.1 or better for 10 out of 12 of the services. In the cases of product and service design advice, PBAs, and grants, which were among the weakest performers in 1997, the very satisfied are now the highest for all services, ranging from 19.6% to 32.1% and the increase is significant at p = 0.05. The very dissatisfied have now been reduced to a small group of 4.6% on average, exceeding 10% of users only in the case of grants.

Overall, the quality and effectiveness of BL, judged by client satisfaction, appears to have improved significantly and dramatically, except for finance and accounting advice, which has significantly deteriorated. However, there are two important constraints on the findings. First, the survey changes found between 1997 and 1999 are those of a panel. As a result, dissatisfied users of BL in 1997 have largely dropped out of use. This means that the sample tends to reflect cases where advisors and the BL managers have focused more closely on the remaining clients that are to some extent self-selecting. Thus,

the satisfaction levels in 1999 can be expected to be significantly above those that would be experienced by a new random sample of SMEs, which was the basis of the 1997 survey. A second constraint is the effect of sample attrition. There are significant differences between surviving firms who responded, non-respondents and failures (see Cosh and Hughes, 2000, Appendix) for the employment size of firm, exporting, age, profit margin and whether they were BL users in 1997 or not. These differences are likely to produce higher take-up levels of business advice in general, and BL in particular. Although, the effect of sample attrition on BL satisfaction is not completely clear, it is more likely that the surviving firms, which were higher users of advice in 1997, are also the more satisfied. Despite these constraints, the improvement in satisfaction and use levels of BL is encouraging and is not likely to be solely an artefact of the 1999 sample compared to 1997.

Conclusion and implications for the SBS

This paper has provided an updated picture of the use of BL and other government-backed business advice in Britain, and a clear indication of the challenges facing the SBS. A major part of the paper has assessed the levels of use and satisfaction with Business Link. The analysis confirms that BL is consolidating its position to become not only the most widely used government-backed source, but also more focused in its use. Moreover, the levels of user satisfaction with BL appear to have increased dramatically among the panel sample between 1997 and 1999, from an average of 69.3% to 82.7%. Although results are inflated by self-selection as a result of sample attrition and dissatisfied users dropping out of Business Link whilst satisfied users remain, the increase in performance is too great to be explained by sample attrition alone. It does now appear that BL is achieving much higher quality levels than in 1997, which generally come close to DTI targets.

There remain marked differences between firms in their interest in using BL. The use of BL significantly increases with the size of the

firm and is greater the lower the levels of profitability. This suggests that BL has tended to become focused on larger SMEs that are experiencing pressures on their performance. Moreover, users are becoming more highly focused in using a narrower range of BL services. Continuing users show high and increasing satisfaction, whilst discontinued users have generally dropped out with relatively high levels of dissatisfaction. Analysis of variance tests between new, continuing and discontinued users suggest a particularly strong focus of continuing use from manufacturers (three times more likely to be continuing users than services) and exporters (35% more likely to continue use than non-exporters). There is thus considerable evidence of both a narrowing and focusing of the BL management and marketing, and self-selection by users in the light of the service experiences they have encountered. This needs to be more fully recognised and should allow SBS to continue to develop more specialist market niches in the future.

BL also now appears to be performing better than its Scottish or Welsh equivalents, Business Shop and Business Connect, respectively. BL has more repeat users, and a greater number of new users. This is a marked improvement on earlier years, where the Scottish and Welsh systems were outperforming England.

Despite some very positive findings of this paper regarding the improved and now generally high level of performance of BL, there are some remaining problems which need to be an urgent focus of attention for the SBS. First and foremost, consistency and quality variation remain a major problem to be overcome. Whilst 82.6% satisfied or very satisfied clients is very creditable, the very dissatisfied are still 4.6%, and exceed 10% in the case of grants. Inconsistency has two aspects: service inconsistency, which indicates that financial and accounting advice, diagnostic assessment and grants advice are the major areas for concern; and geographical inconsistency between areas.

It is clear from our analysis that geographical inconsistency of performance between areas is a major cause for concern: 21% of the BL hubs are responsible for 40% of the dissatisfied clients. A step change in performance is needed in these areas. The start-up problem no longer provides an excuse for poor performance. We find the age of a BL hub to have very little influence on satisfaction levels, and some of the best performers are from the newestBLs. Amalgamation and other boundary changes with the development of the SBS will occur in about half of the poorest performing areas. This may provide a means to restructure management and improve its effectiveness. But almost one half of the poor performing areas are within the same boundaries as SBS franchisees as they were as former BL hubs. Although our results are constrained by small sample sizes in some areas, it is fairly clear that in all of these poor performing areas significant managerial and structural reforms need to be considered. The development of the franchise in these areas needs to be treated with considerable scrutiny to seek improved local management or personnel performance.

However, the fact that only three of the 13 poorest performingBLs in the sample were unsuccessful in the bidding to be SBS franchises, suggests that the decisions on franchising may be too remote from the aim of targeting client satisfaction. This is a cause for major concern about the future potential for SBS to meet quality standards.

A second challenge relates to the balance of services and the use of fees. Whilst SBS developments offer considerable potential to improve the consistency of the system, an important dilemma remains concerning how services are targeted and the system is financed. The concept of the Gateway appears well-founded. A large proportion of users seek general business information and other relatively straightforward advice. The role of the PBA and specialist advisors is also important: specialist advice from BL is used by 62.4% ofclients, and 73.3% where PBAs are included.

The continued emphasis on the use of fees to finance services appears misplaced. Analysis of the 1997 survey (Bennett et al., 2000;Robson and Bennett, 2000) shows that whilst intensive services achieve the highest satisfaction (particuarly PBAs), this is appreciated by clients most as gap-filling by a publicly-backed service with low or zero fees, not as a quasi-commercial fee-based service. Our results using the 1999 survey suggest that continued commitment to feesis misplaced. Whilst fees are charged for 37.3% of services used (particularly for PBAs, sales and marketing advice, diagnostic assessment, training/IiP, export advice, and finance and accounting advice), only for PBAs and sales and marketing advice is fee payment positively associated with higher satisfaction and even then it is not statistically significant. For four services (general business information, export advice, training/IiP and grants) there is a negative though non-significant relationship: satisfaction reduces with the increased use of charging. In general, therefore, fee charging has little or no relationship with quality and hence any 'sense of value', as measured by satisfaction, and its effect may be as strongly negative as positive. Where there is evidence of improved performance where fees are charged, this appears to be most strongly the result of the higher *intensity* of service delivery (though greater advisor time, longer on-site appraisal, etc.) and not the result of charging a fee per se. The importance of service intensity to satisfaction is confirmed in more detailed analysis of the 1997 survey data (Bennett and Robson, 1999b). It is not surprising that intensity and fee charging are closely interrelated. Our results make it clear that SBS needs to focus first on deepening the intensity of support for those clients that need this type of service, and only second to associate this as a management opportunity to gain a fee income stream.

Notes

[1] Because the firms are the same respondents in both the 1997 and 1999 surveys, there are possible problems of sample attrition, whereby firms that responded in 1997 do not do so in 1999, either because they have now gone out of business or decline to reply (so-called sample 'attrition'). Analysis of sample attrition shows that there are significant differences between survey firm respondents, non-respondents and failures for employment size of firm, exporting, age, profit margin and some other effects (Cosh and Hughes, 2000, Appendix). These differences are borne in mind in interpretation of the results.

[2.] In the 1997 survey the question covered use in the previous three years; in the 1999 survey the previous 2 years.

[3] The 1997 figure for satisfaction is for the sample that responded in both 1997 and 1999. The estimate for the original whole sample in 1997 was 66.4%, as quoted in Bennett and Robson (1999a). The 1997 surviving firms that responded to the survey in 1999 therefore have a higher 1997 satisfaction than the whole sample, and this introduces some upward bias to the pattern of results quoted.

TABLES

Table 1: Use of public sector advice sources in the last 2 years (% of respondents reporting use, multiple responses allowed). Asterisks indicate statistically significant differences between the types of businesses grouped by size, age, industry, or growth

Advice Sources	All 1997	All 1999	Manufacturing	Services	Older	Newer
Local Enterprise Agency	14.1	10.0	11.7**	7.4**	10.0	9.9
Local TEC	22.8	12.7	15.0***	9.1***	14.1	11.0
Local LEC	34.8	21.1	33.3**	12.2**	19.4	24.2
Business Link	28.7	28.0	32.5***	21.1***	28.2	28.1
Business Shop/Connect	11.4	9.3	13.8	5.0	3.4**	15.5**
Rural Development Commission or Regional Agency	4.5	3.4	3.4	3.4	3.1	3.8
Used any external advice	95.0	89.3	89.9	88.4	88.6	90.5
No.	1287	1296	772	524	771	495

Advice Sources	Micro	Small	Medium	Stable/Declining	Medium Growth	Fast Growth
Local Enterprise Agency	6.6***	12.6***	12.5***	9.2	8.4	13.3
Local TEC	7.2***	15.5***	25.4***	13.0	15.7	11.6
Local LEC	7.9***	42.3***	16.7***	24.0	18.2	35.7
Business Link	18.1***	35.8***	37.0***	24.8*	32.5*	30.9*
Business Shop/Connect	9.4	11.6	0.0	12.3	11.8	12.0
Rural Development Commission	2.4	4.0	4.7	2.6	3.9	5.1
Used any external advice	85.4***	93.0***	93.8***	88.2	91.9	91.4
No.	577	573	128	456	285	255

(* $p \geq 0.1$, ** $p \geq 0.05$, and *** $p \geq 0.01$, respectively).

Table 2: Estimates of a logit model of the expectation of using Business Link, TEC, LEA, and RDC/RA

	BL	TEC	Local Enterprise Agencies	RDC and regional Agencies
Number of Employees	**0.3055*** **(0.1685)**	**0.6117*** **(0.2037)**	0.1145 (0.2403)	0.0363 (0.3398)
Exporter	0.2983 (0.1965)	-0.2684 (0.2402)	-0.1059 (0.2823)	**0.8569*** **(0.4555)**
Rate of Employment Growth	0.0003 (0.0004)	0.0006 (0.0004)	-0.0010 (0.0020)	-0.0002 (0.0011)
Profitability per employee	**-0.0393*** **(0.0115)**	**-0.0287** **(0.0132)**	**-0.0298*** **(0.0156)**	-0.0311 (0.0228)
Skill	-0.0008 (0.0035)	0.0022 (0.0042)	-0.0055 (0.0050)	0.0033 (0.0068)
Innovator	0.1827 (0.1949)	**0.3826*** **(0.2282)**	**0.7040*** **(0.2671)**	**1.0410*** **(0.4053)**
Manufacturing/Services	0.1414 (0.2300)	0.3821 (0.2822)	0.3125 (0.3290)	-0.6278 (0.4711)
Income	0.0038 (0.0160)	_____	_____	_____
BL Age	0.0146 (0.0091)	_____	_____	_____
Outlets	-0.0004 (0.0332)	_____	_____	_____
PBAs	-0.2282 (0.2178)	_____	_____	_____
Visits Penetration Rate	0.0662 (0.0748)	_____	_____	_____
No. of Services	-0.0356 (0.0311)	_____	_____	_____
European Union Assisted Area	0.1481 (0.2169)	**0.4864*** **(2192)**	**0.4545*** **(0.2545)**	0.3217 (0.4007)
T2cci	-0.0009 (0.0024)	-0.0039 (0.0028)	-0.0032 (0.0034)	-0.0020 (0.0054)
T2tec	0.0002 (0.0019)	-0.0006 (0.0020)	-0.0026 (0.0023)	-0.0041 (0.0036)
Constant	**-1.1831*** **(0.6575)**	**-2.6797*** **(0.5160)**	**-2.0944*** **(0.5845)**	**-3.2080*** **(0.8726)**
No.	691	756	756	754
Log-likelihood	-392.9	-303.69	-238.06	-121.30
% Correctly Classified	71.92	84.79	89.68	95.76

(*** p<0.01; **p<0.05; * p<0.1). Standard errors in parentheses.

Table 3: Use of Business Link services by type of firm (% of respondents reporting use, multiple responses allowed). Significance tests as in Table 1.

Business Link Service	All 1977	All 1999	Manufacturing	Services	Older	Newer
General business information	58.6	56.7	54.3	62.6	55.8	58.1
Diagnostic assessment	23.8	17.7	18.6	15.4	16.9	19.7
Personal business advisor (PBA)	29.0	32.2	34.1	27.5	32.8	30.8
Sales and marketing advice	29.3	33.4	34.5	30.8	34.4	32.5
Export advice	25.0	28.8	32.1**	20.9**	33.2*	23.1*
Finance and accounting advice	13.9	10.0	8.2	14.3	9.0	12.0
Training/Investors in People	38.6	33.7	33.0	35.2	39.5**	25.6**
Product/service design advice	6.5	9.0	7.7	12.1	9.0	8.5
Innovation and technology advice	16.0	15.1	15.4	14.3	17.4	12.0
Education and university links	12.0	13.2	14.5	9.9	13.8	12.8
Grants	47.8	37.2	42.1***	25.3***	40.5	32.5
Any advice	57.1	62.4	62.7	61.5	61.9	64.1
Any advice or PBA	66.0	73.3	72.7	74.7	71.4	76.9
No.	324	311	220	91	189	117

Business Link Services	Micro	Small	Medium	Stable/ Declining	Medium Growth	Fast Growth
General business information	65.2***	57.9***	31.0***	58.0	50.6	57.6
Diagnostic assessment	15.7	19.1	17.1	17.0	21.0	16.7
Personal business advisor	32.6	33.7	24.4	32.0**	27.2**	47.0**
Sales and marketing advice	36.0	35.4	22.0	39.0	34.6	25.8
Export advice	22.5	29.8	40.5	36.0	25.9	30.3
Finance and accounting advice	13.5	9.6	2.4	9.0	6.2	13.6
Training/Investors in People	14.6***	38.2***	57.1***	28.0**	45.7**	31.8**
Product/service design advice	10.1	9.6	2.4	10.0	9.9	7.6
Innovation and technology advice	9.0*	19.1*	11.9*	15.0	14.8	16.7
Education and university links	7.9	15.7	14.6	12.0	14.8	13.6
Grants	28.1*	39.9*	46.2*	37.0	42.0	39.4
Any advice	62.9	64.6	53.7	70.0	60.5	62.1
Any advice or PBA	77.5	73.0	68.3	77.0	67.9	81.8
No.	89	178	41	100	81	66

Table 4: Estimates of a logit model of the expectation of using each BL Service by users of BL significance levels as in previous tables.

	General Business Information	Diagnostic Assessment	Personal Business Advisor	Sales and Marketing Advice	Export Advice	Finance & Accounting Advice	Training/ Investors in People	Product/ Service Design Advice	Innovation and Technology Advice	Educational and University Links	Grants
Number of Employees	**-0.7659** (0.3291)**	0.3863 (0.4163)	-0.5525 (0.3662)	-0.0575 (0.3409)	**0.6776* (0.3769)**	-0.0172 (0.8032)	**1.2118*** (0.3624)**	**-1.0082* (0.5562)**	0.1295 (0.4238)	0.0601 (0.4485)	0.4303 (0.3458)
Exporter/ Non-exporter	-0.0820 (0.3661)	-0.1880 (0.4551)	-0.0754 (0.4059)	**-0.9369** (0.3883)**	**1.5414*** (0.4482)**	**-1.6321* (0.9169)**	-0.0500 (0.3835)	-0.1139 (0.6683)	-0.3925 (0.4909)	-0.0606 (0.5134)	-0.2669 (0.3832)
Rate of Employment Growth	0.0004 (0.0009)	-0.0001 (0.0011)	0.0050 (0.0051)	-0.0068 (0.0051)	-0.0005 (0.0009)	0.0022 (0.0076)	0.0024 (0.0051)	-0.0142 (0.0102)	0.0013 (0.0016)	-0.0005 (0.0022)	0.0047 (0.0050)
Profitability per employee	-0.0027 (0.0212)	-0.0024 (0.0309)	**-0.0605** (0.0300)**	-0.0090 (0.0224)	0.0307 (0.0254)	**-0.1742** (0.0849)**	0.0351 (0.0235)	-0.0357 (0.0416)	0.0217 (0.0278)	-0.0013 (0.0317)	-0.0257 (0.0258)
Skill	-0.0092 (0.0081)	-0.0152 (0.0100)	**-0.0161* (0.0086)**	0.0068 (0.0081)	**0.0295*** (0.0101)**	-0.0206 (0.0176)	-0.0087 (0.0083)	**0.0236* (0.0138)**	0.0028 (0.0101)	0.0047 (0.0110)	0.0030 (0.0083)
Innovator/Non-innovator	-0.0072 (0.3335)	0.0193 (0.4197)	0.4191 (0.3714)	0.3072 (0.3496)	0.1347 (0.3731)	0.7712 (0.8126)	0.3757 (0.3455)	0.9046 (0.6051)	0.6150 (0.4350)	0.9451 (0.4454)	0.1420 (0.3469)
Manufacturing /Services	-0.7727 (0.4844)	-0.6994 (0.5497)	-0.0390 (0.4897)	0.5109 (0.4783)	**1.3205** (0.6111)**	-1.0577 (0.9060)	-0.6839 (0.4821)	0.0211 (0.8225)	0.1283 (0.5913)	0.5833 (0.6514)	**1.2062** (0.4978)**
Income	0.0131 (0.0272)	0.0086 (0.0339)	-0.0243 (0.0322)	0.0014 (0.0290)	-0.0049 (0.0291)	0.1030 (0.0638)	0.0154 (0.0277)	-0.0352 (0.0474)	-0.0116 (0.0364)	0.0432 (0.0309)	-0.0077 (0.0287)
BL Age	**-0.0461*** (0.0173)**	-0.0046 (0.0205)	-0.0137 (0.0185)	-0.0236 (0.0177)	0.0178 (0.0203)	-0.0413 (0.0473)	0.0161 (0.0176)	**0.0744** (0.0331)**	0.0065 (0.0227)	-0.0138 (0.0238)	**-0.0320* (0.0182)**
Outlets	0.0728 (0.0657)	0.0451 (0.0786)	0.0208 (0.0669)	-0.0381 (0.0665)	-0.0265 (0.0733)	0.0137 (0.1455)	-0.0531 (0.0673)	-0.2414 (0.1622)	-0.0531 (0.0892)	0.0309 (0.0895)	-0.0038 (0.0662)
PBAs	-0.1744 (0.4146)	0.6152 (0.5073)	0.1140 (0.4548)	0.2056 (0.4220)	**-0.9629** (0.4870)**	-0.6758 (0.9979)	0.0286 (0.4322)	-0.4001 (0.8273)	-0.3418 (0.5576)	-0.6852 (0.5906)	-0.5539 (0.4298)
Visits Penetration Rate	-0.1922 (0.1399)	0.1134 (0.1629)	-0.1968 (0.1649)	**-0.2765* (0.1520)**	-0.1669 (0.1617)	**-1.2845** (0.5694)**	-0.1568 (0.1515)	0.1523 (0.2725)	-0.0542 (0.1825)	0.2234 (0.1771)	**0.2997** (0.1494)**
No. of Services	0.0301 (0.0528)	0.0278 (0.0655)	0.0733 (0.0582)	-0.0709 (0.0553)	-0.0546 (0.0611)	-0.0085 (0.1153)	0.0566 (0.0551)	0.0423 (0.0922)	-0.0867 (0.0694)	-0.0310 (0.0697)	-0.0216 (0.0556)

	General Business Information	Diagnostic Assessment	Personal Business Advisor	Sales and Marketing Advice	Export Advice	Finance & Accounting Advice	Training/ Investors in People	Product/ Service Design Advice	Innovation and Technology Advice	Educational and University Links	Grants
European Union Assisted Area	0.5021 (0.3858)	0.4405 (0.4491)	**1.0570*** (0.4024)**	**0.9254** (0.3950)**	0.4661 (0.4322)	1.2475 (0.9210)	-0.1848 (0.3940)	-0.0288 (0.6932)	0.3745 (0.4830)	-0.6049 (0.5425)	0.4909 0.3826
T2cci	-0.0008 (0.0046)	0.0020 (0.0052)	-0.0056 (0.0050)	-0.0013 (0.0047)	-0.0014 (0.0055)	0.0007 (0.0116)	0.0075 (0.0047)	-0.0126 (0.0100)	-0.0052 (0.0066)	-0.0020 (0.0072)	-0.0025 (0.0046)
T2tec	0.0007 (0.0032)	-0.0039 (0.0040)	0.0016 (0.0035)	-0.0004 (0.0033)	0.0026 (0.0037)	-0.0002 (0.0077)	0.0008 (0.0034)	0.0011 (0.0059)	-0.0016 (0.0042)	0.0005 (0.0047)	**0.0064* (0.0034)**
Constant	**2.9012** (1.2762)**	-1.7640 (1.5303)	-0.2577 (1.3574)	1.5879 (1.3295)	**-4.1464*** (1.5489)**	1.6351 (2.7706)	**-3.1700** (1.3110)**	-3.6119 (2.3995)	-0.2506 (1.6150)	-2.4392 (1.7172)	-2.0040 (1.3305)
No.	191	190	190	190	191	190	191	190	191	190	191
Log likelihood	-120.28	-86.41	-104.20	-112.64	-95.90	-29.12	-111.84	-47.00	-79.16	-74.62	-114.10
% Correctly Classified	63.35	81.58	72.11	66.32	71.73	95.26	69.63	90.53	84.29	82.11	-114.10

Table 5: Different types of user of BL in England (and the equivalent Business shop in Scotland and Business Connect in Wales) between 1997 and 1999.

	England	Scotland	Wales	All	No.
Used BL in 1997 and 1999	16.7	6.7	1.5	15.5	788
Used BL in 1997 not in 1999	12.0	11.1	5.9	11.7	140
Used BL in 1999 not in 19997	11.4	6.7	5.9	11.0	149
Not used BL in 1997 or 1999	59.8	75.6	86.8	61.8	198
No.	1162	45	68	100.0	1275

Table 6: Analysis of variance to test differences between firms in new, continuing or discontinued use of BL in England

	Sum of Squares	F
Main effects		
Sector	16.079	12.52***
Exporter	15.909	12.39***
Covariates		
Log no. of employees	3.869	3.01*
Growth rate	0.845	0.66
Profitability	2.732	2.13
Skill level	0.319	0.25
2-way interaction	0.093	0.07
Explained sum of squares	12.652	9.85***
Residual sum of squares	1.284	-

(*** p > 0.01; * p > 0.1; based on F statistic).

Table 7: Number of fields of BL advice used by respondents in 1997 and 1999.

Number of fields of BL advice	1997	1999
1	22.3	25.8
2	19.9	26.1
3	20.7	17.3
4 or more	37.1	30.7

Table 8: Charging of fees for Business Link services by type of firm (mean % of clients reporting being charged a fee, multiple responses allowed). Significance tests as in Table 1.

Business Link Services	All	N	Manufacturing	Services	Older	Newer
General Business Information	17.6	176	18.5	15.8	20.0	14.7
Diagnostic assessment	45.5	55	43.9	50.0	46.9	43.5
Personal business advisor	57.0	100	57.3	56.0	62.9	47.2
Sales and marketing advice	47.1	104	47.4	46.4	50.8	42.1
Export advice	41.6	89	37.1	57.9	40.3	44.4
Finance and accounting advice	40.0	30	44.4	33.3	47.1	30.8
Training/Investors in People	43.3	104	38.9	53.1	40.5	50.0
Product/service design advice	32.1	28	41.2	18.2	47.1	10.0
Innovation and technology advice	37.0	46	39.4	30.8	40.6	28.6
Education and University links	17.1	41	15.6	22.2	15.4	20.0
Grants	36.8	114	39.1	27.3	36.8	37.8
All	37.3	887	37.5	36.8	39.4	34.1

Business Link Services	Micro	Small	Medium	Stable/ Declining	Medium Growth	Fast Growth
General business information	17.2	19.4	8.3	12.1	19.5	21.1
Diagnostic assessment	28.6	55.9	28.6	35.3	41.2	63.6
Personal business advisor	48.3	65.0	40.0	43.8	68.2	61.3
Sales and marketing advice	40.6	52.4	33.3	38.5	53.6	47.1
Export advice	40.0	39.6	50.0	27.8**	61.9**	40.0**
Finance and accounting advice	45.5	41.2	0.0	33.3	60.0	37.5
Training/Investors in People	23.1	45.6	47.8	39.3	51.4	33.3
Product/service design advice	22.2	41.2	0.0	20.0	37.5	40.0
Innovation and technology advice	12.5	41.2	50.0	46.7	33.3	18.2
Education and univesity links	28.6	17.9	0.0	16.7	16.7	22.2
Grants	41.7	38.0	27.8	29.7	47.1	28.0
All	32.0	40.7	33.6	30.1	44.3	37.3

	General Business Information	Personal Business Advisor	Sales and Marketing Advice	Export Advice	Training/ Investors in People	Grants
Number of Employees	-0.4596 (0.6448)	-0.5896 (0.8472)	-1.1992 (0.8431)	-0.1653 (0.8008)	-0.2080 (0.7483)	-0.9736 (0.7177)
Exporter/ Non-exporter	0.8295 (0.8022)	-1.4351 (0.8861)	-1.3940 (0.9966)	0.3895 (0.9221)	0.4839 (0.7308)	0.7917 (0.7750)
Rate of Employment Growth	-0.0005 (0.0011)	-0.0008 (0.0011)	-0.0030 (0.0108)	-0.0089 (0.0107)	-0.0012 (0.0025)	-0.0013 (0.0032)
Profitability per employee	-0.0834 (0.0570)	-0.0962 (0.0637)	-0.0760 (0.0516)	-0.0373 (0.0531)	-0.0568 (0.0549)	-0.0832 (0.0598)
Skill	-0.0088 (0.0132)	0.0052 (0.0146)	-0.0016 (0.0140)	-0.0195 (0.0226)	-0.0088 (0.0142)	0.0114 (0.0165)
Innovator/Non-innovator	0.5816 (0.6343)	0.4703 (0.7500)	0.8833 (0.7458)	0.2092 (0.6138)	0.4628 (0.6028)	0.4689 (0.5913)
Manufacturing/ Services	-0.5671 (0.8234)	0.3802 (0.8535)	0.0147 (0.8828)	-2.5135 (1.5936)	**-1.6504* (0.8704)**	0.4793 (0.9594)
Income	-0.0349 (0.0785)	0.0444 (0.0633)	-0.0890 (0.0723)	0.0316 (0.0488)	0.0195 (0.0409)	0.0133 (0.0524)
BL Age	-0.0162 (0.0372)	-0.0357 (0.0362)	-0.0744 (0.0505)	0.0040 (0.0379)	0.0328 (0.0346)	-0.0220 (0.0307)
Outlets	0.0062 (0.1074)	0.0673 (0.1240)	0.1047 (0.1286)	-0.0677 (0.1464)	0.1496 (0.1294)	-0.0302 (0.1121)
PBAs	**1.1594* (0.7054)**	0.5285 (0.8552)	0.0177 (0.8598)	0.0430 (0.8620)	-0.5076 (0.7863)	0.1946 (0.7350)
Visits Penetration Rate	-0.3267 (0.3349)	-0.0663 (0.3546)	-0.1501 (0.3491)	-0.3595 (0.3512)	-0.4137 (0.3098)	-0.0257 (0.2437)
No. of Services	-0.1804 (0.1133)	**-0.2185* (0.1253)**	**-0.2522* (0.1434)**	-0.0515 (0.0982)	0.0258 (0.0987)	0.0444 (0.1130)
European Union Assisted Area	0.1771 (0.6935)	0.3819 (0.8151)	1.2750 (0.8198)	-0.1433 (0.7740)	0.6611 (0.7410)	0.7448 (0.6856)

Table 9: Estimates of a logit model of the expectation of a client being charged a fee for each BL service

	General Business Information	Personal Business Advisor	Sales and Marketing Advice	Export Advice	Training/ Investors in People	Grants
T2cci	-0.0048 (0.0107)	-0.0023 (0.0099)	0.0031 (0.0107)	0.0015 (0.0116)	-0.0006 (0.0079)	-0.0147 (0.0099)
T2tec	-0.0077 (0.0068)	-0.0007 (0.0064)	-0.0077 (0.0056)	0.0006 (0.0067)	0.0020 (0.0057)	-0.0010 (0.0061)
Constant	**3.9094*** **(2.7676)**	**5.7536*** **(2.9948)**	**9.1923**** **(3.6944)**	3.7465 (3.6874)	-0.0024 (2.2719)	-0.1496 (2.4292)
No.	107	60	65	62	68	74
Log likelihood	-39.4	-34.6	-35.1	-37.0	-41.1	-41.5
% Correctly Classified	83.18	75.00	72.31	69.35	63.24	72.97

Table 10: Client's satisfaction with Business Link services (Percentage of clients who are satisfied or very satisfied). Clients were asked to score satisfaction on a scale of 1 very dissatisfied, 2 = dissatisfied, 3 = satisfied and 4 = very satisfied. Significance tests as in Table 1.

Business Link Services	All 1997	All 1999	Manufacturing	Services	Older	Newer
General business information	76.2	84.2	85.3	81.8	82.5	87.7
Diagnostic assessment	63.2	74.1	75.0	71.4	68.8	81.8
Personal business advisor	71.1	87.6	87.5	88.0	85.0	91.4
Sales and marketing advice	65.2	78.0	78.1	77.8	78.1	77.1
Export advice	72.1	81.4	83.8	72.2	83.6	76.0
Finance and accounting advice	69.8	70.0	64.7	76.9	56.3*	85.7
Training/Investors in People	74.4	94.9	94.1	96.7	94.3	96.4
Product/service design advice	70.0	89.3	94.1	81.8	94.1	80.0
Innovation & technology advice	68.0	80.4	81.8	76.9	90.6***	57.1***
Education and university links	71.1	89.7	93.5	75.0	88.5	92.3
Grants	59.9	74.3	76.9	63.6	77.3	70.3
Average	69.3	82.6	83.5	80.1	82.7	82.5

Business Link Services	Micro	Small	Medium	Stable/ Declining	Medium Growth	Fast Growth
General business information	76.8*	87.0*	100.0*	82.1	85.0	81.1
Disgnostic assessment	76.9	70.6	85.7	81.3	76.5	63.6
Personal business advisor	92.9	84.7	88.9	93.5	77.3	83.3
Sales and marketing advice	76.7	77.0	88.9	78.4	74.1	82.4
Export advice	77.8	76.9	100.0	82.4	76.2	85.0
Finance and accounting advice	72.7	70.6	0.0	88.9	50.0	77.8
Training/Investors in People	83.3	95.4	100.0	95.7	94.6	90.5
Product/service design advice	77.8	94.1	100.0	100.0	87.5	60.0
Innovation & technology advice	62.5	81.8	100.0	78.6	75.0	72.7
Education and university links	83.3	92.6	83.3	83.3	100.0	88.9
Grants	66.7	76.8	78.9	69.4	79.4	73.1
Average	77.7	83.0	91.5	83.1	82.0	80.1

Table 11: Multivariate estimates of an ordered logit model of the client assessments of satisfaction with each individual BL service. Diagnostic Assessment, Finance and Accounting Advice, Product/Service Design Advice, Innovation and Technology Advice, and Education and University Links are not reported because small sample sizes did not permit stable estimates to be found. Significance levels as in previous tables.

	General Business Information	Personal Business Advisor	Sales and Marketing Advice	Export Advice	Training/ Investors in People	Grants
Number of Employees	-0.1563 (0.5041)	-0.1681 (0.8455)	-1.6248 (1.0372)	0.9607 (0.8376)	-0.0553 (1.0050)	-0.5637 (0.6287)
Exporter/ Non-exporter	-0.2924 (0.5257)	-0.9553 (0.8814)	0.0007 (1.1089)	**2.6418*** (1.0268)**	-0.9780 (0.9775)	0.1998 (0.6285)
Rate of Employment Growth	0.0001 (0.0005)	0.0017 (0.0023)	**-0.0271** (0.01349)**	**0.0207* (0.0111)**	-0.0004 (0.0008)	0.0016 (0.0039)
Profitability per employee	**-0.0645** (0.0285)**	0.0715 (0.0614)	-0.0112 (0.0490)	0.0051 (0.0452)	-0.0350 (0.0697)	0.0334 (0.0497)
Skill	0.0151 (0.0106)	0.0102 (0.0140)	0.0243 (0.0164)	0.0383 (0.0234)	0.0287 (0.0181	0.0199 (0.0152)
Innovator/Non-innovator	**0.8553* (0.4982)**	1.2672 (0.7758)	0.1261 (0.8278)	-0.3959 (0.7004)	-0.6371 (0.7917)	0.6041 (0.5320)
Manufacturing/ Services	0.8039 (0.6224)	0.1496 (0.8387)	-0.1610 (1.0048)	1.8137 (1.5564)	-0.8721 (1.0843)	0.5596 (0.8122)
Income	0.0652 (0.0434)	0.0025 (0.0585)	-0.1031 (0.0764)	0.0444 (0.0552)	-0.0120 (0.0543)	-0.0444 (0.0509)
BL Age	-0.0100 (0.0269)	0.0180 (0.0352)	0.0258 (0.0498)	0.0741 (0.0455)	-0.0836 (0.0528)	-0.0346 (0.0286)
Outlets	-0.0201 (0.0823)	-0.0294 (0.1244)	**-0.2556* (0.1423)**	0.0559 (0.1351)	0.1580 (0.1666)	-0.0674 (0.1008)
PBAs	0.5922 (0.5843)	0.7356 (0.8575)	-0.6699 (0.9385)	-0.3215 (0.9440)	0.7631 (1.1076)	0.0872 (0.6416)
Visits Penetration Rate	-0.1573 (0.2000)	-0.1333 (0.3559)	**-0.6891* (0.3605)**	-0.0768 (0.3500)	0.1674 (0.4179)	-0.0304 (0.2185)
No. of Services	0.0931 (0.0750)	0.1442 (0.1160)	**0.2604* (0.1353)**	-0.0108 (0.1034)	0.2454 (0.1578)	0.0881 (0.0978)
European Union Assisted Area	-0.0594 (0.5306)	0.2677 (0.7887)	**2.3719** (0.9666)**	1.3101 (0.8780)	0.5801 (1.0113)	0.8307 (0.6432)

	General Business Information	Personal Business Advisor	Sales and Marketing Advice	Export Advice	Training/ Investors in People	Grants
T2cci	0.0008 (0.0069)	-0.0075 (0.0102)	**-0.0223*** **(0.0124)**	0.0115 (0.0119)	-0.0049 (0.0104)	0.0054 (0.0081)
T2tec	-0.0009 (0.0051)	**-0.0136**** **(0.0066)**	0.0098 (0.0062)	0.0032 (0.0071)	-0.0044 (0.0082)	0.0049 (0.0052)
Fee Charged	-0.6120 (0.6301)	0.6349 (0.6300)	0.1970 (0.7556)	-0.4380 (0.6573)	-0.1266 (0.7505)	-0.5585 (0.5266)
Cut 1	-1.7544	-0.9135	-0.7422	7.7342	-3.1984	-1.1942
Cut 2	0.1376	2.9928	4.6732	12.7258	-2.0495	0.5311
Cut 3	4.0392	---------	---------	----------	3.8514	3.2270
Log likelihood	-84.66	-42.15	-34.42	-37.68	-32.92	-77.27
No.	102	58	62	60	62	72

Table 12: Multivariate estimates of an ordered logit model of the client assessments of satisfaction with each individual BL service. Diagnostic Assessment, Finance and Accounting Advice, Product/Service Design Advice, and Education and University Links are not reported because of small sample sizes. Significance levels as in previous tables.

	General Business Information	Personal Business Advisor	Sales and Marketing Advice	Export Advice	Training/ Investors in People	Innovation and Technology Advice	Grants
Number of Employees	-0.1232 (0.4980)	-0.2333 (0.8361)	-1.6262 (1.0330)	0.9827 (0.8403)	-0.0553 (1.0013)	3.6234 (2.9708)	-0.4915 (0.6193)
Exporter/ Non-exporter	-0.3458 (0.5182)	-1.1199 (0.8639)	-0.0660 (1.0738)	**2.6454*** (1.0289)**	-1.0020 (0.9837)	4.5665 (3.3242)	0.1769 (0.6173)
Rate of Employment Growth	0.0002 (0.0005)	0.0018 (0.0032)	**-0.0270** (0.0134)**	**0.0216** (0.0110)**	-0.0004 (0.0008)	0.0046 (0.0068)	0.0015 (0.0028)
Profitability per employee	**-0.0599** (0.0280)**	0.0601 (0.0602)	-0.0139 (0.0479)	0.0082 (0.0452)	-0.0351 (0.0701)	0.3437 (0.2770)	0.0465 (0.0476)
Skill	0.0147 (0.0105)	0.0103 (0.0137)	0.0245 (0.0165)	**0.0380* (0.0231)**	**0.0294* (0.0178)**	0.0134 (0.0378)	0.0173 (0.0150)
Innovator/Non-innovator	**0.8463* (0.4947)**	**1.3101* (0.7607)**	0.1194 (0.8275)	-0.4396 (0.6974)	-0.6471 (0.7886)	**8.8999** (4.1123)**	0.5689 (0.5304)
Manufacturing/ Services	0.8380 (0.6201)	0.1658 (0.8305)	-0.1459 (1.0011)	1.9655 (1.5311)	-0.8515 (1.0648)	-4.0273 (3.7312)	0.5038 (0.8151)
Income	0.0641 (0.0432)	0.0091 (0.0578)	-0.1056 (0.0762)	0.0436 (0.0552)	-0.0136 (0.0535)	**-0.5862** (0.2793)**	-0.0507 (0.0522)
BL Age	-0.0091 (0.0268)	0.0134 (0.0349)	0.0236 (0.0487)	**0.0757* (0.0455)**	**-0.0870* (0.0513)**	**-0.2578** (0.1243)**	-0.0302 (0.0282)
Outlets	-0.0273 (0.0823)	-0.0254 (0.1242)	**-0.2531* (0.1414)**	0.0537 (0.1343)	0.1567 (0.1660)	0.1924 (0.3523)	-0.0748 (0.0997)
PBAs	0.4714 (0.5712)	0.7442 (0.8504)	-0.6621 (0.9339)	-0.3606 (0.9417)	0.7946 (1.1005)	2.7806 (2.0528)	0.0604 (0.6367)
Visits Penetration Rate	-0.1500 (0.1997)	-0.1342 (0.3528)	**-0.6954* (0.3587)**	-0.0537 (0.3495)	0.1911 (0.4007)	-0.1006 (0.7783)	-0.0213 (0.2214)
No. of Services	0.1026 (0.0735)	0.1152 (0.1110)	**0.2550* (0.1337)**	-0.0041 (0.1020)	0.2510 (0.1576)	**1.3758** (0.6353)**	0.0896 (0.0970)
European Union Assisted Area	-0.0511 (0.5293)	0.2955 (0.7828)	**2.4284** (0.9430)**	1.2674 (0.8666)	0.6061 (1.0091)	**5.9894* (3.6232)**	0.6704 (0.6288)

	General Business Information	Personal Business Advisor	Sales and Marketing Advice	Export Advice	Training/ Investors in People	Innovation and Technology Advice	Grants
T2cci	0.0011 (0.0069)	-0.0081 (0.0102)	**-0.0222*** **(0.0122)**	0.0124 (0.0118)	-0.0051 (0.0104)	0.0803 (0.0593)	0.0071 (0.0080)
T2tec	0.0001 (0.0050)	**-0.0133**** **(0.0065)**	0.0095 (0.0060)	0.0032 (0.0071)	-0.0045 (0.0082)	0.0138 (0.0218)	0.0049 (0.0051)
Cut 1	-1.3395	-1.9498	-1.0499	8.2276	-3.1175	20.2424	-0.8915
Cut 2	0.5358	1.9209	4.3702	13.2461	-1.9695	24.9951	0.8222
Cut 3	4.4296	---------	---------	----------	3.9891	37.9516	3.5175
Log likelihood	-85.42	-42.67	-34.46	-47.61	-33.04	-12.45	-78.46
No.	103	58	62	61	63	30	73

Table 13: Individual BL hub performance ranked by level of use. Users are defined as the percentage of the sample respondents in each area using their local BL, for those cases where the sample has five or more users.

Rank (1999)	Business Link Hub	Use 1997	Use1999	Age in 1999
1	Cewtec (Chester & Wirral)	57.9	63.6	5
2	Leeds	35.5	60.0	4
3	Tyneside	52.3	56.5	5
4=	G. Peterborough	13.6	50.0	3
4=	Dudley	37.5	50.0	5
4=	S. Derbyshire	19.1	50.0	5
7	Gloucestershire	40.7	46.7	5
8	Dorset	37.0	43.8	5
9	Staffordshire	35.9	43.5	4
10	Hereford & Worcester	48.7	42.1	5
11	PROSPER (Devon and Cornwall)	35.3	41.9	5
12	Cumbria	34.8	40.0	4
13	Suffolk	29.3	39.1	4
14=	Bedfordshire	21.9	33.3	4
14=	Sussex	19.1	33.3	3
16	Hampshire	20.6	30.3	3
17	ELTEC (E.Lancashire)	9.4	29.4	2
18=	Birmingham	42.9	29.2	7
18=	Leicestershire	19.2	29.2	7
20=	Heart of England	27.5	28.6	3
20=	Hertfordshire	37.5	28.6	5
22	Surrey	26.4	23.3	3
23	AZTEC (SW London)	-	22.7	4
24	Westec (Bristol)	25.0	20.7	4
25	Essex	21.6	20.5	3
26	Thames Valley	18.6	16.3	5
27	Kent	16.5	16.2	4
28	Focus (Central London)	11.0	15.7	4

Table 14: Individual BL performance ranked by proportion of clients satisfied or very satisfied in 1999, for cases where the sample has five or more respondents.

Rank (1999)	Business Link Hub	Satisfaction 1997	Satisfaction 1999	Age in 1999
1=	Bedfordshire	63.6	100.0	4
1=	Birmingham	81.3	100.0	7
1=	Focus (Central London)	53.2	100.0	4
1=	Dorset	44.4	100.0	5
5	Leeds	62.9	96.6	4
6	Hereford and Worcester	94.0	92.3	5
7	Leicestershire	90.5	91.7	7
8	Hampshire	65.9	90.0	3
9	Heart of England	69.2	88.9	3
10	Surrey	62.7	88.0	3
11	PROSPER (Devon and Cornwall)	58.9	86.8	5
12	Essex	53.7	86.2	3
13	Cumbria	60.7	85.0	4
14	Tyneside	65.8	84.4	5
15=	Dudley	80.0	84.2	5
15=	Suffolk	75.0	84.2	4
17	Sussex	69.6	83.1	3
18	G. Peterborough	-	82.4	3
19	S. Derbyshire	63.6	76.5	5
20	Cewtec (Chester and Wirral)	71.4	75.0	5
21	Stafforshire	61.8	71.4	4
22	Hertfordshire	74.1	68.7	5
23	Gloucesterhire	62.9	68.4	5
24=	ELETEC (E. Lancashire)	-	63.2	2
24=	Thames Valley	42.5	63.2	5

Table 15: Satisfaction levels of BL users; comparisons of 1997 and 1999 (percentages of satisfied and very satisfied).

BL service	Used BL in 1997 and 1999			Used BL in 1997 not in 1999	Used BL in 1999 not in 1997
	1997	1999	% change		
General business information	79.8	83.0	3.2	73.2	85.3
Diagnostic assessment	65.3	76.5	11.2	61.5	70.0
Personal business advisor	76.6	88.4	11.8	56.5	85.7
Sales and marketing advice	73.1	79.7	6.6	41.7	75.0
Export advice	55.6	76.4	20.8	66.7	90.0
Finance and accounting advice	78.6	68.4	-10.2	50.0	72.7
Training/Investors in People	77.1	95.1	18.0	67.6	94.4
Product/service design advice	73.3	90.9	17.6	50.0	83.3
Innovation and technology advice	75.0	83.9	8.9	52.9	73.3
Education and university links	70.4	86.7	16.3	72.7	100.0
Grants	66.7	78.9	12.2	47.4	65.9
Average	73.9	83.9	10.0	61.4	81.4

Significance tests between columns 1 and 2, 1 and 4, and 2 and 5 are calculated using the Mann Whitney test and are reported in the text.

Table 16: Comparison of very dissatisfied and very satisfied respondents in 1997 and 1999. Significance tests use the Mann Whitney test to compare columns 1 and 2, and 3 and 4.

	Very dissatisfied		Very satisfied	
Business Link Services	1997	1999	1997	1999
General business information	8.9**	3.0	6.1**	15.5
Diagnostic assessment	10.7	7.4	8.0	9.3
Personal business	10.3**	2.1	24.1*	28.9
Sales and marketing advice	7.7**	4.0	7.7**	15.2
Export advice	9.0*	3.5	9.0	10.6
Finance and accounting advice	11.9	6.7	23.8*	16.7
Training/Investors in People	7.5*	2.1	17.5	14.4
Product/service design advice	10.5**	7.1	5.3**	32.1
Innovation and technology advice	10.2*	6.5	14.3*	17.4
Education and university links	7.9*	2.6	13.2	15.8
Grants	20.7**	10.7	12.0**	19.6
Average	11.9**	4.6	12.3**	17.2

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