

# Special Survey: Answering Practices



**Strictly Confidential**

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*For office use only*

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**Please return by: Wednesday 19th August 1998**

**An important part of the correct interpretation of business survey data is an awareness of the basis on which respondents reply. This questionnaire therefore is designed to investigate the considerations underlying present Industrial Trends Survey answering practices. The answers to this enquiry will enable us to gain a better understanding of the results. In all cases, please refer to the enclosed facsimile of the Industrial Trends Survey questionnaire.**

If you have any queries concerning this questionnaire or the Industrial Trends Survey in general, please contact Sudhir Junankar on 0171 395 8100 (e-mail: [sudhir.junankar@cbi.org.uk](mailto:sudhir.junankar@cbi.org.uk)), Jonathan Wood on 0171 395 8105 (e-mail: [jonathan.wood@cbi.org.uk](mailto:jonathan.wood@cbi.org.uk)), or Ranjiv Mann on 0171 395 8101 (e-mail: [ranjiv.mann@cbi.org.uk](mailto:ranjiv.mann@cbi.org.uk))

**Q.1(a) Please specify how you answer questions 1 and 2 (i.e. optimism about the general business situation and about export prospects)?**

- (i) A comparison of optimism/pessimism at the time of answering, against four months earlier
- (ii) An indication of whether at the time of answering you are optimistic, neutral or pessimistic.
- (iii) Other (Please tick and specify below)

General business situation	Export prospects

General business situation.....  
.....  
or export prospects.....  
.....

**(b) What are the most important factors influencing how you answer question 1 and 2 (optimism about the general business situation and about the export prospects)?**

(Please tick and rank your answers in order of importance, where 1 = most important)

- (i) Exchange rates
- (ii) Interest rates
- (iii) Demand/orders
- (iv) Profitability
- (v) Political conditions in the UK
- (vi) Demand conditions in other EU markets
- (vii) Demand conditions in non-EU markets
- (viii) Other (Please tick and & specify below)

General business situation	Export prospects

General business situation.....  
.....  
or export prospects.....  
.....

**Q.2(a) When answering question 4 (Capacity Working), do you only measure current output solely against physical capacity, i.e. buildings, plant and machinery?**

Yes	No

If your answer is 'NO', what other considerations do you have in mind?  
(Please tick as appropriate)

- (i) Utilisation of labour
- (ii) Financial resources (e.g. working capital)
- (iii) Other (Please tick and specify)

**(b) When answering question 4 (Capacity Working), what do you regard as a 'satisfactory' full rate of operation?**

(tick one box only)

- (i) Working at full capacity
- (ii) Working at a percentage of full capacity
- (iii) Qualitative assessment

**(c) Does the rate of operation you currently regard as satisfactory differ from what you regarded as satisfactory five years ago?** (Please tick as appropriate)

Yes	No

If your answer is 'YES', is this rate:  
(Please tick one box only)

Higher	Lower

**(d) Are you now working closer to full capacity that you used to five years ago?** (Please tick as appropriate)

Yes	No

**Q.3(a) When answering question 5 (a), how do you combine your domestic & export order books to arrive at an overall figure for total order books?**

(Please rank your answers in order of importance, where 1 = most important.)

- (i) Make a direct assessment of total order books
- (ii) Attach weights to domestic and export order books according to their importance to your business
- (iii) Some combination of the above options
- (iv) Other (Please tick and specify below)

**(b) When answering questions 5(a) and 5(b) what benchmark do you use to assess whether or not your order books are 'normal' in volume terms?**

(Please rank your answers in order of importance, where 1 = most important.)

- (i) The past level of orders or an historic average
- (ii) Average growth rates of your business
- (iii) Your budgeted plans or forecasts
- (iv) The capacity of your plant/company
- (v) Other (Please tick and specify below)

Total order books	Export order books

If you ticked option (i), does your assessment of 'normal' order books change over time?  
(Please tick one box for each category)

Total order books		Export order books	
Yes	No	Yes	No

If you answered 'YES', has this assessment altered over:-  
(Please tick one box for each category)

Total order books		Export order books	
Past 12 months	1 to 5 years	Past 12 months	1 to 5 years

**Q.4 Do you adjust for seasonal variations before answering questions 6 to 12 inclusive on the Industrial Trends Survey?**

Yes	No

- If 'YES', how is this done? (tick one box only)
- (i) Subjectively
  - (ii) By an established quantitative procedure

- If 'NO', is this because (tick one box only)
- (i) Seasonal factors are not significant
  - (ii) Seasonal factors are impossible to measure
  - (iii) Other (Please tick and specify)  .....

**Q.5 Do you produce a heterogeneous range of products?**

Yes	No

If 'YES', in answering questions 7 to 10 of the Industrial Trends Survey, how do you then make an assessment of volumes?

- (tick one box only)
- (i) Subjectively
  - (ii) By an established quantitative procedure
  - (iii) Other (Please tick and specify)  .....

**Q.6(a) When referring to questions 6 to 12 inclusive to the 'trend over the past 4 months (or expected trend over the next 4 months)', do you answer in terms of the change:**

- (tick one box only)
- (i) From beginning to end of the 4 month period
  - (ii) In 4 months as a whole compared with previous 4 months
  - (iii) In the past 4 months as a whole compared with the same 4 months of the previous year
  - (iv) Some combination of the above options
  - (v) Other (Please tick and specify below)
- .....

**(b) In answering questions 6 to 11 on the Industrial Trends Survey, what range of movement would you regard as falling within the reply 'the same'? (Please tick one box only)**

Up to 1%	Up to 1-2%	Up to 2-4%	Up to 4-8%

**(c) In answering question 12a and 12b on the Industrial Trends Survey, what range of movement would you regard as falling within the reply 'the same'? (Please tick one box only for each question)**

	Up to 1%	Up to 1-2%	Up to 2-4%	Up to 4-8%
Question 12a domestic prices				
Question 12b export prices				

**Q.7 When answering question 7 (b) on orders and question 9 (b) on deliveries, what range of movement do you regard as indicating falling export volumes?**

(Please tick one box only for each question)

	0 to -3%	-4 to -7%	-8 to -11%	-12 to -15%	-16 to -19%	-20 to -23%
Question 7b export orders						
Question 9b export deliveries						

**Q.8(a) When answering 'up' or 'down' to Industrial Trends Survey questions 6 to 10, is it in terms of:-**

(tick one box only)

- (i) Volume (or no. employed) has, or is expected to rise/fall
- (ii) Volume (or no. employed) has, or is expected to rise/fall more quickly than it has been rising/falling

**(b) When answering 'up' or 'down' to questions 11 and 12, is it in terms of:-**

(tick one box only)

- (i) Average costs (or average domestic prices/average export prices) have, or are expected to, rise/fall
- (ii) Average costs (or average domestic prices/average export prices) have, or are expected to, rise/fall more quickly than they have been rising/falling

**Q.9(a) In the Industrial Trends Survey, question 11 seeks information on past and expected trends in average costs per unit of output. What are the most important factors influencing your answer to this question?**  
(Please tick as appropriate and rank your answers in order of importance where 1 = most important)

- (i) Raw material costs
- (ii) Energy costs
- (iii) Labour costs
- (iv) Other (Please tick and specify below)

**(b) When you consider the trend in average costs, are you able to take into account productivity improvements?**

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

**Q.10 Question 12(a), on the Industrial Trends Survey seeks information on past and expected trends in average domestic prices. Do you revise list prices at which domestic orders are booked at the same time every year?**

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

If 'YES', is it in:- (Please tick as appropriate)

- (i) January (i.e. beginning of calendar/account year)
- (ii) April (i.e. beginning of the fiscal/tax year)
- (iii) Other (Please tick and specify below)

If 'YES', do you experience significant difficulty in assessing the expected trend over the subsequent four months, excluding this regular pattern?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

**Q.11 Question 14 on the Industrial Trends Survey seeks information on skilled labour as a constraint on future output. Does this reflect:**

(Please tick as appropriate)

- (i) Your current workforce only
- (ii) Difficulties in recruiting the right skills

Does the skilled labour constraint refer to:

- (i) Mainly production line workers
- (ii) Mainly managerial/technical skills
- (iii) A combination of (i) and (ii)
- (iv) Other (Please tick and specify)

**Q.12 Question 15 on the Industrial Trends Survey seeks information on the factors likely to limit your ability to obtain export orders over the next four months.**

(a) If you answer '**prices**' (compared with overseas competitors) is this response with reference to a specific exchange rate:

Yes	No

If 'YES' is it: (Please tick as appropriate)

- (i) Deutschemark/£
- (ii) US Dollar/£
- (iii) Yen/£
- (iv) French Franc/£
- (v) Lira/£
- (vi) Other (Please tick and specify)  .....

If you ticked any of the above options, is your view of the exchange rate based on:  
(Please tick as appropriate)

- (i) Average over the previous 4 months
- (ii) Average over the past month
- (iii) Level at the time of answering
- (iv) Expectations for the next 4 months
- (v) Expectations for the next 12 months
- (vi) Other (Please tick and specify)  .....

(b) If you answer '**political or economic conditions abroad**' to Question 15, which markets does this refer to:  
(Please tick and rank your answers in order of importance, where 1 = most important)

EU	Rest of Europe	North America	Asia Pacific	Latin America	Other (please specify)

**Q.13 Question 12b in the Industrial Trends Survey seeks information on the trend in average export prices. When you answer this question is it on:**

(Please tick as appropriate)

- (i) A sterling basis
- (ii) A foreign currency basis (Please tick and specify)  .....
- (iii) Other (Please tick and specify)  .....

If you ticked (ii) is it:

- (i) Deutschemark
- (ii) US Dollar
- (iii) Yen
- (iv) French Franc
- (v) Lira
- (vi) Other (Please tick and specify)  .....

**Q.14 Question 15a in the Industrial Trends Survey seeks information on past and expected trends in your competitiveness in the UK, other EU & non-EU markets. What are the most important factors (relative to your competitors) influencing how you answer this question?**

(Please tick and rank your answers in order of importance, where 1 = most important)

- |  | UK                       | Other EU                 | Non-EU                   |
|--|--------------------------|--------------------------|--------------------------|
| (i) Price relative to competitors                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (ii) Unit labour costs                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (iii) Quality of your product                              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (iv) Design features                                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (v) After sales services (including distribution networks) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (vi) Delivery dates  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| (vii) Other (Please tick and specify below)                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Q.15 Who regularly fills in the Industrial Trends Survey questionnaire?**

(Please tick as appropriate and specify job title)

- (i) Chairman/Managing Director/Chief Executive/Deputy Chairman .....
- (ii) Director of function (e.g. finance, marketing, commercial) .....
- (iii) General Manager/Company Secretary .....
- (iv) Other (Please tick and specify) .....

**Q.16 How do you regard the results of the Survey?**

(Please use the scale provided here and insert number 1-4 in the boxes below)

Invaluable = 1, Helpful =2, Limited help =3, Of no use =4

	Quarterly Survey		
	Total Trade	Export Trade	Monthly Enquiry
(i) Total manufacturing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(ii) Your sector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(iii) Your own industry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you inserted numbers 1-3 in the boxes, how do you use the Survey results? Is it: -

- (i) Regularly in your planning (e.g. for monitoring purposes) (tick as appropriate)
- (ii) On a periodic basis (e.g. when preparing operating plans/budgets)
- (iii) Other (Please tick and specify below)

**Q.17 At what level are the Survey results used in your company?**

(Please tick as appropriate)

- (i) Chairman/Managing Director/Chief Executive/Deputy Chairman
- (ii) Director of function (e.g. finance, marketing, commercial)
- (iii) Other (Please tick and specify below)

**Q.18 Please specify below if you have any suggestions for improving the usefulness of the Survey from your point of view.**

Please enter here the code number of the main manufacturing activity covered by this return.  
 (If unsure of your correct Industrial Classification, please state clearly below your main manufacturing activity being as specific as possible)

How many EMPLOYEES are covered by this return

- (a) 0-199       (b) 200-499       (c) 500-4,999       (d) 5,000 and over

What is the annual ex-works value of your direct EXPORTS

Nil – £75th	£75th- £1m	£1m- £3m	£3m- £8m	£8m- £15m	£15m- £25m	£25m- £40m	£40m- £60m	£60m- £100m	£100m- £150m	Over £150m

The CBI is most grateful for your assistance with this questionnaire. We very much hope to make the results available to each participant. Please complete the details below, or if you wish, dispatch the completed form to the CBI without completing this section.

Name..... Position ..... Company .....