

**Ethnic minority small businesses**  
**Qualitative research report**

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## **SUMMARY AND RECOMMENDATIONS**

### **Introduction**

This research was commissioned by Acas through COI Communications. The research was conducted by Turnstone Research and Consultancy, an independent market research agency. The objectives were to explore the attitudes of ethnic minority small businesses towards employment relationships, their preferred information sources, and the potential for Acas to offer services to this sector.

The research was entirely qualitative in nature, aiming to provide insight and understanding but not statistical data. The sample comprised twenty-nine individual interviews with ethnic minority business owners or managers. This is a relative small-scale study and the results should be taken as indicative rather than conclusive.

### **Description of the sample**

The ethnic minority small business population was highly diverse and it was difficult to identify general patterns. Attitudes and behaviour were influenced by cultural factors and also business issues, such as size, sector and location.

Combining these factors we developed a typology of ethnic minority businesses as follows:

- Traditional Asian Restaurants, usually owned by Bangladeshi people;
- Asian Family Businesses, either first or second-generation;
- Young Entrepreneurs, often young black and Asian men;
- Specialist Professionals, serving the ethnic community;
- Mainstream Professionals, serving the general population;
- Straightforward Small Businesses, running retail or service companies with no obvious "ethnic" characteristics.

These groups have different attitudes towards regulation, face different barriers, and may be motivated by different marketing messages. We develop these ideas in our recommendations.

## **Employment relations**

Ethnic minority small businesses preferred to maintain an informal approach to employment relations. They saw their relations with their staff as based on mutual trust and respect, and were frequently prepared to be flexible with employment patterns. In some Asian and Chinese businesses, they felt that they had run their businesses successfully in this way for many decades and saw no reason to change. Other business owners felt that to formalise their processes in writing was not compatible with their friendly, trusting relationship with staff.

Those who did have documented procedures tended to be businesses in the public sector, those who had worked previously for large companies, younger business owners, and those with aggressive expansion strategies. For these businesses, the role of regulation was to provide clarity in employment relations, avoid legal disputes and to be seen to operate in a professional fashion.

## **Information sources**

The first port of call for most business queries was the accountant. Accountants were called upon for advice on a range of issues, not just restricted to financial matters. Their advice was trusted and business owners were usually very satisfied with their accountants.

Some business owners had legal advisers as well, but they tended to call upon these either in the case of real disputes, or to draft contracts if they were expanding.

Other important sources included Chambers of Commerce, Business Links, and local ethnic minority business organisations. Community organisations were not usually seen as appropriate sources of business advice, as such matters required professional expertise.

## **Acas – image and awareness**

Awareness of Acas was patchy across the sample. Those who had worked in larger companies or in the public sector in the past were more likely to have heard of Acas, whilst others, especially Pakistani, Bangladeshi and Chinese respondents, were less likely. Those who had heard of Acas associated it primarily with industrial disputes and with resolution of grievances in larger companies.

## **Acas – Barriers to use**

Low awareness of Acas and its services was a key barrier to using Acas. Few thought that Acas would work with small companies such as theirs, believing its expertise lay with large companies. A few also commented that Acas might be more on the side of employees than employers. Asian and Chinese businesses felt that Acas might not

understand the dynamics of family run businesses or of the Asian communities, and therefore would not be in a good position to advise them.

### **Acas – attitudes to services and information**

People were surprised to see the range of information that Acas provided and to find that it was more relevant and useful than they had imagined. The Guide to Employing People and to Producing a Written Statement were both singled out for praise as being clear, practical and useful.

### **Effective communications channels**

Communicating with ethnic minority business owners will require a mix of business channels and cultural-ethnic channels. Those respondents who we have termed Mainstream Professionals were more likely to read their professional journals than to consume ethnic specific media. Black respondents in particular felt ethnic minority media were of little value to them.

However, Asian and Chinese respondents were more keen on ethnic minority media, also using mother tongue formats where relevant – for example, to access non-English speakers in the restaurant trade. They also thought that outreach work with local organisations to raise Acas' profile in the community would be valuable.

Asian, Chinese and Black respondents also mentioned local ethnic minority business networks as a good way to access ethnic minority businesses and to raise awareness of Acas and its services.

There was some demand for translated information from Bangladeshi and Chinese respondents, who were most likely to prefer to read information in their Mother Tongue. The majority of the sample, however, felt that English was the language of business and were happy to receive material in English. Nevertheless, they did request summaries of longer documents and the use of simple English, especially for those whose first language was not English.

### **Recommendations**

Thus, the ethnic minority business audience was highly diverse and cannot be targeted as a single group. Also, although some national publicity may be beneficial in raising awareness of Acas, it is likely that local activity and delivery will be most important in identifying relevant businesses, key issues and communications channels.

We therefore suggest the following action plan:

1. Raise awareness of Acas and its services, moving the image away from dispute resolution towards employment relations in general; this could be

accomplished by a mix of outreach work, local networking, use of ethnic minority media and targeting advertising;

2. Develop key messages which can motivate the segments identified above and include these in centrally produced marketing materials. Key messages could include:
  - Increase staff morale and retention, and reduce turnover (Traditional Restaurants and Family Businesses);
  - Operate in a more professional and cost effective fashion, and avoid expensive legal disputes (Mainstream and Specialist Professionals);
  - Professionalise your practices and grow into mainstream markets (second-generation Asian Family Businesses);
  - Facilitate the expansion of your business (Young Entrepreneurs).
3. Develop relevant marketing materials in appropriate formats: this could include specific materials on issues such as running a family business, employing staff from abroad, dealing with staff who do not speak English, or breaking into mainstream markets;
4. Develop a toolkit or training pack for local Acas workers, to identify the key businesses in their area, select the most appropriate marketing messages, and liaise with local business and ethnic organisations to deliver the message on the ground.

## **1. INTRODUCTION**

Historically, Acas has been strongly associated with its work in conciliation and arbitration. Settling individual employment disputes and Employment Tribunals still constitutes a large part of Acas' work. However, Acas see another key part of their role as solving employment issues before they reach dispute or tribunal stage. Acas provide advice on employment relations through a telephone helpline service, special advisory projects with organisations and their employees, as well as seminars and training events. These cover topics such as regulatory changes and improving best practice in employer-employee communications. It is this expertise in the field of employment relations that Acas wish to promote more widely.

Acas' existing client base has been among larger (250+ employees) organisations in the manufacturing and public sectors. As employment by the small business sector has increased, Acas has been exploring the potential for enlarging its client base among small to medium businesses (SMEs).

Following the Race Relations Amendment Act 2002 and a recent Diversity Audit (2003) Acas is giving equality and diversity issues a higher profile. Its 2003/4 Business Plan has made the promotion of diversity in its workforce, as well as in its operational delivery, a key policy objective. Diversifying into the SME area has also been made a priority.

Clearly, many SMEs in the UK are owned and run by people from ethnic minority communities. Acas is therefore keen to gain a deeper understanding of the attitudes and information needs of this sector, and research was required to meet this need.

### **1.1 Objectives**

This research was commissioned to explore the attitudes of ethnic minority owned small businesses towards employment relations, and to identify their information needs. The research was commissioned by Acas, via COI Communications, who provided support and advice throughout the project. The research was conducted by Turnstone Research and Consultancy, an independent market research agency.

The objectives of the research were to explore:

- How ethnic minority business owners perceive their 'employment relationship' with their staff;
- Attitudes and awareness regarding employment relations and practices (e.g. recruitment, training, terms of employment, disciplinary procedures, appraisal systems etc.) among small to medium sized ethnic minority business owners;
- Advice and information needs, in addition to their current source of information on these issues;
- Awareness of and attitudes towards Acas and its services;



- The appeal and relevance of Acas services to this sector, and opportunities to develop new services.

Throughout this research we use the term “employment relations” to describe the employer’s relationship with their staff, as well as the employment policies and practices within the organisation.

## **1.2 Defining an “ethnic minority business”**

In embarking this study, we needed first to define what was meant by “ethnic minority businesses.” The most obvious definition is by reference to the ownership of the business, but we felt that other factors also needed to be taken into account in designing our sample. We wanted to ensure that we had a spread of different business types, including some that were strongly embedded within particular ethnic communities, and others that operated within a wider business context. After considering the nature of the ethnic minority small business sector, we decided to include four factors in our definition:

- The ownership and management of the business;
- The ethnic mix of the staff;
- The produce or service offered;
- The customer base.

## **1.3 Research methods**

We recommended a qualitative approach to the research. Few previous studies have looked at attitudes towards employment relations among this target audience. Thus, the relatively unstructured nature of qualitative research was well suited to an exploratory project of this nature. Qualitative research provides insight and understanding, but not numerical or statistical data.

We decided to conduct a relatively small scale study in the first instance. Little was known of the extent to which ethnic minority business owners would be interested in Acas’ services or their likely information needs. Therefore, a small scale scoping project was most suitable in order to identify the issues and map out the target audience. Further projects may be conducted in future focusing on particular target audiences, sectors or issues. In particular, it was decided not to include business owners from refugee backgrounds, or from the Eastern European community. This was because it was felt that these more recent arrivals would have specific information needs, and these might be best addressed in a separate study.

Individual in depth interviews, lasting around an hour, were used for this research. Individual interviews allow the researcher to explore each business in detail, identify their particular business circumstances and needs, and also to visit the business

premises and thus gain additional insight into the nature of the business. The interviews were recorded and subjected to full content analysis (see below).

#### **1.4 Sample Variables**

There are few reliable, up-to-date statistics on the make up of ethnic minority businesses in the UK. Drawing on research by the Policy Studies Institute from 1994, recent statistics from the Ethnic Minority Business Forum, and anecdotal information, the following appear to be the key factors:

- Around 6% of SMEs are owned by people from ethnic minority communities;
- Self employment is higher among Indian, Pakistani, Bangladeshi and Chinese people, than among the white population;
- Ethnic minority businesses tend to be smaller than white owned businesses;
- Ethnic minority businesses are strongly represented in the catering, retail, financial and medical sectors.

In the context of this overall picture, we took into consideration the following variables in designing the sample:

##### **Business Size**

Available information suggests that ethnic minority businesses are smaller than white owned business and that the majority will employ fewer than ten staff. A small number of businesses are larger, with thirty to forty employees. These could be warehouses, factories, or large wholesale shops. We therefore divided the sample into four bands as follows:

- 2 - 4 employees
- 5 - 10 employees
- 11 – 25 employees
- 25 – 50 employees.

We attempted to ensure representation of each size across the sample, although in fact smaller businesses were over-represented due to difficulties in finding larger ethnic minority owned businesses.

##### **Sector**

Research suggests that Bangladeshi and Chinese businesses are concentrated in catering, whilst Indian and Pakistani businesses are more likely to be in retail. However, ethnic minority businesses are also represented in professional services such as accountancy, law, and pharmacy. We therefore included employers in the service industries, the professions and manufacturing.

## **Ethnic group**

Some ethnic groups are more likely to be self-employed, and to be businesses owners, than others. However, for a preliminary study of this nature the best approach was to include representation of all the major ethnic minority groups in the UK, rather than focusing on those where employers are more numerous. This allowed us to identify the range of issues which impacted on minority businesses and to explore any ethnic or cultural differences in employment practices. We therefore included Indian, Pakistani, Bangladeshi, Chinese, Black Caribbean and Black African people in the research. We also included a small sample of business owners of other ethnic backgrounds.

## **Sex**

The sample was skewed towards men, reflecting the profile of ethnic minority business owners (the Small Business Services Omnibus Survey 2001 estimated that 13% of businesses with 1 – 249 employees were owned by women). However, female business owners were also included in the sample in order to ensure that gender differences could be explored.

## **Language**

Some employers from ethnic minority communities speak little or no English and it was important to include these in the sample. Employers within the catering and retail sectors, especially those whose clients and staff are mainly from their own ethnic group, are less likely to speak fluent English. These people might have different information sources and needs, and also different attitudes towards employment relations.

Turnstone has a multi-lingual research team and therefore we were able to interview respondents in the language of their choice. Around a quarter of the sample were interviewed partly or completely in Mother Tongues – Bengali/ Sylheti, Urdu, Cantonese and Mandarin. These respondents were mainly Bangladeshi and Chinese people, but also included one Pakistani business owner.

## **Location**

Most people from ethnic minority groups live in urban areas in England, with around half in London and the South East. However, we also needed to consider different economic conditions and labour markets to ensure that a range of business types is covered. Thus, the research was conducted in four areas – London, Birmingham, Leicester and Bradford.

## 1.5 The sample

Taking all these considerations into account, the following was the sample for the research.

	<b>No. of interviews</b>
<b>Asian</b>	
Indian	4
Pakistani	5 *
Bangladeshi	4
<b>Chinese</b>	4
<b>Black</b>	
Black Caribbean	5 *
Black African	3 *
<b>Other</b>	4
<b>Total</b>	29

\* Our original intention was to interview four business owners in each ethnic category. However, recruitment difficulties led to a slight imbalance among the Black section of the sample, and one extra Pakistani business owner was interviewed as a result of recruitment error. A detailed sample breakdown is contained in Appendix 4.

The interviewee in each case was the business owner or the manager responsible for recruitment and employment practices.

We commented above that the research sample was kept relatively small, as we wanted to explore the overall terrain rather than conduct a comprehensive survey. On reflection, we feel this decision was correct. The research findings allow us to make broad comparisons between ethnic groups, and to identify key segments within the ethnic minority business population. Nevertheless, it could be valuable to conduct further research to deepen our findings about particular target groups. If such research were conducted, we feel that the Chinese and black African populations would be the first to focus on. It would also be worth considering further research among Greek and Turkish business owners, as well including newer arrivals such as Eastern European and Somali people. In addition, more detailed information about the variations within, for example, family businesses or young entrepreneurs, could be gained from further research.

## 1.6 Recruitment

Recruitment for this project was challenging and we needed to use a range of approaches to achieve our sample. The four routes used were as follows:

- Community based recruiters: Turnstone works with a number of community based recruiters – advice workers, youth workers, welfare officers, etc. – who have a wide range of local contacts in particular ethnic groups. These individuals are better placed to recruit non-English speakers and those who may be suspicious of research, as they are known and trusted within the community. We found this approach most successful for Bangladeshi and Chinese business owners.
- Using professional business networks: in some cases our recruiters contacted local Chambers of Commerce or ethnic minority business associations for contacts;
- Snowballing: once one business owner had been identified and volunteered to take part, we asked if they knew any business associates who might also participate;
- Professional market research agency recruitment: this involves using standard market research techniques, where an interviewer approaches business owners directly and invites them to take part. This part of the project was carried out by Plus Four Market Research.

Using this range of approaches, we believe we achieved a good spread of business types and avoided systematic biases which could have resulted from using one source alone. We did not tell participants that the research was being conducted for Acas for two reasons: first, we wanted to assess spontaneous awareness of Acas, and second, we felt this might deter some business owners from taking part. All business owners were given a £40 Thank You gift.

A number of challenges were faced during fieldwork, and it is worth outlining them briefly here for the benefit of future researchers:

- There appeared to no reliable sources of information on the number and characteristics of ethnic minority businesses in the UK, and therefore in some cases our sampling criteria (particularly business size) did not appear to match the businesses on the ground;
- It was particularly difficult to find black-owned businesses with over ten employees and this group was therefore under-represented in the sample;
- Many business who claimed to have over twenty employees in fact employed freelance and contract workers, particularly in the catering and construction sectors;
- Business owners who speak little or no English were rarely “plugged in” to business networks and therefore could only be identified through community outreach;

- Business owners were frequently busy and reluctant to give up time to take part.

### **1.7 Stimulus materials**

We showed participants a range of stimulus materials during the research to gain their reactions to Acas' current marketing materials. These included the following booklets:

- Employing people – a guide for small businesses:
- A guide to producing a written statement
- A guide to producing disciplinary procedures
- How can we help you?

We also showed participants a print out of the first page of the Acas website, and a range of scenarios developed with Acas to explore their reactions to particular employment issues.

### **1.8 Analysis**

All the interviews were recorded and subjected to a full content analysis. Each researcher conducted their own analysis according to a common analysis framework, to ensure consistency and comparability across the sample and between interviewers.

Our analysis process is as follows:

- As fieldwork progresses, the researchers share ideas to ensure that emerging hypotheses can be developed during the project;
- Immediately after fieldwork, the researchers share initial impressions derived from field notes and an analysis framework is developed;
- All the interviews are subjected to full content analysis, with each researcher analysing their own work;
- Once all interviews are analysed, the data is explored according to the variables built into the sample to identify patterns, trends and relationships in the data;
- From this analysis and interpretation, the presentation and written report are produced.

Content analysis was facilitated for this project through the use of XSight, a qualitative data analysis programme designed specifically for commercial

researchers, which allows much quicker recovery of data and exploration of relationships in the data.

### **1.9 Reporting formats**

A full presentation of the results was made to Acas in May 2004 and a shorter presentation was made to the Senior Management Team in June 2004. In addition, Turnstone produced a short video illustrating the key findings with “vox pops” from participants and shots of some of the businesses and locations visited. This video was intended to bring the findings to life for both internal and external audiences.

### **1.10 Research team**

The research team comprised Philly Desai, Lisa Tang, Radhika Howarth, Humayun Kabir and Thomas Chan. The team included speakers of Bengali/ Sylheti, Hindi, Urdu, Mandarin and Cantonese, and therefore we were able to cover all the languages spoken by respondents who preferred to be interviewed in Mother Tongue. The project was designed and led by Philly Desai, who also wrote this report.

## **2. DESCRIPTION OF THE SAMPLE**

The ethnic minority small businesses we included were a very diverse group, as indeed are small businesses in general. As has been pointed out by other research conducted for the Department of Trade and Industry (Small firms awareness and knowledge of individual employment rights, Blackburn and Hart 2002; The impact of legislation on small firms, Edwards, Ram and Black 2003), it can be difficult to generalise about small businesses or to identify a single factor which explains their attitudes or behaviour with regard to employment relations. Indeed, their attitudes are most likely to be explained by a combination of business size, sector, workforce composition and personal experience.

### **2.1 Ethnic and cultural differences**

This study focused on small businesses owned by people from ethnic minority communities, and we did find some variations along ethnic or cultural lines. We outline these below, before moving on to suggest a typology of businesses that combines ethnicity with other characteristics.

- Bangladeshi businesses in our sample were all in the catering sector – three restaurants and one company providing laundry services to restaurants. The Bangladeshi restaurants in our sample were quite similar, usually small family

run enterprises employing friends and relatives, with few formal employment systems in place.

- Pakistani businesses in our sample were more diverse, including a catering company, a factory, a large furniture shop and a small restaurant. There were also more second-generation businesses among the Pakistani section of the sample;
- Indian businesses were still more diverse, including a restaurant, a manufacturing company, a garment factory and a garage. Interestingly, we found fewer family businesses among the Indian respondents than among Pakistani or Bangladeshi people;
- Chinese businesses included a travel agent, two restaurant owners and the proprietor of a chain of Traditional Chinese Medicine practices. Like the Bangladeshi and Pakistani respondents, these businesses were more likely to be providing services to their own ethnic community (e.g., medicine) or associated with their ethnic group (e.g., Chinese restaurants.)
- Black African and Caribbean businesses in our sample were perhaps the most diverse group, including specialist and mainstream services. Among black businesses in the sample we included construction and property development, clothing shops, nurseries, a recruitment consultancy and a multi media consultancy. Some of these businesses seemed very well organised and successful, whilst others appeared to be just about making ends meet. We also found few family businesses among the black communities.
- Business owners from other ethnic origins were also included, to gain the perspective of those who did not form part of the larger ethnic minority groups. We interviewed business owners from Greek Cypriot and Middle Eastern backgrounds, covering two restaurant owners, a travel agent and a butcher.

As already noted, there were some ethnic patterns in the data although, as outlined above, these did not offer a firm basis to divide the sample into meaningful groups. Like the DTI research by Blackburn and Hart (2002), we also found that there were differences between larger and smaller businesses in terms of their attitude towards employment relations. Those with more than ten employees tended to adopt more formal practices, whilst those with fewer staff were less likely to do so. However, other factors such as business sector, the previous experience of the owner, their business plans and the length of establishment of the business also had an effect.

## **2.2 A typology of ethnic minority businesses**

Thus, considering all these factors, we have developed a typology of the ethnic minority businesses in our sample, dividing them into six groups. This is not intended as an exhaustive description of all ethnic minority businesses, nor is it a hard and fast division with no room for overlap. However, we do believe that it is a meaningful way to segment the sample in terms of their business outlook and attitude to employment relations. We also believe that there may be different messages which



would motivate these groups to consider adopting more formal practices, and therefore that the segmentation will be useful for developing marketing communications and services.

The six groups are as follows:

- Traditional Bangladeshi and Pakistani restaurants: these businesses are typically run by a first generation migrant to the UK, usually a man now in his forties or fifties. He may speak some English but will be more comfortable in Bengali/ Sylheti or Urdu and may be literate in his own language. These business owners prefer informal staff recruitment methods, drawing on family and friends as well as community networks. They typically employ five to ten staff. Some staff may be recruited from abroad – especially chefs – and these people may be unaware of their employment rights in the UK. They may be paid less than the local, British Asian staff in the same business. The kitchen staff may speak little English, although the younger waiters are likely to be British-born students working part-time. There are unlikely to be written employment contracts or statements. There is however, a strong “restaurant culture” among the British Pakistani and Bangladeshi communities, covering such factors as how much the staff are paid, holiday entitlements and leave to visit relatives abroad. Typically, full time kitchen staff would be expected to work six days a week and would be given two weeks holiday a year, with limited or no sick pay and no other paid time off. However, the employer would probably allow the staff unpaid extended leave to visit relatives in Bangladesh or Pakistan. These employers did not view themselves as bad employers – indeed, they often took a paternalistic attitude to their staff and were prepared to be very flexible to meet staff requirements. Nevertheless, it is likely that they are unwittingly breaching employment regulation in various ways, and would see little benefit in complying.
- Family businesses in the Indian, Pakistani and Chinese communities: these businesses, such as garment factories or catering companies employing 10 – 25 people, may have been set up by the father of the family or by a group of brothers or cousins, for example. They may draw upon family networks for staff, finances and other advice and support. They employ mainly but not exclusively Asian people, usually recruited through word of mouth. Unlike the traditional restaurants, there are varying degrees of formality in employment relations among family businesses, with some businesses having developed more formal procedures whilst others remain informal. Importantly, there are now second-generation family businesses, where the younger, British-born sons or daughters are taking over the business from their parents. These younger people often appear ambitious, professional and well organised, and may want to implement new business systems. They may want to become more “professional” in their own eyes, to enter mainstream markets and to develop new products or services. These younger people can therefore be very open to introducing more formal employment relations if this helps meet their business goals.
- Specialist ethnic professionals are those who provide a service to their own ethnic community, using their cultural knowledge and contacts to develop a niche positioning. They may provide a specialist service (e.g. Chinese Traditional Medicine) or a mainstream service (e.g., laundry) in a culturally

sensitive fashion. Examples in our research include a Bangladeshi business which was set up specifically to provide laundry services to Bangladeshi restaurants; a furniture shop in the North of England run and staffed entirely by Pakistani people, where the proprietor said they welcomed large family groups and were happy to haggle; and a chain of Traditional Chinese Medicine shops set up by an ex-NHS doctor of Chinese origin. We found that these specialist ethnic professionals were often ambitious and were considering expansion into mainstream markets. They therefore were quite open to introducing more formal employment systems in order to facilitate this.

- Mainstream professionals are those from ethnic minority communities who provide mainstream services to a diverse customer base. Although the staff and owner might be from ethnic minority communities, there was little to distinguish their products or customer base from similar white-owned businesses. Often, these business owners were middle-aged and drew upon their experience in previous jobs for larger companies. In our sample, Black Caribbean and African were more likely to fall into this category, whilst Asians and Chinese people were more likely to be specialist professionals. This includes businesses such as a construction company, nurseries, a distribution plant, and a recruitment consultancy. They came across as professional and well organised, and were often aware of employment regulations from their previous experiences. For example, a Nigerian construction company owner in his late forties used to work for a major local authority, whilst a Black Caribbean recruitment professional used to work for the Careers Service.
- Young entrepreneurs are ambitious, dynamic and driven by their desire to succeed. They are motivated by status and success, and often have plans to expand their current business and enter new markets. In our sample, two black young men and two Asian young men fitted this description. The Asian young men were both taking over family businesses – a print company and a furniture shop. Of the black men, one ran a property development company, as well as having opened a music production company and bought a restaurant. The other was a multi-media professional and film maker, who was working in partnership with a local authority to develop a local TV production idea, as well as providing training services to further education colleges, and running the multi-media department at a large arts centre. Both these men were very aware of proper employment practice and were happy to comply as long it helped them to expand their businesses, avoid legal hassles, and compete for larger contracts.
- Straightforward Small Businesses are a selection of small businesses which have often existed in their current state for several years, and where the business owner has few plans or desire to expand. In our sample, they included a travel agent and a small cafeteria, but we suggest that a large number of small retail outlets might also fit this category. In most cases, they provide services to a diverse clientele with no particular ethnic dimension and they sell a straightforward mainstream product or service. If they have been running their businesses on an informal basis for many years they may see little incentive to adopt new practices, especially if they have no plans to expand.

## 2.3 Conclusion

Thus, we have identified six types of business defined through a mixture of ethnic and culture factors, as well as business size, sector and length of establishment. These businesses have different attitudes towards employment relations and regulations, and this provides an insight into the kinds of messages which would be needed to encourage them to adopt a more systematic approach.

## 3. EMPLOYMENT RELATIONS

We discussed with the business owners their views on employment relations and we asked them how they handled key issues such as recruitment, holiday entitlements, sick pay, disciplinary and grievance procedures, and pay negotiations. We wanted to understand whether they had procedures for handling these issues, and the degree to which these were formalised. We did not aim to explore awareness of Individual Employment Rights in depth (this has been explored by Blackburn and Hart in their 2002 study for the DTI).

### 3.1 An employer's duties

We started by asking business owners about the employment relationship in general – what did they see as their duties towards their staff? In line with the Small Business Council's 2004 study ([Evaluation of Government Employment Regulations and their impact on small businesses](#), SBC 2004), we found most business owners thought they were good employers and wanted to treat their staff well. It was widely recognised that if staff were unhappy they would not be productive, so this was an important part of the employer's role. Indeed, they often went beyond the requirements of regulation, saying that they wanted their staff to feel they could come to them with any problems, whether personal or work-related.

The following were identified as the main responsibilities of an employer:

- Most employers described their primary responsibility towards staff as to "make sure the staff are happy and sort out any problems". This included conflicts of personality, grievances, or time off for family emergencies, for example.
- Providing satisfying work for staff and a pleasant working environment, where people could look forward to coming to work, was also an important obligation. This included keeping staff motivated during difficult times, and rewarding them for work well done.
- They also identified a need to provide training and career development for staff, although this varied by sector. In the restaurant sector, training was informal and acquired on the job, whilst those in professional roles were more likely to send their staff on courses such as NVQs (in the nursery sector) or Apprenticeships (in mechanics).

- Ensuring the financial stability of the business was mentioned by the more professional respondents;
- Generating new business was also important for those in sales driven sectors, such as property development and construction. In these areas, employers were very aware of the need to generate income and, perhaps, personnel issues might take second place.

*It is important for me to know them, understand their requirements and needs so that you can work and grow together. I should know if they have problems at home to be able to support them. It is important to be flexible. This is particularly important in small businesses where you know your staff well and you have to be flexible to show that you value them.*

[Pakistani, Catering, 5 - 10 employees]

Also, many of the businesses we spoke to had a core team of permanent staff supplemented by contractors employed on an ad hoc basis. This was typical in the construction sector and also in catering and garment repairing, for example. Whilst employers recognised the need to keep their contractors and freelancers motivated as well as their permanent staff, there was clearly a different, more distant relationship, with these self-employed people.

### **3.2 Informal relationships**

Previous research among small to medium enterprises has found that business owners prefer informal employment relations (Small Business Council 2004). We also found a preference for informal relationships among employers, although with a few ethnic and cultural differences. In the main, employers did indeed prefer informal relationships with their staff, which they described as being “like a family”. This meant they were based on give and take, and mutual respect, rather than formal contracts or rules. They felt that by dealing with staff in this way, they gained additional commitment and loyalty, while the staff might be allowed flexibility in working hours, holiday dates or tea breaks, for example. Interestingly, they tended to assume that “formal” working practices were necessarily “inflexible” practices, imagining a large book of rules rather than a clear description of their working practices. Thus, it might be valuable to emphasise in communications that employment practices can be both formal (i.e., clearly documented) and flexible (in terms of working hours, holiday entitlement, etc.)

*They are like a family to me. We work long hour shifts together, we probably spend more time with each other than with our families. I treat them like my family- like my brothers.*

[Bangladeshi, Catering, 5 – 10 employees]

*There is respect, I am looked upon as a big brother. They are not scared of me. It's more like a family unit.*

[Indian, Catering, 2 - 4 employees]

*I would say we are very open and honest, the staff are very happy. I get cards from them. I do try and include them, so I'll say, 'what do you think of this idea?' If I have an open door policy and am friendly, I find they will do anything for you. They will work late and come in on Saturday if I need them to.*

[Black Caribbean, professional services, 2 - 4 employees]

Specific examples of informal working practices included:

- Recruitment was frequently conducted through friends and family of current staff, or through word of mouth: this was preferred because employees who arrived through this route was more likely to fit in and to stay;
- Staff were allowed to take extended unpaid leave to visit relatives in home countries;
- Staff were allowed flexible working hours as long as they got their work done effectively;
- Grievances were solved by informal discussion rather than formal processes: indeed, Chinese and Bangladeshi business owners in the catering trade felt that they could solve their staff grievances better in this way because they were all part of the same ethnic community and therefore could better understand each others point of view.

We should point out that, although business owners might not be complying with the letter of the law, they usually viewed themselves as good employers. When we brought areas of non-compliance to their attention, they usually argued that such regulations were not practical for small businesses. The main areas in which non-compliance seemed to be occurring were:

- Holiday entitlements;
- Sick pay;
- Employment rights for overseas workers;
- Grievance procedures;
- Unfair dismissal;
- Failure to provide written statements.

However, they clearly did not feel that their non-compliance damaged their self-image as a good employer. Indeed, they were more likely to see these rules as further evidence of their belief that such regulations were not relevant or applicable to small businesses like theirs.

### 3.3 Barriers to adopting formal procedures

There were a range of more detailed reasons offered for not adopting formal employment procedures and documenting these in writing. The most common among businesses with fewer than ten employees was that such processes were not relevant to small businesses such as theirs. When and if they expanded, then they might consider formalising procedures.

Those running very small businesses, with one or two employees, or whose businesses were struggling, sometimes argued that even minimum compliance was beyond their resources, for example in terms of sick pay or paid holidays.

*We can't pay sick leave but we try and compensate by giving them additional hours the following weeks so that they can make up the lost income. This is an understanding we have with the staff.*

[Pakistani, Catering, 2 – 4 employees]

Other businesses pointed out that many of their staff spoke little or no English and might also be illiterate in their mother tongue, rendering written statements pointless. They preferred to tell people verbally what the terms and conditions were.

*My relationship with my staff is informal. A lot of the staff I have are not educated so it is not worthwhile having formal relationship with them. It is better and they understand a lot easier if the relationship is informal.*

[Pakistani, Retail, 11- 25 employees]

Also, some employers viewed written documents and contracts as conflicting with their friendly, "like a family" self-image. They argued that if everyone understood and respected everyone else, there was no need for such processes. They almost believed that contracts and rules implied a lack of trust between employer and employee.

*All things are discussed but there is nothing on paper. That's how it has always been and it is working. We all have trust and faith in each other. You don't have to get paperwork out to challenge something. This trust is nice and unique to our business.*

[Bangladeshi, Catering, 5 - 10 Employees]

### 3.4 Prompts to adopting formal processes

However, some businesses in our sample did indeed have formal employment procedures, or were taking steps to set up such systems. The main prompts to considering more formal systems seemed to be:

- Reaching a certain staffing level, usually around ten;

- Opening new premises, for a shop or restaurant, so the owner was not always on site;
- Winning a large contract or competing with larger companies, when clients might demand to see key policies;
- Planning to expand and having an aggressive marketing strategy, so that systems could be set up in advance of expansion;
- A family business being taken over by a member of the younger generation, who might want to professionalise employment practices and compete in mainstream markets.

*I want to be professional and am setting up systems and procedures. I am trying to get there. I am keeping files on each staff member, getting medical records – doing everything now.*

[Indian, mechanic, 5 - 10 employees]

*I do not have anything in writing so far and I know I should do something about this so I have already started speaking with an agency. I think I need it as I have planned to expand next year. I am looking for a bigger place. I know you need these things when you have more than twenty staff. At the moment I do not have any system of written employment contracts. I think it [contracts] is beneficial to both sides, as I will be employing more people than I have to have it.*

[Bangladeshi, Service Industry, 11 – 25 employees]

In our sample, those who were more likely to have formal employment processes included businesses with around ten staff or more, businesses with definite expansion plans, businesses working in the public sector, younger business owners, and those where the business owner had previously worked for larger companies before setting up on their own.

### **3.5 Advantages of regulation**

Finally, we asked participants if they saw any advantages to regulation and to setting up formal employment procedures. Here, our findings are more in line with those of Edwards, Ram and Black (2003), who found that business owners did perceive advantages, than with the Small Business Council research (2004) that suggested few perceived benefits from regulation.

The key advantages of formal employment procedures were thought to be:

- To introduce an element of clarity into the relationship between the employer and employee, so each knew exactly “where they stood”;

- To protect the employer in the event of a dispute, as there would be set procedures to implement to resolve matters which would help reduce the stressfulness of the situation;
- To ensure consistency in the treatment of staff across different premises or when the business expanded;
- To set standards of customer service and business practice while a business was expanding;
- To enhance the professional standing of a business, both in the eyes of the owner, staff and customers;
- To assist in expanding a business from ethnic specific areas into mainstream markets, where more mainstream marketing and management strategies would need to be adopted.

*I have introduced contracts because it is black and white and is clear. Verbal agreements tend to disappear and get forgotten after certain amount of time. It can also get messy. It is good to see things in black and white.*

[Indian, garment manufacturing, 25 – 49 employees]

*Contracts help a great deal. If there is a dispute – such as terminating the employment of someone as a result of a criminal offence such as stealing money from the shop – it would be quite straightforward. We just follow the procedures. I always prefer to do things according to what's been written down.*

[Chinese, Traditional Chinese Medicine, 5 – 10 employees]

*You never know how staff are going to react to certain situations so it's good to have legislation in place because it does it give staff a fair hearing and it gives management a fair chance to put their points across. I think it's beneficial.*

[Black Caribbean, Nursery Owner, 5 – 10 employees]

### **3.6 Conclusion**

Thus, ethnic minority small businesses preferred informal employment relations, in common with other small to medium enterprises. They valued informal, friendly relationships with staff and usually believed they were good employers, whether or not they were complying with regulatory requirements. There were various barriers to introducing more formal procedures, such as the belief that such processes were irrelevant to small businesses or did not apply to ethnic minority business cultures, as well as a perceived staff preference for informality. Key prompts to introduce more formal processes included reaching a certain size, usually around ten employees, planning to expand the business, or a desire to modernise and professionalise business practices.



## 4. INFORMATION NEEDS AND SOURCES

### 4.1 Information needs

We asked participants what information they needed to run their businesses and what their main sources of information were. Interestingly, the majority of our sample felt they were well provided with information on business topics and. They sought information on a need-to-know basis, and they usually had a network of sources which met their needs. This is similar to the findings of Blackburn and Hart's study (2002), which found that knowledge and awareness of employment rights was very patchy across small businesses, because each sought information on specific topics as the matters arose, and not in a structured or planned fashion.

Thus, the businesses in our sample did not feel they lacked information or that it was difficult to find out what they needed to know. Indeed, the most common response to being asked what sorts of information they needed was that they could not think of anything specific at the moment, but that if a question arose they could easily find the answer – usually by asking their accountant. Nevertheless, there were some broad patterns in our sample that may indicate real needs among the ethnic minority small business population:

- Pakistani, Bangladeshi and Chinese business owners were most likely to say they had no information needs in the employment relations field and that they would simply ask their accountant if they did;
- Asian restaurant owners were more likely to want advice about employment issues: they mentioned problems getting British-born staff to work in "Indian restaurants" and said they wanted more advice on generating loyalty among existing staff, and also about recruitment from abroad;
- Mainstream Professionals and Young Entrepreneurs were most likely to want advice about business development, marketing and tendering processes;
- Overall, female employers in our sample were more likely to want advice about employment relations than male respondents, perhaps because they were more concerned about staff welfare.

*Help us with recruitment problems. The new generation Bangladeshi is reluctant to come to this industry, so they can help us with bringing staff from Bangladesh so we can run our businesses. Help us in getting visas for new staff. Help in training our staff.*

[Bangladeshi, Catering, 5 – 10 employees]

However, although participants were rarely seeking out advice about employment relations, they were often interested in the Acas materials we showed them. This suggests that Acas will need to proactively promote its services to this target audience, rather than waiting for the business owners to seek information for themselves.

## 4.2 Information sources

Business owners typically used a range of information sources, including professional advisers, friends and colleagues, websites and local business organisations. The first port of call was usually the accountant, who might be asked for advice about any business issue, not only accountancy matters. Indeed, most of our sample were very satisfied with the advice they received from their accountants, and some appeared to rely on them entirely. In some cases the accountant was from the same ethnic background and this helped communication if the business owner preferred to speak their Mother Tongue. However, this was by no means universally the case.

*I talk to my accountant for anything- whether it is business issue or staff issue- and he will advise me. He would tell me how much sick pay, how much holiday – everything. I just pick up the phone and ask him.*

[Indian, mechanic, 5 - 10 employees]

Solicitors were also mentioned as a source of more detailed advice on employment law. In some cases, the business owner might simply know a friendly lawyer who they asked for advice informally; other businesses had their own solicitor; and others had contracts with employment law firms where they paid a retainer in return for receiving ad hoc advice and representation if a legal dispute arose. Some of these businesses were very interested to find out about Acas' services in this area, as they thought this might save them money!

Legal advice tended to be reserved for specific, one-off issues. For example, a business might involve their lawyer when writing contracts for staff. Alternatively, they might seek legal advice when a real problem arose – for example, if a business needed to make staff redundant or if a member of staff was threatening to take the business to an Employment Tribunal.

Other business sources were also mentioned by a minority of respondents, such as Chambers of Commerce, Business Link and schemes run by banks. These were often valued for their local accessibility and for the seminars they ran on key employment issues.

*The Chamber helps with all sorts of things, marketing, IT, premises, expanding the business, grants. If you are thinking of setting up a business their name will come up.*

[Black Caribbean, Professional Services, 2 - 4 employees]

Formal and informal mentors were also mentioned, such as previous employers or trusted business associates. In the Asian restaurant business, people were most likely to ask friends and relatives who ran restaurants for advice. This was particularly the case when setting up in business, as there was a body of informal knowledge about how to run a restaurant which could only be accessed through word of mouth.

We were interested to find out if ethnic minority business owners were more likely to rely on ethnic business networks or organisations as well as mainstream organisations. This was important because part of Acas' strategy involves developing local networks to deliver advice and information. We found that specific ethnic

business organisations were indeed a source of advice, information or networking for a minority of our sample. There was no particular pattern in membership of use of these organisations and they seemed quite locally specific. For example, the Chinese Traders Association in China Town, London was quite well known, as was a Black Business Association in Birmingham. There are also Asian business associations in parts of the country, some focusing on specific sectors such as catering. These organisations fulfilled a range of functions, including being a source of information and advice, an opportunity to network, and to lobby local government on particular issues. One African woman felt more at ease consulting black business organisations as she felt that mainstream organisations were less sensitive to the needs of black businesses. And one Pakistani business owner suggested that Asian business organisations were more in tune with the needs of Asian businesses. However, attitudes towards them seemed highly variable, with some people believing they were helpful and important, whilst others dismissed them as cliquey, personality driven, or simply irrelevant to their businesses.

*I would prefer to go to an ethnic minority organisation because they will appreciate better your problems and where you are coming from than the mainstream business people. But then you find out that most ethnic minority organisations are ill equipped to provide such advice at the level you want it. The professional level is not there.*

[Black African, Garment shop, 2 - 4 employees]

*They are useless really, it's all internal politics, they are the usual people.*

[Black Caribbean, Professional Services, 2 - 4 employees]

In addition to ethnic minority business organisations, we also asked business owners if they used community organisations – such as cultural associations, religious centres or community advice centres – for advice about business issues. This was more relevant to Asian and Chinese businesses than to black businesses, as there are more such organisations among the Asian community and there may also be language barriers to using mainstream organisations. However, we found that community organisations were rarely seen as an appropriate source of advice for business matters. As one Bangladeshi businessman pointed out, business is “not a village matter” and he wanted to ensure he got the best professional advice. He did not think that a community centre was likely to provide this.

*It can be anyone. My accountant and lawyer are English. You want the right information and quality advice, it doesn't matter whether they are Asians or not.*

[Bangladeshi, Catering, 5 - 10 Employees]

*If it is legal matter I need legal advice. It is not village matter therefore I will not go to them and in any case they will advise me to get legal or professional advice.*

[Bangladeshi, Professional Services, 11 – 25 employees]

### **4.3 Conclusions**

Thus, like their white counterparts, ethnic minority business owners used a range of information sources, the most important being their accountant. Local business networks and ethnic-specific associations were relevant to some business owners as a source of advice, information and networking. Community organisations were not a suitable source of advice on business matters, but this does not mean they were of no value in generating awareness of Acas and making contacts in the community. Indeed, considering the fragmented nature and variable opinions about ethnic business organisations, community organisations could be a valuable additional outreach partner for Acas.

## **5. ACAS – ATTITUDES, IMAGE, BARRIERS AND EXPERIENCES**

### **5.1 Awareness**

Awareness of Acas was variable across our sample and related as much to employers' individual experiences as to the nature of the businesses. Thus, a business which had made staff redundant, or where an employee had taken the business to an Employment Tribunal, might have found out about Acas through this route. But a similar business that had not had this experience might not know about Acas. We found three broad levels of awareness in our sample:

1. Firstly, those who claimed they had never heard of Acas and had no idea what the organisation might do;
2. Second, those for whom the name rang a bell and who might think Acas was "something to do with unions", but who knew little more than that;
3. Thirdly, those who were aware of Acas, its role in conciliation and resolving disputes, and the services it provided. Among this group, some still associated Acas primarily with dispute resolution, whilst others were more aware its broader employment relations role.

Asian respondents, those who spoke little or no English, and those who appeared less "plugged in" to business networks were less aware of Acas. Also, businesses with fewer than ten employees were less likely to have heard of Acas. In contrast, professional people, those who had worked in the public sector, younger respondents, and those who had previously worked for larger employers were more aware.

Participants had become aware of Acas through a variety of means, including:

- Being taken to an Employment Tribunal and therefore being contacted by Acas;

- Attending a local seminar run by a business organisation where Acas representatives were present;
- Through a trade association or their accountant;
- Through experience in a previous large employer;
- Through having used Acas services when they were an employee.

## 5.2 Image

Among those who were aware of Acas, the organisation had a positive or neutral image. The main features of Acas' image were:

- A large public sector organisation with links to the government;
- Associated primarily with dispute resolution in large industrial disputes;
- Slightly old fashioned and somehow linked to the Trade Union movement;
- An expert in employment law and employment relations;
- Impartial and fair in the main, although perhaps more on the side of employees than employers.

*It's a trade union isn't it?*

[Indian, Catering, 2 – 4 employees]

*I think I have heard of Acas. It is a government department- isn't it? They do the tribunals, don't they? They actually mediate between employers and employees in staff disputes.*

[Indian, garment manufacturing, 25 – 49 employees]

## 5.3 Barriers

After discussing people's awareness and image of Acas, we asked about barriers to using Acas' services. The majority of our sample had not used Acas, including many who had heard of Acas – so what was stopping them?

The main reasons for not using Acas related to lack of knowledge of the services Acas provided, or a perception that it was somehow not relevant to their business. Thus, there were few actual negative perceptions about Acas, but there was a general belief that it was probably not relevant to their businesses.

In more detail, the main barriers mentioned were:

- A belief that Acas was only relevant to larger businesses, by which people usually meant those with at least fifty employees. This was because they assumed in such large organisations the employer could not keep track of all the employees or deal with their problems, and in such situations disputes between the workers and business owners were more likely to require formal intervention;
- The perception that Acas was only relevant in a crisis: people thought Acas became involved in companies when there was a dispute which could not be resolved informally, and some commented that “luckily” they had not yet needed Acas’ services.
- The association with the government and being more on the side of employees than employers, and the suspicion that involving Acas might cause more problems for the employer. A minority were also suspicious of any government bodies, believing that no good could come of inviting the government into their business!
- A belief, only mentioned in Bradford, that Acas would be more remote and inaccessible than local business networks. We are aware that Acas does indeed have an active network of local advisers, and this emphasises the importance of continuing the outreach work that Acas is doing in Bradford and other areas to cement its local links.
- The view that although Acas was not seen as racist or likely to discriminate against ethnic businesses, it might have less understanding of the business cultures of different ethnic groups. This, it was thought, might render its advice less helpful or applicable to small, family run firms where staff and managers might speak little or no English.

*The problem must be extremely enormous before one needs to contact Acas for assistance.*

[Chinese, Catering, 5 – 10 employees]

*They are a big organisation, I am a little boy here. What do they want to talk to me for? I’ve never had to think about it. I suppose if the whole lot of the staff walked out I might need them. Otherwise it’s not really useful to me.*

[Indian, Catering, 2 – 4 employees]

*I would use Acas if I was multi-national where the actual employee was dealing with a manager rather than the director or owner of the company. Then you would need Acas to mediate disputes between them. I don’t need them for this business because our relationship to staff is very informal. I know our staff well and interact with them directly every day.*

[Indian, garment manufacturing, 25 – 49 employees]

*It is important to have some named person, someone you can approach any time. Someone you can pick up the phone any time to talk rather than the*

*formal systems that can put you off. You are just a number to them. I'd rather contact the local Chamber of Commerce for information.*

[Indian, garment manufacturing, 25 – 49 employees]

*If it (Acas) is a government funded body, will it behave like other government departments – very official in dealing with my questions.*

[Chinese, Traditional Chinese Medicine, 5 – 10 employees]

#### **5.4 Experiences of using Acas**

A few business owners in our sample had used Acas' services in one form or another – calling the helpline for general or specific advice, attending a seminar, or as part of conciliation prior to Employment Tribunals.

Two respondents had been contacted by Acas because their staff had gone to an Employment Tribunal, and there the Acas conciliator had contacted them. In one case, the business owner thought that the Acas representative had been professional and helpful, and the conciliation had resulted in avoiding a Tribunal Hearing. In the second case, the business owner had not managed to meet with the Acas appointed representative, although she had been sent various information leaflets from Acas. She thought that the information was useful as far as it went, but she needed more detailed and personal advice. Her case went to an Employment Tribunal and she won. In both cases, the business owners also said they valued having a lawyer or other professional representative to advise them in addition to the Acas conciliator, as they clearly wanted someone who was "on their side" as well as an impartial person.

Two respondents had also contacted Acas for general information – in both cases, prior to having to make staff redundant. One business owner could remember little of the case, although he said that he did get the information he needed from the helpline. The other businessman said that he found the Acas advice helpful but too general – he clearly expected specific advice about his case, and there he was less satisfied with the advice he received.

#### **5.5 Conclusions**

Awareness of Acas was patchy across the sample and few respondents were aware of the full range of Acas services. Acas was usually associated with large industrial disputes and not with services for small business. Key barrier to using Acas include the assumption that its services are not relevant to small business, that it might be a remote, bureaucratic government organisation, that it could be more on the side of the employees than employers, and that it might lack understanding of ethnic minority business cultures.

## **6. REACTIONS TO ACAS SERVICES**

During the interviews, we showed participants examples of Acas publications and told them about the services which Acas provides – the helpline, the website, in-house training and local seminars. We did this to find out what topics interested people most, and in what format they preferred to receive information.

Participants were often surprised to hear about the range of Acas' activities and, as the interview progressed, they frequently became more interested in receiving information from Acas. Even those who said that they would rely on their lawyer or accountant for advice felt that Acas materials could be a good way to supplement this advice and to avoid wasting money on professional advisers.

This again suggests that the main barrier to using Acas services was a lack of awareness of what is available, combined with the (often incorrect) assumption that the materials would not be relevant to their business. It also suggests that telling people about Acas' services and materials may not be enough – business owners in our research only really became interested when we showed them materials face-to-face.

### **6.1 The website**

The Acas website had the potential to be a popular and valuable communications tool. Those who had used it were very positive, praising the range of information, the value of the content, and the usefulness of being able to download documents immediately. Indeed, the internet was a popular communications tool for many professionals in our sample. The internet had the advantage of being immediately accessible, not having to wait for material to be sent through the post, and also available to use from home or in the evenings.

*The Acas website is good, you can download contracts of employment, and you can get free publications as well. They are the only website I use with regards to employment law and rights.*

[Black Caribbean, Professional Services, 2 - 4 employees]

For others, such as restaurant owners or our garage owner, it was less appropriate as they had less opportunity to access the internet during the working day.

### **6.2 The telephone helpline**

The helpline was another popular idea. Few in our sample were aware of it, but when told about it seemed like a potentially valuable service. Once again, the advantages would be the immediate accessibility, getting a quick answer, and of course the fact that it was free. Indeed, after learning about the Acas website and helpline a few of those who had contracts with employment law firms wondered if they might be able to get similar advice for free from Acas!



*If there is a problem I know there is a telephone line I could call and ask them for advice. I would prefer to make a call and get advice if I needed to rather than going through leaflets.*

[Indian, mechanic, 5 - 10 employees]

Clearly, those who spoke little or no English commented that they would not be able to use the helpline if it was available in English only, and this raises the question of multi-lingual helplines. Turnstone has conducted several research projects for COI Communications exploring the appeal of multi-lingual helplines for government campaigns, and we are unconvinced of their benefits in this case. Those who spoke little or no English were most likely to call on advisers who spoke their own language, and to prefer face-to-face communications. Few had heard of Acas and they rarely saw themselves as needing information on employment issues, so we suspect that a multi-lingual helpline would receive few calls unless accompanied by a very heavy publicity initiative (there is perhaps a stronger argument for a multi-lingual helpline for *employees*, who are less likely to speak English and might have more incentive to call, but we did not explore that in this research).

### **6.3 Seminars and training**

Seminars and training were surprisingly popular, especially among younger professionals who were keen on networking and picking up tips from other businesses. If these were on relevant topics – perhaps specific to a sector, or a hot topic such as recruitment and retention – and reasonably priced, a considerable proportion of the sample would consider attending. However, as one man pointed out, it would be valuable to have staff who spoke different languages at the seminars to ensure those who preferred to speak Mother Tongue could attend.

*I am very interested in seminars because you not only get first hand information but it is also an opportunity to network and meet new people. It would be interesting to see what language they have the seminar in. I would prefer the seminars in English but I know that a lot of small Asian businesses are run by people who would prefer them to be in Urdu or Punjabi.*

[Pakistani, Retail, 11- 25 employees]

In house training was also an interesting proposition, especially for those who claimed they lacked the time to attend seminars. Few respondents were aware that Acas had a network of local adviser, and discovering this fact could make Acas appear more relevant and accessible to small businesses.

### **6.4 Written communications**

We showed respondents a range of Acas leaflets and brochures during the interviews, including Employing people: A guide for small businesses, How can we help you? and the guides to Producing a written statement and Grievance Procedures. Business owners often had low expectations of such materials. They did not see themselves as needing such information, they were not proactively looking

for it, and they often assumed they would not understand it – employment law being notoriously opaque. However, when shown the materials they were often pleasantly surprised by the value and accessibility of the contents. Indeed, they occasionally asked to keep copies of the materials – a sure sign that they were truly interested!

The Guide to Employing People was popular once people had got over its rather “textbook” like appearance. The contents were useful, with respondents singling out the templates for contracts in the back, the information on recruitment, induction and controlling labour costs as particularly useful. It was a clear, comprehensive guide and most felt that they would keep it on the shelf for reference purposes if it were sent to them.

*I think this guide would be very handy to someone who is starting up new. It would also be handy to people like ourselves just to go through it and to find out if we're are missing out anything.*

[Pakistani, Printer, 2 – 4 employees]

The Guides to Producing a Written Statement and to Grievance Procedures were also welcomed. They appeared to offer a simple, straightforward outline of the key points, without confusing the reader with legal jargon. Importantly, they both contained templates and summaries which the business owner could use with minimum change, thus saving people time and money.

*I liked it because it wasn't gobbledegook. I'm quite straightforward and I don't think we've got anything to hide.*

[Black Caribbean, professional services, 2 - 4 employees]

The more generic leaflet outlining Acas' role and services, How can we help you?, was less positively received. Although in theory the information contained might be relevant to them, in practice it tended to provoke the barriers mentioned earlier – the idea that these issues might be more relevant to larger businesses and that SMEs did not have time for these sorts of considerations. Thus, although it was in no way off-putting, it did not attract the attention of SMEs in the way that the more practical and obviously useful guidelines did.

Thus, business owners valued the following sorts of written materials:

- Summary sheets outlining key points, rather than large amounts of detail;
- Templates for documents which can be used with little change;
- Clear and simple English
- Practical information which can be used straightaway, such as standard documents which require little adaptation.

There was some demand for information in ethnic minority languages, particularly for Bangladeshi, Pakistani and Chinese participants. Ideally, these could be summary sheets focusing on key business topics, rather than large documents which would be unlikely to be read.

## 6.5 Conclusions

Thus, small business owners were not actively seeking information about employment relations and practices. However, when presented with some of the Acas materials and told about the services provided, they did become more interested. The helpline and website had considerable potential, and the written materials were surprisingly practical and helpful for SMEs. Business owners want material which is easily accessible, brief, easy to read, and of immediate practical value.

## 7. COMMUNICATIONS CHANNELS

Thus, awareness of Acas and its services was patchy and few business owners had seen Acas leaflets or materials. However, as people learnt more about Acas and saw the materials, they often became more interested. Thus, a key question is how to inform business owners about Acas and its services, and how to distribute the information effectively. Indeed, other research conducted by Market Research Services (The No Nonsense Guide to Government Rules and Regulations for setting up your business, qualitative research, Small Business Services/ COI Communications 2003) found that making people aware of the availability of current information was at least as important as developing new materials for ethnic minority businesses.

We found no clear “winner” in terms of communications channels, with different people preferring different means, and many using a range of channels depending on the nature of the issue.

Use of the media, including mainstream media, trade press and ethnic minority media, was recommended by many as a good way to inform business owners about Acas and its services. Trade magazines in the motor industry, personnel, and the textiles world were mentioned, as well as mainstream and ethnic catering journals. Titles mentioned included Fashion Weekly, The Drapers Record, Paisa (meaning “money” – an Asian business magazine), Masala (an Asian catering magazine) and Hotel and Catering magazine, for example.

Ethnic minority media were also mentioned by Asian, especially Bangladeshi, and Chinese respondents. They suggested that Acas could raise awareness of its services through local Asian radio stations, such as Excel (Birmingham), Sabras (Leicester) or Club Asia (London). Newspapers such as the Daily Jang or Eastern Eye were also mentioned. These were most relevant to those who spoke less English, but the radio stations were also popular among younger people who spoke fluent English (this mirrors the findings of the Common Good Research on ethnic minority communities, commissioned by COI Communications and conducted by Turnstone and Connect in 2003).

Direct mail was requested by some participants, who preferred to have a physical document to leaf through and put on their shelf. Many businesses had a place set aside for business advice books or videos which they had bought or been sent over the years, including booklets from banks, accountants, and government departments. Thus, targeted and useful direct mailings might be kept for reference, even if not immediately needed when they were received.

The internet and e mail, as discussed above, were important sources of information for some business owners with clear advantages over written information. However, for many it was not an either-or situation, with the internet offering immediate access when you need an answer straightaway, while hard copy offers the opportunity to browse at leisure and keep for reference.

Outreach work in the community was frequently suggested as a good way to raise awareness and to deliver materials. Asian respondents were most likely to recommend this approach, as they thought that Acas could learn about the local communities, make links with key businesses and organisations, and develop appropriate ways to target information. They valued face-to-face contact and thought this was the best way to get information across to their communities.

*[If I were Acas] I would find a business that could market Acas within that sector/community and after that find out what is the language spoken in that community and employ people who speak the same language. Then I would ask them to do outreach in Asian languages.*

[Pakistani, Retail, 11- 25 employees]

*I think Acas should employ someone from the Bangladeshi community who should visit businesses who employ a good number of people and make them aware of all their services. They need to inform us about their services through media such as newspaper, magazines and Bangla TV.*

[Bangladeshi, Service Industry, 11 – 25 employees]

Audiovisual media, such as multi-lingual videos or information on cassette, was rarely seen as appealing to this target group. To some extent this might seem surprising, as other research among ethnic minority groups has found AV approaches to be very valuable (Common Good Research, Ethnic Minorities, COI Communications, Turnstone/ Connect, 2003). We believe the reasons for this lack of appeal are:

- AV media are usually most appealing to those who speak little or no English and also cannot read their Mother Tongue, and there were few people in our sample who were illiterate;
- AV media require a degree of motivation to access; few of the business owners we visited had video players at their place of work, so the person has to take a video home, put it in the machine, and find time to watch it. Bearing in mind that the topic of employment relations was rarely top of their business agenda, they would be unlikely to do this;
- AV are frequently most successful when used by outreach workers in community centres, as part of a group activity, but few business owners engaged in such activities.

It is, however, possible that video material might be useful for local Acas workers as a communications device when presenting to groups of business owners, and the possibility of creating such a resource is worth considering.

## **7.1 Conclusion**

Thus, a range of communications channels will be needed to raise awareness of Acas and its services, and to distribute Acas materials to the target audiences. Many mainstream sources, such as the media and trade journals, will also access ethnic minority business owners. However, specialist media should be considered for Asian (especially Bangladeshi), and Chinese businesses. The internet was popular, but many business owners also liked to receive hard copies so they could keep them for reference. Outreach work among the communities would also be valuable, especially for Asian communities. This would require a degree of cultural understanding and linguistic ability to be effective and might be best accomplished in partnership with relevant local organisations.

## **8. ETHNIC IDENTITY – TARGETING AND POSITIONING**

We asked participants in the research whether or not they identified as Asian, black or Chinese business men and women, and whether these terms were meaningful to them. We wanted to know this to guide the positioning of marketing communications targeting this group – would they respond better when addressed as members of an ethnic group, or simply as business men and women?

### **8.1 Ethnic identity and business owners**

Ethnic identity proved to be a complex issue, and it is worth making some preliminary observations before outlining our suggestions:

- Firstly, people might identify as members of an ethnic group in their personal lives, but not in the business context. Thus, an Indian mechanic might not see his business as having any particular ethnic features, but he might still visit the temple regularly, listen to Asian radio stations, and watch Asian TV channels. This means that even if individuals do not identify as “ethnic minority businesses”, ethnic media or community networks might still be valuable to access them and make contacts.
- Secondly, ethnic identity might be one among a number of ways in which people saw themselves – for example, a black property developer with four staff might identify with other black businesses, but also with other construction firms and with other small businesses in his area. Thus, a range of positionings would be available to target him or her with information.
- Finally, the term “ethnic minority business” could carry with it negative connotations, being associated with unprofessional or poorly organized businesses. Although this was rarely expressed explicitly, we do believe it influenced reactions to being labelled as such. Clearly, this was off-putting for some because they did not want to place themselves in this category. However, in more positive ways they might be happy to identify as Asian or black businesses – for example, in providing employment and training opportunities to black or Asian young people.

## 8.2 Three possible positionings

We found a range of opinion regarding how strongly people identified as “ethnic minority businesses” and, once again, it was difficult to draw out general conclusions. To some extent, ethnicity did influence the issue, with Bangladeshi and Chinese people most likely to identify as such, whilst black Caribbean and African owners were least likely to do so. However, other factors were also influential, including age, sector, and fluency in English.

Broadly, we can identify three groups in our sample, each of which might respond to different kinds of positioning and targeting.

1. Those who were happy to identify explicitly as ethnic minority businesses: Chinese, Bangladeshi and Pakistani businesses in our sample were likely to fall into this category, especially those run by first generation migrants who spoke little or no English. Referring back our typology of businesses outlined above, these were usually Traditional Restaurants or Ethnic Specialists, where the ownership, staff, product and, possibly, customers, were from the ethnic minority community.

*Certainly, I consider myself as a Chinese businessman. As mentioned earlier, I started my business to look after the interests of members of the Chinese community.*

[Chinese, Travel Agent, 2 – 4 employees]

*I feel more comfortable being with Asian businesses - that's my background.*

[Indian, Mechanic, 5 - 10 employees]

These businesses saw themselves as having specific employment issues – recruitment from abroad, staff retention, dealing with staff who spoke little English – and they would welcome information or events targeted at “Chinese restaurants” or “Bangladeshi caterers”. These were also the businesses most likely to recommend using ethnic minority media as well as community outreach, and to request material in Mother Tongue as well as English.

*It would be lot easier for me if the information and training events are in Urdu. I would be able to understand things. It will also be extremely beneficial to my other friends and colleagues who speak little English.*

[Pakistani, Catering, 2 – 4 employees]

2. Those who identified in part as ethnic minority businesses, but did not want to be pigeon-holed into this category: these were often Indian and Pakistani businesses in our sample. The first and second-generation family businesses were likely to come into this category, as they recognized themselves as Asian businesses by virtue of their history, staffing and management styles. However, they might be making a mainstream product which they sold to a diverse customer base, and therefore did not fully see themselves as “ethnic minority business.”

*I wouldn't call myself an Asian businessman - I'm just a businessman like everybody else is. Although the staff here are mostly Asian people, we deal with everybody really from big multi-stores to cash and carries.*

[Indian, garment manufacturing, 25 – 49 employees]

These businesses might have employment relations issues which were indeed ethnically specific – employing family members or staff who spoke little English – but might not wish to identify as “ethnic minority businesses”. Thus, they might be better targeted in other ways – as family businesses, small retailers, or the catering or garment sectors, for example. The most effective approach might be to publicise these initiatives in ethnic media and community networks, emphasising their openness to all ethnic groups, without any explicit “ethnic” positioning. This might achieve the effect of getting the information into the right hands, without asking people to identify with a label that they might reject.

3. Those who rejected the idea of being an “ethnic minority business”, seeing it as a limiting and possibly negative stereotype which they were keen to avoid. These people took the view that “business was business” regardless of race or colour. Second-generation Family businesses, Mainstream Professionals and Young Entrepreneurs often fell into this category, as did more black business owners and younger Asians. These people usually wanted to expand their business beyond the ethnic minority community, and therefore they actively rejected any overt identification as “ethnic minority businesses.”

*I don't think there is a point to being Asian specialists because we are in England and we should try and incorporate into mainstream business rather than being Asian businesses all the time. We should get rid of these labels- Asians/ Pakistanis. We are all doing business and that is what we should be looking at. Business is business and it should be done professionally. By pushing for such events you are dividing something that should be combined. You are limiting yourself straightaway. Why limit yourself to only 10% of the market when you can have the full market?*

[Indian, garment manufacturing, 25 – 49 employees]

Ironically, one thing which might attract these business owners would be information to help “ethnic minority businesses” break into mainstream markets or win new business. Thus, there might be scope for a positioning based on “access to the best professional advice when expanding your business”, with an implied message of “you might be missing a trick here!” Motivating messages would include developing professional practices, being more cost effective, and having better motivated and more productive staff. Acas might consider linking up with other business organisations such as Chambers of Commerce or Business Links for events, providing a kind of business services “A Team.”

*The only way it [a specific event] could be for black people would be for getting business. That's the only way it would attract me. Not for employment things. I don't think that would be any use to me. I would only take time out if it was something where I could get more business.*

[Black Caribbean, Professional Services, 2 - 4 employees}

### **8.3 Conclusion**

Thus, no single positioning or communications approach will appeal to all ethnic minority businesses. The target audience is too diverse and what may attract Bangladeshi restaurant owners might be of little interest to Black property developers. Equally, some business owners would like to be targeted on an ethnic basis, whilst others might be put off. Acas will therefore need to develop local initiatives based around the characteristics and needs of each area, perhaps supported by central guidance and marketing materials. We discuss how this might be achieved in our recommendations at the beginning of the report.



## **Annex 1: Project Advice – Draft Topic Guide, 14/03/2004**

*This is a guide, not a questionnaire. The questions may not be asked in this order or using these words. Timings are approximate and give an indication of the priority of the different sections.*

### **Introduction and history of the business (10 mins)**

#### ***Section objective – to understand the nature of the business***

Respondent's name, role in the business, range of responsibilities, other staff, what they do.

Languages spoken/ read by respondent/ preferred language of communication

Preferred language for written or spoken communication.

Basic facts about business

- When the business was set up
- Sector range of activities
- Number of staff
- Rough turnover
- Business structure

How the business has changed and grown over time:

Key turning points in the business, eg:

- Taking on premises or staff
- Reaching certain turnover level
- Becoming a limited company

Impact of key changes on role of business owner and their information needs

Future plans for the business/ how this will change the information and support needs of the business.

### **2. "Ethnicity" of the business (5 mins)**

#### ***Section Objective – to assess how embedded within the ethnic minority community the business is***

Ask about ethnic diversity of:

- Customers
- Product/ service provided
- Staff – are they friends/ family members/ local contacts, or recruited by more formal processes?
- Suppliers.

If the respondent speaks little or no English:

- How do they communicate with customers, suppliers and staff?
- Do they employ mainly people from their own community, or rely on other staff who speak English?

Do they see themselves as an Indian/ Chinese/ black businessman or woman?

- Do they think they have anything in common with other business people from the same ethnic background?
- Or do they identify mainly as a businessperson, with ethnicity less relevant?

### **3. Employment relations (10 mins)**

***Section objective – to explore how systematic and organised their approach to employment relations is***

How would they describe their relationship with their staff?

Is their relationship mainly professional, or are the staff also family and friends?

What do they see as their obligations to their staff/ their duties?

Check how they handle the following elements of employment relations:

- Recruitment – informal networks, family and friends, or more formal approaches, ads in papers, etc.
- Staff training and development;
- Flexible working/ time off for domestic emergencies/ pregnancy/ religious observance;
- Equal opportunities;
- Appraisals and monitoring staff performance;
- Determining pay levels
- Disciplinary procedures and solving disputes with staff – eg, holiday entitlements/ bank holidays;
- Monitoring sickness/ absenteeism
- Communicating with staff and consulting on business issues.

Do they have any formal systems for dealing with these issues?

- If yes, what prompted them to set up these systems? Did they seek help and advice in doing so?
- If no, do they think such systems might be useful in the future?

How aware are they of employment regulation in general? Do they think regulation can be helpful, or do they see it as a burden?

### **4. Current sources of information and support (15 mins)**

***Section objective – to assess their main sources of advice and support regarding employment relations, and whether these are mainly from their own ethnic community***

What sort of information do they, as a business owner, need regarding employment issues?

What employment issues do they think they need help with? Eg., staff performance, attendance, disagreement over employees rights/ holiday entitlements, training?

Do they tend to seek out advice/ support when a problem arises, or do they plan in advance to set up systems/ prevent problems arising?

Who/ where do they look for information and advice regarding long term employment issues, Eg, setting up appraisal systems?

Who would they look to if they had an immediate problem or dispute with their staff?

Can they think of any examples where they had a dispute or problem with employment issues?

Have they ever had a member of staff bring a case/ tribunal against them? How did they deal with it? Did they seek advice from anyone?

SHOW 2 SCENARIOS AND GAIN REACTION – ROTATE SO THAT EACH SCENARIO GETS VIEWED A COUPLE OF TIMES ACROSS THE SAMPLE

Check use and likely value of the following sources of advice/ support for employment relations and dispute resolution?

- Friends and family
- Other business people
- Business organisations/ Chambers of Commerce
- Business organisations specific to their community – E.g., Asian business associations, Black Business organisations
- Employers' Association
- Accountant
- Lawyer
- Community organisations/ community leaders/ religious leaders
- Citizen's Advice Bureaux
- Business Link/ ACAS – check details if anyone has used ACAS.

Check whether they use mainly advisers/ information sources from within their own ethnic community and, if so, why this is:

- More accessible/ practicalities;
- Have a better understanding of their business practices/ culture/ religion.
- Speak their language;
- Respected in community
- More trusted than mainstream/ government organisations – Why, trusted in what way?

Do they avoid any sources of information or advice deliberately? Why is this? Do they believe they will be discriminated against/ treated less well by mainstream/ government organisations?

If respondent speaks little or no English, or if English is their second language, explore how this impacts on their information seeking behaviour:

- Do they restrict themselves to community-based sources;
- Or do they get other staff, family members to request information on their behalf
- Do they find it hard to understand any information materials they receive?

What is the definition of good information or advice? What are they looking for when they request advice or information from these sources – long term planning, or fix for immediate problem?

## **5. ACAS – attitudes and awareness (10 mins)**

***Objective – to find out their top of mind knowledge and images of ACAS***

***Tell respondent that we are doing the research for ACAS and assess their immediate reaction before asking specific questions.***

Have they heard of ACAS? What do they know about ACAS? What sort of organisation is it?

If they have used ACAS services, what was their experience? How easy was it to access ACAS services? Were they satisfied? What could ACAS have done better?

Do they know it is a public sector organisation linked to the government? Does this make any difference?

What do they think ACAS does? What is its role? What is ACAS's area of expertise?

Do they think that what ACAS does would have any relevance for their business? Why, Why not?

Can they think of any situations when they would need ACAS's services? Do they think mainly of crisis management, or of setting of systems to prevent problems arising in the first place?

## **6. Reactions to ACAS offering (10 mins)**

***Objective – to assess the appeal and relevance of ACAS' current offering***

Use stimulus materials

Basic description of ACAS

Gain reactions to ACAS services

- Selection of leaflets on employment relations (show examples)
- Website containing information on employment relations and leaflets to download
- Confidential telephone advice service
- Network of local advisers who can visit you and give you advice
- Local seminars on employment topics (show examples) – would they expect to pay for this? How much? [Note: ACAS seminars cost around £60 = £100]
- Training on setting up employment systems so you can prevent problems arising in the first place
- Mediation (being piloted in London and Leeds).

Have they learnt anything that is new? Are any of these services relevant to their business?

If these services are not relevant, are there other services that would be relevant to them? Might these services be more relevant in the future development of their business?

Are there any attitudinal barriers to using ACAS services?

- Their business is too small/ ACAS expertise is with large companies
- ACAS is on the side of the employees/ will be against the employers/ stir up trouble
- They think ACAS won't understand the issues they face;
- ACAS, or government organisations in general, treat ethnic minority business more harshly/ more likely to "come down hard" on any mistakes.

## **7. Potential new ACAS Services (10 mins)**

***Objective – to assess the appeal and relevance of potential new ACAS services***

What would they like in terms of information and support? How and where would they like to receive this?

Check the appeal and relevance of potential new ACAS services

- Information specifically targeting black/ Asian/ Chinese businesses – does this appeal/ do they see themselves in this light?
- Sector or community specific seminars, e.g., employment relations for Chinese takeaways or Black hairdressing salons;
- Information provided in different languages/ formats, e.g., videos, audiocassettes, CD ROM
- Helpline available in different languages;
- Culturally specific issues, e.g., seminars targeting small family businesses, or targeting Moslems, or how to employ people from other countries
- Subscription to ACAS newsletter/ e-mail service to keep you up to date with legislation.

## **8. Communications channels [5 mins]**

***Objective – to identify the most effective communications channels for ACAS***

What media do they use/ prefer when seeking information about employment issues:

- Leaflets/ written information
- Websites – reading online or downloading materials?
- E mail
- The press or radio – ethnic specific or mainstream; local, regional or national?
- Trade magazines or trade bodies – e.g., Asian Retailer
- Seminars/ meetings with other business people.

Check importance of language issues:

- What language would they prefer to receive information in?
- What is their preferred media/ format?

Do they prefer to be targeted on an ethnic basis – eg, in Chinese/ Asian/ black media, with specific services; or as a businessperson in the mainstream media/ mainstream events?

## **9 Conclusions**

From what they have heard, do they think that ACAS has anything to offer their business, now or in the future?

What is the one most valuable service ACAS could provide for them?

What is the best way for ACAS to communicate with them about new services they provide?

Thanks and close

## **ANNEX 2 SCENARIOS SHOWN TO RESPONDENTS TO GAIN REACTIONS TO KEY EMPLOYMENT ISSUES.**

### **Absence (1)**

A number of your staff seem to have been absent for the odd day or two. At meetings you've emphasised how important it is to get orders out on time but it hasn't made any difference. How would you find out what to do to improve absence levels?

### **Absence (2)**

A member of your staff has been off sick for two months and has sent in Doctor's certificates. There seems to be no prospect of a return to work in the foreseeable future and you feel you have no alternative but to dismiss this employee and recruit a replacement. A business associate has told you that it is against the law to sack someone on certificated sick leave. How do you find out what to do?

### **Grievances**

Your business has been very busy lately and you haven't had time to deal with your staffs' moans and groans. Recently one of your best employees left saying you weren't interested in doing anything about problems people have at work. You know you ought to introduce a proper procedure to deal with grievances but want some help. Where would you go for advice?

### **Minimum wage**

You employ two sixteen year old school leavers. They have told you that the law is to soon be changed so that they will qualify for the minimum wage. How do you find out if this is true?

### **Flexible working**

One of your employees has asked if she can start work at 10 o'clock so she can take her child to school. You told her that would be impossible but she has now put the request in writing and is obviously a bit upset. She says she will take you to a tribunal if you don't consider her request properly. How do you find out what to do?

### **Discipline**

You have told one of your operators that you want him to come and see you in your office about his poor performance. The operator tells you he is bringing his solicitor to the meeting and that this is a legal right. How do you find out if this is true?

## ANNEX 3 SCREENING QUESTIONNAIRE FOR PROJECT, 2004

### Screening questionnaire for Project Advice, 2004

Group/ interview no.		Respondent's name	
Date of group/ interview		Address	
Time		Postal code	
Location		Telephone number	
Recruiter name			

We are conduct research on the issues that face businesses and the advice and support which businesses need. May I ask you a few questions?

1. Are you the business owner or the person responsible for recruiting and managing staff?

Yes 1  
 No 2 - EXCLUDE

2. How many people do you employ full time?

2 - 4 1 }  
 5 - 10 2 } ALLOCATE AS PER  
 11-25 3 } INSTRUCTIONS  
 26 - 50 4 }

3. What sector is your business in?

Retail 1 }  
 Catering 2 }  
 Manufacturing 3 } TRY TO RECRUIT  
 Services 4 } RANGE  
 Professional 5 }  
 Other 6 }

Please write in exact nature of business

\_\_\_\_\_



4. Please indicate which of the following pairs of statements best apply to your business

**Read out pairs and ask respondent to choose one.**

<b>Pair A</b>	
My customers come from a range of ethnic groups	1
Most of my customers come from one ethnic group	2
<b>Pair B</b>	
I employ staff from a range of ethnic backgrounds	3
Most of my staff comes from the same ethnic background	4
<b>Pair C</b>	
I usually recruit staff by advertising in the press or through employment agencies	5
I usually recruit staff through friends, family and word of mouth	6

**Try to recruit a range of responses – ie, some business which employ staff and have customers and have customers from a range of ethnic groups, and some which are more specific to the ethnic minority communities.**

**Classification data – recruit as per instructions**

**Sex**

Male 1  
Female 2

**Ethnic group**

Indian 1  
Pakistani 2  
Bangladeshi 3  
Black Caribbean 4  
Black African 5  
Black Other 6  
Chinese 7  
Other 8

**Fluency in English (recruiter to assess)**

Very fluent 1  
Fairly fluent 2  
Not very fluent 3  
Not at all 4

**Religion**

Christian 1  
Moslem 2  
Sikh 3  
Hindu 4  
Buddhist 5  
Other

- If respondent meets criteria, invite to interview, telling them time and location; emphasise importance of attending
- Give respondent invitation card, explain about incentives
- Explain about tape recording and emphasise confidentiality.

Interview name and signature

Date of interview

**ANNEX 4 Project Advice, Final Sample Achieved**

	<b>Ethnic origin</b>	<b>Sex</b>	<b>No. of Employees</b>	<b>Sector</b>	<b>Location</b>
1.	Bangladeshi	Male	5 - 10	Catering	Birmingham
2.	Bangladeshi	Male	5 - 10	Catering	Bradford
3.	Bangladeshi	Male	5 - 10	Catering	London
4.	Bangladeshi	Male	11 - 25	Professional services	London
5.	Indian	Male	5 - 10	Professional services	Birmingham
6.	Indian	Male	5 - 10	Catering	London
7.	Indian	Female	5 - 10	Manufacturing	London
8.	Indian	Male	25 - 49	Manufacturing	Leicester
9.	Pakistani	Male	5 - 10	Manufacturing	Leicester
10.	Pakistani	Male	5 - 10	Catering	Bradford
11.	Pakistani	Male	2 - 4	Manufacturing	Leicester
12.	Pakistani	Male	2 - 4	Catering	Bradford
13.	Pakistani	Male	11 - 25	Retail	Bradford
14.	Black African	Female	5 - 10	Professional services	London
15.	Black African	Male	2 - 4	Construction	Birmingham
16.	Black African	Female	2 - 4	Retail	Birmingham
17.	Black Caribbean	Female	5 - 10	Professional services	London
18.	Black Caribbean	Male	2 - 4	Professional services	Birmingham
19.	Black Caribbean	Female	2 - 4	Retail	London
20.	Black Caribbean	Female	2 - 4	Professional services	Birmingham
21.	Black Caribbean	Male	2 - 4	Construction	London
22.	Chinese	Male	5 - 10	Professional services	London
23.	Chinese	Female	5 - 10	Catering	London
24.	Chinese	Male	25 - 49	Catering	London
25.	Chinese	Male	2 - 4	Retail	London
26.	Other	Male	5 - 10	Retail	London
27.	Other	Male	5 - 10	Catering	London
28.	Other	Female	2 - 4	Professional services	London
29.	Other	Male	11 - 25	Catering	London

## **ANNEX 5    REFERENCES**

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