



Britain's Entrepreneurs 'Living The Dream'

Britain's new generation of small business owners is proving that entrepreneurship and flexible working can go hand in hand, according to new research from Lloyds TSB Business and the SERT team at the Open University.

The study reveals that two thirds of owner-managers in the UK (62 per cent) are taking full advantage of their independence and adopting flexible working practices, including working from home (46 per cent), flexitime (22 per cent), part-time working (18 per cent) and staggered hours (12 per cent). Overall almost half of respondents feel satisfied with their work life balance (42 per cent).

According to additional research¹, aspiring entrepreneurs are being driven to go it alone by a desire to control their own time. Nine out of ten people (93 per cent) dream of setting up their own business to achieve a better work life balance, with almost two thirds (63 per cent) reporting that they would like to become self employed because of irritations with their day to day routine.

Surprisingly, it is owner-managers from the firms with the fewest employees who are really living this dream and embracing the flexible working culture. Over seven out of ten (74 per cent) owner-managers from firms with less than ten employees adopt flexible working. Of the larger firms (20 – 49 employees) only half of small business owners take up these practices, possibly, due to greater HR pressures and a more hands on approach.

Stephen Pegge, head of communications, Lloyds TSB Business, said: "All too often small business owners see a good work life balance as a distant dream, but our research demonstrates owner-managers are now recognising the benefits and embracing flexible working."

¹ Research conducted by ICM amongst 1,000 consumers in September 2006

Over a third of respondents said that working flexibly allows them to manage the pressures of their job (35 per cent) and over a quarter admit that it allows them to focus their time more efficiently (29 per cent).

Despite this positive outlook, over a third (39 per cent) of small business owners still work over fifty hours per week, compared to the national average of 32 hours² and as a result they still crave more spare time. Almost half of respondents would like to spend more time with family and friends (47 per cent); over a third would like more time to play sport (38 per cent); thirty seven per cent would like to read more; and a fifth would like more time to do volunteer work (19 per cent).

For almost a third of owner managers (31 per cent) work pressures are still an obstacle to flexible working. The key barriers preventing people achieving a better work life balance include:

- Customer service issues (42 per cent)
- Shortage of staff (40 per cent)
- Disruption to day-to-day business continuity (38 per cent)
- Time pressures (37 per cent)

Stephen Pegge added: "Running your own company can be extremely demanding, but being your own boss has many perks including the ability to manage your own time. Clearly many entrepreneurs are living the dream and escaping the 9-5 routine.

"It is also great to see that owner-managers are really taking the lead on flexible working practices and with further changes to the Work and Family Act set to come into force in April, it is even more important businesses consider equipping employees to work flexibly."

The study also found that:

- Nearly two thirds (64 per cent) of owner-managers feel that they are indispensable to the smooth running of their business.

² February 2006 Assessment, ONS Labour Market Trends, March 2006

- Men are still lagging behind when it comes to embracing flexible working - almost seven out of ten (69 per cent) female respondents work 50 hours or less a week compared to just 57 per cent of men.
- Firms in the business service sector are most likely to adopt a good work life balance (71 per cent), compared to just half (52 per cent) of those working in the manufacturing sector.

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Notes to editors:

- The research was conducted predominantly amongst small firms (rather than sole traders) with fewer than 50 employees.
- The research was carried out for Lloyds TSB by the Small Enterprise Research Team at the Open University Business School. The report is based on responses from a panel of over 350 small businesses within Britain drawn mainly from the manufacturing, business services and retail/distribution sectors of the economy.
- The Small Enterprise Research Report, 'Owner-Manager Flexible Working', (£40), is available to order from the SERTeam website (www.serteam.co.uk) or contact telephone number: 01908 655831.

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