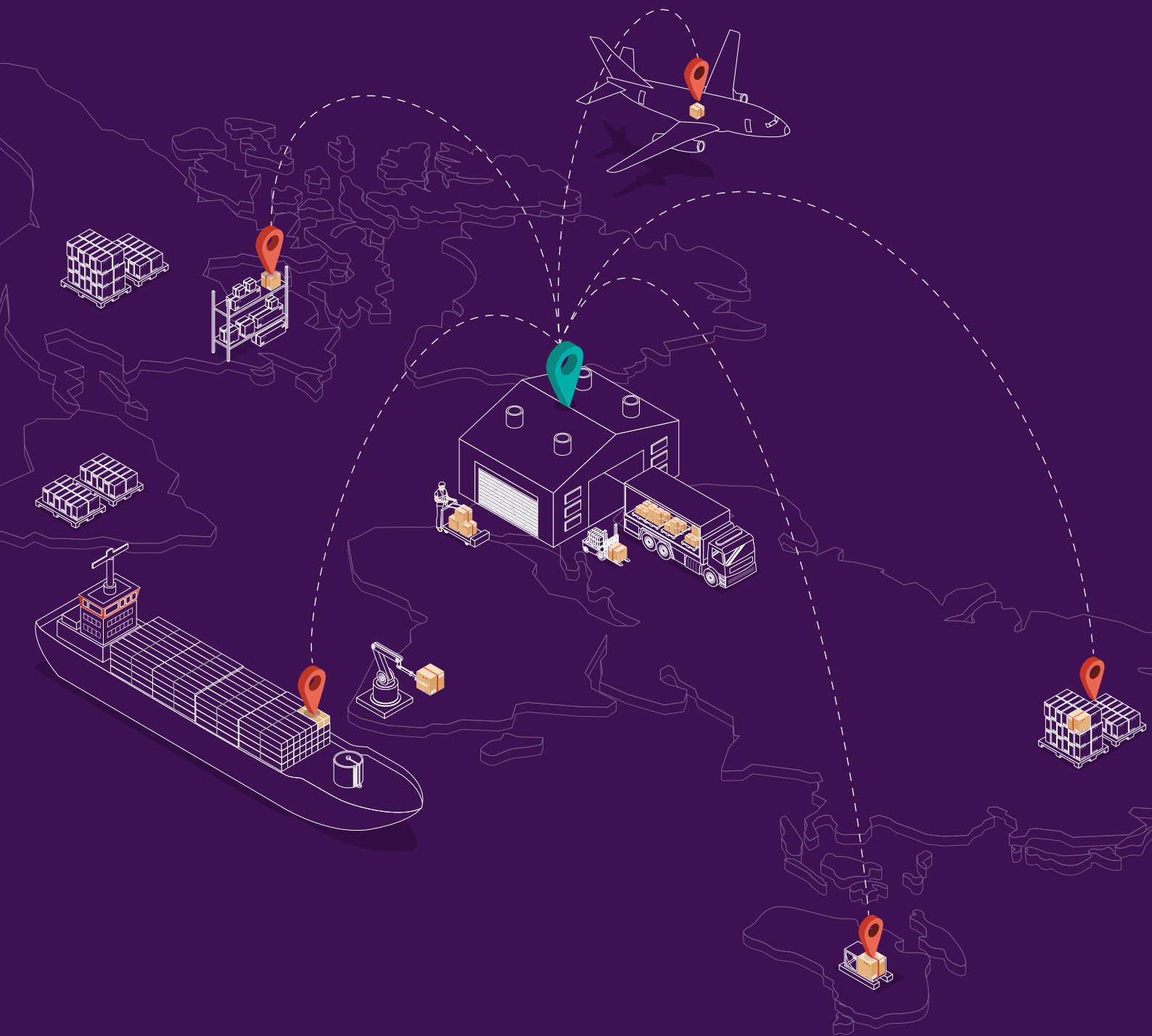


Promoting inclusive growth via developing exporting



We would like to thank Research England Policy Support Fund for financial support for the project. West Yorkshire Combined Authority provided extensive support and guidance for this project without which the work could not have been done.

We are particularly grateful to Amanda Potter and Thomas Purvis of West Yorkshire Combined Authority for their work on the project. The participants at the Workshop reporting on the results of the research provided invaluable insights into export promotion policy that was invaluable in developing the implications of the results of the survey.

Authors

Han Jin

Emma Liu

Frank McDonald

Yingqi Wei

All from - Leeds University Business School

July 2023

Contents

4 Executive summary

6 Key findings based on firm survey

7 Key issues identified through roundtable discussions

8 Introduction

10 The context: export in West Yorkshire

12 Primary Data Analysis based on Firm Survey

23 Findings from Workshop Discussions

23 The policy setting

23 Roundtable discussion on the institutional setting

25 Improving the institutional setting

27 Roundtable discussions on policy interventions

29 Policy interventions to help the excluded areas in the regions

32 Conclusions

33 The major issues to enhance the effectiveness of export promotion policy are connected to six major factors.

34 References

35 Appendix 1: Data Sources for Research Context and Limitations

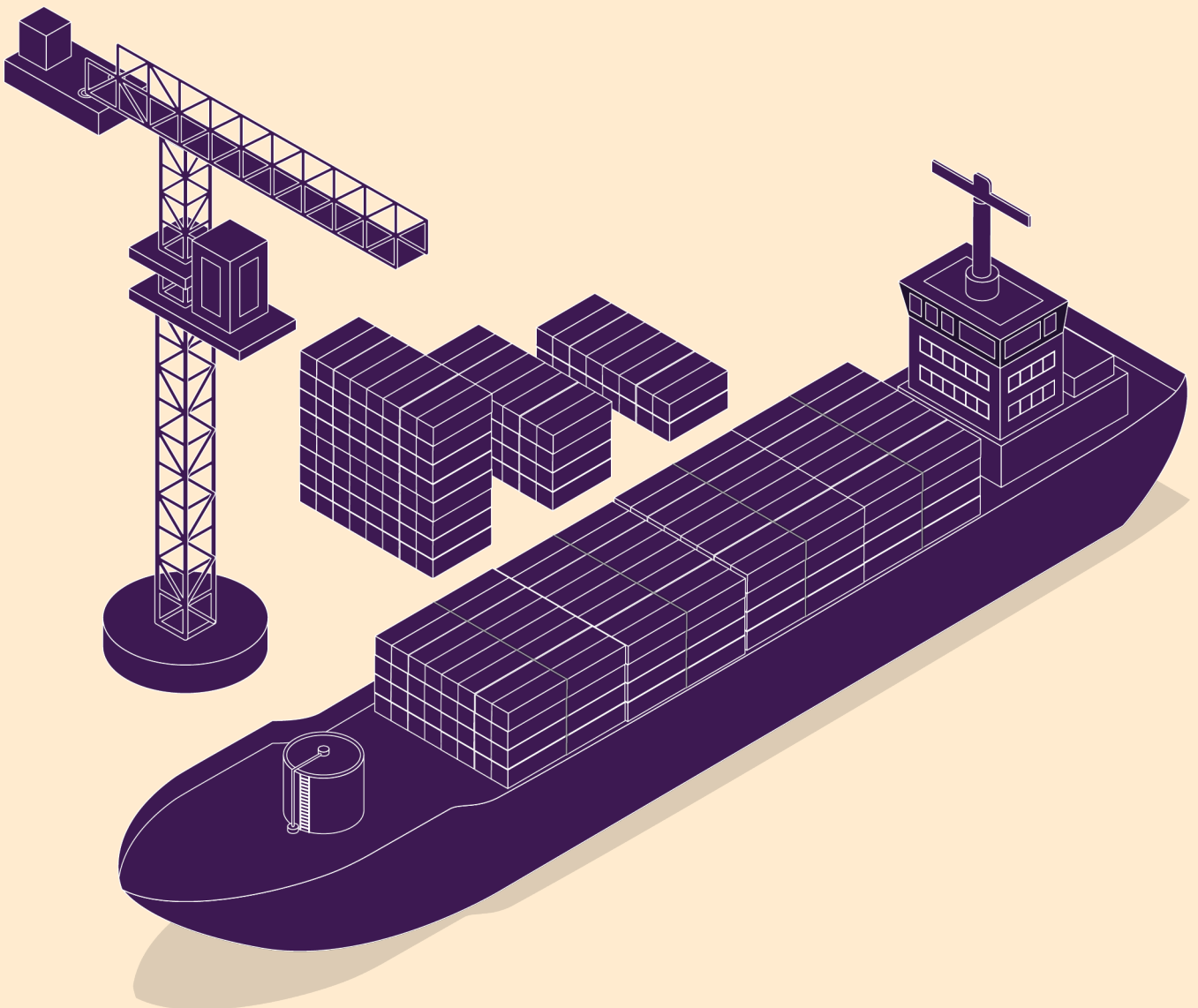
36 Table A1: Goods Export Statistics

37 Appendix 2: Primary Data Collection

38 Appendix 3: Export Questionnaire for Primary Data Analysis

Executive summary

The benefits of exporting - boosting jobs, innovation and productivity - are well established and those regions that have high levels of exporting tend to be more developed.



It is not clear if high levels of exports result from more competitive firms or that exporting leads to firms becoming more competitive. It is likely there is a virtuous spiral whereby exporting and competitiveness are mutually supportive. Policies that successfully boost exports are therefore liable to be helpful for regional development. Boosting regional development by encouraging exports however does not guarantee that the benefits of this are spread across excluded parts of the region in terms of non-exporting firms and regions with low numbers of exporting firms. This report examines the relationship between export promotion policies in the context of not only boosting exports but also of how to spread the benefits of exporting across the excluded parts of the region

A research team with members including Leeds University Business School (LUBS) academics and members of West Yorkshire Combined Authorities (WYCA) conducted a project – [Promoting Inclusive Growth via Developing Exporting](#) – funded by Research England 2022-23 Policy Support / Participatory Research Fund. The project aimed to co-develop an inclusive growth framework via developing exporting in order to significantly strengthen export performance and inclusive growth in West Yorkshire. A key issue in the research

was to examine the inclusivity of the different parts of the region in exporting. The main activities included the design and administration of survey of exporting and non-exporting firms in West Yorkshire and a workshop that involved policy makers, practitioners, business, and academics. The survey was co-developed and administered by LUBS and WYCA between November 2022 and January 2023. Primary data collection took place between January and May 2023. Based on an analysis of secondary data and the results of the survey, roundtable discussions with policy makers, practitioners and academics provided the basis for some tentative suggestions on how to develop policy frameworks to deliver interventions that would help to enhance the level of exports. This includes consideration of spreading the benefits of exporting to non-exporting firms, various sectors of the regional economy, the major geographical areas within the region and to different socio-economic groups. The findings and results of the discussion primarily relate to the West Yorkshire region but many of the issues raised are in principle applicable to other regions in the UK.



Key findings based on firm survey

- The major reasons for not exporting are that many firms are satisfied with their domestic market and therefore lack motivation to export.
- Many non-exporting firms report problems of finding suitable managerial expertise.
- The major obstacles to exporting vary according to the geographical location of firms and whether the firms are exporters.
- A low number of firms report the use of help from agencies that are involved with export promotion.
- The number of exporting firms and the value of exports varies across the different areas of the region, with the highest level of exports coming from Leeds.
- Firms based in Leeds appear to be more aware of what are normally regarded as major obstacles to exporting.
- The importance of the use of digital technologies is most acknowledged by exporters and by firms in Leeds.
- Use of digital technologies by all firms is concentrated in sales activities and operational functions with a surprisingly low use of such technologies by exporters for compliance with export regulations and documentation.
- Firms especially exporters and firms in Leeds report problems with employment and working conditions connected to people often excluded from employment due to social/health related issues.



Key issues identified through roundtable discussions

- The current institutional setting for export promotion policy is volatile and complex and this undermines the effectiveness of policy.
- Reforms to improve the institutional setting are difficult to establish because of the constitutional and institutional conditions in the UK that are unlikely to change in the near future.
- Exporting has beneficial effects on jobs, wages, sales, productivity and innovation but spreading these benefits across non-exporting firms, geographical areas within regions and certain groups of people is problematic and currently is not adequately addressed by policy.
- The spreading of benefits across the different areas of regions from exporting is likely to require policies that encourage and enhance trickle down of the benefits from those geographical areas with concentrations of firms with good competitiveness and therefore high levels of exports.
- Policies that encourage spillover of innovations and technologies gained from exporting to non-exporting firms could help to spread the benefits of exporting.
- Developing an export promotion framework with clear objectives and interventions, which includes improving the position of excluded areas, may mitigate the current problems with export promotion policy.
- Effective policy interventions are hampered by unclear objectives and complex and poorly coordinated public-private networks that are responsible for export promotion policy.
- Securing appropriate public-private networks that deliver coherent and effective interventions to help secure major objectives of export promotion policy may be created and developed by using social network theory to help networks evolve in line with changing economic, political, social and technological changes.

Introduction

In November 2021, the Department for International Trade published the [New Export Strategy](#), setting out the ‘Race to a Trillion’ ambition by the mid-2030’s as part of the policy of developing the global engagement of the UK economy¹.

According to data released by the Office for National Statistics (ONS) in April 2023², the West Yorkshire region, with a Gross Value Added of over £60 billion in 2021, is the largest contributor to the economy of the Northern Powerhouse and the largest regional economy outside London. Although export is recognised as an essential component in economic development for the West Yorkshire region (West Yorkshire Combined Authority, 2021³), its overall export performance is behind many UK regions^{4,5,6}.

In 2021, the West Yorkshire Combined Authority (WYCA) published West Yorkshire International Trade Strategy 2022-2026. Delivering the strategy however requires a better understanding of key factors that drive the export performance of local companies.

The WYCA and other West Yorkshire councils currently do not have export support programme. There have been some targeted projects, with examples including the Export Programme through Creative Catalyst, and developing opportunities in key markets such as the US and India. However, the success of these schemes has not been systematically evaluated.

A research team with members including Leeds University Business School (LUBS) academics and WYCA managers conducted the project on [Promoting Inclusive Growth via Developing Exporting](#) funded by Research England 2022-23 Policy Support / Participatory Research Fund⁷ between November 2022 and July 2023.

1 Department for International Trade (2021) Policy Paper: Made in the UK, Sold to the World

2 Office for National Statistics (2023) Dataset Regional gross domestic product: all ITL regions

3 West Yorkshire Combined Authority (2021) West Yorkshire: State of the Region Report

4 UK regional trade data disaggregated by smaller geographical areas are only available for goods, not for services, see Footnote 5 for source. According to the latest data published on 16 November 2022, export revenue of West Yorkshire is ranked the 22nd, out of 41 ITL2 regions.

5 HM Revenue & Customs (2022): Official Statistics: Regional trade in goods statistics disaggregated by smaller geographical areas: 2021

6 The explanation of ITL2 regions in the UK is provided by at the ONS website.

7 See the project webpage for further information.

The project aimed to co-develop an inclusive growth framework via developing exporting in order to significantly strengthen export performance and inclusive growth in West Yorkshire. A key issue in the research was to examine the inclusivity of the different parts of the region in exporting. The main activities included the design and administration of a firm survey and a workshop that involved policy makers, practitioners, businesses, academics and researchers.

The firm survey was co-developed between November 2022 and January 2023. Primary data collection took place between January and May 2023. Our data analysis reveals key findings:

1. There was a substantial difference in exports in the major areas in West Yorkshire;
2. The major obstacle to firms exporting was low motivation to export;
3. There were different types of major obstacles varying across the region, but the major issues were employment constraints, especially managers with experience of exporting;
4. Digital technologies were more widely used by exporters but even for these firms, the technologies were mostly in sales and operations;
5. Firms that exported were more likely to be aware of obstacles than non-exporting firms.

The project team disseminated the research findings at a workshop on 4 July 2023 to stimulate discussion on possible institutional and policy developments that could help to address the key issues raised by the results. The workshop was attended by

representatives of public and private organisations involved in export promotion and exporting, and academics engaged in information and knowledge transfer. The first roundtable discussions centred on two main areas: problems with the current institutional setting for regional export promotion and how the institutional setting might be improved to enhance the effectiveness of policy. The second roundtable discussion, which followed the presentation of the results of the survey, focused on improving policy interventions towards firms including addressing issues on those parts of the region with low exports. The academic literature establishes that exporting has beneficial effects on jobs, wages, sales, productivity and innovation but spreading these benefits across non-exporting firms, geographical areas within regions and certain groups of people requires an export promotion framework with clear objectives and interventions, which includes improving the position of excluded areas.

A key issue in the research was to examine the inclusivity of the different parts of the region in exporting.

The context: Export in West Yorkshire

Despite being one of the leading regional economies in terms of Gross Value Added in the UK, West Yorkshire has relatively low level of export activities.

To provide a more nuanced analysis, we used firm-level data extracted from Orbis and FAME to understand export activities by regions and over time (see [Appendix 1](#) for discussions on data sources and limitations).

As exports from rural areas tend to be low we confined our analysis to five metropolitan areas: Bradford, Calderdale, Kirklees, Leeds and Wakefield. Based on firms' R/O address information in FAME, we identified over 198,000 registered firms in these areas. The extracted data were then merged with Orbis to identify the number of exporters and their export revenue. Between 2010 and 2020, over 1,150 firms reported exporting revenue, but a sizeable number are intermittent exporters, i.e., they engage in exporting activities on a non-regular basis. The region faces a challenge of moving from intermittent exporting to continuing exporting in order to improve export levels.

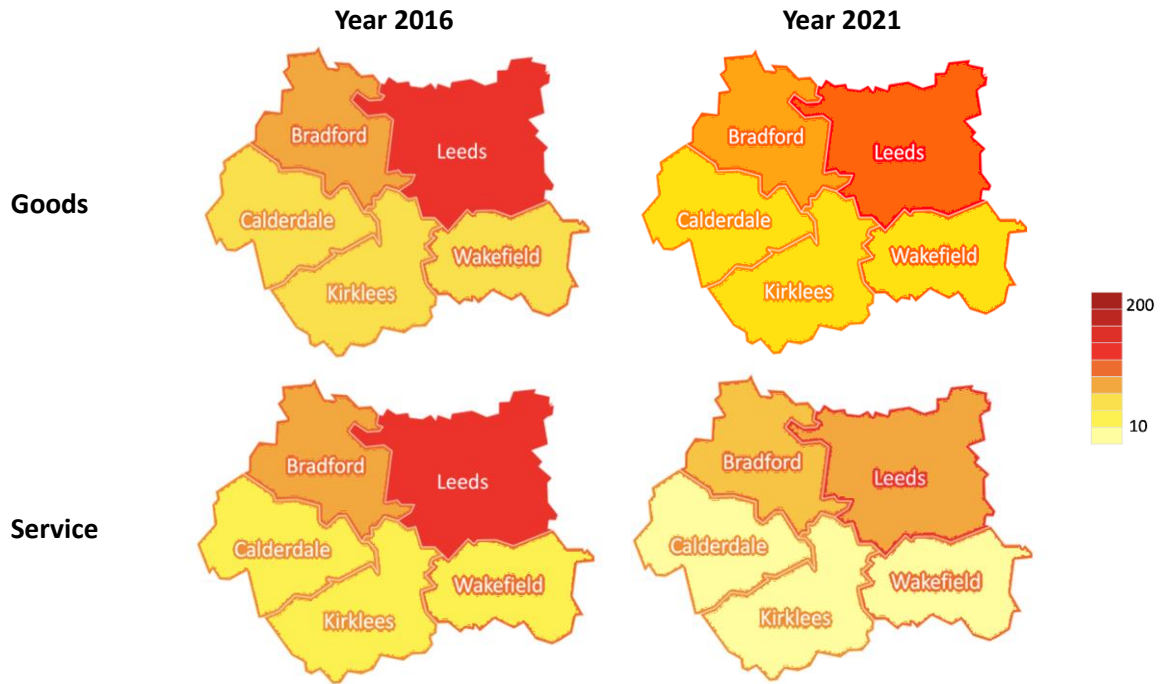
In 2021, only 317 firms (i.e., 0.16 percent) in West Yorkshire reported export revenue, according to the merged dataset. This number was significantly lower than that in 2016 (638), indicating that the trade has been impacted by the Covid-19 pandemic and EU exit. Figures 1 and 2 show substantial differences in terms of number of exporting firms across the

metropolitan boroughs and over time. Specifically, there is a larger number of exporting firms in Leeds and Bradford than in Calderdale, Kirklees and Wakefield (Figure 1). The sub-regional difference is also significant when comparing goods and service sectors. The figure also clearly shows the significant reduction in the export number of exporters from 2016 to 2021.

On export revenue (Figure 2), Leeds accounted for the largest share, followed by Bradford and Huddersfield. This suggests the necessity of sub-regional analysis between Leeds and other parts of the region. The export values of Leeds firms reduced significantly from 2016 to 2021, i.e., £1,510 million to £642 million in the goods sector, and £1,171 million to £373 million in the service sector. The export values of service firms in all boroughs dropped significantly in 2021, with more than 68% decline in Leeds, 75% in Bradford, 76% in Kirklees, 90% in Calderdale, and 98% in Wakefield.

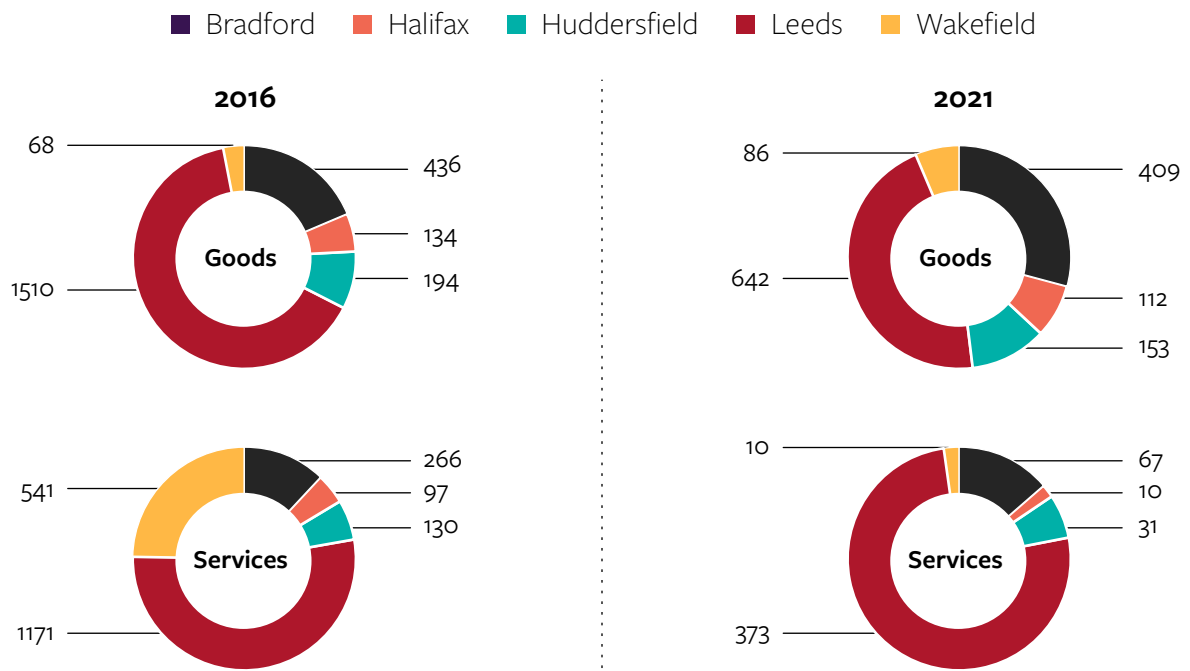
In sum, there is a very small share of firms registered in West Yorkshire that export. The value of exports is relatively low, especially in the service sector. In addition, the export of the five local authorities varies – Leeds performs comparably stronger on the number and revenue of export than the other boroughs.

Figure 1. The number of exporters in West Yorkshire by borough and sector, 2016 vs. 2021



Source: FAME, Orbis

Figure 2. Export revenue of West Yorkshire firms by borough and sector, 2016 vs. 2021



Source: FAME, Orbis

Primary data analysis based on firm survey

The LUBS and WYCA research team co-designed the survey. [Appendix 2](#) outlines the design and the distribution process for the firm survey.

The questionnaire is included in [Appendix 3](#).



Finding #1. The West Yorkshire firms require support to participate in trade fairs in other countries. Finance support is significantly more important to the firms in Leeds than those in the other areas.

Participating in trade fairs in other countries is the most important reported area where West Yorkshire firms need support, followed by finding or developing export markets and receiving finance support (Figure 3). More than 40 percent of the exporting firms recognize the opportunities brought by foreign trade fairs to advertise products to prospective customers and reinforce their international market presence. Less than 20 percent of the exporting firms in West Yorkshire experience challenges in cultural and language problems. This is likely because most export sales were in European and North American countries. It is possible that the issue of cultural and language problems will grow in importance as more firms export to emerging markets.

When comparing the exporting firms between Leeds and other parts of the region they

report different views on the areas that need support (Figure 4). Around half of the firms in non-Leeds areas do not consider finance support is an important area requiring support. Moreover, compared with the firms in Leeds, they are more likely to benefit from finding where to go for advice about exporting and learning about key cultural and language problems.

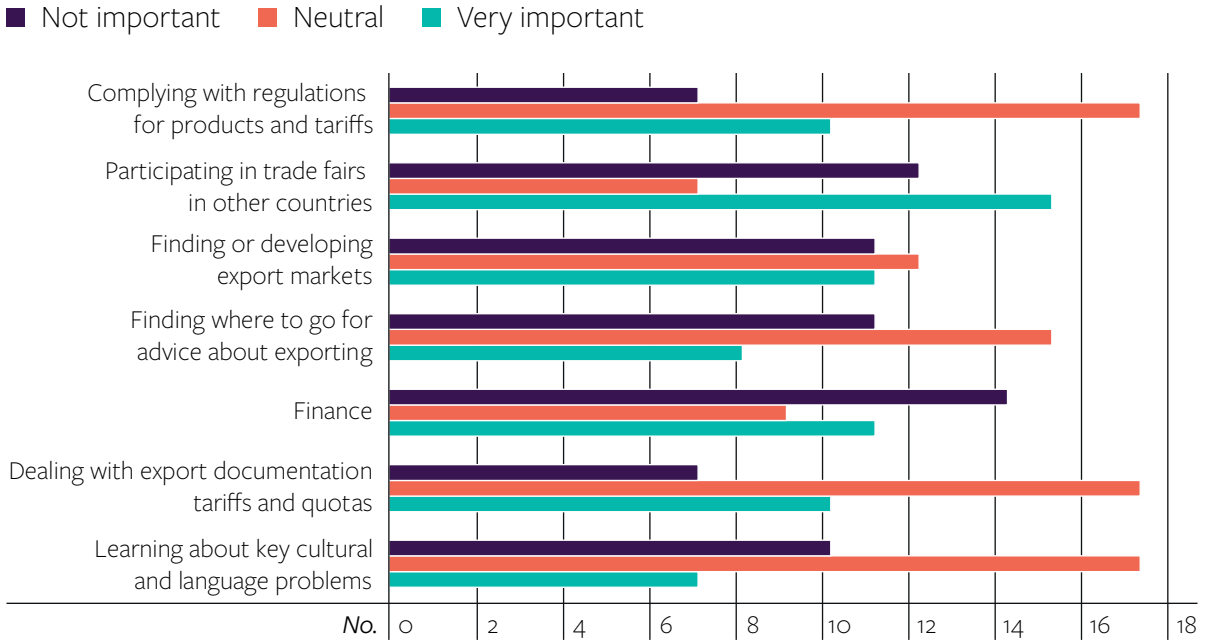
These findings suggest that support needs to be tailored to meet the different firms' perceptions in the various parts of the region.

There is a question about the importance of local and national government help and support for export promotion. Figure 5 highlights that only 22 percent of exporters appreciate the value of accessing external advice about exporting. This is underlined in that only 15 out of 37 have used governmental agencies. Of those that had used government support six confirmed they had received useful support.

The results imply that there is a need to address issues of the benefits of support and the effectiveness of the support that is provided.

Figure 3. Areas where the exporting firms need support

Please indicate the extent you need help to export in the following areas:



Sample size n=37.

Figure 4. Support areas for exporting

■ Very important ■ Neutral ■ Not important

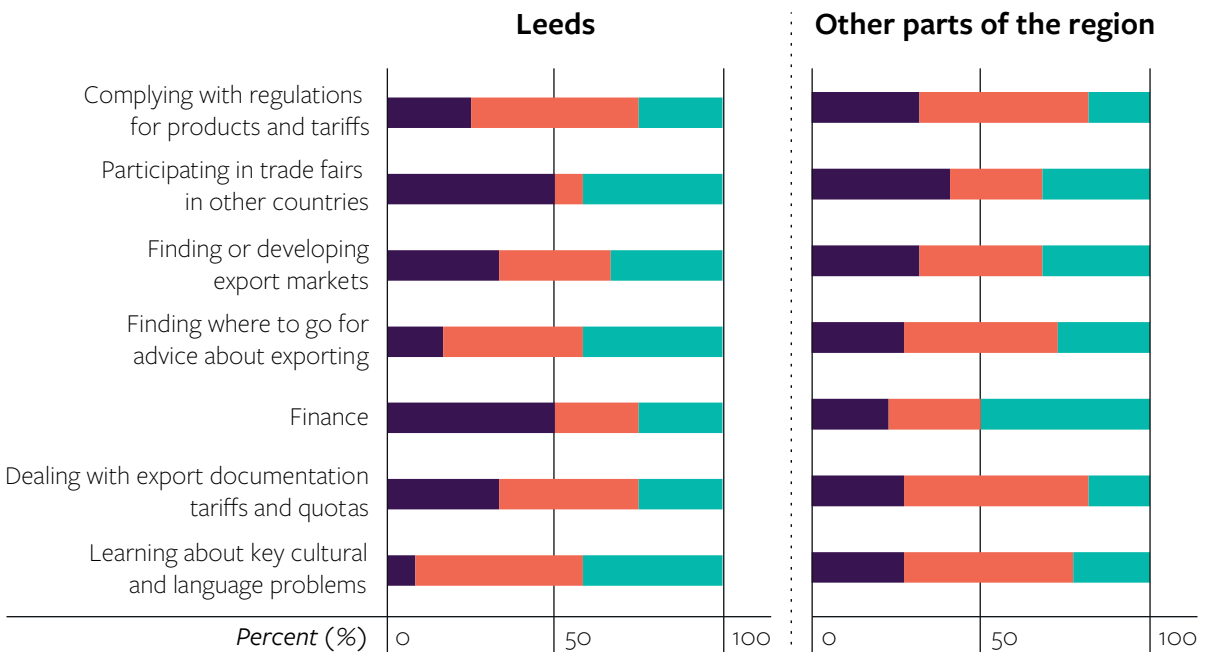
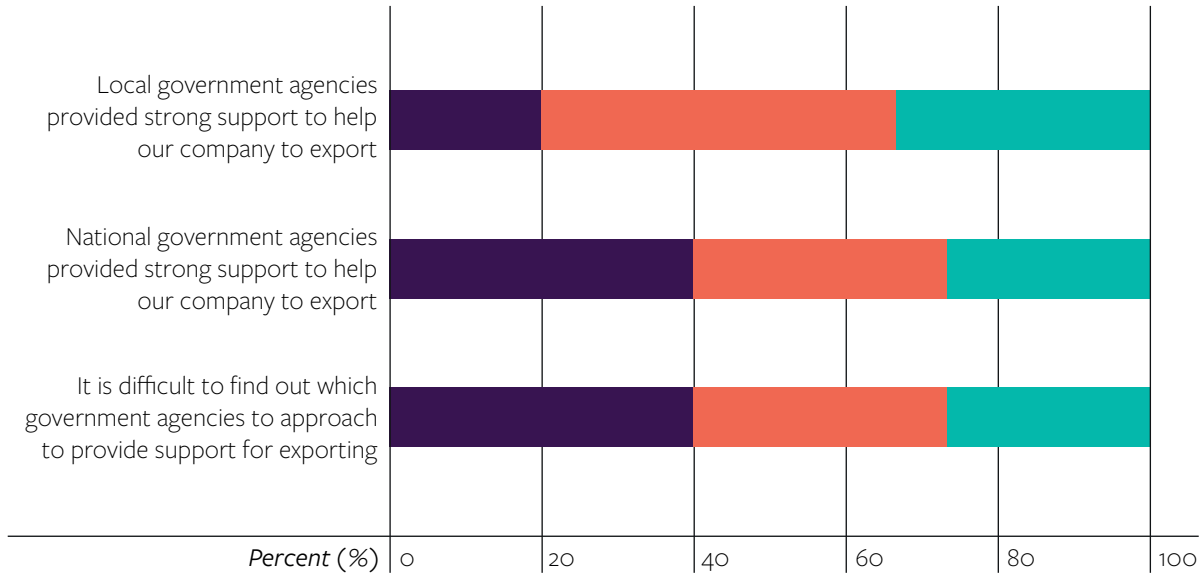


Figure 5. Export support by government agencies

To what extent do you agree or disagree with the following statements relating to export support programme provided by government agencies over the last five years?

■ To a large extent ■ Somewhat ■ Not at all



Sample size n=15



Finding #2. The major obstacles to exporting in West Yorkshire are lack of motivation and managerial expertise. Firms in Leeds generally report fewer barriers than those in the other areas.

Figure 6 summarises findings related to questions about main obstacles to export. Figure 7 compares the findings for Leeds with other areas. Among non-exporting firms, over 50 percent of the firms believe they can secure their major objectives without exporting. This lack of incentive is quite common among firms across all the areas. Most of these firms are micro- and small-sized, with fewer than 50 employees.

These results suggest policies to provide information to local businesses on the benefits of export for firm growth and innovation may help to stimulate, especially smaller firms, to consider exporting.

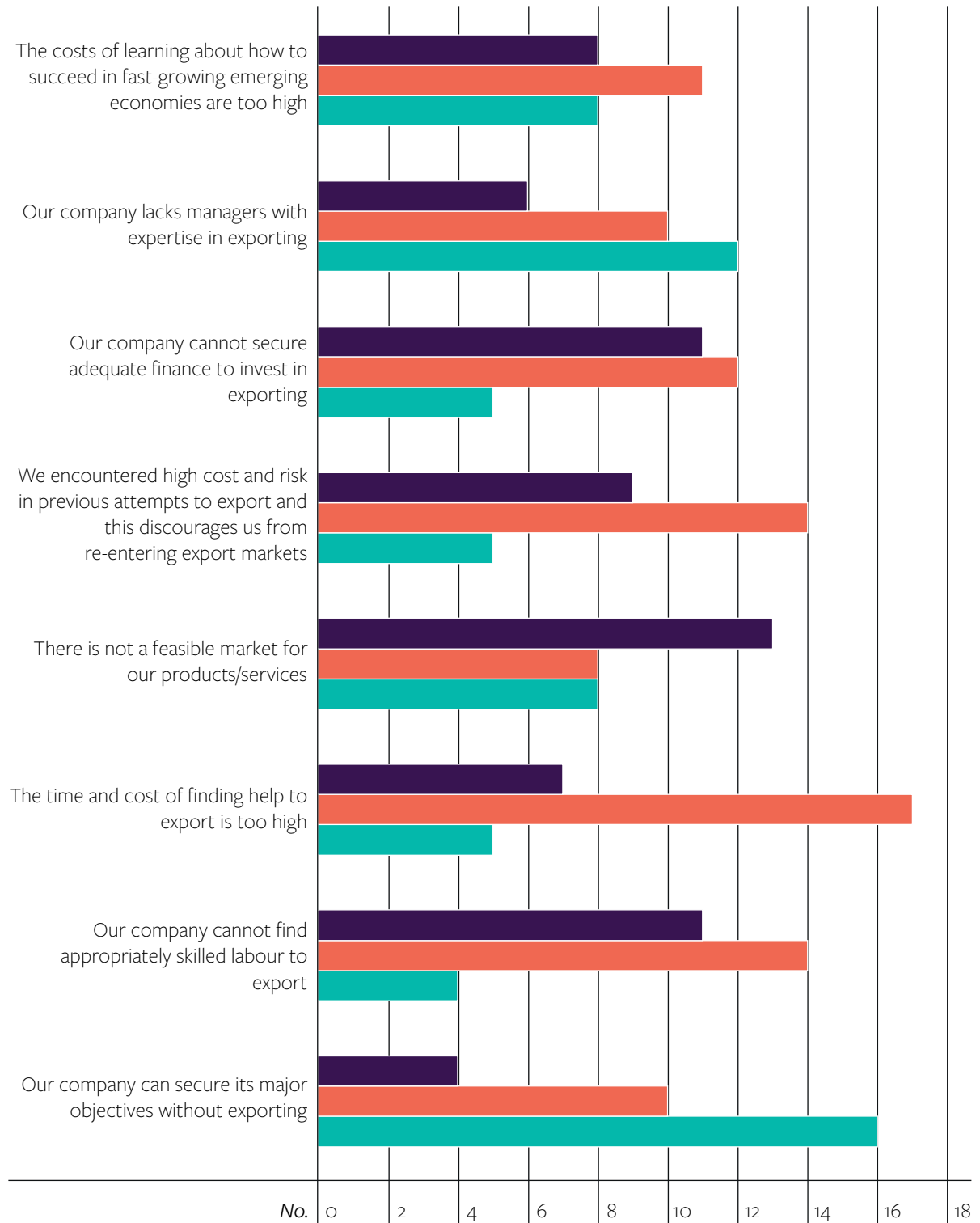
The second major obstacle to export is the lack of managerial expertise. This is more significant among firms in other parts of the region (45 percent) than in Leeds (13 percent).

This suggests that measures to develop managers with experience of exporting by for example information sharing and/or internships with firms that export may enhance managerial capacity in this area.

Figure 6. Main obstacles to exporting

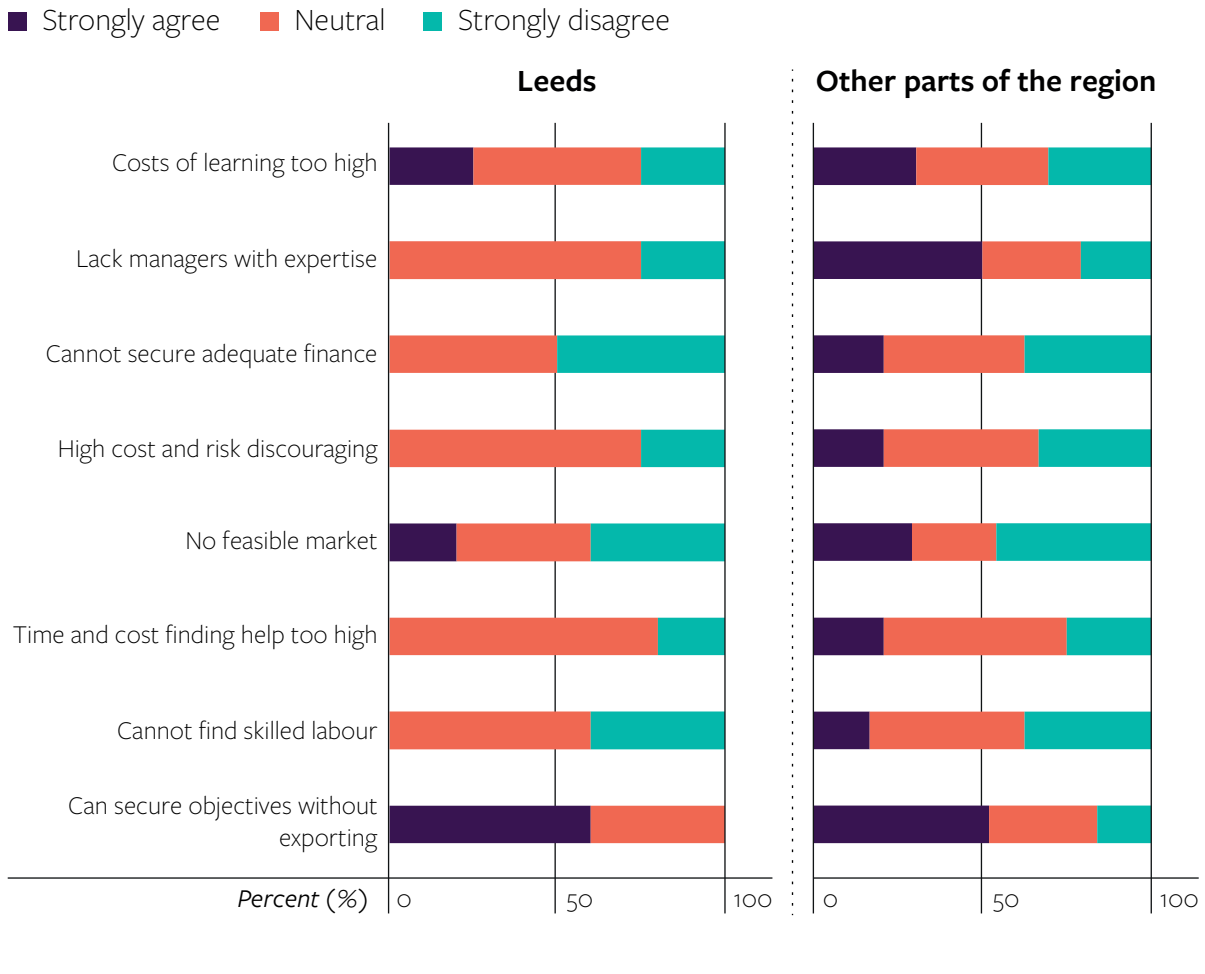
If your company does not export, please indicate the extent that you agree or disagree with the following statements about the main obstacles to your company exporting:

■ Strongly disagree ■ Neutral ■ Strongly agree



Sample size n=34

Figure 7. Main obstacles to exporting



Finding #3. Digital technologies are used by exporting firms and are centred on sales activities and aspects of operations. This varies among exporting and non-exporting firms and across the different parts of the region.

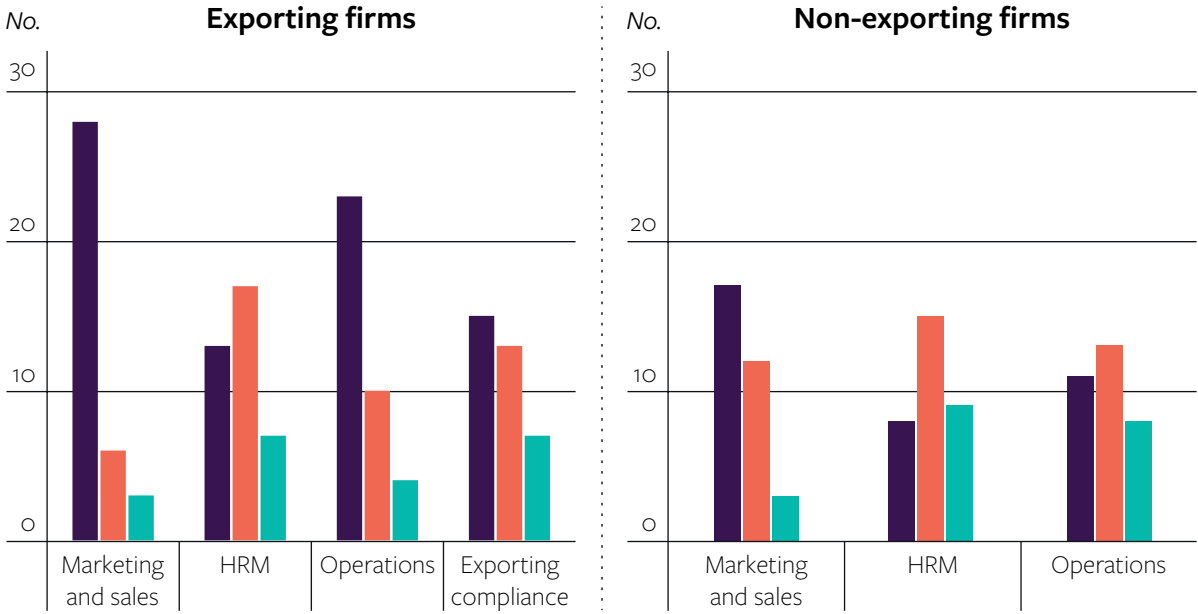
activities and operations (e.g., inventory control, distribution, logistical systems, and management of supply chain). The use of digital technologies in human resource management (e.g., recruitment, training, and compensation) are relatively less used. These trends are more significant among exporters than non-exporters, indicating that some of these firms may lack competitive edge in export markets.

Figure 8 presents evidence on the use of digital technologies and Figure 9 compares this between Leeds and non-Leeds areas. Firms have extensively introduced digital technologies for marketing and sales

Figure 8. Digital technology utilisation: Exporter vs. non-Exporter

Please indicate to what extent your company used digital technologies over the last six years:

■ To a large extent ■ Somewhat ■ Not at all



Sample size n=71.

Figure 9. Digital technology utilisation

■ To a large extent ■ Somewhat ■ Not at all

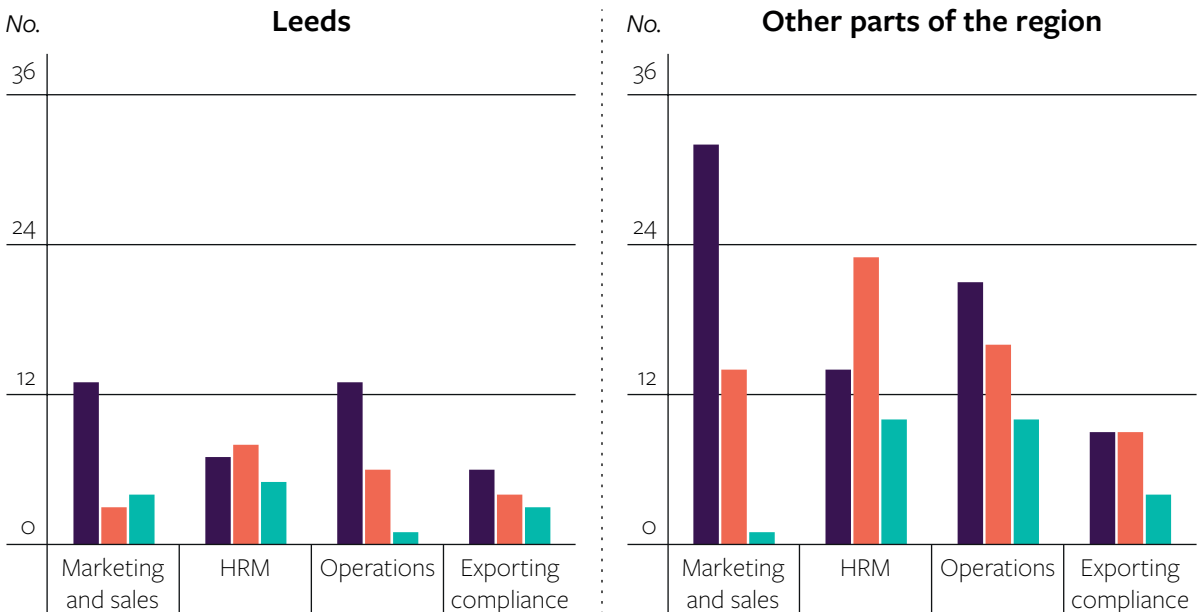


Figure 10. Digital technology utilisation barriers: Exporter vs. non-Exporter

Our use of digital technologies is hindered by a lack of:

■ To a large extent ■ Somewhat ■ Not at all



Sample size n=71.

This implies opportunities to help develop the use of digital technologies to improve productivity to enhance competitiveness in export markets among those firms that currently do not export.

Only 42 percent of exporters have used digital technologies for compliance with export regulation and export documentation requirements. Digitalisation enables exporters to effectively manage the trade documents, eliminating the extensive paperwork and administrative burdens and fastening customs clearance.

This indicates opportunities to further promote the use of digitalisation in these areas.

The major obstacle for non-exporting firms to adopt digital technologies is insufficient knowledge and information regarding where to obtain help (Figure 10). External support may substantively improve the firms’ understanding and development of digitalisation. This is aligned with the UK digital strategy to support businesses through digital adoption across the country.



Finding #4. Firms record few problems associated with infrastructures and local supply chains but report problems with employment policies and working conditions.

Figure 11 presents firms’ responses to the questions related to obstacles to sustainable competitiveness in the areas of physical infrastructure, socio-economic infrastructure, local supply network, and employment conditions. Most exporters and non-exporters report few concerns with the obstacles they face. However, for non-exporters, employment conditions appear to be a significant factor, and this is the most reported problem in this area for exporters.

Firms’ constraints appear to vary by spatial locations (Figures 12 and 13). For instance, Leeds firms are mostly hindered by employment conditions, such as flexible working hours, working from home, policies

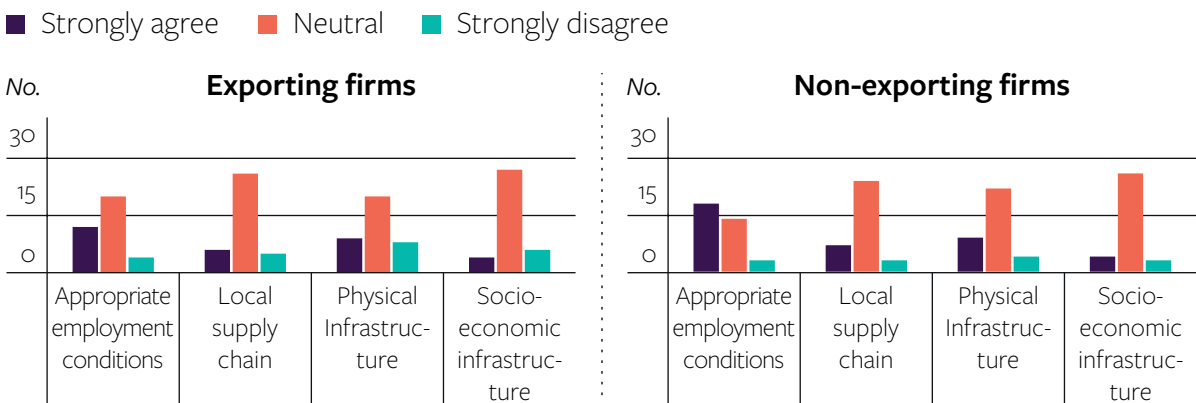
to address discrimination based on ethnicity, gender, or religion, apprenticeships for young people, and training for people looking to change career. Compared with firms in other areas, Leeds firms are more likely to recognise the role of childcare provision, remedial education in basic skills, and support for people with disabilities to engage unemployed or economical inactivate labours and foster inclusive growth.

Bradford firms, by contrast, experience more obstacles in physical (e.g., road, rail, air, and utilities) and socio-economic (e.g., crime, housing, and school) infrastructures. The competitiveness of firms in Calderdale and Wakefield is impeded by the underdevelopment of local supply networks.

These results suggest that policy towards infrastructures, local supply chains and employment conditions may need to be tailored according to geographical location and whether firms are exporters or non-exporters.

Figure 11. The obstacles to sustainable competitiveness: Exporter vs. Non-Exporter

Please indicate the extent that you agree or disagree with the following statements about the obstacles to your company creating and sustaining competitiveness.



Sample size n=71.

Figure 12. The obstacles to sustainable competitiveness by borough

% of firms strongly agree that the obstacle is significant to sustainable competitiveness.

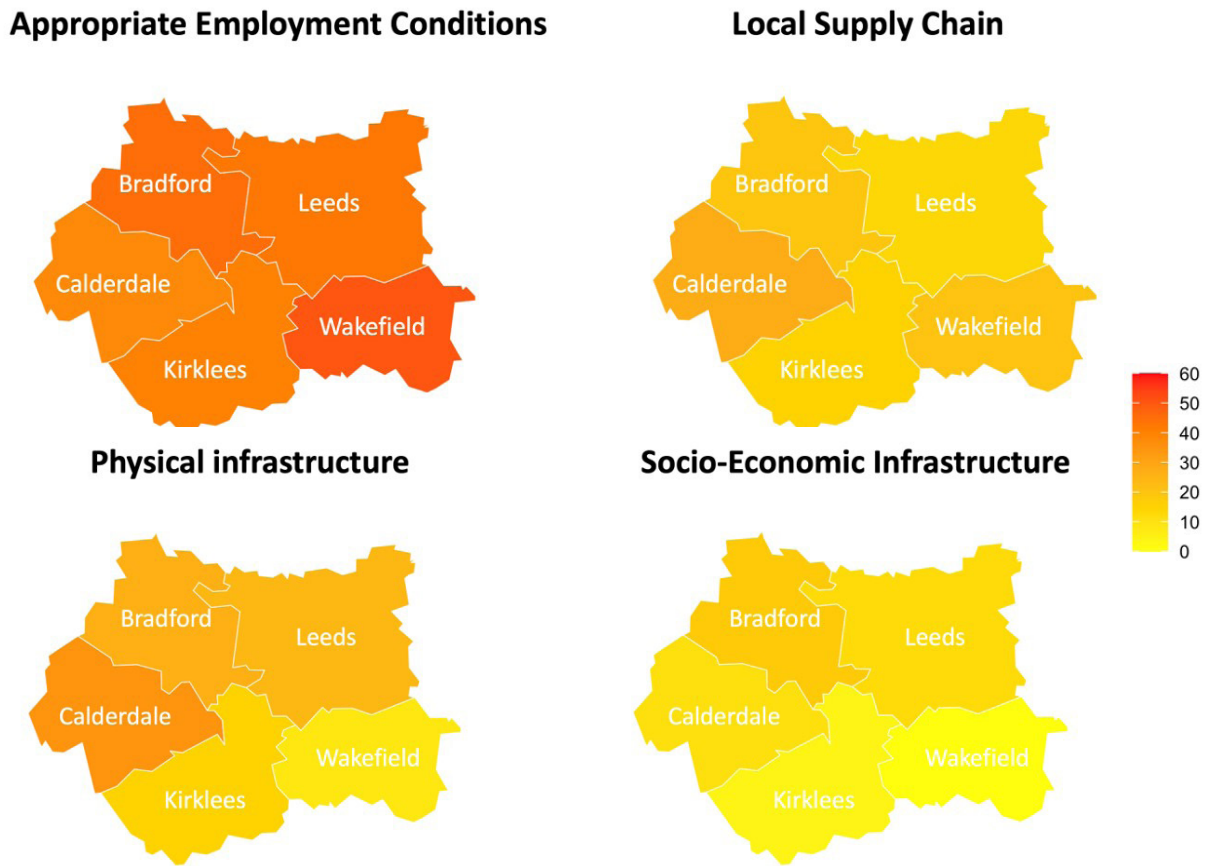
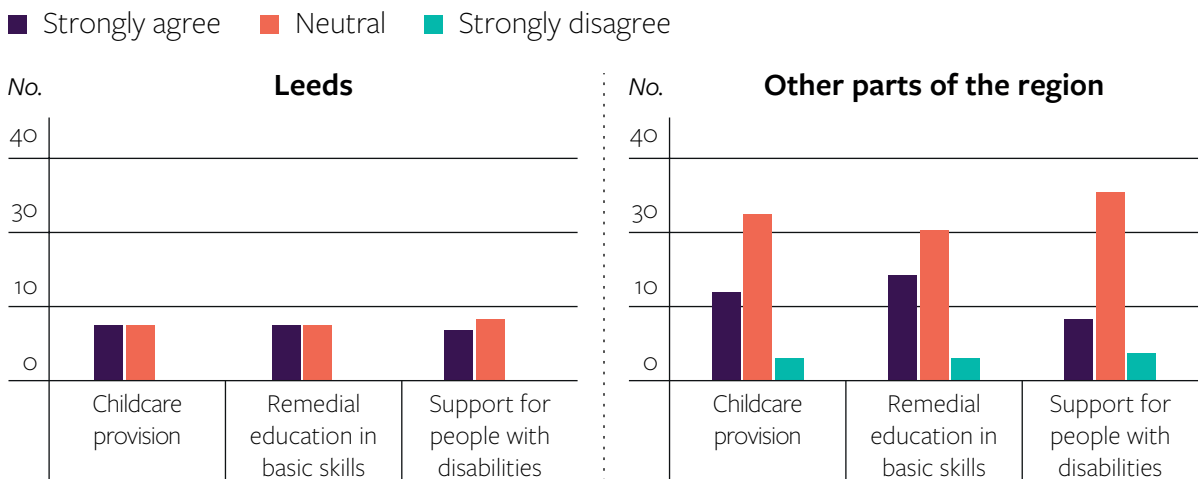


Figure 13. Employment conditions

Our ability to recruit, train and develop the skills of labour from unemployed or economical inactivate people is undermined by a lack of:



Sample size n=71.



Finding #5. Exporting firms have a higher level of innovation than non-exporting firms.

There is a positive correlation between export and innovation (Figure 14). Over 60 percent of the exporting firms have extensively introduced innovation in product/service and operational process in the last five years. The ratio is only 30 to 42 percent among the non-exporting firms. The innovation capability of the export firms

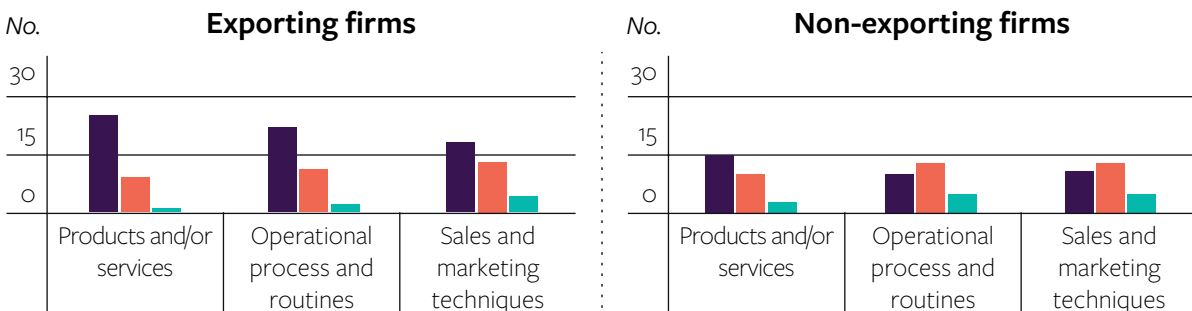
is hindered by a lack of appropriately skilled labour and financial resources (Figure 15).

These findings suggest that policy that addresses the resources issues that hinder innovation, especially towards non-exporting firms is likely to be helpful to enhance innovation. It is not clear if innovation stimulates exports or exports encourage innovation or if it is some kind of virtuous spiral. Nevertheless, interventions to boost innovation in general is closely linked to high levels of exports.

Figure 14. Innovation level

In the last five years we have introduced or developed:

■ To a large extent ■ Somewhat ■ Not at all

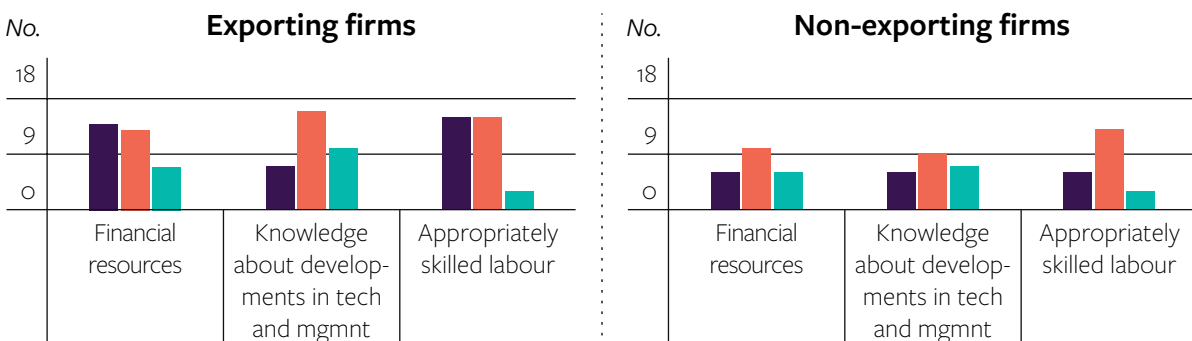


Sample size n=61.

Figure 15. Barriers to innovation

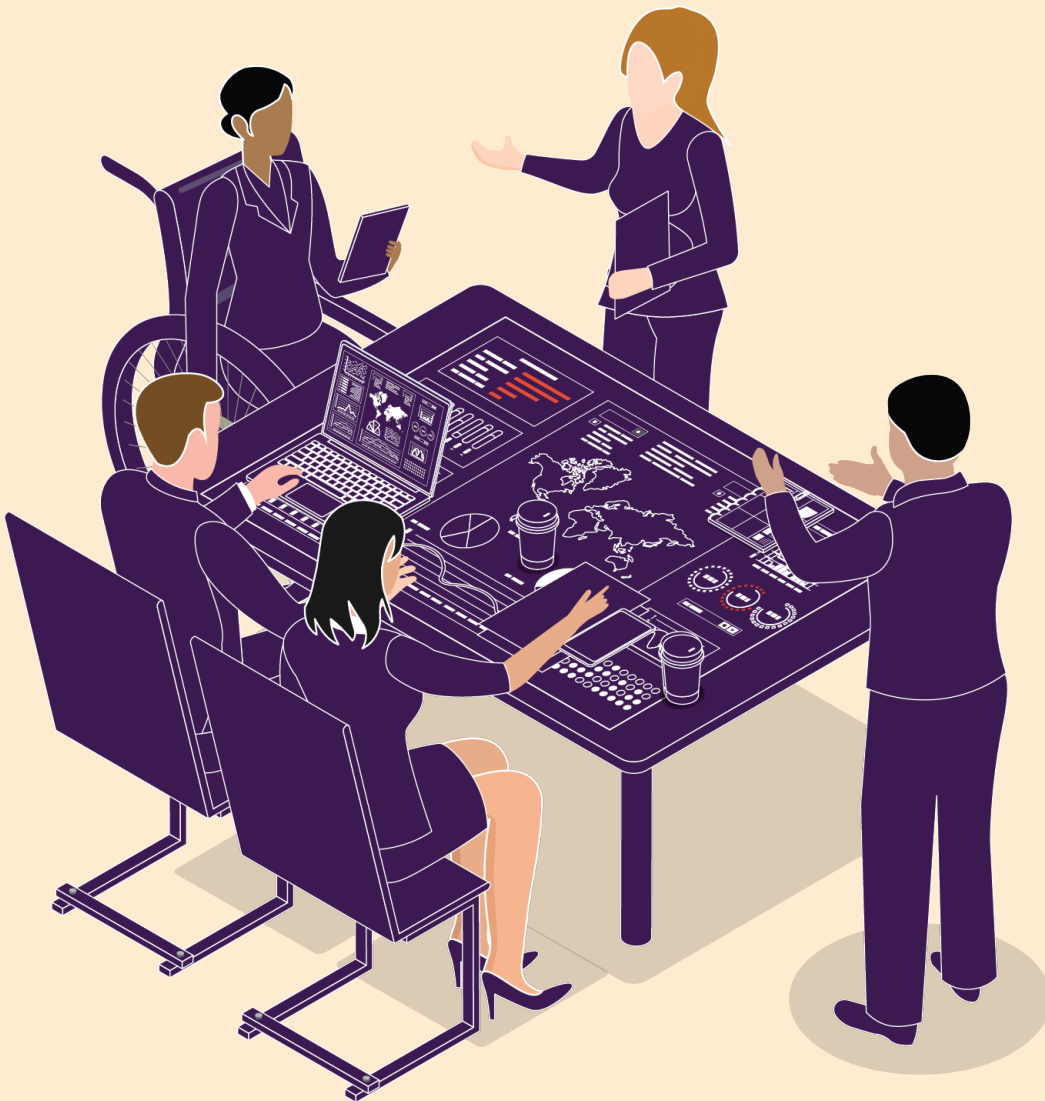
Our ability to innovate is hindered by a lack of:

■ To a large extent ■ Somewhat ■ Not at all



Sample size n=56.

On the basis of the findings of the survey, the research team organized a workshop with roundtable discussions on how to increase awareness about the benefits of exporting and assist with the development of a more inclusive export promotion policy. The roundtable participants were representatives of public and private organisations involved in export promotion, firms involved in exporting, and academics engaged in information and knowledge transfer.



Findings from workshop discussions

The first roundtable discussion was conducted following presentations by Amanda Potter, Trade and Investment Manager at West Yorkshire Combined Authority, on the export strategy for West Yorkshire and by Professor Jun Du, Director of Centre of Business Prosperity and Professor of Economics at Aston Business School, on the benefits of exporting for regional development. The roundtable focused on the institutional setting for regional export promotion. A second roundtable discussion was held after the presentation of the survey of firms in the West Yorkshire region. The discussions centred on possible policy interventions to help firms to export and to enhance participation by all the major areas in the region.

The policy setting

The institutional setting in the UK for export regulations, financial support, taxation, promotion and development policy is complex and subject to frequent change. Major issues such as tariffs, quotas, taxation, regulations, trade deals, large-scale financial support and the overall policy stances for export promotion is largely controlled by the UK government. The promotion and development of exports in the regions primarily by the provision of information and knowledge to help firms to

export is composed of a multifaceted set of public and private organisations. These organisations are linked by a complex web of networks the key characteristics of which display substantial diversity across UK regions. The discussions at the workshop on policy developments were restricted to public-private networks involved in promotion and development of exports and did not directly consider the central government role in areas such as tariffs, quotas, regulations, major financial support etc. The primary focus was on the West Yorkshire region but included general issues connected to export promotion and development in all regions.

Roundtable discussion on the institutional setting

The first roundtable discussions centred on two main areas:

1. Problems with the current institutional setting
2. Improving the institutional setting.

8 Participants include people from the following organisations: Chamber International, Mid Yorkshire Chamber, Federation of Small Business West Yorkshire, Department for Business Trade, West & North Yorkshire Chamber, CBI, Yorkshire Asian Business Association, African Caribbean Business Ventures, Deliciously Yorkshire, UK Export Finance, Innovate UK EDGE, Yorkshire & Humber Academic Health Science Network, University of Leeds and Aston University.

Problems with the current institutional setting

The discussions centred on the complexity of the institutional setting and the wide range of organisations involved in the networks. This made it difficult for firms, especially SMEs, to navigate the system when seeking information or help. The complexity of the networks was also considered difficult for agents involved in the networks to understand how they operated. The complex communication problems within and between networks made it difficult (even for many agents in the networks) to understand how interventions were decided, implemented and developed.

The politicisation of the public parts of the networks was also seen as problematic as budgets, policy stances and the public organisations involved in promoting exports often change when the political order changes at national or regional level. Frequent political interference on budgets and policy stances from central and regional governmental level was also thought to increase volatility in the institutional setting. This was contrasted with the export promotion policies in many European countries that are often based on compulsory membership of chamber of commerce that seemed to lead to a less volatile system compared to the UK.

It was widely accepted that export policy should be based on public-private partnerships to help firms to begin exporting and to help build capabilities to expand exporting. Developing networks to communicate useful information and knowledge useful for exporting to firms was regarded as the major area of developing the capabilities of the region to enhancing exporting. However, a risk from such export policy was identified - if firms become

resource dependent on support from public-private networks. This could lead to failure by firms to invest, learn and innovate to develop firm level capabilities conducive to exporting. This could undermine the capability of firms to generate internal resources conducive to sustaining high productivity and resilient firms. This issue was further discussed in the second roundtable (see below).

A lack of differentiation in export support interventions was considered to lead to a tendency to overlook important differences according to size, sector and export experience of firms. Little was said at this stage about the possible need for different policy approaches according to the location of firms within the region. Some felt that intra-regional differences were connected to different sectors/industries being located in particular geographical areas and that this might be connected to large agglomeration benefits, especially in Leeds. This issue was more fully discussed in the second roundtable discussions.

Comment

That the effectiveness of export promotion and development policy is adversely affected by a lack of coherence and volatility in the institutional setting in the UK is well established. The complexity and unclear nature of where help can be obtained has also been extensively examined (McCann et al, 2023). The discussions revealed that these problems continue to undermine the effectiveness of the institutional setting for export promotion policy. In the absence of a fundamental constitutional and institutional change at national and regional level it is likely that these problems will persist. Finding means to mitigate the volatility in the institutional setting is therefore important.

Possible way forward

The development of a regional export promotion framework may help to mitigate problems of volatility in the institutional setting. The framework could be based on social network theory to construct networks with central players with good connections to peripheral players and suitable bridging links to networks with complementary functions not directly connected to export promotion. The framework would outline the core objectives for the development of exports and the major policy interventions to help to secure the objectives. Identification of the major organisations in public-private networks with major responsibilities for developing and executing key interventions (central players in networks) would provide clearer pathways from policy to implementation. An online system could be developed that would guide firms to the key organizations within the networks that could help them with the issues they face. Core objectives and accompanying interventions would be set in the context of the constraints of budgets and capabilities of the members of the networks. The size of budgets, the quality of the capabilities of the central players of the networks and the effectiveness of the coordination mechanism between organisations in the networks would influence the scope for the objectives and interventions that could be set. Analysis of the results of interventions in terms of achieving objectives would provide the basis for assessing development of the central players and the links to more peripheral players. Such a framework might reduce the coordination issues inherent in the present institutional setting and provide a means to enhance the effectiveness of policy.

The framework moreover offers a way to reformulate core objectives and interventions

in the face of volatility in the institutional setting. Changes in government policy stances and in funding may require significant modifications in core objectives, interventions and which organisations play key roles in implementing and developing interventions. The framework could provide a degree of continuity in volatile policy environments by providing a means to set core objectives, interventions and roles of organisations within networks in the context of changing constraints and opportunities emerging from changes in policy stances and budgets.

Improving the institutional setting

Devolution of more powers with regard to export promotion to regions with elected Regional Mayors was thought to offer the prospect of a more coherent and stable policy framework. Linking export promotion to internationalisation more generally by including importing, inward and outward foreign investment was also considered to be useful.

Institutional support for promoting awareness of how internationalisation can contribute to the general well-being of firms and people in the region was also thought to be an important requirement. This would involve highlighting the benefits arising from higher productivity and greater innovation by exporting firms leading to more jobs with high wages. An underlying assumption in the discussions was that the benefits would spread to excluded firms and people of the region that were less involved in exporting by trickle-down and spillover of the benefits from successful to less successful firms and areas within the region.

Developing and extending public-private partnerships in the area of fostering more and deeper linkages between information and

knowledge generators (such as universities, R&D centres, chambers of commerce etc) and firms was seen as a helpful way to boost exporting. Enhancing the means to encourage the sharing of information and knowledge between firms about the benefits of exporting, and on how to capture opportunities and overcome obstacles to exporting was also put forward as a beneficial institutional change. The discussions revealed that there existed a large number of programmes and initiatives that address issues of support and help with finance, skill shortages, innovation, adjusting to new technologies and provision of information and knowledge. Many of these programmes and initiatives were, however, short-term and were often stopped or the nature of the help and support was frequently curtailed. Many of these programmes and initiatives were not targeted at exporting but were located in networks associated with providing generic help for all firms. These programmes and initiatives were often unknown to firms due to poor communication. In some cases these schemes were not clearly understood by key players in public-private networks associated with export promotion.

Comment

Many of the issues raised in the discussion on reform of the institutional setting to reduce volatility and improve effectiveness in the regional development policy arena have been debated for many years (Dotti, 2013, McCann, 2023). Key problems with the suggested policy developments were alluded to in the discussions in the workshop.

To improve export promotion policy by devolution to elected Regional Mayors would require them to be able to run effective governmental bodies. Elected Regional Mayors moreover have different powers

and budgets. This means that regions granted greater autonomy and budgets have enhanced ability to develop export promotion policies, leading to intensified and unequal inter-regional competition in the type and volume of export support.

Making the case that increasing exports is beneficial requires acceptance of the view that these benefits trickle-down from exporting firms to the region as a whole. The trickle-down theory implies that increasing exports enhances innovation, jobs, wages and revenue for exporting firms thereby creating increased demand in the region for goods and services. These benefits may also spillover by spreading knowledge and know-how to non-exporting firms. The benefits of trickle-down and spillover however normally require supporting government policies to obtain even small gains (Lee and Rodríguez-Pose, 2016).

The issue of the spread of the benefits of enhancing exports is complicated by the importance of agglomeration benefits that are evident in many sectors often in particular geographical locations, the so-called cluster effect (McDonald et al, 2007). Export promotion that boosts the development of clusters may enhance productivity and innovation but mainly in areas with good prospects for reaping agglomeration benefits. In these circumstances, enhancing trickle-down and spillover benefits from clusters to other areas in the region is an important issue for spreading the benefits from increasing exports.

Developing public-private partnerships to enhance the sharing of information and knowledge among firms poses dangers of adding layers of agents and organisations in what are already complex and often poorly coordinated export promotion networks. Developing the extent of these networks in

export promotion networks may therefore further increase complexity and thereby may undermine effective coordination within the networks.

Possible way forward

A regional export promotion framework may help to address some of the problematic issues of improving the institutional setting. An appropriate framework would identify core organisations and their responsibility for interventions. Linking the major interventions to information and knowledge transfer networks in accord with the needs of firms could be done by the major organisations in the public-private networks associated with export promotion. This would help to curb proliferation of the extent of networks and reduce the development of overly complex and poorly coordinated networks. Measures to limit unhelpful interregional institutional competition in export promotion could also be a core objective in the framework. The framework could also set core objectives to address exclusion problems by identifying important areas where firms are restricted or excluded from the benefits of increased exports and use this analysis to develop interventions to promote trickle-down and spillover to these areas.

Roundtable discussions on policy interventions

The results of the survey revealed key areas that exporting and non-exporting firms considered to be obstacles to exporting. The findings also highlighted that many non-exporting firms saw no need to export in order to satisfy their key objectives. There were also differences in awareness and the extent of the obstacles in the various parts of the region. Firms in Leeds were more likely to be aware of obstacles. The second

roundtable discussions took place in the setting of these results.

The second roundtable discussions centred on two main areas:

1. Improving policy interventions towards firms
2. Policy interventions to help the excluded parts of the region.

Improving policy interventions towards firms

The discussions revealed that many firms, including those that export, were often unaware of the capabilities and know-how that was required to export. Solutions to this included awareness campaigns and dissemination of case studies on firms that had successfully begun to export or had significantly boosted exporting. The difficulties of engaging firms, especially non-exporting firms, in such dissemination exercises was recognised.

Encouraging as many firms as possible to export by inviting them to trade fairs and providing information about growing markets was regarded by some as problematic. Difficulties could arise if firms lacked the necessary capabilities and knowledge to successfully export. It was suggested that providing interventions to help firms to export should be contingent on evidence that firms were export-ready or willing to become export-ready. It was thought to be desirable that firms commit financial and physical resources to exporting as a condition to be offered substantial help to export. This would reduce resource dependency on support from the public-private networks. It was acknowledged that enticing firms to invest in exporting to obtain significant help and support from the public-private networks was

difficult if firms were uncertain about whether such investment was worthwhile.

Issues were raised about the need to spread awareness of new challenges and opportunities associated with international trade and investment. These included technological changes such as digital technologies, in life sciences and new 'green' technologies. The requirements to increase sustainability and resilience of firms also implied changes in the type and destinations of exports. Increasing information about where help is available in these areas was seen as being an important intervention.

The current focus by supporting agencies on exporting goods was questioned because increasingly the services sector provides the fastest area of export growth and there is also an increasing focus on trade in knowledge and accompanying services associated with manufactured goods. These non-goods aspects of exporting were thought to be likely to grow as technological, sustainability, resilience and security of supply issues were growing due to climate change and security considerations. These changes were also leading to rearrangements of global supply chains to make them more sustainable, resilient and secure from disruption to supply caused by pandemics, national security issues, the need to reduce pollution, carbon emissions and to address increasing scarcity in many natural resources. A range of new prospects and challenges for exports were emerging from these developments and required new or developed interventions.

Trying to spot sectors or industries within regions that had the potential to export and to target interventions in these areas received some support. The problems of organisations in the public-private networks

being able to correctly identify 'winners' was highlighted in the discussions. Spreading awareness and help about the capabilities and know-how needed for exporting to owners and managers with entrepreneurial drive towards growth and innovation was regarded by many as a better way to intervene. How to find such entrepreneurs was however seen as a major problem. The issue of a lack of entrepreneurial drive to grow firms from small to medium sized and in some cases to become large firms was seen as a major obstacle to interventions being taken up. This applied especially to non-exporting and small and infrequent exporters. Suggested measures to improve take-up of interventions to boost entrepreneurial culture included awareness and experience sharing by targeting business groups in different sectors, type of ownership and ethnicity of owners and managers. The hope was that people with strong entrepreneurial drive and with an internationalisation outlook might be found in these business groups.

Comment

The abundance of often short-term and temporary programmes and initiatives that are connected (but sometimes only marginally) to exporting needs to be addressed. The apparent lack of awareness of many firms about the required capabilities and knowledge needed to successfully export, the necessity for firm level investment for successful exporting, addressing issues connected to new technologies and the growing importance of a variety of non-goods trading opportunities and challenges also needs to be tackled.

The 'spotting winners' policy has a long record but does not have robust evidence that it works (McDonald et al, 2006, Partridge and Olfert, 2011). It is not clear however

how to achieve the suggested alternative of finding entrepreneurial owners and managers seeking to grow and innovate in whatever sectors that have capabilities and knowledge to export. Encouraging the development of such an entrepreneurial culture in regions and fostering growth of start-ups from such entrepreneurs is a pressing problem. Convincing firms to export using a scatter gun approach is likely to be ineffective because many firms do not see a need to export, and many are not export-ready or willing to become export-ready.

Possible way forward

A regional export promotion framework could be set as a core objective addressing issues connected to providing help and support by participation in information and knowledge sharing programmes. This would include network bridges from the central players in export promotion networks to central players in those complementary networks involved in information and knowledge sharing involved with adjusting to new technologies etc.

Requiring an audit of export capabilities with a viable commitment to investment in necessary export capabilities to receive extensive support would help tackle problem of resource dependency on support and of firms seeking help to export that lack the necessary prerequisites. This audit could be specific to the size, experience and sector of firms and be linked to financial and other support to undertake the necessary investment.

Programmes to increase awareness of the benefits of exporting to entrepreneurs could be a core objective. This could be set to attract entrepreneurial owners and managers and to encourage start-ups to consider exporting at an early stage.

Policy interventions to help the excluded areas in the regions

Encouraging firms with no or low interest in exporting was regarded as difficult. It was thought that many such firms may have little prospect of exporting due to the nature of their business. Other firms may lack the necessary competencies and knowledge to export and therefore have little interest or motivation to export. Many of the firms in this category were however considered to lack the desire to commit to the investment of time and resources to export and were happy with their current markets. Results from the survey supports this view. It was acknowledged that many of these firms may face difficult trading conditions if their home markets experience increased penetration by more productive and innovative foreign firms. Greater use of information and knowledge sharing by use of case studies and sharing the experiences by successful exporters of the benefits was the only clear interventions proposed for trying to increase participation by non-exporters. Intensifying awareness campaigns to geographical areas within the region with low numbers of exporters and to small firms, firms owned by ethnic minorities and family-owned firms etc was suggested to help draw in excluded sectors. No clear interventions emerged to address firms that have little or no desire to export but that could in principle be successful exporters.

The discussion revealed that many thought that export promotion interventions were likely to be most successful among entrepreneurial firms. It was further thought that these firms were liable to be located in particular sectors many of which are centred in Leeds. In effect the implicit assumption was that agglomeration benefits were a powerful attraction for entrepreneurial

firms and that many of these benefits were centred in Leeds. Those that took this view thought that trickle-down to less developed parts of the region may occur due to workers living in these parts of the region and commuting to agglomeration centres such as Leeds. Movement of some business operations from congested and expensive agglomeration centres was considered to contribute to the trickle-down process. There was no substantive consideration of spillover of technologies and know-how to low productivity and low innovation firms.

Comment

The discussion revealed awareness of problems of exclusion from the benefits of exporting and by implication to the wider issue of internationalisation. Policy interventions to tackle this issue were largely restricted to awareness campaigns among excluded areas and groups. A common view was that successful export promotion policy was likely to lead to improvements in productivity and innovation in sectors and geographical locations that had and could generate more agglomeration benefits. The many methods of spreading these benefits were thought to be trickle-down, mainly by higher paid workers from successful entrepreneurial firms living in the less developed parts of the region, and some movement of often lower value work from the more successful parts of the region.

Possible way forward

Reliance on trickle-down to spread the benefits of exporting is likely to have little effect on excluded areas. The trickle-down approach to regional development has been practiced for many years and shows little sign of making substantial difference to improving the position of excluded areas (McCann et al, 2023; Lee and Rodríguez-Pose, 2016). It is likely that successful export promotion policy will

mostly benefit entrepreneurial firms and that many of them will be located in particular sectors and parts of the region.

Policy needs to be more pro-active in embracing excluded areas into the benefits of exporting. Policies are needed to enhance the trickle-down effect and spillover of technologies and know-how to non-exporting firms. This may be addressed by setting a core objective of effective bridging by central members of export promotion networks to central players in networks concerned with promoting entrepreneurship, start-ups and innovation.

Agglomeration benefits are often assumed to emerge by mysterious processes and that little or nothing can be done to help to create the conditions for such agglomeration centres to emerge and develop. The histories of the rise of clusters, including recent examples in emerging economies, reveals that a host of factors are involved in the emergence of agglomeration centres. Moreover, the driving forces of cluster formation are changing with agglomeration economies arising from fast changing networks that link to appropriate and changing political, economic and social environments that are not necessarily restricted to one small geographical area (Krugman, 2011). These include the development of appropriate political, economic and social environments, grouping of entrepreneurs and the grasping of modern technologies and know-how that spreads across the new agglomeration centres, sometimes by virtual routes rather than close proximity. Creating the conditions for the rise of new agglomeration centres is however beyond the competencies of export promotion networks. An export promotion framework that has as a core objective the spreading of the benefits of exporting would however help to spread the benefits. Effective bridges to other networks seeking to promote regional

development could encourage trickle-down and more importantly spillover from successful exporters to non-exporters. This would help in the creation of agglomeration benefits and thereby enhance the capacity for firms in these new agglomeration centres to export. The export promotion networks could encourage networks involved in encouraging the growth of start-ups, innovation and entrepreneurial groups to engage with them

to encourage new or renewed firms seeking to be more innovative and entrepreneurial to explore the role of exports in their objectives. This should be particularly encouraged in firms and people that are in excluded sectors, geographical areas and ethnicities.



Conclusions

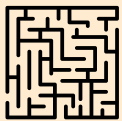
There are many opportunities for UK firms, including firms based in the West Yorkshire region, to boost their level of exports. However, the challenges facing firms are significant.



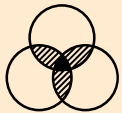
Some of the major obstacles to exporting by firms in the West Yorkshire region are identified in this report and policy developments to better address them are advanced. Based on analysis of secondary data and a survey of firms the key characteristics of exporting and non-exporting firms are identified. Based on these findings roundtable discussions with policy makers, practitioners and academics provides the basis for some tentative suggestions to develop policy frameworks to deliver interventions that would

help enhance the level of exports. This includes consideration of spreading the benefits of exporting to non-exporting firms, various sectors of the regional economy, the major geographical areas within the region and to different socio-economic groups. The findings and results of the discussion primarily relate to the West Yorkshire region but many of the issues raised are in principle applicable to other regions in the UK.

The major issues in enhancing the effectiveness of export promotion policy are connected to six major factors.



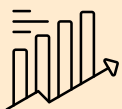
1. The institutional setting for export promotion policy is complex and poorly coordinated. Steps need to be taken (within the constraints of the constitutional and institutional situation in the UK) to secure a more stable, coherent and easy-to-access support system for firms.



2. The diversity across firms according to geographical location, size, sector, internationalisation experience, and entrepreneurial motivation needs to be considered when devising and implementing policy.



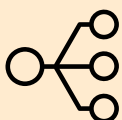
3. Major issues affecting the export readiness of firms connected to motivation to export, understanding of key issues for effectively managing exporting (especially to new export markets), and the role of innovation require addressing in policy developments.



4. The benefits of exporting for firms that are export-ready needs to be more widely disseminated.



5. Specific issues to enhancing exporting connected to, for example, use of digital technologies and labour market conditions need to be addressed.



6. The rewards from exporting need to be more widely spread by policies that support trickle-down across the region and spillover of innovation and technology from exporting to non-exporting firms.



References

- Dotti, N.F., 2013. The unbearable instability of structural funds' distribution. *European Planning Studies*, 21(4), pp. 596-614.
- Krugman, P., 2011. The new economic geography, now middle-aged. *Regional Studies*, 45(1), pp. 1-7.
- Lee, N. and Rodríguez-Pose, A., 2016. Is there trickle-down from tech? Poverty, employment, and the high-technology multiplier in US cities. *Annals of the American Association of Geographers*, 106(5), pp. 1114-1134.
- McCann, P., Ortega-Argilés, R., Sevinc, D. and Cepeda-Zorrilla, M., 2023. Rebalancing UK regional and industrial policy post-Brexit and post-Covid-19: Lessons learned and priorities for the future. *Regional Studies*, 57(6), pp. 1113-1125.
- McDonald F, Huang Q, Tsagdis D, Josef Tüselmann H. 2007. Is there evidence to support Porter-type cluster policies? *Regional Studies*. 41(1), pp. 39-49
- Partridge, M.D. and Olfert, M.R., 2011. The winners' choice: Sustainable economic strategies for successful 21st century regions. *Applied Economic Perspectives and Policy*, 33(2), pp. 143-178.

Appendix 1: Data sources for research context and limitations

We use firm-level data extracted from Orbis and FAME provided by Bureau van Dijk (BvD), a Moody's Analytics company. Orbis is a global database encompassing firms' financial statements and their production activity. FAME is its UK version, but with some different information. For example, export data are available in Orbis, but not in FAME. To maximise the coverage, one must merge data from Orbis and FAME. Both Orbis and FAME cover listed and non-listed firms. There is a reporting lag of about 2 years, on average. Although Orbis and FAME include an impressive number of firms, a large number of these firms contain only information on company name and a few other variables. The extracted data from FAME and Orbis were merged and were cleaned where outliers and missing values were removed.

The number of goods exporters in each year is much smaller than the number of

businesses presented in HMRC's publication (Table A1). This is because of two reasons. First, the HMRC data include other urban areas that may not be picked up by FAME and Orbis. Second, HMRC's publication considers not only firms that are registered in the region, but also have operations in the region. Based on employment data from the Inter-Departmental Business Register (IDBR), a "business' trade is allocated to a region based on the proportion of its employees employed in that region". It is only when "a trader is not matched with the IDBR, its trade is matched with Office for National Statistics postcode data to obtain the region in which the Head Office of the VAT registered business (importer or exporter) is based." This is the issue of direct and indirect exporting by firms. The HMRC data therefore overestimate exports in West Yorkshire because of the way it classifies exporting firms.

Table A1: Goods export statistics

| Year | Export revenue (£m) | | Average export revenue (£m) | |
|-------------|---------------------|------------------|-----------------------------|-------------------|
| Data Source | HMRC | Merged Dataset | HMRC | Merged Dataset |
| 2016 | 5473 | 2295 | 0.57 | 10.43 |
| 2017 | 5959 [8.9%] | 2483 [8.2%] | 0.62 [8.8%] | 11.82 [13.3%] |
| 2018 | 6171 [3.6%] | 2669 [7.5%] | 0.63 [1.6%] | 12.59 [6.5%] |
| 2019 | 5992 [-2.9%] | 2231 [-16.4%] | 0.61 [-3.2%] | 11.05 [-12.3%] |
| 2020 | 5115 [-14.6%] | 903 [-59.5%] | 0.56 [-8.2%] | 5.94 [-46.2%] |
| 2021 | 5659 [10.64%] | 1402 [55.3%] | 0.71 [26.8%] | 6.9 [16.2%] |

Notes: Figures in squared brackets indicate growth rate. Average export revenue is based on the mean value of export revenue calculated as the ratio of total export revenue to the number of exporters. For HMRC data source, it is calculated as the average of the mean value of export revenue to the EU and the mean value of export revenue to non-EU as HMRC does not report the total number of exporters but the number of exporters to the EU and non-EU markets.

Table A1 compares export revenue of goods and average export revenue of goods between the two datasets. It is clear that the merged dataset covers a much smaller number of exporters, but these exporters are significant players in West Yorkshire's exports. Comparing statistics for average export revenue, on average firms in merged dataset receive an average of £10.4m-£12.6m from their export activities, but those in HMRC dataset only receive about £0.6m. This implies that a significant number of micro- to small-sized exporters have not reported their exporting revenue in Orbis.

Appendix 2: Primary data collection

During November 2022-January 2023, we co-designed the survey to understand enablers and barriers for export activities in West Yorkshire. The questionnaire was first developed by LUBS academics based on the literature. This was revised following intensive discussions with the WYCA team to make sure that it is likely to provide the results that would be most useful to the WYCA for their policy making. We then jointly worked on the mechanics of distributing the questionnaire to local firms and gathering and storing the data.

The questionnaire was first sent out for a pilot study between 23 and 30 January 2023. Following comments and suggestions from 11 respondents, we revised the questionnaire. The survey was formally launched using Qualtrics between 13 February and 12 May. Given the funding period (1 November 2022 – 31 July 2023) and the time required for data analysis and preparation for the workshop on 4 July, we kept the survey open as long as possible to maximise response rate.

WYCA reached out to local firms through their networks and LEP Newsletters. The networks include Chamber International, Mid Yorkshire Chamber, Federation of Small Business West Yorkshire, Department for Business Trade, West & North Yorkshire Chamber, CBI, Yorkshire Asian Business Association, African Caribbean Business Ventures, Deliciously Yorkshire, UK Export Finance, Innovate UK EDGE, and Yorkshire & Humber Academic Health Science Network.

A total of 142 questionnaires were received, and 71 surveys were retained after we screened the responses and deleted missing data.

Appendix 3: Export questionnaire for primary data analysis

EXPORT QUESTIONNAIRE

Researchers in the University of Leeds and West Yorkshire Combined Authority (WYCA) would appreciate your help to understand the factors conducive to exporting and to identify barriers for exporting. **We guaranteed complete confidentiality and anonymity to all that return this questionnaire. It is important that we obtain the views of both exporting and non-exporting firms.**

- In answering the questions please indicate how things really are in your company rather than how you wish they were.

SECTION I: ABOUT YOUR COMPANY CHARACTERISTICS

Please answer the following questions by ticking (✓) the appropriate boxes or write down your responses were necessary.

- What is your company name?
- What is the postcode from where you make or sell products?
- What is your current position in your company?
- Which year was your company founded?
- What is the annual average number of employees in your company?

| | |
|------------|-------|
| 2017-2021: | 2022: |
|------------|-------|

- Please tick the option that best describes which industry your company is in?

Agriculture
 Mining
 Manufacturing
 Utilities
 Construction
 Retail
 Transport and Storage
 Accommodation, Food and Entertainment
 Information & Communication
 Financial, Insurance & Real Estate
 Professional, Scientific & Technical
 Administrative & Support Services
 Education
 Health & Social Work
 Other (please specify)

- Who ultimately owns the company (the single largest shareholding block)?

- | | | |
|---|---|--|
| <input type="checkbox"/> (a) Family | <input type="checkbox"/> (b) Private individuals (not family) | <input type="checkbox"/> (c) Private equity or venture capital |
| <input type="checkbox"/> (d) Institutional shareholders | <input type="checkbox"/> (e) Part of a Multinational Company | <input type="checkbox"/> (f) Partnership |

SECTION II: ABOUT YOUR COMPANY'S SIZE AND EXPORTING

1. What has your average sales turnover been

- a) over the three years (2017-2019) before COVID 19 pandemic in 2020? £.....
 b) since 2020 £.....

2. How many people are currently employed by your company?

- a) 1-10
 b) 11-50
 c) 51-250
 d) >250

3. Has your company exported over the past five years? YES _____ NO _____
 If yes, which year your exported? Please take select all relevant.

2017 __ 2018 __ 2019 __ 2020 __ 2021 __ 2022 __

4. If your company has been exporting, on average, what percentage of total sales did your company export to foreign countries (in %)

- a) over the three years (2017-2019) before COVID 19 pandemic in 2020? %
 b) since 2020 %

5. Of your total exports what is % by foreign markets?

- EU countries %
 EEA countries %
 Non-EU/EEA countries in Europe %
 China %
 India %
 The rest of East Asia %
 The rest of South Asia %
 Middle East and North Africa %
 North America %
 South America %
 Australia and/or New Zealand %
 Sub-Saharan Africa %

6. On average, what has been the growth in foreign sales turnover of your company (in %)

- a) over the three years (2017-2019) before COVID 19 pandemic in 2020? %
 b) since 2020 %

SECTION III: ABOUT YOUR COMPANY'S ABILITY TO DEVELOP AND SUSTAIN COMPETITIVENESS

| Please indicate the extent that you agree or disagree with the following statements about the obstacles to your company creating and sustaining competitiveness. | | <i>Strongly disagree</i> | | <i>Neither agree nor disagree</i> | | | <i>Strongly agree</i> | |
|--|---|--------------------------|---|-----------------------------------|---|---|-----------------------|---|
| 1. | The physical infrastructure in our location hinders our ability to be competitive | | | | | | | |
| | a) Roads | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | b) Rail network | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | c) Air transport | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | d) Utilities (electricity, gas and water) | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2. | The socio-economic infrastructure in our location hinders our ability to attract and retain appropriately skilled labour due to | | | | | | | |
| | a) crime | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | b) anti-social behaviour | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | c) a lack of appropriate housing | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | d) availability of leisure facilities | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | e) a lack of good schools | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 3. | Our local supply chains are an obstacle to the development of our competitiveness because | | | | | | | |
| | a) networks are underdeveloped | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | b) networks are restricted to certain firms or groups | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 4. | It is important for our competitiveness to develop appropriate employment conditions in areas such as | | | | | | | |
| | a) part-time work/flexible working | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | b) paternal leave | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | c) working from home | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | d) policies to address discrimination based on ethnicity, gender, or religion | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | e) apprenticeships for young people | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | f) apprenticeships/training for people looking to change career | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 5. | Our ability to recruit, train and develop the skills of labour from unemployed or economical inactivate people is undermined by a lack of | | | | | | | |
| | a) childcare provision | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | b) remedial education in basic skills | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | c) support for people with disabilities | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

SECTION IV: USE OF DIGITAL TECHNOLOGIES

| Please indicate to what extent your company used digital technologies over the last five years. | | <i>Not at all</i> | | <i>Somewhat</i> | | | <i>To a large extent</i> | |
|---|---|-------------------|---|-----------------|---|---|--------------------------|---|
| 1. | Digital technologies (digital data gathering and analysis, AI, web-based systems, social media etc) were introduced or developed | | | | | | | |
| | a) for marketing and sales activities | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | b) in human resource management (eg, recruiting, training, compensation) | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | c) for operations (inventory control, distribution, logistical systems, management of supply chains) | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | d) for exporting compliance - regulation requirements and export documentation conditions necessities (leave blank if your company has not exported over the past five years) | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2. | Our use of digital technologies is hindered by a lack of | | | | | | | |
| | a. knowledge about digital technologies | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | b. appropriately skilled labour | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | c. information about where to obtain help to understand and apply digital technologies | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

SECTION V: ABOUT YOUR COMPANY'S INNOVATION

| Please indicate the level of your innovation (new or developed products and services and/or new or developed processes and routines) | | <i>Not at all</i> | | <i>Somewhat</i> | | | <i>To a large extent</i> | |
|--|--|-------------------|---|-----------------|---|---|--------------------------|---|
| 1. | In the last five years we have introduced or developed | | | | | | | |
| | a) products and/or services | | | | | | | |
| | b) operational processes and routines (eg, inventory control, distribution, logistical systems, management of supply chains) | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | c) sales and marketing techniques | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2. | Our ability to innovate is hindered by a lack of | | | | | | | |
| | a) financial resources | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | b) knowledge about developments in technological and management know-how | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | c) knowledge about where to obtain help to formulate and apply a feasible innovation strategy | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

SECTION VI: ABOUT YOUR COMPANY'S EXPORTS

If your company has exported since 2017, please complete the following questions. Otherwise, please move to the next section.

| Please indicate the level of your exports in the last five years in terms of: | | <i>Very Low</i> | | | | | <i>Very High</i> | |
|---|--|-----------------|---|---|---|---|------------------|---|
| 1. | Foreign sales growth | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2. | Foreign to total | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 3. | Profitability of export activities | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 4. | Expansion of new export markets | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 5. | Growth in employment associated with exporting | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 6. | Growth of skilled labour associated with exporting | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

To what extent do you agree or disagree with the following statements relating to export support programme provided by government and non-government agencies over the last five years?

If you have not used governmental or non-governmental agencies to help with exporting or to explore the possibilities to exporting please tick here then move to the next set of questions.

| | | <i>Not at all</i> | | <i>Somewhat</i> | | | <i>To a large extent</i> | |
|----|--|-------------------|---|-----------------|---|---|--------------------------|---|
| 1. | Local government agencies provided strong support to help our company to export | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2. | National government agencies provided strong support to help our company to export | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 3. | It is difficult to find out which government agencies to approach to provide support for exporting | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| Please indicate the extent you feel that you need help to export in the following areas: | | <i>Very important</i> | | <i>Somewhat important</i> | | | <i>Not important</i> | |
|--|--|-----------------------|---|---------------------------|---|---|----------------------|---|
| 1. | Finance | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2. | Finding or developing export markets | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 3. | Dealing with export documentation tariffs and quotas | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 4. | Learning about key cultural and language problems | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 5. | Complying with regulations for products and tariffs | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 6. | Finding where to go for advice about differ aspects of exporting | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 7. | Help to participate in trade fairs in other countries | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

SECTION VII: ABOUT YOUR COMPANY'S BARRIERS TO EXPORTING

| If your company does not export please indicate the extent that you agree or disagree with the following statements about the main obstacles to your company exporting | | <i>Strongly disagree</i> | | | <i>Neither agree nor disagree</i> | | <i>Strongly agree</i> | |
|--|--|--------------------------|---|---|-----------------------------------|---|-----------------------|---|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1. | Our company can secure its major objectives without exporting | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 2. | Our company cannot find appropriately skilled labour to export | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 3. | The time and cost of finding help to export is too high | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 4. | There is not a feasible market for our products/services | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 5 | We encountered high cost and risk in previous attempts to export and this discourages us from re-entering export markets | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 6. | Our company cannot secure adequate finance to invest in exporting | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 7. | Our company lacks managers with expertise in exporting | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8. | The costs of learning about how to succeed in fast-growing emerging economies are too high | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

BUSINESS CONTACT

Are you happy for West Yorkshire Combined Authority and its local authority partners to contact you about their work in future?

| | |
|-----|---|
| Yes | 1 |
| No | 2 |

If you answered yes to the above question, please enter your email details.



UNIVERSITY OF LEEDS

University of Leeds
Leeds, United Kingdom

LS2 9JT

0113 243 1751

leeds.ac.uk