

# **LEICESTERSHIRE ETHNIC BUSINESS UNIT RESEARCH REPORT**



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## Introduction

This report has been commissioned by Max Boden of the Leicestershire Chamber of Commerce on behalf of Syed Rizvi of Cambridge University. Neil Farish of Business Link Leicestershire has compiled the report with intelligence and statistical data drawn from Captavia, the client management system of Business Link Leicestershire. No detail within this report conflicts with any current data protection legislation.

### 1. Objectives

- 1.1 Cross tab by company size – based on numbers of employees, using whatever size-bands are conventional.
- 1.2 Cross tab by sector – SIC section level classification should do

### 2. Statistical Report and Comments

#### 2.1 TOTAL BUSINESS UNITS HELD ON DATABASE

	Asian	Black	Chinese / other	Mixed	No clear majority	Unknown	White	Total
Total	2210	226	139	443	13	23834	17199	44064

#### Comments

- De-factoring unknown records produces a total 20230 complete records (45.91% of total holdings) with populated ethnicity.
- From complete records, the proportional representation of ethnic owned businesses is 15% of the overall business community broken down as follows:
  - Asian owned businesses make up 10.92% of the overall business community
  - Black owned businesses make up 1.13% of the overall business community
  - Chinese / other ethnic group businesses make up 0.69% of the overall business community
  - Mixed ethnic owned businesses make up 2.19% of the overall business community
  - No clear majority of ethnic / white owned businesses make up 0.07% of the overall business community

## 2.2 Ethnic businesses by size-bands

<b>White</b>										
Size	>250	0	1 - 5	100 - 250	11 - 19	20 - 49	50 - 99	6 - 10	Unknown	Total
%	0.35	1.05	64.98	1.18	6.70	6.75	1.88	13.87	3.24	100
Total	60	181	11165	203	1152	1159	323	2383	557	17183

<b>Asian</b>										
Size	>250	0	1 - 5	100 - 250	11 - 19	20 - 49	50 - 99	6 - 10	Unknown	Total
%	0.14	0.63	66.94	0.45	6.07	7.38	1.36	13.68	3.35	100
Total	3	14	1478	10	134	163	30	302	74	2208

<b>Black</b>								
Size	0	1 - 5	11 - 19	20 - 49	50 - 99	6 - 10	Unknown	Total
%	2.21	75.67	2.65	3.98	0.88	9.74	4.87	100
Total	5	171	6	9	2	22	11	226

<b>Chinese or other</b>								
	0	1 - 5	11 - 19	20 - 49	50 - 99	6 - 10	Unknown	Total
	0.72	69.78	4.32	9.35	2.88	10.79	2.16	100
Total	1	97	6	13	4	15	3	139

<b>Mixed</b>										
Size	>250	0	1 - 5	100 - 250	11 - 19	20 - 49	50 - 99	6 - 10	Unknown	Total
%	1.36	1.81	65.08	1.81	6.12	8.62	2.04	10.66	2.50	100
Total	6	8	287	8	27	38	9	47	11	441

<b>No clear majority</b>							
Size	>250	1 - 5	11 - 19	20 - 49	6 - 10	Unknown	Total
%	7.70	30.78	15.38	15.38	15.38	15.38	100
Total	1	4	2	2	2	2	13

### Comments

- The 1-5 size band makes of ethnic businesses make up 65-70% of the all size bands
- Most groups are consistent with the 6-10 size band being similar in population as the 11-49 size band (10-14% of the total ethnic group business community)
- The exception to both of the above is the black community where the 1-5 size band increasing to 75% balanced with a decrease in the 11-49 size band.

### 2.3 Ethnic businesses by industry sector (SIC)

A = Agriculture		
B = Business Activities		
C = Communication		
D = Construction		
E = Education		
F = Utilities		
G = Financial Intermediation		
H = Health & Social Work		
I = Hotels & Restaurants		
J = Manufacturing		
K = Mining & Quarrying		
L = Other community, etc		
M = Public Admin & Defence		
N = Real Estate		

O = Renting		
P = Retail		
Q = Storage		
R = Transport		
S = Unknown		
T = Wholesale		

<b>White</b>																					
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	Total
%	5.02	14.96	1.06	9.98	2.83	0.07	0.80	4.70	5.20	13.39	0.05	5.11	0.52	1.27	0.81	15.92	1.51	1.89	9.78	5.13	100
Total	862	2570	183	1715	487	12	138	807	893	2300	9	878	89	219	140	2736	260	324	1681	880	17183

**Comments**

- Representation across all industry sectors
- Most populated are retail, business activities and manufacturing respectively fairly closely represented
- Least populated are mining and quarrying and utilities (gas, electric, water supply)

<b>Asian</b>																					
	B	C	D	E	F	G	H	I	J	L	M	N	O	P	Q	R	S	T	Total		
%	9.15	2.40	2.31	1.95	0.05	0.63	6.88	7.02	17.39	2.63	0.36	1.04	0.36	26.13	1.36	1.00	10.97	8.37	100		
Total	202	53	51	43	1	14	152	155	384	58	8	23	8	577	30	22	242	185	2208		

**Comments**

- No representation in agriculture or mining & quarrying
- Most populated is retail nearly 9% above the next highest populated industry (manufacturing)
- Least populated is utilities closely followed by renting and public admin & defence

<b>Black</b>																		
	B	C	D	E	G	H	I	J	L	M	N	O	P	Q	S	T	Total	
%	19.91	3.98	3.10	2.21	0.44	4.42	7.08	7.96	8.41	0.44	0.44	0.44	17.70	1.33	16.38	5.76	100	
Total	45	9	7	5	1	10	16	18	19	1	1	1	40	3	37	13	226	

### Comments

- No representation from agriculture, utilities, mining & quarrying or transport
- Most populated by business activities closely followed by retail
- Least populated are financial intermediation, public admin & defence, real estate and renting.

<b>Chinese or other</b>																	
	B	C	D	E	G	H	I	J	L	M	N	P	Q	S	T	Total	
%	11.51	1.43	3.60	1.43	2.16	10.79	17.27	11.51	4.32	0.72	0.72	17.99	2.16	9.35	5.04	100	
Total	16	2	5	2	3	15	24	16	6	1	1	25	3	13	7	139	

### Comments

- No representation from agriculture, utilities, mining & quarrying or renting
- Most populated by retail and hotels & restaurants
- Least populated by public admin & defence and real estate

<b>Mixed</b>																	
	B	C	D	E	G	H	I	J	L	M	N	P	Q	R	S	T	Total
%	9.52	2.49	2.72	3.85	1.14	7.48	19.05	13.15	4.76	0.68	1.14	18.82	1.36	2.72	5.90	5.22	100
Total	42	11	12	17	5	33	84	58	21	3	5	83	6	12	26	23	441

### Comments

- No representation in agriculture, construction, utilities, mining & quarrying, renting
- Most populated by hotels & restaurants and retail
- Least populated is public admin & defence, financial intermediation, real estate and storage

No clear majority									
	B	C	E	H	O	P	S	T	Total
%									
Total	1	1	1	3	1	2	3	1	13

Unknown																				
	A	B	C	D	E	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	Total
%																				
Total	7	87	6	18	19	7	21	12	62	2	21	5	6	3	36	4	3	44	44	407

### 3 Business Link Customers

#### 3.1 Established business customers up to 31 March 2005

	Asian	Black	Chinese / other	Mixed	No clear majority	Unknown	White	Total
Total	1481	155	104	260	13	9650	10280	21943

#### Comments

- De-factoring unknown records produces a total 12293 complete records (56.02% of total holdings) with populated ethnicity of established businesses serviced by Business Link Leicestershire
- From complete records, the proportional representation of ethnic owned businesses is 16.27% of the overall established business community broken down as follows:
  - Asian owned businesses make up 12.05% of the overall business community
  - Black owned businesses make up 1.25% of the overall business community
  - Chinese / other ethnic group businesses make up 0.85% of the overall business community

- Mixed ethnic owned businesses make up 2.12% of the overall business community
- No clear majority of ethnic / white owned businesses make up 0.11% of the overall new start business community

### 3.2 New start business customers from 1 April 2004 – 31 March 2005

#### START UPS BREAKDOWN

	Asian	Black	Chinese / other	Mixed	No clear majority	Unknown	White	Total
Total	137	26	4	13	1	176	563	920

#### Comments

- De-factoring unknown records produces a total 744 complete records (80.87% of total holdings) with populated ethnicity of new start companies serviced by Business Link Leicestershire
- From complete records, the proportional representation of ethnic owned businesses is 24.19% of the overall new start business community broken down as follows:
  - Asian owned businesses make up 18.41% of the overall new start business community
  - Black owned businesses make up 3.49% of the overall new start business community
  - Chinese / other ethnic group businesses make up 0.54% of the overall new start business community
  - Mixed ethnic owned businesses make up 1.75% of the overall new start business community
  - No clear majority of ethnic / white owned businesses make up 0.13% of the overall new start business community

### 3.3 Pre-start business customers from 1 April 2004 – 31 March 2005

#### PRE-START BREAKDOWN

	Asian	Black	Chinese / other	Mixed	Unknown	White	Total
Total	1326	515	89	95	1402	3170	6597

## Comments

- De-factoring unknown records produces a total 5195 complete records (78.75% of total holdings) with populated ethnicity of pre-start companies serviced by Business Link Leicestershire
- From complete records, the proportional representation of ethnic owned businesses is 38.98% of the overall pre-start business community broken down as follows:
  - Asian owned businesses make up 25.52% of the overall pre-start business community
  - Black owned businesses make up 9.91% of the overall pre-start business community
  - Chinese / other ethnic group businesses make up 1.72% of the overall pre-start business community
  - Mixed ethnic owned businesses make up 1.83% of the overall pre-start business community

## CONCLUSIONS

1. **Ethnicity fields populated for nearly 46% of all business records on the database. All other calculations of percentage are based on this total.**
2. **Ethnic business owners make up 15% of the total business community.**
3. **Business Link customers are made up of a total of 16.27% ethnic owned businesses (slightly higher than total business community proportion).**
4. **Of new start Business Link customers (less than 12 months old), 24.19% are ethnic owned indicating a marked increase in entrepreneurial potential within ethnic groups.**
5. **This is further endorsed by an even higher proportion of individuals or groups of people thinking of starting a business, of which 38.98% of Business Link enquiries come from ethnic communities.**
6. **The size band make up of ethnic businesses is consistent with the total business community with the exception of the black community which accommodates a higher proportion of 1-5 employee companies but experiences a decrease within the 11-49 size band to compensate.**
7. **The retail sector ranks high in all communities but is significantly predominant within the Asian community.**
8. **The Black community has high representation in the business activities and retail sector.**
9. **The Chinese and Mixed communities also have high representation in the retail sector, but increased proportion from others in the hotel and restaurant sector.**