

Large Business Methodology Review

Stage Two Report

August 2010

Disclaimer

© Crown Copyright 2010 Published by Her Majesty's Revenue & Customs.
The views in this report are the authors' own and do not necessarily reflect those of HM Revenue & Customs.

Acknowledgements

Ipsos MORI would like to thank Kate Fox, Ellen Springall and Jennifer Poyser at HM Revenue and Customs (HMRC), Sophie Shore and Jane Carr at the Department for Work and Pensions (DWP) and David Riley at the Health and Safety Executive (HSE). We would also like to thank the participants for giving up their time.

Contents

Foreword	1
Glossary of Terms.....	3
Summary	7
1. Introduction	12
1.1 Context and Background	12
1.2 Summary of Stage One	13
1.3 Aims and Objectives of Stage Two.....	14
1.4 Methodology	14
1.5 Sample of Businesses	15
1.6 Report Outline.....	16
2. Attitudes towards research.....	18
2.1 Differences in perceptions of government sponsored vs. commercial research	18
2.2 Impact of research agencies, academics and researchers	21
2.3 Attitudes towards the amount of research	22
2.4 Previous experiences of research participation	23
3. Being approached and deciding to participate	25
3.1 Sampling.....	25
3.2 Preferred method of initial contact	27
3.3 Factors influencing the decision to take part	29
3.4 Getting through to the right person	31
4. Preferred method of participation	35
4.1 Interviewer administered vs. Self completion data collection	36
4.2 Qualitative vs. Quantitative approaches	39
4.3 Datasheets.....	40
4.4 Business Panels and Longitudinal Research	42
5. Providing responses.....	45

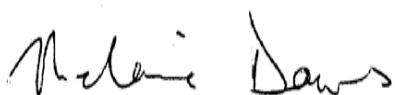
5.1	Company view vs. personal.....	45
5.2	Question preferences	47
5.3	Confidentiality and Data Security.....	50
5.4	Data Linking.....	52
6.	Outcomes of research	54
6.1	Interest in research outcomes	54
6.2	Attitudes towards research reports	56
7.	Improvements to the research process	58
7.1	Scoping.....	58
7.2	Planning.....	59
7.3	Implementation	60
7.4	Delivery.....	61
8.	Conclusions.....	62
8.1	Introduction	62
8.2	Key findings	62
	Appendices	66
	APPENDIX A – SUMMARY OF STAGE ONE	67
	APPENDIX B – METHODOLOGICAL APPENDIX	68
	APPENDIX D – EMPLOYER DISCUSSION GUIDE.....	70
	APPENDIX E – INTERVIEWER DISCUSSION GUIDE.....	81
	APPENDIX F – ADVANCE LETTER.....	88
	APPENDIX G – RECRUITMENT QUESTIONNAIRE	89

Foreword

This report explores large businesses' perceptions and experiences of participation in government sponsored research. The research was jointly funded by HM Revenue and Customs (HMRC), the Department of Work and Pensions (DWP) and the Health and Safety Executive (HSE). It is part of a long-term methodological review, to establish best practice in research with large businesses. The review seeks to address how HMRC can maximise large businesses' participation in research, while minimising the burden it places on them.

Large businesses are important stakeholders for HMRC, and this review makes a valuable contribution to the department's objectives for 2009-10 on improving customer experience. The review sits within a wider programme of reform which includes the Review of Links with Large Business (2006) and the subsequent work to take forward its recommendations. The findings from this small qualitative study will contribute to the growing knowledge of large businesses' views of research, particularly in relation to best practice. This should help to ensure their continued participation, leading to higher quality data and an improved evidence base.

I would like to thank all those who participated in this research.



Melanie Dawes

Director General (Business Tax), HM Revenue and Customs

Glossary of Terms

Customer Relationship Manager (CRM)	HMRC staff who are responsible for maintaining contacts with businesses and specialise in industry specific sectors.
Data linking	Combining research data with administrative data or other existing sources. This may reduce the information which needs to be collected in an interview and improve data quality.
Data sheet	A form on which respondents are asked to complete factual information in advance of the interview.
Dunn and Bradstreet	A database of around 1.6 million businesses, compiled using Companies House.
Experian Business Database	A database of around 1.9 million businesses listed at Companies House, Thomson Local directories and Yellow Pages directories.
IDBR	The Inter-Departmental Business Register. A list of UK companies maintained by the Office for National Statistics.
Large businesses	Defined in this report as a business that employs 250 or more people, which is loosely based on the EU classification.
Panels and Longitudinal Research	Surveys which involve the participation of an individual or business on more than one occasion, in order to observe changes over time.
Pre-populating	Inputting existing data into the questionnaire script in order to verify facts with the participant during the interview.
Probability Proportionate to Size (PPS) Sampling	A type of random selection where the probability of selection increases with the size of business.
Qualitative methods	Qualitative methods aim to provide detailed insights, rather than numerical estimates. Qualitative methods can involve in-depth discussions with a small number of individuals, in order to explore views, opinions and experiences in detail. These discussions are free-flowing, and the interviewer has a broad list of topics to explore, rather than a structured list of questions. Other qualitative methods exist, such as observation and ethnography. However, this study focuses on those most commonly used in research among large businesses – depth interviews and discussion groups.
Quantitative methods	Quantitative methods are research techniques that are used to gather quantitative data - information dealing with numbers and anything that is measurable. Quantitative methods involve a structured approach, where all respondents are asked a specific set of questions which are decided in advance.

Summary

Summary

In recognition of the significant amount of research that is carried out among large businesses, and the challenges associated with this, HM Revenue and Customs (HMRC), along with the Department of Work and Pensions (DWP) and the Health and Safety Executive (HSE), have undertaken this methodological review of large business¹ research. This is part of a long term review being led by HMRC, which has the aim of minimising the burden on large businesses, whilst increasing participation levels. The first stage of this was a literature review conducted by the National Centre for Social Research (NatCen) and the National Institute of Economic and Social Research (NIESR), which made recommendations for best practice².

This report contains the findings from the second stage, which was sponsored by HMRC, DWP and the HSE. This stage involved qualitative research among large businesses and Ipsos MORI interviewers and recruiters. The principle aim of this stage was to build on the first stage, by gaining a fuller understanding of large businesses' perceptions towards, and experiences of, participation in government sponsored research.

The specific aims of stage two were:

- To identify what large business perceive to be the barriers to participation in research and any thoughts on how to overcome these.
- To explore views on the recommendations made in Phase 1 of the Methodology Review.
- To gain an understanding of businesses' view of research.

When interpreting the findings, it is important to bear in mind that they are based on reported attitudes, which may not be an accurate indicator of behaviour in reality.

Attitudes towards research

The discussions explored attitudes held by business participants about participation in research, making a distinction between government and non-government sponsored research. Participants were far more positive towards government sponsored research, and spontaneously stated a number of benefits associated with participation, including having their views heard, influencing government policy, improving relationships with government

¹ Defined as a business that employs 250 or more people, which is loosely based on the EU classification

² NatCen and NIESR, Methodological Review of Research with Large Businesses, Her Majesty's Revenue and Customs, Research Report 60. <http://www.hmrc.gov.uk/research/index.htm#60>

and keeping up-to-date with changes in policy or legislation. It could be concluded that these benefits are unique to government sponsored research (as opposed to research for commercial organisations), and should therefore be highlighted when contacting businesses. The main disadvantage stated was the time required to take part. Many businesses had previously participated in government sponsored research, and past experiences of this were positive.

Business participants did not have clear preferences on who should conduct government sponsored research (i.e. social research agencies, academics or consultants), but did feel that organisations which are independent from government should be used.

Being approached and deciding to participate

The research also looked at the process of making contact with businesses and asking them to take part in government sponsored research. Sample accuracy (for example, incomplete or out of date contact details) was a key concern among interviewers and recruiters, suggesting that more time and resources should be invested in checking this up front. Business participants felt that the advance letter was the appropriate method of initial contact, but felt it should do more to engage them and highlight the benefits of participation. For HMRC sponsored research, participants would be happy to be contacted via their Customer Relationship Manager (CRM), where appropriate, although the implications in terms of confidentiality would need to be made clear to participants.

The decision to participate in research was found to be made at an individual rather than company level. The key factors influencing this decision were the perceived relevance and purpose of the research, the perceived costs and benefits of taking part, and the timing of the research request.

Preferred method of participation

There are a number of different ways of carrying out research with businesses. These include interviewing respondents face-to-face or via the telephone, and self completion methods such as asking respondents to complete paper-based or online questionnaires. The method used for a particular study will depend on a number of factors, including the type of information that needs to be collected, the target group, the timescales of the research, and the budget available.

The research also looked at the different ways in which businesses can participate in research and assessed which types of methods are more or less popular. No consensus was found on preferred method of participation. Whilst face-to-face was generally preferred as a

more engaging approach, business participants did not feel that they were any less willing to engage with other methods such as telephone or email.

Similarly qualitative research was valued above quantitative as it was seen to enable individuals to participate in their own terms. However, the advantages of quantitative research were understood and most business participants said they would be prepared to take part providing that the subject matter was relevant and that participation was not too onerous. The use of datasheets and panels were both broadly welcomed, but with some reservations about how much involvement and time they might require.

Providing responses

The research also explored attitudes to the different types of questions and topics that could be asked about in research and examined whether there were any topics that would be regarded as inappropriate within a research interview.

Business participants generally appeared to be comfortable for their views to represent those of the business in a research context. They typically saw themselves as very open about information requests, and keen to engage, especially if the subject matter was felt to be relevant.

The key factor that appeared to inhibit business participants from answering certain questions was whether it would pose any potential reputational or commercial risks to themselves or their company. This would include providing information not in the public domain, that has a legal dimension or confidential internal discussions that are on-going. However, business participants exhibited a high degree of trust that government researchers would treat their data securely and with confidence. Recent media stories about the loss of personal data did not appear to have affected this.

Outcomes of research

The research also explored businesses participants' level of interest in research outputs and preferred formats for receiving information.

Business participants had little familiarity or interest in existing outputs from business research, although they did claim that they would consider looking at information they felt was relevant, and many felt that they would be interested in receiving outputs from research studies that they had personally contributed to. However, it is important to bear in mind that any reports provided to businesses would need to be short and easily accessible. Many respondents felt that these should be provided as a matter of course to businesses that had

participated in the research, and should be made relevant to businesses in order to engage them in the research process.

Improvements to the research process

As a result of this study, there are a number of suggested potential improvements or developments of research processes. Indeed, business participants suggested improvements that could be made at each stage of managing and delivering research projects; scoping, planning, implementation and delivery. However, it should be noted that there are often challenges and constraints associated with government sponsored research which mean that it may not always be possible to adhere to these.

Introduction

1. Introduction

1.1 Context and Background

Large businesses make an important economic contribution to society, and an understanding of their structures, attitudes and behaviours is integral to effective development and delivery of certain areas of government policy. There are estimated to be around 16,000 large businesses in the UK³; a relatively small number considering the likely amount of research that is commissioned among this group. As a result, it has been hypothesised that large businesses may feel overburdened with research requests. In particular, it is thought this would apply to the largest businesses among this group, who are most likely to be selected in surveys which use a Probability Proportional to Size (PPS) sampling method (where the probability of selection increases with size of business).

Government departments regularly require the input of large businesses to help assess the effectiveness of policy initiatives, and to develop legislation on government agendas on issues such as productivity, competitiveness, fairness and regeneration. In order for government departments to meet key objectives, they must improve their understanding of large businesses' behaviour and decision making processes. When information needs cannot be addressed through the interrogation of internal administrative data, they will turn to traditional research methods such as large-scale surveys of the business population.

This methodological review grew out of an aim for greater cross-government working when planning and conducting research. It aimed to establish methods of best practice in conducting research with the large business population, which differs from other business research in a number of ways. Whilst some elements of good practice in research apply to all types of study conducted, there are many unique challenges associated with large business research (for example, response rates tend to be lower among large businesses, and it is more difficult to reach the target respondent), which are not fully understood and consistently addressed across the social research community.

It is because of this that HM Revenue and Customs (HMRC) has led a methodological review of research with large businesses. This is part of a long-term review, with the overall aim of identifying strategies for minimising the burden of research, whilst maximising large businesses' participation.

Two stages of the review have been completed to date:

³ According to HM Revenue and Customs' estimates.

- Stage One: a literature review and consultation exercise commissioned by HMRC and conducted by NatCen and NIESR⁴. This looked at the methodological issues associated with large business research and made suggestions as to how it could be improved.
- Stage Two: qualitative research co-sponsored by HMRC, the Department for Work and Pensions (DWP) and the Health and Safety Executive (HSE) and conducted by Ipsos MORI, in order to gain a fuller understanding of large businesses' perceptions towards government sponsored research.

1.2 Summary of Stage One

Stage One involved an extensive literature review, and included consultations with individuals with relevant experience of conducting business research. Six papers were produced, looking at various elements of the research process. Some of the recommendations which are relevant to this project are summarised below, and a brief summary of each of the papers is provided in the appendix:

- Paper 2 – Making Contact and Response issues: Respondents should be provided with an outline of the topics in advance of the interview. Research teams should highlight their independence from government departments, and respondents should be informed about the planned outputs of the research study.
- Paper 3 – Data Collection: Use of data sheets, data linking and pre-populating should be considered. HMRC should conduct in-depth qualitative research with businesses in order to understand their preferences around how to engage with them for research purposes.
- Paper 4 – Confidentiality and Disclosure: Further research with businesses would be beneficial, in order to understand any concerns around tax-related data and explore the breadth of consent to uses of their data which respondents are willing to provide.
- Paper 6 – Methods for Longitudinal Panel Surveys: HMRC should consider two alternative models for longitudinal panel surveys – a fairly small panel to feed into consultation exercises, or a carefully maintained panel of large businesses to monitor changes over time.

⁴ NatCen and NIESR, Methodological Review of Research with Large Businesses, Her Majesty's Revenue and Customs, Research Report 60. <http://www.hmrc.gov.uk/research/index.htm#60>

1.3 Aims and Objectives of Stage Two

The overall aim of Stage Two was *to gain a fuller understanding of large businesses' perceptions towards government research*. The specific objectives were to understand:

- How businesses decide whether or not to engage in research.
- The main barriers to participation.
- How businesses allocate responsibility for dealing with research requests.
- The perceptions of research and how it is used.
- How the research process could be improved.

1.4 Methodology

The research involved a small scale qualitative approach, in order to gain an in-depth understanding from a small number of businesses and experienced interviewers. There were three elements to the research:

- In-depth interviews with Ipsos MORI telephone interviewers: a total of six interviews were conducted via telephone in w/c 20th April 2009.
- In-depth interviews with businesses: a total of eighteen interviews were conducted, sixteen face-to-face and two telephone, between 5th May and 4th June 2009.
- Discussion group with eight Ipsos MORI face to face interviewers and recruiters on 21st May 2009.

The target respondent within businesses was the Head of Tax or Finance Director⁵. The definition of large businesses used was loosely based on the EU criteria (referenced earlier), in that all businesses with 250 employees or more were considered eligible to take part. A quota sample design was used, with quotas being defined for business type as operationally defined by HMRC:

⁵ Although there are other job roles which are relevant for research conducted by HSE and DWP, it was felt that individuals in finance related roles were most appropriate for this study, given the positioning of HMRC as the main sponsor and the topics to be discussed during the interview.

- The ‘LBS’ group comprising those that are serviced by HMRC’s Large Business Service (LBS) – these businesses have a UK turnover below £600 million and assets below £200 million
- The ‘LC’ group comprising businesses that are serviced by HMRC’s Local Compliance (LC) – these businesses have a UK turnover or assets above the amounts for the LBS group.

The above categories are used by HMRC to categorise businesses and the way they are dealt with. For example, businesses dealt with by the LBS are assigned their own CRM (Customer Relationship Manager).

In order to gather a range of views, the recruitment stage was designed to ensure that a number of interviews were conducted among ‘hard to reach’ businesses – i.e. those who were reluctant to participate in research or had not done so in the past, and also among FTSE 100 companies, to ensure that the views of the largest companies were included. A recruitment questionnaire was used to identify eligible businesses to fulfil these quotas (a copy is provided in Appendix G).

Interviews with businesses took place mainly face-to-face, and lasted around 45 minutes.

Throughout the report we have made use of verbatim comments to exemplify a particular viewpoint. It is important to be aware that these views do not necessarily represent the views of all participants. Where verbatim comments have been used, some of the respondents’ attributes are given (e.g. job role and type of business, or type of interviewer).

Further details on the methodological approach can be found in Appendix B.

1.5 Sample of Businesses

A total of eighteen interviews with businesses were conducted – six with businesses in the Large Business Service (LBS) and twelve with Local Compliance (LC). A number of questions were included in the recruitment questionnaire in order to categorise businesses as LBS or LC – namely, number of employees, UK group turnover, and UK group assets. Where participants were unable to answer these questions, information from the sample was used to categorise the business.

A full breakdown of the sample is provided overleaf.

Figure 1.1 – Business Sample breakdown

Interview Composition	
Characteristic	Number of interviews conducted
Business type:	
Large Business Service	6
Local Compliance	12
Sector:	
Agriculture, Manufacturing and Construction	3
Retail, Wholesale and Transport	5
Service sector including Finance	10
Job Role:	
Finance Director	8
Head of Tax	6
Managing Director	3
General Manager	1
Number of employees:	
Less than 10,000	10
10,000 or more	8
FTSE 100:	
Yes	2
No	16
Experiences of research:	
Do not usually participate in research	7
Do participate in research	11

Source: Ipsos MORI

1.6 Report Outline

The rest of this report is organised into seven main chapters. Chapter 2 looks at attitudes towards research. Following this, Chapter 3 looks at the process of being approached and deciding to participate in research. Preferred methods of participation are then discussed in Chapter 4, and Chapter 5 looks at providing responses. Chapter 6 looks at views on the outcomes of research. Finally, Chapter 7 looks at some key improvements to the research process.

Attitudes towards Research

• Attitudes towards research are important because they influence the way people perceive and interpret research findings.

• Attitudes towards research can be positive, negative, or neutral.

• Positive attitudes towards research are associated with higher levels of motivation and engagement in research activities.

• Negative attitudes towards research are associated with lower levels of motivation and engagement in research activities.

• Neutral attitudes towards research are associated with moderate levels of motivation and engagement in research activities.

• Attitudes towards research can be influenced by various factors, such as personal experiences, cultural background, and educational level.

• Attitudes towards research can also be influenced by the way research is presented and communicated.

• Attitudes towards research can have important implications for the effectiveness of research findings and their impact on society.

• Attitudes towards research can also have important implications for the way people perceive and interpret research findings.

• Attitudes towards research can be positive, negative, or neutral.

• Positive attitudes towards research are associated with higher levels of motivation and engagement in research activities.

• Negative attitudes towards research are associated with lower levels of motivation and engagement in research activities.

• Neutral attitudes towards research are associated with moderate levels of motivation and engagement in research activities.

• Attitudes towards research can be influenced by various factors, such as personal experiences, cultural background, and educational level.

• Attitudes towards research can also be influenced by the way research is presented and communicated.

• Attitudes towards research can have important implications for the effectiveness of research findings and their impact on society.

• Attitudes towards research can also have important implications for the way people perceive and interpret research findings.

• Attitudes towards research can be positive, negative, or neutral.

• Positive attitudes towards research are associated with higher levels of motivation and engagement in research activities.

• Negative attitudes towards research are associated with lower levels of motivation and engagement in research activities.

• Neutral attitudes towards research are associated with moderate levels of motivation and engagement in research activities.

• Attitudes towards research can be influenced by various factors, such as personal experiences, cultural background, and educational level.

• Attitudes towards research can also be influenced by the way research is presented and communicated.

• Attitudes towards research can have important implications for the effectiveness of research findings and their impact on society.

2. Attitudes towards research

Summary section: Attitudes towards research

In order to understand how businesses view research, and how this impacts on decisions about participation, this section looks at attitudes towards research, making a distinction between government and non-government sponsored research. Business participants were far more positive towards government sponsored research, and stated a number of benefits associated with participation, including having their views heard, influencing government policy, improving relationships with government and keeping up to date with changes in policy or legislation. The above benefits could be seen as being unique to government sponsored research (as opposed to research for commercial organisations), and should therefore be highlighted when contacting businesses. The main disadvantage stated was the time required to take part (this applied to all types of research).

Business participants did not have clear preferences on who should conduct government sponsored research (i.e. social research agencies, academics or consultants), but did feel that organisations which are independent from government should be used.

Many individuals had previously participated in government sponsored research, and past experiences of this were positive.

2.1 Differences in perceptions of government sponsored vs. commercial research

As discussed previously, government departments carry out research among businesses for a number of reasons, for example to assess the effectiveness of policy initiatives, or to help development of legislation. It is encouraging that business participants generally made a distinction between research for government departments and commercial companies, and were far more favourable towards government sponsored research. Indeed, many said that they would only take part in research for government departments. There was a feeling among some that they had a duty to do what the Government asked, or to help it make better decisions:

“...vague notion of duty I suppose. I expect the Government to run the country for me, but I don’t expect them to do it blindfolded. Maybe in its own small way it’s a contribution.”

Finance Director, LC

A number of reasons for taking part in government sponsored research were identified by business participants:

- *Influencing policy and making a difference*: they felt that research could be a way of having their voice heard by Government, and influencing decisions or changes in policy which would directly influence their business or sector.

"...well it's no good complaining about the policy if you don't help to form it. So, and there's no good trying to complain about it after it's gone through parliament."

Tax Director, LBS

- *Improving or building relationships*: some business participants saw participation in research as a potential way of improving relationships with government departments. Whilst this may demonstrate a lack of understanding around confidentiality among some participants (as they were unaware that government departments would not know which businesses had participated), it perhaps also demonstrates an understanding that participation may improve relationships indirectly, for example with their sector.

"...we're in an industry that has a bad name and we're are all trying to find a way to raise our standards and our profile and anything that can raise our profile with the Government so we'd be likely to say that we'd like to help you."

Finance Director, LC

- *Keeping up to date*: business participants believed that even if they are unable to influence decisions, taking part in research could be a way of becoming informed about any forthcoming changes in policy or legislation which could impact on their business, for example, Health and Safety legislation

"...if there's going to be a change that impacts health and safety requirements...anything like that...if we're not going to be able to influence and change anybody's mind and there are going to be changes, it gives us a chance to plan for that."

Finance Director, LBS

- *Finding out what other businesses think:* business participants were keen to understand how their own views compare with those of other businesses within their sector. There was a feeling among some businesses that possible ways to help achieve this in the research process could include use of peer discussion groups or provision of summary reports to participants, to enable them to gain an overview of the views of businesses, although others did not mention these specifically.

However, business participants also identified a number of key constraints associated with research participation. Some of these could be addressed relatively easily by government departments, for example by communicating more clearly with businesses:

- *Time required to participate:* some participants had concerns about both the length of time required to complete the questionnaire or interview itself, and the time involved in preparation or gathering information beforehand.
- *It could be used against you:* some felt that the Government could use research to try to 'catch out' businesses that had not adhered to regulations, which again suggests a lack of understanding around confidentiality.

"We don't do things wrongly, we don't believe we do, but obviously there are so many rules and regulations forced on businesses nowadays you can't keep up with it all. And if you're doing something wrong then you want to know about it, but want to be given time to put it right."

General Manager, LC

However, other issues related to the amount of research and the time lag between conducting research and publication, and would require more substantial changes in government practice:

- *Frequency of requests:* some felt that research requests were becoming more frequent, or that there were too many requests, and that these were not always co-ordinated (for example, within and between government departments).

- *Research is not always used or its uses are not made clear:* some felt that participation in research would not make any difference, that their views would not be taken on board, or that they did not understand how research is used.

"I think the reasons why I wouldn't participate...are just the feeling that actually it's not going to make any difference...And perhaps sometimes a feeling that the even bigger corporates will, if anybody's going to have an influence they're going to have an influence...even though we're in the top 40 I'd perhaps say, well actually it's the guys in the top 20 who are really going to have the Government's ear."

Head of Tax, LBS

In spite of these concerns, business participants were generally positive towards government research, and willing to take part if they could.

When interpreting the above findings, it is important to bear in mind that these are perceptions held by individuals, which need to be looked at in the context of the challenges faced by government departments. Indeed, a number of the issues mentioned above are already considered by government departments when designing research projects. For example, in order to ensure that research requests are kept to a minimum, government departments endeavour to carry out external research among businesses only when information or data cannot be obtained from existing sources.

The above findings suggest a lack of understanding of the issues facing government departments, and thus a need for departments to make their research processes more transparent to businesses in order to increase engagement. For example, businesses need to understand why there is a need for the research and how the results will be used. Suggested improvements to the research process are discussed in more detail in Section 7.

2.2 Impact of research agencies, academics and researchers

Business participants were in agreement that it was important for research to be carried out by organisations which are independent from Government, in order to ensure that the process is 'fair' and that responses are kept confidential. This may appear to contradict the suggestion to involve Customer Relationship Managers (CRMs) in the process as discussed later in this report. However, participants did not appear to have concerns about government departments knowing they had taken part, but more around their responses being kept

confidential and non-attributable. The importance of highlighting independence of researchers was also noted during Stage 1 of the review.

However, beyond this, business participants did not express any clear preferences regarding who conducts government sponsored research – i.e. different organisations who conduct social research, such as large, full-service market and social research agencies, smaller agencies, consultants, academics, or other institutions. Some did feel that recognising the name of the agency could encourage them to take part, as it would reassure them that the study was genuine and reputable. As discussed in the following chapter, reassurances that the research is genuine and reputable are important in gaining participation, and the advance letter is felt to be the appropriate way to communicate these.

2.3 Attitudes towards the amount of research

The volume of research requests (both government sponsored and commercial) received by participants ranged from three or four a year up to one a week. Reflecting this, there were a range of views regarding the amount of research which is carried out among large businesses.

A number of business participants felt that they were over-researched, particularly those in sectors or regions where there are a limited number of large companies. Although larger businesses tended to receive requests more frequently, a number of the largest businesses felt that they had the necessary resources to cope with requests, but felt that slightly smaller businesses may be unable to cope.

Some business participants expressed the view that the Government is doing more research than in the past. However, this did lead some to suggest that too much research was carried out among large businesses:

"Large businesses have too big a say in government policy."
Head of Tax, LBS

However, others did not feel that too much research is done, as it was felt to be important for the Government to consult with large businesses:

"...to get buy-in and support it is important...I don't think there's too much."
Finance Director, LBS

2.4 Previous experiences of research participation

A number of the business participants had taken part in government sponsored research in the past. Examples included surveys for HMRC looking at the experiences of large businesses of dealing with HMRC and taxation issues, and studies for other government departments and regional agencies. Participants were experienced in completing forms which are required by the Office for National Statistics (ONS), and many mentioned participation in consultation exercises. A number of business participants did not tend to distinguish between voluntary and mandatory requests (such as ONS returns), and did not differentiate consultation exercises from other types of research, as the process of participating in these is seen as similar.

In general, previous experiences of participation in government research were very positive. Business participants felt that researchers were professional and well-informed, and that the objectives of the research were made clear. However, there was a feeling that the timescales given were not always practical, for example, some felt that they were not given enough notice that research was being conducted (i.e. the period between receiving the advance letter and being contacted to take part in the research), or sufficient time to respond to research requests (i.e. the length of the fieldwork period was insufficient).

In contrast, experiences of non-government research were less positive. Business participants expressed a dislike of 'cold calling' and unscheduled telephone interviews. They gave examples of being misled in terms of questionnaire length, and were suspicious of the motives of commercial research (for example, it was seen as a way in to sell them a product or service). Research for commercial companies also tended to be seen as less interesting and relevant to businesses.

Being Approached and Deciding to Participate

3. Being approached and deciding to participate

Summary section: Being approached and deciding to participate

This section looks at the process of making contact with businesses and asking them to take part in government sponsored research. Sample accuracy (for example, incomplete or out of date contact details) was a key concern among interviewers and recruiters, suggesting that more time and resources should be invested in checking this up front. Business participants felt that the advance letter was the appropriate method of initial contact, but should do more to engage them and highlight the benefits of participation. Many would be happy to be contacted via their Customer Relationship Manager (CRM) for studies for HMRC, although the implications in terms of confidentiality would need to be made clear to participants.

The decision to participate in research was found to be made at an individual rather than company level. The key factors influencing this decision were the perceived relevance and purpose of the research, the perceived costs and benefits of taking part, and the timing of the research request.

3.1 Sampling

There are a number of sources that are used by government departments to draw samples of large businesses for research studies. These include databases purchased from commercial agencies, such as Experian and Dun and Bradstreet, and databases held by government departments, such as the Inter-Departmental Business Register (IDBR) held by the Office for National Statistics (ONS), and departments' administrative databases.

The choice regarding which sampling frame to use is not always straightforward, and depends on the requirements of an individual research study (for example, IDBR contains detailed information on the characteristics of businesses, which can be useful when targeting specific types of businesses, but has the disadvantage of not having phone numbers in all cases). The key advantages and disadvantages associated with each of the main sampling

frames are discussed in Stage 1 of the Methodology Review.⁶ Whichever sampling frame, there are often problems with sample accuracy, in varying degrees. There is inevitably a time delay between when the databases are collated and when businesses are contacted for research, which means that individuals may have moved on, and businesses may have restructured or closed down. Furthermore, there are certain job titles or roles which are not available on any of the sample databases. Whilst government departments and research agencies take steps to ensure the sample is as accurate as possible (for example, it is sometimes possible to conduct an initial ‘sampling building’ phase where businesses are contacted in order to check the details are correct), it is not possible to guarantee accuracy in all cases.

Interviewers and Recruiters

The accuracy of both client sample (i.e. databases held by government departments) and purchased sample (i.e. contacts provided for a fee by commercial agencies such as Experian and Dunn and Bradstreet) was raised as a key issue by interviewers and recruiters. A number of examples were given of cases where sample information was out of date, and contact details were inaccurate or incomplete. This was a cause of frustration among interviewers and recruiters, as it slowed down the process in making contact with businesses due to the fact that they will get passed around many times before getting put through to the correct person, and many companies will not put through calls without an accurate contact name. They also raised concerns about being seen as unprofessional as a result; i.e. businesses would expect government departments to know who they are.

The following verbatim reflects these sentiments:

“The client’s sample is often their customers...and one would hope they know who their customers are. It’s often something like two years out of date...and that really isn’t good enough. It’s a fast moving world and our time is limited...As a recruiter, we have to get on with it and get it done.”

Ipsos MORI Recruiter

⁶ Purdon, Susan and O’Connor, William, Natcen, Methodological Review of Research with Large Businesses: Paper 1: Sampling issues, Her Majesty’s Revenue and Customs, Research Report 60. <http://www.hmrc.gov.uk/research/index.htm#60>

Businesses

Although sampling issues were not explored in depth in the discussions with businesses, participants reiterated these concerns, suggesting that letters with inaccurate contact details (i.e. contact name, job title, company name or address) are more likely to be ignored or misplaced.

Based on this feedback, there are two key issues that could be considered by government departments: Firstly, this is further evidence to support the need to develop and maintain a government database of large businesses, as discussed at Stage 1. The NatCen/ NIESR sampling paper (referenced previously) noted that this would be a complex task, requiring co-operation across government departments, and therefore, as an initial step, the development of a database to be used in research for HMRC could be considered. This is clearly a long-term consideration, as it would not be straightforward to implement . Secondly, it reiterates the importance of investing sufficient resources in verifying contact details prior to fieldwork. Whilst this is an issue which is already considered by government departments, this feedback suggests that where possible, it should be even more of a priority. There are a number of ways that this could be addressed, depending on the nature of each research study. For example, an online search could be conducted in order to check and update contact details, or an initial sample building stage⁷ could be undertaken among businesses (i.e. phoning them to collect details from which to select a sample).

3.2 Preferred method of initial contact

Businesses

The initial contact with large businesses to invite them to participate in government sponsored research is usually made in writing. Feedback from business participants suggests that this is the most appropriate approach. Some felt happy to be contacted in email as an alternative, whilst others felt that due to the large number of emails they receive, this may go unread. Business participants generally felt that the initial contact should be followed up with a phone call, to provide them with further information about the research and to enable them to ask questions – they appreciated a ‘personal’ approach which helped to make them feel valued.

⁷ Sample building exercises are undertaken in business surveys where up-to-date contact details are not available. Businesses are usually sent an advance letter to outline the purpose of the research and explain that they will be contacted by an independent research agency, in order to check their contact details. The interview stresses that the information will be treated confidentially and that they are under no obligation to take part in the main survey. This method has been successfully used for the HMRC Large Business Customer Survey.

The key information that participants felt should be included in an advance letter was:

- An explanation of the purpose of the research.
- The logos and contact details of the government department and research agency.
- What is required of them and the associated timings.
- What will be done with the results.
- The benefits of participation – i.e. ‘what’s in it for me?’

These are in line with the recommendations made in Stage 1. A further recommendation made by NatCen and NIESR was that the topics or questions should be provided in advance of the interview. Some business participants felt that this would be useful in helping them to decide whether or not to participate, although they also warned that this could be off-putting if they were not interested in the subject or did not see it as relevant to them. Another consideration for researchers is that providing information in advance of the interview can bias responses.

Business participants felt that advance letters should do more to stand out and engage businesses – one individual described them as being “*a bit like a CV*”. The advance letter used for this study was shown to business participants as an example, and a range of comments were received. A copy of the advance letter is provided in Appendix E of this report.

Some felt that the HMRC branding would encourage them to take part in the research:

“If you put HMRC on it you are bound to read the letter. HMRC isn’t an organisation you dismiss or ignore.”

Finance Director, LC

Others felt that the letter should be more personal and relevant to the business, stressing the benefits of participating in the research:

“It has to be a bit like a CV, it needs something that grabs you to make you go back for a proper read... I don’t think there’s enough there to make me want to read it in the first place”

Finance Director, LC

"There's got to be a hook. There's got to be something that either says you have to do it...or if you participate there will be some feedback that will benefit you and your sector."

Finance Director, LC

"...it doesn't say at the end of the day what's going to change...there's nothing to tell me what the benefit for business is."

Finance Director, LBS

3.3 Factors influencing the decision to take part

Interviewers and Recruiters

The decision to participate was generally seen as an individual one, rather than determined by company policy. Although some companies did have 'no research' policies, these appeared to be a way of avoiding unwanted research requests, usually from commercial companies, and were therefore flexible.

"...a lot of the time it's not necessarily a company policy against market research. It's a company policy against Mickey Mouse companies, and it's making them realise we're not Mickey Mouse. We are coming in as the real thing, and we are one of the exceptions that a lot of people will make to give up their time."

Ipsos MORI Recruiter

Business participants also felt that they would personally decide whether or not to participate in research (based on the factors discussed above such as availability and interest), and did not feel that company policy would influence their decisions about government sponsored research.

Businesses

There were a number of key factors influencing business participants' decisions whether to take part or not in government research. A number of these could be addressed in the short term, with the aim of improving co-operation from businesses:

- Availability: participants expressed a dislike for 'cold calling' and unscheduled phone interviews. Researchers should appear flexible when contacting businesses and should allow them to choose a convenient time to take part

- Relevance: more should be done to make clear the relevance of the research both on a personal level (for example, relevance to the specific individual and their role and expertise) and to the business or sector.
- Topic of research: related to the above, participants stated that they need to feel that the research is either of personal interest (for example, an area that they feel knowledgeable about or interested in and will therefore give up their time to participate in) or related to their area of expertise.
- What the results will be used for: participants felt they would be more likely to participate if they understood the purpose of the research and felt it was valuable – this could be made clearer to businesses in the advance letter.

"I would need to see what the purpose was, where it sat within the wider debate... I'd want to see its value."

Finance Director, LC

A number of factors should be considered in the longer term:

- Timing of the request: bad times varied according to size and sector, and included month end, December, April and Mondays, as these tended to be busy times. Government departments could consider the implications of this when planning research programmes.
- Questionnaire length and coverage: participants felt that they would be more likely to take part in studies where the questionnaire was quick and easy or included relevant and appropriately worded questions. Although questionnaire design is already an area to which considerable resources are allocated in government sponsored research, this feedback suggests that this should be an even higher priority, with piloting and cognitive testing used where possible. Where this is already done, more could be done to publicise this to businesses.

"Often they ask about things about which we wouldn't have an opinion. Things that are not really appropriate for what we do."

Finance Director, LC

- Relationship with government departments: participants felt they would be reluctant to participate if they had a negative relationship with the government department or felt that their views would not be taken on board. This suggests a potential need to improve or develop closer relationships with businesses (for example by providing information about

what is done with research findings) in order to increase engagement. Due to the small-scale qualitative nature of the research, it is not possible to characterise which businesses are likely to be ‘hard to engage’ in the population as a whole, suggesting a need for further research in this area.

Overall, when deciding whether to take part in research, business participants weighed up the perceived benefits (for example, influencing policy and having a voice), against the costs of participation (in terms of staff time and resources).

Incentive payments (such as a charity donation) did not emerge as a key factor influencing participation. Although some felt that these could encourage them to take part, these were less important than the factors mentioned above. It was felt by some that offering a charity donation could be beneficial particularly during the economic downturn, when businesses may find it harder to support charities. However, others saw charity donations as a gimmick, or felt that they would have no way of knowing for certain that the money had actually been sent to the charity.

3.4 Getting through to the right person

Interviewers and Recruiters

The impact of inaccurate sample on getting through to the right person was discussed earlier in this section. Another key factor, as discussed in Stage 1 of the Methodology Review, is the role of ‘gatekeepers’ – such as receptionists and Personal Assistants (PAs) - in blocking contact to the target respondent⁸. This is even more of a concern in cases where the contact details provided on the sample are inaccurate, and information is required from PAs in order to identify and access the appropriate person.

Interviewers and recruiters had developed a number of strategies in order to deal with this, including:

- Being flexible and understanding in order to build rapport with PAs: for example, offering to resend the advance letter, or to call back at a more convenient time

“It’s best to get the secretaries, PAs and receptionists on your side, give them as much information as possible, be as accommodating and as flexible as you can.”

⁸ Hales, John and Webster, Stephen, Methodological Review of Research with Large Businesses, Paper 2: Making Contact and Response Issues, Her Majesty’s Revenue and Customs, Research Report 60. <http://www.hmrc.gov.uk/research/index.htm#60>

Ipsos MORI telephone Interviewer

"You need to forge a relationship with the PAs, treat them with kid gloves, be deferential and flexible about time. You also need to be switched on when you get through to them and be able to answer their questions."

Ipsos MORI telephone Interviewer

- Being confident and professional: All the interviewers we spoke to felt that it was vital to be self-assured when making contact with organisations, particularly when you are looking to speak to an elite audience. This is a problem for more inexperienced interviewers or at the start of a job, when the research and questionnaire is less familiar; particularly when the research topic is a technical area such as tax.

"Briefing helps to ensure we understand what we are doing and this is really important in securing the participation. We need to be able to make sure we can communicate the benefits of the research"

Ipsos MORI telephone interviewer

"You need to make sure that you sound confident. That you know what you're saying. You need to back yourself. Have credibility. Any hesitancy, it makes it easier to refuse."

Ipsos MORI telephone interviewer

- Keeping detailed notes on the outcome of each contact, in order to gradually piece together the required information to get through to the correct person.

"If you don't get an interview with that person who we were wanting to, that PA will know who's best to go to next and their PA's name...it's a mushrooming thing."

Ipsos MORI face to face interviewer

This feedback stresses the importance in thoroughly briefing interviewers and recruiters for large business research, in order to ensure that they feel confident and knowledgeable when approaching businesses. For example, interviewers could benefit from scripted responses to anticipated research questions and more thorough run-throughs of the questionnaire (possibly involving role play). It also reiterates the importance of using interviewers who are experienced in conducting research with the target group (e.g. senior individuals in large

businesses) and in the area of interest (e.g. tax), although this is standard practice among most research agencies.

Preferred Method of Participation

4. Preferred method of participation

Summary section: Preferred method of participation

There are a number of different ways of carrying out research with businesses. These include interviewing respondents face-to-face or via the telephone, and self completion methods such as asking respondents to complete paper-based or online questionnaires. The method used for a particular study will depend on a number of factors, including the type of information that needs to be collected, the target group, the timescales of the research, and the budget available.

This section looks at the different ways in which businesses can participate in research and assesses which types of methods are more or less popular.

The research did not find a consensus on preferred method of participation. Whilst face-to-face was generally preferred as a more engaging approach, business participants did not feel that they would be any less willing to engage with other methods such as telephone or email.

Similarly, qualitative research was valued above quantitative as it was seen to enable businesses to participate in their own terms. However, the advantages of quantitative research were understood and most participants said they would be prepared to take part providing that the subject matter was relevant and that participation was not too onerous.

The use of datasheets and panels were both broadly welcomed, but with some reservations about how much involvement and time they might require.

The research explored a number of different ways in which businesses might participate in government research in order to get a better understanding of their broad preferences. The methodology of the research itself was found to be much less of a determinant of participation than the nature and quality of the initial approach. In other words, once businesses had made the decision to participate, then how they participated was a secondary concern.

Nonetheless, some valuable findings did emerge that should inform the design of future research projects, and these are set out in the following sections.

4.1 Interviewer administered vs. Self completion data collection

The two main ways that surveys can be conducted are interviewer administered (either face-to-face or over the telephone) or self-completion (either on printed questionnaires or increasingly via email or the Internet). The research explored attitudes towards all these methods in order to improve understanding of how businesses typically respond to these requests.

There was no clear consensus on a preference for one method of data collection or the other; in particular business participants did not seem to view one or the other as better or more appealing.

"I guess I'm saying that if I'm willing to do it, I'm willing to do it any way. Face-to-face, electronically or on the telephone."

Finance Director, LC

However, business participants did perceive methods differently and felt that the approach used should be dependent on a number of factors. These are highlighted below:

- Topic and type of data collection – for example, gaining facts and figures vs. opinions – with self completion methods felt to be more appropriate for gaining facts and figures, and interviewer administered methods for exploring opinions;
- Questionnaire or interview length – with a longer interview length generally seen as acceptable for face to face studies; and,
- Previous experiences of participation – several participants gave examples of negative experiences when participating in research. These included being misinformed about the questionnaire length, or the nature of the survey (the latter related particularly to research conducted for commercial organisations). These experiences were based on telephone interviews, since these were the most common method of participation in the past.

Face-to-face interviews with an experienced interviewer tended to be seen as the most professional and rewarding way for businesses to engage with research. Indeed, some respondents indicated that they felt that this was the *only* way that they could engage with the research in a fully constructive way, which enabled them to share informed views and accorded them the respect that their status warranted. An underlying theme here may be that senior business people are accustomed to being given an opportunity to give their opinions freely and in their own words, and that face-to-face contact was seen as a good way

to achieve this. However, it should be noted that a quantitative face-to-face interview would not necessarily enable participants to give their opinions freely to the extent that they could in a qualitative interview, as they would still be limited by a structured questionnaire.

"I think with face-to-face you get more of an idea about what the research is actually trying to find out."

Finance Director, LC

A further benefit of face-to-face contact is that business participants seemed to be willing to give up more time to take part than they would either on the telephone or via a self completion method (they were generally willing to give up around 45 minutes to an hour for a face-to-face interview). A possible reason is that they appreciate a more personal approach, and recognise the effort that the researcher themselves has invested in going to see them and they feel obliged to reciprocate by giving more time themselves.

In contrast **telephone interviews** were regarded somewhat differently (although there was little indication that businesses might be less inclined to participate in them). Nearly all experiences of telephone interviews that respondents relayed were of relatively short quantitative surveys, typically described as "tick-box exercises". It was generally felt that telephone interviews should always be pre-arranged, and participants expressed a dislike for 'cold calling' (although this related to negative experiences of commercial research rather than government-sponsored research). All business participants felt that telephone interviews should be kept short (the maximum length seen as acceptable varied between 10 and 20 minutes), in order to avoid participants 'drifting off' or losing interest during the interview. A perceived disadvantage with this method was that participants would not be able to give their opinions in depth and would be constrained by pre-coded questions. It should be noted that this view was based on experiences of quantitative telephone interviews, and that qualitative telephone interviews would allow greater depth.

Most participants felt familiar with the format of **paper self-completion surveys**, due to their experience of completing ONS returns which many did not differentiate from voluntary government research (see section 2.4 for further details).

The main advantages identified with paper surveys were that they can be a fairly quick and easy way of gaining facts and figures, and allow the participant the freedom to complete it in their own time, as well as gathering information from colleagues. However, the disadvantages were the inability to answer in detail, and the fact that they can be easily misplaced or ignored.

"Telephone is probably best or face-to-face, because then you have got somebody's attention. Whereas a paper questionnaire can very often go to the bottom of a pile."

Finance Director, LC

Although business participants had limited experience of taking part in **online or email self-completion surveys** for government departments, they were able to express views on this method, perhaps because they are increasingly being asked to complete these by commercial organisations. Opinions differed markedly on whether email surveys were a good way to engage with them. Some business participants felt that given the sheer volume of emails they received on a daily basis, any request to take part in research by email would simply be ignored, even unopened. However, others regarded email as the best and most efficient way to contact them. This suggests that email/internet research remains somewhat of a risk that should only be used in conjunction with other methods. On the basis of this small scale research it is impossible to say what – if any – patterns might determine responsiveness to email/internet research, but it is clear that a wholly internet based survey would fail to engage with parts of the large business population.

"I think a good way of doing it is electronically...you can go in and you can complete it or save it and go back to it."

Head of Tax, LC

"You should see my in-box, it's overwhelming. There's no way I'm going to open an email that has a link to a survey and spend 20 minutes filling it in."

Head of Tax, LBS

A further issue to mention in relation to internet/email research methodologies is the length of time that business participants are willing to engage in them. On the basis of this research it would seem that the optimum length of time would be about five minutes and the maximum would be about ten. Most respondents reported being quite willing to curtail participation in on-line surveys if they were taking too long or if they had become bored. Drawing on evidence from other studies, there is no clear consensus on the questionnaire length seen as acceptable, as this is dependent on a number of factors, such as the level of interest in the topic, the target group for the research, and the length of the fieldwork period. However, it is generally recognised that questionnaire lengths should be kept to a minimum when researching senior individuals.

In summary, this research found no clear consensus in preferred method of data collection. Participants recognised advantages and disadvantages with each method. From a

researcher's perspective, the data collection method will clearly depend on the information required. However, this feedback does suggest that offering participants a choice of method may encourage them to take part, although this may not be appropriate or feasible for all research studies.

4.2 Qualitative vs. Quantitative approaches

In addition to preferences on contact method, the research explored the extent to which business participants had preferences on the methodology of research projects – i.e. qualitative methods (these involve a less structured approach, allowing opinions and attitudes to be explored in more detail and the interview to be tailored towards an individual) or quantitative methods (these involve a more structured set of questions which are asked of all respondents).

Differences in attitudes towards qualitative and quantitative research are closely linked to the discussion of different data collection methods, in that face-to-face research was typically associated with a more qualitative approach, whilst other methods with more quantitative approaches. As discussed in the previous section, it is important to emphasise that the research did not find particularly strong views on this subject and that other factors seemed to be far more likely to act as determinants of participation. However there are some important findings to discuss.

Echoing the discussion above in section 4.1, business participants in this research appeared to value methodologies which engage with them in a more unstructured way and which allow them to properly understand the issues in hand and give informed opinions – suggesting that they prefer qualitative research. However, when probed, participants appeared to have little actual experience of participating in formal qualitative research commissioned by government departments (outside of the current project), and appeared to be basing their opinions more on consultations that they had been involved in or business networks or industry groups that they participated in. This suggests that business participants see participation in qualitative research as an opportunity to give their views, on their own terms. The implications of this are that discussion guides or questionnaires need to be developed to ensure that this can happen and that interviewers need to adopt a somewhat flexible approach to ensure that participants can satisfactorily relay their views.

Whilst there was an evident preference for participating qualitatively, business participants also understood the value of quantitative research in providing aggregated data and statistics. As such, this research found no greater unwillingness to take part in quantitative

research, rather the difference tended to be in terms of the quality of their engagement. As such when business participants described their experiences of research they seemed to have given less time, effort and thought to quantitative surveys. They also seemed less likely to see their participation as valuable (either to themselves or to the sponsors of the research), in that the answers they gave only had an abstract value, rather than making a possible contribution to policy development and decision making.

"To my mind this sort of thing [qualitative] is better, although I understand that if you have to do 1,000 interviews and tabulate them then these 1 to 5s are quite useful, but also sometimes they don't mean anything."

Finance Director, LC

"Quantitative can be quite frustrating. But less so with government research which tends to be well structured, varied enough, not too monotonous and gives opportunities for open responses."

Ipsos MORI Interviewer

This finding is not necessarily problematic as long as businesses can continue to be persuaded to participate in quantitative surveys (which is the primary focus of chapter 3 of this report). However, it does indicate that efforts need to be made to ensure that participation in quantitative surveys is both as rewarding and undemanding as it can be. This issue is addressed further in section 5.2 of the next chapter.

4.3 Datasheets

A specific issue covered by the research was attitudes towards the use of datasheets. The datasheet approach is typically used in quantitative surveys and requires businesses to compile information in advance of, or separate to, the main research interview and has the advantage of enabling the research to collect data that would not necessarily be immediately accessible or would take time to collate. To facilitate discussions on this topic, participants were shown an illustrative example of a datasheet upon which to comment.

Broadly speaking businesses had no particular objection to the idea of completing datasheets and the example used was generally well regarded for being clear and relatively straightforward to complete. Moreover, participants were usually able to see the benefits of preparing complicated information in advance rather than using up time in the interview, and therefore minimising the time they would need to spend talking to a researcher.

"I think it's a good idea...it makes the conversation quicker."

However, the response to using datasheets was sometimes similar to that given to participating in self-completion surveys in that business participants admitted that they would probably disregard them if they are too busy or did not see them as sufficiently important. This finding was echoed in the discussions with interviewers who reported that businesses could sometimes cite a missing datasheet, or not having filled it in, as a reason for not participating. Business participants felt that they would need to understand what the information would be used for (i.e. would it be valuable), and what level of accuracy would be required, before deciding whether to take part.

"My immediate reaction to this is 'hell's bells'...how accurate does it need to be? Because I don't know the answer to these and it's going to be a nuisance to find out."

Finance Director, LC

"Well do they really need to know all of this to make their decision? I think they should potentially decide to have a bit more focus."

Managing Director, LC

A further criticism of the datasheet approach was that it seemed quite convoluted to some respondents. From this perspective, the idea of completing information on a form and relaying the information back to an interviewer seemed unnecessarily complicated, as opposed to sending the information directly back to the researchers. However, from the researcher's perspective, the advantage of a separate datasheet is that the information can be verified and checked by the interviewer at the time it is entered, and it also overcomes the potential problem of businesses not providing the information.

"We'd also wonder why we had to go through a phone call after this, why couldn't we just complete it on-line. Feels like duplication, bit old worldish."

Managing Director, LC

This suggests that the purpose of using a datasheet needs to be clearly explained to participants (e.g. in terms of enabling participants to gather hard-to-collect data in advance), and that the benefits of using datasheets should be made clear (e.g. reducing the length of the interview).

4.4 Business Panels and Longitudinal Research

The discussions also looked at attitudes towards participation in research panels.

Longitudinal panel surveys (these involve the participation of an individual or business on more than one occasion) are sometimes used by government departments as they enable the tracking of changes in the characteristics, attitudes and behaviours of the target group over time. Stage 1 identified two general approaches to longitudinal research among large businesses:

- Consultative (or topical) panel: to be approached fairly regularly for data and opinion, with a different questionnaire each time in order to look at topical issues (for example a panel of 200-300 Heads of Tax for HMRC studies).
- Analytical panel: a carefully designed and maintained panel of large businesses, where similar questions are asked on a less frequent basis, in order to observe changes in behaviour in businesses over time.

As business participants were not familiar with the concept of research panels, it was not possible to explore this distinction in detail in order to identify any preferences. They tended to assume that panels would be 'topical' in nature, i.e. they would represent an opportunity for them to engage with businesses on a range of different issues. In some cases this assumption appeared to be framed by their experiences of participating in topical business forums, and that they would be likely to see a research panel commissioned by one or more government departments in the same terms.

Business participants were relatively enthusiastic about the idea of panels, at least in principle. This ranged from those who could see the benefits and would be willing to consider participating, but would want to look more closely at what is involved, through to those who were very positive and would be eager to be involved, saying that they would feel flattered and appreciate the opportunity to share their views.

"It would be good to feel that you're part of the plan, I'm sure we'd be delighted to see what we can do to help."

Finance Director, LC

"Conceptually we're OK with that, we do see some of those things as being a necessary responsibility of being an industry in the UK. I suppose if you said was a panel on location policy we might not be interested. We'd look at it and ask whether it was something that we had a particular interest in."

Managing Director, LC

The conclusion from this is that this enthusiasm for panel approaches does represent an opportunity for government researchers to engage with businesses on a semi-regular basis, perhaps overcoming some of the difficulties associated with securing engagement in ad hoc or cross-sectional research. However, it must also be understood that businesses would be engaging with panels on their own terms, and would expect their participation to be rewarding and relevant to them. Therefore longitudinal panels in particular may suffer from higher attrition levels (i.e. the loss of participants of the sample from one survey to the next) if they do not meet respondents' expectations of giving them a say on issues that they find relevant or interesting.

Providing Responses

5. Providing responses

Summary section: Providing responses

This section explores attitudes to the different types of questions and topics that could be asked about in research and examines whether there were any topics that would be regarded as inappropriate within a research interview.

Business participants generally appeared to be comfortable for their views to be used to represent those of the business in a research context. They typically saw themselves as very open about information requests, and keen to engage, especially if the subject matter was felt to be relevant.

The key factor that appeared to inhibit business participants from answering certain questions was whether it would pose any potential reputational or commercial risks to themselves or their company. This would include providing information not in the public domain, that has a legal dimension or discussing confidential internal matters.

Participants exhibited a high degree of trust that government researchers would treat their data securely and with confidence. Recent media stories about the loss of personal data did not appear to have affected this.

An important aim of this research was to explore some of the different types of questions that might be posed to businesses in the course of government research, in order to better understand which questions they might be reluctant to answer as well as those that they respond to willingly. This chapter discusses the findings on this topic across a number of different dimensions.

5.1 Company view vs. personal

A complicating factor in large business research as opposed to research among individuals or with sole-traders, is that a business respondent is providing information or views that represent those of the wider organisation. This raises concerns for researchers around the extent to which an individual business respondent is either willing or able to have their views represent the business. If this is not possible then it can cause problems for the research both in terms of how well an interviewer can engage with the participant, but also for the validity of the findings.

Business participants were all generally happy for their own views to represent those of the business and were often eager to have the opportunity to have their views known. Some participants did not differentiate between their own views and those of the company. This is likely to reflect the fact that participants were all sufficiently senior and knowledgeable to be confident in their views, but also because business participants broadly understood the nature of the research process; that their answers would be examined in aggregate and that there would be no consequences for them if they gave information that hadn't been agreed by colleagues.

"I have absolutely no problem giving my personal opinion on government policies and having that opinion represent the views of the company."

Finance Director, LBS

However, there is an important caveat to this, which is that if participants perceived any element of risk (such as legal implications or information that could be advantageous to competitors in what they are being asked about (either to themselves or the business) then they would be much more unwilling to respond. This is explored more fully in section 5.2.

Participants' willingness for their views to represent the company covered all different types of questions, including views on government policies or decisions. However, some respondents did draw a distinction between government research and more formal public consultations. In the case of the latter, businesses would be more likely to spend time compiling a considered company-wide response, which might have input from a range of colleagues.

Rather than an unwillingness to give their views, lack of knowledge about specific subjects was felt to be a more likely factor in inhibiting responses. This appeared to be a more common issue in the very largest businesses where greater specialism of roles means that individual respondents may not have knowledge or responsibility for the different topics covered in the questionnaire. Conversely, in the smaller size businesses (250-500 employees for example), senior figures such as the Finance Director will typically be able to provide response on all or most aspects of the business.

Measures that may help respondents to give answers on a topic they are less knowledgeable about include providing information about the issues the research will cover in advance and greater clarity about how precise responses need to be. For example, in some instances participants reported that they would be happy to give broad estimates, but would need to be told that this lower level of precision is acceptable. The use of datasheets could also help to

overcome this, as they give participants more time to gather the required information and consult with colleagues if they are unsure.

5.2 Question preferences

In both the interviews with business participants and those with interviewers, it was felt that the categories and scales used in quantitative surveys were sometimes not consistent or applicable to the actual businesses' experience. Examples included questions about government departments that they had limited contact with. This is a considerable challenge in questionnaire design because all businesses are different and use different terminologies and organisational systems, whereas the function of a quantitative survey is to find a valid, accurate and consistent view. From the perspective of some participants in this research, quantitative surveys have not always met this challenge and, as such, there is some concern as to whether the consequent findings are actually valid.

"Sometimes you get questions which respondents find difficult or impossible to answer. For example certain scenarios or variables don't make sense to them. They can also quibble over questions wording, especially around technical things."

Ipsos MORI Telephone Interviewer

"Often respondents will quibble about wording, especially if they think a question is leading them to a particular answer. They are an informed group so they pick up on these things. Sometimes they do get frustrated if they don't like the questions, that is why it is good to have open-ended questions in there."

Ipsos MORI Telephone Interviewer

A further issue raised by some business participants was that quantitative surveys often required them to make judgements or hypothetical statements that they were not able to caveat or explain. This was regarded with a similar level of frustration, mostly because of a concern that the wrong conclusions would be drawn when it came to analysis.

Business participants and interviewers also expressed a dislike for questions that are overly repetitious, for example surveys which include a large number of similar questions with the same response scale. In these circumstances, interviewers perceived that respondents became increasingly disengaged with the interview, in some instances curtailing it, suggesting that efforts at limiting repetition should be an aspect of survey design.

Whilst these issues are a significant challenge to questionnaire design, this research does suggest some measures that could help to overcome them. Based on the feedback from participants, Ipsos-MORI would recommend the following:

- More extensive use of cognitive testing and piloting.
- Formal mechanisms for interviewers to report on questions that are causing problems or which don't seem to be working,
- Formal mechanisms for respondents to feedback to the research organisation and sponsors about concerns they have about the validity of the research,
- Including qualitative questions in the survey to enable respondents to clarify or explain answers, or to enable the interviewer to question some of the responses given. Ideally, these responses would then be incorporated into the analysis of the findings as a check on validity.

The research also looked at any question types or areas that business participants would be unwilling or unable to answer. Participants tended to strongly assert that they were 'open', 'upfront' and 'have nothing to hide'. Because of this, they claimed to approach research participation with the attitude that they would share any information or views that they are able to.

"I work on the principal that we're a fairly decent size player, we'll give you honest answers, we've got nothing to worry about really."

Finance Director, LC

However, some further probing revealed types of question which might raise concerns, many of which overlap but which are described separately below.

Information which is not in the public domain: Some business participants used this distinction to describe which types of information they felt were and were not appropriate for research – for example, company performance data which had not yet been publicly released:

"Sensitive information would be things that are not in the public domain, for example margins, product development."

Finance Director, LC

Real-time decision making processes: Most business participants said that they would have concerns if asked to discuss anything that related to ongoing discussions or decisions that had not yet been made. For example, one individual expressed a real reluctance to reveal ongoing internal discussions about tax.

"We would probably be more wary around that. It's probably one of those things where we would need to make sure we don't say something really stupid. You would be guarded."

Managing Director, LC

Projections or other 'forward-looking' data: Similarly, some business participants were keen to stress that they would not be willing to discuss predictions. This is not so much hypothetical responses to policy changes, but more about data they had which might show predictions of company performance, which held the risk of 'coming back on them' (i.e. have future implications).

Data that relates to margins, profits, salaries: Although profit and turnover figures in the public domain are generally seen as acceptable, there was a degree of reluctance to talk about these topics if the information requested was more precise (for example margins on different products or profitability of different parts of the business, which could be attributed).

Issues that have a possible legal dimension: Examples included employment issues or health and safety, where responses given might be used to test their compliance with legislation (either now or in the future), or potentially the subject of any future legal action.

Information that would take too long or be difficult to get hold of: Related to the discussions in the previous section, although generally business participants claimed that given enough time they would be happy to collect detailed information that is requested, this willingness would be affected by the difficulty involved. Particular problems are caused if the categories or scales involved in the survey do not match the respondents' experiences or circumstances. When this happens, it is felt important to communicate how precise or flexible the respondent can be in providing answers.

"Things like numbers of employees, factual, specific things, getting things to add up are difficult. We are having difficulties at the moment with matching occupation categories to what is on the questionnaire."

Ipsos MORI Telephone Interviewer

Commercially sensitive information: This includes issues around strategy and product development; basically anything that their competitors might find useful.

The key dimension to all of these different topics was whether the respondents felt that revealing information could *possibly* have negative consequences for themselves or their company. In short, if they perceived any risk of future negative consequences they would not reveal information, irrespective of whether they broadly support openness and despite of any assurances about confidentiality given. This was presented by participants as an aspect of the professional ethos of their position. The implication is that research should avoid asking any questions that might put the respondent at any risk of negative implications for them personally.

"Any questions that seem like we are checking up on them can be a problem. These can make people upset."

Ipsos MORI Telephone Interviewer

I guess the degree of personal liability that now arises from a range of things, you would want to answer it but you would be wary, careful."

Managing Director, LC

"Government obviously has a policing role as well as information gathering role, so I suppose at the back of your mind you might think 'oh god are we going to stand out or there will be some comeback'."

Managing Director, LC

5.3 Confidentiality and Data Security

Although reassurances of confidentiality were felt to be important, issues around data loss and data security were not a significant concern to business participants. Few mentioned either issue spontaneously as a worry and, when prompted, they tended to dismiss it as unproblematic.

The primary reason for the lack of concern about confidentiality appeared to be a broad faith in the integrity and professionalism of Government, and a good level of trust that these principles will be maintained.

"I tend to assume that most people act in good faith so if you tell me something's confidential, I'll believe you."

Finance Director, LC

"It's much better if government bodies can share information. I personally have got no issues with it whatsoever."

Finance Director, LC

It was unclear that all respondents fully understood what confidentiality actually meant in research terms. As discussed earlier, some business participants viewed participation in research as a way of improving their relationship with government departments, suggesting that they do not fully understand the fact that none of their personal details are passed on to the research sponsor. Some also assumed that the Government already held data on them, such as number of employees and turnover, and that this was shared across government departments. There is probably little that can be done about this variation in understanding, other than to continue to provide reassurances throughout the research process, as is typically done already.

The general level of trust in the confidentiality of government research was reflected in the level of assurances that respondents felt they would need before participating. In most cases, simple verbal assurances were felt to be sufficient, although this should not be taken to mean that written assurances are unnecessary.

Recent media stories about government data security failures did not appear to have negatively influenced attitudes towards participating in research. In some cases they have even indirectly provided more assurance, as some business participants assumed that the Government has now improved its data protection systems as a result.

"Data gets lost in all places, we have lost it. I think everyone has improved their processes since then and as such security is much better."

Finance Director, LBS

5.4 Data Linking

The specific issue of linking survey data with administrative data on businesses was also explored with respondents, and attitudes to this were found to be consistent with attitudes towards confidentiality in general. Business participants could readily see the advantages of combining government datasets to provide greater analytical power and to minimise the amount of information that businesses themselves needed to provide. Moreover, they did not express any particular concerns about or perceived negative implications of data linking. Consistent with this is that the level of assurance about confidentiality required was felt to be low (a verbal assurance was sometimes mentioned as sufficient).

'I assume that if you did it [data linking], you would be acting in good faith and look after the data, so wouldn't have a problem with that at all.'

Finance Director, LC

Outcomes of Research

6. Outcomes of research

Summary section: Outcomes of research

This section looks at business participants' level of interest in research outputs and preferred formats for receiving information.

Business participants had little familiarity or interest in existing outputs from business research, although they did claim that they would consider looking at information they felt was relevant, and many felt that they would be interested in receiving outputs from research studies that they had personally contributed to.

Any reports provided to businesses would need to be short and easily accessible. Many respondents felt that these should be provided as a matter of course to businesses that had participated in the research, and should be made relevant to businesses in order to engage them in the research process.

This section briefly outlines respondents' attitudes towards the outcomes of research in terms of familiarity and interest in research outcomes and perceptions of how research is used.

6.1 Interest in research outcomes

Business participants were generally not well informed about the outcomes of government research. Those that had read reports in the past felt that they were often 'dry' or 'wordy'. However, many indicated that they would be interested in research reports which they felt were relevant to their business or sector.

Some business participants expressed uncertainty around whether research results are always used, and if so, how they are used. They tended to assume that results 'would be used in some way', but had no real knowledge as to how. Various types of scepticism emerged around the uses of research:

- Scepticism around the policy making process and the extent to which it is informed by political concerns rather than empirical evidence.

"I'm sure the researchers are professional people doing fantastic work, but it's somehow got to blend with policy coming down and that's where you wonder whether it is of real value if the policy is already decided."

Managing Director, LC

- Scepticism because of the sheer size and complexity of government and the consequent scope for research findings to have much influence over the direction of policy. However, it is important to note that some business participants did feel that research could influence government policy, as discussed earlier in this report.

"I really don't know what happens to research. I imagine it goes into a Department somewhere where someone is interested in it but as there are thousands of departments it probably just disappears, that would be my cynical view."

Finance Director, LC

- Scepticism around whether the research process is valid, i.e. whether the research questions had actually elicited an accurate and meaningful description of business reality.

"Some things you think well... 'that's just the way you asked that question rather than what is really going to happen'."

Managing Director, LC

The findings in this section tend to suggest that the government research community needs to do more work in communicating the range of research that is conducted and how it might be useful to businesses themselves. Communications may also wish to tackle some of the more negative attitudes that businesses might have and seek show how research actually contributes to the effectiveness of Government and the quality of its decisions.

"...it would be nice to know that something happens somewhere, that it changes something...if all this doesn't change anything then it's all been pretty pointless."

Finance Director, LC

6.2 Attitudes towards research reports

The research amongst businesses found a general willingness to receive more information about government research, in particular findings from research that they had participated in. However, there was also a considerable aversion to the lengthy formal reports that were associated with government departments, with greater enthusiasm for short, relevant summaries (perhaps with links to longer versions). In terms of the format for receiving reports the favoured option was via email or post.

Finally, some business participants felt that access to research summaries ought to be provided to participants as a matter of proprietary as recognition for their own contribution, and as a way for them to better understand how the research has been used. The provision of research summaries was recommended at Stage 1, and could be considered as a potential way of increasing response rates among businesses, although government departments are currently constrained by how quickly they can publish reports due to the ministerial submission process.

Improvements to the Research Process

7. Improvements to the research process

Summary section: Improvements to the research process

As a result of this study, there are a number of suggested potential improvements or developments of research processes. Indeed, at each stage of managing and delivering research projects; scoping, planning, implementation and delivery. These include creating and maintaining a database of large businesses to be used for sampling purposes, offering participants a choice of method where possible, and thorough piloting and cognitive testing of questionnaires (although the latter is already conducted where time and budget allow).

These are suggestions for best practice, based on feedback from research participants. However, it should be noted that there are often challenges and constraints associated with government sponsored research which mean that it may not always be possible to adhere to these. It is also important to note that these recommendations have not yet been tested in a research setting.

7.1 Scoping

Findings from the research with interviewers confirm that the quality of contact details in samples is very poor and often out of date. This is unhelpful because advance letters get lost in the organisation and interviewers can struggle to determine who they need to speak to. Unnamed or inaccurate contact details also reduce the credibility of the research. This suggests that government departments, and perhaps government social research as a whole, should pursue alternatives to commercial databases such as internal databases which are maintained and regularly updated (as recommended in the sampling paper from Stage 1 of the Methodological Review) or research panels.

Given the lack of consensus around which type of contact method is preferred by businesses (face-to-face, telephone or email), government researchers could begin to explore the scope for using mixed contact methods (for example combined email and telephone surveys), which might encourage more businesses to take part, although this would clearly have implications in terms of costs and resources. This also has a theoretical disadvantage as consistency in contact method is generally an important principle. However, if response rates are significantly improved then mixed contact methods may represent a pragmatic approach. A disadvantage of using mixed-mode approaches is mode-effects – i.e. the extent to which

those responses are influenced by the interview mode, although it is possible to address these at analysis stage to some extent.

Business participants were fairly positive towards the idea of joining a research panel. However, this research suggests that businesses are likely to quickly disengage if the research process does not meet their expectations in terms of the level of commitment required and the perceived relevance to them.

The possibilities of linking survey data to administrative data should be more fully explored as businesses do not appear to have any strong objections to the practice.

The concept of business risk should be considered both when scoping research and in questionnaire design. Research planners should assume that businesses may refuse to answer any questions or subjects that might expose risks to themselves or their business, irrespective of their faith in the confidentiality of the research.

7.2 Planning

Longer timescales for research are likely to lead to higher response rates and lower levels of refusal, particularly as this gives interviewers and respondents greater flexibility in negotiating participation. However, government departments often work within strict time constraints and longer timescales do also tend to mean that larger budgets are required.

Where possible, research among large businesses should avoid both December and the end of the financial year, when respondents will be less likely to be able to participate. Although it is not practical to avoid these times altogether, interviewers should also be flexible when arranging appointment times (for example, recognising that Mondays or certain times of the month may be inconvenient for some businesses).

Thorough piloting and cognitive testing should be increasingly used to eliminate questions that are not consistent with businesses' experiences (as far as possible). These pilots should involve both researchers and the sponsor department so that any weaknesses in the draft questionnaire can be more readily understood by those responsible for developing the questionnaire.

Researchers should continue to use advance letters as a matter of course. These should be sent from the sponsor department with the research agency also clearly stated. Efforts could be made to make the letters shorter, with a clearer emphasis on how the business itself may benefit (i.e. 'selling the research') and what participation involves.

In order to maximise response rates and levels of engagement, telephone surveys should ideally have a maximum length of twenty minutes and email ten minutes. More time can be taken for qualitative research, particularly if it is face-to-face. An hour is probably the maximum amount of time that business participants will give.

7.3 Implementation

Pre-checking of contact details and organisational structures before going into the field should be seen as a key stage of the research process. Whilst time consuming (especially on large surveys), some efforts to update information and better understand business structures should make the approach more straightforward and reduce the risk of refusals based on inaccurate information.

Mechanisms for interviewers to feedback/comment on questionnaires should be developed. Current practice is for interviewers to only feedback to researchers in the context of a formal pilot. Greater efforts to engage with interviewers during fieldwork should further help to identify questions that are not working.

Thorough interviewer training and briefing should be used in large business studies. This approach should emphasise the importance of the interviewers' own role and professionalism in negotiating access.

Fieldwork organisations should ensure that they have mechanisms in place to help interviewers through the process of negotiating access to respondents. In particular, copies of introductory materials that they can email or fax to respondents, systems for recording full details of the outcome of calls and comprehensive 'Frequently Asked Questions' documents to cover possible queries that respondents might have. Whilst a number of these measures are standard practice for many research organisations, the feedback from interviewers suggests that these could be improved. The aim of these materials should be seen as 'enabling interviewers to sell the research to potential respondents'

"Briefing notes are useful because it takes time to get into the research, which is very important if you going to have to sell it to respondents. It makes negotiation more natural if you understand the job... You need to be able to put the research into context, they might not want to know where the research ends up or what happens to it but you do need to get people to trust that the approach is genuine."

Ipsos MORI Telephone Interviewer

Where possible, open-ended questions should be included in research with senior business audiences, so that participants feel that they have engaged in a worthwhile process and been given an opportunity to fully express their views.

Particular care needs to be taken at the questionnaire design stage to avoid repetitive series of questions which can sometimes negatively affect engagement with survey research.

Datasheets should continue to be used in circumstances where the information required is complex or not readily available. The purpose of datasheets should be clearly explained to participants.

7.4 Delivery

Some of the feedback from business participants suggests a lack of understanding around how government social research is used, and a degree of scepticism among some about whether it is used at all. The uses of research could be more clearly communicated to businesses (for example through regular newsletters), particularly regarding research projects that are sector specific or would be useful or relevant to businesses themselves. These communications could be undertaken jointly by government departments, in order to present a joined up approach.

Electronic report summaries should be made available to research participants where possible. Ideally these would focus on how the research is used, which may help businesses to feel more confident that their input has been worthwhile.

8. Conclusions

8.1 Introduction

This report follows on from a wider review of research methodologies used with large businesses and presents businesses' feedback on the recommendations made in that review. The report also explores some of the areas where the review proved inconclusive.

The overall aim of this cross-departmental initiative is to develop methods of best practice for researching large businesses to reduce the research burden on this population.

8.2 Key findings

Overall, the findings from this report correspond broadly with the observations and recommendations made in HMRC's previous review on methodologies⁹. This qualitative piece of research with businesses stresses the initial approach to conduct research as the crucial point in the research process, making preparations and planning prior to fieldwork key.

Based on the work carried out so far, some broad recommendations for conducting research with large businesses can be drawn up, many of which were practised by HMRC already:

The decision to take part in research is made on an individual, rather than business, level, making it essential for the first request to reach the right person. This means that care needs to be taken in preparing the sample, ensuring that contact details are correct and up-to-date. **Consideration needs to be given as to how best develop and maintain up-to-date contact information for businesses.** This may involve **making better use of in-house databases, using a rigorous screening process and checking data against commercial databases** prior to use.

Encouraging businesses to take part in research is important, but financial incentives appear to be of limited value. Instead the main incentives lie in the perceived relevance and benefit for businesses to take part in the research. This gives government-sponsored research an advantage over commercial research as it is clearer to businesses how their views will add value. **Setting out how the findings will be used and how the results will be fed back to respondents are therefore key incentives. This could be done in the introductory**

⁹ NatCen and NIESR, Methodological Review of Research with Large Businesses, Her Majesty's Revenue and Customs, Research Report 60.

letter, through CRMs (in the case of HMRC research) and in any general communication with businesses.

The flexibility given to the potential respondent and the willingness to adapt to that person's time constraints are also important motivators for businesses. This means avoiding fieldwork at critical periods such as the end of the financial year and December as well as extending the length of the fieldwork to allow businesses more time to respond to research requests.

Raising awareness of large businesses' preferences for participating in research and sharing information about research programmes, within and across relevant departments, could reduce the burden on businesses.

Other factors that would increase the likelihood of research participation included **early notice of research requests**, providing businesses with introductory letters well in advance of the planned fieldwork; as well as **making efforts to minimise the time needed for businesses to prepare and participate in research**.

Businesses did not indicate a clear preference for any type of research method, and several had limited direct experience of some of the quantitative and qualitative methods discussed. The research technique used was not a determinant factor for taking part in research – the initial approach and the time required for research participation were more decisive factors. **Deciding which research method to use should therefore be determined by researchers purely on methodological grounds.**

Businesses were generally confident that information provided would be kept secure and confidential, but this confidence did not translate into a willingness to divulge all types of data. Information that was seen as commercially sensitive or posing a risk to the business would simply not be given to a researcher, regardless of confidentiality assurances. **Therefore to avoid item non-response, questions should be extensively tested with businesses and/or CRMs (for HMRC research), where appropriate, to assess the level of sensitivity as well as other potential flaws that could limit the information being collected and waste interviewer resources.**

Although reluctant to make certain information available, this did not mean that businesses opposed linking survey data with other sources such as administrative data. In fact, there was often a presumption that government departments already linked or shared data. This suggested that there **would be scope to use data linkage, however, this issue needs to be tested more widely, taking into account the nature of the data being linked to the survey.**

In general, the findings show that establishing best practice in research with large businesses would be beneficial. It would help those commissioning the research to ensure a high level of participation and it would reduce businesses' research burden as well as providing them with the flexibility desired.

The report emphasises the importance of the initial stages in the research programme planning - preparing the sample and carrying out the fieldwork. It also reiterates the significance that large businesses place on government research as their chance to participate in shaping policy.

Appendices

APPENDIX A – SUMMARY OF STAGE ONE

Stage One involved an extensive literature review, and included consultations with individuals with relevant experience of conducting business research. Six papers were produced, looking at various elements of the research process. A brief summary of some of the key recommendations from each paper are summarised below:

- Paper 1 – Sampling issues: HMRC should develop and maintain an in-house database of large businesses from which to select samples for research. All businesses would be assigned a permanent random number (PRN) and would be selected using a system of rotation, to ensure that the research burden is distributed evenly amongst businesses.
- Paper 2 – Making Contact and Response issues: Respondents should be provided with an outline of the topics in advance of the interview. Research teams should highlight their independence from government departments, and respondents should be informed about the planned outputs of the research study.
- Paper 3 – Data Collection: Use of data sheets (a form on which respondents are asked to complete factual information in advance of the interview), data linking (combining research data with other data sources) and pre-populating (inputting existing data into the questionnaire script in order to verify facts with the participant during the interview) should be considered. HMRC should conduct in-depth qualitative research with businesses in order to understand their preferences.
- Paper 4 – Confidentiality and Disclosure: Further research with businesses would be beneficial, in order to understand the concerns around tax-related data and explore the breadth of consent which respondents are willing to provide.
- Paper 5 – Data Preparation and Analysis Issues for Quantitative Surveys: The complexities of analysis in business surveys should be acknowledged, and time and careful consideration allowed for this.
- Paper 6 – Methods for Longitudinal Panel Surveys: HMRC should consider two alternative models for longitudinal panel surveys – a fairly small panel to feed into consultation exercises, or a carefully maintained panel of large businesses to monitor changes over time.

APPENDIX B – METHODOLOGICAL APPENDIX

Businesses were randomly selected at UK Group or Single Site level from the Experian business database¹⁰, and sent an advance letter explaining the purpose of the research and inviting them to participate. Letters were addressed to a named contact where available, and where no contact was available they were addressed to the Head of Tax.

The letter was followed up with a phone call from an Ipsos MORI recruiter, in order to identify the relevant individual and arrange a time to conduct the interview.

While qualitative research was the most appropriate methodological approach for this study (as it seeks to identify the range of views, opinions and experiences of people), it is important to bear in mind that it utilises a smaller sample that is chosen purposively, to ensure representation of a full range of views. Qualitative research is designed to be illustrative and can not only tell us what people think but why they do so. It is also a generative process and, therefore, ideally placed to help understand future scenarios. However, qualitative research is reflective of the views of any given population rather than being statistically representative and does not look to produce quantifiable information. This needs to be taken into account when interpreting the research findings. In addition, it is important to bear in mind that the research deals with perceptions rather than facts. It is also important to note that attitudes do not always accurately predict behaviour. Therefore, any recommendations arising from these discussions need to be carefully considered and in some cases, piloted.

¹⁰ A database of around 1.9 million businesses, compiled using Companies House, Thomson Local directories and Yellow Pages directories.

APPENDIX C – REFERENCES

Forth, John (2008) *Methodological Review of Research with Large Businesses: Paper 6: Methods for Longitudinal Panel Surveys*, Her Majesty's Revenue and Customs, Research Report 60.

<http://www.hmrc.gov.uk/research/paper6-longitudinal.pdf>

Forth, John and Webster, Stephen (2008) *Methodological Review of Research with Large Businesses: Paper 4: Confidentiality and Disclosure*, Her Majesty's Revenue and Customs, Research Report 60.

<http://www.hmrc.gov.uk/research/paper4-confidentiality.pdf>

Hales, Jon and O'Connor, William (2008) *Methodological Review of Research with Large Businesses, Paper 3: Data Collection*, Her Majesty's Revenue and Customs, Research Report 60

<http://www.hmrc.gov.uk/research/paper3-datacollection.pdf>

Hales, Jon and Webster, Stephen (2008) *Methodological Review of Research with Large Businesses, Paper 2: Making Contact and Response Issues*, Her Majesty's Revenue and Customs, Research Report 60

<http://www.hmrc.gov.uk/research/paper2-contact.pdf>

NatCen and NIESR (2008) *Methodological Review of Research with Large Businesses*, Her Majesty's Revenue and Customs, Research Report 60.

<http://www.hmrc.gov.uk/research/index.htm#60>

Purdon, Susan (2008) *Methodological Review of Research with Large Businesses, Paper 5: Data Preparation and Analysis Issues for Quantitative Surveys*, Her Majesty's Revenue and Customs, Research Report 60

<http://www.hmrc.gov.uk/research/paper5-dataprep.pdf>

Purdon, Susan and O'Connor, William (2008) *Methodological Review of Research with Large Businesses: Paper 1: Sampling issues*, Her Majesty's Revenue and Customs, Research Report 60.

<http://www.hmrc.gov.uk/research/paper1-sampling.pdf>

APPENDIX D – EMPLOYER DISCUSSION GUIDE

HMRC – Large Business Research Methodology Review Discussion Guide – Final

Objectives:

The overall aim of this study is to understand the methodological issues specific to research among large businesses, in order to design robust and high-quality research whilst minimising the burden on businesses.

Outline of the research programme:

- 18 in-depth interviews (6 Large Business Service and 12 Local Compliance)
- Fieldwork taking place in April

Notes	Guide Sections	Timings
1. Introductions	Sets the scene, reassures participants about the interview, confidentiality	5 mins
2. Relationship with government departments	Gains overview of relationships between businesses and government departments	5 mins
3. Perceptions and attitudes towards research	Looks at general attitudes towards research and agencies	5 mins
4. Previous experience of research	Looks at previous experiences of participation	5 mins
5. Being approached and deciding to take part in research	Looks at how they prefer to be contacted and how they decide whether or not to take part	5 mins
6. Preferred method of participation	Looks at preferences regarding research method	5 mins
7. Providing responses	Looks at attitudes towards confidentiality and the type of information they are prepared to provide	5 mins
8. Improvements	Looks at any ways to improve research and make it more appealing	5 mins
9. Outcomes of research	Looks at whether they would be interested in research findings and how these should be communicated	5 mins
9. Conclusion and Thanks	Rounds off interview and draws proceedings to a close	5 mins

Using this guide:

Timings	Key Questions	Notes
10 mins	<p><u>Underlined</u> = Title</p> <p>Bold = Question</p> <ul style="list-style-type: none"> - Bullet = prompt 	
How long it takes	Typically, the researcher will ask questions and use the prompts to guide where necessary. NB: Not all prompts will be used in an interview	This area is used to summarise what we are discussing

Timings	Key Questions	Notes
5 mins	<p><u>Welcome and introduction</u></p> <ul style="list-style-type: none"> • Thank participant for taking part • Introduce self, Ipsos MORI • Sponsors: HMRC, DWP and HSE • Explain background to research. Govt Departments want to improve their approach to researching large businesses. They have carried out a literature review looking at previous research, and would now like to talk to a small number of carefully selected businesses to gain direct feedback • The research will help to reduce the burden and improve the experience of future government department sponsored research involving large businesses • Confidentiality: reassure all responses anonymous and that information about individuals will not be passed on to anyone • Role of Ipsos MORI – independent research organisation (i.e. independent of HMRC), gather all opinions: all opinions valid • Get permission to digitally record – transcribe for quotes, The organisation will not be directly or indirectly identified in the research outputs. <ul style="list-style-type: none"> ○ Explain that we may also want to include audio clips in our presentation to HMRC. These will be anonymised, Would they be willing for us to do this? • Your data will be stored on a secure server within Ipsos MORI and will only be accessed by the project team. The data will be destroyed within a year of 	<p>Welcome: orientates participant, gets them prepared to take part in the interview.</p> <p>Outlines the 'rules' of the interview (including those we are required to tell them about under MRS and Data Protection Act guidelines).</p>

	<p>completion of the research.</p> <ul style="list-style-type: none"> • Explain term 'research': by this we are referring to the collection of data and opinions from individuals and businesses. This can include a range of methods (e.g. an interviewer visiting you face to face or contacting you by telephone, or being given a questionnaire to complete by yourself) • NB: throughout the interview, please check whether the respondent is answering on behalf of themselves, the subsidiary/ company or the parent/ group 	
5 mins	<p><u>Relationship with Government Departments</u></p> <p>Firstly, please tell me about your relationships and contacts with government departments.</p> <ul style="list-style-type: none"> • Which government departments does your business have contact with and how often? NB – please think about all types of contact, not just participation in research <ul style="list-style-type: none"> ○ How do you contact them? How do they contact you? • Now please think specifically about research <ul style="list-style-type: none"> ○ Has your organisation taken part in research for government departments? Which departments? What was the subject of the research? ○ What are your reasons for participating/ not participating in research? ○ Do you respond differently to research requests from different government departments? How and why? 	Sets the scene by gaining an overview of how they feel about HMRC/ HSE/ DWP and the level of contact
5 mins	<p><u>Perceptions and attitudes towards research</u></p> <p>Now I'd like you to talk about your experiences of taking part in research in general and your attitudes towards this.</p>	Looks at attitudes towards research and research agencies before getting into the detail.

	<ul style="list-style-type: none"> • How often does your business receive requests to take part in research? And how much research do you take part in? <ul style="list-style-type: none"> ○ Do you feel under or over researched? Why? ○ What impact does taking part in research have on your business? • What types of research have you taken part in the past? Why did you decide to take part in these studies? • What about research carried out by/ on behalf of government departments in particular? What do you think the benefits are of taking part in research for government departments? • And what do you feel are the disadvantages of taking part in research for government departments? • How do you feel about the amount of research that is carried out? <ul style="list-style-type: none"> ○ Do govt Department requests for research seem organised/ co-ordinated? Do you ever get repeat/ similar requests? • When your business is asked to take part in research do you have any particular concerns? What are they? • How important do you think it is to collect the views of large businesses? Why do you say this? • What perceptions do you have about the different research agencies and institutions – for example Price Waterhouse Coopers, or research studies carried out by academics? <ul style="list-style-type: none"> ○ Which agencies have you heard of? ○ Would the agency carrying out the research affect your decision on whether or not to take part? Why/ why not? ○ Is it important that research agencies/ institutions/ academics are independent from government departments? Why? 	
5 mins	<u>Previous experience of government</u>	Looks at previous experiences of

	<p><u>department - sponsored research</u></p> <p>Now I'd like you to think about government department-sponsored research that you or your company has participated in. If you have participated in more than one research project, please think about the most recent.</p> <p>NB – If they have not participated in research, move on to next section.</p> <ul style="list-style-type: none"> • What were your experiences of taking part in the research? <ul style="list-style-type: none"> ○ Was it worthwhile/ interesting? Why/ why not? What did you enjoy about it? What did you dislike? ○ What were you told about the objectives of the research? Did you feel they were clearly explained? ○ What were you told about the benefits of participation? ○ Were you told who the sponsor of the research was? How were you informed of this and at what point in the process (e.g. advance letter, introduction, at the end of the interview)? ○ What information were you given about how the results would be used? ○ How did you feel about the professionalism of the researcher/ research process? ○ How did you feel about the researcher's level of knowledge about your business? How important was this to you? Did it impact on your decision to take part in future research or on the answers you provided during the interview? ○ And how did you feel about the researcher's level of knowledge on the interview topic? Were they able to deal with complex business/ tax related issues? Can you give any examples? How did this affect your experience of the research? ○ How did you feel about the 	participation
--	---	---------------

	<p>explanation you were given about what would be involved?</p> <ul style="list-style-type: none"> ○ How did you feel about the types of questions you were asked? Did you have the knowledge/information to answer these? Were you told what these would be in advance? And what difference did this make to you? ○ What were you told about why you had been approached? Was this information sufficient? ○ Were you given a choice about the interview method? Is this important to you? Why do you say that? 	
10 mins	<p><u>Being approached and deciding to participate in research</u></p> <p>It is standard practice in research for initial contact with potential respondents to be made via a letter.</p> <ul style="list-style-type: none"> ● How would you prefer government departments to approach businesses for research/ information gathering? <ul style="list-style-type: none"> ○ What aspects of the letter would encourage you to take part? E.g. logo of research sponsor, signature from someone you recognise? ○ SHOW THE ADVANCE LETTER WE SENT THEM AND ASK FOR THEIR FEEDBACK. What was good/ helpful about the letter? What information was missing? ○ Have you ever followed up the contacts provided on the letter to verify the authenticity of the research? Did you consult your tax advisor, HMRC Customer Relationship Manager, the website of the sponsoring department? ● What sort of approach is most likely to secure participation? ● Sometimes research agencies contact businesses several times to ask them to take part in a research project. How many times do you think it is 	Looks at how they prefer to be contacted and how they decide whether or not to take part

	<p>acceptable to contact businesses? Why?</p> <ul style="list-style-type: none"> • What are the internal processes for deciding whether or not to participate? <ul style="list-style-type: none"> ○ Who decides whether or not the company will participate? ○ What factors are taken into account? ○ Does the topic of the research make a difference? How and why? ○ Does the type of data you are expected to provide have an impact on your decision to participate in future research (e.g. attitudinal, complex financial data)? How/ why? ○ If the research involves tax issues, would you need to contact an agent for information/ for advice on whether or not to take part? ○ What would be an incentive to participate? E.g. charity donation? • Does your company have a policy about participating in research? <ul style="list-style-type: none"> ○ What is the policy? How was it decided? Publicised/ enforced? How long has it been in place? ○ What factors influenced the policy? ○ How does this differ from other companies you have worked for/ dealt with in the past? (probe specifically on the size/ type of these other companies) • What would discourage or prevent you from participating? <ul style="list-style-type: none"> ○ How could these be overcome? • Has the current economic climate had an impact on your decisions regarding participation in research? • How would you prefer the timing of the interview to be arranged? <ul style="list-style-type: none"> ○ Would you prefer to be given specific dates and times to 	
--	--	--

	<p>choose from?</p> <ul style="list-style-type: none"> ○ Are there certain times of the year which are good/ bad? 	
10 mins	<p><u>Preferred method of participation</u></p> <ul style="list-style-type: none"> ● What research methods do you feel are appropriate for studies among large businesses? Which do you prefer? Which methods make it easier/ more difficult for you to participate? <ul style="list-style-type: none"> ○ Interviewer administered: telephone vs. face to face? ○ Self completion: online vs. postal? ○ Online bulletin board? ○ Focus groups? ● How would you feel about being asked to prepare factual information in advance of the interview (e.g. a datasheet)? SHOW EXAMPLE <ul style="list-style-type: none"> ○ What do you think is the appropriate length for a datasheet? ○ What types of questions can be included? ○ How would you prefer to provide your answers (e.g. post/ email/ fax it vs. give responses over the phone to interviewer)? ● What do you think is the appropriate length for an interview? <ul style="list-style-type: none"> ○ To what extent does the research method/ subject/ time of year make a difference? In what way? <p>INTERVIEWER: GIVE BRIEF EXPLANATION OF HOW PANELS WORK:</p> <p>Government departments often find it useful to have a research panel – i.e. a group of individuals who have agreed to be contacted on more than one occasion to take part in research., and there are different types of panel, e.g.:</p> <ul style="list-style-type: none"> - ‘Topical’ panels, where individuals/ businesses are contacted for data and opinions relevant to current issues. These 	Looks at preferences around research method and attitudes towards online research and panels

	<p>tend to happen on a fairly regular basis, e.g. 2 or 3 times a year</p> <p>- ‘Analytical’ panels, where individuals/businesses are asked a similar set of questions in order to look at changes over time. These are less frequent, e.g. once a year.</p> <p>A possible advantage of joining a panel could be that businesses are informed about when to expect research requests and what will be involved, and can therefore be prepared for them.</p> <ul style="list-style-type: none"> • How would you feel about being asked to participate in research on an ongoing basis (e.g. join a panel)? <ul style="list-style-type: none"> ○ What would you be willing to commit to (e.g. number of studies per year, over what length of time e.g. minimum 3 years)? ○ What type of panel would you prefer to join? I.e. topical vs. analytical? 	
5 mins	<p><u>Providing responses</u></p> <ul style="list-style-type: none"> • What is the level of scrutiny/ oversight applied to research responses? <ul style="list-style-type: none"> ○ When answering questions do you answer on behalf of yourself, the subsidiary/company or the parent/ group? How does this vary according to the type of research/ question? ○ To what extent do you feel able to answer candidly? ○ Do you see it as an exercise in giving an ‘official’ response? • What are your perceptions/ concerns around confidentiality/ sensitivity? <ul style="list-style-type: none"> ○ What assurances need to be provided? ○ Would being provided with the list of topics for discussion/questions in advance of the interview help to reassure you? ○ Can reassurances actually 	Looks at perceptions of sensitivity/ confidentiality and the type of information they are prepared to provide

	<p>increase perceptions of risk?</p> <ul style="list-style-type: none"> ○ To what extent have the recent stories in the media about data loss had an impact on your decision to participate? <ul style="list-style-type: none"> ● What information are you prepared/not prepared to share? <ul style="list-style-type: none"> ○ Tax policy/ planning, profits, employment practices, views on Govt policy, health and safety, commercially sensitive information which is not publicly available (e.g. tax planning, internal decision-making around tax risk, and complex tax data not available from tax returns such as capital assets)? ○ Are there any issues with requests for information in a format which does not match your records? How would you deal with this? <ul style="list-style-type: none"> ● How do you feel about your answers being linked to other sources of government data? <ul style="list-style-type: none"> ○ E.g. would you give permission for your interview data to be linked by a government department with administrative data such as tax records? Would this decision be made by you or would it need to be authorised by someone else (and if so, who?) How long would this process take? 	
5 mins	<p><u>Outcomes of Research</u></p> <ul style="list-style-type: none"> ● Do you know what happens to the information you provide? What do you think the results are used for? <ul style="list-style-type: none"> ○ Would you be interested in seeing the findings from research which you participated in? ○ How would you prefer to receive this? Email, printed report, verbal debrief? ○ How long would you want it to be? 	Looks at whether they would be interested in the research findings and how these should be communicated

	<ul style="list-style-type: none"> ○ Would the offer of receiving a research summary increase your likelihood to take part? How soon would you expect to receive this? How would you use it? ○ Have you ever read research reports published by government departments? 	
5 mins	<p><u>Improvements</u></p> <ul style="list-style-type: none"> • Finally, thinking specifically about research sponsored by government departments, how do you think this research and evidence collection could be improved? <ul style="list-style-type: none"> ○ What could be done to reduce the potential burden/ make it easier for you to be involved? ○ What do you think would make it easier for other businesses to be involved? ○ What are the main barriers to participation? If you were to prioritise these, which would be the top three? Why? 	Looks at any suggested improvements to the research process that have not already been covered
5 mins	<p><u>Conclusion and Thanks</u></p> <ul style="list-style-type: none"> • Is there anything else you would like to add about research participation that we have not already covered? • THANK AND CLOSE. Reassure about confidentiality. 	Draws interview to a close.

APPENDIX E – INTERVIEWER DISCUSSION GUIDE

HMRC – Large Business Research Methodology Review Discussion Guide for Interviewer groups - final

Objectives:

The overall aim of this study is to understand the methodological issues specific to research among large businesses, in order to design robust and high-quality research whilst minimising the burden on businesses.

Outline of the research programme:

- 6 In-depth interviews, followed by 1 focus group with quantitative telephone interviewers/ recruiters
- Fieldwork taking place in April/ May (exact dates and approach TBC)
- Size of focus group will be between 6-8 people
- These discussions are taking place with those who recruit and interview large businesses. The focus of the discussion will need to be tailored towards the experience of those in the group
- Discussion should focus on experience, with examples of good and bad practice where possible.

Notes	Guide Sections	Timings
1. Introductions	Sets the scene, reassures participants about the group, confidentiality	10 mins
2. Approaching businesses	Looks at interviewers' experiences of approaching respondents and introducing the research	15 mins
3. Attitudes and perceptions towards research	Looks at perceptions of research held by businesses and barriers encountered when inviting them to take part	10 mins
4. Providing responses	Looks at experiences of gaining responses from businesses, in terms of what is successful and what information they are willing to provide	15 mins
5. Improvements	Sums up by looking at suggested improvements to the research process to make it easier for both interviewers and businesses	10 mins

Using this guide:

Timings	Key Questions	Notes
10 mins	<p><u>Underlined</u> = Title</p> <p>Bold = Question</p> <p>- Bullet = prompt</p>	
How long it takes	Typically, the researcher will ask questions and use the prompts to guide where necessary. NB: Not all prompts will be used in an interview	This area is used to summarise what we are discussing

Timings	Key Questions	Notes
10 mins	<p><u>Welcome and introduction</u></p> <ul style="list-style-type: none"> • Thank participants for taking part • Introduce self and explain background to research. HMRC, DWP and HSE want to improve their approach to researching large businesses. As part of this we want to speak to the interviewers who carry out the recruitment and fieldwork about their experiences. • For the purposes of this discussion we are thinking about large businesses, for example those with 250+ employees, and the target respondent would be someone in a senior role (e.g. Finance Directors). Ask them to think, therefore, of their work on Captains of Industry studies or other (NB – this will only apply if you are interviewing one of the freelance interviewers) • Confidentiality: reassure all responses anonymous and that information about individuals will not be passed on to anyone • Get permission to digitally record – transcribe for quotes. They will not be directly or indirectly identified in the research outputs. • Data will be stored on a secure server within Ipsos MORI and will only be accessed by the project team. The data will be destroyed within a year of completion of the research. • Go around the group and get them to give their name, length of time have been interviewer and types of interviewing/recruitment they do, and level of experience on recruiting/ interviewing 	<p>Welcome: orientates participant, gets them prepared to take part in the interview.</p> <p>Outlines the 'rules' of the interview (including those we are required to tell them about under MRS and Data Protection Act guidelines).</p>

	respondents on tax policy issues	
15 mins	<p><u>Approaching businesses</u></p> <p>I'd like you to talk about your experiences of approaching businesses to take part in research. Where possible, please think about research for government departments.</p> <ul style="list-style-type: none"> • What types of sample have you worked with in the past? E.g. purchased sample, client sample, contact names vs. no contact names? Which work best and why? • What do you think is the best way to approach businesses to take part in research? What works and what doesn't? Why? <ul style="list-style-type: none"> ○ What background information do you like to have? How much briefing and preparation time do you need? What information would you give the respondent? What level of detail do you need to give them up front to secure their buy-in? Why do you think this is? How do you secure their participation in research? ○ What do you think of advance letters? Do you refer to the letter? Do businesses remember them? Does the right person see them? Can they help to secure participation? What information should be included? Should it be signed by the sponsoring government department? Ipsos MORI? How important is it that the letter providers assurances about confidentiality? ○ Who do you think is the best person to approach first (i.e. a Director or their PA/ Assistant)? What are the best ways to get past their PA/ other gatekeepers in the organisation? ○ What do you think makes a convincing introduction? ○ What other information should be included in the script? ○ What information do businesses need to know about how they 	Looks at interviewers' experiences of approaching respondents and introducing the research

	<p>were selected? Are they interested? Why does this make a difference?</p> <ul style="list-style-type: none"> ○ What approach do you find works best for elite respondents? Why? ○ How many times do you think it is appropriate to contact elite respondents? Why? <p>• In your experience, what factors do you think influence the decision to take part? What encourages businesses to participate? Can you think of any examples?</p> <ul style="list-style-type: none"> ○ Who do you think makes the decision regarding participation? Do companies have a formal policy? How do you become aware of this policy? What are the differences between different companies? ○ Does the subject of the research make a difference? How? What subjects tend to generate higher/lower response rates? ○ FREELANCE INTERVIEWERS ONLY: Does the research method make a difference (qualitative/quantitative, F2F/ telephone)? ○ How far does the amount of time needed to participate affect the decision? (NB not just talking about interview length, but also amount of time taken to pull out info prior to an interview etc) ○ To what extent are incentives (financial and non-financial) effective? Why/ why not? What amount/ format is appropriate (e.g. charity donation)? ○ What difference does the experience and knowledge of the interviewer make? Can you give examples of how you build trust and rapport with elite respondents? ○ What else can be done to encourage businesses to take part? ○ Thinking about different types of interviews you have conducted,
--	---

	<p>can you describe any strategies you have developed and lessons you have learnt? What about specifically with elite respondents?</p>	
10 mins	<p><u>Attitudes and perceptions of research</u></p> <p>Now I'd like you to think about attitudes that large businesses have to research.</p> <ul style="list-style-type: none"> • Do you think businesses are generally positive or negative towards research? Why is this? Do their views vary depending on what is being researched? • What types of questions do businesses ask before deciding whether to take part? • What barriers towards participation have you come across? What can be done to overcome these? • What reasons are given for not taking part? • Does the organisation conducting the research make a difference? How? <ul style="list-style-type: none"> ○ Is research for government departments viewed differently? Why? Do businesses differentiate between different Departments? ○ Do you think the agency conducting the research makes a difference (i.e. Ipsos MORI vs. other agencies you may have worked for)? Why do you think this? 	Looks at perceptions of research held by businesses and barriers encountered when inviting them to take part
15 mins	<p><u>Providing responses</u></p> <p>Now I'd like you to think about the types of questions that respondents are asked and the best way to get the required information.</p> <ul style="list-style-type: none"> • Which types of questions do businesses find easier/ more difficult to answer? And which questions do they like to answer/ what are they interested in? <ul style="list-style-type: none"> ○ Pre coded vs. open ended? Rating scales vs. yes/ no? Is it important to offer neutral 	Looks at experiences of gaining responses from businesses, in terms of what is successful and what information they are willing to provide

	<p>categories (e.g. no opinion/ neither agree nor disagree)?</p> <ul style="list-style-type: none"> ○ Factual information vs. attitudes/ opinions? ○ Types of question which should be avoided? Why? <ul style="list-style-type: none"> ● What concerns do businesses have around confidentiality/ sensitivity? <ul style="list-style-type: none"> ○ What assurances do they need? ○ How honest do you think they are in their answers? ● What types of information are businesses willing/ unwilling to share? Why do you think this is? <ul style="list-style-type: none"> ○ Profits, employment practices, views on Govt policy, health and safety? Commercially sensitive information which is not publicly available such as tax planning, internal decision-making around tax risk and complex tax data? ○ Do they ever find information requests difficult, for example because the format does not match their records? How should we deal with this? ● Do you have any experience of research where business were asked to prepare factual information in advance of the interview (i.e. datasheets)? IF YES: How well did this work? IF NO: Do you think this is a useful approach? Why? <ul style="list-style-type: none"> ○ Is this an effective method? Why/ why not? ○ What difference does it make to the interview? How far is it helpful for businesses? ● What telephone survey interview length do you think businesses see as reasonable? <ul style="list-style-type: none"> ○ How long do you think the questionnaire can be before it impacts on the response rate? 15/20/25 minutes? ○ Does the subject of the research make a difference to this? Time of year? 	
--	---	--

	<ul style="list-style-type: none"> • Have you seen any changes to participation rates as a result of: <ul style="list-style-type: none"> ○ the weakening economy? ○ stories in the media about data loss? 	
10 mins	<p><u>Improvements</u></p> <ul style="list-style-type: none"> • What do you think can be done to make it easier for businesses to take part in research? • What would make it easier for you to convince businesses to take part? • Any other comments? <p>THANK AND CLOSE</p>	Sums up by looking at suggested improvements to the research process to make it easier for both interviewers and businesses

APPENDIX F – ADVANCE LETTER



Melanie Dawes
Director General, Business Tax

CONTACT NAME
COMPANY NAME
ADDRESS_LINE_1
ADDRESS_LINE_2
ADDRESS_LINE_3
DISTRICT
POST_TOWN, POSTCODE
Date April 2009
Ref 35938/[UNIQUE REF]

Please respond to:
Kate Fox
HM Revenue and Customs
4th Floor, Bush House
S.W. Wing, Strand, London,
WC2B 4RD

Tel 020 7438 8426
Website: www.hmrc.gov.uk

Re: Large Business Research Methodology Review

Dear [CONTACT NAME]

Ipsos MORI, an independent social research organisation, is conducting an important study led by HM Revenue and Customs, and co-sponsored by the Department for Work and Pensions and the Health and Safety Executive.

The purpose of the study is to understand the perceptions of large businesses towards Government sponsored research, the reasons for deciding to take part or not take part in research, and any barriers or issues which businesses face. The views of large businesses are very important to Government departments, and they want to understand what they can do to make it easier for you to take part in research.

We are inviting you to take part in an interview which would be carried out by a senior researcher from Ipsos MORI. If you agree to take part, the interview will take place face to face at your place of work at a time convenient for you, and would take around 45 minutes. We have carefully selected a small number of organisations from the Experian business database in order to help with this important study. You have been identified as the most appropriate person to speak to within your business. However, if you feel that it would be more appropriate to talk to a colleague, please let us know and we will contact them.

A representative from Ipsos MORI will be in touch with you by telephone shortly to provide more information about the research and, if you decide to take part, to arrange an appointment. Please be assured that your replies will be treated in confidence and neither you nor your organisation will be identifiable in the results. If you have any questions about this project please contact Ruth Gosling at Ipsos MORI on 020 7347 3174 (email: Ruth.Gosling@ipsos-mori.com), or Kate Fox at HMRC on 020 7438 8426 (email: katherine.fox@hmrc.gsi.gov.uk). We are conscious that there will be many calls on your time, but we hope you will feel able to help with this important study.

Many thanks

A handwritten signature in black ink that reads "Melanie Dawes".

Melanie Dawes
Director General, Business Tax

APPENDIX G – RECRUITMENT QUESTIONNAIRE

Large Businesses Methodology Review

Ipsos MORI

Employers

DATE:
RESPONDENT
RECRUITED FOR:

Specification:

This questionnaire recruits one person for each depth. There are two types of sample:

- Large Business Service: 6 depths required
- Local Compliance Large and Complex: 12 depths required

Fieldwork should take place between 20th April and 8th May.

NOTE FOR RECRUITERS: We are looking for Head of Tax or Finance Director in organisations, who have been sent a letter outlining the research. In some cases you may need to speak to the PA/ Secretary of these individuals and get the information from them. Please try to speak to the Head of Tax or Finance Director where possible, as there are questions that PAs are unlikely to know the answers to.

Good morning / afternoon, my name is _____, calling back from Ipsos MORI, the independent research agency.

Can I check that this is <COMPANY NAME> in <REGION>?

PROCEED IF YES.

IF INCORRECT: CLOSE.

May I speak to <NAME>?

IF NECESSARY: We recently wrote to him/ her about a study we are conducting on behalf of HM Revenue and Customs, the Department for Work and Pensions and the Health and Safety Executive. We would like to invite him/ her to take part in the research.

WHEN SPEAKING TO CORRECT PERSON (OR PA IF UNABLE TO SPEAK TO THEM DIRECTLY):

Hello, this is _____ calling from Ipsos MORI. We recently wrote to you regarding a study we are conducting on behalf of HM Revenue and Customs, the Department for Work and Pensions and the Health and Safety Executive

IF DID NOT RECEIVE LETTER OFFER TO EMAIL OR SEND A COPY IF NECESSARY

The purpose of this research is to understand the perceptions that large businesses have towards research. HMRC and other government departments want to understand your experiences of taking part in research, and what can be done to make it easier for you to take part. The study is very important as the feedback from businesses will inform the design of future research studies.

As we explained in the letter, we are only contacting a small number of businesses for this research, and yours has been carefully selected. We would like you or someone else from your organisation to take part in a face to face interview with a senior researcher from Ipsos MORI. The interview will take around 45 minutes and will be arranged at a time convenient to you.

For this research, we would like to speak to the Head of Tax, Finance Director or equivalent in your organisation.

Q1a Before I continue with more information, would you be interested in taking part?

Yes	1	GO TO Q2
Not the most appropriate person	2	ASK Q1B
No	2	THANK AND CLOSE

FOR THOSE WHO DO NOT WANT TO TAKE PART: Thank you for taking the time to talk to me about the research.

PLEASE RECORD REASON FOR REFUSAL

1. Anti Government/ HMRC
2. Does not believe in surveys
3. Concerns about confidentiality/ privacy reasons
4. Annual leave
5. Company policy
6. Too busy (timing/ capacity reasons)
7. Business is in dispute with HMRC
8. Refused to say
9. Other (please specify)

ASK ALL CODING 2 AT Q1A

Q1b Is it possible to speak to someone else who may be able to help?

Yes	1	ONCE PUT THROUGH GO BACK TO INTRO
Not available	2	COLLECT CONTACT DETAILS AND CALL BACK

ASK ALL

Q2 Can I just check how many people are employed by your organisation?

Less than 250	1	THANK AND CLOSE
250-999	2	CONTINUE
1,000-9,999	3	CONTINUE
10,000+	4	CONTINUE

Q3a Can I just check your job title?

Head of Tax or equivalent	1	GO TO Q4A
Finance Director or equivalent	2	GO TO Q4A
Other	3	ASK Q3B

Q3b Thank you for your help, but for this research we would like to speak to the Head of Tax/ Finance Director or a similar role in your organisation. Is it possible to put me through to the appropriate person?

Yes	1	ONCE PUT THROUGH GO BACK TO INTRO
Not available	2	COLLECT CONTACT DETAILS AND CALL BACK

Q4a Which of these statements best describes your level of involvement in government sponsored research?

READ OUT. SINGLE CODE

I sometimes participate in government sponsored research	1	GO TO Q5A
I do not usually participate in research myself, but I am involved in decisions on participation	2	GO TO Q5A
I am not directly involved in the decisions about participation in research but I have an understanding of the company policy on participation	3	GO TO Q5A
I am not familiar with the policy on research participation and I am not involved in decisions about it either	4	GO TO Q4B

ASK IF CODE 4 ABOVE

Q4b Thank you for your help, but for this research we would ideally like to speak to someone either with an understanding of the policy on research participation or someone who regularly makes decisions about participating in government sponsored research within your organisation. Is it possible to put me through to someone else who may be able to help?

Yes	1	ONCE PUT THROUGH GO BACK TO INTRO
Not available	2	COLLECT CONTACT DETAILS AND CALL BACK

ASK ALL

Now we would like to ask a few questions about your organisation. These will be used for classification purposes only.

Q5. Can I just check whether you or someone else in your organisation has taken part in government sponsored research in the last 12 months?

MULTI CODE ALLOWED.

Yes – me

Yes – someone else (specify) NB – IF THIS PERSON IS THE HEAD OF TAX OR A FINANCE DIRECTOR TRY TO FIND OUT IF THEY ARE MORE APPROPRIATE FOR THIS RESEARCH

No

Don't know/ not sure

Q5a. Can I just check, is your annual UK group turnover before tax...?

READ OUT

IF NECESSARY: 'UK group' means the UK ultimate parent company and all subsidiaries, or if they are a singleton/ partnership it means their UK turnover

1. Less than £600 million
2. £600 million or above
3. DK
4. Refused

Q5b. And is the total value of the assets of the UK group...?

READ OUT.

1. Less than £2 billion
2. £2 billion or above
3. DK
4. Refused

Q6a. And can I just check, is this business involved in alcohol production?

Yes GO TO Q6B

No CONTINUE TO NEXT PAGE AND MAKE APPOINTMENT

Don't know CONTINUE TO NEXT PAGE AND MAKE APPOINTMENT

Refused CONTINUE TO NEXT PAGE AND MAKE APPOINTMENT

ASK IF YES AT Q6A

Q6b. And is the excise paid on annual alcohol production more than £50 million?

Yes

No

Don't know

Refused

ASK IF YES AT Q6A

Q6c. And is the notional duty on annual alcohol production more than £250 million?

Yes

No

Don't know

Refused

THIS MUST BE THE LAST PAGE OF THE QUESTIONNAIRE AND MUST BE SINGLE SIDED

Ipsos
MORI/J35938

**Large Business Methodology Review
HMRC**

Recruitment Questionnaire

**RESPONDENT
NO:**

PERSONAL IDENTIFIERS

Details

Time:

Date:

Name/Initial>Title: Mr/Mrs/Ms/Miss

Company Name:

Address:

Full Postcode

**Tel. Number (WRITE IN INCL.
STD code)**

Home/mobile 1

Work 2

Refused/Ex-directory 3

**Is respondent willing to take part
and available?**

Yes 1

No 2

Respondent attended?

Yes 1

No 2

**On a scale of 1 to 10 (1 being easy
and 10 being difficult), how easy
was it to gain agreement from the
respondent to take part?**

1 Very easy

2

3

4

5

6

7

8

9	
10	Very difficult

Interviewer number:

Interviewer name (CAPS):

I confirm that I have conducted this interview **face to face/by telephone (DELETE WHERE APPROPRIATE)** with the named person of the address attached and that I asked all the relevant questions fully and recorded the answers in conformance with the survey specification and within the MRS Code of Conduct and the Data Protection Act 1998.

Interviewer Signature:

Date:.....