Survey Organisation Issues for Micro and Small Size Enterprise Managers

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Abstract

Survey organisation issues for micro and small enterprise managers are on great importance for research related to micro and small enterprise management problems. Currently many of surveys are organised by help of internet, but, unfortunately not all micro and small size enterprises have access to internet in Latvia. For evaluation on different issues is used scale 1 – 10 to get more detailed information and to use descriptive statistics and multivariate statistics analysis for data processing.

Keywords: SME, survey organisation, webpage, response rate, evaluation scale

1. Introduction and theoretical background

Academic and practical research more and more pay attention to quality of survey organisation, realisation and survey data processing. Thousands of scientific publications are devoted to those issues. Researcher groups have evaluated how often, on what extent and how deep such research has been done. Questionnaire design, survey realisation, response rate, tools for organisation of responses collection, issues of representativity ensurance of the sample, and many other issues are on agenda for researchers. Current paper has examined some theoretical findings as well as practical survey realisation for micro and small enterprise managers in Latvia in 2010 – 2011. Research methods applied: academic literature studies and updates, evaluation of real survey realisation: comparisons for population and sample data, discussions on attitude measurement scale use.

Ardilly, P. & Tillé, Y. (2006) have developed sampling methods and realisation materials, Janes (1999) have devoted attention to survey construction, Lavallée, P. & Rivest, L.-P. (2012) have devoted attention to capture–recapture sampling and indirect sampling, Särndal, C., Swensson, B. & Wretman, J. (2003) have paid attention to model assisted survey sampling. Issues on questionnaire design and distribution have been on research agenda for many researchers, like Kelly, (2000), Black, *et al*. (2005). Many researchers and practioners have made discussions on most convenience and effective evaluation scales used for research: Chang, *et al. (*2001) has developed important arguments for 5 point scale use, Garrat, *et al.* 2011) have made extensive discussion what scale: with 5 points or 10 points are more effective, Verdegem, *et al.* (2009) has used 11 point scale for survey realisation. Melnik, *et al. (*2012) have indicated that only every third manager do not refuse respond for surveys. His team research has found that during the last decade the response rates for surveys have even declined. Froflich, *et al.* (2002) have studied how to increase

response rates, Dennis (2003) has studied by realisation of experiment specific issues on increase of response rates for small and medium size enterprises, to specific issues on survey realisation in SME has been devoted Knight's (2001), Smith's, *et al.* (2007), Redoli, *et al. (2008)* research. Sivo, *et al. (*2006) have examined – how low you should go, minding the response rates and representation issues, Tsatsow, *(*2011), Ilieva, *et al.* (2002), as well as Dijk, *et al.* (2009) have examined that internet is making huge changes in survey organisation and realisation, such issues were on research agenda also in the last decade represented by Dillman's, (2000) research. Several studies have been devoted to different tools for survey data analysis, like Melnik, *et al.*(2012).

2. Survey organisation and main empirical research results

The population of the survey were micro and small medium enterprises in Latvia. Survey was conducted from December 2010 till August 2011 when started economic growth after financial crisis. Respondents were selected by systematic sample (to be able to use different multivariate analysis methods for data processing), it was approached every third company from Latvia Investment and Development Agency and LAD who have contracts in period 2007-2013 and every tenth company from ZL Hotline data basis. It was made sure to avoid inclusion of the respective company from different data bases. Before the survey it was made 8 pilot interviews to test the questionnaire. For survey mainly was used internet survey, telephone survey or interviews in case of unavailability of the internet access. At the beginning it was given a phone call to micro and small company managers to invite to participate in the survey and fill in the questionnaire.

Representation of the survey: there were interviewed 1188 MMU managers from whom 1064 or 89.6% were micro enterprises and 124 or 10.4% small size enterprises. According data of the Central Statistical Bureau of Republic of Latvia in 2010 there were 91.1% micro enterprises and 7.2% small enterprises. Most reflected activity fields in the survey were trade – 22.2% of respondents, agriculture, forestry and fishery – 17.6%, other services – 11.9%, professional, scientific and technical services – 11.4%, etc (table 1) which corresponds with data of the Central Statistical Bureau of Republic of Latvia (Number of Companies, CSB, 2012).

Table 1

Comparison of Response Shares of the Survey and CSB Results on Kinds of Activities

Kind of Activity	Share of Micro and Small Size Enterprises (%)	
	CSB data*	MSE survey data
Trade, car and motorbike reparation	18.2	22.2
Agriculture, forestry and fishery	22.6	17.6
Other services	9.4	11.9
Professional, scientific and technical services	8.9	11.4
Processing industry	5.4	9.5
Construction	5.0	7.1
Transport	4.0	5.2
Information and communication services	2.4	4.8
Health care and social care	3.1	3.6
Hospitality and catering services	2.3	3.6
Electrical power, gas supply, heating and air conditioning	0.3	0.9

*Source: Ināra Kantāne calculations, CSB data and Ināra Kantāne conducted survey (December 2010 – August 2011), sample size n = 1188; * http://data.csb.gov.lv/Dialog/Saveshow.asp* – observed 20.04.2012.

After three times attempt to every possible respondent the response rate was 21.7%. Distribution of respondents in statistical regions: Rīga region – 35.3%, Pierīga – 16.9%, Kurzeme region – 14.2%, Latgale region – 13.1%, Vidzeme region – 11.2%, Zemgale region – 9.3% respondents which corresponds to the data of Central Statistical Bureau of Latvia on distribution of micro and small enterprises by regions (Table 2).

Table 2

Comparison of Shares of CSB and Survey Data by Regions of Latvia

Region	Share of Micro and Small Size Enterprises (%)	
	CSB data*	MSE survey data
Rīga	38.2	35.3
Pierīga	15.3	16.9
Vidzeme	10.8	11.2
Kurzeme	12.6	14.2
Zemgale	10.4	9.3
Latgale	12.7	13.1

*Source: Ināra Kantāne calculations, CSB data and Ināra Kantāne conducted survey (December 2010 – August 2011), sample size n = 1188; * http://data.csb.gov.lv/Dialog/Saveshow.asp* – observed 20.04.2012.

Survey results and CSB data (population data) differ only by some percent, those differences are not significant for all regions and for all kinds of activities.

Evaluations of micro and small enterprise managers on internet use indicates that many of managers evaluate highly internet use, but still there are managers who are not so fond of internet use, half of the respondents evaluated importance of the internet use by 8 (in 1 – 10 scale) and half of the respondents have evaluated less than 8 (median), but the most often evaluation was 10 – mode (Table 3).

Table 3

Evaluations of MSE Managers on Internet Use

Statistical indicators	Values of Statistical Indicators
Number of respondents	1051**
Arithmetic mean	7.22
Standard Error of Arithmetic Mean	0.09
Median	8.00
Mode	10
Standard deviation	3.115
Range	10
Minimum	0
Maximum	10

*Source: Calculations on Ināra Kantāne conducted survey (December 2010 – August 2011), sample size n = 1188; Evaluation scale 1 – 10, where 0 – do not use; 1 –use very seldom; 10 –use very often; **number of replied respondents*

54.7% of MSE managers have indicated that they actively use internet (evaluation 8 – 10), 38.64% managers have indicated very widely, but 6.9%, of MSE managers indicated that they do not use internet (Figure 1).

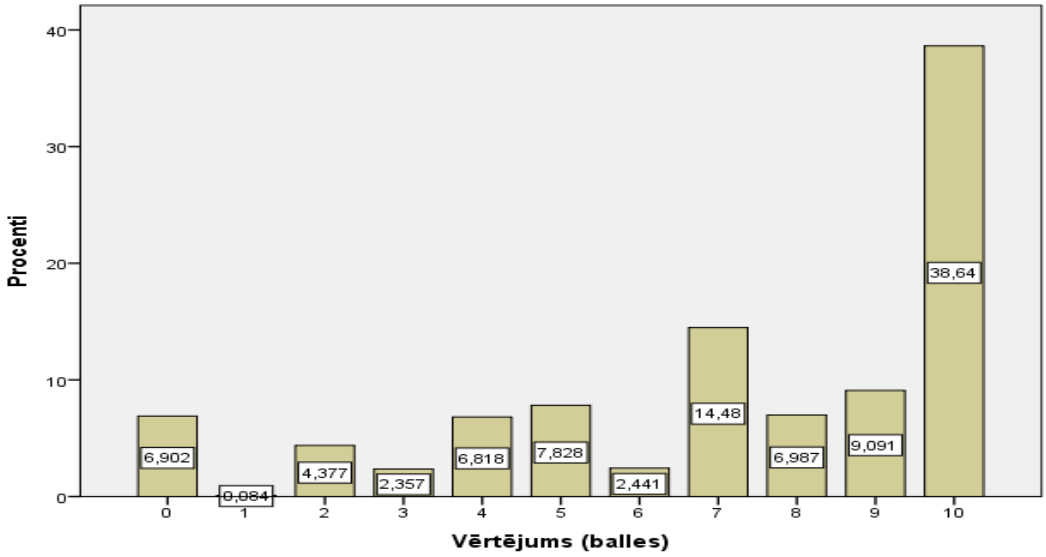

Figure 1. Distribution of Responses on Internet Use in Micro and Small Enterprises

Source: Calculations on Ināra Kantāne conducted survey (December 2010 – August 2011), sample size n = 1188; Evaluation scale 1 – 10, where: 0 – do not use; 1 – use very seldom; 10 – use very often

MSE managers have mentioned that mostly internet they use for communication with state and municipality institutions, clients and other business persons.

MSE managers on question about the company webpage have responded the following: around half of respondents (44.8%) have replied that they have company webpage, 17.53% of managers indicated that company webpage is under construction, but 28.57% of respondents have indicated that they do not have company webpage (Figure 2). Survey results correspond to information on company webpages by Central Statistical Bureau of Republic of Latvia (Information Technologies, CSB, 2012).

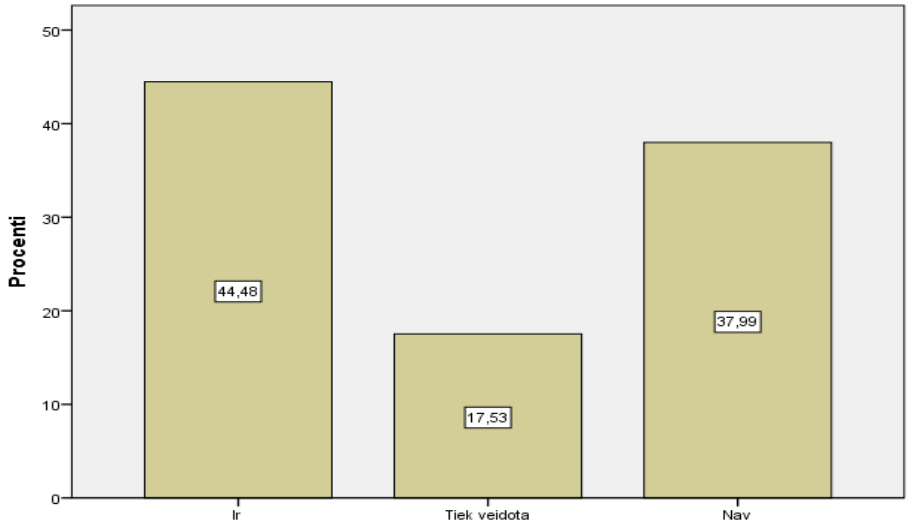

Figure 2. Distribution of Responses on Availability of Company Homepage in MSE

Source: Calculations on Ināra Kantāne conducted survey (December 2010 – August 2011), sample size n = 1188

MSE managers have mentioned that internet webpage can ensure with more precise information for service receivers and, most important it is to provide information about the respective company possibly wider audience – current and future clients.

Obtained results on internet use confirm that 6.9% of the companies do not use internet, but 13.6% of the companies internet use seldom what influences communication with government institutions, use of e-services, obtaining information on state support and other important issues as well as information exchange in the company, communication with clients and suppliers. MSE managers who do not use internet are in great extent excluded from actual business competition.

Conclusions

Micro and small size enterprises in Latvia are not well equipped with the internet, survey conduction via internet is not possible on full extent. To conduct surveys for those companies lacking internet connections or abilities of internet use it is necessary to reserve additional time and other resources to get information from companies not having access to the Internet and having limited abilities of information technologies use.

For different evaluations in the survey evaluation scale 1 – 10 has been acceptable and well understandable for respondents.

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