

Questionnaire id

**PRODUCTIVITY AND THE INVESTMENT CLIMATE
PRIVATE ENTERPRISE SURVEY**



The World Bank

Government of Lesotho

Please note that the following information will be handled with strict confidentiality.

INSTRUCTIONS:

Please answer all the questions as accurately as possible. Unless otherwise specified, circle answers. Provide answers only in the space provided.

FOR USE BY THE INTERVIEWER / SUPERVISOR / FIELD MANAGER ONLY

	Name	Code	Phone number	Checked	Sign
Interviewer:					
Supervisor:				Y -1 / N - 2	
Field manager:				Y -1 / N - 2	
Back checked:				Y -1 / N - 2	

Good Day. My name is _____ and I am from Sechaba Consultants. We are presently conducting a survey on behalf of the Government of Lesotho and the World Bank to better understand conditions in the local investment climate and how they affect firm-level productivity. The goal is to advise government on ways to change policies that hinder private establishments like yours and to develop new policies and programs that support productivity growth. Your answers should reflect only your experience of doing business in your country. Please note that the information obtained here will be treated strictly confidentially. Neither your name nor the name of your firm will be used in any document based on this survey. Names and addresses will then be discarded - personal information will never be made public.

Date of interview:	YYYY-MM-DD
Time interview start:	HH : MM

Organisation Name:				
Respondent Name/s:	1. 2. 3.			
Telephone:	[W]			(CELL)
District	Butha-Buthe	1	Mohale's Hoek	6
	Leribe	2	Quthing	7
	Berea	3	Quacha's Nek	8
	Maseru	4	Mokhotlong	9
	Mafeteng	5	Thaba Tseka	10

FOR OFFICE USE ONLY

	Name		Name
Debrief:		Extraction:	
Quota check:		Coding:	
Editing:		Capturing:	
Back-checked:			

1. GENERAL INFORMATION

NOTE: QUESTIONS 1 THROUGH 6 APPLY TO YOUR ENTIRE FIRM, INCLUDING ALL ITS ESTABLISHMENTS (FACTORIES, STORES AND/OR SERVICE OUTLETS).

1. In what year did your firm begin operations in this country?

2. What is the current legal status of your firm?

Publicly listed company	1	Sole proprietorship	4
Private held, limited company	2	Partnership	5
Cooperative	3	Other (specify):	6

3. What percentage of your firm is owned by...? **RECORD PERCENTAGES IN SPACES PROVIDED BELOW.**

a. Private Sector – domestic	%	Country?
b. Private Sector – foreign	%	
c. Government/State	%	
d. Other (specify)	%	
		100%

4a. Was your firm previously owned by the government (the state)?

Yes	1	→ ASK Q4b.
No	2	→ GO TO Q5.

4b. **IF YES:** In what year was it privatised?

 Year

5a. What percentage of your firm is owned by the largest shareholder or owner?

 %

5b. Which of the following best describes the largest shareholder or owner in your firm?

MULTIPLE RESPONSES ALLOWED.

Individual	1	Investment fund	6
Family	2	Managers of the firm	7
Domestic company	3	Employees of the firm	8
Foreign company	4	Government or government agency	9
Bank	5	Other (Specify)	10

IF THE LARGEST SHAREHOLDER IS AN INDIVIDUAL OR FAMILY MEMBER (CODES 1 OR 2) GO TO Q5c, ELSE GO TO Q6.

5c. Is this principal owner also the manager/director?

Yes	1
No	2

5d. Is the principal owner male?

Yes	1
No	2

5e. What is the ethnic origin of the principal/majority owners?

African	1
European	2
Asian	3
Other, specify:	4

ASK ALL:

6a. How many establishments (separate operating facilities) does your firm have in this country?

6b. Does your firm have holdings or operations in other countries?

Yes	1
No	2

NOTE: FOR THE REMAINDER OF THIS SURVEY, PLEASE ANSWER WITH RESPECT TO THIS ESTABLISHMENT (FACTORY, STORE OR SERVICE OUTLET).

7a. What year did this establishment begin operations?

7b. Where are this establishment and your headquarters located in this country? (name of city or town)

	Name of city/town
a. This establishment	
b. Headquarters	

7. ENUMERATOR, PLEASE CODE AS FOLLOWS:

	7c. This establishment	7d. Headquarters
Capital City	1	1
Other city of over 1 million people	2	2
City of 250,000-1million	3	3
City of 50,000-250,000	4	4
Town or Location with less than 50,000 population	5	5

8. What is your main product line? **SHOW LIST – WRITE ISIC CODE.**

9a. Do you have other income generating activities beyond these main business lines?

Yes	1	→ ASK Q9b.
No	2	→ GO TO Q10.

9b. **IF YES:** What percent of your workers' time is accounted for by:

1. Manufacturing:	%	→	specify main line of business (e.g. textiles):	
2. Services:	%	→	main service provided (e.g. consulting, transportation):	
3. Commerce	%			
4. Construction:	%			
5. Other:	%	→	(specify):	
	100%			

10. At the end of the first year of operation, what was/were...?

NOTE: IF THE FIRM WAS PRIVATISED, CONSIDER THAT YEAR AS THE START YEAR

a. the total number of full-time paid employees?	
b. your annual sales?	M

2. SALES AND SUPPLIES

11a. Within your main product line, what share of the local market in your city or town is made up by the sales of your establishment?

%

11b. Within your main product line, what share of the national market is made up by the sales of your establishment?

%

12a. What percent of your establishment's sales are:

	a. 2002	b. 2001	c. 2000
1. Sold domestically	%	%	%
2. Exported directly	%	%	%
3. exported indirectly (through a distributor)	%	%	%
	100%	100%	100%

12b. Approximately what percentages of your domestic sales are to:

1. The government	%
2. State owned or controlled enterprise	%
3. Multinationals located in your country	%
4. Your parent company or affiliated subsidiaries	%
5. Large domestic firms (those with approximately 300 plus workers)	%
6. Other (sales to small firms, individuals, etc.)	%
	100%

12c. If you export more than 10% of your sales:

i. What was the year your establishment first exported?

ii. Which countries are the biggest destinations for your exports?

a.

b.

c.

13. What percentage of your establishment's material inputs and supplies in the last acc. year are:

1. Purchased from domestic manufacturers	%
2. Purchased from a domestic distributor	%
3. Purchased from foreign-owned firms in Lesotho	%
4. Imported from South Africa	%
5. Imported from your parent company or affiliated subsidiaries	%
6. Imported directly from other countries	%
	100%

14. If your establishment is not purchasing domestic inputs and supplies, please rank the following factors that prevent you from doing so (with 1 being the most important):

There are no local suppliers	<input type="text"/>
Local suppliers do not have sufficient capacity to meet orders	<input type="text"/>
Quality of local supplies is inadequate	<input type="text"/>

Cost of local supplies is too high	
Business arrangements with parent company or affiliated subsidiaries preclude local sourcing	
Other, please specify	

15. At the time you receive delivery of your most important input or supply, how many days of inventory do you typically have on hand?

days of inventory of main input

16. What percent of your purchased material inputs/supplies are of lower than agreed upon quality?

%

17. What percent of sales in the last year were lost due to delivery delays from suppliers?

%

FOR THE FOLLOWING QUESTIONS, IF RESPONDENT DOES NOT KNOW THE PRECISE NUMBER, BUT KNOWS IT IS MORE THAN 20, PLEASE CODE AS "555")

18a. Over the last year, within your main product line, how many competitors do you have in the domestic market that are private domestic enterprises, state-owned enterprises or foreign-owned enterprises?

18b. Over the last year, within your main product line, how many suppliers of your main supply or input do you have that are private domestic enterprises, state-owned enterprises or foreign-owned enterprises?

18c. Over the last year, within your main product line, how many customers do you have that are private domestic enterprises, state-owned enterprises or foreign-owned enterprises?

	Q18a. Competitors in the domestic market	Q18b. Suppliers of your main supply or input	Q18c. Customers
1. Domestic Private Firms			
2. State Owned Firms			
3. Foreign Owned Firms			

3. INVESTMENT CLIMATE CONSTRAINTS TO THE ESTABLISHMENT

19. Please tell us if any of the following issues are a problem for the operation and growth of your business. If an issue poses a problem, please judge its severity as an obstacle on a four-point scale where:

0 = No obstacle 1 = Minor obstacle 2 = Moderate obstacle 3 = Major obstacle 4 = Very Severe Obstacle

	No problem	Degree of obstacle			
		Minor obstacle	Moderate obstacle	Major obstacle	Very severe obstacle
a. Telecommunications	0	1	2	3	4
b. Electricity	0	1	2	3	4
c. Transportation	0	1	2	3	4
d. Access to Land	0	1	2	3	4
e. Tax rates	0	1	2	3	4
f. Tax administration	0	1	2	3	4
g. Customs and Trade Regulations	0	1	2	3	4
h. Labour Regulations	0	1	2	3	4
i. Skills and Education of Available Workers	0	1	2	3	4
j. Business Licensing and Operating Permits	0	1	2	3	4
k. Access to Financing (e.g. collateral)	0	1	2	3	4
l. Cost of Financing (e.g. interest rates)	0	1	2	3	4
m. Economic and Regulatory Policy Uncertainty	0	1	2	3	4
n. Macroeconomic Instability (inflation, exchange rate)	0	1	2	3	4
o. Corruption	0	1	2	3	4
p. Crime, theft and disorder	0	1	2	3	4
q. Anti-competitive or informal practices	0	1	2	3	4

r. Legal system/conflict resolution	0	1	2	3	4
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4. INFRASTRUCTURE AND SERVICES

20. During how many days last year did your establishment...
 a. experience the following service interruptions,
 b. how long did they last, and
 c. what percent of your total sales value was lost last year due to...?

	i. # Days	ii. Average duration (hours)	iii. Lost Value* (percent)	N/A
a. power outages or surges from the public grid?			%	-777
b. insufficient water supply?			%	-777
c. unavailable mainline telephone service?			%	-777
d. transport failures?			%	-777
e. public postal service?			%	-777

*** FOR LOST VALUE, PLEASE INCLUDE LOSSES DUE TO LOST PRODUCTION TIME FROM THE OUTAGE, TIME NEEDED TO RESET MACHINES, AND PRODUCTION AND SALES LOST DUE TO PROCESSES BEING INTERRUPTED.**

21a. What is your average cost of a kilowatt-hour (KwH) of electricity from the public grid?

M	Take total bill and divide by total KwH
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21b. Does your establishment own or share a generator?

Yes	1	→ ASK Q21c and Q21d.
No	2	→ GO TO Q22.

21c. **IF YES:** What percentage of your electricity comes from your own or a shared generator?

%

21d. **IF YES:** What was the generator's original cost to your establishment

M	YEAR	
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22. What share of your firm's water supply do you get from...?

a. Municipal/public sources	%
b. your own well or a shared well	%
c. purchased from private vendors	%

23. What percentage of the value of your average cargo consignment is lost while in transit due to breakage, theft, or spoilage? (include incoming and outgoing consignments)

%	of consignment value
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24. Does your enterprise regularly use e-mail or a website in its interactions with clients and suppliers?

	Yes	No
a. Email?	1	2
b. A website?	1	2

25a. Is your establishment/firm a member of a business association or chamber of commerce?

Yes	1	→ ASK Q25b.
No	2	→ GO TO Q26.

Insert names:	

25b. **IF YES:** For each of the following, please indicate if this is a service the business association or chamber that is most important to your firm provides, and if so, what the value of this service is to your firm?

0= no value; 1= minor value; 2= moderate value; 3 = major value 4= critical value to your firm

	Not provided	Value to your firm				
		No value	Minor value	Moderate value	Major value	Critical value
a. Lobbying government	NP (-888)	0	1	2	3	4
b. Resolution of disputes (with officials, workers or other firms)	NP (-888)	0	1	2	3	4
c. Information and/or contacts on domestic product and input markets	NP (-888)	0	1	2	3	4
d. Information and/or contacts on international product and input markets	NP (-888)	0	1	2	3	4
e. Accrediting standards or quality of products; reputational benefits	NP (-888)	0	1	2	3	4
f. Information on government regulations	NP (-888)	0	1	2	3	4

5. FINANCE

26. How was the start up financed?

a. Owner savings	%	
b. Borrowing from friends or relatives	%	
c. Sales of stock/equity	%	
d. Investment by parent or affiliated company	%	
e. Loan from a foreign bank or donor agency	%	
f. Loan from a government-owned bank	%	
g. Loan from a private bank	%	
h. Loan from a finance company	%	
i. Loan from a money lender	%	
j. Loan from a supplier	%	
k. Other	%	Specify:
	100 %	

27. Please identify the contribution over the last year of each of the following sources of financing for your establishment's:

- Working capital** (i.e. inventories, accounts receivable and cash)
- New Investments** (i.e. new land, buildings, machinery and equipment)

	27i. Working capital	27ii. New investments
a. Internal funds or Retained earnings	%	%
b. Local commercial banks (loan, overdraft)	%	%
c. Foreign owned commercial banks	%	%
d. Leasing arrangement	%	%
e. Investment Funds/Special Development Financing/ or Other State Services	%	%
f. Trade credit (supplier or customer credit)	%	%
g. Credit cards	%	%
h. Equity, sale of stock	%	%
i. Family, friends	%	%
j. Informal sources (e.g. money lender)	%	%
k. Other (specify source):	%	%
Total	100 %	100 %

28a. Do you have an overdraft facility or line of credit?

Yes	1	→ ASK Q28b.
No	2	→ GO TO Q29.2

28b. **IF YES:** What percent is currently unused?

%

29.1 For the most recent overdraft:

29.1a. When was this financing approved (year)?

29.1b. Did the financing require collateral or a deposit?

Yes	1	→ ASK Q29.1c
No	2	→ GO TO Q29.1e
N/A (No loan)	-777	→ GO TO Q29.2

29.1c. **IF YES:** What share of collateral was:

i. Land and buildings?	%
ii. Machinery?	%
iii. Intangible assets (accounts receivable, inventory)?	%
iv. Personal assets of owner/manager (e.g. house)?	%

29.1d. What was the approximate value of collateral required as a percentage of the loan value?

%

29.1e. What is the overdraft's approximate annual cost/ rate of interest?

%

29.2 For the most recent loan (less than or equal to 1 year):

29.2a. When was this financing approved (year)?

29.2b. Did the financing require collateral or a deposit?

Yes	1	→ ASK Q30.2c
No	2	→ GO TO Q29.2e
N/A (No loan)	-777	→ GO TO Q29.3

29.2c. **IF YES:** What share of collateral was:

i. Land and buildings?	%
ii. Machinery?	%
iii. Intangible assets (accounts receivable, inventory)?	%
iv. Personal assets of owner/manager (e.g. house)?	%

29.2d. What was the approximate value of collateral required as a percentage of the loan value?

%

29.2e. What is the loan's approximate annual cost/ rate of interest?

%

29.2f. What is the duration (term) of the loan?

months

29.3 For the most recent loan (more than 1 year):

29.3a. When was this financing approved (year)?

29.3b. Did the financing require collateral or a deposit?

Yes	1	→ ASK Q29.3c
No	2	→ GO TO Q29.3e
N/A (No loan)	-777	→ GO TO Q30.

29.3c. **IF YES:** What share of collateral was:

i. Land and buildings?	%
ii. Machinery?	%
iii. Intangible assets (accounts receivable, inventory)?	%
iv. Personal assets of owner/manager (e.g. house)?	%

29.3d. What was the approximate value of collateral required as a percentage of the loan value?

 %

29.3e. What is the loan's approximate annual cost/ rate of interest?

 %

29.3f. What is the duration (term) of the loan?

 months

30. If your enterprise never applied for a bank loan, why not?

Inadequate collateral	1	
Didn't want to incur debt	2	
Process too difficult	3	
Didn't need one	4	
Didn't think I'd get one	5	
Interest rate too high	6	
Already heavily indebted	7	
Other	8	(specify): <input type="text"/>

31a. Has this enterprise ever been rejected for a loan?

Yes	1	→ ASK Q31b and Q31c.
No	2	→ GO TO Q32.

31b. **IF YES:** What institution rejected the application?

31c. **IF YES:** Why was it rejected?

32. What share of your total borrowing (loans, accounts payable) is denominated in foreign currency?

 %

33. How long does it take to clear the following payments through your financial institution (i.e. until the recipient can draw the funds)?

	Days	Charge (% of transaction)	OR	Fee (Maloti)
a. a cheque		%		M
b. a domestic currency transfer		%		M
c. a foreign currency transfer		%		M
d. letter of credit (from time of submission of documents)		%		M

34. Does your establishment have its annual financial statement reviewed by an external auditor?

Yes	1
No	2

35. Of the land and buildings occupied by this establishment, what percent is owned or leased/rented?

	Owned	Leased or rented	If leased / rented, average contract length	
a. Land		%		months
b. Buildings		%		months

36a. How much would you receive if you sold your equipment (machinery, trucks, etc.)?

M

36b. What is your average age of your plant and equipment?

Less than 1 year	1
Between 1 and 5 years	2
Between 6 and 10 years	3
Between 11 and 20 years	4
More than 20 years	5

6. BUSINESS-GOVERNMENT RELATIONS

37. What are the three biggest obstacles to doing business in Lesotho?

DO NOT READ THESE RESPONSES TO THE RESPONDENT. ASK THE QUESTION AND LET HIM/HER TELL YOU THE PROBLEMS THEN CODE APPROPRIATELY OR WRITE THE OTHER PROBLEMS BELOW. CIRCLE UP TO 3 RESPONSES.

No problem / not applicable	0	High collateral requirements	12
Ownership regulations	1	High interest rates	13
Tax regulations and/or high taxes	2	Insufficient demand for my products	14
Skilled labour shortage	3	Competition from imports	15
Labour regulations	4	Crime and theft	16
Obtaining land and buildings	5	Official corruption	17
Foreign currency regulations	6	Regulations for starting a new business, new operations or expansion	18
Lack of business support services	7	Bureaucratic burden	19
Inadequate supply of infrastructure	8	Other (specify):	20
Utility prices	9	Other (specify):	21
Inadequate access to credit	10	Other (specify): _____	22
Import regime	11		

38. How would you generally rate the efficiency of government in delivering services (e.g. public utilities, public transportation, security, education and health etc.). Would you rate it as (read 1-6)?

1	Very inefficient	4	Somewhat efficient
2	Inefficient	5	Efficient

3	Somewhat inefficient
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6	Very efficient
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39. "In general, government officials' interpretations of regulations affecting my establishment are consistent and predictable." To what extent do you agree with this statement? Do you (read 1-6)?

1	Fully disagree
2	Disagree in most cases
3	Tend to disagree

4	Tend to agree
5	Agree in most cases
6	Fully agree

40a. If you **import**, what was the average and the longest number of days in the last year that it took from the time your goods arrived in their point of entry (e.g. port, airport) until the time you could claim them from customs?

	days on average	N/A
	days was the longest time in the last year	(we don't import)

40b. If you **export**, what was the average and the longest number of days in the last year that it took from the time your goods arrived in their point of exit (e.g., port, airport) until the time they clear customs?

	days on average	N/A
	days was the longest time in the last year	(we don't export)

41. If you could change the number of regular full-time workers you currently employ without any restrictions (i.e. without seeking permission, making severance payments etc.), what would be your optimal level of employment as a percent of your existing workforce?

(e.g. 90% implies you would reduce your workforce by 10%, 110% means you want to expand by 10%)

%

42a. In a typical month, what percentage of senior management's time is spent in dealing with requirements imposed by government regulations [e.g. taxes, customs, labour regulations, licensing and registration] including dealings with officials, completing forms, etc.?

%

42b. What was this number three years ago?

%

43. We've heard that establishments are sometimes required to make gifts or informal payments to public officials to "get things done" with regard to customs, taxes, licenses, regulations, services etc. Does this apply in Lesotho? If so and on average, what percent of annual sales value would such expenses cost a typical firm like yours?

Yes	%
No	

44. Based on the experience of your establishment over the **last two years**, what is the actual delay experienced (from the day you applied to the day you received the service or approval) and was a gift or informal payment asked for or expected to obtain each of the following?

	a. Actual delay / wait (days)			b. Gift / payment expected?		c. If yes, value?
		or	N / A	Yes	No	
1. A mainline telephone connection		or	-777	1	2	M
2. An electrical connection		or	-777	1	2	M
3. A water connection		or	-777	1	2	M
4. A construction permit		or	-777	1	2	M
5. An import license		or	-777	1	2	M
6. Operating license		or	-777	1	2	M

45. Recognising the difficulties many enterprises face in fully complying with taxes and regulations, what percentage of total sales would you estimate the typical establishment in your area of activity reports for tax purposes?

%

46. On average, how many days last year were spent in inspections and mandatory meetings with officials of each of the following agencies in the context of regulation of your business? What were the costs associated with these interactions?

	a. Total days spent in inspections, required meetings with officials	b. % by local authorities	c. Total Cost of Fines or seized goods	d. Was gift or informal payment ever expected / requested?		e. If yes, value? (Maloti)
				Yes	No	
1. Tax Inspectorate						M
2. Labour and Social Security						M
3. Fire and Building Safety						M
4. Sanitation/Epidemiology						M
5. Municipal Police						M
6. Environmental						M
7. TOTAL , all agencies						M

47. When establishments in your industry do business with the government, how much of the contract value is typically expected in gifts or informal payments to secure the contract?

%

Think about national laws and regulations enacted in the last two years that have a substantial impact on your business:

48. Did your firm seek to lobby government or otherwise influence the content of laws or regulations affecting it?

Yes	1
No	2

49. In many countries, firms are said to give unofficial, private payments or other benefits to public officials to gain advantages in the drafting of laws, decrees, regulations, and other binding government decisions. To what extent have the following practices had a direct impact on your business?

**(0 = No impact 1 = Minor influence 2 = Moderate influence 3 = Major influence 4 = Decisive influence
NA= Not Applicable, DK=Don't know)**

	Degree of influence					N / A	D / K
	No impact	Minor influence	Moderate influence	Major influence	Decisive influence		
a. Private payments or other benefits to Parliamentarians to affect their votes	0	1	2	3	4	-777	-666
b. Private payments or other benefits to Government officials to affect the content of government decrees	0	1	2	3	4	-777	-666
c. Private payments or other benefits to judges to affect the decisions of court cases	0	1	2	3	4	-777	-666
d. Illegal contributions to political parties and/or election campaigns to affect the decisions of elected officials	0	1	2	3	4	-777	-666

7. CONFLICT RESOLUTION / LEGAL ENVIRONMENT

50. "I am confident that the judicial system will enforce my contractual and property rights in business disputes." To what degree do you agree with this statement? Do you (read 1-6)?

1	Fully disagree	4	Tend to agree
2	Disagree in most cases	5	Agree in most cases
3	Tend to disagree	6	Fully agree

51a. What percent of your establishment's sales are pre-paid?

 %

51b. What percent of your establishment's sales are sold on credit (i.e. full payment is not due at the time of delivery)?

 %

51c. What percent of your sales to private customers involve overdue payments?

 %

51d. What percent of your sales to government agencies or state-owned enterprises involve overdue payments?

 %

51e. How long does it typically take to resolve an overdue payment?

 weeks

51f. Over the last 2 years, what percent of your establishment's disputes over payments were resolved by court action?

 %

51g. On average, how many weeks did those court cases take to resolve?

 weeks

8. CRIME

52. Please estimate your establishment's costs (as a percent of its total sales) of providing Security (equipment, personnel, or professional security service) in 2002:

 %

53a. Please estimate the losses (as a percent of total sales) of theft, robbery, vandalism or arson against your establishment in the last year?

 M

53b. What share of the incidents did you report to the police?

 %

53c. Of these reported incidents, what share were solved (the perpetrator was caught, etc.)?

 %

53d. What percentage of the loss was from employee theft?

 %

9. CAPACITY, INNOVATION, LEARNING

54a. What was this establishment's average capacity utilization over the last year? (Capacity utilization is the amount of output actually produced relative to the maximum amount that could be produced with your existing machinery and equipment and regular shifts.)

%

54b. How many shifts does your establishment usually operate?

55. Approximately what share of net profits was re-invested in your establishment last year (that is, not distributed to owners or shareholders)?

% (-222 = No profit)

56a. How many products does your establishment produce?

56b. How many new products (i.e. those that involve a significant change in the production process) has your establishment introduced in the last three years?

57. Does your establishment use technology licensed from a foreign-owned company?

Yes	1
No	2

58. Right now, how many months ahead has the management of your enterprise planned its activities with regard to:

a. Product mix and target markets	<input type="text"/>	months
b. Human resources	<input type="text"/>	months
c. Investments	<input type="text"/>	months

59. Thinking of your main product line or main line of services and comparing your production process with that of your closest competitor, which of the following best summarizes your position: **(select one)**

1. My firm's technology is less advanced than that of its main competitor	1
2. My firm's technology is about the same as that of its main competitor	2
3. My firm's technology is more advanced than that of its main competitor	3

60. Has your firm received ISO (e.g. 9000/1/2 [quality management] or 14000 [environmental management] certification)?

Yes	1
No	2

61. Has your company undertaken any of the following initiatives in the last three years?

	Undertaken	
	Yes	No
1. Developed a major new product line	1	2
2. Upgraded an existing product line	1	2
3. Introduced new technology that has substantially changed the way that the main product is produced	1	2
4. Discontinued at least one product (not production) line	1	2
5. Opened of new plant	1	2
6. Closed at least one existing plant or outlet	1	2
7. Agreed a new joint venture with foreign partner	1	2
8. Obtained a new licensing agreement	1	2
9. Outsourced a major production activity that was previously conducted in-house	1	2

10. Brought in-house of a major production activity that was previously outsourced	1	2
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62. Over the last two years, what were the leading ways in which your establishment acquired technological innovations? Please identify which of the following is (read 1 through 12):

i. the most important? ii. the second most important? iii. the third most important?

Embodied in new machinery or equipment	1	Developed in cooperation with client firms	7
By hiring key personnel	2	Developed with equipment or machinery supplier	8
Licensing or turnkey operations from international sources	3	From a business or industry association	9
Licensing or turnkey operations from domestic sources	4	Trade Fairs and/or Study Tours	10
Developed or adapted within the establishment locally	5	Consultants	11
Transferred from parent company	6	From universities, public institutions	12

63a. Which of the following is the most important influence on your establishment to reduce the production costs of existing products or services? Pressure from:

domestic competitors	1	shareholders	4
foreign competitors	2	creditors	5
customers	3	government or government agencies	6

63b. Which of the following is the most important influence on your establishment to develop new products or services and markets? Pressure from:

domestic competitors	1	shareholders	4
foreign competitors	2	creditors	5
customers	3	government or government agencies	6

10. LABOUR RELATIONS

64. The following table refers only to **permanent** workers of your plant:

	a. Total	b. Management	c. Professionals	d. Skilled Production Workers	e. Unskilled Production Workers	f. Non-production workers
1. Ave. number of workers during fiscal year 2000						
2. Ave. number of workers during fiscal year 2001						
3. Ave. number of workers during fiscal year 2002						
4. of which: % female						
5. Ave. wage (Maloti)						
6. Cost of taxes on labour						
7. Total wages (Maloti)						
8. Total compensation* (Maloti)						

*Wages and all benefits, including food, transport, social security (i.e. pensions, medical insurance, unemployment insurance) etc.

65. The following table refers only to **temporary** workers of your plant:

	FY 2002	FY 2001	FY 2000
a. Average number of temporary workers employed:			
b. Of which, average number of female workers			
c. Average length of employment for each worker	(months)	(months)	(months)
d. Average wage of temporary workers (Maloti)			
e. Total compensation of all temporary workers (wages and benefits) (Maloti)			

66. What percent of your permanent management, professional and skilled production workers are foreign nationals?

%

67a. In 2002, how many new employees did your plant hire?

	(number)
--	----------

67b. In 2002, how many employees from your plant:

1. were dismissed or laid off?		(number)
2. left due to sickness or died?		(number)
3. left for other reasons?		(number)

68a. Within the last two years, how much time did it take to fill your most recent vacancy through external recruitment for a:

1. skilled production worker or technician?		weeks	N / A
2. unskilled production/service worker?		weeks	N / A

68b. On average, how long does it take to obtain permission from the government to hire an expatriate?

	days
--	------

68c. On average, how much does it cost to obtain an expatriate work permit or visa?

M

68d. Does your firm conduct this procedure itself or do you hire an agent to obtain expatriate permits?

Hire an agent	1
Does it itself	2

69a. Do you offer formal (beyond "on the job") training to your permanent employees?

Yes	1	→ ASK Q69b to Q69e.
No	2	→ ASK Q69f.

69b. **IF YES:** What percentage of your total permanent employees received formal training in 2002?

Skilled	Unskilled
%	%

69c. **IF YES:** What was the average number of weeks of training for each employee (in weeks)?

Skilled	Unskilled

69d. **IF YES:** What are the preferred means of formal training in your firm?

	Yes	No
In house training by your own staff		
In-house training provided by external trainers		
External training provided by institutions		
Other, please specify:		

69e. **IF YES:** How much did your firm spend on training, as a % of payroll?

%

69f. **IF NO:** If no formal training was undertaken, what were the constraints to formal training?

	Yes	No
a. Cannot define/prioritise training needs	1	2
b. Lack of training institutions for external needs	1	2
c. Lack of training by chambers of industry, business associations for external training	1	2
d. Cannot identify competent trainers for internal training	1	2
e. Cannot afford formal internal or external training	1	2
f. Lack of government incentives for training	1	2
g. Staff are uninterested in learning new skills	1	2
h. Too risky – trained staff may leave	1	2
i. Too risky – unsure of continuing demand for new skills	1	2
j. No need – staff can train on the job	1	2
k. No need – can hire staff from other firms	1	2

70. Would you be willing to participate in an industry-led and managed training scheme?

Yes	1	If not, why:
No	2	

71. Do you support the idea of a levy to finance training schemes?

Yes	1	If not, why:
No	2	

72. What percent of your workforce is unionised?

%

73. How many days of production last year did you lose due to:

a. strikes or other labour disputes?		days
b. civil unrest?		days
c. employee absenteeism due to illness, death, funerals?		days

74a. What percent of the workforce at your establishment have the following education levels?

a. Less than 6 years ("some elementary")	%
b. 6-9 years	%
c. 10-12 years	%
d. More than 12 years (some university or higher)	%
	100 %

74b. Of those who did not complete primary school (6 years), what percent is female?

%

75. What is the highest level of education of the top manager?

1	Did not complete secondary school	4	Some university training
2	Secondary School	5	Graduate degree (BA, BSc etc.)
3	Vocational Training	6	Post graduate degree (Ph D, Masters)

76. What percent of the senior management is male?

%

77. How many years of experience working in this sector did the top manager have before running this establishment?

	Years
--	-------

78a. Of these, how many years were with a domestic firm?

	Years
--	-------

78b. Of these, how many years were with a foreign firm?

	Years
--	-------

78c. Did any of these prior firms export?

Yes	1
No	2

79. Does your firm have a separate human resource (personnel) department?

Yes	1
No	2

If yes, how many employees work in the HR office? _____

80. Does your establishment offer performance related bonuses or incentives?

Yes	1
No	2

If yes, how much did these cost your establishment in 2002, as a %age of payroll? _____%

11. SECTION II: PRODUCTIVITY

81. Please provide the following information on your establishment's production, sales and expenses.

	Value in thousands of Maloti		
	2002	2001	2000
a. Total Sales			
b. Total Market Value of Production*			
c. Total Purchases of raw materials (excluding fuel)			
Consumption of energy :			
d. Electricity			
e. Fuels			
f. Other			
g. % of energy costs to run generator			
Manpower costs:			
h. Wages and salaries			
i. Allowances, bonuses and other benefits			
j. Interest charges and financial fees			
k. Other costs (i.e.: overhead expenses, selling and general administration expenses, design dept., etc.)			

* Market Value of Production = total number of units produced x unit sales price

82. What was your establishment's sales revenue in thousands of Maloti five years ago:

M

83. How much did your establishment spend on additional machinery, equipment, vehicles, land, buildings?

	2002		2001		2000	
	amount ('000 M)	of which % imported	amount ('000 M)	of which % imported	amount ('000 M)	of which % imported
a. New machinery and equipment		%		%		%
b. Second hand machinery & equipment		%		%		%
c. Land, buildings, improvement in leasehold						
d. Vehicles						

84a. Of this, was any of it spent on creating a new establishment?

Yes	1	→ ASK Q84b.
No	2	→ GO TO Q85.

84b. **If yes:** How much in fiscal year 2002?

M

85. Please give the value (in thousands of Maloti) of any equipment or property your establishment sold.

	2002	2001	2000
a. Machinery and equipment.....			
b. Land and buildings or leasehold.....			
c. Vehicles.....			

86. How much did the following cost **your establishment** in thousands of Maloti during the fiscal year of ...?

	2002	2001	2000
a. Rent for machinery and equipment (if owned, please enter value of depreciation)			
b. Rent for land or buildings (if owned, please enter value of depreciation)			
c. Rent (lease) of vehicles.....			
d. Royalty or license fees.....			

87. How much did your establishment spend on design or R&D in 2002? [*Spending includes wages and salaries of R&D personnel, such as scientists and engineers; materials, education costs, and subcontracting costs.*]

M (thousand Maloti)

88. Please provide information on the following balance sheet items for your establishment:

	Value in thousand Maloti as of end of the fiscal year of		
	2002	2001	2000
a. Total Assets			
Property, Plant and Equipment:			
Gross Value (Acquisition cost)			
b. Machinery and equipment (including transport)			
c. Land, buildings and leasehold improvement			
Net book value			
d. Machinery and equipment (including transport)			
e. Land, buildings and leasehold improvement			
Current Assets:			
Inventories and stocks			
f. Finished goods			
g. Work-in-progress			
h. Raw materials excluding fuel			
i. Fuel			
j. Accounts receivable			
k. Cash on hand and in bank			
l. Other			

89. Please provide information on the structure of your establishment's liabilities:

	Value in thousands of Maloti as of end of the fiscal year of		
	2002	2001	2000
a. Total Liabilities			
b. Long-term liabilities (i.e. more than 1 year)			
c. Short-term liabilities (i.e. one year or less)			
d. Of which: payables			
e. Equity – Share Capital			
f. Retained Earnings (Reserves and Surplus)			

(Note: Total Assets must equal Total Liabilities)

12. HIV / AIDS

90a. Has the HIV/AIDS epidemic adversely impacted on your firm?

Yes	1	→ ASK Q90b.
No	2	→ ASK Q91.

90b. Indicate how the HIV/AIDS epidemic has adversely impacted on your firm? Express impact as a %.

Circle appropriate code

Impact	0%	0-2%	2-5%	5-10%	10-20%	>20%
Lower productivity	0	1	2	3	4	5
Increased labour turnover	0	1	2	3	4	5
Increased absenteeism	0	1	2	3	4	5
Increased medical costs	0	1	2	3	4	5
Other, please specify:	0	1	2	3	4	5

91a. Has your firm taken active steps to manage the impact of the HIV/AIDS epidemic on your firm?

Yes	1	→ ASK Q90b.
No	2	→ CLOSE INTERVIEW

91b. **IF YES:** Indicate the degree of success with your company's prevention programme.

CIRCLE APPROPRIATE CODE.

No success	Very little success	Moderate success	Good results	Excellent results
0	1	2	3	4

THANK YOU FOR YOUR TIME.

INTERVIEWER RECORD: Time interview ended HH:MM

Interviewer/Supervisor pledge: I hereby certify that this interview has been completed in full with the respondent and according to the instructions I received from Sechaba Consultants. Furthermore, this interview has been thoroughly checked.

Interviewer:		Supervisor:	Date:
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