



Innovation: BDC *ViewPoints* study

June 2011



Canada

Executive summary:

What to remember from this survey

Entrepreneurs acknowledge the importance of innovation

Their main reasons for innovating are business survival, differentiation in the market and business growth. Innovation tends to translate into development or improvement of services, products, markets or processes. Furthermore, most entrepreneurs would agree that information and communications technologies (ICT) can help them innovate.

When it comes to innovating, collaboration is key

Customers, employees, suppliers and distributors are key resources to stimulate innovation. Moreover, collaborating with academia can also prove quite fruitful for many businesses.

The main obstacles to innovation are a lack of time and money

Finding traditional financing for innovation projects is quite difficult, according to many entrepreneurs. Respondents recommend carefully crafting and planning an innovation project to increase the likelihood of securing the necessary financing and succeeding with an innovation project.

Executive summary

Importance of innovation

- > **96% of entrepreneurs** consider innovation to be **important**.
- > **77%** said that ICT are important in their ability to innovate.

How innovative...

- > When asked **how innovative** they thought their company was, entrepreneurs gave themselves an average score of **6.8 out of 10**.
- > From the latter question, we determined that **41%** of entrepreneurs think they are part of a **highly innovative** company (score of 8 or more) and **47%** think they are in a **moderately innovative** company (5 to 7).
- > Based on a series of statements, we determined that **one in five businesses** are **highly innovative**, while three out of five companies exhibit behaviours consistent with a moderately innovative company.
- > In sum, **entrepreneurs may be over-estimating** their innovation levels.

Innovative focus

- > Generally speaking, innovation efforts are focused on **improving or developing** new services, new products, new markets or new processes.
- > The **more innovative** a company, the more likely the following statements apply:
 - “Our customers and competitors consider us creative.”
 - “We regularly develop or introduce new products or services.”
 - “We regularly adopt new processes.”
 - “We constantly look for new ways to diversify our markets (customers).”
 - “We adapt our processes to meet our customers’ requirements.”
- > The **main incentives** to innovate are to ensure **business survival**, to **differentiate** the business in the marketplace and to help the company’s **growth**.
- > Customers, employees, suppliers and distributors are perceived to be excellent **sources** to stimulate innovation and funnel ideas.
- > **Lack of money and time** remain the main obstacles to innovation.

Government innovation assistance

- > **One third** of entrepreneurs have **applied** for government innovation assistance.
- > **BDC**, the **SR&ED credit program** and the **National Research Council of Canada** are the primary organizations entrepreneurs approached for aid.
- > **Eligibility concerns** are the main reasons entrepreneurs have **never asked** for government innovation assistance.

Collaborating with academia

- > **One in five** entrepreneurs has worked with colleges or universities on innovation-related projects. **Two thirds of them** said the experience was **beneficial**.
- > For the most part, it gave them **access to low-cost expertise**, new ways of seeing things, and useful recommendations.

Context and methodology

- > The BDC Market Intelligence team had a mandate to research innovation. The team conducted a similar study in the summer of 2010 and, in certain cases, used results from the latter to highlight statistical differences between the two studies.
- > The following issues are addressed in the report:
 - importance of innovation and information and communications technologies (ICT)
 - innovation outputs
 - positioning in regard to innovation
 - motivations behind innovation
 - ways to stimulate innovation
 - obstacles to innovation
 - benefits of working with academia
 - aiding organizations
- > The Appendix presents entrepreneurs' answers to the survey questions, by **region** and **business size**.
- > In exchange for their participation, respondents were offered the opportunity to receive a **personalized report** that compares their level of innovation to that of other Canadian businesses.
- > BDC e-mailed 2,064 invitations to members of the BDC *ViewPoints* entrepreneurial panel as at June 14, 2011. The survey was available online between June 14 and 24, 2011. A total of **416 entrepreneurs completed the survey**, for a completion rate of 20%.
- > **Entrepreneurial results were weighted according to region and company size** to obtain results representative of the Canadian SME population. Final results were analyzed internally by the BDC Market Intelligence team.

Detailed results

Importance of innovation

Most entrepreneurs believe innovation is important and consider themselves innovative.

Importance of innovation

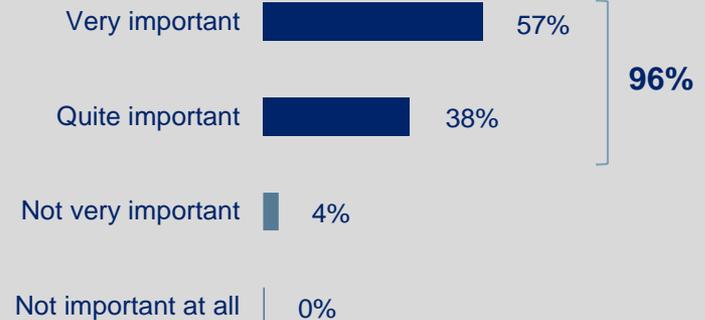
- > The vast majority of entrepreneurs (**96%**) said that innovation is important for their company.
 - In fact, nearly three out of five entrepreneurs (**57%**) consider it to be **very important**, while nearly two out of five respondents (**38%**) perceive innovation to be **quite important**.
- > The **relative importance of innovation has increased** 6 percentage points since last year, when we asked panel members the same question.

Self-evaluation

- > As a follow-up question, we asked entrepreneurs to rate their company in regard to innovation. Using an 11-point scale where 0 means “not at all innovative” and 10 means “very innovative,” two out of five entrepreneurs (**41%**) allocated a **score of 8 or more** to their business, which we have categorized as having a **high level of innovation**.
- > Nearly half of entrepreneurs (47%) believe that their company exhibits a moderate level of innovation (score of 5 to 7). Furthermore, the **average score or mean (6.8) is located in this bracket**.
- > A relatively small proportion of respondents (**13%**) said that their company has a **low level of innovation**.
 - Although not significant from a statistical point of view, this tends to be the case for a greater number of entrepreneurs in the transportation and storage sector, as well as wholesalers.

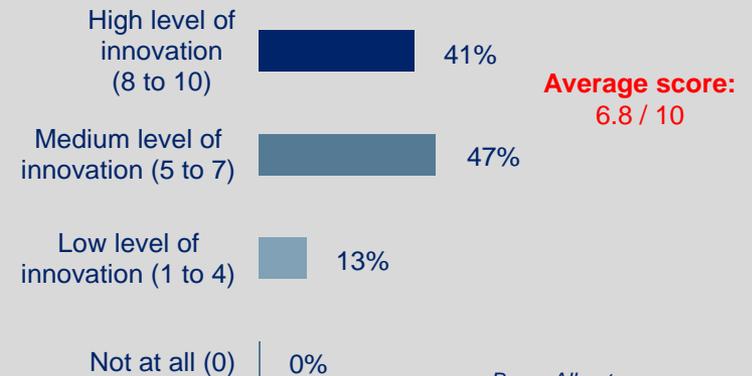
To what extent is innovation a priority for your company?
Do you consider that innovation is...

(n=416)



Base: All entrepreneurs.

Generally, how would you rate your company in regard to innovation? (n=416)



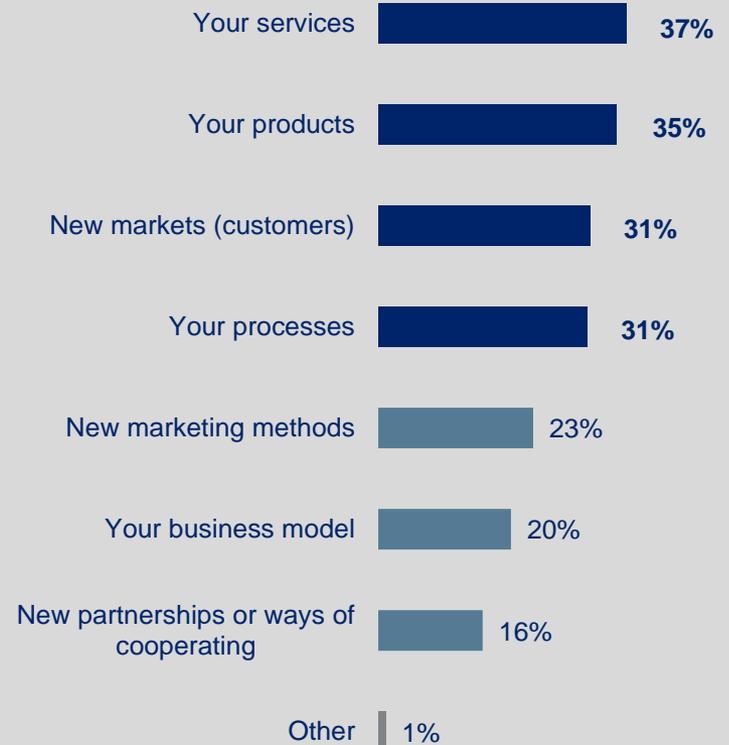
Base: All entrepreneurs.

Types of innovation

Innovation efforts tend to focus on services, products, new markets and processes.

- > Nearly two out of five entrepreneurs (37%) said that they **innovate to improve or develop their services**.
 - This is the case for a statistically greater percentage of companies offering business services (54%).
- > More than one third of entrepreneurs (35%) indicated that their innovation focuses primarily on **improving or developing their products**.
 - It is no surprise to see that manufacturers are statistically more likely, proportionally, to channel their innovation energy toward their products (57%).
- > An equal percentage of respondents said that their innovative actions are geared toward **new markets (31%)** or **processes (31%)**.
 - Processes were mentioned by a statistically greater proportion of entrepreneurs in companies with between 20 and 49 employees (44%) and those with between 5 and 19 workers (39%). This is consistent with our understanding of smaller and medium-sized business, which often focus on optimizing processes to improve their overall operation.
- > Although entrepreneurs were less likely to mention this, several focus on developing new marketing methods (23%), improving or developing their business model (20%), or creating new partnerships or ways of cooperating (16%).

Generally, when you innovate, what do you mainly want to improve or develop? Multiple answers allowed (n=416)



Base: All entrepreneurs.

Positioning in regard to innovation

A majority of entrepreneurs said that they adapt their processes to meet customer requirements, that they try to improve processes to increase the quality of their products and services, and that innovation efforts must generate productivity gains or increase market share.

- > To measure the overall level of innovation within Canadian businesses, we extracted a series of statements and asked entrepreneurs to determine the extent to which the statements apply within their organization, using an 11-point scale where 0 means “does not apply at all” and 10 means “applies completely.”
- > From the results obtained, we see that most entrepreneurs could take a more proactive stance in regard to innovation.

	Applies completely (8 to 10)	Applies somewhat (5 to 7)	Does not really apply (1 to 4)	Does not apply at all (0)	Average score
We adapt our processes to meet our customers' requirements	66%	29%	4%	1%	7.8
We are trying to improve our processes to increase the quality of our products and services	62%	31%	7%	0%	7.7
Our innovation efforts must generate productivity gains or increase our market share	60%	29%	10%	1%	7.4
We constantly look for new ways to diversify our markets (customers)	49%	39%	12%	1%	7.1
Our customers and competitors consider us creative	47%	42%	11%	0%	7.1
Our development partners (members of our business network) are as important as our customers	47%	38%	11%	4%	6.8
We regularly develop or introduce new products or services	37%	43%	19%	1%	6.3
We regularly adopt new processes	36%	47%	18%	0%	6.4
A lot of our innovation efforts go into optimizing our processes	34%	52%	13%	2%	6.4
We innovate in supply chain management (supply of products to a manufacturer, production process or distribution of finished products)	26%	32%	21%	21%	4.7

Positioning in regard to innovation (cont'd)

Innovation can be pursued in various ways, for various reasons.

> Ultimately, two thirds of entrepreneurs (66%) **adapt their processes to meet their customers' requirements**.

– Interestingly, this tends to be the case for smaller businesses (fewer than 20 employees) (67%) and larger entities (more than 50 employees) but often for different reasons. **Smaller or younger businesses** are often challenged by **cash flow** issues and must **accommodate clients** in order to stay afloat. Conversely, **larger or more mature companies** are often in a battle for **retention** and **market share**.

> Three out of five entrepreneurs (62%) said they **try to improve their processes** to increase the **quality of their products and services**.

> Overall, **60%** of entrepreneurs **innovate to generate productivity gains or increase market share**.

> Half of entrepreneurs (49%) constantly **look for new ways to diversify their markets** (customers).

> Nearly half of entrepreneurs said their customers and competitors consider them creative (47%). An equal percentage said that they attach as much importance to their development partners as they do to their customers (47%).

> Over one third of businesses regularly develop or introduce new products or services (37%).

– This ratio climbs to 56% among companies with more than 50 employees.

> The proportion of entrepreneurs who said they regularly adopt new processes is 36%.

> One third of entrepreneurs indicated that a lot of their efforts go into optimizing their processes (34%).

	Applies completely (8 to 10)	Average score
We adapt our processes to meet our customers' requirements	66%	7.8
We are trying to improve our processes to increase the quality of our products and services	62%	7.7
Our innovation efforts must generate productivity gains or increase our market share	60%	7.4
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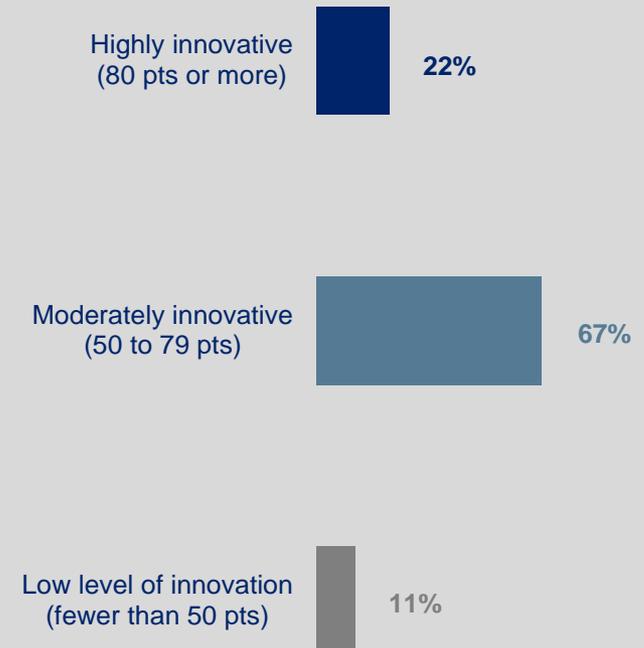
Base: All entrepreneurs (n=416).

Innovation spectrum

Most Canadian businesses can be viewed as moderately innovative.

- > The 10 statements pertaining to innovation were used to construct the **innovation spectrum**, whereby highly innovative companies obtained a score of 80 points or more. Companies exhibiting a moderate level of innovation obtained a score of 50 to 79 points and, finally, businesses with a low level of innovation had a score of fewer than 50 points.
- > Overall, **22% of entrepreneurs** work within an organization considered **highly innovative**.
- > The majority of entrepreneurs (**67%**) operate companies with a **moderate level of innovation**.
- > One in 10 entrepreneurs (**11%**) works in an environment with a **low level of innovation**.
- > More importantly, what we see is that **the more innovative the business, the more likely that the following statements apply:**
 - “Our customers and competitors consider us creative.”
 - “We regularly develop or introduce new products or services.”
 - “We regularly adopt new processes.”
 - “We constantly look for new ways to diversify our markets (customers).”
 - “We adapt our processes to meet our customers’ requirements.”
- > Therefore, companies that wish to become more innovative overall should **focus** on the above-mentioned aspects.

COMPILED SCORES BASED ON 10 INNOVATION STATEMENTS n=416

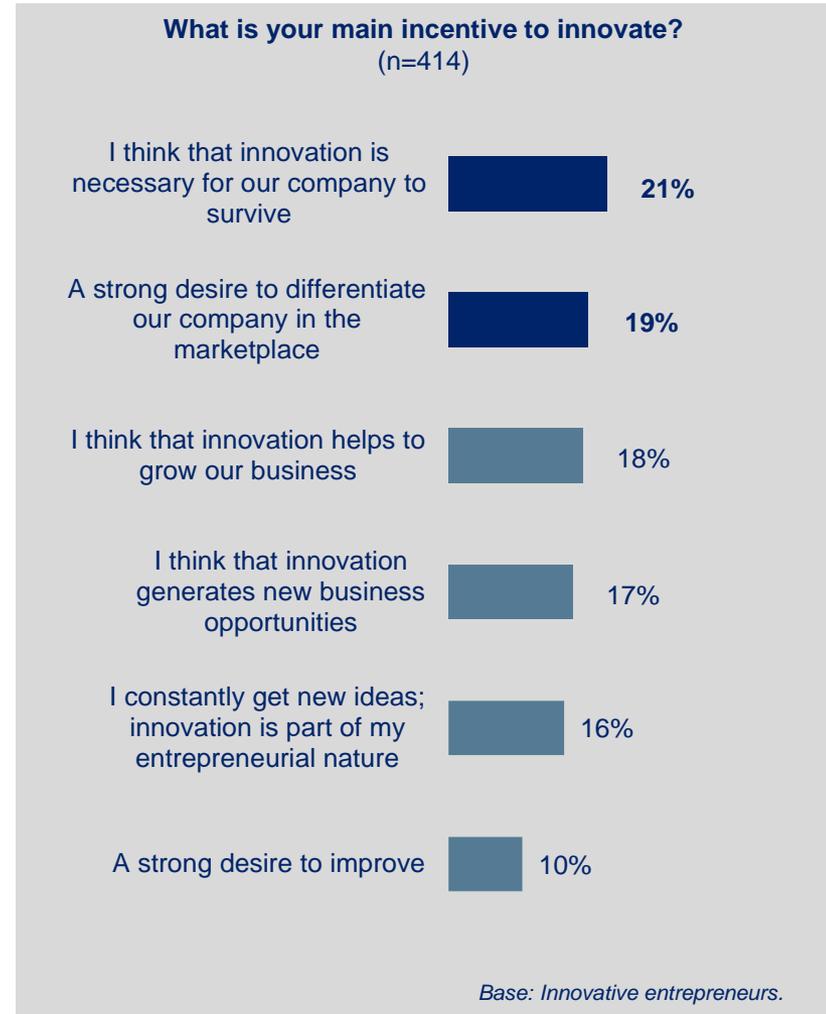


Base: All entrepreneurs.

Main incentives to innovate

Entrepreneurs said that their main reason for innovating is that it is necessary for the company to survive.

- > The **company's survival is at the root of many entrepreneurs' decision to innovate** (21%).
- > One in five entrepreneurs (19%) said that their main motivation for innovating is a **strong desire to differentiate their company in the marketplace.**
- > One fifth of entrepreneurs (18%) view innovation as a strategy to **help the growth of their business.**
- > Several business leaders (17%) perceive innovation as a means **to generate new business opportunities.**
- > For some entrepreneurs (16%), innovation is part of their entrepreneurial nature and they said that **they constantly get new ideas.**
- > Lastly, one in 10 respondents (10%) said that they innovate because of a **strong desire to improve.**
- > To maintain a competitive advantage and prosper, Canadian businesses must continuously strive to innovate. Maintaining the status quo will only give more dynamic competitors the opportunity to gain market share.



Means of stimulating innovation

Asking for and listening to ideas from customers, employees and suppliers are the main catalysts of innovation; being receptive to one's environment is key when it comes to innovation.

- > Three quarters of entrepreneurs (74%) said that they **ask for and listen to ideas from their customers**. This not only makes sense; it's also good business practice.
- > Nearly two thirds of entrepreneurs (64%) **solicit and gather ideas from their employees**. Employees are often on the first line, whether it be with clients or simply in their daily operations (processes and procedures). Tapping into this wealth of information can be invaluable.
- > Half of those surveyed (48%) said that **suppliers and distributors also contribute to innovation** within the company.
- > Two out of five businesses (38%) have a more strategic approach and **do in-house planning exercises**. Having a structured approach enables companies to track their efforts and plan accordingly.
- > More than one third of entrepreneurs (37%) said that they **regularly participate in fairs, shows and conferences** that generate new ideas.
- > One in 10 respondents has **project leaders** who are **responsible for managing product development** (9%). An equal percentage **created a structure or processes to help identify innovation projects** (9%).

- In both cases, these strategies are more common among larger companies. In fact, 18% of entrepreneurs who employ between 20 and 49 workers have designated project leaders responsible for product development. This ratio climbs to 31% among businesses with 50 or more employees.
- Companies with 50 employees or more are also more likely than any other to have a structure in place to identify innovation projects (26%).

Some panelists are wondering how to initiate and encourage innovation in their companies. What ways do you use in your company? (main answers) (n=414)



Base: Innovative entrepreneurs.

Means of stimulating innovation (cont'd)

Larger companies with more resources are more likely than others to have a structured approach to innovation.

- > Fewer than one in 10 entrepreneurs (7%) said that they have created a **working group** that selects which innovation projects will be carried out.
- > Respondents also mentioned several **other measures** they use to initiate and encourage innovation, including the following:
 - doing constant research (competitors, publications, webinars, etc.)
 - visualizing better ways of doing things
 - using business coaching
 - analyzing all aspects of the business (processes and procedures)

Some panelists are wondering how to initiate and encourage innovation in their companies. What ways do you use in your company? (other answers) (n=414)



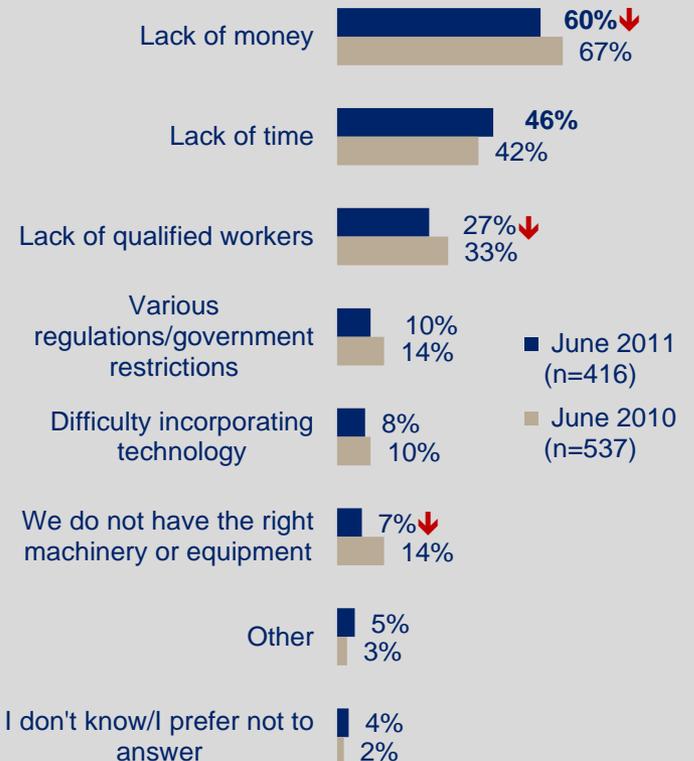
Base: Innovative entrepreneurs.

Innovation obstacles

Entrepreneurs reiterated the fact that the main obstacles hindering their ability to innovate are lack of money and time.

- > It is unanimous across the board: **lack of money** (60%) is the **main obstacle** limiting Canadian businesses' ability to innovate. However, the proportion of respondents who said that money was an obstacle has decreased significantly since June 2010.
- > Nearly half of entrepreneurs (**46%**) **consider time to be a major obstacle**. This represents a slight increase since the last time we asked the question.
- > Another important factor, which is quite difficult to remediate, is the **lack of qualified workers (27%)**. In June 2010, one third of entrepreneurs (33%) said that a lack of qualified workers was hindering their ability to innovate.
- > All other obstacles were selected by fewer than one in 10 respondents: various regulations and government restrictions (10%), difficulty incorporating technology (8%), and not having the right machinery or equipment (7%), which is less of an obstacle than it was a year ago.
- > In sum, it would seem that the importance of the various obstacles hindering innovation has **decreased** between June 2010 and June 2011.

What are the main obstacles to your ability to innovate? (multiple answers allowed)



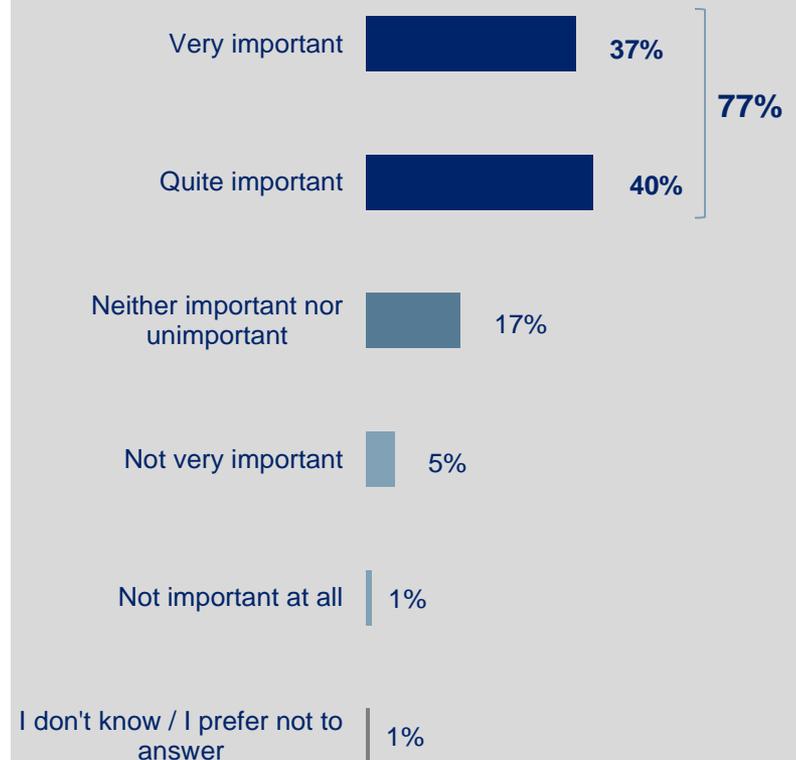
Base: All entrepreneurs.

Importance of ICT when it comes to innovating

Three quarters of entrepreneurs believe that information and communications technologies (ICT) are important to being able to innovate.

- > The vast majority of entrepreneurs (77%) said that information and communications technologies (ICT) are important in their ability to innovate.
- > In fact, ICT are **very important for 37% of entrepreneurs** and **quite important for 40% of them.**
 - Nearly half of entrepreneurs (47%) in companies with between five and 19 employees said that ICT are very important in their ability to innovate.
 - Furthermore, over half of entrepreneurs in larger entities (50 employees or more) (55%) consider ICT to be quite important.
- > *These results are similar to those obtained a year ago when we asked the same question to panel members. It would seem that the pervasiveness of innovation and ICT in business literature has had an impact on entrepreneurs' perception of ICT and their relative importance.*

How important are information and communications technologies (ICT) in your ability to innovate?



Base: Innovative entrepreneurs.

Financing innovation

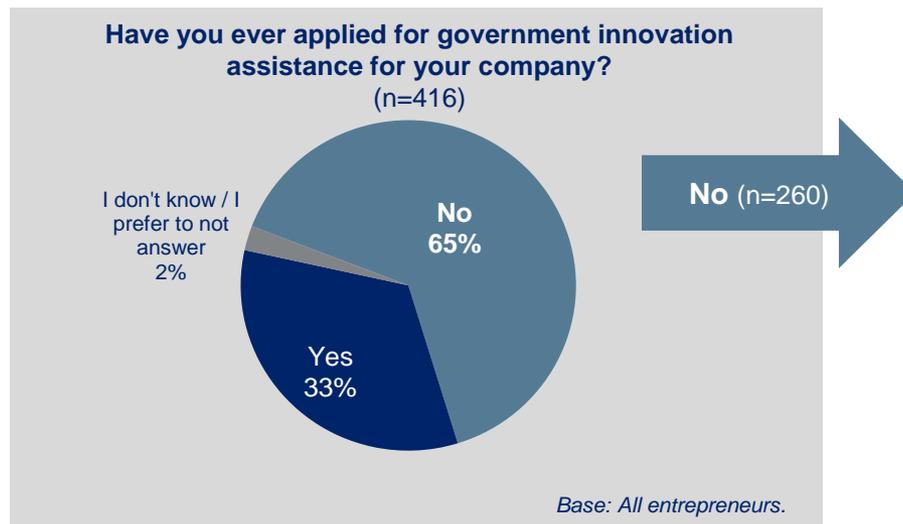
Entrepreneurs said that it is quite difficult to finance innovation projects and, therefore, entrepreneurs seeking external financing in order to move forward on innovation projects should plan accordingly.

- > Finding traditional financing for innovation projects is **quite difficult**, according to many entrepreneurs. We, therefore, asked panelists to highlight some key **pieces of advice** that could help entrepreneurs find the capital required to invest in innovation projects.
 - ① *Entrepreneurs highlighted the fact that **the overall health of the business must be favourable** in order to secure the necessary financing. Beyond monetary considerations, it is also important to have a strong human resources pool to capitalize on innovation initiatives. If the overall status of the company is not necessarily favourable, capital may come at a premium.*
 - ② *Respondents said that it is important to **assess the pertinence of various members of the network** (employees, partners, suppliers and so forth) to determine whether they could participate in your innovation projects. Improvements made on one hand could benefit others. It is, therefore, a worthwhile exercise to discuss some of your ideas with key stakeholders **and get them involved**.*
 - ③ *Entrepreneurs are adamant about the **importance of doing research** and gaining a thorough understanding of the project and its outcome. This means objectively identifying opportunities internally or in the marketplace, depending on the focus of the project.*
 - ④ *Once an overall assessment has been made, respondents said that it is critical to **structure and document the project**. Creating a detailed plan with objectives, resources and timelines will increase the likelihood of finding financing and succeeding with the project.*
 - ⑤ *At this point, most entrepreneurs indicated that it is **preferable to self-finance** your innovation initiatives. Realistically speaking, this is not always possible. The good news, however, is that if the innovation project assessment and documentation are well structured and compiled, entrepreneurs can more easily present them and convince lenders of the benefits of pursuing their endeavours.*
 - ⑥ *Respondents emphasized the importance of **shopping around for financing**. Financing can come from multiple sources: internal sources, partners or key investors, financial institutions, or federal, provincial or municipal government agencies. Business leaders said that **government programs such as SR&ED can complement the overall budget** envelope but they warned other entrepreneurs not to rely on such programs to move forward with their projects.*
- > In sum, **carefully crafting and planning** your innovation project will increase the likelihood of securing the necessary *financing and succeeding with your innovation project*.

Government innovation assistance

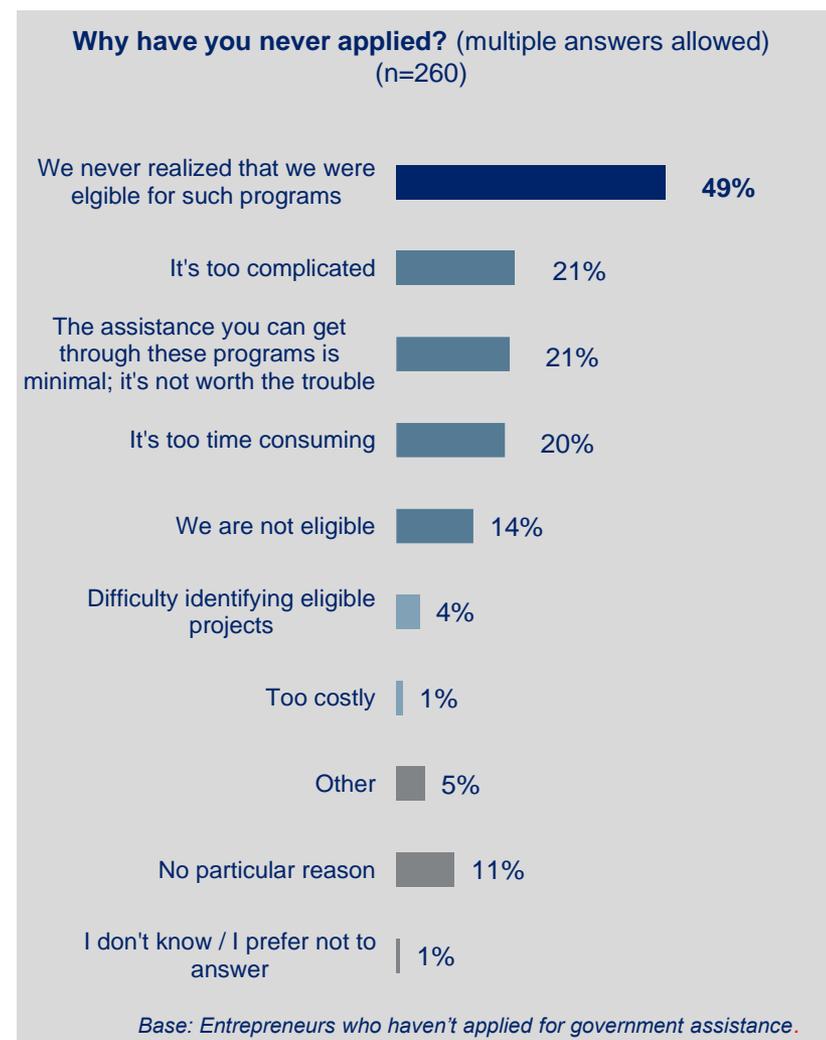
One third of entrepreneurs have applied for government innovation assistance.

> Overall, one third of entrepreneurs (33%) have applied for government innovation assistance.



> Among those who have never applied for government assistance, the main reason mentioned is that they **never realized they were eligible for such programs** (49%).

- One in five entrepreneurs believe that obtaining government assistance is too complicated (21%), not worth the trouble (21%) or too time consuming (20%).
- Other reasons cited: lack of eligibility (14%), difficulty identifying eligible projects (4%) and cost (1%).



Organizations and innovation assistance

Entrepreneurs applied to a multitude of organizations in order to obtain innovation assistance.

> **BDC** (52%), the Scientific Research and Experimental Development credit program (**SR&ED**) (46%), and the National Research Council of Canada (**NRC**) (32%) top the list of organizations entrepreneurs have approached to obtain assistance.

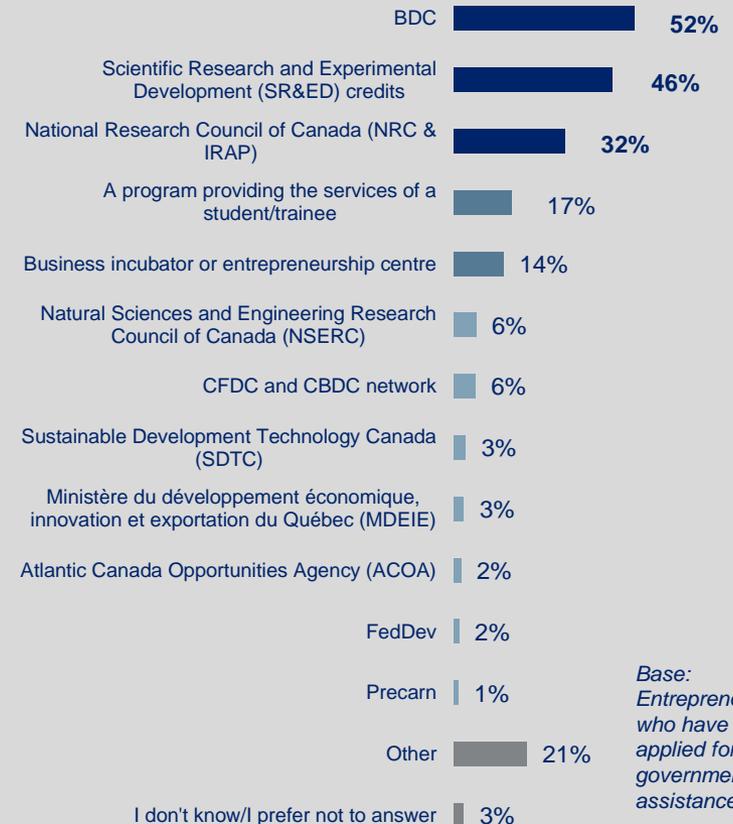
– More than three out of five companies with more than five employees have applied for the SR&ED credit program.

> Several entrepreneurs have solicited the aid of organizations providing the services of a student/trainee (17%), or have gone through a business incubator or entrepreneurship centre (14%).

> Business leaders have also applied to a few other organizations at the federal or provincial level, namely the Natural Sciences and Engineering Research Council of Canada (NSERC) (6%), Community Futures Development Corporation (CFDC) and Community Business Development Corporation (CBDC) network members (6%), Sustainable Development Technology Canada (SDTC) (3%), Ministère du développement économique, innovation et exportation du Québec (MDEIE) (3%), Atlantic Canada Opportunities Agency (ACOA) (2%), FedDev (2%) and Precarn (1%).

> Among other organizations, entrepreneurs also mentioned various smaller local organizations.

Regardless of whether you received the assistance you applied for or not, which organization(s) did you apply to for innovation assistance? (multiple answers allowed) (n=147)



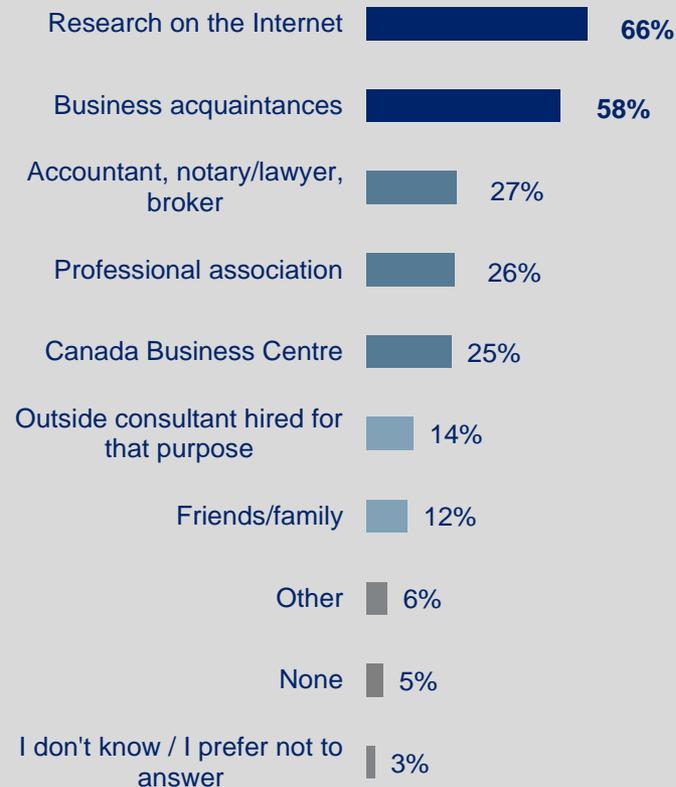
Sources of information on government assistance

Internet and business acquaintances are the main sources of information on government assistance.

- > Two thirds of entrepreneurs (66%) do or would use the Internet to obtain information on government programs related to innovation.
 - This tends to be especially true among companies with fewer than five employees (73%).
- > **Business acquaintances** (58%) also seem to play an important role in providing information to entrepreneurs.
- > One in four entrepreneurs do or would approach a **business professional**, such as an accountant, lawyer or broker (27%), a professional association (26%), or the Canada Business Centre (25%).
- > More than one in 10 respondents said that they do or would contact outside consultants for information (14%). A similar percentage have turned or would turn to friends and family (12%) to gather information on government programs related to innovation.
- > *Quick tip : To enhance the information obtained from the various sources, it is beneficial to have a structure in place to be able to act on the information gathered.*

Which sources do you or would you use to get information on government programs related to innovation?

(multiple answers allowed) (n=416)

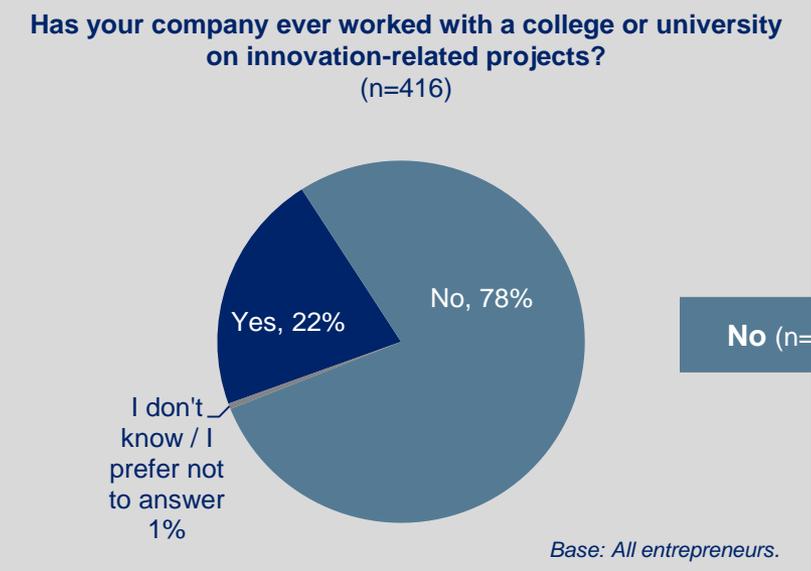


Base: All entrepreneurs.

Collaborating with academia on innovation-related projects

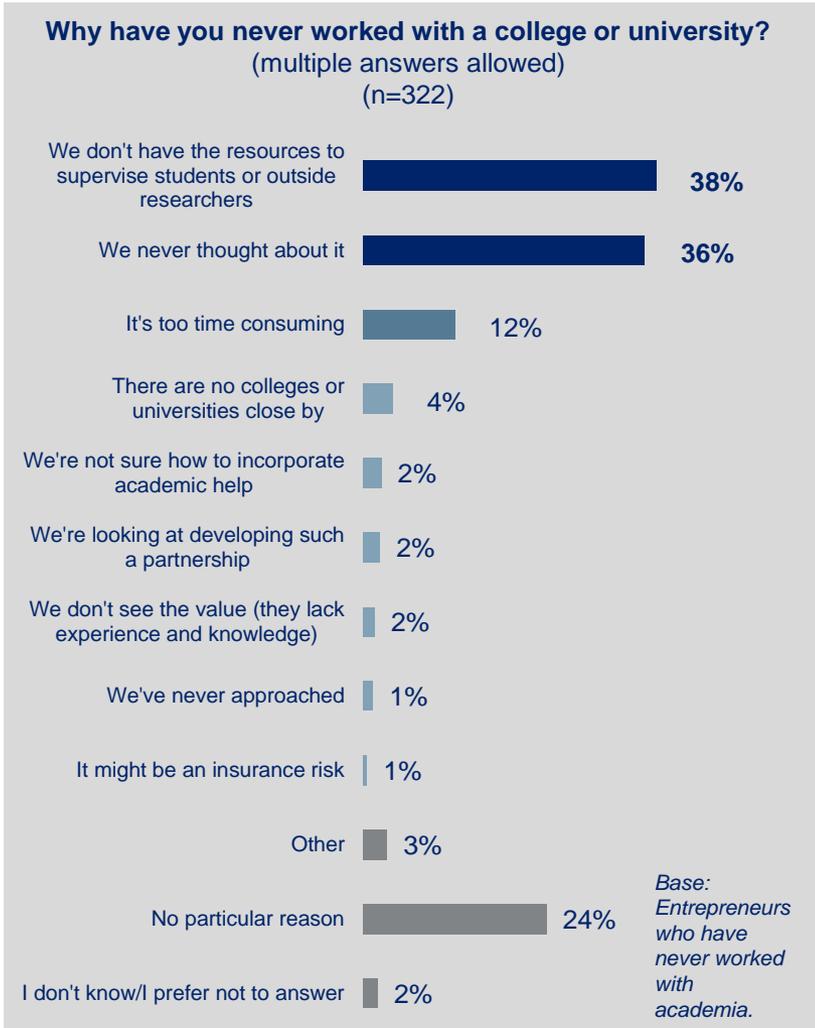
One in five entrepreneurs has worked with academia on innovation-related projects.

> The majority of entrepreneurs (78%) have never worked with members of a college or university on innovation-related projects.



> The two main reasons entrepreneurs cited for not having worked with academia on innovation-related projects are:

- not having adequate resources to supervise students or outside researchers (38%)
- never having thought about it (36%)



Outcome of collaborating with academia

For the most part, respondents who collaborated with academia believe that the experience was beneficial.

- > Overall, two thirds of entrepreneurs (65%) said that **working with academia was beneficial for their company.**

IT WAS BENEFICIAL for the following reasons.

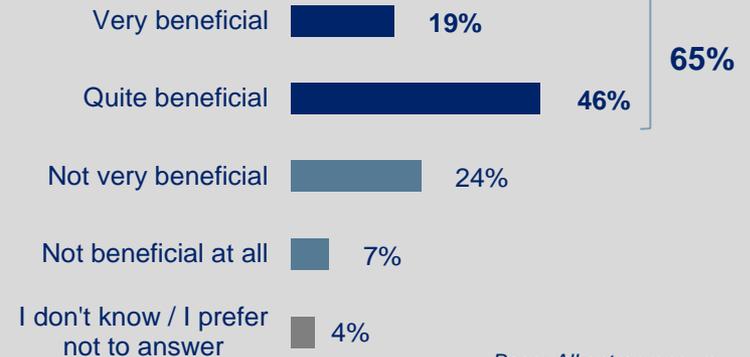
- > It gave them access to low-cost expertise they didn't have (44%).
- > It gave them new ways of seeing things (44%).
- > The recommendations given at the end of the mandate were useful (38%).
- > It gave them the resources they needed to do R&D (34%).
- > It enabled them to recruit new talent (25%).
- > It gave them the opportunity to support and encourage academic research (22%).

IT WAS NOT BENEFICIAL for the following reasons.

- > The expertise was not up to par (28%).
- > It did not offer new ways of seeing things (19%).
- > It did not give them the resources needed to do R&D (14%).
- > The recommendations given at the end of the mandate were not useful (13%).
- > It monopolized part of the team because the people involved were not experienced or autonomous enough (8%).
- > It did not enable the recruitment of new talent (3%).

Ultimately, has working with a college or university been beneficial for your company?

(n=90)



Base: All entrepreneurs who had collaborated with academia.

Innovation advice

Having a structured approach is the optimal way to capitalize on innovation.

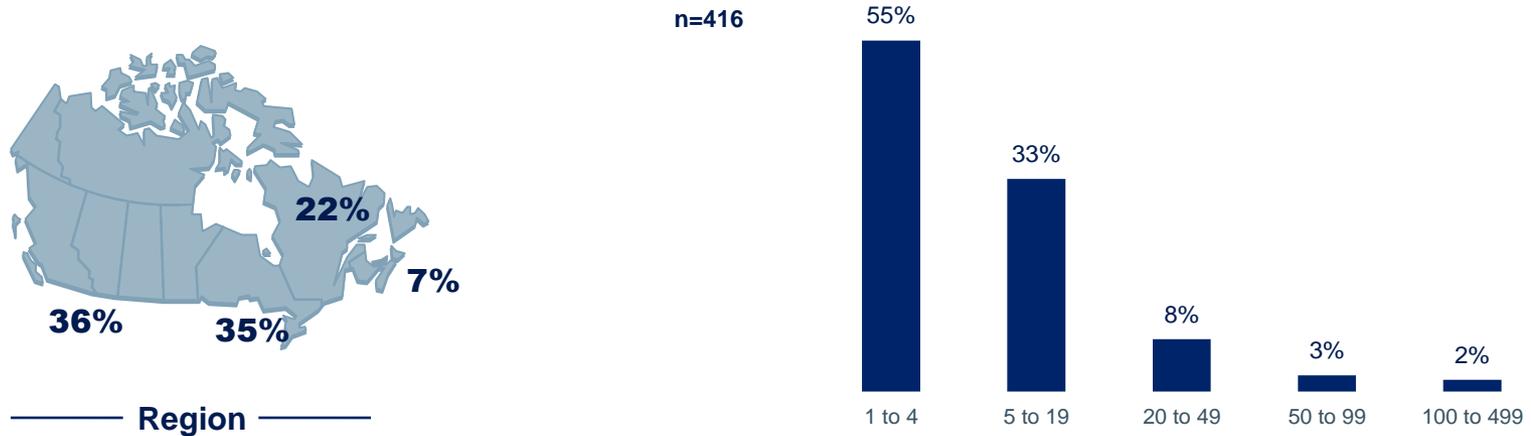
> Author Rowan Gibson offers some key advice about areas to focus on to make innovation a core competency.

- 1 **Leadership and Structure:** Making innovation an "all the time, everywhere" capability is fundamentally a leadership challenge - it's something that absolutely has to be driven from the top.
- 2 **Culture and Values:** Get advice on making innovation less of an exception and more of a daily ritual inside your organization - turning a buzzword into a way of life.
- 3 **People and Skills:** Mobilize and monetize as many minds as possible - both inside your organization and across your extended network of customers, suppliers and partners.
- 4 **Processes and Tools:** Equip your team members with practical tools, processes and mechanisms that will enable them to turn innovation into a daily reality.

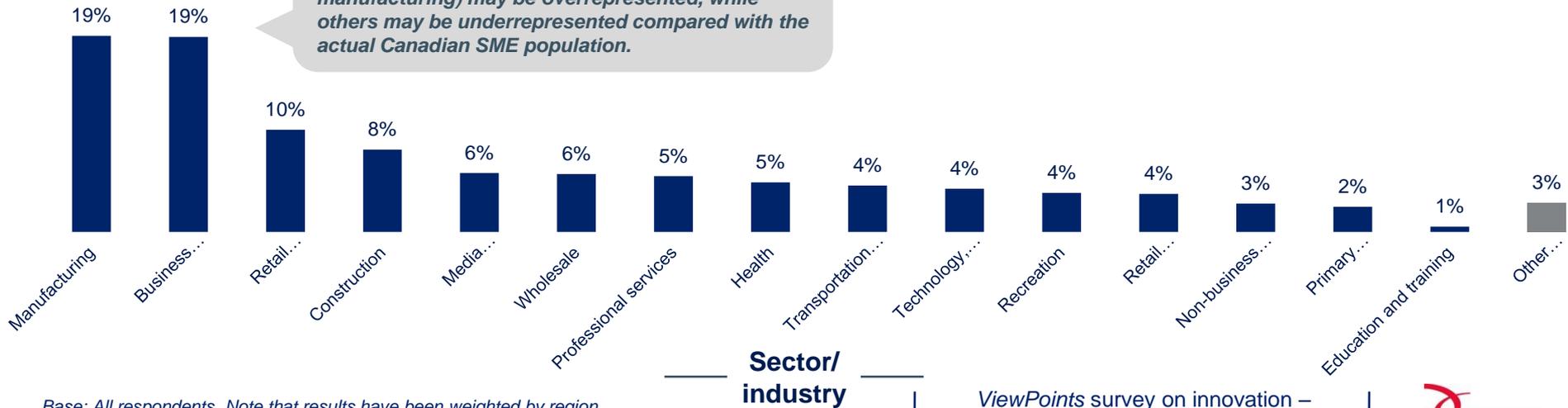
Respondent profile

Respondent profile

Entrepreneurs



Note that results were not weighted by sector of activity. For this reason, some sectors (namely, manufacturing) may be overrepresented, while others may be underrepresented compared with the actual Canadian SME population.



Base: All respondents. Note that results have been weighted by region and business size to be representative of the Canadian SME population.

Appendix

Entrepreneur results, by region and business size

Importance of innovation

To what extent is innovation a priority for your company?	Total (n=416)	Atlantic Canada (n=34)	Quebec (n=96)	Ontario (n=151)	Western Canada (n=135)
IMPORTANT	96%	86%	99%	96%	95%
Very important	57%	55%	72%	52%	54%
Quite important	38%	31%	27%	44%	41%
NOT IMPORTANT	4%	14%	1%	4%	5%
Not very important	4%	14%	1%	3%	5%
Not important at all	0%	0%	0%	1%	1%
I don't know/I prefer not to answer	0%	0%	0%	0%	0%

To what extent is innovation a priority for your company?	Total (n=416)	Less than 5 employees (n=107)	5 to 19 employees (n=181)	20 to 49 employees (n=85)	50 or more employees (n=43)
IMPORTANT	96%	97%	94%	91%	98%
Very important	57%	53%	64%	52%	69%
Quite important	38%	44%	30%	38%	29%
NOT IMPORTANT	4%	3%	6%	9%	2%
Not very important	4%	3%	5%	9%	2%
Not important at all	0%	0%	1%	0%	0%
I don't know/I prefer not to answer	0%	0%	0%	0%	0%

Base: All entrepreneurs.

Level of innovation

Generally, how would you rate your company in regard to innovation?	Total (n=416)	Atlantic Canada (n=34)	Quebec (n=96)	Ontario (n=151)	Western Canada (n=135)
High level of innovation (8 to 10)	41%	44%	36%	38%	46%
Medium level of innovation (5 to 7)	47%	47%	45%	48%	46%
Low level of innovation (1 to 4)	13%	7%	19%	15%	8%
Not at all (0)	0%	2%	0%	0%	0%
Average score	6.76	6.74	6.46	6.63	7.06

Generally, how would you rate your company in regard to innovation?	Total (n=416)	Less than 5 employees (n=107)	5 to 19 employees (n=181)	20 to 49 employees (n=85)	50 or more employees (n=43)
High level of innovation (8 to 10)	41%	37%	47%	34%	49%
Medium level of innovation (5 to 7)	47%	49%	42%	48%	47%
Low level of innovation (1 to 4)	13%	14%	11%	18%	2%
Not at all (0)	0%	0%	1%	0%	2%
Average score	6.76	6.64	6.99	6.38	7.14

Base: All entrepreneurs.

Type of innovation

Generally, when you innovate, what do you mainly want to improve or develop?	Total (n=416)	Atlantic Canada (n=34)	Quebec (n=96)	Ontario (n=151)	Western Canada (n=135)
Your services	37%	51%	35%	33%	40%
Your products	35%	26%	41%	35%	34%
New markets (customers)	31%	24%	27%	38%	30%
Your processes	31%	29%	28%	31%	34%
New marketing methods	23%	21%	27%	24%	20%
Your business model	20%	28%	28%	16%	17%
New partnerships or ways of cooperating	16%	11%	12%	15%	19%
Other	1%	0%	0%	3%	1%

Base: All entrepreneurs.

Type of innovation (cont'd)

Generally, when you innovate, what do you mainly want to improve or develop?	Total (n=416)	Less than 5 employees (n=107)	5 to 19 employees (n=181)	20 to 49 employees (n=85)	50 or more employees (n=43)
Your services	37%	38%	38%	29%	30%
Your products	35%	34%	34%	40%	52%
New markets (customers)	31%	34%	30%	28%	23%
Your processes	31%	24%	39%	44%	42%
New marketing methods	23%	23%	23%	22%	28%
Your business model	20%	22%	17%	18%	10%
New partnerships or ways of cooperating	16%	19%	12%	10%	12%
Other	1%	2%	1%	0%	0%

Base: All entrepreneurs.

Numbers in **red** and **green** highlight statistically significant differences between sub-groups.

Positioning in regard to innovation

To what extent do the following statements apply within your business?	Total (n=416)	Atlantic Canada (n=34)	Quebec (n=96)	Ontario (n=151)	Western Canada (n=135)
We adapt our processes to meet our customers' requirements	7.84/10	7.73	7.77	7.77	7.97
We are trying to improve our processes to increase the quality of our products and services	7.69/10	7.41	7.54	7.51	8.00
Our innovation efforts must generate productivity gains or increase our market share	7.36/10	7.06	7.72	7.10	7.46
We constantly look for new ways to diversify our markets (customers)	7.07/10	7.12	6.76	7.28	7.03
Our customers and competitors consider us creative	7.10/10	7.52	6.99	7.05	7.13
Our development partners (members of our business network) are as important as our customers	6.80/10	5.47	6.77	7.06	6.84
We regularly develop or introduce new products or services	6.25/10	5.27	6.28	6.28	6.39
We regularly adopt new processes	6.40/10	5.56	6.31	6.43	6.61
A lot of our innovation efforts go into optimizing our processes	6.42/10	6.76	6.34	6.23	6.57
We innovate in supply chain management (supply of products to a manufacturer, production process or distribution of finished products)	4.67/10	2.94	6.05	4.64	4.21

Base: All entrepreneurs.

Numbers in red and green highlight statistically significant differences between sub-groups.

Positioning in regard to innovation (cont'd)

To what extent do the following statements apply within your business?	Total (n=416)	Less than 5 employees (n=107)	5 to 19 employees (n=181)	20 to 49 employees (n=85)	50 or more employees (n=43)
We adapt our processes to meet our customers' requirements	7.84/10	7.86	7.88	7.42	8.04
We are trying to improve our processes to increase the quality of our products and services	7.69/10	7.60	7.84	7.43	8.05
Our innovation efforts must generate productivity gains or increase our market share	7.36/10	7.17	7.63	7.39	7.73
We constantly look for new ways to diversify our markets (customers)	7.07/10	7.03	7.16	6.73	7.44
Our customers and competitors consider us creative	7.10/10	6.82	7.57	6.68	7.81
Our development partners (members of our business network) are as important as our customers	6.80/10	6.93	6.74	6.15	6.90
We regularly develop or introduce new products or services	6.25/10	5.98	6.67	5.86	7.12
We regularly adopt new processes	6.40/10	6.29	6.60	5.91	7.21
A lot of our innovation efforts go into optimizing our processes	6.42/10	6.35	6.49	6.14	7.16
We innovate in supply chain management (supply of products to a manufacturer, production process or distribution of finished products)	4.67/10	4.49	4.85	4.69	5.46

Base: All entrepreneurs.

Numbers in red and green highlight statistically significant differences between sub-groups.

Main incentives to innovate

What is your main incentive to innovate?	Total (n=414)	Atlantic Canada (n=33)	Quebec (n=96)	Ontario (n=150)	Western Canada (n=135)
I think that innovation is necessary for our company to survive	21%	9%	21%	21%	24%
A strong desire to differentiate our company in the marketplace	19%	20%	13%	22%	18%
I think that innovation helps to grow our business	18%	12%	24%	12%	21%
I think that innovation generates new business opportunities	17%	24%	19%	12%	18%
I constantly get new ideas; innovation is part of my entrepreneurial nature	16%	13%	16%	22%	9%
A strong desire to improve	10%	23%	7%	10%	9%

Base: All entrepreneurs.

Main incentives to innovate (cont'd)

What is your main incentive to innovate?	Total (n=414)	Less than 5 employees (n=107)	5 to 19 employees (n=180)	20 to 49 employees (n=85)	50 or more employees (n=42)
I think that innovation is necessary for our company to survive	21%	17%	28%	19%	24%
A strong desire to differentiate our company in the marketplace	19%	18%	20%	21%	19%
I think that innovation helps to grow our business	18%	19%	16%	16%	28%
I think that innovation generates new business opportunities	17%	18%	15%	21%	7%
I constantly get new ideas; innovation is part of my entrepreneurial nature	16%	19%	12%	7%	13%
A strong desire to improve	10%	10%	8%	15%	10%

Base: All entrepreneurs.

Means of stimulating innovation

Some panelists are wondering how to initiate and encourage innovation in their companies. What ways do you use in your company?	Total (n=414)	Atlantic Canada (n=33)	Quebec (n=96)	Ontario (n=150)	Western Canada (n=135)
We ask for and listen to ideas from our customers	74%	58%	68%	77%	77%
We ask for and listen to ideas from our employees	64%	45%	57%	68%	68%
We ask for and listen to ideas from our suppliers/distributors	48%	28%	39%	56%	49%
We do in-house strategic planning exercises	38%	23%	48%	36%	36%
We regularly participate in fairs/shows/conferences/meetings/presentations that generate new ideas	37%	41%	37%	40%	32%
We have project leaders who are responsible for managing product development	9%	12%	4%	10%	12%
We have created a structure/processes to help us identify innovation projects	9%	7%	14%	8%	8%
We have created a working group that selects which innovation projects will be carried out	7%	4%	9%	5%	8%
We do constant research (competitors, publications, webinars, etc.)	3%	14%	2%	3%	3%
We analyze all aspects of the business (processes and procedures)	1%	1%	1%	1%	1%
We use business coaching	1%	0%	1%	0%	2%
We visualize better ways of doing things	1%	9%	0%	1%	1%
I don't know/I prefer not to answer	2%	7%	0%	0%	4%
Other	1%	2%	1%	0%	1%

Base: All entrepreneurs.

Means of stimulating innovation (cont'd)

Some panelists are wondering how to initiate and encourage innovation in their companies. What ways do you use in your company?	Total (n=414)	Less than 5 employees (n=107)	5 to 19 employees (n=180)	20 to 49 employees (n=85)	50 or more employees (n=42)
We ask for and listen to ideas from our customers	74%	72%	75%	74%	75%
We ask for and listen to ideas from our employees	64%	57%	75%	62%	78%
We ask for and listen to ideas from our suppliers/distributors	48%	50%	45%	44%	42%
We do in-house strategic planning exercises	38%	33%	45%	33%	46%
We regularly participate in fairs/shows/conferences/meetings/presentations that generate new ideas	37%	35%	39%	33%	50%
We have project leaders who are responsible for managing product development	9%	6%	11%	18%	31%
We have created a structure/processes to help us identify innovation projects	9%	6%	13%	8%	26%
We have created a working group that selects which innovation projects will be carried out	7%	6%	7%	10%	15%
We do constant research (competitors, publications, webinars, etc.)	3%	5%	2%	1%	3%
We analyze all aspects of the business (processes and procedures)	1%	0%	2%	2%	0%
We use business coaching	1%	1%	1%	0%	0%
We visualize better ways of doing things	1%	0%	3%	2%	0%
I don't know/I prefer not to answer	2%	3%	0%	1%	0%
Other	1%	0%	2%	1%	0%

Base: All entrepreneurs.
Numbers in red and green highlight statistically significant differences between sub-groups.

Innovation obstacles

What are the main obstacles to your ability to innovate?	Total (n=416)	Atlantic Canada (n=34)	Quebec (n=96)	Ontario (n=151)	Western Canada (n=135)
Lack of money	60%	63%	65%	59%	58%
Lack of time	46%	42%	47%	43%	50%
Lack of qualified workers	27%	17%	31%	27%	28%
Various regulations/government restrictions	10%	7%	7%	13%	10%
Difficulty incorporating technology	8%	12%	10%	8%	8%
We do not have the right machinery or equipment	7%	6%	5%	8%	9%
Other	5%	1%	4%	6%	6%
I don't know/I prefer not to answer	4%	9%	2%	2%	4%

Base: All entrepreneurs.

Innovation obstacles (cont'd)

What are the main obstacles to your ability to innovate?	Total (n=416)	Less than 5 employees (n=107)	5 to 19 employees (n=181)	20 to 49 employees (n=85)	50 or more employees (n=43)
Lack of money	60%	65%	58%	48%	52%
Lack of time	46%	47%	45%	50%	49%
Lack of qualified workers	27%	24%	33%	30%	24%
Various regulations/government restrictions	10%	8%	11%	14%	16%
Difficulty incorporating technology	8%	9%	6%	12%	11%
We do not have the right machinery or equipment	7%	7%	8%	6%	11%
Other	5%	6%	5%	4%	7%
I don't know/I prefer not to answer	4%	4%	3%	1%	4%

Base: All entrepreneurs.

Importance of ICT

How important are information and communications technologies (ICT) in your ability to innovate?	Total (n=414)	Atlantic Canada (n=33)	Quebec (n=96)	Ontario (n=150)	Western Canada (n=135)
IMPORTANT	77%	73%	70%	79%	80%
Very important	37%	36%	35%	37%	39%
Quite important	40%	37%	35%	42%	41%
Neither important nor unimportant	17%	23%	21%	16%	13%
NOT IMPORTANT	6%	4%	7%	4%	7%
Not very important	5%	1%	6%	2%	7%
Not important at all	1%	2%	1%	2%	0%
I don't know/I prefer not to answer	1%	0%	2%	0%	0%

How important are information and communications technologies (ICT) in your ability to innovate?	Total (n=414)	Less than 5 employees (n=107)	5 to 19 employees (n=180)	20 to 49 employees (n=85)	50 or more employees (n=42)
IMPORTANT	77%	75%	80%	76%	86%
Very important	37%	34%	47%	27%	31%
Quite important	40%	41%	33%	49%	55%
Neither important nor unimportant	17%	19%	15%	14%	12%
NOT IMPORTANT	6%	6%	6%	9%	2%
Not very important	5%	5%	4%	8%	2%
Not important at all	1%	1%	2%	1%	0%
I don't know/I prefer not to answer	1%	1%	0%	1%	0%

Base: Entrepreneurs who haven't applied for government assistance. Numbers in red and green highlight statistically significant differences between sub-groups.

Government innovation assistance

Have you ever applied for government innovation assistance for your company?	Total (n=416)	Atlantic Canada (n=34)	Quebec (n=96)	Ontario (n=151)	Western Canada (n=135)
Yes	33%	20%	37%	36%	31%
No	64%	80%	57%	63%	67%
I don't know/I prefer not to answer	2%	0%	6%	1%	3%

Have you ever applied for government innovation assistance for your company?	Total (n=416)	Less than 5 employees (n=107)	5 to 19 employees (n=181)	20 to 49 employees (n=85)	50 or more employees (n=43)
Yes	33%	31%	35%	32%	50%
No	64%	66%	64%	65%	48%
I don't know/I prefer not to answer	2%	3%	2%	2%	2%

Base: All entrepreneurs.

Government innovation assistance

Why have you never applied?	Total (n=260)	Atlantic Canada (n=27*)	Quebec (n=52)	Ontario (n=87)	Western Canada (n=94)
We never realized that we were eligible for such programs	49%	58%	44%	49%	49%
It's too complicated	21%	21%	24%	15%	26%
The assistance you can get through these programs is minimal; it's not worth the trouble	21%	26%	8%	20%	26%
It's too time consuming	20%	13%	25%	16%	22%
We are not eligible	14%	14%	18%	14%	12%
Difficulty identifying eligible projects	4%	0%	1%	6%	5%
Too costly	1%	0%	4%	1%	0%
Other	5%	3%	2%	3%	9%
No particular reason	11%	10%	10%	17%	5%
I don't know/I prefer not to answer	1%	0%	1%	0%	1%

Base: Entrepreneurs who haven't applied for government assistance.

* Results are presented for information purpose only. Due to the small sample size, these results have no statistical significance.

Government innovation assistance (cont'd)

Why have you never applied?	Total (n=260)	Less than 5 employees (n=71)	5 to 19 employees (n=114)	20 to 49 employees (n=55)	50 or more employees (n=20*)
We never realized that we were eligible for such programs	49%	48%	50%	52%	46%
It's too complicated	21%	16%	28%	33%	15%
The assistance you can get through these programs is minimal; it's not worth the trouble	21%	18%	25%	18%	35%
It's too time consuming	20%	13%	30%	28%	16%
We are not eligible	14%	17%	10%	14%	9%
Difficulty identifying eligible projects	4%	4%	5%	2%	0%
Too costly	1%	1%	1%	2%	0%
Other	5%	5%	6%	3%	15%
No particular reason	11%	15%	5%	9%	4%
I don't know/I prefer not to answer	1%	0%	2%	0%	4%

Base: Entrepreneurs who haven't applied for government assistance.

Numbers in **red** and **green** highlight statistically significant differences between sub-groups.

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Organizations and innovation assistance

Regardless of whether you received the assistance you applied for or not, which organization(s) did you apply to for innovation assistance?	Total (n=147)	Atlantic Canada (n=7*)	Quebec (n=41)	Ontario (n=61)	Western Canada (n=38)
BDC	52%	42%	50%	48%	59%
Scientific Research and Experimental Development (SR&ED) credits	46%	36%	52%	44%	45%
National Research Council of Canada (NRC) IRAP	32%	24%	46%	27%	29%
A program providing the services of a student/trainee	17%	0%	13%	22%	15%
Business incubator or entrepreneurship centre	14%	0%	17%	14%	15%
Natural Sciences and Engineering Research Council of Canada (NSERC)	6%	6%	0%	15%	2%
CFDC and CBDC network	6%	0%	6%	9%	4%
Sustainable Development Technology Canada (SDTC)	3%	0%	6%	3%	3%
Ministère du développement économique, innovation et exportation du Québec (MDEIE)	3%	0%	12%	0%	0%
FedDev	2%	0%	0%	4%	0%
Atlantic Canada Opportunities Agency (ACOA)	2%	40%	0%	1%	0%
Precarn	1%	0%	2%	2%	0%
Other	21%	34%	23%	28%	10%
I don't know/I prefer not to answer	3%	0%	0%	1%	7%

Base: Entrepreneurs who have applied for government assistance.

* Results are presented for information purpose only. Due to the small sample size, these results have no statistical significance.

Organisations and innovation assistance (cont'd)

Regardless of whether you received the assistance you applied for or not, which organization(s) did you apply to for innovation assistance?	Total (n=147)	Less than 5 employees (n=33)	5 to 19 employees (n=64)	20 to 49 employees (n=28*)	50 or more employees (n=22*)
BDC	52%	57%	45%	51%	50%
Scientific Research and Experimental Development (SR&ED) credits	46%	31%	60%	65%	63%
National Research Council of Canada (NRC) IRAP	32%	34%	29%	47%	19%
A program providing the services of a student/trainee	17%	15%	17%	11%	36%
Business incubator or entrepreneurship centre	14%	21%	6%	7%	14%
Natural Sciences and Engineering Research Council of Canada (NSERC)	6%	5%	9%	3%	4%
CFDC and CBDC network	6%	6%	8%	3%	4%
Sustainable Development Technology Canada (SDTC)	3%	0%	5%	14%	11%
Ministère du développement économique, innovation et exportation du Québec (MDEIE)	3%	3%	2%	7%	5%
FedDev	2%	0%	3%	0%	9%
Atlantic Canada Opportunities Agency (ACOA)	2%	3%	0%	7%	0%
Precarn	1%	0%	3%	3%	0%
Other	21%	26%	17%	7%	24%
I don't know/I prefer not to answer	3%	4%	3%	0%	0%

Base: Entrepreneurs who have applied for government assistance. Numbers in **red** and **green** highlight statistically significant differences between sub-groups.

* Results are presented for information purpose only. Due to the small sample size, these results have no statistical significance.

Sources of information on government assistance

Which sources do you or would you use to get information on government programs related to innovation?	Total (n=416)	Atlantic Canada (n=34)	Quebec (n=96)	Ontario (n=151)	Western Canada (n=135)
Research on the Internet	66%	59%	56%	68%	70%
Business acquaintances	58%	56%	45%	63%	61%
Accountant, notary/lawyer, broker	27%	21%	26%	28%	28%
Professional association	26%	29%	18%	32%	25%
Canada Business Centre	25%	42%	30%	21%	23%
Outside consultant hired for that purpose	14%	2%	21%	15%	11%
Friends/family	12%	10%	10%	14%	12%
Other	6%	0%	12%	8%	2%
None	5%	20%	4%	5%	3%
I don't know/I prefer not to answer	3%	2%	4%	0%	4%

Base: All entrepreneurs.

Sources of information on government assistance

Which sources do you or would you use to get information on government programs related to innovation?	Total (n=416)	Less than 5 employees (n=107)	5 to 19 employees (n=181)	20 to 49 employees (n=85)	50 or more employees (n=43)
Research on the Internet	66%	73%	60%	50%	47%
Business acquaintances	58%	63%	52%	53%	41%
Accountant, notary/lawyer, broker	27%	23%	31%	34%	27%
Professional association	26%	27%	24%	24%	40%
Canada Business Centre	25%	28%	24%	17%	17%
Outside consultant hired for that purpose	14%	11%	17%	18%	24%
Friends/family	12%	16%	8%	6%	7%
Other	6%	8%	4%	4%	4%
None	5%	5%	4%	5%	7%
I don't know/I prefer not to answer	3%	2%	3%	4%	2%

Base: All entrepreneurs. Numbers in red and green highlight statistically significant differences between sub-groups.

Collaborating with academia on innovation-related projects

Has your company ever worked with a college or university on innovation-related projects?	Total (n=416)	Atlantic Canada (n=34)	Quebec (n=96)	Ontario (n=151)	Western Canada (n=135)
Yes	22%	23%	18%	24%	21%
No	78%	75%	81%	76%	79%
I don't know/I prefer not to answer	1%	2%	1%	0%	0%

Has your company ever worked with a college or university on innovation-related projects?	Total (n=416)	Less than 5 employees (n=107)	5 to 19 employees (n=181)	20 to 49 employees (n=85)	50 or more employees (n=43)
Yes	22%	22%	21%	17%	30%
No	78%	78%	78%	79%	70%
I don't know/I prefer not to answer	1%	0%	1%	4%	0%

Base: All entrepreneurs.

Reasons for not collaborating with academia on innovation-related projects

Why have you never worked with a college or university?	Total (n=322)	Atlantic Canada (n=26*)	Quebec (n=76)	Ontario (n=113)	Western Canada (n=107)
We don't have the resources to supervise students or outside researchers	38%	41%	40%	37%	37%
We never thought about it	36%	31%	31%	39%	38%
It's too time consuming	12%	0%	10%	16%	11%
There are no colleges or universities close by	4%	5%	4%	1%	6%
We're not sure how to incorporate academic help	2%	0%	4%	2%	2%
We don't see the value (they lack experience and knowledge)	2%	2%	2%	3%	0%
We're looking at developing such a partnership	2%	0%	1%	2%	4%
We've never been approached	1%	0%	0%	2%	2%
It might be an insurance risk	1%	0%	0%	1%	1%
Other	3%	0%	3%	4%	3%
No particular reason	24%	34%	26%	16%	27%
I don't know/I prefer not to answer	2%	0%	1%	3%	3%

Base: Base: Entrepreneurs who have never worked with academia.

* Results are presented for information purpose only. Due to the small sample size, these results have no statistical significance.

Reasons for not collaborating with academia on innovation-related projects (cont'd)

Why have you never worked with a college or university?	Total (n=322)	Less than 5 employees (n=84)	5 to 19 employees (n=41)	20 to 49 employees (n=67)	50 or more employees (n=30)
We don't have the resources to supervise students or outside researchers	38%	42%	34%	33%	28%
We never thought about it	36%	34%	41%	35%	35%
It's too time consuming	12%	13%	11%	10%	7%
There are no colleges or universities close by	4%	3%	3%	15%	7%
We're not sure how to incorporate academic help	2%	2%	2%	4%	0%
We don't see the value (they lack experience and knowledge)	2%	1%	2%	1%	3%
We're looking at developing such a partnership	2%	2%	2%	0%	3%
We've never been approached	1%	2%	0%	0%	0%
It might be an insurance risk	1%	0%	1%	0%	0%
Other	3%	2%	4%	3%	4%
No particular reason	24%	25%	20%	29%	32%
I don't know/I prefer not to answer	2%	2%	1%	2%	7%

Base: Entrepreneurs who have never worked with academia.

Numbers in red and green highlight statistically significant differences between sub-groups.

Benefits of working with academia

Ultimately, has working with a college or university been beneficial for your company?	Total (n=90)	Atlantic Canada (n=7*)	Quebec (n=18*)	Ontario (n=38)	Western Canada (n=27*)
BENEFICIAL	65%	55%	74%	60%	68%
Very beneficial	19%	10%	20%	18%	22%
Quite beneficial	46%	45%	54%	43%	46%
NOT BENEFICIAL	30%	45%	23%	37%	24%
Not very beneficial	24%	16%	19%	30%	22%
Not beneficial at all	7%	29%	5%	7%	3%
I don't know/I prefer not to answer	4%	0%	3%	3%	8%

Ultimately, has working with a college or university been beneficial for your company?	Total (n=90)	Less than 5 employees (n=23*)	5 to 19 employees (n=39)	20 to 49 employees (n=15*)	50 or more employees (n=13*)
BENEFICIAL	65%	74%	54%	41%	70%
Very beneficial	19%	18%	23%	8%	21%
Quite beneficial	46%	56%	31%	33%	49%
NOT BENEFICIAL	30%	21%	44%	53%	23%
Not very beneficial	24%	17%	33%	47%	9%
Not beneficial at all	7%	4%	10%	6%	14%
I don't know/I prefer not to answer	4%	5%	2%	6%	8%

Base: Entrepreneurs who have worked with academia.

* Results are presented for information purpose only.

Due to the small sample size, these results have no statistical significance.

Outcomes of collaborating with academia (not beneficial)

Why was this experience not beneficial?	Total (n=33)	Atlantic Canada (n=3*)	Quebec (n=5*)	Ontario (n=16*)	Western Canada (n=9*)
The expertise was not up to par (not enough experience or not the right experience)	28%	0%	60%	27%	23%
Did not give us new ways of seeing things	19%	0%	20%	31%	6%
We didn't have the resources we needed to do R&D	14%	23%	0%	21%	6%
The recommendations we were given at the end of the mandate weren't of any use to us	13%	12%	0%	11%	24%
Monopolized part of our team because the people involved were not experienced or autonomous enough	8%	0%	20%	0%	18%
Did not enable us to recruit new talent	3%	0%	0%	5%	0%
Other	40%	65%	20%	32%	54%
No particular reason	14%	0%	20%	18%	11%
I don't know/I prefer not to answer	1%	0%	0%	3%	0%

Base: Entrepreneurs who have worked with academia and for whom the experience was not beneficial.

* Results are presented for information purpose only. Due to the small sample size, these results have no statistical significance.

Outcomes of collaborating with academia (not beneficial) (cont'd)

Why was this experience not beneficial?	Total (n=33)	Less than 5 employees (n=5*)	5 to 19 employees (n=17*)	20 to 49 employees (n=8*)	50 or more employees (n=3*)
The expertise was not up to par (not enough experience or not the right experience)	28%	0%	46%	26%	70%
Did not give us new ways of seeing things	19%	19%	22%	0%	39%
We didn't have the resources we needed to do R&D	14%	19%	11%	14%	0%
The recommendations we were given at the end of the mandate weren't of any use to us	13%	0%	5%	55%	100%
Monopolized part of our team because the people involved were not experienced or autonomous enough	8%	0%	13%	0%	39%
Did not enable us to recruit new talent	3%	0%	5%	0%	0%
Other	40%	62%	30%	11%	31%
No particular reason	14%	19%	13%	11%	0%
I don't know/I prefer not to answer	1%	0%	0%	11%	0%

Base: Entrepreneurs who have worked with academia and for whom the experience was not beneficial.

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Outcomes of collaborating with academia (beneficial)

What makes you say that this experience was beneficial?	Total (n=53)	Atlantic Canada (n=4*)	Quebec (n=12*)	Ontario (n=20*)	Western Canada (n=17*)
We had access to low-cost expertise that gave us experience we didn't have	44%	81%	43%	56%	28%
Gave us new ways of seeing things that we didn't have in the company	44%	81%	51%	40%	38%
The recommendations we were given at the end of the mandate were useful to us	38%	53%	45%	36%	34%
Gave us the resources we needed to do R&D	34%	81%	24%	36%	30%
Enabled us to recruit new talent	25%	19%	12%	39%	21%
Gave us the opportunity to support and encourage academic research	22%	0%	21%	38%	12%
Other	5%	0%	6%	9%	0%
I don't know/I prefer not to answer	4%	0%	0%	0%	11%

Base: Entrepreneurs who have worked with academia and for whom the experience was beneficial.

* Results are presented for information purpose only. Due to the small sample size, these results have no statistical significance.

Outcomes of collaborating with academia (beneficial) (cont'd)

What makes you say that this experience was beneficial?	Total (n=53)	Less than 5 employees (n=17*)	5 to 19 employees (n=21*)	20 to 49 employees (n=6*)	50 or more employees (n=9*)
We had access to low-cost expertise that gave us experience we didn't have	44%	39%	47%	67%	67%
Gave us new ways of seeing things that we didn't have in the company	44%	46%	45%	44%	21%
The recommendations we were given at the end of the mandate were useful to us	38%	46%	26%	15%	31%
Gave us the resources we needed to do R&D	34%	34%	35%	52%	23%
Enabled us to recruit new talent	25%	11%	47%	56%	58%
Gave us the opportunity to support and encourage academic research	22%	22%	14%	70%	33%
Other	5%	5%	5%	0%	0%
I don't know/I prefer not to answer	4%	7%	0%	0%	0%

Base: Entrepreneurs who have worked with academia and for whom the experience was beneficial.

* Results are presented for information purpose only. Due to the small sample size, these results have no statistical significance.

Market Intelligence (Marketing)

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