

Corporate Connection

Industry Canada Proprietary Questions

Fall 2006 Report

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INTRODUCTION

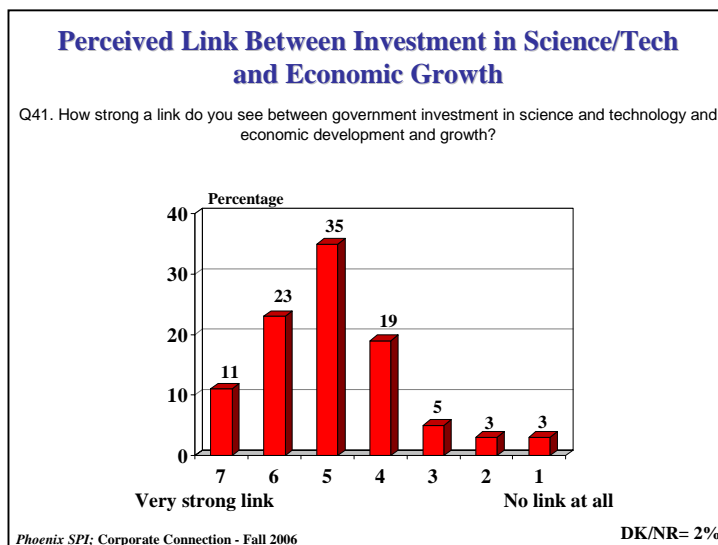
This report presents the results for questions asked on behalf of Industry Canada that were included in the fall 2006 wave of *Corporate Connection*. *Corporate Connection* is a twice-yearly survey of CEOs and senior executives that focuses on current corporate and public affairs issues. For this wave of the study, 400 interviews were completed between October 16 and November 15, 2006. Well over half of the sample (60%) consisted of CEOs, presidents and business owners. The results were weighted by size, sector and region to reflect the actual distribution of firms across Canada (according to Statistics Canada data). Based on a sample of this size, the findings can be considered to be accurate to within +/- 5%, 19 times out of 20.

This study was conducted by Phoenix Strategic Perspectives Inc., a public opinion research firm that specializes in public affairs and special audience research, in particular business audiences. Following the substantive questions reported on in this summary report is a set of graphs that present the characteristics of survey participants and their businesses. Where the analysis focuses on the size of business, surveyed companies have been grouped into the following categories: small (less than 50 employees), medium-sized (50-99), and large (100 employees and more, with more than two-thirds of the large firms having 200 or more employees). The set of questions addressed in this report is appended.

FINDINGS

Over Two-Thirds See Link Between S&T Investment & Economic Growth

Fully 69% of senior executives see a link between government investment in science and technology and economic growth (scores of 5-7 on 7-point scale; 7 = very strong link, 1 = no link at all). This includes one-third (34%) who see a *strong* link (scores of 6-7). Dissenting executives were more likely to hold a neutral rather than negative view (19% vs. 11%).



The larger the firm, the more likely executives were to perceive a *strong* link between investment in science and technology and economic growth, from 31% in small firms to 39% in medium, and 56% in large firms.

Perceived Link Between Investment in S&T and Economic Growth by Firm Size			
	Small	Medium	Large
6/7, Strong link	31%	39%	56%
5	38%	21%	22%
4	20%	17%	17%
3	5%	4%	3%
1-2, No link	5%	17%	2%

Business leaders in the Atlantic region and Ontario were considerably more likely than others to perceive a *strong* link between economic growth and investment in S&T (52% in Atlantic Canada and 42% in Ontario vs. 24-30% elsewhere). Executives in the West were the most likely to perceive no link (12% vs. 3% or less).

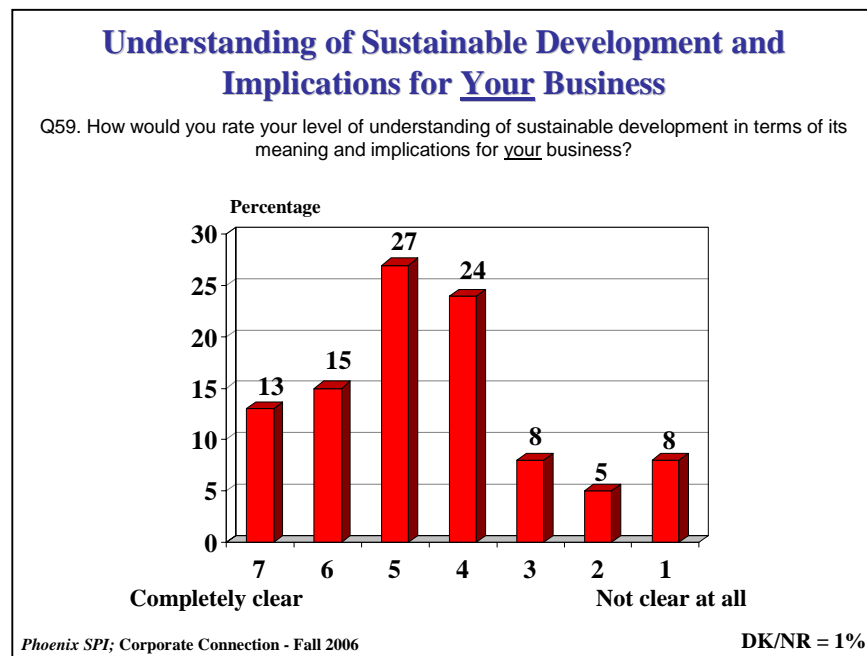
Perceived Link Between Investment in S&T and Economic Growth by Region				
	Atlantic	Quebec	Ontario	West
6/7, Strong link	52%	30%	42%	24%
5	21%	50%	38%	26%
4	16%	15%	9%	33%
3	4%	3%	6%	5%
1-2, No link	-	1%	3%	12%

Participants were read the following definition of sustainable development to inform their responses to subsequent questions:

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Over Half Understand Implications of Sustainable Development for Their Business

Over half (55%) of corporate executives claim to have at least a moderately clear understanding of ‘sustainable development’ in terms of its meaning and implications for their business (positive scores on 7-point scale; 7 = completely clear, 1 = not clear at all). Of these, more than one-quarter (28%) would characterize their understanding as *very* clear (scores of 6-7). Less than one-quarter (21%) felt that their understanding of what sustainable development means for their business is unclear (i.e. scores of 1-3).



Executives in larger firms were more likely to have a very clear understanding of what sustainable development means for their business (32-39% vs. 25% in small firms). However, offsetting this, moving from small to large firms, they were less likely to have a *moderately* clear understanding (from 28% in small, to 25% in medium and 21% in large firms).

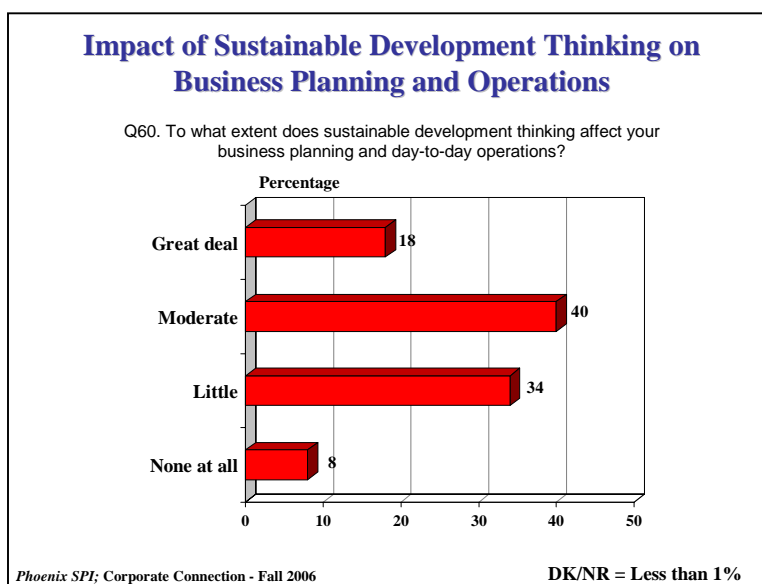
Understanding of SD Implications for Business by Firm Size			
	Small	Medium	Large
6/7, Very clear	25%	39%	32%
5	28%	25%	21%
4	26%	13%	21%
3	8%	3%	12%
1-2, Not clear	12%	20%	4%

Executives of Quebec firms were the least likely to have a very clear understanding of what sustainable development means for their business (19% vs. 25-36% elsewhere). However, they were also the least likely to be unclear about this (13% vs. 21-24% elsewhere).

Understanding of SD Implications for Business by Region				
	Atlantic	Quebec	Ontario	West
6/7, Very clear	36%	19%	25%	34%
5	31%	35%	31%	17%
4	10%	33%	21%	27%
3	3%	6%	8%	10%
1-2, Not clear	21%	7%	13%	12%

Sustainable Development Thinking Influences Business Planning

Sustainable development (SD) thinking affects the business planning and day-to-day operations of a majority of surveyed firms (58%), at least to a moderate degree. Conversely, one-third (34%) feel that SD thinking has little impact on this, while 8% claim it has no impact at all.



Executives of medium-sized firms were the most likely to employ sustainable development thinking in their business planning and operations (63% vs. 54-58% of others).

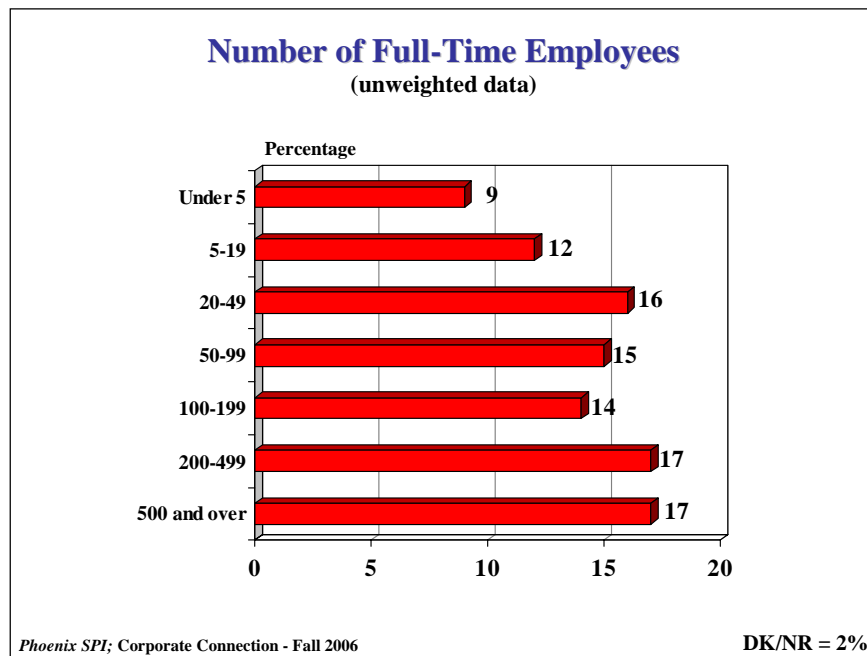
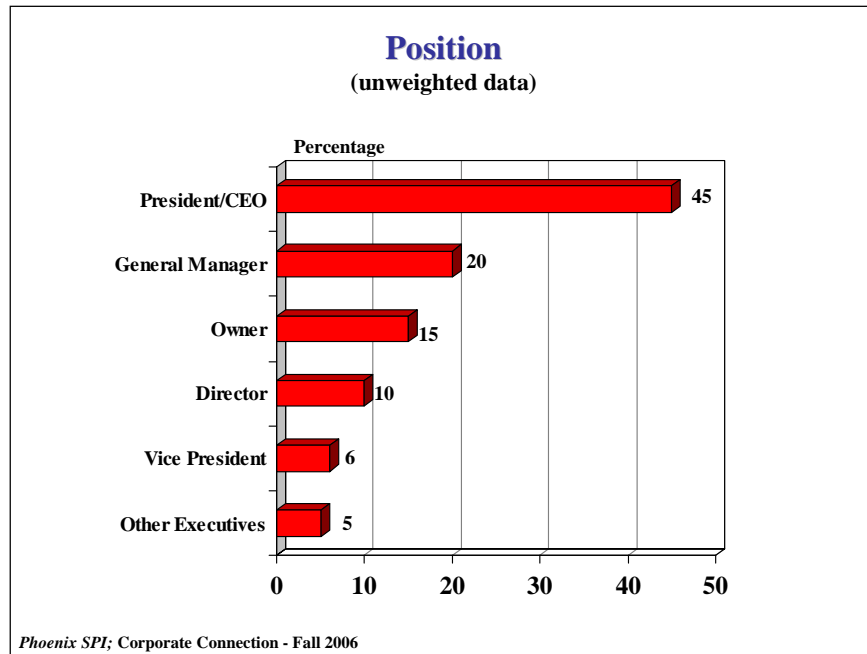
Impact of SD Thinking on Business Planning & Operations by Firm Size			
	Small	Medium	Large
Great deal	18%	20%	21%
Moderate	40%	43%	33%
Little	36%	27%	27%
None at all	7%	10%	18%

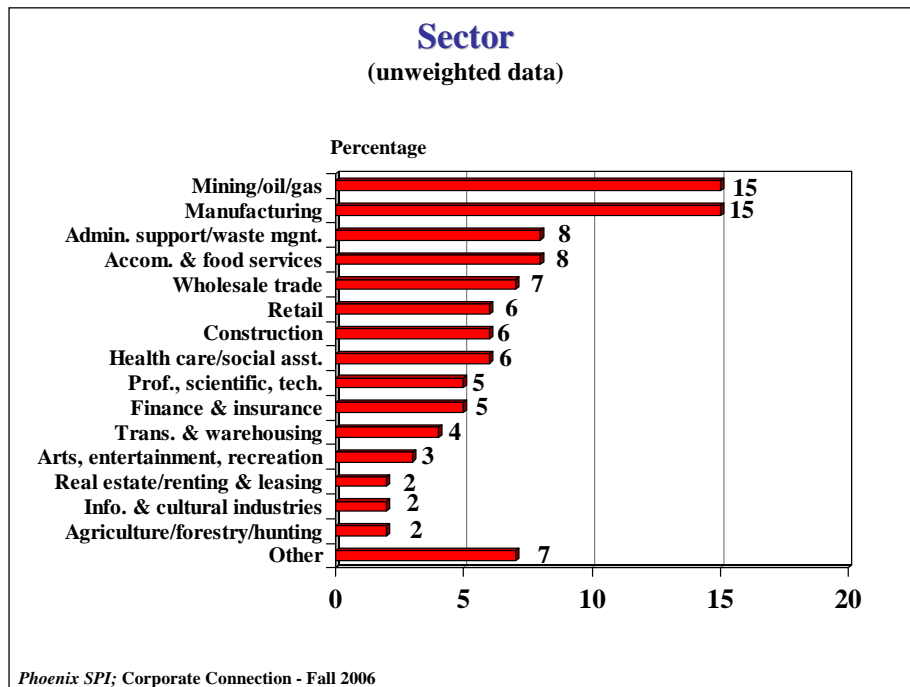
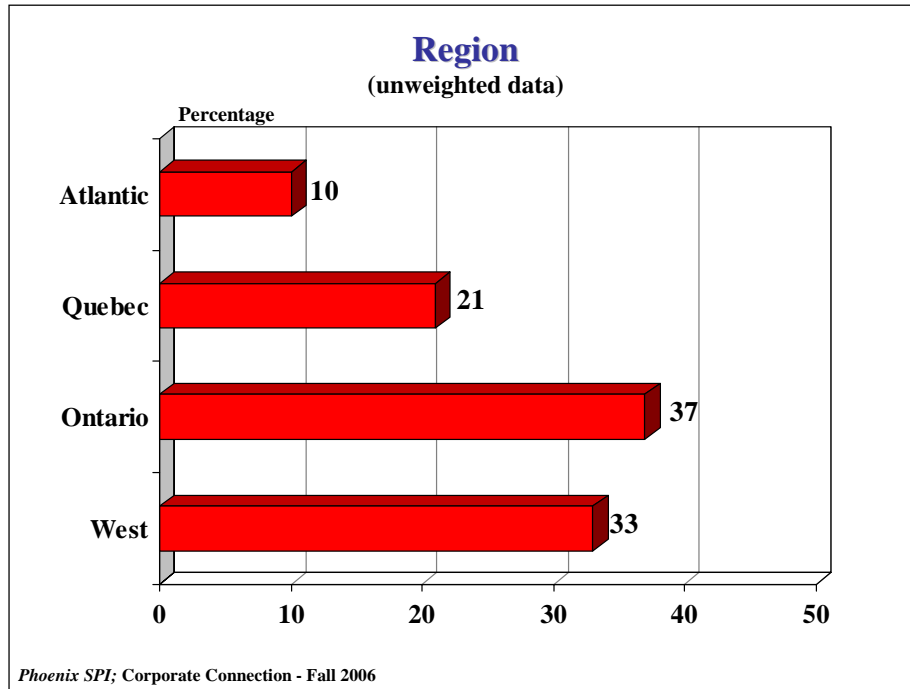
Across the country, sustainable development thinking was similarly likely to affect a great deal of firms' business planning/operations (15-19%). However, executives in the West (50%) were the most likely to acknowledge a moderate impact on such decisions, followed by those in Quebec (42%) and the other regions (28-31%). Moving east to west, business leaders were much less likely to claim that SD thinking had no impact on their decisions (from 20% in Atlantic Canada, to 10% in Quebec, 8% in Ontario, and 5% in the West).

Impact of SD Thinking on Business Planning & Operations by Region				
	Atlantic	Quebec	Ontario	West
Great deal	15%	18%	17%	19%
Moderate	28%	42%	31%	50%
Little	36%	30%	44%	26%
None at all	20%	10%	8%	5%

CHARACTERISTICS OF SURVEY PARTICIPANTS

The following graphs present the characteristics of survey participants by position of respondent, business size, region, and sector. Note that unweighted data is used to present the characteristics of survey participants.





APPENDIX

QUESTIONS

1. How strong a link do you see between government investment in science and technology and economic development and growth? Please use a 7-point scale, where 1 means no link at all and 7 means a very strong link.

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

2. How would you rate your level of understanding of sustainable development in terms of its meaning and implications for your business? Please use a 7-point scale, where 1 means this is not clear to you at all, and 7 means completely clear.
3. To what extent does sustainable development thinking affect your business planning and day-to-day operations? Would you say a great deal, a moderate amount, only a little or not at all?