# Evaluation of the International Trade Personnel Program (ITPP) and First Jobs in Science and Technology (FJST)

**Final Report** 

Prepared for: Western Economic Diversification Canada

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## Background

Western Economic Diversification Canada (WD) introduced the International Trade Personnel Program (ITPP) and the First Jobs in Science and Technology Program (FJST) as business development programs in 1995 and 1997 respectively. ITPP addresses two important concerns in the Canadian economy: enhancing competitiveness in the global marketplace and facilitating youth employment. FJST is intended to help SMEs become more competitive in the national and international economy, and to offer employment to recent graduates.

Through each of the programs, companies receive support for salary costs to hire unemployed or underemployed graduates as incremental staff. Assistance through April 2002 was based on a maximum of \$37,500 per graduate for a three-year period. Beginning in fiscal 2002/03, the program was changed so that the maximum assistance is \$20,000 per graduate for one year.

## Study Purpose

The purpose of the study is to evaluate the ITPP and FJST programs, providing an assessment of changes to the programs' duration from three years to one year, and recommendations on future program directions. The evaluation issues and questions, as identified by Western Economic Diversification Canada (WD) in the study terms of reference, fall into three categories: relevance (need for the programs); success (achievement of program objectives); and effectiveness (program delivery and management, and future directions).

# Study Approach

The study approach involved three lines of enquiry: document and database reviews; interviews with WD management at headquarters and regional offices and with selected participating firms and graduates, and a survey of all reachable firms and graduates. The data collection instruments (interview guides and survey forms) were designed to address each of the issues of relevance, success and effectiveness.

## Study Findings

## Relevance

Both ITPP and FJST were considered to be relevant to WD's objectives. ITPP was seen as supporting WD's mandate to improve/diversify the economy of western Canada, with its focus on export readiness and trade development that directly fit WD's entrepreneurship objective. The program was also seen as serving broader government objectives for expanding trade. FJST

was viewed as consistent with WD's innovation objective as it applies to both new and old economy firms. The focus of FJST on skills development and retention addresses government concerns about the brain drain. The program provides low cost access to these skills, and in so doing, supports the national innovation agenda. A small minority of respondents saw ITPP and FJST as essentially wage subsidy programs, and only indirectly as supporting WD objectives and priorities of entrepreneurship and innovation.

## Success/Impacts

#### **Program Impact on Performance**

Firms and graduates indicated that the graduates hired under ITPP had brought a focus to their marketing efforts and enabled the firm to market more quickly and aggressively. Survey respondents (50.7%) believed their firm's involvement with the program had significantly improved exports. Some (42.2%) pointed to significant improvements in their firm's knowledge and ability to develop relationships with foreign buyers. In not all cases, however, was the experience positive. Some graduates had little impact on exports because their skills and knowledge from university did not translate into on-the-job capability. These firms would like to see the eligibility rules of the program changed to extend the time from graduation.

Companies were pleased with the quality of the graduates hired through FJST and said the graduates were able to apply their skills right away to meeting company needs. No single measure like export sales could be used to assess the impact of FJST but anecdotal evidence was given of innovative changes to products and processes introduced by graduates that had benefited company performance.

#### Hiring of Graduates

The survey results indicated that firms in Manitoba and Saskatchewan had greater need of program support in hiring graduates. The greater likelihood in BC and Alberta of firms hiring without program support suggests that funding to firms in these provinces may only be incremental to the decision to hire. Interview responses from clients were consistent with this finding, pointing out the value of the programs in reducing the up front costs of hiring and training new employees. Graduates also complimented the programs on giving them an opportunity to work in their home province. The survey results showed that more ITPP firms (69%) than FJST firms (49%) would not have (or were not sure if they would have) hired the graduate without program funding. The interviews suggest this difference stems from the greater demand for S&T (science and technology) graduates than IT (international trade) graduates.

#### **Retention of Graduates**

Since 1998, WD has not conducted exit surveys so that exact numbers of graduates staying with firms, or leaving before their term under the programs had expired (turnover rate) are not known. The survey results show that a substantial number of graduates stay with firms less than a year. From the interviews, we learned that this turnover could be a result of decisions by the firm to release the graduate because of poor performance or a decision by the graduate to leave for salary reasons or because he/she was uncomfortable with a small business environment. Again from the survey, results point to a difference in the retention of graduates under the two

programs, 49% of FJST firms and only 36.6% of ITPP firms kept on their graduates. It seems that if a graduate stayed with a firm for the first year, the graduate would probably continue working for the firm.

#### Achieving Program Objectives

The objectives of the two programs are being achieved; the ability of ITPP firms to export is being increased, and FJST firms are improving their technology-related performance and becoming more competitive. Most of the FJST participants are 'new economy' firms. A further gauge of program success is the retention of graduates.

Study results show that one year is an acceptable term for the programs. The number of applications, for example, did not diminish when the program moved to one year. Most of the interviewees felt that one year was adequate time for graduates to establish a need for the position, and for firms to decide on keeping the graduate.

## Effectiveness

## Program Design and Delivery

Program design and delivery were generally well regarded. The application process was seen as simple, clear and reasonable; reporting requirements were also considered reasonable. Some shortcomings were identified such as time for graduate approval, turnover of WD staff, and the cap on the number of times a firm can apply, issues which are being addressed by WD staff in the regions. For the most part, clients appear to have been able to attract suitably qualified graduates, with some difficulties being encountered in remote regions or where specific technical training has been required.

## **Future Directions**

Some suggestions were made for improving delivery of the programs. These included increased program promotion, closer linkages with other federal programs such as IRAP, and HRDC support, allowing start-ups to apply, pre-screening graduates and listing qualified candidates on the WD website. Most interviewees and survey respondents (93.1%) believed that the programs should continue. Some would like to see WD open them up in the future to provide more than a wage subsidy and include business development support, as WD used to offer.

## Recommendations

1. Based on the success of the ITPP and FJST, the programs should be continued. They should also continue to be delivered directly by WD, and not through a third party, in order to maintain the access provided by the programs to SMEs in western Canada as an important source of policy information for WD.

2. If the programs are continued, a number of changes are recommended to improve program delivery:

a) The programs should be more widely promoted in western Canada to industry associations, and university campuses, as well as within WD itself, particularly to WD

regional offices in rural areas. In addition, information on the programs should be more readily accessible on the WD website.

- b) Particular attention should be paid by WD regional offices to assisting firms in rural areas to recruit graduates through the programs.
- c) WD regional offices, in administering the programs, should try to have a single point of contact for participants within the offices for applications, reporting and payments relating to each project.
- d) Closer linkages with other federal programs concerned with technology and trade development in SMEs such as IRAP should be encouraged to improve awareness of the WD programs and provide the opportunity to clients for broader-based, complementary support.
- e) Eligibility criteria should be broadened to open the programs to start-ups and firms that are applying technology they do not own, and to lengthening the period from graduation for ITPP candidates from three to five years.
- f) WD regional offices should collect performance metrics on client firms as part of the firms' annual reporting. Data should include graduate recruitment, graduates retained, and destination of graduates leaving firm (type of job, location, forwarding address) as well as data on export revenues, and new products and services. Firms should be asked to provide this data for at least three years after the ITPP and/or FJST projects terminate.

## 1.1. Background

Western Economic Diversification Canada (WD) introduced the ITPP and FJST business development programs in 1995 and 1997 respectively to provide small and medium-sized enterprises (SMEs) and industry associations the opportunity to hire staff with needed expertise that they otherwise could not afford.

The International Trade Personnel Program (ITPP) addresses two important concerns in the Canadian economy: enhancing competitiveness in the global marketplace and facilitating youth employment. Specifically, the Program objectives are as follows:

The Program will assist small and medium sized western Canadian firms to improve their international competitiveness;

Over time, the Program will also assist western Canadian business by increasing the pool of qualified experienced trade professionals.

For many SMEs, having the right personnel skills to enable the companies to move from local to global markets is a major obstacle. Through the Program, companies receive support for salary costs to hire unemployed or underemployed graduates as incremental staff. Assistance through April 2002 was based on a maximum of \$37,500 per graduate for a three-year period. Beginning in fiscal 2002/03, the program was changed so that the maximum assistance is \$20,000 per graduate for one year.

The First Jobs in Science and Technology Program (FJST) is intended to help SMEs become more competitive in the national and international economy, and to offer employment to recent graduates. The Program objectives are as follows:

To provide SMEs with the necessary assistance to enhance their competitive positions through the development and adoption of productivity enhancing technologies;

To provide science, technology and engineering graduates with their first, entrepreneurial work experience in a SME. Over time, it is anticipated that this will lead to the development of a workforce of science, technology and engineering professionals who have the entrepreneurial skills necessary to start and run their own businesses.

The Program is focused on "new economy" firms, concentrating on a limited number of highly competitive markets where rival firms have state of the art technology. FJST helps the firms

capitalize on these business opportunities, while offering career opportunities in the technology industry to youth. WD funding assistance to firms is the same as that offered under ITPP.

## 1.2. Study Purpose

The purpose of the study is to evaluate the ITPP and FJST programs, providing an assessment of changes to the programs' duration from three years to one year, and recommendations on future program directions.

The evaluation questions identified by WD in the study terms of reference fall into three categories of issues: relevance; success (achievement of objectives); and effectiveness (program delivery and management, and future directions). The list of issues and questions covered by the evaluation study are listed below.

## 1.2.1. Issue: Relevance

This issue and accompanying questions examined the extent to which ITPP and FJST continue to be relevant to the needs of users and other stakeholders.

1. Are the ITPP and FJST consistent with WD and broader government priorities? How do the Programs directly support the WD mandate and current strategic objectives?

2. Are the ITPP and FJST meeting the needs of SMEs in western Canada in terms of improving their abilities to export (ITPP) and improving their competitive positions through technology development (FJST)? Does there continue to be a real requirement for these Programs?

## 1.2.2. Issue: Success/Impacts

This issue examined the extent to which ITPP and FJST are achieving their objectives as measured by the impacts of the initiatives.

#### ITPP

3. Has the Program improved the export performance of participating firms in terms of sales, and other areas such as relationships with foreign buyers and brokers, and opening up new marketing channels?

4. How have the graduates employed through the Program helped the participating firms in improving their export performance?

5. To what extent have graduates stayed with the firms after cessation of Program funding? To what extent have graduates left the Program before completing their term and what impact has this turnover had on the firms and on the success of the Program?

6. To what extent have graduates found follow-on employment with other export oriented firms in western Canada? Have any graduates started their own businesses?

7. Overall, has the Program achieved its objectives? Has the change in WD funding assistance had an impact on reaching the objectives? What have been the major impediments to success?

#### FJST

8. Has the Program improved the performance of participating firms in the development and adoption of new technologies?

9. How have the graduates employed through the Program helped the participating firms in improving their technology performance?

10. To what extent have graduates stayed with the firms after cessation of Program funding? To what extent have graduates left the Program before completing their term and what impact has this turnover had on the firms and on the success of the Program?

11. To what extent have graduates found follow-on employment with other export oriented firms in western Canada? Have any graduates started their own businesses?

12. Overall, has the Program achieved its objectives? Has the change in WD funding assistance had an impact on reaching the objectives? What have been the major impediments to success?

## 1.2.3. Issue: Effectiveness

This issue examined the design, and delivery of the ITPP and FJST as they relate to quality client service, including the application process, reporting requirements, Program awareness, and graduate recruitment. Possible future directions for the Programs were also considered within this issue.

#### **Program Design and Delivery**

13. In your view, are ITPP and FJST being delivered in an efficient and effective manner? For example:

- Is the application process seen as clear and reasonable to client firms? If not, why not?
- Have firms found the reporting requirements acceptable? If not, why not?
- Have clients been able to attract qualified graduates to participate in the Program? If not, why not?

#### **Future Directions**

14. Are there alternative ways of delivering the Programs that would improve efficiency and effectiveness? Are the most appropriate and efficient means being used to achieve the objectives of the Programs?

15. In your view, should the Programs continue?

## 1.3. Study Approach

The study approach involved three lines of enquiry: document and database reviews; interviews with WD management at headquarters and regional offices and with selected participating firms and graduates, and a survey of all reachable firms and graduates. The data collection instruments (interview guides and survey forms) were designed to address each of the issues of relevance, success and effectiveness.

#### 1.3.1. Document/Database Review

A review of all document and databases provided by WD were reviewed. This included evaluation frameworks and interim evaluations of both programs, statistical data on firm and graduate participation, and a review of one ITPP file which involved one company and three graduates. A list of references for the study is given in Appendix A.

#### 1.3.2. Interviews

Consultations were completed with 28 stakeholders in ITPP and FJST from five different groups as follows:

Interview Groups	Number of Interviews Planned	Number of Interviews Completed	Number of Interviews Attempted
WD Senior Executives	2	3	3
ITPP & FJST Program Management	6	12	12
Firms	10	11	11
Current Graduates	8	8	12
Past Graduates	2	0	0
Other	0	1 <sup>1</sup>	1
Total	28	35 <sup>2</sup>	39

The breakdown of completed interviews by region is outlined below.

Interview Groups	AB/HQ	BC	MB/SK	Total
WD Senior Executives	2	0	1	3
ITPP & FJST Program Management	2	5	5	12
Firms	5	2	4	11
Current Graduates	2	4	2	8
Past Graduates	0	0	0	0
Other	0	1	0	1
Total	11	12	12	35

The list of interviewees is included at Appendix B.

<sup>&</sup>lt;sup>1</sup> NRC IRAP Officer, BC

<sup>&</sup>lt;sup>2</sup> Includes one ITPP file review, covering 1 firm and 3 graduates, mentioned in Section 1.3.1

## 1.3.3. Survey

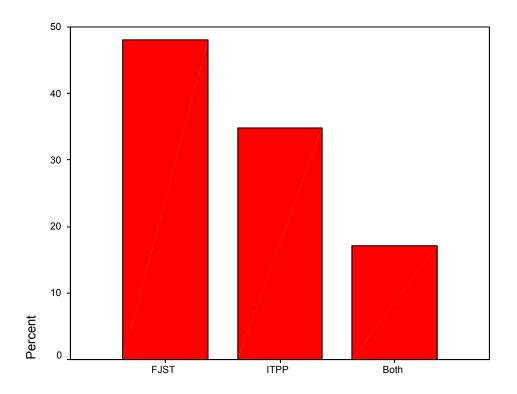
Two hundred and four (204) firms responded to a survey that was conducted by telephone. This involved approximately 4,000 calls to all 1,121 firms in the database, consisting of 589 ITPP and 532 FJST firms. The summary of the response to the survey is provided below:

Response Type	Number
Number not in service	146
Fax number	6
Respondent not available/No answer	455
Disqualified	150
Respondent refusal	160
Completed forms/Responded to the survey	204
Total	1121

While we have no evidence that the sample is, or is not, representative, it is important to point out that due to the low response rate there is a greater possibility that the survey results are not representative of all FJST/ITPP client firms. Because of the difficulty of contacting program participants, the survey approach changed from ensuring a random and representative sample by program, sector, and province, to obtaining as many completed responses as possible. In this regard, we may have received a higher number of satisfied respondents, with respondents not satisfied with the programs choosing not to respond to the survey. A copy of the survey questionnaire is provided at Appendix C.

The breakdown of completed responses by program (FJST, ITPP or both) is provided below in Figure 1-1. As shown in Figure 1-1, 48% (98 respondents) participated in FJST; 35% (71 respondents) participated in ITPP; and 17% (35 respondents) participated in both FJST and ITPP.

Figure 1-1: Completed Responses by Program



The breakdown of completed responses by rural-urban location and region is provided in Figure 1-2 below. As shown in Figure 1-2, of the 204 completed responses: 42% (85 respondents) are from Alberta; 31% (64 respondents) are from British Columbia; and 27% (55 respondents) are from Manitoba and Saskatchewan. In terms of the urban-rural split: 78% (160 respondents) are located in an urban area; 19% (39 respondents) are located in a rural area; and 2% (5 respondents) indicated "other" (e.g., peri-urban area).

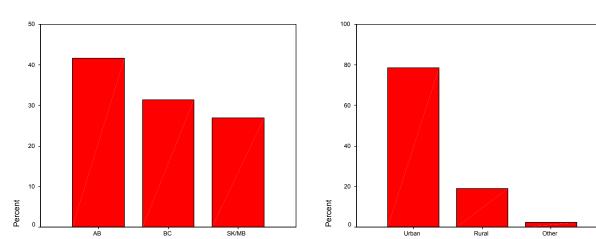


Figure 1-2: Completed Responses by Rural-Urban Location and Region

The breakdown of completed responses by sector of operation is provided below in Figure 1-3. As shown in Figure 1-3, the top five sectors for the 204 responses are:

- 1) Technology with 46% (93) of the respondents, of which 45% are in Alberta, 32% in BC, and 23% in Manitoba/Saskatchewan.
- 2) Manufacturing with 18% (37) of the respondents, of which 41% are in Alberta, 41% in BC, and 19% in Manitoba/Saskatchewan.
- 3) Service with 8% (17) of the respondents, of which 41% are in Alberta, 35% in BC, and 24% in Manitoba/Saskatchewan.
- 4) Environment with 8% (16) of the respondents, of which 38% are in BC, 31% in Alberta, and 31% in Manitoba/Saskatchewan.
- 5) Agriculture with 7% (15) of the respondents, of which 73% are in Manitoba/Saskatchewan, and 27% in Alberta.

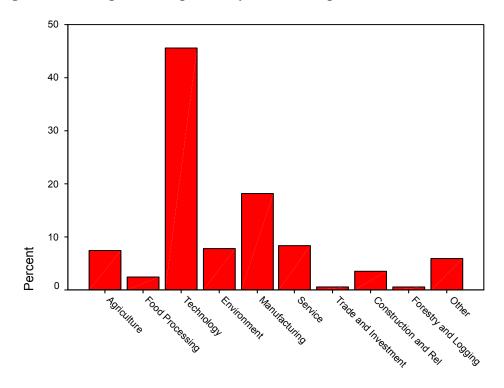


Figure 1-3: Completed Responses by Sector of Operation

The breakdown of completed responses by number of employees and region is provided below in Figure 1-4. As shown in Figure 1-4:

- 6) In BC, 70% of the respondents have less than 26 employees, of which 39% have less than 11 employees.
- 7) In Manitoba and Saskatchewan, 67% of the respondents have less than 26 employees, of which 45% have less than 11 employees.
- 8) In Alberta, 55% of the respondents have less than 26 employees, of which 34% have less than 11 employees.

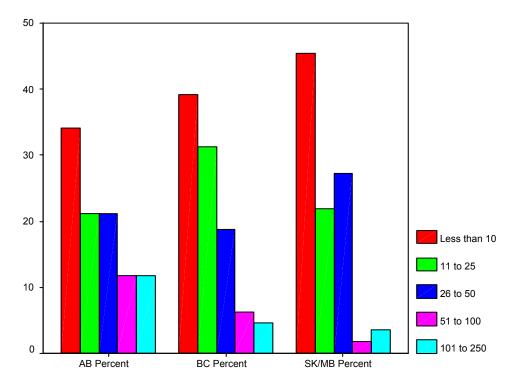


Figure 1-4: Completed Responses by Number of Employees and Region

## 1.4. Study Constraints

The low response rate to the telephone survey may have provided some bias in the study results, as noted. Any future reviews of ITPP and FJST would be assisted by improved data collection from client firms, as part of their annual reporting, on graduate hiring, retention, and location for those graduates leaving the firm on or after project completion. Having firms provide this data at least three years beyond project completion would give contact information permitting continuing assessments of program impact.

## 1.5. Report Structure

The preliminary findings report is structured as follows:

- 9) Section Two presents preliminary findings pertaining to the relevance issue.
- 10) Section Three presents preliminary findings pertaining to the success issue.
- 11) Section Four presents preliminary findings pertaining to the effectiveness issue.
- 12) Section Five presents our preliminary conclusions.

The relevance issue and questions examined the extent to which ITPP and FJST continue to be relevant to the needs of users and other stakeholders.

## 2.1. Priorities, Mandate and Strategic Objectives

Are the ITPP and FJST consistent with WD and broader government priorities? How do the Programs directly support the WD mandate and current strategic objectives?

This issue was only addressed to the 14 WD respondents. Almost all these respondents (12 of 14) indicated that the FJST and ITPP are consistent with WD's and broader government priorities and objectives, and in particular, the strategic directions on innovation and entrepreneurship. They note that WD's mandate, which has remained consistent since it was established in 1987, is to promote the development and diversification of the western Canadian economy, coordinate federal economic activities in the West, and reflect western Canadian interests in national decision-making.

As noted in WD's 2003-2004 Estimates, Report on Plans and Priorities, the strategic focus of WD is now comprised of three pillars: Innovation, Entrepreneurship, and Sustainable Communities, directions that are congruent with the Government of Canada's economic development priorities, and those of the Industry Portfolio. Innovation and Entrepreneurship have been a major focus for several years, but WD activities and priorities have evolved in response to emerging economic trends, government priorities, and WD's own experience. The 2003-2004 report notes that:

- 13) Within the Innovation pillar, WD works to enhance the rate of technology development, commercialization and adaptation; improve the western Canadian knowledge infrastructure and capacity; and increase the growth and job creation in knowledge-based sectors.
- 14) The Entrepreneurship pillar improves access to capital, services and information; promotes increased trade and export opportunities; and improves the skills and capacity of western Canadians and western Canadian businesses to enhance their competitiveness in the global economy.

Most respondents noted that WD's mandate is to improve/diversify the economy of western Canada. ITPP supports the mandate with its focus on export readiness and trade development that fit the entrepreneurship objective. Broader government objectives for expanding trade are

also served by the program. The same respondents noted that FJST is consistent with WD's innovation objective as it applies to both new and old economy firms, although most of the participants are technology and manufacturing firms (Q 3 - 45.6% and 18.1% respectively). The focus of FJST on skills development and retention addresses government concerns about the brain drain. The program provides low cost access to these skills. The program also directly supports the innovation agenda. One respondent noted that a previous study showed a slower technology adoption rate by western Canada SMEs in comparison to the US. "By pulling SMEs to a higher standard, FJST is addressing that issue."

A small minority (2 of 14 WD respondents) noted that ITPP and FJST are actually wage subsidy programs, and only indirectly support WD objectives and priorities of entrepreneurship and innovation. Furthermore, achieving the entrepreneurship and innovation objectives is conditional upon the graduate staying with the firm and/or western Canada. They noted that WD has changed its strategic direction in terms of program delivery. WD used to have the capacity to provide client services, such as help with business plans, which was an additional asset for companies under ITPP and FJST to draw on. These services were withdrawn due to budget cuts, with WD largely contracting out program delivery to a third party. These two respondents pointed out that ITPP and FJST are the only two programs where WD deals directly with SMEs; as one respondent noted, "they are the only programs where we (WD) actually cut a cheque to the SME". The two programs, FJST and ITPP, represent the "old way" of delivering services to SMEs in western Canada, in their view.

Both (of the dissenting) respondents pointed to WD's "new way" of service delivery. As noted in the 2003-2004 Estimates, Report on Plans and Priorities, WD is a small department with limited resources. In order that western Canadians have direct access to the products and services that support their economic success, the Western Canada Business Service Network (WCBSN) was established. This network is a partnership of various organizations that help entrepreneurs across the West, in both urban and rural communities, find what they need to establish a business or make it grow. Services range from marketing information and funding options to counseling and support. The network comprises over 100 points of service, including:

- 15) Canada Business Service Centres (CBSCs), which are managed through federal-provincial cooperative agreements that provide a single, seamless gateway to information for business, through offices in Vancouver, Edmonton, Saskatoon and Winnipeg.
- 16) Community Futures Development Corporations (CFDCs), which are volunteer-led, non-profit organizations located across Canada that take a grassroots approach to economic development. The 90 CFDCs across the West deliver a variety of services that include strategic economic planning, technical and advisory services, loans to SMEs, and self-employment programs aimed at youth and entrepreneurs with disabilities.
- 17) Women's Enterprise Initiative provides business advice and information, networking, mentoring, and access to capital specially designed for women clients.

## 2.2. Meeting Needs, Continuing Requirement

Are the ITPP and FJST meeting the needs of SMEs in western Canada in terms of improving their abilities to export (ITPP) and improving their competitive positions through technology development (FJST)? Does there continue to be a real requirement for these Programs?

All interviewees (government, industry and graduates) indicated that ITPP and FJST are meeting the needs of SMEs in western Canada, in terms of improving their abilities to export and their competitive positions through technology development. Most interviewees further noted that the need increases as the size of the firm decreases, with very small firms having the greatest need. For these firms (less than or equal to ten employees), the addition of one graduate represents a significant increase in staff. Virtually all industry interviewees noted that there is a "training cost" to hiring a recent graduate. Graduates have little or no experience, so there is a significant amount of downtime on the part of a more experienced and senior individual, to train the graduate on the processes and methods used by the firm. The wage subsidy from FJST/ITPP helps to mitigate against this "learning curve" period.

The programs were also endorsed by the survey respondents. Details of the survey responses are presented in the following two chapters on Success, and Effectiveness respectively but in terms of respondents' views on the need for the programs, we can look at their answers to the question of whether the programs should continue. Of the FJST participants, 94.9 percent said yes, as did 88.7 percent of ITPP participants, and 97.1 percent of participants in both programs.

In this Chapter, we examine the extent to which ITPP and FJST are achieving their objectives as measured by the impacts of the initiatives. A number of evaluation questions were addressed for each of the programs.

## 3.1. Program Impact on Performance

## ITPP

Has the Program improved the export performance of participating firms in terms of sales, and other areas such as relationships with foreign buyers and brokers, and opening up new marketing channels?

The anecdotal evidence from firms and graduates in the interviews was that the graduates hired with the assistance of the program have had a positive impact on the export performance of the participating firms. As noted in the previous chapter, the survey results support this evidence; they indicate that 50.7% of respondents consider their involvement with the program has significantly (box scores of 4 and 5) improved their firm's exports. Looking at the various components of exporting, 42.2% said their knowledge and ability in developing relationships with foreign buyers had significantly improved; 17.2% saw significant change in their development of relationships with foreign brokers, 27.9% with developing market channels, and 22.3% with conducting market research. The impacts on firms' capacities with respect to new product development (28.9%) and adaptation of existing products (39.1%) were seen to be greater.

Firms and graduates indicated to us in the interviews that the graduates had brought a focus to their marketing efforts and enabled the firm to market more quickly and aggressively. Those graduates that were in at the beginning of their firm's export efforts, with support and encouragement from the firm, stayed to become marketing managers as the firms have grown. One firm that had two ITPP graduates said that the graduates had been instrumental in the company receiving an Exporter of the Year Award in 2003. In some cases, the graduate had little impact on exports because the skills and knowledge from university did not translate into on-the-job capability. These firms would like to see the eligibility rules of the program changed to extend the time from graduation to five years from three years to allow them to hire individuals with some trade experience.

FJST

Has the Program improved the performance of participating firms in the development and adoption of new technologies?

The companies we talked to were pleased with the quality of the graduates hired through FJST and said the graduates were able to apply their skills and knowledge from university directly to the needs of the company. No single measures like export sales could be used to assess the impact of FJST but anecdotal evidence was given of innovative changes to products and processes introduced by graduates that had benefited company performance. The examples ranged from improvements to feed and water quality in an aqua farm, to development of a quality assurance program to ensure the firm's food products passed food sanitation standards, to improvements in software products. The survey showed 67.8% of FJST firms considered that their performance had significantly (box scores 4 and 5) improved. An even higher percentage (71.5%) of firms using both programs saw significant improvement.

## 3.2. Hiring of Graduates

## **ITPP and FJST**

To what extent would firms still have hired staff for similar work if they had not received funding from the Program?

The survey results shown below indicated that firms in Manitoba and Saskatchewan had greater need of program support to hire a graduate. Specifically, 64% of MB/SK firms responded that they would not have (or were not sure if they would have) hired the graduate without funding from either FJST or ITPP, compared to 53% in BC and 52% in Alberta. The greater likelihood in the latter two provinces of firms hiring without program support suggests that the funding is only incremental to the decision to hire. Interview responses from clients were consistent with this finding, pointing out the value of the programs in reducing the up front costs of hiring and training new employees. Graduates also complimented the programs on giving young graduates practical experience in their field and in their home province.

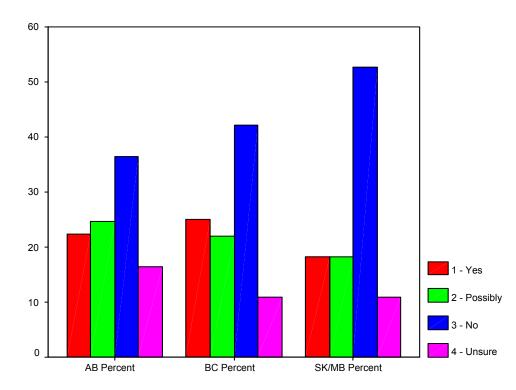
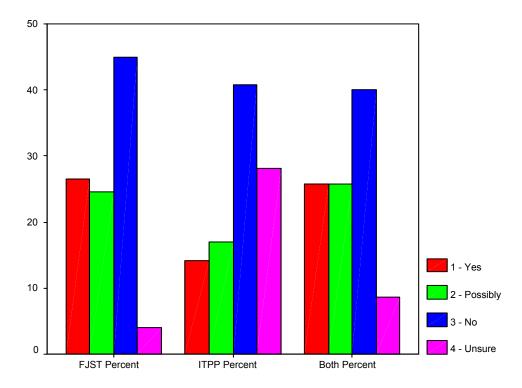


Figure 3-1: Hired without Funding (by Region)

Interestingly, when the same question is broken down by program (see below), only 49% of FJST supported firms indicated that they would not have (or were not sure if they would have) hired the graduate without funding from FJST, compared to 69% for ITPP firms. Based on the interviews, the reason for this appears to be that the demand for S&T (science and technology) graduates outweighs the demand for IT (international trade) graduates. Many interviewees noted that often a firm will not have the knowledge/expertise of the S&T graduate, whereas in the international trade area, often the greatest asset is experience and contacts in the destination market which a recent graduate will not have. As commented on above, several ITPP company interviewees noted that the program would be more useful if the graduate had some prior trade-related experience.





Apart from the ITPP or FJST job, did you have any other job offers at the time? Were these offers in science and technology or international trade and were they in western Canada?

Most of the graduates interviewed (4 of 5) indicated that they did not have any other job offers in their specific field (either S&T or trade) when they were hired. One graduate with a number of offers who chose to work with a FJST-supported firm was located in Alberta, where the choice of S&T jobs is greater than Manitoba and Saskatchewan.

## 3.3. Retention of Graduates

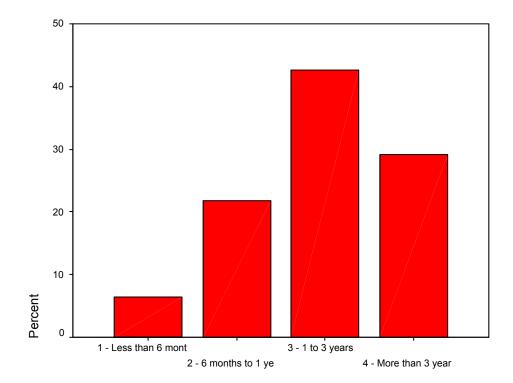
### **ITPP and FJST**

To what extent have graduates stayed with the firms after cessation of Program funding? To what extent have graduates left the Program before completing their term and what impact has this turnover had on the firms and on the success of the Program?

### **ITPP and FJST**

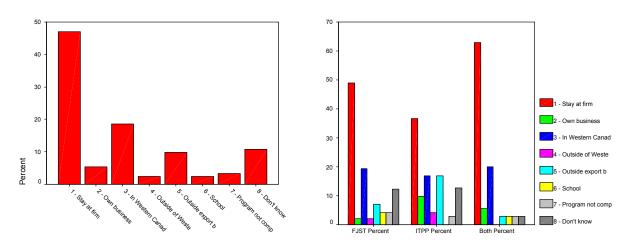
Since 1998, WD has not conducted exit surveys so that exact numbers of graduates staying with firms, or leaving before their term under the programs had expired (turnover rate) are not known. The data from the survey (Figure 3-3), however, give some insight into the turnover question. As shown in the chart below, only a small percentage of graduates (average 6.4%) stay less than six

months, while an average of 21.8% stay between six months and a year. From the interviews, we learned that turnover could be a result of decisions by the firm to release the graduate because of poor performance or a decision by the graduate to leave for salary reasons or because he/she was uncomfortable with a small business environment.





The following charts from the survey (Figure 3-4) show what happened to the graduates after the FJST and ITPP programs. Respondents said that 47.1% stayed with the firm, 18.6% stayed in western Canada but with a different firm, 9.8% left western Canada for a position with an exporting firm (2% left western Canada for a position with a technology firm), 5.4% started their own business, 3.4% indicated that their program was still active, 2.5% returned to school, and 11% did not know. There was not much variation by region, however, there was a difference between FJST and ITPP. As noted below, 49% of FJST firms retained their graduates, compared to 36.6% for ITPP firms, and 62.9% when the firm participated in both FJST and ITPP. This is consistent with the finding, noted above, that the need for S&T graduates appears to be greater than the need for international trade graduates, where experience is more of a factor in their value to the firm.



#### Figure 3-4: After the program (Overall and by Program)

From these two sets of results, it seems that if a graduate stayed with a firm for at least a year, the graduate would probably continue working for the firm.

## 3.4. Achieving Program Objectives

#### **ITPP and FJST**

Overall, has the Program achieved its objectives? Has the change in WD funding assistance (from three years to one year) had an impact on reaching the objectives? What have been the major impediments to success?

The objectives of the two programs are being achieved; in the case of ITPP, the ability of firms to export is being increased, and for FJST, firms are improving their technology-related performance and becoming more competitive. The distribution of sectors of operation of firms given in Chapter 1 shows that the preponderance are in technology and manufacturing areas which was the intent that FJST be focused on 'new economy' firms.

A further gauge of program success is the retention of graduates. The survey results confirm that many graduates are finding career opportunities with the firms they joined through the programs. As pointed out previously, the programs have reduced the risk for small businesses in taking on a new employee by subsidizing the up front investment in hiring and training. The programs have also succeeded in publicizing opportunities for employment in small businesses that many graduates may not be aware of.

In the survey (Q 29), respondents clearly stated a preference for a three-year term over a oneyear term. This result is not surprising given the advantage to the firm in having the longer-term commitment of funding, and the larger subsidy. Indeed, the intent of the three-year term was to push firms to think long term about trade and the use of S&T skills. The view was that if the firm and graduate were together for three years, there would be a better likelihood of the job becoming permanent. The results show, on the other hand, that one year is an acceptable term for clients. The number of applications, for example, did not diminish when the program moved to one year. Most of the interviewees felt that one year was adequate time for graduates to establish a need for the position, and to prove themselves as able to fill that position. Comments from clients included such statements as "Do not need three years – program impacts are happening before that", and "We decide within three months if we want to keep the graduate." This perception was echoed in the survey (Q 31) in which 84.8% of respondents supported no change to the programs; this would include maintaining the one-year limit. Even when asked if they would like to see an optional second year of funding, only 40.2% agreed.

This effectiveness issue examined the design, and delivery of the ITPP and FJST as they relate to quality client service, including the application process, reporting requirements, program awareness, and graduate recruitment. Possible future directions for the Programs were also considered within this issue.

## 4.1. Program Design and Delivery

*In your view, are ITPP and FJST being delivered in an efficient and effective manner?* 

For example: Is the application process seen as clear and reasonable to client firms? If not, why not?

Most clients interviewed stated that the application process is simple, clear and reasonable. Some companies were able to submit business plans that they had prepared for other purposes, such as a bank which facilitated their application. Some who had applied on previous occasions noted that the application process had become simpler and faster. While the old forms were complicated, and perhaps excessive for the amount of money WD was providing, the new forms are viewed as streamlined. There have been instances of consultants assisting firms with their application. However, we did not gain the impression from the interviews that this was a common practice, as it is for example in the SRED program.

The survey results (Q 28) confirmed support for the application process. A high proportion strongly agreed (74.9% - box scores 4 and 5) that the application forms did not take too long to complete, that the program guidelines were clear (78.7%), and strongly disagreed (67.5%) that the information required was too detailed, and that the staff took a long time to process the applications (73.2%).

Some issues in the application process were, however, brought to our attention.

- (i) According to BC WD officials, 90% of the projects have site visits as part of the approval. This has tended to restrict project approvals to urban areas.
- (ii) Graduate approval is an area for improvement. It can easily take two months to complete the process of recruiting and hiring an individual. In a slow labour market this is not a problem, but there have been situations where companies have felt that they might be in jeopardy of losing their preferred candidate (and thus have to go back to the beginning again for graduate qualification). These companies wanted to

see movement on hiring on the basis of agreement in principle without everything being signed.

- (iii) Another issue has been the turnover and reassignment of WD staff, and the frequent splitting of the application process among several WD officers. Clients have complained that "I don't know who to talk to now." Another problem has been the WD website: it does not have a clear path that leads an inexperienced user to ITPP and FJST program information.
- (iv) An industry interviewee felt that WD should not impose a cap (maximum) number of times a firm can apply to the programs (FJST in this case). The respondent argued that if a firm had a good track record of keeping their graduates on as full-time permanent employees, they should be encouraged to re-apply.

These shortcomings have been recognized in most instances and WD staff in the regions has been actively working to improve the application process. For example, for graduate approval, WD staff has created a form to check-off items, although it still requires resumes and proof of graduation. Some clients believe the program delivery units should be encouraged to adopt an Internet-based system to run due diligence and generate letters of offer.

#### Have firms found the reporting requirements acceptable? If not, why not?

The reporting requirements were considered by some clients to be repetitive, given that usually, for a successful firm, it is "more of the same". However they are not seen as onerous. Also they provide a suitable check for unsuccessful cases.

In general, clients have found the reporting requirements acceptable. The survey respondents (Q 28) strongly disagreed (70.8%) with the statement that the information required in the progress reports is too detailed. One WD official commented that all WD really needs to know is if the graduate is still employed or not. Some companies send extensive reports, while others just provide the minimum required. From a due diligence point of view, it is understood that the quarterly reports justify payments. Sometimes the reports are written by the graduates themselves – which in itself provides an element of training. Again the issue of not knowing who to talk to at WD came up if clients have questions.

# Have clients been able to attract qualified graduates to participate in the Program? If not, why not?

WD interviewees noted that, for the most part, clients appear to have been able to attract suitably qualified graduates. The programs are not as well known as they should be; there has been limited promotion at universities and colleges, stemming from earlier publicity that generated interest beyond the capacity of the programs to respond. The survey showed (Q 21) that common routes for hiring graduates were referral, direct contact of the firm by the graduate, and advertising.

Some difficulties were encountered in remote regions or where specific technical training has been required. In some cases, the three years from graduation limit was relaxed. Several commented that some companies, particularly in the ITPP, tried to pay lower than market wages, thus finding it difficult to attract qualified graduates. It was noted in the previous chapter, the

concern of some that, for ITPP, an inexperienced graduate was probably not the most suitable candidate because networks/contacts could be needed to do the job successfully. On the other hand, some industry clients indicated that the graduates they hired had more educational qualifications than they would have been able to afford in the absence of ITPP support.

## 4.2. Future Directions

Are there alternative ways of delivering the Programs that would improve efficiency and effectiveness? Are the most appropriate and efficient means being used to achieve the objectives of the Programs?

A number of suggestions were made for improving delivery of the programs.

**Provincial Delivery**: The possibility of provincial program delivery was raised, but this was not thought to be a likely alternative because provinces, certainly BC, are explicitly phasing out subsidies to business. Further, even though ITPP and FJST were in line with provincial priorities and did not overlap or duplicate provincial programs, provincial governments were not considered to have sufficient budget to fund the programs themselves. It was suggested that provinces might be enlisted as cosponsors, or co-deliverers, and that the original idea of provincial advisory councils might be pursued. It was understood that this would require sensitive negotiations given the reluctance of provinces to get directly involved.

*Third Party Delivery*: Some respondents felt that ITPP and FJST no longer fit with WD's approach to program delivery, and that the programs would be more appropriately delivered by a third party. Delivery by community development organizations such as community capital corporations, or community futures might be considered. The question raised was whether this removal of direct contact with SMEs would eliminate an important source of policy information for WD, and possibly deflect the programs from their focus on new economy firms.

**Program Promotion**: A number of respondents noted that WD needs to get behind the programs and promote them better, e.g., more advertising with industry associations, university campuses, and improving the web site so that the programs are easier to find. Both WD and other respondents noted that WD needs to reach out to rural small businesses more. We understand that WD offices away from urban areas may have no part in the delivery of FJST and ITPP.

*Linkage to Other Programs*: Closer linkages to IRAP and HRDC programs, particularly for FJST, were proposed as being beneficial to companies. We did not have an opportunity to follow-up on an HRDC connection but we did discuss the idea with IRAP. IRAP officers in western Canada are familiar with FJST and its benefits, and in some cases companies come to FJST through reference from an IRAP officer (Q 27 in the survey revealed federal programs including IRAP as a source of program awareness). In the regions, away from WD offices, IRAP officers could be trained and authorized to deliver the program rather than advise clients on the current ad hoc basis. This would probably assist the inclusion of more rural businesses in the program.

*Eligibility Constraints*: To qualify for the programs, companies must have revenues. Thus, the programs tend to focus only on companies that are already established – start-ups are excluded

(unlike, for example, the situation for SRED claims). Additionally, the projects must be incremental. The firm must acquire, develop or integrate a new technology and must own the technology – this severely limits many companies from possibly applying.

**Pre-Screening Graduates**: There were suggestions that WD should pre-screen the graduates, and then list the qualified candidates on WD's web site. Firms would only need to go to this "one stop", knowing that any graduates they select had been pre-qualified by WD as being eligible to participate in the programs. This would not prevent companies coming forward with graduates not on the list but it would be intended to accelerate the approval process for those companies that wanted a faster decision.

**Regional Program Focus**: One respondent noted that in Manitoba and Saskatchewan, there are far more graduates than jobs, particularly when compared to Alberta and BC. It was recognized that while it may be difficult for WD strategically to limit the programs to these two provinces, it might be useful to apply more effort to publicizing the programs in these two regions with a view to stimulating demand. Given the success of the programs in helping to overcome the "Catch 22" situation faced by some new graduates, that is experience required but no firm willing to give them their first experience, this focus could push more firms to take the risk and hire young graduates.

#### In your view, should the programs continue?

Most interviewees and survey respondents believe that the programs should continue (Q 30 - 93.1% said yes). As evidenced by the results reported earlier, most considered the programs to have been very useful to small businesses and to graduates judging by the proportion that stayed with their employers. There were, however, some dissenting views.

As noted above, some WD officials said WD should close off the programs. They felt that the time for general programs was over, and that the programs might be redesigned and targeted to certain sectors and certain technologies, or, if retained in their present form, their administration might be devolved to a third party. The more common view was that WD needed a direct window onto its clients. It needed to be able to determine the economic climate in the West directly without the distortions introduced by second-hand reporting from contract service providers. Their thinking was that ITPP and FJST provide a unique source of information for WD policy makers on the status of small businesses in western Canada, and should continue to be delivered by WD.

The possible targeting of sectors did not receive much support (19.6%) from survey participants (Q 31). If there was targeting, WD and other interviewees saw that it would be difficult to convince the public that the right choices had been made. Mention was made that it might be possible to identify gaps in skill sets through considering the work of HRDC's sector councils.

In a continuation of the programs, it was proposed that WD should open up its programs to provide more than a wage subsidy to including business development support, as WD used to offer. This support might cover, for example, management skills instruction for technology companies, and marketing assistance for exporters eg finding local agents, advising on local taxes and regulations.

# 5. Conclusions and Recommendations

## 5.1. Relevance

Based on the interviews and the results from the survey, we find that the ITPP and FJST programs are relevant and consistent with government priorities and objectives on innovation and entrepreneurship. There is, however, some disagreement on whether WD delivery of the programs is in line with WD's new and strategic way of delivering programs and services through third parties.

## 5.2. Success/Impacts

The programs are meeting the needs of client firms in western Canada, and in particular, very small businesses with less than ten employees. Graduates hired with the assistance of ITPP and FJST have had a positive impact on the export and technology performances, respectively, of the participating firms. The "cost" incurred during the learning curve or training period when the graduate is being incorporated into the SMEs' operations is mitigated by the wage subsidy of the programs. Firms in Saskatchewan and Manitoba had a greater need for the support.

Many graduates are finding career opportunities with the firms they joined through the programs. In terms of hiring few difficulties were encountered. In a reasonably buoyant economy where most graduates are finding employment within six months of graduation, the programs have brought the attention of graduates to the opportunities in small firms. More S&T than international trade graduates stayed with their firms which suggests that the S&T graduates have proven themselves to be relatively more valuable to their firms.

One year appears to be an acceptable term for clients. One year was adequate time for graduates to establish a need for the position, and to prove themselves as able to fill that position.

# 5.3. Effectiveness

Clients were pleased with the application process finding that it was simple, clear and reasonable. Issues with the process concerned the time taken to approve graduates for employment under the programs, the involvement of a number of WD staff in an application, and

the cap on the number of applications a company was permitted to make. Reporting requirements have not posed problems for clients.

For the most part, clients appear to have been able to attract suitably qualified graduates. The programs are not as well known as they should be; there has been limited promotion at universities and colleges, and more generally which has limited knowledge of the programs among graduates and companies. Particular difficulties arose in hiring by rural firms.

In terms of alternative program delivery, provincial delivery was not thought to be a likely alternative because provinces, certainly BC, are explicitly phasing out subsidies to business. On the grounds that direct delivery was no longer consistent with WD's strategic approach to fulfilling its mandate, some advocated delivery by community-based organizations. Removal of direct contact with SMEs would, however, eliminate an important source of policy information for WD, and possibly deflect the programs from their focus on new economy firms.

As evidenced by the results, most considered the programs to have been very useful to small businesses and to graduates and would like to see the programs continue. There were, however, differing views on whether they should be delivered directly by WD or by a third party. Some also advocated a targeting by sector and technology.

## 5.4. Recommendations

1. Based on the success of the ITPP and FJST, the programs should be continued. They should also continue to be delivered directly by WD, and not through a third party, in order to maintain the access provided by the programs to SMEs in western Canada as an important source of policy information for WD.

2. If the programs are continued, a number of changes are recommended to improve program delivery:

- a) The programs should be more widely promoted in western Canada to industry associations, and university campuses, as well as within WD itself, particularly to WD regional offices in rural areas. In addition, information on the programs should be more readily accessible on the WD website.
- b) Particular attention should be paid by WD regional offices to assisting firms in rural areas to recruit graduates through the programs.
- c) WD regional offices, in administering the programs, should try to have a single point of contact for participants within the offices for applications, reporting and payments relating to each project.
- d) Closer linkages with other federal programs concerned with technology and trade development in SMEs such as IRAP should be encouraged to improve awareness of the WD programs and provide the opportunity to clients for broader-based, complementary support.

- e) Eligibility criteria should be broadened to open the programs to start-ups and firms that are applying technology they do not own, and to lengthening the period from graduation for ITPP candidates from three to five years.
- f) WD regional offices should collect performance metrics on client firms as part of the firms' annual reporting. Data should include graduate recruitment, graduates retained, and destination of graduates leaving the firms (type of job, location, forwarding address) as well as data on export revenues, and new products and services. Firms should be asked to provide this data for at least three years after the ITPP and/or FJST projects terminate.

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Western Economic Diversification Canada, <u>PP Deck Presentation International Trade Personnel</u> <u>Program (ITPP) Exit Interviews</u>, August 4, 1999.

Treasury Board of Canada, <u>Interim Evaluation of the International Trade Personnel Program</u> (<u>ITPP) Final Report (file no. 6423)</u>, March 2, 1998.

# Interview List

Name	Position, Company	Region	
Clients			
Murad Alkatib	President, Saskan Pulse Trading	SK	
Joel David	COO, Litebook Company Ltd.	AB	
Kelly Edegar	General Manager, Direct Meat Processors	SK	
Scott Greenlay	Principal, Greenridge Business Systems	MB	
Dominic Jansen	President and CEO, Palm Tree Solutions Inc	AB	
Janice Kirkland	Manager, Human Resources, Wi- Lan Inc.	AB	
Ralf Klenke	Vice President, ErosionControlBlanket.com	MB	
Victoria Page	Partner Greenview Aqua-Farm Limited	AB	
Marni Reid	Accountant, Litebook Company Ltd.	AB	
James D. Stewart	President, Paradise Ranch Wines Corp.	BC	
Graduates			
Michael Alder	Graduate, Greenridge Business Systems	MB	
Allison Boulton	Graduate, Marketing and Production Coordinator, Paradise Ranch Wines Corp.	BC	
Katriona Fhinkewfki	Graduate, Quality Assurance, Direct Meat Processors	SK	
Robyn Harris	Graduate, Litebook Company Ltd.	AB	
Linda Hoy	Graduate, Palm Tree Solutions Inc.	AB	
Western Economic Diversification Canada			
Darren Arnault	Program Assistance Officer, WD	Calgary, AB	
Catherine Barclay	Senior Business Officer, Strategic Initiatives and A/Manager, WD	Calgary, AB	
Andrea Craig	Business Officer, WD	Vancouver, BC	
Alistair Crawford	Program Assistance Officer, WD	Vancouver, BC	
Roland Gagné	Business Officer, WD	Winnipeg, MB	

Name	Position, Company	Region
Les Gibson	Program Manager, WD	Headquarters, Edmonton, AB
Lynn Gray	Business Officer, Payments and Monitoring, WD	Saskatoon, SK
Kandice Johnson	Manager, Entrepreneurship & International Business, WD	Vancouver, BC
Richard Lloyd	Business Development Officer, WD	Winnipeg, MB
Rajeev Ludu	Business Officer, Project Operations, WD	Saskatoon, SK
Derryl Millar	Director General, WD	Winnipeg, MB
Brant Popp	Director Policy, WD	Headquarters
Felomena Wan	Senior Business Officer, WD	Vancouver, BC
Leo Wang	Project Assistant, WD	Vancouver, BC
Ed Wiens	Manager, Project Operations, WD	Saskatoon, SK
Other		
Michael Kerr	Industrial Technology Advisor, IRAP, NRC	BC

# Survey

## Section 1: The Organization

1. In what province is your firm located?

## [SELECT ONE]

Province and Territory List

2. Is your firm located in an urban centre or a rural area?

[SELECT ONE]

Urban centre Rural area Other

## 3. In what sector does your firm currently operate?

## [SELECT ONE]

Agriculture Food Processing Technology Environment Manufacturing Service Trade and Investment Construction and Related Forestry and Logging Other

### 4. How many employees does your firm currently have?

### [SELECT ONE]

Less than 10

11 to 25 26 to 50 51 to 100 100 to 250

5. What are your firm's projected revenues for this year?

[SELECT ONE]

Less than \$1,000,000 \$1,000,001 to \$5,000,000 \$5,000,001 to \$10,000,000 \$10,000,001 to \$25,000,000 More than \$25,000,000

6. Under which of the following programs did your firm receive funding?

First Jobs in Science and Technology (FJST) Program **[Go to Section 2A]** International Trade Personnel Program (ITPP) **[Go to Section 2B]** Both Programs **[Go to Section 2C]** 

## Section 2A: FJST Participants

7. Has the employment of graduate(s) under the FJST improved the performance of your firm in the development and adoption of new technologies?

[SELECT ONE]

1 – Not at All

5 – Significantly Unknown

8. Since participating in FJST, to what extent has your firm...

[SELECT ONE PER ITEM] [CHOICES: 1 (Not at All) to 5 (Significantly), Unknown]

Opened new markets

Developed new technology products or services Adapted existing technology products or services Other (Please specify)

9. Has your participation in the FJST improved management skills in your firm?

[SELECT ONE]

1 - Not at All

5 - Very Much

## Section 2B: ITPP Participants

10. Has the employment of graduate(s) under the ITPP improved the export performance of your firm?

[SELECT ONE]

1 – Not at All

5 – Significantly Unknown

11. Since participating in ITPP, to what extent has your corporate knowledge and ability increased with respect to...

[SELECT ONE PER ITEM] [CHOICES: 1 (Not at All) to 5 (Significantly), Unknown]

General awareness of exporting practices International business strategies The pitfalls and challenges of exporting

12. To what extent have you...

Developed relationships with foreign buyers Developed relationships with foreign brokers Developed market channels Conducted international market research Developed new products or services Adapted existing products or services Other (Please specify)

13. Has your participation in the ITPP improved management skills in your firm?

[SELECT ONE]

1 - Not at All
5 - Very Much

## Section 2C: Participants in Both Programs

14. Has the employment of graduate(s) under the FJST improved the performance of your firm in the development and adoption of new technologies?

[SELECT ONE]

1 – Not at All

5 – Significantly Unknown

15. Since participating in FJST, to what extent has your firm...

[SELECT ONE PER ITEM] [CHOICES: 1 (Not at All) to 5 (Significantly), Unknown]

Developed new technology products or services Adapted existing technology products or services Other (Please specify)

16. Has the employment of graduate(s) under the ITPP improved the export performance of your firm?

[SELECT ONE]

1 – Not at All

5 – Significantly Unknown

17. Since participating in ITPP, to what extent has your corporate knowledge and ability increased with respect to...

[SELECT ONE PER ITEM] [CHOICES: 1 (Not at All) to 5 (Significantly), Unknown]

General awareness of exporting practices International business strategies The pitfalls and challenges of exporting

18. To what extent have you...

Developed relationships with foreign buyers Developed relationships with foreign brokers Developed market channels Conducted international market research Developed new products or services Adapted existing products or services Other (Please specify)

19. Has your participation in the Programs improved management skills in your firm?

[SELECT ONE]

1 - Not at All
5 - Very Much

#### Section 3: The Graduates

20. How many graduates have you hired through the Program?

[TEXT LINE]

21. How did you hire your graduate(s)?

[SELECT ALL THAT APPLY]

By referral The graduate(s) contacted the firm directly Through advertising Site visits to university and college campuses

22. To what extent did you find it difficult to hire graduates to your firm under the Program?

[SELECT ONE]

1 - Not difficult

5 – Very difficult

23. If there was difficulty, what was the main cause?

[SELECT ONE]

No difficulty Lack of qualified graduates Eligibility criteria too restrictive Lack of competitive salaries Other (please specify)

24. If you had not received funding from the Program, would you still have hired staff for similar work?

[SELECT ONE]

Yes Possibly No Unknown

25. What is the average length of stay of the graduates with your firm?

[SELECT ONE]

Less than six months Six months to a year One to three years More than three years 26. Where do most of your graduates go on completion of the Program?

Still at your firm Started their own business Work for another export oriented firm in Western Canada Work for another export oriented firm outside of Western Canada Work for another firm outside of the export business Went back to school Don't know Term of the Program not yet completed

### Section 4: The Program

27. How did your firm first become aware of the program?

[SELECT ONE]

By referral From the graduates themselves By a Consultant Through the Internet Through contact with WD Through your Provincial Government Through other Federal Programs Other

28. Thinking about your experience with Program staff, and the level of funding you received, please indicate if you agree or disagree with the following statements.

[SELECT ONE PER ITEM] [CHOICES: 1 (Strongly Disagree) to 3 (Neither Agree or Disagree) to 5 (Strongly Agree)]

The Program staff has been responsive to my questions My application forms did not take too long to complete The Program guidelines are sufficiently clear The information required in the application process is too detailed The information required in the progress reports is too detailed The Program staff took a long time to process our application If the Program was extended, I would apply again.

29. The term of the Program was changed from 3 years to 1 year in 2003. Which term do you prefer?

#### [SELECT ONE]

One year Three years No preference

30. In your view, should the Program continue?

[SELECT ONE]

Yes No

31. If the Program continued, what changes, if any, would you like to see?

[SELECT ALL THAT APPLY]

No change Extend the period of eligibility of the graduates beyond 3 years Extend the funding horizon to include an optional second year Target certain industry sectors and/or technologies Target sectors and activities in addition to exports and/or technologies Don't know

We are also interested in contacting some of the graduates hired through the program. If needed, would you allow us to call back at a later time to collect the contact information of some of the graduates hired through the Program?

[SELECT ONE]

Yes No