

Setting the Course: Business Survey Results

Summary Report of Key Findings

December 2004



CALGARY
ECONOMIC
DEVELOPMENT

Calgary 
Heart of the New West



Setting the Course: Calgary Business Survey

Introduction

- The focus of Calgary Economic Development's (CED) Business Survey was to obtain feedback from Calgary's business community to better understand their perspective on economic development and their specific needs.
- Information obtained will help CED and other stakeholders focus on developing improved and enhanced services to address the economic development challenges of the Calgary Region, and assist Calgary businesses grow and promote sustainable prosperity.
- The main purpose of this survey was to ensure that Calgary continues to be a great location to live, work and do business. Specific objectives of the survey are to:
 - Identify the issues affecting Calgary region businesses; and
 - Evaluate Calgary business representatives' satisfaction with business development activities in Calgary.
- The survey is a benchmark to assess future economic development of the region and business related initiatives.





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Overview of Methodology

Business Community:

- Random and representative sample: The survey targeted representatives and stakeholders of Calgary's business community.
- 261 online surveys were completed by Calgary area business representatives.
- Survey Conducted in October 2004.





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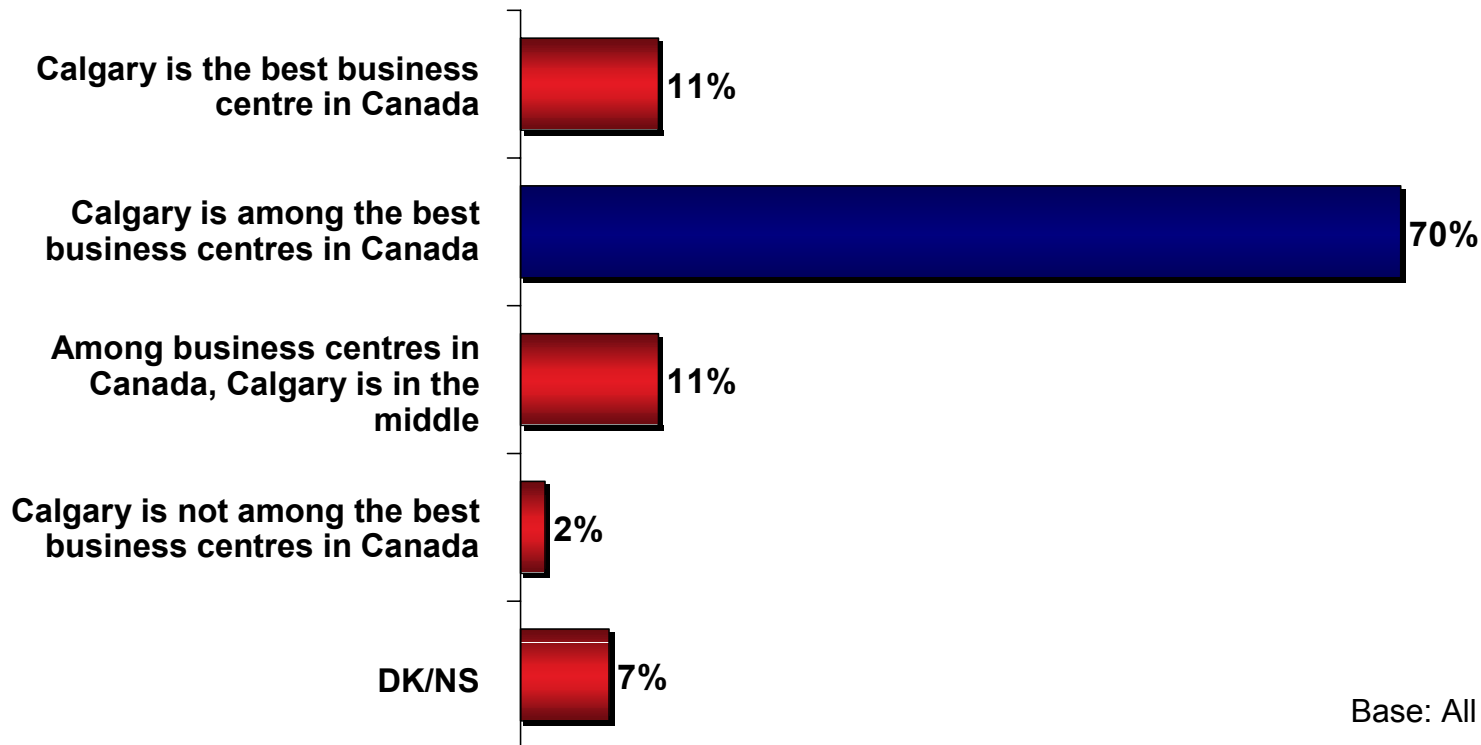
Perceived Image of Calgary



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Rating Calgary as a Business Centre in Canada

“As a business centre, how do you think Calgary is positioned among other cities in Canada?”



Base: All Respondents (n=261)





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Importance and Satisfaction of Economic Development Issues in Calgary

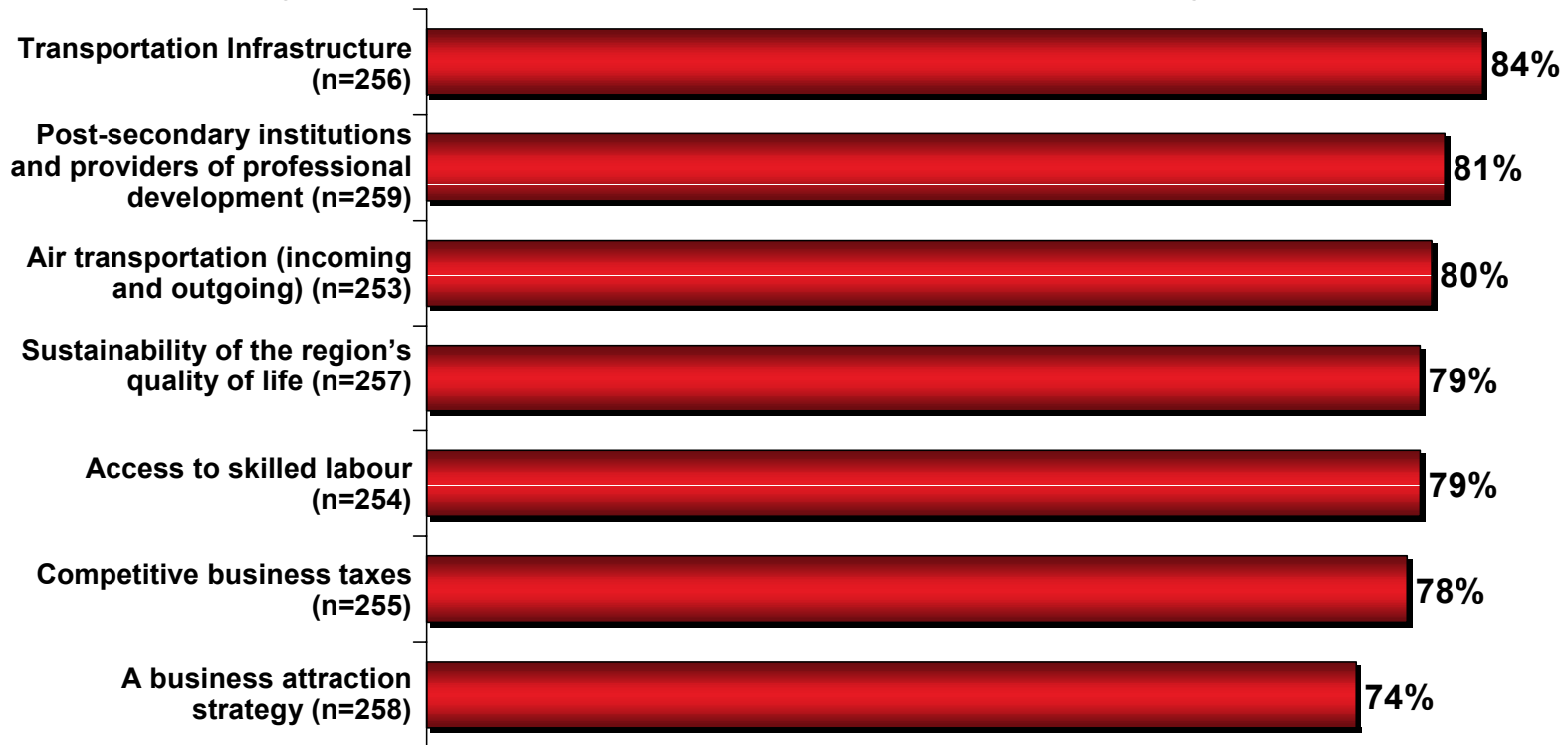


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Top 10 Important Economic Development Issues in Calgary

“How important are each of the following issues that pertain to economic development in Calgary?”

Very Important: Rated 6 & 7 on a 7-Point Scale. 7 is Very Important



Base: Respondents who had an opinion

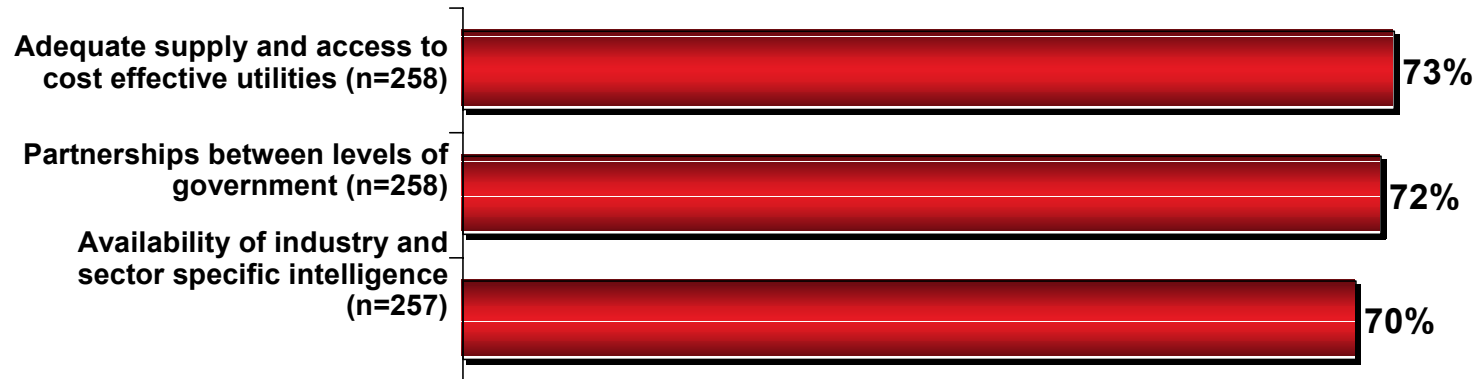


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Top 10 Important Economic Development Issues in Calgary (cont'd)

“How important are each of the following issues that pertain to economic development in Calgary?”

Very Important: Rated 6 & 7 on a 7-Point Scale. 7 is Very Important



Base: Respondents who had an opinion



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Importance of Economic Development Issues in Calgary: Factor Analysis

The 28 issues rated that pertain to economic development grouped into 6 factors based on ratings of importance and satisfaction.

Factor 1

- Available land for industrial/commercial development
- Adequate industrial/commercial space for lease
- Competitive business taxes
- Transportation infrastructure
- Adequate supply and access to cost effective utilities
- Streamlined processes for building permits/ approvals
- Air transportation
- Info availability on locations for business expansion/relocation

Factor 2

- Arts, entertainment and cultural amenities
- Social support services
- Public transit
- Urban amenities competitive with other cities
- Sustainability of region's quality of life

Factor 3

- Communication between businesses in Calgary
- Info on access to government programs/services
- Networking/relationship brokering opportunities for business
- Post-secondary institutions and providers of professional development programs
- Mentoring programs for small business

BUSINESS INFRASTRUCTURE

24% of Respondents, Mean = 5.83

QUALITY OF LIFE

27% of Respondents, Mean = 5.64

COMMUNICATION & EDUCATION

23% of Respondents, Mean = 5.55

IMPORTANCE: MEAN SCORE OUT OF 7, WHERE 7 IS "VERY IMPORTANT"



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Importance of Economic Development Issues in Calgary: Factor Analysis

The 28 issues rated that pertain to economic development grouped into 6 factors based on ratings of importance and satisfaction.

Factor 4

- Support & direction in export development
- Market development efforts in cities and countries outside of Calgary
- Access to venture capital
- Partnerships between levels of government

MARKETS & CAPITAL

29% of Respondents, Mean = 5.57

Factor 5

- A business attraction strategy
- Promotion of the benefits of Calgary to potential businesses
- Availability of industry and sector specific intelligence
- A single point of access for businesses expanding and/or locating in Calgary

STRATEGIC INTELLIGENCE

26% of Respondents; Mean = 5.71

Factor 6

- Access to skilled labour
- Programs to educate and train workers

LABOUR RESOURCES

26% of Respondents, Mean = 5.81

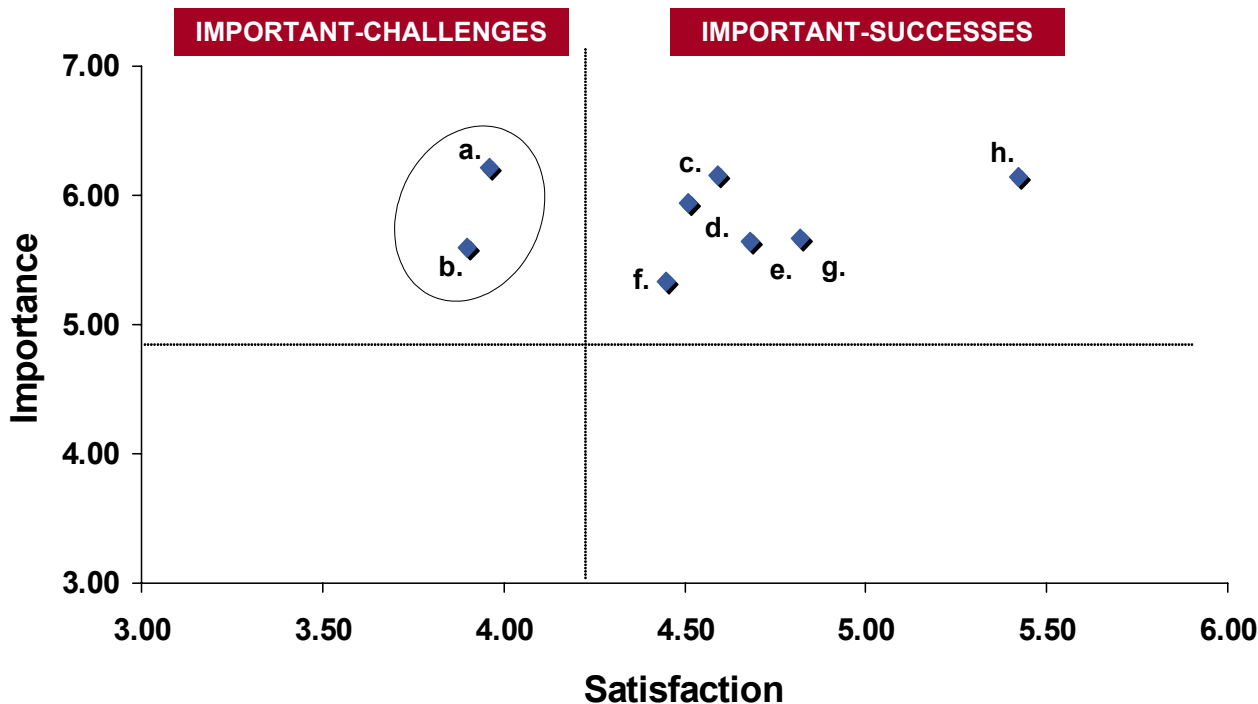
IMPORTANCE: MEAN SCORE OUT OF 7, WHERE 7 IS "VERY IMPORTANT"



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Business Infrastructure (Factor 1): Action Grid

Mean importance and satisfaction scores



- a. Transportation Infrastructure
- b. Streamlined processes for building permits and approvals
- c. Competitive business taxes
- d. Adequate supply and access to cost effective utilities
- e. Available land for industrial and commercial development
- f. Information availability on locations for business expansion and relocation
- g. Adequate industrial/commercial space available for lease
- h. Air transportation

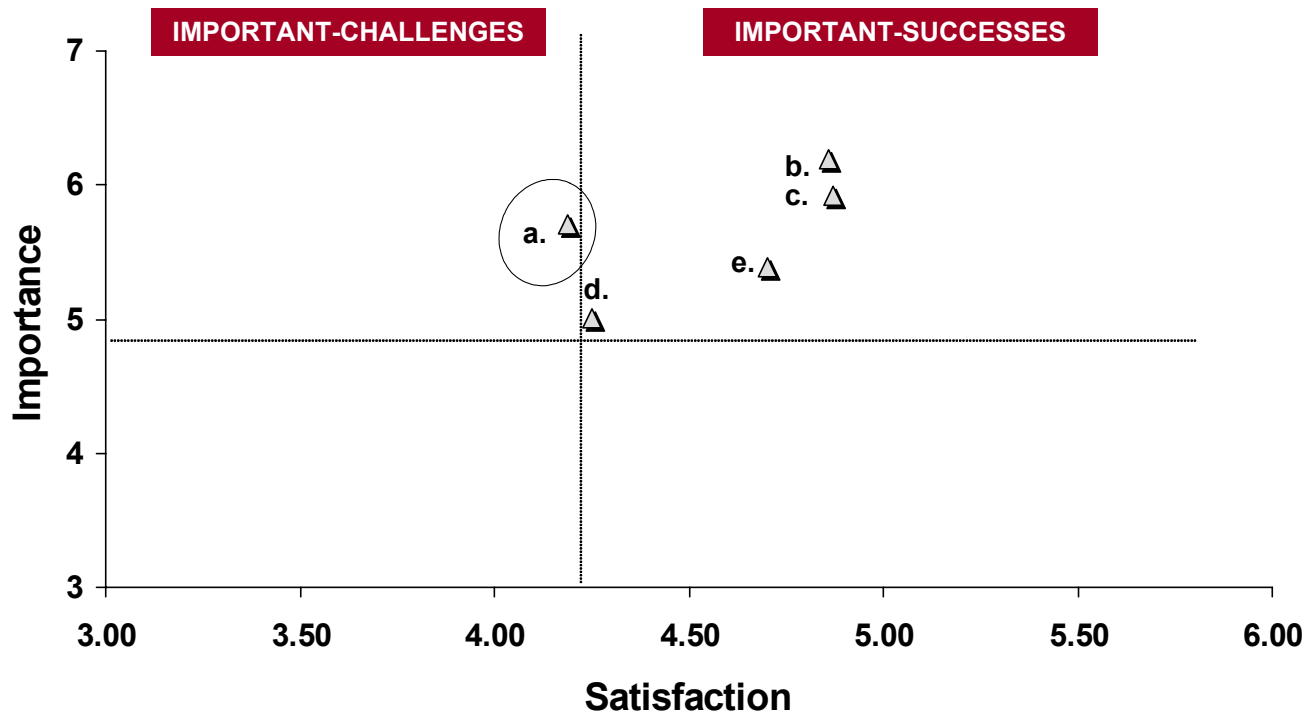
Satisfaction set at 4.2 (60%), Importance set at 4.9 (70%)
Base: Respondents who had an opinion



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Quality of Life (Factor 2): Action Grid

Mean importance and satisfaction scores



- a. Public transit
- b. The sustainability of the region's quality of life
- c. Urban amenities to be competitive with other cities
- d. Social services support
- e. Arts, entertainment and cultural amenities

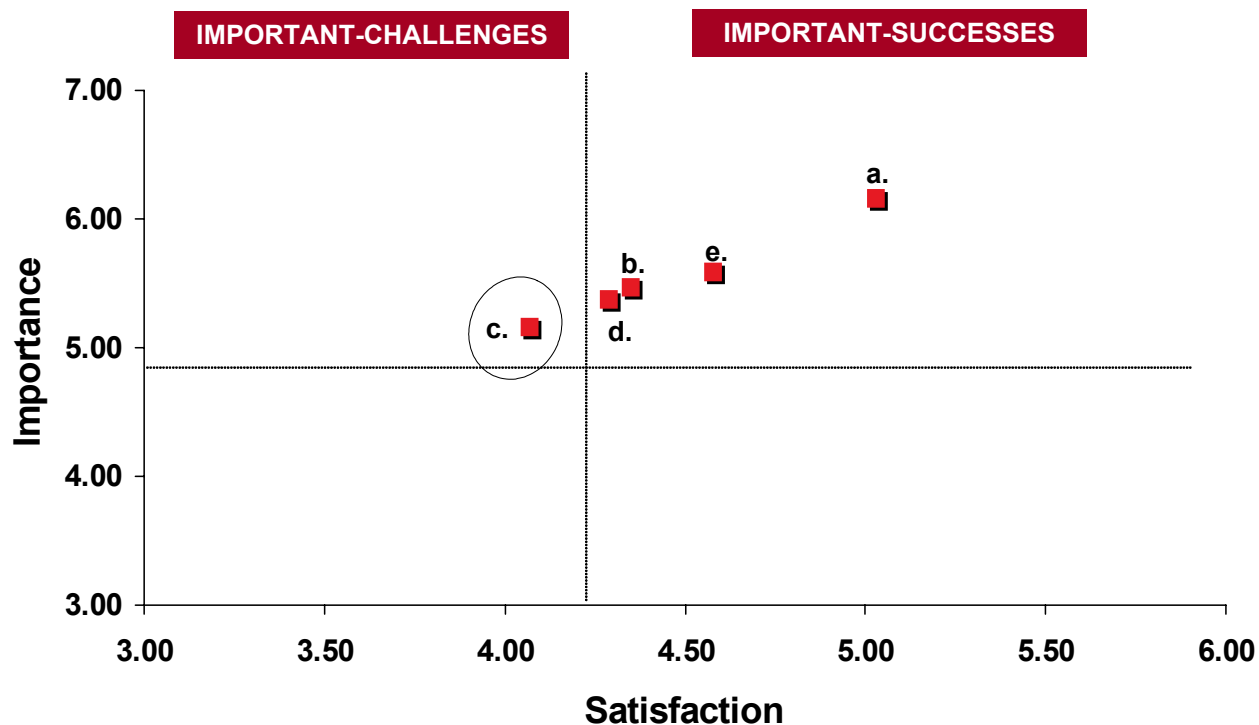
Satisfaction set at 4.2 (60%), Importance set at 4.9 (70%)
Base: Respondents who had an opinion



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Communication & Education (Factor 3): Action Grid

Mean importance and satisfaction scores



- a. Post-secondary institutions and providers of professional development programs
- b. Communication between businesses in Calgary
- c. Mentoring programs for small businesses
- d. Information on access to government programs/services
- e. Networking or relationship brokering opportunities for business

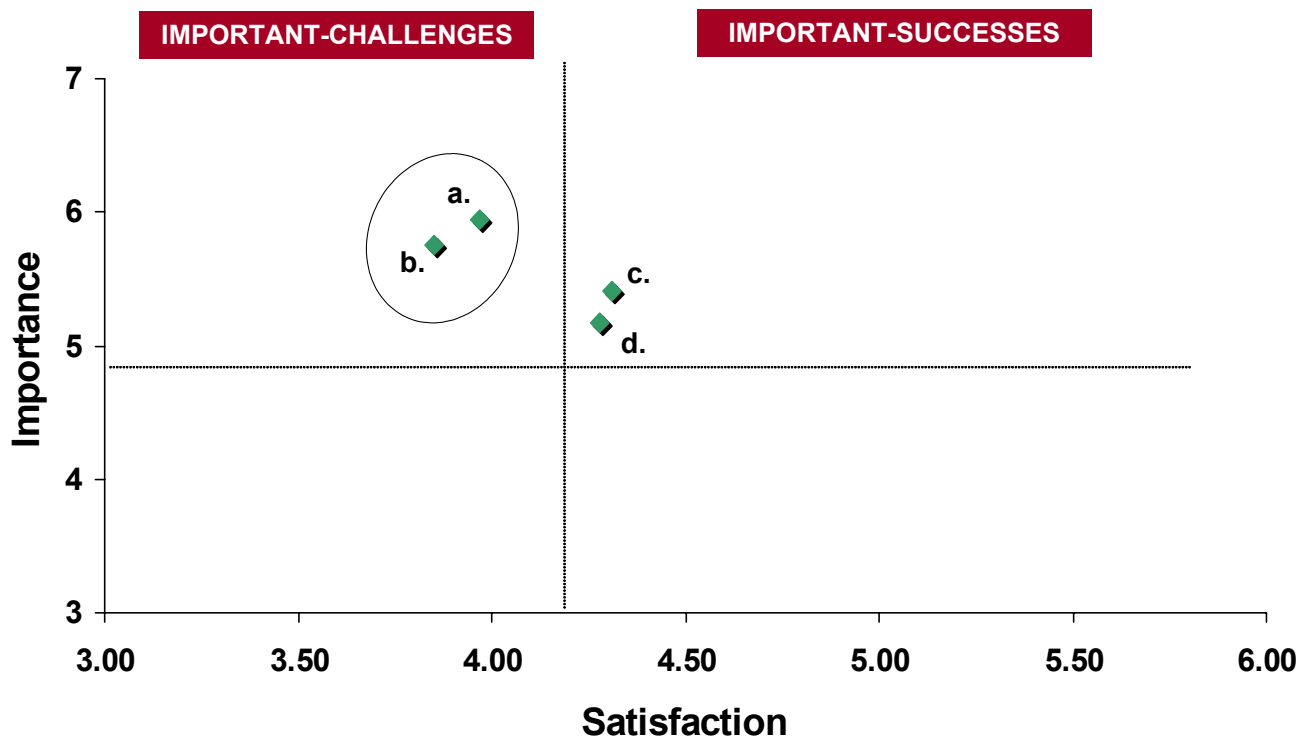
Satisfaction set at 4.2 (60%), Importance set at 4.9 (70%)
Base: Respondents who had an opinion



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Markets & Capital (Factor 4): Action Grid

Mean importance and satisfaction scores



- a. Partnerships between levels of government to facilitate enhancing economic development opportunities
- b. Access to venture capital
- c. Market development efforts in cities and countries outside of Calgary
- d. Support and direction in export development

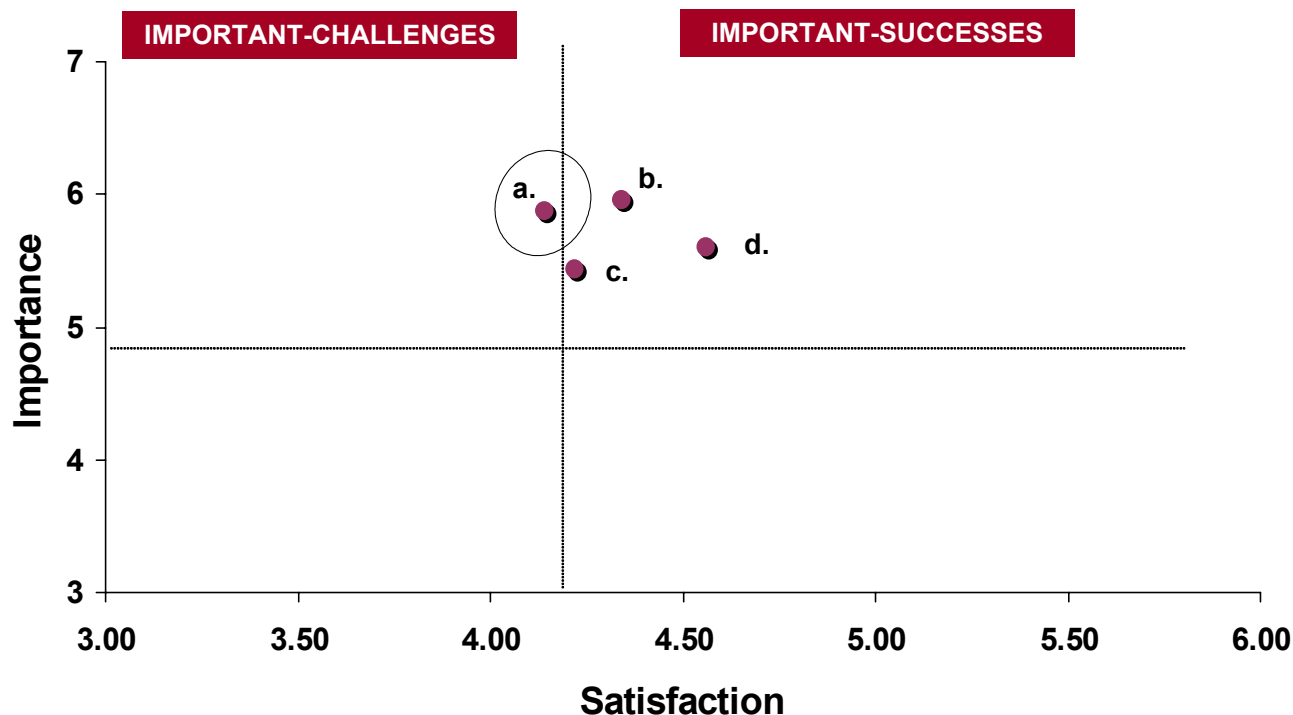
Satisfaction set at 4.2 (60%), Importance set at 4.9 (70%)
Base: Respondents who had an opinion



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Strategic Intelligence (Factor 5): Action Grid

Mean importance and satisfaction scores



- a. Availability of industry and sector specific intelligence
- b. A business attraction strategy
- c. A single point of access for businesses expanding and/or locating in Calgary
- d. Promotion of benefits of Calgary to potential businesses

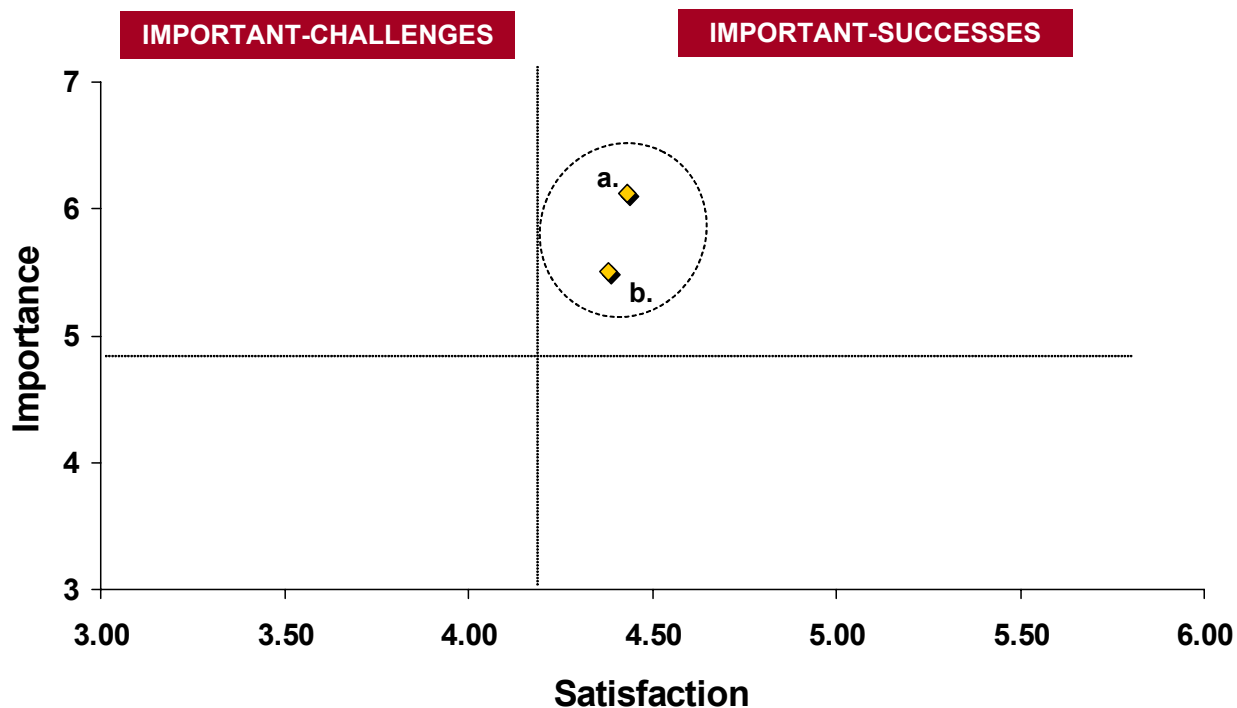
Satisfaction set at 4.2 (60%), Importance set at 4.9 (70%)
Base: Respondents who had an opinion



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Labour Resources (Factor 6): Action Grid

Mean importance and satisfaction scores



- a. Access to skilled labour
- b. Programs to educate and train workers

Satisfaction set at 4.2 (60%), Importance set at 4.9 (70%)
Base: Respondents who had an opinion





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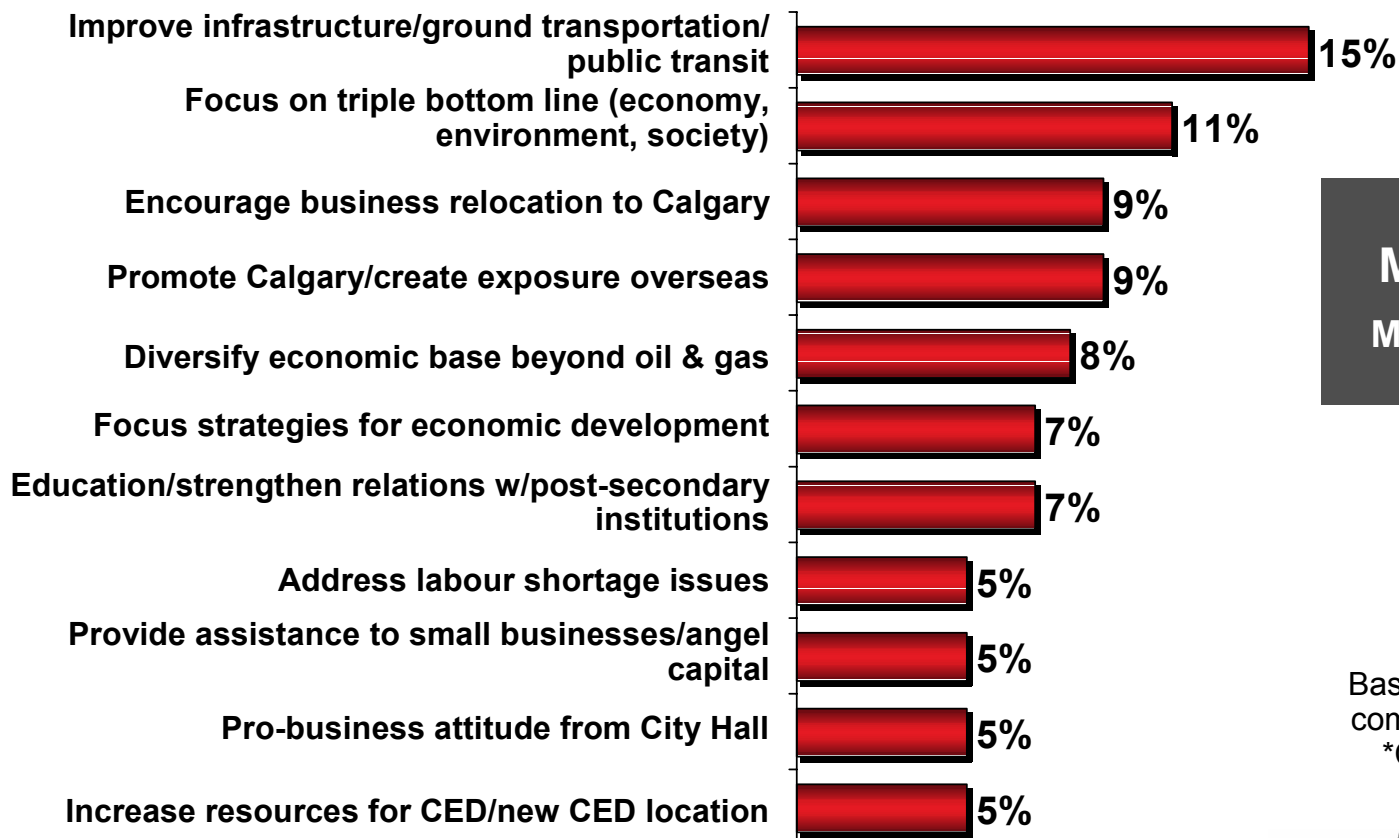
Improving Calgary's Business Climate



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Suggestions for Improving Calgary's Business Climate (cont'd)

“What do you think could be done, or needs to be happen to positively influence the business climate in Calgary?”



FIRST MENTIONS*
Mentions higher than 5%

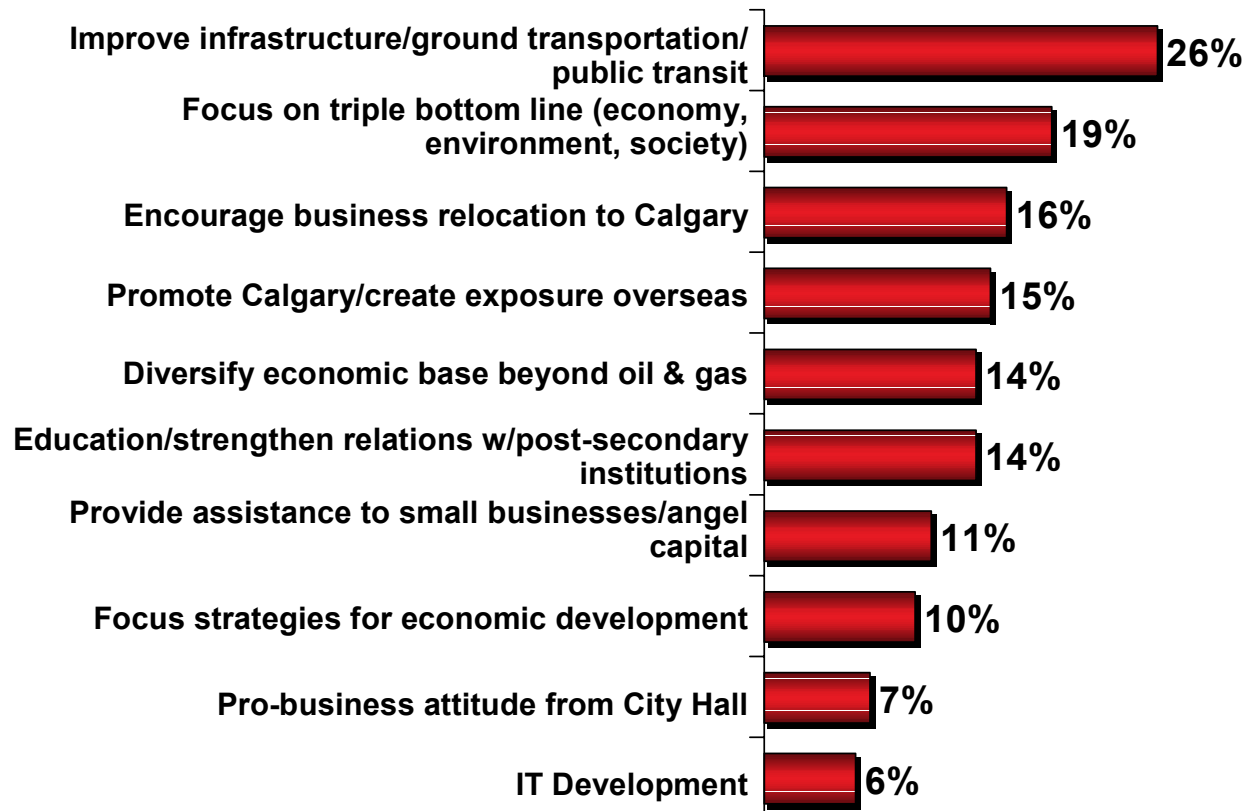
Base: Respondents who had comments/feedback (n=133)
*Caution: small base sizes



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Suggestions for Improving Calgary's Business Climate

“What do you think could be done, or needs to be happen to positively influence the business climate in Calgary?”



TOTAL MENTIONS*

Mentions higher than 5%

Base: Respondents who had comments/feedback (n=133)

*Caution: small base sizes





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Summary





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Summary

- The results of this benchmark survey indicate a high-level of confidence and optimism within the Calgary business community about the city's economic prospects.
- Overall, there was a strong response to Calgary Economic Development's Business Community Survey of economic development issues facing the city.
- The business community's perception of Calgary's image as a business centre fell into two categories:
 - **Strong:** Calgary was rated highly for having a good and competitive business climate. Calgary is recognized as an attractive business centre, with growth considered being good for business. Calgary also has a positive image as an international centre.
 - **Weak:** The level of agreement was substantially lower for Calgary having strong international awareness, a sufficient supply of skilled workers and infrastructure, and education to meet local labour demand.
- Respondents felt that Calgary has a strong image of being among the best business centres in Canada (70%).





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Summary: Economic Development Issues

- A detailed list of 28 attributes that could be associated with economic development were assessed and all were rated strongly.
- To synthesize these important issues, Cameron Strategy conducted a factor analysis, which summarized those dimensions into 6 key factors:
 1. **Business Infrastructure** - which include the fundamentals of business planning such as the availability of land, the tax structure, transportation infrastructure, the price of and access to utilities, the permit and approval process, and air transportation.
 2. **Quality of Life Dimensions** - such as the extent of arts, culture, social supports, transit and urban amenities that are available and sustainable within the community.
 3. **Communication and Education** - including CED's role in facilitating communication, access to information, business networking and mentoring, and ensuring post-secondary and professional development are available.
 4. **Markets and Capital** - which includes export development, access to venture capital, and facilitating partnerships between orders of government for the benefit of business.
 5. **Strategic Intelligence** - such as sector specific intelligence, strategies for business promotion and promotion of the city, and a single point of access for strategic information.
 6. **Labour Resources** - such as access to skilled workers and the availability and suitability of training programs.



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Most Important Success & Challenges by Key Factors

Factor	Challenge	Success
1. Business Infrastructure	<ul style="list-style-type: none"> ▪ Transportation infrastructure (- -) ▪ Process for permits & approvals (-) 	<ul style="list-style-type: none"> ▪ Air transportation (++)
2. Quality of Life	<ul style="list-style-type: none"> ▪ Public transit (-) 	<ul style="list-style-type: none"> ▪ Sustainability (+) ▪ Urban amenities (+)
3. Communication & Education	<ul style="list-style-type: none"> ▪ Mentoring programs for small business (-) 	<ul style="list-style-type: none"> ▪ Post secondary institutions & professional development programs (++)
4. Markets & Capital	<ul style="list-style-type: none"> ▪ Access to venture capital (- -) ▪ Partnerships between levels of government (- -) 	<ul style="list-style-type: none"> ▪ Market development efforts (0)
5. Strategic Intelligence	<ul style="list-style-type: none"> ▪ Sector specific intelligence (-) 	<ul style="list-style-type: none"> ▪ Promoting benefits of Calgary to potential businesses (+)
6. Labour Resources	<ul style="list-style-type: none"> ▪ Access to skilled labour ▪ Training programs 	





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Summary: Improving Calgary's Business Climate

Suggestions for improving Calgary's business climate include:

- Specific structural issues (such as improving the infrastructure and ground transportation in the city);
- Focusing more on the triple bottom line (i.e. integrating economic, environmental and societal needs);
- Encouraging business relocation to the city, and promoting Calgary overseas;
- Diversifying the economy;
- Strengthening our approach to education (particularly with respect to post-secondary institutions);
- Providing access to human capital and training programs; and
- Providing more assistance to small businesses in the form of easily accessible venture capital.





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Contact us for more information about *Setting the Course: Calgary Business Survey*

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