

Small Business Centre

Entrepreneurial Climate Study

Final Report

October 2014

PREPARED BY:

Academica Group
London, ON

Table of Contents

Introduction	2
Methodology.....	2
Respondent Profile	5
Survey Findings	7
Propensity Towards Business Ownership	7
Motivations & Barriers.....	9
Current Owners.....	14
Business Support Organizations	19
Willingness to Participate in Future Research	22
Conclusions and Implications.....	23
Appendix I: Call Disposition and Length	27

Introduction

This study, commissioned by the London Small Business Centre (SBC), examines the entrepreneurial environment within four counties in Southwestern Ontario: Elgin, Lambton, Middlesex, and Oxford. The overarching objective of the study was to identify factors that can be addressed by regional service providers at both tactical and strategic policy levels. The study's specific research objectives were to:

1. Measure the general population's perceptions and opinions of entrepreneurship
2. Explore the motivations and barriers associated with entrepreneurship
3. Provide a profile of entrepreneurs, identifying differences across demographic factors
4. Gauge awareness and usage of existing supports

The research approach was designed to address regional stakeholder information needs with an emphasis on actionable information. Academica Group designed and undertook this study in consultation with a steering committee comprised of regional organizations representing the four counties. The steering committee members were:

- Chantelle Core, Sarnia-Lambton Economic Partnership and The Business Enterprise Centre of Sarnia-Lambton
- Art Gibson, Ministry of Training Colleges and Universities
- Catherine Gordon, Sarnia Lambton Workforce Development Board
- Ian Haase, TechAlliance
- Nancy Kopriva, London Small Business Centre
- Deb Mountenay, Elgin Middlesex Oxford Workforce Planning and Development Board
- Steve Pellarin, London Small Business Centre
- Allan Simm, Oxford Small Business Support Centre
- Ronda Stewart, Small Business Enterprise Centre, St. Thomas

METHODOLOGY

Instrument Development

The background research for this study involved a literature review and interviews with eight key stakeholders, ensuring regional representation by each of the four counties. The results of the key stakeholder interviews were presented to the project steering committee and used to develop the draft survey instrument. The draft survey instrument was then pre-tested with 10 randomly selected respondents from the target population. The final survey instrument was refined on the basis of the pre-test results and additional feedback from the steering committee. Items on the instrument classified respondents as current business owners, past business owners, business intenders, and non-intenders (see **Definitions**, below).

Sample

The target population was the general public aged 18+ in Middlesex, Oxford, Elgin, and Lambton counties. In order to reach the appropriate number of respondents in each age group, a random sample of landline and cell numbers for each county was used.¹

Procedure

The telephone survey was launched on March 12th and closed on April 7th. Calling was conducted by TSP (Télé-Sondages Plus Inc.) in English only. Calls were placed from 10am to 9pm Monday to Friday; from 10am to 6pm on Saturday; and from 12pm to 8pm on Sunday. Quotas for each county were established and designed to provide representation across gender and age categories based on population norms. The population size, quota, number of completed surveys and associated margin of error are shown in Table 1 for each county. The margin of error will be larger for sub-populations. It is important to note that all sample surveys may be subject to multiple sources of error, including, but not limited to sampling error, coverage error, and measurement error.

Appendix I provides a summary of the fieldwork.

Table 1: Sampling Details

	Population	Quota	Completions	Margin of Error (95% confidence level)
Middlesex County	439,151	500	501	+/- 4.4%
Elgin County	87,461	250	254	+/- 6.1%
Oxford County	105,719	375	377	+/- 5.0%
Lambton County	126,199	375	377	+/- 5.0%
Total	758,530	1,500	1,509	+/- 2.5%

Data Analysis

Data were weighted by region, gender, and age to be representative of the population of each county.² While results throughout the report are based on weighted data, n-sizes shown are un-weighted. Significance testing was conducted between sub-groups based on z-test for proportions where $p < 0.05$. Statistically significant findings are highlighted throughout the report.

¹ Landline numbers were sampled from a random digit dialing database and cell phone numbers were randomly selected according to the billing centres for each of the targeted areas. The cell sample included cell phone numbers from all wireless providers.

² 2011 Census data was used for population figures.

Definitions

While the term “entrepreneur” holds a variety of meanings, for the purposes of this study entrepreneurship was understood simply as business ownership or self-employment. Throughout this report, respondents are divided into four main categories: intenders; current business owners; past business owners; and non-intenders.

- Intenders are those who had seriously considered starting their own business or becoming self-employed.³
- Current business owners are those who indicated currently owning their own business or being self-employed.⁴
- Past business owners had owned a business or been self-employed in the past but not currently.
- Non-intenders had never had serious intentions to start a business or become self-employed, and were not currently nor had been a business owner or self-employed in the past.

³ To gauge the seriousness of intentions, respondents who indicated they had considered starting their own business or becoming self-employed were asked whether they had their business plans in writing or had registered their business. If they said “yes” to either, they were classified as an intender. Those who said “no” were asked whether they had taken a series of additional steps. If they said “yes” to two or more of these items they were also classified as an intender.

⁴ Commission-based sales people were excluded from the definition of current business owner.

Respondent Profile

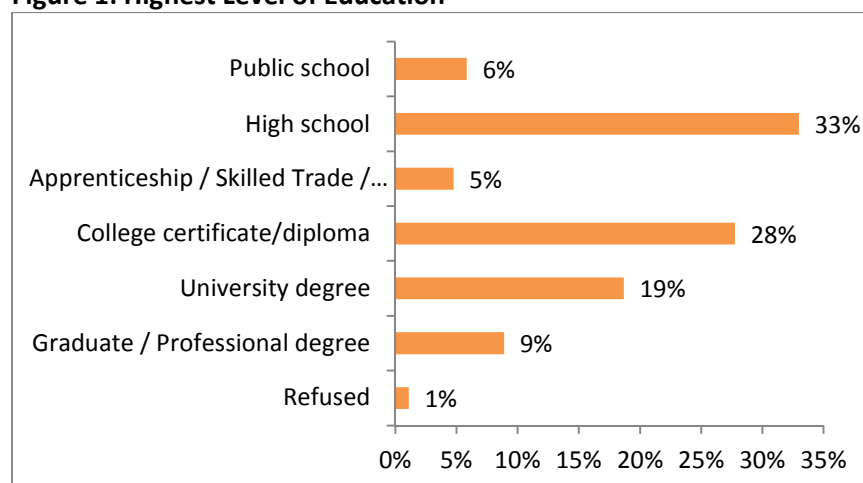
As noted in the methodology section, the data were weighted by region, gender, and age to be representative of the overall population in the four counties (Table 2). On other characteristics, such as highest level of education, immigrant status, household income, and employment status, respondents proved to be varied and generally in line with population figures.

Table 2: Demographic Characteristics

Region	Middlesex	58%
	Elgin	11%
	Oxford	14%
	Lambton	17%
Age	18 to 34	28%
	35 to 54	36%
	55 +	37%
Gender	Female	52%
	Male	48%
Immigrant Status	Immigrant	18%
	Canadian-born	82%

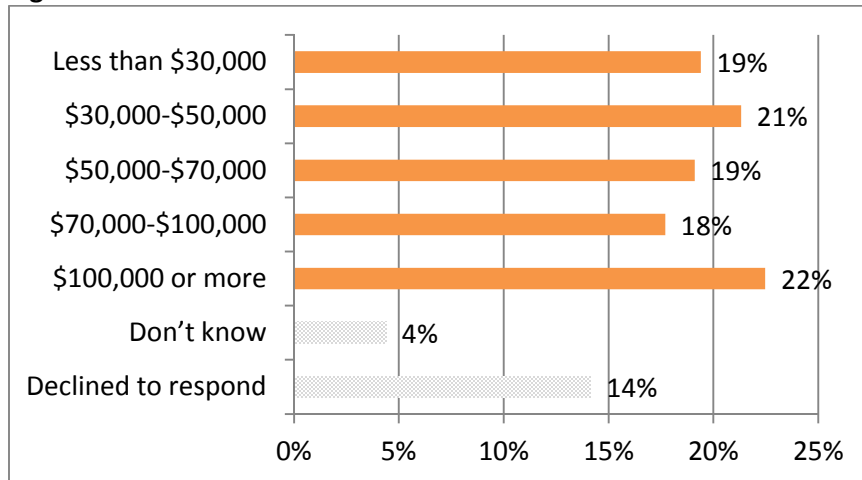
Highest level of education varied, with one-third reporting high school as their highest credential attained (33%). This was followed by a college certificate/diploma (28%) and a university degree (19%) (Figure 1). About one-fifth of respondents had immigrated to Canada (18%) (Table 2), many relatively recently (32% had resided in Canada for 10 years or less).

Figure 1: Highest Level of Education



Household income was evenly distributed among respondents (Figure 2). Overall, close to two-thirds of respondents reported annual household incomes below \$70,000 (60%). One-third of households had only one income earner (33%).

Figure 2: Annual Household Income



Of those who reported being currently employed (61% of respondents), 78% were employed full-time and 22% part-time. Over one-third of the employed general population described themselves as underemployed (35%).

Survey Findings

PROPENSITY TOWARDS BUSINESS OWNERSHIP

Of the general population, 12% had seriously considered starting a business or becoming self-employed. 15% said that they currently owned a business or were self-employed, and 14% indicated that they had owned a business or had been self-employed in the past (Table 3).⁵

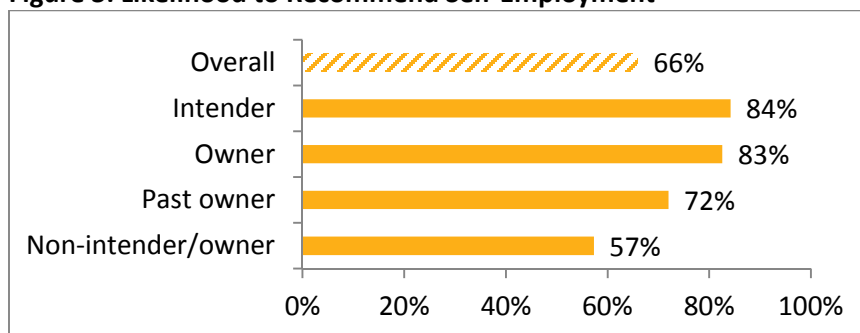
The propensity towards business ownership varied significantly by age and gender. Among respondents age 18-34, 18% were intenders compared to 11% of those aged 35-54 and 7% of those aged 55+. By gender, men were twice as likely as women to be both intenders and current business owners (Table 3).

Table 3: Business Category by Region, Age and Gender

	Total	Region				Age			Gender	
		Middlesex	Elgin	Oxford	Lambton	18-34	35-54	55+	Female	Male
n-size	1509	501	254	377	377	340	570	599	825	684
Intender	12%	12%	11%	8%	14%	18%	11%	7%	8%	16%
Owner	15%	13%	21%	17%	16%	9%	21%	13%	10%	20%
Past owner	14%	14%	12%	14%	13%	6%	12%	22%	11%	17%
Non-intender	61%	62%	58%	62%	58%	68%	58%	59%	72%	50%

Beyond personally considering business ownership, two-thirds of respondents said that they would recommend it to their immediate family (66%) (Figure 3). This figure was much higher among intenders (84%) and current business owners (83%) than past owners (72%) and non-intenders (57%). It is interesting to note, however, that close to two-fifths of current owners would not recommend business ownership to their immediate family (17%). The substantially lower level of recommendation among past owners is also interesting. This may indicate that enthusiasm for small business ownership is tempered among this group. Examined by gender, male owners were more likely than female owners to recommend business ownership (87% vs. 74%). The reasons for these differences are not clear, and further insight into the opinions of past and current owners could be valuable for support organizations.

Figure 3: Likelihood to Recommend Self-Employment

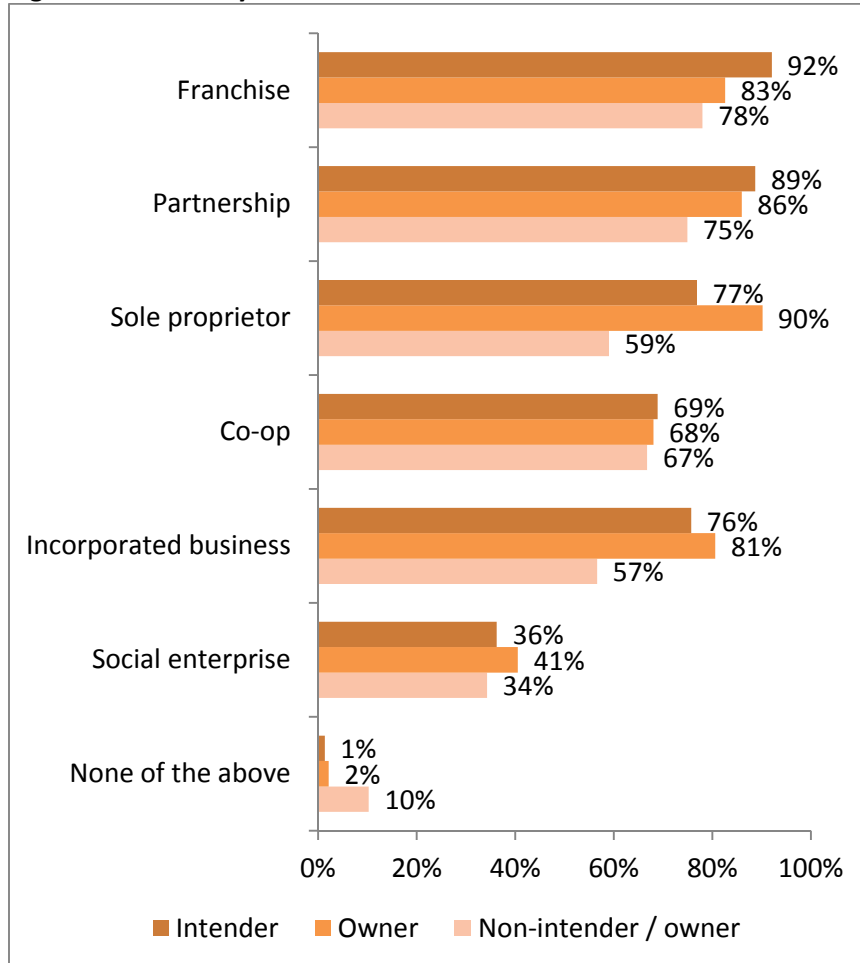


⁵ The column percentages in Table 3 add to more than 100% because past business owners can also be intenders.

Familiarity with Business Models

As a measure of entrepreneurial awareness, respondents' familiarity with various business models was assessed (Figure 4).⁶ Not surprisingly, owners and intenders were more familiar with the entire range of business models than the rest of the general public. Current business owners were most familiar with sole proprietorship, while intenders were most familiar with the franchise model. Social enterprise was the least familiar model for all three groups.

Figure 4: Familiarity with Business Models



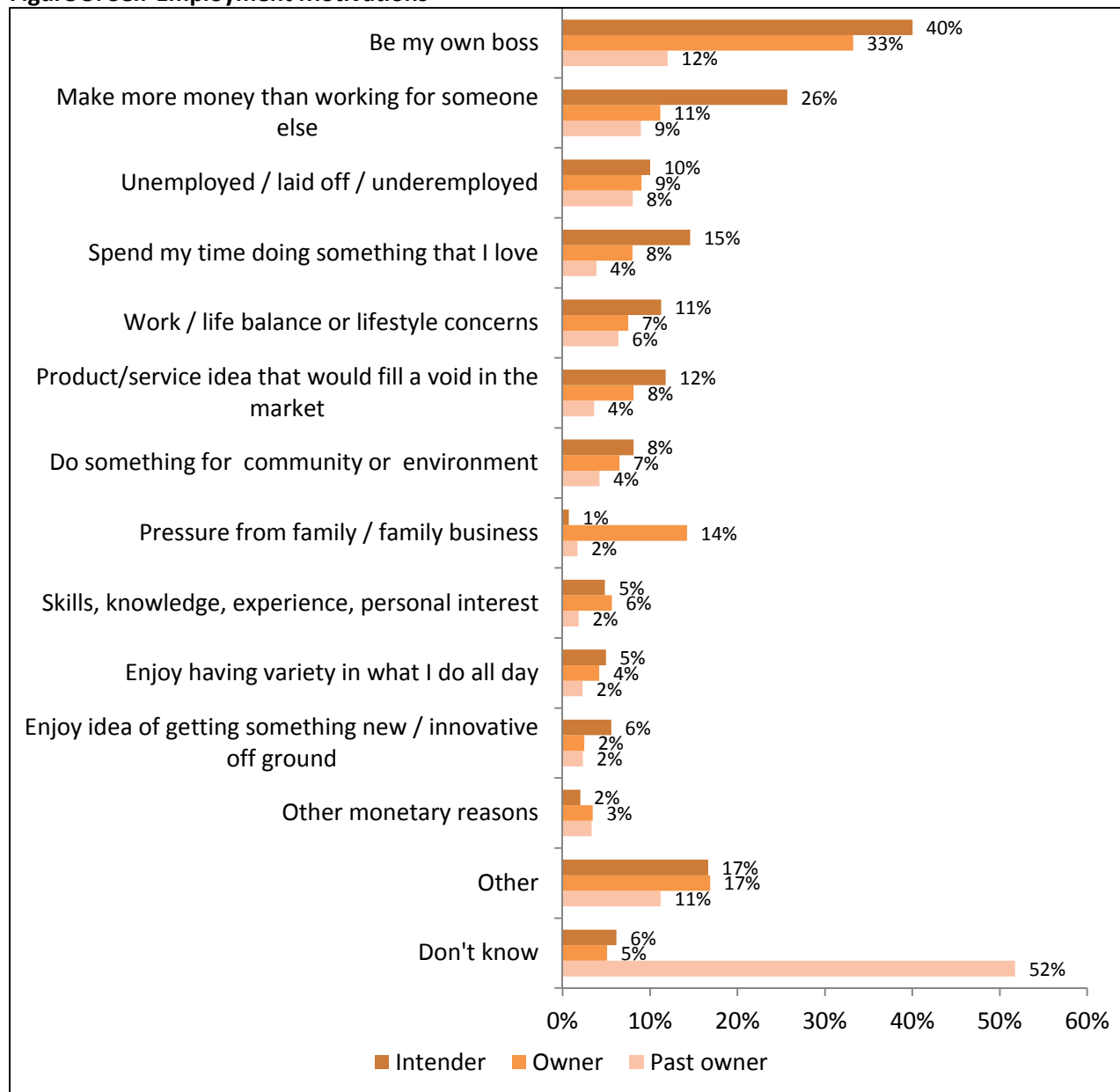
⁶ Respondents were only asked if they were familiar with each model, not whether they were able to define each model.

MOTIVATIONS & BARRIERS

Motivations

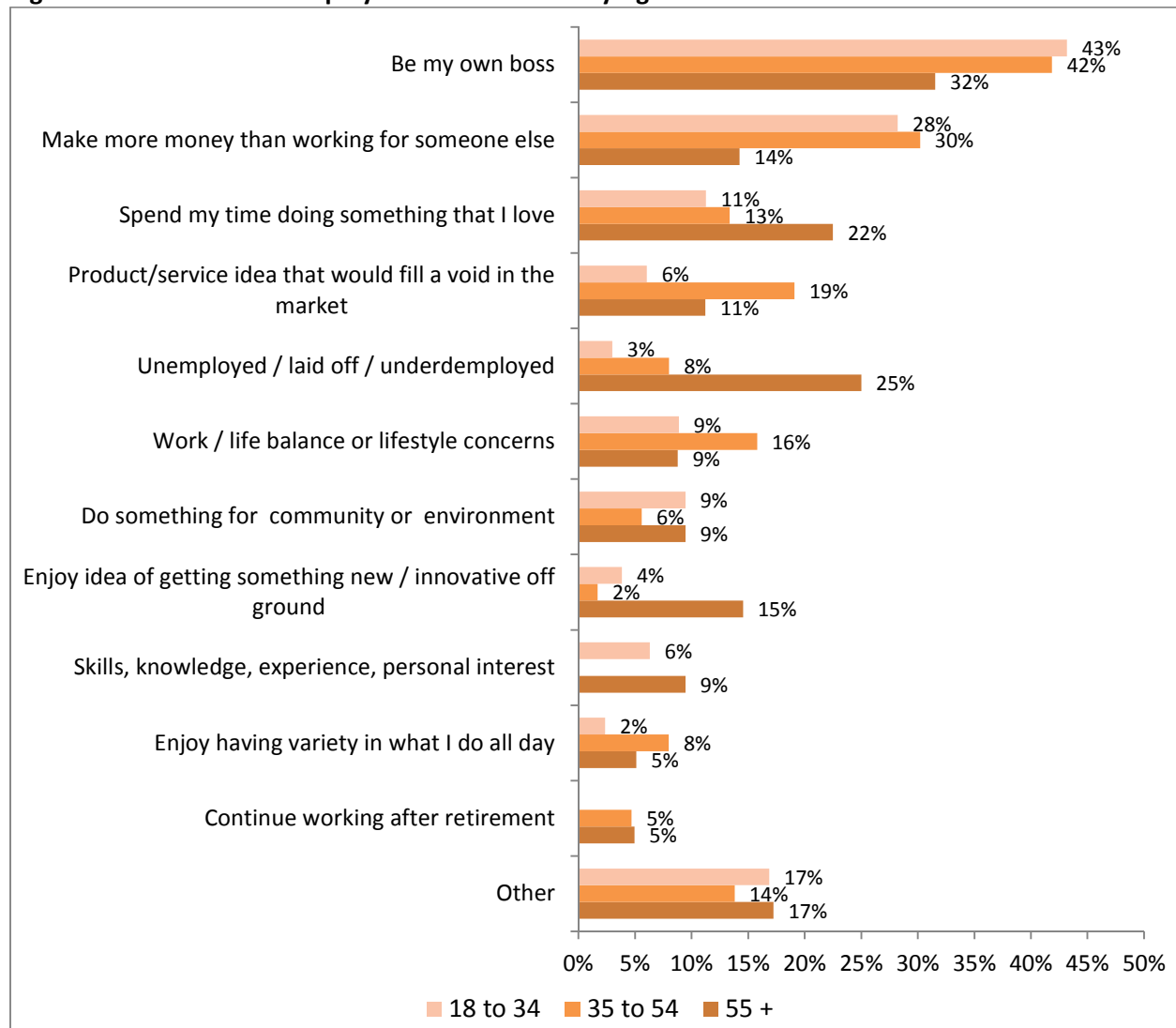
The most frequently cited motivation for starting a business was the desire to “be my own boss.” For intenders, this was followed by the belief that they would make more money than they would if they worked for someone else; interestingly, this reason was cited much less frequently by current and past owners. Among current owners the second-most frequently mentioned motivation was pressure from family, or simply that it was a family business (Figure 5).

Figure 5: Self-Employment Motivations



Examining motivations by age reveals some interesting differences (Figure 6). Older intenders, those aged 55+, were more likely to cite being unemployed, laid off, or underemployed as a motivation to start their own business;⁷ one-quarter of all intenders age 55+ stated that this is a motivation (25%) compared to only 3% of those age 18 to 34. However, older intenders were also more likely to be motivated by the enjoyment of getting something new and innovative off the ground. It appears that older intenders may be less motivated by the idea of being their own boss or making more money, though these differences were not statistically significant.

Figure 6: Intenders’ Self-Employment Motivations by Age



⁷ Underemployment is understood as a situation where an individual’s skills and abilities are not adequately utilized in their current employment.

There were also a few gender differences in the motivations of intenders and current owners. The statistically significant differences were:

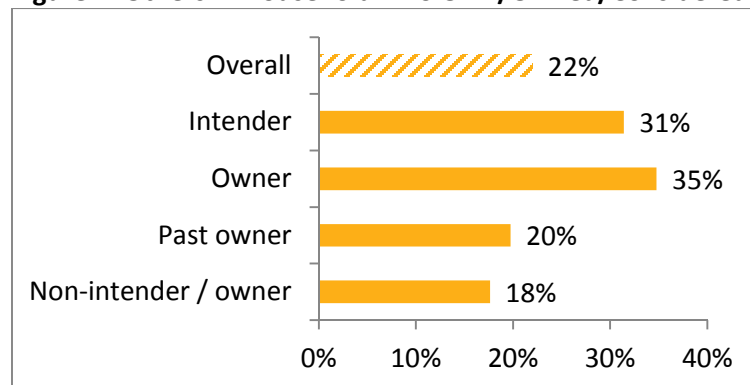
- More female intenders than male were motivated to start a business because they were unemployed, laid off, or underemployed (18% of women vs. 5% of men)
- Female owners were more likely than male owners to cite work-life balance as a motivation for starting their own business (13% of women vs. 5% of men)
- More female owners also said they were motivated by personal skills, knowledge, experience, or interests (10% of women vs. 3% of men)

As previously demonstrated, females were less likely than males to be a current owner, past owner, or intend to start their own business. However, females who do start or intend to start their own business appear to be more likely than males to be motivated by factors such as a dissatisfaction with their current employment situation or a desire to have greater balance between their work and family lives.

Familial Links to Entrepreneurship

As shown in Figure 7, there appears to be a relationship between personal entrepreneurialism and entrepreneurialism in the family. Current owners and intenders were much more likely to have a family member in their household who currently owned, had previously owned, or had considered starting their own business than non-intenders/owners. Past owners were also much less likely to have an entrepreneurial household member; however, this is more likely a reflection of the older age profile of this group.

Figure 7: Others in Household who Own/Owned/Considered Business Ownership



Pushed or Pulled into Entrepreneurship

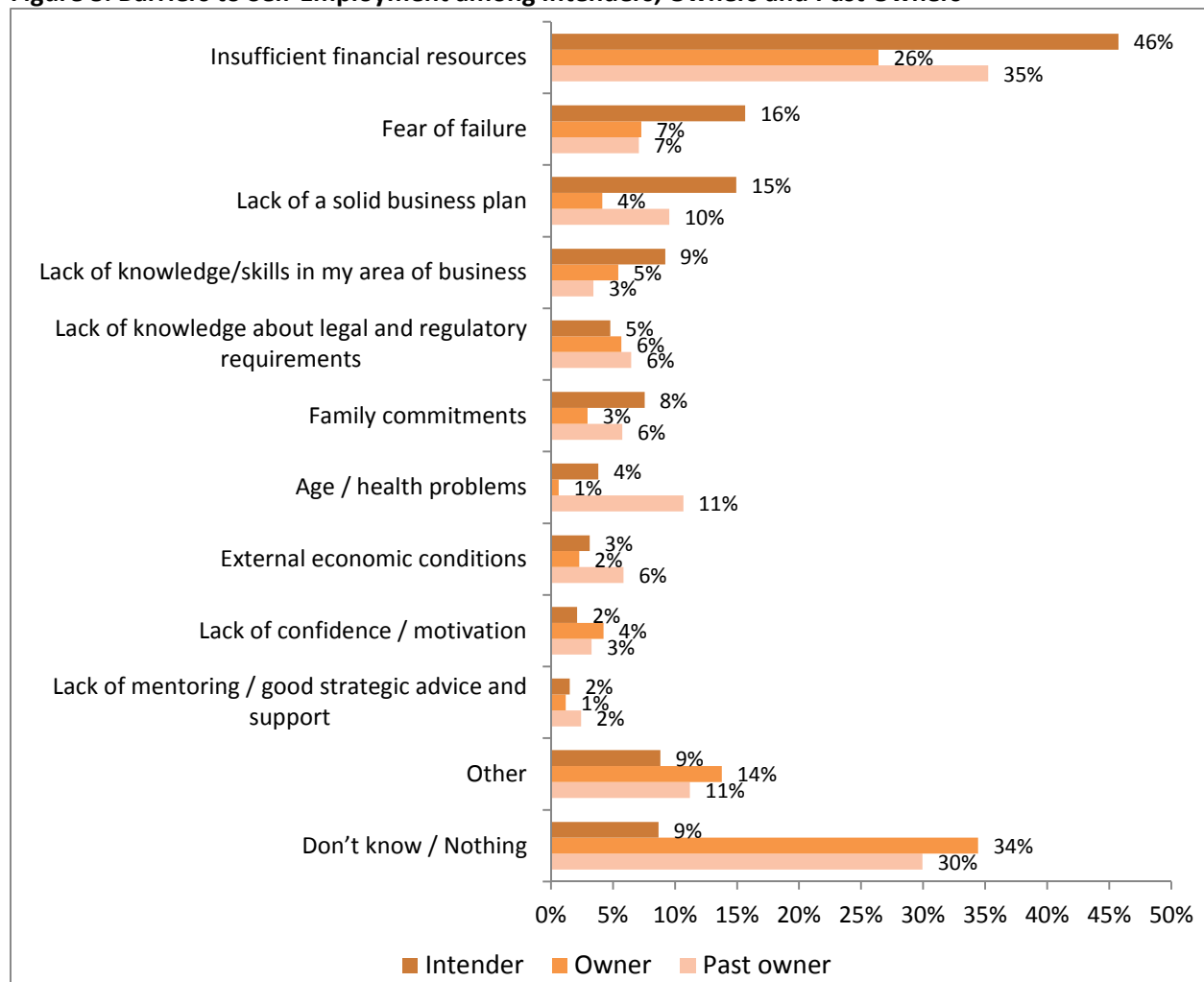
A persistent question in the entrepreneurship literature is whether individuals are pushed into entrepreneurship as a rational response to obstacles experienced in the labour market, or are pulled in by the appeal of entrepreneurialism. Given the relatively high unemployment rate in southwestern Ontario, the question of being pushed or pulled into entrepreneurship is particularly relevant for this study. Analysis of the motivations and employment status of intenders and owners suggests that most current owners were pulled into entrepreneurship rather than pushed. Only 8% of current owners indicated that they were unemployed just prior to starting their own business, and very few listed underemployment as a reason for becoming an entrepreneur.

Similarly, few intenders appear to be pushed into entrepreneurship, as intenders do not have a particularly high rate of unemployment compared to the general population. While unemployment may not be a significant driver of entrepreneurship, there is some indication that dissatisfaction with employment may be correlated with entrepreneurial intentions. Nearly half of employed intenders (47%) believed that they were currently underemployed, compared to only one-third of non-intenders (31%). Furthermore, as mentioned above, it appears that a relatively large proportion of intenders aged 55+ are being pushed into entrepreneurship, given that one-quarter list dissatisfaction with their employment situation (e.g. being unemployed, laid off, or underemployed) as a reason for wanting to start their own business.

Barriers

Turning to perceived barriers, by far the most significant barrier for all groups was having insufficient financial resources (Figure 8). This was a particularly widespread barrier among intenders. Fear of failure and a lack of a solid business plan also hold back many intenders from starting their own business. About one-third of current owners did not feel they faced any barriers.

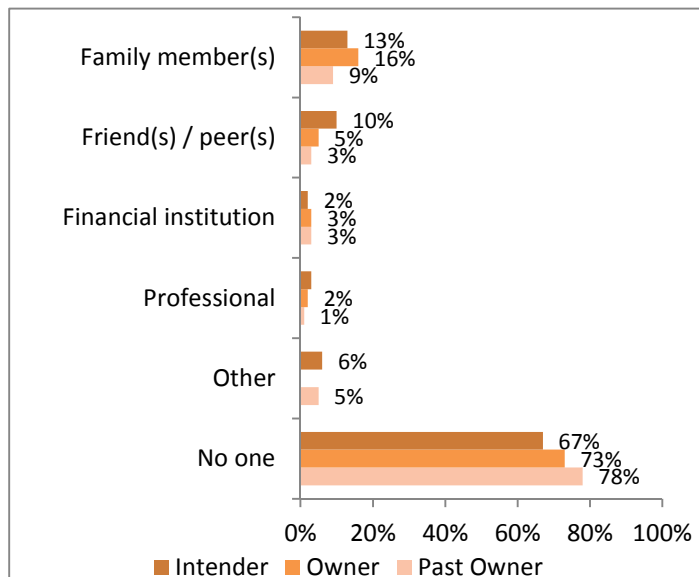
Figure 8: Barriers to Self-Employment among Intenders, Owners and Past Owners



When examined by age, intenders and owners aged 55+ were less likely than their younger counterparts to cite fear of failure, insufficient financial resources, or a perceived lack of knowledge or skills in their area of business as barriers to starting their own company. They were more likely to see their age or health problems as barriers, though this was mentioned by relatively few (5%). With regard to gender, there were no large differences between the barriers identified by women and men.

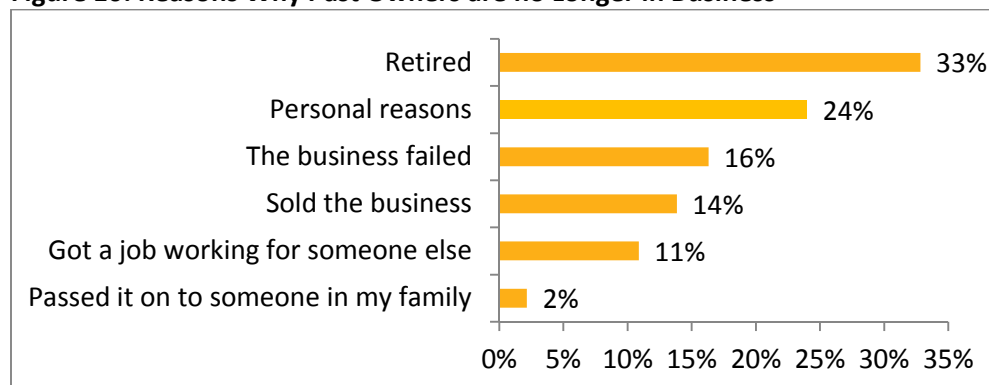
Figure 9 reveals that one-third of intenders had received advice discouraging them from pursuing their business initiative (33%), compared to 27% of current owners and 22% of past owners. Family was the most common source of discouragement, followed by friends or peers. These two groups were far more commonly cited as sources of discouragement than professionals and/or financial institutions.

Figure 9: Sources of Discouragement



Among past owners, the most common reason why they were no longer in business for themselves was retirement (33%). This was followed by personal reasons, such as health problems, divorce, or lifestyle changes (24%); the business failed (16%); and the business was sold (14%).

Figure 10: Reasons Why Past Owners are no Longer in Business



CURRENT OWNERS

The vast majority of current owners were employed either full-time (71%) or part-time (10%) just prior to launching their business (Figure 11). This suggests that most began their business out of personal interest, rather than necessity or outside pressure. When asked how they came to own their company, two-thirds said that they started it themselves (65%) while 18% said it was a family business, 13% purchased it from someone else, and only 4% indicated that it was a franchise (Figure 12).

Figure 11: Situation Prior to Self-employment

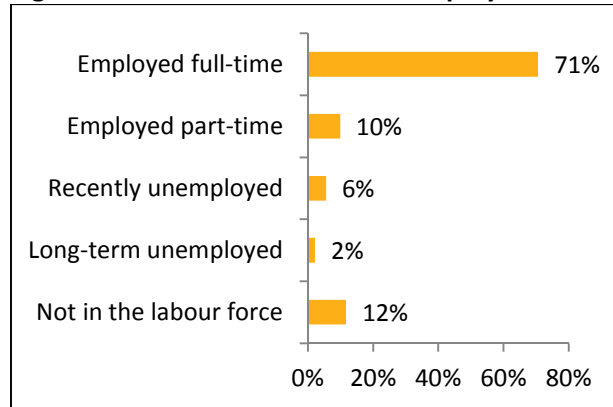
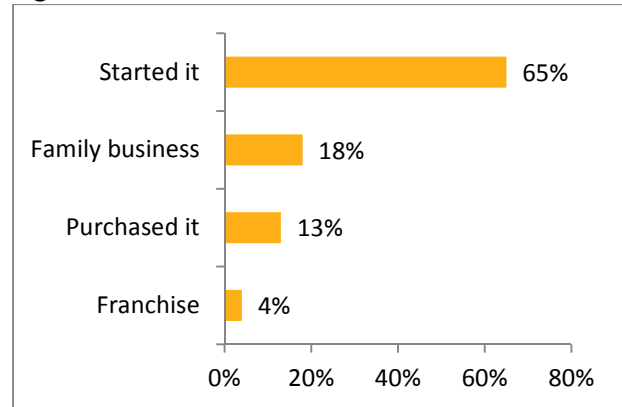


Figure 12: How Obtained Business



Current owners were split between being start-up (38%) and established (62%) businesses. Not surprisingly, younger owners were much more likely to classify their business as a start-up (Figure 13). Regarding their current employment situation, the majority of current owners worked solely for their own company (75%) (Figure 14). While only 11% of all current owners worked part-time outside of their company, this figure was significantly higher among start-up businesses (17%) than among established businesses (7%).

Figure 13: Business Status by Age

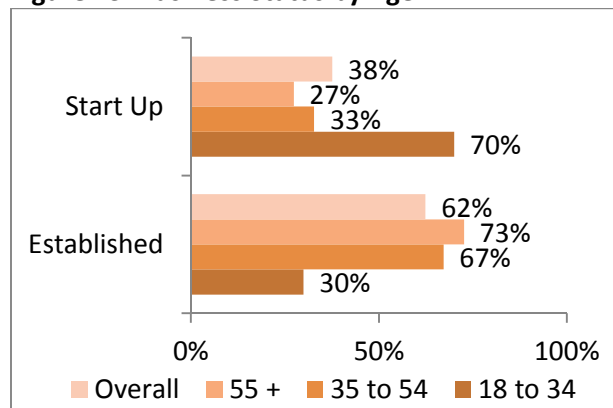
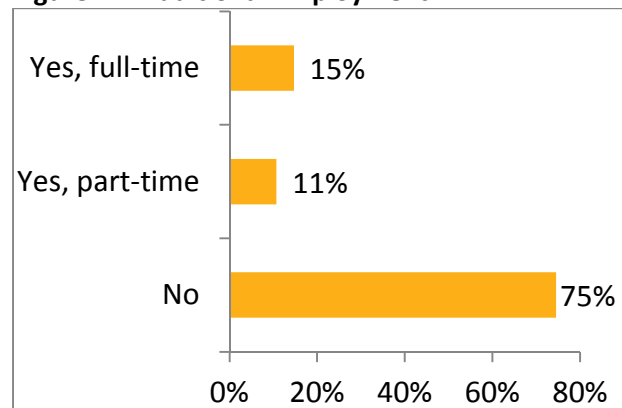


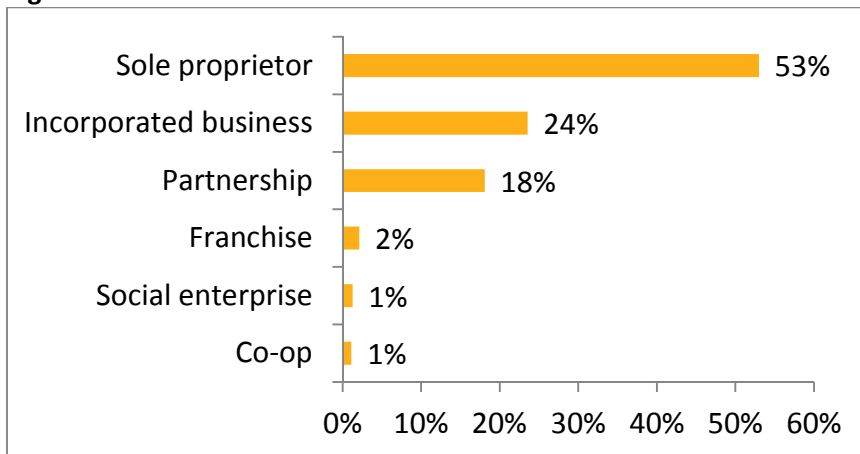
Figure 14: Additional Employment



Business Characteristics

About half of current owners said that their business was a sole proprietorship (53%), followed by incorporated business (24%) and partnership (18%) (Figure 15). Very few owners operated a franchise, social enterprise, or a co-op. Further analysis revealed that the sole proprietorship model was more common among start-up businesses (66%) than established businesses (45%), and more common among home-based businesses (59%) than those run outside the home (40%). Established businesses were much more likely to be incorporated (28%) than start-ups (16%), as were businesses operated outside the home (33%) compared to home-based businesses (19%).

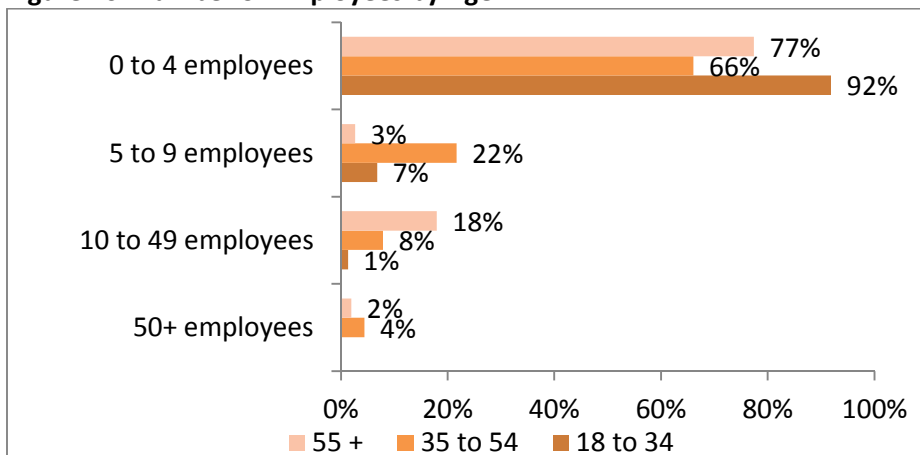
Figure 15: Business Model



Size

One indication of business size is number of employees. The results indicate that the overwhelming majority of these businesses were in the 0-4 employee size range (Figure 16). The most noticeable difference between businesses with different numbers of employees was the age of the owner. The 55+ age group (17%) was significantly more likely to have 10 to 49 employees, while business owners aged 35 to 54 were more likely than other age groups to have 5 to 9 employees.

Figure 16: Number of Employees by Age

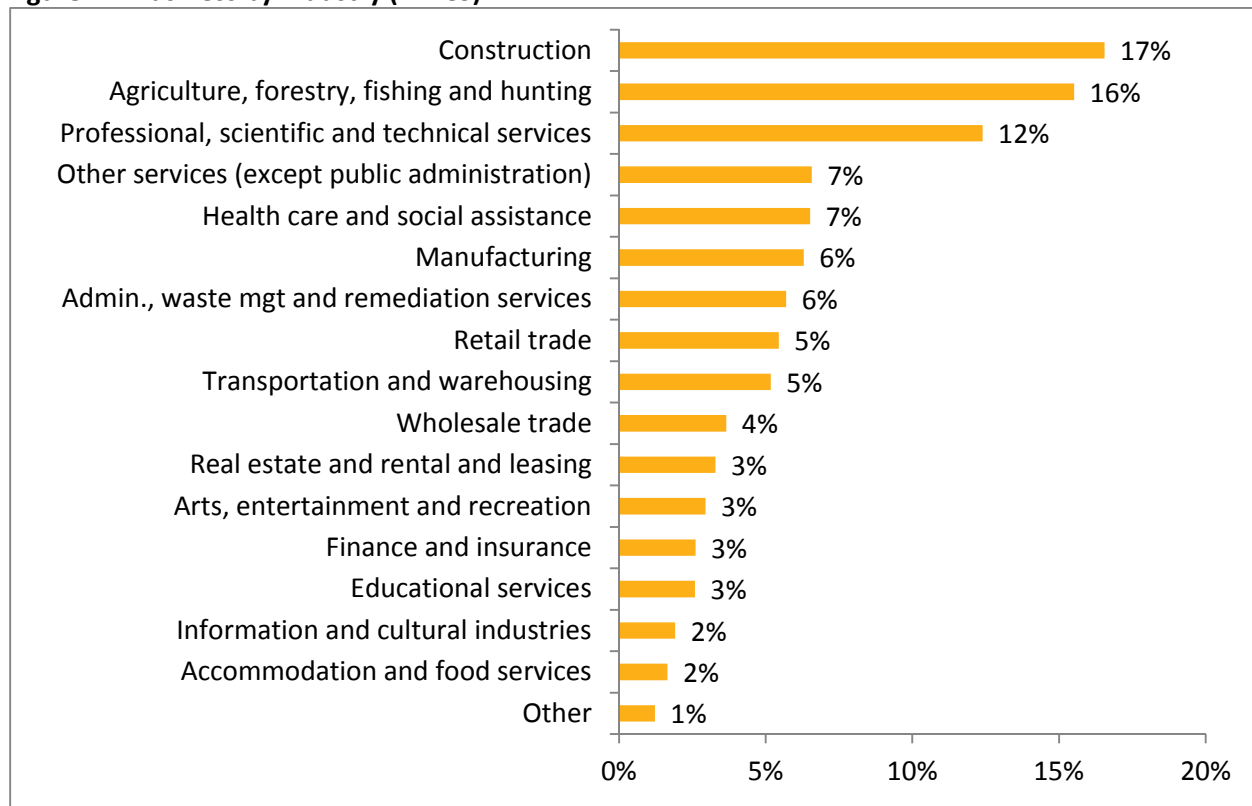


Industry

When examined by industry, most businesses were found to be in construction, agriculture or professional services (Figure 17). Together, these categories accounted for nearly half (45%) of businesses.

A breakdown of this data revealed some interesting differences between demographics. For example, a greater proportion of women ran health care and social assistance businesses (16%) than men (1%), as did a greater proportion of 18-34 year olds (19%) than 35-54 year olds (3%). Men were more likely to operate construction businesses (24%) than women (4%).

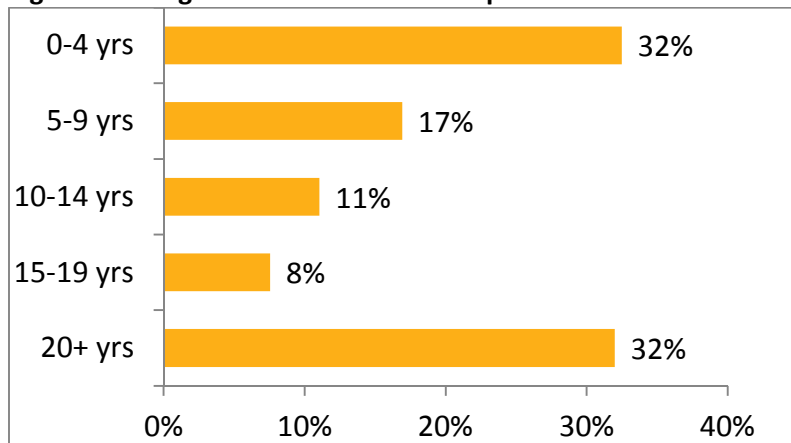
Figure 17: Business by Industry (NAICS)



Business Success

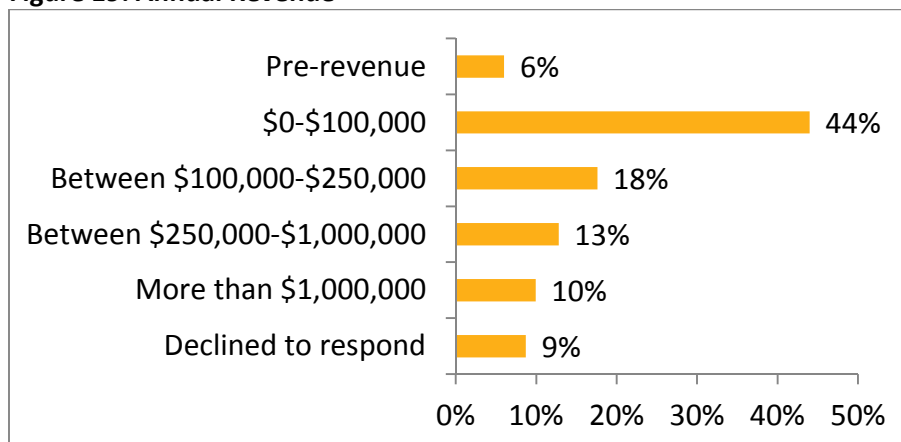
One indication of success is length of ownership. Figure 18 reveals a bimodal distribution, such that the majority of businesses were either under 4 years old (32%) or over 20 years old (32%). This distribution no doubt reflects the fact that most Canadian businesses fail during the early traction to growth stage of business development.⁸

Figure 18: Length of Business Ownership



Another indication of business success is overall revenue. As indicated in Figure 19, the largest segment (42%) had revenue below \$100,000 annually. Not surprisingly, companies that earned \$0-\$100,000 were significantly more likely to be start-up businesses, owned for 0 to 9 years, to have 0 to 4 employees, and to be run from home. On the other hand, business that earned more than \$1,000,000 in revenue were significantly more likely to be established businesses, to have over five employees, and to be run from a location outside the home.

Figure 19: Annual Revenue

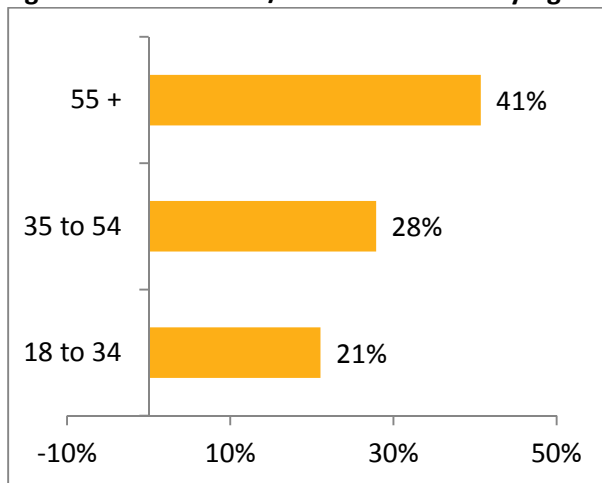


⁸ Wells S. & Hungerford, G, High-Growth Entrepreneurship: The Key To Canada's Future Economic Success, Policy Options; September, 2011; pp 57

Succession/Exit Planning

Just under one-third (31%) of business owners had a succession or exit plan in place, while 69% did not. Figure 20 illustrates that there is a predictable relationship between owner age and the existence of a succession plan. Nonetheless, over half of business owners aged 55+ did not have a succession plan in place (59%) and 64% of established businesses did not have a succession plan.

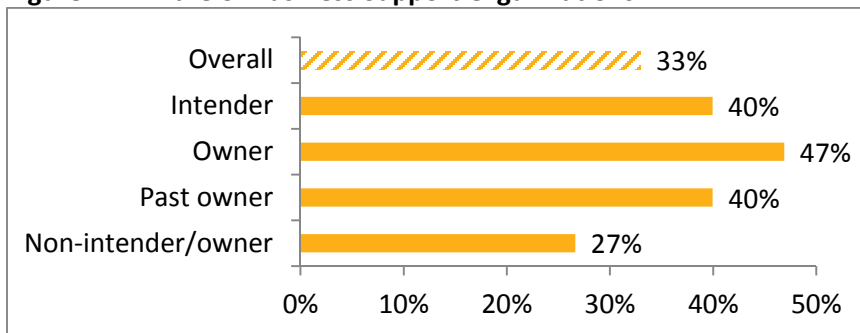
Figure 20: Succession/Exit Plan in Place by Age



BUSINESS SUPPORT ORGANIZATIONS

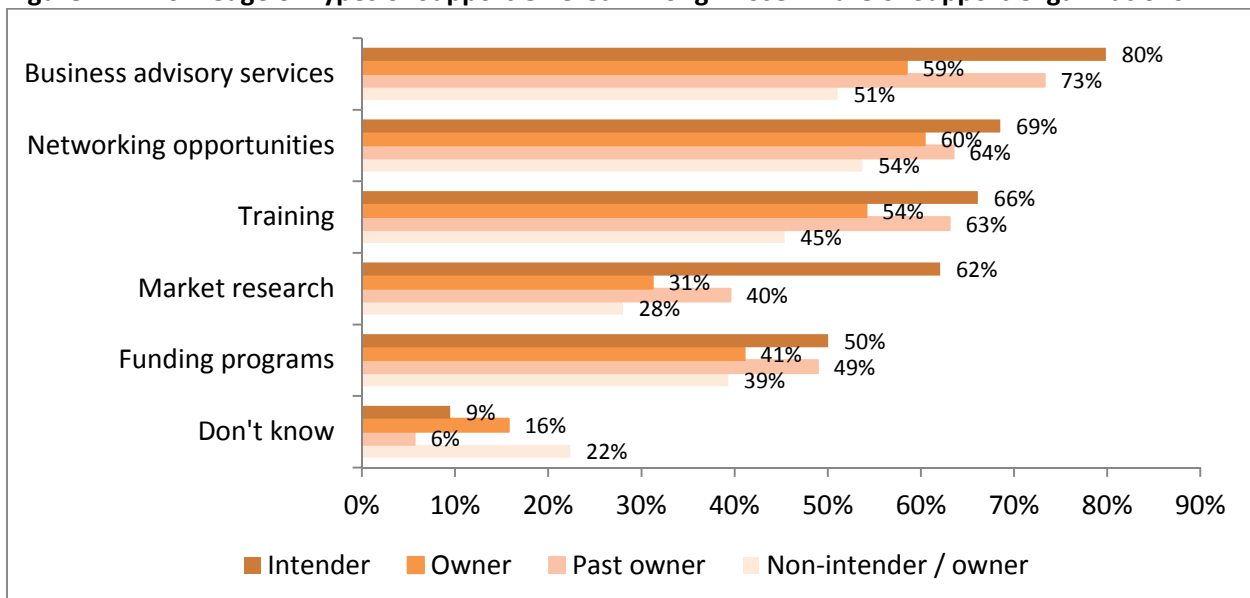
This final section examines awareness of and experience with regional business support services. Overall, about two-thirds of the general public reported that they were unaware of any such services in the community (Figure 21). Current owners had the highest awareness level; roughly half said that they were aware of support organizations (47%), compared to two-fifths of intenders and past owners (40%).

Figure 21: Aware of Business Support Organizations



In order to better understand awareness levels, respondents who indicated that they were aware of community organizations were asked if they could name an organization. While most respondents could name at least one organization in their community, awareness of any single organization tended to be uniformly low, indicating that there is an opportunity for support organizations to increase their profile in the community. Further, it appears that many people who know that business support organizations exist in their community are not aware of the full range of services offered by these organizations (Figure 22). In particular, many intenders and current owners do not see business support organizations as places where they can get assistance with conducting market research or accessing funding programs.

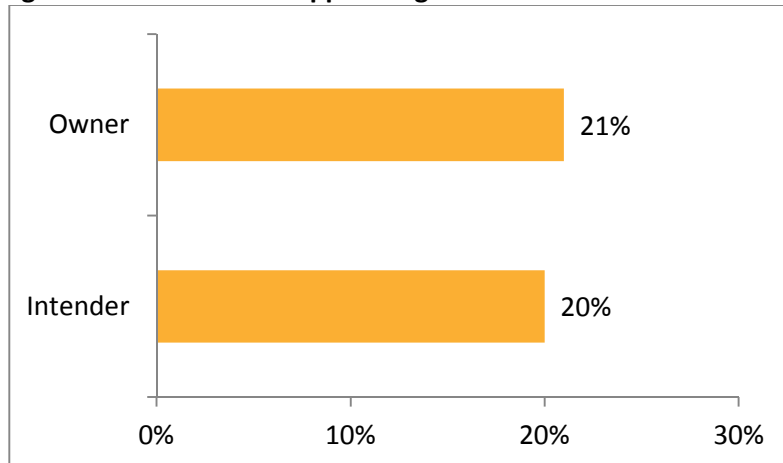
Figure 22: Knowledge of Types of Support Offered Among Those Aware of Support Organizations



Use of Services

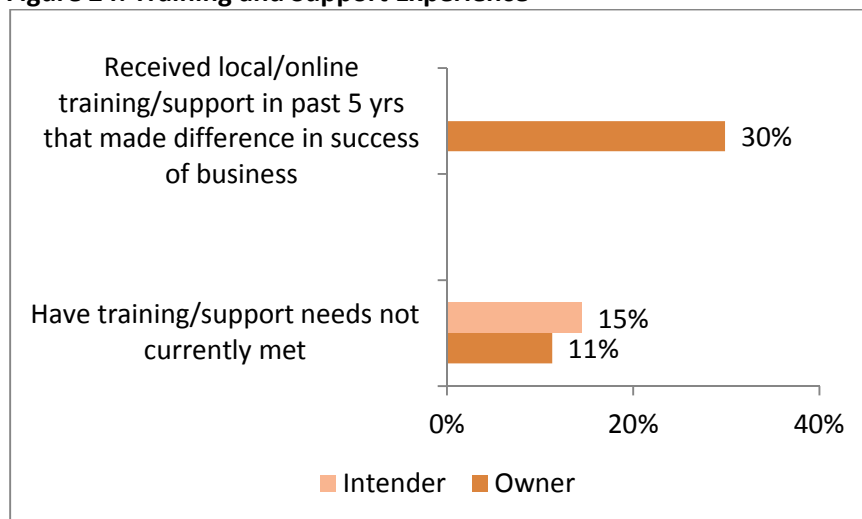
About one-fifth of current owners and intenders indicated that they had used the services of a local business support organization (Figure 23).

Figure 23: Contacted a Support Organization



Close to one-third of current owners (30%) indicated that they had received either local or online training or support in the last five years that made a difference to the success of their business. One in ten current owners (11%) and 15% of intenders indicated that they had training needs not currently met in the community (Figure 24).

Figure 24: Training and Support Experience



Asked about the appeal of various training delivery modes, one-one-one advisory sessions, peer mentoring, and online learning appear were rated as “very appealing” by the greatest proportions of intenders and current owners (Figure 25 and Figure 26). Overall, all of the support service delivery modes were of greater appeal to intenders than to current business owners.

Figure 25: Appeal of Services to Intenders (n=165)

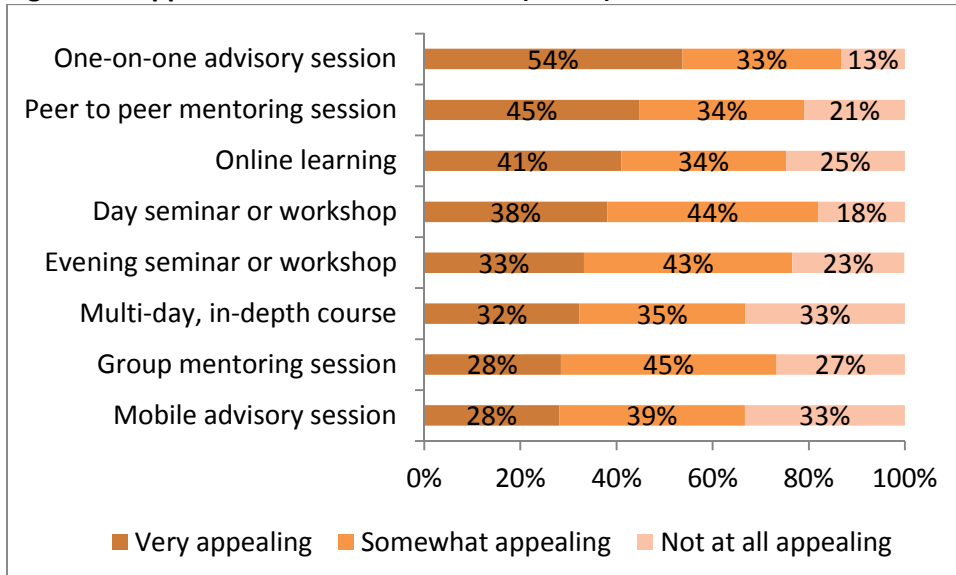
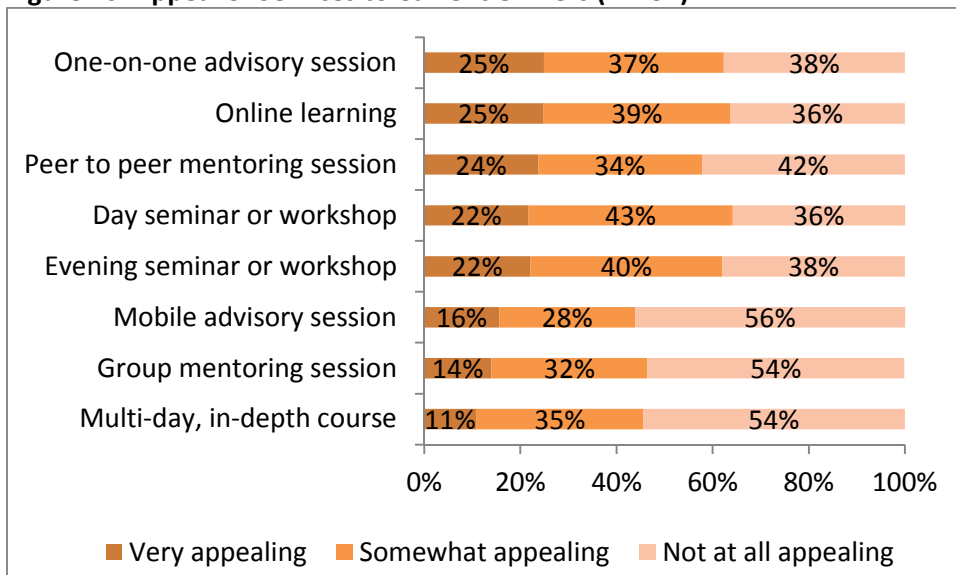


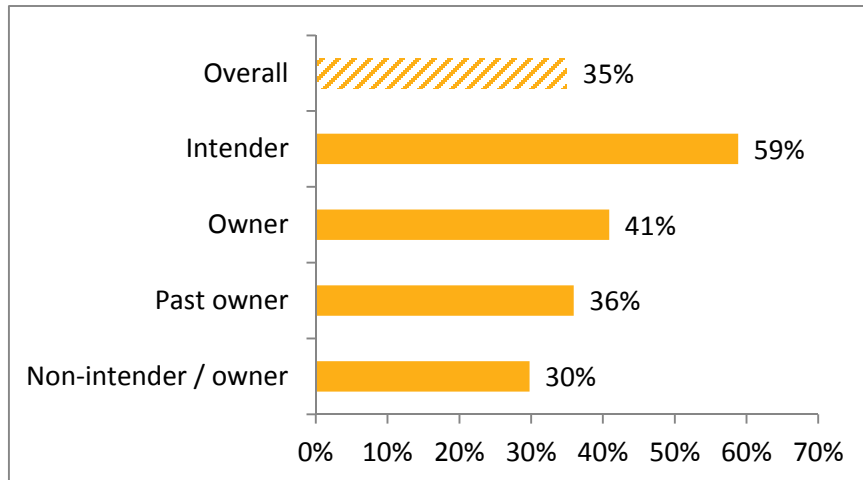
Figure 26: Appeal of Services to Current Owners (n=251)



WILLINGNESS TO PARTICIPATE IN FUTURE RESEARCH

At the conclusion of the survey respondents were asked, “Would you be interested in the potential to participate in future research studies on this or other subjects?” All were advised that they would be able to refuse if and when they were contacted for future research. Overall, 35% of respondents stated that they were open to being contacted about future research, but this figure was much higher among intenders and owners leading (Figure 27).

Figure 27: Willing to Participate in Future Research



Conclusions and Implications

Ultimately, communities want to create an environment that both encourages and supports entrepreneurship. There are a number of findings from this study that suggest ways to address both of these broad social goals. Here four broad priority action areas are identified:

- 1) Improve communications
- 2) Explore new modes of delivering support services
- 3) Investigation of need for succession planning
- 4) Measurement to support continuous improvement and strategic policy design

1) Communications

The data from this study reveal that about two-thirds of the general public are not aware of the existence of local business support services. Arguably, awareness among the public is not as important as reaching the intender and current owner segments. It is important to find ways to better target these vital pockets of individuals who are in the early stages of considering an entrepreneurial venture. That being said, it is clear as well that *intenders* are members of the general public and it would be beneficial to get them involved with support service providers as early as possible. This study also revealed that one-quarter of intenders report having received some discouraging advice from family and or friends – *who are also members of the general public*. These results imply that both targeted and broader communications could be beneficial but would require distinct and coordinated messaging. These results also indicate the potential to leverage social media communications as well as traditional media advertisements.

The first order of business would be to develop a communications strategy. The strategy could be developed around the two-part objective of:

- a) creating an environment that encourages entrepreneurship while emphasizing and helping intenders to move wisely from consideration to start-up
- b) promoting awareness of support services for existing small business owners

2) Support Service Delivery

The data concerning the use of existing community support services is fairly encouraging. The findings show that roughly 60% of potential users who are aware of services have contacted/visited a community service provider at least once. These results indicate that when entrepreneurs are aware of resources there is a high potential for use. However, overall awareness is relatively low and is an obvious area in need of improvement.

The results concerning both use of services and interest in types of services suggest that traditional one-on-one advising and peer mentoring are among the top three perceived needs. Interest in online offerings is also consistently high. This was particularly true among the youngest cohort (18-34 year old)

and with current owners. We also know from our work in post-secondary education (PSE) that programming emphasizing entrepreneurship skills and opportunities is growing rapidly as is the use of hybrid course curricula combining traditional and online delivery. The current study suggests the potential benefits of further exploring the development of innovative hybrid programming to leverage the demand for both traditional and online services. Such an approach also hints at the potential to develop programming that can be delivered across wider catchment areas and possibly also in collaboration with PSE education providers.

3) Succession Planning

One service area that was not revealed in our background research concerned the development of business owner succession planning. The results of this research reveal that only about one-third of owners have succession plans in place. This increases to 41% among the 55+ age cohort; and, while 34-55-year-olds represent the majority of business owners, just 28% have succession plans in place.

Beyond their relatively low use, this research provides little information concerning the implications of this finding. From the bimodal distribution of the length of time in business, it is clear that a full 40% of small business have been in existence for 15+ years. In other words, it is likely that they have survived the “valley of death” that typically results in business failure during transition from the traction to growth stages of business development.⁹ It is tempting, therefore, to speculate that if a significant proportion of these businesses could be enabled to continue beyond the owner’s retirement, it could have a major impact on the overall number of small businesses. Furthermore, given that these mature businesses employ more people, and are most likely to be in the \$100,000+ annual revenue category, increased business succession could have a significant impact on the regional economies.

4) Further Research

Before discussing recommendations for further research it is helpful to consider the strengths and limitations of the existing study. One of the strengths of the current study is that the methodology focused on providing a relatively large general public survey. This approach was chosen to provide an accurate assessment of the overall environment, including levels of entrepreneurial intention, agency awareness, knowledge and use of services across the four counties. However, one concomitant limitation of this approach is that because current businesses were not over-sampled, there is not a large and representative sample of intenders and current owners from which to examine differences across important sub-populations on matters related to their satisfaction, needs, and use of existing services. Future research would help to better understand these differences. We suggest two separate lines of inquiry as follows: 1) Intenders and 2) Current Owners.

⁹ Wells S. & Hungerford, G, High-Growth Entrepreneurship: The Key To Canada’s Future Economic Success, Policy Options; September, 2011,

Intenders

Across the four counties in this study, about 12% of the population can be considered relatively serious intenders. Given that the population of adults from which this study sampled is approximately 750,000, we can estimate that the population of intenders ranges from 71,250 to 108,750 people. Ultimately, our policy objective should be to move more people from intention to start-up. To assist with this area the priority research objectives are as follows:

- Profiling intenders, including sector and stage of idea development
- Identifying communications messaging and channel preferences by profile
- Identifying intender service needs and preferences by profile

Current Owners

This research has provided a number of preliminary findings that reveal important differences among current owners by age, gender, and business type etc. Another factor which is clearly supported by the literature is stage of business development, ranging from start-up through maturity. In terms of types of support services, current owners identified one-on-one advisory services and online learning as equally appealing. Succession planning was also identified as a specific service area that is needed and that has the potential to have a significant regional economic impact.

To assist with this area the priority research objectives are as follows:

- Profiling current business owners, including type, size, and stage of business development
- Identifying communications messaging and channel preferences by profile
- Identifying service needs and preferences by profile
- Understanding perceptions and use of succession planning

Measurement & Methodological Recommendations

Although it is beyond the scope of this report to delve deeply into proposed research methodologies, we offer several recommendations with implications for research design and implementation:

- 1) The proportion of respondents (35%) who agreed to further research will provide a solid starting point from which to conduct further research. Nevertheless, we recommend supplementing the number of both intenders and current owners to ensure adequate sample sizes.
- 2) There is need for a tool or instrument that would help stakeholders continue to track trends, developments, attitudes and activities in southwestern Ontario with respect to entrepreneurship. These tools exist at the global and European levels and could be adapted locally with a tactical component to assist with program planning. In particular, the *Global Entrepreneur Monitor*, used in 54 countries, should be considered. The GEM compiles a series of indicators on entrepreneurial attitudes and activities. This instrument is used to conduct annual household surveys of the adult population on attitudes toward entrepreneurship, pre-start-up

activities, work on the initial phase of enterprise development, and involvement in business growth or closure.

- 3) Future research would be improved if it were aligned with broader international research programs being conducted through the Organization for Economic Cooperation and Development (OECD) and the European Union. Much of this research adopts the framework of “inclusive entrepreneurship” and focuses on finding policies, programs, and services to extend entrepreneurial opportunities to disadvantaged and under-represented groups including youth, women, and the long-term unemployed.¹⁰ The OECD research might help to better devise appropriate delivery mechanisms for programs and services. For example, is it preferable to organize supports for entrepreneurs by business sector through clustering and networks that connect intenders with owners and facilitate mentoring or is it better to organize supports through specific demographic categories such as youth, women, etc.? The demographic category approach could be useful in Southwestern Ontario for several reasons, including the challenges of longer term unemployment as a result of recent manufacturing decline, difficulty recruiting and retaining immigrant entrepreneurs, and the smaller number of women who engage in entrepreneurial activity. Regardless, answering this question through further research and with reference to the OECD research could be key to designing successful programming.

¹⁰ Dr. Neil Bradford, who is an advisor on this project, has recommended this approach for further research. Dr. Bradford teaches Political Science and Public Policy at Huron University College and Western University. His courses focus on urban and community development, and explore with students issues of economic innovation, social inclusion, cultural diversity, and collaborative governance.

Appendix I: Call Disposition and Length

Figure 28: Call Disposition

Sample Description	Total Sample
Total Numbers Received	49,550
Total Numbers Used	48,357
Total Number of Call Attempts	188,936
Total Completed Interviews	1,512
Total Invalid Numbers	28,593
Total Unresolved Interviews Attempts	8,066
Total In-scope Non-Responding	10,049
In-scope Responses Terminated	1,649
Number of Call Attempts / Completed Interview	125
Number of Call Attempts / Total Numbers Used	3.9
Response Rate (%)	8%
Incidence Rate (%)	92%

Figure 29: Average Call Length

	Completed	Business Intender	Business Owner	Previous Owner & Intender	Previous Owner & Non Intender	Non-Intender
n size	1,509	147	251	18	189	904
Avg. Call Length (minutes)	9.59	13.30	14.35	19.01	10.30	7.51