

**Atlantic Canada Opportunities Agency
Business Skills Development
Evaluation
Final Report**

Evaluation Unit

Audit and Evaluation

Atlantic Canada Opportunities Agency

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Glossary of Acronyms

ACOA	Atlantic Canada Opportunities Agency
BDP	Business Development Program
BSD	Business Skills Development
CAS	Consulting Advisory Services
CBDC	Community Business Development Corporation
CD	Community Development
CWB	Centre for Women in Business
EBS	Entrepreneurship and Business Skills Development
ECBC	Enterprise Cape Breton Corporation
ED	Enterprise Development
NLOWE	Newfoundland and Labrador Organization of Women Entrepreneurs
PBSI	Productivity and Business Skills Initiative
PA	program activity
PAA	program activity architecture
PEC	Performance and Evaluation Committee
PSA	program sub-activity
RDA	regional development authority
REDO	Regional Economic Development Organization
SME	small and medium-sized enterprise
SPWG	skills policy working group
TB	Treasury Board
UBDC	University Business Development Centre
WBI	Women in Business Initiative
YEDI	Young Entrepreneur Development Initiative

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Executive Summary

ACOA defines business skills as “the appropriate blend of knowledge, abilities and experience in areas of management, marketing and communications, trade and exporting, commercialization, finance, human resources, or innovation that help an existing or potential business succeed in increasing productivity and wealth.”¹

Through many programming activities across its program activity architecture (PAA), the Agency supports small and medium-sized enterprises (SMEs) to develop or acquire business skills needed to compete in the Atlantic Canadian economy. The results of a 2008 study of business skills development (BSD) programming at ACOA suggested that there were opportunities for increased coordination of BSD activity within the Agency and recommended that this coordination be undertaken through the integrated planning process. ACOA senior managers have noted that this process may have not resulted in sufficient coordination and support the need for a formative evaluation to “assess efficiencies in the coordination of BSD activities at ACOA, with a particular emphasis on governance, regional delivery models and best practices.”²

The evaluation methodology included document review, data analysis, six focus groups (33 participants), eight key informant interviews, and development/validation of six regional profiles. While there are limitations associated with the evaluation methodology, overall the approach used provided multiple lines of evidence to reliably answer all evaluation questions.

Key Findings

Delivery, Governance and Coordination

Business Development Program (BDP) budgets have been tightening, highlighting the need for increased efficiencies. BSD programming varies by target audience, level of intensity and method of delivery (i.e. support directly to SMEs or indirectly through client organizations). A substantial amount (71%) of BSD programming takes place outside the Entrepreneurship and Business Skills Development (EBSD) program sub-activity (PSA) and is not reported as BSD. Availability of, and need for, BSD support varies within and across regions.

Governance of BSD-related programming has not promoted overall coordination and awareness of BSD activity across PSAs. Currently, there is no overall coordination of BSD planning and activities across PSAs within and across ACOA regions. There is also no overall Agency strategy for BSD in Atlantic Canada.

¹ Atlantic Canada Opportunities Agency, *ACOA's Business Skills Development Framework* (Ottawa: Government of Canada, 2008).

² Atlantic Canada Opportunities Agency, *BSD Evaluation Terms of Reference* (Ottawa: Government of Canada, 2008), p.3.

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Gaps, Opportunities and Considerations for Future BSD Programming

Based on a comparison of the current literature on business skills with ACOA programming, there do not appear to be any gaps in the types of skills development supported. However, some types of skills development are seen less frequently. Without documented BSD planning and priorities, reasons behind regional variations could not be determined.

Study participants highlighted a number of ways in which ACOA and its client organizations could deliver a more efficient and strategic complement of BSD programming. Many opportunities related to coordination, while others related to strategic planning.

Some regions have experienced challenges in geographic coverage of BSD activity, representing an opportunity to explore strategically working with rural organizations in order to leverage resources and meet the needs of SMEs.

Improvements in the strategic planning of overall BSD activities across PSAs based on regional needs (e.g. needs analysis, trend analysis) would have a positive impact on both the efficiency and effectiveness of BSD-related activity. Beyond the ACOA-supported BSD activities, integrated planning and the sharing of best practices between organizations that offer BSD should take place at regional and sub-regional levels to make the most effective use of limited programming funds (i.e. avoiding duplication and overlap).

The profile of BSD within the Agency needs to be raised by formalizing a BSD approach and by developing tools such a model of BSD needs across the lifespan of an SME to be used by account managers, and a map ACOA programming against the business stages/skills.

Considerations

Focus group participants raised several important considerations for future plans related to BSD programming. Participants reflected on the importance of striking the right balance between the amount and type of rural and urban BSD support. Balancing individual versus group-targeted BSD programming is another consideration commonly highlighted, and it represents an opportunity to improve ACOA's reach and efficiency. Generally, the more targeted and intensive an intervention is, the higher the cost per SME supported. Strategic use of high-cost programming should be encouraged, and opportunities to conduct group sessions should be explored when appropriate.

Effective April 1, 2012, changes to the existing PAA will impact the PSAs under which the BSD is currently being carried out, particularly under Enterprise Development. BSD activities will continue to be supported across the PAA. However, these changes will likely bring new opportunities for coordination.

Best Practices

Several best practices emerged from the fieldwork. Conducting needs assessments with SMEs and following up on trade mission activities were both raised as best practices in terms of being

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responsive to client needs and maximizing the value of training opportunities. Best practices in coordinated strategic planning included integrated planning between provincially and federally funded organizations at the local (sub-regional) level in response to a needs assessment. Another example of a best practice in coordination consisted of leveraging existing rural organizations to efficiently increase the reach of BSD programming.

Conclusion 1:

There is currently no systematic process for coordinating BSD strategic planning or programming within ACOA regions and head office. Though coordination between PSAs exists for some specific initiatives, overall BSD strategic planning and coordination processes are needed to ensure the strategic use of funds.

Recommendation 1:

Based on assessed needs of SMEs and other BSD activities taking place in the region, implement BSD strategic planning across PSAs (e.g. as part of integrated planning) as well as mechanisms that allow for continued awareness and coordination of BSD activity throughout the year.

Conclusion 2:

There is a need for coordination processes between ACOA BSD-delivery partners at sub-regional levels to ensure that the BSD needs of entrepreneurs are addressed in the most efficient and strategic way, by the appropriate delivery agent.

Recommendation 2:

Work to implement sub-regional coordination mechanisms between ACOA district account managers, ACOA-funded BSD partners and other players.

Conclusion 3:

Working with existing client organizations and infrastructure such as the Community Business Development Corporations (CBDCs) or other rural organizations to deliver BSD programming is recognized as an efficient practice and could be further developed to increase geographic coverage where needed.

Recommendation 3:

Where geographic coverage is identified as a challenge, consider funding existing organizations for BSD delivery

Acknowledgements

This evaluation was undertaken in response to the strategic information needs of ACOA management. The study was managed and completed by ACOA's Evaluation Unit. The study team was comprised of Monique Campbell (senior evaluation analyst, project lead) and Matthew Jacques (evaluation analyst), with the assistance of Courtney Amo (manager, evaluation).

We would like to take this opportunity to thank the members of the evaluation working group for their advice and support throughout this process. Members included Karen Appleby (Newfoundland), Glen MacDonald (Cape Breton), Michael Hayes and John Kavanagh (mainland Nova Scotia), Michael Dillon (Prince Edward Island), Glenn Fraser (New Brunswick), and, from ACOA's Head Office in Moncton, Wade Aucoin, Paul-Émile David, Robert Gaudet, Lucienne Godbout, Janice Goguen and Dean Sutherland. Their assistance helped ensure the relevance, timeliness and usefulness of this evaluation.

While too numerous to acknowledge individually, we are also grateful to the many ACOA staff members who provided their time and essential knowledge in support of this study.

Overall, these contributions were instrumental in building our understanding and correctly conveying the nature of BSD-related programming at ACOA.

Marc Lemieux

Director General, Audit and Evaluation
Atlantic Canada Opportunities Agency

1.0 Introduction

The Atlantic Canada Opportunities Agency (ACOA) has a mandate “to enhance the growth of earned income and employment opportunities in Atlantic Canada.” Appendix A, ACOA’s Program Activity Architecture, outlines how the various elements of Agency programming, including the related program activities and program sub-activities, are all intended to contribute to the strategic outcome of “a competitive Atlantic Canadian economy.” In support of this mandate, and with a view to achieving its strategic outcome, ACOA supports activities that foster business skills development (BSD) of Atlantic small and medium-sized enterprises (SMEs) across most of its programming areas.

As there is no single PSA or PA that wholly encompasses ACOA’s BSD-related activity, the present evaluation is intended to provide an initial summary of this activity across PSAs and to provide recommendations on the potential need and mechanisms for increased BSD coordination.

ACOA defines business skills as the appropriate blend of knowledge, abilities and experience in the areas of management, marketing and communications, trade and exporting, commercialization, finance, human resources, or innovation that help an existing or potential business succeed in increasing productivity and wealth.³

This report presents the results of an evaluation of ACOA’s BSD activity, in accordance with ACOA’s approved Evaluation Plan for 2010-2015. The terms of reference for the study were approved by the Agency’s Performance and Evaluation Committee (PEC) in November 2010.

The study was undertaken by ACOA’s Evaluation Unit, supported by a working group comprised of ACOA representatives from all program sub-activities (PSAs), ACOA regions, and ACOA’s Policy unit who are involved in BSD-related activities. The Working Group provided advice and support on the study’s terms of reference, methodology, findings, conclusions and recommendations. Their contributions helped ensure the relevance, timeliness and usefulness of this evaluation product.

Following the “Evaluation Overview” presented below, Section 3.0 of this report presents the evaluation’s findings, organized by broad evaluation question, and Section 4.0 presents the general conclusions and recommendations resulting from the study. Appendix B provides management’s response to the evaluation recommendations and actions to be taken.

³ Atlantic Canada Opportunities Agency. *ACOA’s Business Skills Development Framework*, an internal document (Ottawa: Government of Canada, 2008).

2.0 Evaluation Overview

2.1 Evaluation Rationale

In 2008, an ACOA working group with representatives across the PSAs completed a study titled “ACOA’s Business Skills Development Framework.” Using data from 2003-2004 to 2005-2006, the working group found that business skills programming was being undertaken across multiple PSAs and that ACOA’s investments in BSD averaged \$49 million in authorized assistance per year, with \$39.5 million under Enterprise Development and \$9.8 million under Community Development program activities. Most of the assistance was through the Innovation, Entrepreneurship and Business Skills Development, and Trade and Investment PSAs, as well as the combined BSD activity of the Community Business Development Corporations (CBDCs) and the Regional Economic Development Organizations (REDOs).

The findings were presented to ACOA senior management in 2008 and it was decided that efforts should be made for ongoing coordination across the Agency’s programming areas in order to maximize efficiencies in BSD programming delivery. ACOA’s annual integrated planning process was identified as a mechanism that could be used to coordinate the planning of skills activities.

Members of the Agency’s Performance and Evaluation Committee (PEC) have since raised concerns that the 2008 BSD report may not have resulted in increased coordination of BSD activities across PSAs. As such, the Committee added the current BSD evaluation to ACOA’s plan in February 2009⁴. In addition, a review of BSD-related findings presented in recent evaluation reports⁵ suggested that BSD activities may benefit from additional coordination, which further supports the need for this study. Subsequent to the review, Enterprise Development and Community Development managers jointly supported the need for a formal evaluation to “assess efficiencies in the coordination of BSD activities at ACOA, with a particular emphasis on governance, regional delivery models, and best practices.”⁶

This evaluation will be used to assess coordination of ACOA skills activity across PSAs and encourage the adoption of efficient and effective practices where appropriate. This report will also be used by program managers to review their BSD activities/strategies in response to other recent related ACOA evaluations.

2.2 Evaluation Design, Scope and Methodology

With the advice of Enterprise Development and Community Development management, and the members of the BSD Evaluation Working Group, three high-level evaluation questions were developed:

⁴ Atlantic Canada Opportunities Agency, *ACOA Evaluation Plan 2009-2014* (Ottawa: Government of Canada, 2009).

⁵ Evaluations reviewed included the evaluation of the following PSAs or program activities: Entrepreneurship and Business Skills Development, Financing Continuum, Trade and Investment, and Innovation, including Productivity and Business Skills Initiative, Community Investment and Community Development Resources and Community Futures.

⁶ Atlantic Canada Opportunities Agency, *BSD Evaluation Terms of Reference* (Ottawa: Government of Canada, 2010), p.3.

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- How are ACOA-supported BSD activities currently coordinated in the regions and head office?
- Are there opportunities for increased efficiencies through coordination, collaboration and partnership in BSD delivery across the PAA? Are there any gaps in BSD programming?
- Are there best practices that could be considered for delivery across ACOA regions?

The general approach for this evaluation was to analyze the coordination of current BSD activities within and across ACOA regions to determine whether efficiencies could be gained through increased coordination or other means. To do so, information was gathered on the approximate amount and type of BSD activities taking place as well as the manner in which these activities were governed, delivered and coordinated within ACOA and with client organizations. In addition, information on BSD gaps, as well as opportunities and barriers to increased efficiency, was gathered. Finally, the evaluation team documented examples of best practices in the use of BSD programming resources.

The evaluation considered BSD activities between fiscal years 2007-2008 and 2009-2010 inclusive, to reflect the most recent trends and priorities in BSD programming.

The study employed the following methods (see Appendix C for additional details):

- **Data Review:** BSD-related QAccess and operations and maintenance data were reviewed to describe the amount and type of BSD activity by sub-activity or region.
- **Document/Literature Review:** Agency documents relating to BSD activity, such as program planning and other documents, evaluations, audits and other studies, and departmental reports were examined for context/background. Such documents included a literature review conducted by ACOA's Policy Unit as part of the ongoing EBSD strategy renewal.
- **Focus Groups (6 regions, 33 participants):** ACOA employees were consulted to validate information on the nature, governance, delivery and coordination of BSD activities, and to gather suggestions for improvements. One focus group with BSD representatives from various PSAs took place in each region (e.g. New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Cape Breton and Head Office).
- **Key Informant Interviews (8):** Focus group data were supplemented by individual interviews with senior ACOA staff where appropriate. Relevant internal committees such as the EBSD Strategy Renewal Working Group and the Skills Policy Working Group were also consulted.
- **Construction and Validation of Regional BSD Profiles:** Using the information gathered through the above methods, regional profiles of BSD activity were constructed. These included a description of the BSD activity in each region along with the focus group participants' responses to a broad suite of questions. The profiles were circulated to each region to validate the information they contained and to collect any missing information that was relevant to the evaluation.

2.3 Limitations and Challenges

The evaluation design was based on the most efficient methods to address the evaluation questions in a rigorous way, while taking into account cost, time and resource constraints. In order to maximize the possibility of generating valid and useful evaluation findings, the study

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gathered information from multiple lines of evidence using both qualitative and quantitative methods.

Each of the methods used in this study has its strengths and limitations. Where feasible, measures were taken to minimize these limitations. Nevertheless, the following limitations are important to note:

- **BSD is not a program that can be easily described:** BSD activities are integrated across multiple PSAs and management units in the Agency. Unlike other evaluations carried out at a PSA-level, there is no overall strategy, program theory or expected outcomes for BSD. Therefore, an important part of the research effort was dedicated to describing the BSD activity that was taking place. Due to the absence of adequate BSD activity codes in the QAccess system, categories of BSD activity were developed based on the delivery partners/clientele, and sometimes on the type of BSD training delivered.⁷
- **Scope and time frame of study:** The study parameters (i.e. low risk, not mandated by Treasury Board) warranted fewer resources than other ACOA evaluations. Timely results were also needed to support management decision making. These constraints may have limited the degree to which precision could be achieved. Numbers presented in this report should be treated as estimates.
- **Level of participation:** Overall, participation in focus groups and engagement in project validation was good. However, it was not consistent across regions and programming areas. Follow-up efforts to validate and gather information were generally successful, but a lack of response may have resulted in incomplete or inaccurate information in the study.

3.0 Findings

3.1 Delivery, Governance and Coordination

3.1.1 Delivery

The following section describes the context for and delivery of ACOA-supported BSD activities at both the Atlantic and regional levels (2007-2008 to 2009-2010).

⁷ The information most consistently available in the BSD project database related to the agent delivering the activity and groups being targeted. Information on the type of business skill(s) was not sufficiently consistent to allow for a comprehensive analysis of skill types across projects. Such an analysis would entail completing the missing information, which would have required additional resources and time, exceeding the scope of the research project.

Atlantic Profile of BSD

Context

In recent years, ACOA has identified innovation, competitiveness and growth as areas of interest.⁸ The development and growth of the Productivity and Business Skills Initiative, and the development of ACOA's Commercialization Framework reflect this shift. In working toward these priorities, the Agency has moved toward providing greater support for growing businesses and less emphasis on start-up SMEs.

ACOA's support of BSD activity over the time frame of this evaluation has also been carried out in the context of decreasing BDP budgets, with annual allocations of \$116 million in 2007-2008, \$112 million in 2008-2009 and \$97 million in 2009-2010. This highlights an increased need to explore efficiencies in BSD programming.⁹

<p><i>Key Finding:</i> BDP budgets have been tightening, highlighting the need for increased efficiencies.</p>
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Summary of Atlantic Business Skills Development

Table 1 provides an overview of BSD activity for fiscal years 2007-2008 to 2009-2010. According to the data collected and analyzed in the context of this evaluation, close to 97% of BSD-related assistance approved over this period was for grants-and-contributions projects. This represents close to 14% of Agency-wide grants and contributions approved spending for this same period. The remaining 3% was invested in Consulting and Advisory Services to small and medium-sized enterprises (SMEs) at a cost of approximately \$5,000 each. The annual average of \$41.8 million compares relatively well to the corresponding annual average found in the 2008 Business Skills Framework study (\$49.3 million). Given that the 2008 study was much more extensive, the figures in this evaluation may slightly underestimate the amount of BSD activity that took place during the years in question. The types of BSD programming are described in further detail below.

⁸ ACOA's program activity architecture strategic outcome is "a competitive Atlantic Canadian economy." The desired outcome for the Enterprise Development program activity is "increased growth and competitiveness of Atlantic SMEs." One of the program sub-activities under Enterprise Development that continues to receive much focus is Innovation.

⁹ The changes in Business Development Program budgets have impacted some areas of programming more than others. From 2007-2008 to 2008-2009, the Young Entrepreneur Development Initiative, the Women in Business Initiative and the Trade budgets remained the same, but the Agency's Business Development Program totals declined.

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Table 1: Estimated Summary of BSD Activity, 2007-2008 to 2009-2010

Type	ACOA Approved Assistance (\$M)
1355 Grants and Contributions Projects ¹⁰	118.28
Operations and Maintenance – Canada Business	3.12
699 Operations and Maintenance Consulting Advisory Services Contracts	3.90
Total Value	25.30
Annual Average	41.80

Source: ACOA QAccess and Operations and Maintenance data.

Indirect Versus Direct Business Skills Development Support

ACOA supports SMEs in developing business skills in two primary ways: indirectly (i.e. training made available through not-for-profit organizations, educational institutions, etc.) and directly (i.e. working with individual entrepreneurs). Of the total amount (\$125.3 million) for fiscal years 2007-2008 to 2009-2010, over \$49.7 million (39.6%) was direct support and the remaining \$75.6 million (60.3%) was indirect support.

Examples of direct BSD support include consultants hired to work with clients to develop marketing plans or funding provided to an SME to hire expertise in areas such as management, marketing or productivity. Other eligible costs included obtaining quality certification, lean manufacturing and commissioning studies.

Examples of indirect BSD support (non-commercial) include BSD training aimed at increasing productivity and profitability and that was made available through not-for-profit organizations such as industry associations, CBDCs and REDOs, or other organizations such as educational institutions, chambers of commerce, etc. Indirect support also includes the promotion of youth entrepreneurship through projects such as Junior Achievement and Advancing Canadian Entrepreneurship, the development of export strategies for SMEs in a particular industry sector, inbound/outbound trade missions and export training, and participation in or hosting of trade-related activities such as trade shows.

An important distinction between the two types of activity is that direct support involves tailored and intensive intervention with an individual business, while indirect support reaches a larger group of clients through one project. Indirect BSD programming varies greatly in the type and intensity of BSD service provided. For example, some projects support several workshops with a group of SMEs in a given area of skills (e.g. export readiness). Other projects support university business competitions, promoting the development of business skills in youth. In some cases, projects support a non-profit organization in administering one-on-one consulting and advisory services (CAS) to many individual SMEs.

¹⁰ This category includes trade activity supported through operations and maintenance in the Prince Edward Island region that was funded through grants and contributions programming in other ACOA regions.

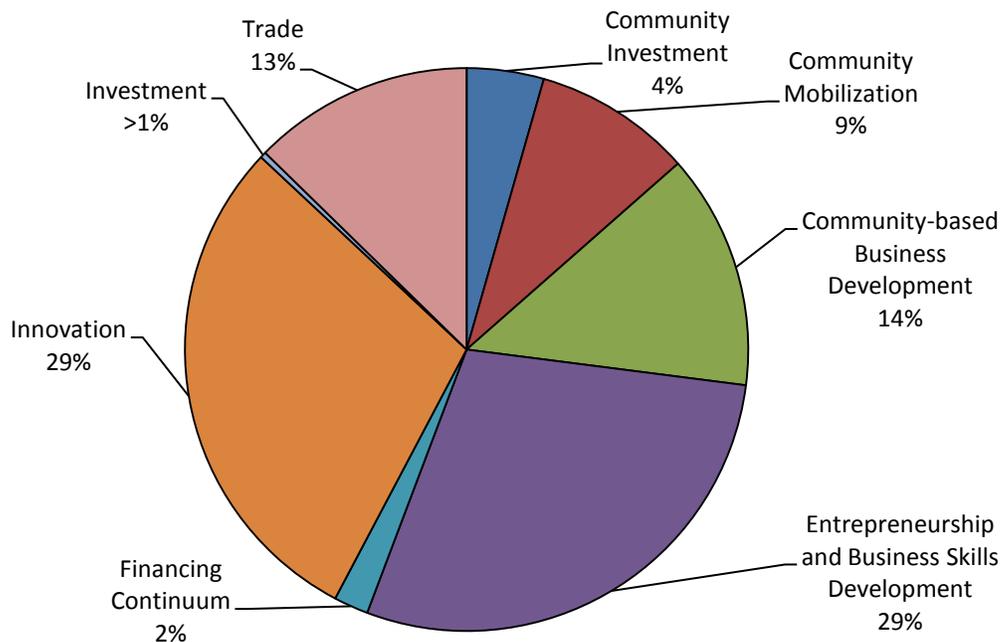
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Business Skills Development Activity by ACOA Program Sub-activity

As shown in Figure 1, much of the BSD activity (\$121.4 million)¹¹ for fiscal years 2007-2008 to 2009-2010 was in the Innovation and the Entrepreneurship and Business Skills Development PSAs (29% each), followed by 27% in Community Development and 13% in Trade. The figure illustrates that a substantial amount of BSD activity is conducted outside the EBSD, supporting the case for a coordinated approach to BSD within the Agency.

Key Finding:
A substantial amount of BSD programming takes place outside the EBSD PSA (71%) and is not reported as BSD.

Figure 1: BSD Activity Supported by Program Sub-activity, 2007-2008 to 2009-2010



Source: ACOA QAccess and Operations and Maintenance data.

¹¹ Figure 1 does not include Operations and Maintenance Consulting Advisory Services because these were not attached to specific program sub-activities.

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Types of Business Skills Development Activity

This section presents an analysis of the types of BSD activity by organization type and, where possible, by type of BSD in order to provide a more detailed description of the activities supported.

As illustrated in Table 2 below, direct BSD activity amounts (39.7%) were largely split between the Productivity and Business Skills Initiative and Other BDP Commercial.

Key Finding:
Programming varies by target audience, intensity and method of delivery (i.e. direct support to SMEs or through client organizations).

Productivity and Business Skills Initiative activities (19.4%) consisted of up to \$50,000 in non-repayable support for a client to invest in lean manufacturing, to hire expertise to address needs in areas such as marketing, sales, finance, productivity, project management and technical skills, to obtain certifications to allow for greater competitiveness, to conduct training, and to commission studies. Other Business Development Program direct support to SMEs (17.1%) was repayable or provisionally repayable and could exceed \$50,000. These activities included hiring expertise in sales, marketing, or productivity, obtaining certifications, and developing marketing strategies.

Consulting Advisory Services support to SMEs (3.1%) consisted of diagnostic assessments to provide advice, specific studies or business plans, advice on business management practices, situational analyses or audit assessments. Other Consulting Advisory Services were specific to the area of trade and included activities such as export readiness assessments, follow-up from a trade mission, e-business, export mentoring and matchmaking in preparation for a trade mission.

The remaining 60.3% of indirect, approved BSD spending was primarily directed to the day-to-day operations of the CBDCs, REDOs and Canada Business centres (combined 15.3%), followed by Trade BSD activity (11.6%), BSD support for youth (8.0%) and women (5.7%), and a combination of other support. The following is a description of indirect programming.

BSD-related operational activities of CBDCs and REDOs (combined 12.8%), and Canada Business (2.5%) included providing information, counselling or advice to businesses that visit these centres. Forty-one CBDCs and 52 REDOs are located throughout the Atlantic provinces while Canada Business Centres are situated in one major city in each province. Canada Business Centres have periodically offered training in the form of workshops.

Trade-related BSD activities (11.6%) included trade missions and associated training, trade/export training by industry associations or other partners such as REDOs in New Brunswick, the development of export strategies by industry associations, and trade graduate internship programs.

Youth BSD (8.0%) supports included EBSD youth projects such as Junior Achievement, Advancing Canadian Entrepreneurship and other school and university-level business competitions as well as region-specific initiatives such as Young Entrepreneur Development Initiative coordinators in New Brunswick (through the CBDCs and REDOs) and Youth Ventures in Newfoundland and Labrador (through the Association of CBDCs).

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Table 2: BSD Programming, 2007-2008 to 2009-2010

Type of Business Skills Development Programming	ACOA Approved (\$'000)	% of Total
Direct (Commercial)		
Productivity and Business Skills Initiative	24,340	19.4
Other BDP commercial/direct	21,455	17.1
Operations & Maintenance Consulting Advisory Services	3,907	3.1
Indirect (Non-commercial)		
Trade-Related		
Export training	3,124	2.7
Industry export strategies	974	2.5
Trade shows	4,929	0.8
Trade internships	2,117	4.0
Trade missions	3,376	1.7
Sub-Total Trade-Related	14,520	11.6
CBDC/REDO Operations ¹²	15,987	12.8
Other CBDC/REDO Business Skills Development	3,703	3.0
Canada Business ¹³	3,120	2.5
Industry Associations	6,102	4.9
University Business Development Centres	4,679	3.7
Youth	10,060	8.0
Women	7,170	5.7
Commercialization	5,043	4.0
Other BSD	5,227	4.1
Total	125,314	100.0

Source: ACOA QAccess and Operations and Maintenance data. Typology generated via evaluation unit's analysis of QAccess codes and project descriptions.

BSD projects supporting women entrepreneurs (5.7%) were provided by non-profit organizations such as the Centre for Women in Business in Nova Scotia, the Newfoundland and Labrador Organization of Women Entrepreneurs, the Association of CBDCs in New Brunswick, the P.E.I. Women's Business Association, and the Coastal CBDC in Cape Breton. Services range from the provision of one-on-one consulting services to symposiums, workshops or other learning events.

¹² CBDC and REDO figures in Table 2 reflect the estimated proportion of operational funding dedicated to BSD, as provided by ACOA regional staff during focus group sessions.

¹³ Canada Business figures in Table 2 reflect the estimated provision of Canada Business operational funding dedicated to BSD as described in *ACOA's Business Skills Development Framework* (2008).

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Many BSD supports are offered to sector-specific SMEs through their industry associations (4.9%). These include a range of business skills training.¹⁴

The commercialization category (4.0%), for the most part, consisted of four major pan-Atlantic Innovation projects that are part of the Agency's Commercialization Framework.¹⁵

University Business Development Centres (3.7%) are business service centres located on university campuses. Part of their core mandate is to serve the BSD needs of the broader business community. There are five in Nova Scotia, two in New Brunswick and one in Newfoundland and Labrador. ACOA provides operational funding for these Centres in Nova Scotia and project-based funding across all Centres.

Other CBDC/REDO Business Skills Development¹⁶ (3.0%) consisted of projects where these organizations received additional funds to deliver BSD-specific initiatives, including funding received for the Seed Capital Connexion Program, where young entrepreneurs can get up to \$2,000 for training that is typically related to basic business skills. It also includes activities relating to Small Business Week and workshops in various business skills. Other BSD initiatives were delivered by CBDCs and REDOs outside their operational funds, but for the purposes of this project, these were categorized as women, youth, or trade projects. In effect, the total number of BSD projects delivered by CBDCs and REDOs outside their operational funds was 180, for \$11.1 million in approved funding. This represented 8.9% of overall BSD funding. Much of this activity (69% of approved funding) was supported through the New Brunswick region.

Other types of indirect BSD (3%) consisted of programming directed at populations that experience barriers to entrepreneurship, such as Aboriginals, immigrants, people with disabilities and black entrepreneurs, at investor-readiness training (e.g. the Newfoundland and Labrador Angel Investment Development Project, and the pan-Atlantic projects Expansion of Gateway Without Borders and First Angel's Network)¹⁷ and at a variety of training activities (i.e. "Other") conducted by groups that were not captured in the categories above (e.g. e-commerce, eco-efficiency training to help SMEs save in energy costs and increase productivity).

¹⁴ Activities conducted by industry associations relating to trade, such as the development of export markets, are included in the Trade program sub-activity.

¹⁵ This category also includes three business incubator projects (two in Newfoundland and Labrador and one in Nova Scotia).

¹⁶ This category does not include initiatives related to Trade (i.e. several New Brunswick REDOs conducted 13 export training workshops) or projects that supported youth and women (i.e. the Newfoundland and Labrador Association of CBDCs conducted Youth Ventures; the New Brunswick Association of CBDCs delivered Women in Business Initiative programming; and New Brunswick CBDCs/REDOs delivered Young Entrepreneur Development Initiative programming in that province). For the purposes of this study, those projects were coded to the categories of Trade, Women and Youth respectively.

¹⁷ Investor-readiness activities also included one initiative offered by the BioNova industry association in Nova Scotia, captured under the "industry association" category in this report. Other investor-readiness activities include a small number of Productivity and Business Skills Initiative projects dedicated to investor readiness, along with efforts by account managers to match ACOA client firms to Venture Capital or Angel investors.

Regional Profiles of BSD

Regional Context

The following is a brief description of the context for delivering BSD in each ACOA region. In all regions, ACOA's BSD activity takes place within the context of activity undertaken by other organizations (e.g. public, private and not-for-profit). See Appendix D for a full description of other providers of BSD-related programming, as described by focus group participants and key informant interviewees.

In Cape Breton, Enterprise Cape Breton Corporation (ECBC) is the main BSD supporter in the region. ECBC maintains a focus on supporting small and medium-sized start-ups due to the greater presence of and need for such start-ups in the region.

Key Finding:
Availability of, and need for, BSD supports varies within and across regions.

On Prince Edward Island, the provincial government is a major BSD stakeholder and is a leader in trade, tourism and innovation. Nonetheless, ACOA is a significant funding contributor on trade initiatives led by the Province. The ACOA PEI office also houses Tourism Atlantic and associated business skills-related projects.

In Nova Scotia, ACOA is the major BSD funding organization in the region. The Province of Nova Scotia (e.g. Nova Scotia Business Inc.) is active in the areas of trade and other SME supports and also funds special BSD initiatives for some areas facing economic challenges. At the sub-regional level, there are multiple organizations that support SMEs.

ACOA is the primary supporter of BSD in Newfoundland and Labrador. The provincial government has been described as more risk-averse than ACOA and has no stand-alone BSD initiatives, tending instead to partner with ACOA on their BSD initiatives.

In New Brunswick, ACOA is the major BSD-supporting organization in the region and looks to the Province for sector-specific expertise. The Province supports initiatives targeting specific rural areas in decline through Business New Brunswick.

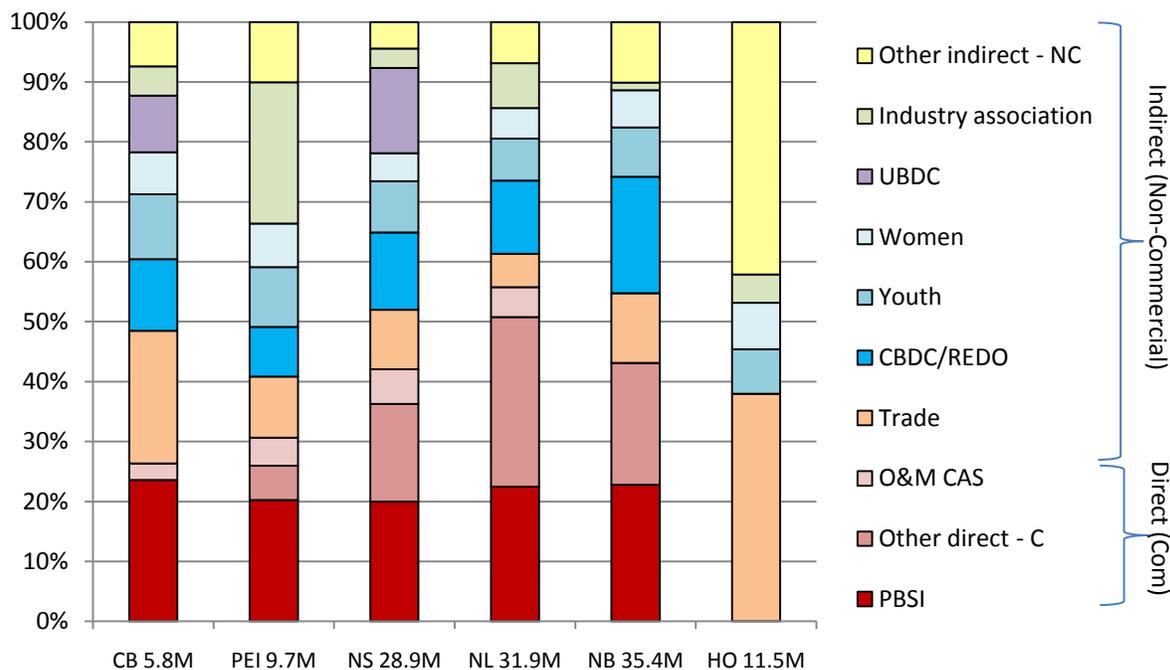
ACOA Head Office (HO) supports projects where a pan-Atlantic approach is seen as beneficial, creating economies of scale for initiatives or industries that might not have the necessary volume of SMEs operating at a provincial level (e.g. commercialization strategy). ACOA HO also supports pan-Atlantic associations such as the CBDCs.

Regional Types of Business Skills Development Activity

Figure 2 illustrates the relative distribution of ACOA-approved support for various types of BSD activity by region.

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Figure 2: Relative Distribution of Main Types of BSD (Approved Amounts) by ACOA Region, 2007-2008 to 2009-2010



Source: ACOA Q-Access and O&M data

The following is a description of some of the main characteristics of BSD delivery in each ACOA region:¹⁸

- Through ECBC, most direct BSD support is provided through the Productivity and Business Skills Initiative (PBSI). Trade activities have received a relatively substantial amount of support. ECBC has also supported the development of a new University Business Development Centre in the region. Regional focus group participants hope the centre will be seen as an important resource for SMEs seeking BSD. (Note: Cape Breton does not have a Canada Business Centre). Industry associations were described by focus group participants as important BSD organizations in the region.
- In ACOA's Prince Edward Island region, a large proportion of SME direct support is through the PBSI. As previously stated, the provincial government invests in Trade, and ACOA contributes as a partner to these initiatives. These contributions are represented in the Trade category in Figure 2. The industry association category includes Tourism Atlantic projects, which supports tourism operators across Atlantic Canada.
- The Nova Scotia, Newfoundland and Labrador, and New Brunswick regional ACOA data demonstrated substantial proportions of direct commercial support under the PBSI and other commercial Business Development Program initiatives. Consulting Advisory Services programming was offered in all three provinces, but was made available through client organizations in New Brunswick.

¹⁸ Figure 2 does not include Canada Business funding (\$3.1 million over the three-year period) due to challenges associated with obtaining region-specific amounts.

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- The University Business Development Centres were seen as an important client organization providing BSD programming in Nova Scotia, while industry associations played a larger role in supporting BSD in ACOA's Newfoundland and Labrador region.
- ACOA's head office does not support commercial (direct) BSD projects. Supported projects are typically pan-Atlantic (i.e. involving organizations or SMEs from more than one region). The "Other" category at head office is larger than for the other regions as it includes several large projects under the commercialization framework.¹⁹

To view approximate spending amounts by BSD project type, see Appendix E.

3.1.2 Coordination of Business Skills Development

Governance and Coordination

According to focus group participants and key informants, some aspects of ACOA regional governance structures influence the potential for BSD activity coordination.²⁰ For the most part, ACOA activities are organized under Enterprise Development and Community Development responsibility areas, with BSD activities occurring under both. The project analysis, interviews and focus groups demonstrated instances of coordination within both Enterprise Development and Community Development, but less so across these program activities. For example, under Enterprise Development, all regions had instances of coordination between non-commercial Trade projects and commercial BDP programming. Several regions showed coordination between Entrepreneurship and Business Skills Development (EBSB) and Trade for projects such as trade missions or supply-chain initiatives for women groups or youth.

Key Finding:

Governance of BSD-related programming has not promoted overall coordination and awareness of BSD activity across PSAs.

Focus group participants stated that there are challenges associated with aligning Pan-Atlantic initiatives (e.g. Commercialization Framework, trade missions) with regional context and the needs of SMEs. Coordinated strategic planning between ACOA head office and the regions could help to address these challenges.

One unique governance issue raised by focus group participants in Nova Scotia is that district office staff in that ACOA region report to the director of Community Development. Correspondingly, district offices largely support community economic development activity and are perhaps less aware of commercial activity in their area. This carries implications for addressing BSD needs through district offices.

Strategic Planning and Coordination

As discussed in Section 2.1, this evaluation was initiated within a context in which BSD activities are delivered under multiple PSAs and an evaluation of these activities should facilitate

¹⁹ Managers of ACOA's head office commercialization projects provided estimates of the proportion of each project that supported BSD. ACOA totals were adjusted accordingly.

²⁰ For a complete description of the management structure for BSD activities in each ACOA region, see Appendix B.

an improved understanding of how these activities are delivered and coordinated throughout the Agency.

The recommendation stemming from the 2008 BSD Framework study was to coordinate BSD through the integrated planning process. Nonetheless, focus group participants and key informant interviewees described current BSD planning as being carried out primarily within each PSA or management unit, with little strategic planning across the PSAs and regions. This stems partly from the governance of BSD activities within independent PSAs as mentioned above, but also

from the absence of an overall Agency strategy for BSD in Atlantic Canada. Some BSD priorities have been identified (e.g. commercialization, investor readiness), and programming has been developed to address them separately. However, there has not yet been an overall strategy for BSD that outlines the relative importance of various types of business skills in Atlantic Canada and, from an overall Agency perspective, identifies the priorities that the Agency should focus on to meet the needs of Atlantic Canadian SMEs and the economy. Focus group participants stressed the need for greater coordination in planning BSD activities.

Key Finding:
Currently, there is no overall coordination of BSD planning and activities across PSAs within and across ACOA regions.
There is also no overall Agency strategy for BSD in Atlantic Canada.

In addition to the instances mentioned in the governance section above, there are further examples of good coordination and partnerships at the project/program level. The following best practices in strategic planning and coordination were identified during interviews and focus groups and illustrate the benefits of coordination.

A good example of sub-regional strategic planning and coordination in Nova Scotia is the planning of BSD activities in response to the needs of local entrepreneurs, as identified through the annual Business Retention and Expansion survey of SMEs. This survey is conducted by regional development authorities (RDAs). Following the analysis of the results, the provincial government and ACOA client organizations review the findings together, discussing their respective roles in meeting the BSD needs. Sub-regional coordination is further discussed in the section 3.2.2 (Opportunities) of this report.

Key Finding:
Best practice in strategic planning and coordination:
▪ Sub-regional level coordination of BSD programming in response to BRE needs assessments in NS.

In 2010, ACOA's Prince Edward Island office and the Province announced the opening of five Rural Action Centres housing ACOA district officers, CBDCs, REDOs and provincial development organizations. The Centres were described as facilitating coordinated access to economic development support for SMEs and community groups. Though they are still very new, the contributing organizations have recently coordinated export-readiness workshops. The coordination of this activity has increased its reach and will likely prevent duplicate efforts because all major stakeholders supporting SMEs are a part of the Rural Action Centres.

Some ACOA regions have leveraged existing infrastructure in rural areas to meet the BSD needs of entrepreneurs. For example, the CBDCs have supported SMEs in developing export-readiness skills as a result of funding provided through ACOA's Trade PSA in New Brunswick and have helped develop the business skills of youth (e.g. Newfoundland and Labrador Youth Ventures, Youth coordinators in New Brunswick) and women (e.g. Women in Business Initiative coordinators in New Brunswick) through EBSD funding. In these types of projects, funding is provided for incremental human resources to administer the services. However, savings are achieved due to the sharing of other types of physical infrastructure (e.g. photocopiers, offices). Therefore, these efforts represent an efficient way to reach rural SMEs.

Key Finding:

Best practices that illustrate the benefits of coordination include:

- Coordination of ACOA and provincial BSD programming through Rural Action Centres in PEI.
- Leveraging existing infrastructure in rural areas for more efficient geographic coverage.

In summary, though there exist best practices in the coordination of BSD activities within ACOA, overall coordination of BSD planning and activities across management units or PSAs does not currently take place.

3.2 Gaps, Opportunities and Considerations

The second evaluation issue addressed by this study deals with gaps in BSD programming and with opportunities that exist for increasing efficiency. Considerations that should be taken into account in addressing these gaps and opportunities have also been explored. The following section presents the main evaluation findings relating to this issue as derived from focus group sessions, key informant interviews and a review of previous BSD-related reports.

3.2.1 Gaps

Types of programming

The profile of BSD-related projects initiated over the evaluation period and described earlier in this report (section 3.1.1) clearly demonstrates a wide range of BSD activity. To determine whether any gaps exist in BSD programming, the current profile of projects was analyzed and compared to relevant business skills as suggested by recent research.²¹

Several studies have found that, for Atlantic Canadian SMEs to increase their competitiveness, productivity and profitability, they need to develop traditional business skills such as management (organization of work), marketing-sales, finance-accounting and business-strategic planning.²²

²¹ Atlantic Canada Opportunities Agency. *Entrepreneurship and Business Skills Development: Final Evaluation and Policy Report in Support of EBSD Renewal* (Ottawa: Government of Canada, 2010).

²² Atlantic Canada Opportunities Agency. *Entrepreneurship and Business Skills Development: Final Evaluation Report* (Moncton, New Brunswick: Government of Canada, 2010), and The Atlantic Canadian Universities Entrepreneurship Consortium, *Entrepreneurship in Atlantic Canadian University Environments, Part 1, Understanding Entrepreneurs: An Examination of the Literature* (Wolfville, Nova Scotia: 2004), and Corporate Research Associates, *2005 Succession Planning*

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More advanced or specialized types of business skills training have also been cited as necessary to bolster the competitiveness of Atlantic SMEs. These skills include investor readiness,²³ export readiness,²⁴ e-commerce, eco-efficiency, information technology, marketing through social media²⁵ and succession planning – to address an aging population and youth out-migration.²⁶

A comparison of these skills with the types of business skills contained in the project database revealed that all types of BSD projects have been funded over the three-year period covered by this report. Nonetheless, the analysis demonstrated that several types of BSD activity are offered less frequently. These include succession planning, commercialization, investor readiness, export readiness, e-commerce and information technology. In some cases, the relative lack of BSD programming was more evident in some regions than in others. With no formally expressed BSD planning or priorities, it is difficult to determine whether the less frequently occurring BSD activities truly represent gaps, or simply reflect regional variations in the BSD needs of entrepreneurs or suggest that these BSD services are provided by other organizations.

Key Findings:

There do not appear to be gaps in BSD programming at ACOA.

Some types of skills development appear more rarely.

Without documented BSD planning and priorities, reasons behind regional variations cannot be determined.

Whether or not these BSD areas represent gaps, BSD priorities that are ultimately selected as part of ACOA's overall BSD strategy should be based on a broader analysis of economic context, the needs of SMEs and the potential impact of the programming on the economy. (See the discussion of strategic planning opportunities in section 3.2.2.)

Interestingly, a potential BSD gap identified by several regional focus groups seems to have emerged in relation to other priority areas already identified for ACOA. BSD programming has targeted youth, women, special populations and industry sectors (see Table 2). Some participants argued that this earmarking of resources created a relative lack of funding for SMEs from non-target population groups.

Geographic Coverage

In addition to the potential gaps relating to the types of BSD described above, participants in some of the regional focus groups reported the potential for local gaps due to geographic coverage. In particular, both Newfoundland

Key Finding:

Some regions are experiencing challenges in geographic coverage of BSD activity.

Study (Moncton, New Brunswick: 2005), and Institute for Competitiveness and Prosperity, *Management Matters: Working Paper 12, March 2009* (Toronto: 2009), and P.-M. Desjardins and Y. Bourgeois, *SME Financing in Atlantic Canada: Assessing Gaps and New Avenues for Action* (Moncton, New Brunswick: Canadian Institute for Research on Public Policy and Public Administration, 2008).

²³ Institute for Competitiveness and Prosperity, *Management Matters: Working Paper 12, March 2009* (Toronto: 2009), and P.-M. Desjardins and Y. Bourgeois, *SME Financing in Atlantic Canada: Assessing Gaps and New Avenues for Action* (Moncton, New Brunswick: Canadian Institute for Research on Public Policy and Public Administration, 2009).

²⁴ Institute for Competitiveness and Prosperity, *Management Matters: Working Paper 12, March 2009* (Toronto: 2009).

²⁵ Atlantic Canada Opportunities Agency, *Entrepreneurship and Business Skills Development: Final Evaluation Report* (Moncton, New Brunswick: Government of Canada, 2010).

²⁶ Industry Canada, *State of Entrepreneurship in Canada*, compiled by E. Fischer and R. Reuben (Ottawa), and Corporate Research Associates. *2005 Succession Planning Study* (Wolfville, Nova Scotia: 2010).

and Labrador and Prince Edward Island participants described challenges in providing BSD programming to rural SMEs. While this challenge is perhaps most notable in Newfoundland and Labrador, where communities are spread over vast distances, participants from both these regions perceived gaps in meeting the BSD needs of rural SMEs.²⁷

3.2.2 Opportunities

During focus group sessions and key informant interviews, participants raised a number of opportunities that may help ACOA and its client organizations supporting entrepreneurs deliver a more efficient and strategic complement of BSD programming. Many of these opportunities related to coordination, while others related to strategic planning.

Coordination Opportunities

The issue of coordination lies within and between ACOA regions as well as with other government departments and stakeholders. Focus group participants in all regions suggested that there was a need for greater coordination of BSD activity to achieve strategic and efficient use of limited program funds. During focus group discussions, several cases were cited where efficiencies could be gained. In some regions, for example, Enterprise Development management was generally unaware of substantial amounts of BSD programming occurring under Community Development, and participants highlighted the benefits that could be achieved through increased coordination. Such benefits include a greater ability to determine BSD needs, to avoid duplication and to leverage support from other Agency programming. Other suggested opportunities for coordination included sharing workshop materials with organizations that support BSD for SMEs.

Key Finding:
Greater coordination is needed at the regional and sub-regional levels, where many organizations serving SMEs exist.

As previously mentioned, focus group participants in New Brunswick and Nova Scotia - regions where there are several active organizations serving SMEs at the sub-regional level - stated that there are benefits to be gained from coordination of programming at the sub-regional level (i.e. reduce duplication of efforts and obtain more value from programming resources). Both regions highlighted examples of such coordination. Nova Scotia participants cited the example of the Business Retention and Expansion survey action committees, while New Brunswick participants noted that in some areas of the province, district officers coordinate programming with the CBDCs and REDOs that meets the needs of SMEs, as perceived by all parties, in order to maximize the reach and value obtained. Both regions advocated for widespread coordinated planning at sub-regional levels.

Strategic Planning Opportunities

Participants in all focus groups stated that improvements in the strategic planning of overall BSD activities across PSAs would have a positive

Key Finding:
There is a need for greater strategic planning of BSD supports based on regional needs (e.g. needs assessments, analysis of trends) to achieve strategic use of funds.

²⁷ As previously stated, the recently developed Rural Action Centres of Prince Edward Island may be further utilized to meet the BSD needs of rural small and medium-sized enterprises.

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impact on both the efficiency and effectiveness of BSD-related activity. Beyond the BSD activities supported by the Agency, participants indicated that, to the extent possible, integrated planning and sharing of best practices between organizations that offer BSD needs to take place at regional and sub-regional levels to make the most effective use of limited programming funds (i.e. avoiding duplication and overlap). Focus group participants were asked about other organizations in the region that support BSD. A list was generated and is presented in Appendix D. In addition to considering the BSD offerings supported or not supported by the Agency, a strategic plan for BSD should reflect the broader economic context of Atlantic Canada, the needs of SMEs and desired impacts.

Participants further added that improved project/performance coding would be a necessary element of any coordinated Agency-wide BSD approach. The result would not only be improved efficiencies in programming but more accurate reporting on BSD supports to SMEs, a programming area that tends to be under-represented in current reporting processes.

It was commonly suggested by focus group participants that, given the importance of business skills for the productivity and competitiveness of SMEs, there is a need to raise the profile of the BSD within the Agency. Participants suggested formalizing ACOA's approach to BSD and possible ways to do so (e.g. through integrated planning processes or by developing a BSD framework that includes priorities such as commercialization and export readiness). In all regions, focus group participants suggested developing a model of BSD needs across the lifespan of an SME as a tool for account managers. Focus group participants felt that such an exercise would identify any gaps, help with the strategic planning of BSD activities by ACOA and client organizations, and improve awareness among ACOA staff of BSD skills that are essential at each stage of business. Participants also noted that it would be useful to map ACOA programming against business stages/skills.

<p style="text-align: center;"><i>Key Findings:</i></p> <p style="text-align: center;">Raise the profile of BSD within the Agency. Develop an overall representation of relevant BSD and programming by business stage.</p>

Other suggested opportunities included raising Atlantic SME awareness of BSD issues/training. Focus group and key informant participants from all ACOA regions reflected on the overall lack of awareness of the BSD among Atlantic SMEs, particularly when it comes to viewing BSD as an entrepreneurial advantage in a competitive market or making time for training. These comments were supported by recent research suggesting that Canadian SMEs are not fully aware of the skills they need to remain competitive.²⁸

Some participants suggested that account managers can work to develop their BSD knowledge and play a greater role in developing the business skills of clients. Specific examples include cases where the account manager plays an active role in networking and matching the clients to venture capital or angel investors and participates in investment-related events to increase their knowledge and ability to advise SMEs in the area. Other examples include cases where account managers participate in trade missions and related events and coordinate meetings between buyers and ACOA-supported SMEs. By participating in such meetings, account managers build

²⁸ Canadian Policy Research Networks and the Canadian Council on Learning, *Employer Investment in Workplace Learning: Report on the Halifax Roundtable* (Ottawa: 2008).

their own knowledge base in the area of trade and are better able to advise ACOA clients. Some interviewees reported that the development of account manager knowledge and skills reduces reliance on external consultants and can produce similar or better results for the SMEs.

3.2.3 Considerations

Focus group participants raised several important considerations for future plans related to BSD programming.

Striking the Right Balance: Cost Considerations

Some participants suggested that ACOA consider the mix and balance of activities offered. For example, the balance of rural and urban BSD activity could be more fully explored through a BSD strategic planning process. The goal here would be to seek the most efficient and effective ways to reach rural SMEs, which could entail working with those organizations best placed to support SMEs in those areas and ensuring the right type of BSD programming is provided to address needs.

Key Finding:
It is important to find the right balance between rural-urban and group-individual programming.

Individual versus group BSD activities is another consideration that participants highlighted that represents an opportunity to improve ACOA's reach and efficiency. ACOA provides BSD supports to SMEs both directly and indirectly, through client organizations that support the BSD needs of SMEs. There is variability in the intensity and nature of the BSD programming provided under both categories, and variability in the cost and reach by type of BSD activity. Table 3 provides an overview of the relative cost of programming per client for some types of interventions.

These costs do not include the operations and maintenance money spent to administer the projects, which underestimates delivery costs. In the case of EBSD funds, costs per client include the client organization's administrative costs. Some types of programming cost more per client to deliver than others. Generally, the more targeted and intensive an intervention is, the higher the cost. See Appendix F for an illustrative model of the relationship between project reach, outcomes and cost that was developed for the EBSD evaluation.

As suggested in the EBSD evaluation,²⁹ direct supports to SMEs often reflect a genuine need for intensive training. For example, Consulting Advisory Services was delivered to entrepreneurs by ACOA client organizations with much success. The Management Training Supports for Women (i.e. Consulting Advisory Services up to \$2,000) was cited as a best practice in the EBSD evaluation. However, some focus group participants in the current study suggested that group training might be a more appropriate and efficient means to address some of the BSD needs of ACOA's direct/commercial clients (e.g. investor- or export-

Key Finding:
Best practices in strategic planning: the New Brunswick regional office's annual review of PBSI usage and adjustments made according to economic context or the needs of SMEs.

²⁹ Atlantic Canada Opportunities Agency, *Evaluation of Entrepreneurship and Business Skills Development* (Moncton, New Brunswick: Government of Canada, 2011).

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readiness training). This is not to say that BSD should only be delivered in group sessions, but rather that efficiencies and improved reach are possible if the Agency considers this approach when feasible and appropriate.

PBSI is recognized as an effective programming tool. Several interview and focus group participants (including managers of PBSI) have suggested that more attention may be needed to ensure strategic use of those funds. Participants noted that application criteria and reporting procedures have become broader and could be tightened to maintain a strategic focus. Some suggestions included more stringent criteria to ensure the funding is needed, greater scrutiny in ensuring the maximum amounts are necessary, and liberating some PBSI funds to implement some group training initiatives. As a sound planning practice, ACOA NB has implemented an annual review of PBSI usage, whereby managers examine specific areas of use and make a determination as to any adjustments that should be made for the following year.

ACOA would need to consider the efficiency and reach associated with varying types of BSD in determining the appropriate mix of programming for the Agency, based on an analysis of economic context, SME needs and ACOA priorities.

New ACOA Program Activity Architecture

Effective April 1, 2012, a revised program activity architecture (PAA) will be in place for the Agency. This new PAA represents a number of significant changes to the PSAs under which BSD was carried out during the time frame of this evaluation, particularly under Enterprise Development. Trade and Investment will be referred to as International Business Development as of April 1, 2011. Its activities will include trade skills development, missions and export readiness. Two new PSAs - Productivity and Growth, and Innovation and Commercialization - will follow in 2012. Productivity and Growth will contain EBSD as well as the PBSI-related components that currently fall under Innovation. Innovation and Commercialization will include R&D activities as well as commercialization and investor readiness. It is clear from these new PSAs that BSD-related activity at ACOA will continue to be delivered via multiple programming areas. This new PAA structure does not create a clear home for centralized BSD activity, but rather highlights the ongoing need for coordination and strategic planning of the BSD.

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Table 3: Reach and Cost of BSD Programming, 2007-2008 to 2009-2010

Type of programming	Average amount per beneficiary (\$)	Notes
EBSB projects 2008-2009 1 year: \$11.2 million No. of clients: 23,442*	477.78	Found to be efficient, ³⁰ this program varies in type of intervention and degree of intensity. According to Agency reporting systems, 79% of participants in 2008-2009 reported improving skills required to start, maintain or grow a business.
Consulting Advisory Services contracts 3 years: \$3.9 million No. of clients: 699	5,589.10	Interviewed account managers describe CAS contracts as providing good value for money due to the low investment and quick turnaround of information for the SME.
PBSI 3 years: \$24.3 million No. of clients: 556	43,777.43	Provide intensive skills solutions for SMEs in areas such as lean manufacturing, obtaining certification, hiring marketing expertise. PBSI investments have been described as incremental by the SMEs. ³¹
Other BDP commercial assistance 3 years: \$21.5 million No. of clients: 113	189,870.83	This category is distinct from the others in that BDP loans are typically over \$50,000 and are either repayable or provisionally repayable. Many of these projects relate to domestic or international market development and include hiring expertise in marketing, participating in trade shows, product demonstrations. Other projects funded hiring expertise in the areas of productivity, quality systems review and project management. In only a few cases, the project value included non-BSD activities such as capital costs.

Source: ACOA QAccess and Operations and Maintenance data.

*These funds were also used for some awareness and promotion activities that reached over 32,000 people. Some projects include awareness and promotion as well as BSD, and so the amount per client is likely an overestimate.

Capacity of Non-Government Organizations to Support BSD

A large portion (60.3%) of ACOA BSD activity is carried out by funded organizations (see section 3.1.1). The amount and type of BSD that gets delivered depends on the mandate and strategic priorities of these organizations. Recently the Atlantic Association of CBDCs approved a revised Community Futures funding agreement that will have implications on the type of BSD that individual CBDCs are able to support. A new central fund of \$500,000 per year has been established to fund BSD-related activity for CBDC loan clients. The fund will be made available to all types of loan clients rather than the limited categories that existed under the former Seed Capital initiative. On average, this implies that about \$12,000 will be available per year for BSD

³⁰ Atlantic Canada Opportunities Agency, *Evaluation of Entrepreneurship and Business Skills Development* (Moncton, New Brunswick: Government of Canada, 2011).

³¹ Atlantic Canada Opportunities Agency, *Evaluation of the Innovation Program Sub-Activity* (Moncton, New Brunswick: Government of Canada, 2010).

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training, for an average of 6 SMEs supported at a maximum of \$2,000 each per CBDC. The revised funding agreement also includes more consistent funding for provincial CBDC associations, that can be used to offer BSD supports.

As stated in section 3.1.2, CBDCs have also taken part in delivering BSD supports using funding from programming areas outside the Community Futures program, for example through EBSD and Trade programming. These initiatives were often cited as best practices in BSD rural outreach and can be undertaken under the new funding model.

Likewise, New Brunswick REDOs, or Community Economic Development Agencies (CEDAs) had been playing a significant role in providing BSD-related services to clients in the region. A REDO strategic planning process is currently underway which aims to re-align the activities of the REDOs with their objectives and mandate.

In some cases, other rural-based organizations such as chambers of commerce and community colleges supported BSD for SMEs through ACOA funding. ACOA could consider leveraging resources from such organizations for addressing geographic-related BSD coverage gaps.

Format of Training

Another consideration in the design of BSD programming relates to the format of the training and reflects the day-to-day reality of many Atlantic Canadian SMEs. Many owners are increasingly preoccupied with the operational requirements of their businesses and cannot afford to attend BSD training sessions or courses that require a major time commitment. This has bolstered demand for brief, practical BSD training that SMEs can apply in their work environments immediately. Focus group participants, however, added that this issue may reflect the mindset of managers and/or owners who are hesitant to commit the time and resources necessary for in-depth business-skills training. Consideration must be given to increasing awareness of BSD needs and priorities among Atlantic SMEs.

3.3 Best Practices

A number of best practices have been identified in previous sections of this report. Table 4 provides an overview of best practices by category, as identified through focus group sessions, key informant interviews and a literature review in individual regions. While the degree to which these practices can or should be adopted by other regions was not addressed in this evaluation, these practices can be seen as an effective way to achieve end results that are desirable across all ACOA regions.

Table 4: Best Practices Identified

Best Practice	Examples
Being Responsive to Client Needs	<ul style="list-style-type: none"> ▪ PBSI is responding well to client needs by allowing flexibility and non-repayability. This presents a low risk for SMEs. ▪ Trade mission pre-screening and follow-up ensures SMEs maximize BSD-related benefits
Improving Coordination	<ul style="list-style-type: none"> ▪ Nova Scotia action committees on Business Retention and Expansion involve the coordination of CBDCs, REDOs, University Business Development Centres and, the Nova Scotia Business Initiative ▪ Leveraging current infrastructure/organizations in rural areas to maximize geographic coverage: <ul style="list-style-type: none"> ○ PEI: Coordination of federal, provincial and community BSD programming is now done through Rural Action Centres, particularly with regards to export-readiness training ○ NL ACOA office: Youth Ventures coordination between EBSD unit and Community Development programming via Newfoundland and Labrador CBDCs ○ NB ACOA office: Women’s programming is delivered by CBDCs; youth programming and export workshops are delivered by REDOs
Strategic Planning	<ul style="list-style-type: none"> ▪ As described in section 3.1.2, the Business Retention and Expansion survey in Nova Scotia is carried out as a needs-assessment process. ▪ ACOA’s New Brunswick office annually reviews Productivity and Business Skills Initiative usage and recommends changes based on economic context and the needs of SMEs.

Source: Focus groups and key information interviews.

4.0 Conclusions and Recommendations

The findings presented in this report were generated on the basis of multiple lines of evidence – from the analysis of project documentation and the review of previous reports to the collection of focus group and key informant interview data. Collectively, these findings support the conclusions and subsequent recommendations relating to the evaluation questions originally set forth to guide this study (section 2.2). A detailed diagram linking the evaluation findings, conclusions and recommendations is provided in section 5.0.

Conclusion 1:

There is currently no systematic process for coordinating BSD strategic planning or programming within ACOA regions and head office. Though coordination between PSAs exists for some specific initiatives, overall BSD strategic planning and coordination processes are needed to ensure the strategic use of funds.

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Recommendation 1:

Based on assessed needs of SMEs and other BSD activities taking place in the region, implement BSD strategic planning across PSAs (e.g. as part of integrated planning) as well as mechanisms that allow for continued awareness and coordination of BSD activity throughout the year.

Conclusion 2:

There is a need for coordination processes between ACOA BSD-delivery partners at sub-regional levels to ensure that the BSD needs of entrepreneurs are addressed in the most efficient and strategic way, by the appropriate delivery agent.

Recommendation 2:

Work to implement sub-regional coordination mechanisms between ACOA district account managers, ACOA-funded BSD partners and other players.

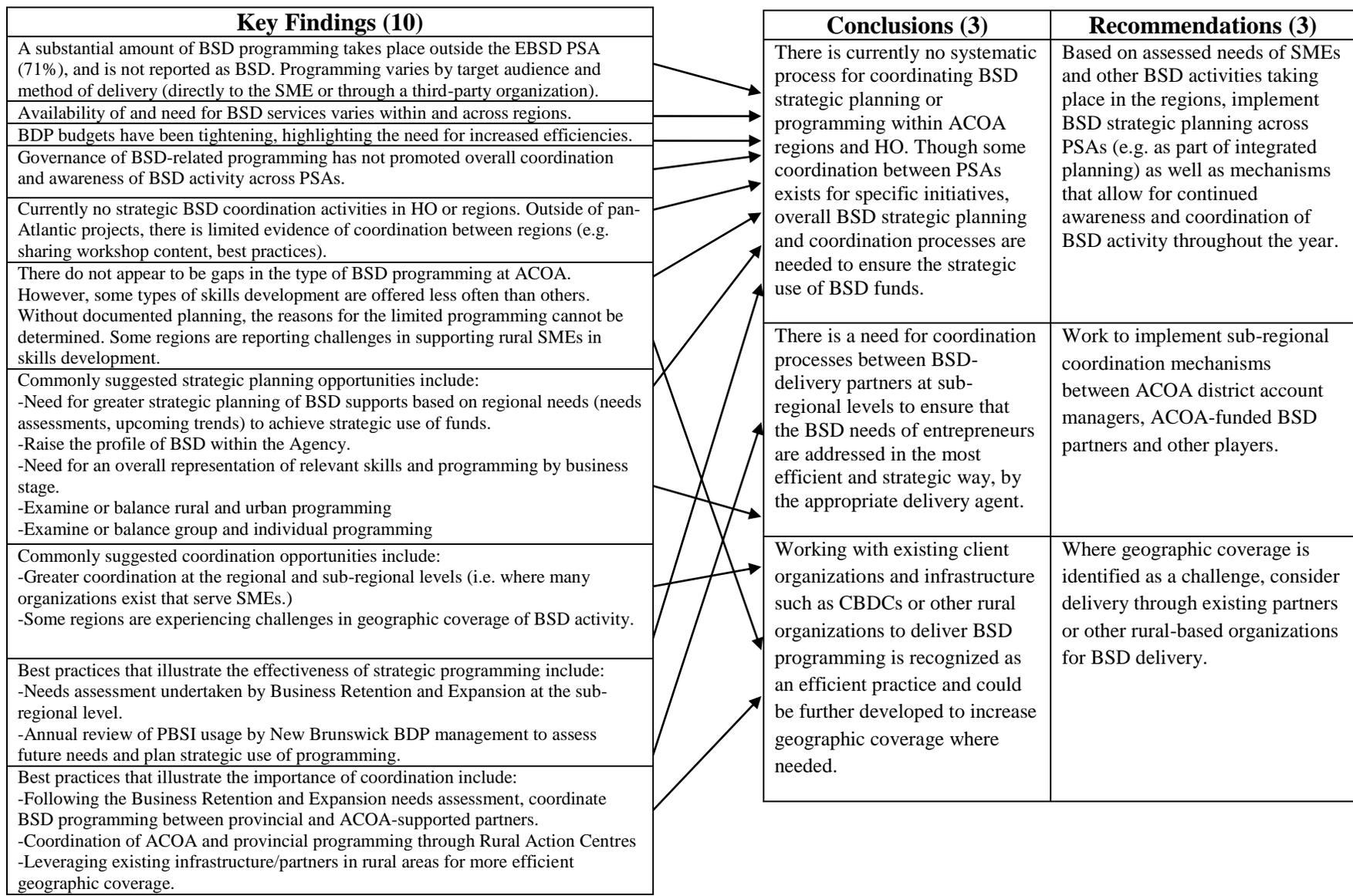
Conclusion 3:

Working with existing client organizations and infrastructure such as the Community Business Development Corporations (CBDCs) or other rural organizations to deliver BSD programming is recognized as an efficient practice and could be further developed to increase geographic coverage where needed.

Recommendation 3:

Where geographic coverage is identified as a challenge, consider funding existing organizations for BSD delivery.

5.0 Linkages Between Key Findings, Conclusions and Recommendations



Appendix A: ACOA’s Program Activity Architecture 2009-2010



Appendix B: Management Action Plan

MANAGEMENT ACTION PLAN: June 16, 2011

PROJECT TITLE: ACOA Business Skills Development Evaluation

RESPONSIBILITY CENTRE: Senior Vice-President's Office

RESPONSIBILITY CENTRE MANAGER: Senior Vice-President - David Slade

Conclusion 1:

There is currently no systematic process for coordinating Business Skills Development (BSD) strategic planning or programming within ACOA regions and HO. Though some coordination between program sub-activities (PSAs) exists for some specific initiatives, overall BSD strategic planning and coordination processes are needed to ensure strategic use of BSD funds.

Recommendation 1:

Based on assessed needs of small- and medium-sized enterprises (SMEs) and other BSD activities taking place in the region, implement BSD strategic planning across PSAs (e.g. as part of integrated planning), as well as mechanisms that allow for continued awareness and coordination of BSD activity throughout the year.

Management Response

Concur with recommendation

Planned Action

Discussions around how BSD planning and coordination may be improved were initiated at the May 18, 2011, BSD forum held in Moncton and will be further considered by senior management. Planned actions include the Policy branch leading the development of an Agency BSD strategy, in collaboration with the EBSD managers. This strategy will articulate an Agency-wide model for BSD, and better-enable each sub-activity to identify how its BSD activities link to the Agency model. As well, it is proposed that the EBSD managers assume a stewardship role in terms of facilitating BSD planning and collaboration across program/sub-activities to allow for awareness and coordination of BSD activity throughout the year. The EBSD managers would also help inform how the integrated planning and data collection process may be brought to bear to better permit the Agency to capture and communicate its horizontal engagement in BSD.

Responsibility

- Director General, Policy
- Director General, Enterprise Development
- Director General, Community Development
- Director General, International Business Development
- Head Office Director of Programs

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- Regional Directors of Enterprise Development
- Regional and Head Office Directors of Community Development
- Regional and Head Office Managers of EBSD

Target Date

December 31, 2011

Conclusion 2:

There is also a need for coordination processes between ACOA BSD-delivery partners at sub-regional levels to ensure that the BSD needs of entrepreneurs are addressed in the most efficient and strategic way, by the appropriate delivery agent.

Recommendation 2:

Work to implement sub-regional coordination mechanisms between ACOA district account managers, ACOA-funded BSD partners and other players.

Management Response

Concur with recommendation

Planned Action

Planning and coordination of BSD activities at a sub-regional level and involving external stakeholders is an extension of the internal planning and coordination approach described for recommendation #1. Similarly, as part of their enhanced role in enhancing collaboration on BSD matters, the EBSD managers will participate in and facilitate sub-regional planning and external engagement as appropriate on an ongoing basis. While BSD-specific outreach activities and external engagement may be necessary, the emphasis will be to implement coordination for BSD in a manner that is integrated with the Agency's other business lines, and which levers existing planning and engagement activities and processes where appropriate and efficient (avoid overlap and duplication).

Responsibility

- Regional Directors of Enterprise Development

Target Date

March 31, 2012

Conclusion 3:

Working with existing client organizations and infrastructure such as Community Business Development Centres (CBDCs), or other rural organizations to deliver BSD programming is recognized as an efficient practice and could be further developed to increase geographic coverage where needed.

Recommendation 3:

Where geographic coverage is identified as a challenge, consider funding existing organizations for BSD delivery.

Management Response

Concur with recommendation

Planned Action

The enhanced planning and coordination arising from recommendations #1 and #2 will help identify efficiencies in how BSD is funded and implemented, including in rural areas via existing organizations. Identified opportunities for efficiency will be pursued, keeping in mind any changes to the roles, mandate, and funding for (Regional Economic Development Organizations (REDOs) and CBDCs.

Responsibility

- Director General, Enterprise Development
- Director General, Community Development
- Head Office Director of Programs
- Regional Directors of Enterprise Development
- Regional and Head Office Directors of Community Development

Target Date

March 31, 2012

Appendix C: Approach and Methodology

The objective of this evaluation was to analyze the delivery, governance and coordination of current BSD activities within each region to determine whether efficiencies can be gained. The Treasury Board Policy on Evaluation defines efficiency as “the extent to which resources are used such that a greater level of output is produced with the same level of input, or a lower level of input is used to produce the same level of output. The level of input and output could be increases or decreases in quantity, quality or both.” In the context of this study, efficiency comprises mechanisms that ACOA and client organizations have put into place in order to ensure the efficient delivery of BSD activities.

To assess efficiency, information was gathered on BSD activities (i.e. the amount and type of activity that takes place) as well as coordination within ACOA and with client organizations. Multiple lines of evidence were pursued to ensure the reliability and validity of all findings.

As stated, the scope of this study included BSD activities conducted directly and those available through client organizations. However, reports and data collected for the analysis was limited to what was readily accessible within the Agency. That is, client organizations were not approached to submit data on their projects as part of this evaluation.

Phase 1: Preliminary Analysis

Analysis of BSD activities and resources: BSD-related QAccess data for fiscal years 2007-2008 to 2009-2010 was compiled to establish the amount and type of BSD activity by sub-activity and region. A data query was developed based on the following criteria:

- Projects coded to EBSD, either as a primary or secondary PSA.
- All Community-based Business Development and Community Mobilization projects.
- Project sub-element codes included “marketing, hiring expertise, hiring of special services, and counselling/mentoring”
- Projects with flagged as having a Skills Component, Training Component, or Knowledge Component.

These projects were analyzed according to whether they met the criteria set by the 2008 Business Skills Development Framework study, and some projects were removed.

The data was circulated to each region for validation. Once the data was validated, regional profiles of activity were constructed and forwarded to focus group and interview participants for discussion during the fieldwork phase of the study.

Document/Literature review: Agency documents relating to BSD activity, such as program planning or other documents, evaluations, audits or other studies and departmental reports were reviewed for context/background. The documents included the 2008 ACOA BSD Framework documents and a literature review conducted by ACOA’s policy unit as part of the ongoing EBSD strategy renewal.

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Phase 2: Fieldwork

Interviews and focus groups: ACOA employees were consulted to validate the regional BSD profiles (including amount and type of activity and clientele), governance, delivery and coordination of BSD activities, potential gaps, opportunities and best practices. A focus group of BSD representatives from various PSAs took place in each region, for a total of six focus groups, with 33 participants in all.

Region	Date	# Attending	Completed
C.B.	December 9, 2010	3	Yes
N.S.	December 10, 2010	5	Yes
N.B.	December 14, 2010	9	Yes
H.O.	December 17, 2010	5	Yes
N.L.	January 4, 2011	6	Yes
P.E.I.	January 6, 2011	5	Yes
Total		33	

The focus groups were supplemented by eight individual interviews across the regions with the following people:

Region	Type	No. Completed
C.B.	Director General, Community Development Director General, Commercial Development	2
N.S.	Director, Enterprise Development	1
N.B.	Director General, Operations	1
H.O.	Manager, Trade and International Business Development	1
N.L.	Director, Community Development Director, Enterprise Development	2
P.E.I.	Director General, Operations	1
	Total	8

Relevant internal committees such as the EBSD renewal and Skills Policy Working Group were consulted as part of the BSD working group.

Review of new documents and/or data: During interviews and focus groups, participants brought forward documents or data to be included in the analysis (e.g. examples of BSD tools utilized by client organizations). When programming staff identified additional projects for inclusion, these were added to the database.

Phase 3: Analysis of Fieldwork Data and Cost-Effectiveness (Inputs to Outputs)

Data collected during interviews and focus groups and via administrative databases were analyzed to construct a profile of regional BSD delivery (i.e. overall governance and coordination, type of clientele).

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A profile of reach/cost of some types BSD programming was constructed to gain insight into the relative cost of some types of initiatives, and implications for programming decisions.³²

Phase 4: Validity Check and Analysis of Barriers to Implementation of Best Practices

Following the fieldwork analysis, a summary of findings by region was circulated for validation. Regional representatives were asked for feedback and to provide any missing information. Where no response was received, follow-ups were conducted by telephone and/or email.

³² These examples were provided in section 4.2.3, “Finding the Right Balance.”

Appendix D: Other Organizations Providing Business Skills Development Programming

Organization	Type	Type of BSD Activity
NL		
National Research Council (NRC)	Federal government	<ul style="list-style-type: none"> ▪ Some NRC programming currently mirrors parts of ACOA’s Innovation program activity and other commercial programming. ▪ Benefit comes from leveraging the ACOA-NRC relationship.
Industry Canada	Federal government	<ul style="list-style-type: none"> ▪ Procurement training program.
Citizenship and Immigration Canada	Federal government	<ul style="list-style-type: none"> ▪ Procurement training program.
Indian and Northern Affairs Canada	Federal government	<ul style="list-style-type: none"> ▪ Skills training to Aboriginal entrepreneurs, coordinated from Halifax.
Business Development Bank of Canada	Crown corporation	<ul style="list-style-type: none"> ▪ Financing and a wide range of consulting services for SMEs. ▪ Mandatory training for loan clients.
- Innovation, Trade and Rural Development (INTRD) -Human Resources Labour and Employment (HRLE)	Provincial government	<ul style="list-style-type: none"> ▪ INTRD and HRLE partner with ACOA on Business Wings, Harbour Yes, and Newfoundland and Labrador Organization of Women Entrepreneurs projects
New Brunswick		
Canadian Intellectual Property Office	Federal government	<ul style="list-style-type: none"> ▪ Intellectual property awareness sessions training is coordinated through Canada Business.
National Research Council	Federal government	<ul style="list-style-type: none"> ▪ Predominantly innovation type skills.
Business Development Bank of Canada	Crown corporation	<ul style="list-style-type: none"> ▪ Financing and a wide range of consulting services for SMEs, including sectors that ACOA does not reach (i.e. retail).
Business New Brunswick	Provincial government	<ul style="list-style-type: none"> ▪ Growth SMEs, loans. ▪ Major funding partner (lots of projects, not much \$) – complements rather than duplicates. ▪ Northern development fund targets northern New Brunswick SMEs. ▪ Satellite offices around New Brunswick. ▪ Provide ACOA with sector comments on projects.
National sector councils	Sector councils	<ul style="list-style-type: none"> ▪ Sector councils identify skills issues across Canada, provide training. ▪ Lots of workforce skills, and management skills and certification as well

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Prince Edward Island		
Indian and Northern Affairs Canada	Federal government	<ul style="list-style-type: none"> Development officers on reserves for Aboriginal Business Canada.
Business Development Bank of Canada	Crown corporation	<ul style="list-style-type: none"> Fee for service quality assurance and quality control training.
Export Development Canada	Crown corporation	<ul style="list-style-type: none"> Export training in partnership with TTPEI, ACOA. BSD counseling.
Skills PEI	Provincial government	<ul style="list-style-type: none"> Significant Labour Market Development Agreement activity. Self-Employment Benefits, delivered via CBDCs. Both client- and industry-focused skills training delivered via colleges (i.e. Holland College).
Innovation PEI (department of Innovation and Advanced Learning)	Provincial government	<ul style="list-style-type: none"> Trade Team PEI partner. Commercialization skills via a program similar to the Atlantic Innovation Fund. Support for ProfitLearn delivered via the University of Prince Edward Island.
Learnsphere	Private organization	<ul style="list-style-type: none"> Not as active in skills development in PEI as in NB.
Holland College	College	<ul style="list-style-type: none"> Delivery agent for ACOA and provincially led BSD activity.
Nova Scotia		
Economic and Rural Development	Provincial government	<ul style="list-style-type: none"> Works closely with regional development authorities to provide skills training, although this is likely not very significant.
Labour Market Development	Provincial government	<ul style="list-style-type: none"> Mostly EI-related and basic skills work.
Nova Scotia Business Initiative	Provincial government	<ul style="list-style-type: none"> Heavily involved in trade-related training and programming (which can almost all be viewed as skills-related).
Industry Associations	Associations	<ul style="list-style-type: none"> Deliver training directly and through various mechanisms.
InnovaCorp	Private firm	<ul style="list-style-type: none"> Commercialization/mentoring of Venture Capital clients as well as incubator programming.
Cape Breton		
Business Development Bank of Canada	Federal government	<ul style="list-style-type: none"> Fee-for-service BSD. Business skills programming. Succession planning.
Export Development Canada	Crown corporation	<ul style="list-style-type: none"> Provides Consulting Advisory Service projects similar to ACOA's Trade PSA.
Economic and Rural Development	Provincial government	<ul style="list-style-type: none"> Business support programming duplication and business-planning services.

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Maple Trade Finance	Private firm	<ul style="list-style-type: none"> ▪ Offers financing and trade services to businesses. ▪ Provides capital financing.
Nova Scotia Community Colleges	Community college	<ul style="list-style-type: none"> ▪ Business skills education and training
Head Office		
Human Resources and Skills Development Canada, Service Canada	Federal government	<ul style="list-style-type: none"> ▪ BSD-type activities but mostly targeting Employment Insurance population.
Public Works and Government Services Canada	Federal government	<ul style="list-style-type: none"> ▪ Projects providing training on how to do business with government.
Department of Foreign Affairs and International Trade	Federal government	<ul style="list-style-type: none"> ▪ Provide seminars, but not a major player due to limited funding. ▪ Active partner with ACOA on other projects.
Business Development Bank of Canada	Crown corporation	<ul style="list-style-type: none"> ▪ Financing and wide range of consulting services for SMEs. ▪ Mandatory training for loan clients.
Export Development Canada	Crown corporation	<ul style="list-style-type: none"> ▪ Fee-for-service training, seminars.

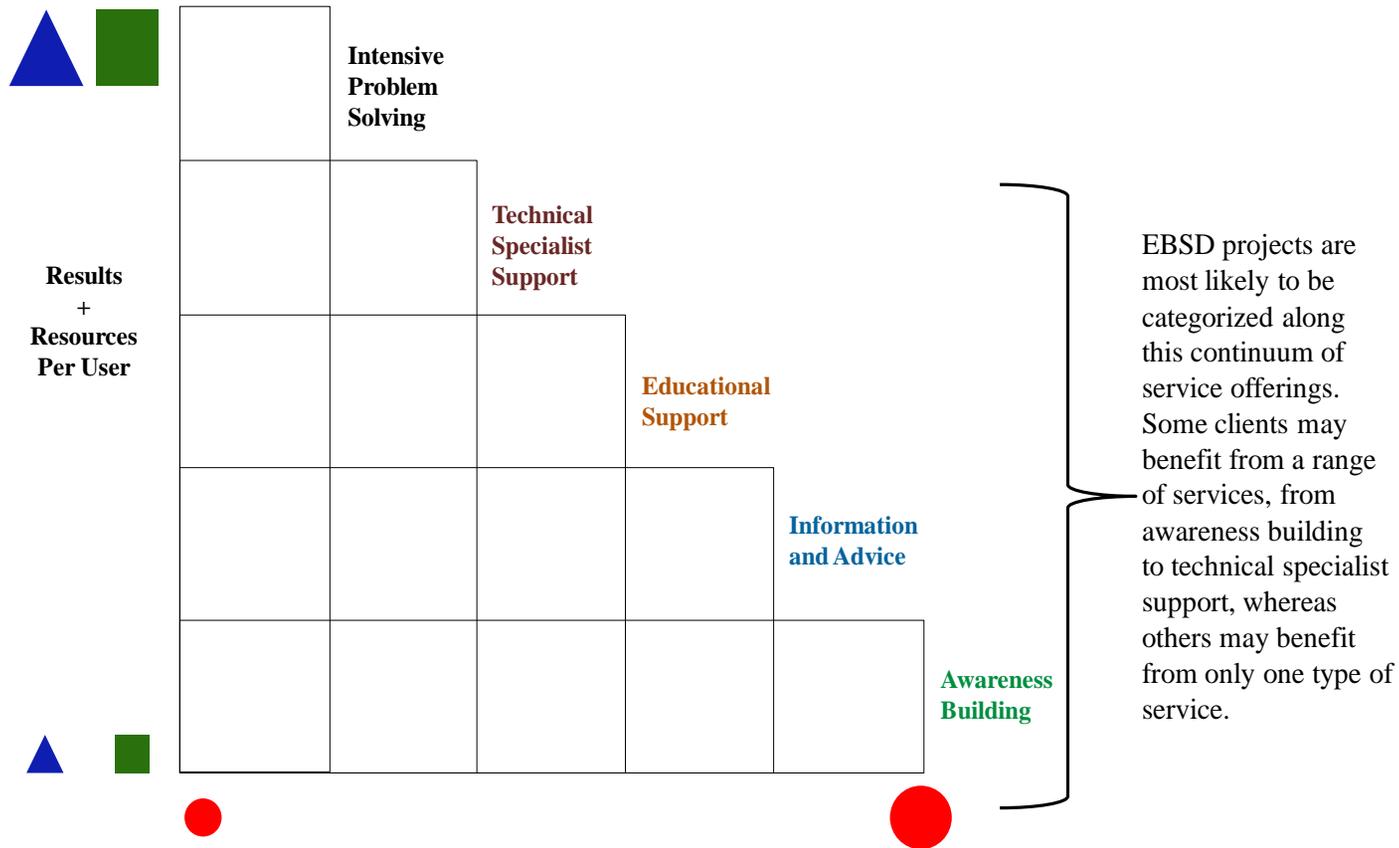
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Appendix E: Approved Business Skills Development Spending by Region - 2007-2008 to 2009-2010

BSD Activity	C.B.		N.B.		N.L.		N.S.		P.E.I.		H.O.	
	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%	\$000	%
Indirect (Non-Commercial)												
Trade-Related												
Missions	46	0.8	966	2.7	381	1.2	259	0.9	311	3.2	1,433	9.8
Export training	578	9.9	1,753	5.0	192	0.6	299	1.0	98	1.0	450	3.1
Industry export strategies	375	6.4	40	0.1	322	1.0	125	0.4	5	0.1	482	3.3
Trade show	33	0.6	755	2.1	174	0.5	1,574	5.5	388	4.0	2,006	13.7
Trade internships	247	4.2	600	1.7	715	2.2	612	2.1	191	2.0	0	0.0
Total: Trade-Related	1,277	21.9	4,114	11.6	1,785	5.6	2,868	9.9	993	10.2	4,372	29.9
CBDC/REDO Operations	691	11.8	6,880	19.4	3,893	12.2	3,717	12.9	807	8.3	0	0.0
Canada Business	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	3,120	21.3
Other CBDC/REDO	482	8.3	1,722	4.9	196	0.6	1,074	3.7	168	1.7	0	0.0
Industry Associations (non-Trade)	280	4.8	414	1.2	2,050	6.4	809	2.8	2,493	25.6	56	0.4
UBDCs	548	9.4	0	0.0	33	0.1	4,098	14.2	204	2.1	0	0.0
Youth	626	10.7	2,910	8.2	2,224	7.0	2,473	8.6	970	10.0	858	5.9
Women	403	6.9	2,190	6.2	1,626	5.1	1,349	4.7	711	7.3	892	6.1
Commercialization	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	4,183	28.6
Business Incubators	0	0.0	0	0.0	759	2.4	101	0.3	0	0.0	0	0.0
Investor Readiness	0	0.0	0	0.0	1,102	3.5	0	0.0	0	0.0	448	3.1
Other BSD	0	0.0	1,904	5.4	444	1.4	228	0.8	391	4.0	710	4.9
Direct (Commercial)												
PBSI	1,362	23.4	8,075	22.8	7,165	22.5	5,765	20.0	1,973	20.3	0	0.0
Other Commercial	0	0.0	7,174	20.3	9,022	28.3	4,703	16.3	556	5.7	0	0.0
O & M Consulting Advisory Services	160	2.7	28	0.1	1,593	5.0	1,667	5.8	459	4.7	0	0.0
TOTAL	5,829	100.0	35,410	100.0	31,892	100.0	28,851	100.0	9,725	100.0	14,639	100.0

Appendix F: Representation of ACOA’s Entrepreneurship and Business Skills Development Supports from Evaluation Reports

ACOA’s Business Offerings and EBSD



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Definitions

- **Intensive Problem Solving:** The use of the product or service solves a major problem or addresses a key need for users. (For example, a business is re-engineered, a new technology or process is implemented.) These products or services drastically change a user's ability to do what he or she wants. The relationship between supplier and user is intensive, heavily supplier-dependent, and usually long-lasting. It is also costly.
- **Technical Specialist Support:** The use of a product or service solves an intermediate-level problem or important need for users. (For example, such services could include tax planning and filing, fitness program coaching.) Users' lives will be directly affected by using these products or services in that their existing concept of work will hopefully be improved but not radically altered. The relationship between supplier and user is usually of medium intensity and may be limited in time.
- **Educational Support:** The use of a product or service helps users develop the skills or knowledge to help themselves. (For example, such services could include most public schools, colleges and other adult educational programs, workshops, seminars and some conferences.) Users' lives may be directly influenced, but only if they first learn to help themselves. The relationship between supplier and user is of medium intensity, but there is a higher degree of shared responsibility for a successful result.
- **Information and Advice:** The use of the product or service improves the ability of the user to make a decision, which then creates value for the user. (This includes, for example, answers to questions on how to resolve a software usage problem, advice on which products or techniques to use in a particular gardening, cleaning or cooking situation.) Users' lives will be affected if they choose to take action on the advice given and if they have the skills and knowledge to implement it.) The relationship between supplier and user is usually brief.
- **Awareness Building:** The use of awareness-building products or services, as with "Information and Advice," improves the lives of the users only if they receive the message and can act on it. The difference is that awareness building involves even more user engagement since the user must be able to "read" the signals given without any need to probe or ask questions (e.g. mass media newspapers, radio and television fall into this category as do speeches or monologues, written instructions on packages and most signs). The relationship of suppliers to users is usually one to many, precluding any real "relationship" in the sense of the four categories above.

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