

Report from the 2016 Atlantic Leaders' Summit: Talent Retention and Entrepreneurship

Friday, June 24, 2016



Atlantic Canada could become a field of dreams for entrepreneurs, immigrants and international students. And if we give talented newcomers an incentive to move to the region and stay here, they will help build its economy. Those themes were heard loud and clear at the June 24 Atlantic Leaders' Summit on Talent Retention and Entrepreneurism, an event sponsored by the Association of Atlantic Universities (AAU) that attracted 75 business, community, government, student and academic leaders from across the region.

IMMIGRATION AND INNOVATION

Federal Treasury Board President, the Honourable Scott Brison, M.P. (Kings-Hants), set the tone in a keynote address that opened the Summit. Minister Brison said entrepreneurial immigrants boost the economy and help address the region's "terrifying" demographic challenge - too few workers supporting too many retired people. "Starting over (as immigrants do) is inherently an entrepreneurial experience. Immigrants see opportunities that others don't."

The Minister said the growth of the wine industry in Nova Scotia underscores this point. The leading pioneers in Nova Scotia's wine industry – Hans Jost (founder of Jost Vineyards) and Hanspeter Stutz (founder of Domaine de Grand Pré) - both migrated to Nova Scotia from Europe. Pete Lockett, an immigrant from the United Kingdom and founder of Lockett Vineyards, is also a leader in the sector.

Due in part to the leadership of this trio, the wine business has grown from a fledgling industry into a major success story over the past two decades. Today, Nova Scotia boasts 22 wineries, 70 grape growers who cultivate more than 800 acres of vineyards, seven distinct grape growing districts, and its own white wine appellation, Tidal Bay.

Acadia University's Wine Institute has also played a key role in the growth of the vineyard and winery industry. In partnership with wine producers, other universities, and community colleges, the Institute provides advice and guidance to the industry – from identifying suitable micro-climates and soils for grape growers, to helping vineyards penetrate new markets.

Despite the benefits that immigrants like Messrs. Lockett, Jost and Stutz have brought to the region, Mr. Brison said there is "little upside" to supporting immigration as a politician. Too often, voters see immigration as a "zero sum game" – one in which newcomers take jobs from long-time residents. He said universities have an important role to play as "thought leaders" in leading a "culture shift" towards "accepting and welcoming new Canadians."

Not that Mr. Brison is a pessimist. He says the region's positive response to the recent influx of Syrian refugees may be a "game-changer." He also says Atlantic universities are leveraging federal research grants to boost immigration to the region and build "a more innovative Canada." For instance, the Tesla

lithium battery lab project led by Dr. Jeff Dahn at Dalhousie University has assembled a team of 22 researchers, 12 of whom came from other nations.

“These investments in ... research are incredibly important to bringing immigrants to Canada.” They “are part of an overall integrated” strategy in which universities play a key role. “Creating a world-class research environment ... is critically important to our region.”

The Trudeau government would like to attract more global talent to universities in Atlantic Canada, and keep them here once they graduate. “Can we take a Team Atlantic Canada approach to attracting foreign students?” The Minister suggested a pan-university mission to China is one idea worth considering. The current contingent of more than 10,000 international students at AAU universities already represents a significant export industry, he said.

Less than two weeks after the Summit, Mr. Brison was also part of the team of federal cabinet ministers and Atlantic premiers who announced a three-year pilot project under which immigration to the region should increase significantly.

TALENT RETENTION

Margaret Brigley, President and COO of Corporate Research Associates (CRA), said most university graduates (including international students) would prefer to stay in Atlantic Canada after graduation. The AAU’s [2016 Graduate Retention Study](#) showed 75 per cent of international graduates “would remain in their province (of study) after graduation if given a choice.”

Other highlights from the AAU study of 4,643 university and college graduates from 21 institutions across the region include:

- 87% of graduates are satisfied with the quality of their education
- 70% of graduates “would recommend their province of study as a place to live and work”;
- 82% of graduates would stay in their province of study after graduation “if an attractive job offer was available;
- 66% of graduates participated in work-integrated learning programs such as co-op placements and internship. Participants were more likely to be satisfied with their educational experience; and
- 2% of graduates want to start their own business. 58% plan to enter the workforce.

The data looks mostly positive until we consider whether graduates think they can thrive and prosper by staying in their own region.

A full 90% of graduates say they would consider an Atlantic province as a place to work after graduation. But when they were asked to rate the region on a series of attributes, Atlantic Canada earned a thumbs-up for quality of life and affordability, but a thumbs-down for job opportunities and level of compensation.

Nice place to live, in short, if you can find good work.

Julie Cafley, Vice-President of the Public Policy Forum, had some advice for employers who want to retain millennial graduates on the job.

Her organization's research ([The Road to Retention](#)) shows millennials want to be consulted on the job. ("Stop talking about us and have us at the table.") Ms. Cafley also said hierarchical approaches "squench innovation" among millennials, who want to be mentored, want to shift an organization's focus away from the bottom line to people, and want opportunities to volunteer.

For most millennials, work-life balance ranks also ahead of opportunities to advance. And millennials also appear to be footloose in the work world - two out of three expect to leave their current job by 2020.

How do employers retain this generation of workers? According to Ms. Cafley, a good start could be made by nurturing creative ideas, providing employee benefits that millennials want, and eliminating gender and culture-related issues in the workplace.

ENTREPRENEURISM

Peter Moreira, Founder of Entrevestor.com, knows quite a bit about a "success story" (IT start-ups) that's led to a large degree by the millennial generation.

The veteran journalist's optimism about IT start-ups is based in the numbers. Mr. Moreira tracked 368 companies in the region in 2015, an increase of 24% over 2014. More than 100 new start-ups were created in 2015, compared to around 60 the previous year. Employment overall is growing at a rate of about 30 per cent per year.

In short, the IT sector is small but mighty, a "bright spot" in the region but not a panacea.

Mr. Moreira also said the sector has succeeded with the help of strong business leadership and effective public policy to create growth. Universities have also played a "key role" by putting in place key IT programs. In particular, Mr. Moreira cited the curricula offered by Genesis Centre at MUN; the Starting Lean program at Dalhousie; Technology Management & Entrepreneurship (TME) at UNB; UIT Startup Immersion at Cape Breton University; and Enactus (Entrepreneurial Action Us) at the University of Prince Edward Island.

Given the severe shortage of programmers that is challenging the start-up community, post-secondary institutions could now do more to educate IT workers, Mr. Moreira said. A good start would be training a new generation of code writers. Mr. Moreira suggested that universities create curricula for "non-geeks" – people who want to get into the IT sector but aren't already immersed in the culture. Those workers could help fill the labour shortage for the "new generation" of IT start-up entrepreneurs that is starting to make its mark.

Don Mills, the Chairman and CEO of CRA, said any successful workplace culture – in the IT world or more traditional sectors - has to be driven by the traditional bottom line, profit. Without black ink at the

bottom of the balance sheet, “we cannot reinvest, cannot hire more people, and cannot keep the business going.”

With Atlantic Canada getting “older and deeper in debt every day”, Mr. Mills said students should be introduced to business ideas and entrepreneurial thinking well before they get to university. He called for reformed curricula from grade school onwards to introduce students to “business culture”. As head of a research company, Mills knows anti-corporate attitudes are ingrained in Atlantic Canada, and changing that has to start with early education.

Doug Robertson, President and CEO of Venn Innovation Inc., is also a supporter of early business education, and he believes the timing is right for a great leap forward in entrepreneurial effort and success. “There has never been a better time to be an entrepreneur in Atlantic Canada,” said Mr. Robertson, whose Moncton-based company supports the growth of IT companies. “We have a dynamic regional innovative ecosystem.”

That ecosystem should continue to thrive even if (as the CRA survey reveals) only 2% of graduates want to start their own business. “Most of the entrepreneurially minded students were probably too busy getting things done to take the survey,” Mr. Robertson said. In addition, that 2% would represent 100 start-ups in Atlantic Canada per year, which represents a significant economic contribution to the region. Finn Poschmann, the CEO of the Atlantic Provinces Economic Council, also put the 2% figure in perspective. “(It) doesn’t surprise me at all,” he said, adding many graduates have a lot of debt to pay off. “Starting a business was the farthest thing from my mind when I graduated.”

Angelo Casanas, Manager of Startups & Partnerships at MUN’s Genesis Centre, agrees with Mr. Robertson that there is a “vibrant ecosystem” for entrepreneurs in Atlantic Canada. But Casanas, who moved to St. John’s from Ontario two years ago, also says Atlantic Canada is competing for talent and capital in a tough competitive market. The government of Ontario, for instance, is investing \$27-million in youth entrepreneurship over the next two years. (No comparably-funded programs exist in Atlantic Canada.)

Heather Howatt, the Managing Partner of Charlottetown-based Results Marketing & Advertising, brought a unique perspective to the Summit. Howatt says she grew up on a struggling family farm. Given her background, she can’t explain why she wanted to become an entrepreneur. She argues that business builders are to “an extent born and not made. Let’s identify the sparks, the right people (and) not try to create entrepreneurs where they don’t exist.”

Howatt also said the focus on tech start-ups, financing, and 20% annual growth rate could be “intimidating to someone starting a business” in a more traditional industry. “It would behoove all of us not to forget the welder who comes out of a college program and employs 10 others while staying in Mahone Bay or wherever. . . Not everyone has to be a \$1-million company.”

In her closing remarks to the Summit, Ramona Lumpkin praised speakers for seeing “past the obstacles to the opportunities” the region has before it. “We had wonderful examples of those opportunities,” said Dr. Lumpkin, President of Mount Saint Vincent University and past Chair of the AAU.

“We have talented graduates that want to stay. We have a rich research environment. We have vital institutions like universities....If we stay open to the opportunities ... I think we have what it takes for the future of our province and our region.”