



**Greater Rochester Regional Competitiveness Survey and
Interviews:
A Benchmark Report**

**Prepared by the Council on Competitiveness
for Finger Lakes WIRED
July 2009**

Finger Lakes *Wired*
TALENT DRIVING PROSPERITY

Table of Contents

| | |
|--|-----------|
| Introduction | 3 |
| Section I: Survey Results | 4 |
| Section II: 2004 Recommendations | 14 |
| Section III: Issues and Suggestions | 16 |
| Appendix A | 19 |
| Appendix B | 23 |

Introduction

The Finger Lakes WIRED initiative (FLW) engaged the Council on Competitiveness (the Council) to duplicate a survey that the Council had originally done in 2003-4 for a report entitled Fanning the Flames of Economic Progress: Igniting Greater Rochester's Entrepreneurial Economy.¹ The task consisted of an online portion using the Council's Regional Competitiveness Survey, which asks respondents to evaluate how specific regional factors impact their success on a five-point scale ranging from "very harmful to your business" to "very beneficial to your business." The survey questions can be found in Appendix A. In addition to the survey, the Council conducted twenty individual interviews in the region with a cross section of community leaders. The interview protocol can be found in Appendix B.

Since we could not re-survey or re-interview all of the original respondents, we were as meticulous as possible to ensure that in both the survey and the interviews, we sourced the respondents as closely to the originals as possible. Working with the staff of FLW, we were given a list of over 1,500 business people to whom we emailed the survey and made appointments with twenty comparable community leaders. The 2004 survey was sent to just over 1,500 people and 162 surveys were returned. Likewise the current survey went to a similar sized list with 220 total responses, an increase of 31%. In addition, the survey included three extra counties compared to 2004: Seneca, Wyoming, and Yates. The original six in the 2004 survey and the additional three comprise the entire FLW initiative. As we received few returns from the new counties, we did not break them out of the totals, since they would have had no statistical impact on the survey results.

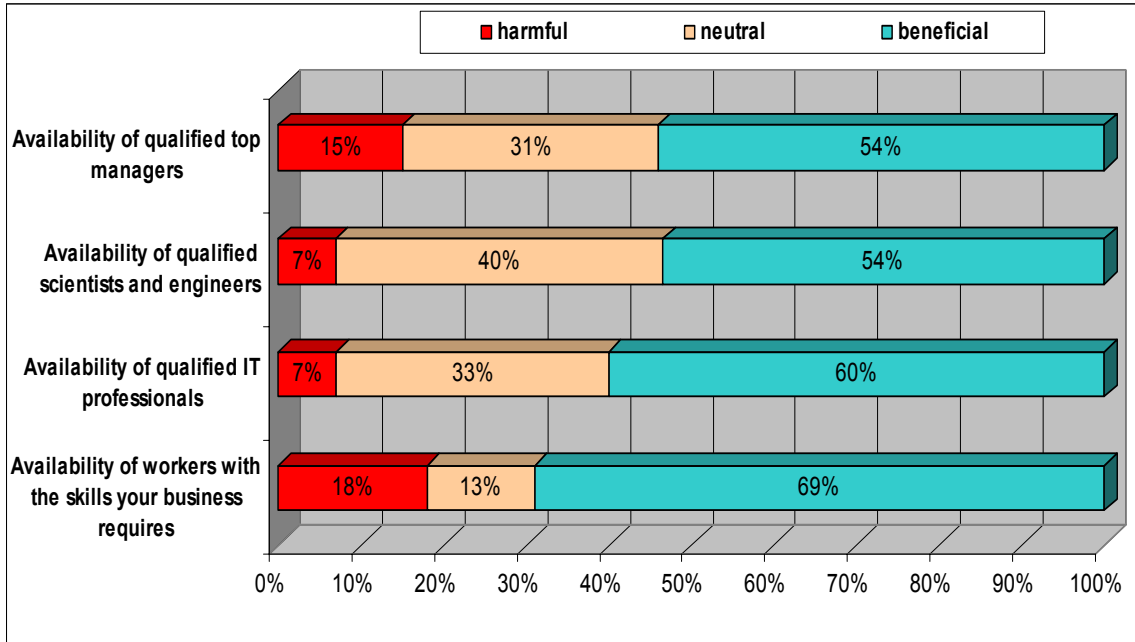
We have divided this report into three sections. The first section covers the online Regional Competitiveness Survey and the interviews. Included is a presentation of the old and new data. For each category, we then integrate the comments from the interviews about that particular group of questions. The second section looks at the recommendations from Fanning the Flames to see what the survey and interviews tell us about progress on those recommendations and whether they still apply today. The third and final section contains our observations about the region based on what we have learned in this process.

¹ Council on Competitiveness, Fanning the Flames of Economic Progress: Igniting Rochester's Entrepreneurial Economy, September 2004.
http://www.compete.org/images/uploads/File/PDF%20Files/Rochester_Regional_Report_9.2004.pdf

Section I

Greater Rochester Business Survey Results: Access to Skilled Labor

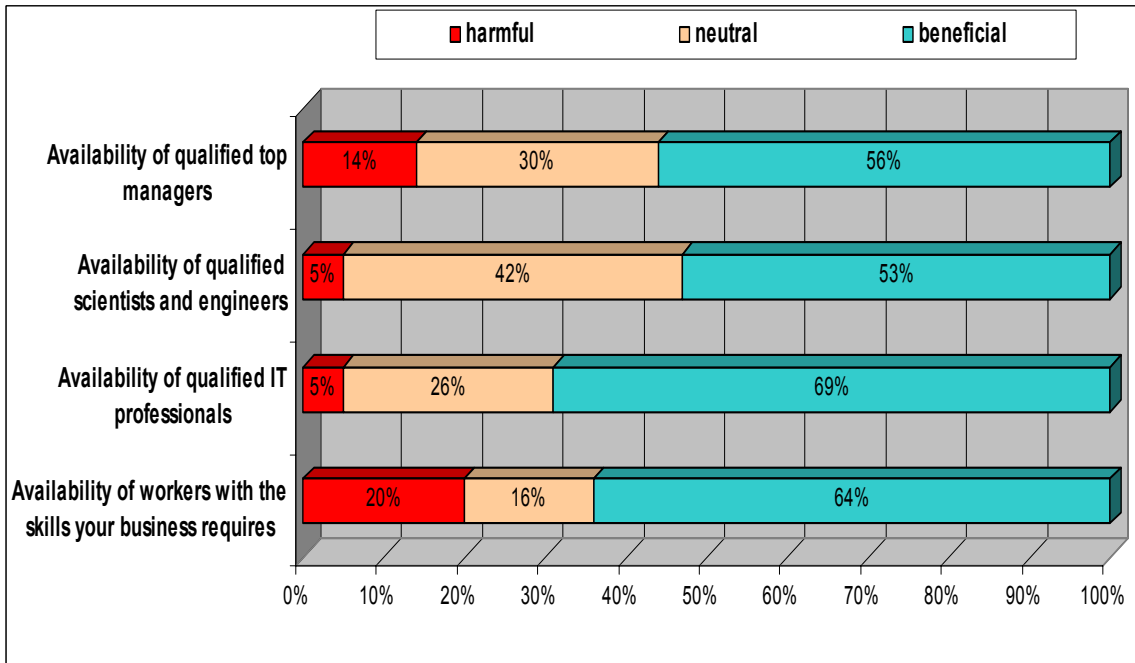
2004 Results



Source: Council on Competitiveness 2004 Regional Survey, N = 153 to 162

Note: Non-respondents and “not applicable” responses have been excluded

2009 Results



Source: Council on Competitiveness 2009 Regional Survey, N = 137 to 198

Note: Non-respondents and “not applicable” responses have been excluded

Comparison to 2004 results:

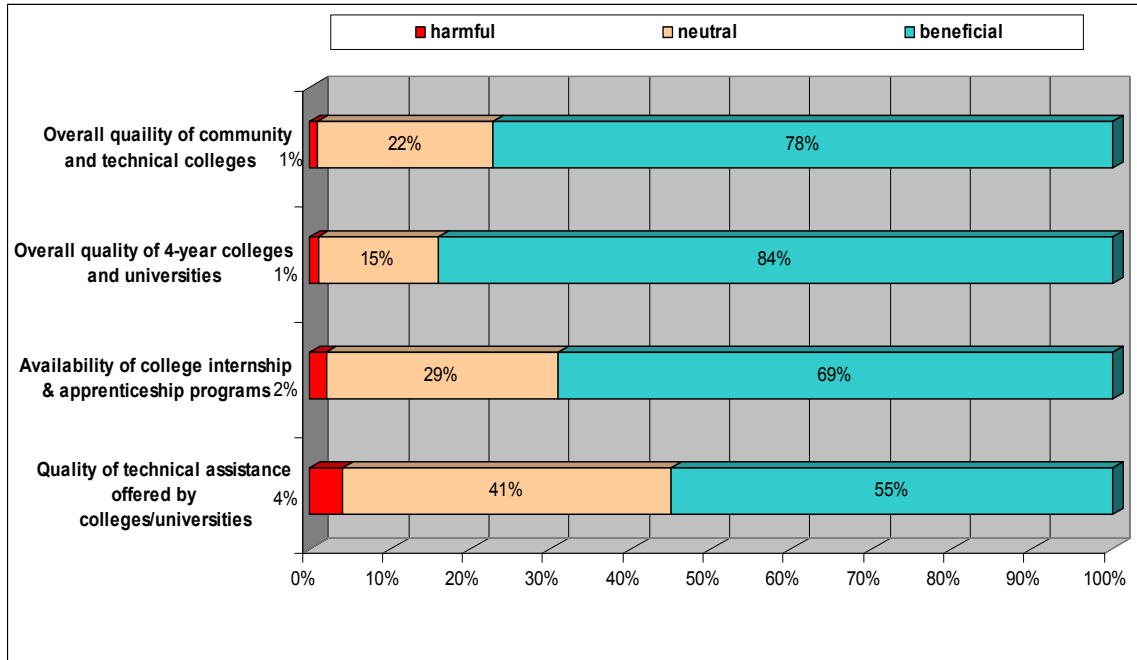
The most significant change between the two surveys is the availability of qualified IT professionals, which registered a 15% increase in the “Beneficial” category. The availability of skilled workers declined marginally, which reflects concerns voiced in the interviews, primarily by advanced manufacturers, that technology development was outpacing the capacity of the workforce to keep up.

While the specific question of the availability of qualified top managers barely moved the needle, it may have masked a more specific concern. Those that we interviewed who were involved in entrepreneurship, whether at the program or the business level, were unanimous in their view that the region lacked seasoned entrepreneurial management and particularly suffered from a shortage of serial entrepreneurs capable of sitting on boards and otherwise serving as advisers.

The prevailing view among those interviewed is that the quality of the workforce is an asset for the region and a point of pride. Some concerns were expressed about the resources to train the incumbent workforce and the ability to recruit managers for niche technologies as contrasted to optics, which is widely-recognized as a competitive industry in the region.

Assessment of Higher Educational Institutions Impact on Business

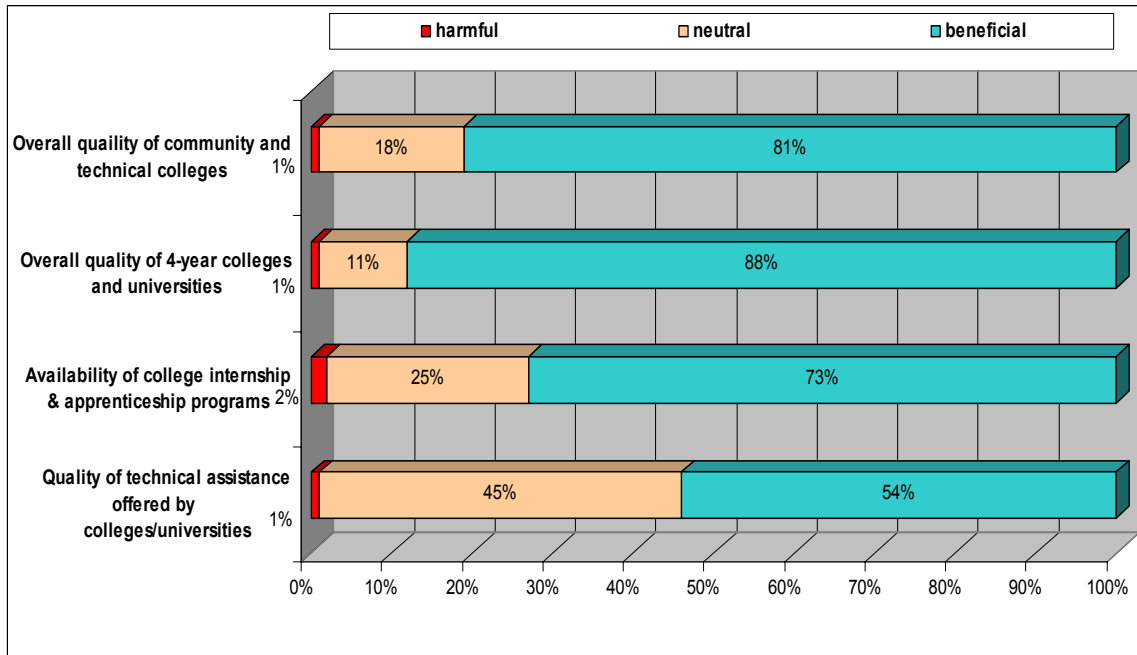
2004 Results



Source: Council on Competitiveness 2004 Regional Survey, N = 153 to 162

Note: Non-respondents and "not applicable" responses have been excluded

2009 Results



Source: Council on Competitiveness 2009 Regional Survey, N = 178 to 203

Note: Non-respondents and "not applicable" responses have been excluded

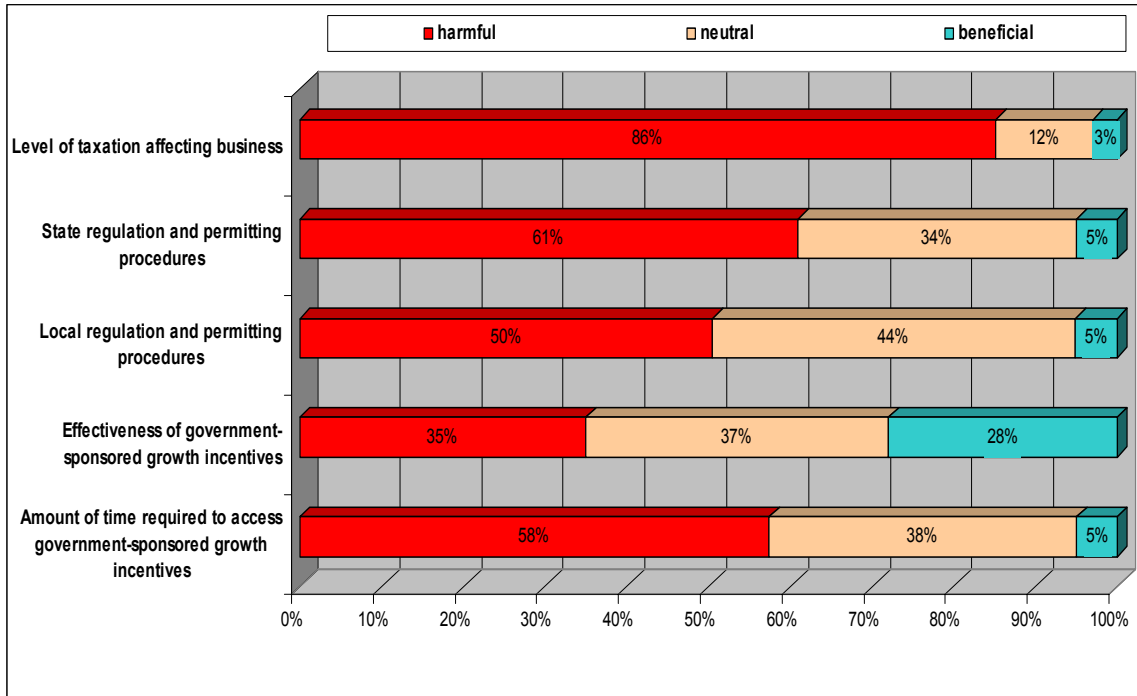
Comparison to 2004 results:

The variance between 2004 and now is positive, although modest. There is little here that might not be accounted for by the fact that we drew from a different sample than in 2004. Yet the fact that the quality of the technical assistance offered by colleges and universities is held in far less regard in both surveys than is the quality of both the community colleges and the universities themselves is a cause for concern.

This issue arose at the FLW Board meeting we attended in June 2009, when the results of the scholarship program for incumbent workers training revealed that $\frac{3}{4}$ of the providers were NOT from the community colleges and the universities. Likewise the comments in the interviews indicated a gap between the potential contributions by the colleges and universities for entrepreneurial growth and the actual results. Those who had direct knowledge of the community colleges and the universities services either as providers, customers, or co-investors believed that there is growing involvement especially by the colleges and universities but that they are dedicating insufficient funds to the effort. A consistent observation among this group was that the universities had yet to master the art of making their resources accessible to outsiders.

Perceptions of Local and State Government Impact on Business

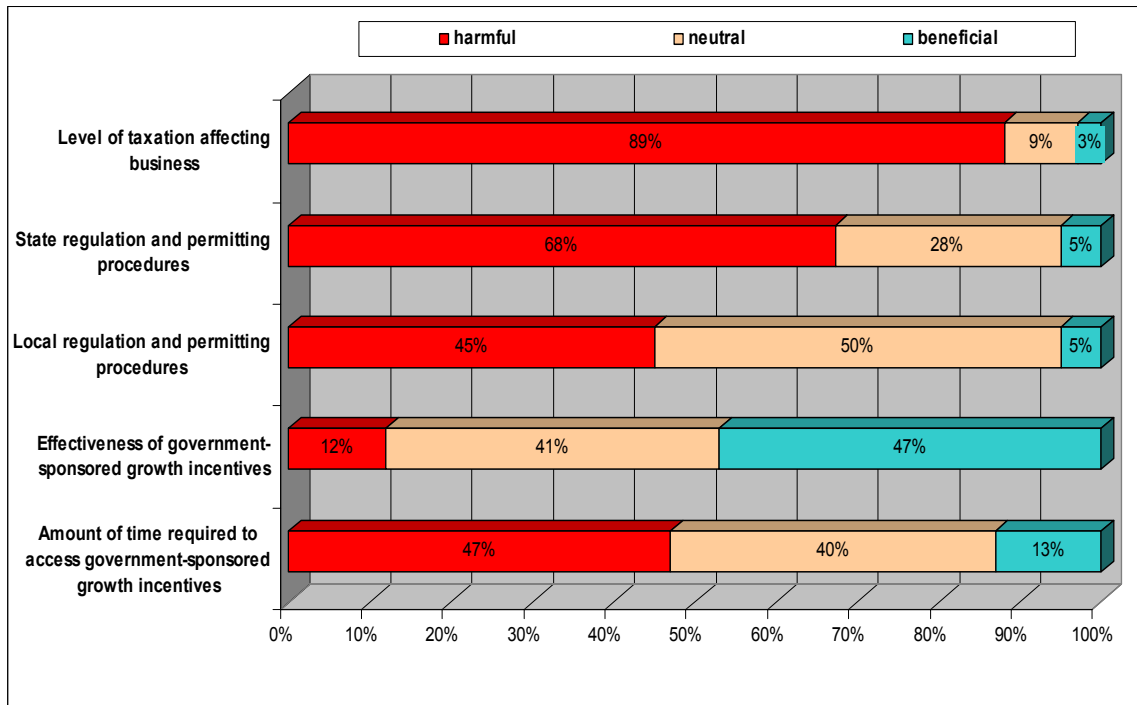
2004 Results



Source: Council on Competitiveness 2004 Regional Survey, N = 162

Note: Non-respondents and “not applicable” responses have been excluded

2009 Results



Source: Council on Competitiveness Regional Survey, N = 168 to 185

Note: Non-respondents and “not applicable” responses have been excluded

Comparison to 2004 results:

It is important to note that the survey and especially the interviews took place at a time when there was widely publicized turmoil in the New York State Senate. The media ran lead stories about a “coup” in the state senate. During the same period there was legislation pending in the legislature to impose prevailing wage laws on firms doing business with the state or receiving state funding, which would have a significant impact on the various IDAs in the region. As a result, the interviews were characterized by a high level of intensity about the negative role of the state and the survey showed a bump up in the “harmful” response to the questions involving state regulations and taxation. This should come as no surprise since Fanning the Flames had amply demonstrated (pp. 19-20) that New York State’s reputation was held in low esteem. As one local economic developer said, “When businesses are asked what is holding you back? They always respond about state issues, not local issues.”

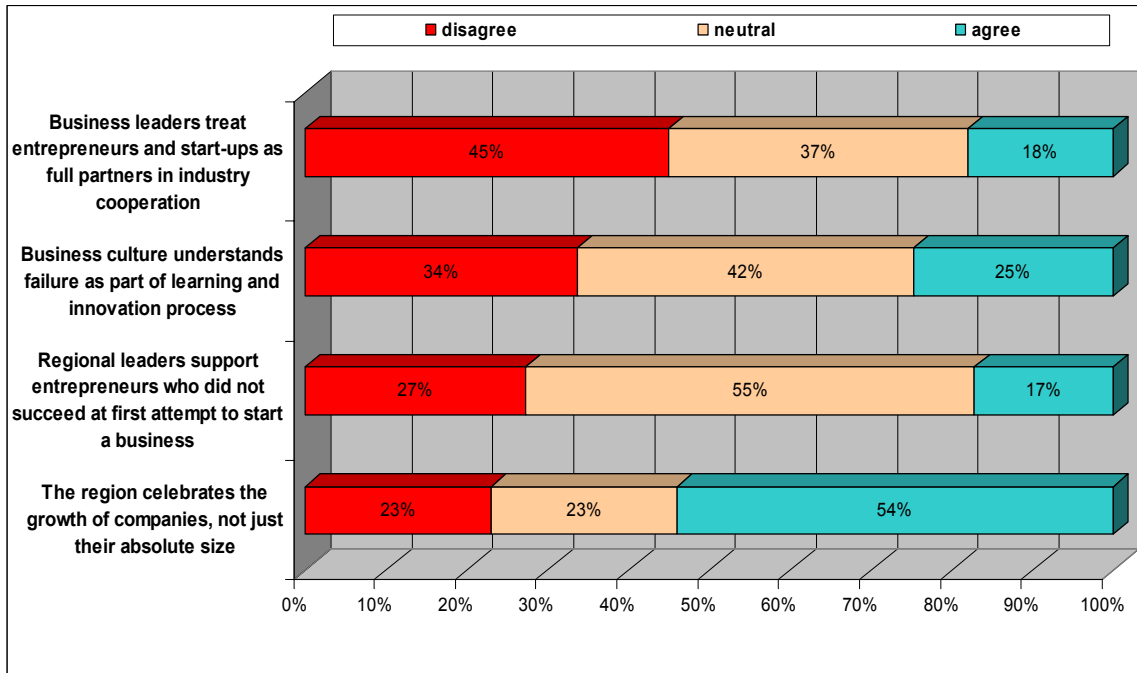
How important that is to the region’s economy is another question. In interviews with business people, they indicated a willingness to expand in the region despite these cost disadvantages. One manufacturer said that the New York State tax structure is not that prohibitive, not a major impediment. He pays NY State taxes, yes, but would rather be where there are support services for his industry.

Where the problem was most common was in the comments of the local economic developers who felt that the state played a negative role in recruitment. They were able, they said, to recruit despite the state’s reputation and policies. On the other hand, there was a strong emphasis among the economic developers and others on focusing on business start-ups, retention and expansion with recruitment having a lower priority.

In contrast to the continued negativity about the state, there was a strong turn around in the questions concerning government sponsored growth incentives and the time required to access them. Again it is important to contextualize. We are in a serious economic downturn where access to capital, especially for small business, has been severely limited. It is small wonder that attitudes toward government incentives became almost twice as positive while negative attitudes declined by two-thirds. But this is not the whole story. Because firms need more government assistance, it does not necessarily follow that they would be less negative about red tape. Yet the “harmful” responses to the question on time needed to access government incentives declined by nearly 20% suggesting a positive change in the administration of the incentives.

Greater Rochester Regional Attitudes Toward Risk and Collaboration

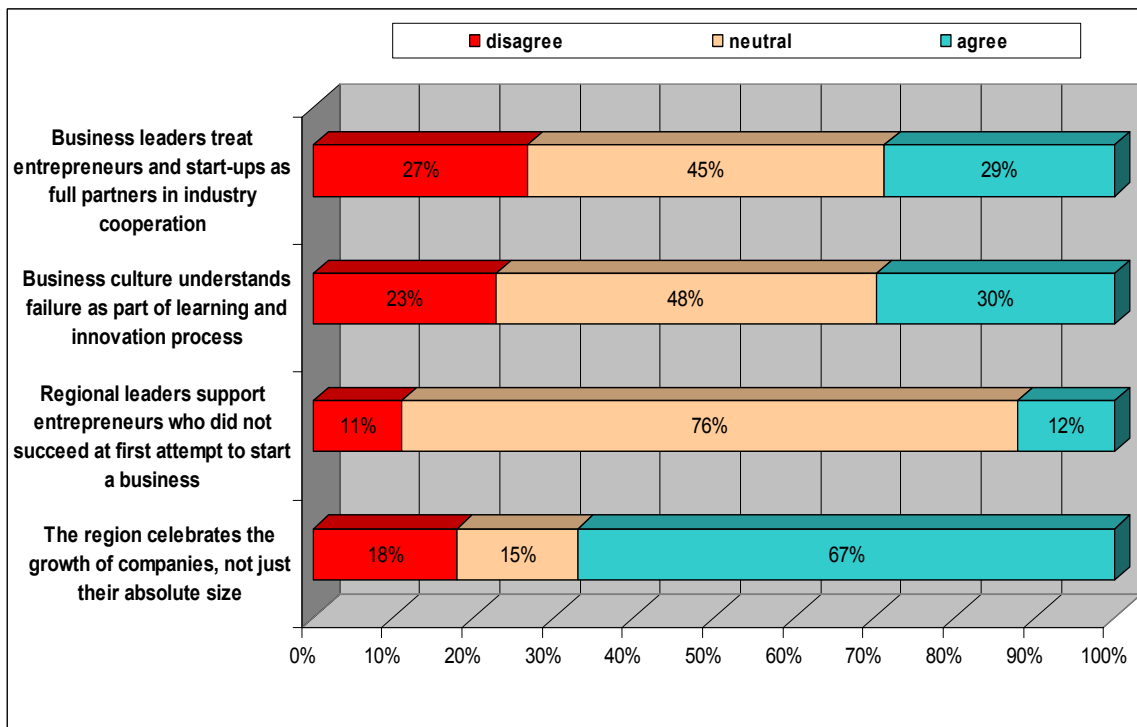
2004 Results



Source: Council on Competitiveness Regional Survey, N = 153 to 162

Note: Non-respondents and “not applicable” responses have been excluded

2009 Results



Source: Council on Competitiveness Regional Survey, N = 194 to 195

Note: Non-respondents and “not applicable” responses have been excluded

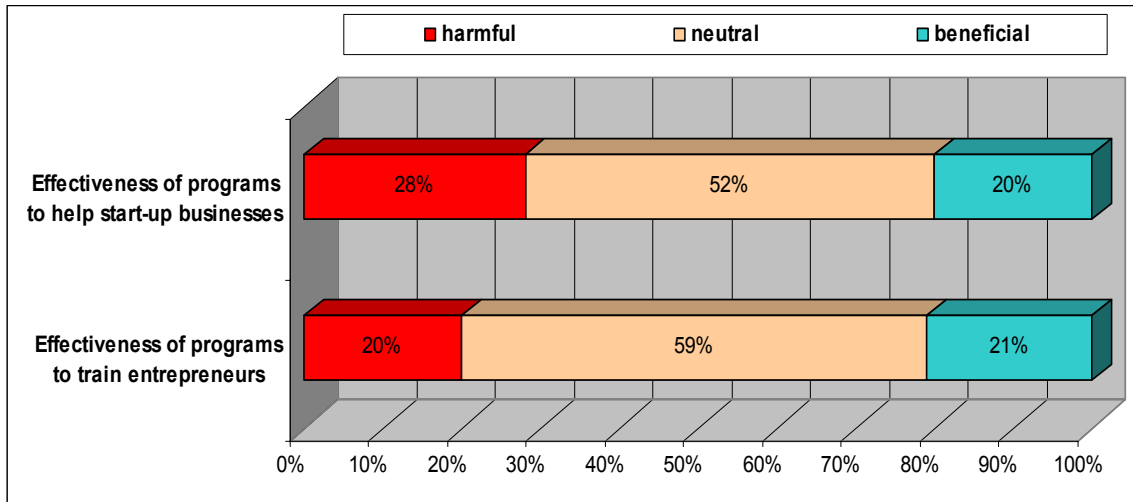
Comparison to 2004 results:

This section is as close to a barometer on the entrepreneurial culture as the survey has. It is very encouraging to see the 50% increase in agreement about partnerships with start-ups and the bigger decline in the percentage of those disagreeing. Much the same can be said about the other categories. The only problematical area involves whether regional leaders support entrepreneurs who have failed. Interestingly, in that category, the most significant shift has been the growth of those who are neutral, most of whom come from the group that was negative.

Overall, there has been a big, positive change in attitudes towards entrepreneurs. Since that was a priority recommendation of Fanning the Flames, the survey data suggests that substantial progress has been achieved. Added to that result is the very positive response from the interviews. A substantial number of factors were cited for the improvement. The creation and regional reach of The Entrepreneurs Network (TEN); the substantial progress of High Tech Rochester (HTR); and the programs at RIT and the University of Rochester were all mentioned as important contributors to a more embedded entrepreneurial culture. Another factor mentioned by a number of the interviewees was the change in leadership at both universities, which was perceived as generating a new commitment to the economy of the region. Among those with private sector experience in early stage firms, there was a concern that the expansion of these companies was stymied by the lack of serial entrepreneurs who could serve as mentors and advisers to the novices. For those who talked about the region's potential for technology-based economic growth, one common theme was that while the universities have been improving their process for technology transfer to the region, the commercialization of orphan technologies from large regional companies remained an obstacle.

Effectiveness of Greater Rochester Programs to Support Entrepreneurs

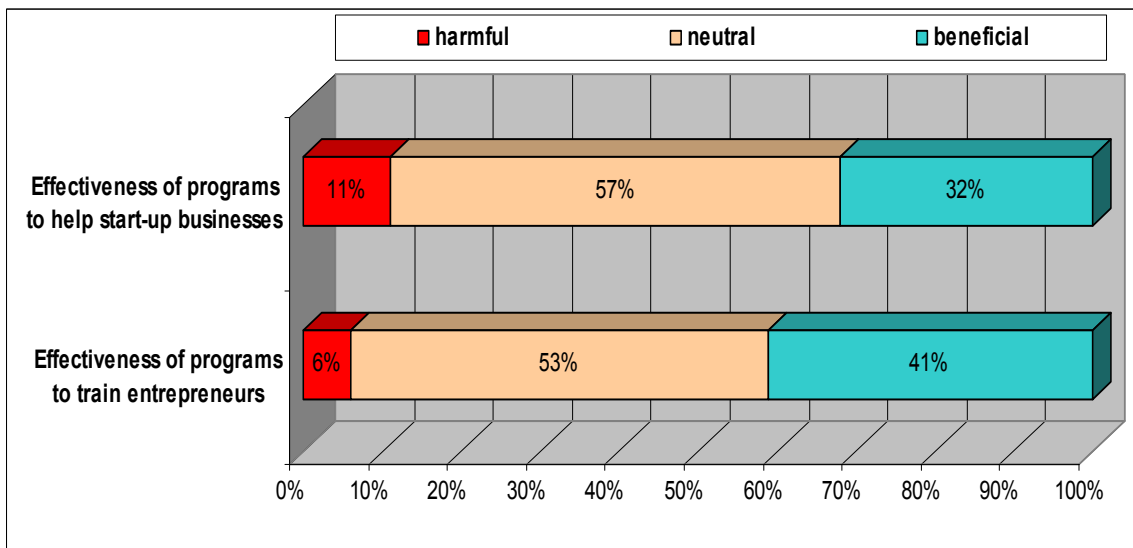
2004 Results



Source: Council on Competitiveness Regional Survey, N = 153 to 162

Note: Non-respondents and “not applicable” responses have been excluded

2009 Results



Source: Council on Competitiveness Regional Survey, N = 140 to 144

Note: Non-respondents and “not applicable” responses have been excluded

Comparison to 2004 results:

Of all the survey categories, this one has shown the most dramatic change. There was a fifty percent increase in respondents who believed that programs to help start-ups were effective and the percentage that thought they were not helpful declined from 28% to 11%. In the category of effectiveness for programs to train entrepreneurs, the percentage of those who thought the programs were beneficial increased by 100% and those who believed they were harmful fell from 20% to just 6%.

This dramatic impact suggests that the programs themselves have been effective and that the marketing of the programs has penetrated the region. One of those interviewed explained the rising interest in the community as a dual process. On the one hand, “crisis mentality kicked in” meaning that the community recognized the urgency of finding new strategies for economic growth. On the other, “people accepted that a grassroots effort was needed for entrepreneurialism, start-ups, and collaboration.”

While these survey results are strong grounds for optimism, many interviewees tempered their enthusiasm with serious concerns about the region’s capacity for assisting early stage companies and small businesses. Among their concerns was the aforementioned shortage of experienced entrepreneurs, the shortage of risk capital, the threat facing the IDAs from state regulations, brain drain, and the inability to leverage regional assets.

Section II

Recommendations from Fanning the Flames, 2004

Since the interview protocol was broader than the survey questions, it presented an opportunity to take a fresh look at the 2004 recommendations and see whether the interviewees' responses corresponded to the recommendations. In some cases they did not but some of those interviewed chose to elaborate on topics that touched upon the recommendations. The 2004 recommendations are in boldface.

- **Strengthen programs to shape a more positive regional attitude toward entrepreneurship and building from within vs. smoke stack chasing**

There appears to be a strong consensus that building from within and emphasizing entrepreneurship is preferable to “smoke stack chasing.” In addition, those in economic development focused on the improved level of collaboration among the various agencies and departments across the Finger Lakes WIRED region.

Both the survey results and the interviews strongly indicated that entrepreneurship programs had been strengthened and that this has engendered a significant change for the better in the region's culture.

- **Develop a strategy for celebrating entrepreneurial success publicly**

If anything, the interviews suggested that entrepreneurial success remains under publicized. Some of those interviewed, however, pointed to the success of various business plan competitions in generating interest.

- **Develop entrepreneurial mentorship programs**

Both TEN and HTR, while not mentorship programs, provide services similar to mentoring. HTR has recruited successful, serial entrepreneurs to work with early stage companies, and TEN has brought in experts from other parts of the country to impart knowledge to the program participants. The investors and entrepreneurs interviewed appear to agree with the spirit of this recommendation, although they are more specific in citing the need for the region to have more serial entrepreneurs.

- **Organize more angel groups through existing organizations**

Angel capital groups did not achieve much recognition in the interviews. The primary concerns were that those with the financial resources came from traditional industries and were both unfamiliar with technology-based investments and conservative in their outlook. The other reason cited for the lack of angel investors was the bursting of the technology bubble where high risk investments were lost. How fertile the ground is for angel investors in the region is an open question. Customarily angels tend to invest in the technologies where they made their fortunes. On the other hand, angel groups elsewhere have been formed to support local start ups regardless of their technologies.

- **Encourage the local foundation community to dedicate a portion of their annual giving to innovation-based economic development and to invest a small percentage of their assets in regionally based entrepreneurial ventures**

This issue was not part of the survey and did not arise in the interviews.

- **Continue to promote the cluster concept to additional industry groups**

Along with a couple of trade associations, the optics cluster was cited as being effective. The other clusters were not. The explanation given was that the optics cluster was the only one with full time staff. There was agreement that there were other clusters in the region but no strong sentiment for organizing them.

- **Develop a strong image campaign—with initial focus on local residents**

While this idea did not come up in the interviews, what was discussed was the effort to market the region collaboratively. The IDAs and the GRE were cited for their cooperation in doing this and for their regular collaboration through their quarterly meetings.

- **Develop a “Rochester Homecoming” Campaign**

While this idea was not mentioned, the motivation behind it was – brain drain. It may be that the growing collaboration among the thirteen higher education institutions could produce a more targeted project, like the Knowledge Industry Partnership (KIP) in Philadelphia, where the high education institutions combined to recruit undergraduates, promote local graduate schools, sponsor mentoring programs, and provide placement services to graduates.

Section III

Issues and Suggestions, 2009

While not included in our agreement, the Council on Competitiveness is including our observations on the pressing issues that arose during this project and some suggestions for the consideration of Finger Lakes WIRED. All of these are based on our conversations in the region and do not reflect any further research like that done for the 2004 report.

Defining the Region

Four distinct descriptions of the region emerged in the interviews.

- The Finger Lakes Region, as defined by WIRED, was the primary frame of reference for those we interviewed. This may be due to the context of our report since the work was financed and organized by FLW.
- Within this geographic definition, much was made of the fact that Rochester was really how people identified the region from afar. Another version was that Monroe County was really the 800 pound gorilla in regional affairs, like it or not.
- The outlying counties tended also to include the idea of a Great Lakes region, suggesting that linking to these great bodies of water offered the image of large supplies of a scarce commodity – water. In addition this designation promoted their ports and the advantages of water transportation.
- Finally, the biggest competitor to the notion of a Finger Lakes region was that of an Upstate region. Those who thought in these terms emphasized the complementarity with Syracuse and Buffalo, the recent efforts to build an upstate regional leadership coalition (the Technology Council of Upstate New York), and the popularity and familiarity of the term.

This multiplicity of definitions reflects how the term “region” is applied in the U.S. (e.g. the Midwest as a region) and the absence of jurisdictional boundaries for regions. In this specific instance, the concern is strategic. For the purposes of economic growth strategies, is it preferable to be part of an upstate region, a Finger Lakes region, or are they compatible? This is a conversation that needs to be developed so that there are consistent answers to the strategy question. It is also important to bear in mind that the absence of boundaries can be an advantage, so that having a Finger Lakes Region and an Upstate Region are not incompatible. They could create great synergies without impeding the Finger Lakes region from pursuing its own course.

Technology Transfer

Virtually all accounts agreed that the relationship between the universities and businesses in the region had improved significantly, although there was a general sense that more could be done. Those interviewed seemed convinced that the atmospherics had improved and that

the environment was ripe for leaps forward. The one sour note, however, was the comments about some large regional businesses. There was a general disappointment that some businesses had not been responsive when approached with ideas for using its orphan patents in the region or permitting the use of unutilized technologies by former employees.

Regional Assets

Fanning the Flames, in its summary, quoted a local university professor as saying “Greater Rochester is a success story waiting to happen.” This assessment was based upon the region’s assets, which include thirteen institutions of higher learning, a skilled workforce, a robust optics/imaging cluster, a number of potential technology clusters, and excellent transportation and logistics, to name a few. Yet, the general tenor of the interviews was exactly the same as the quote from Fanning the Flames, “a success story waiting to happen.” Unlike many regions that have yet to analyze their assets, the Finger Lakes region appears to know what it has. The difficulty, evidently, lies in knowing what to do with them and taking action.

Regional Collaboration

The survey only treated the issue of collaboration between established businesses and start-ups. The interviews, on the other hand, were replete with comments about regional collaboration. In general, there was a sense that collaboration had improved over time and that was due in no small measure to the work of Finger Lakes WIRED. Many instances of organizations meeting together were cited as evidence of this new era of collaboration. At the same time a discouraging theme emerged – was the collaboration leading to action or was it just a feel good exercise? The general sentiment was that sitting around the table was a good first step but it was not true collaboration. Those interviewed felt that meetings were frequently unproductive and that too many people were going through the motions of collaboration but not showing results. There were also comments that the WIRED governance structure was too unwieldy.

Regional Leadership

If there was one hot button topic, this is it. One comment summed up a lot of the dissatisfaction: *Xerox, Kodak, and Bausch & Lomb created a vacuum, and the region acts like it is in a vacuum.* Another comment contrasted the capacity to get things done and the new model of inclusive leadership: *... in the past, Kodak, Bausch & Lomb, Xerox, Wegman’s, Gleason, and Golisano would all come together to fix something, and support/run the region. For example, they fixed the Hyatt Hotel downtown – each chipped in money. This wasn’t a voice of the greater Rochester region, what they were doing wasn’t inclusive, it was a closed club.*

What seemed to frustrate many was the cognitive dissonance between the apparent unity of purpose: *it has been a big accomplishment that people in the region are all working off the same talking points. There is consensus that the region is strong in optics/imaging, food and agriculture, clean technology including wind, biofuel, solar with thin film, and an industry sector in medical devices AND the absence of leadership to move an agenda: there is not enough regional leadership for the region. The region needs to put a business plan together in order to move forward.*

Concern about regional leadership coincides with the end of the funding for Finger Lakes WIRED, but should not be confused with it. Finger Lakes WIRED has been successful in building programmatic unity around a series of goals and in furthering a culture of collaboration in the region.

From our observations, however, this is different from strategic leadership. Successful regions have organizations that serve as systems integrators (as contrasted to FLW as a program integrator) and which assemble a committed group of regional leaders (led by the business community) who develop a regional vision, a strategy for that vision, and campaigns and networks that realize the strategy.

Recommendations

- **Get the right people around the table.** Work needs to be done to figure out who the effective leaders are in the region and then to recruit them into an ongoing group to set and carry out regional priorities for economic growth.
- **Define the region.** In 2004 the region (from the Council's perspective) was defined by six counties. WIRED is nine counties. The question needs to be answered: what is the right region for an effective growth strategy?
- **Involve the community.** This quote from the interviews "it has been a big accomplishment that people in the region are all working off the same talking points" reflects, in our view, a consensus among those professionally involved in the issues of economic growth that is not the same as the "people." Other regions have had success with a region-wide visioning process (usually built on an effective asset analysis) that serves both to build regional awareness in general and rally support and interest for creating and realizing a regional strategy.
- **Solve the Orphan Technology issue.** While our interviews reflected one side of the problem, i.e. that some companies are unmotivated in making their unused technology accessible to regional firms and entrepreneurs, clearly it is a matter of concern. Perhaps a high level group (Rochester mayor, congresswoman, leading business people [see first bullet], entrepreneurs, etc.) could seek a meeting with CEOs to discuss the problem and solutions.

Conclusion

The survey and interviews indicate significant progress in the area of building an entrepreneurial culture and developing effective entrepreneurship programs. The irony is that this success exacerbates the contradiction between the widely held view that Rochester is a success story waiting to happen and the frustration that it has yet to happen. In our view, the solution requires an effective regional leadership body capable of leveraging all the regions' assets (well beyond those of WIRED) and focusing them on resolving this contradiction.

Appendix A: The Greater Rochester Regional Competitiveness Survey

The survey is structured around the following areas: (1) the regional business environment (2) innovation networks in the region and (3) regional economic beliefs and attitudes.²

| Required Question | (check one below) | |
|--|--|---|
| 1. In what county in the Finger Lakes region is your business located? | <input type="checkbox"/> Genesee <input type="checkbox"/> Livingston <input type="checkbox"/> Monroe <input type="checkbox"/> Ontario <input type="checkbox"/> Orleans | <input type="checkbox"/> Seneca <input type="checkbox"/> Wayne <input type="checkbox"/> Wyoming <input type="checkbox"/> Yates |

I. Business Environment

In this section, we are interested in learning about how each of the following factors affects your business. Please rate the region's **current performance** (level) on each factor.

(check one box in each row)

| Section 1 | very harmful to your business | harmful to your business | neither harmful nor beneficial to your business | beneficial to your business | very beneficial to your business | not applicable (N/A) |
|--|-------------------------------|--------------------------|---|-----------------------------|----------------------------------|--------------------------|
| 2. The overall quality of the region's community and technical colleges | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. The overall quality of the region's 4-year colleges and universities | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. The availability of regional college and university apprenticeship/ internship programs | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. The quality of technical assistance offered by regional colleges and universities to businesses | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

² This survey draws on previous surveys developed by Professor Michael E. Porter, the Council on Competitiveness, ontheFRONTIER and the Monitor Group.

(check one box in each row)

| Section I, cont. | very harmful to your business | harmful to your business | neither harmful nor beneficial to your business | beneficial to your business | very beneficial to your business | not applicable (N/A) |
|--|-------------------------------|--------------------------|---|-----------------------------|----------------------------------|--------------------------|
| 6. The availability in the region of workers with the skills your business requires | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. The availability in the region of top managers with the qualifications your business requires | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. The availability in the region of scientists and engineers with the qualifications your business requires | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. The availability in the region of information technology professionals with the qualifications your business requires | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

(check one box in each row)

| Section I, cont. | very harmful to your business | harmful to your businesses | neither harmful nor beneficial to your business | beneficial to your business | very beneficial to your business | not applicable (N/A) |
|--|-------------------------------|----------------------------|---|-----------------------------|----------------------------------|--------------------------|
| 10. State governmental regulations and permitting procedures affecting businesses | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Local governmental regulations and permitting procedures affecting businesses | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. The level of taxation affecting business (relative to other regions) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. The effectiveness of government-sponsored growth incentives (tax breaks, seed funding, etc.) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. The amount of time required to access government-sponsored growth incentives | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. The effectiveness of regional programs to help start-up businesses | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. The effectiveness of regional programs to train entrepreneurs | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

II. Regional Norms and Attitudes

In this section, we are interested in learning about the dynamics of the business and civic environment of your region.

(check one box in each row)

| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 17. Regional business and government leaders support entrepreneurs who did not succeed in their first attempt to start a business | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. The business culture in the region understands failure as part of the learning and innovation process | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. The region celebrates the growth of companies, not just the absolute size of companies | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 20. Business leaders in the region treat entrepreneurs, start-ups, and new companies as full partners in all aspects of industry cooperation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| | |
|--|---|
| 21. If willing to be contacted about your views, please provide... | Name: Phone: <i>Email:</i> <i>Mailing Address:</i> |
|--|---|

Appendix B: Interview Protocol

I. Statement of General Project Purpose

- a. To assess the strengths and weaknesses of the regional innovation environment
- b. To develop insights and recommendation for how the region can improve conditions that support innovative firms and people
- c. To catalyze action to improve the regional innovation environment
- d. To benchmark against this same survey and interview that was taken 5 years ago

II. Interview Focus

- a. To develop a deeper understanding about the forces/institutions that helped and hindered the region in reaching its present state of development
- b. To assess how alliances and networks support and promote regional innovation
- c. To explore and confirm survey results regarding regional and cluster priorities for action

III. Target Audience

- a. University/research and development community
- b. Selected industry cluster leaders (balance of new and established companies)
- c. Venture capitalists/financiers
- d. Business service providers/advisors
- e. Business associations and economic development organizations

IV. Target Corporate Level

- a. Officers, senior management (special interest in Director of Research and Development, or person most involved with firm's innovation policy)

V. Target Number

- a. 20 interviews

VI. Distribution

- a. Two to four interviews in each audience category/subcategory of individuals that have participated and/or observed the evolution of the region's economy

VII. Length of Interview

- a. Approximately one hour