Management in Canada: a characterisation

This item was submitted to Loughborough University’s Institutional Repository by the/an author.

Additional Information:

- A Doctoral Thesis. Submitted in partial fulfilment of the requirements for the award of Doctor of Philosophy of Loughborough University.

Metadata Record: https://dspace.lboro.ac.uk/2134/10487

Publisher: © Dwight William Tanner

Please cite the published version.
This item was submitted to Loughborough University as a PhD thesis by the author and is made available in the Institutional Repository (https://dspace.lboro.ac.uk/) under the following Creative Commons Licence conditions.

For the full text of this licence, please go to: http://creativecommons.org/licenses/by-nc-nd/2.5/
Management in Canada: A Characterisation

By

Dwight William Tanner

A Doctoral Thesis
Submitted in partial fulfilment of the requirements for the award of

Ph.D. of the Loughborough University of Technology

1994

© by Dwight William Tanner 1994
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Acknowledgements</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Introduction: Research Goals and Organization</td>
<td>3</td>
</tr>
<tr>
<td>2. Review of the Literature</td>
<td>5</td>
</tr>
<tr>
<td>3. Methodology</td>
<td>19</td>
</tr>
<tr>
<td>4. The Economic Environment</td>
<td>28</td>
</tr>
<tr>
<td>5. The Social Environment</td>
<td>57</td>
</tr>
<tr>
<td>6. The Education of Canadian Managers</td>
<td>79</td>
</tr>
<tr>
<td>7. Canadian and American CEOs: A Comparison</td>
<td>108</td>
</tr>
<tr>
<td>8. Style: Not What You Do But How You Do It</td>
<td>124</td>
</tr>
<tr>
<td>9. Results of a Survey of Canadian Managers</td>
<td>145</td>
</tr>
<tr>
<td>Appendices</td>
<td></td>
</tr>
<tr>
<td>1. Cover Letter and Survey Questionnaire</td>
<td>181</td>
</tr>
<tr>
<td>2. Questionnaire Subject Address List</td>
<td>195</td>
</tr>
<tr>
<td>3. Tables</td>
<td>202</td>
</tr>
<tr>
<td>4. Graphs</td>
<td>222</td>
</tr>
<tr>
<td>10. The Labour Environment</td>
<td>237</td>
</tr>
<tr>
<td>11. Where Managers Work: A Profile of Canadian Companies</td>
<td>254</td>
</tr>
<tr>
<td>12. Summary</td>
<td>270</td>
</tr>
<tr>
<td>13. Sources Consulted</td>
<td>280</td>
</tr>
</tbody>
</table>
ACKNOWLEDGEMENTS

I would not have been able to complete this task without the help and understanding of friends, family, and advisors.

This project has required the time and assistance of the managers of the many Canadian companies who have made themselves available to complete questionnaires and sit through probing interviews. It is not possible to list all those who have participated in this way, although without them, the project would have been impossible.

My employer, Canada Post Corporation has provided me with financial aid, and time when it was needed, thereby enabling me to advance my research. In a less specific way, Canada Post has also given me the opportunity to work in a highly competitive and dynamic managerial environment, which has played a considerable role in my informal education.

When I first embarked on this project, Dr. John Wilson, Postgraduate Research Co-ordinator, put me in contact with Professor Peter Lawrence, and guided me through the early part of the admission process; both deeds for which I will be eternally grateful.

My first Director of Studies, Professor G. Gregory, was kind in taking me on, and most skilful at getting me through the necessary administrative hoops required before one can get on with one’s research.

If one is fortunate in life, they have the opportunity to meet a few extraordinary people, and Peter Lawrence, my thesis supervisor, is one of those people. When we began this project, I had what could best be described as limited research skills, and a project proposal of considerable scope. Peter took the liberty of providing endless amounts of guidance and encouragement, while making the task at hand pleasurable and personally enriching for me. Whenever I was tired he encouraged me, and when he felt more could be achieved, he offered insightful comments and suggestions.
on how to approach the material in a new and more productive manner. This has been a truly collaborative work and I would not have got through it without Peter’s help. On a less academic and more personal note, I feel that Peter has become a good friend, as well as an intellectual mentor.

On both emotional and practical levels, my wife Cindy has been of immeasurable assistance in the research. She has used her skill as a reference librarian to search numerous business databases for me, and her contacts to access seemingly inaccessible material. She has also been understanding when I was too busy doing research to have the car serviced, or paint the woodwork in the living-room. Without her support this project would not have been completed.
1. INTRODUCTION: RESEARCH GOALS AND ORGANIZATION

Canadian management, like most other things Canadian, shows definite signs of its cultural antecedents in Britain and France, and the proximity of Canada to the United States. It would be unrealistic to deny these influences, but it would be inaccurate to say that Canadian management is merely a product of the country’s past, or its current proximity to the United States.

Canadian management is a house which can be viewed from a variety of perspectives, and it is through familiarizing oneself with the front, back, and both sides, getting up on the roof, and then peering in through the windows that one develops a comprehensive view. No one single perspective, no matter how detailed, can offer a complete picture of what Canadian management is all about.

Canadian managers are often thought of by Europeans as being similar to their American counterparts, which is understandable considering the size of the United States’ economy compared to the Canadian economy. However, there are subtle, and not so subtle distinctions between management in the two societies, and it is my aim to capture and record the distinctions and to summarize them in a manner which allows one to see the unique characteristics of Canadian management.

My primary goal was to record and comment on the aspects of Canadian management which make it unique. This goal was approached in a variety of ways. For example, Chapters 4 and 5 detail the social and economic environment, past and present, which increases one’s understanding of the context that both influences Canadian managers, and in which they operate on a daily basis. In contrast to these macro level factors that influence Canadian management, a more detailed look was taken at the education of Canadian managers in Chapter 6, and the influences that education has on management style were discussed.

At a more personal level, the characteristics of
individual Canadian managers, and the corporate environment in which they operate, were probed in Chapters 8 and 9 in which the results of survey data and interviews with individual Canadian managers are presented.

A comparative study of chief executive officers in Canada and the United States is presented in Chapter 7, and the Canadian labour environment and its relationship to management is discussed in Chapter 10. Profiles of three representative companies are given in Chapter 12, which is the institutional environment in which most Canadian managers operate.

The last chapter summarizes the thematic material covered in the thesis. Key points are both restated and discussed in relation to each other. Tentative suggestions are also made on how both the management of individual institutions, and the overall economy, may be enhanced based on the material covered in the thesis.
2. REVIEW OF THE LITERATURE

In this chapter I will review the literature consulted in the preparation of the thesis. I will commence with a discussion of general and theoretical monographs on management. Then I will cover more specific works considered in the preparation of the thesis. At times I may comment on material read several years prior to commencing my research, but familiarity with diverse material is one of the small compensations one receives for greying hair and diminishing vision. In that regard, although Shakespeare's Hamlet and Dicken's Hard Times will not be cited, I do feel that what little ability I have in understanding human behaviour in an organizational setting has been enhanced by my earlier interest in literature. It is also important to note that little has been written specifically about Canadian management and its characteristics, which explains both the diverse nature of the sources cited and my approach to researching in this area.

Management: The Theoretical Background

Although it is not necessarily fashionable to cite Henri Fayol's General and Industrial Management¹ as being a prime source of management insight, the work still remains at the core of thinking behind many management textbooks, and therefore is a prime influence on the managers who have been trained using these textbooks. I still recall studying Ernest Dale's Management: Theory and Practice², and finding it easy to comprehend because it was partly based on Fayol's abstracting management work into concepts such as planning, organizing, coordinating, and controlling. Other books have since replaced Dale, but there is a whole generation of managers out in the field, practising their profession who think in terms of planning, organizing, directing, and controlling as discrete activities. In fact, in my other life
as a manager, I have often practised this reductionist approach, and have described complex mixed activities as if they were discrete simple activities. Then, after articulating a problem in the manner originally espoused by Fayol, I would approach the problem at hand in a more fragmented and less direct manner. I do not wish to diminish the work of Fayol, and all those who have followed him; it is just that managers and management are separate concepts. Fayol focused on the overall performance of institutions, and attempted to make sense out of what was happening. Fayol's work is essentially theoretical model building, and one must always remember that he was an engineer trained in nineteenth century France, and attempt to understand the implication those social and educational factors had on his work. We know that engineer's are applied scientists, and that high level mathematical and analytical skills are acquired in the training. We also know that Fayol was a mining engineer and a senior executive in that industry. Therefore, he had considerable experience in project management on a grand scale. His inclination to define and organize all the constituent parts of the firm, and to assume that they will interrelate like a finely tuned machine is understandable for an engineer who must have spent many years trying to ensure that the mixture of structural elements, pumps and engines that comprise a mine function flawlessly. When Fayol considered management, he must have considered the mine operation as indicative of all management environments, and the machine is his metaphor for the firm. If one considers the firm as a machine, all one has to do to make an institution run properly is to ensure that all the constituent parts are in the right place, well maintained, and operated according to Fayol's shop manual.

It would be difficult to manage a firm without overview structural knowledge such as Fayol has given us, but what about the constituent parts that run this institution - the people. At this point we move from theory to empiricism, as
practised by behavioural scientists.

One of the key works in this area is Rosemary Stewart's *Managers and their Jobs*.

In this work we have a social scientist analysing the diaries of a large representative sample of primarily British managers, and drawing conclusions about the work these managers perform on a daily basis. The research methods employed obviously had to be adapted somewhat to the environment, since one cannot treat middle and senior level managers as laboratory rats. Furthermore, since the environment in which managers work is constantly changing, one has to place this study in time. The study is now over twenty-five years old, and technological factors such as conference calls, facsimile machines, and microcomputer networks have entered the daily working lives of most managers. Having considered all these factors, I still feel that this is one of the most empirically sound and comprehensive studies of management work available to the researcher. Although Stewart's work indicates some deviation among managers based on their specific job, she also determined that most managers have little uninterrupted time, spent much of their day in meetings, are not inclined to write a large number of letters, and generally have a very busy and full schedule. For me, the most important observation is the one that is not made. Managers do not sit down for two hours in the morning to perform a task called planning, have coffee, then switch to a task called organizing for a separate two hour period. It is not that these functions are not performed, it is rather that a manager operates in a holistic manner that is often more reactive than proactive, and tends to do this on a continuous basis.

While Rosemary Stewart's work used a larger sample, and the outcomes were presented in a rigorous scientific manner supported by histograms, statistics, and comprehensive appendices, Henry Mintzberg covered similar ground using a different research method in *The Nature of Managerial Work*. 7
Mintzberg chose to use structured observation of five chief executive officers in an attempt to acquire a more detailed knowledge of what managers actually did during their working day. The study is both enlightening and limiting. Mintzberg spends a considerable part of his book discussing the research of others. However, the most useful parts of the book to me are Mintzberg’s own observations of minutiae, and insights into the working lives of the individuals observed. Although Mintzberg’s research methodology is sound, he is still forced to follow Fayol’s steps into theoretical model building when he states that the work of all managers can be categorized in ten observable roles. These roles are figurehead, liaison, leader, monitor, disseminator, spokesman, entrepreneur, disturbance handler, resource allocator, and negotiator. 

If one considers these to be the tasks that are carried out by Rosemary Stewart’s managers in their hectic round of meetings, conversations, and telephone calls, and then one assumes that these managers are working within Fayol’s overview structure defining how an institution works, then one has a more complete picture of management.

Although no one researcher has given us the complete picture of management, a useful short text that comes close is Peter Lawrence’s Management in Action. This work uses the technique of describing managers in the various work situations that exist in a firm, and indicating the types of activities carried out and decisions made by these managers on a regular basis. This approach works well because the examples given are realistic and the approach is holistic. It is a unique text because it has elements of both the case study approach where one is brought closer to actual practice, and the theoretical approach where one is given the intellectual underpinnings of current practice. This text was useful in piecing together the theoretical and empirical streams in management thought.
Comparative Management: Another Perspective

One of the important exclusions from the theoretical work of Fayol and more importantly, the behavioural work of Stewart and Mintzberg, is the cultural context. This was noted by Barsoux in his thesis "The Dynamics and Character of Management in France", which is similar in aims to my thesis on Canada, but of course focused on France. The work of scholars such as Fayol, Stewart, and Mintzberg, did not formally address the cultural context in which managers work. By deciding not to include cultural context as a factor in one's research one could argue that these researchers felt that all managers, wherever they worked in the world, operated in a universal manner. It was not a deliberate oversight, and one must draw the line somewhere in doing research or nothing will ever get done. I would argue that societies vary, and the extent to which a society has impact on its managers varies. The insights offered by Fayol, Stewart, Mintzberg, and their colleagues are valuable, though they are not absolutes. Management is more a matter of shades of grey than black and white, and it is in interpreting these shades of grey that studies in comparative management make their contribution.

Since there is no readily available handbook on the writing of comparative management studies, I approached the area by reading a number of works on the subject. The first book I read in the area was Peter Lawrence's Managers and Management in West Germany. This work focused on the unique characteristics of German management, and the way managers carried out their work, in West Germany. For a North American it is interesting to note the emphasis placed on production, and the relative lack of concern with slick marketing. This may be an obvious observation to those with a knowledge of both cultures, but to the uninformed it is an important insight. Furthermore, the concept of Technik, that amalgam of scientific knowledge and manufacturing expertise is totally
unknown in North America. That is probably why so many affluent North Americans who make their money marketing inferior products buy German luxury automobiles. Another major insight into German management is the relatively high level of education achieved by German managers, and the lack of business schools turning out M.B.A. graduates. This creates a very different human resource component in their economy, and raises many questions about the Canadian academic model which is an amalgam of French, British, and American educational systems, and the managers it produces.

Other books by Peter Lawrence that have been read and considered in my thesis include his studies of management in Sweden, France, Israel and the Netherlands. The common feature in all these monographs on comparative management is the way they use different techniques to achieve a common goal - an insight into the characteristics of management in the country being studied. In all cases Professor Lawrence went to the country being studied and spent a considerable amount of time talking to the managers who in effect set the tone of management in their countries. He used both observation and interviews to get a feel for the way these managers thought and worked. He then did extensive reading of the available literature on each country to define the social and economic environments in which the managers worked. Finally, he built his database of personal experience from book to book, so he was able to make cross-cultural observations that shed light on such factors as French formality versus Israeli informality in business meetings and in relations between fellow workers. Lawrence's use of a multi-disciplinary approach was useful model for me as a beginning practitioner of comparative management, since it indicated that there are numerous ways one can successfully determine and document the characteristics of management in a subject country, and that one must choose the approach that gets the job done.

In Pascale and Athos' The Art of Japanese Management, we
have yet another approach to comparative management. The authors are professors at large American business schools, and are both therefore viewing Japanese management from an American perspective. It is interesting that these American authors see Japanese management through documenting management practice in the large Japanese firm Matsushita, and comparing this to the major American firm ITT under the rule of Harold S. Geneen. In doing this Pascale and Athos are using a much more limited database than Lawrence commonly uses in his work, and they are also trying to use a distinctly American firm, ITT, to make the Japanese way of doing things more familiar to an American audience. In reading this book one learns as much about American management as they do about Japanese management. For example, Geneen is aggressive, and prone to the great man theory of history, with him being the great man. Any pretence of collegiality at his ITT is counterbalanced by the unstated fact that all his managers know Geneen operates under the view that "it is my way or the highway". The Japanese environment at Matsushita is quite different, and Konosuke Matsushita, Geneen’s counterpart, often allows his senior managers to learn by making mistakes. He is more inclined to nurture and coach than he is to sanction. From a theoretical perspective, it is interesting that Pascale and Athos appear to assume the American audience they are writing for needs to have an American example to better understand Japanese management. Lawrence also makes considerable use of examples, but when he talks about Dutch management he is as likely to use a German or Swedish example as he is to offer a British example. Furthermore, while Pascale and Athos stick rather closely in their discussion to the chief executive officers of the major Japanese and American companies they visit, Lawrence interviews a much wider cross-section of managers in his work, and often gets down on the shop floor with production managers. In the same way that management is culture bounded, management writers are
not immune to cultural conditioning. This probably explains the American inclination to emphasize key individuals and an American comparison, while Lawrence is interested in representative individuals and European or even international comparisons instead of using just British examples. If management has unique characteristics in different countries, then it is also likely that comparative management writers from different countries will approach their subject differently.

The Socio-Economic Background to Canadian Management

John Porter's *The Vertical Mosaic* is the major sociological work on the Canadian social structure. Although it was first published in 1965, it is still a core text for anyone interested in doing social science research on Canada. It was Porter who described Canada as having a social structure based on a belief in classlessness and then went on to document the existence of elites. The elites were probably unique to Canada, in that a British citizen would not consider journalists, politicians, businessmen, and labour leaders as all being members of different elites that could exercise power equivalent to members of the traditional British upper classes. Canadians still tend to consider themselves classless, but if one is a member of the elites described by Porter, one is more likely to acquire wealth and exercise power in Canada. The fact that Porter was able to document the Canadian social structure in a comprehensive way was of more than academic importance. His work was widely read and taught in universities and many of the policy-makers of the ideologically liberal federal and provincial governments were influenced by his work. Although he did not author the legislation that made post-secondary education widely available in Canada after the mid 1960s, his assertion that a vast human resource was being wasted by limiting access to
higher education was influential in the huge increases in educational funding. In effect, his work both documented his concerns and brought about policy changes to address them. Anyone who has walked the campuses of McGill University, the University of Toronto, or the University of British Columbia quickly realizes these are not institutions solely reserved for the children of elites, and their large enrolments of more than 20,000 each includes students from a wide range of socio-economic backgrounds. Furthermore, programmes are now being developed, such as the transition year programmes at Dalhousie University, to make post-secondary education available to members of disadvantaged minority groups such as the native population and the black community. Porter probably never conceived his work would have had these influences, but once Canadian society was made aware of social concerns of the disadvantaged, they attacked these problems with the same sort of self-righteous zeal they presently exhibit in pursuing smokers on airplanes and in public buildings! Porter also made the country accepting of using social science based research as a tool for problem identification and policy development. There is nothing Canadians like more than reading the results of a report indicating educational attainment levels are unacceptably low, emergency hospital service is inadequate in rural areas, or that the current economic policy of restructuring the economy is causing job losses in manufacturing. If it were not for Porter’s The Vertical Mosaic which by 1989 had gone through sixteen printings, the country would probably not have evolved with its current strong focus on social issues.

There is no single economic or business history that has been as influential as Porter’s The Vertical Mosaic, but several key works have been considered in writing the thesis. Marr and Patterson’s Canada: An Economic History is a current standard in Canada, and readers with some familiarity with the language of economics will find it highly useful. The book
attempts to be factual and straightforward in its presentation. A liberal use of charts, graphs, and astute economic analysis of the data makes it an indispensable source for an overview of the Canadian economy and its evolution from the first white colonisation of North America to the present.

In Michael Bliss' recent *Northern Enterprise: Five Centuries of Canadian Business* one has an excellent history of Canadian business. Since Bliss is more interested in being thorough than being quick, the work is massive and comprehensive. While Marr and Patterson focused on the overall economic factors of Canadian history, Bliss deals with the people, companies, and politics of Canada's business history. He breathes life into the charts and graphs of the economic historians. His work is not that of the popularizer, rather it is the work of a noted scholar writing in a style accessible to both general and academic audiences. It would be impossible to understand the environment which has evolved over the years, and which has both formed, and continues to influence Canadian managers without approaching the subject from a variety of perspectives. Bliss links human personality, corporate structure, political influences and the constant desire for expansion and growth in his history of Canadian business.

A large number of articles and statistical sources were also used to support and elaborate on the work of Marr and Patterson, Porter, and Bliss. Perhaps the most valuable source was the federal government department known as Statistics Canada. Not only does this department provide endless census, economic, educational, and other data, but it also publishes analytical monographs and journals that are a rich source for the researcher. It is often said that "Stats Can", as it is lovingly known by Canadian researchers, is the best national statistical agency in the world. I have not had the opportunity to sample the offerings of other countries' statistical agencies, but I do know that the virtual river of
data provided by Statistics Canada, and its predecessor the Dominion Bureau of Statistics, runs both swift and deep.

**Other Sources: Journals, Newspapers, and Monographs**

Although the academic literature on Canadian management is not vast, articles that apply to particular facets of my thesis can be found spread across the literature of the humanities and social sciences. The journal "Canadian Social Trends" was an excellent source of background material for the chapters on education and the social environment. Articles were also found in other journals that either illuminated a point, or at times expanded into something larger. These articles were found in journals as diverse as the academic "Business Quarterly" published by the University of Western Ontario’s Business School, and the more popular monthly publication "Canadian Business". The academic writing on business in Canada tends to be management function or specialty driven (e.g. planning or accounting), and one has to draw conclusions based on material intended for a different audience if one wishes to make comparative comments on the nature of Canadian management using the academic literature. The popular press is a different matter, and although the material usually lacks the methodological rigour of the academic press, it offers material that can be used to increase one’s insight into the characteristics of Canadian management.

The personalities of senior executives, past and present, who have formed the Canadian managerial landscape people the pages of Peter C. Newman’s popular business books. The highly readable books of Newman’s two volume collection, *The Canadian Establishment* indulge in a touch of hyperbole and hagiography in detailing the lives and feats of the business elite. However, there is more to be learned here than how many homes and pink cadillacs a particular industrial magnate acquired.
One also discovers the type of industries that have been successful in Canada, and the managerial and personal style of those who have owned and operated the country's vast industrial and financial empires. For example, while many American business heroes have been industrialists such as Henry Ford and Thomas Edison, Canada has produced investment bankers and financial wizards such as Izaak Walton Killim of Royal Securities and E.P. Taylor of Argus Corporation. Both these men knew a balance sheet better than a shop floor, and how to control a shop floor profitably from decisions made based on a set of financial statements. Material of this nature will never find its way between the covers of the "Business Quarterly", but it is worthy of consideration and analysis.

The personalities of workers, middle managers, senior managers and labour leaders are detailed in the more popular press. Canada is well served by the daily business section of "The Globe & Mail" newspaper, the recent daily edition of the "The Financial Post" newspaper, and the weekly editions of the "The Financial Post" and "The Financial Times" newspapers. These are all Canadian based and focused newspapers written by Canadians for a national business audience. These newspapers form a major part of the reading of Canada's business community, and therefore it both records what the readers do, and influences what they do. It is a closed somewhat limiting loop, both forming and informing, but it is the information loop that the country's business and managerial elite use as at least a partial basis for much of their decision-making. This is particularly evident when one sees business people in airports quickly scanning and throwing away the main part of "The Globe & Mail", but separating the business section and putting it in their briefcases for further close study. Therefore, one can acquire further insights into the behaviour of the business class through reading their press.
Conclusion

The works noted and discussed in this chapter were representative of the material consulted in the writing of the thesis. The key material for the production of this thesis were the comparative management studies which were used as models for my research on the characteristics of Canadian management. Lawrence was the most important source for me because of the quality of his work and the number of works he has either authored or co-authored in the area of comparative management. The background work of Fayol, Mintzberg, and Stewart gave me an underlying structure on which to graft my reading in comparative management. Since the focus of my research is management in Canada, the work of Porter, Bliss, and others gave me a cultural context in which to pursue my study of Canadian management. What the literature review does not include is a rich literature on the characteristics of Canadian management, because it does not exist. That has made my research more difficult since I have had to look farther afield and do more analysis, but it does make the thesis worth doing, since it is breaking new ground.
NOTES


5Ibid., 96.


8Peter Lawrence, Managers and Management in West Germany, (London: Croom Helm, 1980).


10John Porter, The Vertical Mosaic, (Toronto: The University of Toronto Press, 1965).

11W.L. Marr & Donald G. Patterson, Canada: An Economic History, (Toronto: Gage Publishing Co., 1980).

3. METHODOLOGY

If one considers the complex relationship between what one wishes to do, and how one can set about doing it, then one can better understand the problem I was faced with when approaching my thesis topic. I was interested in acquiring as much information as possible about Canadian management, both past and present, then fitting my material into a format that was both manageable and met my underlying goal of increasing a reader’s understanding of the unique characteristics of Canadian management.

Needless to say, the traditional scientific approach of developing an hypothesis and testing it was not suitable to a topic as large as mine, nor one where the aim was to build up a picture of the activity under discussion rather than to prove or disprove propositions about it. I eventually came to the realization that my thesis methodology was going to be defined by my topic, instead of trying to scale down and adjust my topic to fit a methodology. Furthermore, since I was trying to capture a "will of the wisp" in characterizing something as large as Canadian management, I eventually came to the realization that no single method would meet all my needs.

My approach had to consider the past, since management characteristics are influenced by past as well as present social, economic, political, geographical, and historical factors. I also had to take into account the corporate environment in which managers work, the main industries that employ managers, and finally, the managers themselves. This was all too much to fit into one, or even two working hypotheses. Furthermore, I also wanted to make some tentative comments on how Canada might become more successful economically, based on observations made in the thesis. The following details the main ways I approached the task at hand - characterising Canadian management.
The Descriptive Method

My first concern was to lay a foundation on which to build. I started by reading widely in my area of interest, and taking copious notes. This was then distilled down into a tentative outline which I discussed with my thesis advisor, Professor Lawrence. Over a period of time the outline was culled, and with the assistance of his experience, a tentative outline was agreed upon, and research started on the major background chapters on the social environment and economic environment.

This led me to read both primary and secondary sources, and to interpret the material in a way that would help clarify the socio-economic background that both formed Canadian managers, and in which they were presently operating. The available material was extensive, and had to be chosen judiciously to ensure an accurate and objective presentation of Canada's past socio-economic environment as it related to current Canadian management. This led to considerable revision to ensure focus on my topic, and the inclusion of pertinent historical facts as well as commentary on more recent events where it was appropriate. Patterns of social and economic development were commented on as they pertained to the task of characterising Canadian management.

A similar historical-descriptive research technique was used in other chapters including those on the education of Canadian managers and the Canadian labour environment.

Surveying the Canadian Managerial Environment

A questionnaire was used to acquire accurate data on a wide variety of issues that are culturally distinguishing in the lives of managers, from a relatively large and representative sample of Canadian managers. It was decided that an open-ended approach that adapted the survey method to
meet the requirements of the thesis was the best approach. This section is based on the more detailed discussion of the methodology used in my mailed survey questionnaire contained in chapter 7. The data from the returned questionnaires was used to produce tables and graphs for analysis purposes. The results of the analysis also included extensive commentary on the relevant similarities and differences between management in Canada and management in other countries. The literature of comparative management was used to support the commentary.

The survey questionnaire used a combination of techniques to probe a variety of areas including semantic differential questions, factual questions, and open-ended questions requiring a short written response. It is difficult to pinpoint precisely the target population, Canadian managers, and it is even more difficult to identify a statistically significant sample of this population. To address the matter of sampling the population, questionnaires were sent to companies in provinces in approximate proportion to their population. This insured that no part of the country, whether it be British Columbia or Quebec, was either under or over represented in the survey. The survey was sent to companies in industries in proportion to the relative value each industrial sector represented to the Canadian economy. This ensured that the survey captured the opinion of specific industries based on their relative economic importance in Canada.

The companies selected for contact were chosen from a variety of sources and included major publicly traded companies from across the country. The actual individual contacted in each company was a high ranking officer (e.g. Chief Executive Officer, Chairman of Board of Directors, President, Chief Financial Officer, etc.) The names and addresses of these people were more accessible than that of more junior managers, and it was also felt they would have more extensive experience on which to base their judgements. There were obviously several value judgements made in the
distribution of the questionnaire. For example, a company may have its head office in Toronto, but its main operations could take place in one, or several other provinces. A prime example of this would be the banks which have their head offices in Toronto or Montreal, but operate throughout the country. This is further complicated by conglomerates which operate in all provinces, and in several different sectors of the economy. However, every reasonable attempt possible was made to ensure that the sample was chosen in a manner that was representative of both the Canadian population, and of the Canadian economy. The covering letter also indicated that if the recipient of the questionnaire was unable to complete and return it, it would be appreciated if the task could be completed by other members of their corporation. This tends to work better when a request is sent to a senior person, since a task delegated by a Chief Executive Officer is more likely to get completed than a similar task delegated by a junior member of the organization. This stratagem was found to be effective, and several handwritten notes were found on the returned documents indicating that a vice-president had been delegated the task by a President, and then duly complied with the request.

A sample size of 200 hundred was decided on in an attempt to get a response from a senior manager who was deemed to be representative from as many companies as possible. The questionnaire was prepared with self-addressed stamped envelopes included in each package, and posted between August 28, 1990 and August 30, 1990. The total number of people that responded, which in this case means either returned a completed questionnaire, or contacted me to indicate they were not going to complete the questionnaire, was 33.5%. These responses included 15 written replies ranging from hand-written notes to formal letters on corporate stationary, and one telephone call, all indicating that the recipients of the questionnaire would not participate in the study. The fact that 16 out of 200 corporate senior managers contacted felt
that it was necessary to contact the researcher advising they would not participate in the study is of considerable interest in itself. It seems that several people were already committed to completing other studies, and others felt that it was not desirable to answer the type of questions being asked since they felt the information was of a confidential nature. The most forthright statements of refusal were made by the senior representatives of closely held or family owned companies in which one can assume that the chief executive officer also controlled a majority equity position. In this case one can afford to pay less attention to public opinion, than a professional manager who holds a position based on the good graces of a board of directors. It is possible to conjecture that most of those who contacted the researcher to indicate they were not going to complete the questionnaire were actually being very polite and were interested in how their company was perceived, and did not just want to toss the questionnaire away. These managers were obviously interested in their company’s image, and felt it necessary to at least acknowledge the request.

Of the responses received, 51 were either fully or substantially completed. This is 25.5% of the sample population and is comparable to the survey response for mail surveys using similar methodology, but in which the questionnaire was less than half the length of the one used in this study. Other similar survey research was reviewed, and the results indicate that the response rate was acceptable for the nature and scope of the research.

The actual pattern of response was consistent with what one might expect of a mail survey. The major number of returns came in the second and third weeks after the initial posting, and then it trailed off with a gradual decline until the last response came in eleven weeks after the initial posting. This indicates that most of those who planned to complete and return the questionnaire did so shortly after receiving it,
and then the response rate trailed off considerably. Like most people, the recipients probably felt a greater need to complete the questionnaire when it first arrived, but as time passed and the questionnaire sank in their "in-basket", its urgency obviously diminished.

The mailed survey questionnaire technique was a means of accessing information from a wide variety of highly placed and influential Canadian managers, that would not have been otherwise accessible. Furthermore, the extensive nature of the questionnaire, made it a major source of material for review and analysis.

The Interview

Although research into background materials of historical and socio-economic significance is valuable, and surveys give one a good overview of the characteristics of Canadian management, one inevitably has to get out and talk to the primary source - the Canadian manager. They are relatively accessible, the country is filled with them, and being Canadians they are also willing to be interviewed by someone who has not been formally introduced!

Before starting with formal interviews, I developed an interview outline form for taking notes during the process and then had it reviewed by my thesis advisor. He made suggestions that improved the format, and then I did several test interviews with managers to determine whether or not the outcomes were acceptable. I sent copies of several of my interviews to Professor Lawrence for comments, and after they reached a point that we both felt comfortable with, I set about doing interviews with a broad a sample of Canadian managers. I should add that my work experience has brought me into contact with companies from across Canada. Although I did not document all my previous meetings with managers, I have made use of the knowledge of corporate Canada acquired during
my career as a means of choosing appropriate representative managers to interview. For example, accountants and management consultants at the partner level with large national firms were interviewed because they had an overview perspective that few other managers have. French Canadian managers were included because they are representative of a significant cultural minority. I also interviewed managers from production, marketing, and public relations; all areas that help give one a more rounded view of how Canadian managers function in their environment.

The rules for holding an effective interview are similar to those that apply when one is being considered for a job. These include dress in a businesslike manner, research the company that employs the person you are interviewing, show up a few minutes early, and try to make some observations about the physical environment and support staff, and be prepared to start asking questions when the appropriate time arises but wait until the interview subject indicates they wish to dispense with the formalities.

I tend to start my interviews with a few easy questions that put the subject at ease, and offer encouragement when it seems appropriate. The format includes questions on the nature of the subject’s company and his position in the company. During the question period I take notes that will be amended and transcribed later. Since one wishes to get more than surface generalities, it is often necessary to ask about critical incidents and how they are resolved in the subject’s company. These can be probed with hypothetical questions that stretch points but offer insight into the individual’s underlying system of values. The questions asked tend to vary with each interview, since I consider it more important to learn about the subject, their company, and the characteristics of the two that make them unique than slavishly following a format that does not lead to new insights on the way Canadian managers think and operate.
In the same way that I start the interviews with a few easy questions, I attempt to close on a positive note with several non-contentious questions that allows the subject to feel comfortable and in control. After the interview is complete, I review my notes, and recopy them and amend them as required. It is often interesting to consider the interview results in light of the outcomes of my survey questionnaire. There tends to be a strong qualitative correlation between the interview results and the survey questionnaire results, indicating a high level of cohesiveness in the psychological make-up of Canadian managers.

In instances where it was deemed appropriate, the interview subjects were sent letters after the interview thanking them for their cooperation and occasionally commenting on a question they might have raised at the interview. The response to questions was both a matter of courtesy in responding to a legitimate query the researcher might shed light on, and a way of maintaining good long term relations for possible future research projects.

Conclusion

My research methodology used all the techniques described in this chapter, but my choice of research methods had an organic quality that goes beyond the boundaries of traditional research methods. I did not know at the beginning of my research exactly what my specific goal was or how I was going to achieve it. The production of the thesis was more systemic than linear, in that all the parts were interrelated and as I finished one task, the plan for the next chapter was adjusted to coincide with work completed to date. This grew increasingly complicated as I completed more of thesis, since I was regularly reconsidering all of the previously finished material in an attempt to ensure that I produced work that was both accurate and added to the knowledge of the nature of
Canadian management. When I finally got to the end of the core of the thesis I then took my notes and documented the techniques used to produce the thesis. While this chapter accurately describes the research methods used, the actual writing of the thesis presented practical research problems that necessitated adjustments or changes in approach from my original plan of attack. This was the reality of my research, and the experience was both an enlightening and challenging process. Furthermore, this thesis will provide the basis for further research into Canadian management of both a qualitative and empirical nature.
4. The Economic Environment

All managers work within the constraints of their economic environment, and Canadian managers are not an exception. Furthermore, the current economic environment cannot be fully understood without some knowledge of the past from which the present evolved; and I will endeavour to detail this environment, both past and present.

Physical Evolution

In British terms, Canada is a relative newcomer to nationhood status, with its formal beginnings in the British North America Act of 1867. Furthermore, Canada at that time did not include all the areas that presently constitute the country. In fact, the latest addition to the federation was Newfoundland which only gave up its colonial status to join Canada in 1949. The table below indicates some of the key dates in the evolution of Canada:

<table>
<thead>
<tr>
<th>Area</th>
<th>Current Name</th>
<th>Date Entered Confederation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Canada</td>
<td>Ontario</td>
<td>1867</td>
</tr>
<tr>
<td>Lower Canada</td>
<td>Quebec</td>
<td>1867</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>Nova Scotia</td>
<td>1867</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>New Brunswick</td>
<td>1867</td>
</tr>
<tr>
<td>Manitoba</td>
<td>Manitoba</td>
<td>1870</td>
</tr>
<tr>
<td>British Columbia</td>
<td>British Columbia</td>
<td>1871</td>
</tr>
<tr>
<td>Prince Edward</td>
<td>Prince Edward</td>
<td>1873</td>
</tr>
<tr>
<td>Island</td>
<td>Island</td>
<td></td>
</tr>
<tr>
<td>District of Keewatin</td>
<td>Part of Manitoba &amp; North West Territories</td>
<td>1876</td>
</tr>
<tr>
<td>Arctic</td>
<td>Northwest Territories</td>
<td>1880</td>
</tr>
<tr>
<td>Archipelago</td>
<td>Territories</td>
<td></td>
</tr>
<tr>
<td>Districts of Athabaska &amp; Alberta</td>
<td>Mainly Alberta</td>
<td>1882</td>
</tr>
<tr>
<td>Districts of Assiniboia &amp; Saskatchewan</td>
<td>Mainly Saskatchewan</td>
<td>1882</td>
</tr>
</tbody>
</table>
British Columbia -Alaska border dispute resolved
Newfoundland admitted to confederation

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1903</td>
<td>British Columbia -Alaska border dispute resolved</td>
</tr>
<tr>
<td>1949</td>
<td>Newfoundland admitted to confederation</td>
</tr>
</tbody>
</table>

The above information is not definitive, since borders often were adjusted when districts became provinces, and much of the land was uninhabited and the boundaries were in actual fact abstract concepts on a map constructed for politicians who had never seen the places under discussion. However, it is evident that Canada did not spring forth upon the scene full-blown, but evolved politically. The obvious point to note from a managerial perspective, is that the natural physical resources to be managed within the nation were expanding from the time of confederation in 1867 to the year 1949 when the last province, Newfoundland, joined the federation.

A Colonial Beginning

What we now call Canada was a part of North America, then inhabited by various native communities, and exploited economically at an ever-increasing level after about 1500 A.D. The earliest visitors were mainly interested in harvesting the rich natural resources that could be easily transported back to Europe and sold at a profit.

The most obvious and easily accessible resource that European explorers and businessmen discovered in North America to exploit was the North Atlantic fishery. Even to this day one can visit rural Newfoundland outports such as Catalina or Bonavista, and see Portuguese trawlers tied up at the docks taking on provisions. This has lead to a certain amount of inter-marriage and results in Portuguese trawlermen who have visited the island for many years speaking English with a distinctive Newfoundland Irish accent. This early settlement
was mainly coastal, but it set the pattern of future economic development. The early Canadian managers therefore were either traders, natural resource extractors, or some combination of the two.

As noted by Easterbrook and Aitken, the second major colonial industry was the fur trade. They have also pointed to the distinction between the organization of the fishery as an industry and the organizational requirements of the fur trade. The fishery was characterized by the fact that the smallest viable economic unit was a vessel, since it could transport a workforce, harvest a resource, process the resource, and take the finished product back to the European market for sale. This was a relatively simple process in managerial terms, and each ship was in itself a rough approximation of a small self-contained factory. The capital cost was low, and therefore, many individual economic units could participate in the industry. This was a considerable contrast to the fur trade:

The fur trade was characteristically a continental activity, requiring large-scale organization for the conduct of trade over long distances by the means of extensive transportation systems. It could be carried on successfully only by large enterprises with ample supplies of working capital and elaborate marketing connections.

This stage of economic development required an altogether different set of managerial skills. The skills required by the fishing industry which were mainly those of directing a small self-contained staff and managing a relatively simple production structure were not adequate to the task at hand. Planning and co-ordination skills of a high level were needed to set up a trading and supply network that eventually spread across a continent, and managed to trade European beads and muskets in what is now the middle of Canada for beaver, fox, and wolf pelts which eventually became clothing for wealthy Europeans. This was an example of the complexity of the task
at hand dictating the organizational and managerial solution to the problem.

Furthermore, the fur trade spawned such early large resource management companies as The North West Company and the world famous Hudson's Bay Company. These organizations were European in managerial staff, but the exigencies of the tasks at hand bred a style that was both highly decentralized in location because of the great distances, yet relatively consistent in operational procedures. This allowed the companies to maintain their corporate identities, and yet not have the suppliers of furs and users of the European Trade goods lose faith in the companies. These companies are not unlike the present Canadian branch banks which are also centralized in control, but highly decentralized in their locations throughout the country. The analogy can be extended if one considers that the goal of the fur trading companies was to extract valuable furs from the country, and the goal of the banks is to extract valuable capital as deposit takers from the same rural areas. This centralized organizational structure with a network of geographically dispersed offices or stores seems to be a highly efficient way to manage in the Canadian environment. It is a case of geography imposing organizational structure.

The fur trade was joined by yet another staple product being harvested and transported to the European market - timber. Between 1800 and 1820, pre-national Canada, which was then known as British North America, increased its market share of timber imports into Britain from 1% to 81% of the market. The magnitude of growth of this industry was considerable, and it complemented the fur trade as an export industry. The products were mainly exported in a raw state with timber and lumber being the most common products. However, masts and spars were prepared for the Royal Navy, and barrel staves were produced for the West Indies market. None of these products required a high value labour component prior
to shipping to market. If the input of skilled artisans was required prior to end use, as would be the case in the manufacturer of furniture, this component to the production process was added in the home market. This made the timber trade in most instances a much less complex business than the fur trade, since most of the timber was harvested near the coast in the present-day provinces of New Brunswick and Nova Scotia. The cutting of timber was not a highly skilled activity, there were ready markets, and the most difficult aspect of the business was the shipping. Furthermore, it is a relatively homogenous product, so if one wished to set up one's own small business cutting, or buying and shipping timber to Europe, it was not as difficult an industry to enter as the fur trade. The ability of smaller and less managerially-sophisticated economic units to enter the timber trade probably explained why the industry was able to expand so quickly to meet Britain's demands between 1800 and 1820.

Agricultural products comprised the fourth major group of exports during the colonial period. They followed the fishery, fur, and timber trades in their genesis for obvious reasons. The fishery was not land based, so until settlement reached at least minimal permanent population levels it was not possible to produce agricultural products. The fur trade necessitated the development of a rudimentary infrastructure of routes, if not always roads for transport, and communication links between embryonic communities. These small communities developed during the growth of the fur trade and the timber trade cleared land which could then be used for agricultural purposes. Agricultural production was not managerially complex, and it operated with the family being the common unit of economic production. This required little in the way of organizational structure at the production level, and the distribution system of middlemen and shippers was already in place from the fur and timber trades. The aggregate economic output of the colony prior to Confederation bears
EXPORT TABLE
(a percentage of total) 1851 1860

EXPORTS:

<table>
<thead>
<tr>
<th>Category</th>
<th>1851</th>
<th>1860</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural Products</td>
<td>23.5%</td>
<td>38.1%</td>
</tr>
<tr>
<td>Animals, Fish &amp; Their Products</td>
<td>11.8%</td>
<td>19.0%</td>
</tr>
<tr>
<td>Wood, Wood products &amp; Paper</td>
<td>52.9%</td>
<td>33.3%</td>
</tr>
<tr>
<td>Non-ferrous Metals</td>
<td>--</td>
<td>2.4%</td>
</tr>
<tr>
<td>Non-metallic Minerals</td>
<td>--</td>
<td>2.4%</td>
</tr>
<tr>
<td>Others</td>
<td>11.8%</td>
<td>4.8%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The above table is an extract of data prepared by Marr and Paterson. It is evident that Canada prior to confederation was primarily an exporter of renewable natural resources. The three economic categories of animal (fish & fur), agricultural, and wood products comprised 88.2% of exports in 1851 and 90.4% of exports in 1860, a period when Britain was in the middle of its industrial revolution. Simply put, approximately nine-tenths of all colonial exports came from three renewable resource sectors. Furthermore, by the year 1960, these sectors were still responsible for over 60% of Canadian exports. Although the actual products being exported in 1960 were different from those that had been exported a century ago, the country's capacity to produce renewable economic resources in these categories still dictated the areas of economic activity that could be successful.

Confederation and the Railways

From an organizational perspective, confederation was similar to centralizing managerial control. Where there had been an absentee owner in Britain, and a variety of local individuals of equal authority representing the owner in the
role of provincial premiers, there was now an on-site owner in the new federal government. This new owner, and its first Prime Minister, Sir John A. MacDonald, were intent on expansion. The government began with a toehold of four provinces on the new continent, and wanted to gain control of as much of North America as they possibly could. Like businessmen, it was not so much that they knew what they wanted to do with the land they coveted, it was just the desire to control it. These were not reflective men, they were men of action. The policy which they were to follow had been formulated in the years prior to confederation:

The construction of canals and early railways underlined the decision to avoid continental integration with the United States. The general strategy is clear in expansionist policies designed to integrate British North American possessions and to strengthen the British connection.  

It is evident that Canada wanted to avoid becoming a part of the United States, and that it decided to pursue its own destiny instead of adopting the American one. This destiny was based on a physical expansion similar to the fur trade's spreading its network across the nation. The new government decided that it needed a network to tie its planned empire together. It chose the railway as a symbol of unity because it would run from sea to sea, and it anticipated growth based on the inevitable opening up of land and resources for development. One of the major unanticipated aspects of the building of railways across Canada, was the creation of a market for the manufactured products required to complete a large scale capital project of this nature. It unintentionally became an instrument to stimulate growth in the manufacturing sector.  

It was also an instance where a major capital project fostered by the federal government was used as a means of stimulating economic growth. The managerial skills required to do a project of the magnitude of a national railroad exceeded even the skill level required to manage the fur trade. A
certain amount of audacity was also required on the part of this management, since they really had no idea what they were attempting to do would cost or how long it would take. The Canadian people then, as now, responded with both scepticism, and the general belief that the project would be successfully completed. Large scale capital projects joint-ventured between government and the private sector have been common in Canada since the time of the railways.

The railway was a victory of the business-government liaisons common to Canadian economic life. The government set the agenda - build a transcontinental railroad - and it was William Van Horne and George Stephen who delivered the project and created what is now one of Canada's great companies, The Canadian Pacific Railroad Company (known as the CPR). The CPR is now a conglomerate with transportation, real estate, mineral extraction, and other interests, but it started out as a railroad. George Stephen was the financier but the man that Canadians remember as the builder of the CPR is the flamboyant Sir William Van Horne. Like many successful Canadians, he was not native born, he was an Illinois born American. Van Horne had entered the railway business at the age of fourteen, and within fifteen years was the general superintendent of the Chicago, Milwaukee and St. Paul Railroad. This flamboyant businessman exhibited many of the traits of the successful autodidact, he competed using knowledge of construction and the railway business he had acquired through many years of experience, he worked longer days and pushed himself and others harder than anyone else, and he was born clever. An incident in Peter C. Newman's The Canadian Establishment captures the essence of the man:

Another favourite was his cigar prank. A firm of cut-rate tobacconists had capitalized on his fame by calling a five-cent brand the "Van Horne". He ordered hundreds of the leafy horrors, removed their bands, mixed them in his humidor with expensive perfectos [premium cigars], and
then palmed them off on his guests. His visitors, wishing to acknowledge his reputation as a connoisseur, would inhale the tarry fumes and exclaim: "Ah, Sir William, what a delightful aroma!" They could only smile icily at Van Horne's crude guffaw, which followed his explanation. He once hired a man simply because he butted one of the dud cigars and said: "How much does the stable boy charge you for these things?".

The passage indicates several of the traits that allowed Van Horne to be an effective businessman. He was obviously not pompous and impressed by reputation, but he was fully aware of the fact that many others were impressed more by a man's reputation and the supposed quality of his cigars than whether or not it was a good smoke. He also hired the man who both knew that the cigar he was smoking was inferior, and had the nerve to tell a man of Van Horne's reputation that the cigar was bad. To put it simply, Van Horne was smart, an outsider to the accepted cultural values which gave him perspective, and able to identify things of true value. It was this mix of traits that allowed Van Horne to overcome numerous construction and financial adversities to complete the transcontinental railway.

Although the new government had promised a railway to the Pacific shortly after Confederation, it was over fifteen years later in May of 1886 that the first train ran from Montreal to Vancouver. This effectively linked the transportation systems in the east, including the St. Lawrence Seaway, with the west coast of the nation. At this point the entire nation had a system capable of shipping the natural resources lovingly referred to as staples, by a generation of Canadians.

Manufacturing For The Domestic Market

In Canada, manufacturing has been influenced by the relatively small size of the domestic market. However, transportation systems were more limited, and tariff barriers
were imposed which allowed Canadian manufacturers to develop and thrive at least in meeting the needs of the home market during the eighteenth and nineteenth centuries. The following table indicates Canadian manufacturers capacity to supply the domestic market:

<table>
<thead>
<tr>
<th>Industries</th>
<th>Value of Production ($000s)</th>
<th>Production as a Percentage of domestic consumption and exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural Machinery</td>
<td>2,685</td>
<td>95%</td>
</tr>
<tr>
<td>Boots and shoes</td>
<td>16,134</td>
<td>99%</td>
</tr>
<tr>
<td>Brewery Products</td>
<td>2,141</td>
<td>95%</td>
</tr>
<tr>
<td>Furniture</td>
<td>3,581</td>
<td>97%</td>
</tr>
<tr>
<td>Carriages</td>
<td>4,849</td>
<td>99%</td>
</tr>
<tr>
<td>Cheese</td>
<td>1,602</td>
<td>99%</td>
</tr>
<tr>
<td>Cottons, denims</td>
<td>782</td>
<td>24%</td>
</tr>
<tr>
<td>Distillery Products</td>
<td>4,093</td>
<td>97%</td>
</tr>
<tr>
<td>Flour &amp; Meal</td>
<td>39,136</td>
<td>94%</td>
</tr>
<tr>
<td>Glass</td>
<td>293</td>
<td>65%</td>
</tr>
<tr>
<td>Foundry Products</td>
<td>893</td>
<td>79%</td>
</tr>
<tr>
<td>Machine Manufacturers</td>
<td>7,326</td>
<td>93%</td>
</tr>
<tr>
<td>Meats</td>
<td>3,800</td>
<td>88%</td>
</tr>
<tr>
<td>Oil (coal, kerosene)</td>
<td>3,095</td>
<td>99%</td>
</tr>
<tr>
<td>Paper</td>
<td>1,072</td>
<td>82%</td>
</tr>
<tr>
<td>Rope, twine</td>
<td>770</td>
<td>95%</td>
</tr>
<tr>
<td>Saddlery, harness</td>
<td>2,465</td>
<td>95%</td>
</tr>
<tr>
<td>Soap, Candles</td>
<td>1,324</td>
<td>95%</td>
</tr>
<tr>
<td>Stone and Marble</td>
<td>1,088</td>
<td>97%</td>
</tr>
<tr>
<td>Sugar</td>
<td>4,133</td>
<td>60%</td>
</tr>
<tr>
<td>Tanneries (leather)</td>
<td>9,185</td>
<td>91%</td>
</tr>
<tr>
<td>Tobacco</td>
<td>2,435</td>
<td>98%</td>
</tr>
<tr>
<td>Woollens</td>
<td>5,508</td>
<td>85%</td>
</tr>
<tr>
<td>Earthenware</td>
<td>331</td>
<td>39%</td>
</tr>
</tbody>
</table>

The above information indicates that by 1871, shortly after Confederation, Canada's manufacturers were filling most of the domestic demand for goods. If one scans the table, it becomes apparent that in 16 of the 24 categories, Canada was producing
90% or more of the goods being consumed domestically. Furthermore, the four largest categories of manufacturers - flour and meal, boots and shoes, tanneries (leather), and machine manufacturers - all exceeded 91% value in domestic production. The natural advantage of the domestic producers in these categories was that the raw materials used in production were locally available (eg. wheat for flour & leather for tanning and shoes), or that the machine manufacturers would have been able to customize their products for the local end-user. All domestic manufacturers had advantages of lower transportation costs and tariffs being imposed on imported goods. If one considers the tariff barrier as a factor, it becomes evident that goods that came from Britain (eg. earthenware, woollens, and glass) received preferential tariff treatment, and thereby competed successfully in the Canadian domestic market.

It is often easier to understand summary data if one views a representative example from the data. Therefore, I will present the example of the Molson company and its genesis. The founder of the present Molson Companies Ltd., was John Molson, "an eighteen-year-old orphan from Lincolnshire, skilled in no particular trade," who arrived in Montreal in 1782 with a small inheritance and ambition. He entered the brewing trade on the assumption that among the thirsty locals there was a market for ale, and that due to its weight and perishable nature it was an expensive product to import. The demand exceeded supply and the main problem faced by the fledgling company were those of producing enough ale to keep up with the drinkers. Other breweries appeared on the scene, and by the 1820s the Molson Co. was already branching out into the distilling of alcohol. The company continued to expand, and today the Molson Co. is listed at number 57 in The Financial Post's list of the 500 largest Canadian companies, measured by operating revenue. The company is the fourth largest brewer in the country, and it is still 38% owned by the family and its
estate. However, Molson’s has been surpassed in the brewery business by more aggressive firms such as John LaBatt Ltd., a widely held public company.

Awareness of the competitive advantage of being at a considerable distance from one’s potential competitors, and having a captive local market, were often exploited by the early captains of Canadian industry. The Molsons were not unique in this, merely representative.

Immigration and the Wheat Boom

The development of the railway was not a unique activity that was taking place to the exclusion of other changes that would enhance Canada’s wealth-producing capacity. In the period of growth after Confederation, up to the Great Depression which was heralded on the world stage by the 1929 stock market crash, Canada was a country heavily influenced by immigration and wheat.

It is impossible, even with robotics, to produce wealth without workers. Since those in power at the time did not consider the native population seriously as a supply of labour, the solution that came to mind was immigration. The country was controlled by an oligarchy with roots in Northern Europe, so they turned to this source for the population they needed. This is particularly evident if one notes the ethnic origin of the Canadian population based on the 1961 census:

<table>
<thead>
<tr>
<th>Country</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>British</td>
<td>7,996,669</td>
<td>43.8%</td>
</tr>
<tr>
<td>French</td>
<td>5,540,346</td>
<td>30.4%</td>
</tr>
<tr>
<td>German</td>
<td>1,049,599</td>
<td>5.8%</td>
</tr>
<tr>
<td>Ukrainian</td>
<td>473,337</td>
<td>2.6%</td>
</tr>
<tr>
<td>Italian</td>
<td>450,351</td>
<td>2.5%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>429,679</td>
<td>2.3%</td>
</tr>
<tr>
<td>Scandinavian</td>
<td>386,534</td>
<td>2.1%</td>
</tr>
</tbody>
</table>
Polish 323,517 1.8%
Native Indian & Eskimo 220,121 1.2%
Jewish 173,344 1.0%
Asiatic 121,753 0.7%
Russian 119,168 0.7%
Others 953,829 5.1%
TOTAL 18,238,247 100.0%

The Combined population from British and French ethnic origin in 1960 was 74.2% of the population. Although new immigrant groups are constantly arriving such as the Ukrainians in the 1920s and the Vietnamese in the early 1970s, the basic population is predominantly of British and French ethnic origin. Data is not available to indicate the ethnic origin of early immigration, but it is possible to speculate that these groups were also of Western European origin similar to those in the above table. Furthermore, the population increases due to immigration between Confederation and 1930 were uneven in geographical distribution and year of arrival. The actual immigration in each calendar year is indicated in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Arrivals</th>
<th>Year</th>
<th>Arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1867</td>
<td>14,666</td>
<td>1900</td>
<td>41,681</td>
</tr>
<tr>
<td>1868</td>
<td>12,765</td>
<td>1901</td>
<td>55,747</td>
</tr>
<tr>
<td>1869</td>
<td>18,630</td>
<td>1902</td>
<td>89,102</td>
</tr>
<tr>
<td>1870</td>
<td>24,706</td>
<td>1903</td>
<td>138,660</td>
</tr>
<tr>
<td>1871</td>
<td>27,773</td>
<td>1904</td>
<td>131,252</td>
</tr>
<tr>
<td>1872</td>
<td>36,578</td>
<td>1905</td>
<td>141,465</td>
</tr>
<tr>
<td>1873</td>
<td>50,050</td>
<td>1906</td>
<td>211,653</td>
</tr>
<tr>
<td>1874</td>
<td>39,373</td>
<td>1907</td>
<td>272,409</td>
</tr>
<tr>
<td>1875</td>
<td>27,382</td>
<td>1908</td>
<td>143,326</td>
</tr>
<tr>
<td>1876</td>
<td>25,633</td>
<td>1909</td>
<td>173,694</td>
</tr>
<tr>
<td>1877</td>
<td>27,082</td>
<td>1910</td>
<td>286,839</td>
</tr>
<tr>
<td>1878</td>
<td>29,807</td>
<td>1911</td>
<td>331,288</td>
</tr>
<tr>
<td>1879</td>
<td>40,492</td>
<td>1912</td>
<td>375,756</td>
</tr>
<tr>
<td>1880</td>
<td>38,505</td>
<td>1913</td>
<td>400,870</td>
</tr>
<tr>
<td>1881</td>
<td>47,991</td>
<td>1914</td>
<td>150,484</td>
</tr>
<tr>
<td>1882</td>
<td>112,458</td>
<td>1915</td>
<td>36,665</td>
</tr>
<tr>
<td>1883</td>
<td>133,624</td>
<td>1916</td>
<td>55,914</td>
</tr>
<tr>
<td>Year</td>
<td>Immigration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>-------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1884</td>
<td>103,824</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1885</td>
<td>79,169</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1886</td>
<td>69,152</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1887</td>
<td>84,526</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1888</td>
<td>91,600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1889</td>
<td>75,067</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1890</td>
<td>82,165</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1891</td>
<td>30,996</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1892</td>
<td>29,633</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1893</td>
<td>20,829</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1894</td>
<td>18,790</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1895</td>
<td>16,835</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1896</td>
<td>21,716</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1897</td>
<td>31,900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1898</td>
<td>44,543</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1899</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1901</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1902</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1903</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1904</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1905</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1906</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1907</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1908</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1909</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1910</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1911</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1912</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1913</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1914</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1915</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1916</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1917</td>
<td>72,910</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1918</td>
<td>41,845</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1919</td>
<td>107,698</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1920</td>
<td>138,824</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1921</td>
<td>91,728</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1922</td>
<td>64,224</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1923</td>
<td>133,729</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1924</td>
<td>124,164</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1925</td>
<td>84,907</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1926</td>
<td>135,892</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1927</td>
<td>158,886</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1928</td>
<td>166,783</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1929</td>
<td>164,993</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1930</td>
<td>104,806</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td>27,530</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Between 1867 and 1929 inclusive, 1,216,999 immigrants came to Canada. The provincial distribution during this period indicates that the four Atlantic Provinces received less than 28,000, whereas Quebec received over 121,000, Ontario received 463,000, the three prairie provinces got 374,00 and British Columbia added 230,000 new immigrants. The Northwest territories received 1,300 new immigrants, and has continued its growth to the present at the same breakneck pace! The obvious explanation of this growth pattern is that the Atlantic Canadian economy had matured as a producer of fish and timber products with limited agriculture and other potential areas for growth. Quebec’s growth was primarily agricultural with some shipping and manufacturing, while Ontario had both agricultural and industrial growth. The growth in the three prairie provinces of Manitoba, Saskatchewan and Alberta was primarily agricultural and transportation related. There was also short-term economic activity created in the railway construction business.

The first major growth year was 1882 when 112,000 new residents arrived, more than doubling the highest previous yearly immigration. Between 1882 and 1884 the immigration rate exceeded yearly rates until 1903. This was because the anticipation of a wheat boom was premature and the demand was
partly diverted to the Dakotas of the northern United States where there was superior land. However, a relatively high rate of immigration was maintained until 1891, when the rate fell from 82,000 to 31,000. The immigration level stayed below 50,000 until 1901 when it began increasing again, and continued at a high level until World War I. As noted by K.H. Norrie, settlement and thus wheat farming was limited on the prairies prior to 1879 by the lack of transportation to points of export. He also notes that high export prices for wheat in the early 1880s also acted as a stimulus to settlement. Wheat farming was not to come fully into its own until the turn of the century when dry-farming techniques were perfected. These techniques were based largely on perfecting tilling methods which make the soil more receptive to moisture retention. These technique improvements combined with wheat prices again reaching high levels heralded in a wheat boom. This is reflected in the fact that 75% of arable land was primarily devoted to the cash crop wheat by the year 1931.

While British Columbia did not offer huge agricultural output, its forests were extensive and this lent itself to a variety of wood related industries. Unlike the prairies where the individual family farm was the most common economic unit of production, British Columbia required larger aggregations of land, labour, and capital to run saw and pulp & paper mills. The main service provided to British Columbia by the railway was access to eastern goods and more importantly New Immigrants to settle the territory. Vancouver also reaped the advantages of being the port of export at the end of the transcontinental railway.

Canada From 1930 to 1980

Canada did not escape the depression of the 1930s, since it had an economy based on exporting staples, and the world
markets for those products had contracted. This caused most Canadian businessmen to take the conservative course of cutting their expenses which usually meant reducing their employee rolls. As we now know this caused a further cyclical regression in terms of economic activity.

It was only the increased international demand for staples such as wheat created by the Second World War that started Canada's economic recovery. The war also somewhat altered the structure of the economy. Manufacturing was important to Canada as early as 1919 when Canada's total manufacturing output exceeded the value of agricultural output.\textsuperscript{22} The increasing growth in manufacturing and contraction in agricultural output has continued. The post Second World War economy with its large number of young families created a demand for manufactured goods. This demand was partly met by imports, but through governmental intervention in areas such as the automobile industry the Canada-United States Automotive Agreement was negotiated. By this means Canada managed to ensure that automobile manufacturing would take place in Canada of a value equivalent to domestic consumption of this product. [Government intervention was necessary in this and other instances, since many large American companies would dominate the domestic Canadian market if they were not stopped by legislative restrictions.] Another example of this type of intervention, but at the provincial level, is the beer-brewing industry. In Canada, alcohol sales are controlled by the provinces, and they usually stipulate that for a company's beer to be sold in a province, the beer must be produced in that province. Free trade is a concept that works best when the partners are of relatively equal size. Since the United States economy is approximately ten times the size of Canada's, a strong central government that intervenes in the national interest, as perceived by the population, is required if Canada is to survive economically. Another example of a non-trade barrier
that ensures goods are manufactured in Canada is the use of non-tariff barriers in the textile manufacturing sector. Quotas are set, and a company can only import goods (e.g. shirts or dresses) up to the limit stipulated on one's import permits. If a company does not have a quota, it must have its goods manufactured in Canada. An example of this is that the Marks & Spencer stores in Canada carry the St. Michael's line of clothing, but many of these items are manufactured in Canada.

In the period after the World War II, up until the late 1960s, Canada carried out many major capital projects such as the building of the Trans-Canada Highway. This project was started in 1949 and officially opened in 1962. The highway is 4,860 miles long and cost $924,000,000 ($1 Canadian ~ 50 p.U.K. ~ $0.83 U.S.A. in 1990. All $ are Canadian). Other infrastructure projects of this magnitude that acted as engines of economic growth included the numerous hydro-electric projects such as James Bay in Quebec and Churchill Falls in Labrador. The St. Lawrence Seaway project was a re-development and expansion of the existing canal, river, and Great Lakes water transportation system which made it possible to ship large quantities of products such as iron ore and grains cheaply. The Seaway system connected the centre of the continent to the Atlantic Ocean. The type of managerial skills required to complete these large projects successfully also helped to develop Canada's engineering industry, and companies such as Lavalin and Montreal Engineering now are major players on the world stage in the construction project management business.

The Last Decade: 1980-1990

The last decade has shown Canada to be a country with a relatively stable population, going from 23.9 million in 1980 to 26.1 million in 1989. The gross domestic product has moved
from $310 billion to $650 billion over the decade, with personal income per employee increasing at a substantial, but lesser rate over the period. The personal savings rate has dropped from 13.3% to 10.0% over the period, which is a matter of some concern. The lowering of the savings rate means there may be less domestic capital available for business and infrastructure investment in the future, if the trend continues. However, corporate profits have grown from $25.9 to $38.6 billion over the decade, so it is possible that business might fund its capital requirements through retained earnings.

The labour market is more difficult to assess. The unemployment rate moved from 7.5% in 1980 to 7.6% at the end of the decade. The rate did exceed 10.0% in the 1983 to 1985 period, when Canada, among many other western governments, practised fiscal restraint and a tight money policy which drove up both interest and unemployment rates. Although the unemployment rate was relatively flat over the decade, the labour force expanded due to an increased number of female workers, from 11.6 million to 13.5 million workers during the period, and the participation rate rose from 64.1% to 67.1%. The overall employment pattern indicates growth, but not necessarily at a rate that satisfies the needs and desires of the population.

The Federal government more than doubled its budgetary revenue from $49 billion to $112 billion in the 1980s, and its yearly deficit has grown from $13.5 billion in 1980 to a peak of $38.3 billion in 1984, then dropped to the 1989 deficit level of $30.5 billion. Needless to say, the $351.4 billion national debt is of great concern to politicians and the business community. This concern about deficit financing and the aggregate debt level has not been shared by the majority of the population, and neither past nor present governments have been able to acquire the broad based political support necessary to make cuts into social programmes which appears to
be the only way any substantial change can be made to yearly deficit, and overall debt levels. It is interesting to note, that even though Canada has carried large debt and deficit levels, much to the chagrin of the highly vocal business community, the country has been economically stable and experienced economic growth. One could point out to business that corporations use debt as a source of funding to carry out their operating mandate, and that government debt is merely a means of funding programmes desired by the people. If one were to speculate why the business community wishes lower debt levels, it might be to reduce tax levels, thereby increasing after tax profits.

The activities of a country may be seen as being analogous to those of a corporate conglomerate. Sectoral activities within a country can be considered to parallel the activities of subsidiary companies. The following table has been constructed to provide the financial statements of Canada over a decade.\textsuperscript{25}

<table>
<thead>
<tr>
<th>Sector</th>
<th>1980</th>
<th>1989</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>GDP/$ Employment/'000</td>
</tr>
<tr>
<td>Agriculture</td>
<td>9,736</td>
<td>479</td>
<td>9,500</td>
</tr>
<tr>
<td>Forestry, Fishing, &amp; Mining</td>
<td>22,248</td>
<td>300</td>
<td>26,400</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>59,461</td>
<td>2,111</td>
<td>78,800</td>
</tr>
<tr>
<td>Construction</td>
<td>22,527</td>
<td>624</td>
<td>31,800</td>
</tr>
<tr>
<td>Transportation, Communication &amp;</td>
<td>31,476</td>
<td>906</td>
<td>44,600</td>
</tr>
<tr>
<td>other utilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>33,967</td>
<td>1,837</td>
<td>51,300</td>
</tr>
<tr>
<td>Finance, Insurance &amp; Real Estate</td>
<td>43,050</td>
<td>611</td>
<td>60,200</td>
</tr>
</tbody>
</table>
If one looks at two prime indicators of a country's performance, Gross Domestic Product (GDP) and employment, one is viewing measurements that are important to different communities. The business community is much more interested in GDP increasing, since that indicates that the value of output, whether it be automobiles or beaver pelts, has increased. The general population is usually, but not always, more interested in the number of jobs that are available. Therefore, when looking at Canada's performance in the traditional staple sectors of "Agriculture" and "Forestry, Fishing, & Mining" one notes that both sectors had a considerable decline in employment. However, the GDP of "Agriculture" declined my a mere 2.4% and the GDP of "Forestry, Fishing & Mining" increased by 18.4% over the same period. The 18.4% increase in output would definitely be considered an example of efficient management on the part of those managers running the companies in this sector. However, I doubt that the workers making up the 3.3% employment decline in this sector would concur. Many sectors of the Canadian economy increased their GDP over the decade, with the "Manufacturing" sector leading the way in absolute dollar terms, and the "Wholesale & Retail Trade" making the greatest percentage gain. However, the "Manufacturing" sector increased its employment level by less than 1% compared to a 32.5% increase in the value of the sector's output. This indicator implies that management was definitely operating more efficiently at the end of the decade. "Community, Business & Personal Services was the only sector of the economy in which the increase in employment outpaced growth in GDP. This phenomena indicates that the labour factor of production is still integral to this sector,
and that growth in employment in the recent past, and at least the near future, will probably take place in this sector. This raises the question, what do Canadians perceive to be their main economic goal? The British management writer Lawrence, has suggested that Germans are product driven, the Dutch always want to provide more jobs, and the Americans are motivated by profit. Canadians are slightly schizophrenic, and want both profits and jobs.

The Current Corporate World

While summary data indicates how the country is doing, the corporation is the institution that drives the Canadian economy, and the place where most managers work. If one compares the top ten publicly listed companies in two categories, sales or operating revenue and number of employees, one gets a very good idea of how the Canadian economy functions.

<table>
<thead>
<tr>
<th>Rank by Sales/Operating Revenue</th>
<th>Rank by Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 General Motors of Canada</td>
<td>12</td>
</tr>
<tr>
<td>2 Ford Motor Co. of Canada</td>
<td>18</td>
</tr>
<tr>
<td>3 BCE Inc.</td>
<td>1</td>
</tr>
<tr>
<td>4 Canadian Pacific Ltd.</td>
<td>4</td>
</tr>
<tr>
<td>5 George Weston Ltd.</td>
<td>6</td>
</tr>
<tr>
<td>6 Alcan Aluminum Ltd.</td>
<td>7</td>
</tr>
<tr>
<td>7 Campeau Corp.</td>
<td>2</td>
</tr>
<tr>
<td>8 Noranda Inc.</td>
<td>10</td>
</tr>
<tr>
<td>9 Chrysler Canada Inc.</td>
<td>43</td>
</tr>
<tr>
<td>10 Provigo Inc.</td>
<td>27</td>
</tr>
<tr>
<td>17 Imasco</td>
<td>3</td>
</tr>
<tr>
<td>34 Canada Post</td>
<td>5</td>
</tr>
<tr>
<td>92 McDonald’s Restaurants</td>
<td>8</td>
</tr>
<tr>
<td>24 Sears Canada</td>
<td>9</td>
</tr>
</tbody>
</table>

It is interesting to note that the companies occupying first, second, and ninth place in the list in terms of sales/operating revenue are all automobile manufacturers.
Furthermore these companies are almost wholly foreign owned. Their ownership rests in the hands of the parent companies in the United States, and therefore policy-making control rests outside Canada. It is not possible to prove, but it is interesting to conjecture that the high level of sales of these companies relative to their much lower level of performance in terms of number of employees indicates that the interests of these foreign owned companies is profit first, jobs second. Two other companies in different industries, Sears Canada and McDonald's Canada are also owned by parent companies in the United States. The above list of fourteen major companies also includes one company owned by the Canadian government, Canada Post, three widely held companies BCE Inc., Canadian Pacific Ltd, and Alcan Aluminum Ltd, and the rest are controlled by families or privately controlled capital pools. Of these companies, BCE and Canadian Pacific (CP) are the most widely known within Canada to the average Canadian - BCE runs the various telephone companies within the country and is known as the Canadian "Ma Bell", while CP is no longer just a railway, it is still thought of as the company that runs the trains. It is interesting to note that Imasco is 40% owned by B.A.T. Industries from Britain, a tie with our past. One can say without equivocation that many of Canada's major Corporations are predominantly owned by foreign interests, or are controlled by pools of capital that are often family owned. This concentration of capital means that economic power does not rest in the hands of the average Canadian. The above list also indicates that Canada is a branch plant economy (eg. General Motors & Sears), an ore extractor (Alcan & Noranda), a provider of clothes (Sears) and food to the domestic market (Provigo & George Weston), but there is not one home grown IBM, Volkswagen, or Michelin in the group. Canada is not on the cutting edge of industry, and there is no evidence which indicates it is going to produce a number of entrants to the world of international
A unique feature of the Canadian economy, and one that is difficult to document, is the influence of dominant families. This concentration of capital and influence in the hands of a few families is pervasive in Canada. The Irwins of New Brunswick, the Molsons and Bronfmans of Montreal, the Thomson family of Toronto, the Mannix family of Alberta, and the list goes on. The holdings of these families are often difficult to determine, because many of their assets are not in publicly listed companies. However, these families are common in Canada, and the influence of family fortunes seems much more prevalent than in Britain or in the United States. Perhaps Canadians are particularly good at vertical integration, or there are structural factors in the economy, as yet unidentified, which facilitate families acquiring vast wealth and economic influence.

Crown Corporations and Free Trade

There are two peculiarly Canadian factors that must be considered if one is to understand the Canadian economy - Crown Corporations and Free Trade.

The first of these, the Crown Corporation, is an idea that is not unique to Canada, but is a concept that has been used extensively for economic development purposes in Canada. Britain has had a nationalized airline, railway, and coal industries for many years, all of which are instances of the state owning corporations and running them. It is just that in Canada, prior to the Mulrooney Progressive Conservative government, these state owned corporations were seen as a desirable approach to developing economic activity. The Trudeau government even formed its own oil company, Petrocan, in an attempt to have state influence in the oil industry. Numerous other state owned companies ranging from the Canadian Saltfish Corporation of Newfoundland to Atomic Energy
of Canada were used to develop and influence economic activity within the country. Whether it was the marketing of salt cod or the development and sale of nuclear reactors, the state played an entrepreneurial role in the economy. Although it is difficult to prove, the main distinction between the Crown Corporation and the publicly owned corporation is that state ownership tended to mitigate towards a longer more job-oriented management policy, and publicly owned companies focused on profits and had shorter planning horizons. This trend has somewhat diminished with the former Mulrooney government (1984 to 1993) selling off crown corporations, including the state owned airline Air Canada: however, Canada still maintains numerous state owned industries. The Canadian electorate consider it quite acceptable for the government to own and operate companies in Canada, as long as the public perceives it as being done for the public good.

This brings us to the second uniquely Canadian factor, the Canada-United States Free Trade Agreement. This agreement took several years to negotiate, and was one of the main issues in the 1988 federal election. The agreement came into force on January 1, 1989, and is intended to eliminate tariffs on bilateral trade between the two countries on most goods and services. The agreement will create a rough North American equivalent to the European Economic Community. Negotiations have just been completed with Mexico which has further expanded the free trade zone. The agreement excludes certain goods or services such as the products of cultural industries (eg. broadcasting, the arts, etc.), and in politically sensitive areas such as the manufacture of automobiles and government procurement both tariff and non-tariff barriers will be liberalized, but not necessarily eliminated. This is a 10 year agreement, and it has been the cause of acrimonious debate within the country. Those who work in industries with a competitive advantage are presently pleased because they now have greater access to the huge American market, and are
also able to buy plant equipment from the U.S.A. at lower prices due to the 10 year phasing out of tariffs. However, the manufacturers of southern Ontario who have had a captive Canadian market because of the tariff barriers are being severely battered by American competition. The natural trade routes were usually north to south, not east to west, and without the tariff barriers these traditional trade patterns are reasserting themselves. It would be inappropriate to attribute all the problems of these manufacturers to the free trade agreement; an anti-inflationary monetary policy and many years of huge federal budget deficits are also contributing factors. The monetary policy has kept the Canadian dollar high relative to the American dollar, making our products more difficult to sell in our largest market. The long-standing budget deficits have finally come home to roost in the form of higher taxes, which tend to make it more expensive to make products in Canada.

It is interesting to note that Canada also has a considerable number of other restrictive practices, including the use of agricultural marketing boards which in effect raise the prices of such products as eggs and milk, and create an artificial environment. This agricultural practice is federal, but there is a provincial equivalent in the restriction of bidding on government contracts to companies resident in the province doing the tendering. In effect, although one may have free trade between Canada and U.S.A., trade restrictions still exist between the various provinces. These practices are not unique Canadian inventions, but their existence does indicate a national proclivity for interventionist economic policies, which strongly conflicts with the type of economy needed to compete in a free trade zone. Furthermore, the Canada-U.S.A. Free Trade Agreement was implemented at the same time the North American economy has been undergoing a recession. This recession has been further compounded in Canada by the imposition of a federal Goods and Services tax of 7%, which
has had a further negative effect on the economy. This tax is similar to the British Value Added Tax in structure, and the former British Poll tax in popularity.

Free Trade is not a new idea, it has been discussed for various industries going back to the nineteenth century. In 1911 the outcome of an election was influenced by this issue, and the Liberals were defeated partly due to their support for a treaty that would have eased trade restrictions. 29

Conclusion

The Canadian economy was mainly based on the export of both renewable and non-renewable resources at the time of Confederation. This required strategic management skills on the part of a strong federal government, and the tactical management skills on the part of those individuals involved in both small and large scale resource production activities for a large export market. As Canada developed, the manufacturing sector started to increase in importance, and the country matured in its ability to supply at least some of its own finished products. By the end of the First World War, Canada’s manufacturing sector had firmly established itself as a growth area rivalling staple production. The Depression affected the Canadian economy in a manner similar to all other western industrialized economies, and it was not until World War II that the country started to make an economic recovery. This recovery also lead to a greater emphasis on the manufacturing sector, but in many instances, such as the automobile industry, government intervention was needed to ensure that goods consumed in the domestic market were produced in the country. A strong federal presence was also required to plan and implement infrastructure projects which had immediate economic spin-offs, and also made it possible for future economic activities. One of the earliest such projects was the transcontinental railway system, and one of the more recent
projects was the James Bay Hydroelectric project. In the last decade, the service sector has surpassed all other individual sectors in value and in the number of new jobs created. It is still too early to determine, but the service industry sector will probably emphasize different management skills than those required by resource based or manufacturing industries.
NOTES

1 Canada: One Hundred 1867-1967 (Ottawa: Queen's Printer, 1967), 20-5.


3 Ibid., 38-9.

4 William L. Marr & Donald G. Patterson, Canada: An Economic History (Toronto: Gage Publishing Co., 1980), 61.


6 Marr & Patterson, Canada: An Economic History, 62.

7 Ibid., 64-8.

8 Ibid., 17.

9 Easterbrook & Aitken, Canadian Economic History, 381.


13 Easterbrook & Aitken, Canadian Economic History, 432.

14 Bliss, Northern Enterprise: Five Centuries of Canadian Business, 225.

15 Ibid., 227-9.


17 Canada One Hundred 1867-1967, 97.

18 Ibid., 99.

19 Ibid., 99.

21Marr & Patterson, Canada: An Economic History, 346.
22Easterbrook & Aitken, Canadian Economic History, 521.

23Canada One Hundred 1867-1967, 200.

24"Report on the Nation," The Financial Post, winter 1989, 66-80. All statistical material in this section of the chapter was prepared using data from this source.

25Ibid., 72. Data was extracted and reworked to create this table.


27"Canada’s Premier Ranking Of Industry & Finance," The Financial Post, summer 1989, 84 & 136. The data used to construct this table was acquired from material on these two pages.

28Ibid., 86 & 88.

29Bliss, Northern Enterprise: Five Centuries of Canadian Business, 373.
5. The Social Environment

Canadian Managers like all other citizens of the country do not live in isolation. The social environment which forms them and defines where they work is of considerable interest to students of Canadian management. The study of this environment is best approached by considering social differentiation, that is to say "the distinction made between social groups and persons on the basis of biological, physiological, and socio-cultural factors, [such] as sex, age, race, nationality, etc." I will attempt to make this environment accessible to the reader through a discussion of several of the main elements that make it up.

Social Class

Most Canadians like to think that Canada does not have a highly evolved class system. In fact, most of us when asked, describe ourselves as being middle class. This commonly held belief as documented in John Porter's The Vertical Mosaic:

One of the most persistent images Canadians have of their society is that it has no classes. This image becomes translated into the assertion that Canadians are all relatively equal in their possessions, in the amount of money they earn, and the opportunities which they and their children have to get on in the world.²

As Porter goes on to prove, this belief is just not true. He attributes our belief in the classless society to the fact that Canada does not have a formally entrenched aristocracy, and that the physical proximity to our adamantly democratic American cousins leads us to believe in an egalitarianism that does not in fact, exist in Canada.³ Furthermore, after World War I the Canadian government passed a law making it illegal for any Canadian citizen to hold an hereditary or non-hereditary title. This made us all plain Mr., Mrs, and
more recently Ms., under the eyes of God. This is particularly evident in the way in which people of unequal rank or status often use Christian names, and an unwillingness to accept this convention would be considered "uppity" by many Canadians. What does exist in Canada, is a society in which the average citizen is not acutely aware of a class system, but the obvious differences in educational attainment levels, salaries, and occupational status indicates that a Canadian version of the class system is in place. The lack of awareness of a class system, in effect, makes Canadians psychologically classless, while still having the advantage of a differentiated income distribution system which can be used to motivate the public in general, and managers in particular, to perform at a higher level.

Thus the Canadian social class system cannot easily be broken down into the traditional broad categories of lower, working, middle, and upper classes, often used by sociologists. This means of distinguishing between classes has certain limitations due to the difficulty of fitting an entire country into a few broad categories that were developed to describe different cultures such as the United States or particularly Britain. Even the preeminent Canadian sociologist John Porter developed a separate classification system to supplement the understanding of the traditional class structure in dealing with social class and power in Canada. His study focused on the discernible factors which determine access to identifiable elites, such as the Economic, Political, and Labour Elites. These factors include family income, ethnic origin, education, and geographical location. It is important to note that the sub-factors which supposedly determine one's social class are not always absolute. For example, in many countries, a member of the traditional working class usually has a somewhat low income. In Canada this is also true; however, on occasion a member of the working class might have a strong union (eg. a high pressure
welder on pipelines), and a skill that has both risk and high demand. This might lead to an income that approximates that of a traditional member of the upper reaches of the middle class or lower reaches of the upper class, such as an accountant or corporate executive. Exceptions such as this, where a member of the working class acquires the equivalent income as members of the professional and managerial classes supports the average Canadians' desire to believe that they live in a classless society. This belief in classlessness is a distinctive trait which could be called "l'esprit canadien", but the fact still remains that Canada has enough traditional class differentiation to provide a reward and motivation system for people to seek to enter management. These managerial aspirants are willing to undergo long and often arduous post-secondary educations, and then to work long hours at a high performance level in order to obtain management positions.

Income Distribution

Nothing is so near and dear to most individuals' hearts, as their pay cheque. Furthermore, the way in which individuals and occupational groups are compensated has a direct effect on their perceived status within a given society, and the desirability of entering a particular occupational group. A prime example of this is the fact that physicians and surgeons are the most highly paid occupational group in Canada, which explains why many of the best Canadian students spend three to five years of university study doing the equivalent of British honours and postgraduate degrees just to get a chance at being admitted to a Canadian medical school. In Canada medicine and law are in practice postgraduate degrees. Education will be dealt with in detail in Chapter 6, which focuses on the educational background of the Canadian manager. The following table of Canadian incomes indicates the rough ratios of mean
Average Male & Female Earned Incomes for 1985

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Female</th>
<th>Male</th>
<th>Percentage</th>
<th>Occupation/Avg. Difference Ratio Female Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>($1 Canadian ~ 50 p. U.K. ~ $0.83 U.S.A. ~ in 1990)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managerial</td>
<td>20,356</td>
<td>35,377</td>
<td>42.5%</td>
<td>1.54</td>
</tr>
<tr>
<td>Professional</td>
<td>18,726</td>
<td>31,436</td>
<td>40.4%</td>
<td>1.42</td>
</tr>
<tr>
<td>Clerical</td>
<td>13,274</td>
<td>20,388</td>
<td>34.9%</td>
<td>1.01</td>
</tr>
<tr>
<td>Sales</td>
<td>10,075</td>
<td>21,176</td>
<td>52.4%</td>
<td>0.76</td>
</tr>
<tr>
<td>Service</td>
<td>7,352</td>
<td>15,474</td>
<td>52.5%</td>
<td>0.56</td>
</tr>
<tr>
<td>Processing &amp; Machining</td>
<td>12,963</td>
<td>23,765</td>
<td>45.5%</td>
<td>0.98</td>
</tr>
<tr>
<td>Product</td>
<td>11,693</td>
<td>21,810</td>
<td>46.4%</td>
<td>0.89</td>
</tr>
<tr>
<td>Fabrication</td>
<td>11,181</td>
<td>19,982</td>
<td>44.0%</td>
<td>0.85</td>
</tr>
<tr>
<td>Construction</td>
<td>11,203</td>
<td>23,676</td>
<td>44.2%</td>
<td>1.00</td>
</tr>
</tbody>
</table>

In considering the above salary data one should not place undue emphasis on particular absolute salaries, but pay more attention to the relationships between the various numbers. For example, although different occupations have widely different salaries, the percentage salary differentials between men and women in the same occupations remained relatively constant with men earning on average 44.2% more than women holding positions in similar occupational groups.

The general category, managerial, is the highest paid category in the table. It is even more highly paid than the category, professional, which includes doctors, lawyers, accountants, architects, engineers, and other similar groups of workers. Although on average, a surgeon is more highly paid than a production manager, a production manager falls within a group that receives a high level of compensation in Canadian society, and therefore one can assume that the material needs of Canadian managers are being met. Furthermore, one's social needs are often more likely to be met when one belongs to an elite, and the data in the table indicates that Canadian
managers are definitely members of an economic elite.

When one considers a more detailed breakdown of occupational categories, the fourth highest income level group, behind doctors, judges, and dentists, and ahead of lawyers, is general managers and senior officials. This group has an average yearly income of over $60,000 for males and more than $34,000 for females. This group is also over five times greater in number than the number of doctors. Assuming there is at least a partial correlation between the way society rewards a particular occupation and the status it accords that occupational group, this places senior managers in a relatively high status and well paid group. Furthermore, since this group is considerably larger in number than other similarly well paid groups, all other things being equal, one has a greater change of acquiring one of these positions than of becoming a judge or a doctor.

It should be noted that we are only talking about earned income, and that unearned income (e.g. interest or dividends) further skews the distribution of income in favour of senior managers. As noted by Porter, the very rich often receive a greater proportion of their income from investments than from salary earnings. This is not particularly surprising, since those with the largest incomes have usually inherited or built companies of their own, and pay themselves dividends as well as salaries. Canadian tax laws tend to treat dividend income more favourably than earned income. This has lead to the structuring of compensation packages for senior corporate officers, so taxes can be minimized. Another obvious point is that the higher the compensation and status levels of a position, the greater the chance that the individual in the position will receive a commensurate list of perquisites. These packages include enhanced pension and health benefits, longer holidays, automobile subsidies, entertainment expense accounts, and often a pre-arranged termination package or "golden parachute", in case the relationship should fail.
Vice-presidents often are forced to attend week long sales conferences in Florida in the winter time, but it is not often that a task of this odious nature is forced upon machinists or assembly-line workers. Therefore, it can be said with certainty that economic motivators exist which attract many of the best and brightest to enter the managerial class.

Regionalism, Language & Ethnicity

The above social factors obviously exist in other countries, but in Canada they imbue the mindset of the nation. It would be difficult to understand fully how a Canadian born manager perceived the world without at least a passing knowledge of how these factors are integrated into the Canadian consciousness.

It goes without saying that most countries operate with various levels of local consciousness, and any Yorkshireman would quickly distinguish between himself and a Londoner, yet to the outsider they are both British. These distinctions exist at lower and lower levels of detail, but for this discussion I will not go into the niceties of difference between such august but obscure groups as "townies" and "baymen" in rural Newfoundland.\textsuperscript{11} I will stick to discussing the larger and more commonly accepted regional geographical divisions within the country.

If one starts in the east, the four provinces of Newfoundland, Prince Edward Island, New Brunswick, and Nova Scotia, are often referred to as the Atlantic provinces. They have numerous things in common including a reliance on resource based industries such as the fishery, mining, and forest products. They are also all have-not provinces, and receive federal transfer payments which are a uniquely Canadian means of attempting to equalize the distribution of wealth within the country. In recompense for federal transfer payments the Atlantic Provinces provide the rest of the
country with a pool of labour, as evidenced by the constant net outward migration of people to the richer provinces such as Ontario. Managers in Atlantic Canada also are often unwilling to take a promotion if it means they must relocate. They have a highly defined cultural identity and usually will subordinate career interests to family interests and the opportunity to remain in the Atlantic. The fact that many of the residents of this region are members of families that have lived in the same province since prior to Confederation also intensifies the emotional relationship with a particular physical place. This sense of identity is rooted in a love of the land and sea, which often manifests itself as an unwillingness on the part of managers from this region to relocate to a highly populated industrial area such as southern Ontario. These managers may work in a factory or an office tower, but when they go home in the evening, or away on the weekends they want to smell the ocean and not the acrid odour of a steel mill.

The classification of these four provinces conforms to the current regional definition as defined by the federal government department Statistics Canada. It is interesting to note that the American journalist Joel Garreau extended this region in his immensely popular 1981 book *The Nine Nations of North America*. He took the position of ignoring existing political boundaries and divided his "nations" according to historical, economic, and cultural congruence. Using his criteria the Atlantic provinces are included in the group called New England. This category extends into the eastern United States to include the New England states of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut. Needless to say, at the borders of the various states, his classification is less definite.

The second region one encounters, moving from east to west, is Quebec. This region is agreed upon by Garreau, by Statistics Canada, as well as by most Canadians both inside
and outside of the province of Quebec. It is unique to find a French-speaking region in the middle of an English-speaking country that stretches from coast to coast, but it is there. Over 80% of the population of Quebec speak French as their first language, and the province also is linked to its past by using a legal system based on Civil Law for all except criminal matters. Many within Quebec argue the uniqueness of the province to the extent that it is in effect a separate nation, which should have sovereign status. Yet it shares a common economy, and is the home of such national companies as Air Canada, Alcan, Molsons, and Seagrams. Furthermore, the style of its business class is not dissimilar from the compromise driven style common to the rest of Canada. Moreover, many of its business leaders share common education, background, and attitudes with the rest of the country on issues not related to Quebec nationalism. Quebec is also somewhat differentiated internally with its largest city, Montreal, being cosmopolitan as well as French in its outlook. Montreal houses many well-developed ethnic communities that are non-French speaking, and that have considerable influence on the economic life of the region. At present there is heated debate in the province of Quebec over the control of immigration, and the requirement of all new immigrants to be educated in French, with preference being given to French-speaking applicants. This is in direct response to the large number of immigrants such as the Jamaicans and Vietnamese who have settled in Montreal and are evolving in a manner that does not conform to the Quebec French nationalist ideal. These new nationalities have traditionally thought that a knowledge of English gave them greater economic opportunity and social mobility. This issue has not been resolved, but it is obvious that English Canada and the English speaking part of the United States comprise a much larger market than the province of Quebec.

The next region is Ontario, and it also is a single
province. It is the richest and most highly populated province in the country, and it also is the home of more manufacturing and financial activity than anywhere else in the country. It is predominantly an English speaking region which counterbalances French-speaking Quebec. Ontario does have pockets of Franco-Ontarians, and the city of Toronto has a rich ethnic mosaic. The Italian, Jewish, East European, Greek, and more recently Jamaican and Hong Kong Chinese communities are all a part of the city's rich human fabric. If the ideology of Quebec is French nationalism, the ideology of Toronto is business. It is the country's financial centre, a role which was split between Montreal and Toronto up until the 1970s. Quebec's nationalism was one of the main reasons that Toronto won the battle to become the preeminent economic centre in the country. Money and power does not like political uncertainty and language laws that constrain the inevitable internationalizing of the world of business. Ontario is also the location of many of the country's Head Offices, which dictates that many of Canada's pool of managerial jobs are located in Ontario. This gives those who live in the province in general, and in Toronto in particular, a better chance of obtaining these positions. The business schools at the Universities of Western Ontario, York, Toronto, McMaster, and Queen's offer a ready supply of trained and talented Ontario natives to run these large corporations.

It is interesting to note that Ontario is not a unique entity to the American journalist Joel Garreau in the same way that Quebec is. To Garreau, Ontario falls into three separate nations which cross the border and extend into the United States. These are "The Foundry", "The Breadbasket", and "The Empty Quarter". The foundry is known world-wide by Detroit, the home of automobile manufacturing. The plants have crossed the border into southern Ontario, and to those that have visited both sides of the border, the physical appearance of a southern Ontario city such as Windsor is not dissimilar in
appearance from parts of Buffalo, N.Y. or other American industrial cities. A geographically small but productive part of Ontario is made up of farms which allow for its inclusion in the Breadbasket. A small segment of the wealthy business and professional class who feel the call of the bucolic life, buy these farms and turn them into expensive summer and weekend hobby farms. This is an example of the siren call of one's past being fulfilled in one's leisure time. Northern Ontario also is included in the category of the Empty Quarter, a term which is best defined by a high ratio of land to inhabitants.

The next region to be considered is the prairies, which includes the provinces of Manitoba, Saskatchewan, and Alberta. The prairies are demised on the east by Ontario, and on the west by the Rocky Mountains and British Columbia border. This area is relatively flat, and mainly agricultural and natural resource extraction oriented. It considers itself distinct, and the concept of "western alienation" is as recognizable to a Canadian as is Quebec Nationalism. Western alienation is based on the commonly held belief that western Canadians have been forced to buy tariff protected manufactured goods from the east instead of less expensive American goods available just to the south, and the view that commodity prices are kept low by the eastern power brokers who then process these commodities and make excessive profits on their sale. Furthermore, the west has fewer seats in parliament because of its smaller population base, making it impossible to influence national policy. The westerner must feel somewhat like a Scot looking southward at London. These westerners have a rich and well maintained ethnic make-up, with the Ukrainian, Russian, Scandinavian, Jewish, and Native Indian populations all retaining elements of their cultural origins. There are even pockets of French mixed with Native populations called Metis. The great distance between the various communities, and the low population base has allowed the various ethnic communities...
to maintain their distinctiveness, and not become assimilated. The Canadian west is mainly comprised of Garreau’s Empty Quarter, with a small southern section of the west fitting into the Breadbasket. Because of the small population relative to the large land mass, most western managers are involved in resource extraction industries such as oil and gas or in agri-business. This type of industry is less bureaucratic and more entrepreneurial in its approach, which seems to suit western managers. It is both a folk belief and occasionally true that one can tell the western business people in a downtown Toronto Hotel by their generally more relaxed business attire, often set off by expensive cowboy boots. These boots are both a symbol of one’s past, and a statement of one’s individuality. Westerners are risk takers as business people, and they are not about to conform to anyone else’s world view. They are also more adamantly free enterprise oriented than all regions to the east of them—Thatcherites in cowboy boots with ten gallon hats.

The last region is British Columbia, or part of Garreau’s ecotopia. This region is closer to Washington state, Oregon, and northern California in cultural values than to the Canadian West. It also has the best weather in Canada. In the two main coastal cites of Vancouver and Victoria there is little snow compared to the rest of the country, and by late February flowers are beginning to appear. In late March one is still spring skiing in the mountains of Quebec or the Atlantic. Another telling example of the environmental difference is that in the east alders are bushes that seldom get more than an inch thick, but the British Columbia environment is hospitable enough for these eastern bushes to become trees of up to thirty feet in height that can be cut and used for firewood. The difference between the east and west can best be seen in the way the alder varies in the disparate climates. While the east was the first settled, and is often more controlled, the west was the last settled and
the least constrained. The environment in the east is inhospitable, but in British Columbia, one can live most of one’s life outdoors. It has large industries based on forestry, mining, and fishing, but it also has many smaller businesses that run the gamut from wineries, to the development of retirement villages. Vancouver, British Columbia’s largest city is to Canada, what Los Angeles is to the United States. Both cities are incubators for cultural change, and magnets for those who have not had their needs met elsewhere. This leads to a different style of business, one that often confounds the eastern establishment. The Vancouver Stock Exchange is the antithesis of the Toronto Exchange. If one considers the old marketing maxim, "you sell the sizzle, not the steak," then the Vancouver Exchange is almost total sizzle. There is just enough steak to stay this side of the law, and to create the infrequent instant millionaire which keeps the players in the game. The current west coast game is based on Hong Kong immigration, and the capital that it brings with it. Business in British Columbia is looking west not east, and the Pacific rim is their current market.

British Columbia also has considerable ethnic diversity, mixed with a largely English speaking population originally of British origin. While Quebec is struggling with French nationalism, British Columbia has large Chinese and Sikh communities, and numerous other smaller ethnic communities. British Columbia, unlike Quebec, is less concerned with cultural nationalism, and more inclined to accept change and focus on the interrelationship of social, ecological, and economic issues. Where Quebec looks inward and back towards 19th century nationalism, British Columbia looks outward towards 21st century internationalism. This makes British Columbia business slightly different than business in the east which is often more focused on manufacturing and finance. These functions are still important, but business that is idea or concept driven also seems more acceptable to the British
Columbia approach to economic activity. For example, the city of Victoria makes considerable use of its superior weather and beautiful natural scenery to attract successful business people from the rest of the country who go there to retire. The same drive that made them successful and able to afford to live in Victoria leads them to start up new small part-time ventures to keep themselves occupied, and which also produces local employment in activities such as chartering boats for tourists. This combination of individualism and a desire to interact with the outdoors infuses most activities on the west coast. It is also useful that when it is lunchtime in British Columbia, it is three o’clock in Toronto, four o’clock in Halifax, and four-thirty in Newfoundland. The time distance allows British Columbia to finish the business day slightly out of order with the rest of the country, and to get on with defining matters without the economic intrusion of Toronto, or the political intrusion of Ottawa.

The north is a largely uninhabited area, and has not yet been accorded regional or provincial status. This is mainly due to the fact that the north is not homogeneous and stretches across the top of the entire country. It is primarily inhabited by native groups speaking several indigenous languages, many dialects, and often either English or French, depending on the part of the country. There are also a small number of non-native Canadians that are present, and usually employed by a natural resource extraction company, or a government service (eg. education, health, etc.).

Canada is an ethnic mosaic and not a melting pot like the United States. This distinction is evident in the way in which Canada is a country with two formal founding cultures and languages. It is also a country that depends on continuous immigration, and these new groups tend to be economically assimilated, to adopt one of the two official languages, but also to maintain many of the traits of the culture from which they emigrated. An example of this would be the Eastern
European Jews who came here after World War II. Many still practise their religion and speak their original languages at home, but they also speak the languages of business and have become successful members of the community. This cultural diversity has been consistent since the settlement of Canada, and I suggest that it is partly to do with the relationship of space to population. For example, Canada has 26.2 million people and 9.9 million square kilometres of land. The United States has 247.1 million people and 9.4 million square kilometres of land. The United Kingdom has 57.1 million people and only .2 million square kilometres of land. This gives Canada 2.6 people per square kilometre versus 26.3 people per square kilometre in the United States, and 285.5 people per square kilometre in the United Kingdom. That means in the same space in different countries one would have roughly one Canadian, ten Americans, or one hundred British citizens. The point is that assimilation is much slower if distance is greater and contact with others less frequent.

The great distance between the regions in Canada is a matter of concern, but the average Canadian manager has adapted to this environmental factor by using the services of the transportation and media or communications industries. In the same way as a British manager would board the intercity train in Nottingham in the morning and head to London for the day, a Canadian manager would get on the Air Canada flight in Toronto and fly to Calgary for the day. The distance is different, but both trips are achievable early in the morning while eating breakfast and reading a London Times or a Toronto Globe & Mail. Furthermore, Canadians have already factored travel costs into their business budgets, and they are used to flying the "red-eye" from the west back home at the end of a working day. Their attitude is similar about flying, to that of Dr. John Prideaux, Director, InterCity, British Rail, when he comments, "I like trains, I enjoy travelling, and often prefer to travel by Train." Furthermore, Canadians are great
personal travellers within their country. In 1986, over 30% of the people between the ages of 20 and 69 made one trip during each quarter of the year. This willingness to travel for both business and pleasure within the country on a frequent basis increases one's knowledge of the country, and develops a commonality of national traits.

Both mass media and telecommunication tools are common means of dealing with the distance between regions, and sustaining a national approach to doing business. Every Canadian business person who considers it important to know what is going on in the rest of the country as well as their region regularly reads both a regional and a national newspaper. Furthermore, this person would complement their information by following a national radio or television newscast. One may only meet with a colleague who resides in another part of the country on an infrequent basis, but it is possible that you are in telephone contact with them on a daily basis. The conversation will obviously cover the business issue at hand, but it is also common to discuss national political issues with these colleagues, since they will offer the view of a person from another region. The Canadian telephone fee structure increases usage by not charging for local calls and charging discounted per minute rates for interprovincial calls, and calls after peak periods. All these factors condition Canadians to be great users of the telephone, thus promoting regular communication.

Gender/Women/Family Life

It is impossible to consider Canadian social environment without taking a look at the role that women are playing in the world of work. It would be inaccurate to state that women have reached the point of being equal to men in the workplace, but relative to the recent past, the situation is improving.
If one considers the relationship between total male and female employment between 1966 and 1987, one gets a feel for the major changes that have taken place in the workforce. In 1966 just under 80% of the adult male population was employed and slightly more than 35% of the female population was employed. By 1987 70.1% of the male population was employed and 50.9% of the female population was employed. In 1966 women held approximately 24% of the total number of available jobs. By 1987 women held 42% of the total number of available jobs. I would not argue this is parity, but it is a considerable change in twenty-one years.

If one considers the nature of the jobs held by women, other inequalities become evident. Goods-producing jobs were predominantly held by men in 1976, and the situation had not changed appreciably by 1986, with about 3 out of every 4 of these jobs going to men. Women held slightly less than half the services-producing jobs in 1976, and slightly more than half of these jobs by 1986. Needless to say, a unionized worker in a manufacturing plant earns more than a non-unionized employee in a fast-food restaurant, and men held many more of the higher paying manufacturing jobs in both percentage and absolute terms than women did. This trend has probably continued, and it is possible that women will enter management and the professions with more ease than they will the realms of male dominated unionized manufacturing industries. However, women managers face an insidious barrier to the upper reaches of management, although they are occupying an ever-increasing number of entry and middle-management positions. This barrier, euphemistically known as the "glass ceiling", is in effect the result of male prejudices which allows those in power to rationalize that women should not be promoted to senior executive positions. Women managers reach this invisible barrier, whether it be Director of Finance or Chief Design Engineer, but then do not move on to positions such as Vice-president, or CEO.
Federally and provincially legislated pay equity plans have been used to assess the value of work performed by male and female employees in a gender neutral way and the force of law is then used to adjust salaries. To date this has been effective in some areas, and traditional female roles in clerical and secretarial support have on occasion received raises to bring them more in line with salaries in predominantly male positions such as storesmen or truck driver. The public sector has already used quota systems to force their management to promote women and minority groups to senior management positions in an attempt to break down their "glass ceiling". It is probable that large private sector employers will follow the public sector example, since they will undoubtedly face legislation which will force their hand if they are not proactive on the promotion of women and minorities to management positions.

The professions have also been another front on which women have changed their position relative to men in recent years. If one considers that in the category called "male dominated professions," represented by occupations such as management, engineering, medicine, dentistry, and architecture women held 18.6% of the total jobs in 1981 and 22.9% of the total jobs by 1986, then some change has taken place in five years, but there is definitely room for further change. It is also interesting to note that the professions in which women dominate in the absolute number of positions held such as social worker, elementary teacher, and physiotherapist are generally perceived to be of lower status than the professions usually held by men. If one questions this, ask yourself the question, would you rather your child become an accountant or a nurse?

One cannot speak of the social factors that influence the
way managers work within a country, without commenting on that country’s political structure. Canada has three levels of government: federal, provincial, and municipal with the division of powers between these being defined partly by the British North America Act of 1867, and partly by evolution.

The Federal government is a parliamentary democracy located in Ottawa comprised of a House of Commons comparable to the British House of Commons, and a Senate which approximates the British House of Lords. The House of Commons is an elected body and tends to be the prime decision-making body. The Senate is an appointed body which mainly reviews legislation and is a convenient place for a Prime Minister to put former members of the Commons and friends of the government when they have outlived their usefulness. It is also a combined financial and status reward for services rendered.

Next, the ten provinces have parliaments with elected members and a premier, also based roughly on the British parliamentary model, but without the Senate. Whereas the federal government is mainly concerned with national socio-economic policy issues, the provincial governments are inclined to be interested in issues of more local concern such as roads, education, and natural resources that are of particular interest to the province concerned (eg. British Columbia and forestry). The Northwest Territories and the Yukon Territory both have governments that fall somewhere between a province and a municipality in power, and which have been evolving in recent years. The fact that the Territories are heavily dependent on federal funding for their existence and have a sparse population tends to diminish their argument for provincial status.

Municipal government is concerned with community issues such as the collection of local property taxes, maintenance of streets and parks, the control of planning law, and local policing. Because of the size of the country, the division of
powers is necessary if one wishes to get things done. For example, leaving local policing to a federal government several thousand miles away would be ineffective.

From a managerial perspective all these levels of government are potential regulators of business activity through the imposition of legislation. Therefore, Canadian managers have to be good at dealing with existing rules, and adept at influencing the drafting of future laws and regulations that may have impact upon their activities. This explains the large number of positions in major corporations at the director or vice-president level with various euphemistic titles which range from "Government Liaison" to "Corporate Communications". The various levels of government are also interested in influencing economic activity, and to do this they use a variety of fiscal and monetary policies which send both positive and negative signals to business. At the lowest level a municipal government may give a company bringing new jobs to an area free land in an Industrial Park and grant the company a ten year property tax holiday. The provincial governments have on occasion upped the ante, and the government of Nova Scotia even passed an anti-labour law, locally called "The Michelin Bill", which made it difficult if not impossible for Labour Unions to organize and potentially unionize the workers at Michelin's three plants in Nova Scotia. The Federal government is more inclined to use tax incentives and direct grants to industries that locate in areas of high unemployment, or to companies that increase activities in sectors of the economy that are deemed to be in the national interest. Considering the wide variety of governmental incentives available, not to mention the consumption of goods and services by the various levels of government, it is obvious why many Canadian managers have become skilled in working their way through the list of economic incentives offered by governments to those that meet the stipulated criteria.

75
Conclusion

The Canadian social structure has evolved into a unique alloy based more on pluralism than on assimilation. This places the onus on Canadian managers to both recognize and respect the distinct differences between groups within the country. Canadian managers are also required to take into account the commonly held but erroneous belief that Canada is a classless society, and always to treat everyone as an equal. To convey this sense of equality, most managers adopt a familiar style, mixing the use of christian names for people of differing organizational status, and often exhibiting a shirt sleeved approach to office apparel. This classlessness is contradicted by the differences of income, occupational status, gender, and occupational opportunity, within the country. Managers themselves are often members of an educated economic elite. Unlike Britain or France, the country is loosely organized politically with powers being divided between municipal, provincial, and federal levels of government. This is understandable if one considers the distances between regions within the country, compared to the distances between countries in Europe. It is 7300 kilometres from Victoria, British Columbia to St. John's, Newfoundland, over twice the 2800 Kilometre distance between London, England and Ankara, Turkey. The geographical distance and dissimilar nature of the social and ethnic groups who comprise the various regions leads to a looser federation. It also forces managers to operate in a manner accepting of the requirement to adjust a product to the possible preferences of a target market, whether they be language or packaging. It is a small step from marketing to another region in Canada, to selling a product internationally. This gives Canadian managers a potential advantage in the current trend towards the internationalization of business.
NOTES


3 Ibid., 3.


9 Ibid., 87.


14 Ibid., 365.

15 Burke, "Interregional Migration of Canadian Population", 19.


18 Robert J. Brym, *Regionalism In Canada* (Toronto: Irwin

19Canada One Hundred 1867-1967 (Ottawa: Queen's Printer, 1967), 83.


21Ibid., 73.


The Canadian educational system has a major influence on the way Canadian managers are formed. It is a system that has considerable variability, but still maintains certain underlying common elements such as a desire to be egalitarian and to make education accessible to all. In this section I will attempt to detail and comment on some of the more important aspects of the education of Canadian managers.

The Canadian Educational System

In Canada, one is confronted with a system in which education is not centrally controlled. This decentralization is similar to the situation in Germany, but unlike that found in Britain or France. The control of education as defined in section 93 of the British North America Act of 1867, falls under the jurisdiction of the provinces. The federal government's involvement is restricted to the provision of partial funding, and the setting of policies through agencies such as the National Research Council which influence, but do not control provincial policy. The country is made up of ten provinces and two territories, which all seem to have a slightly different view of how educational programmes should be derived and delivered. Furthermore, these programmes are in a constant state of revision, which leads to incremental change in a multiplicity of directions. The major advantage is that of diversity, and the major disadvantage is the inefficiency sometimes caused by multiple conflicting objectives. The following table indicates the main steps in the Canadian educational system:
### The Canadian Educational System

<table>
<thead>
<tr>
<th>AGE</th>
<th>LEVEL</th>
<th>INSTITUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 - 5</td>
<td>Pre-school</td>
<td>Playschools, Kindergartens &amp; Nursery Schools</td>
</tr>
<tr>
<td>6 - 14</td>
<td>Elementary</td>
<td>Approximately 8 years</td>
</tr>
<tr>
<td>14 - 18</td>
<td>Secondary</td>
<td>Approximately 4 years</td>
</tr>
<tr>
<td>18+</td>
<td>Trade Schools</td>
<td>Approximately 2 years</td>
</tr>
<tr>
<td></td>
<td>Technical Institutes &amp; Community Colleges</td>
<td>Approximately 2/3 years</td>
</tr>
<tr>
<td></td>
<td>Universities &amp; Colleges</td>
<td>Bach. degree 3/4 years</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hons. Bach. 4/5 years Masters degree 1/2 years Doctorate 2+ years Prof. degree 2/3/4 years</td>
</tr>
</tbody>
</table>

The above table indicates trends but not specifics. For example, provinces such as Nova Scotia and Ontario, offer a year of pre-school prior to the commencement of formal elementary education. However, New Brunswick does not offer the year of pre-school prior to the commencement of the first grade. Most of the provinces are moving towards twelve years of school variously named between primary, and secondary. The terminology is not as important as the fact that most Canadian students receive twelve years of schooling between the ages of 6 and eighteen. Quebec students are an exception in that they have a level that bridges the upper level of high school and the lower level of post-secondary education. This is called a College d’Enseignement General et Professional (CEGEP). It includes both academic and vocational subjects and probably approximates an American junior college. Furthermore, like the American junior college, courses taken in the CEGEP can be used to allow a student advanced standing in a University.
While there is no national equivalent to British "O" level and "A" level examinations which set a uniform standard, provincial high school graduation with an acceptable average in the appropriate subjects for the degree programme application is being made to, is the main academic hurdle that must be overcome to gain university admission.

Technical Postsecondary Education

Most Canadian provinces have trade or vocational schools which are intended to provide students with a practical training that will allow them admission to an apprenticeship programme leading to journeyman status in occupations such as electrician, plumber, or steam plant operating engineer. These programmes are usually pursued by students who have not been either interested or successful in the academic programmes offered in secondary schools, and most students pursuing these programmes enter a vocational stream after 9 or 10 years of education. This group does not form a large part of the current management group in Canada. Managers who rise out of this group are considered to be self-taught, and tend to lack the mobility of their counterparts with more advanced educational credentials.

Technical Colleges and Institutes offer programmes that are more vocationally oriented than university programmes. These programmes train technologists for industry and give their graduates a credential which allows them to enter the workforce at a level that may lead to a managerial position. Approximately half of all enrolments in these colleges are taking business and engineering-applied science programmes. The technical colleges offer two or three year programmes after high school which leads to a diploma on graduation. The entrance requirements to the technical college level are usually lower than that required by a university. These students would not require grades at as high a level from
their provincial high school, and they also would not require the same subject distribution as those admitted to university programmes. The credential offered has proven an effective means of increasing one’s employment opportunities. Between 1975 and 1985 the unemployment rate for community or technical college graduates was approximately 3% below that for the entire population, but about 2.5% higher than the rate for university graduates.  

The University System

Canadian university degree programmes can be roughly divided into four groups. The bachelors or first cycle, the masters or second cycle, the doctorate or third cycle, and the professional schools. In Canada bachelors degrees fall into general degrees which are of three years duration after twelve years of high school, and honours degrees which are of four years duration after high school. Unlike Britain, a student has considerable autonomy over their choice of programme when admitted to a Canadian university, and does not usually choose his or her major subject until they have completed their first year. A major usually makes up from one third to one half of the courses taken by a student. Canadian degrees are broken down into individual courses which can be of one semester or two semesters in length, with an average course load being five courses per term. The instructor teaching these courses both examines and grades the courses, and will use a combination of continuous assessment and examinations to assign a grade. It would not be common for a Canadian student who was planning a business career to take an honours degree in an arts or science subject, since the specialization that the extra year offered in the major subject would be more useful for one who was intending to pursue graduate studies in their major subject. The Canadian honours degree is somewhat different than its British counterpart. It is at least one
year longer than the British degree and has a distinct academic orientation. While in Britain most students pursue an honours degree, in Canada only a small percentage of the best students, and even then only those that are usually intending to pursue a doctorate take an honours degree. Admission to a Canadian honours degree is usually made after one or two years of undergraduate study in which the student has performed at a high level, and he or she has also exhibited a strong interest in academic research. The actual courses taken by honours students usually do not differ from those taken by general or pass degree students, it is just that the honours degree students are expected to perform at a higher level, and the duration of their programme is increased by one year. However, 4 year degrees in technical subjects such as engineering or business are not designated as honours degrees. Another feature of the Canadian degree is the focus on individual choice in the courses a student takes compared to their British counterpart. For example, a music student could conceivably take courses in business or physics if they had the aptitude and interest. It is also uncommon in Canada for degrees to be classed as a first or second class honours degree. This is not totally unknown, but is generally only of interest to the academic community, and not the business world. Canadian degrees are somewhat different from British degrees in the fact that they are usually not graded or classified. A student's transcript is available to indicate what individual courses they took, and how well they performed in each course, but the courses a student completed is usually the important thing to a potential employer. This might have something to do with the fact that it is not uncommon for universities to fail students in Canada, and it is generally easier to get into a Canadian university than to graduate from one.

The Bachelors degree in Business, or Commerce as it is often called, and the Bachelor of Engineering degrees are
usually of four years duration in Canada, and sometimes extend to a fifth year. Both degrees allow for a considerable number of elective courses outside their core programmes. These elective courses include an English course (or French where applicable) which fulfils a writing requirement, and usually a certain number of mandatory elective courses outside the core programme. The most common elective courses chosen are those in the social sciences (eg. anthropology, political science, psychology, sociology, etc.) and the humanities (eg. classics, English, French, history, philosophy, etc.). The use of mandatory elective courses in Canadian University degree programmes that are primarily occupational in orientation is really little more than lip service to Canada’s educational antecedents. In the past Canada looked to the major universities of its main founding countries, Britain and France for educational models. These models, and especially the British, tended to have a strong bias towards classical education based on the inherent belief that anyone capable of translating Latin verse could rule an empire. This belief has been watered down somewhat to an implied belief that a person must be educated as well as trained, and one will be a better accountant, engineer, or manager, if one has at least a passing acquaintance with Chaucer and Toynbee. The other practical aspect of this practice, is that it makes educational programmes a little longer but compensates for any deficiencies that may occur in the secondary education system.

The perceived shortcomings of Canada’s secondary schools have become a matter of public debate, with editorial commentary in the Globe and Mail decrying the overall state of high school education. This debate is ongoing and healthy since it will help focus Canada’s education system on the needs of industry and technology. In essence what this debate is about is the quality of the natural resource known as labour. Just like iron ore, the better the quality of the raw
material, the higher the quality of the final product. In this regard, public attention is beginning to focus on the education of the future workers who are presently in Canada's secondary schools. Furthermore, the state of science education in secondary schools has received particular scrutiny, in articles by writers such as Don Hogarth in The Financial Post. He points out the deficiencies of science education in Canada and discusses a unique approach where an elite group of high school science students spend a summer programme where they receive tutoring from practising scientists of international reputation. The goal of the programme is to improve the skills and knowledge level of the students, and to interest the best available students in pursuing a career in science. Efforts such as this which are designed to address a perceived systemic problem should pay considerable benefits in overall industrial productivity in the future.

The Masters degree is one that usually is accepted as the credential for employment in commerce or industry that indicates expertise in a particular discipline. For example, if a large manufacturer were hiring an economist or chemist they would probably want someone with an M.A. or MSc. in the appropriate discipline to fill the position. In Britain a person with a good Honours degree would normally attain a similar position. The Masters degree combines both course work and a research project or thesis, and usually extends over two years beyond a general degree, or one year beyond an honours degree. It is probable that the ease of access to Canadian universities, and the large number of graduates produced over the last twenty years, is the cause for the requirement by employers of a masters degree to holders of specialist positions. In simple economic terms, an increase in supply without a commensurate increase in demand has caused credential inflation. These degrees are not a fast-track route to the top, although they do allow those hired to start with a higher initial salary and more status. It is common for
these specialists to remain in management positions in support functions such as economic planning or engineering services.

The doctorate or third cycle degree is not yet that common for managers. It is mainly a research degree, and a means of training teachers for postsecondary educational institutions. There are some exceptions to this, especially in large corporations that are technical in orientation such as steel-making, or telecommunications, but it is unlikely that it will become a common credential for Canadian managers. The degree extends over two or more years and is usually comprised of course work, examinations, and a thesis. This contrasts with the European doctorate which is all research and thesis based.

The professional schools are usually postgraduate in nature even though they are granting first degrees in a discipline, and are connected to the university system. They include medical schools which grant the M.D., law schools which grant the LL.B. and B.C.L., architecture schools which grant the B.arch. and M.arch., schools of public administration which grant the M.P.A., and the business schools which grant the M.B.A. In Canada, professional school admission is usually limited to those who hold any first degree. Those admitted also often hold graduate degrees, so it is possible to have a first year business school or law school student who is twenty-five or thirty years old, has five or more years of university, and several years of full-time work experience.

The two professional schools that have the most influence on the training of Canadian managers are the law schools and the business schools. It is interesting to note that Canadian law schools are quite different from British law schools in being more professional than academic in orientation, and they are inclined to have joint programmes, such as the four year joint LL.B./M.B.A. programmes offered by McGill, York/Osgoode Hall, Dalhousie, and the University of British Columbia. The
admission criteria to these programmes is highly selective, and the better law schools often require a high grade point average in a student's undergraduate degree, combined with high scores on the Law School Admission test, or LSAT. The LSATs are scored against one's peer group, and the higher a student's LSAT score, the lower their grade point average in other studies has to be for admission. Although no one ever publicly states it, the LSAT, is comparable to an intelligence test. In fact, the Mensa Society, a group that requires members to fall within the top two per cent of all test-takers on standardized intelligence tests, sets conversion scores so LSAT exam results can be converted to an acceptable Mensa admission score. The conversion factor indicates that between twelve and seventeen percent of all test takers receive a score that meets or exceeds the Mensa requirement of being in the top two percent of the population in intelligence. If one considers the LSAT test scores of those admitted to the University of Toronto Law School in 1986-87, it becomes apparent that 94 of the 160 students admitted were in the top 9 percent of those tested, a score that exceeds the minimum Mensa requirement. Another 52 students either met the Mensa requirement, or just narrowly missed the admission requirement. That leaves only 14 students in the first year class that do not meet the Mensa requirement, and they all miss admission by a very small amount. The other major Canadian law schools were similar to Toronto in their admission requirements, making this a very clever and highly motivated group of people.

It is interesting to note that approximately 20% of the group considered by Wallace Clement to be the Canadian Corporate Elite in the years 1951 and 1972 came from the legal profession. This group was comprised of senior managers and executives of a representative sample of major Canadian corporations. This is obviously a good career path to choose if one wishes to reach the upper levels of the Canadian
corporate world. The high potential salaries ensure that many of the best of the elite group that enter law schools pursue a corporate practice in a large law firm, and at mid-career make the transition from advisor to business executive. This path to the top also has a strong tendency to favour those who come from privileged backgrounds. The long period of education required to enter the legal profession and the high admission standard favours the children of elites who tend to place a higher value on education, and can afford to pay the cost of tuition and deferred income required for a post-secondary education that lasts six or more years. Furthermore, as noted by Porter, there is a correlation between scores on intelligence tests and social status, with the lower scores going to those who are on average of lower social status. This basically means that the law schools are more likely to sustain the existing social structure than change it in terms of the managers they produce.

The Graduate Business School

The graduate business school is a recent visitor to the scene in Canada with a lineage that goes back about thirty years, and can trace its roots to the influence of similar institutions in the United States. These programmes have a considerable following within the business world, and the M.B.A. is the degree most often offered by the various business schools. In Canada, as in the United States, this degree is offered almost exclusively to students who have completed at least an undergraduate degree of three years duration with a satisfactory grade point average, and performed adequately on the Graduate Management Admission Test (GMAT). The GMAT is the business school equivalent of the LSAT. Generally speaking, the average GMAT score of students admitted to MBA programmes at Canadian universities has less range than the average scores for admission to large American
business schools. For example, the lowest average GMAT admission score given for a Canadian University given in Barron’s Guide To Graduate Business Schools is 517 on a scale of 800 for the University of Saskatchewan. The highest average GMAT admission score is 605 at the University of Manitoba. The British equivalents would be the University of Sheffield with a GMAT of 535, the Universities of Edinburgh and Manchester with GMATs of 600, and the London Business School with a GMAT of 630, the highest in Europe.\footnote{If one considers a large American state such as Illinois, the school with the highest average GMAT score is Northwestern University’s Kellogg Graduate School of Management with a score of 620 and Governors State University’s College of Business and Public Administration is the lowest with an average admission score of 425.\footnote{If one considers the fact that Mensa requires a GMAT score at or above the 95th percentile for admission and then compares this requirement to the scale put out by the group administering the test scores, it becomes apparent that a score of approximately 650 is needed for Mensa admission. The average business school applicant does not meet this requirement, but many of those who enter law schools either meet or exceed this requirement. To put this in cultural perspective, in Canada the students who are admitted to law schools are more likely than those who enter business schools of having the most intellectual potential. They would be the equivalent of British students with highly classified first degrees in difficult subjects, or students who graduate at the top of their class from a grande ecole in France. The difference between Europe and Canada is that the duration of the education of Canadian managers is longer since these would be admission requirements to further training.} It is interesting to note how North American (Canadian & American scores are recorded in aggregate) undergraduate students with different majors did in the GMAT examinations. In 1988-89 the mean average score of test-takers with an
undergraduate degree in business was 470, while the mean average score for those taking philosophy was 546, and those taking physics had the highest mean average score of 575. The gap is considerable, and raises several important questions about one of the main admission criteria to graduate business programmes. It seems that studying business/management at the undergraduate level does not ensure a high average level of performance on the GMAT. This could be because the students who take business have less potential than those who take philosophy or physics. It is also possible that the skills and abilities that one acquires in a business programme are not applicable to the GMAT. If one assumes that the quality of students entering the different undergraduate programmes is equal, and the work level within the programmes is comparable, then it is possible that either the GMAT is not a relevant test of business skills, or that students wishing to enter business would be better served by studying other subjects than business. It is more likely, that the GMAT tests abstract reasoning abilities that are useful in business, but does not test for the human communication skills and unique knowledge of the various functions that one must be familiar with to be an effective manager. That probably explains why some business schools in Canada, such as the Universities of Moncton and Quebec, do not require the GMAT. They are in a small but select group, since Harvard University also does not use the GMAT.

Most MBA programmes in Canada are of two years duration, with the first year consisting of between ten and twelve one term courses covering the core disciplines of business (e.g. accounting, business law, economics, finance, management, marketing, quantitative methods, production management, and statistics). There are provisions by which those who have taken an undergraduate degree in business can be exempted from some or all of the first year core courses in business. The second year of MBA programmes usually has few mandatory
courses, and allows the student to choose a subject concentration (eg. marketing), or to take a variety of courses which are both of interest and useful in developing general management skills. MBA programmes tend to differ from undergraduate business programmes more in teaching method and intensity than in subject matter. What the undergraduate covers in four years, the MBA student attempts to cover in two years. This is necessitated by the fact that most MBA students have taken a degree in an unrelated area (eg. history, classics, etc.) and want a rapid paced programme since they have already spent three or more years in university. The pace is deliberately quick with an emphasis typified by the concept, "the hotter the fire, the better the metal". Students can take six courses in a term with several hundred pages of reading, and a case study to be prepared each week, in each course. They are also given large group projects to complete, numerous tests, and final examinations. The environment is deliberately chaotic, and focuses heavily on group work which emphasizes the ability to work with others effectively. The case studies are intended to focus on applying knowledge, rather than mastering abstract concepts. This emphasis more closely approximates the work environment that students will eventually find in industry. This differs from undergraduate business programmes in which the lecture method is more heavily relied upon, and material is covered at a more leisurely pace. The MBA programmes are more applied in their orientation than most undergraduate programmes, and it is assumed that since all students are already graduates, that they are literate, numerate, and well motivated. It should be noted that although MBA students can choose to major in a subject such as accounting, the four year undergraduate degrees are more likely to produce a student suitable to go on and complete the requirements for a professional accounting designation. This is due to the greater length of the undergraduate programme allowing for more material to be
covered, and the greater emphasis in the undergraduate programmes on the theoretical aspects of the discipline which are examined by the professional associations.

The Canadian Business schools do have a tendency to rank themselves, even though their GMAT scores indicate that the students they admit fall within a relatively narrow range of intellectual potential. There is also considerable similarity of curriculum, because the economics of textbook publishing dictate a limited range of titles, and many of the teachers have been trained in the same graduate schools. The weekly business newspaper, The Financial Post, reported on a survey ranking the MBA graduates of the various Canadian Business Schools. It was a large scale survey utilizing questionnaires sent to approximately 10,000 people. The data was tabulated and rankings for the top five schools were produced, based on the opinions of four different groups; companies, MBAs, Deans of schools, and by faculty. There was considerable unanimity between the various groups, with the University of Western Ontario receiving the top overall ranking. Western, as it is lovingly called by the cognoscenti was also ranked number one by all the individual groups. The other Universitates ranked as being in the top five overall were Queen's, York, British Columbia, and Toronto. Two other schools appeared on one of the four lists, but were not included on the overall list. It is interesting to note that four out of five of the schools ranked in the top five composite list come from Ontario, the industrial heartland of the country. Furthermore, none of the schools in the composite list come from the prairie provinces, the atlantic provinces, or Quebec. Furthermore, as previously noted, the University of Western Ontario had a slightly lower average GMAT admission score than the unrated University of Manitoba. If one considers that to be a valid indicator of aptitude, then it raises the question of why the quality of Western's students should exceed the students at other Business Schools, especially schools recruiting students with
higher GMAT scores. In teaching style, Western has more closely adhered to the Harvard case-study approach than other schools, but that alone seems only a minor difference since teaching techniques constantly change and most business schools use the case-study approach to a considerable extent. Western, like Harvard, does do a good job of marketing its programme. In a recent year it had 12,000 applications for the 258 openings that were eventually filled. It gives preference to students that have relevant work experience, intellectual potential, and that came from a variety of geographical locations. This ensured that their graduates will be widely dispersed, thereby increasing their strong alumni, or "old-boy/person" network.¹⁷ These extra-educational factors seem more important when assessing a graduate business programme than the actual programme itself. In fact, the Dean at Memorial University in St.John’s, Newfoundland, strongly disagreed with the ranking of Western as the top Business School in the country. He points out that in the National MBA Case Competition Memorial’s students have outperformed the students of all other schools in the country over the last several years. He is right in the evidence he has chosen to put forth, it is just that how a business school is perceived is more important than how well its students perform on a specific competition.¹⁸

This raises the question of how good are the Canadian Business Schools, and the MBAs they turn out. It is a matter of popular opinion in Canada that a MBA from Harvard Business School holds the ultimate management credential. A recent article by John Lorinc in the journal Canadian Business addresses the influence of the Harvard Business School in Canada. It points out there are approximately 750 Harvard MBAs working in Canada, and about an equal number of graduates of their post-qualification executive training programmes.¹⁹ The success of this group in Canada is considerable, with almost half of their MBA graduates holding senior executive
positions. Lorinc points out the prestige value of the degree and draws a relationship between the success of the degree holders and the ascribed status granted to these people. He does this anecdotally by having a recent Harvard MBA graduate quote several recruiters who felt that those that had been at Harvard had already met many of their company's requirements. In a recent article in The Financial Times of Canada, Arthur Earle, the founding principal of the London Business School related a comment made to him by a dean of a major American Business School. The essence of the comment was that the school was a filtration process which identified many of the most able students, and that even if the school taught these students very little, the demand for them by corporate recruiters would far exceed the supply. If this is true, and I suspect it is, then Memorial will never have the following of Western, and it is not because their students or teaching are deficient-- they are just not the most fashionable brand name. The British management writer John Blake commented that Canada does not have a business school with the prestige of Harvard. It is interesting that he noted the key concept here - prestige. There really are very few ways to assess the relative merits of competing MBA graduates, so the perception of their relative merits is the way they are judged in the marketplace. It is interesting that no other Business School, whether it is INSEAD, Wharton, or LBS, has quite the market appeal of Harvard, and the best that Canada has to offer is no exception. Perception is reality in assessing the relative merits of business schools.

One of the reasons that it is becoming more important to acquire an MBA from an elite school is that the total number of students being graduated with this credential has increased considerably. The following table indicates the number of graduates in management and administrative studies in the recent years.
<table>
<thead>
<tr>
<th>YEAR</th>
<th>Bachelors</th>
<th>Masters</th>
<th>Doctoral</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>1979</td>
<td>8,145</td>
<td>100%</td>
<td>1,790</td>
<td>100%</td>
</tr>
<tr>
<td>1980</td>
<td>8,699</td>
<td>107%</td>
<td>1,902</td>
<td>106%</td>
</tr>
<tr>
<td>1981</td>
<td>9,497</td>
<td>116%</td>
<td>2,015</td>
<td>113%</td>
</tr>
<tr>
<td>1982</td>
<td>10,573</td>
<td>129%</td>
<td>2,225</td>
<td>124%</td>
</tr>
<tr>
<td>1983</td>
<td>11,426</td>
<td>140%</td>
<td>2,484</td>
<td>139%</td>
</tr>
<tr>
<td>1984</td>
<td>11,984</td>
<td>147%</td>
<td>2,642</td>
<td>148%</td>
</tr>
<tr>
<td>1985</td>
<td>11,935</td>
<td>148%</td>
<td>2,729</td>
<td>152%</td>
</tr>
<tr>
<td>1986</td>
<td>12,095</td>
<td>150%</td>
<td>2,766</td>
<td>154%</td>
</tr>
</tbody>
</table>

The increased output of graduates in business at various levels is a recent phenomena. As recently as 1960, Canada graduated only 998 bachelors degrees and in the combined years of 1959-60 the English speaking universities graduated a total of just 78 masters in business administration. In 1961-62 no doctoral degrees were granted by Canadian Universities in business administration. The data is not perfectly comparable, but by 1979, approximately two decades later, Canada was turning out eight times as many bachelors and in most universities the degree had been increased in length from three to four years, with a commensurate upgrading of course content. The number of Canadian MBAs granted a year had increased by about 23 times. The number of doctorates granted had increased infinitely when measured as an order of 95
magnitude, but 18 is still a pretty small number, and not nearly enough to fill the demand for teachers and researchers. The output of credential bearing graduates in business has continued to increase between 1979 and 1986, with the 1986 output of graduates at all levels being approximately fifty per cent greater than the output in 1979. There are still places for the best students who graduate, but the "common garden variety" B.Comm. or M.B.A. is no longer automatically guaranteed a desirable position. The demand has not increased as quickly as the supply. Furthermore, since what we are dealing with is a flow of business graduates and not just a discrete quantity, the overall level of educated people in the workforce with a business credential will continue to increase in the foreseeable future. If one couples this increasing number of highly trained people, with the current trend to "downsize" and cut "levels" from large corporate organizations, then one is easily able to predict that many of these business graduates will have to take positions at a low entry level, or they will be forced to become entrepreneurs and create their own jobs.

The Role of The Professions

If the British turn out all-rounders, sometimes even with a general arts education, and the Germans produce manufacturing oriented managers with a Technik emphasis, then Canadians love their lawyers, accountants and engineers. It is only in recent years that a large number of people trained in management at university have been readily available to recruiters. Prior to this time, training gained by qualifying as a member of one of the three professions, and working in industry was considered a desirable managerial training. Presently, all three professions are usually entered by completing a programme of study in University, followed by a period of work experience often called articles, and the
passing of a number of standardized examinations which are in essence barriers to entrance to the professions. Like most things in Canada, the professions are decentralized, and although there are national umbrella organizations, provincial societies tend to control admission.

Admission to the legal profession has the longest period of university training, comprising approximately six years minimum, one year of articling, and a bar examination that has tended to be passed by most applicants at the first sitting. It is a profession that rewards the clever, and those that end up in senior management after practising law, tend to manage at a macro-level defined by the rules of corporate and consumer law. The negotiating and presentation skills acquired in representing companies both in court and in boardrooms trains lawyers well for their role as senior managers. Their strengths tend to be in area of representation skills and in strategic management, and their weaknesses show up in their lack of a detailed knowledge of the businesses they are running. Engineering training is somewhat different from legal training in Canada, with a programme that is basically undergraduate extending over four or five years. Admission is less restrictive than admission to law school, but getting out of engineering school is much more difficult than getting admitted! Engineering students face a daunting programme of from five to six courses a term. These courses usually are comprised of three hours of lectures and three hours of laboratory time for each course. The professors also assign large quantities of problems that must be solved and handed in each week, along with numerous laboratory reports. Each course also has midterm and final examinations that must be passed at an acceptable level to maintain standing in the degree course. The period of articling after graduation is monitored by a member of the profession, and in some but not all provinces, a set of technical examinations must be passed prior to the granting of P.eng. or professional status.
One of the shrewder marketing moves made by the engineering profession, although it was obviously not originally intended as such, is the ceremonial handing out of iron rings at the time of graduation from an accredited engineering degree programme. The initiation ceremony is an important symbolic ritual in the young engineer's life, and in future one is identified as a member of a special group by the plain iron band worn on one's little finger. The value of this becomes immediately apparent when one thinks of two industrial sales representatives arriving at a plant to meet the head of production management, who happens to be an engineer. One sales representative is an engineer, and the other is not. The engineers subtly flash their rings, then engage in a conversation about where they studied. If the sales representative with the engineering degree is lucky, he may have even attended the same university as his client.

Engineering degree programmes are highly mathematically based, and problem oriented. This gives young engineers practical training in solving empirical problems using quantitative tools, and the heavy course load develops an ability to work very hard. These traits are clearly useful in industry, and combined with their practical scientific training they are particularly well suited to resource extraction industries, construction, and the running of utilities. Engineering is not a profession in Canada that one equates with cultural sophistication or diplomatic skills, and these abilities are valued more highly as one moves up through the ranks towards the boardroom. The image engineers have of being task oriented and brusque, is one of the disadvantages that must be overcome if one wishes to use engineering as a springboard to a senior management position.

If lawyers are the corporate diplomats, and engineers the corporate doers, then the accountants are the corporate scorekeepers. This role has won them the demeaning title of "bean counters" - a description that implies they do little more
than focus on keeping track of irrelevant detail. In Canada there are three main professional accounting associations. The Institutes of Chartered Accountants in the various provinces can all trace their history back to The Institute of Chartered Accountants of Ontario which was founded in 1883. It was based on the British model, and emphasized public accounting. In the beginning, the training programme was mainly a combination of apprenticeship and examinations based on a demanding syllabus, with students left to their own devices regarding tuition. Matters have improved considerably since then, with the majority of articling students holding four year undergraduate degrees, usually with a major in accounting. A period of articling follows the degree and further courses are taken while working to ensure that the student has covered all the core areas of the profession. The culmination of the chartered accounting training is the Uniform Final Examinations which are offered once a year. They are notoriously difficult, and much of the prestige of the profession rests on the large number of very talented people who have not been able to pass the examinations on the first try. One of the more valuable but less obvious aspects of becoming a chartered accountant is the opportunity to walk through the door of numerous businesses and access both their records and staff during an audit assignment. This is somewhat analogous to a series of real life case studies, giving the observant and curious C.A. student a highly valuable hands-on business training. Another unique advantage to C.A. training is that the large accounting firms often place young C.A.s in their firms in positions of influence in the accounting departments of their corporate clients. This creates a symbiotic relationship which helps to ensure that the audit client does not take their business elsewhere.

There are two other well-known professional accounting societies in Canada, the Society of Management Accountants, and the Certified General Accounting Association. They both
grant their own designations, the C.M.A. and the C.G.A., but they tend to differ from C.A.s in that their graduates usually acquire their initial work experience and hold positions in management accounting instead of public accounting, and their status is somewhat lower than that of the C.A.s in the profession.

Accountants often have an advantage in moving from professional to managerial positions because they are the ones who best understand the universal business yardstick, profit. This intimate knowledge of the intricate financial workings of a company makes them invaluable to senior management, especially in periods of fiscal restraint when the marketing types cannot be trusted to steer a steady course. That probably explains why a large number of Canadian accountants end up in management positions.

There are numerous other professional associations that provide management training to their members, but these groups tend to be inclined to train those who remain within a particular profession. Examples of these groups would be the Life Underwriters' Association of Canada for the insurance industry, the Canadian Bankers' Association for the financial services industry, and the Real Estate Institute of Canada for the real estate industry. The training offered by these associations tends to cover the main functions of management while focusing on the unique knowledge required to work within the particular industry. Holders of these designations do not have the cross industry mobility of a lawyer, engineer, or accountant.

Management Upgrading for Workers

There are many people who have reached, or aspire to management positions, and have received little formal management education. These people may wish to pursue a qualification or just increase their management skills and
theoretical knowledge.

 Those who wish to acquire a credential vary in their background, but there are programmes available to meet the needs of most individuals. Many Canadian universities offer part-time evening degree (mainly undergraduate) and non-degree programmes. These courses are offered throughout the regular academic year and during summer session. The use of the course as a discrete and measurable piece of academic work allows students to take one or more courses a term in the evenings and either use the course to develop an area of occupational interest or to apply it towards a degree. Taking an undergraduate degree this way may take seven or eight years, and a graduate degree might take three or four years to complete. The advantage of this type of programme is that it increases the accessibility of education to those who missed the opportunity at an earlier age, and allows people to upgrade their knowledge and qualifications while maintaining employment. The magnitude of this activity is evident if one considers that in 1987-88 294,504 part-time students enrolled in Canadian universities versus 39,396 part-time student enrolments in Britain. Britain is a country with a larger population, yet it has approximately one seventh the number of part-time students as Canada. This indicates that Canadians place a relatively high value on continuing education, and that educational institutions have adapted their programmes to provide the flexibility necessary to attract part-time students. It could be argued that Canadian universities have made the first tentative steps towards adopting a business model, and recognizing that students are also customers. It is also interesting to note that in Canada the percentage of part-time university students as a percentage of total student enrolment has increased from 26% in 1965 to 38% in 1985. The majority of these part-time students had already attended a post-secondary educational institution, and over half these undergraduate students and more than two thirds of
the graduates students chose part-time studies because it allowed them to maintain a job during their education. This is indicative of a trend on the part of the general population to move towards lifelong learning. In 1975 16% of part-time students were enrolled in business studies, but this had increased to 23% by 1985. These students vary in the level and orientation of the business programme they are pursuing, but that still means that about 67,000 students, who were mainly workers, were taking a post-secondary course in business studies.

The number of students pursuing further education is weighted towards those that are young, well-educated and employed. This is evident when one notes that in 1985 32% of employed graduates of universities and colleges enrolled in a part-time course compared to just 5% of those whose highest level of education was high school. This strong correlation between the educational attainment level of the Canadian population and their participation rate in part-time education is also related to the demographics of age. The percentage of the population in the 15 to 24 age group with less than a grade nine education (junior high school/pre 0 level) was less than 10% in 1975, whereas 59% of the population over the age of 65 had attained less than a grade 9 education. By 1985 approximately 8% in the 15 to 24 age group and 50% in the over 65 age group had not attained a grade 9 educational level. This is indicative of the ever-increasing attainment level of the total population. The cause of this marked change was the belief that government spending on education was a good thing, and that education should be democratized and made accessible to everyone by both federal and provincial governments over the last thirty years. The ability to fund education at this level continually is becoming suspect, but the demand for education has been created in the overall population, and it will be a difficult policy for any government to change quickly.

102
A more expensive and management oriented type of training is offered by various extension programmes run by and in conjunction with the various business departments in Canada's universities. These programmes are offered by Memorial University on the east coast and the University of British Columbia on the west coast, and at many places in between. The Banff School of Management which is connected with the University of Alberta, and the executive training programmes run by Western also deserve mention because of their seniority and influence in training the present management of many of Canada's largest companies. The courses offered are intended to give managers functional training as evidenced in such common course titles as "Finance and Accounting for the Non-Financial Manager" or "Marketing in the Service Sector". Courses such as these are usually of short duration, three days to a week, and are an effective means to upgrade the knowledge and skill level of existing managers. There are also courses of longer duration such as the "Middle Management Development Programme" and the "Advanced Management Development Programme" which often run from three to four weeks in duration, and are usually residential in nature. These courses are an appropriate means to upgrade a functional manager who is taking on broader general management duties, or to broaden the perspective of a middle manager who is moving into senior management and needs more of a strategic perspective to fulfil the requirements of the new position. These courses do not offer a formal qualification such as a degree that increases an employee's mobility between firms, and they also are not examined as is a degree so that the actual improvement in skills and knowledge on the part of the participants is not tested or documented. Therefore, one can attend and have a certificate attesting attendance, but it does not indicate academic performance. The advantage of these programmes is that they are much shorter than degree programmes, and much more interested in training someone in
how to do something than in educating someone in understanding why something happens. These short courses also serve several other non-training related purposes. They can be used as a reward for someone who has done a good job, as a means of preparing someone for either a promotion or a lateral career move, and they are a way for managers to meet other managers. The opportunity to associate with others of similar background and interests is very useful for both the individual and their sponsoring institution. The friends that are made on these courses may become future customers or suppliers, or just informal contacts and sources of information.

Conclusion

Canadian managers have been educated by a system that has evolved considerably over the past forty years. Since that is the approximate work life of most managers, it is pertinent to note this system has been a major socializing and training influence on the country’s current managerial workforce.

The Canadian educational system, like most other things in the country, is based more on loose coordination than on centralized control. Canada has ten provinces, two territories, and two founding languages, and all of these elements are at least partially accommodated by the educational system. In practice this means that the country has some common educational goals, but the means of achieving them varies between different parts of the country. An undergraduate management degree is still roughly equivalent whether it is granted in Alberta or Quebec, but the flavour of the curriculum will probably be adjusted to meet local needs. Alberta students are not familiar with managerial references to running a seaway, and Quebec students have little idea how a cattle ranch operates. This diversity masks the fact that most Canadians are firm believers in publicly funded education, which is evident in the consistent upward trend in
educational attainment levels throughout the country.

The number of students who are enrolled in, or who have graduated from the various post-secondary educational institutions, has also increased in both relative and absolute terms in the last forty years. The present Technical College and University system has been either newly created or expanded in this period to meet the desires of the Canadian populace to make education more accessible. There has been a general belief on the part of both government and the governed that "education is a good thing". This means that many people were and are still being educated without a specific identified purpose on the part of either the students or society. There really is no system in Canada whereby someone decides that the country needs a definite number of people with MBAs over the next decade, and sets out to train the required number. In fact, the reverse seems to be the case, with the demand of individual students dictating the degree programmes offered by the various educational institutions. In recent years, this has ensured employers of a ready supply of people with qualifications in management, but it does lead to qualification inflation and the possible allocation of educational funding to sub-optimum areas seen from a societal perspective. One possible advantage of this system is that Canada has many people that have been trained to run private and public organizations who must start their own businesses if they wish to have the opportunity to become managers early in their careers. This may lead to the formation of new companies that will drive the future economy.
NOTES

1 Laws, Statutes, etc., The British North America Act, 1867 British Statutes, 30 Victoria, Chapter 3.


8 Law School Admission Test Canadian Service Information Book (Newton, PA.: 1987), 118.

9 John Porter, The Vertical Mosaic (Toronto: University of Toronto Press, 1965), 196.


11 Ibid., 265 & 274.

12 Mensa Canada Information Brochure.

13 Jean-Louis Barsoux & Peter Lawrence, Management In France (London: Cassell, 1990), 38.


17Ibid., 7.


24Peter Lawrence, Managers and Management in West Germany (London: Croom Helm, 1980), 96.


29Ibid., 29.
7. Canadian and American CEOs: A Comparison

One of the most powerful tools of comparative management research is comparing like or similar situations in different countries. This allows one to better understand the groups being studied through the use of a relative perspective. In this chapter I propose to use existing biographical information from a variety of sources to create tables that will allow for analysis and comment on the similarities and differences between American and Canadian CEOs. This group is a major trendsetter in the area of business policy and when viewed collectively it can be considered to be an homogeneous elite that helps form the value system of Canadian managers. Furthermore, CEOs are by definition the managers that have risen to the top of the managerial hierarchy.

The population being considered is somewhat hard to define, but it consists of perhaps a thousand individuals in the United States, and at most five hundred Canadian CEOs. Sampling this population is quite simple, and a sample of 100 CEOs from each country will be used in this chapter. Since CEOs are by nature dynamic in their behaviour, there is considerable turnover in their group. Therefore, CEOs must hold their position for the year 1990 to be considered as part of the sample. Inclusion in the Business Week and The Financial Post compilations of CEO biographies will deem them to be considered as the CEO in charge in 1990 for the purpose of this chapter. Companies are often assessed by a variety of criteria, ranging from gross profits to gross revenues, two widely disparate measures of size. Therefore, all reasonable attempts will be made to choose CEOs from companies that are representative of their respective country's economies. The intent of this analysis is to determine similarities and differences between CEOs in Canada and the United States. This will be done by presenting the outcomes of the sampling on each individual factor in a table, then commenting on the
possible reasons for the outcomes. Individual outcomes will tend to be presented as separate sections within the chapter, and a short summary section will close the chapter.

The Birthplace of CEOs

If one considers the following table containing data on the birthplace of CEOs of Canadian and American companies, one can observe both similarities and differences.

<table>
<thead>
<tr>
<th>CEOs Country of Birth</th>
<th>Canadian CEOs</th>
<th>United States CEOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>n &amp; %</td>
<td>n &amp; %</td>
<td></td>
</tr>
<tr>
<td>n = number, % = percentage</td>
<td>n = number, % = percentage</td>
<td></td>
</tr>
<tr>
<td>Canada 67</td>
<td>United States 93</td>
<td></td>
</tr>
<tr>
<td>United States 11</td>
<td>Canada 2</td>
<td></td>
</tr>
<tr>
<td>United Kingdom 14</td>
<td>United Kingdom 2</td>
<td></td>
</tr>
<tr>
<td>Other 8</td>
<td>Other 3</td>
<td></td>
</tr>
<tr>
<td>Total: 100</td>
<td>Total: 100</td>
<td></td>
</tr>
</tbody>
</table>

The most obvious initial observation one makes is that over nine tenths of the American CEOs were born in the United States while approximately two thirds of Canadian CEOs were born in Canada. This is a considerable difference. When one looked further into this data, it became apparent that many of the Canadian CEOs were born in the United Kingdom, but were educated and therefore socialized in Canada. It is also true that the British have felt comfortable here, and there has always been a high level of British immigration to Canada. In fact, until the European Economic Community was created, British citizens received preferential treatment as immigrants to Canada. This has run both ways with families such as the Weston food people operating in Britain. There have also been numerous Canadians in the British newspaper industry ranging from Lords Beaverbrook and Thompson to the present day with
Conrad Black. The American born CEOs are a somewhat different issue since many of them were both born and educated in the United States, and just came to Canada on assignment from their head office in Detroit or New York to head up a large Canadian subsidiary such as General Motors of Canada. This basically means that while many of the British born CEOs are really Canadian in attitude since their secondary and post-secondary education has been in Canada, the American CEOs are almost always American educated, and have often never lived or worked in Canada when they are appointed to their positions in Canada. This is not totally dissimilar to General Motors appointing American executives to work in Europe, but it still means than many of the most influential senior managers in Canada are Americans. The American born and educated CEOs are sent to Canada to manage Canadian branch plants of American parent companies such as General Motors, Dow Chemical, and Xerox Canada. This is somewhat complicated by the fact that the trade runs both ways, although the flow of Canadian managers to the United States is much smaller and less visible. The famous or perhaps infamous F. Ross Johnson of America's RJR Nabisco is a boy from Winnipeg. The border has always been to a considerable extent open, and the recent free trade deal has made it even more so. This is a somewhat unique Canadian phenomenon which is probably at least partly due to the fact that many Canadians and Americans speak English with accents that are similar enough to blur national origins on the surface. Furthermore, while most Americans do not perceive Canadians as being different, Canadians definitely perceive Americans as being different. This is partly a matter of size, and Canada is a multi-cultural pluralistic society that socializes its citizens to adapt to a variety of value systems. Americans perceive this ability to adapt to their managerial style as Canadians being similar to them. I doubt that a British manager could move as easily into Germany or France as Canadian and American managers can.
interchange. Furthermore, the fact that 2% of the CEOs of the American companies sampled had Canadian born CEOs is considerable, if one considers the managerial job market in the United States is roughly 10 times the size of the same market in Canada. This is a by-product of Canada being a branch plant economy in some manufacturing and industrial sectors, and it does differentiate Canada from the United States, and from many other industrialized countries. In many ways, the fact that others who come to Canada are often successful enough to reach a CEO position in the first generation, and the fact that American born CEOs all are capable of being successful in Canada speaks for the country's pluralism and diversity. If the world economy does not revert to protectionism, it is possible that Canadian pluralism may well be a positive factor in an international economy based on free trade.

Canada has always been a destination for the wealthy who wanted to find a safe haven to live where they could protect their wealth. That is one of the reasons that 8% of the Canadian CEOs versus 3% of the American CEOs fall into the "other" category regarding their country of birth. Many of these Canadian CEOs came from eastern Europe. They were often forced to emigrate by the Second World War. A prime example of this is the Bata family from Czechoslovakia who operate their worldwide shoe manufacturing and marketing company from Canada. Presently, Canada is using special immigration provisions for the rich Hong Kong Chinese who will need a safe western haven after 1997, provided they bring sufficient amounts of capital and start new industries that create jobs in Canada. This self-serving sort of immigration policy seems innate to Canadian government policy-makers. In effect they are trading citizenship in a politically stable, albeit cold, safe haven, for large infusions of foreign capital and managerial expertise.
The Education of CEOs

Unlike the traditional professions of law and medicine, management does not have formal educational entry barriers in Canada and the United States. Interestingly, this is unlike France, where the management cadre is perceived as being distinct, and one of the more commonly expected entry requirements is an education at a *grand école.* Therefore, instead of looking at a common educational background for practitioners of an occupation, one can observe considerable variation, as indicated in the following table:

<table>
<thead>
<tr>
<th>CEOs Educational Attainment Level</th>
<th>Canada n &amp; %</th>
<th>United States n &amp; %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary School</td>
<td>20</td>
<td>7</td>
</tr>
<tr>
<td>Diploma/other</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Bachelors</td>
<td>55</td>
<td>62</td>
</tr>
<tr>
<td>Masters</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Doctorate</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Total:</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

The first observation that one can make is that CEOs in both Canada and the United States range from secondary school to postgraduate degree level in their educational backgrounds. This means that two people doing the similar jobs might have widely disparate educational attainment levels. It is interesting to note that 20% of the Canadian CEOs in the sample had a secondary school education, while just 7% of the American CEOs sampled had not gone past a secondary school education. This is a considerable difference, and might be explained by the fact that in Canada, until the 1960s, post-secondary education was primarily reserved for elites, while the United States has had a long standing commitment to mass university level access, especially in state funded institutions. As the older CEOs retire in Canada, it is
probable that the average educational attainment levels of their replacements will more closely approximate that of their American counterparts. The sub-degree level qualification of the diploma is not a major training ground for CEOs in either country, and I do not expect it to become so. These college level programmes tend to have lower entry requirements, and provide an education that is often narrow and technical in focus; not the type of training that develops the kind of overview thinking that eventually gets one into the upper reaches of management. It is possible however, that holders of these diplomas will be well represented in lower level or middle management positions where the broader perspective acquired in a degree programme is less important. The bachelors degree was slightly more common as a source of CEOs in the United States, but in both countries it was a common credential for CEOs. One could argue that this degree is in many ways a minimum educational standard for entry to the senior management ranks in both Canada and the United States. Having the degree might not get one in, but not having it might be considered an exclusionary factor.

The fact that 22% of CEOs in both countries held masters degrees is an interesting one. Furthermore, many of these degrees were not in business, but were in more traditional academic disciplines such as geology, chemistry, or history. This does indicate that a higher level of educational attainment does assist one to climb to the higher reaches of management. It is likely that more of the younger occupants of the CEO suite hold these masters degrees, and that this group will increase its representation over time. Another area where the American and Canadian CEOs differed was in the number of CEOs holding doctoral degrees. While just 6% of the American sample held this degree, none of the Canadian CEOs in the sample had attained this level. This difference is probably based on two separate factors. The first being that up until the last decade many Canadian Universities did not offer
doctoral programmes, while many large American state and private universities have been offering doctoral degrees for many years. Therefore, it is partly a matter of accessibility to the academic programmes. The second causal factor is that much of Canadian industry is natural resource extraction-based, and does not lend itself to having a large number of Ph.D.s on the staff. However, Germany for example, has many industries such as the chemical industry where Ph.D.s are common. The U.S.A. is somewhat similar to Germany in having people such as Dr. Wang, the founder of Wang computers, who are major participants in high technology industries. Therefore, one is presented with a chicken and egg situation when one looks at this difference. If the CEOs with Ph.D.s are the reason that high technology industries flourished in the United States, then it is in Canada's interests to increase the number of Ph.D.s graduating in advanced applied science disciplines and try to create an environment conducive to the formation and development of high technology companies. However, if one needs the high technology companies to employ the Ph.D.s then it is unlikely that Canadian industry, at least in the short term, has the capacity to absorb many Ph.D.s as CEOs.

The academic disciplines studied by CEOs, as indicated in the following table, are also worthy of comment:

<table>
<thead>
<tr>
<th>Discipline (where applicable) of CEOs Education</th>
<th>Canada n &amp; %</th>
<th>United States n &amp; %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business</td>
<td>19 41</td>
<td></td>
</tr>
<tr>
<td>Engineering</td>
<td>17 21</td>
<td></td>
</tr>
<tr>
<td>Engineering/Business</td>
<td>5 13</td>
<td></td>
</tr>
<tr>
<td>Law</td>
<td>17 9</td>
<td></td>
</tr>
<tr>
<td>Arts &amp; Science</td>
<td>21 6</td>
<td></td>
</tr>
<tr>
<td>Other/Unknown</td>
<td>21 10</td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

114
The first and most obvious difference between Canada and the United States is the fact that over twice as many American CEOs have studied business as have Canadian CEOs in the sample. This is a considerable difference and indicates the fact that studying business as a discipline is probably more likely to be rewarded with promotion in the United States than in Canada. Canada appears at least in the appointment of the CEOs sampled, to be more inclined to follow the British generalist tradition in which any degree will do as long as one has a degree, while the United States seems more inclined to reward specialist training in business. All other things being equal, and they seldom are, I am inclined to think that the American model of having CEOs who have received a formal management education in senior management positions is the preferred option. There is little difference in the number of CEOs with an engineering education in the sample, but it is interesting to note that over three times as many American CEOs hold joint engineering and business qualifications. This combination is particularly powerful, since it gives the individual training in both production and general management activities. Almost twice as many Canadian CEOs hold law degrees as the American CEOs sampled. This can arguably be considered a disadvantage, since legal training tends to focus on process and avoiding risk instead of risk-taking and goal achievement. Over three times as many Canadian CEOs have general arts and science backgrounds as their American counterparts. This indicates that Canada has rewarded generalist education to a much greater extent than specialist education in choosing CEOs of major corporations. This has both advantages and disadvantages. The generalist tradition does give individuals a broader world view than the more training oriented business and engineering degree programmes. However, it does then place the onus on the individual and their employer to ensure that managers acquire sufficient training during their early careers to remedy any skill or
knowledge deficiencies they might have. Furthermore, it is unlikely that a series of short courses taken while a manager is in service will give an individual the detailed familiarity with different business subjects that one would acquire through completing a degree course. Furthermore, the earlier the degree course is completed in a manager’s working career, the greater the potential utility society will receive from the educational investment.

It is interesting to note that executives not only vary between countries, but also tend to vary between industries within countries. It is assumed that all these managers have at least a sound grounding in the basic managerial skills and disciplines, but after mastering those areas, a fit between the managerial profile and the industry is often important. For example, as any regular reader of the Canadian business press knows, a manager who is going to get into the upper reaches of a major Canadian bank must exhibit probity and community mindedness. However, overt cleverness would be a disadvantage if not a serious impediment for climbing up the banking ladder of success. It would mitigate against the image of the non-university trained farm boy entering a bank at 18 after completing high school, and through hard work climbing to the President’s chair in thirty years. On the other hand, mining executives are often hard-driving well-educated engineers who are overtly clever and not particularly interested in decorum if it gets in the way of the goal at hand. While beverage and brewing industry executives tend to be good communicators, affable, and marketing oriented. All three of the portraits of the Canadian manager I have drawn do have real life counterparts, but the point is they will tend to exhibit educational traits based on the requirements of their individual industries which are qualitative and do not lend themselves to identification in sampling populations. Furthermore, the unique way many industries have evolved in Canada tends to dictate the type of person that climbs to the
Although the data were inconclusive regarding which university one should attend to improve one's chances to reach the CEOs office, there were at least a few comments that one could make based on reading the biographies of the CEOs. For example, the larger universities located in major cities such as the University of Toronto, University of Montreal, and New York University all had alumni in CEO positions. This probably is more a function of the fact these institutions all have more than 20,000 students and are also located in large financial centres where most major businesses locate their head offices. Furthermore, there was a considerable dispersion of institutions indicated as the alma mater of the CEOs. There was no Canadian equivalent of the American Ivy league influence, but there appear to have been a considerable number of appointments of individuals with an undergraduate arts degree from schools such as Yale as there were masters in business from Harvard and Stanford. This is an easy difference to explain, since the child of the owner of a family business often receives an elite education at an east coast prep school followed by a "gentlemen's" education at an ivy league school. Or, to put it more directly, family wealth won't get one through the Harvard Business School but it might get you through a B.A. in the humanities at Harvard. It is also true that one does not need the skills acquired in a rigorous business school if the path to the CEOs office is based on paternity. This phenomenon was apparent in both Canadian and American family owned companies, but it appears to have been more prevalent in the U.S.A. Every family fortune deserves at least one idiot sibling to quicken the redistribution of wealth process!

At a practical level, it appears that a university education helps to improve one's chances to get into the executive suite in both Canada and the U.S.A., and that having studied business or engineering seems to improve one's chances
even more. However, there is no necessity to have attended a status institution, nor to have taken a B.Eng., and M.B.A. In fact, most CEOs came from non-status institutions. I suspect this is partly due to the fact that 84% of CEO appointments in Canada, and 89% of similar appointments in the U.S.A. were made from the pool of internal candidates. These people were often individuals who had started with a company after receiving an undergraduate degree, and then worked their way up to the CEO position with twenty or more years of performance superior to that of their colleagues. This tendency towards internal appointments somewhat mitigates the advantage of a high status education, and shifts the focus to managerial performance. The small group of external appointments may include consultants and others who work with firms at a strategic level and who have M.B.A.s from status institutions, but this is more the exception than the norm in both countries.

The Influence of Corporate Ownership & Gender

One of the less talked about and more important components of attaining a CEO position is company ownership, as indicated in the following chart:

<table>
<thead>
<tr>
<th>Ownership of Company</th>
<th>Where CEOs Are Employed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Canadian</td>
</tr>
<tr>
<td></td>
<td>Family n &amp; %</td>
</tr>
<tr>
<td></td>
<td>Non-Family n &amp; %</td>
</tr>
<tr>
<td>Family</td>
<td>18</td>
</tr>
<tr>
<td>Non-Family</td>
<td>82</td>
</tr>
</tbody>
</table>

There is little difference in the number of major Canadian and American companies sampled in which the company was primarily family owned. Although it was not possible to quantify just what percentage of the CEOs of closely held

118
family owned companies had a family member as CEO, one had the strong impression that it helps to be the son, not daughter, from the family controlling these tightly held companies. In the United States one only has to think of Anheuser-Busch, and in Canada the Weston empire. It is also interesting to note that in many cases the educational attainment level of family appointed CEOs appeared to be lower than CEOs appointed to widely held non-family controlled companies. Considering the fact that just a little under one fifth of the companies surveyed are family controlled, and that these companies have a strong inclination to appoint family members to be their CEOs, one might stand a better chance of reaching the executive floor by being born into the right family than by getting an M.B.A. from Western or Harvard and working very hard for twenty years.

I suspect that most people now assume that women are being treated more equitably than in the past, but the following table is a stark indicator of how society has progressed on gender equity:

<table>
<thead>
<tr>
<th>Gender of CEOs</th>
<th>Canadian</th>
<th>American</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>male</td>
<td>female</td>
</tr>
<tr>
<td>n &amp; %</td>
<td>n &amp; %</td>
<td>n &amp; %</td>
</tr>
<tr>
<td>100</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

None of the companies sampled had a women CEO. This does not mean there are no women holding CEO positions in large Canadian and American companies, but it does indicate that the number is so small that the sample did not identify any of them. This may be explained by a couple of factors, the first being that women have only been pursuing managerial careers in significant numbers for the last ten to fifteen years, but I suspect that is not the entire answer. The "glass ceiling",

119
an invisible barrier between middle management and executive management which women cannot readily pass, probably does exist. I have talked with one young woman whose father owned a significant part of a medium sized trucking firm in Canada, and she told me that her father sold his shares to his partners because he did not have a son to take over his place in the company. He did have four daughters. I suspect the values exhibited by this father are common among the male owners of companies, and it is likely that the men deciding on who gets to pass through the glass ceiling also feel women just are not quite up to the tasks of the executive suite. This barrier has been broken on occasion, but the sample indicates that in both Canada and the United women have not yet been fully accepted into the upper reaches of management.

When They Receive the Mantle of Office

The following table documents the age at appointment to the CEO position:

<table>
<thead>
<tr>
<th>Age in years</th>
<th>Canadian n &amp; %</th>
<th>American n &amp; %</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;40</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>40 to 45</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td>45 to 49</td>
<td>21</td>
<td>33</td>
</tr>
<tr>
<td>50 to 54</td>
<td>21</td>
<td>27</td>
</tr>
<tr>
<td>55 to 59</td>
<td>19</td>
<td>15</td>
</tr>
<tr>
<td>60 +</td>
<td>11</td>
<td>9</td>
</tr>
</tbody>
</table>

It is interesting to note that approximately the same number of CEOs attained their position in the under forty years of age category in both Canada and the United States. These precocious types appear to be as common in Canada as in the United States. At this point the pattern starts to deviate between the two countries. Almost four times as many Canadian CEOs acquired their position in the forty to forty-five age
group as did their American counterparts. It appears in the United States that if one does not receive the mantle of power while one is a Wunderkind, then one must wait another five years or so to receive the mantle of power. The Canadian pattern of CEO appointments then rises to its highest level in the next two age categories, and the number of appointments begins to taper off just a little in the fifty-five to fifty-nine age group. There are still a significant enough number of CEOs appointed in the sixty and over age group which probably acts as an incentive to senior managers who have not made it into the executive suite early in their career. The American pattern of CEO appointments tends to peak in the forty-five to forty-nine age group, remain at a considerably higher level than their Canadian counterparts in the fifty to fifty-four age group, then to fall below the Canadian appointment rate from fifty-five onwards. This basically means that in Canada one stands a relatively good chance of promotion throughout one's career. In fact in both countries but in particular in Canada, it is still possible to enter the upper reaches of management after the age of sixty. Promotion opportunities in the United States appear to be less evenly distributed throughout the career cycle, and one could argue that there may be age discrimination at work in the companies sampled because of the uneven distribution pattern of promotions.

Conclusion

In summary, there are many similarities and differences between the Canadian and American CEOs sampled. The first and most obvious difference is that many more Canadian than American CEOs are born outside their respective countries. To me, this indicates that Canada is more inclined to accept continual waves of new immigrants and that these immigrants are often successful in the first generation. It also
indicates that Canada is pluralistic making it easier for individuals to rise quickly in the managerial structure, while the United States is a melting pot, and until one has gone through the melting pot one is less likely to rise to the top of the social and managerial structure. The American CEOs sampled had both higher educational attainment levels than their Canadian counterparts, and their education was more likely to be in a discipline such as business or engineering. The educational differences definitely favour American industry, since their CEOs have higher educational attainment levels, and are more likely to hold degrees in subjects such as business and engineering which have direct applicability in industry. In both Canada and the United States having one’s father own the business does expedite access to the CEOs office, and although both countries espouse gender equity, neither has been successful in getting even a small percentage of CEO positions filled with women. Another area of interest is the age at attainment of the CEO position. It appears that in Canada one stands a slightly better chance to become CEO throughout one’s career, indicating that age discrimination does not appear to be a major concern.
NOTES

1 "Canada's Corporate Elite," The Financial Post Magazine (Toronto) Special Issue 1990.


3 Peter Lawrence, Managers And Management In West Germany (London: Croom Helm, 1980) pp.77-83.
In this chapter I will relate the outcomes of a series of interviews carried out with over forty representative Canadian managers. The object of the exercise was to supplement the more empirically oriented information acquired in the survey of Canadian managers with the informal yet valuable material that is often best acquired in face to face communications. The methodology was straightforward, and partially defined by the availability of interview subjects. An interview schedule (information copy at the end of the chapter) was used which documented the name, title, and position of each interview subject and the location, date, and time of the interview. My approach was to use an interview schedule comprised of open-ended questions as a prompt to start the discussions. However, I quickly discovered that while it was useful to use the interview schedule as a starting point, that in most cases the interview deviated from the prescribed format and the discussion was more fruitful because it was free ranging. The probable reason for this is that people were speaking from personal experience, and the most useful managerial situations they experienced were often idiosyncratic, and not patterned according to textbook based concepts or definitions. Therefore, I used the questionnaire as a prompt, took copious notes during the interviews, and probed as much as possible to determine the extent of the individual manager's experience and insight. After the interviews, I checked and augmented my notes, so that all the pertinent aspects of the interviews were documented for future use. The subjects were also granted anonymity, which allowed them the opportunity to be forthright in their comments. In reviewing and summarizing the interview outcomes, I have attempted to both record patterns of response, and to add more specific information provided by individual subjects where it added insight and clarification.
Style

Style is not so much a matter of what you do, but rather of how you do it. Most of us are familiar with the stereotypical brash American, the frugal Scot, and the hard-working Japanese. These stereotypes are obviously not absolutes, and it is quite easy to point out exceptions, but they are indicative of perceived cultural patterns of behaviour. If Canada has a distinct managerial style, and I think that it does, it has a great deal to do with how Canadians perceive themselves. A currently popular riddle among adults is "why did the Canadian cross the road". The answer is "to get to the middle". This is thought to be witty in an understated way by Canadians, and most respond with subtle laughter. It contains an element of self-deprecation and indicates that although many Canadians are quite willing to discuss issues in an assertive and even aggressive manner, after all is said and done they will usually reach a solution based on compromise. To go with all the other stereotypes, one has the pragmatic Canadian. This was born out in discussion with numerous Canadian managers. For example, the former Canadian born and educated engineering manager at a large American owned but Canadian based automobile manufacturing plant in central Canada who explained how he dealt with employees when there was a production problem. He indicated that when he was dealing with operators on the floor, and also with supervisors who reported to him, he would first discuss the problem with them, and try to reach a consensus. If this did not work, he then heightened the discussion, moving to a more directive style, but still working on the underlying assumption that if what he wanted his staff to do was logical, they would eventually understand his reasoning and comply with his direction. There was a willingness to escalate the communication from a discussion to a directive, but it was a slow process, and the underlying logic of this manager's
request was more important than his position authority. This pattern recurred in discussions with other managers, often in widely disparate jobs. (It is interesting to note that all these managers were willing to pay a considerable price in managerial time to get agreement, instead of choosing the more time efficient act of just saying "do this".) There was the general manager of a printing firm who also believed in operating in an environment of reasonableness where logic prevailed. He even went so far as to indicate that people in his organization did not operate with hidden agendas. If one can generalize from these two examples, and almost to a person the other interviews produced similar results, (Canadian managers feel that if one is right and can clearly explain why one is right, employees will willing "do what is right" because it is right and not just because they were directed to do so.)

The tendency for managers in almost all of the companies interviewed to make use of a standard variety of tools and techniques to bring order to their working day supports the argument that Canadian managers are inclined to a practical and rational approach to management. In visiting their offices one would note day timers, organization charts could be pulled out if requested, most positions had detailed job descriptions that tied into the organization charts, and management by objective appraisal systems were common. (This inclination to document and systematize management life seems well-suited to the Canadian managers' inclination to do things in a forthright and logical way.) This also fits in rather well with another inclination of Canadian managers, that, being the monetarization of value. If one documents everything that one does, then they expect to get compensation for what they do. In the Canadian public sector, and certain parts of the Canadian private sector, premiums are paid to managers who work in the other official language. In true Canadian style, the ability is tested, the frequency of use recorded, and
compensation granted accordingly. Similarly, when an owner-manager of a manufacturer of electrical equipment was asked if he would take a lower paying job if it was interesting, the response was a firm "no, not today". He went on to elaborate that money was a prime reason that he worked. Other Canadian managers were less direct on this issue, with several saying they might consider a lower paying job if it were more interesting, but when one asked if the managers had ever actually accepted a lower paying job when they had a choice, only one indicated he had done so. When this was probed further, the interviewer determined there was a geographical preference factor that made the lower paying job more acceptable. A divisional manager of a computer company claimed to be driven by job satisfaction, and during the interview indicated he was considering another job that would give him more autonomy, but he did mention the money and perks in detail, openly indicating they were also important. His 1992 salary was $60,000 per annum base salary with a potential $25,000 bonus, a company provided Saab, and a generous expense account. He did say that "money is not important beyond basic needs", which in his case seems to include 2 cars, a large house in the country, and a sailboat. It appears that with Canadian managers money and what it can provide are strong motivators.

The unique Canadian managerial style was further confirmed by the previously cited manager who worked in the automobile plant. This individual had spent some time in the American plants of his employer, and he indicated that they were quite different from plants owned by the same company on the Canadian side of the border. Up until recently, it was difficult to transfer managers below the chief executive level into Canada from abroad, so there has been a strong tendency to have a chinese wall running between the Canadian and foreign operations of international firms. In the case of this manager, he commented on his experience in the construction of
two new plants, one in Canada, and one in the United States. The management of each was presented with the same general task - design and build a new production plant - and the Canadian and American managers came up with quite different solutions. To quote the manager, "we both built plants from scratch in the same time period: we used a flexible management system and they did a traditional assembly line." This manager then elaborated and indicated that the American team chose to construct a plant based on the chain drag method that has been around since the early days of automobile assembly and was mastered by people such as Henry Ford. The Canadian team looked at the problem and decided that an auto guided system that allowed production flexibility was preferable to the traditional chain drag approach. While this example is probably not indicative of all American automobile manufacturing, it does reinforce my interview findings regarding the way most Canadian managers were less inclined to worry about past practice and tended just to want to pursue the course that they found most logical and appropriate. There is a down side to all this attention to reasonableness and logic, and it is in the area of vision and intolerance for those that have vision but lack Canadian pragmatism and reason. There have been two recent high profile examples of the cost of being good but also being perceived having as a difficult personality. The Chief Executive Officers of both Petro-Canada and Northern Telecom were removed from their positions by their respective boards. It is interesting to note that both Wilbert Hopper of the oil company Petro-Canada and Paul Stern of the telecommunications company Northern Telecom were characterized in the press as being strong personalities who imposed their wills on their companies. Both individuals’ companies were profitable this year, and were performing well considering the economic recession.\textsuperscript{1} The reality is that they both broke the intrinsic Canadian "reasonableness taboo". In Canada, whether or not a manager
makes a profit is often less important than whether or not they are perceived as being a decent, civil, straight forward, and self-effacing human being. Unfortunately, not all highly skilled executives fit this Canadian style test, and those that do not, often are forced to pay a price for being different. It is not just being different, it is more a matter of being perceived as being brash, arrogant, and self-serving in a manipulative way that causes the most ire among Canadian managers. I feel that if one looks closely at what both of these managers did, and what most other Canadian managers I interviewed indicated, one sees a pattern of behaviour that can be characterized as being Canadian. [Canadian managers do not wish to be confrontational but they are quite willing to discuss an issue in a forthright way with those involved to reach a consensus. [This is not inconsistent with both past and current Canadian history, when one considers that Canada was formed by an act of Parliament and not in a revolutionary way like the United States, and the current nationalist concerns raised in the province of Quebec are dealt with in an endless series of debates, governmental meetings and referenda, and not by a Yugoslav like civil war driven by nationalism. [If one were to use the words logical, pragmatic, cautious, and consensus-seeking, one would be describing traits that Canadian managers often exhibit.]

Mobility & Career Progression

Most Canadian managers did not indicate that switching employers, changing geographical regions, or both were necessary for success with their employer. In Canada mobility is often a matter of both switching employers and the community where one lives and works. The geographical component to mobility is related to the country's large size and small population relative to the country's size. In fact several managers, including a chartered accountant with a
major international accounting firm, indicated that they felt that one could be very successful by staying with their present employer. In fact, the accountant indicated that he had worked almost thirty years since leaving university, all with the same firm, and had managed to rise from articling student to become a senior partner in charge of insolvency practice. In relating his personal story, he implied that one could expect continued upward career progression and enhanced financial rewards without leaving one's present employer. When I probed a little further I discovered that although he had always worked for the same firm, it had been in three separate cities, two of which he would not have chosen to live in if they had not been career progression requirements. In other words, one might start out in Toronto, but one may still be required to do one's turn in Moose Jaw, Saskatchewan or Come-By-Chance, Newfoundland before getting back to Toronto. Furthermore, in interviewing individual managers about their careers, I discovered that many managers had switched employers, often more than once, and on many occasions a switch of employer was coincident with a geographical move. It is interesting to note that managers had worked in many parts of the country with relative ease, and noted few differences. One middle manager indicated that he had worked in 5 of the 10 provinces, in both French and English Canada, and found there to be little difference in style and values in the workplace. One approached problems the same way and people were generally friendly and approachable. Although the country is physically very large, the uniformity of communication systems, the fact that companies tend to transfer or source managers from different parts of the country, and the necessity for all parts of the country to work within a complex federal regulatory framework all mitigates towards a similarity of managerial style. The geographical and inter-company mobility of Canadian managers probably has more of an homogenizing effect on national managerial style than if these managers had
spent their entire careers with one company. Furthermore, the similarity of managerial style that I noted across companies and industries is probably one of the reasons that Canadian managers can change companies and locations with ease without losing effectiveness. In effect mobility breeds managerial homogeneity and this homogeneity allows for increased mobility. It is also probably true that since Canadian managers are highly mobile, this cross-cultural managerial experience tends to create managers that differ from the lifetime Honda or IBM employee.

A relatively recent, but definitely increasingly important factor in geographical mobility for Canadian managers is the two career family. This is a particularly important factor in Canada where a promotion is often tied to a geographical move. In effect one can have two young MBAs each fast tracked with different employers, when one of them is offered a promotion in a city 1000 miles away. A similar problem has also been reported in Sweden. In Sweden, the lack of sufficient financial compensation combined with high income taxes, and potential lose of the income of one spouse if a promotion necessitates a geographical relocation, all mitigates towards a motivation and reward system that does not foster promotion.² In Canada the compensation structure for managers can often be used as an incentive, and companies will even offer spousal assistance in finding new employment if a promotion forced relocation causes one spouse to lose their job. Although it is not common, marriages in which one spouse commutes to see another on weekends over considerable distances are becoming more common. As in Sweden, this change in family life has most likely been the result of the fact that an ever-increasing number of women are receiving university education and they wish to have the same career opportunities as their male counterparts.

Motivators: Money, Status & Power

131
Managers often work longer hours than their subordinates, go through long and often difficult educational programmes to enhance their managerial career opportunities, and give up or limit time for family and leisure activities. This raises the question of what motivates them to pursue managerial careers? In answering this question, one is initially inclined to look for simple and well recognized motivational factors such as money, status, and power. They are the obvious reasons, and they did show up as responses. It is an interesting fact that almost all of the managers interviewed indicated that while money was not a prime motivator, almost to a person they indicated that they had not, and probably would not consider changing jobs if the compensation was not adequate. Adequate is an understated Canadian way of saying more than I am getting now. Canadians are somewhat hesitant when talking about money, but are inclined to be quite fond of their relatively generous compensation packages and the high standard of living this affords them. In fact, although the discussion was about profit and not managerial compensation, I did have one senior accounting manager mention that making a profit was one of the motivations of being in business, then almost blush. He went on to ask if that was an acceptable thing to admit. Although other managers were somewhat more inclined to accept the pursuit of profit as a prime motivator in business, there was not an outright willingness to embrace the pursuit of profit as an acceptable goal in itself. One cannot imagine an American manager making the same comment. American managers tend to equate profit with good and American society extrapolates this to equate increasing gross national production with societal good.

Canadian managers are much less single focus and profit is just one of their goals. In fact, many Canadian managers were inclined to place a greater emphasis on creating jobs than on making a profit when asked to articulate their primary goals. This was confirmed by the frequent mentioning
by some of the managers interviewed that creating jobs in their community was an important goal. This was evident in both a west coast based pulp mill manager and in an east coast based fish plant manager. Both of these individuals were working in resource industries which provided a large number of relatively high paying production line positions in their communities. Ensuring that these jobs remain in their community was a managerial goal equivalent to making a profit. This ties in rather closely with the fact that many of the managers mentioned had considerable community involvement activities. At a senior level, there was the divisional general manager of a national transportation community who became the city wide chair of the United Appeal, an umbrella organization that collects donations for a large number of charities. This position in a major charity did have obvious marketing advantages, but there were considerable personal costs to this role. Time had to be made available on evenings and weekends for meetings, the actual charity campaign had to be managed, and it might have been less expensive from a marketing perspective to just increase one’s advertising budget instead of expending the individual and corporate effort required to run a major charity campaign while still carrying out one’s regular managerial duties. I will not deny that on occasion I detected a status need in those managers who did high profile community or charity work, but there was more to it than just a means of complementing one’s company’s marketing programme, or enhancement of a manager’s status in the eyes of their community. Furthermore, many of the managers worked for church groups, charities, or even groups such as the boy scouts or girl guides willingly, and found it to be rewarding. This inclination towards not just giving money, but giving of one’s time for the good of the community was relatively common in the managers interviewed. This leads one to the observation that if managers consider themselves to be members of a community, cutting the labour expense line on
an income statement is a much more personally moving and difficult decision to make. This Canadian inclination for identification with a larger community in many cases leads to individual managers pursuing society-based goals as well as profit.

Another motivator that was mentioned by numerous managers was challenge. Whether it was the middle-aged maintenance manager of a chemical plant who was quite willing to switch employers late in his career to do the start-up of a new plant, or the young marketing manager with a major firm that supplied industrial products who was considering moving to a competitor with an excellent product line but poor after-market service just to see if he could be a part of something new and vital. The actual word "challenge" was used by these and many other Canadian managers when probed as to what they wanted from their career. It is interesting that the same word was used by a considerable number of managers in different industries and parts of the country in a similar way. They all wanted a managerial experience that was roughly analogous with running a marathon, swimming across Lake Ontario, or white water rafting the Fraser Canyon. This was an issue of getting pleasure from being tested at what one does.

The author is inclined to reach a little at this point to explain this desire. It appears that what these Canadian managers are talking about when they speak of "challenge" is a self-actualizing experience where the primary reward is actually engaging in an activity as opposed to achieving a goal. In literary terms, the pursuit of the grail is more important than finding it. This desire to be challenged or tested may have something to do with a society that exists in a large, cold, and often inhospitable environment.

Paths to the Top

Every young managerial acolyte asks themselves the
question when setting out, "how do I get there from here"? This is also true in Canada, and the answer is not one of absolutes, rather it is one of strong probabilities. Until recently, one increased one’s chance of being promoted by being a white anglo-saxon protestant male with a university degree. As educational attainment levels rise these rules have altered slightly. In conversation with a management consultant working in the area of human resources, it became apparent that education was less of an advantage than it once was. In fact, he indicated that the possession of an MBA might get one in the door for an interview, but that was about all it would do. He indicated that an undergraduate degree with good work experience was preferred to the MBA degree with less work experience. He also indicated that for most younger employees a degree was a standard requirement. In pushing the conversation a little further, I discovered that the present push by federal and provincial governments to ensure that the workplace more closely approximates the demographics of the general population has altered recruitment considerably. He commented only half jokingly that he and I were "last year’s goods". Since there is already a large supply of WASP males in the workforce, woman, people of colour, natives, and the handicapped are those that are in greatest demand. It appears that Canada is moving towards an implicit quota system in some provinces, and in others a legislated system to enforce diversity in the workforce. This applies mainly to larger employers, but the trends are obvious. This manager indicated that the demand often exceeded the supply in his consultancy for woman and minority individuals to fill positions such as the Director of Marketing or the Director of Human Resources positions. He also indicated that a good manager who also met a minority or gender quota requirement could often demand a salary premium of 10 per cent or more. This is in effect altering the way to the top. It means that until women, minorities, and the disadvantaged are represented in the
managerial ranks at all levels in numbers equal to their proportion of the population, recruitment to managerial positions will be skewed away from the traditional male candidate. That being true, the next point to note is what managerial function tends to produce the most managers.

Unlike the United Kingdom, accounting is not a preferred way to the top in Canada. In fact many managers who were not accountants, used the term "bean-counter" to describe those who worked in the accounting and finance part of their organization. The term was pejorative, and when pushed one production manager explained that accountants were "control freaks". I suspect that what this individual meant was that accountants are perceived as being unimaginative and risk averse. In resource companies the production managers take the risks, and in retail organizations it is the marketing people that drive organizations. In both cases mistakes can lead to large losses. Canadian managers just do not grant accountants the same status they cede to production engineers and marketing managers. It is still possible to get to the top by pursuing an accounting career path, but it is not a sure thing. The view expressed by the general manager of a small data processing firm at least partially sums up the Canadian view - "you have to sell it before you make it". This very strong pro-marketing view was understandable in this person's area of business because it was a price competitive market with limited entry barriers. Furthermore, the individual had started out in marketing. The same question was posed to an operations manager in a steel plant, and this individual felt that experience in managing the production process was the way to get to the top. This individual was an industrial engineer, and he also indicated that accountants were the most difficult to deal with in his company because the accountants were "unable to add judgement to the numbers". This manager was much more comfortable with marketing, partly because they were not located in the plant, and partly because they were much
less inclined than accounting to attempt to give direction to the operations staff. This leads to the observation that many of those interviewed expressed, that accountants neither make nor sell anything, they just keep score. It also seems that accountants often get to do unpleasant things, such as enforce budgetary discipline and that limits their popularity in an organization. One caveat might be that during recessionary periods accountants often have a chance to come to the forefront, because their ability to manage expenses is then given higher value. Corporate lawyers are the professional group in Canada that is granted high status, and their superior interpersonal skills, and long years of experience offering counsel to the senior executives of various client companies allows them to enter companies at or at least near the CEO level.

Conclusion

The use of open-ended questions makes it difficult to record subject responses in a highly structured manner. However, it also means that while one might sacrifice homogeneity in responses, the richness and variation of individual managers' comments allows one to look into the underlying psyche of the Canadian manager. These managers were motivated by money, but they also exhibited a tolerance towards their peers and their employees that appears to be rooted in the belief that reason is more important than either position authority or forcefulness in achieving compliance. There is a component of egalitarianism inherent in this belief in reason which also supports the position that if a manager's argument is unsupportable, that it should not be followed.

The majority of Canadian managers interviewed also exhibited a sense of social responsibility that went beyond the ritual performance of altruistic deeds to enhance one's company's marketing campaign. Whether it was canvassing for
donations for medical charities or taking boy scouts on weekend camping expeditions, these activities were both seen as being in the best interest of the community where the managers and their families resided, and more importantly, pleasurable. This contrasts rather sharply with the perceived American focus on self-promotion and individualism.

The traditional images of the American cowboy and the Canadian mountie also adds insight to the way Canadian managers function when compared to their American counterparts. Historically speaking the American west was opened up by cowboys who were individualistic, and the survival of the fittest was the rule of the day. In Canada, the mountie did not act as an individual, but rather as a representative of the state. In many ways Canadian managers prefer to operate in a controlled environment where the law and order of the mountie prevails. This contrasts strongly with American managers who prefer to operate in a manner akin to their cowboy ancestors who lived in an individualistic way paying little attention to legislated rules. There are strengths and weakness to both models, but I do feel that the Canadian managers I met and interviewed would predominantly feel more comfortable in a society with the control mechanisms of the mountie. In many ways this lack of strong individualism is one of the weaknesses of Canadian management. This tends to lend itself to a society that is not as entrepreneurial as that of our American counterparts. Vision and willingness to pursue one’s vision at all costs is not the Canadian way. Canadian business people are much more inclined to determine what has been done elsewhere, was it successful, and can they adapt it to their environment. The Canadian style does suit those who manage in the resource sector, where sector wide planning occurs both within an industry and in conjunction with the various levels of government. Furthermore, this desire for order and centralization also means that Canada is a relatively comfortable place for foreign companies to set up.
in North America. In fact, it might be easier for a multi-national to adapt to the Canadian managerial landscape than to the American environment.

The Canadian managers I interviewed could best be characterized as being decent, straight-forward, community-minded, and outwardly self-effacing. They at times lacked finesse and were even occasionally a little prickly in pursuing or clarifying a point of discussion, but they were neither inclined to have hidden agendas nor to be exclusively self-interested. Quintessentially these managerial traits defined them as Canadian managers.
NOTES

1 "Executives Under Fire," The Financial Post
January 30 - February 1, 1993.

APPENDIX 1
BASIC INTERVIEW OUTLINE

NAME: ______________________________ __

POSITION: ________________________________ ___

COMPANY: ________________________________ _

LOCATION: ______________________________ __

DATE: ________________________________ __

TIME: ________________________________ 

EDUCATION/BACKGROUND/EXPERIENCE __

MACRO DIFFERENCES:

Directness: do your personal dealings usually involve hidden agendas, is so give an example, if not, why not? (Compare to U.K. & Yanks) Discuss direction, meetings, delegation, hiring, etc.

Monetarization of Value.
Would you learn French/English if there was no gain from it?

Would you take an interesting job if it paid 30% less than your present salary?

Working Climate versus remuneration.
Do people join your company primarily for the pay or the working conditions? Which is more important in attracting good staff? Get examples on value (eg. FT & FP articles on remuneration)
Strengths of Canadian Management: Canadians are more reflective - true or false. Are people in your office open to suggestion? Do they listen to the views of others. Probe for views.

Critique of Canadian management by Canadians versus American managers:
- non-entrepreneurial
- risk averse
- initiative suppressed by excessive government interference
- initiative suppressed by U.S.A. branch plant companies here (how)
- initiative suppressed by chartered banks only lending to Toronto
- initiative suppressed by large Canadian companies
Probe these areas for responses.

THEMATIC SUGGESTIONS:

Delegation: What do you delegate, and what is your reasoning for delegating. Control loop/follow-up?

Time Management:
- what is your approach to time management (eg. tools, prioritization)
- is your job by nature proactive or reactive
- length of day
How do you manage non-compliance with your direction? 
-rewards or sanctions (extent and examples of each)

NOTE: France- remind bloke he is thicker than you
German- talk about Technik and do a straight-forward tie
in of the task and company objectives
U.K.- discipline gently & indirectly "Joe, you are not
going to win a Nobel Prize for this"

Response to Conflict:
-organizational
-interpersonal
how do you deal with it? Is it a good thing? What is your
organization's response to this?

How do you run meetings:
-time
-agenda (formal, informal, detailed or not, complied with)
-participation of those present in the discussion (all or few, why)
-who decides (group or chair, the mechanism for the decision)
-qualitative versus mechanical decision-making (examples)
-nationality versus individual personality
Probe for job satisfaction:
- yes or no for subject (why?)
- interesting (how?)
- adequate compensation
- perks
- no other choice
- group activity with similar people
- love of particular company (corporate culture or a product/industry)

Inter-function relations:
- production to finance/P&LR/Design/R&D/
- try to cross-relate the outcomes, especially for mfg.

Does your company use the following tools?
- written organization charts
- written job descriptions for each employee
- yearly appraisals based on specific goals for each employee
NOTE: A documented MBO/goal oriented way of managing

Company relations:
- within industry with other companies
- with suppliers
- with customers
- with the community
Probe for details of the nature of the relations and why they occur and if they are valued.
This chapter will provide both a quantitative and qualitative look at Canadian managers and Canadian management. The research methods used to acquire the primary data are described, and an analysis of the data is presented. Appendices containing material which would be cumbersome if included in the text of the chapter have been included at the end of the chapter. This material includes copies of the survey questionnaire, a list of companies contacted, tables presenting the data acquired in the survey, and graphs based on some of the data pertinent to the survey.

Methodology

A combination of techniques were used in the research design of the survey questionnaire (see appendix 1 for cover letter and questionnaire). The questionnaire was designed to probe a variety of areas using techniques including factual questions, semantic differential questions, and open-ended questions requiring a short written response. It is difficult to precisely pinpoint the target population, Canadian managers, and even more difficult to capture a statistically significant sample of this population. Since Canada is a large country with an unevenly dispersed population, questionnaires were sent to companies in provinces in approximate proportion to their population. The following table was used to determine the distribution:
<table>
<thead>
<tr>
<th>PROVINCE</th>
<th>POPULATION 000s</th>
<th>PERCENTAGE OF POPULATION</th>
<th>NUMBER OF QUESTIONNAIRES</th>
</tr>
</thead>
<tbody>
<tr>
<td>British Columbia</td>
<td>3,056</td>
<td>11.7%</td>
<td>23</td>
</tr>
<tr>
<td>Alberta</td>
<td>2,429</td>
<td>9.3%</td>
<td>19</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>1,007</td>
<td>3.8%</td>
<td>8</td>
</tr>
<tr>
<td>Manitoba</td>
<td>1,084</td>
<td>4.1%</td>
<td>8</td>
</tr>
<tr>
<td>Ontario</td>
<td>9,570</td>
<td>36.5%</td>
<td>73</td>
</tr>
<tr>
<td>Quebec</td>
<td>6,689</td>
<td>25.5%</td>
<td>51</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>719</td>
<td>2.7%</td>
<td>5</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>887</td>
<td>3.4%</td>
<td>8</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>130</td>
<td>0.5%</td>
<td>1</td>
</tr>
<tr>
<td>Newfoundland</td>
<td>570</td>
<td>2.2%</td>
<td>4</td>
</tr>
<tr>
<td>Yukon</td>
<td>25</td>
<td>0.1%</td>
<td>0</td>
</tr>
<tr>
<td>North West Territories</td>
<td>53</td>
<td>0.2%</td>
<td>0</td>
</tr>
<tr>
<td>CANADA:</td>
<td>26,219</td>
<td>100.0%</td>
<td>200</td>
</tr>
</tbody>
</table>

The survey was then targeted at specific industries based on their relative importance and their output value measured in Canadian dollars. The civil service and the military were excluded from the following table, since they were considered to be distinct, and outside the general parameters of this study. This table, like the one above, is based on data found in The Financial Post’s "Report On The Nation", Summer 1989.1
The actual companies selected were chosen from a variety of sources including The Financial Post 500 list of major publicly traded companies. The Top 1000 Companies published by the Globe & Mail, and a variety of directories published by provincial governments listing companies operating within their jurisdictions. The actual individual contacted in each company was a high ranking officer (e.g., Chief Executive Officer, Chairman of Board of Directors, President, Chief Financial Officer, etc.) The names and addresses of these people were more accessible than that of more junior managers, and it was also felt they would have more extensive experience on which to base their judgements. Their names and addresses were acquired through the above noted sources and The Financial Post's Directory of Directors for 1990. There were obviously several value judgements made in the distribution of the questionnaire. For example, a company may have its head
office in Toronto, but its main operations could take place in one, or several other provinces. A prime example of this would be the banks which have their head offices in Toronto or Montreal, but operate throughout the country. This is further complicated by conglomerates which operate in all provinces, and in several different sectors of the economy. However, every reasonable attempt possible was made to ensure that the sample was chosen in a manner that was representative of both the Canadian population, and of the Canadian economy. The cover letter also indicated that if the recipient of the questionnaire was unable to complete and return it, it would be appreciated if the task could be completed by other members of their corporation. This tends to work better when a request is sent to a senior person, since a task delegated by a Chief Executive Officer is more likely to get completed than a similar task delegated by a junior member of the organization. This strategy was found to be effective, and several handwritten notes were found on the returned documents indicating that a vice-president had been delegated the task by a President, and then duly complied with the request.

A sample size of 200 hundred (see appendix 2 for those contacted) was decided on in an attempt to get a response from a senior manager who was deemed to be representative from as many companies as possible. The questionnaire was prepared with self-addressed stamped envelopes included in each package, and posted between August 28, 1990 and August 30, 1990. The responses came back in the following pattern:
<table>
<thead>
<tr>
<th>Week Received</th>
<th>Number of responses</th>
<th>Percentage of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>2</td>
<td>21</td>
<td>31.3%</td>
</tr>
<tr>
<td>3</td>
<td>22</td>
<td>32.8%</td>
</tr>
<tr>
<td>4</td>
<td>9</td>
<td>13.4%</td>
</tr>
<tr>
<td>5</td>
<td>5</td>
<td>7.5%</td>
</tr>
<tr>
<td>6</td>
<td>3</td>
<td>4.5%</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
<td>3.0%</td>
</tr>
<tr>
<td>8</td>
<td>1 (a telephone call)</td>
<td>1.5%</td>
</tr>
<tr>
<td>9</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>10</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>11</td>
<td>1</td>
<td>1.5%</td>
</tr>
<tr>
<td>Totals:</td>
<td>67</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The total number of people that responded, which in this case means either returned a completed questionnaire, or contacted me to indicate they were not going to complete the questionnaire, was 33.5%. These responses included 15 written replies ranging from hand-written notes to formal letters on corporate stationary, and one telephone call, all indicating that the recipients of the questionnaire would not participate in the study. The fact that 16 out of 200 corporate senior managers contacted felt that it was necessary to contact the researcher advising they would not participate in the study is of considerable interest in itself. Copies of several of these letters are included in appendix 5. It seems that several people were already committed to completing other studies, and
others felt that it was not desirable to answer the type of questions being asked since they felt the information was of a confidential nature. The most forthright statements of refusal were made by the senior representatives of closely held or family owned companies in which one can assume that the chief executive officer also controlled a majority equity position. In this case one can afford to pay less attention to public opinion, than a professional manager who holds a position based on the good graces of a board of directors. It is possible to conjecture that most of those who contacted the researcher to indicate they were not going to complete the questionnaire were actually being very polite and were interested in how their company was perceived, and did not just want to toss the questionnaire away. These managers were obviously interested in their company's image, and felt it necessary to at least acknowledge the request. This attention to courtesy, seems distinctly Canadian.

Of the responses received, 51 were either fully or substantially completed. This is 25.5% of the sample population and is comparable to the survey response of 31% for mail surveys using similar methodology, but in which the questionnaire was less than half the length of the one used in this study. Other similar survey research was reviewed, such as a human resource profile carried out for the Consulting Engineers of Alberta, and it had a response rate of 22.9%. These results indicate that the response rate was acceptable for the nature and scope of the research.

The actual pattern of response was consistent with what one might expect of a mail survey. The major number of returns came in the second and third weeks after the initial posting, and then it trailed off with a gradual decline until the last response came in eleven weeks after the initial posting. This indicates that most of those who planned to complete and return the questionnaire did so shortly after receiving it, and then the response rate trailed off considerably. Like most
people, the recipients probably felt a greater need to complete the questionnaire when it first arrived, but as time passed and the questionnaire sank in their "in-basket", its urgency obviously diminished.

Objectives

The prime objective of the questionnaire was to acquire accurate data on a wide variety of issues that are relevant in the lives of managers, from a relatively large and representative sample of managers who operate within Canada, and who are primarily Canadians. The data can then be used to produce tables and graphs for analysis purposes. The results of the analysis will provide the basis for further research of both an observational nature (interviews) and a review of the relevant literature. Because of the complexity of trying to define the characteristics of Canadian Management, the use of these various sources will provide a more comprehensive perspective than could be acquired using any single research methodology.

Results: General Information

The background section of the questionnaire found that the first language of most of the respondents was English, however a number spoke French as a first language, and several were bilingual. The vast majority of the respondents were born in Canada, and their places of origin were relatively evenly dispersed across the country. There were a small number of foreign born naturalized Canadians, but they comprised less than 10% of the respondents. This is in keeping with a sparsely populated young country that has depended on immigration as a source of population growth. The age of the respondents was relatively evenly dispersed with the 40-44 age group having a full third of the respondents (table 2,
appendix 3). This is probably due to the fact that the questionnaire was posted to senior managers in the companies contacted, and these positions are not reached without one having served a considerable apprenticeship. It is interesting to note that while less than 10% of the respondents were younger than 40 years old, over 15% of the respondents were over 60 years old. This probably is because the respondents were quite senior, and it also correlates with the response to question 21 which indicated that 82.6% of those answering this question would choose management as a career if they were starting again, implying a high satisfaction with one’s work and few early retirements.

The education level of the respondents was quite high, with a full 50% having a bachelors degree, and another 28.8% holding a masters degree (table 3, appendix 3). Several observations were made from the detail written in on the various completed questionnaires. Of the 11.8% of respondents with only a high school education, several had professional designations (eg. chartered accountant), and two had updated their qualifications by attending the Advanced Management Programme at Harvard University. Therefore, it appears there is a strong relationship between qualifications and success for Canadian Managers, indicating the presence of an effective motivation and reward structure. It was also observed that the general qualification level of managers who responded who were less than 40 years old was higher than the qualification level of the average older respondent. This was apparent in the fact that several of those represented in the under forty year old group held both an engineering degree and an M.B.A., a particularly strong combination for promotion. The engineering degree followed by an M.B.A. is a standard U.S.A. qualification, and many major universities in the U.S.A., recruit a large percentage of students with engineering degrees to enter their M.B.A. programmes. Two obvious examples in a recent year are Harvard University and the University of
Michigan at Ann Arbor, both with 25% of their students having undergraduate engineering backgrounds. In this limited case, Canada appears to be moving away from European generalist education towards American specialist education in the training of its future managers. The highly quantitative nature of North American management education also makes it more likely that engineers would be favoured for admission, and perform well in M.B.A. programmes.

The actual distribution of subject majors of those with post-secondary qualifications was difficult to assess since each university describes their programmes slightly differently, but it was evident that one could be successful in management with a wide variety of educational backgrounds. However, more managers had studied a business or engineering related subject than any other identifiable discipline. It was interesting that many managers held second degrees in an unrelated area (e.g., B.Comm in management and B.A. in history). This indicates a certain level of ambition and curiosity, combined with easy access to part-time degrees with advanced standing being granted for previous studies in other disciplines. One could also argue that the combination of managerial and liberal arts qualifications is evidence of a certain cultural schizophrenia. While Canadians are admitting the value of professional training in managerial disciplines, they are also personally valuing the study of the humanities. If one looks at other countries, many different models appear. In Germany for example, as pointed out by Lawrence, very few of those managers who reach the top do so with a degree in philosophy or history. In fact, if one does not study an engineering/applied science subject, business economics, or law, they stand little chance of reaching the top in Germany. The French model as described by Barsoux and Lawrence, also places a high value on technical engineering subjects, but the egalitarianism of the German Universities is replaced by the elitism of the French grande ecole. Neither the strong
orientation towards a technical education found in the backgrounds of German managers, nor the elitism of the grand ecole is found in Canada. Canadian universities obviously vary in the nature of the programmes they offer, but they tend to be egalitarian and relatively easy to enter. Graduating from them is often much more difficult than admission. The actual subjects studied by potential managers in Canada also tend to be much wider ranging than those pursued by our German and French counterparts. Perhaps this tendency to allow for a wider variety of backgrounds is another example of Canadian pluralism. Furthermore, many managers were members of professional associations related directly to their work, and most respondents had also taken training courses in management over the last five years. This indicates a strong correlation between education, training, professional involvement, and managerial success. This is particularly true if one considers that the majority of respondents to the questionnaire were at relatively senior managerial levels (table 6, appendix 3).

The respondents came from a wide cross section of Canadian industries, with manufacturing being the most frequent source of respondents with 25.5%, but with most other sectors being strongly represented (table 4, appendix 3). The respondents also primarily worked in administration, the Canadian equivalent of general management (table 5, appendix 3). Most of the respondents were relatively senior managers, with 57.2% of the respondents holding either the position of chairman or president (table 6, appendix 3). The span of control of most respondents was less than 10, although 22.2% did have a span of control falling in the 11 to 20 range (table 7, appendix 3). The relative importance of the managers completing the survey was also indicated by the large yearly budgets they controlled, with 41.5% of those responding to this question having a budget exceeding $50,000,000 per annum (table 8, appendix 3). All of these facts help define the make-up of the respondents to the questionnaire.
The first question that allows one the opportunity to assess the nuances of the Canadian Managers' psyche documents what information items the respondents considered appropriate for inclusion on an acceptable business card (table 9, appendix 3). There was relative unanimity in the inclusion of company name, company logo, company address, personal name, company telephone number, and facsimile number. All of the foregoing inclusions are understandable. It is interesting to note the pace of technological change with slightly less than half the number who would include a facsimile number, would also include a telex number on a business card. This is probably a good indicator of a change in the communications industry. The weak responses are more telling than the strong ones. Only one respondent would include a home address and just eight would include a home telephone number on a business card. This can be interpreted to mean that the respondents did not wish to be contacted at home with business related activities. Just four respondents felt it appropriate to include degrees held on their business card, and only 8 respondents would include professional designations held on a business card. This indicates a Canadian inclination towards egalitarianism which would be breached if one differentiated themselves from others by pointing out degrees that others did not hold. Furthermore, this is consistent with the Canadian decision not to allow the granting of formal titles. This inclination towards austerity and understatement is definitely Canadian, and not American. As pointed out in Pierre Berton's short epistolary book, Why We Act Like Canadians, compared to our neighbours to the south, we are somewhat austere and almost puritanical. Berton goes on to attribute this characteristic partially to Canada's evolutionary development as compared to America's revolutionary history, and the influence of the harsh Canadian environment. 11 There is another difference, that can best be described as the American manager's inclination to say fervently "this is how I feel", 155
compared to the much slower and more typical Canadian response, "this is what I think". Therefore, the lack of information on how to contact one at home, indicates that Canadian managers wish to separate their work life from their home life. The desire not to indicate one's degrees on one's business card indicates that Canadians do not wish to differentiate their status from others through indicating the possession of academic or professional awards that others might not hold. It is hard to imagine the average Canadian manager with an M.B.A. from the University of Western Ontario flaunting this credential in the same way a manager of equivalent status in France would parade their grande école education.

The average work week of the respondents to the questionnaire was quite long compared to the average unionized workers 35 to 40 hour work week. The majority indicated they worked from 50 to 60 hours per week, with 20% of the respondents claiming a work week from 60 to 70 hours (table 10, appendix 3). It is interesting to note that 3 respondents indicated they worked from 30 to 40 hours a week, a very short week compared to their peers. I suspect that there is a combination of necessity and peer pressure in the tendency for Canadian managers to work long hours relative to unionized workers in this society. One of the ways of competing is working longer and harder, and those who have risen to management positions have obviously competed successfully to acquire their positions. Furthermore, once one is a manager, one is already conditioned to work longer hours. Whether or not the longer hours produce measurable results is probably less important, than having one's colleagues think that something of value is being achieved. This is compounded by Canada's physical proximity to the United States, the home of the workaholic. Canada's innate Scots Presbyterian and French Catholic guilt will not allow Canadian managers to work less hard than our American cousins.
The question on the acceptability of casual behaviour in the workplace produced some interesting results (table 11, appendix 3). It seems that it is quite acceptable for Canadian managers to not wear jackets at meetings or in the office, and they also allow themselves to make humorous remarks at meetings. The acceptance of informality seems to diminish at this point, and although one is not always required to wear one's jacket, it is somewhat less acceptable to loosen one's tie and roll up one's shirt-sleeves. The acceptance rate of casual swearing at meetings is even lower, with slightly less than half of those who would accept a jacketless participant being ready to accept swearing. The most socially unacceptable behaviour of those listed was putting one's feet up on the furniture. Less than half the respondents who would accept swearing, and less than a quarter of those who found it acceptable not to wear one's jacket, condoned putting one's feet up on the furniture. This sets up a very interesting hierarchy of behaviour in which informality relating to appearance is accepted, informality regarding language is tolerated, and informality regarding property is unacceptable. I suspect that putting one's feet up on the desk also sends a signal that one is not working hard enough, combined with the obvious fact that the furniture might get damaged.

The apparent acceptance of casual behaviour should not be interpreted as an acceptance of a lack of control. As Lawrence has pointed out in his book Management In The Land of Israel, although the Israeli style of management mirrors American informality and egalitarianism on the surface, it lacks the underlying control structure that allows American, and Canadian managers the freedom to ignore formal rules. Unlike Israel, and perhaps to a much lesser extent Britain, Canada has adopted the American insistence on having a formally defined mission statement which cascades down to the level of the individual worker in the form of yearly performance appraisals. In Canada, the performance appraisal is
contractual in nature, and employees are disciplined, and even discharged for not meeting specifically documented goals in the appraisal period. Most Canadian employers use simple techniques such as well documented job descriptions and standard operating procedures for each position in their organization. There is one way to do things, and that is the corporate way. Since that is all agreed to up front, whether or not a manager wishes to wear a jacket to a meeting is not a major issue. In effect, Canadian managers are accepting of limited informality in the same way as Israeli managers, but underlying this informality one finds in Canada coordinated planning and control systems, similar to those used in the United States, which enforce discipline and compliance with the corporate way of doing things.

In the hiring of managers, the respondents to the survey strongly indicated that work experience was the most important factor, with 67.4% of the respondents choosing work experience first (table 12, appendix 3). The second most frequently chosen factor was "other" with just 17.4% and a variety of items listed under this heading included motivation, character, and loyalty. Education came in third with just 13% of the respondents choosing this as a prime factor in the hiring of managers. If one considers the fact that most of respondents to the survey were managers with relatively high education levels compared to the general populace, then it is probable that the respondents were not denying the value of education, it is more likely they were just emphasizing the value of experience, and probably assuming that one would not get the opportunity for the right work experience if they were not well-educated. This is supported by the fact that many Canadian undergraduates work both summers and during the school year while taking a university degree. Therefore, the average student also has considerable work experience, and it is as important a part of the employer's assessment in Canada as checking on a student's class of degree is in Britain. This
result is at least partially supported by the sources most frequently used by those completing the survey in the hiring of managers (table 13, appendix 3). Over 35% of the respondents indicated they would acquire managers from other employers, while 27.1% indicated they would hire managers directly after completing an undergraduate degree. This seems to indicate that education is highly valued, but experience was also deemed to be of high value in choosing people for management positions. The same table indicates that other employers was the most frequent source for hiring managers, also indicates that undergraduate degree holders are almost three times as popular as holders of degrees from graduate business schools (eg. M.B.A.s), and that employers also prefer to hire applicants from professional firms (eg. law, accounting, & engineering) slightly more frequently than M.B.A.s. This is quite interesting and probably caused by multiple factors. The M.B.A. would expect a higher salary than the B.Comm., although both would be familiar with the same academic material. Those who had passed through the socialization process of qualifying to be a professional engineer, lawyer, or accountant would demand a higher salary than the B.Comm. or the M.B.A., but they would also have the advantage of work experience in professional firms that would give them access to the operations of many companies, and expert knowledge in their field. They would also have the disadvantage of being highly mobile, and having greater loyalty to their profession and career than to the company that hired them.

Almost half (48%) of the respondents indicated that operations/production was the most important function in their company, with marketing being a distant second with just 22% of the respondents considering it to be the most important function in their company (table 14, appendix 3). No other function received a significant level of response as the most important function in the respondents' companies. This view
that operations/production is the most important function in their company contrasts with the average British view which places production far down the list of important functions in a company. As noted by in *Invitation To Management*, finance is the dominant British function, marketing the American, and operations/production dominate German and Swedish management.\(^{13}\)

Needless to say, each culture prioritizes management functions differently, and these cultural differences are obviously part of the way each country chooses to compete economically. When the same respondents were asked to recommend a place for a junior colleague to enter management, their responses were slightly different than those indicated above. Operations/production was still the most frequent response at 41.7\% (table 15, appendix), but this was a lower response than that indicated in table 14. Furthermore, the respondents were almost twice as inclined to recommend a junior colleague to enter management in marketing (39.6\%) as they were to grant marketing the status of being the most important function in their company (22\%). This indication of the needs of the customer being dominant in the early career of a manager, contrasts with the shift in emphasis away from marketing to operations/production in the assessment of the most important function in a company. In essence this indicates that although Canadian managers recognize the importance of marketing skills and experience in the development of young managers, they still feel that the production of the product or service is more important than the marketing of the product. It is possible that the physical nearness of the United States to Canada has caused Canadian managers to express the view that marketing is more important, because that is what most American managers think. However, the Canadian economy is much more heavily reliant on resource extraction than the United States economy, and this sort of activity is more successful if production oriented managers dominate companies. If one is the only supplier of high quality iron ore, a flashy marketing
campaign is not necessary. However, if you do not manage your operation closely, both poor quality and high production costs will result. This probably explains why the managers surveyed indicated that operations/production was most important in their companies, but why they would advise a young graduate starting out to get marketing experience. Unlike Britain, no strong preferences were expressed in favour of accounting and finance as being dominant functions.

The respondents to the questionnaire identified a variety of factors as key determinants when looking for a new job. The most frequently cited determinant was the pursuit of increased responsibility, which at 41.7% was cited almost three times as frequently as the second determinant, increased pay, which was cited by 14.6% of those surveyed (table 16, appendix 3). This indicates that many of the respondents were motivated by the opportunity to exercise power, a trait shared by many in management positions. It is probable that to these managers, increased responsibility is a self-actualizing experience. Increased pay and promotion prospects were considered important, but to a much lesser extent than the opportunity for increased responsibility. It is interesting to note that this desire for increased responsibility—contrasts sharply with the Swedish situation, where leisure and family values are often more important motivators than promotion and increased responsibility. It is also common for Canadian managers to accept geographical mobility as one of the costs of promotion, unlike say their Swedish counterparts who are more reluctant to move, and this leads to a certain homogeneity in management style within Canada. It is not uncommon for a Canadian manager to have had a career that started in one of regions and moved to several other provinces before ending up in a major city such as Montreal or Toronto at the end of one’s career. There are many Canadian managers who will accept relocation and the potential of having to resolve difficult managerial problems, all for the chance of
increased responsibility. Although money is not a prime motivator, most Canadian companies pay managers well compared to other occupations, which in effect removes money as a primary motivator.

The respondents indicated that a variety of educational backgrounds were considered key determinants of success in management (table 17, appendix 3). The most often cited education was the M.B.A. with 33.3% of the respondents considering this the most desirable education for management. The second most desirable education was the bachelor's degree in arts or science, which was considered more appropriate than a Bachelor's degree in business or a professional qualification as an engineer or an accountant. This seems to indicate that an M.B.A. is an educational qualification deemed to have considerable value by Canadian managers, but these same managers also value general education as indicated in their citing a general arts/science degree almost twice as frequently as an undergraduate degree in business as the key educational determinant or qualification. The surprisingly high value placed on a general education relates strongly with the British tradition, where general education has always been seen as a valuable background for embarking on a career in management. As noted by Lawrence in Management in Action, both the British and Americans are more inclined to favour general education over the technical education favoured by the Germans. 15 Canada seems firmly rooted in the anglo-american camp, and many Canadian managers acquire both a general education (e.g. B.A., B.Sc.) and a formal business education (e.g. M.B.A.). This makes them both "gentlemen" in British terms due to their general education, and also makes them professional managers based on their business education. There is a distinction between Canada and Britain, and it is the relative importance of accounting as a way to the top. In Britain, accounting is accorded high organizational status, and members of the profession often find themselves in senior
line positions.16 Accountants are still clever fellows in Canada, and the training is daunting, but they are more likely to be thought of as score keepers or support staff, and not actual players such as the operations or marketing people. In effect, cleverness without line responsibility is not seen as a fast way to the top in Canada. However, there are a number of Canadian accountants who complete their qualifications with major accounting firms and then make the transition to a general management role in a client company.

In assessing the key determinants of their own career success, the respondents to the questionnaire strongly indicated that their ability to achieve goals at work (29.2%) and their proven ability (31.3%) were the key determinants of their success (table 18, appendix 3). It seems that educational background, good work experience, and interpersonal skills are valued, but being able to get the job done is the source of the respondents' success in management. This mix of valuing qualifications, but not accepting them without experience in which one is successful, makes getting to the top an arduous task. The generally high educational attainment level of the survey's respondents indicates that one can aspire to a management position without being a graduate, but having a degree will certainly improve one's chances of getting a management position. On the experience side, the focus on the ability to achieve goals indicates that although one might have the "right degree", if one does not achieve the desired results on the job one will not be successful in management. In effect this means those aspiring to management positions in Canada should acquire a relevant qualification and a record of goal achievement in the workplace. This is somewhat unlike France, where once one has acquired a diploma from an elite grande ecole, a career path that leads to a senior management position is almost guaranteed.17 In Canada, although an M.B.A. from McGill will get one in the door, after that one will be judged primarily
on job performance.

The respondents to the questionnaire were private sector managers, but they all have some familiarity with the distinction between the public and private sectors in Canada due to the necessity for all Canadian Managers to operate in a highly regulated environment. In this regard Canada is similar to France where business-government relations are common\(^\text{18}\) and dissimilar to both Britain and Germany where business-government relations are limited and not as actively pursued by business.\(^\text{19,20}\) The situation in the United States is somewhat similar to that in Canada, but for different reasons. Where Canada is often dependent on capital intensive infrastructure projects funded by the government, the Americans are dependent on defense contractors. In both cases government is the buyer, and therefore one must be familiar with politicians and civil servants if one wishes to sell in that market. More respondents (81.3\%) felt that private sector managers could manage in a public sector environment, than public sector managers could manage in the private sector (61.4\%). This indicates that private sector managers consider themselves more able to adapt to another environment than their public sector counterparts (table 20, appendix 3). However, the data also indicates that the respondents felt that a large number of public sector managers have the ability to transfer their skills to the private sector. Several respondents added narrative comments to their replies indicating that they felt that private sector managers would have some difficulty adapting to an environment that was more bureaucratic and politicized, while public sector managers would have difficulty dealing with the pace of activities and drive for profits that prevails in the private sector.

An open-ended question structured to get the respondents to give a written response asked what was distinctive about the company that employed them. Most respondents took the time to answer this question, and they did so with a lack of
literary finesse, but with considerable insight into their own companies. The responses included the following representative comments:

1) "school of hard knocks with a family atmosphere"
2) "truly multi-national"
3) "customer oriented, and cost conscious"
4) "it benefits society"
5) "largest apple shipper in North America"
6) "118 year old multinational organization meeting the challenge of today globally"
7) "long standing reputation as a high quality provider of insurance services on a worldwide basis"

While their literary style left something to be desired, the answers were telling. The statements all tended to be positive statements, although they were based on different underlying assumptions. One could even argue the respondents were exhibiting pride in their companies, and that the statements were an articulation of a corporate esprit de corps. Furthermore, if one considers statements #1 and #4, one finds the words family and society. Both these are collective concepts, and I believe it is uniquely Canadian to value the group, whether it is the family or society, over the individual. One only has to compare this with American individualism to see how this inclination to think of things collectively is distinctive.

Results: Personal Factors in Management

The respondents to the questionnaire indicated they considered hockey (60.5%) to be the preferred sport of discussion by Canadian managers, and that baseball (30.2%) was the second most popular sport (table 19, appendix 3). Golf (7%) and football (2.3%) were the other sports cited, but they were generally not as popular. This is interesting, since hockey is a cold weather sport, and although it is now played
professionally in the United States, many of the players are Canadian. It was originally a Canadian dominated sport. Baseball is an American sport, and it has arrived in Canada in the last twenty years, with the professional teams that are now resident in Montreal and Toronto. Unlike hockey, baseball is a warm weather sport, and most of the professional players in Canada are American. The preference for hockey is quintessentially Canadian, but the high level of popularity of the favourite American sport, baseball, indicates a strong incursion of American popular culture into the Canadian landscape. Canada, like the United States is a culture which values both participating and observing sports activities. It is possible to find a relatively large number of Canadian managers who play hockey, run marathons, and engage in a variety of demanding physical activities. As these athlete-managers age they continue to watch sports, and switch from more demanding sports such as hockey to golf and curling. The average British office would be less likely to have a large percentage of middle-aged managers who ran competitively or played an aggressive sport such as hockey in their spare time. This Canadian interest in sports probably has some influence on the managerial environment. For example, people that have played competitive team sports can transfer their ability to be competitive in a group environment while working towards the common goal of winning. Winning a large contract is in some ways analogous to winning a hockey game. One of the obvious disadvantages of this sports culture is that it often excludes non-athletes and women.

In a question designed to determine the respondents' knowledge of a number of words common to the Canadian business environment, over three quarters of those replying were familiar with all the terms (table 21, appendix 3). The most familiar term was "crown corporation", a term describing a corporate entity which is owned by the government. This term may be familiar to the British, but your average American
would not know its meaning. The Americans are a republic without a ruler symbolized by the word crown. They are also adamant free enterprisers who feel that less government is better, making it highly unlikely they would use state owned industries in their industrial strategy. The unique Canadian word "eh" also differentiates Canadians from other nationalities. It is a word similar to right when used by the British or yeah when used by the Americans. These words are dependent mostly on the tone of the speaker and their placement in a sentence to determine their meaning. Most of the other words in the question were familiar and are in common business usage in the English-speaking world.

In a question designed to determine the hobbies of Canadian managers the results indicated that golf and skiing were the two most popular spare time activities cited. Many other activities were cited including reading, gardening, squash and a considerable number of more arduous and exotic activities such as white water rafting, and sea-kayaking. Considering Canada is a cold country, it is not surprising that many winter activities such as skating, snowmobiling, hockey and ice-fishing were cited. Surprisingly, most respondents indicated that their hobbies did not assist them in their career, except to refresh them for future work. This places Canadians in a slightly different group from the American business person who golfs to increase sales and avoids exercise by using a motorized golf cart. Canadians want the exercise, but do not want to be bothered doing sales!

The results of the open-ended question on the reading habits of Canadian managers was particularly interesting for several reasons. Most of the participants read a variety of material including newspapers, magazines, and both non-fiction and fiction books. The most popular daily newspaper was The Globe & Mail, and the respondents also usually read a financial weekly such as The Financial Times or The Financial Post, all Canadian papers. The only foreign newspaper cited
was the American daily, *The Wall Street Journal*. The magazines read by the participants were usually business magazines, and mostly from American publishers. *Business Week* was the most popular magazine, but other frequently read magazines included *Fortune*, *Forbes*, the British based *Economist*, *Canadian Business*, and the non-business Canadian magazine *MacLeans*. The fiction books read by Canadian managers were mostly thrillers with Ken Follett and Len Deighton being representative of most of the material being read, although one person was reading Flaubert's *Madame Bovary*. The non-fiction included biographies, often of business or historical people, and numerous popular books on business. These included the works of Tom Peters, Kenneth Blanchard, and many other writers of similar works. It is interesting to note that only one reader mentioned reading an academically oriented business journal, the *Harvard Business Review*, and it is more general than specialist in its orientation. One cannot imagine the German managers described in Lawrence’s *Managers and Management in West Germany* reading popular management literature when technical articles dealing with production management problems are available. It appears that most of the respondents like to read in their spare time, and the newspapers, magazines, and books they read are often about business. The fiction books that most of them read also have some business application, since one must admit that a knowledge of large organizations and Machiavellian politics gained by reading John Le Carre is definitely useful in most boardrooms. This extension of one’s occupational interest into one’s personal reading preferences is useful for managers, since they increase their knowledge of what they do while they are being entertained. The aspect of the reading material that proves most interesting is the almost complete lack of reading in the academic literature of management and related subjects (eg. accounting, finance, economics, etc.). This means that although there is a rich literature being turned out on a regular basis by the academic
community that teaches management, it is not being read by the practitioners of management. The reasons for this may be that the academic literature is written in an inaccessible or boring style, but whatever the reason, the fact remains that most managers appear to learn about management from the popular and not the professional literature.

Another open ended question requiring a written response proved equally fruitful. This question asked the respondents to characterize American management from a Canadian perspective. The respondents included an American born manager refusing to reply, but assertively, and a Dutch born manager seeing little difference between the two. However, the Canadian born managers were more than willing to comment, as the following representative examples indicate:

1) "more marketing slanted"
2) "tough and domineering"
3) "less human, more short-term outlook"
4) "better salesmanship and hype"
5) "Canadian is more human"
6) "aggressive and bottom line oriented"
7) "tougher, greater self-interest"
8) "arrogant, less people oriented"
9) "sharper, less caring, harder working"

The above comments focus around several recurring issues, and the respondents in effect are differentiating themselves from their American counterparts by identifying these aspects of American management in a censorious tone. The elements include a more aggressive approach to dealing with people, a greater focus on marketing, a short term profit oriented goal structure, and a less human relations oriented approach to dealing with others. The intensity of the response to this question indicates that while to the British all North Americans look alike, Canadians do not wish to be thought of as being the same as their American cousins. A short book written by the journalist Pierre Berton titled Why We Act Like
Canadians details many of the main developmental differences between the two countries in a humorous yet poignant manner. He points out that The United States was born of war and revolution, Canada was born of evolution and compromise. The book also points out the differences in climate, systems of law and order, and a parliamentary democracy is compared to a republican system of government. These factors and others have worked over time to allow the two countries to evolve side by side physically, but different culturally. This probably also has much to do with the American social contract which favours individual rights, while the Canadian social contract is based on collective responsibility.

Results: Likert Type Questions

A series of Likert type questions was used to determine the respondents view of the importance of a company having a well-focused mandate and strategic plan (table 1, questions 1 to 4, appendix 3). The results to question 1 (graph 1, appendix 4) and question 2 (graph 2, appendix 4) are similar, both having the maximum median and mode scores of 5 on the scoring scale, indicating the high value the respondents placed on a well defined mission statement (question 1) and a well defined strategic plan (question 2). The respondents strongly supported the control of the strategic plan by senior management (graph 3, appendix 4), but the median and mode scores for this question both dropped to 4, indicating a slightly weaker response to senior management controlling the strategic plan, than the general acceptance of the need for the plan and mission statement. The respondents also strongly supported the view that a company’s senior management should leave the detail of the daily running of a company to middle-management (graph 4, appendix 4) The median and mode scores on this question were both 4. The overall results of this series of questions is that the respondents strongly felt
the need of a well defined mission statement and a well focused strategic plan for a company to be successful. The respondents also felt, but less strongly, that senior management should control the development of the strategic plan. This indicates some acceptance of lower levels of management being involved in defining a company’s goals. The respondents also indicated that senior management should leave the day-to-day running of the company to middle management.

A second series of questions (table 1, questions 6 to 8, appendix 3) probed the respondents’ perception about the style of Canadian management. The responses to question 6 indicate that the respondents felt that Canadian managers were roughly in the middle between a human relations orientation and a task orientation on a spectrum measuring management style. The median and mode scores were both 3, while the mean score was 3.2 on a five-point scale, indicating a very slight response bias towards a task orientation (graph 5, appendix 4). A similar question measuring Canadian management style on a democratic versus authoritarian decision-making spectrum indicated that Canadian managers were deemed to be slightly more authoritarian than democratic in their decision-making style, with a mean score of 3.4 and bimodal median and mode scores of 3 and 4 (graph 7, appendix 4). On a spectrum measuring the use of sanctions (MacGregor’s theory X) versus the use of positive reinforcement (MacGregor’s theory Y), the respondents indicated that Canadian managers were roughly in the middle of the range, but slightly more inclined to use rewards than sanctions to motivate their employees. The mean score was 2.8 and both the median and mode scores were 3 (graph 7, appendix 4).

In a question designed to measure the respondent’s perception of whether Canadian managers are hard-working compared to American managers, the response indicates that Canadian managers were considered equal or just slightly more hard-working than their American counterparts. The median and
mode scores were both in the middle of the 5 point scale at 3, while the mean score was 3.2 (graph 8, appendix 4) indicating a slight tendency towards the Canadians viewing themselves as working just a little harder than their American counterparts.

A series of questions was used to probe the respondents' familiarity with the European concept of industrial democracy and their view of the potential value of importing industrial democracy into the Canadian labour environment. It was determined that 77% of the respondents were familiar with the concept of Industrial Democracy. The question was worded in a manner that made it possible for the respondents to understand the concept even if they were not previously familiar with it. The next part of the question probed whether or not the implementation of labour codetermination in Canada would make Canadian companies more productive. The response leaned slightly towards the view that it would make Canadian companies less productive. The mean was 2.8, the median 3 and more importantly the mode was 2 (graph 9, appendix 4). This is interesting because Canadian unions have not wanted labour codetermination, and seem to prefer the present situation where management is totally responsible for determining a company's direction. In this area Canada is similar to the U.S.A. where labour has avoided codetermination and unlike Europe where codetermination is accepted practice in most countries. The last part of the same question asked whether labour co-determination would make Canadian companies more difficult to manage. The response was quite strong in the direction of the view that labour co-determination would make the companies less manageable. This was indicated by the uniformly low mean of 2.3, and both median and mode at 2 (graph 10, appendix 4). This indicates that not all Canadian managers agree on the result of having labour involved as a partner in determining the future of industry. It seems that Canadian managers are generally reasonable and moderate in their response to labour codetermination, however Canadian
management-labour relations leave much to be desired, as will be discussed in the chapter on the characteristics of labour relations in Canada. In a pair of questions designed to probe the value of geographical mobility and company loyalty as factors in promotion, the results were disparate. In the question used to evaluate the value of mobility as a factor in promotion, the mean average score was 2.8, the median 3 and the mode 2 (graph 11, appendix 4) This seems to indicate that the respondents felt that mobility was not a dominant factor in promotion. However, the high frequency of the respondents choosing 4 on the 5 point scale in effect puts forth a forceful minority view that mobility is a valued factor in promotion. The question used to test loyalty as a factor in promotion indicated that the respondents placed a relatively high value on company loyalty in promotion. The answers were skewed in favour of loyalty with the mode being 2, a strong response considering the way the question was structured (graph 14, appendix 4). It seems that the respondents valued loyalty highly, but there was also a strong minority response indicating that mobility was also a factor in promotion. I have had personal experience with receiving early promotion because I was willing to relocate to an area that was considered undesirable by my colleagues. In fact, at the age of thirty-two with relatively limited experience I was given a job that usually people got only at the age of fifty after many years of experience.

The response to a question designed to test the respondents' opinion on whether or not Canadian managers are well paid relative to the pay of other Canadian workers indicates that they were relatively well paid. The median and mode scores were both 3, and the mean was 3.2 indicating that the response was on the middle of the 5 point scale (graph 12, appendix 4), but leaned slightly towards the end of the spectrum indicating Canadian Managers were well paid relative
to other Canadian workers. Compensation for managers is not uniformly high, or even perceived too be adequate across cultures. In Sweden for example, managers receive compensation packages that are low by international standards, and this lack of income differentiation acts as a demotivator in terms of promoting Swedish managers. The Dutch also are inclined not to have highly differentiated salary structures for their managers, but it is less of a disincentive in terms of getting them to accept a promotion than it is in Sweden. Therefore, although Canadians perceive themselves to be well compensated for their work relative to the rest of their society, it is possible for other countries to have vastly different compensation structures for managers and still be economically successful. The fact that the Swedes are badly paid acts as a demotivator whereas Dutch managers are also poorly paid relative to their peers but it is not a demotivator. Although we have not discussed compensation in the United States, the Americans are better paid than just about any other national group of managers, but they are not leading the world economically, the Japanese and Germans are out front. It is positive that Canadian managers generally perceive themselves as being well compensated for their work, since it becomes one less potential demotivator to deal with in the Canadian corporate world.

A question designed to elicit the respondents' opinions on whether or not Canadian managers are sports fans and discuss sports at the office received a relatively strong yes outcome. The median was 3, but the mean was 3.3 and the mode 4 on a 5 point scale (graph 13, appendix 4). This result is of particular interest when combined with the earlier indication that Canadian managers prefer hockey as their sport to be discussed. It is indicative of a common topic among the group described as Canadian managers.

In a question designed to determine the respondents' opinions on whether a manager will be more successful if they
place work above family life in their priority system, the result was varied. The mean response of 2.9 supported the median of 3 and the mode of 2 which all indicate that the respondents felt that a manager who placed work above family life would be less successful (graph 15, appendix). This view that family is more important than work is a positively unamerican view if one is to believe the values depicted in popular American movies such as Wall Street, and strongly differentiates Canadian managers from their American counterparts in opinion, if not in fact. However, there were also relatively strong responses at the other end of the scale, indicating that a strong minority opinion exists who consider that success in management and a personal priority system that places work above family life are positively correlated. It is interesting to note that almost all of the respondents to the questionnaire claimed to work very long hours, which would leave less time for family life.

Conclusion

The survey questionnaire was designed to probe the characteristics of Canadian management, and in doing so avoided the traditional research method of creating a working hypothesis, and testing it. It was felt a more open-ended and exploratory approach to the subject would yield more useful and insightful results. The intent was to create a research method that allowed reality to assert itself.

A representative sample of managers was contacted from companies that are both reflective of the population distribution and industrial mix of Canada. Due to the difficulty of defining the discrete parameters of the term manager, a single senior manager was contacted in each company who would be steeped in that institution's corporate culture, and whose views could be considered to be representative. Based on the response rate of similar surveys, the response
rate to this survey was found to be within an acceptable range.

The questions focused on various topics, including a series of queries which documented background information on the Canadian managers who were respondents to the survey. This included data on age, educational background, present position held, place of origin, and languages spoken. The material was used to assist in defining the background characteristics of Canadian managers.

Other questions were used to acquire the views of the respondents relating to traditional managerial functions such as planning, organization, direction, control, and staffing. Since these views were being offered by Canadians, they can be seen as defining the Canadian perspective on how these functions are carried out.

Another type of question was used to determine the more personal characteristics of Canadian managers - what sports they watch, how do they spend their spare time, and what they read. These questions require considerable interpretation, but they offer rich results. It is significant to know that Canadian managers are more often inclined to discuss hockey in the office than any other sport.

A series of Likert type questions was used to probe a variety of issues, ranging from labour co-determination to the role that company loyalty and a willingness to relocate have on one's promotion prospects. The results of these questions were graphed and analyzed.

At a thematic level, the survey outcome demonstrated characteristics that are uniquely Canadian. The general acceptance of humour and a casual style in the workplace combined with an interest in strategic planning and longer term goal achievement is quite different from either the formality of French managers or the American focus on marketing and short term financial goals. Canadian managers were moderate and not obsessive about their work, as indicated
by the frequent interest in hobbies that were not related to one's work, and the strong indication that family was more important than work in the lives of many of the respondents to the survey. The absence of a strong focus on Technik, differentiates Canadian managers from German, Swedish, and some other continental European managers. Although this area is beyond the scope of this study, this deficiency is worthy of further investigation, and it is felt that a greater emphasis on Technik would improve Canadian industrial competitiveness. Canadians were similar to the British in their inclination to accept humanities and science degrees as acceptable qualifications for admission to entry level management positions, however they differed from the British in their inclination to pursue robust sports, and by combining a liberal education and a technical management education (e.g. B.A. in History & B.Comm. or M.B.A.). The United States and Canada are so close yet so far apart when it comes to the characteristics of their managers. Many American companies operate in Canada, as they do in other countries around the world. Furthermore, although Canada is the host to many branch plants, it does not mean that Canada has a branch plant mentality. Canadian managers love hockey and are generally accepting of the public sector, American managers love baseball and hate the public sector. Canadian managers are production driven in a society with a strong natural resource extraction base while American managers are marketing driven in a society that has a strong secondary manufacturing sector.

As indicated, Canadian managers have characteristics that are both similar to and different from managers in other industrialized countries. However, there is no one country whose managers exhibit the same mix of characteristics as Canadian managers.

In summary one can say that the results of the survey both offered insight into the unique characteristics of Canadian management, and identified areas for further
investigation in the form of interviews and research in the literature.
NOTES


4New Brunswick Directory of Products and Manufacturers (Fredericton: Department of Commerce and Technology, 1990)

Newfoundland Directory of Manufacturers (St. John’s: Department of Development and Tourism, 1988)


8Eugene Miller, Barron’s Guide to Graduate Business Schools (Toronto: Barron’s, 1988), 349, & 374.

9Peter Lawrence, Managers and Management in West Germany (London: Croom Helm, 1980), 78-9.

10Jean-Louis Barsoux & Peter Lawrence, Management in France (London: Cassell, 1990), 32.

11Pierre Berton, Why We Act Like Canadians (Toronto: McClelland & Stewart, 1982), 94-111.

12Peter Lawrence, Management in the Land of Israel (Cheltenham: Stanley Thornes, 1990), 12.


16Ibid., 143.


18Ibid., 66.


20Lawrence, *Managers and Management in West Germany*, 96-100.

21Berton, *Why We Act Like Canadians*.


APPENDIX 1

5466 Inglis St., Unit #3
Halifax, Nova Scotia
B3H 1J7
Phone: (902) 429-6591(H)
   494-4115(B)

August 28, 1990

Dear ____________:

I am presently doing a research degree (PhD) in Management Studies at The University of Technology, Loughborough, England. As part of my degree requirements, I am investigating and documenting "The Characteristics of Canadian Management". The areas of particular interest to me include the following:

1. The ways in which Canadian Managers perform their daily duties.

2. Their perception of how Canadian Managers are different from Managers in other countries.

3. The approach representative Canadian Managers take to standard management activities.

4. The background of Canadian Managers.

In order to capture the above data for analysis, I have prepared a combined questionnaire which includes background information, and a series of questions which require rating, prioritizing, or similar responses on your part. There are also some questions that require open-ended responses.

It would be appreciated if you would consider completing the attached questionnaire, and forwarding it to me, using the enclosed stamped self-addressed envelope. If you are personally unable to complete the questionnaire would you please give it to a manager in your organization who might complete and return the form to me. Personal names will not be used in the study, and participants will be given a code number for this purpose. However, organizational names may be mentioned in the study.
After receiving and analysing the questionnaire, I may wish to conduct a short interview with you either in person, or by telephone if you are located in a distant city. Therefore, I might contact you to arrange for an appointment, if that is acceptable to you. The outcome of the initial analysis of the completed questionnaires will be available at the interview, if you are interested.

Your assistance with the study is greatly appreciated, and I wish to take this opportunity to thank you for your cooperation.

Sincerely yours,

Dwight W. Tanner
A. Background Information:

First Language: English_______ French__________ Other__________
Fluency in second official language: nil, fair, good, fluent.

Age: (circle where appropriate)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>20 - 24</td>
<td>40 - 44</td>
<td>60 - 64</td>
</tr>
<tr>
<td>25 - 29</td>
<td>45 - 49</td>
<td>65 - 69</td>
</tr>
<tr>
<td>30 - 34</td>
<td>50 - 54</td>
<td>70+</td>
</tr>
<tr>
<td>35 - 39</td>
<td>55 - 59</td>
<td></td>
</tr>
</tbody>
</table>

Place of Birth:
prov./city):_______________________ Nationality:_____________________

Where did you spend most of the first 10 - 15 years of life?
(prov./city)________________________________________________________

Education:(Please tick all appropriate areas)

High School__________ Technical School/College__________
University Degrees: Bachelor__________ Master__________
Doctorate__________ Other__________

Please list degrees held and major subject:________________________________

Please list professional memberships/designations:

Please list recent (last five years) training courses taken:

__________________________________________________________
B. Company Information (Please tick where appropriate):

<table>
<thead>
<tr>
<th>Size of present company (number of employees):</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 99</td>
</tr>
<tr>
<td>100 - 499</td>
</tr>
<tr>
<td>500 - 999</td>
</tr>
<tr>
<td>1000 - 1999</td>
</tr>
<tr>
<td>2000 - 4999</td>
</tr>
<tr>
<td>5000 - 9,999</td>
</tr>
<tr>
<td>10,000 - 19,999</td>
</tr>
<tr>
<td>20,000+</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Size of site/branch where you work (number of employees):</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 99</td>
</tr>
<tr>
<td>100 - 499</td>
</tr>
<tr>
<td>500 - 999</td>
</tr>
<tr>
<td>1000 - 1999</td>
</tr>
<tr>
<td>2000 - 4999</td>
</tr>
<tr>
<td>5000 - 9,999</td>
</tr>
<tr>
<td>10,000 - 19,999</td>
</tr>
<tr>
<td>20,000+</td>
</tr>
</tbody>
</table>

CONTINUE TO PAGE 4 (OVERSIDE)

Institutional type:
Public Sector: Municipal dept. [___]
Provincial dept. [___]
Federal Dept. [___]
Crown Corporation [___]
Other (give name) [___]

Private Sector: Sole proprietorship [___]
Partnership [___]
Private Company [___]
Public Company [___]
Other (give name) [___]

Your institution/company's main business:
Public Service [___] Agriculture [___]
Forestry [___] Fishing [___]
Mining [___] Manufacturing [___]
Construction [___] Transportation [___]
Communication [___] Utilities [___]
Wholesale & Retail Trade [___]
Financial/Insurance/Real Estate [___]
Community, Business & Personal Services [___]

Your Department’s Main Business:
Accounting/Finance [___] Marketing [___]
Personnel [___] Operations(line) [___]
Engineering [___] Administration [___]
Other (include name): [___]
Your Job Title:

Chairman_________________________Manager________________________
President________________________Manager________________________
Vice-President____________________Consultant______________________
General Manager__________________Engineer________________________
Director__________________________Comptroller_____________________
Other (include name): ________________________________

To whom do you report (if applicable):

Chairman_________________________Manager________________________
President________________________Manager________________________
Vice-President____________________Consultant______________________
General Manager__________________Engineer________________________
Director__________________________Comptroller_____________________
Other (include name): ________________________________

Number of employees directly reporting to you___________
Number of employees indirectly reporting to you__________

CONTINUE TO PAGE 5 (OVERSIDE)

If you are a budget holder, what is the value of your yearly budget?

$0- $4999 __________________________ $1,000,000- $4,999,999___
$5000 - $19,999 ____________________ $5,000,000- $9,999,999___
$20,000 - $49,999 __________________ $10,000,000- $19,999,999__
$50,000 - $99,999 __________________ $20,000,000- $49,999,999__
$100,000 - $499,999 $50,000,000 + __________________________
$500,000 - $999,999 ____________________________

C. Please rate by circling the appropriate number on the scale. Some questions may require prioritization, or filling in the blank.

1. A well-managed company has a mission statement that clearly states its primary goals.

Strongly agree  Do not agree
5 4 3 2 1

185
2. A well-managed company has a well defined strategic plan focused on achieving its mandate or mission statement.

Strongly agree  Do not agree
5  4  3  2  1

3. A well-managed company's senior management control the development of the strategic plan.

Strongly agree  Do not agree
5  4  3  2  1

4. A well-managed company's executives avoid detail and leave the day to day running of the business to middle management.

Strongly agree  Do not agree
5  4  3  2  1

5. Which of the following items do you think make-up a desirable business card for a manager or senior executive (please tick where appropriate).

Company logo  Company telephone number
Company Name  Home Telephone number
Company Address  Company facsimile number
Home Address  Company telex number
Personal Name  Title
Degrees held (eg. B.Comm., M.B.A., Phd., etc.)
Professional designations (eg. P.eng., C.A., etc.)

6. On a spectrum measuring task orientation in relation to human relations orientation at work, please circle where you think the average Canadian falls.

Strong task orientation  Strong Human Relations
5  4  3  2  1

7. On a spectrum measuring authoritarian versus democratic decision-making, please circle how you think the average Canadian manager performs.

Authoritarian  Democratic
5  4  3  2  1
8. On a spectrum measuring punishment (negative sanctions) versus rewards (positive reinforcement), please circle how you think the average Canadian Manager performs.

Punishment (MacGregor's Theory X)  
5 4 3  
Rewards (Theory Y)  
2 1

9. What time frame do you consider to be short-term, in your company in terms of operational planning?

one day______  one year______
one week______  three years______
one month______  five years______
greater than five years__________________

10. What time frame do you consider to be medium term in your company in terms of operational planning?

one day______  one year______
one week______  three years______
one month______  five years______
greater than five years__________________
greater than ten years__________________

11. What time frame do you consider to be long term in your company in terms of operational planning?

one day______  one year______
one week______  three years______
one month______  five years______
greater than five years__________________
greater than ten years__________________

12. Please prioritize the following motivators from most desirable (#1), to least desirable (#4), in terms of your work life.

High pay & monetary benefits________________________
Interesting but challenging work_____________________
A position your peers respect______________________
Job security________________________
A fulfilling family life________________________
The prospect of regular promotion____________________

13. Do you think Canadian Managers are hard-working, or not, compared to American Managers?

Hard-working  
5 4 3  
Not hard-working  
2 1
14. How many hours do you work during an average work week?

less than 20 hours _______________________
20 to 30 hours _______________________
30 to 40 hours _______________________
40 to 50 hours _______________________
50 to 60 hours _______________________
60 to 70 hours _______________________
Other (please explain) __________________________________________

15. Are you familiar with the European concept of "Industrial Democracy" in which labour is given a role in determining the agenda of companies. For example, government legislation often dictates that a Labour representative sits on the board of directors of companies.

YES______________________________ NO__________________________

Do you think that labour co-determination of the agenda of industry would make Canadian companies more productive?

More productive 5 4 3 2 1
Less productive

Do you think that labour co-determination would make Canadian companies more difficult to manage?

More manageable 5 4 3 2 1
Less manageable

16. If you could only spend one day a week doing your job, on which single management function would you spend your time? (Tick one only.)

Planning ___________________ Organization ___________________
Control ___________________ Staffing ______________________
Direction __________________ Coordination __________________
Representation ______________________
Other (specify) ______________________

17. Please tick all of the following examples of casualness that are common and acceptable for management in your company.

Not wearing jackets at meetings________________________
Not wearing jackets in the office________________________
Casual swearing at meetings________________________
Putting ones feet up on a desk or furniture________________________
Rolling up shirt sleeves & loosening ties________________________
Making humorous remarks at meetings________________________
18. Please prioritize the following factors in importance in your staffing (hiring or promoting) of managers or potential managers from most desirable (#1), to least desirable (#7), in terms of your work life.

CONTINUE TO PAGE 8 (OVERSIDE)

Educational Background
Personal Appearance
Work Experience
Ability to answer questions at the interview
References
Language Skills in both official languages
Other (please explain)

19. A manager who does not exhibit strong company loyalty, but is willing to relocate to wherever the company wants, will be more successful than a manager of equal ability who shows greater company loyalty, but is unwilling to relocate.

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

20. How many companies/organizations have you worked for since you entered the workforce fulltime (please tick one)?

One
Two
Three
Four
Five or more

21. If you were to start again, would you enter management or pursue another career? Please answer yes or no then elaborate.

_____________________________________________________________________________

22. Do you expect to stay with your present company until you retire? Please answer yes or no then elaborate.

_____________________________________________________________________________

24. Does your company practice an up or out policy with managers? Please answer yes or no then elaborate.

_____________________________________________________________________________

189
25. Please prioritize the following sources in importance in your staffing of managers or potential managers from most frequent (#1), to least frequent (#7), in terms of your work experience.

Directly from high school
Directly from an undergraduate degree (eg. B.Comm.)
Directly from graduate business school (eg. M.B.A.)
Directly from professional school (eg.L.L.B.)
From professional firms (eg.accounting/engineering)
From other employers
Other (please explain)

CONTINUE TO PAGE 9 (OVERSIDE)

26. Please prioritize the following functions in importance in your company/organization, from most important (#1), to least important (#8).

Research & Development
Operations/Production
Accounting/Finance
Design
Personnel/Human Resource Management
Marketing
Administration
Other (please explain)

27. If you were counselling a junior colleague, which function would you recommend as the best place to start to get to a senior management position in the future. Please tick one only.

Research & Development
Operations/Production
Accounting/Finance
Design
Personnel/Human Resource Management
Marketing
Administration
28. Do you think management pay is high or low compared to the pay of other Canadian workers?

<table>
<thead>
<tr>
<th>Relatively high pay</th>
<th>Relatively low pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

29. What are/would be the key determinants when you look for a new job. Please prioritize in order of importance with the most important being #1 and the least important being #9.

- Increased pay
- Benefits (e.g., pensions)
- Title (e.g., President, C.E.O., Director)
- Increased responsibility
- Promotion prospects
- Longer hours & more challenges but the same pay
- Shorter hours & less challenge but the same pay
- Desirable Location

Other (please explain)

30. Please prioritize the following educational backgrounds as to their importance in managerial success with the most successful background as (#1), and the least potentially successful background as (#9), in terms of your work life.

- High school graduation
- Lawyer (called to the bar)
- Technical School Diploma
- Professional Accountant (C.A., C.M.A., or C.G.A.)
- Bachelors degree in arts or science (B.A. or B.Sc.)
- Professional Engineer (P. eng.)
- Bachelors degree in Business (B.Com., B.B.A.)
31. Please prioritize the following determinants of career success as to their importance in "your career progression" to date with the most important as (#1), and the least important as (#8).

Good personal appearance
Goal achievement in the workplace
Family background
Education
Proven ability
Work experience
Language skills in both official languages
Good interpersonal and social skills
Other (please explain)

32. What was the last business/management related book you read?

33. What was the last non-management book you read?

34. Please list any business newspapers, magazines, or journals that you read on a regular basis.

35. Do you think that Canadian managers are on average sports fans, and often discuss sports at work.

<table>
<thead>
<tr>
<th>Relatively frequently</th>
<th>Relatively infrequently</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 4 3 2 1</td>
<td></td>
</tr>
</tbody>
</table>

35. Please list the three sports that you think Canadian Managers prefer to discuss in order of preference.

1. __________________
2. __________________
3. __________________

36. What is distinctive about your company? What makes it different from other companies?
37. Do you think that public sector managers (eg. civil servants) are capable of being effective in the private sector?  
   yes__________________
   no__________________
   please elaborate_____

38. Do you think that private sector managers are capable of being effective in the public sector?
   yes__________________
   no__________________
   please elaborate_____

39. What hobbies or activities do you pursue in your spare time?

Do these activities assist you in your career? If so, please explain how.

40. Please tick/check all of the following terms you are familiar with?

1. eh                            
2. downsizing                    
3. to do a deal                   
4. dehire                        
5. crown corporation             
6. marketing board               
7. doable                        
8. levelling                     
9. deep pockets                  

41. A manager who is loyal to his company, but unwilling to relocate, will be more successful than a manager of equal ability who is less loyal, but more willing to relocate.

Strongly agree  
   5  4  3

Strongly disagree
   2  1

193
42. A manager who puts the claims of their work ahead of their home and family life will be more successful in their career. 

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
<th>Strongly disagree</th>
</tr>
</thead>
</table>

43. How would you describe or characterize American management from a Canadian viewpoint?

On completing the questionnaire, please return it to the following address:

Dwight Tanner
5466 Inglis St., Unit #3
Halifax, N.S.
B3H 1J7
APPENDIX 2

Questionnaire Address List

1. Irving Oil Ltd.
   Box 1260, Stn. B
   Saint John, N.B.
   E2L 4H6

2. Consolidated-Bathurst Ltd.
   Box "R"
   Bathurst, N.B.

3. McCain Foods Ltd.
   Box 1140
   Grand Falls, N.B.

4. Bruncor Inc.
   1 Brunswick Square
   Saint John, N.B.

5. Connor’s Bros. Ltd.
   Black’s Harbour, N.B.

6. The Island Telephone Co. Ltd.
   69 Belvedere Ave. Charlottetown, P.E.I.

7. National Sea Products Ltd.
   Box 2310, Halifax, N.S.

8. Empire Company Ltd.
   Stellarton, N.S.

9. Sydney Steel Corp.
   Sydney, N.S.

10. Stanfield’s Ltd.
    Box 190, Truro, N.S.

11. Moosehead Breweries Ltd.
    Dartmouth, N.S.

12. CKF Inc.
    Box 419, Hantsport, N.S.

    Box 1150, Liverpool, N.S.

14. Bonda Inc.
    Yarmouth, N.S.

15. Fishery Products Intl.
    70 O’Leary Ave.
    St. John’s, Nfld.

    Baie Verte, Nfld.

17. Marystown Shipyard Ltd.
    Marystown, Nfld.

18. Newfoundland Light & Power
    Ltd.
    St. John’s, Nfld.

19. Canadian Wheat Board
    Winnipeg, Manitoba

20. Saskatchewan Wheat Pool
    Regina, Sask.

21. Agropur Cooperative
    Granby, Quebec

22. United Grain Growers
    Winnipeg, Manitoba

23. Alberta Wheat Pool
    Calgary, Alberta

24. Noranda Forest Inc.
    Toronto, Ontario

25. MacMillan-Blodel
    Vancouver, B.C.

26. Weldwood of Canada
    Vancouver, B.C.

27. Canfor Corporation
    Vancouver, B.C.

28. Abitibi-Price Inc.
    Toronto, Ontario
29. Repap Enterprises Inc.  
Montreal, Quebec

30. Inco Ltd.  
Toronto, Ontario

31. Falconbridge Limited  
Toronto, Ontario

32. Teck Corporation  
Vancouver, B.C.

33. Qit-Fer et Titane Inc.  
Montreal, Quebec

34. Canpotex Ltd.  
Saskatoon, Sask.

35. Rio Algom Ltd.  
Toronto, Ontario

36. Manitoba Telephone System  
Winnipeg, Man.

37. Manitoba Pool Elevators  
Winnipeg, Man.

38. Manitoba Hydro-Electric Board  
Winnipeg, Man.

39. Saskatchewan Oil & Gas  
Regina, Sask

40. Saskatchewan Power Corp.  
Regina, Sask.

41. Saskatchewan Trust Co.  
Saskatoon, Sask

42. Seagram Co.  
Montreal, Quebec

43. John Labatt Ltd.  
London, Ontario

44. Canada Packers Ltd.  
Toronto, Ontario

45. Westfair Foods  
Calgary, Alta.

46. The Molson Co.  
Rexdale, Ontario

47. Unilever Canada Ltd.  
Toronto, Ontario

48. Varity Corp.  
Toronto, Ontario

49. Federal Industries Ltd.  
Winnipeg, Man.

50. Dow Chemical Canada Inc.  
Sarnia, Ont.

51. General Electric Canada  
Mississauga, Ont.

52. Canadian Ultramar Ltd.  
North York, Ont.

53. Dominion Textile Inc.  
Montreal, Quebec

54. Domtar Inc.  
Montreal, Quebec

55. Du Pont Canada Inc.  
Mississauga, Ont.

56. Pratt & Whitney Canada Inc.  
Longueuil, Quebec

57. C-I-L Inc.  
North York, Ont.

58. Moore Corp. Ltd.  
Toronto, Ont.

59. Canadian Western Bank  
Edmonton, Alta.

60. Canadian Salt Co.  
Pointe Claire, P.Q.

61. Canadian Roxy Petroleum  
Calgary, Alta.

62. Canadian Reynolds Metals Co.  
Baie Comeau, P.Q.
63. Canadian Pacific Ltd. Montreal, P.Q. 64. CP Forest Products Montreal, P.Q.
65. Canadian Occidental Petroleum Calgary, Alta. 66. Canadian National Railway Montreal, P.Q.
69. Canadian Jorex Ltd. Calgary, Alta. 70. Canadian Conquest Explorations Calgary, Alta.
75. Cambridge Shopping Centres Toronto, Ont. 76. Cadillac Fairview Corp. Toronto, Ont.
77. CTV Television Network Toronto, Ont. 78. CT Financial Services Inc. Toronto, Ont.
81. British Columbia Telephone Burnaby, B.C. 82. British Columbia Packers Ltd. Vancouver, B.C.
85. Brascan Ltd. Toronto, Ont. 86. Bramalea Ltd. Toronto, Ont.
89. Bow Valley Industries Calgary, Alta. 90. The Borden Co. West Hill, Ont.
<table>
<thead>
<tr>
<th>No.</th>
<th>Company Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>97</td>
<td>The Bentall Group</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>98</td>
<td>Bell-Northern Research Ltd.</td>
<td>Ottawa, Ont.</td>
</tr>
<tr>
<td>99</td>
<td>Beecham Canada Inc.</td>
<td>Weston, Ont.</td>
</tr>
<tr>
<td>100</td>
<td>Bechtel Canada Inc.</td>
<td>Don Mills, Ont.</td>
</tr>
<tr>
<td>101</td>
<td>Beaver Foods Ltd.</td>
<td>London, Ont.</td>
</tr>
<tr>
<td>102</td>
<td>Beaver Construction Group Ltd.</td>
<td>Dorval, P.Q.</td>
</tr>
<tr>
<td>103</td>
<td>Baton Broadcasting Inc.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>104</td>
<td>J.J. Barnicke Ltd.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>105</td>
<td>Barclay's Bank of Canada</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>106</td>
<td>Bank of Montreal</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>107</td>
<td>Bell Canada Enterprises</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>108</td>
<td>BCE Development Corp.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>109</td>
<td>B.C. Tree Fruits Ltd.</td>
<td>Kelowna, B.C.</td>
</tr>
<tr>
<td>110</td>
<td>B.C. Sugar Refinery Ltd.</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>111</td>
<td>B.C. Rail Ltd.</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>112</td>
<td>B.C. Pacific Capital Corp.</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>113</td>
<td>B.C. Gas Inc.</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>114</td>
<td>B.C. Central Credit Union</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>115</td>
<td>B.C. Bancorp</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>116</td>
<td>Asbestos Corporation Ltd.</td>
<td>Thetford Mines, P.Q.</td>
</tr>
<tr>
<td>117</td>
<td>Alcan Aluminum</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>118</td>
<td>Noma Industries Ltd.</td>
<td>Willowdale, Ont.</td>
</tr>
<tr>
<td>119</td>
<td>Inter-City Gas Corp.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>120</td>
<td>Consumers Packing Inc.</td>
<td>Etobicoke, Ont.</td>
</tr>
<tr>
<td>121</td>
<td>Consumer Distributing Co.</td>
<td>Rexdale, Ont.</td>
</tr>
<tr>
<td>122</td>
<td>Westinghouse Canada Inc.</td>
<td>Hamilton, Ont.</td>
</tr>
<tr>
<td>123</td>
<td>Proctor &amp; Gamble Inc.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>124</td>
<td>Canadian Utilities Ltd.</td>
<td>Edmonton, Alta.</td>
</tr>
<tr>
<td>125</td>
<td>Canbra Foods Ltd.</td>
<td>Lethbridge, Alta.</td>
</tr>
<tr>
<td>126</td>
<td>Capital City Savings &amp; Credit Union</td>
<td>Edmonton, Alta.</td>
</tr>
<tr>
<td>127</td>
<td>Carena Developments Ltd.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>128</td>
<td>Cascade Fertilizers Ltd.</td>
<td>Standard, Alta.</td>
</tr>
<tr>
<td>129</td>
<td>Cascades Inc.</td>
<td>Kingsey Falls, P.Q.</td>
</tr>
<tr>
<td>130</td>
<td>The Casualty Co. of Canada</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>Number</td>
<td>Company Name</td>
<td>Location</td>
</tr>
<tr>
<td>--------</td>
<td>----------------------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>131</td>
<td>Celanese Canada Inc.</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>132</td>
<td>Champion Road Machinery Ltd.</td>
<td>Goderich, Ont.</td>
</tr>
<tr>
<td>133</td>
<td>Charan Industries Inc.</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>134</td>
<td>Charterways Transportation Ltd.</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>135</td>
<td>Chateau Stores of Canada</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>136</td>
<td>Chrysler Canada Ltd.</td>
<td>Windsor, Ont.</td>
</tr>
<tr>
<td>137</td>
<td>The Churchill Corp.</td>
<td>Edmonton, Alta.</td>
</tr>
<tr>
<td>138</td>
<td>Ciment Quebec Inc.</td>
<td>St.-Basile-Cte. Portneuf, P.Q.</td>
</tr>
<tr>
<td>139</td>
<td>Cineplex Odeon Corp.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>140</td>
<td>Circo Craft Co.</td>
<td>Kirkland, P.Q.</td>
</tr>
<tr>
<td>141</td>
<td>Citadel Life Assurance Co.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>142</td>
<td>Citizens Trust Co.</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>143</td>
<td>Cogeco Inc.</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>144</td>
<td>Coles Book Stores Ltd.</td>
<td>Rexdale, Ont.</td>
</tr>
<tr>
<td>145</td>
<td>Commerce Group Insurance</td>
<td>St. Hyacinthe, P.Q.</td>
</tr>
<tr>
<td>146</td>
<td>Commercial Union Assurance of Canada</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>147</td>
<td>Consumers’ Gas Co.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>148</td>
<td>Coscan Development Corp.</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>149</td>
<td>Develcon Electronics Ltd.</td>
<td>Saskatoon, Sask.</td>
</tr>
<tr>
<td>150</td>
<td>Dillingham Construction Ltd.</td>
<td>North Vancouver, B.C.</td>
</tr>
<tr>
<td>151</td>
<td>Doman Industries</td>
<td>Duncan, B.C.</td>
</tr>
<tr>
<td>152</td>
<td>The Dominion Co.</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>153</td>
<td>Ellis-Don Ltd.</td>
<td>London, Ont.</td>
</tr>
<tr>
<td>154</td>
<td>The Financial Post</td>
<td>Toronto, Ont.</td>
</tr>
<tr>
<td>155</td>
<td>General Motors of Canada</td>
<td>Oshawa, Ont.</td>
</tr>
<tr>
<td>156</td>
<td>Greyhound Lines of Canada</td>
<td>Calgary, Alta.</td>
</tr>
<tr>
<td>157</td>
<td>The Grocery People Ltd.</td>
<td>Edmonton, Alta.</td>
</tr>
<tr>
<td>158</td>
<td>IPSCO Inc.</td>
<td>Regina, Sask.</td>
</tr>
<tr>
<td>159</td>
<td>Kelly, Douglas &amp; Co.</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>160</td>
<td>K-Mart Canada Inc.</td>
<td>Brampton, Ont.</td>
</tr>
<tr>
<td>161</td>
<td>Mr. Jax Fashions Inc.</td>
<td>Vancouver, B.C.</td>
</tr>
<tr>
<td>162</td>
<td>Montreal Trust Co.</td>
<td>Montreal, P.Q.</td>
</tr>
<tr>
<td>163</td>
<td>Northern Telecom Ltd.</td>
<td>Mississauga, Ont.</td>
</tr>
<tr>
<td>164</td>
<td>Pacific Press Ltd.</td>
<td>Vancouver, B.C.</td>
</tr>
</tbody>
</table>

199
165. Jim Pattison Group Inc.  
Vancouver, B.C.  

167. Potash Corp. of Sask.  
Saskatoon, Sask.  

169. Woodward’s Ltd.  
Vancouver, B.C.  

171. Delta Hotels Ltd.  
Toronto, Ont.  

173. T. Eaton Co.  
Toronto, Ont.  

175. Equitable Life Insurance  
Waterloo, Ontario  

177. Fenco Engineers Ltd.  
Willowdale, Ont.  

179. Foundation Co. of Canada  
Scarborough, Ont.  

181. A & P Canada  
Toronto, Ont.  

183. Hasbro Canada Inc.  
Longueuil, P.Q.  

185. Inducon Development Corp.  
North York, Ont.  

187. Lavilin Inc.  
Montreal, P.Q.  

189. J. Pascal Inc.  
Montreal, P.Q.  

191. Prenor Group Ltd.  
Montreal, P.Q.  

193. St. Clair Paint  
Concord, Ont.  

195. Sears Canada Inc.  
Toronto, Ont.  

197. Socanav Inc.  
Montreal, P.Q.  

166. Pioneer Lifeco Inc.  
Regina, Sask.  

168. Power Corp.  
Montreal, P.Q.  

170. Zeller’s Inc.  
Montreal, P.Q.  

172. Dylex Ltd.  
Toronto, Ont.  

174. Eastern Construction Co.  
Toronto, Ont.  

176. Federal Business Development  
Bank  
Montreal, P.Q.  

178. First Quebec Corp.  
Montreal, P.Q.  

180. General Foods Inc.  
Don Mills, Ont.  

182. Guardian Trust Co.  
Montreal, P.Q.  

184. Hudson’s Bay Co.  
Toronto, Ont.  

186. The Laurentian Group  
Montreal, P.Q.  

188. Olympia & York Developments  
Toronto, Ont.  

190. Pennington’s Stores Ltd.  
Mississauga, Ont.  

192. Provigo Inc.  
Montreal, P.Q.  

194. St. Hubert Bar B-Q Ltd.  
Laval, P.Q.  

196. Simpson’s Ltd.  
Toronto, Ont.  

198. Societe General de Financement  
du Quebec. Montreal, P.Q.  

200
199. Steinberg Inc.
Westmount, P.Q.

200. Bank of Nova Scotia
Toronto, Ont.
## Table 1

A SUMMARY RESPONSE TABLE OF THE SCALED QUESTIONS IN THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>Question</th>
<th>Graph</th>
<th>Score</th>
<th>Frequencies</th>
<th>Averages</th>
<th>Number of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
<td>1 2 3 4 5 mean median mode</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Section</td>
<td></td>
<td>Appendix</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot;C&quot;</td>
<td>#4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>0</td>
<td>2 7 11 30</td>
<td>4.4</td>
<td>5 5 50</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0 5 16 30</td>
<td>4.5</td>
<td>5 5 51</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0 5 23 19</td>
<td>4.2</td>
<td>4 4 49</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>2</td>
<td>4 11 21 12</td>
<td>3.7</td>
<td>4 4 50</td>
</tr>
<tr>
<td>6</td>
<td>5</td>
<td>0</td>
<td>8 20 19 0</td>
<td>3.2</td>
<td>3 3 47</td>
</tr>
<tr>
<td>7</td>
<td>6</td>
<td>2</td>
<td>6 21 21 0</td>
<td>3.4</td>
<td>3 3&amp;4 48 (bimodal)</td>
</tr>
<tr>
<td>8</td>
<td>7</td>
<td>1</td>
<td>18 21 10 0</td>
<td>2.8</td>
<td>3 3 50</td>
</tr>
<tr>
<td>13</td>
<td>8</td>
<td>0</td>
<td>9 24 13 4</td>
<td>3.2</td>
<td>3 3 50</td>
</tr>
<tr>
<td>15 a)</td>
<td>9</td>
<td>8</td>
<td>13 12 12 3</td>
<td>2.8</td>
<td>3 2 48</td>
</tr>
<tr>
<td>15 b)</td>
<td>10</td>
<td>8</td>
<td>26 3 10 0</td>
<td>2.3</td>
<td>2 2 47</td>
</tr>
<tr>
<td>19</td>
<td>11</td>
<td>6</td>
<td>15 10 14 1</td>
<td>2.8</td>
<td>3 2 46</td>
</tr>
<tr>
<td>28</td>
<td>12</td>
<td>0</td>
<td>12 18 15 4</td>
<td>3.2</td>
<td>3 3 49</td>
</tr>
<tr>
<td>34</td>
<td>13</td>
<td>0</td>
<td>7 14 17 1</td>
<td>3.3</td>
<td>3 4 39</td>
</tr>
<tr>
<td>41</td>
<td>14</td>
<td>4</td>
<td>20 13 4 5</td>
<td>2.7</td>
<td>3 2 46</td>
</tr>
<tr>
<td>42</td>
<td>15</td>
<td>3</td>
<td>16 11 15 1</td>
<td>2.9</td>
<td>3 2 46</td>
</tr>
<tr>
<td>AGE RANGE YEARS</td>
<td>NUMBER OF RESPONDENTS</td>
<td>PERCENTAGE OF RESPONDENTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>------------------------</td>
<td>---------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20 - 29</td>
<td>0</td>
<td>0.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 - 34</td>
<td>3</td>
<td>5.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35 - 39</td>
<td>2</td>
<td>3.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40 - 44</td>
<td>17</td>
<td>33.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45 - 49</td>
<td>9</td>
<td>17.6%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50 - 54</td>
<td>7</td>
<td>13.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>55 - 59</td>
<td>5</td>
<td>9.8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>60 - 64</td>
<td>5</td>
<td>9.8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>65 - 69</td>
<td>2</td>
<td>3.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70 +</td>
<td>1</td>
<td>2.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL:</td>
<td>51</td>
<td>99.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EDUCATIONAL ATTAINMENT LEVEL</td>
<td>NUMBER OF RESPONDENTS</td>
<td>PERCENTAGE OF RESPONDENTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------</td>
<td>------------------------</td>
<td>---------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIGH SCHOOL</td>
<td>6</td>
<td>11.8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TECHNICAL SCHOOL/COLLEGE</td>
<td>2</td>
<td>3.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BACHELORS DEGREE</td>
<td>26</td>
<td>50.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MASTERS DEGREE</td>
<td>15</td>
<td>28.8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DOCTORAL DEGREE</td>
<td>1</td>
<td>1.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER POST-SECONDARY</td>
<td>2</td>
<td>3.8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL:</td>
<td>51</td>
<td>100.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAIN BUSINESS</td>
<td>NUMBER OF RESPONDENTS</td>
<td>PERCENTAGE OF RESPONDENTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------</td>
<td>---------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PUBLIC SERVICE</td>
<td>1</td>
<td>2.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FORESTRY</td>
<td>3</td>
<td>5.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MINING</td>
<td>3</td>
<td>5.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CONSTRUCTION</td>
<td>1</td>
<td>2.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMMUNICATION</td>
<td>2</td>
<td>3.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WHOLESALE &amp; RETAIL</td>
<td>7</td>
<td>13.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FINANCIAL/INSURANCE/REAL ESTATE</td>
<td>7</td>
<td>13.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMMUNIT/BUSINESS &amp; PERSONAL SERVICES</td>
<td>3</td>
<td>5.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AGRICULTURE</td>
<td>2</td>
<td>3.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FISHING</td>
<td>2</td>
<td>3.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MANUFACTURING</td>
<td>13</td>
<td>25.5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRANSPORTATION</td>
<td>3</td>
<td>5.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UTILITIES</td>
<td>4</td>
<td>7.8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS:</strong></td>
<td><strong>51</strong></td>
<td><strong>100.0%</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TABLE 5

A TABLE INDICATING THE WORK FUNCTION OF THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>WORK FUNCTION</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERSONNEL</td>
<td>12</td>
<td>24.5%</td>
</tr>
<tr>
<td>ENGINEERING</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>CORPORATE AFFAIRS</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>ASSET MANAGEMENT</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>PLANNING</td>
<td>3</td>
<td>6.1%</td>
</tr>
<tr>
<td>MARKETING</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>LINE OPERATIONS</td>
<td>5</td>
<td>10.2%</td>
</tr>
<tr>
<td>ADMINISTRATION</td>
<td>25</td>
<td>51.0%</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>49</td>
<td>99.8%</td>
</tr>
</tbody>
</table>
### TABLE 6

A TABLE INDICATING THE JOB TITLES OF THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>JOB TITLE</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHAIRMAN</td>
<td>9</td>
<td>18.4%</td>
</tr>
<tr>
<td>PRESIDENT</td>
<td>19</td>
<td>38.8%</td>
</tr>
<tr>
<td>VICE-PRESIDENT</td>
<td>9</td>
<td>18.4%</td>
</tr>
<tr>
<td>GENERAL MANAGER</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>DIRECTOR</td>
<td>3</td>
<td>6.1%</td>
</tr>
<tr>
<td>MANAGER</td>
<td>5</td>
<td>10.2%</td>
</tr>
<tr>
<td>OFFICER</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>OTHER</td>
<td>2</td>
<td>4.1%</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>49</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

### TABLE 7

A TABLE INDICATING THE NUMBER OF EMPLOYEES REPORTING TO THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>SPAN OF CONTROL RANGE</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 10</td>
<td>34</td>
<td>75.6%</td>
</tr>
<tr>
<td>11 - 20</td>
<td>10</td>
<td>22.2%</td>
</tr>
<tr>
<td>50 - 100</td>
<td>1</td>
<td>2.2%</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>45</td>
<td>100.0%</td>
</tr>
<tr>
<td>YEARLY BUDGET IN Canadian $</td>
<td>NUMBER OF RESPONDENTS</td>
<td>PERCENTAGE OF RESPONDENTS</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>$100,000 - $499,999</td>
<td>4</td>
<td>9.8%</td>
</tr>
<tr>
<td>$500,000 - $999,999</td>
<td>3</td>
<td>7.3%</td>
</tr>
<tr>
<td>$1,000,000 - $4,999,999</td>
<td>10</td>
<td>24.4%</td>
</tr>
<tr>
<td>$5,000,000 - $9,999,999</td>
<td>4</td>
<td>9.8%</td>
</tr>
<tr>
<td>$10,000,000 - $19,999,999</td>
<td>1</td>
<td>2.4%</td>
</tr>
<tr>
<td>$20,000,000 - $49,999,999</td>
<td>2</td>
<td>4.9%</td>
</tr>
<tr>
<td>$50,000,000 +</td>
<td>17</td>
<td>41.5%</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>41</td>
<td>100.1%</td>
</tr>
</tbody>
</table>
TABLE 9

A table indicating the response of those completing the survey questionnaire as to what information should be included on a business card.

<table>
<thead>
<tr>
<th>ITEMS FOR INCLUSION</th>
<th>NUMBER OF YES RESPONSES</th>
<th>PERCENTAGE OF TOTAL RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPANY LOGO</td>
<td>45</td>
<td>90.0%</td>
</tr>
<tr>
<td>COMPANY NAME</td>
<td>50</td>
<td>100.0%</td>
</tr>
<tr>
<td>COMPANY ADDRESS</td>
<td>49</td>
<td>98.0%</td>
</tr>
<tr>
<td>HOME ADDRESS</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>PERSONAL NAME</td>
<td>47</td>
<td>94.0%</td>
</tr>
<tr>
<td>DEGREES HELD</td>
<td>4</td>
<td>8.0%</td>
</tr>
<tr>
<td>PROFESSIONAL DESIGNATIONS</td>
<td>8</td>
<td>16.0%</td>
</tr>
<tr>
<td>COMPANY TELEPHONE NUMBER</td>
<td>49</td>
<td>98.0%</td>
</tr>
<tr>
<td>HOME TELEPHONE NUMBER</td>
<td>8</td>
<td>16.0%</td>
</tr>
<tr>
<td>FACSIMILE NUMBER</td>
<td>46</td>
<td>92.0%</td>
</tr>
<tr>
<td>TELEX NUMBER</td>
<td>22</td>
<td>44.0%</td>
</tr>
<tr>
<td>TITLE</td>
<td>39</td>
<td>78.0%</td>
</tr>
</tbody>
</table>

NOTE: 50 OUT OF A POSSIBLE 51 ANSWERED THIS QUESTION.
TABLE 10

A TABLE INDICATING THE AVERAGE WORK WEEK OF THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>WORK WEEK HOURS</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 - 40</td>
<td>3</td>
<td>6.0%</td>
</tr>
<tr>
<td>40 - 50</td>
<td>10</td>
<td>20.0%</td>
</tr>
<tr>
<td>50 - 60</td>
<td>27</td>
<td>54.0%</td>
</tr>
<tr>
<td>60 - 70</td>
<td>10</td>
<td>20.0%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
### Table 11

A table indicating the frequency of casual office behaviour of those completing the survey questionnaire.

<table>
<thead>
<tr>
<th>Casual Behaviour</th>
<th>Number of Respondents</th>
<th>Percentage of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not wearing jackets at meetings</td>
<td>38</td>
<td>76.0%</td>
</tr>
<tr>
<td>Not wearing jackets in the office</td>
<td>38</td>
<td>76.0%</td>
</tr>
<tr>
<td>Casual swearing at meetings</td>
<td>17</td>
<td>34.0%</td>
</tr>
<tr>
<td>Putting one's feet up on the desk</td>
<td>8</td>
<td>16.0%</td>
</tr>
<tr>
<td>Rolling up shirt-sleeves and loosening ties</td>
<td>26</td>
<td>52.0%</td>
</tr>
<tr>
<td>Making humorous remarks at meetings</td>
<td>38</td>
<td>76.0%</td>
</tr>
</tbody>
</table>

Note: 50 out of a possible 51 answered this question. They ticked different responses which explains the response pattern.
TABLE 12

A TABLE INDICATING THE FREQUENCY A FACTOR WAS CONSIDERED MOST IMPORTANT IN THE HIRING OF MANAGERS BY THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>PRIMARY HIRING FACTOR</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF TOTAL RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDUCATIONAL BACKGROUND</td>
<td>6</td>
<td>13.0%</td>
</tr>
<tr>
<td>WORK EXPERIENCE</td>
<td>31</td>
<td>67.4%</td>
</tr>
<tr>
<td>REFERENCES</td>
<td>1</td>
<td>2.2%</td>
</tr>
<tr>
<td>OTHER (Eg. MOTIVATION, CHARACTER, LOYALTY, ETC.)</td>
<td>8</td>
<td>17.4%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>46</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
TABLE 13
A TABLE INDICATING THE MOST FREQUENT SOURCE IN THE HIRING OF MANAGERS BY THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>PRIMARY HIRING SOURCE</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>DIRECTLY FROM AN UNDERGRADUATE DEGREE (EG. B.Com.)</td>
<td>13</td>
<td>27.1%</td>
</tr>
<tr>
<td>DIRECTLY FROM GRADUATE BUSINESS SCHOOL (EG. M.B.A.)</td>
<td>5</td>
<td>10.4%</td>
</tr>
<tr>
<td>DIRECTLY FROM PROFESSIONAL SCHOOL (EG. L.L.B.)</td>
<td>1</td>
<td>2.1%</td>
</tr>
<tr>
<td>FROM PROFESSIONAL FIRMS (EG. ACCOUNTING OR ENGINEERING)</td>
<td>6</td>
<td>12.5%</td>
</tr>
<tr>
<td>FROM OTHER EMPLOYERS</td>
<td>17</td>
<td>35.4%</td>
</tr>
<tr>
<td>OTHER</td>
<td>6</td>
<td>12.5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>48</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
## TABLE 14

A table indicating the frequency a function was considered most important in their company by those completing the survey questionnaire.

<table>
<thead>
<tr>
<th>Most Important Function</th>
<th>Number of Respondents</th>
<th>Percentage of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research &amp; Development</td>
<td>2</td>
<td>4.0</td>
</tr>
<tr>
<td>Operating/Production</td>
<td>24</td>
<td>48.0</td>
</tr>
<tr>
<td>Accounting/Finance</td>
<td>3</td>
<td>6.0</td>
</tr>
<tr>
<td>Design</td>
<td>2</td>
<td>4.0</td>
</tr>
<tr>
<td>Personnel/Human Resource Management</td>
<td>3</td>
<td>6.0</td>
</tr>
<tr>
<td>Marketing</td>
<td>11</td>
<td>22.0</td>
</tr>
<tr>
<td>Administration</td>
<td>3</td>
<td>6.0%</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>4.0%</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
TABLE 15

A TABLE INDICATING THE FREQUENCY A FUNCTION WAS RECOMMENDED TO A JUNIOR COLLEAGUE AS A PLACE TO ENTER MANAGEMENT BY THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>FUNCTION RECOMMENDED</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESEARCH &amp; DEVELOPMENT</td>
<td>2</td>
<td>4.2%</td>
</tr>
<tr>
<td>OPERATING/PRODUCTION</td>
<td>20</td>
<td>41.7%</td>
</tr>
<tr>
<td>ACCOUNTING/FINANCE</td>
<td>4</td>
<td>8.3%</td>
</tr>
<tr>
<td>DESIGN</td>
<td>1</td>
<td>2.1%</td>
</tr>
<tr>
<td>PERSONNEL/HUMAN RESOURCE MANAGEMENT</td>
<td>1</td>
<td>2.1%</td>
</tr>
<tr>
<td>MARKETING</td>
<td>19</td>
<td>39.6%</td>
</tr>
<tr>
<td>ADMINISTRATION</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>OTHER</td>
<td>1</td>
<td>2.1%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>48</td>
<td>100.1%</td>
</tr>
</tbody>
</table>
TABLE 16
A TABLE INDICATING THE FREQUENCY A FACTOR WAS CONSIDERED
THE KEY DETERMINANT IN LOOKING FOR A NEW JOB
BY THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>FACTOR (KEY DETERMINANT)</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCREASED PAY</td>
<td>7</td>
<td>14.6%</td>
</tr>
<tr>
<td>BENEFITS (EG. PENSIONS)</td>
<td>4</td>
<td>8.3%</td>
</tr>
<tr>
<td>TITLE (EG. PRESIDENT, ETC.)</td>
<td>2</td>
<td>4.2%</td>
</tr>
<tr>
<td>INCREASED RESPONSIBILITY</td>
<td>20</td>
<td>41.7%</td>
</tr>
<tr>
<td>PROMOTION PROSPECTS</td>
<td>6</td>
<td>12.5%</td>
</tr>
<tr>
<td>LONGER HOURS, MORE CHALLENGE, BUT THE SAME PAY</td>
<td>1</td>
<td>2.1%</td>
</tr>
<tr>
<td>SHORTER HOURS, LESS CHALLENGE, BUT THE SAME PAY</td>
<td>1</td>
<td>2.1%</td>
</tr>
<tr>
<td>DESIRABLE LOCATION</td>
<td>1</td>
<td>2.1%</td>
</tr>
<tr>
<td>OTHER</td>
<td>6</td>
<td>12.5%</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>48</td>
<td>100.1%</td>
</tr>
</tbody>
</table>
TABLE 17

A TABLE INDICATING THE FREQUENCY EDUCATIONAL BACKGROUNDS WERE CONSIDERED KEY DETERMINANTS OF SUCCESS BY THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>EDUCATIONAL BACKGROUND</th>
<th>NUMBER OF RESPONDENTS</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH SCHOOL</td>
<td>2</td>
<td>3.9%</td>
</tr>
<tr>
<td>LAWYER (CALLED TO THE BAR)</td>
<td>2</td>
<td>3.9%</td>
</tr>
<tr>
<td>TECHNICAL SCHOOL</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>DIPLOMA</td>
<td>1</td>
<td>2.0%</td>
</tr>
<tr>
<td>PROFESSIONAL ACCOUNTANT (C.A., C.M.A. OR C.G.A.)</td>
<td>6</td>
<td>11.8%</td>
</tr>
<tr>
<td>BACHELORS DEGREE IN ARTS OR SCIENCE (EG. B.A. OR B.Sc.)</td>
<td>9</td>
<td>17.6%</td>
</tr>
<tr>
<td>PROFESSIONAL ENGINEER (P.ENG.)</td>
<td>6</td>
<td>11.8%</td>
</tr>
<tr>
<td>BACHELORS DEGREE IN BUSINESS (EG. B.Comm.)</td>
<td>6</td>
<td>11.8%</td>
</tr>
<tr>
<td>MASTER OF BUSINESS ADMINISTRATION (M.B.A.)</td>
<td>17</td>
<td>33.3%</td>
</tr>
<tr>
<td>OTHER</td>
<td>2</td>
<td>3.9%</td>
</tr>
<tr>
<td>KEY DETERMINANTS TO SUCCESS</td>
<td>NUMBER OF RESPONDENTS</td>
<td>PERCENTAGE OF RESPONDENTS</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>GOAL ACHIEVEMENT IN THE WORKPLACE</td>
<td>14</td>
<td>29.2%</td>
</tr>
<tr>
<td>EDUCATION</td>
<td>7</td>
<td>14.6%</td>
</tr>
<tr>
<td>PROVEN ABILITY</td>
<td>15</td>
<td>31.3%</td>
</tr>
<tr>
<td>WORK EXPERIENCE</td>
<td>4</td>
<td>8.3%</td>
</tr>
<tr>
<td>GOOD INTERPERSONAL &amp; SOCIAL SKILLS</td>
<td>8</td>
<td>16.7%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>48</td>
<td>100.1%</td>
</tr>
</tbody>
</table>
## TABLE 19

A TABLE INDICATING Canadian MANAGERS’ PREFERRED SPORTS FOR DISCUSSION AS DETERMINED BY THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>Preferred Sport of Canadian Managers</th>
<th>Number of Respondents</th>
<th>Percentage of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hockey</td>
<td>26</td>
<td>60.5%</td>
</tr>
<tr>
<td>Baseball</td>
<td>13</td>
<td>30.2%</td>
</tr>
<tr>
<td>Golf</td>
<td>3</td>
<td>7.0%</td>
</tr>
<tr>
<td>Football</td>
<td>1</td>
<td>2.3%</td>
</tr>
</tbody>
</table>
### TABLE 20

A TABLE INDICATING THE TRANSFERABILITY OF MANAGERS BETWEEN THE PUBLIC AND PRIVATE SECTORS AS DETERMINED BY THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>Transferability Between Sectors</th>
<th>Number of Respondents</th>
<th>Percentage of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Sector to Private Sector:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>27</td>
<td>61.4%</td>
</tr>
<tr>
<td>No</td>
<td>17</td>
<td>38.6%</td>
</tr>
<tr>
<td>Total</td>
<td>44</td>
<td>100.0%</td>
</tr>
<tr>
<td><strong>Private Sector to Public Sector:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>39</td>
<td>81.3%</td>
</tr>
<tr>
<td>No</td>
<td>9</td>
<td>18.8%</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>100.1%</td>
</tr>
</tbody>
</table>
A TABLE INDICATING THE FREQUENCY OF FAMILIARITY WITH COMMON BUSINESS LANGUAGE OF THOSE COMPLETING THE SURVEY QUESTIONNAIRE

<table>
<thead>
<tr>
<th>CASUAL BEHAVIOUR (WORD/TERM)</th>
<th>NUMBER OF RESPONSES</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>EH</td>
<td>41</td>
<td>83.7%</td>
</tr>
<tr>
<td>DOWNSIZING</td>
<td>48</td>
<td>97.9%</td>
</tr>
<tr>
<td>TO DO A DEAL</td>
<td>47</td>
<td>95.9%</td>
</tr>
<tr>
<td>DEHIRE</td>
<td>37</td>
<td>75.5%</td>
</tr>
<tr>
<td>CROWN CORPORATION</td>
<td>49</td>
<td>100.0%</td>
</tr>
<tr>
<td>MARKETING BOARD</td>
<td>45</td>
<td>91.8%</td>
</tr>
<tr>
<td>DOABLE</td>
<td>42</td>
<td>85.7%</td>
</tr>
<tr>
<td>LEVELLING</td>
<td>37</td>
<td>75.5%</td>
</tr>
<tr>
<td>DEEP POCKETS</td>
<td>46</td>
<td>93.9%</td>
</tr>
</tbody>
</table>

NOTE: 49 OUT OF A POSSIBLE 51 ANSWERED THIS QUESTION. THEY TICKED DIFFERENT RESPONSES WHICH EXPLAINS THE RESPONSE PATTERN.
GRAPH 1

Question 1

RESPONSE FREQUENCY

DON'T AGREE 1 STRONGLY AGREE 5
DON'T AGREE 1  STRONGLY AGREE 5
Graph 3

Question 3

Don't Agree 1  Strongly Agree 5
GRAPH 4

Question 4

RESPONSE FREQUENCY

DON'T AGREE 1   STRONGLY AGREE 5
GRAPH 5
Question 6

Response Frequency

Series 1

Strong human relations 1 strong task 5
GRAPH 6

Question 7

RESPONSE FREQUENCY

DEMOCRATIC 1 AUTHORITARIAN 5
GRAPH 7
Question 8

RESPONSE FREQUENCY

MACGREGOR'S THEORY Y 1  THEORY X 5
GRAPH 8
Question 13

RESPONSE FREQUENCY

1 2 3 4 5

Series 1

NOT HARD-WORKING 1 HARDWORKING 5
GRAPH 9
Question 15A

RESPONSE FREQUENCY

[Bar chart showing response frequency for Series 1 with bars for levels 1 to 5, where level 5 has the highest frequency and level 5 has the lowest frequency.]

LESS PRODUCTIVE 1  MORE PRODUCTIVE 5
GRAPH 10
Question 15B

RESPONSE FREQUENCY

LESS MANAGEABLE 1  MORE MANAGEABLE 5
GRAPH 11

Question 19

RESPONSE FREQUENCY

STRONGLY DISAGREE 1  STRONGLY AGREE 5
GRAPH 12
Question 28

RESPONSE FREQUENCY

0 5 10 15 20

1 2 3 4 5

Series 1

LOW PAY 1  HIGH PAY 5
GRAPH 14
Question 41

RESPONSE FREQUENCY

STRAONGLY DISAGREE 1   STRONGLY AGREE 5
GRAPH 15
Question 42

RESPONSE FREQUENCY

STRONGLY DISAGREE 1  STRONGLY AGREE 5
10. The Labour Environment

Canada, like any other country, is not immune from the laws of economics. The traditional factors of production - land, labour, and capital are therefore the fundamental components handled by Canadian managers in their daily working lives. Of these components, labour is arguably the most complex for a manager to deal with, and the way Canadian managers operate within the unique Canadian labour environment will be the subject of this chapter.

The Contextual Framework

The highly complex and decentralized nature of Canadian labour legislation, creates considerable challenges for Canadian managers. The federal government’s legislation applies to approximately 10% of the population while the other 90% of the population fall under provincial jurisdiction. This would be relatively simple if one managed under a single jurisdiction, however many companies operate in more than one province, and find themselves operating in a very complex managerial environment. Furthermore, legislation restraining trade also has an impact on the way one manages labour in different jurisdictions. For example, until recently one could not sell domestic beer in most provinces unless the beer was manufactured in that province. This was an instance where legislation within the country necessitated local production of a product if one wished to sell in that market. The market in question could be as small as the province of Newfoundland with approximately 600,000 inhabitants. What this and similar legislation does is set a tone that is common throughout the country in which governments set up barriers that in effect grant local unions the equivalent of a monopoly, and thereby drive up labour prices. The obvious focus of this type of internal legislation is to maintain jobs in a local area, but
this is being done at the expense of local consumers. Managers dealing with this type of restrictive labour legislation situation must address a variety of issues. They have to remain constantly aware of the fact that while they have a monopoly on a local market that this comes at a considerable cost. The fact that they are working with what quickly becomes high cost labour means that they have to sell a product that has a higher cost than would be the case if the market were open. The higher prices resulting from using high cost local labour reduces the size of their local market. Furthermore, it also means that these managers must develop strategies to deal with lack of easy access to other domestic markets, and the fact they are not a low cost producer when they attempt to sell in foreign markets. This environment of high labour costs and internal trade barriers has produced some rather bizarre results. There have been labour strikes in Newfoundland breweries which have resulted in beer being shipped in from Europe to avoid the inevitable uprisings in the labour community if the shortage was met by shipping in beer from another nearby part of Canada. It has also meant that companies such as Moosehead Breweries in New Brunswick have been limited to going abroad to find alternate market opportunities. Furthermore, they have also been forced to compete on quality and not price because of their high labour costs. Moosehead has effectively turned a blue collar beer in Canada for middle aged production workers into a white collar beer in the United States for yuppies. This is an interesting instance where Canadian management has adapted to the constraints imposed by a high cost labour environment through using effective marketing. Current reality for Canadian managers is that they do work in an environment with high labour costs. These managers are forced to do creative things such as forming alliances with companies in the same industry in other provinces, become very adept at negotiating labour contracts, and develop marketing strategies that allow them to
operate in a high labour cost manufacturing environment and still compete internationally.

In many ways, the movement towards freer trade in North America is forcing an economic restructuring which is altering the balance of power between management and labour in favour of management. Labour laws have not been rescinded or rewritten in favour of management; rather it is a case of the reality of the market place forcing labour to decide between negotiating previously sacrosanct issues, or seeing jobs disappear. While it is too early to speak definitively, it appears that a fundamental shift is taking place in the way labour deals with management, and in the role labour sees for itself in the operation of the Canadian economy. External factors such as a debt problem in Canada's most highly populated province, Ontario, have forced the provincial government, lead by the New Democratic Party to temper their socialist ideals and impose a new social contract that includes compensation roll backs on public sector labour within the province. There will be large scale attrition based job losses, salaries will be frozen, and many other fiscally restrictive actions will be taken that will damage labour. The magnitude of this representative decision and the way it relates to the tasks facing Canadian managers cannot be over-estimated. This decision is the equivalent of having the British Labour party close state-owned industries and roll back civil service wages in the name of fiscal restraint. The fact that the left-leaning New Democratic Party has done this has sent shock waves through the country. This means that restructuring is taking place in both the public and private sectors, and that labour costs are not immune from management consideration when cuts must be made. Traditionally in the public sector, wages always went up, at least keeping pace with inflation, and productivity was not a major concern. Furthermore, the public sector unions were often among the largest and highly distributed across the country; when they
received a wage increase it had a tendency to set expectations for unions in other sectors. This is no longer the case. In fact, there is at least as much pressure, if not more, on public sector managers than their private sector counterparts.

Comparative Perspectives

If one considers the different labour environments that managers must work with in different countries relative to the Canadian situation, one can better understand the situation facing Canadian managers.

Canada, like the United States has followed a pattern in which labour leaders and their members were more interested in wages, benefits, and working conditions than in becoming involved in the direction of the companies that employed them. The German model of industrial democracy which utilizes a rather formalized approach to co-determination would be anathema to both Canadian workers and their managers. Co-determination as practised in Germany is a complicated concept that has evolved over time, and that has lead to greater worker involvement in decision-making, a wider distribution of management information to employee representatives, and the obligation of management to consult and involve workers in decisions that have an impact on both the employees and the future of the company that employs them. Canadian managers have traditionally found it unacceptable to make information available to workers which they would anticipate as being used against them in future labour negotiations. Similarly, until recently union leaders and workers have not wished to have involvement in corporate decision-making since this might lead them to having to assume responsibility and more importantly accountability for the well being of their company. This could lead to having to support decisions that might change work rules or address compensation and benefit issues that might not conform to the
union's preferred position. There is an interesting twist to Canadian labour's world view relative to their American counterparts that probably brings them closer to Sweden in perspective. In Canada, labour has publicly supported the New Democratic Party political party with both money and considerable voter support. In the United States union workers are much closer to the centre and even the right of the political spectrum as evidenced by Ronald Reagan and George Bush's labour supported combined three terms of Republican control of the presidency. It is interesting to note that while Canadian union leaders are similar to their American counterparts in their reluctance to pursue the influence in corporate decision-making that German union leaders appear to share with their management, the general views of Canadian labour can be characterized as being left of centre or closer to the Swedish workers position than that of the American worker. This inclination for organized labour to both negotiate at the contract level with management and work at the political level to bring about policy changes in areas such as increasing day care spaces, enhancing health care benefits, protecting workers positions through encouraging governments to nationalize and often subsidize failing industries instead of allowing the market to resolve such an issue are much more Swedish than American in their inclination. As a counterpoint, it is interesting to note that Canadian state funded health care is seen by American managers and workers from different perspectives. To begin, the Canadian health care system would most likely not have been created if large labour and its members had not fought for it. American managers argue that Canadian companies have an unfair advantage because in Canada the cost of providing workers' health care is borne by the company, and this becomes an expense that the average Canadian manager does not have to carry. The average American worker is less inclined to view the Canadian health care system as contributing to a
comparative advantage for the Canadian manager, but they are aware of the system since it is just the other side of a very long and open border, and they want it. This proximity to and awareness of the Canadian health care system has been a major contributor to the pressure placed on the American government by its workers to provide national health care. It is interesting to note that many U.S.A. based automobile manufacturers are quite willing to take advantage of the state bearing the cost of health care, and locate manufacturing plants in southern Ontario instead of Michigan to take advantage of the lower cost benefit environment Canada offers.

The labour unions in Canada are loosely organized compared to the German model. While in Germany there are strong national industrial unions which are inclined to be "unified and centralized", this is not the case in Canada. The basic unit of union organization in Canada is the local which exists at the single employer level. These unions then may join a larger umbrella group such as the Canadian Auto Workers (C.A.W.) with its 170,000 members, the United Food and Commercial Workers Union (U.F.C.W.) with its 175,000 members, or the Canadian Union of Public Employees (C.U.P.E.) with over 342,000 members. These are umbrella groups and they as unions are usually members of the Canadian Labour Congress (C.L.C.) which represents the interests of labour in general at a national level. To make matters more complicated, Canadian unions have the capacity to cross traditional boundaries when they perceive it to be in their best interests. For example, the Fishermen, Food and Allied Workers Union of Newfoundland have broken away from the U.F.C.W. and joined the C.A.W. because their leadership felt they would be better represented if they were allied with the powerful Canadian Auto Workers. What fisherman and auto workers have in common is not industrial, it is political, they both want to bargain from a position of strength. This complex layered structure combined with a willingness to form alliances
between dissimilar groups contrasts strongly with the German inclination to rationalize and centralize. The Canadian labour environment is hopelessly complex to the outsider, but to the manager brought up with it, it is both understandable and workable. The part that makes it work is the Canadian inclination to compromise, adjust, and not be too concerned over whether or not the compromise is structurally clean and logical as long as it works.

Labour's Influence

In the past in Canada, before free trade, which often kept prices higher, there was an unstated social contract between management and labour. Management would purport to negotiate hard with labour, but would inevitably capitulate with money in return for keeping complete decision-making control. Then, because of tariff barriers, these higher costs were passed on to the end user of Canada's manufacturing industries. In reality, wages got high enough to be uncompetitive in some cases but workers who were lucky enough to get into a highly unionized environment often earned much more than they would have in the open market for someone with similar skills. Management had abdicated its responsibility to try to keep labour costs down and thereby to be at least a cost-efficient if not the lowest cost producer.

The Canadian labour picture varies somewhat from province to province, but the similarities far exceed the differences. There is a strong anti-management position taken by labour, and there is an almost total unwillingness to consider contract roll backs or changing work rules unless a company is actually about to go bankrupt. In effect it is the union's role to get as much as possible from management, and to have the workers do as little as possible for their compensation and benefits. Many unions prefer to leave their workers with the unstated view that they are the ones responsible for
anything the worker acquires in terms of material advantages, and for that very reason many workers have a much stronger loyalty to their unions than to their companies. Managers on the other hand have had a tendency not to get their workers involved, and initially at least did not treat workers fairly, and therefore in many ways are the instigating factor in having strong unions to deal with. It is interesting that in a country such as Canada where there is no a highly defined class system, management and labour should be so far apart on so many issues. If one were to look beyond the historical situation where there was an imbalance of power and obvious general inequities between management and labour, to the current practice, the main difference between the two groups seems to be their underlying different view of what a company is all about. To a union, labour is the only important component, and land and capital have little relative value. To managers, labour is too expensive and often a fractious component of production to manage because of its unpredictability. Managers find land and capital to be much more amenable to their manipulation. But ask an individual worker about the company, and most Canadian workers see this as an institution that provides work for them and possibly even their children. The manager on the other hand sees the company as a tool to produce goods and services which are sold for profit. In Canada when a company is threatened with insolvency, the union's first response tends to be to suggest that government find a way to subsidize the operation. Management on the other hand seems to be unwilling to work with their unions to develop the kind of awareness that the workers need to be fairly treated, and to feel fairly treated. There is also a situation in which traditional managerial and union leader paternalism towards the worker needs to be greatly diminished, and the average worker needs to become aware of the consequences his or her work habits and wage demands have on the continuance of their company. In effect
both labour’s and management’s views are correct but limited, and the European construct known as "industrial democracy" is an attempt to bridge the adversarial gap and get both sides involved in working towards an arrangement between workers, managers and owners that increases the common good.

There are a number of interrelated factors that one should at least note in considering labour in the Canadian economy. These include the fact that Canada has been a country that has used its comparative advantages in the area of natural resources to compete internationally. For example, in the area of pulp production in British Columbia and fish processing in Nova Scotia, the raw material that is being processed is a superior product and is not readily available to processors in other countries where the product is often sold. This means that the managers who are working in these industries have a comparative advantage when it comes to the international markets they are selling into, but it has also lead to an inclination to negotiate passively with their unions which has often put these managers in a position of long term disadvantage. Since these key natural resource industries are major influences in their respective areas, and they have been both able and willing to pay a high price for labour that is often unskilled, the expectations of local labour often exceed the capacity of management to pay in other industries where a natural resource advantage does not exist. This is particularly evident in instances where companies extract the raw material in Canada but do the value added work which has the higher labour component outside Canada. Trees are cut in British Columbia but taken to the United States or Japan for processing, and this will continue as long as it is in the best interests of management to do this. Low cost labour in places such as Mexico are replacing high cost labour in former automobile manufacturing communities in southern Ontario and Quebec. What management has done is avoid confrontation, depreciate a plant fully, then make their new
capital investments in areas outside Canada where the low labour costs far exceed the increases incurred in transportation and duty to sell in the Canadian market. Canadian managers are slowly but surely using the opportunity of cheap overseas labour to either move production outside the more expensive Canadian manufacturing environment, or to use it as a threat to force labour concessions. This observer also feels that the reason most new jobs that are created in the economy are done by small business is because the managers of these companies often use part-time non-union labour which is a much less expensive way to produce goods and services. The use of part-time workers has increased from less than 11% to more than 15% of the labour force from 1975 to 1989. This trend seems to support the assertion that employers prefer employees such as part-timers who do not usually fall within the framework of the union movement.\(^6\) This is indicated by the fact that the goods producing component of the labour force has fallen from 53.1% of the labour force in 1951 to 33.8% of the labour force in 1981. At the same time the service component sector of the labour force has increased from 46.9% to 66.2% of the labour force during the same period.\(^7\)

What The Future Holds

It is difficult if not impossible to predict the future, but one can at least get some idea of where things will lead if they know from whence they came. The internationalisation of companies and the resultant sending of jobs for unskilled workers overseas destroys unionism (i.e. free trade Canadian style). Workers have the view that this is not really fair because many highly paid professionals such as doctors, lawyers and accountants have a quasi-monopoly that operates within Canada. These professionals are not often subject to the shipping of their jobs overseas to a lower wage.
environment. This is only partially true for managers because companies are trying to eliminate many middle management jobs; however senior managers are often mobile since proven management skills at this level are often in short supply, and it is these senior managers who make the key strategic decisions on locating factories outside the country. Furthermore, this group has a strong international inclination because they market internationally, work with colleagues, suppliers, and competitors in other countries in the same industry, and generally agree with the view that freer trade is a good thing. Furthermore, although management has not formally expressed this view, it is apparent that freer trade and the opportunity to manufacture in other countries gives management a much stronger bargaining position when dealing with their unions. In the past, unions as well as their management were protected by tariffs and other trade barriers, but as these are diminished or completely removed the labour relations environment is shifting towards giving management an advantage.

It is worthwhile considering the changes in the Canadian workforce during the current century. Between 1901 and 1981, white collar positions have risen from 15.2% to 52.2% of the workforce, agricultural workers have fallen from 40.3% to 4.1% of the labour force, and blue collar workers have gone from 44.5% to 42.2% of the labour force. It is interesting to note that while agriculture diminished as a major employer, although it is still a major source of wealth to the economy, that the number of white collar workers has increased by more than a factor of three. Furthermore, many of these white collar workers are employed in service industries. This group is made up of both workers and managers, and it is a group that easily lends itself to unionization. The traditional blue collar worker in manufacturing is still a major factor, and although much of the current discussion focuses on the loss of high paying manufacturing jobs, the facts seem to
indicate that while there is some small loss the numbers have been surprisingly stable for most of this century. This can probably be at least partially explained by the fact that the press publicizes and people remember a factory closing, but there is much less attention paid to the starting of a new manufacturing enterprise and its often slow growth to replace the companies that down size or disappear. Everyone talks about the big three automobile manufacturers laying off workers, closing plants and reducing shifts at their Canadian plants in Ontario and Quebec, but no one pays a great deal of attention to the new plants that produce Hondas and Toyotas in Canada. Furthermore, these new plants offer both opportunities and challenges to the labour movement regarding organizing them and then deciding whether or not labour wants to be a participant in the decision-making that will determine these companies' success. The labour force has more than doubled from just under nine million to just over twenty million potential workers between 1946 and 1989. During this same period the participation rate in the labour force has grown from 55% to 67% of the potential labour force. The unemployment rate during the same period has more than doubled from 3.4% to 7.5%.

Within these numbers one finds shifts in the make up of the labour force, and it is these changes that face managers in their daily lives. They include the increasing number of women who have or wish to enter the labour force and their expectations in regards to gender equity at all levels of organizations, providing daycare, and adjusting the workplace to reflect the changing mix of nationalities. While the economy grew quickly and greatly increased the number of jobs, it still was unable to meet the expectations of potential workers as indicated by the doubling of the unemployment rate between just after World War II and 1989. The unemployment rate has increased even more and presently hovers over 10%.

The percentage of all workers that were unionized was
relatively stable or increased just slightly between 1980 and 1990. This is not a surprising trend, since it really just indicates some stability in the labour market. However, the proportion of unionization of the workforce actually fell during the same period in France, the United States, Germany and the United Kingdom.\textsuperscript{10} This basically means that Canadian managers are dealing with a highly unionized labour force in which the trend towards unionization is increasing, not decreasing. This is a trend that deviates from the other industrialized countries noted, and it is worth comment. One could argue that Canadian labour laws are structured so that it is easier to unionize companies in Canada than in the other countries cited, and if one considers the liberalization of labour laws in large provinces such as British Columbia in recent years, this is at least a contributing factor. On the other side of the argument one must consider the fact that there will not be any jobs in a company if it cannot compete. Furthermore, there has been a greater tendency for growth to take place in small businesses in the service sector of the economy in recent years than in the manufacturing sector, the traditional home of organized labour. I expect that the growth in the number of unionized workers is multi-factorial, and it has both positive and negative elements from a managerial perspective. It would be inappropriate to imply that all unions add cost and complicate life for management. It would also be equally inappropriate to say that unions always contribute to productivity and make industry more competitive. The truth probably lies in between, and it has been an evolving truth in Canada. In recent years the relationship between management and labour has generally shifted from a situation where the two sides were polarized to the extent that each viewed the other as an adversary. While management and labour each see the other as having different groups to represent, they are at least admitting that there is considerable common ground - to put it directly, jobs are
directly related to a country's profitability. This changing perspective has translated into a marked improvement in the area of days lost due to work stoppages - a key indicator of the tone of labour-management relationships. In 1992 just four worker days per ten thousand days worked were lost due to work stoppages. This is a thirty year low. Furthermore, the rate has been dropping since 1990 and the trend appears to be continuing downward.¹¹ The fact that the economy has a generally high rate of unemployment might be a contributing factor to this new found labour peace, but there seems to be more to this than just a fear of being unemployed. If that were the only reason for fewer labour disruptions, then labour would just have to bide their time and wait for a period of prosperity and make as few changes to the workplace relationship with management as possible. This has definitely not been the case. The business literature is replete with instances of changes in the way management and labour have been working together to solve problems in a manner that will reduce costs and improve productivity in absolute terms. For example, at the Inglis plant in Cambridge, Ontario, the traditional assembly line manufacturing model has been replaced with a manufacturing model in which small groups of workers will be responsible for the assembly of the clothes dryers and trash compactors the plant produces. While it is interesting to note that management decided to change the traditional manufacturing model, it is more interesting to consider the way they set about to make these changes and the response of the workers and their union to the changes. The management determined the new work model, but the unions held seminars to familiarize the workers with the goals of this change, and the union has generally been accepting of a liberal interpretation of the range of activities included in each job description. Furthermore, these changes have also been rewarded by the company which is investing $38 million to upgrade capital equipment and train its workers.¹² The
investment of capital by the company indicates a commitment to a particular plant, but the investment in training is an even more important indicator of a commitment on management's part to its workers and their ability to increase productivity. It appears that an attitudinal shift has taken place in which labour is more receptive to change when that change can be shown to make their company more competitive. Management is also becoming more inclined to have ongoing discussions with labour regarding productivity improvement issues, and forcing the pace of positive change in the workplace. Jennifer R. McQueen, a former federal Deputy Minister of Labour has commented in the highly regarded Canadian academic business journal, Business Quarterly, on some of the major potential changes in the country's industrial relations. She foresees managers being challenged by the requirement to increase the participation rate of women and minorities in the workforce, the demand for more flexible hours, and the potential costs of an aging workforce. On the positive side she sees a workforce with a steadily improving educational level, and the willingness on the part of workers to forego higher salaries if they could have greater job security. In this regard workers would also be willing to tie wage increases to productivity increases. To managers this would be a major change, since workers would be accepting a motivation and reward structure tied to their own productivity, which implies at least some acceptance of responsibility for a company's productivity by its workers. McQueen sees "mutual trust" on the part of both management and labour as being the key ingredient in these changes in Canadian industrial relations.  

Conclusion

In Canada, the labour laws are a complex mix of provincial and federal legislation that is only matched in its complexity by the trade laws. Both are hopelessly complex, and the labour
unions have developed in a pattern that is equally
decentralized and lacking in a pattern that would make sense
to those lacking an awareness of the Canadian sensibility. It
could be argued that the labour environment is an impediment
and not a comparative advantage for our managers, but I feel
that is perhaps too simplistic an approach. The labour
environment has at least partially formed the way Canadian
managers function, and the way in which it has forced them to
adapt to strong unions, a complex legislative environment, and
trade laws that force them to compete on marketing instead of
price has benefits as well as costs. This is not dissimilar
from the Israeli managerial environment, where it has been
noted that their managers are particularly good at dealing
with ad hoc situations and exhibit a "flair for
improvisation".14 The word "flair" is distinctly un-Canadian,
but in effect Canadian managers and their workers do have an
amazing ability to adapt. This adaption is often preceded by
dire prognostications, much griping, and obvious dread, but
then it takes place seamlessly and effectively. Managers and
their workers are both imbued with a sense that compromise is
acceptable and indeed honourable if it achieves a goal that is
in the best interest of the parties involved. It is unlikely
that either side will pay much attention to the legislative
framework they operate within, rather they will set about
solving their problems in a pragmatic way.
NOTES


2 Peter Lawrence, Managers and Management in West Germany (London: Croom Helm 1980) 43-50.


6 Lawrence, Managers and Management in West Germany, 25.


14 Peter Lawrence, Management in the Land of Israel, (Cheltenham: Stanley Thornes 1990), 111.
The company is an institution that is common to western industrialized democracies, but it would be inappropriate to assume that it is always the same in structure and characteristics from country to country. In fact, the subtle relationship between managers and the companies they work within is part of what makes individual countries' management ethos unique. In this chapter I will give a brief outline of the institutional structures within which Canadian managers operate, and then discuss two examples of Canadian companies.

Institutional Structure

In Canada, the simplest form of business is the sole proprietorship, and this basically means that an individual can engage in business activities using their own personal legal identify. The advantage of this approach is that one does not have to incorporate, thereby limiting their legal costs, and it is an easy way to engage in economic activities. The partnership is similar to the sole proprietorship in that active members have unlimited personal liability for the debts of their business and both these business structures make it difficult to acquire sufficient capital to engage in large scale business activities.

Incorporation under the authority of either a provincial or the federal government is the usual way limited liability companies are formed in Canada. Almost as important as incorporation, is meeting the listing requirements of a Canadian stock exchange. The country has four exchanges - the Montreal Stock Exchange, the Toronto Stock Exchange, the Vancouver Stock Exchange, and the Alberta Stock exchange. These are the country's primary internal equity capital pools, and it is through these exchanges that new companies find the necessary capital to grow. There are considerable differences
between the exchanges, with the two senior members in Montreal and Toronto having a stronger industrial focus, and both being more risk averse and offering greater diversity in the type of companies that trade on them. The Alberta exchange has a strong orientation towards oil and gas exploration companies while the Vancouver exchange has many speculative mining ventures.

It is also possible for either federal or provincial government legislation to be used as a means of founding a Crown Corporation. This type of structure has been used extensively in Canada to deal with providing goods and services to the public. For example, much of the Canadian airline industry was started as crown corporations; the atomic energy industry, the railroads, major mines have been on occasion owned partially or wholly by government, and other industrial concerns have been operated by the government on occasion when it was considered to be in the best interests of society. Currently the airline industry is back in the hands of the private sector, but Air Canada was originally a federal government entity, and Canadian Airlines was linked to the Alberta government in the past. However, both companies are suffering considerable losses and Air Canada seems intent on destroying its rival, thereby becoming a monopoly. In a large country with a small and widely dispersed population, this is not a desirable situation. The geography and demographics seem to be forcing the federal and provincial governments to intervene once again to regulate and control the airline industry. It is possible that if these two companies cannot resolve their differences in a manner that is acceptable to the users, the representatives of the people will probably consider nationalizing them once again. The Canadian Wheat Board is very similar to large private sector grain traders in other countries, it is just that the Canadian Wheat Board is a crown corporation. The melding of political and economic goals, and then attempting to meet this mixed mandate through
a crown corporation is a frequently used Canadian approach to business.

Canfor: A Resource Company

In looking at Canfor one finds a company that is meeting the individual challenges of operating in Canada, and doing it within the behavioural framework of Canadian management. Canfor is a Vancouver based resource company that focuses on forest related industries. It was in the 1930s that the Prentice and Bentley families started their forest based company in British Columbia. This company started out as a small veneer and plywood mill with 28 employees. Presently it is still run by a Bentley, Peter J. G. the son of one of the founders, but it is now a company with thousands of employees that had $976 million in net sales during the 1992 fiscal year and lost $49.9 million on that revenue. Furthermore, this company has operated at nearly the $1 billion dollar net sales level for the last decade. While its sales have been relatively constant, its net income has been highly variable, with good years showing profits that exceed $100 million and bad years showing losses of approximately $50 million. When I asked several managers about this wide variability in profits they at first looked at me rather quizzically. After probing a little, I discovered that most of them had spent their entire career in this industry, although a few of them had moved between companies in the same industry. They were all steeped in the logic of the pulp business. After they were made aware of my lack of knowledge, they explained that the international marketplace tends to dictate price based on product supply and currency factors, and since it is an industry with overcapacity, an individual company has only limited ability to force their price upwards. In fact, one manager who had a knowledge of both production and the controller's area told me that the business was "a
crap shoot" (a gamble on dice). It seems that every time there is a world downturn in the industry suppliers are forced to actually sell their product below cost to maintain their customer base. Customers are obviously very important in this industry, and the relationship between supplier and customer is nurtured. This basically means that before prices can go up on these commodities either demand has to increase or supply has to decrease. Upward swings in demand based on increased customer requirements is the best solution for a company since that means higher prices and a return to profits. The opposite side of this relationship, a reduction in supply is a much more painful situation for this company and others that operate in the industry. This basically means that companies will continue to compete until a high cost producer goes bankrupt and removes its capacity from the market. The manager who was explaining this also pointed out the age of the various competing mills around the country and speculated on which ones might not survive. In effect companies compete with a combination of their cash reserves, market timing, and ability to manage production costs. Furthermore, these managers all know the variables involved, and how to optimize their company's competitive position in the international marketplace. There was also a certain stoicism evident in the style of many of the managers, which I eventually attributed to the fact they were fully aware of how their company was doing against its competitors and how the major determinants of success or failure were often beyond their control.

Several of managers explained that the Canfor pulp product from Prince George has a quality advantage in the marketplace because it is made from a longer fibre which allows paper manufacturers certain advantages when they wish to produce a quality product. This was explained to the author on several occasions and it eventually became apparent that having access to a superior quality raw material was something that made the various managers proud. They liked the idea of
being associated with a material that was of higher quality than that available anywhere else in the world. However, unfortunately for them, the product is not so highly differentiated as to command a price way above market.

The issue of identification with and pride in one's company seems to permeate Canfor. Conversations with current management and managers who have left to seek career opportunities with other employers, or who have retired, elicited the same type of response. It was the view that Canfor was a good company to work for in terms of compensation and benefits, but it quickly went beyond the traditional monetary motivators and got into a discussion of the company's products. The fact that they produced a high quality product allowed these managers to relish in discussions of their production process. The discussions varied from a discussion of the actual technical process by the more technically oriented managers such as engineers to an enumeration of the type and quantity of products produced by those in areas such as Human Resources. One of the managers who was in on a statutory holiday had a jacket in his office bearing the company logo. When the interviewer mentioned that it was a nice jacket, he lifted it off the peg as if he was about to hand it to the interviewer, but kept in his own hands. It was a hi-tech nylon shell of the type available at outdoor stores that stock a high end product line. He then went on to explain that Canfor had provided a variety of jackets and coats to employees of both lighter weight and winter varieties over the years and that they were very popular. He then asked if the interviewer had noticed the number of these jackets and coats that one saw around town. The interviewer had noticed this previously. However, after the interview the author deliberately went to a local mall to confirm the prevalence of these coats and jackets. Considering the size of the company, the number of jackets that the interviewer saw was considerable. The company had given its workers a quality
item. This sent a signal to the employees that they were valued highly enough to spend a considerable amount on their gift and that definitely was one of the reasons that the employees wore the clothing, but it was more than that. The employees were primarily white males over thirty years of age and membership in this corporate community was a very comfortable experience for these men. They could be seen standing around talking to others similar to themselves, and one speculates that the commonality of work experience, age, gender, ethnic background, and the way many of these workers have chosen to signify they belong to this small corporate family indicates they have chosen to join a corporate family. When the interviewer toured the plant he noticed there were few non-white male employees. This community of workers was a homogeneous sub-set of Canadian society and that might be one of the reasons that so many of the workers felt strongly enough about their company to wear an item of clothing which symbolically associated them with their employer in their off hours. However, the point is that they did make this choice, and this sense of community among both workers and managers, for they all tended to wear these symbols of belonging to a separate group, is to the company’s credit. It indicates that the managers and workers have created a corporate culture which should serve them well in confronting the difficult decisions that face those who compete in an international commodity market.

It could be argued that the Forest Products industry is international in both its production and its consumption, often making external factors much more important than what any local manager can do. No matter how well a production manager operates a pulp mill, a decision at a central bank in Canada or in a foreign major market can more than eat up any production cost savings. A small drop in the Canadian dollar can make this company more profitable. This was made abundantly clear in a session spent with various senior
managers of their company in Prince George, British Columbia. The managers present included those in charge of production, communications and environmental science. In many ways production and environmental science are at opposite ends of the spectrum, and are really only joined by the communications manager. The present political climate in British Columbia is both divided in opinion and highly polarized on resource based industries and their practices regarding the environment. In the past many of these companies operated with little consideration for the damage their activities might cause. Canfor is involved in environmental issues on several fronts, the two most important being forest harvesting methods and pollution resulting from pulp and sawmill production operations. It was interesting to note in a public plant tour that these managers did not deliberately attempt to hide the facts when they were asked about environmental problems caused by their operations. Generally speaking, the audience was not sympathetic and tended to attack the managers on the grounds that the mills made the "air stink". It was interesting to note that the company's managers responded directly to these complaints masked as questions and never attempted to avoid the issues raised. They explained exactly what had been done to improve the specific situation in each issue raised by an audience member. Then they spoke to the more general issue by providing information on the current state of affairs regarding how other companies both in and outside of Canada were dealing with similar matters. Only after this did they comment in a more traditional public relations oriented style and indicate that they were continuing to spend capital to improve air and water quality in their areas of operation. After the session I was able to determine that their desire to improve air and water quality was at least partially motivated by a customer and not a local community concern. It seems that their important European customers are reluctant to purchase a pulp product containing chlorine and chlorine-dioxides. This
is a contributing factor to improving the company’s environmental record at least equal in magnitude to their desire to quell public concerns about pollution in their primary areas of operation. The company’s managers were obviously quite used to speaking to others with views similar to their own. Therefore, they were more inclined to state what they were doing and assume that was enough. The audience members who were concerned with environmental issues also were not inclined to listen and tended to just recite past sins of the company ranging from clear-cutting of forests which destroys animal habitat to polluting major salmon rivers with mill effluent. Both these issues are presently being addressed by this company and others similar to it, but it is taking considerable time. Furthermore, it is possible that this industry will always be a polluter, and the best that can be done will not satisfy the environmentalists. If this is the case then the choice will fall between jobs and the environment - one can have either but not both. One only has to look at the asbestos industry in Quebec and the seal-hunt in Newfoundland to understand that environmental issues and ill-will in the marketplace can destroy industries. Canfor seems to be aware of this debate and its managers are moving on all fronts to diminish the environmental concerns it faces and to enhance its public image.

Canada Post Corporation: A Crown Corporation

The Crown Corporation is not unique to Canada, but it is a corporate model that the country has used extensively. The words crown and corporation capture the essence of the venture, and this amalgam of government or collective interests as represented by the word crown and private sector profit motivated institutional activity embodied by the word corporation capture the essential mix and tension of this corporate model. I will comment on one of Canada’s largest
and most widely dispersed Crown Corporations, Canada Post Corporation, or CPC as it is known by those on the inside. I could have chosen to comment on other Crown Corporations, but I joined Canada Post shortly after it was changed by a legislative act from a government department to a corporation, and I worked with them for approximately 9 years. This was a formative period for the corporation and for me as a manager. I have interviewed managers at CPC, but perhaps more importantly, I was one of them for a nine year period. I have sat through the morning meetings, dealt with the internal debates over resources, and worked the night shift during strikes. It is this intimate first hand knowledge of management in a Canadian company undergoing major change on which I wish to comment.

CPC was converted from a federal government department to a federal crown corporation for a variety of managerial and economic reasons. The two major concerns were labour unrest and cost. The cost issue was, simply put, that the Post Office was losing hundreds of millions of dollars every year, and the projections were that this was a worsening rather than an improving situation. This was a valid complaint, although the magnitude of the losses, and the way they were characterized tended to shift both inside and outside the organization over time. What one can say with certainty is that many of the standard private sector managerial controls were not in place. For example, at the time of incorporation there was no centralized managerial control system, and both regional and head office managers did not know what was being spent on overtime, and whether or not this cost addressed a legitimate institutional need. In fact, if one spoke to the plant managers of that day, they tended to separate cost and productivity. It was of no great concern to them what it cost to process a piece of mail, it was just important that they delivered it. The corporation’s accounts were inextricably bound up with the federal government’s consolidated revenue
fund, and it was difficult if not impossible to acquire timely managerial reports. Furthermore there was a culture clash between the new managers who were hired to impose a private sector culture on the corporation and the former departmental managers who based their decisions on their past practice in a governmental environment. An interesting example of this was the politics of locating post offices in rural areas. The stakeholders in this type of decision included the local citizens, their politicians, the workers, the former departmental postal managers, and the new postal managers. This decision was also tied to a new mission statement which said that CPC would be profitable or at least self-sustaining, provide service to Canadians, and would work towards improving labour relations within the corporation. It is interesting to note that this mission statement was not prioritized by government when it was set, and that working out this threefold mandate has consumed a decade and one President. The first President and CEO, Michael Warren, was a Liberal government appointee and had considerable public sector management experience. He was the individual that started to move the corporation away from its departmental structure in the direction of a more customer driven corporate structure. In many ways he accomplished the first step of breaking the ties with the past, but the even greater step of converting a government department into a company that could compete in the private sector was left to the second President and CEO, Don Lander. Lander was a former President of Chrysler Canada, and a one time senior executive of the automobile manufacturer DeLorean in Ireland. He appears to have been one of the senior executives given early retirement when Lee Iacocca decided to revamp Chrysler’s worldwide operations, and he did not first arrive at CPC as President. He came as Michael Warren’s chief operating officer. It was shortly after his arrival that Warren and his political masters had an irreconcilable difference of opinion and Lander ended up acting in the
position of President. These were very stressful times for CPC, since it was being pulled in a variety of directions and the internal rumour mill was working overtime speculating on who would eventually become the new President. Although little was released to the press, the internal network of managers were hearing that many potential candidates for the position either did not wish to take on the challenge of dealing with some of Canada's most difficult unions, or would only do so if the government would give them a much freer hand than they had given Michael Warren. After considerable time Don Lander did become President, and it was then that his managerial personality began to emerge. Lander quickly acquired the reputation as being a highly disciplined task oriented manager with a dual focus on both production and marketing. The stories began to seep out of Ottawa about him throwing his glasses on the table when he was angry, his insistence on putting control systems in place to manage the organization, and his unwillingness to accept anything but success. I recall sitting through a planning session in which he arrived before lunch, gave a short inspirational speech, and then decided to stay with the group for lunch. Although there were approximately 100 managers present, and the luncheon was set up with small individual tables seating six to eight people, I ended up sitting at the same table as him. I do not recall all the others present, but I fully recall him. He was past sixty years of age, relatively short with a bald head fringed in white hair and the nose and eyes of an eagle. He also exuded the energy of a hyperactive adolescent. At this time he was working on the installation of a control centre concept which was to be staffed 24 hours a day seven days a week. There would be a national control centre and nine divisional control centres, all using a standardized approach to production management. This project was just getting started at the time of the lunch, and Lander was really quite excited about it. I distinctly recall him explaining the necessity of
measuring and controlling all the parts of the production process, and using his knife and fork as tools to move his food about his plate to emphasize the points he was making. It is amazing how mashed potatoes and vegetables can metamorphose into quantities of mail moving through a network of plants. This strong interest in production management was probably a result of his first career in the automobile industry, and he has publicly stated that the experience he acquired at Chrysler was most useful in dealing with the problems he faced at Canada Post. It is interesting to note that the divisional concept with detailed reporting to the CEO was used by Harold Geneen, the CEO and chief architect of that great American conglomerate International Telephone & Telegraph. He used this technique first when he was the executive vice-president of the defense contractor Raytheon. Like Geneen, Lander used the divisional concept with regular detailed reporting to a senior operations driven executive as a tool to measure performance. It seems that both men rewarded success and were unwilling to accept poor performance. Lander had an advantage over Geneen in that technology had made it possible to hold these meetings daily instead of monthly, and this in effect created a management by objectives environment with a 24 hour as opposed to the usual yearly appraisal cycle. The process created some casualties, but no one can argue that the performance of CPC under this system did not improve greatly. It does raise one interesting question and that is why would a company such as Chrysler Canada let an executive such as Lander retire early when he obviously had the type of production management skills required to improve that company’s performance when they most needed it.

The problems that Lander and his managers at CPC faced went far beyond production management problems. Their problems also included a corporate-wide lack of customer orientation on the part of the existing management and the general belief on the part of the major unions that being price competitive was
not an area with which they had to concern themselves. The switch of the managerial ethos was largely brought about by Lander's will, and his control centres eventually became a managerial tool that was used to measure mail volumes for both speed of delivery and cost to process each item. Lander also used the information he acquired through his control centres to assist in the identification of potential new products. The courier business was a prime example, and Canada Post's courier product Priority Post is an instance of a company increasing revenues without going outside its prime business. Once again Lander adapted the control techniques he learned in the automobile industry in managing the Priority Post product. All packages are tracked by a computerized system from the moment they enter the system until they are delivered. During their passage through the system the parcels are managed using a system of signatures and the customers are able to determine whether or not the package they sent was delivered on time. Furthermore, individual managers are accountable for delivering this product within national standards and they are required to explain any service failures at each morning's control centre meeting. This detailed level of control and individual accountability forces managers to pay a great deal of attention to detail, and thereby ensure that the customer's needs are met. In the areas of production management and marketing Lander and Canada Post have to be considered a success story.

However, some of the political problems of the institution remain. In this fictional but representative example the people of Upper Rubber Boot, Saskatchewan, want a new Post office in their community. They have recently elected a Member of Parliament to the party in power and they feel that driving six miles to the next community is unacceptable. There is also an element of civic pride in this desire, since having a Post Office in one's community in rural Canada in many ways indicates both the size of the community
and validates its permanence. The member of Parliament knows that if he gets a new Post Office for his community he will be a local hero, so he pays little attention to the government's goal of financial self-sufficiency and like his constituents argues the service component of the corporation's mandate. The labour unions are quite happy with this request because a new office will create more high paying jobs for their members, and increase revenue from membership dues. The managers of the corporation are pushed to provide this new facility, all the while knowing that the project is not cost justified and if completed would actually cost more to operate than it would realize in revenues. To date, problems of this type exist by the hundreds and CPC is dealing with each on its own merits. These merits have a highly political component, and there are considerable differences in the decisions made in each situation. These are not purely economic decisions, and this attempt to juggle these competing demands is one of the issues that CPC's management has not yet resolved.

Conclusion

In many ways Canadian managers are users of comparative corporate advantage. It is a country that came into existence at least partially because of the potential wealth to be made from exploiting its rich natural resources. Of the two companies looked at in detail both have a comparative advantage that enhances their existence. In the case of Canfor, the forest industry giant, it is the supply of wood. Canada Post Corporation also has an advantage, and that is the monopoly it has on first class mail delivery within the country. It is interesting that the advantages these companies have are at different ends of the production cycle, with one having a natural resource edge and the other having control over a large market. However, in both instances these companies have to work with governments at all three levels to
be successful. Furthermore, the stakeholders both have to work with to succeed include many members of the general public who either use their products or who have opinions that might influence the social and political environment within which these companies operate. The managers of both these companies also operate within a labour environment which makes them high cost producers and that requires constant vigilance in the areas of cost control and production management. The ability to juggle these competing interests and still produce a good or service that the consumers want is common to the managers of both these Canadian companies.
NOTES


12. The Summary

In this chapter I will summarize the main themes of the thesis, and while doing so comment on the strengths and weaknesses of Canadian management as I see it. In an attempt to add something positive, while risking the chance of being made to appear wrong in the future, I will also include suggestions for changes that might improve Canadian management. It would be unreasonable to assume that I have ideas to offer that will turn Canada into the new Jerusalem of management, but there are numerous areas that came to light while doing my research that are at least worth further consideration.

As noted earlier, all human beings, even managers, operate within a socio-political context. The Canadian socio-political context is more heterogeneous than homogeneous on the surface. In fact Canada may be the most culturally diverse and politically decentralized country in the world. Great size, small population, two founding cultures with different languages imposed on a country still containing an indigenous population, and the willingness not to force new immigrants to totally assimilate has lead to a level of diversity that the average American or German would find unacceptable. In fact, although there are two official languages, a Canadian manager working in Vancouver with pacific rim contacts may need a working knowledge of Chinese but not French, while an east coast manager might speak either French or English, and another European language. Furthermore, identifying terms such as Italian-Canadian, German-Canadian, and Ukrainian-Canadian are quite commonly understood and represent the acceptance of multi-culturalism and plurality within the country. This multi-cultural pluralistic society also has a strong inclination towards egalitarianism, at least on the surface, even in situations where income distribution varies widely between different members of society. The advantage of this
Canadian inclination towards pluralism, from a managerial perspective, is that one does not force single or generic solutions on the entire society. This can often lead to different but equally effective and creative solutions to the same problem. The disadvantages include the constant difficulty of working in slightly different ways in different parts of the country. This is particularly evident in the trade barriers that have been put up within the country by the various provinces. In fact, inter-provincial trade barriers might be as much of a problem as the trade barriers that exist between Canada and her trading partners. Another positive aspect of cultural pluralism is that managers trained in a country that is used to developing compromise and consensus driven solutions to difficult and often highly sensitive national issues, such as Quebec nationalism, are brought up in an environment which develops skills that are useful in managing large organizations. If one is used to dealing with issues like nationalism on an everyday basis, the change in direction dictated by a budget cut or a change in product line is not particularly difficult to handle. Whether or not the decentralized pluralistic nation state known as Canada is an ideal socio-political model, it is a model which instills the view in its managers that compromise is necessary and that one does not assume that the only way to do something is one's own way. This differentiates Canadian managers from their American and Japanese counterparts in particular, considering that both the Japanese and American managerial cadres tend to assume that their way is the right way. A Canadian manager would be more inclined to think that someone else's approach was just another way of doing things, and it should be judged on its own merits. That probably explains why both American and Japanese companies among many others, have successfully set up operations using local staff and management in Canada.

The Canadian economic environment is of considerable interest from two different perspectives. The first
perspective is that Canada started out as a natural resource based economy, and although the economy has diversified, Canada still is highly dependent on resource based industries. In fact, without the Atlantic fishery, prairie agriculture, Alberta oil and British Columbia forestry industries, the country would have a greatly diminished average standard of living. The reality is however, that Canada has maintained a consistently high standard of living for many decades, and although the Canada-U.S.A. free trade agreement and the recessionary economy of 1991-92 has taken its toll on Canada’s ability to grow, the country’s economic future still appears bright. In fact, the rationalization of manufacturing caused by the slow but constant lowering of international trade barriers has forced structural change on the Canadian economy during a time of recession. This is painful, but a low inflation monetary policy and time should improve the long term prospects for the Canadian economy. Canada should have sustained economic growth if it uses its natural resources in a prudent manner, especially the potentially renewable natural resources such as the fishery, forestry and agriculture. The non-renewable resources require a different plan, and to date Canada has not developed a strategic approach to the management of unrenewable resource based industries. These industries are obviously unsustainable in the long run, and they are also usually the main driving force in remote local economies. Therefore, unless an approach to managing these industries is developed which takes the lifespan of these industries into account, many local Canadian economies will continue to go through boom bust cycles that waste both financial and human resources. The inclination to focus on manufacturing as the panacea to everything that ails the Canadian economy is an attitude that I have considerable difficulty supporting. Canada has a comparative advantage in industries where it is has resources that other countries consume but cannot produce for themselves. A very practical
example is the high quality cedar grown on the west coast which is milled to produce the cedar shingles favoured by homeowners in the United States from New England to Oregon. This industry can produce continuing jobs if it is managed wisely, and reforestation keeps apace of harvesting for production purposes. It is a product that has few other suppliers in the world, a large natural market to the south, and little to keep it from being a perpetual cash cow other than limited strategic management skills on the part of the three main participants - labour, management, and government. Canada has other industries of this nature including prairie agriculture, and the coastal fisheries. There is little evidence however, that individual managers have yet acquired the long view and attempted to develop sustainable economic activities. Whenever a managerial decision is made in a resource industry, it is usually based on short term expediency.

Relatively speaking, the Canadian education system has improved over the last 30 years in terms of increased literacy levels and higher educational attainment levels. The younger population has become better educated, and most Canadian managers are university graduates, with many of them holding more than one degree. Generally, the younger the age of the manager, the higher the educational attainment level. The focus of the Canadian educational system is somewhat diffuse because education is a provincial and not a federal responsibility. This means that one does not have uniform educational standards or approaches across the country. This is uniquely Canadian and has lead to the mixed blessings of inefficiency and creativity. Canada would be better served if its educational systems were somewhat better coordinated, and if more institutions taught subjects that had a direct use to the economy. For example, it is amazing that high schools in coastal Newfoundland and British Columbia do not teach courses in applied marine biology that focus on both the management of
the fishing industry and the processing of the resource, since the local economies of both these areas are dependent on the fishery. Many of the young people who attend these schools will enter the fishery with little knowledge of what they are doing. The same applies to young workers entering manufacturing without the ability to deal with technical mathematics, understand rudimentary material science, and read blueprints. If Canada is serious about using its human resources to acquire a competitive advantage, then the educational system should be more uniform throughout the country, focus more closely on the education and training needs of an industrial workforce, and generally raise educational standards for fulltime students and lifelong learners throughout the country. The responsibility for planning and making opportunities available rests with the various levels of government, but the actual workforce must take individual responsibility for maintaining and improving their own skills and abilities through an ongoing programme of education that is both practical and intellectually challenging. Workers have a responsibility for their own educational upgrading using some of their own time and resources. In effect they are sellers of labour, and if they do not differentiate themselves from low cost sellers by being more highly skilled and productive, their jobs will go to the low cost suppliers.

One of the major mistakes of Canadian managers, and many of their international counterparts, is the assumption that because the Japanese and Germans have quantifiably better primary and secondary educational systems in terms of science and mathematics knowledge of the average student, is that if these educational levels are attained, then the economy of the country attaining them will automatically acquire the same level of industrial success enjoyed by Germany and Japan. It is true that there is a correlation between the education level of a country’s workforce and its industrial success, but
this correlation is by no means absolute. The world just is not that simple. Causal factors are complex and interrelated. For example, both Germany and Japan enjoy labour relations that any Canadian or British manager would kill for. Simply put, restrictive labour practices and a labour environment in which labour and management are antagonists will more than outweigh any of the advantages granted a management based on having a labour force with higher educational attainment levels than enjoyed by one’s competitor.

Canada does not have a good labour relations record, and until this record is improved, no amount of education will compensate for Canada’s labour environment. The labour environment is unnecessarily complex. For example, in certain situations employees fall under provincial or territorial jurisdiction, while in other instances employees fall under federal jurisdiction. This labour environment does not just include bargaining and contractual matters, it also includes health and safety issues. The problem is further complicated by certain communities having long pro-labour traditions which makes them undesirable target destinations for new industries. Nova Scotia’s Cape Breton Island is a prime example of this type of labour environment, and without government provided incentives, all other things being equal, no prudent investor would wish to set up business in Cape Breton. The most prudent course of action in a case such as Cape Breton, might be for governments not to subsidize the area, but to allow market forces to dictate the local value of labour, and to remove impediments such as educational deficiencies and relocation costs that mitigate against labour mobility. The relationship between labour, management, and government needs to change in Canada if the country is to become a successful manufacturer. Each of the three parties must come to the table ready to nurture the goose that lays golden eggs instead of strangling it and cooking it for Sunday dinner. Inevitably the same goose feeds all three, and without coordinated effort Canada is in
effect giving the competitive edge to major manufacturing nations such as Germany and Japan where labour relations are more harmonious. From an operational perspective, Canadian managers operate in an environment with a labour force that is often adversarial and which can even at times be outrightly obstructionist.

From a qualitative perspective, the character of Canadian managers varies somewhat between industries. They are not uniformly hard-driving as many Americans are perceived to be, nor are they all good communicators. I would suggest that these descriptive simplifications are useful, but perhaps incomplete. My personal observation is that one can be successful in a management position as long as basic managerial skills and abilities are exhibited. However, at least in Canada, individual industries also have managerial stereotypes which may not be absolute, but are at least indicative. For example, probity and community mindedness are appropriate for Canadian bankers, but not overt cleverness. Any aspiring young banker who does not conform to the stereotype will have a much more difficult ladder to climb than his or her conforming colleagues. Mining executives, unlike their more gentle banking contemporaries, tend to be clever, hard-driving engineers. Food and beverage industry managers are more inclined to come out of the marketing side of the business, and be excellent communicators. Therefore, one can say that Canadian managers tend to have styles that are influenced by the industry where one works. It is true however, that manifestations of the stereotypes of the hard-driving engineer cum mining executive, the cautious community-minded banker, and marketing oriented food industry executive are common in Canada. These stereotypes are overlaid with a generally held Canadian interest in both participating and following sports activities, a sense of community responsibility, a highly developed ability to work with the various levels of government, and the feeling that an open
publicly stated pursuit of profit is bad form. Furthermore, brashness is considered bad form, and is considered a double insult when used with the word "American". The limits of acceptable managerial behaviour are often best observed when one exceeds what is acceptable to the community at large. For example, Canadian executive Peter Pocklington will never be forgiven for trading away the playing contract of Edmonton Oilers hockey star Wayne Gretzky to the Los Angeles Kings for money. Pocklington broke the Canadian code of honour which places the community above profits. He still often has empty seats in his arena, even during important games, because fans just refuse to attend an event that has anything to do with Pocklington.

In summary Canadian managers live in a huge northern country with a very small but diverse population and are differentiated from their foreign counterparts by a variety of factors. Canadian managers, like their Swedish counterparts, but unlike their American neighbours are used to managing in an environment with a high degree of government intervention. This is further complicated in Canada by the fact that Canadian managers must deal with strong governments at the municipal, provincial and federal levels. The ability to negotiate, compromise, and build consensus is mandatory for managers in a regulatory environment this complicated. One cannot use brute force and expect to be successful. Unfortunately, Canadians managers have often followed the lead of their American counterparts in the pursuit of short term profits at the expense of long term profits and sustained economic viability. This is an area of critical concern in a resource based economy which by its very nature is highly cyclical. Managers of natural resources need to take the long view if they are to develop a sustainable economy. If Canada looked to Japan and the tendency for Japanese managers and their government to operate with longer term strategic goals within individual companies, in industries, and across the
entire economy, Canadian managers might be more successful. In Canada, no individual managerial function is uniformly revered throughout the economy. There is an inclination to follow the American preference to draw senior managers from the marketing function in industries like retailing, but in industries like mining, production and exploration engineers dominate, which indicates that Canada has not totally embraced a single managerial function as being its sole source of executive management staff. This differentiated staffing profile for managers seems soundly based in the fact that different industries have different needs, and it conforms to the innate Canadian inclination towards pluralistic social structures. Canadian management and labour are both responsible for perpetuating an adversarial American labour relations model. This basically means that without a tariff barrier or the advantage ownership of a rich natural resource confers on an industry, Canadian managers have considerable difficulty competing. In many ways, the lowering of tariff barriers will force non-competitive labour practices to change, but I expect these structural changes will be protracted and painful in Canada. The various levels of government would go a long way to resolving these issues if they moved towards simplifying labour legislation and making it uniform throughout the country. Furthermore, market forces must be allowed to prevail in setting labour rates, even if that means roll backs for industries to maintain competitiveness. Canadian managers are rewarded for geographical mobility within the country through promotions and financial rewards. This geographical mobility is often, but not always within the same company, and going from one company to another is not perceived as being negative by one’s peers. Mobility is viewed in a positive light because it broadens the work experience of the individual. It also indicates that the manager is not risk averse, and is willing to make personal sacrifices, since mobility between companies usually also means a physical move because of the
size of the country and its widely dispersed population. However, Canadian managers hold somewhat different general conceptions about the nature of management from their hard-driving American and their individualistic British counterparts. Canadians are much more low key and collective in their managerial behaviour and tend to rely on the exercise of reason and consensus building in their managerial style. The stereotypical British leader is Churchillean, and the American counterpart is the hard-driving Lee Iococca. The stereotypical Canadian is the nameless chairperson of a major bank, who wants to ensure the right decisions are made and their company is successful, but considers it a group exercise, and does not want to do it in public. In summation Canadian managers are unique, and their style has been successful, if one considers a sustained high standard of living as proof of managerial success.
13. SOURCES CONSULTED


Bissell, Claude T., ed. Canada's Crisis in Higher Education. Toronto: University of Toronto, 1957.


"Canada’s Corporate Elite." The Financial Post Magazine (Toronto) Special Issue 1990.


*Directory of Manufacturers.* St. John's: Department of Development and Tourism, [1990].


Jolson, Marvin A.. "How to Double or Triple Mail-Survey Response Rates." Journal of Marketing (Vol. 41, No. 4, 283


________. Managers and Management in West Germany. London: Croom Helm, 1980.


McQueen, Jennifer R. "Industrial Relations in the 1990s." Business Quarterly Autumn 1990 109-111.


New Brunswick Directory of Products and Manufacturers. Fredericton: Department of Commerce and Technology [1990].


U.K. Laws, Statutes, etc. The British North America Act, 1867, British Statutes, 30 Victoria, Chapter 3.


