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Primary track: 11 Small and Medium Entreprises  
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This is abstract for a presentation only

## **Productivity and innovation: strength and weakness of Canadian SME's**

The capacity of small manufacturing firms to maintain reliable and continuously improving manufacturing processes appears to be a key condition for ensuring long term sustainability. Governments have been very active in helping them tackle this challenge, in particular by supporting the adoption of world-class manufacturing practices. Although much has been written about these world-class manufacturing practices, many companies are still confused about whether and how to implement such practices. Based on a survey of 227 Canadian manufacturing SME's that have implemented world-class manufacturing practices, this article describes some of the strategic issues associated with this process. The objective of this study is to evaluate the impact off best practices implementation on SME's performance. The study also provides a way to associate manufacturing improvement programs and practices with different competitive priorities sought by SME's. A competitive orientation giving priority to innovation as a strategic weapon is therefore more likely to be distinguished by the use of potential practices than by any other positioning profile. In a context where productivity and innovation are seen more and more as a key for continuous growth, vigorous efforts need to be invested to bring top managers more informed and committed to improvement program adoption. The results of the research should be extremely useful to business assistance programs and to corporate decision-makers.

**Keywords: Innovation, productivity, manufacturing best practices, SMEs.**