



How can a microscopic
enemy unite us to
create massive
transformation?

Reimagining Québec
beyond the pandemic



The better the question. The better the answer.
The better the world works.

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Reimagining Québec beyond the pandemic

What competitive edges does the Québec of tomorrow hold? This question underpins the exceptional times we're currently living in.

To shape a vision of a Québec economic future state that fires aspirations and to find ways to create value in this time of pandemic, EY, in collaboration with QuébecInnove and the Québec Business Women's Network, decided to survey economic players. The discussion allowed us to brainstorm insights, explore opportunities, and celebrate how they are helping build the future.

Between May 15 and August 21, we had discussions with more than 30 business leaders around the following:

- ▶ **What are the most promising opportunities arising for Québec's economy post-crisis?**
- ▶ **What are the greatest challenges?**
- ▶ **What key changes or innovations are required to bolster stakeholder value, and what are the key challenges for simultaneously creating value for all stakeholders?**

Even before the pandemic, CEOs around the globe were already clearly expressing the importance of having a compelling purpose that could rally all of their stakeholders. And we know that today more than ever, investors are increasingly making choices based on responsible investing criteria and are asking for clear commitments on certain topics such as diversity or the environment. Our initiative is revealing that global trends are coming to life here as well: more intangibles elements such as talent, innovation, trust, culture and governance are increasingly the heart of Québec business models.

The results of our discussions are presented in the following pages. We hope they will inspire and empower you, and inform the ongoing dialogue in the business community.

Anne-Marie Hubert
EY

Isabelle Foisy
QuébecInnove

Ruth Vachon
Québec Business
Women's Network



Executive summary

Reimagining Québec: agile and determined for an inclusive and sustainable recovery

The views of more than 30 local business leaders offer fresh insights and optimism for the future

“
Never let
a good
crisis go
to waste.

- Winston Churchill

We'll remember 2020 for a long time to come. Overnight, the COVID-19 health crisis turned corporate priorities upside down. The situation intensified pre-existing pressures on businesses and forced leaders to accelerate plans for change their organizations. And we've witnessed some inspiring exploits of solidarity, agility, innovation and transformation.

But what's next? As Winston Churchill is credited with saying, "Never let a good crisis go to waste."

To better understand what our leaders see beyond the pandemic, EY, the Québec Business Women's Network and QuébecInnove talked with more than 30 top executives across many strategic sectors of Québec's economy between May and August 2020.

Beyond inspiration, their insights offer clear visibility into the new opportunities the pandemic is opening up in their industries and for the community at large. These women and men also shared their perspectives on the challenges ahead in the coming months and how they expect to continue creating value for all their stakeholders. Their comments suggest guidelines for reimagining Québec. Our conversations revealed some shared trends, in particular the digitalization of economic activity, while others focused on specific industries.



Investing in digital is a priority

The vast majority of leaders stated, often several times, that investments in digitalizing the economy – particularly through artificial intelligence, robotization and digital infrastructure – are opportunities to seize on now to help them exit the pandemic and propel them toward recovery.

“There’s the impetus and the willingness to invest in productivity and drive digitalization. The timing and incentives have never been better aligned,” notes Jean-François Gagné, President and CEO of Element AI.

For leaders in health care, these investments will not only drive the shift to telemedicine, but also let them get to know their patients better and provide more effective care in the future.

E-commerce and evolving the customer experience, which are deeply tied to digital investment, are among the changes the crisis has spurred, according to retail and manufacturing leaders in particular.

“In some ways, the current crisis is like a catalyst. It’s enabling us to accelerate transformation in several sectors,” says Mélanie Dunn, President and CEO of Cossette.



Solidifying supply chains

Nearly two-thirds of the leaders we interviewed said the crisis caused by the pandemic also needs to be seen as an opportunity to simplify and increase the resilience of supply chains across a variety of economic sectors. They believe that supply chains need to integrate more local components to encourage the local economy, among other things. This is particularly important in view of potential protectionist backlash in many countries, they remarked. Several leaders stressed this aspect, particularly in the manufacturing, construction, commercial real estate and agri-food sectors.

According to Frédéric Dugré, CEO of H₂O Innovation, “Local supply partners and accessibility are key to long-term stability and resilience.”

Social responsibility and talent management

More responsible business practices were identified as major opportunities for the future by nearly half of the leaders who took part in our interviews.

First of all, how we recruit, manage and retain talent will be highly strategic in a world where face-to-face is no longer the only option. And as that world becomes increasingly digital, we’ll need to make sure recovery is inclusive. That means being ready so all Quebecers – the young and not so young – can help drive recovery using the tools of technology.

In fact, a significant percentage of leaders believe that telework is here to stay and that current technologies have facilitated uptake and efficiency.

Regarding the environment, the leaders agree that certain practices will have to be reviewed and corrected if the recovery is to be truly sustainable.

“It’s an exciting chance to refresh and innovate faster than we normally could: it means learning, unlearning and relearning at lightning speed, and rethinking everything we thought we knew,” claims Nathalie Palladitcheff, President and CEP of Ivanhoé Cambridge.

Looming challenges

The economic crisis caused by the COVID-19 pandemic is having a significant and almost alarming impact on government debt levels, according to almost a third of the leaders interviewed. In their view, this may affect the ability of governments in the future to invest in certain strategic sectors.

Some see businesses, also more indebted and with tighter liquidity, as likely to continue feeling the effects of the crisis on cash flow and investing less, particularly in innovation.

Many leaders also cited the shortage of specialized labour, which was already a significant issue before the pandemic, as a growing concern, particularly for the health network, but also in technology.

“

**It’s one thing to feel that you are on the right path,
but it’s another to think that yours is the only path.**

- Paulo Coelho, Brazilian journalist and best-selling author

Cautious optimism shines through

Despite the difficulties our respondents noted, the vast majority are cautiously optimistic about the future. Several identified the adaptability of businesses and their ability to collaborate as sources of hope.

“Entrepreneurs never know if their efforts will pay off: that’s the ultimate test for the optimist. That entrepreneurial drive needs to shape the political and fiscal landscape,” asserts Peter Simons, CEO of La Maison Simons.

Are you ready for what’s next?

Read the highlights of our interviews by sector and our participants’ insights, and find inspiration for your most ambitious reboot projects.

To quote Brazilian journalist and best-selling author Paulo Coelho, “It’s one thing to feel that you are on the right path, but it’s another to think that yours is the only path.”



CEO interview highlights

Approach

Overview

34 interviews with CEOs between May 15 and August 21.

Representing 7 sectors:

- ▶ Pharma/health care
- ▶ Retail
- ▶ Technology
- ▶ Real estate and construction
- ▶ Energy
- ▶ Services
- ▶ Manufacturing

Questions

1. What are the most promising opportunities arising for Quebec's economy post-crisis?
2. What are the greatest challenges?
3. What key changes or innovations are required to bolster stakeholder value, and what are the key challenges for simultaneously creating value for all stakeholders?

Participants

Yves Dandurand, CEO, Adfast Corporation
Amina Gerba, Founder and President, Afrique Expansion and Laboratoire Kariliss Inc.
Sylvain Savard, Founder and Co-owner, Avianor
Julie Cusson, Vice-President, Public Affairs and Communications, Boralex
Roger Plamondon, President, Broccolini
Véronique Tougas, President, Cambli Group
Francine Pomerleau, CEO, Cendrex
Colin Worrell, Managing Director, Québec, Colliers International
François-Pierre Moffet, Chief Operating Officer, Connect&GO
Melanie Dunn, President and Chief Executive Officer, Cossette
Pierre Riel, Senior Vice-President, Country Manager, Costco Canada
Denis Leclerc, President and CEO, Écotech Québec
Jean-François Gagné, Co-Founder and CEO, Element AI
Stéphanie Trudeau, Executive Vice-President, Énergir
Anne-Marie Hubert, Eastern Canada Managing Partner, EY
Julien Depelteau, CEO, Flexpipe
Frédéric Dugré, CEO, H₂O Innovations
Natalie Palladitcheff, CEO, Ivanhoé Cambridge
Peter Simons, Chief Executive Officer, La Maison Simons
François Roberge, President and CEO, La Vie en Rose
Domenic Pilla, CEO, McKesson
Neil D. Fraser, President, Medtronic
Daniel Drapeau, CEO, Miralis
Marie-Line Beauchamp, Chief Operations Officer, MTY Group
Harold Savard, CEO, Novatech Group
Marc DeSerres, President, Omer DeSerres
Louis Roy, President, Optel Group
David Goodman, CEO, Pharmascience
Jean-Philippe Towner, Executive Vice-President and Chief Financial Officer, Pomerleau
Robert Bellisle, CEO, QSL
Ruth Vachon, President and CEO, Québec Business Women's Network
Véronique Proulx, President and CEO, Québec Manufacturers and Exporters
Isabelle Folsy, President and CEO, QuébecInnove
Gaétan Desroches, President, Sollio Cooperative Group

CEO interviews at a glance



Opportunities

The burgeoning digital shift accelerated during the crisis. It's urgent to act now.

Working from home is here to stay and we need to continue giving people the tools to grow themselves and their companies.

We need to review the layout of corporate/store space.



Challenges and issues

It's important to enhance the customer experience, in particular by increasing customer proximity.

We need to attract and retain the best talent in an economy that will be knowledge based and less interdependent.

Government debt has ballooned to excessive levels.



Creating value and innovating

Supply chain resilience has been tested. Leaders are giving increasing importance to local sourcing.

Investment in technology is no longer just an option: AI, automation and robotics are key.

It's necessary to factor in environmental aspects in all decisions.

Highlights by sector



Pharma/health care

Participants

Amina Gerba
Founder and President,
Afrique Expansion and Laboratoire Karilliss Inc.

Domenic Pilla
Chief Executive Officer, McKesson

Neil D. Fraser
President, Medtronic

David Goodman
Chief Executive Officer, Pharmascience

Common themes

- ▶ Leveraging the knowledge economy and retaining talent
- ▶ Making the shift to digital, including remote care
- ▶ Focusing on patient outcomes



Retail

Participants

Pierre Riel
Senior Vice-President,
Country Manager,
Costco Canada

Peter Simons
CEO, La Maison Simons

François Roberge
President and CEO,
La Vie en Rose

Marie-Line Beauchamp
Chief Operations
Officer, MTY Group

Marc DeSerres
President,
Omer DeSerres

Gaétan Desroches
Chief Executive Officer,
Sollio Cooperative Group

Common themes

- ▶ Continuing to develop e-commerce
- ▶ Re-imagining the customer experience
- ▶ Transforming business models
- ▶ Investing more in automation and robotics to accelerate the digital shift

Highlights by sector



Technology

Participants

François-Pierre Moffet
Chief Operating Officer, Connect&GO

Jean-François Gagné
Co-founder and CEO, Element AI

Frédéric Dugré
CEO, H₂O Innovations

Louis Roy
President, Optel Group

Common themes

- ▶ Accelerating the corporate digital shift
- ▶ Transforming and streamlining supply chains
- ▶ Raising climate change and social responsibility issues



Real estate and construction

Participants

Roger Plamondon
President, Broccolini

Colin Worrell
Managing Director, Québec, Colliers

Natalie Palladitcheff
President and CEO, Ivanhoé Cambridge

Jean-Philippe Towner
Executive Vice-President and
Chief Financial Officer, Pomerleau

Common themes

- ▶ Making substantial investments in robotics and construction technology
- ▶ Ensuring supply chain resilience and focusing on local sourcing

Highlights by sector



Energy

Participants

Julie Cusson

Vice-President, Public Affairs
and Communications, Boralex

Denis Leclerc

President and CEO, Écotech Québec

Stéphanie Trudeau

Executive Vice-President, Énergir

Common themes

- ▶ Unique opportunity for an energy transition and a greener recovery
- ▶ ESG investments are in growth mode
- ▶ Need to develop a regulatory framework that will drive innovation
- ▶ The impacts of teleworking are positive for both the environment and quality of life



Services

Participants

Mélanie Dunn

President and Chief
Executive Officer,
Cossette

Anne-Marie Hubert

Eastern Canada
Managing Partner, EY

Ruth Vachon

President and CEO,
Québec Business
Women's Network

Veronique Proulx

President and CEO,
Québec Manufacturers
and Exporters

Isabelle Foisy

President and CEO,
QuébecInnove

Common themes

- ▶ Ensure the development of competencies and education programs to continue to respond to market needs
- ▶ Acknowledge that large and small businesses have different needs, and put in place suitable measures that will encourage innovation in the long term
- ▶ Support businesses through their transformation, and help them to ensure an inclusive and sustainable shift

Highlights by sector



Manufacturing

Participants

Yves Dandurand

CEO, Adfast Corp

Sylvain Savard

Founder and Co-owner, Avianor

Véronique Tougas

President, Cambli Group

Francine Pomerleau

CEO, Cendrex

Julien Depelteau

CEO, Flexpipe

Daniel Drapeau

CEO, Miralis

Harold Savard

CEO, Novatech Group

Robert Bellisle

CEO, QSL

Common themes

- ▶ Accelerating the digital shift
- ▶ Transforming the customer experience
- ▶ Driving supply chain transformation toward the local economy
- ▶ Investing in artificial intelligence and robotics to increase productivity
- ▶ Involving employees in the transformation process
- ▶ Government debt will be an issue post-crisis

WHAT WAS SAID



Adfast Corporation Yves Dandurand, Chief Executive Officer

“

We need to rethink business models. Everyone who works in a company is a decision-maker and an innovator. There will always be crises. But when people are engaged, we can overcome any crisis.

Opportunities

- ▶ Accelerating the digital shift
- ▶ Reimagining the customer experience

Issues and challenges

- ▶ Long-term planning is difficult

Creating value and innovating

- ▶ Focusing on strategic investments and continuously re-investing to innovate
- ▶ Realigning operations with the corporate mission while involving employees



Afrique Expansion and Laboratoire Kariliss Inc. Amina Gerba, Founder and President

“

We have to start by looking at things differently. Uncertainty is the challenge... not only in my company but everywhere. There is a certain unpredictability. Québec has a role to play and has to reimagine itself. We need to protect local investments and investors.

Opportunities

- ▶ Better integration of AI and digitization in operations
- ▶ Focusing on the local, both in agri-business and tourism

Issues and challenges

- ▶ Labour shortage and restrictions on international recruitment
- ▶ Government debt
- ▶ Visible minority entrepreneurs will be affected by lower investments

Creating value and innovating

- ▶ Investing in continuous education
- ▶ Acting more responsibly on environmental and social issues
- ▶ Encouraging foreign investments



Avianor

Sylvain Savard, Founder and Co-owner

“

The next few months will certainly be full of challenges for many companies in a variety of sectors, and aeronautics is no exception. Despite the current context, I remain confident that the coming months will be a source of renewal and multiple challenges that will force us to reinvent ourselves to foster growth that matches our ambitions. We're all committed to continue expanding the reach of our airline industry locally, nationally and around the world.

Opportunities

- ▶ Focusing on local players and developing long-lasting relationships

Issues and challenges

- ▶ Greater price competition across the world
- ▶ Trouble attracting skilled labour

Creating value and innovating

- ▶ Investing in artificial intelligence to increase operational efficiency and enhance competitiveness
- ▶ Paying more attention to environmental aspects, regardless of the sector



Boralex

Julie Cusson, Vice-President, Public and Corporate Affairs

“

As things reopen, government and public bodies will be the largest contributors to the economy. It's the perfect window for them to incorporate innovation and green supply into the RFP evaluation process.

Opportunities

- ▶ Launching a green recovery driven by technology, economic, social and other innovations
- ▶ Reducing GHGs in eastern Canada and the US northeast with interconnected power grids and collaboration between provinces and states
- ▶ Building on the increased flexibility of teleworking to adapt to the new realities of work and reduce our carbon footprint
- ▶ Leveraging opportunities to electrify transportation and decarbonize the economy

Issues and challenges

- ▶ Overcoming the weight of public debt
- ▶ Resisting pandemic-driven knee-jerk protectionism
- ▶ Countering the potential decline of urban centres, in particular Montréal
- ▶ Addressing rising poverty and instability among vulnerable populations

Creating value and innovating

- ▶ Driving growth with responsible and sustainable investment
- ▶ Adapting regulatory frameworks for major projects and public consultation to today's reality to foster innovation and stakeholder inclusion

WHAT WAS SAID



Broccolini

Roger Plamondon, President, Real Estate

“

There are plenty of opportunities, you just have to know where to find them. We can contribute to building the new and successful Québec.

Opportunities

- ▶ Continuing to invest in technology: Québec is already well positioned
- ▶ Supporting the local economy for supply chain components

Issues and challenges

- ▶ Impacts on mental health and maintaining corporate culture

Creating value and innovating

- ▶ Working with shareholders and partners to facilitate the return to work and to act as an advisor to the government



Cambli Group

Véronique Tougas, President

“

Québec is creative. This crisis is pushing us onto the world stage and highlighting our top talents.

Opportunities

- ▶ Creating new markets and opportunities to diversify operations
- ▶ Reinventing the customer experience
- ▶ Expanding investment in technology and artificial intelligence

Issues and challenges

- ▶ Avoiding catastrophic consequences for businesses and industries that don't manage to reshape

Creating value and innovating

- ▶ Focusing on strategic renewal, investing in Industry 4.0 and IT systems
- ▶ Diversifying operations to create long-term value



Cendrex

Francine Pomerleau, CEO

“

Canada has proven to be a reliable partner, which should create opportunities for Québec manufacturers. The US will want to reduce their dependence on products from Asia.

Opportunities

- ▶ Transforming supply chains to include local suppliers
- ▶ Accelerating e-commerce

Issues and challenges

- ▶ Rising protectionism across the world
- ▶ Increasing government debt while tax rates are already high
- ▶ Investors prioritizing projects with faster short-term returns

Creating value and innovating

- ▶ Investing in market intelligence and industrial automation
- ▶ Giving priority to employee continuing education



Colliers International

Colin Worrell, Managing Director

“

The current situation is enabling us to set up new ways of doing things, new perspectives. It's an opportunity for us to leverage diversity in our hiring, and to invest in improving the sector's operations.

Opportunities

- ▶ Accelerating e-commerce in the real estate sector
- ▶ Reimagining the customer experience in stores and shopping malls

Issues and challenges

- ▶ Impacts on the retail sector
- ▶ Government debt

Creating value and innovating

- ▶ Integrating a more responsible approach into operations, including environmental responsibility
- ▶ Reinventing ourselves by reflecting contemporary demographics in our hiring and communications

WHAT WAS SAID



Connect&GO

François-Pierre Moffet, Chief Operating Officer

“

Recovery will be gradual, and speeds will differ depending on the sector.

Opportunities

- ▶ Accelerating certain changes
- ▶ Focusing on growing productivity
- ▶ Ramping up communications among all industry stakeholders

Issues and challenges

- ▶ Facing the uncertainty created by the situation
- ▶ Confronting government debt
- ▶ Adjusting the education system to achieve the optimum

Creating value and innovating

- ▶ Growing communication and collaboration with partners to identify opportunities
- ▶ Taking the initiative to organize round tables with industry players to find solutions to current issues
- ▶ Seizing opportunities to access potential new markets through mergers and acquisitions



Cossette

Mélanie Dunn, President and Chief Executive Officer

“

In some ways, the current crisis is like a catalyst. It's enabling us to accelerate transformation in several sectors. Even within our own businesses, it's forcing us to rethink our values, our purpose and how we do things. You have to see it as an opportunity to do better — you can't dwell on the downside.

Opportunities

- ▶ Seeing the pandemic as redefining the role of the state, with positive spinoffs for business and society
- ▶ Recognizing “new heroes” and focusing more on logistics and e-commerce
- ▶ Breaking down barriers in many areas (e.g., online financial services, telemedicine, working from home)

Issues and challenges

- ▶ Retaining talent as the labour market goes increasingly global
- ▶ Resisting protectionist policies that could slow growth for local companies that are making it outside Québec

Creating value and innovating

- ▶ Adopting responsible business practices (ESG)
- ▶ Reimagining the value proposition with greater focus on performance and efficiency



Costco Canada

Pierre Riel, Senior Vice-President, Country Manager

“

Our employees are our strength. They're the ones who wear the masks and help our clients onsite in the store. We owe it to them to look after them — they're our future!

Opportunities

- ▶ Remaining true to our corporate mission and ensuring it aligns with society's expectations
- ▶ Helping local manufacturers whose products generate US demand
- ▶ Leveraging our talents, creating challenges and chances to stand out

Issues and challenges

- ▶ Managing operating costs is increasingly important, as the pandemic drove up expenses

- ▶ Never compromising on talent – our people will find the best solutions to build client trust
- ▶ Adjusting the online experience to increase delivery speed, especially on groceries

Creating value and innovating

- ▶ Never looking back: focusing on opportunities and forward-thinking projects
- ▶ Leveraging employees' skills to find new solutions as a team



Écotech Québec

Denis Leclerc, President and CEO

“

We've got the know-how and creativity to make Québécois' quality of life better and outperform other markets. Together, we will be able to ensure a greener, more prosperous recovery.

Opportunities

- ▶ Shrinking product carbon cost and using that competitive business edge to market products locally and abroad
- ▶ Attracting talent by proving that business cares about overall employee quality of life
- ▶ Leveraging our wealth of electricity to green transportation and buildings

Issues and challenges

- ▶ Working with industry, manufacturers and industrials in particular, to boost operational efficiency and environmental performance

- ▶ Overcoming international trade barriers that put real drag on the economy
- ▶ Keeping our workforce active, on the job or in training

Creating value and innovating

- ▶ Making the most of local innovation
- ▶ Growing a network that connects industries, in particular manufacturers, industrials and cleantech producers
- ▶ Developing the link between the environment and public health

WHAT WAS SAID



Element AI

Jean-François Gagné, Co-Founder and Chief Executive Officer

“

There's the impetus and the willingness to invest in productivity and drive digitalization. The timing and incentives have never been better aligned.

Opportunities

- ▶ Accelerating corporate digitalization
- ▶ Opening up global labour markets
- ▶ Evolving the supply chain to make it less deep and more local

Issues and challenges

- ▶ Having no human contact in businesses might be an issue for the ecosystem
- ▶ Retaining talent and commercializing research

Creating value and innovating

- ▶ Investing in artificial intelligence to grow productivity and drive digitalization
- ▶ Evolving our business models is an opportunity to address climate issues



Énergir

Stéphanie Trudeau, Executive Vice President

“

Just because innovating is tough doesn't mean you shouldn't do it. We're going to be changing: you've got to think outside the box to stay connected and competitive.

Opportunities

- ▶ Accelerating corporate digitalization
- ▶ Growing energy production and efficiency
- ▶ Building a local production and supply network
- ▶ Changing the way we work

Issues and challenges

- ▶ Addressing difficulties for entrepreneurs launching new projects in the short to medium term
- ▶ Facing new budgetary realities and scaling plans accordingly

Creating value and innovating

- ▶ Building innovation into corporate growth strategies
- ▶ Highlighting energy efficiency
- ▶ Enhancing the customer experience
- ▶ Aligning with responsible business practices (ESG)



EY

Anne-Marie Hubert, Eastern Canada Managing Partner

“

Creating long-term value starts with our people. When you give all your employees an inclusive environment to grow in, you encourage them to think about the issues that matter to their clients and find solutions.

Opportunities

- ▶ Québec is a talent-driven hub of creativity, innovation and technology
- ▶ Waking up to sustainable development and the environmental impact of our activities

Issues and challenges

- ▶ Training today’s and tomorrow’s workforce as technological change picks up pace: right now, accessing education is a challenge
- ▶ The race is on to leverage our skills in AI, technology

- ▶ Transforming our capital markets so that investors can create long-term value

Creating value and innovating

- ▶ Drawing on the British model to long-term value creation in investing and to measure the impact on society
- ▶ Investing in our talent to create a ripple effect among our clients
- ▶ Paying special attention to data, and the ethical considerations around it



Flexpipe

Julien Depelteau, Chief Executive Officer

“

Everyone’s been initiated to remote work IT tools. The ice has been broken for employers who found the whole idea counterproductive. Instead, they’re seeing productivity grow.

Opportunities

- ▶ Building consumer awareness around buying local and growing sales
- ▶ Accelerating e-commerce
- ▶ Reducing travel costs and time through teleworking

Issues and challenges

- ▶ Facing the pandemic’s major impacts on many sectors, and an expected tough recovery
- ▶ Struggling to balance family and work

Creating value and innovating

- ▶ Increasing operational efficiency to respond to changing customer needs
- ▶ Engaging employees in company projects

WHAT WAS SAID



H₂O Innovations

Frédéric Dugré, Chief Executive Officer

“

Local supply partners and accessibility are key to long-term stability and resilience.

Opportunities

- ▶ Having a decentralized business model and local partners: these are advantages because they allow operations to continue in the event of a crisis
- ▶ Trimming the space needed for head offices

Issues and challenges

- ▶ Building relationships with cultures very different from our own, without in-person meetings
- ▶ Supporting customers, right in their plant

Creating value and innovating

- ▶ Highlighting the environment and more responsible governance, but stakeholders have to be prepared to sacrifice financial components



Ivanhoé Cambridge

Nathalie Palladitcheff, President and Chief Executive Officer

“

For organizations like ours, it's an exciting chance to refresh and innovate faster than we normally could. It means learning, unlearning and relearning at lightning speed, and rethinking everything we thought we knew.

Opportunities

- ▶ Accelerating the shift to e-commerce and digitalizing Québec retailers' supply chains
- ▶ Evolving the physical workplace into a performance and productivity hub
- ▶ Transforming the downtown visitor experience

Issues and challenges

- ▶ Improving business productivity
- ▶ Confronting growing social inequality
- ▶ Redefining business models that have remained virtually unchanged for decades

Creating value and innovating

- ▶ Investing in socially and environmentally sustainable projects
- ▶ Recharging traditional sectors by driving innovation and the development of IT and AI
- ▶ Channelling greater energy into corporate social responsibility



La Maison Simons

Peter Simons, Chief Executive Officer

“

Entrepreneurs never know if their efforts will pay off: that’s the ultimate test for the optimist. That entrepreneurial drive needs to shape the political and fiscal landscape.

Opportunities

- ▶ “Everybody’s on board” – making a bigger space in businesses for the digital economy and robotics
- ▶ Making the move to e-commerce
- ▶ Evolving tax concepts on the intangible plane

Issues and challenges

- ▶ Breaking the chains that keep change from happening
- ▶ Getting us out of this crisis means everyone making sacrifices for the good of us all

- ▶ Facing the operational issues around accelerating e-commerce

Creating value and innovating

- ▶ Evolving business models and processes to adapt to intangibility and the new normal over the long term
- ▶ Realizing digital is the future of productivity
- ▶ Investing more in digital and automation, with a view to improving quality of life for our employees and creating jobs
- ▶ Knowing you have to see a company as a community of people



La Vie en Rose

François Roberge, President and Chief Executive Officer

“

Technology is a wheel that never stops. In retail, that’s key — you have to keep your technology up to scratch and constantly question how you do things.

Opportunities

- ▶ Accelerating digitalization
- ▶ Being agile and not afraid to hit refresh will bring those businesses a lot of opportunities post pandemic
- ▶ Assessing head office space requirements, given remote working – that’s an economic hot button for a lot of businesses

Issues and challenges

- ▶ Dealing with social inequalities that have persisted for many years
- ▶ Confronting government debt

- ▶ Managing liquidity is an important issue for many retailers

Creating value and innovating

- ▶ Tracking the changing customer experience to adapt to new buying patterns
- ▶ Refreshing internal processes and technologies to increase efficiency and productivity
- ▶ Maintaining a simple supply chain, and optimizing product transportation to reduce risk

WHAT WAS SAID



McKesson Canada
Dominic Pilla, Chief Executive Officer

“

Accelerating digital uptake during the crisis led to incredible advances. For example, we've been saying for 15 years that virtual visits with a doctor should be allowed. COVID-19 came along and things changed in a matter of days.

Opportunities

- ▶ Investing in digital and artificial intelligence, particularly in the health sector
- ▶ Exploring new types of energy

Issues and challenges

- ▶ We need to focus on innovating in the health sector
- ▶ We've seen the health sector realign to bring care even closer to patients
- ▶ Giving health professionals like nurses and pharmacists the opportunity to practice the full range of their skills

Creating value and innovating

- ▶ Rethinking the health care system top to bottom so public funds can better support patient care and a healthy society
- ▶ Following the lead on loyalty programs in other economic sectors, and not holding back on making major changes



Medtronic Canada
Neil D. Fraser, President

“

Just as other jurisdictions drill for oil, Québec has a unique opportunity to drill for intellect.

Opportunities

- ▶ Implementing demand-side innovation policies focused on rapid-prototyping, funding, and adoption to improve health care
- ▶ Better leveraging the Canada-EU trade agreement
- ▶ Accelerating digitalization
- ▶ Diversifying our economy as a way to rethink vertical integration – from resources to manufacturing to services

Issues and challenges

- ▶ Improving public and private sector collaboration

- ▶ Helping international students transition from university to the job market so their skills stay here and drive development for our knowledge-based economy – because Montréal already welcomes so many

Creating value and innovating

- ▶ Developing technologies, services and solutions that improve patient satisfaction and outcomes and enhance health system productivity
- ▶ Transitioning to virtual/remote care, using robotics, and personalizing medication through better knowledge of patient genetics



Miralis

Daniel Drapeau, Chief Executive Officer

“

We've never been closer to our clients and suppliers than since the pandemic.

Opportunities

- ▶ Accelerating digitalization
- ▶ Embracing the product diversification e-commerce makes possible and engaging with new market segments by reimagining the customer experience
- ▶ Collaborating remotely with employees and suppliers

Issues and challenges

- ▶ Facing an uneven recovery across sectors that could hurt some companies, Miralis included
- ▶ Staying creative in the face of international travel constraints

Creating value and innovating

- ▶ Encouraging local supply chains to reduce long-term risk
- ▶ Integrating environmental concerns into the business model
- ▶ Investing in automation and robotics, and staying in constant touch with employees



MTY Group

Marie-Line Beauchamp, Chief Executive Officer

“

The customer experience will evolve, for sure. With big data, we can really be on top of what customers want. But we're going to have to be more careful than ever to make sure data is secure.

Opportunities

- ▶ Taking advantage of changing buying and consumer behaviours to digitalize operations, delivery services and retailing

Issues and challenges

- ▶ Rethinking downtown stores and restaurants and finding ways to create more draw – because teleworking will impact those businesses
- ▶ Reimagining the customer experience: capturing a “restaurant” experience from home, and adapting the physical experience to meet health standards

Creating value and innovating

- ▶ Investing in big data technology
- ▶ Highlighting communication with all stakeholders during the pandemic
- ▶ Preferring local suppliers to supply operations

WHAT WAS SAID



Novatech Group

Harold Savard, Chief Executive Officer

“

We'll have to re-engineer our processes and adapt our IT systems for security, online sales, Industry 4.0 and productivity. We need to readjust to new ways of doing things.

Opportunities

- ▶ Encouraging buy local
- ▶ Accelerating e-commerce

Issues and challenges

- ▶ Changing our work and consumer habits due to teleworking: will impact many sectors
- ▶ Dealing with ballooning government debt

Creating value and innovating

- ▶ Investing in innovation, and working with customers and suppliers to find better solutions
- ▶ Enhancing employee communication
- ▶ Reducing risk by increasingly automating operations



Omer Deserres

Marc DeSerres, President

“

May 25 was like a second Christmas Day for Montréal retailers! But we need to keep building public awareness that online shopping is a good solution.

Opportunities

- ▶ Investing more in high-performance websites
- ▶ Changing how businesses operate for a better balance between in-person and online shopping
- ▶ Reassessing the real estate needs of head offices, since everyone is able to work remotely

Issues and challenges

- ▶ Getting active encouraging consumers to buy local – we need government support to promote it

- ▶ Looking for new markets to fully capitalize on the power of the web
- ▶ Changing the landlord-tenant relationship by shifting the price structure

Creating value and innovating

- ▶ Having the right product mix in store and online, because the two platforms work differently
- ▶ Rethinking how we continue to provide customer service – self-service seems to have worked well during the pandemic



Optel Group

Louis Roy, President

“

The ability to adapt to new ways of doing things is key for businesses. You never hear, ‘No, you can’t change that, it’s not possible,’ anymore. Sure, it’s hard, but you can do it! Ultimately, everyone will see that some good will come out of this crisis.

Opportunities

- ▶ Deglobalizing to some extent: getting back to local purchasing and supply; the crisis has shown that a complex and international supply chain raises a number of challenges
- ▶ Accelerating digitalization and teleworking

Issues and challenges

- ▶ Coping with a lack of corporate financing capacity post COVID
- ▶ Dealing with government debt, which will impact consumer and business financial capacity over the medium term

Creating value and innovating

- ▶ Increasing businesses’ agility and their adaptability in changing contexts
- ▶ Putting more effort into social responsibility, bearing in mind the price sensitivity that post-pandemic consumers may feel
- ▶ Keeping up with clients and suppliers adopting technology



Pharmascience

David Goodman, Chief Executive Officer

“

A vaccine for COVID-19 is only one of the things we’re missing right now. To keep on creating value for our communities, it’s important to continue to focus on research and development, and to build on these efforts to be prepared for other contingencies in the health sector.

Opportunities

- ▶ Increasing local manufacturing to serve Canada and foreign markets wanting to diversify their supply base
- ▶ Maximizing all the know-how we have in Québec to keep the skills here

Issues and challenges

- ▶ Managing a deficit budget and dealing with rising debt
- ▶ Telling governments they have to spend differently and wisely in the future

Creating value and innovating

- ▶ Driving innovation to increase customer confidence in pharmaceuticals
- ▶ Innovating to increase product supply reliability
- ▶ Using innovation to increase businesses’ contribution to our local market, even while the industry’s playing field is worldwide

WHAT WAS SAID



Pomerleau

Jean-Philippe Towner, Executive Vice-President and Chief Financial Officer

“

One key to success is collaboration among all players in the value chain, so social and economic values become deeply intertwined.

Opportunities

- ▶ Engaging all players to collaborate in significantly improving performance across the supply chain
- ▶ Digitalizing the real estate and construction industries
- ▶ Encouraging public sector investment to update our infrastructure and build the Québec of tomorrow

Issues and challenges

- ▶ Continuing to engage teams and maintaining culture/values in a virtual work environment

- ▶ Keeping occupational health and safety as the #1 priority for companies and their employees
- ▶ Ensuring that management secures supply chain resilience

Creating value and innovating

- ▶ Working to reduce our environmental footprint is a public and corporate duty
- ▶ Creating opportunities to collaborate more with our clients through integrated solutions
- ▶ Realizing that innovation is an investment in the future



QSL

Robert Bellisle, Chief Executive Officer

“

We don't have the luxury of buying time to go digital. Managing the pandemic is tactical... but you can't lose sight of your business vision.

Opportunities

- ▶ Changing how we manage human resources – being people-centred to combat the effects of physical distancing
- ▶ Investing in digitalization
- ▶ Promoting newer industries like renewable energies

Issues and challenges

- ▶ Driving new practices – not taking people back to where they were pre-COVID-19
- ▶ Getting government to rethink services and infrastructure, because teleworking will continue
- ▶ Supporting Québec flagship businesses

Creating value and innovating

- ▶ Driving innovation in businesses whose values and strategies are well aligned and where stakeholders are flexible



Québec Business Women's Network

Ruth Vachon, President and CEO

“

Reopening gives big businesses a chance to diversify their supply chain and bring in more women-owned companies. Even a foot in the door is a powerful step towards enabling women to contribute fully to the economy.

Opportunities

- ▶ Changing how we think and looking at fresh, innovative and creative ideas to address the new needs the pandemic has revealed
- ▶ Building more partnerships and solidarity among women entrepreneurs
- ▶ Growing our pool of skilled labour

Issues and challenges

- ▶ Helping companies woo back clients and win new ones – especially in at-risk sectors with a high proportion of women-owned businesses

- ▶ Exporting with the borders closed – an added burden for SMEs
- ▶ Transitioning smoothly when government support comes to an end

Creating value and innovating

- ▶ Showing stakeholders the value of a sustainable economy that reflects society (e.g., supplier diversity)
- ▶ Collecting data on women-owned businesses and measuring their growth



Québec Manufacturers & Exporters

Veronique Proulx, President and CEO

“

It's time for manufacturers to rethink how they work together, to develop new partnerships — even new products. We need to compete with companies from abroad, not with each other.

Opportunities

- ▶ Growing production capacity in key sectors to ensure supplies of essential goods
- ▶ Rethinking how we work and collaborate to drive productivity and people engagement
- ▶ Investing in manufacturing robotics to comply with physical distancing measures

Issues and challenges

- ▶ Making up for lost productivity after confinement widened the gap and hurt the manufacturing sector
- ▶ Facing the challenges of travelling abroad and quarantining on return

- ▶ Accessing programs to recruit foreign workers despite Québec's higher unemployment rate

Creating value and innovating

- ▶ Encouraging governments to revisit their procurement policies
- ▶ Training workers to fully engage in the digital shift
- ▶ Helping jobless workers in the hardest-hit sectors develop their skills and move into manufacturing where they're desperately needed

WHAT WAS SAID



QuébecInnove

Isabelle Foisy, President and Chief Executive Officer

“

For too long, businesses tried to work on their own. This pandemic is an opportunity for them and for all of us to build a strong culture of collaboration and make innovation a collective priority.

Opportunities

- ▶ This is the perfect time for massive investment in innovation
- ▶ Building on the outstanding collaboration we've seen across all innovation ecosystem players in recent months
- ▶ Making business imperatives of mental health in the workplace, inclusiveness, diversity, the place of women and the environment

Issues and challenges

- ▶ Coping with tight business liquidity
- ▶ The overall uncertainty that's impacting entrepreneurial risk-taking

- ▶ Having access to skilled labour
- ▶ Financial partners need to be flexible enough to help businesses pursue their innovation projects

Creating value and innovating

- ▶ Including innovation in corporate governance as a factor of long-term growth
- ▶ Measuring the impact of innovation investments to get a better yardstick and take action where we need to
- ▶ Higher education model that's more in tune with what labour markets and businesses need



Sollio Cooperative Group

Gaétan Desroches, Chief Executive Officer

“

We've proven that technology is able to support us. I've seen a huge shift in mindset around teleworking. Resistance has evaporated.

Opportunities

- ▶ Supporting regionalized immigration
- ▶ Being proactive as consumption shifts to the web

Issues and challenges

- ▶ Increasing food self-sufficiency and maintaining support for exporters through investments in food processing
- ▶ Growing the strength of the regions, in particular with a faster rollout of telecommunications infrastructure
- ▶ Encouraging people to buy local

Creating value and innovating

- ▶ Reimagining ourselves and increasing productivity with robotics and artificial intelligence

Summary

Now that the pandemic's wave one is behind us, it's time to make the most of all the lessons learned. In fact, the last few months have been an eye-opening experience across sectors in Québec. What could wait a few months ago can no longer be put off.

All survey participants are unanimous in that reopening the economy delivers opportunities. The renewed economy will have meaning only if it is purposeful and proactive, driven by innovation and buy-in for new ways and means.

Each one of us has the power to be a change agent.

We're learning, growing and getting better as we go. And more changes are expected ahead. Sectors and businesses that stay agile and are able to transform will thrive in the new normal.

Thank you to the leaders who contributed to this report. They all have this in common: the courage to lead with a purpose and a vision that inspire extraordinary results.

Continue your thinking

The COVID-19 pandemic has unleashed changes that seemed unthinkable just a few months ago. Understanding the pandemic's impact demands scanning for risks and drawing insights from a wide range of domains. EY convened 100 senior professionals around the world to develop a

far-sighted view, imagine the unthinkable and, crucially, identify the steps business leaders need to build into their thinking about the future.

Read the EY report: [Beyond COVID-19: Will you define the new normal or watch it unfold?](#)

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