

HARVARD BUSINESS SCHOOL SURVEY ON U.S. COMPETITIVENESS (2016): METHODOLOGY

I. OVERVIEW

Abt SRBI conducted the 2016 U.S. competitiveness survey on behalf of Harvard Business School (HBS). The HBS Survey of U.S. Competitiveness obtained completed surveys from a representative sample of 4,807 HBS alumni. The web survey was open from May 3, 2016 to June 6, 2016 in English only. The sample was drawn from the HBS alumni list. Median survey length was 23 minutes 0 seconds.

The survey asked questions about the competitiveness of the United States, defined by HBS as the ability to compete successfully in global markets while supporting high and rising living standards, as well as U.S. policy, potential reforms of the political system, and taxation.

II. SAMPLE DESIGN

The 2016 HBS Alumni Survey of U.S. Competitiveness was a census (i.e., all eligible alumni were selected).

Population

The target population for the alumni survey consisted of all HBS alumni worldwide. The definition of alumni includes holders of HBS degrees (e.g., MBA, DBA) and those who have completed qualifying executive education courses (e.g., AMP, PMD).¹ The HBS alumni population is located worldwide, with alumni in virtually every country and territory.

¹ Degrees: Doctor of Business Administration (DBA); Doctor of Commercial Science (DCS; no longer offered); Doctor of Philosophy (Ph.D.); Master of Business Administration (MBA). Programs: Advanced Management Program (AMP); Central and Eastern European Teachers' Program (ETP; no longer offered); General Management Program (GMP); Industrial Administrator (IA; no longer offered); International Teachers' Program (ITP; no longer offered); Middle-Management Program (MMP; no longer offered); Mid-Officer Certificate (MOC; no longer offered); Naval Supply Corps School (NSC); Owner/President Management Program (OPM); Presidents' Program in Leadership (PPL); Program for Global Leadership (PGL; no longer offered); Programs for Health Systems Management (PHSM; no longer offered); Program for Leadership Development (PLDA); Program for Management Development (PMD; no longer offered); Senior Executive Program for Africa (SEPSA; no longer offered); Senior Executive Program for the Middle East (SEPME; no longer offered); Senior Managers Program (SMP); Strategic Human Resources Program (HRP); The General Manager Program (TGMP; no longer offered); Veterans' Certificate (VC); Visitor for Individual Studies (VIS).



Sample

The sampling procedures employed are described below.

Sampling Frame

The sampling frame consisted of the HBS alumni list ($N = 82,450$). Coverage of the target population is believed to be complete.

Eligibility

Alumni with “do not contact” flags from HBS ($N = 1,753$)², without email addresses ($N = 18,785$), or who had refused to participate in the second wave of the Life and Leadership After HBS Survey ($N = 38$) were excluded. In total, 20,576 alumni were ineligible for selection.

Response

The invitation email was sent to 61,874 alumni and 4,807 alumni responded, which indicated a response rate of 7.8%. A total of 7,782 alumni, however, were suppressed by HBS’ Silverpop email distribution software because they had previously been undeliverable or because the alumni had previously opted out of receiving HBS email, and these have been listed as “no invitation sent.” Given that more than 7,782 alumni did not receive this invitation, 8.9% of the alumni who were sent the invitation responded.

III. DATA COLLECTION PROTOCOL

The study was fielded as a web survey in English only. The survey was open from May 3, 2016 to June 6, 2016. The HBS External Relations staff sent out all emails from HBS email accounts. It was felt that respondents would be more likely to open an email from an HBS.edu email address than an email sent from Abt SRBI. Special email addresses were used depending on the sender of the communication: porterooffice@hbs.edu for those sent on behalf of Professor Michael Porter and rivkinoffice@hbs.edu for those sent on behalf of Professor Jan Rivkin. Abt SRBI prepared sample files for each communication. Alumni who already completed the survey or emailed either an HBS study email account or the Abt SRBI account to refuse to participate were removed from the files provided for reminders.

Email Invitation

An email invitation was sent on May 3, 2016 on behalf of Professor Porter and Professor Rivkin. The text of the invitation can be found in Appendix A on p. 12.

² All alumni with do not contact flags had their email addresses removed to ensure that they were not accidentally contacted. We do not count these cases among the no email address cases.



First Email Reminder

An email reminder was sent on May 9, 2016 on behalf of Professor Rivkin, to alumni who (a) had started the survey and (b) had not started the survey. The text of the invitations can be found in Appendix A on p. 13 and p. 14. Wording varied for alumni who had started but not completed the survey in order to encourage survey response.

Second Email Reminder

The second email reminder was sent on May 19, 2016, on behalf of Professor Rivkin, to alumni who (a) had started the survey and (b) had not started the survey. The text of the reminders can be found in Appendix A on p. 15 and 16.

Final Email Reminder

The final email reminder was sent on May 30, 2016. The text of the reminder can be found in Appendix A on p. 17.

IV. QUESTIONNAIRE DEVELOPMENT

The majority of the questionnaire (items beginning with S, NS, Q, and R) received a number of changes compared to previous years:

Main Section

- Items S1 to S4 and S8 regarding job title and company name were dropped;
- An item on citizenship (S5a) was added. This was used to determine which alumni would be asked questions on political party identification;
- Wording of S11 was changed from “Is your firm exposed to international competition?” to “Are your firm’s U.S. operations exposed to international competition?”
- Order of S21 (number of employees) and NS12 (industry) was changed to NS12 and S21;
- S20 (sector), NS19 (industry for nonworking alumni) was dropped;
- Nonworking alumni were routed through S6 and S7 and not NS21 and NS22;
- Alternate wording for Q1_4 and NQ3_4 was added in a randomized trial. The original wording (“Complexity of the national tax code”) was compared to (“Corporate tax code: Tax code that attracts and retains investment”);
- Q2 wording was changed. 2015 and earlier item: “Compared to other advanced economies, would you say that the U.S. business environment, overall, is...much worse than average, somewhat worse than average, about average, somewhat better than average, much better than average, don’t know.” 2016 item: “Overall, compared to other advanced economies like Germany, South Korea, Japan, and Canada, would you say that the U.S. business environment is...Much worse, somewhat worse, about average, somewhat better, much better, don’t know”;
- Q2 response options were rotated;
- Q2a (position of U.S. vs. emerging economies) was added;
- Q3 stem and response options were changed. 2015 and earlier stem: “Over time, is each element of the U.S. business environment falling behind, keeping pace with, or pulling



ahead of the same element in other advanced economies?" 2016 stem: "This question seeks to understand the **trajectory** of each element of the U.S. business environment. Over time, is each element deteriorating, staying the same, or improving?" 2015 and earlier response options: "Falling behind, keeping pace, pulling ahead, don't know." 2016 response options: "Deteriorating, staying the same, improving, don't know."

- Q4 was changed. The 2015 and earlier surveys asked "Overall, over time is the U.S. business environment falling behind, keeping pace with, or pulling ahead of the business environments in..." with respect to other advanced economies (Q4_1) and emerging economies (Q4_2). Q4 was revised to ask "Overall, over time is the U.S. business environment...deteriorating, staying the same, improving, don't know," with "deteriorating" and "improving" being rotated;
- Q5 response options were rotated;
- Q6 response options were rotated;
- Q7 response options were rotated;
- Q8 (employment levels) was added and response options were rotated;
- Q9 was dropped.

Federal Government Policy Items

- Items for federal government policy were added (P1 to P2). P1 reused items P1_1 to P1_8 asked in the 2012 survey with the following changes:
- Wording of P1_2 changed from "Rewrite the **corporate tax code** to eliminate loopholes and lower statutory rates" to "Rewrite the **corporate tax code** to reduce the corporate tax rate but maintain revenue by limiting deductions";
- Wording of P1_3 changed from "Reform the **tax code for U.S. firms with international operations** so that profits they earn abroad are not taxed by the U.S., even when brought back to the U.S." to Reform the **tax code for U.S. firms with international operations** so that profits earned abroad are not taxed again by the U.S."
- Wording of P1_7 changed from "Create a sustainable **federal budget** through a combination of greater revenue (including reducing deductions) and less spending (through efficiencies in entitlement programs and revised priorities), embodying a compromise such as Simpson-Bowles or Rivlin-Domenici" to "Create a sustainable **federal budget** through a combination of greater revenue (including reducing deductions) and less spending (through efficiencies in entitlement programs and revised priorities), embodying a compromise such as Simpson-Bowles";
- Wording of P1_8 changed from "Agree on a federal regulatory and reporting framework to guide the **development of newly accessible American gas and oil reserves** that balances economic and environmental considerations" to "Agree on a federal regulatory framework to support further **development of new American gas and oil reserves** while continuing to reduce environmental impact".

Items P1_9 to P1_14 in the 2012 survey – which had been used to measure ideology – were dropped.

P2 was retained unaltered.



U.S. Political System Items

Items on the U.S. political system (P3 to P7) were added. These items had not been asked in previous surveys. P6 and P7 asked directly about party identification and political ideology rather than the bellwether items P1_9 to P1_14 used in 2012.

Tax Policy Items

A new set of items on tax policy (TX1 to TX8F) were added.

Please see Appendix B on p. 18 for the survey instrument and Appendix C on p. 50 for examples of look and feel.

V. WEIGHTING

Two types of weights were developed: cross-sectional weights used in analyses of the 2016 data or longitudinal analyses using the multi-year pooled file and panel weights used in longitudinal analyses using the multi-year appended file.

Cross-Sectional Weights

Cross-sectional weights were created in the following three steps:

1. Base weights (wt_1) were set at 1 because the study was a census; i.e., all eligible alumni were included:

$$wt_1 = 1;$$

2. Weights were adjusted for nonresponse as follows:

$$wt_2 = wt_1 \times a_c;$$

where a_c is an adjustment factor calculated from the propensity scores ($\Pr(\text{complete}|\mathbf{X})$) from the logistic regression of survey completion on HBS degree (degree, executive education), age (18-34, 35-44, 45-54, 55-64, 65-74, 75+), location (U.S., overseas), and gender (female, male) as main effects; and two-way interactions of degree with age; degree with location; and age with location. This model was selected as having the lowest Akaike information criterion (AIC) among the models that included all the main effects and all second-order interactions. Odds ratios are shown in Table 1 on p. 7.

3. Weights were calibrated to control totals via raking. Control totals were calculated from the HBS alumni list (including alumni ineligible to participate in the survey due to lack of email address, prior refusals, or “do not contact” flags). The following control totals were used:



- a. HBS degree × age × gender × location. Due to collapsing of small or empty cells, this consisted of the following categories:

HBS degree

Age 18–34

Male

Overseas

U.S.

Female (location collapsed)

Age 35–44

Male

Overseas

U.S.

Female (location collapsed)

Age 45–54

Male

Overseas

U.S.

Female (location collapsed)

Age 55–64

Male

Overseas

U.S.

Female (location collapsed)

Age 65–74

Male

Overseas

U.S.

Female (location collapsed)

Age 75+ or missing

U.S. female

All other (females overseas collapsed with all males)

Executive education

Age 18–44

U.S. (gender collapsed)

Overseas (gender collapsed)

Age 35–44

U.S. (gender collapsed)

Overseas (gender collapsed)

Age 45–54

U.S. (gender collapsed)

Overseas (gender collapsed)



Age 55–64

U.S. (gender collapsed)

Overseas (gender collapsed)

Age 65–74

U.S. (gender collapsed)

Overseas (gender collapsed)

Age 75+

U.S. (gender collapsed)

Overseas (gender collapsed)

Missing age (gender and location collapsed);

- b. Age × Gender;
- c. Degree × Location;
- d. Age × Degree.



Table 1. Odds Ratios of Logistic Regression of Survey Response on Selected Variables

Variable	Odds Ratio	S.E.
HBS degree	0.957	0.298
Age range (base category = 18–34)		
35–44	1.347	0.449
45–54	1.252	0.404
55–64	1.339	0.428
65–74	1.687	0.541
75+	1.385	0.454
Missing or incorrect	1.246	0.399
Located in U.S.	2.106***	0.360
Female	0.695***	0.031
Age range × Degree		
35–44 / HBS Degree	0.802	0.268
45–54 / HBS Degree	1.257	0.404
55–64 / HBS Degree	2.150*	0.684
65–74 / HBS Degree	1.503	0.477
75+ / HBS Degree	1.995*	0.641
Missing age/HBS Degree	1.508	0.847
Located in U.S. × HBS Degree		
Located in U.S. / HDB Degree	0.839*	0.072
Age range × Location		
35–44 / Located in U.S.	0.691*	0.128
45–54 / Located in U.S.	0.650*	0.115
55–64 / Located in U.S.	0.559***	0.098
65–74 / Located in U.S.	0.680*	0.121
75+ / Located in U.S.	0.506***	0.097
Missing age/Located in U.S.	0.570**	0.112

* $p \leq .05$; ** $p \leq .01$; *** $p \leq .001$

Panel Weights

The panel weights were only defined for the 827 respondents to the 2016 wave who also responded in 2015. Raking took the cross-sectional weights as inputs and used the variables and categories similar to those used for cross-sectional weights, but with a greater degree of collapsing:

- a. HBS degree \times age \times gender \times location. After collapsing small or empty cells, this consisted of the following categories:

HBS degree

- Age 18-34 (location and gender collapsed)
- Age 35-44 (location and gender collapsed)
- Age 45-54 (USA Female vs. all other)
- Age 55-64 (USA Female vs. all other)
- Age 65-74 (USA Female vs. [age 75+ USA Female and age 65-74 overseas female and age 65+ male location combined])

Executive education

- Age 18-54 (location and gender collapsed)
- Age 55-64 (location and gender collapsed)
- Age 65-74 (location and gender collapsed)
- Age 65-74 (USA Female vs. [age 75+ USA Female and age 65-74 overseas female and age 65+ male location combined]).

- b. Age \times Gender:

Male

- Age 18-44
- Age 45-54
- Age 55-64
- Age 65-74
- Age 75+
- Missing age

Female

- Age 18-54
- Age 55+ or missing

- c. Degree \times Location;

- d. Age \times Degree:

HBS Degree

- Age 18-44
- Age 45-54
- Age 55-64
- Age 65-74
- Age 75+

Executive education

- Age 18-54
- Age 55-64
- Age 65-74
- Age 75+

Missing age (collapsed over degree).



VI. DESIGN EFFECT AND MARGINS OF ERROR

Overall sample size achieved for the alumni survey was 4,807. Weighting and survey design features that depart from simple random sampling tend to result in an increase in the variance of survey estimates. This increase, known as the design effect or DEFF, should be incorporated into the margin of error, standard errors, and tests of statistical significance. The overall design effect for a survey is commonly approximated as $1 + CV^2$, where CV is the coefficient of variation of the weights. For this survey, this apparent design effect is 1.127 for cross-sectional weights. Design effects are specific to a given analysis, a range of about 1.0 to 1.5 can reasonably be expected. The margin of error (half-width of the 95% confidence interval) incorporating the design effect for full-sample cross-sectional estimates at 50% is ± 1.5 percentage points.³ For panel estimates, the sample size is 827, the apparent design effect is 1.22, and the margin of error for the full-sample panel estimates at 50% is ± 3.8 percentage points. Estimates based on subgroups will have larger margins of error. It is important to remember that random sampling error is only one possible source of the total error in a survey estimate. Other sources, such as question wording and reporting inaccuracy, may contribute additional non-sampling error.

Calculating Margins of Error Using Statistical Software

In statistical software that properly supports analysis of complex survey data, appropriate settings should include the final weights as probability weights. In Stata, this should be specified:

```
svyset [pweight=WtTotal]
```

and then data should be analyzed using the svy: prefix in front of the relevant commands. Analysis for subgroups should be conducted using subpop():

```
svy, subpop(if Female==1): tab Q1_1
```

VII. FINAL DISPOSITIONS AND OUTCOME RATES

Final dispositions and outcome rates are shown in Table 2 on p. 11. A completed interview was defined as any interview for which the core questions (Q1_1 to Q8) had been answered. A partial interview was defined as any interview which had been started but Q8 had not been answered. American Association for Public Opinion Research (AAPOR) (2016) outcome rates are calculated. Overall outcome rates are weighted, following AAPOR standards.

³ Note that the applicability of margins of error to a census, such as the alumni survey, is questionable given that there is no sampling error and that other types of error (e.g., coverage error, nonresponse error) are not accounted for in margins of error.



Overall response rates (AAPOR Response Rate 1) of 7.8% were achieved for the alumni survey.

Table 2. Final Dispositions and Outcome Rates by Stratum of Alumni

Code	Disposition	Alumni
1	Interview	6,081
<i>1.1</i>	<i>Complete</i>	<i>4,807</i>
<i>1.2</i>	<i>Partial</i>	<i>1,274</i>
2	Eligible noninterview	801
<i>2.1</i>	<i>Refusal and break-off</i>	<i>801</i>
<i>2.11</i>	<i>Refusal</i>	<i>801</i>
<i>2.111</i>	<i>Explicit refusal</i>	<i>60</i>
<i>2.112</i>	<i>Implicit refusal</i>	<i>741</i>
<i>2.1121</i>	Logged on to survey, did not complete any items	741
3	Unknown eligibility	54,992
<i>3.1</i>	<i>Nothing known about respondent or address</i>	<i>54,779</i>
<i>3.11</i>	<i>No invitation sent</i>	<i>7,782</i>
<i>3.19</i>	<i>Nothing ever received</i>	<i>46,997</i>
<i>3.3</i>	<i>Invitation returned undelivered</i>	<i>213</i>
	Total All Cases	61,874
RR1	Response Rate 1	7.8%
COOP1	Cooperation Rate 1	69.8%
REF1	Refusal Rate 1	1.3%
CON1	Contact Rate 1	11.1%

Notes:

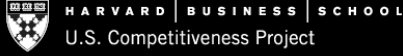
- 2.112 Implicit refusals are cases that opened the survey but did not respond to any questions;
- 3.11 No invitation sent are cases where the email address was suppressed by the Silverpop system (see discussion p. 2);
- 3.3 Invitation returned undelivered are email undeliverable messages (mail blocks, soft bounces, and hard bounces per Silverpop's classifications).



APPENDIX A: COMMUNICATIONS

Alumni Survey Invitation Sent May 3, 2016

Subject line: 2016 HBS Survey on U.S. Competitiveness



Dear Ben,

Amid a tumultuous U.S. Presidential race and an unsettled global economy, we need your unique insights. Since 2011, Harvard Business School's U.S. Competitiveness Project has surveyed HBS alumni each year to understand what is really going on in the U.S. economy and what needs to be done to improve its trajectory. The HBS survey has gained wide recognition and is influencing the national dialog.


In this time of uncertainty, your views are even more important. We seek the opinions of all HBS alumni worldwide. In return for your time, we can assure you that your voice will be heard: we will communicate the findings widely across stakeholders and across the political spectrum. We aim to improve what many feel is a disappointing public discourse on America's future.


This year's survey will address the current state and trajectory of U.S. competitiveness, and the most important federal priorities for the United States. For the first time, we seek your views about the impact of the U.S. political system on the U.S. economy, and what needs to be done to make the system work better. Finally, we seek your specific views on the U.S. tax system—both corporate and personal.

All of us at the School are very grateful for your contribution and your willingness to help HBS engage on the most important issues facing our society. Whether you are based inside or outside the U.S., and whether you are currently working or retired, we are eager for your input.

To complete the survey, please go to:
<https://www.opinionport.com/2016HBS?userid=77777>.

If you encounter any difficulties with the website, please email Abt SRBI at HBS@srbi.com or call them at +1-919-317-3703 and ask for study 30448. Please include your ID number: **77777**.



Michael E. Porter
Co-chair, U.S. Competitiveness Project


Jan W. Rivkin
Co-chair, U.S. Competitiveness Project

MORGAN HALL 239 SOLDIERS FIELD BOSTON, MA 02163 porteroffice@hbs.edu

Alumni First Email Reminder (Not Started Survey) Sent May 9, 2016

Subject line: 2016 HBS Competitiveness Survey on U.S. Competitiveness: Your help, please

 HARVARD | BUSINESS | SCHOOL
U.S. Competitiveness Project

Dear Ben,

In this pivotal election year for the United States, the HBS faculty team welcomes your participation in the 2016 HBS alumni survey on U.S. competitiveness.

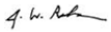
If you have already filled out the survey, thank you very much for your thoughts. If not, I hope you will help the School with this important study. Please click on the link below to begin the survey.

<https://www.opinionport.com/2016HBS?userid=777777>

This year's survey allows you to weigh in on U.S. competitiveness, federal policy priorities, political reform, and tax reform—all areas that are critical for the future of the U.S. economy. Your responses will help HBS faculty members generate research that can mobilize action.

If you encounter any difficulties with the website, please email our survey partners, Abt SRBI at HBS@srbi.com or call them at +1-919-317-3703 and ask for study 30448. Please include your ID number: **777777**.

Your time and thoughts make this research possible. Thank you!



Jan W. Rivkin
Bruce V. Rauner Professor of Business Administration
Senior Associate Dean for Research

MORGAN HALL 239 SOLDIERS FIELD BOSTON, MA 02163 rivkinoffice@hbs.edu



Alumni First Email Reminder (Started Survey) Sent May 9, 2016

Subject line: 2016 HBS Competitiveness Survey on U.S. Competitiveness: Your help, please

 **HARVARD | BUSINESS | SCHOOL**
U.S. Competitiveness Project

Dear Ben,

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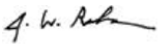
If you have already filled out the survey, thank you very much for your thoughts. If not, I hope you will help the School with this important study. Please click on the link below to begin or continue the survey. If you have begun the survey, the first page will have a link to go to where you left off.

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Jan W. Rivkin
Bruce V. Rauner Professor of Business Administration
Senior Associate Dean for Research

MORGAN HALL 239 SOLDIERS FIELD BOSTON, MA 02163 rivkinoffice@hbs.edu

Alumni Second Email Reminder (Not Started Survey) Sent May 19, 2016

Subject line: Your help with the 2016 HBS Survey on U.S. Competitiveness

 HARVARD | BUSINESS | SCHOOL
U.S. Competitiveness Project

Dear Valrie,

The HBS faculty team is very grateful for your help with the 2016 HBS alumni survey on U.S. competitiveness. Many HBS alumni worldwide have completed the survey, and many others are still filling it out.

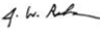
If you have already completed the survey, thank you very much for your thoughts. If not, I hope you will help the School with this important study. Please click on the link below to begin or continue the survey. If you have begun the survey, the first page will have a link to go to where you left off.

<https://www.opinionport.com/2016HBS?userid=666666>

The opinion of each and every alumnus and alumna matters to us. In this pivotal election year, the U.S. competitiveness survey allows you to weigh in on critical issues such as federal policy priorities, political reform, and tax reform in America. We are eager to base our analysis on the widest possible alumni response.

If you encounter any difficulties with the website, please email our survey partners, Abt SRBI at HBS@srbi.com or call them at +1-919-317-3703 and ask for study 30448. Please include your ID number: **666666**.

Thank you for time and thoughtful responses.


Jan W. Rivkin
Bruce V. Rauner Professor of Business Administration
Senior Associate Dean for Research

MORGAN HALL 239 SOLDIERS FIELD BOSTON, MA 02163 rivkinoffice@hbs.edu



Alumni Second Email Reminder (Started Survey) Sent May 19, 2016

Subject line: Your help with the 2016 HBS Survey on U.S. Competitiveness



HARVARD | BUSINESS | SCHOOL
U.S. Competitiveness Project

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Jan W. Rivkin
Bruce V. Rauner Professor of Business Administration
Senior Associate Dean for Research

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BOSTON, MA 02163

rivkinoffice@hbs.edu



HARVARD | BUSINESS | SCHOOL

U.S. COMPETITIVENESS PROJECT

Alumni Final Email Reminder Sent May 30, 2016

Subject line: U.S. Competitiveness Survey: Closes on June 3, 2016



HARVARD | BUSINESS | SCHOOL
U.S. Competitiveness Project

Dear Ben,

The School needs your help. As the 2016 U.S. Presidential election is triggering serious discussion about the future of the nation as well as the global economy, we want HBS and our community to have a voice, and we ask your help in responding to the U.S. Competitiveness survey. We are seeking your response on critical issues such as federal policy, political reform and tax reform and these findings will be widely disseminated in the media and elsewhere.

We are very grateful for each and every response. If you have already filled out the survey, we thank you for your time. For those who have not done so, please click on the link below. For those who have started but not completed it click on the link and to continue the survey. The first page will have a link to go to where you left off. Please click on the link below to begin the survey.

<https://www.opinionport.com/2016HBS?userid=888888>

Please make sure you participate before we close the survey on June 3, 2016.

Thank you,

Michael E. Porter
Co-chair, U.S. Competitiveness Project
Bishop William Lawrence University Professor
Harvard Business School

If you encounter any difficulties with the website, please email our survey partners, Abt SRBI at HBS@srbi.com or call them at +1-919-317-3703 and ask for study 30448. Please include your ID number: **888888**.

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HARVARD | BUSINESS | SCHOOL

U.S. COMPETITIVENESS PROJECT

APPENDIX B: INSTRUMENT

Harvard Business School U.S. Competitiveness Survey

Instrument

May 3, 2016

Welcome Page

Thank you for participating in Harvard Business School's 2016 U.S. Competitiveness Survey. The state of the U.S. economy looms large in this critical election year. The responses of U.S. and international HBS alumni will be highly influential in the election's debate about the appropriate strategic direction for the United States.

The survey is being conducted by Abt SRBI, a leading business research firm. It will take approximately 15-20 minutes and consists of five sections. Many people find the questions very interesting.

HBS is inviting all alumni to complete the survey. We are grateful to everyone who participates: working or retired, based inside or outside the U.S., employed in a for-profit, nonprofit, or government organization, and from all industries. Your responses are confidential, and participation is entirely voluntary. At the end of the survey, you will be asked whether HBS researchers may contact you.

You can leave the survey at any time and return to complete it. All of your responses will be saved up to the point at which you last pressed the "Continue" button.

If you need to go back and change an answer, please use the "Go Back" button in the survey and not your web browser's back button.

If you have any questions about this study, please contact:

Abt SRBI
Valrie Horton
Senior Analyst

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About You

S2 This section asks a brief series of questions about you so that we can examine whether individuals with different backgrounds and experiences have different perspectives on the questions that follow.

Are you currently employed?

An answer to this question is requested as it determines which questions you will be asked later.

- | | | |
|---|-----|------------|
| 1 | Yes | SKIP TO S5 |
| 2 | No | CONTINUE |

IF S2=MISSING CONTINUE

[PAGE BREAK]

S2a Are you retired?

We are requesting this information so that we do not later ask retirees questions about their current employer.

- | | |
|---|-----|
| 1 | Yes |
| 2 | No |

[PAGE BREAK]

S5 Are you located in the U.S.?

An answer to this question is requested as it determines which questions you will be asked later.

- | | | |
|---|-----|--|
| 1 | Yes | AUTOCODE S9=1 (business activities in the U.S.) AND CONTINUE |
| 2 | No | SKIP TO S7 (country) |

IF S5=MISSING CONTINUE

[PAGE BREAK]



S6 In which state are you located?

- 1 Alabama
- 2 Alaska
- 3 Arizona
- 4 Arkansas
- 5 California
- 6 Colorado
- 7 Connecticut
- 8 Delaware
- 9 District of Columbia
- 10 Florida
- 11 Georgia
- 12 Hawaii
- 13 Idaho
- 14 Illinois
- 15 Indiana
- 16 Iowa
- 17 Kansas
- 18 Kentucky
- 19 Louisiana
- 20 Maine
- 21 Maryland
- 22 Massachusetts
- 23 Michigan
- 24 Minnesota
- 25 Mississippi
- 26 Missouri
- 27 Montana
- 28 Nebraska
- 29 Nevada
- 30 New Hampshire
- 31 New Jersey
- 32 New Mexico
- 33 New York
- 34 North Carolina
- 35 North Dakota
- 36 Ohio
- 37 Oklahoma
- 38 Oregon
- 39 Pennsylvania
- 40 Rhode Island
- 41 South Carolina
- 42 South Dakota
- 43 Tennessee



- 44 Texas
- 45 Utah
- 46 Vermont
- 47 Virginia
- 48 Washington
- 49 West Virginia
- 50 Wisconsin
- 51 Wyoming

IF S5=MISSING (located in U.S.) & S6=MISSING (state) CONTINUE
ELSE SKIP TO S5a (citizenship)

[PAGE BREAK]

S7 In which country are you located?

- 1 United States
- 2 Afghanistan
- 3 Albania
- 4 Algeria
- 5 Andorra
- 6 Angola
- 7 Antigua & Barbuda
- 8 Argentina
- 9 Armenia
- 10 Australia
- 11 Aus. Overseas Ter.
- 12 Austria
- 13 Azerbaijan
- 14 Bahamas
- 15 Bahrain
- 16 Bangladesh
- 17 Barbados
- 18 Belarus
- 19 Belgium
- 20 Belize
- 21 Benin
- 22 Bhutan
- 23 Bolivia
- 24 Bosnia & Herzegovina
- 25 Botswana
- 26 Brazil
- 27 Brunei
- 28 Bulgaria
- 29 Burkina Faso



30	Burundi
31	Cambodia
32	Cameroon
33	Canada
34	Cape Verde
35	Central African Rep.
36	Chad
37	Chile
38	China
39	Colombia
40	Comoros
41	Congo, Dem. Rep.
42	Congo, Rep. of
43	Cook Islands
44	Costa Rica
45	Cote d'Ivoire
46	Croatia
47	Cuba
48	Cyprus
49	Czech Rep.
50	Denmark
51	Dan. Overseas Ter.
52	Djibouti
53	Dominica
54	Dominican Rep.
55	East Timor
56	Ecuador
57	Egypt
58	El Salvador
59	Equatorial Guinea
60	Eritrea
61	Estonia
62	Ethiopia
63	Fiji
64	Finland
65	France
66	Fr. Overseas Ter.
67	Gabon
68	Gambia
69	Georgia
70	Germany
71	Ghana
72	Greece
73	Grenada
74	Guatemala



75	Guinea
76	Guinea-Bissau
77	Guyana
78	Haiti
79	Honduras
80	Hong Kong
81	Hungary
82	Iceland
83	India
84	Indonesia
85	Iran
86	Iraq
87	Ireland
88	Israel
89	Italy
90	Jamaica
91	Japan
92	Jordan
93	Kazakhstan
94	Kenya
95	Kiribati
96	Korea, DPRK
97	Korea, Rep. of
98	Kuwait
99	Kyrgyzstan
100	Laos
101	Latvia
102	Lebanon
103	Lesotho
104	Liberia
105	Libya
106	Liechtenstein
107	Lithuania
108	Luxembourg
109	Macao
110	Macedonia
111	Madagascar
112	Malawi
113	Malaysia
114	Maldives
115	Mali
116	Malta
117	Marshall Is.
118	Mauritania
119	Mauritius



120	Mexico
121	Micronesia
122	Moldova
123	Monaco
124	Mongolia
125	Montenegro
126	Morocco
127	Mozambique
128	Myanmar
129	Namibia
130	Nauru
131	Nepal
132	Netherlands
133	Neth. Overseas Ter.
134	New Zealand
135	N.Z. Overseas Ter.
136	Nicaragua
137	Niger
138	Nigeria
139	Niue
140	Norway
141	Oman
142	Pakistan
143	Palau
144	Palestinian Ter.
145	Panama
146	Papua New Guinea
147	Paraguay
148	Peru
149	Philippines
150	Poland
151	Portugal
152	Puerto Rico
153	Qatar
154	Romania
155	Russia
156	Rwanda
157	St. Kitts and Nevis
158	St. Lucia
159	St. Vincent & Gren.
160	Samoa
161	San Marino
162	Sao Tome & Principe
163	Saudi Arabia
164	Senegal



165	Serbia
166	Seychelles
167	Sierra Leone
168	Singapore
169	Slovak Republic
170	Slovenia
171	Solomon Islands
172	Somalia
173	South Africa
174	South Sudan
175	Spain
176	Sri Lanka
177	Sudan
178	Suriname
179	Swaziland
180	Sweden
181	Switzerland
182	Syria
183	Taiwan
184	Tajikistan
185	Tanzania
186	Thailand
187	Togo
188	Tonga
189	Trinidad & Tobago
190	Tunisia
191	Turkey
192	Turkmenistan
193	Tuvalu
194	Uganda
195	Ukraine
196	United Arab Emirates
197	United Kingdom
198	U.K. Overseas Territories
199	United States
200	U.S. Minor Outlying Is.
201	Uruguay
202	Uzbekistan
203	Vanuatu
204	Venezuela
205	Vietnam
206	Western Sahara
207	Yemen
208	Zambia
209	Zimbabwe



[PAGE BREAK]

S5a Are you currently a citizen of the United States?

- 1 Yes, I am currently a citizen of the United States (Please include single or dual citizenship.)
- 2 No, I am not currently a citizen of the United States

- 8 Prefer not answer

IF S2a=1 (retired) OR [S2=2 AND S2a=2], SKIP TO NS19 (sector formerly worked in)

[PAGE BREAK]

S9 Does your firm have any business activities in the U.S.?

An answer to this question is requested as it determines which questions you will be asked later.

- 1 Yes
- 2 No

[PAGE BREAK]

S10 Does your firm have any business activities outside the U.S.?

- 1 Yes
- 2 No

[PAGE BREAK]

[IF S9=2 OR MISSING, SKIP S11]

S11 Are your firm's U.S. operations exposed to international competition?

- 1 Yes
- 2 No

[PAGE BREAK]



NS12 In which sector do you work?

- 1 Insurance
- 2 Financial Services
- 3 Accounting
- 4 Professional Services
- 5 Scientific Services
- 6 Technical Services
- 7 Media: Broadcast, Film, and Multimedia
- 8 Media: Print and Publishing
- 9 Telecommunications
- 10 Data Processing
- 11 Construction
- 12 Real Estate
- 13 Wholesale and Retail Trade
- 14 Manufacturing: Food and Beverage
- 15 Manufacturing: Textile and Apparel
- 16 Manufacturing: Wood, Paper, and Printing
- 17 Manufacturing: Petroleum, Chemicals, and Plastics
- 18 Manufacturing: Metal and Machinery
- 19 Manufacturing: Computer, Electrical, and Appliance
- 20 Other Manufacturing
- 21 Accommodation and Food Services
- 22 Health Care and Social Assistance
- 23 Arts, Entertainment, and Recreation
- 24 Transportation and Logistics
- 25 Mining and Oil & Gas Extraction
- 26 Utilities
- 27 Agriculture, Forestry, and Fishing
- 28 Educational Services
- 29 Other Services
- 30 Public Administration

[PAGE BREAK]



S21 How many people does your firm employ?

Please include full- and part-time employees.

- 1 Fewer than 5
- 2 5 to 9
- 3 10 to 19
- 4 20 to 49
- 5 50 to 99
- 6 100 to 249
- 7 250 to 499
- 8 500 to 999
- 9 1,000 to 2,499
- 10 2,500 to 4,999
- 11 5,000 to 9,999
- 12 10,000 or more

- 99 Don't know

SKIP TO Q1 (current aspects of competitiveness)

[PAGE BREAK]

NS19 In what sector did you work?

- 1 Insurance
- 2 Financial Services
- 3 Accounting
- 4 Professional Services
- 5 Scientific Services
- 6 Technical Services
- 7 Media: Broadcast, Film, and Multimedia
- 8 Media: Print and Publishing
- 9 Telecommunications
- 10 Data Processing
- 11 Construction
- 12 Real Estate
- 13 Wholesale and Retail Trade
- 14 Manufacturing: Food and Beverage
- 15 Manufacturing: Textile and Apparel
- 16 Manufacturing: Wood, Paper, and Printing
- 17 Manufacturing: Petroleum, Chemicals, and Plastics
- 18 Manufacturing: Metal and Machinery
- 19 Manufacturing: Computer, Electrical, and Appliance
- 20 Other Manufacturing
- 21 Accommodation and Food Services



- 22 Health Care and Social Assistance
- 23 Arts, Entertainment, and Recreation
- 24 Transportation and Logistics
- 25 Mining and Oil & Gas Extraction
- 26 Utilities
- 27 Agriculture, Forestry, and Fishing
- 28 Educational Services
- 29 Other Services
- 30 Public Administration
- 31 Never worked

[PAGE BREAK]

U.S. COMPETITIVENESS

This section focuses on the competitiveness of the United States and the state of the U.S. business environment.

The next set of questions asks about the **current status** of the various elements of the U.S. business environment, elements that affect how well firms in the United States compete in the global marketplace. For each element, please rate the U.S. *compared to other advanced economies like Germany, South Korea, Japan, and Canada.*

[VERTICAL ORIENTATION OF COLUMN HEADERS IS FOR WORD PROCESSOR FORMATTING ONLY. WILL BE HORIZONTAL ON WEB.]

RANDOMIZE WORDING OPTIONS SHOWN IN Q1_4 AND Q3_4 WITH 50% PROBABILITY AND RECORD WHICH OPTION WAS DISPLAYED. RESPONDENT SHOULD SEE THE SAME WORDING IN Q1_4 AND NQ3_4.

[PAGE BREAK]



		Much worse than average	Somewhat worse than average	About average	Somewhat better than average	Much better than average		Don't know
Q1_1	Logistics infrastructure High-quality highways, railroads, ports, and air transport	1	2	3	4	5		9
Q1_2	Communications infrastructure High-quality and widely available telephony, Internet and data access	1	2	3	4	5		9
Q1_4	[Q1_4_RAND=1: Complexity of the national tax code / IF [Q1_4_RAND=2: Corporate tax code Tax code that attracts and retains investment]	1	2	3	4	5		9
Q1_5	Education system through high school Universal access to high-quality education; curricula that prepare students for productive work	1	2	3	4	5		9
Q1_6	High-quality universities with strong linkages to the private sector	1	2	3	4	5		9
Q1_7	Context for entrepreneurship Availability of capital for high-quality ideas; ease of setting up new businesses; lack of stigma for failure	1	2	3	4	5		9
Q1_8	Availability of skilled labor	1	2	3	4	5		9
Q1_17	Flexibility in hiring and firing of workers	1	2	3	4	5		9
Q1_9	Innovation infrastructure High-quality scientific research institutions; availability of scientists and engineers	1	2	3	4	5		9
Q1_10	Regulation Effective and predictable regulations without unnecessary burden on firms	1	2	3	4	5		9
Q1_11	Strength of clusters: Regional concentrations of related firms, suppliers, service providers, and supporting institutions in particular fields, with effective collaboration	1	2	3	4	5		9
Q1_12	Quality of capital markets Ease of firm access to appropriate capital; capital allocated to most profitable investments	1	2	3	4	5		9



		Much worse than average	Somewhat worse than average	About average	Somewhat better than average	Much better than average		Don't know
Q1_13	Macroeconomic policy Soundness of government budgetary, interest rate, and monetary policies	1	2	3	4	5		9
Q1_3	Effectiveness of the political system Ability of the government to pass effective laws	1	2	3	4	5		9
Q1_14	Protection of physical and intellectual property rights and lack of corruption	1	2	3	4	5		9
Q1_15	Efficiency of legal framework Modest legal costs; swift adjudication	1	2	3	4	5		9
Q1_16	Sophistication of firm management and operations Use of sophisticated strategies, operating practices, management structures, and analytical techniques	1	2	3	4	5		9
Q1_18	Quality of health care relative to cost	1	2	3	4	5		9

[PAGE BREAK]

Q2 Overall, compared to other advanced economies like Germany, South Korea, Japan, and Canada, would you say that the U.S. business environment is...

ROTATE DISPLAY ORDER AS 1,2,3,4,5,9 AND 5,4,3,2,1,9 WITH 50% PROBABILITY AND RECORD ORDER SHOWN. SAME ORDER SHOULD BE SHOWN IN Q2a

- 1 Much worse
- 2 Somewhat worse
- 3 About average
- 4 Somewhat better
- 5 Much better

- 9 Don't know

NO PAGE BREAK. BOTH Q2 AND Q2a ARE ON SAME PAGE

Q2a Overall, compared to emerging economies like India, China, Chile, and Poland, would you say that the U.S. business environment is...

ROTATE ORDER AS IN Q2

- 1 Much worse
- 2 Somewhat worse
- 3 About average
- 4 Somewhat better
- 5 Much better

- 9 Don't know

[PAGE BREAK]

Over time, is each element deteriorating, staying the same, or improving?

[VERTICAL ORIENTATION OF COLUMN HEADERS IS FOR WORD PROCESSOR FORMATTING ONLY. WILL BE HORIZONTAL ON WEB.]



		Deteriorating	Staying the same	Improving		Don't know
NQ3_1	Logistics infrastructure High-quality highways, railroads, ports, and air transport	1	2	3		9
NQ3_2	Communications infrastructure High-quality and widely available telephony, Internet and data access	1	2	3		9
NQ3_4	[IF Q1_4_RAND=1: Complexity of the national tax code / Q1_4_RAND=2: Corporate tax code Tax code that attracts and retains investment]	1	2	3		9
NQ3_5	Education system through high school Universal access to high-quality education; curricula that prepare students for productive work	1	2	3		9
NQ3_6	High-quality universities with strong linkages to the private sector	1	2	3		9
NQ3_7	Context for entrepreneurship Availability of capital for high-quality ideas; ease of setting up new businesses; lack of stigma for failure	1	2	3		9
NQ3_8	Availability of skilled labor	1	2	3		9
NQ3_17	Flexibility in hiring and firing of workers	1	2	3		9
NQ3_9	Innovation infrastructure High-quality scientific research institutions; availability of scientists and engineers	1	2	3		9
NQ3_10	Regulation Effective and predictable regulations without unnecessary burden on firms	1	2	3		9
NQ3_11	Strength of clusters: Regional concentrations of related firms, suppliers, service providers, and supporting institutions in particular fields, with effective collaboration	1	2	3		9
NQ3_12	Quality of capital markets Ease of firm access to appropriate capital; capital allocated to most profitable investments	1	2	3		9
NQ3_13	Macroeconomic policy Soundness of government budgetary, interest rate, and monetary policies	1	2	3		9
NQ3_3	Effectiveness of the political system Ability of the government to pass effective laws	1	2	3		9
NQ3_14	Protection of physical and intellectual property rights and lack of corruption	1	2	3		9



		Deteriorating	Staying the same	Improving		Don't know
NQ3_15	Efficiency of legal framework Modest legal costs; swift adjudication	1	2	3		9
NQ3_16	Sophistication of firm management and operations Use of sophisticated strategies, operating practices, management structures, and analytical techniques	1	2	3		9
NQ3_18	Quality of health care relative to cost	1	2	3		9



[PAGE BREAK]

Q4 Overall, over time is the U.S. business environment...

ROTATE ORDER AS 1,2,3,9 AND 3,2,1,9 WITH 50% PROBABILITY AND RECORD ORDER

- 1 Deteriorating
- 2 Staying the same
- 3 Improving

- 9 Don't know

[PAGE BREAK]

Q5 Please think about firms operating in the United States — **whether or not they are U.S.-owned**— Overall, how successful are these firms today at competing in the global marketplace against firms operating in other advanced economies?

ROTATE ORDER AS 1,2,3,4,5,9 AND 5,4,3,2,1,9 WITH 50% PROBABILITY AND RECORD ORDER

- 1 Not at all successful
- 2 Not very successful
- 3 Somewhat successful
- 4 Very successful
- 5 Extremely successful

- 9 Don't know

[PAGE BREAK]

Q6 Three years from now, do you expect the ability of firms operating in the United States to compete successfully in the global marketplace to be...

ROTATE ORDER AS 1,2,3,4,5,9 AND 5,4,3,2,1,9 WITH 50% PROBABILITY AND RECORD ORDER

- 1 Much worse than today
- 2 Somewhat worse
- 3 The same
- 4 Somewhat better
- 5 Much better than today

- 9 Don't know

[PAGE BREAK]



The next two questions are about the labor market. The first one focuses on wages and benefits and the second on employment.

Q7 Three years from now, do you expect firms operating in the U.S. to be...

ROTATE ORDER AS 1,2,3,4,5,9 AND 5,4,3,2,1,9 WITH 50% PROBABILITY AND RECORD ORDER

- 1 Much less able to **support high wage rates and benefits**
- 2 Somewhat less able
- 3 Neither less nor more able
- 4 Somewhat more able
- 5 Much more able to **support high wage rates and benefits**

- 9 Don't know

[PAGE BREAK]

Q8 Three years from now, do you expect a typical firm operating in the U.S. to be able to...

ROTATE ORDER AS 1,2,3,9 AND 3,2,1,9 WITH 50% PROBABILITY AND RECORD ORDER

- 1 Employ **fewer people than it does today**
- 2 Employ roughly the same number of people
- 3 Employ **more people than it does today**

- 9 Don't know

[PAGE BREAK]

Federal Government Policy

This section addresses policies of the U.S. federal government in a series of areas where the federal government has principal responsibility. (Note that public education and healthcare are heavily controlled by the states and therefore are not included below.)

We are interested in the perspectives of all informed respondents, including those who are not based in the United States.

Please indicate the extent to which you agree or disagree with the following proposals. If you feel you do not have enough information to offer an informed opinion on an item, please select "Don't know."

[VERTICAL ORIENTATION OF COLUMN HEADERS IS FOR WORD PROCESSOR FORMATTING ONLY. WILL BE HORIZONTAL ON WEB.]

[RANDOMIZE ORDER]



		Strongly disagree	Somewhat disagree	Neither agree nor	Somewhat agree	Strongly agree		Don't know
P1_1	Ease the immigration of highly skilled individuals , starting with—but not restricted to—international graduates of U.S. universities	1	2	3	4	5		9
NP1_2	Rewrite the corporate tax code to reduce the corporate tax rate but maintain revenue by limiting deductions	1	2	3	4	5		9
P1_3	Reform the tax code for U.S. firms with international operations so that profits earned abroad are not taxed again by the U.S.	1	2	3	4	5		9
P1_4	Aggressively use established international institutions to address distortions of the international trading system that disadvantage the United States, such as trade barriers, subsidies, and lack of intellectual property protection	1	2	3	4	5		9
P1_5	Streamline regulations affecting business by focusing on outcomes rather than reporting and compliance, shortening delays, and reducing business-government litigation	1	2	3	4	5		9
P1_6	Enact a multi-year program to improve logistics and communications infrastructure , prioritizing projects that most increase U.S. efficiency and technological progress Logistics infrastructure: High-quality highways, railroads, ports, and air transport. Communication infrastructure: High-quality and widely available telephony, Internet and data access.	1	2	3	4	5		9
P1_7	Create a sustainable federal budget through a combination of greater revenue (including reducing deductions) and less spending (through efficiencies in entitlement programs and revised priorities), embodying a compromise such as Simpson-Bowles	1	2	3	4	5		9
P1_8	Agree on a federal regulatory framework to support further development of new	1	2	3	4	5		9



		Strongly disagree	Somewhat disagree	Neither agree nor	Somewhat agree	Strongly agree		Don't know
	American gas and oil reserves while continuing to reduce environmental impact							

P2 What other policies, if any, do you think the federal government should adopt to improve U.S. competitiveness?

[TWO ROW TEXT BOX]

U.S. Political System

This section focuses on the functioning and reform of the U.S. political system.

P3 Is the current U.S. political system...

- 1 Supporting U.S. economic growth and competitiveness
- 2 Neither supporting nor obstructing U.S. economic growth and competitiveness
- 3 Obstructing U.S. economic growth and competitiveness

- 9 Don't know

[PAGE BREAK]

[ROTATE ORDER OF P4A AND P4B AND RECORD ORDER. BOTH ARE SHOWN ON SAME PAGE.]

P4A Overall, are the actions of the Republican Party...

- 1 Supporting U.S. economic growth and competitiveness
- 2 Neither supporting nor obstructing U.S. economic growth and competitiveness
- 3 Obstructing U.S. economic growth and competitiveness



9 Don't know

P4B Overall, are the actions of the Democratic Party...

1 Supporting U.S. economic growth and competitiveness

2 Neither supporting nor obstructing U.S. economic growth and competitiveness

3 Obstructing U.S. economic growth and competitiveness

9 Don't know

[PAGE BREAK]



P5 Do you agree or disagree that each of the following possible changes would **make the U.S. political system more effective**?

[COLUMN HEADERS SHOWN IN VERTICAL ORIENTATION ONLY ON PAPER VERSION. WILL BE HORIZONTAL IN SURVEY.]

		Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree		Don't know
A	Campaign finance reform including stricter limits on, or taxation of, campaign contributions	1	2	3	4	5		9
B	Gerrymandering reform: Eliminate distorted congressional districts that create "safe" seats for the parties by moving to nonpartisan redistributing commissions	1	2	3	4	5		9
C	Reform the primary system by replacing separate party primaries with one open primary in which the top two vote getters (regardless of party) advance to the general election ballot	1	2	3	4	5		9
D	Eliminate political party control of the legislative process in Congress, such as withholding committee votes, not reporting legislation to the full House or Senate, and controlling what bills are voted upon by these bodies	1	2	3	4	5		9
E	Lifetime ban on lobbying by members and former members of the House and Senate	1	2	3	4	5		9
F	Term limits for the House and Senate	1	2	3	4	5		9



P5G What other steps, if any, could make the U.S. political system more effective?

[TWO ROW TEXT BOX]

[PAGE BREAK]

IF S5a=1 (U.S. citizen) OR ([S5a=8 (prefer not to answer citizenship) OR S5a=MISSING] AND [S5=1 (lives in U.S.) OR S5=MISSING]) CONTINUE TO P6

IF S5a=1 (U.S. citizen) AND S5=2 (does not live in U.S.) CONTINUE TO P6

IF S5a=2 (not U.S. citizen) OR ([S5a=8 (prefer not to answer citizenship) OR S5a=MISSING] AND S5=2 (does not live in U.S.)) SKIP TO P7

P6 The following question is asked to help us understand the context for your answers. Although your response is appreciated, you may skip to the next question by selecting "Prefer not to answer."

Generally speaking, do you identify yourself as...

[ROTATE ORDER OF 1 AND 2 AND RECORD ORDER]

- 1 A Democrat
- 2 A Republican
- 3 An Independent
- 4 Something else (please specify:) [TEXT BOX]
- 8 Prefer not to answer
- 9 Don't know

[PAGE BREAK]

P7 In describing your political views, do you generally think of yourself as...

[ROTATE ORDER AS 1-2-3-4-5-8-9 and 5-4-3-2-1-8-9 AND RECORD ORDER]

- 1 Very liberal
- 2 Somewhat liberal
- 3 Moderate or middle of the road
- 4 Somewhat conservative
- 5 Very conservative
- 8 Prefer not to answer
- 9 Don't know

[PAGE BREAK]



Tax Policy

In previous surveys, alumni have repeatedly identified the U.S. tax system as a significant weakness in the U.S. business environment. In this section, we ask you to consider how the tax system might be changed.

[PAGE BREAK]

[CREATE VARIABLE TX12_VERSION WITH EQUAL PROBABILITY OF INTEGERS 1 TO 3. TX12_VERSION=1 GETS THE LONGEST VERSION WITH ALL THREE SENTENCES. TX12_VERSION=2 GETS THE MID LENGTH VERSION WITH THE FIRST AND THIRD SENTENCES ONLY. TX12_VERSION=3 GETS THE SHORT VERSION WITH THE LAST SENTENCE ONLY. TX1, TX2, AND TX3 ARE DISPLAYED ON THE SAME PAGE.]

TX1 [IF TX12_VERSION=1 OR TX12_VERSION=2: For the last five years, tax receipts have averaged 32% of GDP in the U.S. (including federal, state, and local taxes). The same figure for OECD (Organization for Economic Cooperation and Development) nations is, on average, 41%.] [IF TX12_VERSION=1 ONLY: Federal revenue increased by 3.5 percentage points of GDP from 2011 to 2015, according to the Congressional Budget Office.] Should U.S. tax receipts be...⁴

- 1 Reduced—taxes should be lower relative to GDP
- 2 Kept the same—taxes should remain the same relative to GDP
- 3 Increased—taxes should be higher relative to GDP

- 9 Don't know

TX2 [IF TX12_VERSION=1 OR TX12_VERSION=2: For the last five years, spending (including federal, state, and local government spending) has averaged 40% of GDP in the U.S. The same figure for OECD nations is, on average 46%.] [IF TX12_VERSION=1 ONLY: The

⁴ TX12_VERSION=1: "For the last five years, tax receipts have averaged 32% of GDP in the U.S. (including federal, state, and local taxes). The same figure for OECD (Organization for Economic Cooperation and Development) nations is, on average, 41%. Federal revenue increased by 3.5 percentage points of GDP from 2011 to 2015, according to the Congressional Budget Office. Should U.S. tax receipts be..." TX12_VERSION=2: "For the last five years, tax receipts have averaged 32% of GDP in the U.S. (including federal, state, and local taxes). The same figure for OECD (Organization for Economic Cooperation and Development) nations is, on average, 41%. Should U.S. tax receipts be..." TX12_VERSION=3: "Should U.S. tax receipts be..."



Congressional Budget Office forecasts that federal spending will increase by 5 percentage points of GDP in the next 20 years.] Should U.S. spending be...⁵

- 1 Reduced—spending should be a lower percentage of GDP
- 2 Kept the same—spending should remain the same percentage of GDP
- 3 Increased—spending should be a higher percentage of GDP

- 9 Don't know

TX3 If you would like to make any comments or suggestions, please add them here. You can move to the next page without entering anything. [DO NOT SHOW SOFT PROMPT]

[TWO ROW TEXT BOX]

[PAGE BREAK]

TX4 How problematic are each of the following areas of current U.S. tax policy for U.S. competitiveness.

Please rate each area on a 1 to 5 scale, where 1 is not at all problematic and 5 is very problematic.

⁵ TX12_VERSION=1: “For the last five years, spending (including federal, state, and local government spending) has averaged 40% of GDP in the U.S. The same figure for OECD nations is, on average 46%. The Congressional Budget Office forecasts that federal spending will increase by 5 percentage points of GDP in the next 20 years. Should U.S. spending be...” TX12_VERSION=2: “For the last five years, spending (including federal, state, and local government spending) has averaged 40% of GDP in the U.S. The same figure for OECD nations is, on average 46%. Should U.S. spending be...” TX12_VERSION=3: “Should U.S. spending be...”



		Not at all problematic			Very problematic			Don't know
		1	2	3	4	5		
A	Corporate tax rate	1	2	3	4	5		9
B	System of taxing foreign income of corporations when repatriated to the U.S.	1	2	3	4	5		9
C	Taxation of returns to savings (capital gains, dividends, and interest)	1	2	3	4	5		9
D	Taxation of labor income (e.g., wages and salaries)	1	2	3	4	5		9
E	Extent of corporate and personal deductions and exemptions	1	2	3	4	5		9

TX4F If you would like to make any comments or suggestions, please add them here. You can move to the next page without entering anything.

[TWO ROW TEXT BOX]

[PAGE BREAK]

TX5 How desirable are each of the following possible changes to the **corporate tax system**? Please rate each possible change on a scale of 1 to 5 where 1 is not at all desirable and 5 is very desirable.

TX5N If you believe that no changes are needed, you can check this box. [CHECKBOX]



		Not at all desirable			Very desirable			Don't know
		1	2	3	4	5		
A	Reduce the corporate statutory rate of 35% to a lower rate comparable to other leading countries	1	2	3	4	5		9
B	Shift to a territorial regime comparable to other leading countries, so that only income earned within the U.S. is taxed	1	2	3	4	5		9
C	Eliminate or restrict corporate exemptions and deductions, including interest expenses	1	2	3	4	5		9
D	Make dividends deductible at the corporate level Dividends will only be taxable at the individual level	1	2	3	4	5		9
E	Allow for immediate expensing of all capital expenditures	1	2	3	4	5		9

TX5F If you would like to make any comments or suggestions, please add them here. You can move to the next page without entering anything. [DO NOT SHOW SOFT PROMPT]

[TWO ROW TEXT BOX]

[PAGE BREAK]



TX6 How desirable are each of the following possible changes to the **personal tax system**? Please use a 1 to 5 scale where 1 is not at all desirable and 5 is very desirable.

TX6N If you believe that no changes are needed, you can check this box. [CHECK BOX]

		Not at all desirable			Very desirable			Don't know
		1	2	3	4	5		
A	Raise the top rate by 5% on households with income above \$300,000	1	2	3	4	5		9
B	Institute a minimum tax on households making more than \$1,000,000 a year	1	2	3	4	5		9
C	Reduce the availability of deductions and exemptions for households with income above \$300,000	1	2	3	4	5		9
D	Reduce the individual rate and abolish all deductions and exemptions	1	2	3	4	5		9
E	Transition from an income tax to a consumption tax (e.g., a Value Added Tax of 20%)	1	2	3	4	5		9

TX6F If you would like to make any comments or suggestions, please add them here. You can move to the next page without entering anything. [DO NOT SHOW SOFT PROMPT]

[TWO ROW TEXT BOX]

[PAGE BREAK]



TX7 The President elected in November has asked you for advice regarding the appropriate policies to raise a significant amount of revenue to address long-run fiscal stability.

Please select yes on all of the following that you would recommend to the President. Selecting multiple reforms does not imply that all such reforms would be enacted.

TX7N If you disagree with the premise that we need more tax revenue, you can check this box. [CHECK BOX]

		Yes	No		Don't know
A	Eliminate the deductibility of interest for corporations	1	2		9
B	Ensure that business income is taxed regardless of whether the entity earning it is a C-corporation (i.e., taxing pass-through entities like partnerships)	1	2		9
C	Introduce some taxation of the currently tax-exempt sector (e.g., foundations and universities)	1	2		9
D	Introduce a carbon tax	1	2		9
E	Create a consumption tax at the federal level (e.g., a Value Added Tax)	1	2		9
F	Ensure full taxation of capital gains even if assets are transferred at time of death	1	2		9
G	Raise the cap on income subject to the payroll tax (e.g., from \$118,500 to \$250,000)	1	2		9
H	Increase tax receipts from individuals with at least \$1 million of income by creating a "minimum tax" paid of 30%	1	2		9
I	Eliminate deductions for charitable giving, state and local taxes, and mortgage interest	1	2		9
J	Remove the tax exemption for employer-provided health insurance	1	2		9
K	Reduce the exemption amount for the estate tax (e.g., from \$10.9 million to \$2 million for married couples)	1	2		9
L	Introduce a small excise tax on trading financial instruments	1	2		9
M	Increase the tax rate on returns to savings (capital gains, dividends, and interest)	1	2		9

TX7O If you would like to make any comments, suggestions, or additional proposals please add them here. You can move to the next page without entering anything. [DO NOT SHOW SOFT PROMPT]

[TWO ROW TEXT BOX]

[PAGE BREAK]



TX8 Given political realities, the President has also asked for a set of reforms that simultaneously raise some tax revenues and employ those revenues elsewhere. Which of the following revenue-neutral proposals would you support?

TX8N If you prefer to remain with the status quo, you can check this box. [CHECK BOX]

		Yes	No		Don't know
A	A one-time tax on historic offshore corporate income to fund an infrastructure revitalization fund	1	2		9
B	Introduction of a new top bracket (more than \$1.5 million) with a 50% marginal rate and the restriction of deductions to allow for increased availability of earned income credits to lower income individuals (below \$50,000)	1	2		9
C	Restrict individual deductions and exemptions in order to reduce individual tax rates	1	2		9
D	A carbon tax that would reduce tax rates across all income groups	1	2		9
E	Introduce a consumption tax to reduce the corporate tax rate and eliminate the income tax for households earning less than \$125,000	1	2		9

TX8F If you would like to make any comments, suggestions, or additional proposals, please add them here. You can move to the next page without entering anything. [DO NOT SHOW SOFT PROMPT]

[TWO ROW TEXT BOX]

[PAGE BREAK]



Contacting You

R1 HBS faculty members may wish to follow up with some alumni to discuss their views further. May we contact you for this purpose?

- 1 Yes
- 2 No

To complete the survey and submit your responses, please press the Submit button below. To review or change earlier responses, please press the Go Back button below — please do not press your browser's back button.

Termination

Your responses have been recorded. Thank you very much for participating in this important survey. Faculty members will share the survey findings by email, via the U.S. Competitiveness Project's website www.hbs.edu/competitiveness, and in publications.



APPENDIX C: SURVEY LOOK AND FEEL

Introductory Page

The screenshot shows the introductory page of the survey. At the top, the Harvard Business School logo and the title "U.S. Competitiveness Project" are displayed. Below the title is a progress bar with five segments: "Start", "Section 1", "Section 2", "Section 3", and "End". The main content area contains the following text:

Thank you for participating in Harvard Business School's 2015 U.S. Competitiveness Survey. The findings will contribute to assessing and improving U.S. competitiveness. Previous surveys of alumni have been highly influential in business circles, policy discussions, and the media.

The survey is being conducted by Abt SRBI, a leading business research firm. It will take approximately 15-20 minutes and consists of three sections. Many people find the questions very interesting.

HBS is inviting a sample of alumni to complete the survey. We are grateful to everyone who participates: working or retired, based inside or outside the U.S., employed in a for-profit, nonprofit, or government organization, and from all industries. Your responses are confidential, and participation is entirely voluntary. At the end of the survey, you will be asked whether HBS researchers may contact you.

You can leave the survey at any time and return to a partially completed survey. All of your responses will be saved up to the point at which you last pressed the Continue button. You can return to where you left off by clicking the survey link in the email you received.

If you need to go back and change an answer, please use the "Go Back" button in the survey and not your web browser's back button.

If you have any questions about this study, please contact:

Abt SRBI Stephanie Lawrence Analyst/Project Manager Phone: +1-866-296-7783 Email: HBS@srbi.com	Harvard Business School Manjari Raman Program Director and Senior Researcher U.S. Competitiveness Project Phone: +1-617-495-6289 Email: mraman@hbs.edu
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At the bottom of the text area is a "Continue" button.

First Question

The screenshot shows the first question of the survey. The Harvard Business School logo and title "U.S. Competitiveness Project" are at the top. The progress bar shows "Section 1" as the active section. The question is titled "About You" in red text. Below the title is a text box with the following text:

This section asks a brief series of questions about you so that we can examine whether individuals with different backgrounds and experiences have different perspectives on the questions that follow.

Are you currently employed?

An answer to this question is requested as it determines which questions you will be asked later.

Yes

No

At the bottom of the question area are "Go Back" and "Continue" buttons.

REFERENCES

American Association for Public Opinion Research. 2016. "Standard Definitions: Final Dispositions of Case Codes and Outcome Rates for Surveys." 9th ed. American Association for Public Opinion Research, Oakbrook Terrace, IL.