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Career Development in the Canadian Workplace: National Business Survey

Executive Summary

January 2022



EXECUTIVE SUMMARY

BACKGROUND

This report presents findings from the CERIC National Business Survey, based on a telephone survey conducted between November 18 and December 17, 2021, with a sample of 501 senior executives from Canadian businesses. The sample was designed to conduct interviews with senior staff of businesses across Canada, of various sizes, location (urban, rural, and suburban), and industries.

CERIC's National Business Survey, published in 2013, focused on several topics that pertain to Canadian employers and organizations, in particular those reflecting executives' perceptions on challenges facing Canadian businesses, the skilled labour shortage and skills gaps, and approaches toward employee training and finding workers with appropriate technical and soft skills, as well as career management practices.

Designed in concert with CERIC, the main objective of this survey is to update and expand understanding of the state of career development in the Canadian workplace, including the impact of the pandemic. Topics pertain to recruitment & retention in wake of "The Great Reshuffle." Relevant topics include current skills and talent gaps in the labour market, hiring underrepresented groups as well as career management in the context of remote and hybrid work.

Key research highlights are summarized below. Where the same questions were asked, comparisons to the 2013 results are provided for context.

RESEARCH HIGHLIGHTS

Greatest challenge facing Canadian businesses.

Consistent with 2013 results, executives identify a skilled labour shortage to be the greatest challenge facing Canadian businesses. The general state of the economy, as well as supply chain issues are also noted as significant challenges.

While employers in Ontario were the least likely to experience a shortage of skilled workers in 2013, they are now the most likely, followed by executives in Quebec and the Prairies. Compared to employers in rural areas and smaller cities, those in major cities are somewhat less likely to report a shortage of skilled workers.

On a scale from 'very challenging' to 'not at all challenging,' large proportions of executives identify the following as very or somewhat challenging:

- Shortage of skilled workers (75%)
- Finding young workers (66%)

Compared to 2013, fewer executives consider the following to be challenges: losing senior employees to retirement (21% down from 32%), keeping up with technology (41% from 60%), and regulation & red tape (52% from 63%).

More executives, however, are finding a shortage of skilled workers to be challenging (75% up from 68%), as well as finding young workers (66% from 51%).

More likely to identify a skilled labour shortage as *very challenging* include:

- Employers outside major cities (58%)
- Those in the hospitality (65%), service (52%) and manufacturing (50%) industries

Those most likely to identify supply chain issues as either somewhat or very challenging include:

- Executives from Ontario (77%) and BC (76%)
- Manufacturing industry (92%)

Recruitment & Retention.

Since 2013, executives have expressed difficulty finding people with the right skill set. Today, more executives consider finding such people to be difficult (81%) than in 2013 (70%). Those who express facing challenges in this respect are also more likely to sense a skills gap within their industry and to find it difficult to recruit people with soft skills. When reflecting on employee retention, close to four in ten (37%) believe that it has become more difficult to retain employees compared to two years ago before the pandemic, while more than half (54%) report no change.

Finding skilled workers.

Eight in ten (81%) Canadian executives say that finding skilled workers is not an easy task, including about half (48%) who find it very difficult. More than half (53%) attribute this to the difficulty of finding qualified candidates with the right skill set, while three in ten (29%) cite the difficulty of finding reliable candidates with the right work ethic.

To find skilled employees, employers have mostly relied on employee referrals (67%), offered training/advancement for entry-to-mid-level employees (63%), or recruited through social media (59%).

More Canadian executives (63% up from 51%) consider a potential employee's online footprint to be important. About seven in ten (74%) executives say that resumes carry the same weight as they did in the past; less than one in 10 (7%) believe resumes to be more important now.

Recruiting underrepresented groups.

Executives are putting more effort into customizing recruitment approaches for underrepresented groups than they were in 2013.

Close to one in five (18% up from 13%) executives say they put a lot of effort in customizing recruitment approaches to attract underrepresented groups such as women, LGBTQS2+, Indigenous people, persons with disabilities, members of visible minorities, youth and/or older workers.

Overall, half (51%) in 2021 say they put at least some effort in customized recruitment efforts for these group, compared to somewhat fewer in 2013 (46%)

Those likeliest to put *a lot of effort* in custom recruitment efforts for underrepresented groups include:

- Executives from Quebec (27%)
- Organizations who have welcomed at least ten or more employees in the last year (38%)

Impact of pandemic on retention.

Reflecting on a pre-pandemic era, one-third (37%) of executives find retaining employees to be more difficult, compared to two years ago. Those who have experienced more difficulty in employee retention more often identify a skills gap in their industry & consider it difficult to find people with soft skills.

Skills gap.

Executives across Canada are now more likely to express strong agreement (33%) with the notion of an existing skills gap than they were to in 2013 (23%). To close this gap, more executives adhere to the idea of offering more training for new employees (47%) than to expect prospective employees to better prepare themselves for the labour market (36%).

Reflecting on the state of their industry over the last five years, four in ten executives believe that the skills gap has increased over time. An almost equal sized proportion believe it has stayed the same.

If the aim is to close the skills gap, executives are increasingly in favor of offering more training to new employees (47% up from 43%), as opposed to expecting prospective employees to better prepare themselves for the labour market (36% down from 43%).

To close the skills gap, executives in Quebec (58%) are more likely to offer more training for new employees, compared to those in Ontario (45%) who are likely to expect prospective employees to better prepare themselves for the labour market.

Soft skills.

Compared to 2013, executives are now more likely to hire someone with soft skills who is a good fit than to keep searching for someone with the right technical skills. In other words, the prioritization of soft skills, such as a positive attitude and good communication skills, is greater since 2013.

Having a positive attitude and good communication skills continue to top the list of soft skills most valued by employers. Since 2013, being reliable & dependable has risen in importance as well as the willingness and ability to learn. Considering all this, however, a growing majority continue to find it difficult to recruit people with the soft skills they deem important.

Having a positive attitude is a soft skill valued most by:

- Employers outside major cities (however not rural) (31%) and in major cities (32%)
- Executives who find it easy to recruit candidates with soft skills (41%)

Being reliable & dependable is a soft skill valued most by:

- Executives from Quebec (45%)
- Service industry (24%)
- Organizations or companies who have between 10-49 employees (25%)

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Those likeliest to find it difficult to recruit individuals with soft skills include:

- Service industry (88%)
- Executives who believe in a skills gap (82%)
- Executives who are concerned about losing employees to other organizations after investing in training (84%)

While it is increasingly more difficult to find it difficult to recruit people with soft skills, more employers say they would hire someone with soft skills and provide training (78%) than to keep searching for someone with the right technical skills (15%).

Those likeliest to hire someone with soft skills who is a good fit and provide training include:

- Hospitality (84%) and service (79%) industries
- Organizations or companies who have between 10-49 employees (85%)

Professional development.

Executives' feelings towards career management programs haven't changed significantly – on either end of the scale – since 2013. Concurrently, executives have not placed much more importance on providing employees with opportunities to reach their own career goals than they had in 2013.

The level of at which employers are offering career management programs for employees has remained static since 2013. The three in ten (27%) who do so are most likely to provide individually tailored training (32%) and skills development programs (30%).

Seven in ten (73%) executives agree that employers have a responsibility to provide career management programs to their employees. When asked whether it is important to provide employees with the opportunities to reach their own career goals, close to nine in ten say so (87%).

Just over half of executives (53%) are aware of career development practitioners, while fewer (12%) have actually worked with one.

Most executives are at least somewhat concerned to lose skilled employees to other organizations after having invested in training. In fact, a quarter (25%) of executives say this is of great concern to them.

Those who are likeliest to report this is as at least somewhat concerning include:

- Executives from Quebec (69%)
- Larger companies of 50 or more employees (70%)
- Consider recruitment of soft skills to be difficult (63%)