

# Top Employers' Staffing Strategies

A collection of data from Top Employers on strategies for addressing:

- Skill Shortages
- Workforce Retention
- Employee Engagement, and
- Succession Planning

Administered by  
The Career Management Connection

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Government  
of Canada

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du Canada

The Government of Canada has contributed funding to this initiative.

## The Career Management Connection – Top Employers’ Staffing Strategies

### Researching Strategies for Addressing:

- Skills Shortages
- Workforce Retention
- Employee Engagement
- Succession Planning

### Introduction:

ETHOS Career Management Group Ltd. is committed to providing innovative and tailored career management solutions for individuals, companies and organizations of all types. Over the past seven years, we have developed effective models for equipping individuals to take charge of their career paths and reach their career goals. We have worked with employers, helping them enhance the performance of individual staff members and work teams. ETHOS has a solid understanding of the labour market and the forces that influence it. The company is comprised of highly skilled professionals dedicated to attaining new levels of expertise and innovation in the career management field. Located in Nanaimo, British Columbia, ETHOS markets its services and products throughout Canada.

Over the last five years, ETHOS has seen significant shifts in the Canadian labour market, moving from high unemployment levels to record labour market participation rates marked by severe skills shortages. It is clear that many organizations suffer skill shortages because of the low unemployment rates and the lack of candidates with the required skills. ETHOS’ anecdotal experiences with individuals and organizations is echoed and substantiated through research conducted by a variety of organizations.

Skills shortage is a major issue for virtually all western market-based economies. These shortages are a particularly significant issue in Canada where our robust economy and decades of low birth rates have produced the lowest unemployment rates in over thirty years. Many Canadian employers are turning away business because they don’t have the capacity to service it. A recent report from Manpower Inc, which conducted a major international talent shortage survey [January 2006], reveals the magnitude of this issue. Manpower’s survey reports that the global skill shortage problem is particularly acute in Canada: *“Employers having the most difficulty finding the right people to fill jobs are those in Mexico [78% reporting shortages], **Canada [66%]** and Japan [58%].”*

ETHOS’ labour market research isolated four primary issues common to all employers:

1. **Skills Shortages** – Most Canadian employers are having difficulty finding employees who can contribute in key areas. Skills shortages curtail economic activity and limit company growth.
2. **Workforce Retention** – With record low unemployment rates, workers have many options. It’s becoming increasingly difficult for employers to keep their best talent.
3. **Employee Engagement** – With fewer workers available, it’s essential that employees produce at high levels. Many knowledgeable employers recognize that developing a more productive workforce increases their competitive advantage and mitigates the effects of skills shortages.
4. **Succession Planning** – The smaller number of workers entering the workforce presents employers with challenges for filling key roles with sufficiently talented and skilled workers. Succession Planning is an issue in terms of maintaining organizational stability, and for ensuring the essential skills are in place for taking advantage of business opportunities.

In response to these issues (i.e. skills shortages, workforce retention, employee engagement and succession planning), ETHOS submitted a proposal to Service Canada to partner in funding a six-month research project designed to uncover solutions for dealing with these productivity-hindering concerns. This project, "*The Career Management Connection*", was established to produce outcomes related to these four issues:

- Top Employers' Staffing Strategies: Conduct research with recognized Top Employers to discover what they are doing to address the four issues and how successful their strategies have been.
- Employers' Toolkit: Develop a toolkit of practical resources that local area employers can implement for addressing their workforce needs. The Advisory Committee members, who provided guidance for this project, will receive a hardcopy version of this toolkit. It is also available for downloading at [www.cmc.ethoscmg.com](http://www.cmc.ethoscmg.com).
- Organizational Career Management Model: Develop a model designed to discover and capitalize on the alignment between corporate goals and employees' career development needs. This model is designed to enhance employees' engagement with their jobs by incorporating individual career planning into the organization's overall structure. (See [www.cmc.ethoscmg.com](http://www.cmc.ethoscmg.com))

This report is the result of our research findings.

### **The Career Management Connection Project**

The outcomes in this report are the result of the combined efforts of the project participants:

- Sherry Halfyard – Researcher/Writer
- Guillaume Peribere – Researcher/Writer
- Glenn Calder – Administration/Researcher/Writer
- Marie Rose Rowland – Administrative Assistant

This team did an amazing job, contributing its talents and efforts towards the researching, compiling and writing of this report.

Doug Weaver – ETHOS Career Management Group's IT Assistant – built the database that enabled us to organize and analyze the research results. Glenn Kelso – ETHOS Career Management Group's Director of Strategic Planning and New Initiatives, was the Project Coordinator.

## Project Partners

ETHOS recruited members of the business community to form an advisory committee to provide guidance and additional resources for the Career Management Connection project. Committee members' feedback was essential for gaining an employers' perspective on the study issues, and keeping research and outcomes grounded in the realities of day-to-day business. We would like to acknowledge the following committee members:

### CMC Advisory Committee Members

- Mr. Randy Chang, *Human Resources Manager* of Budget Car & Truck Rentals (Nanaimo, BC)
- Mr. Kirk Larson, *General Manager* of Costco Wholesale Canada Ltd (Nanaimo, BC)
- Ms Denise Lloyd, *Executive Director* of the Career Management Association of BC (Victoria, BC)
- Ms Lee Mason, *Executive Director* of the Greater Nanaimo Chamber of Commerce (Nanaimo, BC)
- Mr. Thomas Mayrhofer, *General Manager* of the Coast Bastion Inn (Nanaimo, BC)
- Mr. Allen Peabody, *Store Manager* of London Drugs at Port Place (Nanaimo, BC)
- Ms Laurie Sagle, *Human Resources Manager* of Tigh-Na-Mara Seaside Spa Resort (Parksville, BC)

### Participating Employers\*

Avis Car & Truck Rental	Insurance Corporation of British Columbia (ICBC)
Bell Aliant	Impact Visual Communications
Blackline Marine	Invensys Avantis
Bridge Electric	The Keg Restaurant
Budget Car & Truck Rental	Nature's Path Foods Inc.
Cactus Club Café	Pan Pacific Whistler Mountainside
Coast Bastion Inn	PRO MAC Manufacturing Ltd
Coast Capital Savings	Radical Entertainment Inc
Cogeco Cable Québec Inc	Retirement Concepts
Conexus Credit Union	Thrifty Foods Inc ( <i>Port Place</i> , Nanaimo)
Costco Wholesale Canada Ltd	Tourism BC
Creo (Kodak Group)	Urban Barn
Deloitte & Touche LLP	Vancouver Island Health Authority (VIHA)
Delta Vancouver Airport	City of Vancouver
Eaton Electrical	Vancouver Marriott Pinnacle Downtown Hotel
Envision Financial	WCG International HR Solutions
Fairwinds Community & Resort	Wickaninnish Inn

\* We also wish to extend our gratitude to all organizations that provided responses to our research questions, but requested not to be acknowledged.

**Service Canada**, Nanaimo, provided a significant portion of the total funding for this project through its Job Creation Partnership program.

## **Research Methodology**

We developed a research methodology to help us answer the following two questions:

1. What are Top Employers doing to address the issues of Skills Shortages, Workforce Retention, Employee Engagement, and Succession Planning?
2. How effective are these strategies?

The team began its research with an overarching belief: **The best source for answers is with successful organizations.** Therefore, the survey mainly targeted successful businesses in various industries that were recognized by major publications as "Top Employers", namely:

- 50 Best Employers in Canada
- Burlington Economic Development Corp.
- Canada's Top 100 Employers 2006
- Canadian Business - Top 50 Best Workplaces in Canada
- MacLean's Canada's Top 100 Employers
- Mississauga Ontario Canada Top Employers – 2006
- The Best Companies to Work for in BC – 2003
- The Best Companies to Work for in BC – 2005
- Top Industrial & Corporate Employers 2006

"Employers of choice" were selected because of their success in attracting and retaining quality employees. ([Source: www.canadastop100.com](http://www.canadastop100.com)). In addition, these employers have managed to create environments which support personal and professional growth. ([Source: www.theglobeandmail.com/servlet/story/RTGAM.20051220.rm50best1223/BNStory/specialROBmagazine/?pageRequested=2](http://www.theglobeandmail.com/servlet/story/RTGAM.20051220.rm50best1223/BNStory/specialROBmagazine/?pageRequested=2))

## **Why Target Canadian Employers Only?**

All employers in this study are located in Canada. We decided to limit our research to Canadian employers to maintain as many similarities of context as possible, namely similarity of:

- Tax structures
- Cultural expectations and influences
- Demographics
- Socio-economic factors

Furthermore, the research team believes emphasis placed on domestic employers will facilitate "a connection" between the reader and some of the solutions proposed in this guide.

## **How Was this Research Gathered?**

In order to discover the most effective strategies for addressing each of the project's four issues, we needed to find out what Top Employers are doing in this regard. We gathered our data by contacting recognized Top Employers by phone, explaining the concept of our research project, and then electronically forwarding two documents to them: 1. Project Overview, and 2. Top Employer Research Questionnaire. Out of nearly 200 firms contacted, 23% responded with their feedback.

Participating organizations completed and returned the following questionnaire.

# The Career Management Connection – Research Questionnaire

ETHOS Career Management Group Ltd. is committed to protecting your privacy and ensuring that your participation in this project is completely secure. The information collected will be shared only in an aggregate format, and submissions by organizations will not be accessed by parties other than those involved in the execution of this study. Please contact us if you have questions with any aspect of our privacy policy. Thank you kindly for your time and input.

**Rating Scale:** a continuum from 1 – 5, where 1 = *ineffective* and 5 = *very effective*. If “*unknown*” respond with “U”.

## 1. What are you currently doing to attract good people to your organization?

Strategy	Effectiveness Rating: 1-5

## 2. What strategies are you utilizing to retain your talent?

Strategy	Effectiveness Rating: 1-5

## 3. How does your organization ensure that employees maintain a high level of engagement with their jobs?

Strategy	Effectiveness Rating: 1-5

## 4. What succession planning strategies does your company employ?

Strategy	Effectiveness Rating: 1-5

## 5. Are you familiar with “*Organizational Career Management*”?

**If yes:**

- a. What Organizational Career Management strategies do you have in place?

## 6) Would you like us to acknowledge your company as having contributed information to this research project?

## **Organizing Research Data**

### **Terminology**

It was important for us that employers send their responses with as little guidance as possible. We didn't want to limit or "*lead responses*" to our questions by creating predetermined options for employers to choose. Because we were looking for innovative strategies for addressing the four issues, we wanted respondents to send us information in their own words. This decision also created an additional challenge. How does one analyze and discover trends from a mass of uncategorized information?

We decided to allow employers' responses determine the categories of strategies we would need to create. The team reviewed the employers' responses as our questionnaires were returned and developed terminology that would allow us to classify it (e.g. recruiting by newspaper advertisements, radio and television fit into the category of "mass-media"). In order to ensure that our terminology covered all options and would be understood across industries, we enlisted the assistance of Human Resources Specialists from ETHOS and our project Advisory Committee. This development process resulted in the creation of two categories of terminology. These categories can be best explained by the following tables.

Primary Category	SKILL SHORTAGES						
Sub-Categories	Mass Media	Internal Recruiting	Career Development	On-line Advertising	Financial Incentives	External Recruiting	Workplace Culture
Specific Categories	<ul style="list-style-type: none"> <li>Newspaper-Local</li> <li>Newspaper-Regional</li> <li>Newspaper-National</li> <li>TV</li> <li>Radio</li> <li>Trade Magazine</li> </ul>	<ul style="list-style-type: none"> <li>Internal Incentives</li> <li>Management Referrals</li> <li>Employee Referrals</li> <li>Internal Incentives</li> <li>Target Top Performers</li> </ul>	<ul style="list-style-type: none"> <li>Education: College / Trade / University</li> <li>Education: In-house</li> <li>Education: On-line</li> <li>Leadership Programs</li> <li>Mentoring</li> <li>Training/Cross-training</li> <li>Advancement Opportunities</li> <li>Career-Path Development</li> <li>Job Shadowing</li> </ul>	<ul style="list-style-type: none"> <li>General Website</li> <li>Company Website</li> <li>Specific Website</li> </ul>	<ul style="list-style-type: none"> <li>Competitive Compensation</li> <li>Signing Bonus</li> <li>Profit-sharing</li> <li>Annual Bonus</li> <li>Other Incentives</li> </ul>	<ul style="list-style-type: none"> <li>Recruiting Agency</li> <li>Referrals from Contacts</li> <li>Industry Fairs</li> <li>Agency-hosted Job Fairs</li> <li>Trade Shows</li> <li>Community Centre Events</li> <li>Non-traditional Populations</li> <li>Foreign Workers</li> <li>Grad. Recruitment Programs</li> <li>Co-Op Work Placements</li> </ul>	<ul style="list-style-type: none"> <li>Work-life Balance</li> <li>Company Philosophy</li> <li>Work Latitude / Autonomy</li> <li>Fairness Policies</li> <li>Corporate Branding</li> <li>Community Awareness</li> </ul>

Primary Category	WORKFORCE RETENTION							
Sub-Categories	Employee Perks	Benefits	Career Development	Communication	Financial Incentives	Performance Supports	Recognition	Workplace Culture
Specific Categories	<ul style="list-style-type: none"> <li>Privileges</li> <li>Staff Discounts</li> <li>Special Event Recognition</li> <li>Gifts</li> </ul>	<ul style="list-style-type: none"> <li>Pension Plan</li> <li>RRSP Contributions</li> <li>Corporate Wellness Program</li> <li>Vacation/Sick Days</li> <li>Education Reimbursement</li> <li>Extended Insurance</li> <li>Dependent Care</li> </ul>	<ul style="list-style-type: none"> <li>Education: College / Trade / University</li> <li>Education: In-house</li> <li>Education: On-line</li> <li>Leadership Programs</li> <li>Mentoring</li> <li>Training / Cross-training</li> <li>Advancement Opportunities</li> <li>Career-Path Identification</li> <li>Job Shadowing</li> </ul>	<ul style="list-style-type: none"> <li>Conferences/Retreats</li> <li>Staff/Team Meetings</li> <li>Town Hall Meetings</li> <li>Management Meetings</li> <li>Health and Safety</li> <li>Opinion Surveys / Feedback</li> <li>Open Communication</li> <li>Exit Interviews</li> <li>Work Goal setting</li> <li>Newsletters</li> <li>Handbook</li> <li>Focus Groups</li> </ul>	<ul style="list-style-type: none"> <li>Annual Bonus</li> <li>Competitive Compensation</li> <li>Other Incentives</li> <li>Signing Bonus</li> <li>Profit-sharing</li> <li>Commissions</li> </ul>	<ul style="list-style-type: none"> <li>360° - Review</li> <li>MBO - <i>Management By Objectives</i></li> <li>Performance Plans</li> <li>Standard Annual Appraisal</li> <li>Tests/Assessments</li> <li>Coaching</li> <li>30 And 90 Day Review</li> </ul>	<ul style="list-style-type: none"> <li>Individual Recognition</li> <li>Corporate Recognition</li> <li>Team Recognition</li> <li>Community Recognition</li> <li>Industry Recognition</li> <li>Competitions</li> <li>Long-Term Service Awards</li> </ul>	<ul style="list-style-type: none"> <li>Work-Life Balance</li> <li>Company Philosophy</li> <li>Work Latitude / Autonomy</li> <li>Fairness Policies</li> <li>Corporate Branding</li> <li>Community Awareness</li> </ul>

Primary Category	EMPLOYEE ENGAGEMENT							
Sub-Categories	Employee Perks	Benefits	Career Development	Communication	Financial Incentives	Performance Supports	Recognition	Workplace Culture
Specific Categories	<ul style="list-style-type: none"> <li>• Privileges</li> <li>• Staff Discounts</li> <li>• Special Event Recognition</li> <li>• Gifts</li> </ul>	<ul style="list-style-type: none"> <li>• Pension Plan</li> <li>• RRSP Contributions</li> <li>• Corporate Wellness Program</li> <li>• Vacation/Sick Days</li> <li>• Education Reimbursement</li> <li>• Extended Insurance</li> <li>• Dependent Care</li> </ul>	<ul style="list-style-type: none"> <li>• Education: College / Trade / University</li> <li>• Education: In-house</li> <li>• Education: On-line</li> <li>• Leadership Programs</li> <li>• Mentoring</li> <li>• Training / Cross-training</li> <li>• Advancement Opportunities</li> <li>• Career-Path Identification</li> <li>• Job Shadowing</li> </ul>	<ul style="list-style-type: none"> <li>• Conferences/ Retreats</li> <li>• Staff/Team Meetings</li> <li>• Town Hall Meetings</li> <li>• Management Meetings</li> <li>• Health and Safety</li> <li>• Opinion Surveys / Feedback</li> <li>• Open Communication</li> <li>• Exit Interviews</li> <li>• Work Goal setting</li> <li>• Newsletters</li> <li>• Handbook</li> <li>• Focus Groups</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Bonus</li> <li>• Competitive Compensation</li> <li>• Other Incentives</li> <li>• Signing Bonus</li> <li>• Profit-sharing</li> <li>• Commissions</li> </ul>	<ul style="list-style-type: none"> <li>• 360° - Review</li> <li>• MBO - <i>Management By Objectives</i></li> <li>• Performance Plans</li> <li>• Standard Annual Appraisal</li> <li>• Tests/ Assessments</li> <li>• Coaching</li> <li>• 30 And 90 Day Review</li> </ul>	<ul style="list-style-type: none"> <li>• Individual Recognition</li> <li>• Corporate Recognition</li> <li>• Team Recognition</li> <li>• Community Recognition</li> <li>• Industry Recognition</li> <li>• Competitions</li> <li>• Long-Term Service Awards</li> </ul>	<ul style="list-style-type: none"> <li>• Work-Life Balance</li> <li>• Company Philosophy</li> <li>• Work Latitude / Autonomy</li> <li>• Fairness Policies</li> <li>• Corporate Branding</li> <li>• Community Awareness</li> </ul>

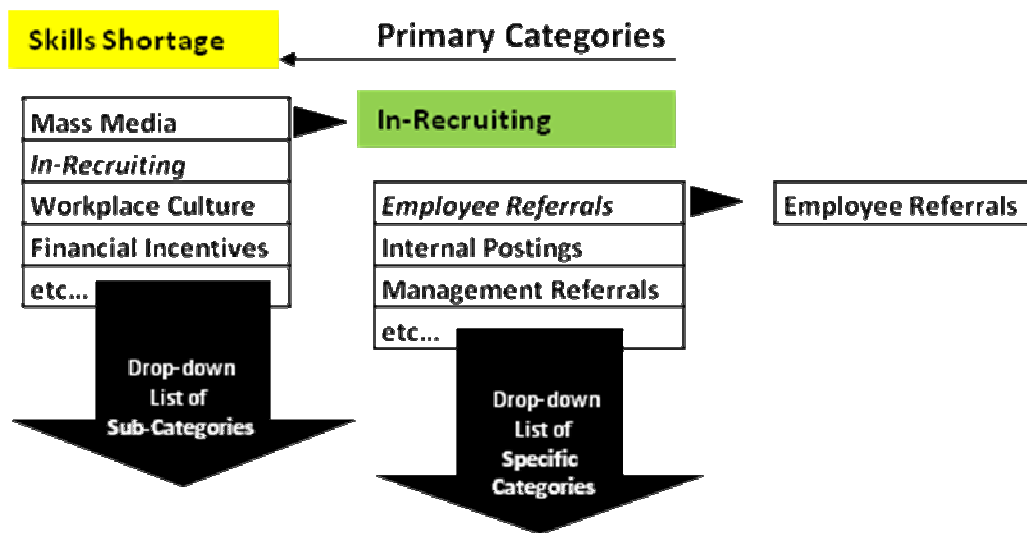
Primary Category	SUCCESSION PLANNING					
Sub-Categories	Internal Recruiting	External Recruiting	Workplace Culture	Career Development	Financial Incentives	Performance Supports
Specific Categories	<ul style="list-style-type: none"> <li>• Employee Referrals</li> <li>• Internal Incentives</li> <li>• Management Referrals</li> <li>• Employee Referrals</li> <li>• Target Top Performers</li> </ul>	<ul style="list-style-type: none"> <li>• Recruiting Agency</li> <li>• Referrals From Contacts</li> <li>• Industry Fairs</li> <li>• Agency-Hosted Job Fairs</li> <li>• Trade Shows</li> <li>• Community Centre Events</li> <li>• Nontraditional Populations</li> <li>• Foreign Workers</li> <li>• Graduate Recruitment Programs</li> <li>• Co-Op Work Placements</li> </ul>	<ul style="list-style-type: none"> <li>• Work-Life Balance</li> <li>• Company Philosophy</li> <li>• Work Latitude / Autonomy</li> <li>• Fairness Policies</li> <li>• Corporate Branding</li> <li>• Community Awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Education: College / Trade / University</li> <li>• Education: In-house</li> <li>• Education: On-line</li> <li>• Leadership Programs</li> <li>• Mentoring</li> <li>• Training / Cross-training</li> <li>• Advancement Opportunities</li> <li>• Career-Path Identification</li> <li>• Job Shadowing</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Bonus</li> <li>• Competitive Compensation</li> <li>• Other Incentives</li> <li>• Signing Bonus</li> <li>• Profit-sharing</li> <li>• Commissions</li> </ul>	<ul style="list-style-type: none"> <li>• 360° - Review</li> <li>• MBO - <i>Management By Objectives</i></li> <li>• Performance Plans</li> <li>• Standard Annual Appraisal</li> <li>• Tests/Assessments</li> <li>• Coaching</li> <li>• 30 And 90 Day Review</li> </ul>

## Database Development

Analyzing Top Employers required building a customized database that could record responses in a format from which we could run queries. Our database was created in a format that would allow us to:

- Record employers' responses in each of the four study areas
- Identify the Top Employers' most used strategies for addressing each of the four study issues
- Identify the most effective strategies for addressing each of the four study issues

Top Employer responses were entered in the database utilizing drop-down menus similar to the process outlined in the following diagram which demonstrates data entry options for the primary category "Skills Shortages".



Having our database organized in this manner enabled us to produce graphs that exhibit how Top Employers are addressing the four issues. The graphs provide the following data:

1. What are Top Employers doing to address the issues of Skills Shortages, Workforce Retention, Employee Engagement, and Succession Planning?
  - Pie Graphs communicate which tactics are used most frequently by Top Employers
2. How effective are these strategies?
  - Bar graphs show which tactics have proven to be most effective.

Note: in providing answers to the above questions, we were convinced that it was also important to unearth some of the innovative strategies that Top Employers are utilizing to address the four issues. This research report includes some of the specific responses that employers provided us in the research questionnaires. We believe that these responses hold equal value to the graphed aggregate results.

## Top Employers' Staffing Strategies

### Top Employers' Responses to our Questions:

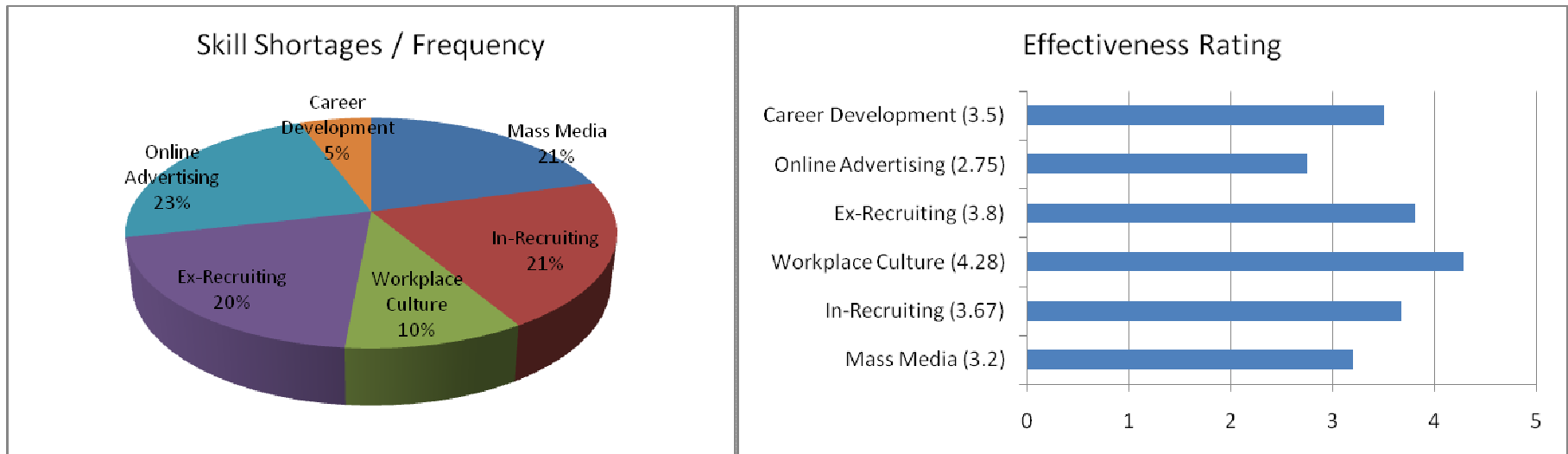
1. **Skills Shortages** – *What are you currently doing to attract good people to your organization?*
2. **Workforce Retention** – *What strategies are you utilizing to retain your talent?*
3. **Employee Engagement** – *How does your organization ensure that employees maintain a high level of engagement with their jobs?*
4. **Succession Planning** – *What succession planning strategies does your company employ?*

The following pages summarize our findings and are arranged as follows:

- The **report has four sections** – one for each of the study issues (i.e. the four issues listed above).
- Each of the four sections begins with **an analysis of the information included in the Sub-Categories.**
- The balance of each section has an **analysis of the Specific Categories** which comprise each Sub-Category. The report includes only those Specific Categories with a large enough response level to analyze.
- **Pie Charts** communicate all the strategies that our research pool of Top Employers is utilizing for addressing these issues.
- **Bar Graphs** report how effective these strategies have been.
- **Note:** We have not included Bar Graphs (effectiveness ratings) for strategies for which we received insufficient data. Accuracy ratings are suspect when gauged from too few results (i.e. In the Sub-Categories, Bar Graphs were printed for strategies reported by a minimum of five employers. In the Specific Categories, Bar Graphs were printed for strategies reported by a minimum of three employers).
- Graphs are followed by **an analysis of the information** we received. Where applicable, we have included secondary research (i.e. Career Management Connection project research gathered from sources other than our Top Employer questionnaire) that provides additional insight.
- **Top Employers' specific strategies** for addressing these issues are included at the bottom of each of the following pages.

## Top Companies response to the issue of **Skill Shortages**:

**Research Question #1:** What are you currently doing to attract good people to your organization?



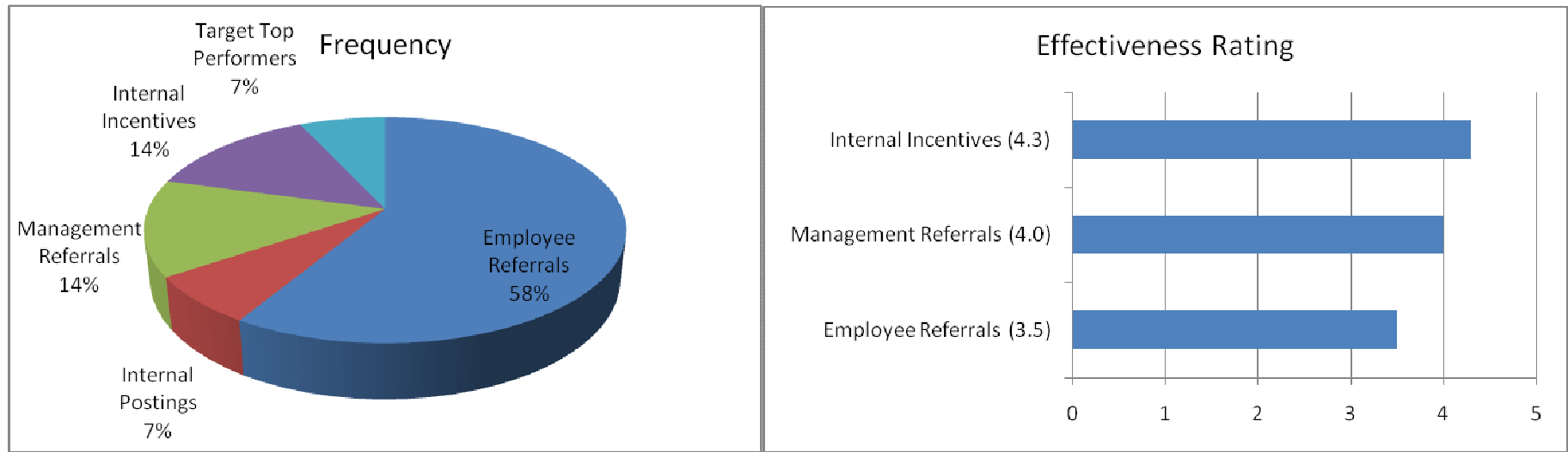
### **Analysis of Information Received:**

Our research data indicates that *Online Advertising*, *Internal Recruiting* and *External Recruiting* are the most common methods for attracting talent. However, *Workplace Culture* rates the highest in effectiveness; it is the top reason candidates seek out an organization. Top Employers invest heavily into developing their workplace culture and reputation. Organizations with good reputations find it easier to attract good employees. Our secondary research confirms that exceptional firms attract and retain the right people. Employees enthusiastic about the organization's culture and values will reward the organization with loyalty and stellar performance. Top Employers utilize very focused and specific means to ensure they are attracting potential top performers that "fit" their company culture.

### **From our research – Tactics Top Employers utilize to address the issue of Skill Shortages:**

- "The majority of our recruiting is focused internally, and through word of mouth"
- "Posting jobs with specific associations(OSPE, HRPAO etc) depending on position"
- "Provide a flexible and merit-based workplace"

Primary Category: Skill Shortages  
**Sub-Category: Internal Recruiting**  
 Specific Categories:



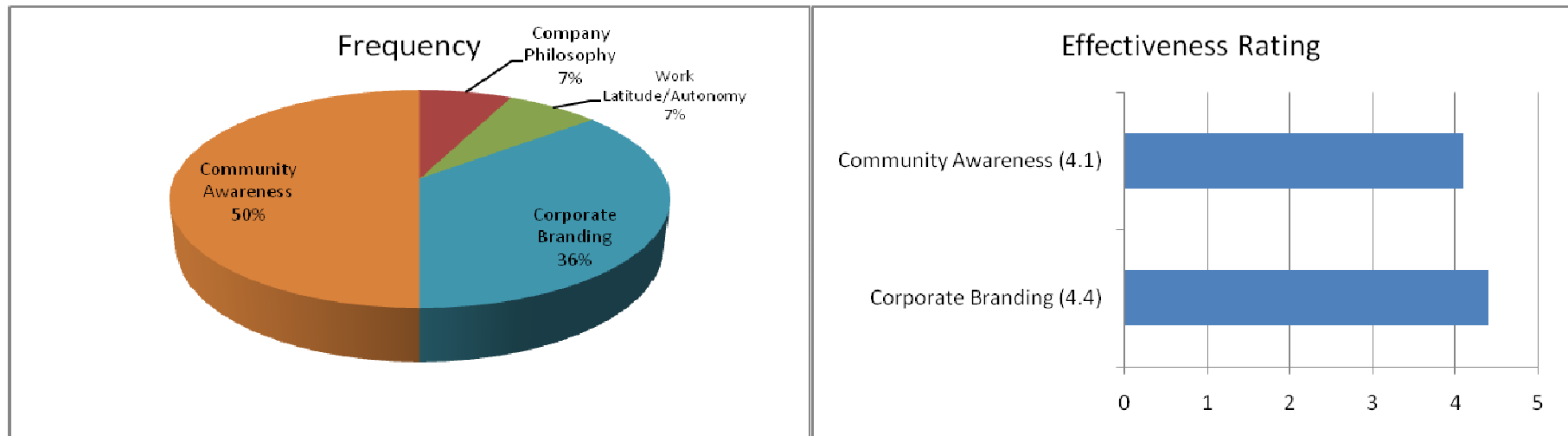
**Analysis of Information Received:**

*Employee Referrals* are the major contributor to addressing Skill Shortages in the category of Internal Recruiting. *Internal Incentives* are rated the highest at 4.3. Internal incentives are the motivators behind referrals. Internal recruiting is an important component when seeking potential employees. An internal recruiting system becomes an engaging process when employees feel like their referrals have contributed to the organization. Although difficult to analyze from our research information, it stands to reason that a healthy organizational culture will serve as a catalyst for internal recruiting.

**From our research – Internal Recruiting tactics used to attract potential employees:**

- “Internal recruiting through referrals (family, friends, etc..)”
- “Have a Colleague Referral Program – employees earn \$\$ by referring friends”
- “Employee Referral Program”

Primary Category: Skill Shortages  
**Sub-Category: Workplace Culture**  
 Specific Categories:



**Analysis of Information Received:**

Our data reflects that *Corporate Branding* and *Community Awareness* drive workplace culture. Corporate branding is the promise and perception that an organization wants its customers to feel good about its products and services. **To be successful, corporate branding needs to be consistent across the organization.** Reputation appears to be the biggest draw for attracting new employees. Community awareness can mean team and community event sponsorship, as well as active participation in important community events. A positive physical and emotional environment will create an attractive climate for job seekers.

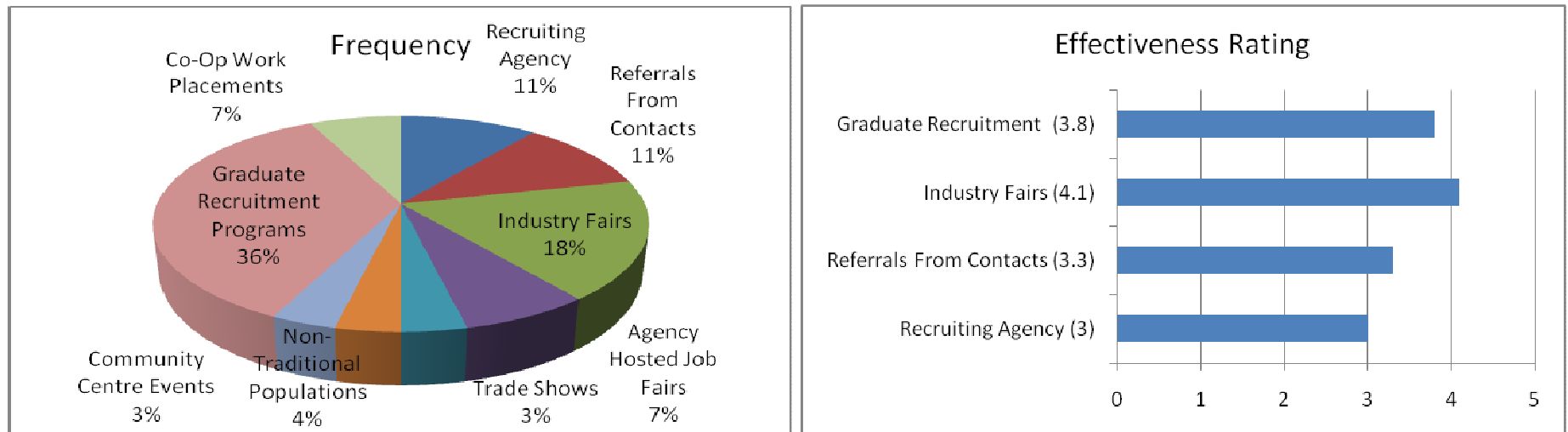
**From our research – Workplace Culture tactics used to attract potential employees:**

- “Core Values (Passion, Integrity, Excellence)”
- “Company focus on customer care permeates through all levels of management and to associates”
- “Continue to maintain ranking in ROB’s Top 50 Companies to work for in Canada and also rank in the Top 25 Companies to Work for in BC – we then use this as a recruitment tool”

Primary Category: Skill Shortages

**Sub-Category: External Recruiting**

Specific Categories:



**Analysis of Information Received:**

The specific categories indicate that top companies focus on *Graduate Recruitment* and *Industry Fairs* when seeking employees. External recruiting includes all of the recruitment strategies and activities necessary to attract candidates of choice from outside the organization. We separated external recruiting from mass media and included those recruiting activities in the external recruiting category that involved targeting potential employees in a more proactive manner. Note from the ratings above how the most targeted and proactive of the above strategies receive the highest ratings.

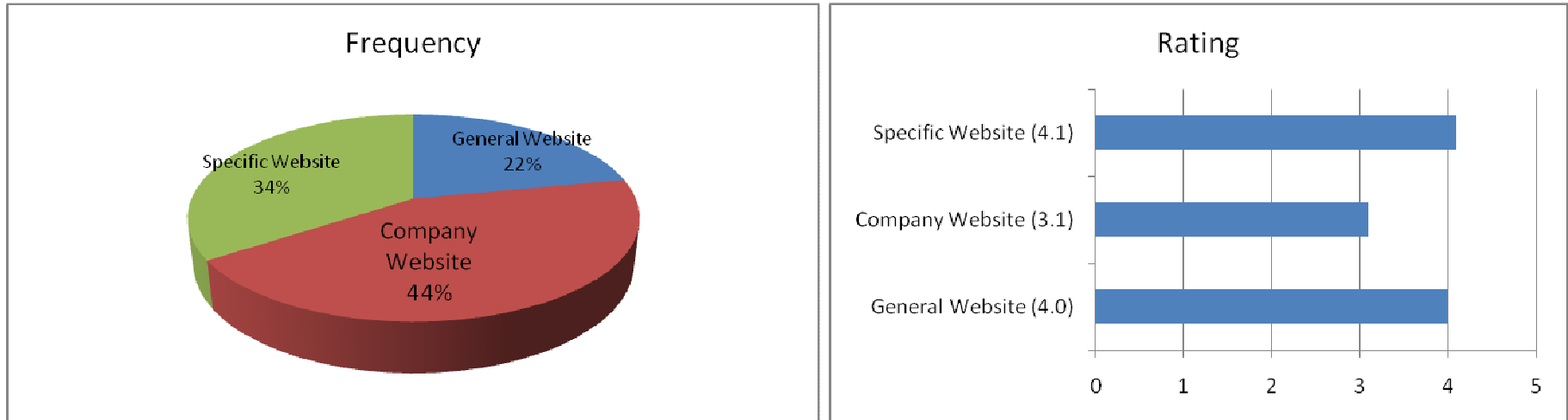
**From our research – External Recruiting tactics used to attract potential employees:**

- “Develop reputation of Employer of Choice by paying high in our marketplace and provide a comprehensive benefits package”
- “Working with local diversity groups to increase representative workforce and reach diversity candidates (i.e. Aboriginals, visible minorities, women in under-represented roles and people with disabilities)”
- “Co-op programs, and offering positions to graduates”

Primary Category: Skill Shortages

**Sub-Category: Online Advertising**

Specific Categories:



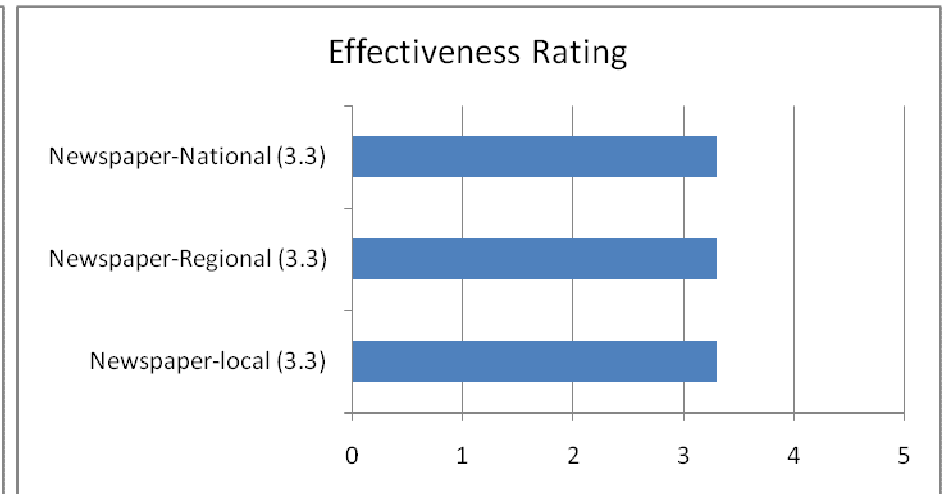
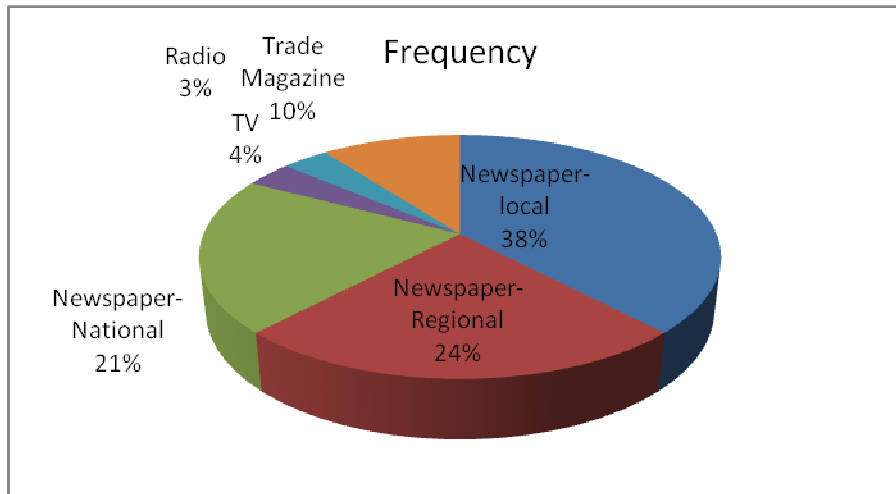
**Analysis of Information Received:**

When using online advertising to seek out new candidates, our study indicates that the *Company Website* along with industry *Specific Websites* are most effective. In other words, by focusing on the websites most likely to be viewed by suitable candidates, Top Employers are receiving greater response from qualified applicants. Although difficult to gauge from our research, we believe that the organization’s Workplace Culture and reputation are also important for attracting good applicants from online sources. This conclusion is consistent with the rest of our findings, and with our secondary research.

**From our research – Online Advertising tactics used to attract potential employees:**

- “Posting job advertisements on web boards like Monster and Craigslist (the effectiveness of this varies depending on the position and the geographic location)”
- “Recently developed a career website that details opportunities within company”
- “Enhancing information for job seekers on public website – have gone through an ‘overhaul’ of career section; posting jobs on public website”

Primary Category: Skill Shortages  
**Sub-Category: Mass Media**  
 Specific Categories:



**Analysis of Information Received:**

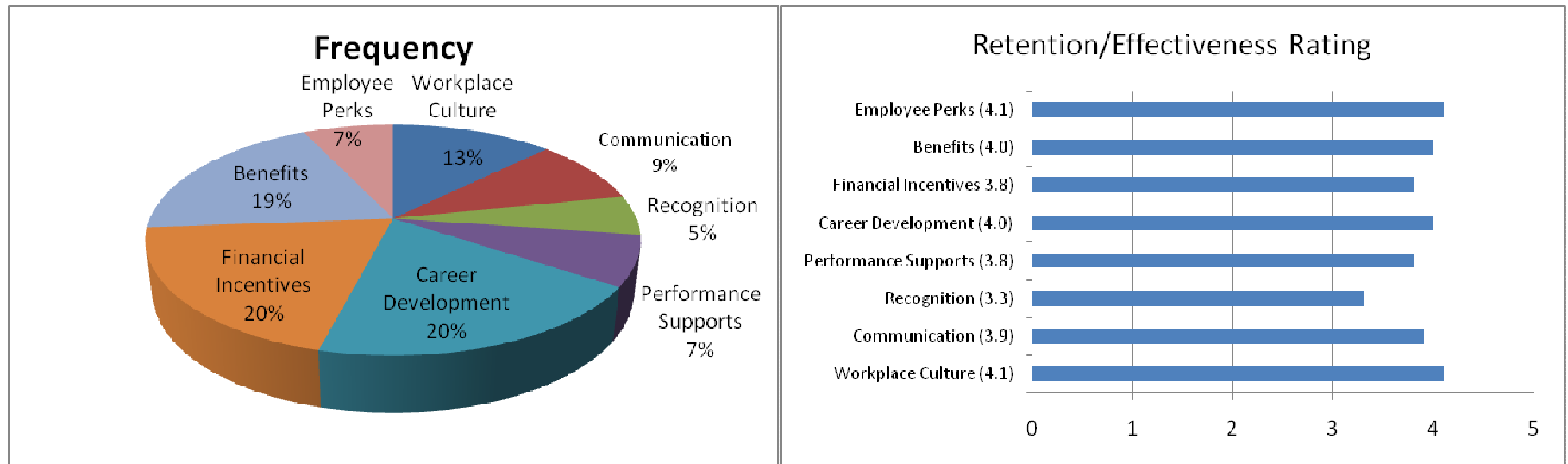
Our findings reveal that the majority of mass media advertising is managed through local newspapers. We included television and radio in the category of mass media. These areas are not included in our bar graph because the frequency level was below our criteria of 3; where utilized, these tactics were rated higher than traditional print advertising. *Local Newspaper's* highest rating are consistent with our earlier observations that Top Employers have more success using more focused and specific methods for finding good applicants.

**From our research – Tactics for using Mass Media to attract potential employees:**

- “Posting job advertisements in local papers”
- “We advertise in the local papers”
- “Posting job advertisements in local BC newspapers”

**Top Companies response to the issue of Workforce Retention:**

**Research Question #2:** What strategies are you utilizing to retain your talent?



**Analysis of Information Received:**

*Financial Incentives, Career Development, Benefits and Workplace Culture* comprise nearly 60% of Top Employers strategies for retaining employees. However, in terms of effectiveness, *Workplace Culture, Employee Perks, Benefits and Career Development* to be the most effective strategies. Virtually all strategies (with the exception of Recognition), have solid effectiveness ratings. Only 13% of our respondents reported workplace culture as a contributor to employee retention. However, this category had the highest effectiveness rating for both workforce retention and employee engagement. Our secondary research reinforces the findings of this study, particularly the work of Frederick Herzberg. In a landmark study, Herzberg demonstrated that employees are not significantly motivated by financial incentives. However, his work discovered that fair financial compensation is important in preventing employees from becoming dissatisfied and, in that way, important for employee retention – (“*One More Time – How Do You Motivate Employees?*” by Frederick Herzberg, Harvard Business Review, 1968)

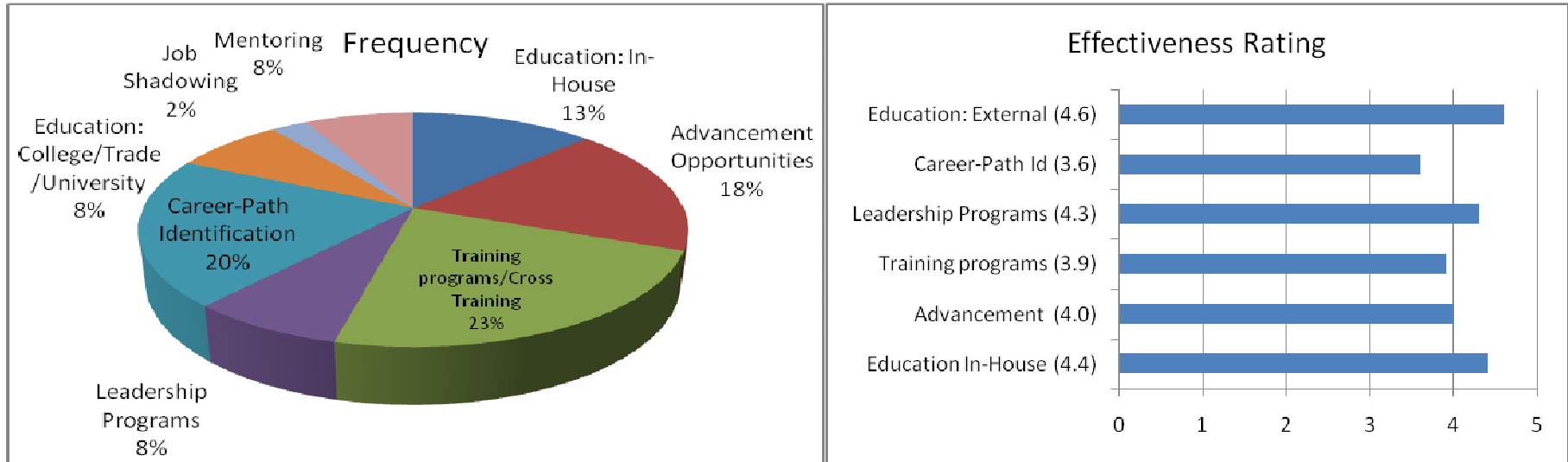
**From our research – Tactics used to foster Workforce Retention:**

- “Investigate and cull out complaining, make it a positive place that employees enjoy and want to come to work in.”
- Financial Incentives: “Above average pay rates, ‘talent’ compensation, re-evaluation / adjustments where appropriate”

Primary Category: Workforce Retention

**Sub-Category: Career Development**

Specific Categories:



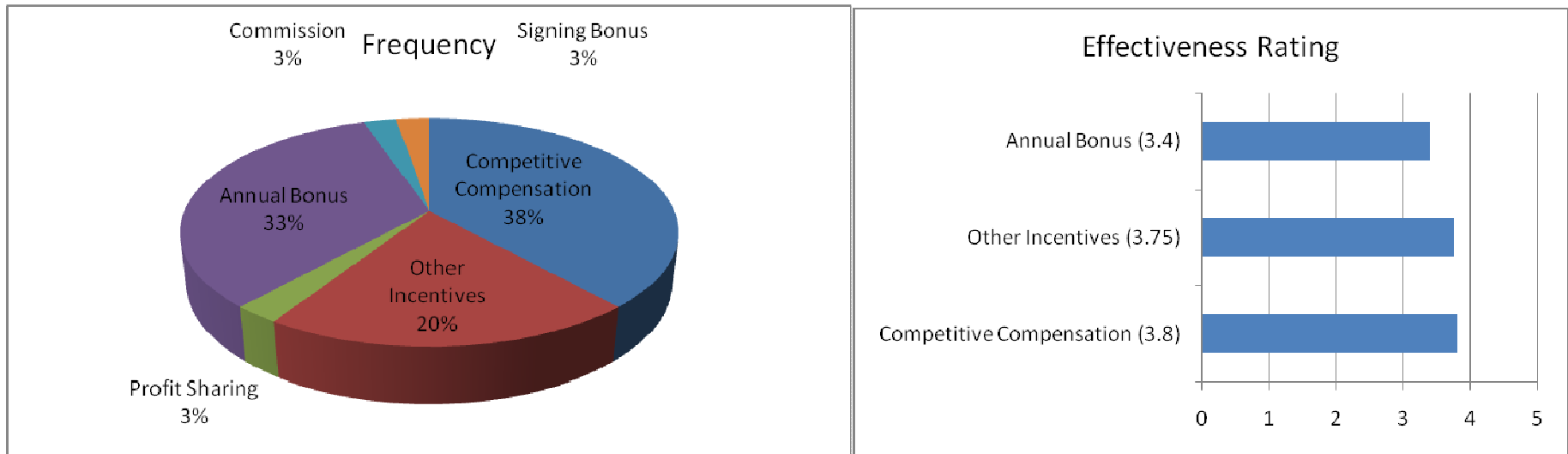
**Analysis of Information Received:**

*Training Programs* and *Career-Path Identification* were reported as the highest utilized career Development strategies (45%) for addressing workforce retention. Our research reports these strategies as being more important for employee engagement than for workforce retention. *In-House* and *External Education*, *Leadership Programs*, and *Advancement Opportunities* reported the highest effectiveness ratings in this category. This seems logical, since individuals are inherently driven by purpose, catering to their training needs can have a considerable impact on retention. Any effort to educate or train an employee towards career growth makes the person feel "valued", an engaging process that encourages his/her desire to stay with the employer.

**From our research – Career Development tactics used to foster Workforce Retention:**

- "Career-path identification"
- "Growth opportunities & promotion"
- "Cross training, Employee Development"

Primary Category: Workforce Retention  
**Sub-Category: Financial Incentives**  
 Specific Categories:



**Analysis of Information Received:**

All financial incentives were reported to have moderate effectiveness for retaining employees. As written in the beginning of this section, financial incentives are important in terms of preventing job dissatisfaction. As long as employees believe their compensation is fair, they will not be dissatisfied. However, extraordinary remuneration seldom translates into long-term job satisfaction.

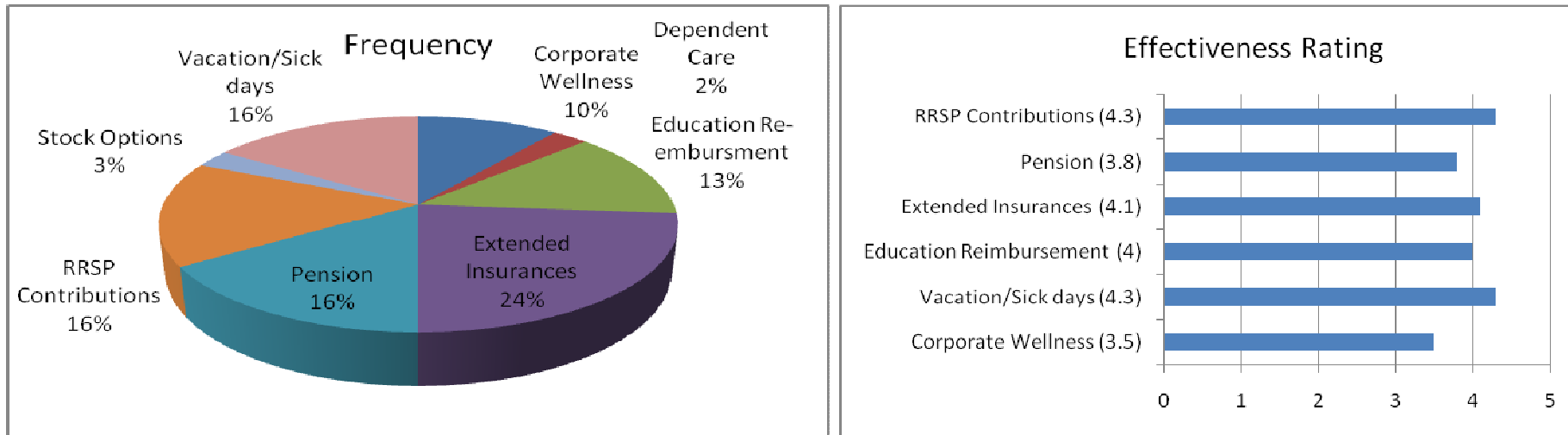
**From our research – Financial Incentive tactics used to foster Workforce Retention:**

- “Wage/salary adjustments for good performers”
- “Performance-based rewards”
- “Periodic bonuses”

Primary Category: Workforce Retention

**Sub-Category: Benefits:**

Specific Categories:



**Analysis of Information Received:**

Top Employers cited numerous Benefits types amongst their strategies for retaining employees. **Benefits cannot be underestimated for their value in retaining staff.** A Sanofi-Aventis 2006 Health Survey discovered that, "When asked to choose between a lump sum of cash or having their plan – 63% of respondents chose their plan over \$15,000 cash..." (Source: Plan News, Volume 13 Number 1 February 2007 – Chambers of Commerce Group Insurance Plan®). Again, this is consistent with research on this subject.

**From our research – Benefit programs used to foster Workforce Retention:**

- Flexible Benefits programs
- Health Benefit & Corporate wellness programs (counseling, etc...)
- Dependant Care & Vacation/Sick days
- Education reimbursement
- Extended insurance
- Pension plan

**Top Employers' responses to the issue of Employee Engagement:**

Research Question #3: How does your organization ensure that employees maintain a high level of engagement with their jobs?



**Analysis of information received:**

*Communication, Workplace Culture and Career Development (78% of total strategies)* were listed by Top Employers as the drivers behind employee engagement. Note that strategies in the communication category comprise nearly 50% of Top Employers' activities for engaging their employees. We believe it's significant that communication, workplace culture and career development are human relations related activities. Conditions that involve employee participation in the decision-making processes result in enhanced engagement. Our secondary research indicates that, while *Performance Supports* and *Financial Incentives* are motivators, they are not necessarily the most effective tactics for engagement.

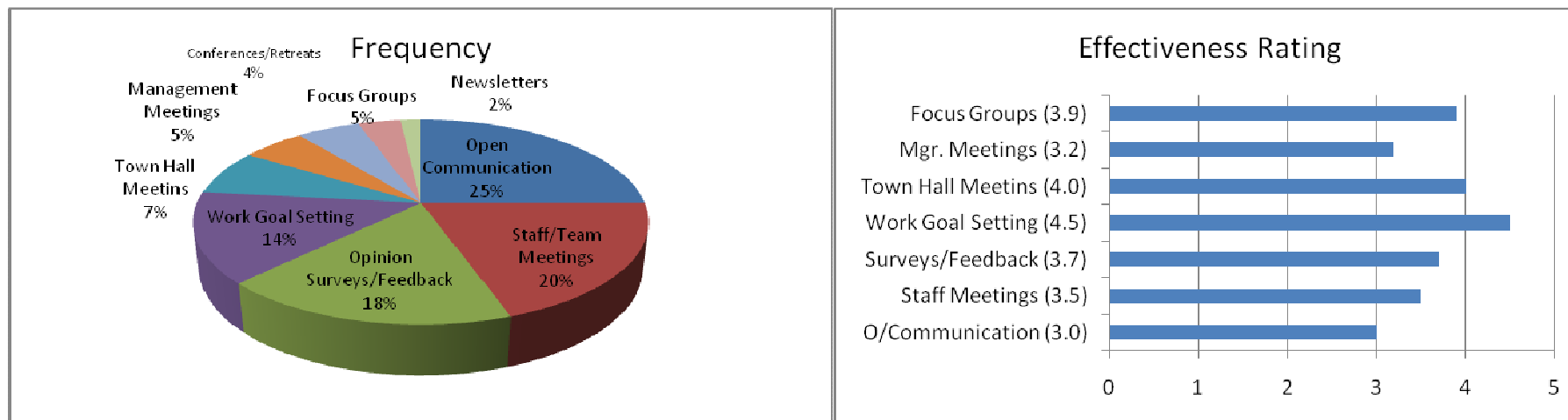
**From our research –Tactics used to create and maintain atmospheres that foster Engagement:**

- "Enhanced Employee Orientation Program – increased length of day from ½ day to full day; offer Orientations regularly"
- "Employee Service Guarantee – we promise employees that they will get an annual -development review within 30 days of their anniversary date and if we fail to deliver on that promise the employee gets a week's pay"
- "Onsite massage services (employee pays, we provide the time)"

Primary Category: Employee Engagement

**Sub-Category: Communication**

Specific Categories:



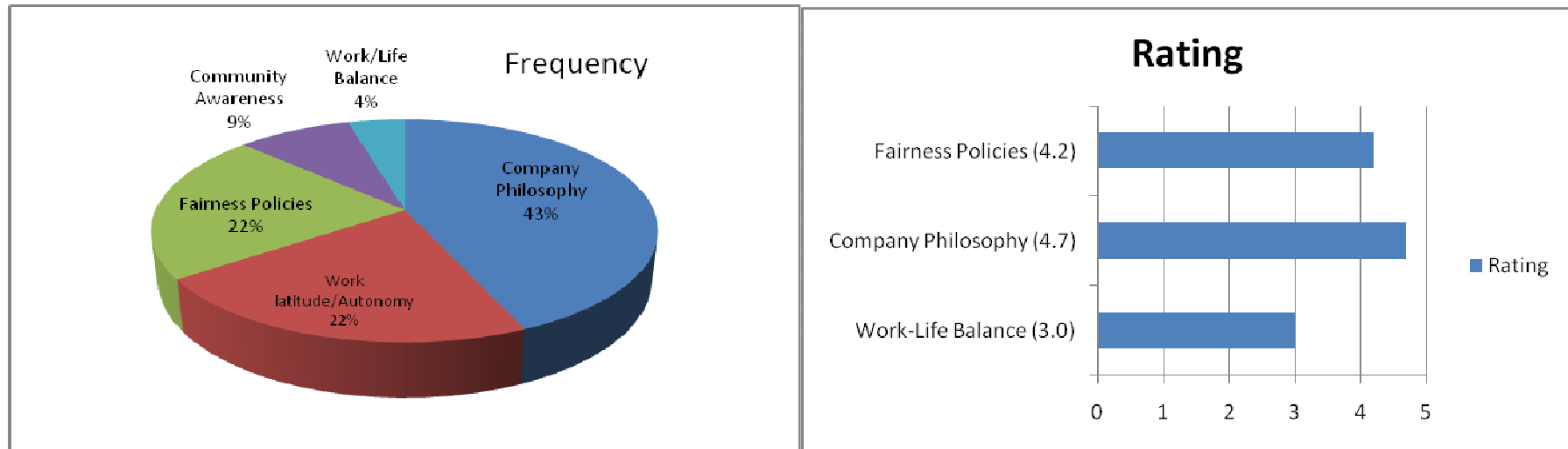
**Analysis of information received:**

As a category, communication is the most frequently used activity for enhancing employee engagement in the workplace. All forms of communication appear worthwhile towards building employee engagement. Communication strategies that involve listening to and interacting with employee input received the highest ratings (i.e. *Work Goal Setting*, *Focus Groups* and *Opinion Survey/Feedback*). Each of these strategies involves two-way communication and interaction between employees and their work. Our secondary research indicates that employees involved in decision making around their roles are more likely to experience a higher degree of engagement.

**From our research – Career Development tactics used to engage employees:**

- "Company culture, people, and environment"
- "Talk to them and have all employees support each other, keep them informed"
- "We have a monthly newsletter sent to every employee, daily updates on our web site and communication books in every department"

Primary Category: Employee Engagement  
**Sub-Category: Workplace Culture**  
 Specific Categories:



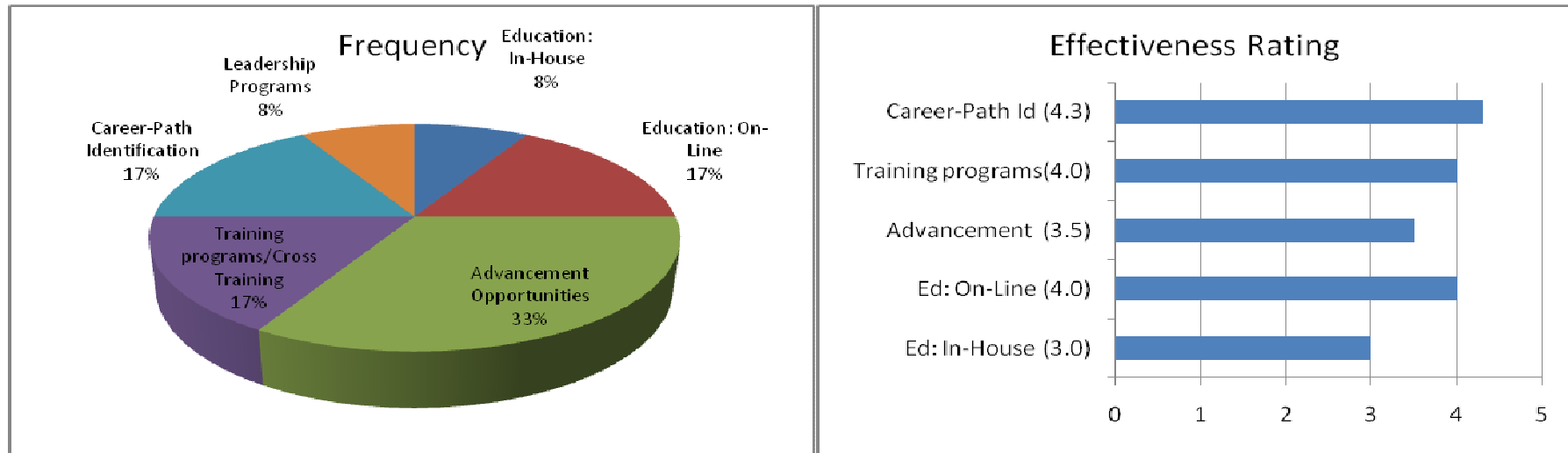
**Analysis of information received:**

Company Philosophy speaks to the organization’s values and is exhibited in how it goes about achieving its goals. Company Philosophy comprises 43% of the strategies in this sub-category and has an extremely high effectiveness rating – 4.7. Clearly it’s important for employees to feel attracted to the Company Philosophy. Jim Collins and Jerry I. Porras’ research in their book, *Built to Last* indicates that the most enduring and successful corporations preserve a cherished core ideology, while simultaneously stimulating progress and change in everything that is not part of their core ideology. In other words Top Employers distinguish their core values and purpose (which should never change) from their operating practices and business strategies (which should be changing consistently in response to a changing world).

**From our research – Workplace Culture tactics used to engage employees:**

- “Employee Empowerment Model” – this helps illustrate not only a formal process but our commitment to employee involvement.” “Work-life balance initiatives”
- “Lots of fun!!!”
- “Have a program which encourages staff wellness and supports healthy lifestyle”

Primary Category: Employee Engagement  
**Sub-Category: Career Development**  
 Specific Categories:



**Analysis of Information Received:**

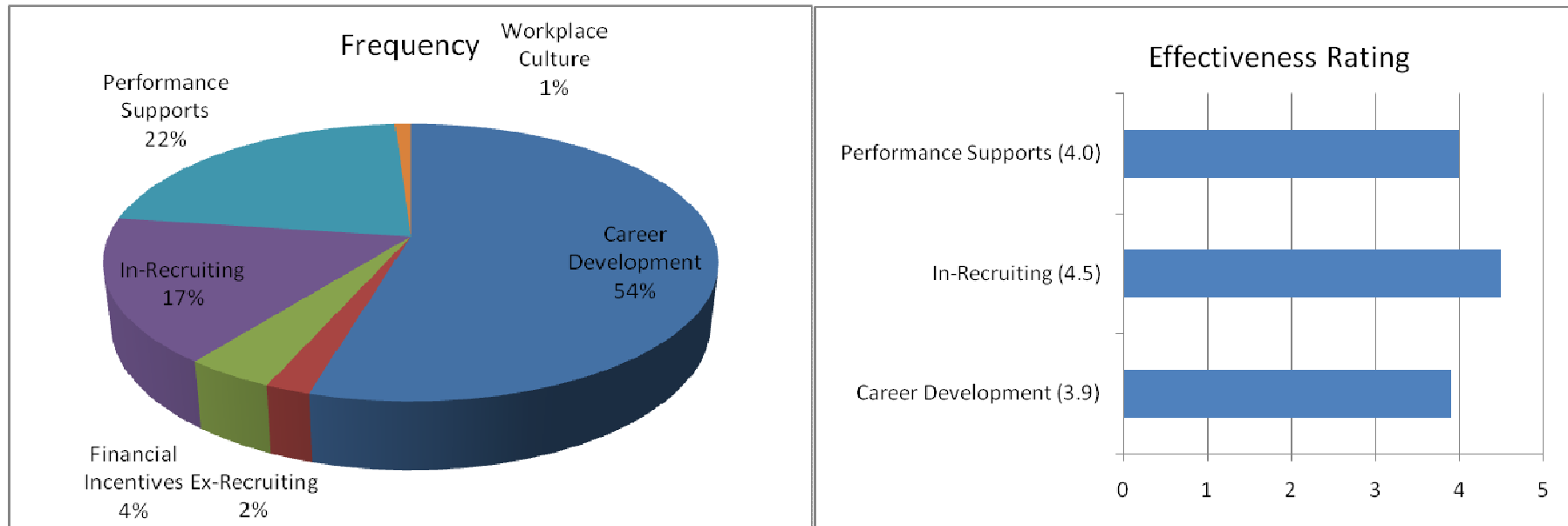
Having Advancement Opportunities will foster engagement. The most effective method of assisting employee Career Development in our study responses was Career Path Identification rated at 4.3. A Career planning process in an organization is an opportunity to link goals from the individual with those of the organization. The findings in our study are consistent with our secondary research. (E.G. Emotional commitment to one’s job has the greatest impact on employee’s discretionary effort – Corporate Leadership Council 2004 Employee Engagement Survey.) By supporting employees’ personal career plans, and by providing learning opportunities, companies will reduce attrition and conserve their knowledge capital. A concentration on Career Development appears to be a largely untapped engagement driver, even amongst Canada’s Top Employers.

**From our research – Career Development tactics used to engage employees:**

- “Opportunity for all staff to participate and add value to the company”
- “Empowerment – every employee should treat the business as their own”
- “Identify talent with potential and invest in them”

## Top Employers' response to the issue of Succession Planning:

**Research Question #4:** What Succession Planning strategies does your company employ?



### **Analysis of Information received:**

Career Development, Internal Recruiting, and Performance Supports are the top three Succession Planning strategies used by Top Employers from our study. There is a strong parallel between the strategies that rated highest in the Employee Engagement and Succession Planning sections. Career Development is a key for both issues. A focus on Career Development helps many employees become engaged in their jobs. Highly engaged individuals are the ones most likely to aspire to new positions and become part of the employer's Succession Planning strategy. It seems fair to conclude that investment into Career Development activities is also an investment into Succession Planning.

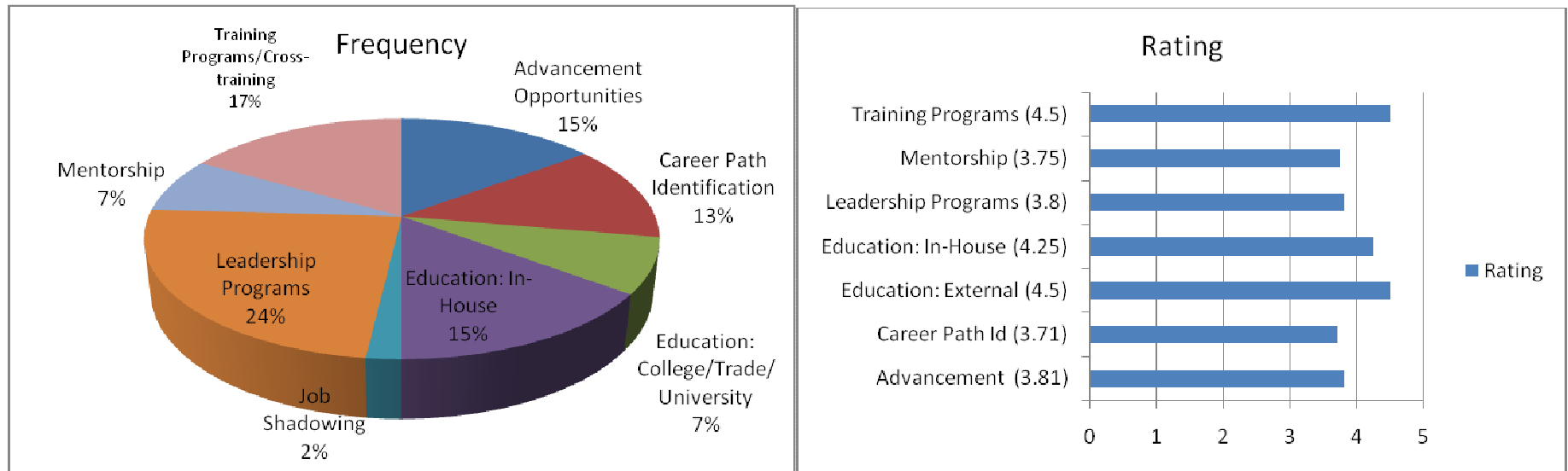
### **From our research – Tactics that drive Succession Planning:**

- "Cross-training developmental positions for employees"
- "Formal succession planning process twice yearly"
- "Proactive hiring for eventual management responsibilities (e.g. hiring university business program students)"

Primary Category: Succession Planning

**Sub – Category: Career Development:**

Specific Categories:



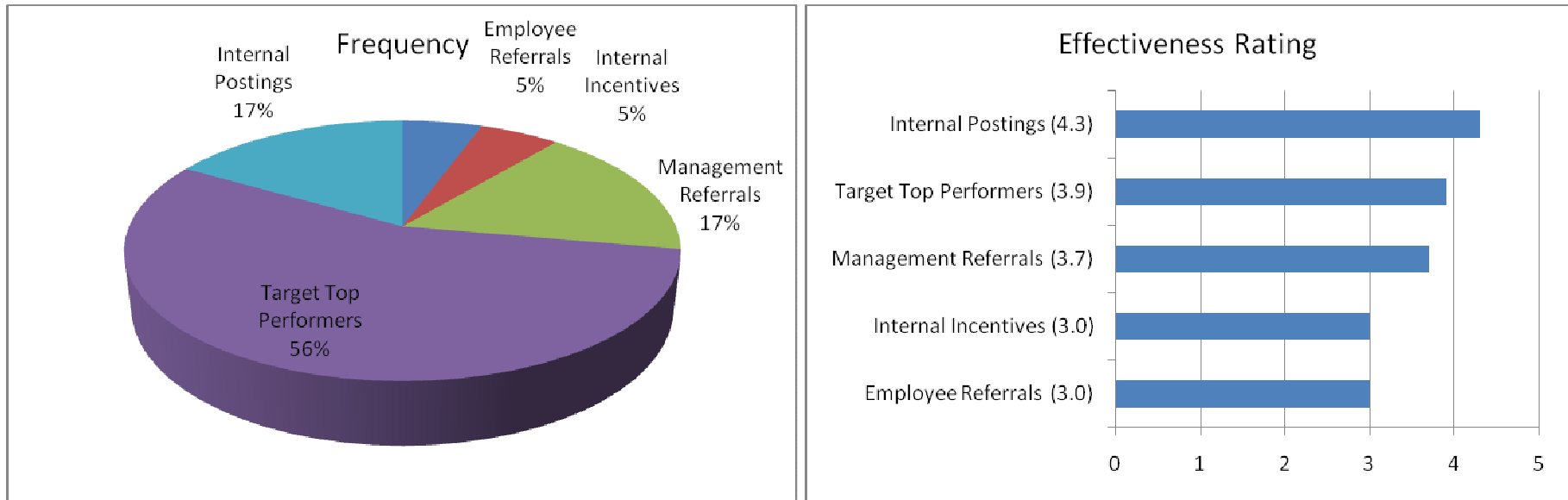
**Analysis of Information received:**

Career Development is the main contributor to Succession Planning. According to our research, hard-skills training (Training Programs, Education – In-House & External), is more effective than soft-skills training (Leadership Programs, Mentorship & Career Identification) for Succession Planning. Our research shows the situation reversed when employing strategies to foster Employee Engagement. Our conclusion – Career Development activities such as, Career Path Identification should be used to build engagement amongst staff. Engaged employees who have clear goals should be given priority for hard-skills training. Many Top Employers create specific management initiatives to link star performers with programs designed to address current and future organizational needs.

**From our research – Career Development tactics used to drive Succession Planning:**

- “We design our succession planning to meet the needs of each individual”
- “Training Managers (on supporting career discussions and growth)”
- “Developed in-house management development program”

Primary Category: Succession Planning  
**Sub-Category: Internal Recruiting:**  
 Specific Categories:



**Analysis of Information received:**

Our data indicates that Top Employers utilize varied means to target pursue top performers when filling the organization’s key positions. The most effective strategies appear to those that are “top-down.” Management’s selecting of suitable employees, either through targeting specific individuals, or by choosing from a group of internal applicants enables leadership to identify the individuals they think are most appropriate for new positions. Internal Postings came up as the highest rated method used for Internal Recruiting. Perhaps this method offers the best of both worlds. Individuals express their interest in new positions by applying; management is able to make its choices from a smaller group of employees who have indicated their motivation through applying.

**From our research – Internal Recruiting tactics used to drive Succession Planning:**

- “Invest in training all employees – on the job, consultant courses in house, outside training”
- “Psychometric assessment tools (to validate employee fit & potential)”
- “Candidate nomination and customized development plans”

## Final Observations:

### What Stands Out

Though not reflected in our research, Top Employers as a group are interested in improvement and input from a variety of sources. While we were contacting organizations, those that ranked near the top were, on average, quick to agree to take part in our study. The prevailing, response was something to the effect of, *"Great idea. We'd be happy to take part; we look for good ideas wherever we can find them."*

### Top Employers Invest Considerable Resources in Three Areas:

- Workplace Culture – Creating a culture that's engages employees and attracts quality candidates is invaluable. People who are proud of where they work are an organization's best advertising.
- Communication – Top Employers utilize numerous methods to share knowledge with their staff. They place considerable energy into developing two-way lines of communication. They realize that their staff is the best source for identifying efficiencies and finding ways to be more productive.
- Career Development / Training – Top Employers believe in training, and invest in a multitude of options. We almost hear the message, *"No expenditure on training is wasted money."*

Top Employers addressed all four study issues with strategies related to these three areas. Employers of Choice are deeply concerned about maintaining a good reputation. In many cases, "a good reputation" meant being recognized for having strength in these three areas.

Effectiveness ratings for Workforce Retention and Employee Engagement closely reflected what we discovered in our secondary research. Issues identified by psychologist, Frederick Herzberg as *"Hygiene Factors"* (I.E. strategies that prevent dissatisfaction) prove most effective as employee retention strategies. Also, Top Employers' most effective Employee Engagement strategies proved to be very similar in nature to what Herzberg identified as *"Motivators"*. (See chart below.)

<b>Motivators</b>	<b>Hygiene Factors</b>
<b><i>Job-Related</i></b>	<b><i>Workplace-Related</i></b>
Achievement	Work policies
Recognition	Leadership quality
Work challenges	Workplace relationships
Responsibility	Work environment
Development Opportunity	Compensation, security, status

#### Herzberg's Workplace Motivators and Hygiene Factors

(Source: Management of Organizational Behavior – Paul Hersey & Ken Blanchard, Prentice Hall, 2001)

### In Closing:

A number of employers thanked us for the opportunity to complete the questionnaire. While it was extra work on their part, these employers found answering the questions both encouraging and challenging – encouraging as they realized how much they're investing into addressing these issues; challenging as they considered the areas they still need to address. To those employers who participated in this study, we hope you are amongst those who share this sentiment.

The Career Management Connection Team – June 20, 2007.