

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With over 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

CPHR Canada represents 31,000 members in the Human Resources profession across nine provinces and three territories in Canada. Established in 1994, CPHR Canada is the national voice on the enhancement and promotion of the HR profession. With an established and credible designation and collaboration on national issues, we are proactively positioning the national Human Resources agenda in Canada and representing the Canadian HR profession with HR associations around the world.

Report

People Profession 2023: A Canadian perspective

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Introduction

As we settle into the post-pandemic 'new normal', we see significant shifts in the behaviours of workers and workplaces, which have brought new challenges and opportunities for the people profession.

Macro trends, including advancing technology and digital transformation, economic instability, the transition to net zero and new models of working, are driving constant change. It is under these conditions that businesses need to adapt or risk being left behind. It's up to senior leaders and people teams to shape and influence current strategy and people practice to navigate this ever-changing landscape.

Aims of this report

This report, which summarises the findings of the 2022 CPHR Canada <u>HR</u> <u>Trends Survey</u> report, gives a snapshot of the current HR landscape in Canada. It provides insights into how external factors are impacting current HR practices, and the challenges and opportunities these bring. It also explores how people professionals perceive their careers and working lives amidst these changes.

We investigate the following questions and give recommendations on how people professionals can navigate the challenges they are facing:

- What are the top workforce priorities for organisations?
- What equality, diversity and inclusion strategies do organisations have in place?
- How is digital transformation changing the way people teams operate?
- How are practitioners developing their skills and capability?
- How do people professionals feel about their career prospects and progression?
- How does people professionals' work affect their wellbeing?

While this report summarises CPHR Canada research and is not part of the CIPD *People Profession 2023 survey* data, it provides a useful comparison of the main trends impacting people professionals in Canada. It can be read in conjunction with the accompanying CIPD *People Profession 2023* survey reports that explore how global issues are affecting nine countries across <u>Asia-Pacific</u>, the <u>Middle East and North Africa</u>, and the <u>UK and Ireland</u>. The <u>People Profession 2023: International survey report</u> also looks at how people professionals across the world perceive:

- the impact and value of people teams
- how the role of people professionals is changing
- how people professionals are using evidence in practice
- the role of HR in the sustainability agenda.

3 Introduction

Survey participants



Canada

Sample demographics are included at the end of Section 2.

In 2022, Chartered Professionals in Human Resources Canada (CPHR Canada) – an association representing over 31,000 members nationally – conducted an HR trends survey among people professionals across Canada. The purpose was to understand key objectives such as HR salaries, benefits and other compensation, job responsibilities, the acquisition and benefits of the HR designations, professional development activities, equality, diversity and inclusion (EDI) initiatives, technology trends, and recruitment and retention challenges in today's labour market. A total of 1,954 respondents completed the survey, and some of the key findings are summarised below to give a comparable view of the main opportunities and challenges people professionals face within this region.

The data was collected between 31 October and 22 November 2022 via an online survey.

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A Canadian perspective

External context

The face of Canada's world of work is changing, reflecting the country's noticeably ageing population and high immigration levels. Due to the latter factor, Canada's population is growing rapidly, despite a low birth rate. In fact, it ranks seventh in the G20 with a population growth rate of 5.2%.¹

Nevertheless, the country faces major challenges related to the labour shortage.² Despite rising inflation rates and an economic downturn in some sectors, the unemployment-to-job vacancy ratio in Canada is still falling, and even hit a historical low of 1.4 unemployed people per vacancy in 2022.³ Organisations are mainly concerned about recruitment and retention issues and are feeling pressured to raise salaries. In this situation, employees are now holding more power in the employee–employer relationship.

Canadian organisations must also overcome other sizeable challenges, such as the worrying rise of mental health issues among Canadian workers,⁴ and changes involving different working methods, such as the hybrid work model, and accelerated digital transformation.

What are the top workforce priorities for organisations?

Unsurprisingly, due to the widespread labour shortage, the 2022 survey revealed that six out of 10 people professionals surveyed considered recruitment a very or extremely difficult issue in the last year. The main challenges highlighted by the survey were a lack of applicants, candidates declining job offers, candidates not having the hard skills required for the position, and candidates without enough experience (see Figure 1).

Lack of applicants 23 17 Candidates declining job offers Candidates not having enough experience 15 Candidates not having the hard skills required 15 Successful candidates leaving shortly after beginning work for another job Unable to agree on salary 13 13 Candidates do not attend scheduled interview Candidates missing necessary soft skills 11 Successful candidates not showing up for first day of work

Figure 1: A lack of applicants was the top recruitment challenge for Canadian organisations in 2022 Recruitment challenges experienced by Canadian organisations in the last year (% of respondents)

Base: all respondents (n=1,954).

Question: What challenges has your organisation experienced recruiting new employees in the last year?

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In the same vein, retention was considered very or extremely difficult by 33% of respondents. The average turnover rate in the country was 15%, while the involuntary rate was 5.3%.

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2.0

It's important for organisations to take a holistic approach to their retention strategy and adapt their offer to changing employee preferences. Diverse working environments are increasingly important for staff retention, particularly for younger employees who are more likely to want to work for employers that prioritise EDI (equality, diversity and inclusion). Delivering and promoting EDI in the workplace is also key to ensuring employees feel a sense of belonging and are empowered to achieve their best.

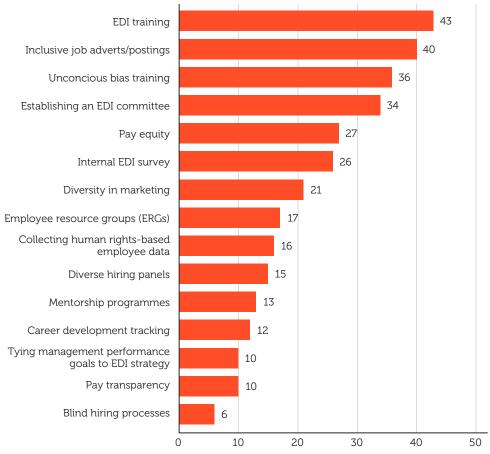
What equality, diversity and inclusion strategies do organisations have in place?

Over half of respondents said that their organisation has a formal EDI strategy in place (55%). Furthermore, 60% stated that EDI initiatives have been implemented, and another 16% are planning to do so. Some of the most popular initiatives include EDI training, inclusive job postings, unconscious bias training, and establishing an EDI committee (see Figure 2). However, significantly fewer said their employer measures EDI in their organisation (22%).

It's important for organisations to prioritise an EDI measurement to ensure accountability to EDI commitments, assess the effectiveness of existing policies and practices, and to make informed decisions about how to design and target activity. A lack of measurement can be a serious barrier to progress. The CIPD's <u>Diversity management that works</u> evidence-based report provides practitioner-focused recommendations on managing and measuring EDI.

Figure 2: The most popular EDI initiatives in Canadian organisations include EDI and unconscious bias training, and ensuring job postings are inclusive

EDI initiatives that are implemented or planned in Canadian organisations (% of respondents)



Base: all respondents (n=1,954).

Question: What equality, diversity and inclusion initiatives has your organisation implemented or is planning to implement?

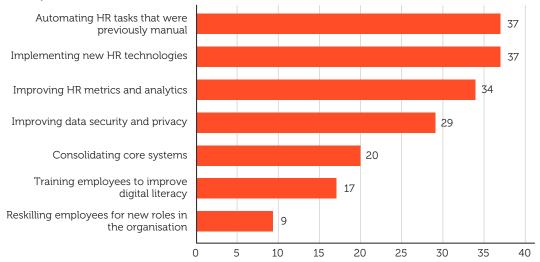
How is digital transformation changing the way people teams operate? Just over a quarter of respondents (27%) said their organisation has developed a formal strategy to prepare HR for a digital workforce, while nearly 40% said they have implemented an HR digital transformation initiative (see Figure 3).

Those working in manufacturing were less likely to have a formal strategy, while those working in IT/telecom/ISP companies were more likely.

The main technologies that have been implemented for HR functions are aimed at automating HR tasks that were previously performed manually, improving HR metrics and analytics, and improving data security and privacy.

Figure 3: Over a third of Canadian respondents said that their organisations have implemented new HR technologies and automated HR tasks that were previously manual

Digital transformation initiatives that are implemented or planned by Canadian organisations (% of respondents)



Base: all respondents (n=1,954).

Question: What HR digital transformation initiatives has your organisation implemented or is planning to implement?

The most popular areas where automated HR tasks are being planned are internal processes (73%), onboarding (67%) and application tracking (62%).

How are practitioners developing their skills and capability?

Nearly all Canadian HR professionals (90%) stated that they have access, through their employer, to development and training opportunities. On average, they spent 44.5 hours on developing their own skills last year. Those who work at large companies and those who hold management positions spend a significant amount of time training and developing themselves during their work days to ensure constant upskilling and reskilling of the current workforce. They, or their employer, spend CA\$1,275 annually on training and development.

How do people professionals feel about their career prospects and progression?

The survey revealed that 95% of respondents are proud of the work they do as HR professionals. Eighty per cent feel that the profession is perceived to fulfil a strategic role within their organisation, and 79% are eager to start their work day. This shows that HR professionals are satisfied with the perceptions of their role, responsibilities, and impact on employers, managers and workers.

How does people professionals' work affect their wellbeing?

A different survey of 800 respondents⁵ conducted in the Canadian province of Quebec revealed some worrying data about the mental health and wellbeing of HR professionals.

Among other things, 55% of the surveyed professionals said that their work days are fairly or very stressful. The vast majority (79%) of respondents said they feel emotionally drained by their work. Furthermore, 64% of respondents have

seen their workload increase in the last 12 months, and 48% of respondents mentioned that their role and influence in the workplace has grown.

This data is definitely cause for concern. While organisations are primarily worried about managing their workforce in the face of these huge challenges, it is not surprising to note that their people teams are also struggling.

Recommendations

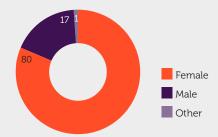
CPHR Canada suggests that people professionals adopt the following key behaviours to aid their own wellbeing and those of their teams:

- Recognise when you have reached your workload capacity. If you're
 consistently working overtime or feeling anxious about work, it may
 be an indication that you are taking on too much. It's important to
 remember that even if the quality of your work hasn't declined, your
 mental health may have.
- Track changes in sleep, health, mood, appetite and even motivation, which again can be an indication that you are performing at an unsustainable pace. As a people professional, encourage your workplace to initiate wellbeing activities and encourage employees to take breaks when working for long periods of time.
- Set clear limits to protect your time and mental wellness, such as blocking
 off an hour for lunch in your calendar, silencing call or chat alerts during
 concentrated working periods, and committing to not checking emails
 on evenings and weekends. Once you've developed a list that works for
 you, tell the rest of your team so that everyone knows what to expect. You
 may even want to encourage them to do the same thing.
- Check in with colleagues and employees to see how they are doing. HR leaders and anyone in a supervising position should also, as part of a performance discussion, ask employees if there are any issues they are facing that are interfering with work. Regularly inform employees of mental health support available to them, such as employee assistance programmes or community resources. It is also important to account for diversity in the workplace, including additional challenges that some people may be facing that can intersect with mental health, addictions and illness.

For further findings and analysis, see the full CPHR Canada <u>2022 HR</u> <u>Trends Survey</u> report.

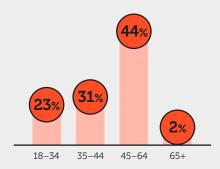
Canada: Sample demographics

How would you best describe your gender? (%)



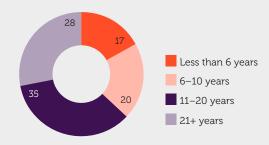
Base: Canada (n=1,954).

What is your current age?



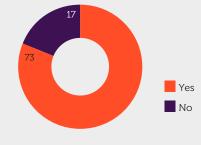
Base: Canada (n=1,954).

How many years of work experience do you have in the HR/people profession? (%)



Base: Canada (n=1,954).

Do you have education that is related to HR? (%)



Base: Canada (n=1,954).

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Endnotes

- ¹ Statistics Canada. (2022) <u>A generational portrait of Canada's aging population from the 2021 Census</u>.
- ² Statistics Canada. (2022) <u>Labour shortage trends in Canada</u>.
- ³ Ibid.
- ⁴ Telus Health.
- ⁵ Quebec survey on HR professionals' wellbeing conducted in April 2023 by the Ordre des Conseillers en Ressources Humaines Agréés du Québec.

10 Endnotes



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