### **CPHR**

Western Canada

## HR Trends Report

Research to Help You Lead

Spring 2021

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## Introduction



#### Introduction



This report serves as a reference tool for HR professionals and departments across Western Canada to make better-informed decisions using up-to-date workplace information. Taken in concert with best practices, comparative data can help human resources professionals improve the advice they provide to their organizations.

CPHR British Columbia and Yukon, CPHR Alberta, CPHR Saskatchewan, and CPHR Manitoba have commissioned this report to supplement other sources of workplace information available to their members and to provide benchmarks that can help human resources professionals make better decisions. This report combines selected standard questions that have been tracked over previous waves as well as builds on the most recent survey gauging the ongoing impact of the COVID-19 pandemic.



#### Methodology



The Spring 2021 wave of this study was conducted by Insights West on behalf of CPHR British Columbia & Yukon, CPHR Alberta, CPHR Saskatchewan, and CPHR Manitoba. The survey was conducted online from November 23<sup>rd</sup> to December 13<sup>th</sup>, 2020.

Members of the four associations were invited to participate via email communication from their respective associations. In total, 13,686 human resources professionals were sent a survey invitation. Respondents were screened to include members who:

- Are currently employed; and
- Have employees in Western Canada.

A total of 1,019 human resources professionals participated in the survey, for an overall response rate of 7.45%. Survey responses to individual questions were optional. The margin of error of this survey varies depending on the number of completions each question received. The margin of error for a sample size of 1,019 (all survey respondents participating) is +/- 3.07%, nineteen times out of twenty.

#### **Sample**



Throughout this report, where relevant and allowed by sufficient sample size, comparisons are made between different respondent subgroups, such as region and organization size. Where these differences are deemed statistically significant, they are indicated as follows:

Statistically significantly **higher** than comparison group(s).

Statistically significantly **lower** than comparison group(s).

Where applicable, results have also been compared to previous years' studies and statistically significant year over year changes have been indicated as follows:

- ▲ Statistically significantly higher than previous wave.
- Statistically significantly lower than previous wave.

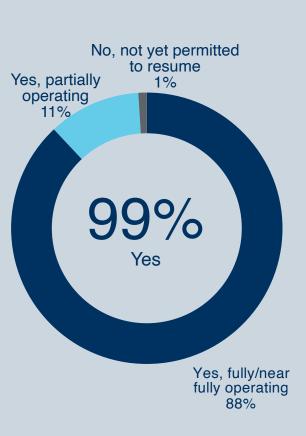
## **Detailed Findings**

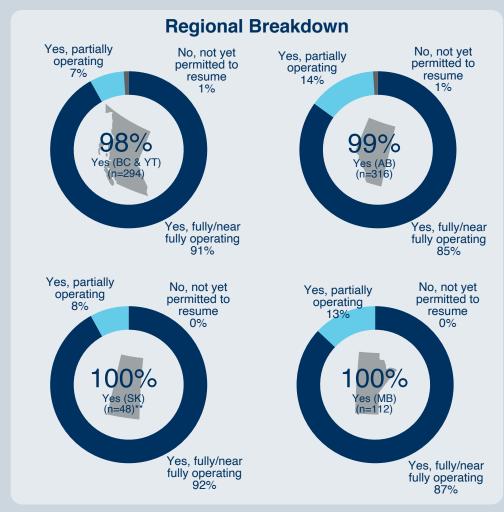




## Organization State During Public Health Emergency







## Organizations Currently Operating

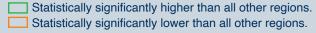
Nearly all organizations in Western Canada are currently operating. Close to 9-in-10 are *fully/near fully operating*.

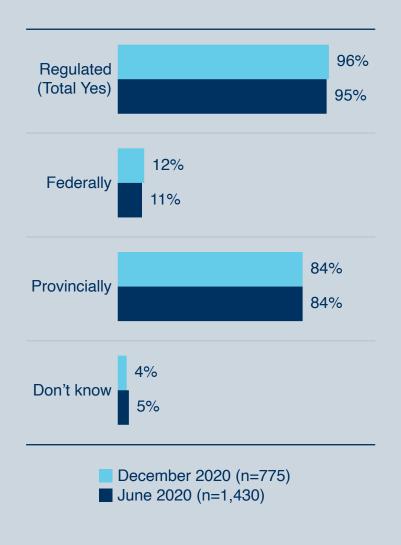
Organizations in Alberta (14%) and Manitoba (13%) are more likely to be partially operating.

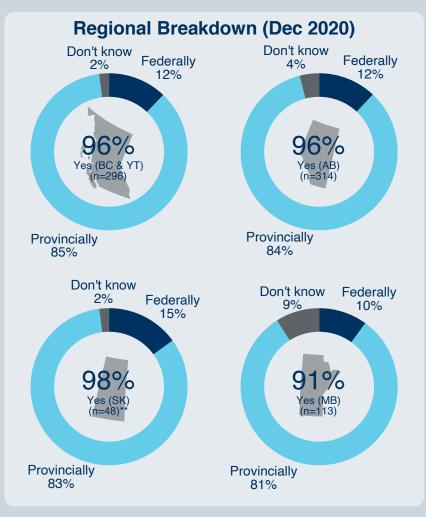
Base: Employed in HR, excluding consultants n= 774
\*\*Very small base size, interpret with extreme caution.
PD6. Is your organization currently operating?

▲ Statistically significantly higher than previous year.

▼ Statistically significantly lower than previous year.







#### **Workplace Regulation**

Nearly all organizations represented by respondents in Western Canada are *provincially regulated*.

Those who work for large organizations (1,000+ employees) are more likely to be federally regulated (16% vs. 11% medium and 9% small).

Base: Employed in HR, excluding consultants

\*\*Very small base size, interpret with extreme caution.

PD2. Is your workplace federally or provincially regulated?

▲ Statistically significantly higher than previous year.

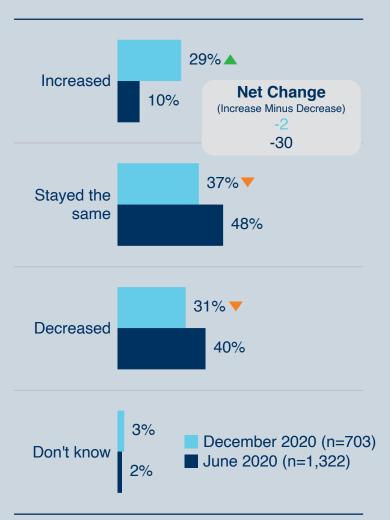
▼ Statistically significantly lower than previous year.

Statistically significantly higher than all other regions.Statistically significantly lower than all other regions.



## **Pandemic Impact**







#### **Change in Employees**

Change in workforce size is looking more positive in all four provinces, though this is industry specific. Overall net decreases in the total number of employees due to the pandemic appear to be recovering.

Alberta and Saskatchewan are still seeing a negative net change in employment, while BC &Yukon and Manitoba reported net increases.

Healthcare/social assistance shows the biggest net increase (+37) while oil and gas has the largest proportion of organizations with a net decrease (-32).

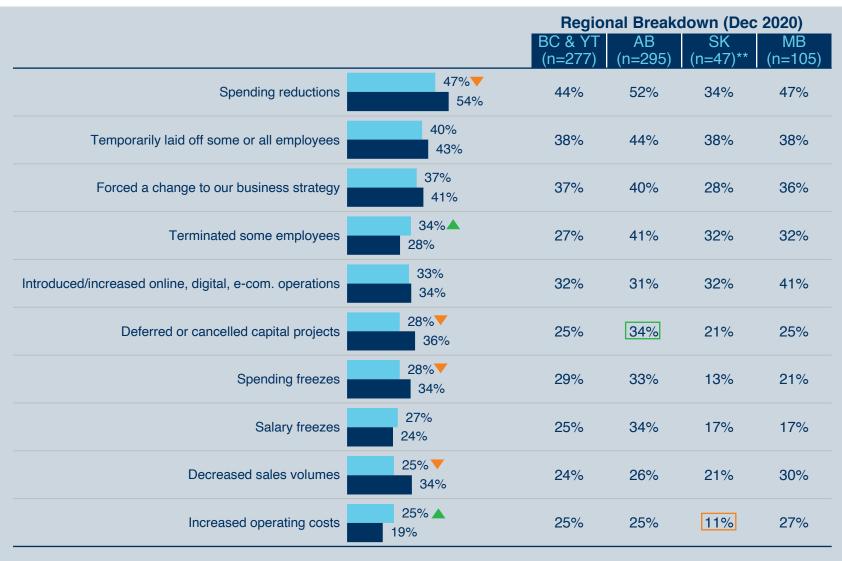
Base: Employed in HR, excluding consultants
\*\*Very small base size, interpret with extreme caution.

Dec 2020 C6. In the last six months, how has the total number of employees (full time and part time) in your organization's employment changed?

June 2020 P5. How has the size of your workforce changed due to the pandemic?

Statistically significantly higher than previous year.Statistically significantly lower than previous year.





#### **Pandemic Impact**

Nearly all organizations continue to be impacted by the COVID-19 pandemic. Spending reductions remain the most common impact. However, this is significantly lower compared to June 2020 as are deferred/cancelled projects, spending freezes, decreased sales volumes, reduced staff hours, cancelled contracts/tenders, and salary reductions.

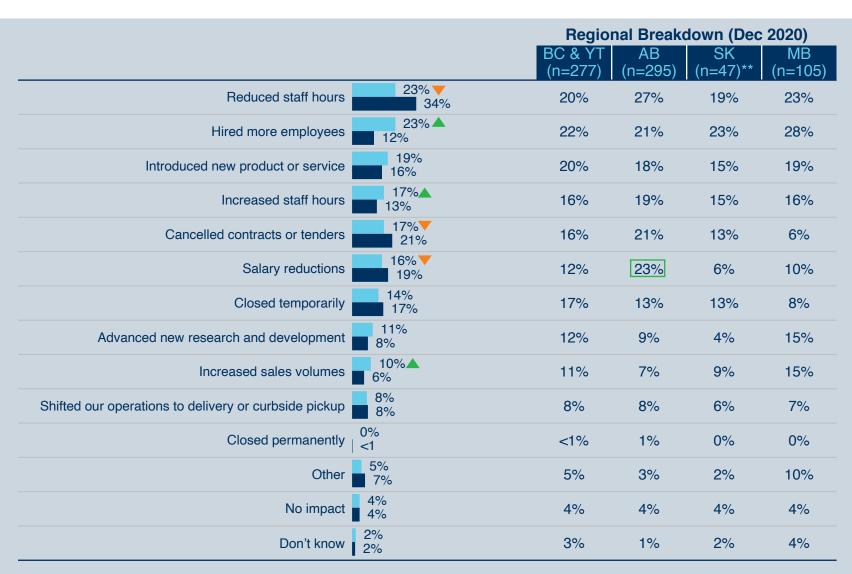
However, termination of some employees and increased operating costs have become more common impacts in the later stage of the pandemic.

- December 2020 (n=726)
- June 2020 (n=1,349)

Base: Employed in HR, excluding consultants (n=726) \*\*Very small base size, interpret with extreme caution.

P1. To date, how has the COVID-19 pandemic impacted your organization?





#### **Pandemic Impact (cont.)**

On a more positive note, hiring of more employees, increased staff hours, and increased sales volumes have all increased since June 2020.

Alberta employees have been the hardest hit, being significantly more likely than the other provinces to have experienced *deferred or cancelled capital projects* and *salary reductions*.

- December 2020 (n=726)
- June 2020 (n=1,349)

Base: Employed in HR, excluding consultants (n=726) \*\*Very small base size, interpret with extreme caution.

P1. To date, how has the COVID-19 pandemic impacted your organization?



Pandomio Impact		(	Organization Siz	ze	Sector		
Pandemic Impact (cont.)	<b>TOTAL</b> (n=126)	Small (n=184)	Medium (n=325)	Large (n=186)	Healthcare/ Social Assistance (n=100)	Public Administration (n=97)*	Professional, scientific, technical services (n=94)*
Spending reductions	47%	38%	47%	58%	28%	36%	51%
Temporarily laid off some or all employees	40%	27%	46%	44%	20%	38%	35%
Forced a change to our business strategy	37%	33%	36%	45%	40%	41%	36%
Terminated some employees	34%	22%	40%	36%	15%	15%	43%
Introduced/increased online, digital, e-commerce operations	33%	29%	31%	40%	30%	43%	29%
Deferred or cancelled capital projects	28%	21%	27%	40%	17%	33%	21%
Spending freezes	28%	23%	25%	39%	15%	21%	31%
Salary freezes	27%	27%	28%	27%	12%	16%	29%
Decreased sales volumes	25%	28%	26%	23%	8%	7%	31%
Increased operating costs	25%	20%	28%	24%	39%	26%	9%
Reduced staff hours	23%	17%	28%	21%	13%	22%	31%
Hired more employees	23%	17%	27%	22%	55%	20%	28%
Introduced new product or service	19%	18%	19%	17%	19%	15%	26%
Increased staff hours	17%	11%	18%	21%	44%	14%	11%
Cancelled contracts or tenders	17%	10%	14%	27%	8%	16%	29%
Salary reductions	16%	16%	15%	16%	6%	8%	24%
Closed temporarily	14%	7%	16%	17%	13%	15%	1%
Advanced new research and development	11%	8%	8%	17%	16%	8%	13%
Increased sales volumes	10%	8%	11%	9%	4%	4%	12%
Shifted our operations to delivery or curbside pickup	8%	7%	8%	8%	6%	6%	4%
Closed permanently	0%	0%	<1%	1%	1%	0%	0%
Other	5%	5%	4%	6%	4%	12%	3%
No impact	4%	6%	4%	2%	5%	4%	6%
Don't know	2%	2%	1%	4%	1%	4%	2%

Large organizations are more likely to have experienced a number of negative pandemic impacts, most notably spending reductions and forced a change to business strategy. However, they are also significantly more likely to have introduced/increased digital operations and advanced new research and development.

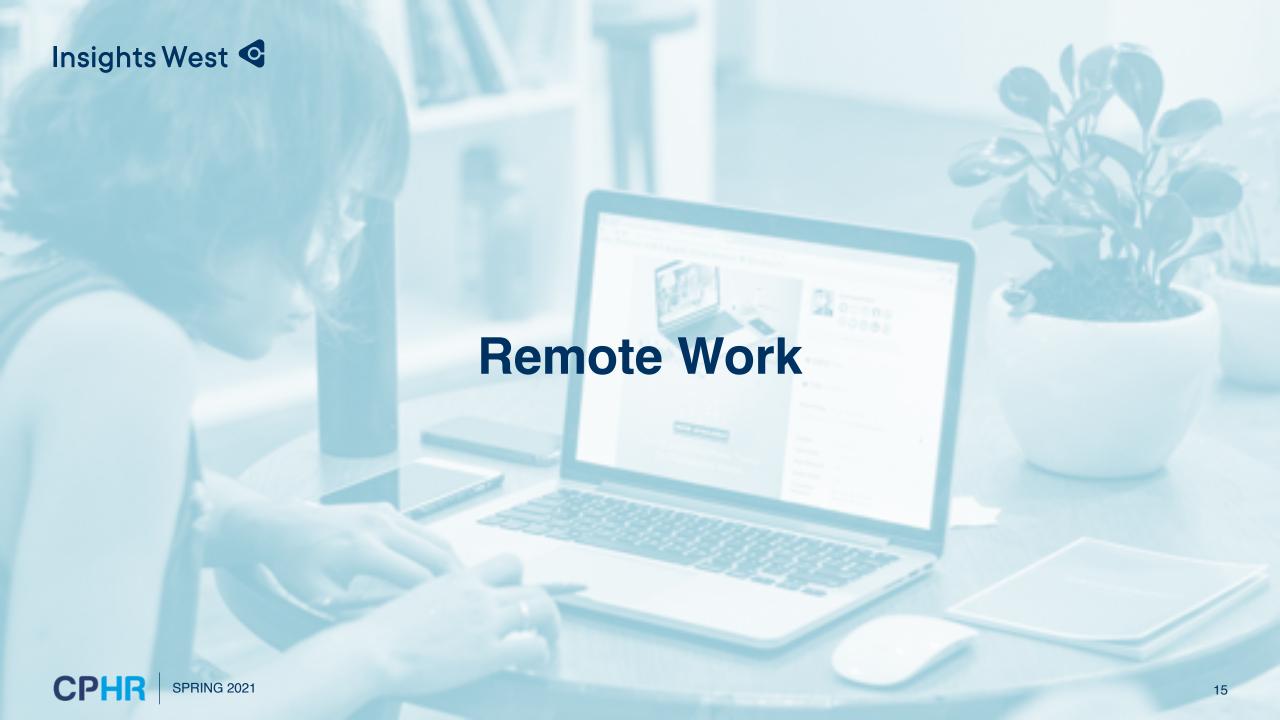
Not surprisingly, organizations in the healthcare sector are most likely to have *hired more employees* and *increased staff hours*.

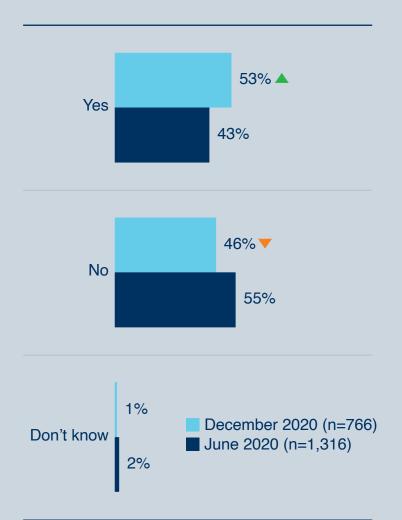
Organizations in professional services are most likely to have been impacted through spending reductions and to have terminated some employees.

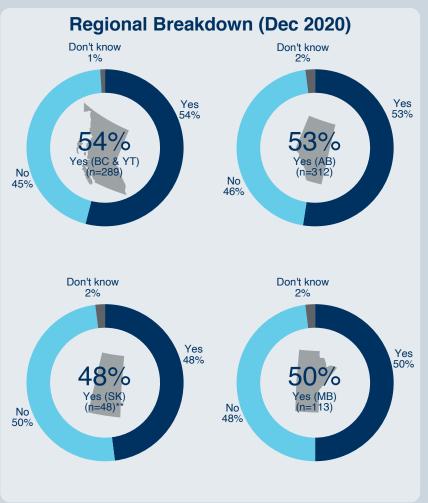
Base: Employed in HR, excluding consultants (n=726)\*Small base size, interpret with caution.

P1. To date, how has the COVID-19 pandemic impacted your organization?









#### **Remote Work Policies**

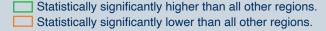
Out of the organizations in Western Canada that have been able to continue operations, significantly more indicate that they had remote work/flexible work policies prior to the pandemic compared to responses from the June 2020 wave.

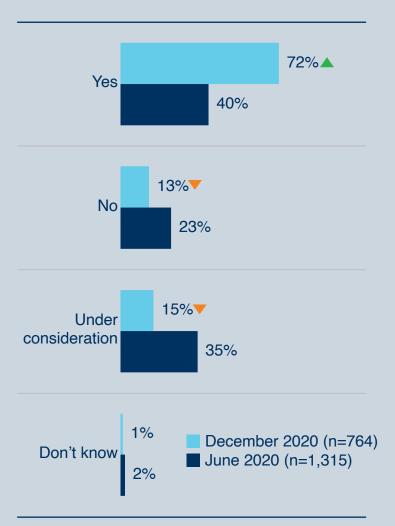
Base: Able to continue operations during pandemic \*\*Very small base size, interpret with extreme caution.

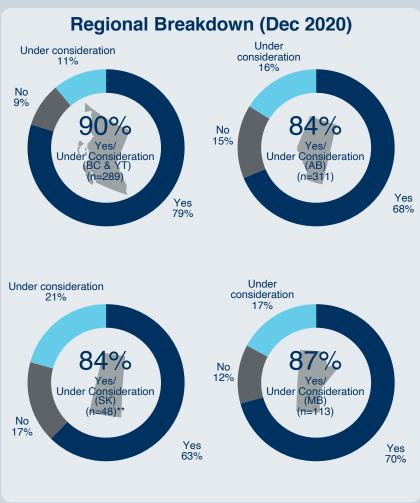
R5. Did your organization have remote work/flexible work policies prior to the pandemic?

▲ Statistically significantly higher than previous year.

▼ Statistically significantly lower than previous year.







#### **New Remote Work Policies**

Over 7-in-10 Western Canadian organizations have now introduced new remote work or flexible work policies, up significantly from June 2020.

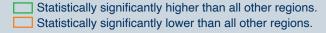
Organizations in BC & Yukon are significantly more likely than those in Alberta or Saskatchewan to have already introduced these policies.

Base: Able to continue operations during pandemic \*\*Very small base size, interpret with extreme caution.

R6. Has your organization introduced any new remote work/flexible work policies during\* the pandemic? \*Dec 2020 wording change from "as a result of" to "during"

▲ Statistically significantly higher than previous year.

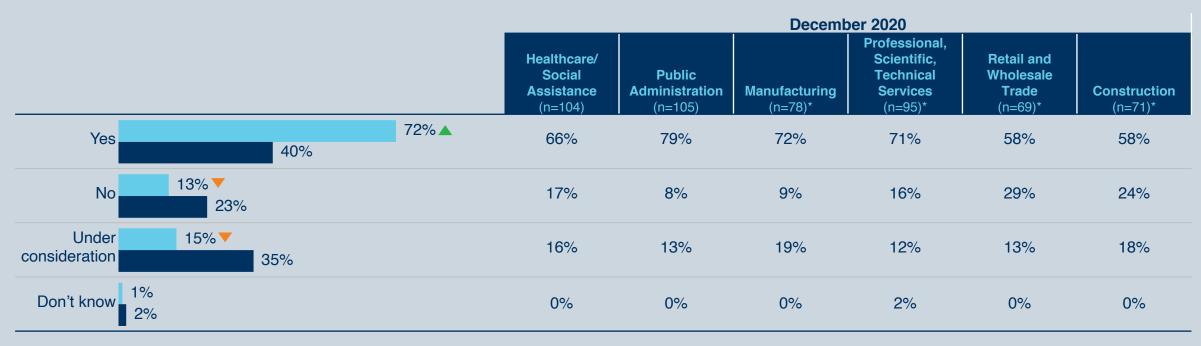
▼ Statistically significantly lower than previous year.



#### **New Remote Work Policies**

(By Sector)

Although not significantly higher than *all* other sectors, organizations in the public administration sector are the most likely to have introduced new remote work policies (79%).



Base: Able to continue operations during pandemic

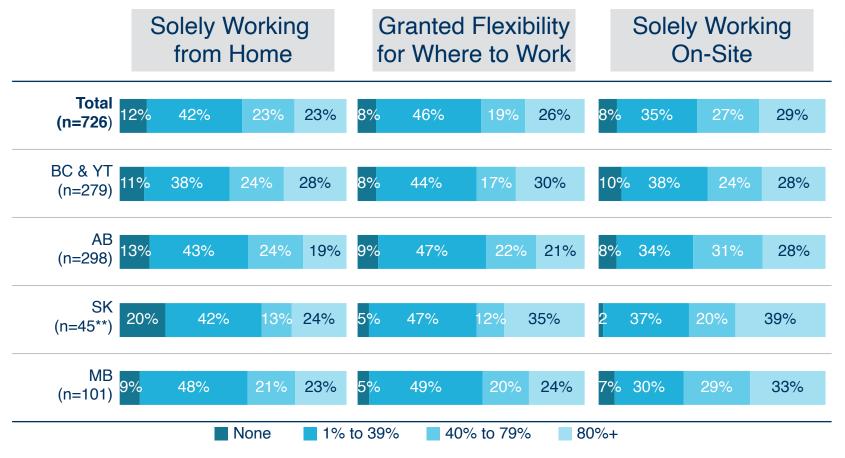
\*Small base size, interpret with caution.

R6. Has your organization introduced any new remote work/flexible work policies during\* the pandemic? \*Dec 2020 wording change from "as a result of" to "during"

December 2020 (n=764)
June 2020 (n=1,315)



#### **Percentage Workforce Working Home/On-Site** (By Region)



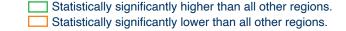
Base: Employed in HR, excluding consultants

R8. Please indicate what percentage of your workforce is/has...?



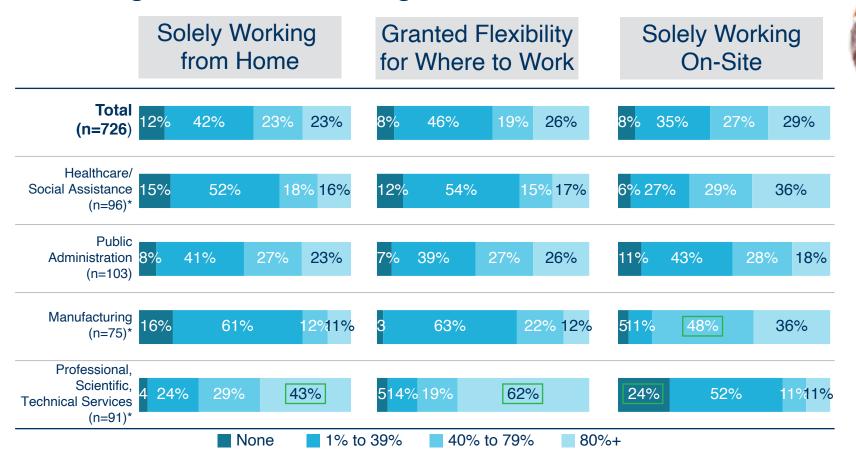
Across Western Canada, over half (56%) of organizations have over 40% of their workforce working *solely on-site*.

However, a significant proportion of organizations' workforces are also working from home (46% have over 40% of their workforce solely working from home).



<sup>\*\*</sup>Very small base size, interpret with extreme caution.

#### Percentage Workforce Working Home/On-Site (By Sector)



Compared to all other sectors, organizations in the professional/ scientific/technical services sector are more likely to have 80%+ of their workforce solely working from home (43%) as well as are more likely to have granted 80%+ of their workforce flexibility for where to work (62%).

Base: Employed in HR, excluding consultants \*Small base size, interpret with caution.

R8. Please indicate what percentage of your workforce is/has...?



## **Approaches for Returning Employees to Workplace**

(By Region and Org. Size)

Overall, close to half of organizations have designated certain employees as being able to work remotely.

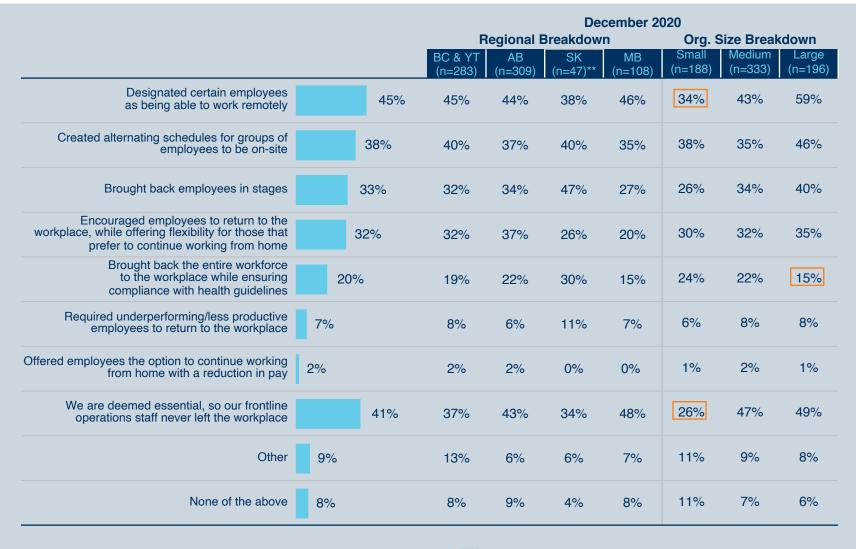
More than 4-in-10 are deemed essential, so their frontline staff never left the workplace, while 38% have created alternating schedules for groups of employees to be on-site.

Small organizations are least likely to have designated certain employees as being able to work remotely (34%) while large organizations are least likely to have brought back the entire workforce (15%).

Base: Employed in HR, excluding consultants (n=750)

\*\*Very small base size, interpret with extreme caution.

R9. What approaches has your organization taken for returning employees to the workplace?





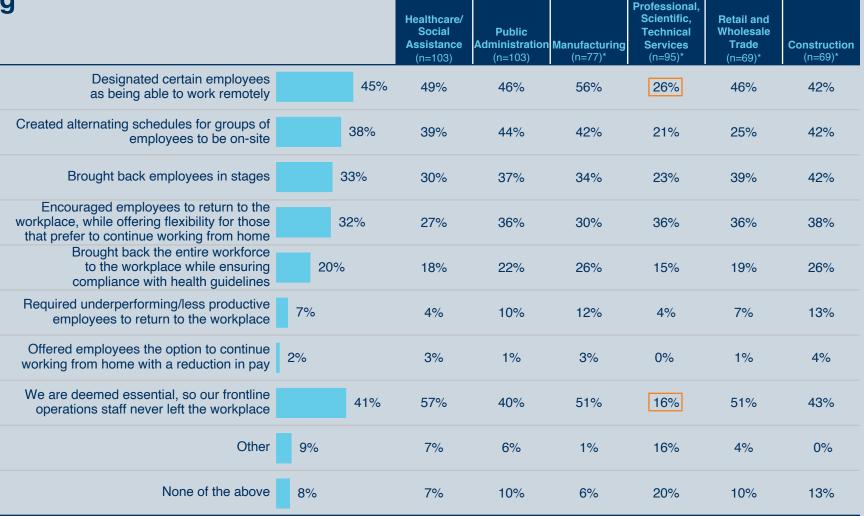
**Approaches for Returning Employees to Workplace** 

(By Sector)

Organizations in the professional/scientific/technical services sector (26%) are least likely to have designated certain employees as being able to work remotely and least likely to be deemed essential (16%).

Base: Employed in HR, excluding consultants (n=750) \*Small base size, interpret with caution.

R9. What approaches has your organization taken for returning employees to the workplace?





Sectors (Dec 2020)

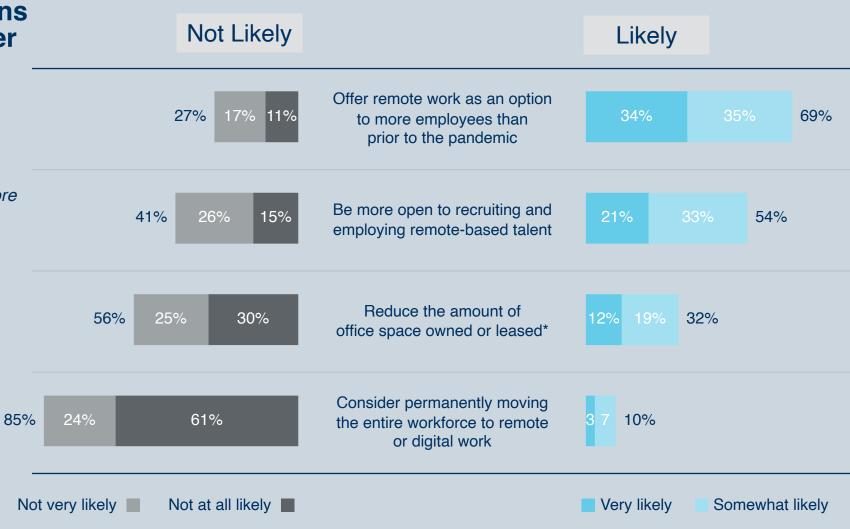
## Likelihood of Organizations to Offer Remote Work after Next Year

Thinking past the next year, 7-in-10 HR professionals believe their organization is likely to offer remote work as an option to more employees compared to before the pandemic, while more than half will be more open to recruiting and employing remotebased talent.

Offering remote work as an option is especially true for large organizations (80%) and those in professional/scientific/technical services (83%) and finance/insurance (83%).

Base: Employed in HR, excluding consultants (n varies) \*Added December 2020.

R7. Thinking past the next year, how likely is it that that your organization will do each of the following?

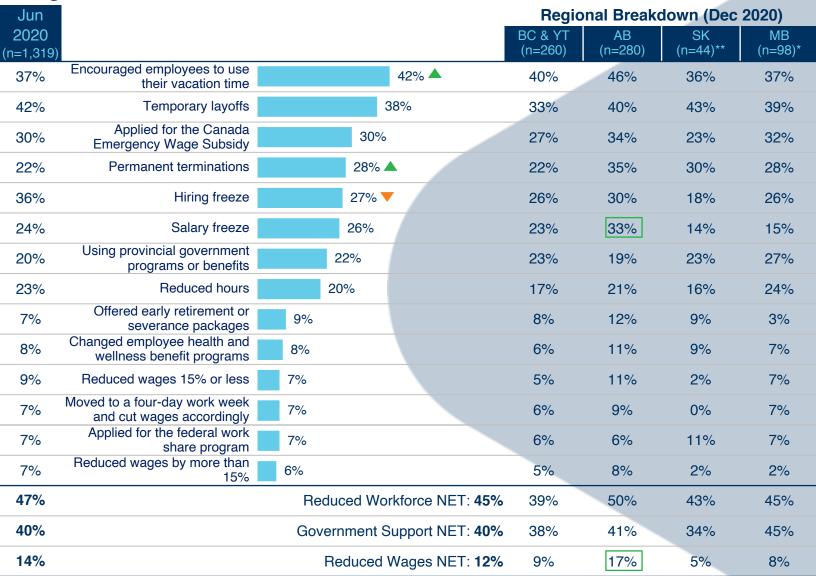






## **Controlling Labour Costs**





## **Actions Taken to Control Labour Costs**

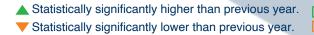
Compared to earlier in the pandemic, more organizations have *encouraged employees to use their vacation time.* While the proportion of *hiring freezes* has gone down, we have also seen an increase in *permanent terminations.* 

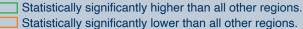
Alberta organizations are significantly more likely than those in other provinces to have used *salary freezes* and *reduced wages overall*.

Small organizations are least likely to have reduced their workforce (31%) and most likely to have applied for the Canada Wage Subsidy (41%).

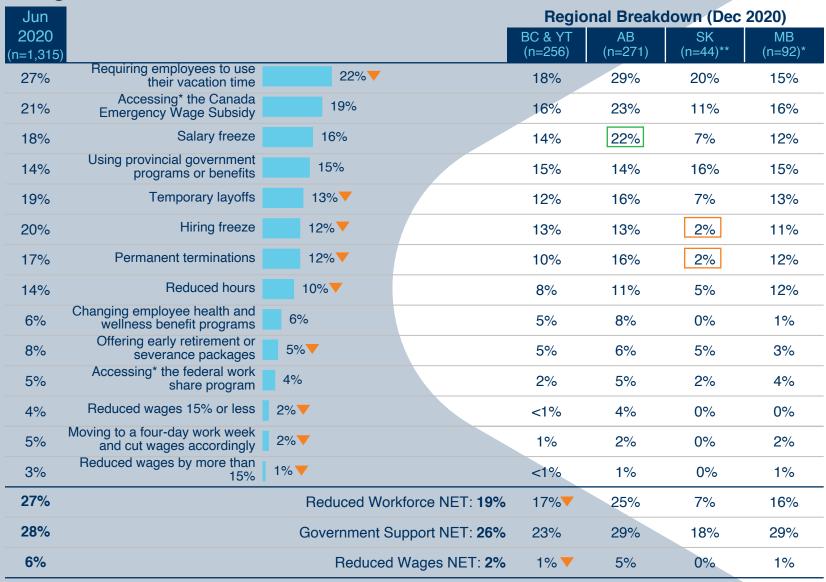
Base: Employed in HR, excluding consultants (n=685) \*Small base size, interpret with caution:

P7. Which of the following actions did your organization take to control labour costs in response to the economic downturn from the pandemic?





<sup>\*\*</sup>Very small base size, interpret with extreme caution.

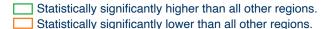


## Planned Future Actions to Control Labour Costs

Compared to the outlook in June 2020, Western Canadian organizations are more optimistic and overall less likely to be considering most labour cost control actions in the next 3 to 6 months.

Organizations in Alberta are significantly more likely to be planning *salary freezes*.

Statistically significantly higher than previous year.
 Statistically significantly lower than previous year.



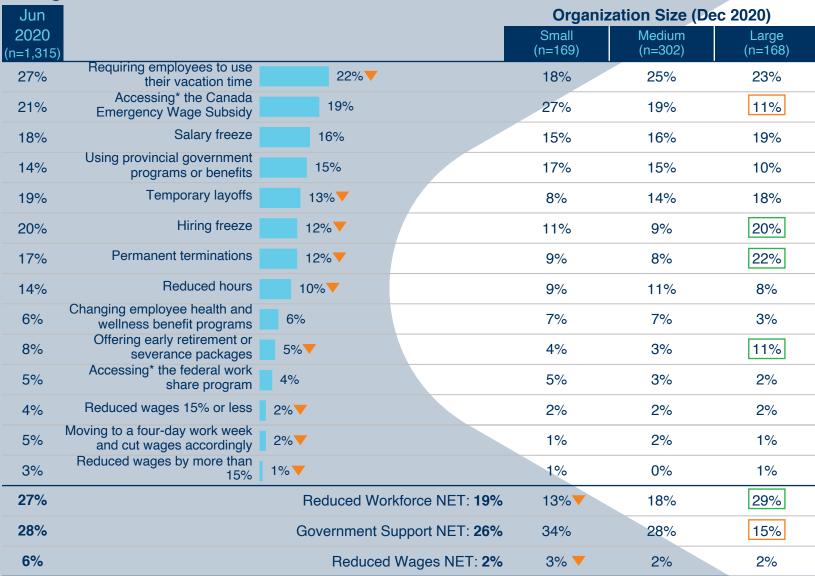
<sup>\*</sup>Dec 2020 change from 'applying for' to 'accessing' . Base: Employed in HR, excluding consultants (n=664)

<sup>\*</sup>Small base size, interpret with caution;

<sup>\*\*</sup>Very small base size, interpret with extreme caution.

P8. Which of the following actions does your organization plan to take in the next three to six months to control labour costs in response to the economic environment\* from the pandemic?

<sup>\*</sup>Dec 2020 question wording change from 'economic downturn from the pandemic' to 'economic environment'



## Planned Future Actions to Control Labour Costs

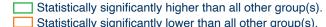
Large organizations are more likely to plan on reducing their workforce overall – specifically *permanent terminations*, hiring freezes, and offering early retirement or severance packages.

They are also the least likely to anticipate receiving government support.

Organizations in the oil and gas (43%) and manufacturing (40%) sectors are significantly more likely to have received government support.

▲ Statistically significantly higher than previous year.

▼ Statistically significantly lower than previous year.



<sup>\*</sup>Dec 2020 change from 'applying for' to 'accessing' Base: Employed in HR, excluding consultants (n=664) \*Small base size, interpret with caution:

<sup>\*\*</sup>Very small base size, interpret with extreme caution.

P8. Which of the following actions does your organization plan to take in the next three to six months to control labour costs in response to the economic downturn from the pandemic?

<sup>\*</sup>Dec 2020 question wording change from 'economic downturn from the pandemic' to 'economic environment'



## **HR Consultants**



## **Client Issues from the Start of the Pandemic**

About 8-in-10 consultants are helping at least some of their clients with *preparing* communications and creating and revising policies.

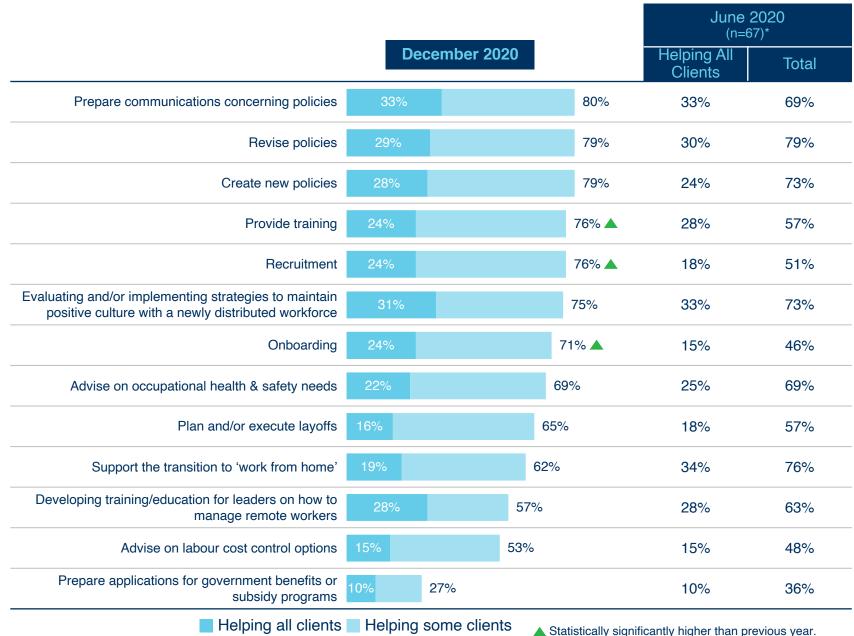
Compared to earlier in the pandemic, significantly more consultants are now *providing training* and helping with recruitment and onboarding.

Base: HR Consultants (n=51-56)\*
\*Small base size, interpret with caution.

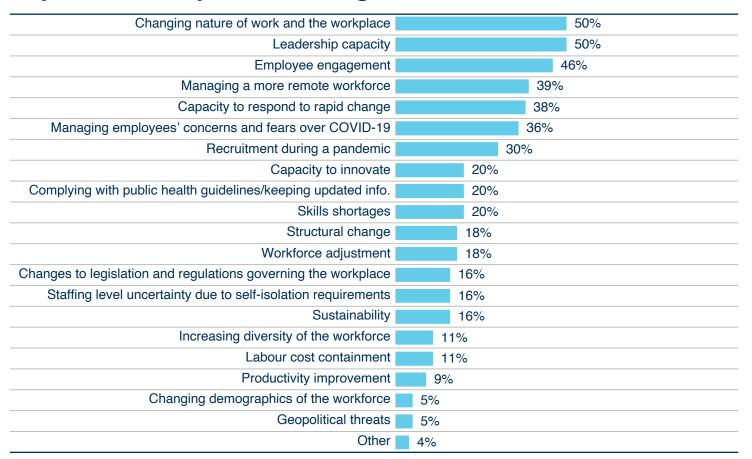
CQ2. In the past six months\*, which of the following have you been helping your clients with?

\*Dec 2020 question wording change from 'since the start of the pandemic' to 'in the past six months'





#### **Top Human Capital Challenges in Next Year**



Base: HR Consultants (n=56)\*

CQ3. In your opinion, what are the top five human capital challenges facing your clients in the next 12 months?

The top human capital challenges faced by their clients according to HR consultants are *changing nature of work and the workplace, leadership capacity,* and *employee engagement*.

Managing a more remote workforce and capacity to respond to rapid change round out the top five challenges.

<sup>\*</sup>Small base size, interpret with caution.

#### **Top Human Capital Challenges in Next 3-5 Years**



Base: HR Consultants (n=56)\*

CQ4. In your opinion, what are the top five human capital challenges facing your clients in the next 3-5 years?

When thinking about a longer time frame of the next 3-5 years, HR consultants anticipate many of the same challenges.

Employee engagement, changing nature of work, capacity to respond to rapid change, and leadership capacity still rank in the top 5.

Capacity to innovate is more of a priority in 3-5 years (38%) than it is in the next 12 months (20%).

<sup>\*</sup>Small base size, interpret with caution.



# Impact on HR Initiatives, Policies, and Employee Learning



## **Expected Change to the 2021 HR Operations Budget:**

#### **Key Insights**

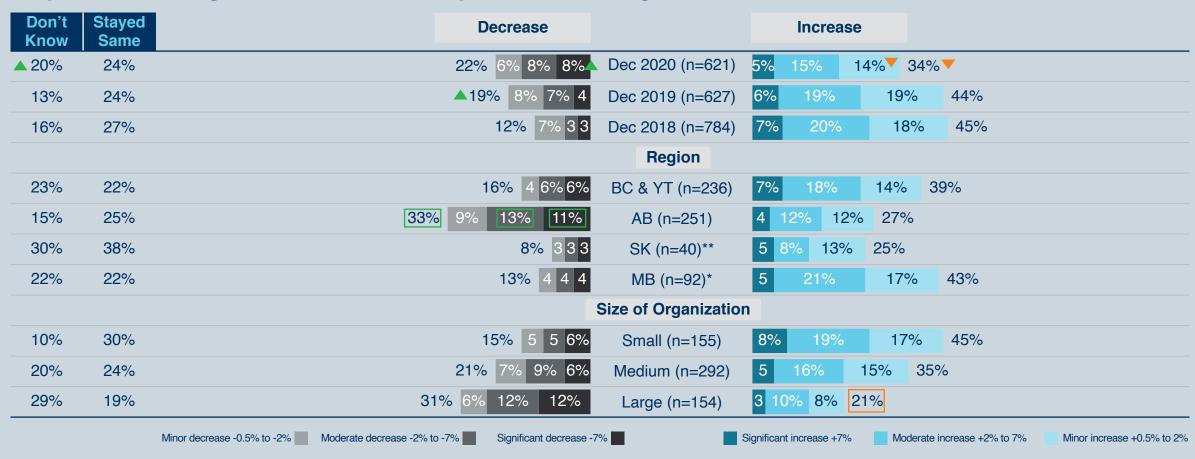
Approximately one-third (34%) of Western Canadian organizations expect to see an *increase* in their human resources operations budget for the next year, down significantly from last December (44%).

 Compared to organizations in other provinces, Alberta organizations are significantly more likely to expect a decrease (33% vs. 16% for BC & Yukon, 13% for Manitoba, and 8% for Saskatchewan).

There is more uncertainty this year as well, with 1-in-5 (20%) HR representatives who *don't know* how their HR budgets may change, up significantly compared to last December (13%).



#### **Expected Change to the 2021 HR Operations Budget**



Base: Employed in HR function, excluding consultants

D5. Which one of the following options most closely matches how you expect your HR operations budget to change within the next budget year?

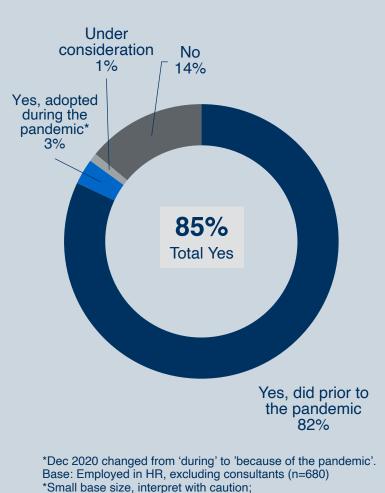


## Offer Short-Term Paid Sick Leave

Consistent with the last June 2020 survey wave, more than 4-in-5 Western Canadian organizations offered paid short-term sick leave prior to the pandemic.

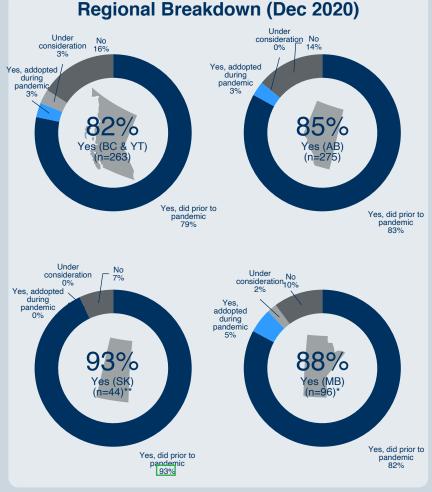
Once again, Saskatchewan organizations are significantly more likely than those in other provinces to have offered paid short-term sick leave.

Large organizations (1,000+ employees) are significantly more likely to offer paid short-term sick leave (94%).



<sup>\*\*</sup>Very small base size, interpret with extreme caution.

P9. Does your organization offer paid short-term sick leave?



#### Implemented or Planned Changes to Policies in Response to the Pandemic

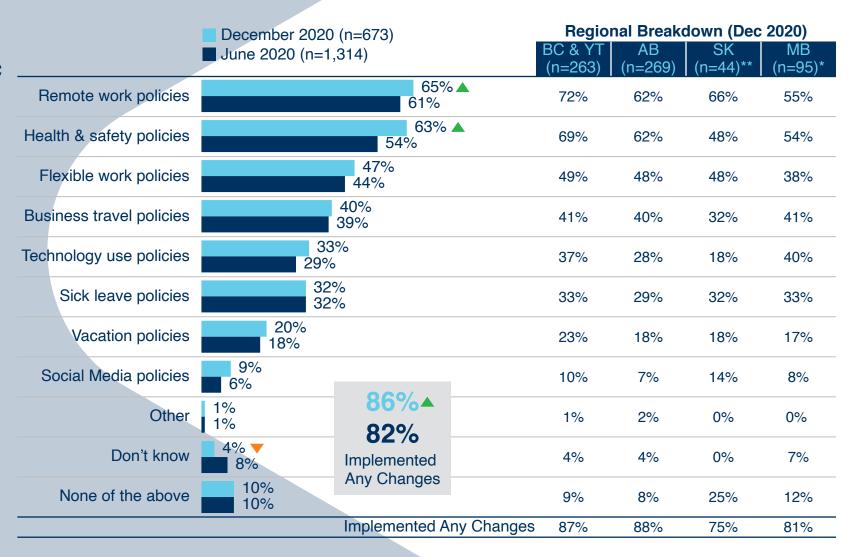
Up significantly from June 2020, more than 4-in-5 Western Canadian organizations have implemented or plan to implement changes to one or more policies in response to the pandemic over the next 6 months – most commonly policies related to *remote* work and health and safety.

**Large organizations** are significantly **more likely** to see policy changes related to *remote work* (75%) and *business travel* (50%).

Base: Employed in HR, excluding consultants (n=673) \*Small base size, interpret with caution;

P10. Did your organization implement changes to the following policies, or does it plan to do so in the next six\* months in response to the pandemic?

\*Dec 2020 change from 'three' months to 'six' months.





<sup>\*\*</sup>Very small base size, interpret with extreme caution.

# **Approach to Performance Management This Year**

The majority of Western Canadian organizations have not made changes to their performance management programs this year.

Small organizations are significantly less likely to have a performance management program (9% vs. 4% for medium and 2% for large).

Base: Employed in HR, excluding consultants (n=667) \*Small base size, interpret with caution;

P26. Which of the following best describes the approach your organization has taken towards performance management **this year**?

Regional Breakdown (Dec 2020)

MB

		(n=258)	(n=267)	(n=44)**	(n=96)*
	63%	62%	61%	73%	65%
8%		7%	10%	5%	8%
5%		3%	5%	7%	8%
9%		7%	12%	5%	9%
5%		7%	4%	2%	4%
4%		5%	3%	5%	2%
6%		9%	4%	5%	3%
	5% 9% 5% 4%	8% 5% 9% 4%	8%       7%         5%       3%         9%       7%         5%       7%         4%       5%	63%       62%       61%         8%       7%       10%         5%       3%       5%         9%       7%       12%         5%       7%       4%         4%       5%       3%	63%       62%       61%       73%         8%       7%       10%       5%         5%       3%       5%       7%         9%       7%       12%       5%         5%       7%       4%       2%         4%       5%       3%       5%



<sup>\*\*</sup>Very small base size, interpret with extreme caution.

# **Established Performance Management Program**

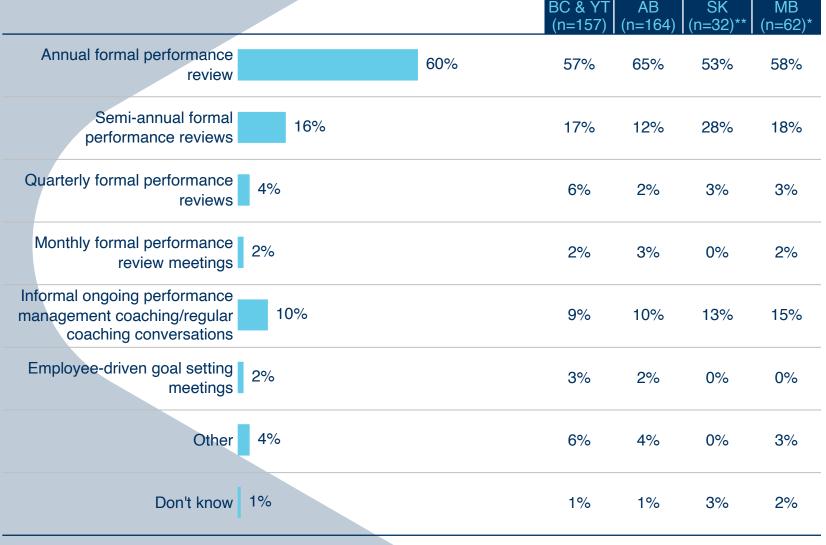
Among Western Canadian organizations that had **no change to their performance management program this year**, most have an annual formal performance review program, and this is consistent across provinces.

1-in-10 describe their performance management program as *informal* ongoing coaching/regular coaching conversations.

Base: Employed in HR, excluding consultants and have had no changes to performance management program (n=415)

P26a. Which of the following best describes your organization's **established** performance management program?

Regional Breakdown
(Dec 2020)





<sup>\*</sup>Small base size, interpret with caution;

<sup>\*\*</sup>Very small base size, interpret with extreme caution.

# Typical and Planned Yearly Salary Increase

Overall, Western Canadian organizations are less likely to give their typical salary increases this year.

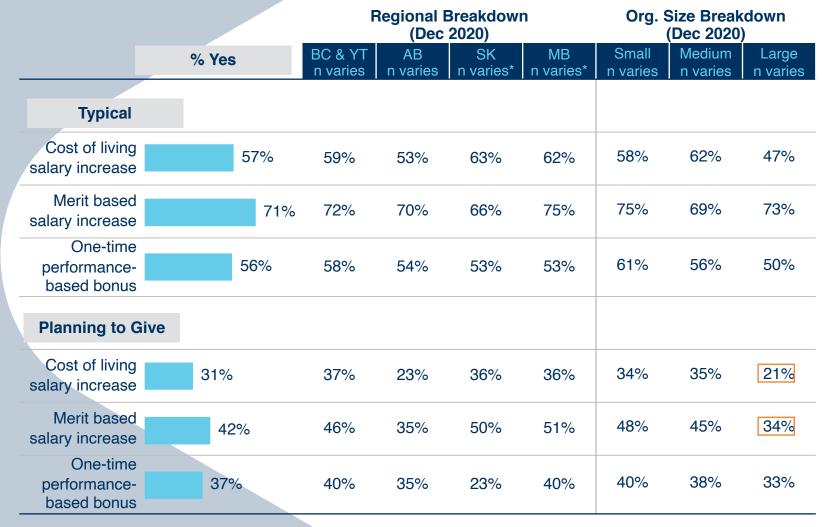
Just over 7-in-10 Western Canadian organizations typically give *merit based* salary increases. However, only about 4-in-10 plan to give them this year.

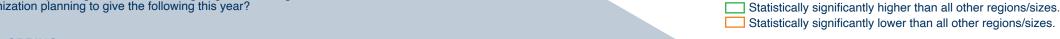
Large organizations are significantly less likely to plan to give both merit based (34%) and cost of living (21%) salary increases this year.

Organizations in the **manufacturing** sector are significantly **more likely** to plan to give merit based salary increases this year (71%).

Base: Employed in HR, excluding consultants (n varies) \*Small base size, interpret with caution

P27. In a typical year, does your organization consider giving the following... P27a. Is your organization planning to give the following this year?







# Typical vs. Planned Yearly Salary Increase

Just over half (53%) of Western Canadian organizations who typically give cost of living salary increases *plan to give them this year*. However, just over one-quarter of organizations who typically provide cost of living salary increases are *not planning to give them this year*.

Among those who typically give merit based salary increases, close to 3-in-5 are *planning* to give them this year, while just over 2-in-10 are not planning to provide them this year.

Among Western Canadian organizations who typically give one-time performance-based bonuses, two-thirds also *plan to give them this year*, while 1-in-6 *do not intend to give them this year*.

Base: Employed in HR, excluding consultants (n varies)

P27a. Is your organization planning to give the following this year?

P27. In a typical year, does your organization consider giving the following...

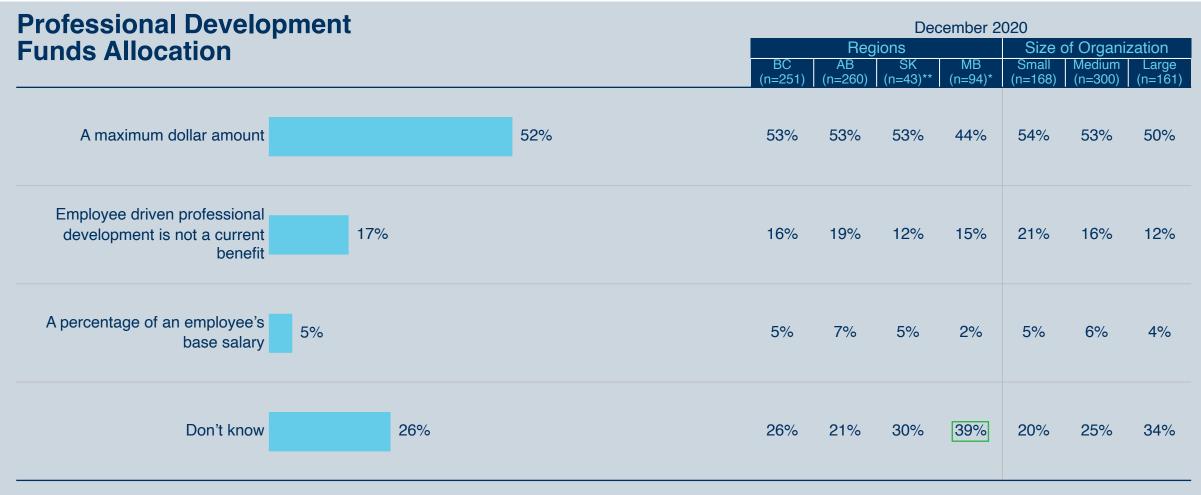
#### **Typically Give (P27)**

Planning to Give (P27a)	Cost of Living Salary Increase			ed Salary ease	One-time Performance-Based Bonus		
	Yes	No	Yes	No	Yes	No	
Yes	53%	2%	59%	1%	66%	2%	
No	27%	87%	22%	89%	16%	86%	



<sup>\*</sup>Small base size, interpret with caution;

<sup>\*\*</sup>Very small base size, interpret with extreme caution.



Base: Employed in HR function, excluding consultants (December 2020 n=650)
\*Small base size, interpret with caution; \*\*Very small base size, interpret with extreme caution.

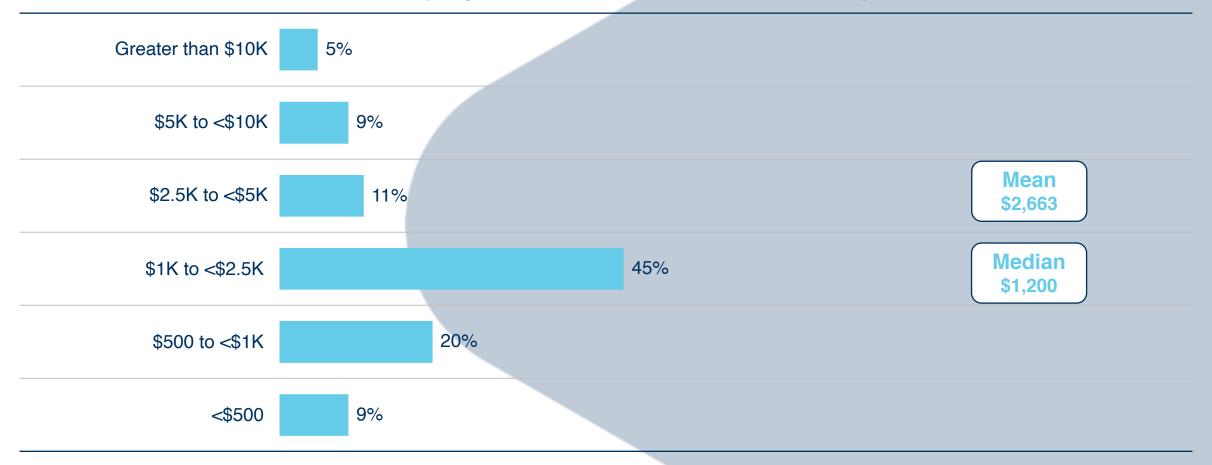
D16. How does your organization allocate funds for employee driven professional development?

Statistically significantly higher than all other regions/sizes.

Statistically significantly lower than all other regions/sizes.



#### **Maximum Dollar Amount for Employee Driven Professional Development**



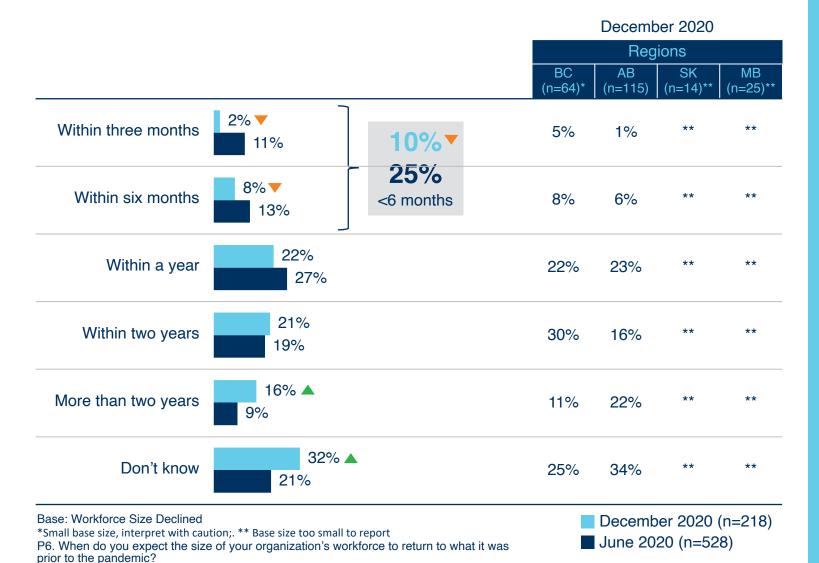
Base: Have maximum dollar amount for employee driven professional development (December 2020 n=206)

D18. What is the maximum dollar amount per employee allocated to employee driven professional development?



# Returning to Normal Operations





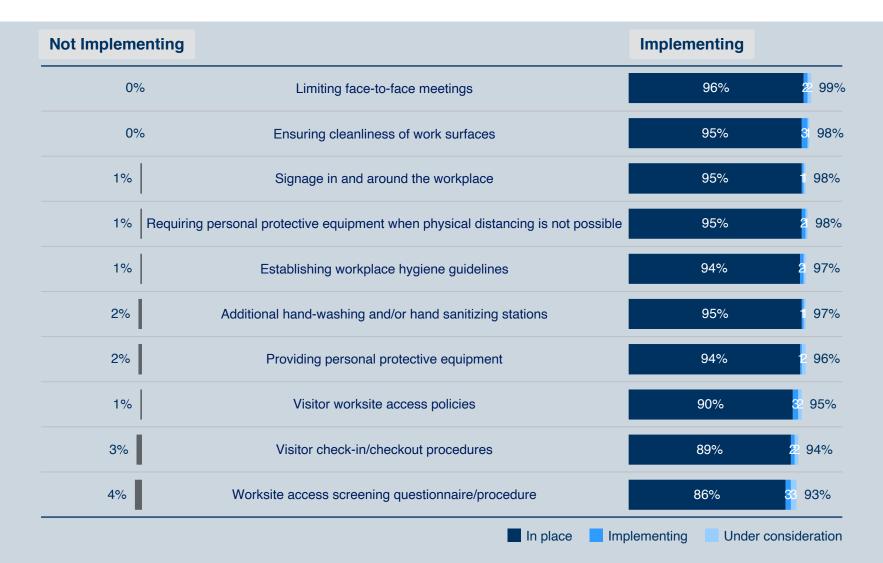
There is more uncertainty around when workforces might return to pre pandemic levels compared to earlier in 2020. Close to one-third of Western Canadian organizations *don't know* when they expect their workforce to return to what it was before the pandemic.

Organizations are significantly more likely to anticipate that a return to prepandemic workforce will take *more than two years* (16% vs. 9% in June 2020).

**Expected Workforce Return to Pre-pandemic Levels** 

<sup>▲</sup> Statistically significantly higher than previous wave.

<sup>▼</sup> Statistically significantly lower than previous wave.



# **Status of Employee Workplace Safety Measures**

Nearly all Western Canadian organizations either already have, or are in the process of getting, all workplace safety measures implemented.

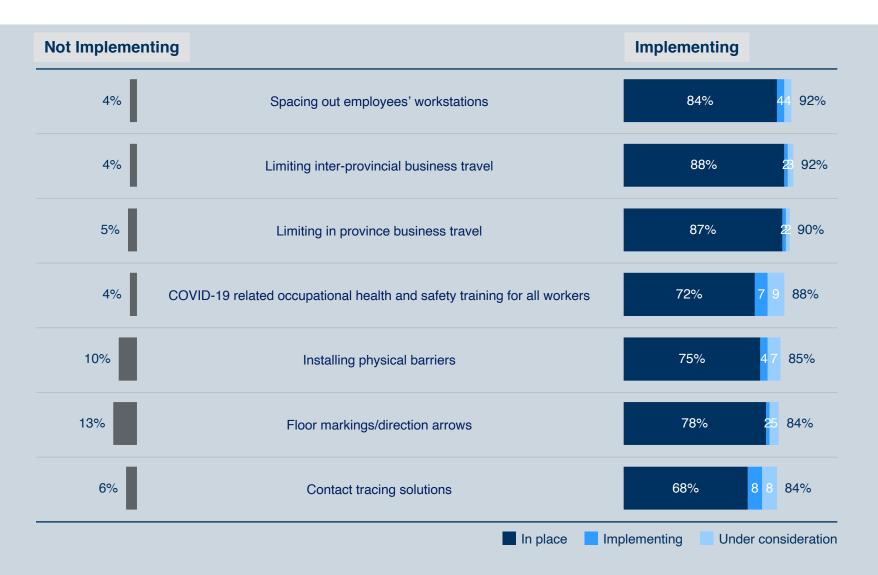
Safety measures already in place for at least 9-in-10 include:

- Limiting face-to-face meetings;
- Ensuring work surface cleanliness;
- Signage in and around workplace
- Requiring PPE when physical distancing is not possible;
- Establishing workplace hygiene guidelines;
- Additional handwashing/sanitizing stations;
- Providing PPE; and,
- · Visitor worksite access policies.

Base: Employed in HR, excluding consultants & not applicable & excluding closed organizations (n varies)

P4. Please indicate the status of the following measures to ensure employees' safety while at the workplace.





# Status of Employee Workplace Safety Measures (cont.)

Contact tracing solutions continues to be the least likely policy to already be in place, although certain sectors show higher levels of implementation:

Construction (82% already in place),
 Oil and gas (80%), Manufacturing
 (78%) and Healthcare (76%)

Organizations in BC & Yukon are significantly more likely to have COVID-19 related occupational health and safety training for all workers already in place (80% vs. 69% Alberta, 64% Manitoba, 63% Saskatchewan).

Base: Employed in HR, excluding consultants & not applicable & excluding closed organizations ' (n varies)

P4. Please indicate the status of the following measures to ensure employees' safety while at the workplace.



SPRING 2021



# Forward Looking Priorities and Challenges



# Forward Looking Priorities and Challenges:

#### **Key Insights**

The top HR priorities and human capital concerns for 2021 are varied, but the impact of the pandemic can be seen in certain items that have taken priority:

- Improving employee engagement (45%) and safeguarding the health and safety of employees (40%) are the top two HR priorities, followed by improving ability to attract/retain talent, transforming organizational culture, and improving inclusion and diversity (especially among large organizations).
- For Western Canadian organizations, *employee engagement* tops the list for human capital challenges both in the next 12 months (49%) and the next 3-5 years (42%).
  - In the next 12 months, this is followed by other COVID-19 related concerns: managing employees' concerns and fears over COVID-19 (43%), managing a more remote workforce (35%), and complying with public health guidelines (27%) are all in the top 5 concerns in addition to leadership capacity (32%).



#### **Top HR Priorities**

		Dec	December 2020				De	cember 20	020
		Size o	of Organia	zation			Size	of Organiz	zation
		Small (n=169)	Medium (n=299)	Large (n=161)			Small (n=169)	Medium (n=299)	Large (n=161)
Improving employee engagement	45%	51%	46%	39%	Implementing a change to the HRIS	20%	11%	22%	27%
Safeguarding the health and safety of employees*	40%	39%	43%	35%	Improving the analytics capability of the HR team	18%	15%	21%	19%
Improving ability to attract/retain employees with the right skills	32%	30%	33%	32%	Improving psychological safety at work*	14%	12%	15%	17%
Transforming organizational culture	31%	33%	32%	31%	Concluding collective bargaining agreements with labour partners	13%	5%	13%	25%
Improving inclusion and diversity within the organization	31%	20%	33%	43%	Managing corporate downsizing	8%	7%	4%	14%
Improving employee mental health supports*	28%	25%	31%	27%	Evaluating workplace investigation processes*	6%	4%	6%	6%
Improving professional develop./ training programs across the org.	28%	31%	32%	19%	Hiring at the executive level	3%	1%	3%	3%
Maintaining productivity of the remote workforce*	26%	31%	23%	26%	Other	4%	5%	2%	4%
Succession planning for senior managers/executive leadership	26%	28%	27%	22%	Don't know	6%	6%	6%	7%
Managing compensation and benefits costs	23%	26%	23%	21%	None of the above	1%	2%	1%	1%
Improving employee resilience to change	21%	24%	20%	21%					

Base: Employed in HR function, excluding consultants (December 2020 n=650)

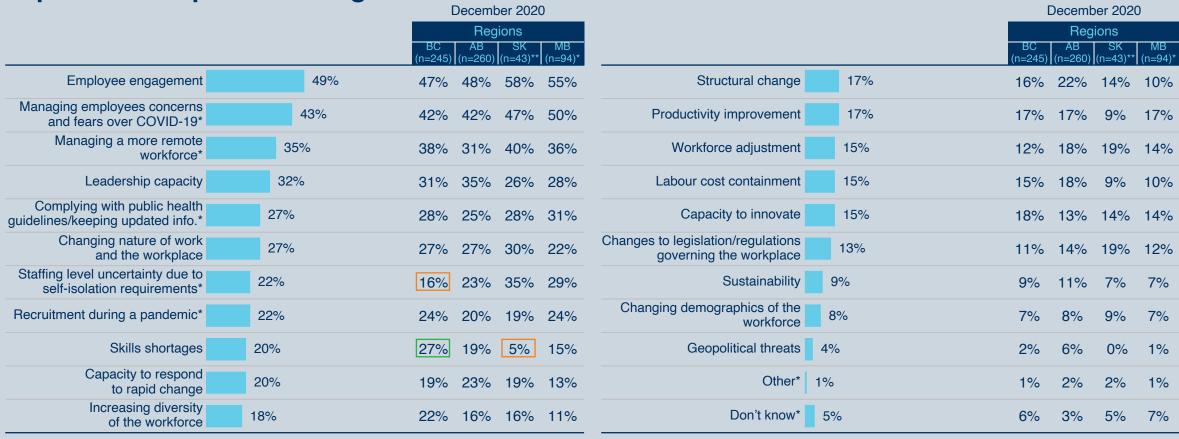
D19. Looking at your own organization from a human resources perspective, what are your top five objectives and priorities for 2021? Please select up to five.\*



<sup>\*</sup>Slight word changes and new attributes added December 2020

<sup>\*</sup>Small base size, interpret with caution; \*\*Very small base size, interpret with extreme caution.

#### **Top Human Capital Challenges in Next Year**



Base: Employed in HR function, excluding consultants (December 2020 n=644)

D20. In your opinion, what are the top five human capital challenges facing your organization in the next 12 months? Please select up to five.\*



<sup>\*</sup>Slight word changes and new attributes added December 2020

<sup>\*</sup>Small base size, interpret with caution; \*\*Very small base size, interpret with extreme caution.



Base: Employed in HR function, excluding consultants (December 2020 n=643)

D21. In your opinion, what are the top five human capital challenges facing your organization in the next 3 to 5 years? Please select up to 5.\*

Statistically significantly higher than all other regions/sizes.Statistically significantly lower than all other regions/sizes.



<sup>\*</sup>Slight word changes and new attributes added December 2020

<sup>\*</sup>Small base size, interpret with caution; \*\*Very small base size, interpret with extreme caution.



# Talent Retention and Labour Market Statistics



#### **Vacancies and Turnover:**

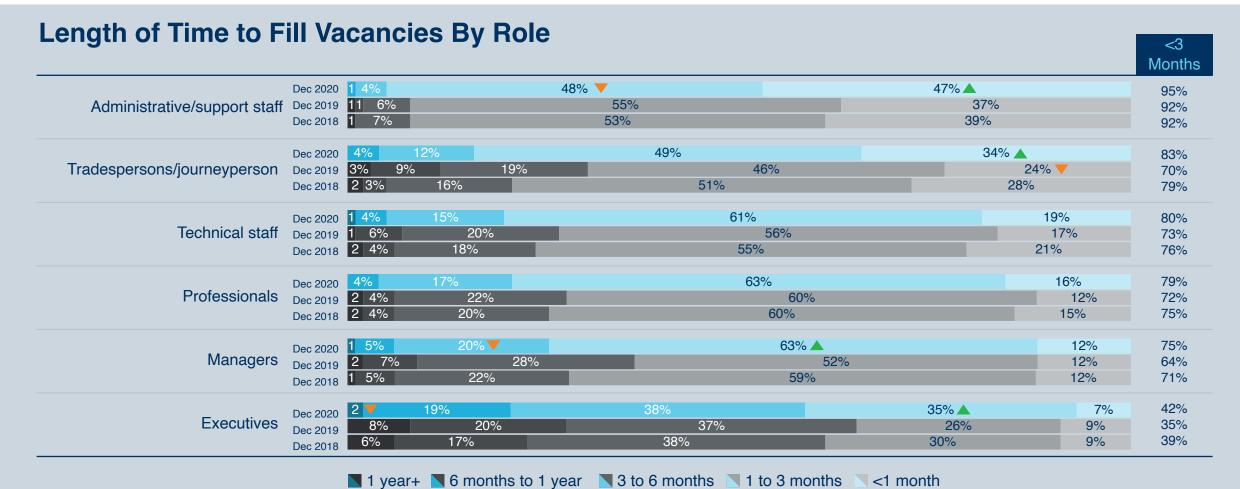
#### **Key Insights**

The length of time required to fill vacancies by role has shifted since the December 2019 survey wave, with vacancies being filled more quickly.

• The proportion of vacancies that have taken 1-3 months to fill has increased significantly over the previous survey wave for administrative staff (47% vs. 37%), executives (35% vs. 26%), and tradespersons/journeypersons (34% vs. 24%).

The average voluntary turnover rate has also decreased significantly since December 2019, down 6 points to 9.9% in December 2020.





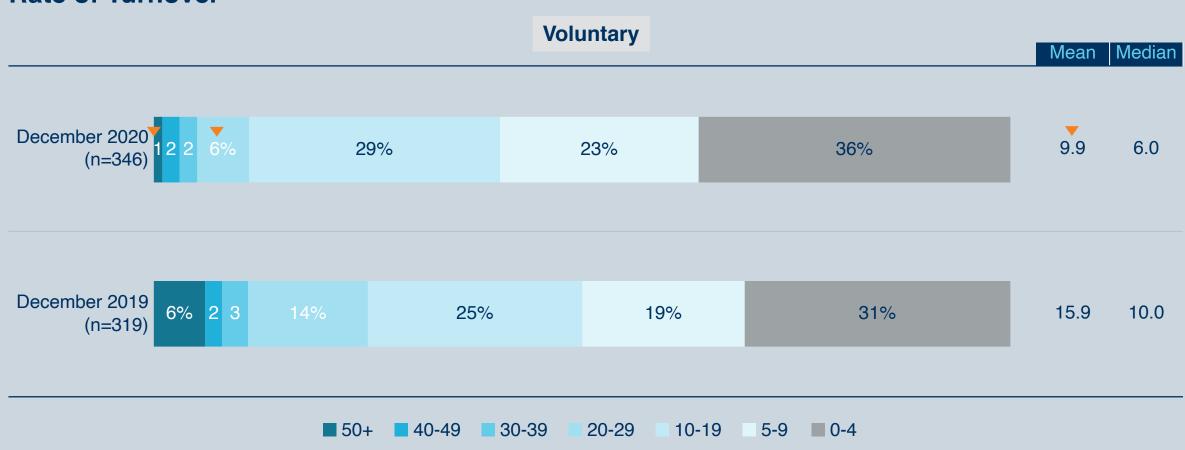
Base: Hired new employees in past 6 months, excluding don't know (n varies)

\*Small base size, interpret with caution; \*\*Very small base size, interpret with extreme caution.

C11. Over the last six months approximately how long has it taken to fill vacancies for each of the following categories of employees?



#### **Rate of Turnover**

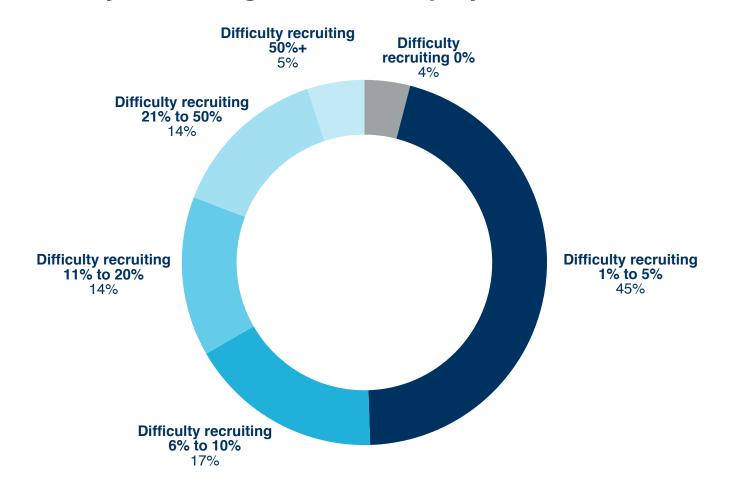


Base: Employed in HR function, excluding consultants (December 2020 n=346)

D3. What is the rate for the following types of turnover at your organization (number of permanent employees leaving as a percentage of total employment complement) in the past year?



#### **Difficulty Recruiting Qualified Employees**



Base: Employed in HR function, excluding consultants (December 2020 n=168)

D23. In the past 12 months, for what percentage of vacant roles did your organization have difficulty recruiting a qualified employee?

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It has been a challenge for some organizations to fill vacant positions in the past year, with close to 1-in-5 indicating difficulty in recruiting for more than 20% of vacant roles.

Over 2-in-5 organizations in Western Canada had difficulty recruiting for 1%-5% of vacant roles.

Only 4% of organizations had no difficulty recruiting qualified employees.

Don't Know	Not Worried (Not at all/Very)	Ability to	Recruit		Abilit	y to Retain	Not Worried (Not at all/Very)	Don't Know		
5%	38%	57%	13%	Dec 2020 (n=621/623)	12%	55%	40%	5%		
				Region						
5%	30%	64%	15%	BC & YT (n=237/238)	15%	59%	34%	7%		
5%	43%	52%	13%	AB (n=251/252)	13%	55%	41%	4%		
0%	56%	44%	2	SK (n=41/41)**	2	37%	61%	2%		
4%	37%	59%	10%	MB (n=90/90)*	7%	52%	41%	7%		
Size of Organization										
2%	46%	52%	9%	Small (n=163/160)	8%	47%	50%	3%		
4%	36%	60%	14%	Medium (n=291/292)	13%	59%	37%	4%		
9%	32%	59%	13%	Large (n=149/151)	13 <mark>%</mark>	58%	33%	9%		
S	Somewhat worried Significantly worried						Somewhat w	orried		

# Worried About Retaining and Recruiting Talent over Next 6 Months

Over half of Western Canadian organizations are worried about both recruiting and retaining talent in the next 6 months.

Organizations in Saskatchewan are less likely to be worried about retaining talent, while small organizations are less likely about both recruiting and retaining talent.

Organizations in the healthcare/social assistance (59%), manufacturing (59%), and professional/scientific/technical services (57%) sectors are more likely to be worried about retaining talent.

Base: Employed in HR, excluding consultants



<sup>\*</sup>Small base size, interpret with caution;

<sup>\*\*</sup>Very small base size, interpret with extreme caution.

C17. Over the next six months, how worried is your organization about the following...

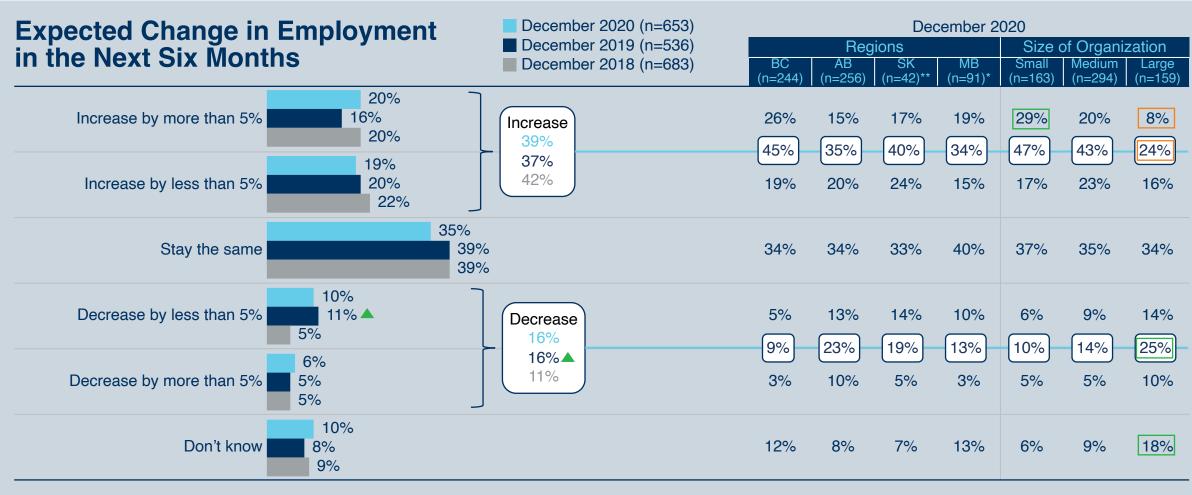
## **Expected Employment Change:**

#### **Key Insights**

Fairly consistent with one year ago, about 2-in-5 (39%) Western Canadian organizations anticipate an increase in the number of employees in the next 6 months.

- Small organizations are significantly more likely to anticipate an increase of more than 5% (29% vs. 20% medium and 8% large).
- Large organizations are significantly more pessimistic, with one-quarter anticipating an overall decrease (25% vs. 10% small and 14% medium).



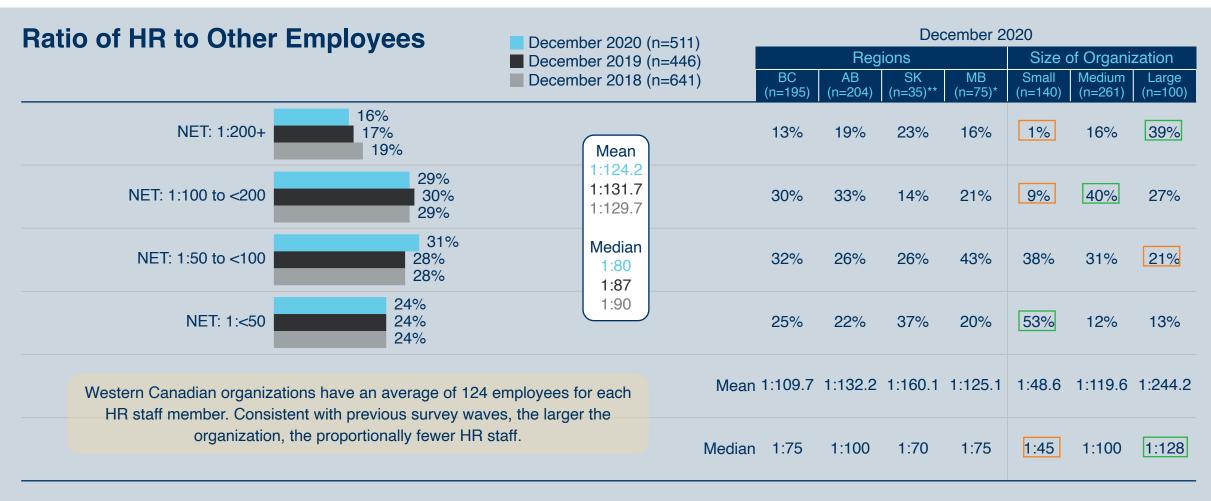


Base: Expected employee change, excluding not applicable

\*Small base size, interpret with caution; \*\*Very small base size, interpret with extreme caution.

C13. Over the next six months, how you do expect the total number of employees to change for any reason?



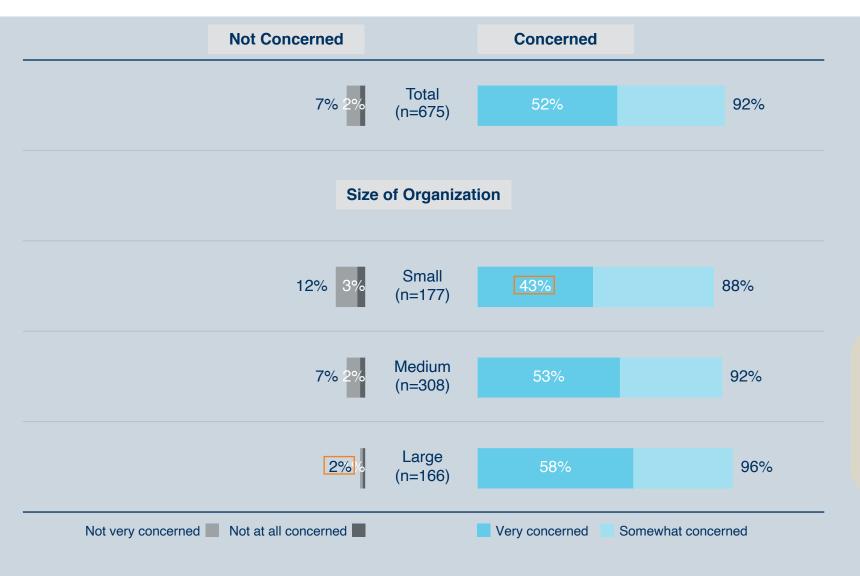


Base: Expected employee change, excluding not applicable and don't know (don't know added Dec 2020) \*Small base size, interpret with caution; \*\*Very small base size, interpret with extreme caution.

C5. What is the ratio of HR employees to all other employees in your organization?







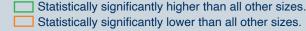
# **Concern About Mental Health of Employees**

Mental health is a major concern for organizations. Almost all Western Canadian organizations are worried about the health and wellbeing of their employees, with just over half being very worried.

Smaller organizations are least likely to be *very worried*.

Organizations in the education services sector are significantly more likely to be very worried (67%) than those in all other sectors (except for the Healthcare sector where 59% are very worried about health and well being of employees).

Base: Employed in HR, excluding consultants & not applicable P24. How concerned is your organization's leadership about the mental health and wellbeing of your employees?



## **Actions Taken to Support Mental Health**

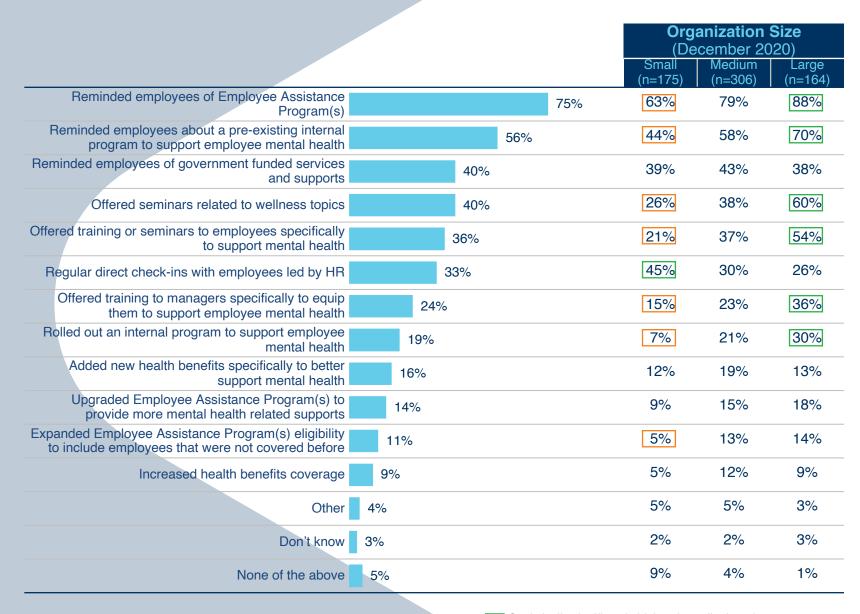
Almost all organizations have taken actions to support the mental health of employees. Three-quarters have reminded employees of Employee Assistance Program(s).

Larger organizations are significantly more likely to have taken a number of actions, although smaller organizations are more likely to use *regular direct check-ins with employees led by HR.* 

Organizations in **finance and insurance** are **more likely** (29%) than
all other sectors to have taken actions
to add new health benefits specifically
to support employee mental health.

Base: Employed in HR, excluding consultants (n=668) \*Small base size, interpret with caution;

P25. Which of the following best describe actions taken by your organization in the last six months to support the mental health of employees?

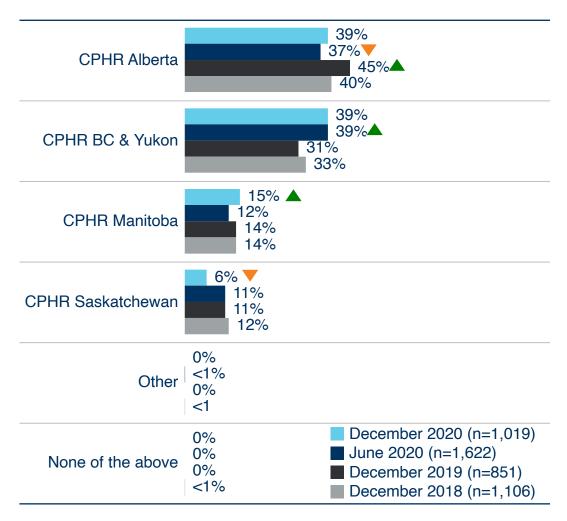




<sup>\*\*</sup>Very small base size, interpret with extreme caution.

# **Respondent Profile**





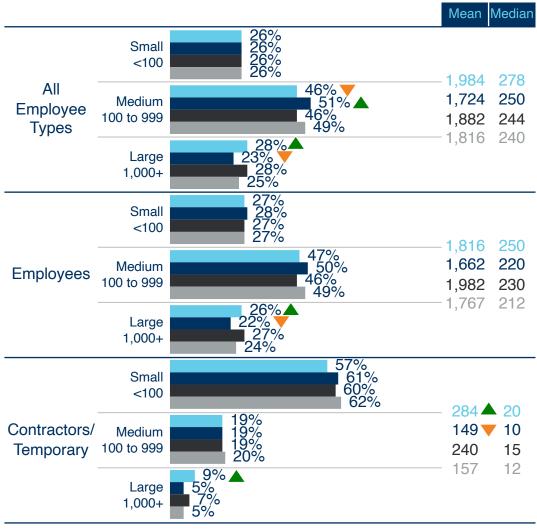
Base: All respondents

S1. Which of the following human resources organizations are you a member of?

#### **CPHR Associations**

This wave saw a decrease overall in the number of CPHR members completing the survey compared to June 2020.

CPHR Manitoba saw a significant increase in the **proportion** of survey responses and CPHR Saskatchewan saw a significant decline in the **proportion** of survey responses.



Base: Employed in HR function

C2. How many people (both full time and part time) does your organization have in the province of...?

#### **Organization Size**

For the purposes of this report, small organizations are defined as those having fewer than 100 employees (of all types) within their province, medium organizations as those having between 100 and 999 employees, and large organizations as those employing 1,000 or more employees.

The average number of all employee types for organizations across Western Canada is 1,984, while the median is 278.

Likely related to pandemic impacts, the average number of contractors/temporary employees has now increased significantly compared to last wave: up from 149 in June 2020 to 284 in December 2020.

- December 2020 (n varies)
- June 2020 (n varies)
- December 2019 (n varies)
- December 2018 (n varies)
  - ▲ Statistically significantly higher than previous year.
  - Statistically significantly lower than previous year.

#### **Entire Organization Size**

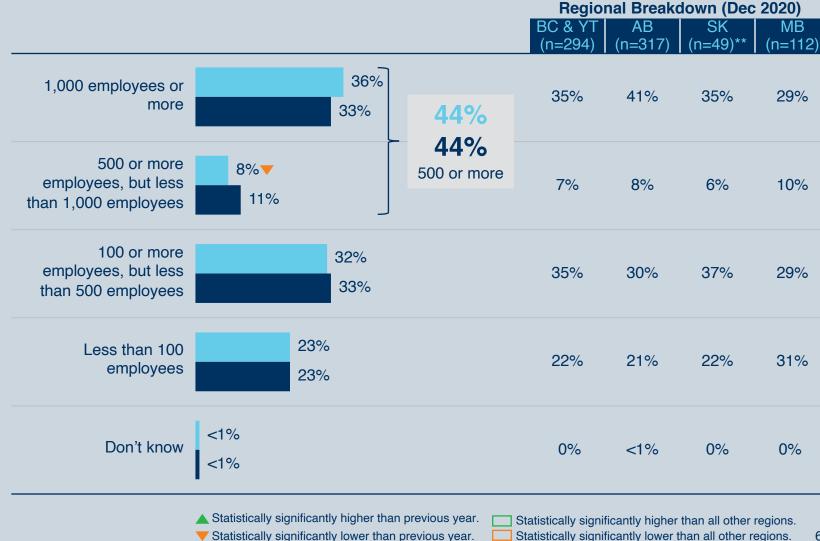
Under half of HR employees work for organizations with 500 or more employees across the entire organization.

The proportion of HR employees working for organizations between 500-1,000 employees decreased significantly compared to last wave.

December 2020 (n=776) June 2020 (n=1,433)

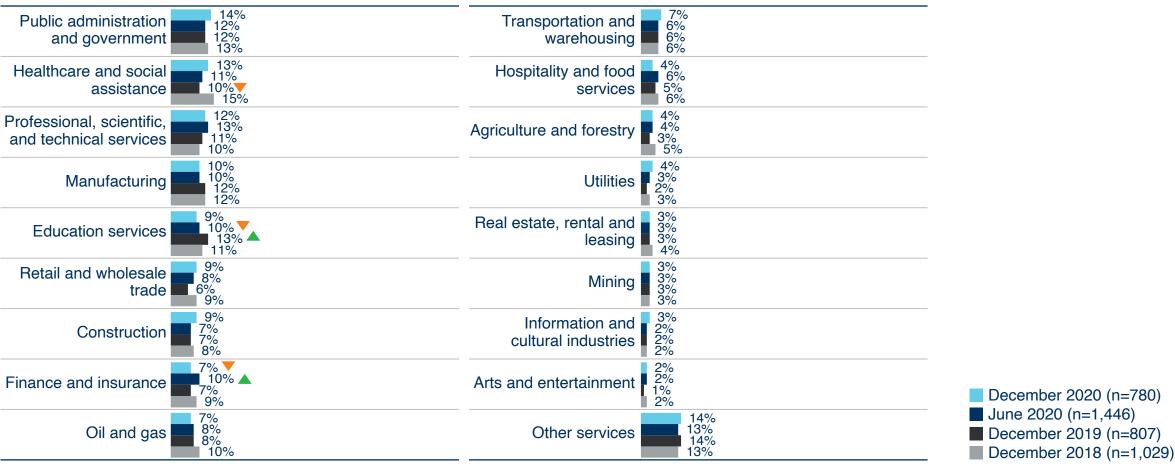
Base: Employed in HR, excluding consultants \*\*Very small base size, interpret with extreme caution.

PD1. What is the size of your entire organization?





#### **Organization Sector**

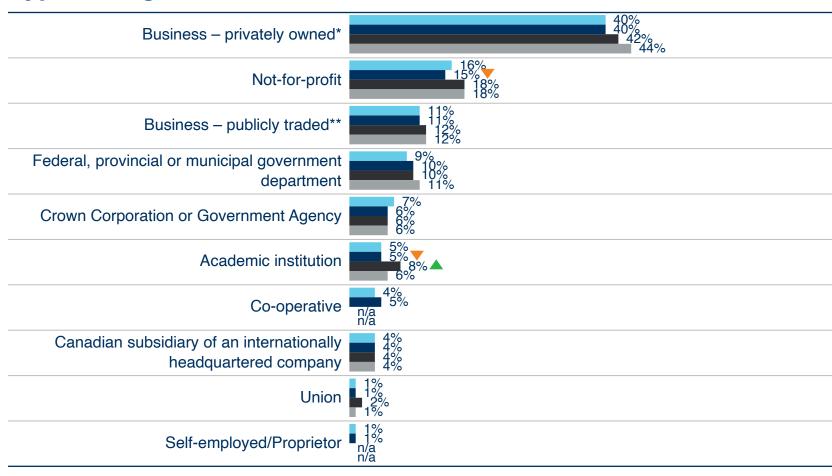


Base: Employed in HR function

C3. What sector does your organization operate in? If you are a consultant to multiple firms, please select all of the applicable areas.



#### **Type of Organization**



Base: Employed in HR function

\*Summer 2020 wording change from 'private firm' to 'privately owned' and from 'publicly traded firm' to 'publicly traded' C3a. My organization is a...

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December 2020 (n=779)

June 2020 (n=1,440)

December 2019 (n=704)

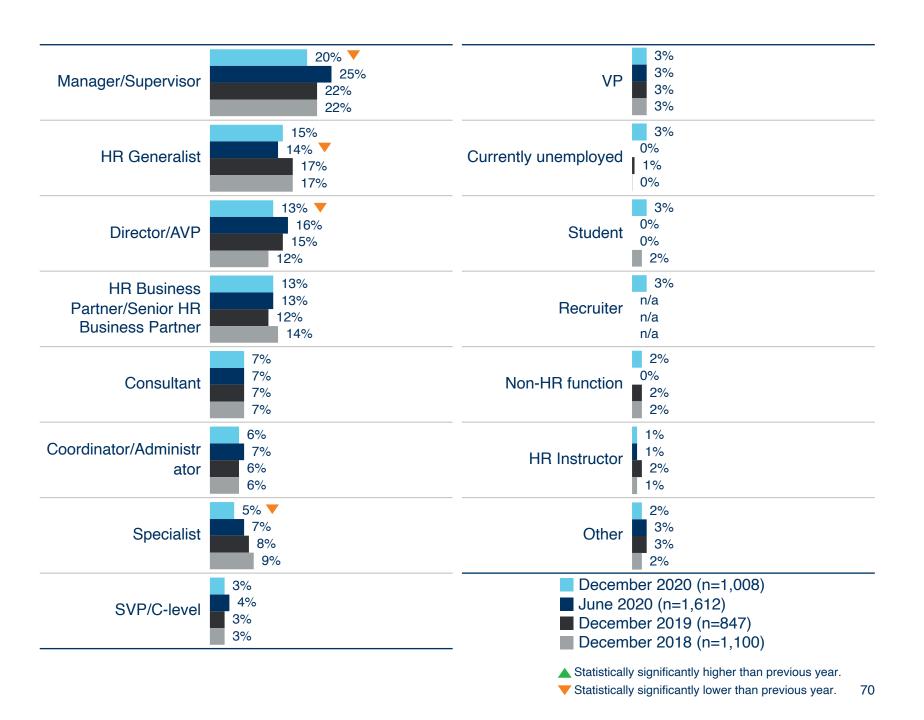
December 2018 (n=903)

▲ Statistically significantly higher than previous year.

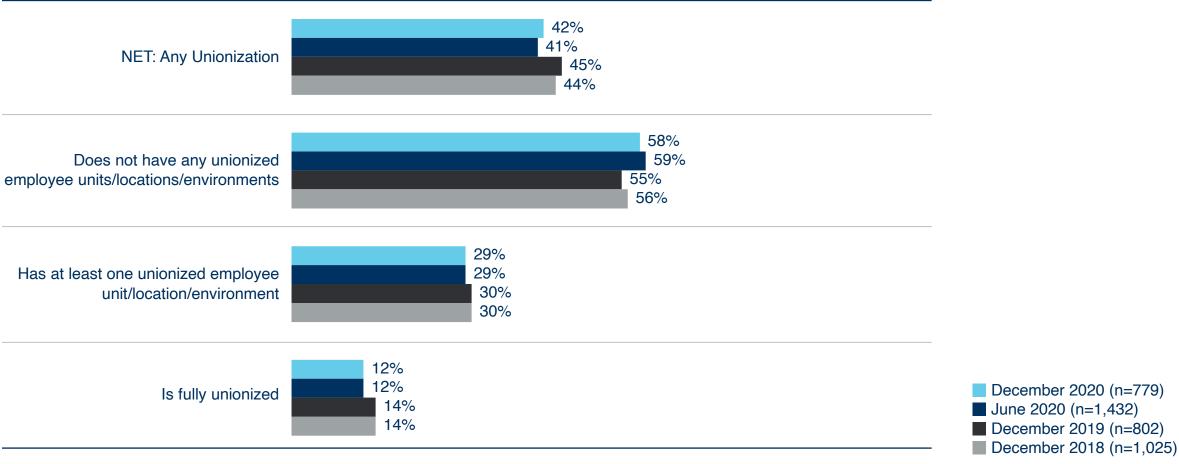
▼ Statistically significantly lower than previous year.

#### **Organization Role**





#### **Union Status**



Base: Employed in HR function

C3b. Which of the following best describes your organization?



# **Contact Information**



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#### **About the Organizations**

#### **CPHR British Columbia & Yukon**

Founded in 1942, CPHR British Columbia & Yukon has grown to include more than 6,000 members encompassing CEOs, VPs, directors of HR, HR generalists, HR advisors, consultants, educators, students and small-business owners in BC and the Yukon. We are all Human Resources. CPHR British Columbia & Yukon offers professional development and networking opportunities as well as resources for every stage of your career. www.cphrbc.ca

#### **CPHR Saskatchewan**

The Chartered Professionals in Human Resources of Saskatchewan (CPHR SK) is the premier professional association for human resource professionals and is the Chartered Professional in Human Resources (CPHR) granting body within the Province of Saskatchewan. www.cphrsk.ca

#### **CPHR Alberta**

CPHR Alberta is our province's community for Human Resources, dedicated to strengthening and promoting the HR profession. As the exclusive granting body for the Chartered Professional in Human Resources (CPHR) designation, CPHR Alberta establishes professional standards within the industry through education, research, and public policy initiatives. Our association connects almost 6,000 HR professionals through professional development, networking, and community initiatives. www.cphrab.ca

#### **CPHR Manitoba**

CPHR Manitoba is the exclusive certifying body in Manitoba for the nationally recognized Chartered Professional in Human Resources (CPHR) designation - the leading standard for HR professionals in Canada. Our mission is to advance the human resources profession. We work to achieve that by promoting the brand and supporting CPHRs in their professional development to foster public confidence in the designation and demonstrate the value of HR to business.