Raymond Chabot Grant Thornton

People: Driving Your Growth

Raymond Chabot Grant Thornton prepared a report that highlights the issues facing small- and medium-sized enterprises (SMEs) in Quebec based on a Léger survey amongst 300 business leaders last spring. The survey revealed that businesses are facing major human capital challenges and specifies which means they are using to deal with this issue.

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Focusing on Human Capital

Recruiting and retaining qualified resources are the greatest challenges facing organizations today and in the years to come.

60% of businesses consider human resource issues as the greatest challenge in the next three years.

In this context, companies are required to remain competitive by ensuring that the management team has mobilizing leadership skills, that their environment is conducive to skills development and that employees can achieve personal and professional growth. There is no magic recipe; rather, it is a combination of actions that will create a leveraging effect.

Recruiting in a Workforce Shortage Context

Louise Martel
B.B.A.
Partner – Human Resources Consulting

The labour shortage is affecting most Quebec industries, regardless of their activity sector. Recruiting qualified employees was cited as an issue by 48% of the leaders surveyed.

As a result, employers need to differentiate themselves from their competitors and adopt best hiring practices. To help you succeed, Louise Martel, Human Resources Consulting Partner, offers **four tips** that will help you attract and retain the best talent over time.

> After more than 20 years of executive recruiting practice, I can say that candidates are always more attracted to organizations that have a distinctive employer brand and recognized reputation, regardless of whether there is a talent shortage. That said, more than ever before, the organization's values, social involvement, contribution to sustainable development, ethics and openness to diversity influence attraction and retention.
>
> - Louise Martel, Partner – Human Resources Consulting

The Importance of Your Employer Brand

Your company's brand image as an employer is your distinctive positioning with regard to your competitors. It is reflected in the workplace and in management practices. It is the image that the organization projects both internally and externally.

Did you know that companies with a strong employer brand are more appealing?

This allows them to obtain up to 50% more applications. They also recruit faster, spend on average 50% less per hire and have a 27% lower turnover rate (Ipsos, August 2015).

Beyond visibility initiatives that promote your organization, such as the website, logo or presence on social networks, the company's image must be accompanied by tangible actions experienced by its employees.

Six courses of action to help you maximize your employer brand:

1 Have a clear vision and communicate it to employees on a regular basis to give meaning to the teams' work.

It is essential that employees have a clear understanding of their role and contribution to the organization's mission.

2 Increase collaboration, foster team spirit and ensure knowledge sharing by:

- Setting ground rules that determine accepted behaviours within the team;
- Ensuring that there are no grey areas regarding the roles and responsibilities of each of the team's players.

3 Use recognition to ensure that employees give the best of themselves.

A structured recognition program that is used consistently and efficiently makes teams feel involved, empowered, motivated and valued.

Here are three considerations for such an approach:

1. **Define the recognition process objectives.** What do you want to recognize: behaviour, skills, effort or results?

2. **Determine the basis for employee recognition.** Will it be individual, collective, monetary or non-monetary?

3. **Choose the type of recognition according to the context**

   Informal: When employees have performed tasks successfully, represented the organization well at an event or met with clients, the manager's recognition will be informal (thank you, forwarding a customer satisfaction email, etc.).

   Formal: The employer sets up a structure—ideally with the help of some employees—to recognize good moves or initiatives. This can be done through a breakfast, an appreciation cocktail, or an awards presentation event organized by management, in a relaxed setting.

> Individual recognition has a stronger impact than group recognition, although the latter can be useful in motivating teams.
>
> – Lyne Barbeau, Senior Manager – Human Resources Consulting

4 Implement employee satisfaction measurement indicators.

An organizational climate study will help you identify weak areas and enable you to make the right decisions for improving your employees' engagement rate. These indicators are essential management tools and represent your company's organizational health.

5 Focus on skills development and training.

Organizations are increasingly investing in the planning and strategic management of internal talent.

83% of Quebec SME leaders have implemented at least one **employee training and development measure** in the past five years.

61%	56%	55%
New learning tools	Increased training budget	Employee development program

By quickly identifying high-potential employees, organizations can set up a plan to help them in their professional career, both for promotion and growth within their functions.

> A vision that focuses on resource skills development often avoids having to recruit externally. It also has a positive effect on employees by showing them that it is possible to move up into higher positions within the organization.
>
> – Louise Martel, Partner – Human Resources Consulting

Additionally, many employers combine a development plan with coaching. Facilitating the progression of people internally increases staff retention and reduces the likelihood of having to go outside to acquire new resources.

6 Clearly defined values, social responsibility, ethics and openness to diversity are also elements that can improve your brand image.

Today more than ever, companies must integrate their social and environmental concerns into their global strategy, not only to strengthen their profitability, but also to attract new generations that are much more concerned about these issues.

The Candidate Experience: To Attract, You Must Be Attractive

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In recent years, in addition to the workforce shortage, employees are more reluctant to change jobs. Their due diligence is more rigorous. Although the employer brand makes a difference in this context, the recruitment process can also be decisive.

Employers with the greatest hiring success emphasize the following:

- **Prepare clear position profiles.** It is important to establish an accurate picture of the characteristics required for the candidate to perform and succeed in the position. The more complete the information, the better image the candidate will have of the culture, issues and challenges within the organization.
- **Clearly communicate expectations** about what is required of the candidate. In recent years, we've noted that candidates often leave an organization because there were no objectives, or they were unclear. An objective must be personal, measurable, ambitious yet realistic and have an end date.
- **Avoid more traditional interview styles.** The atmosphere in which candidates are received is important. It should not be forgotten that, today, candidates have a choice. It's essential to sell the challenges they will face and the team they will join.
- **Follow up and communicate regularly** with candidates throughout the recruiting process. Too often, organizations overlook this step. A long waiting period can lead the candidate to believe that you are not organized or may not be interested.
- **Assess candidates based on their potential** to develop and capacity to integrate into the organization's culture.
- **Act quickly.** The recruiting process must be as simple and rapid as possible. Candidates looking for jobs often have several options. You should not delay in making an offer to interesting candidates while ensuring that you maintain the rigour of the evaluation process.

Be realistic about the current market. It is important to offer a competitive salary and benefits in terms of the organization's reference market. To stand out from the competition in terms of working conditions, employers do not hesitate to adopt innovative policies.

According to our study, managers believe that, first and foremost, employees want a collaborative work environment. It may therefore be interesting to take a few minutes during the interview to discuss the working group's team spirit and values.

What employees want
(according to the managers questioned)

33%
A collaborative environment

17%
Salary

14%
Working conditions

Rethink work organization. Traffic or transportation issues may require organizations to rethink their policy about working hours in the office. Offering more flexible hours and the possibility to work remotely may increase your appeal to a candidate. They are also factors that could encourage employees to stay with the organization longer. The younger generations are increasingly looking for such working conditions to meet their need for a healthy lifestyle and balanced work-family life.

Present an integration plan to the candidate to ensure a smooth transition into the new role. For example, a mentoring program matching new hires with current employees could be set up. This provides new employees with an assigned resource among their colleagues to ask questions and talk about their concerns. It facilitates the creation of an internal network and can foster resource integration and retention.

Your Managers' Leadership: Always a Dependable Value!

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According to Louise Martel, Partner, Human Resources Consulting, in a full employment market, your managers' leadership style is a determining factor.

> In our executive recruiting practice, we realized several years ago that our clients are more likely to select candidates with a proven mobilizing leadership style. We've realized that a manager's ability to create engagement and value, empower teams and ensure that they work in a respectful environment are the most sought-after skills.

Obviously, there is no such thing as the perfect candidate! The organization's success also lies in its commitment to developing all of its managers' leadership skills. This includes mentoring and coaching.

In their search for good leaders, employers want to make sure that they have complementary management styles within their teams to ensure greater representativity of all skills.

Finally, recruiting organizations pay special attention to the cohesion between the manager and the organizational culture. The candidate's ability to adapt to the new professional environment is also rigorously assessed.

> We still rely on managers' technical skills, but we focus more on their ability to build relationships, mobilize teams and participate in the organization's progress and development. That said, as an employer, we must also provide them with the necessary tools, so they can develop these abilities.
>
> – Louise Martel, Partner – Human Resources Consulting

Success Factors

In her practice, Louise Martel has noted several key success factors, which vary according to the organization's situation.

- Having a clear strategic vision that is conveyed to employees every day to give meaning to the teams' work.
- Showing managerial courage by exercising management's assigned role transparently.
- Fostering an environment of constructive feedback.
- Empowering employees and giving them considerable latitude.
- Having a social conscience.
- Working in a complementary way and being a good team player, able to share, exchange and collaborate.
- Being a good coach and ensuring that resources develop professionally.
- Having strong interpersonal skills, both internally and externally.
- Recognizing and valuing teamwork.
- Being result-focused while also being able to measure results.

Modern Day Leadership

Whether managers come from outside or inside, organizations must have leaders who are able to fully understand the company's culture. In addition, it is no longer uncommon to see organizations taking a risk by hiring younger managers with the desired attitude and development potential.

> This is positive and an added draw for candidates and stakeholders, because in the end, a good leader will be able to promote the company and activity sector.
>
> – Alexandre Raymond, Practice Leader – Human Resources Consulting

Leadership styles are changing. Some organizations even choose to share leadership among members of the same team based on projects, responsibilities or the expertise required. Sharing leadership this way promotes the complementarity of experience and gives free reign to different ideas and perspectives, which can lead to very interesting results.

Expand Your Recruiting Base

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In some job classes and specific markets, recruiting abroad is another interesting alternative to address the workforce shortage. When the process is undertaken in a structured manner with appropriate support, it can be profitable and a positive experience for both the new employees and the organization hiring them.

AURAY Sourcing, a Raymond Chabot Grant Thornton subsidiary, offers a turnkey service in international recruiting, immigration and foreign worker integration to local companies to address labour shortage challenges.

AURAY Sourcing™

Member of Raymond Chabot Grant Thornton

For example, AURAY Sourcing is currently recruiting in Vietnam to find workers specialized in the field of welding for various manufacturing clients that are having recruiting issues in Quebec. By expanding its recruiting pool internationally, the firm is able to fill important positions and help these organizations ensure that their operations continue seamlessly.

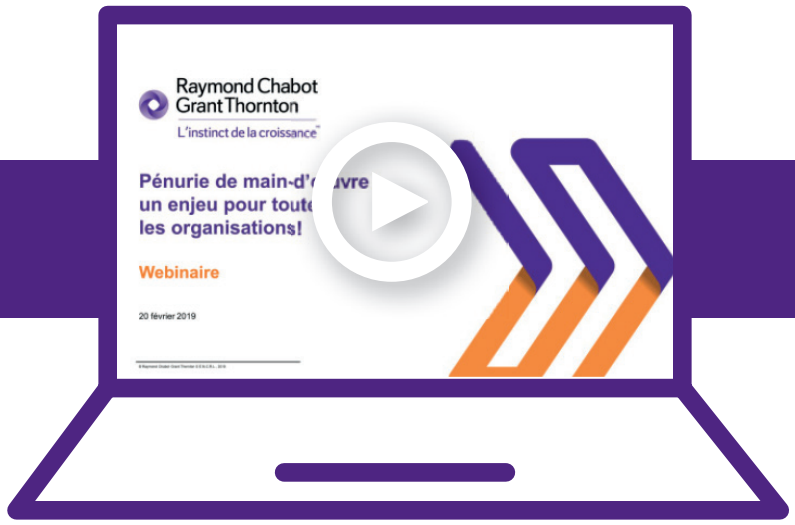
Be Proactive

In addition to adopting these best practices, it is strongly recommended that an upstream strategy of the company's recruiting needs be developed.

Retirements can be planned, a bank of candidates or interesting profiles can be created or the employment market monitored. With a proactive strategy, you can react more easily to changes in your organization's labour requirements and stay more competitive.

Would you like to find out more on local or international recruiting in the workforce shortage situation?

Watch our free webinar.



Loyalty and Retention: A Winning Combination!

It's one thing to attract talent, it's quite another to retain it. Retaining staff is a primary issue for 23% of Quebec employers.

Knowing this, companies with a high average of employee seniority have a competitive advantage. Servier Canada, a pharmaceutical group that markets drugs to treat cancer, diabetes and cardiovascular disease, is one such company. Established in Quebec for over 40 years, the company is capably tackling the province-wide skilled labour shortage. Rather than being a victim of the situation, it uses a strategy that has proven its worth. The recipe seems to be working, since a large majority of its employees have been working for Servier for several years.

To help Quebec SMEs, Isabel Bélanger, Human Resources Manager at Servier Canada, shares some of her practices that drive human resource success.

Once the recruiting process is completed, how do you ensure employee retention over the long term?

"We offer our employees a balance between competitive total compensation and intrinsic motivational elements that are essential to long-term employee satisfaction.

What are those intrinsic motivational elements?

In terms of tangible benefits, such as compensation or other monetary rewards, we offer several interesting features.

We obviously offer a competitive salary, a very generous retirement plan and excellent group insurance, but we also offer more innovative benefits.

For example, our employee program includes a flexible schedule, the flexibility to work from home, a 35-hour work week, an on-site fitness centre with coaching opportunities, a casual dress code, reimbursement of physical activity fees, as well as a cafeteria with a healthy menu and the ability to order meals to take home. We also organize the annual Servier Award of Excellence (SAX), a gala where prizes are awarded for the best performance of our collaborators in different categories.

What intrinsic motivating factors do you have to balance your employee retention strategy?

We divide our efforts between employee coaching, professional development, commitment and recognition.

Specifically, we offer our travelling representatives two months of initial training, a unique and recognized program in the industry that allows our employees to feel they are properly supervised, supported and comfortable with all the tools available to achieve performance that meets their expectations. This makes a big difference in their integration and sense of well-being with their new employer.

This year, we introduced an employee engagement survey. Based on the survey results, each manager is responsible for identifying initiatives and activities that will improve the engagement rate achieved. The initiative therefore makes it possible to measure the current state of team commitment and identify improvement opportunities as an employer.

The feeling of belonging is also prevalent within the company. Each year, a service recognition evening is organized for long standing Servier employees. This is an opportunity to thank our team and highlight the people who have 10, 15, 20, 25 years or more of loyal service.

Finally, when we have positions to fill, we recruit first and foremost internally, because we believe in our team's potential and we want to enable everyone to achieve professional growth within the company.

It is crucial for a company to have a long-term employee vision and recognize their importance in its success.

> Our people are our main strength. This belief is at the heart of the organization's values and is reflected daily in how teams are managed.
>
> – Isabel Bélanger, Human Resources Manager – Servier Canada

By recognizing this, the company is taking a step in the right direction to subsequently establish an action plan that will enable it to ensure the continuity of its operations.

Attracting and retaining talent is the key to the success of today's organizations.

A distinctive and reputable employer brand makes the difference, as does management leadership. Since employees have the choice to work almost anywhere they want, the challenge for any organization is to align talent with its vision and values. The team is not following a leader, but a destination. It is therefore essential to know how to effectively communicate the organization's vision and keep employees motivated and mobilized by engaging them in the actions that lead to this destination.

People must be at the heart of all organizational priorities!

Emilio B. Imbriglio

Partner, President and CEO
Raymond Chabot Grant Thornton

A Human Vision of Success

Lino A. Saputo, Jr. has been working at Saputo Inc. for over 30 years, has been Chairman of the Board since 2017 and CEO since 2004. The entrepreneur has had a busy year, with several international acquisitions.

It's one thing to buy a business, it's quite another to integrate and grow it. Lino A. Saputo, Jr. excels in this area by leveraging best practices in governance and human resource management. Skill development, promoting diversity and equal opportunities are particularly important to him. He is very proud that half of Saputo's Board of Directors are women. Lino A. Saputo, Jr. is actively involved in numerous social causes and regularly serves as a mentor to young people.

> To be a good leader, you must give people the latitude they need to develop while keeping them accountable for their decisions.

– Lino A. Saputo, Jr., President and CEO – Saputo Inc.

Saputo

Winner
2019 Person of the Year Awards

PERSON OF THE YEAR

Lino A. Saputo, Jr. was named PERSON OF THE YEAR in the 2019 Person of the Year contest for his vision, innovation and leadership that brought Saputo Inc. to a new level. He has also stood out for his commitment to social and community life, while contributing to the advancement of his field of expertise.

Les prix PERSONNALITÉ DE L'ANNÉE
RAYMOND CHABOT GRANT THORNTON
ÉCOLE DE GESTION JOHN-MOLSON

The Person of the Year Awards, presented by Raymond Chabot Grant Thornton and Concordia University's John Molson School of Business, celebrate local business people who play an active role in the development of local leading-edge enterprises and the emergence of tomorrow's talent.

Who will be the headliners of the 2020 Person of the Year Awards?

Follow what's happening with the latest edition of the contest by visiting **rcgt.com/awards**.