The HR Council for the Voluntary & Non-profit Sector (HR Council) works with organizations, educators, labour and government to identify and address issues related to paid employment in the voluntary and non-profit sector.

Our priorities are to:

• Build and share knowledge
• Promote good HR practices
• Foster training and learning opportunities
• Provide leadership on HR issues
• Engage voluntary and non-profit organizations in our work

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The common ground within the voluntary and non-profit sector is that all of the sector’s organizations contribute, in many ways, to strong and resilient local communities and to the country as a whole. The labour force in this sector matters because of the critical work provided by the sector and the important contribution it makes to the social and economic health of communities across Canada. In order to do this work well, the sector needs the right people with the right skills. That means the sector and individual organizations must address labour force issues to make the fullest contribution to the sector’s many and varied missions and mandates.

The voluntary and non-profit sector traditionally defines itself by the programs and services it delivers. This sector is also a major employer. In fact, the sector includes nearly 69,000 employers and has a labour force of 1.2 million employees. There are clear signs that organizations are less and less able to recruit the talent they need and, at the same time, retaining employees is also a challenge. An effective labour force equals an effective sector and so, without improving the ability of the sector to recruit and retain workers – and without finding ways to build the skills of employees – the sector will be less able to effectively deliver needed services. In other words, it is important to focus on the sector’s labour force and start talking about the voluntary and non-profit sector from a labour force perspective.

A strong and vibrant voluntary and non-profit sector is important to a lot of different people and, therefore, this report is relevant to a wide audience. This includes the boards and staff of sector organizations, potential sector employees, as well as a wide variety of labour market partners such as post-secondary institutions, community-based training providers, career centres and governments.

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1 The HR Council’s mandate includes most of what the Satellite Account of Nonprofit Institutions and Volunteering refers to as the “core non-profit sector” except that they do not include organizations in the category “professional associations, trade unions and cooperatives.” Quasi-government organizations (such as hospitals, colleges and universities) are beyond the scope of the HR Council’s work.
About the Labour Force Study

The goal of a labour force strategy is to make sure that the sector has access to the people and skills it needs. To work towards this goal, the HR Council for the Voluntary & Non-profit Sector (HR Council) undertook a Labour Force Study – a first ever opportunity for stakeholders to work together to create an evidence-based understanding of the sector and its human resource needs. There are three main stages in the HR Council’s Labour Force Study:

1. **Bring the sector’s paid labour force into focus** *(Report 1)*. What are the key trends and demands that shape the sector’s need for people and skills? What factors affect the supply of talent and the sector’s ability to find the people it needs? The answers to these questions came from key informants (thought leaders, researchers and representatives from stakeholder organizations) whose combined knowledge and experience covered a wide range of perspectives about the sector as a whole and about the forces that are shaping the future for the sector’s paid labour force.

2. **Conduct Canada-wide surveys of sector employers and employees** *(Report 2)*. Conducted on behalf of the HR Council by Ipsos Reid between December 2007 and February 2008, the surveys of non-profit employers and employees are an integral part of the HR Council’s Labour Force Study. In total, 1,570 employers and 2,873 employees participated in the surveys. *Report 2* provides empirical evidence from the surveys about recruitment and retention practices and challenges. It also identifies where there are gaps between the skills organizations need, now and in the coming years, and the skills employees bring to organizations. The survey of employees provides a sector-wide statistical profile of the people who work in the sector and what they like and don’t like about their jobs as well as their plans and expectations for the future.

3. **Develop recommendations for action**. This third report presents recommendations grounded in the current trends and developments in the sector. The Labour Force Study Steering Committee analyzed the research evidence and identified the key strategic recommendations found in this report. The recommendations were strengthened by validating them with stakeholders.

*(Reports 1, 2 and 3 are available on the HR Council’s website at www.hrcouncil.ca)*

About the sector

One of the defining characteristics of the sector is just how difficult it is to define. For instance, there are many areas of activity – from sports and recreation to arts and culture to social services and so many things in between. There are organizations that focus on a specific local community while others are national in scope. Some organizations serve an urban population while others cover a large rural area. Some organizations deliver programs while others are involved in social innovation, citizen engagement and creating civil society. Most organizations have less than five paid staff while others have more than a hundred. The responsibility for HR management also varies greatly. In some organizations, there is a dedicated staff position while in many organizations the responsibility for HR is part of the senior staff person’s job description. There are also many governance models; the role of the board of directors and their role in human resources look different from one organization to the next.

About the HR Council

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- Build and share knowledge
- Promote good HR practices
- Foster training and learning opportunities
- Provide leadership on HR issues
- Engage voluntary and non-profit organizations in our work
The HR Council is a member of The Alliance of Sector Councils. The HR Council is funded primarily through the Government of Canada’s Sector Council Program. Sector councils are permanent organizations that bring together representatives with different perspectives from key stakeholder groups that share a commitment to identify and act on the issues and skills needs that are most important to a given sector including:

1. Defining HR issues
2. Facilitating school-to-work transitions
3. Recruiting and retaining employees
4. Developing occupational standards
5. Anticipating skills shortages
6. Promoting the workplace as a learning place
7. Developing sector and career awareness strategies

Acknowledgments

The Labour Force Study is guided by a Steering Committee whose members come from the HR Council’s network of stakeholders across the country. The Steering Committee provided overall guidance for the Study by contributing perspectives, expertise and ideas that reflect the sector’s scope, complexity and diversity. In addition to providing input throughout the Study, the committee had the task of developing the recommendations found in this report.

The HR Council thanks the members of the Labour Force Study Steering Committee and the organizations who spared them so they could participate.

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A labour force strategy is more than a document or a one-time plan.

What is a labour force strategy?

The goal of a labour force strategy is to make sure that the sector has access to the people and skills it needs. A labour force strategy consists of a number of interconnected efforts by many players to respond to needs that the sector identifies. It is important to see a labour force strategy as more than a document or a one-time plan; it is a long-term undertaking that involves looking at the sector through a labour market lens.

Looking through this lens provides us with opportunities to focus on the sector’s most important asset – the 1.2 million people (over seven per cent of Canada’s total labour force) employed in voluntary and non-profit organizations. Collectively, these people manage organizations and support their operations, provide many different kinds of services to individuals and communities, raise money, engage and manage volunteers and strengthen our social fabric in uncountable ways.

Looking at the sector through a labour market lens provides a new focus for appreciating the influence that nearly 69 000 non-profit organizations have as employers. These organizations are employers with a need to continuously improve their ability to attract and keep employees, and to be good employers.

The success of a labour force strategy depends on the efforts of many players. While change inside an organization happens largely through its board, management and employees, change affecting groups of organizations, segments of the sector, or the sector as a whole can only happen through the collaboration of many organizations and individuals (including boards and staff of organizations as well as labour market intermediaries including organized labour, post-secondary institutions, community-based training providers, career centres and government).

The labour market lens

Thinking in terms of a labour market lens is new to many in the sector. This is particularly true of very small organizations with few employees and minimal organizational infrastructure. It is hard to make a distinction between employer and employee when the organization’s management – that is, its executive director – is its only employee.
If we say that a labour force strategy involves looking at the sector through a labour market lens, it is worth taking some time to understand what the term labour market means. Figure 1 shows that a labour market is about relationships between the supply of people available for employment and the available jobs. These relationships include both individuals and organizations such as:

1. Employees and unions and associations that represent them
2. Employers and their associations or coalitions
3. A variety of intermediaries such as post-secondary institutions, community-based training providers, career centres, non-profit service organizations, governments and the HR Council itself

A labour force strategy, therefore, has to take all these players and the relationships between them into consideration.

Looking at the sector through a labour market lens

As in any sector, many different forces drive employment demand and supply, shape the nature of the work, fuel labour force challenges and determine effective solutions. There are, however, a number of unique factors that are specific to the voluntary and non-profit sector. For instance, the fact that there are so many small organizations (in other words, small-sized employers) adds complexity. Solutions to challenges need to take into account that three-quarters of organizations have fewer than 10 employees while still being relevant to the smaller number of large organizations that employ more than half of the sector’s employees.

Governance by volunteers is another distinguishing feature of the sector bringing a unique complexity to labour force management. Boards of directors need to view labour force management as a critical activity for successful organizations. Yet many boards – particularly at the local level – are focused on keeping the doors open and spend much of their time and energy reacting to funding issues. Educating boards of directors is critical to addressing labour force issues in the sector. Similarly, recruiting board members with HR expertise is also important.

Compared to some other sectors, the voluntary and non-profit sector is new to talking about labour force strategies. Mechanisms for understanding and addressing labour force challenges are still in a very early stage. The sector’s short history of paying attention to labour force issues – and how the forces that shape this sector work in a labour market context – is noticeable. We are particularly short of labour force information and data to understand the labour force challenges that we are facing.
3 Labour force challenges facing the sector

Challenges are not easy to organize into neat and tidy categories.

Through key informant interviews, literature reviews as well as the surveys of sector employers and employees, this Study identified current labour force challenges facing the voluntary and non-profit sector. It is obvious these challenges are inter-connected – yet not shared by all and not all of the same magnitude. That means that the challenges are not easy to organize into neat and tidy categories. For the purposes of this report, the challenges fall under the following themes:

- Labour market trends
- Demands on the voluntary and non-profit sector
- Recruitment and retention challenges
- Skill gaps

Labour market trends

Aging workforce

While the proportion of the working age population that is active in the labour force is decreasing, there is actually an increase in the labour force participation of Canadians aged 55 and over. According to Statistics Canada in 2005, the influx of baby boomers into the 55+ age group reversed the previous trends of increasing early retirements — particularly in public sector health and education. With the current economic situation, many baby boomers may be reconsidering their retirement plans because their investments will not adequately support them in retirement. Flexible work arrangements may be the solution for workers who want to retire but are no longer able to afford this option. Nevertheless, it is important to be realistic. A large number of employees will be retiring over the next few decades and that will inevitably change the entire labour force and the effect will certainly be felt in the sector.

Another trend with aging baby boomers is that some are choosing to finish out their careers by moving from the corporate or public sector into the voluntary and non-profit sector. While this provides a potential pool of experienced

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workers with skills and experience, the sector needs to carefully think through strategies to tap into this pool of talent while considering the potential implications for changing the culture and values of organizations towards corporate or business models.

Leadership deficit
The departure of baby boomers will mean the loss of experienced workers from the sector, particularly the loss of people from leadership positions. That means succession challenges. Replacements for retiring baby boomers will need to be recruited, but what about the organizational knowledge that leaves with these exiting leaders? Sector organizations, and possibly the sector as a whole, are vulnerable to a loss of knowledge when this large group of baby boomers retires. Small organizations will be particularly vulnerable as often one person is the guardian of most of the organizational history and there are minimal resources or procedures in place to support smooth transitions.

On the flipside, some see the departure of older leaders as making room for younger leaders and an opportunity for change. Grooming future leaders is the other facet of this challenge. The sector has so many small organizations and that means there are thin leadership layers that do not allow for upward mobility within organizations. In other words, in much of the sector there is no career ladder to build leadership skills and experience. The solution resides in collaboration and thinking about leadership development across organizations rather than only happening within an organization.

New generation of workers
People who enter Canada’s labour force in the coming years will be part of a smaller group when compared to the population that is now active in the labour force. Descriptions of the new generation of workers (born after 1980) often refer to their high expectations and confidence, their different attitudes, values and skills. Studies agree that the new generation of workers expect work to be challenging and rewarding and they are prepared to move to other jobs if their expectations are not fulfilled. They are thought to be motivated by causes and work that makes a difference rather than by loyalty to an organization. They are seen as a generation that will demand work-life balance and flexibility so that work fits into other priorities. This is a highly educated generation that is ethnically and culturally diverse and more accepting of diversity than previous generations. It is a generation that grew up with technology and so they assume they will have access to it in their workplace. They thrive on multitasking and creative problem-solving and seek opportunities to learn.

Is the sector ready for them? If it is not, it may find itself as a training ground or stepping stone to careers in public and corporate sectors as opposed to developing long term employees for the sector. The challenge is also about managing multi-generational workplaces.

Cultural diversity
Apart from organizations that provide immigrant and settlement services (or work in other ways on behalf of particular ethnic or cultural groups), there is little evidence that the sector currently reflects the diversity of Canada’s population. While larger urban centres may be more likely to have employees from culturally diverse backgrounds, the sector needs to work towards a future where inclusiveness is an intentional strategy. Canada is increasingly culturally diverse and the sustainability of the voluntary and non-profit sector will depend on the capacity of organizations to draw from the increasingly diverse pool of potential employees and to make good use of the skills of people from all backgrounds. The challenge lies in how to change the organizational cultures to support inclusivity. Without a compelling impetus for change, the situation probably will not improve on its own.

While key informants focussed on cultural diversity, it is important to consider other dimensions of diversity including sexual orientation, age, gender and disability.
Demands on the voluntary and non-profit sector

The sector is growing

According to Statistic’s Canada’s Satellite Account of Nonprofit Institutions and Volunteering, economic activity in the core non-profit sector grew faster than the economy as a whole over the period from 1997 to 2005. (Growth in the core non-profit sector also outpaced hospitals, universities and colleges, which are beyond the scope of the Labour Force Study). Annual growth in the Gross Domestic Product (GDP) ranged across areas of activity within the non-profit sector from 3% in health (other than hospitals) to 9.9% in education and research (outside of universities and colleges). Growth in the sector as a whole was led largely by growth in social services. Social services is the largest sub-sector, accounting for 24% of the sector’s economic activity, and it grew on average 8% annually.

Greater demands for service delivery

The withdrawal of governments from service delivery over the last two decades has meant greater reliance on non-government organizations to deliver services, particularly in the areas of health and social services. The overall aging of the population will continue to increase the demand for health care and social services. The alarm bells are ringing. Will there be enough skilled professionals to meet the demand for services?

Implications of economic downturn

The current economic downturn will undoubtedly have an impact on the sector. Evidence is emerging that shows an increasing demand for some services (like food banks and family support services) as well as reductions in corporate and individual giving due to the erosion of investments. However, it is very early days to try and assess the implications for the sector and its labour force. Will organizations whose services are in higher demand deal with the increased workload by hiring more staff, by engaging more volunteers and/or by looking to current staff to do more? How many organizations whose funding dry up will lay off staff, impose hiring freezes or shut down altogether? What other strategies might organizations adopt to reduce the cost of their operations? Will they seek partnerships and collaborative arrangements with other organizations to share services? Will they pursue mergers?

Funding and revenue

Understanding the sector’s labour force challenges means looking at the financial resources of organizations. There are labour market implications to funding models and the ways that organizations generate revenue. Consider how funding and revenue affects:

- An organization’s stability
- Organizational capacity (including human resource management)
- The ability to plan and adapt to change
- The number of staff hired and what they are required to do
- Staff compensation

Expectations that overhead costs will be lower in voluntary and non-profit organizations mean that activities related to effective HR management can only happen on a shoestring budget. In short, revenue challenges equal human resource challenges. The case needs to be made to funders and donors that compensation for talent will pay off in performance outcomes. However, if organizations depend on funding bodies and donors for revenue it is risky to take a stand. But if organizations continue to do the work by stretching inadequate resources, are they contributing to their own problem?

The challenges do not just exist externally. There are internal challenges as well. Decisions about how organizations spend money affect the labour force situation. Will money be invested into the physical work environment, salaries and benefits, employee training and development and the many other aspects that make work in the sector either attractive or unattractive?
Relationships with governments
Organizations and governments at all levels have many and varied connections and relationships. For organizations, government departments and agencies can be any or all of the following:

- Funder
- Contractor
- Policy-making body
- Regulator body
- Seeker of advice and grassroots information

Government departments and agencies can be partners in achieving mission, obstacles to achieving mission or both of these simultaneously. The specific nature of relationships with governments, and their implications, varies across the different areas of activity within the sector as well as from one organization to the next and one province to the next. The result is that governments’ priorities, policies, programs and operations have widespread and varied effects throughout the sector.

Recruitment and retention challenges
In 2004, a series of community-based discussions were held as part of a feasibility study that led to the creation of the HR Council. At that time, recruitment and retention were linked together and ranked equally high on the list of challenges faced by sector organizations. The more recent Canada-wide surveys of employers and employees gave a slightly different perspective. While both recruitment and retention present some degree of challenge; many more organizations report difficulty in recruitment than retention. Nearly half of employers reporting recruitment activity in the prior 12 months said it was “difficult” or “very difficult” for their organization to find qualified people. The most difficult job category to recruit for was for “professionals” – 22.7% of organizations experienced difficulty recruiting in this category. A look at the average percentages by region, area of activity and organization size revealed above average recruitment challenges in western Canada (particularly in Alberta) as well as in health and social services and in medium-sized and large organizations.

Whether recruitment and retention are linked or treated as separate issues, the contributing factors still need to be considered. What is the nature of these recruitment and retention challenges? Career paths into the sector aren’t straightforward. A lack of understanding and awareness by potential employees about careers/jobs in the sector contributes to the sector’s recruitment challenges. So, too, does the fact that there are poor connections between formal education and careers. In terms of retention, the Canada-wide surveys confirmed that employees are less satisfied with opportunities for advancement than with other aspects of their jobs. There are a lot of small organizations and that means that there is not often a career path with the possibility for promotion within a single organization. Career advancement can only happen if the employee leaves for another organization. While this is a retention issue for individual organizations, it could be turned into a sector-wide strategy for retaining qualified people within the sector.

Skills gaps
The Canada-wide survey of employers indicated that a large majority of employers (91.7%) said that overall, the skills of their current employees “mostly” or “fully” meet the needs of their organizations. So what is the challenge in the sector related to skills gaps? Almost one in five employers indicated that they either “strongly agree” or “somewhat agree” with the statement: “My organization has difficulty meeting its objectives because its employees do not have sufficient skills.” Employers gave high ratings for literacy and numeracy skills, as well as the ability to work in teams and communication. However, approximately one in four employers stated that the level of computer skills of their current employees only “partly” met their needs or “not at all”. Also, almost one in five employers indicated that the time management capabilities of their employees only “partly” met organizational...
needs or “not at all”. Interestingly, the vast majority of employees (96.2%) indicated that they believed that, overall, their skills met their organization’s needs either “fully” or “mostly.” In other words, there is an inconsistency in how employers and employees perceive the adequacy of skills.

Another contributing factor is that one third of employers anticipate that two years from now the skills their organization needs will either be “somewhat different” or “substantially different” from today. When it comes to building the needed skills of employees, there is a noticeable difference between the likelihood of a training and development budget in small, medium-sized and large organizations. While 95.0% of large organizations (100+ employees) had a budget for training and development, it dropped to 65.5% for small organizations (1-10 employees). Fewer organizations in the Atlantic region have staff training budgets (the same can be said to some extent for organizations in British Columbia). Employers in sports/recreation and religion are also less likely to have a budget for staff training and development. Overall, 24.0% of employees reported no professional development opportunities in the previous 12 months.
The strength of a labour force strategy is that it identifies challenges and moves the conversation along by looking at how the challenges affect the sector’s labour force needs and then makes recommendations for strategic action. The labour force strategy for the voluntary and non-profit sector starts with input from many people representing the breadth and diversity of size, areas of activity and geographic location within the sector. The involvement of people in the sector is key to the success of the strategy because the recommendations have to make sense throughout the sector.

After analyzing the input from the sector, the Labour Force Study Steering Committee recommends the following as the starting point for dealing with the sector’s labour force challenges:

1. In order to attract and develop the people that organizations need, the Committee recommends: a deliberate, purposeful focus on doing a better job of HR management.\(^3\)

2. In order to contribute to an equitable, accessible labour market and to benefit from the full range of talent available in Canada’s labour force, the Committee recommends: intentional efforts to continue building an inclusive workforce.

3. In order to build and promote understanding of the sector’s labour force and to indicate the best directions for change, the Committee recommends: a research and development strategy that produces empirical evidence that is useful and used by the sector.

4. In order for Canadians to see the importance of the work the sector does and for the sector to promote itself as a viable work choice, the Committee recommends: broadly-based coordinated efforts to promote the value of work in the sector.

5. In order to ensure that financial resources are in place to sustain the sector’s labour force, the Committee recommends: that organizations and funders commit to supporting competitive compensation, good working conditions and effective HR management.

The challenges in the sector are inter-connected so it is not surprising that these recommendations are also inter-connected. The benefit to the links between the recommendations is that as progress is made in one area, other areas will also see improvement.

\(^3\) Human Resources Management is the function within an organization that focuses on recruitment, management, and the direction of the people in the organization.
In order to attract and develop the people that organizations need, the Labour Force Study Steering Committee recommends: a deliberate, purposeful focus on doing a better job of HR management.

The context
The success of an organization depends on having the right people with the right skills at the right time. Excellence in HR management is one of the fundamentals of excellence in meeting the mission and mandate of an organization. That means that HR management has to be a strategic priority for the sector and for individual organizations.

The goal is to see all organizations move forward whatever their starting point. There are some organizations that have modern, innovative and well-established HR practices in place and excel in this area. Some have a dedicated HR professional on staff. Others need to establish basic HR management policies and practices. Small organizations are particularly less likely to have these in place and are also less likely to have staff dedicated to HR management. Wherever an organization finds itself on the spectrum, the common ground is the need for a deliberate focus on HR management and the reality that there is always room for improvement.

Good governance involves good HR management and therefore improvement involves an understanding by boards of directors about how their governance roles and responsibilities influence effective HR management practices. There are many different ways that boards carry out their roles and, in some cases, the management of organizations. A board’s connection to HR management depends on the structure of the board and the organization. Ultimately, however, the responsibility of the board is to create the context for the organization to be a good employer. Boards need to understand how their decisions affect HR management and to invest in the capacity of organizations to be good employers.

Recommendation #1:
Attracting and developing the people organizations need

Strategic action
Examples of concrete actions that respond to this recommendation could include:

- Innovation in the HR help provided for small organizations
- Implementing norms or standards for good HR management
- Engaging boards of directors on their roles and responsibilities related to effective HR management
- Developing and implementing standards for good board governance that include standards for being a good employer
- Engaging with and working cooperatively with organized labour/unions where they exist
- Building community capacity to support small organizations, share information, resources and good practices
- Developing and implementing cost-effective pooled services for small organizations (e.g. pension plans)
- Developing and implementing HR management services and supports for small organizations (e.g. HR management help lines and consultancy services)
- Continuing to create and provide practical HR management tools and resources and expand organizations’ access to them
- Accessing information and resources available in the commercial marketplace and through relationships with companies
Recommendation #2: Benefiting from the full range of talent

In order to contribute to an equitable, accessible labour market and to benefit from the full range of talent available in Canada’s labour force, the Labour Force Study Steering Committee recommends: Intentional efforts to continue building an inclusive workforce.

The context
As the voluntary and non-profit sector employs more than 7% of working Canadians, this sector plays a significant part in determining the opportunities that individuals have to participate fully in the country’s labour force. As in other sectors, employers need access to the full range of talent in Canada’s changing labour force. For both of these reasons, it is important to work toward a future characterized by inclusiveness.

This recommendation speaks to efforts to achieve inclusiveness in its broad sense, for people with disabilities, new immigrants, members of visible minorities and Aboriginal groups, and for individuals marginalized because of gender or sexual orientation.

Statistics Canada projects that by 2017 the number of visible minorities in Canada is expected to double. It is important to also recognize that the incoming generation is much more diverse. Young employees will bring diversity to the sector, creating both the opportunity and the necessity for more inclusive organizational cultures, policies and HR management practices.

The challenge of achieving inclusiveness will have the sector asking tough questions of itself:

- What organizational change is required to offer unobstructed access to work in the sector and to provide all employees with opportunities to make their best contribution?
- Does the sector contribute to the marginalization of some people in the labour force by relegating them to low paying jobs or by limiting their opportunities to get ahead?

Strategic action

Examples of concrete actions that respond to this recommendation could include:

- Championing HR management practices and policies that model inclusion
- Finding new ways for the sector and individual organizations to reach out to people on the margins of the labour force
- Providing practical information that will help organizations identify unintended barriers and remove them (e.g. by assessing current policies and practices)
- Providing financial incentives (e.g. debt relief to students) who choose a career in the sector
- Challenging the culture of organizations and the sector insofar as it rewards an unhealthy work-life balance (long hours, overwork)
Recommendation #3: Focusing on research and development

In order to build and promote understanding of the sector’s labour force and to indicate the best directions for change, the Labour Force Study Steering Committee recommends: a research and development strategy that produces empirical evidence that is useful and used by the sector.

The context
The sector cannot progress without research and development. Empirical information is essential and is the basis for:

- Establishing the sector as a significant part of the country’s labour force
- Building knowledge and promoting understanding of the sector’s labour force
- Supporting strategies to address labour force challenges
- Informing strategies for change and providing the basis for how to change (and then monitoring the results over time)

Empirical information must be widely accessible to support human resource planning and decision-making across the sector. This kind of evidence helps to make the case for change within organizations by providing answers to questions like, “What do other organizations like this one do?” or “What are current best practices?”

However, in order to be truly useful, data about the sector’s labour force must be current and ongoing. It also needs to be relevant to local and regional labour markets and not just provide the national picture.

Strategic action

Examples of concrete actions that respond to this recommendation could include:

- Identifying the information needs of the sector and segments of the sector
- Developing a long-term strategy for identifying and monitoring workforce demands
- Researching long-term workforce requirements
- Developing research collaborations with academics
- Gaining recognition of this sector in labour force research
- Engaging local and regional sector networks to disseminate empirical information to the sector
- Developing benchmarks
- Undertaking research on specific areas such as:
  - The state of learning and professional development in the sector
  - Key occupations and core competencies
  - Determining appropriate pay levels
  - Generational differences in attitudes and perceptions about work in the sector
  - Unionization in the sector
  - The human resource and skills implications of new forms and structures for organizations and models for cross-organization collaboration
  - Perceptions of employment in the sector (What do people think?)
  - Innovations in funding as they affect employee recruitment and retention and HR management
In order for Canadians to see the importance of the work the sector does and for the sector to promote itself as a viable work choice, the Labour Force Study Steering Committee recommends: broadly-based coordinated efforts to promote the value of work in the sector.

The context
There are a number of different audiences when promoting the value of work in the sector. The first is how the sector promotes itself as a place of employment to prospective employees. Potential employees need to see the sector as a viable work choice. Yet it is difficult to build a promotional campaign about a career that offers low compensation, long hours, etc. So, this recommendation also speaks directly to the sector and organizations within the sector. There needs to be a commitment to improve working conditions and circumstances. Doing so will challenge ideas and practices within the sector and within organizations that are at odds with attracting, retaining and developing employees or work against effective HR management.

There also needs to be a shift in thinking away from a charity mindset where it is okay to work at a discount because the work is deemed to be valuable work. If the work is really valuable, then the opposite is true and organizations would be paying a premium to secure the most talented people. That is a contradiction that needs to be addressed. In order to address it. Other audience must be considered including funders, policy-makers and broader society. There needs to be more widespread public recognition of the sector’s importance in the labour market.

While this recommendation focuses on the value of work, it is also important for people to understand what the sector is all about and appreciate the sector as a whole. Therefore, efforts to change perceptions about the value of work need to be aligned with broadly based efforts to gain respect and recognition for the contributions the sector makes to the economy, society and communities. The bottom line promotional message is that employees carry out the important work of the sector.

Recommendation #4: Promoting the value of work in the sector

Strategic action
Examples of concrete actions that respond to this recommendation could include:

- Identifying target audiences and gathering knowledge about their current perceptions about work in the sector to inform the development of key messages and strategies for getting these messages heard
- Creating research-based information about the wide range of occupations the sector encompasses and getting the word out, particularly to young people
- Challenging expectations within the sector that long hours and low pay are the way it is
- Creating tools to demonstrate outcomes and show how much the sector’s work is worth, the difference it makes
- Identifying a high profile champion to promote the value of work in the sector and the value of the sector
Recommendation #5:
Ensuring financial resources to sustain the sector’s labour force

In order to ensure that financial resources are in place to sustain the sector’s labour force, the Labour Force Study Steering Committee recommends: that organizations and funders commit to supporting competitive compensation, good working conditions and effective HR management.

The context
The goal of this recommendation is the widespread acceptance of principles for both funding and spending that align financial resources with human resource needs. This involves making sure there are sufficient resources to attract, retain and develop employees through effective HR management. It also, very importantly, involves changing prevailing notions about costs that are (and are not) deemed legitimate. For that reason, this recommendation is closely intertwined with the previous one about perceptions – the perception that the sector offers a cheap way to get things done along with the sector’s claims to do things for a lower cost.

Above all, aligning financial resources and human resource needs requires sufficient revenue to allow for planning and to ensure sustainability. The sector needs secure and adequate financial resources which, in turn, are invested by organizations into HR infrastructure. The sector needs to be upfront about the costs for resources to manage a well-run organization and make a clear link between a well-run organization, talented staff and excellent results that benefit members of society.

The principles of this recommendation need to be incorporated into a wide range of strategies aimed at changing the way the sector is financially supported and, at a practical level, into a wide array of arrangements and mechanisms (funding contracts, agreements with donors, etc.). As major funders and purchasers of services, provincial governments would be primary partners in the implementation of these principles. However, many of the sector’s employers rely partly or fully on funding from other governments, foundations and individual donors. So, all of these funders will be key partners in aligning financial resources with human resource needs.

Strategic action

Examples of concrete actions that respond to this recommendation could include:

- Convening government representatives from across the country to examine policies and regulations that frame contracts and sector activity
- The possibility of turning down projects with funding that is out of line with principles
- Creating information that supports decision-making in line with the funding principles and disseminating it to decision-makers on boards and in executive roles
- Conducting research to establish benchmarks
- Providing stakeholders and funders with information aligned with the funding principles to support their negotiations
- Providing how-to tools for identifying costs to include and points to make a compelling case for financial resources to fulfill the mission by having the right people in place with the right skills
Making progress towards a labour force strategy means rethinking how organizations see themselves and how they work together.

If a labour force strategy consists of a number of interconnected efforts by many players to respond to needs the sector identifies and is a long-term undertaking, what will this look like and how will change happen?

First, change is happening. Quebec’s Comité sectoriel de main-d’œuvre – Économie social, action communautaire has worked since 1997 to promote and consolidate joint action on sector work force issues. In 2007, sector stakeholders and government partners developed A Workforce Strategy for Alberta’s Non-Profit and Voluntary Sector. More recently, emerging joint sector-government initiatives to strengthen the voluntary and non-profit sector in other provinces have included a focus on human resources. For example, the strategic priorities identified in November 2008 for the British Columbia Non Profit Initiative include the development of a human resource strategy.

Change is also happening within organizations with regards to their focus on governance, budgeting and operational decisions that affect human resource planning and management. More is needed; if there is going to be change, human resources must be viewed as critical for successful organizations. The role of the board of directors is crucial because regardless of the chosen governance model, ultimately it is the responsibility of the board to create the context for the organization to act as a good employer. Boards need to understand how their decisions affect HR management and they need to invest accordingly in the capacity of organizations to be good employers.

For change to happen (and continue to happen) across organizations, there needs to be collaboration between many organizations and individuals. There are many opportunities within an effective labour force strategy for service sharing between sector organizations and pooling resources to access talent. Tapping into established networks will be very important.

Acting on these recommendations to make progress toward a labour force strategy means rethinking how organizations see themselves and how they work together. It is a cultural shift. Long held ideas will be challenged and there will be resistance. Transformative change takes time and requires a clear reason for change that is communicated well...and frequently.

Our core purpose is to foster an effective labour force, which is the essence of an effective sector. Strategic action is required to ensure that the right people with the right skills are in place to provide the crucial programs and services upon which Canadians rely.