Opportunity knocks!

How nonprofit employers build a workforce that includes New Canadians
Background

Increasing Ethnic Diversity in the Nonprofit Sector’s Workforce was a project undertaken by the HR Council for the Nonprofit Sector (HR Council). It explored the key factors that prevent nonprofit employers from accessing the talent, skills and expertise of new immigrants and members of visible minorities.

The project included a research component made up of literature reviews; a survey of approximately 350 nonprofit employers; eight dialogue sessions in locations across the country with 89 nonprofit employers; and telephone interviews with 26 new immigrants and members of visible minorities who work or have previously worked in the nonprofit sector. For more information on the research results consult the Recruitment and retention of New Immigrants and Members of Visible Minorities in the nonprofit sector’s workforce document.

A national Advisory committee from the sector provided direction to the project.

To learn more visit the project’s home page
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Demographic pressures

With more than 1.2 million employees working in 69,000 organizations across the country, Canada’s nonprofit sector must prepare for changes in its labour force. There are two main demographic pressures. The first is the large number of baby boomers approaching retirement. A Labour Force Study conducted by the HR Council in 2008 found that 39% of the nonprofit workforce is 45 years of age or older. The second pressure is the shortage of young people entering the workforce to replace retirees. Canada does not have enough young people entering the job market to meet longer-term labour market demands.

In the same 2008 study, nearly half of the employers who recruited in the year leading up to the survey indicated that finding qualified candidates was “difficult” or “very difficult.” Tapping into the full range of talent in the Canadian workforce — especially the under-utilized skills of new immigrants — should therefore be a priority for the sector.

Almost 1 in 5 Canadians are immigrants.
Statistics Canada, 2006 Census

Canada has one of the strongest immigration programs in the world, with roughly a quarter-million newcomers arriving annually. According to the 2006 Census, people born outside Canada (excluding temporary foreign workers and work-or student-visa holders) represented 19.8% of the Canadian population. Most new immigrants come from Asian countries, and increasingly from Central and South America, the Caribbean and Africa. By awarding points for official language acquisition, education and job skills, Canada has succeeded in attracting hundreds of thousands of highly skilled immigrants in recent decades.
Missed opportunities

The HR Council’s 2008 Labour Force Study found that 88.9% of sector employees were born in Canada, while 8.6% were born outside Canada and 1.8% self-identified as landed immigrants. Some areas of the sector are more representative of the wider population (for example, immigration and settlement organizations tend to be more diverse), but overall the sector does not mirror the Canadian workforce.
Reasons for taking action

Beyond addressing recruitment challenges and skills shortages, there are good reasons for organizations to learn how to hire and engage new Canadians.

Promotion of organizational values
Canada has made a commitment to support diversity and equality in its society through for example the Employment Equity Act, the Canadian Human Rights Act and the Multiculturalism Act. Many nonprofits also champion social justice, empowerment, equality, diversity and social inclusion. Building a workforce that reflects our communities, the people we work with and Canadian society at large is one way organizations can live up to and promote these values and commitments.

Better service
When employees are members of the communities that an organization works with, it enhances credibility and trust. It also means that an organization gains valuable language and cultural capacity in the delivery of its services.

Broader community engagement
Increased diversity allows organizations to connect with a greater variety of people and links with potential members, new employees, volunteers, donors and supporters. These larger networks provide further reach, greater visibility, a broader base of support for your organization and increased relevancy within communities.

Enhanced innovation and problem solving
Research from other sectors and countries shows a strong link between diversity and innovation. Well-managed diverse teams can be more productive, creative and effective than homogeneous groups. New Canadians can contribute to more effective decision making and problem solving by providing a broader spectrum of knowledge, experience and perspectives.
The challenges

Research results reveal two specific challenges:

Some nonprofit employers lack a solid foundation of HR management knowledge and practices.

In more than half of the nonprofit organizations surveyed (and particularly in smaller organizations — those with 10 employees or less), those responsible for hiring and managing staff have little or no HR management training and juggle a lot of other responsibilities. In addition, many nonprofit employers work with limited time and financial resources, making it even more difficult to invest in the development of formal HR practices. However, limited resources also mean that employers cannot afford the costs associated with ineffective recruitment and hiring which can result in high employee turnover.

Unintended and/or unknown personal biases, left unchecked, can lead to discriminatory practices.

A personal bias is an action, judgement or other outcome that is influenced by an individual’s preconceptions. Everyone has personal biases and when there is no process in place to guide employers through fair and equitable processes, unintended biases can influence decision making. Employers who rely on “gut-feelings” or intuitively feel that a candidate is a ‘good fit’ because they are “just like us” may hope that the candidate will integrate without much time and effort. The underlying assumption (or bias) in this kind of selection may be that “same as us” is safer, easier and faster.

It just makes sense to reach out to the full range of applicants.

Employer
The sector cannot keep doing things the same way regarding our workforce and expect different results. Both attitudes and behaviours need to change.

**Employer**

**Take action!**

Based on the research results, here are five areas where employers can take action:

- Get commitment from all levels of leadership
- Make connections with New Canadians as an ‘employer of choice’
- Implement effective hiring and selection practices
- Create an inclusive work environment
- Support employee development

Within each area, a description of what the issues are and helpful links to information in the HR Council’s [HR Toolkit](#) on how to respond to these issues is given.
Our board of directors over time has become more diverse. We use this diversity purposefully to reach marginal populations; when we reach out to communities we do so in a multi-pronged, strategic way, informed by cultural knowledge.

Get commitment from all levels of leadership

Building capacity to engage New Canadians and increase organizational diversity cannot be the sole responsibility of one hiring manager or HR staff person. Ideally, it is shared across all levels of the organization with strong support from organizational leaders.

Research findings:

- Some employers think that hiring immigrants is not important in spite of the demographic evidence that suggests otherwise.

- Some employers have difficulty engaging executive support for organizational diversity.

- Employers observe that there is limited diversity in boards and senior management teams.

- Many nonprofit leaders indicate a limited understanding of the value that a diverse workforce can bring to an organization.

Links to the HR Council’s HR Toolkit Resources:
Diversity at Work
Why Diversity Matters
Building a Foundation for Diversity

Employer
My organization has had “stops-an-starts” with hiring immigrants and have come to a conclusion that organizations must keep their intent at the forefront of their thinking to maintain progress. If they become complacent, unseen biases sneek back in.

Employer

Make connections with New Canadians as an 'employer of choice'

New Canadians understand the nonprofit sector differently. Employers must communicate to newcomers what the organization does, how it supports employees, the type of work available and the skill sets that are required.

Research findings:
• New Canadians may come from countries where the nonprofit sector functions differently.
• Occupations in the sector are not clearly defined and job titles aren’t consistent. This can make finding a job confusing.
• Recruitment processes in the sector can be informal. This can limit recruitment to existing networks and leave room for personal bias to influence the process.
Many people view volunteerism as a path to paid employment in the sector, as volunteers gain an understanding of the sector, build a network and demonstrate capabilities to employers. However, the same barriers that make employment difficult for New Canadians can also limit their volunteering opportunities.

Opportunities for networking and information meetings are important: informal meetings with senior individuals in an organization can result in employment.

Many choose to work in the nonprofit sector because:

- it is consistent with their desire to “make a difference” and have an impact;
- they have a positive view of the professionalism within nonprofit organizations;
- of the large scope of work offered.
Implement effective selection and hiring practices

Employers should review HR practices to identify biases, barriers and opportunities for improvement. Be aware of all the resources that can be of help within and outside of a community (e.g. services to assess foreign credentials, language training for newcomers).

Research findings:

• An organization’s selection processes can be unknowingly biased or ineffective in assessments of a candidate’s qualifications, values and skills.

• In the selection and hiring process, many employers report that it is difficult to:
  > contact references for internationally trained workers;
  > assess international credentials (there is a general perception amongst employers that a foreign education lacks the quality of a Canadian education).

• Limited English and French language skills can:
  > limit a newcomers’ ability to navigate the job search, recruitment and selection process;
  > discourage newcomers from volunteering or seeking paid work in the sector.

• Most employers look for a high level of language proficiency (English and/or French); Some employers confuse intelligibility and language skills, showing bias against people with accents different than their own.

• Some employers fail to recognize the benefits of additional (beyond English and French) language skills.

Links to the HR Council’s HR Toolkit
Resources:
Diversity at Work
Recruitment and Hiring Practices (includes information on increasing recruitment reach, creating barrier-free job descriptions, minimizing bias, considerations in the interview process, addressing foreign credentials and language issues).
Create an inclusive work environment
A workplace where ALL people can fully participate and contribute is inclusive. Nonprofit employers place great importance on a candidate’s ‘fit’ with the organizational culture and norms, as well as with the values inherent in the work. Many employers do not support the successful integration of new employees to help ensure a good ‘fit’.

Research findings:
• While most employees feel supported and welcomed in their current employment, many have experienced various forms of discrimination or exclusion.
I am lucky because I have a good feedback loop from my colleagues and my supervisor.

Employee

Links to the HR Council’s HR Toolkit
Resources:
Getting the Right People
Orientation

Keeping the Right People
Employee Engagement and Retention
Supervision

Diversity at Work
Inclusive and Supportive Workplace: Mentoring

Compensation and Benefits (includes information on indirect benefits).

• A good orientation process is important for all new hires to successfully integrate into the organization and perform job tasks effectively, particularly when the new hire is a recent immigrant.

• Nonprofit employers often do not have a thorough and consistent orientation process in place and expect new employees to “hit the ground running.”

• Many newcomers who have successfully integrated into the sector indicate that they received helpful direct feedback, guidance and support on how best to navigate their jobs and workplace culture from their colleagues and supervisors.

• Employees with different needs increasingly expect their organization to respect and accommodate those needs (e.g. create work schedules that accommodate religious holidays).
Support employee development

While many nonprofit employees enjoy their work and the value they bring to an organization and its members, low salaries are a reality. Some employees feel underpaid for the work they do and this can create a retention risk. Many of the interviewed employees emphasized the importance of finding ways other than salary increases to engage, recognize, motivate and retain staff.

Research findings:

- Research indicates that higher turnover rates for new immigrants is partly due to:
  
  > lower salary levels;
  
  > the gap between the individual's skill level and the job requirements.

- Lack of training and development opportunities are a concern to new immigrants, who often place high value on education and skills development.

- Established immigrants (especially members of visible minority groups) report ongoing challenges in gaining advancement opportunities.

- Both employers and employees observe that there is less ethnic diversity at higher organizational levels in their workplaces.

- Many employers, particularly within small organizations, lack formal feedback and performance management, training and development programs or processes.

Links to the HR Council’s HR Toolkit

Resources:

- Keeping the Right People
- Employee Engagement and Retention
- Supervision
- Performance Management
- Learning & Development
Diversity in the workforce compels organizations to hold a mirror to themselves; broader diversity helps identify what we take for granted, what we need to learn or improve and what policies and practices we need to change.

**Conclusion**

Nonprofit workplaces are constantly changing, influenced by external factors such as new technologies, funding priorities and an evolving workforce. At the same time, the actual work is changing based on the needs of communities served.

Increasingly, organizations work to balance the need to adapt and find effective ways to respond to those they serve, while sustaining and nurturing workplace culture, organizational values and the needs of employees.

As Canada continues to welcome more New Canadians, each organization must decide how they can best seize this opportunity.

The good news is that welcoming New Canadians need not be another task to add to the growing ‘to do’ list of busy managers and directors. It often requires nothing extra at all! A solid foundation of good HR management policies and practices provides any organization with the necessary base needed to adapt to an ever-changing working environment.
The HR Council takes action on nonprofit labour force issues.

As a **catalyst**, the HR Council sparks awareness and action on labour force issues. As a **convenor**, we bring together people, information and ideas in the spirit of collaborative action. As a **research instigator** we are building knowledge and improving our understanding of the nonprofit labour force.