



A WORKFORCE NEEDS SURVEY

From The Calgary Human Resource Initiative

Workforce issues have changed substantially over the past year for the nonprofit sector in Calgary. The economic downturn has affected all aspects of organizational life including funding, service delivery and workforce.

In order to understand the changes the sector's workforce is undergoing, this summer CCVO launched the *Calgary HR Initiative Workforce Needs Survey*.

The intent of this survey was to assess the state of the nonprofit sector workforce environment in Calgary and the human resource management needs of sector organizations.

This information will enable CCVO to refine our strategies and approaches in creating a vibrant nonprofit workforce today and in the future.

The survey was undertaken from July 28 to August 14, 2009 and distributed to 157 nonprofit organizations in the Calgary area.

Participation in the 28 question survey was voluntary. Fifty-four organizations participated, resulting in a 34% response rate with the majority of respondents representing the social service and health subsectors.

Survey Highlights

•Employee recruitment and vacancy rates improved significantly over 2008 for the majority of organizations, though employee retention rates did not improve to the same extent.

•Most organizations do not anticipate reductions in staffing levels this year. Almost half of the respondents indicate that they expect levels to remain constant and 40% are planning to increase the number of employees.

•Organizations appear to be optimistic regarding salary increases in 2009. Two thirds of survey respondents plan to increase wages in 2009 despite this survey's indication that funding constraints have left many organizations less able to offer competitive salaries.

•Funding levels and practices remain a fundamental concern of organizations as they strive to maintain staffing levels and offer wage increases in an environment of decreasing funding and increased service demand.

•Organizations have been proactive in developing healthy human resource management systems, including investments in training and professional

development and the use of experience HR management staff. However, in the face of increased demand for services and decreased funding, the sustainability of many of these gains may be jeopardized.

•Many survey participants expressed concern about the future and the ability of organizations to find senior leaders and managers with the necessary skills and experience.

“We will need to increase training and professional development opportunities as the number of retirees increases. We will need to develop strategies to address increased workloads of staff as funding levels from the government are not guaranteed and are supplemented in large part by donor dollars, which compared to last year are significantly decreasing.”
2009 Survey Respondent

Survey Findings

Recruitment

As might be expected, the ability of organizations to recruit employees has changed dramatically over the past year. With the unemployment rate in the city of Calgary rising from 3.2% last summer to 6.8%¹ in July 2009, sector organizations have a much larger pool of talent to draw upon. The CCVO survey indicates that the current ability of organizations to recruit employees as compared with 2008 is markedly improved. 43% of responding organizations report that the ability to recruit staff has improved somewhat with a further 23% reporting significant improvement. While general economic conditions are certainly a major factor in this change, many organizations report that they have also taken measures to improve their recruitment processes through initiatives such as offering increased compensation and online sourcing of candidates.

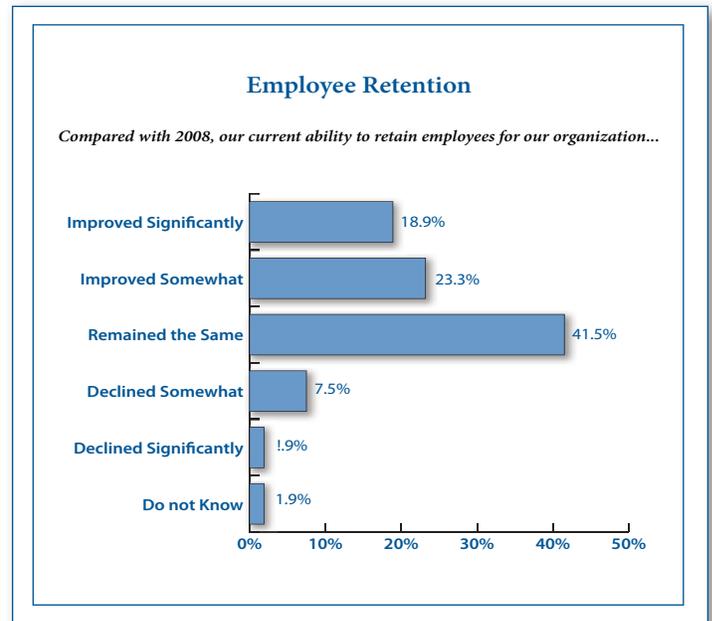


Employee Qualifications

One result of this increased supply of labour is that the qualifications and experience levels of new employees may be increasing. Survey findings indicate that 57% of organizations report improvements in the qualifications and experience levels of new hires, while 43% state that they have remained the same.

Retention

Employee retention rates have improved over the past year, though the results are more varied than for employee recruitment. Organizations cite factors such as lower wages and increased employee stress due to high service demand as factors affecting retention. As one participant states “currently wages devalue the staff and their hard work, we do not have the ability to offer wages that do not put our staff at their



own financial risk. This also leads to huge turnover once staff have “transferable” skills to move onto to better jobs”. Employee vacancy rates have declined for organizations with 82% of survey participants indicating that less than 5% of staff positions are currently unfilled. This is a substantial improvement over the past two years, when organizations were reporting vacancy rates approaching 19%².

Wages

Looking forward through the remainder of 2009, organizations appear to be relatively optimistic. 92% of participants expect the numbers of employees in their organization to either stay the same or increase, and only 8% of organizations expect a decrease in the number of employees. While the majority of organizations state that their ability to offer competitive

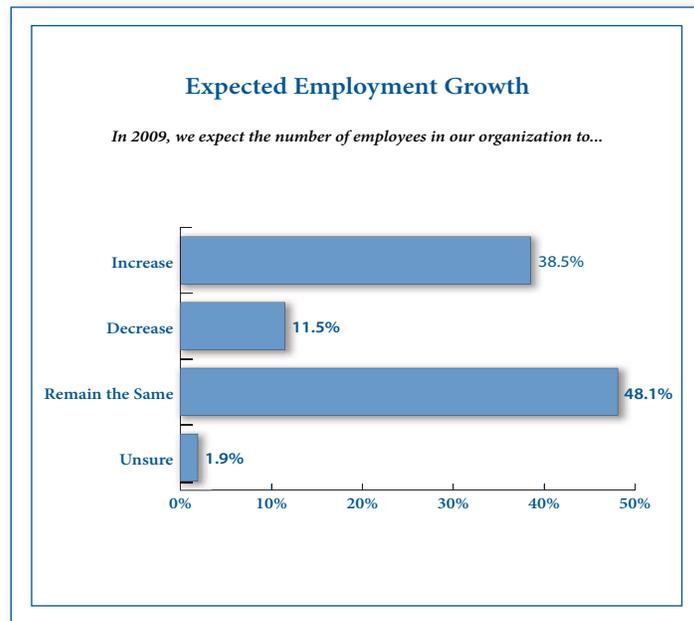
¹ Alberta Employment and Immigration, July 2009

² Alberta Association of Services for Children and Families, 2007

wages has either remained the same or decreased, most still anticipate offering wage increases this year. Forty-four percent of responding organizations anticipated salary increases of between 1-3% in 2009.

Staffing Levels

Although funding remains a concern for many organizations, few anticipate that financial stress will result in major reductions in staffing levels this year. Nearly half of the respondents indicated they expect the number of employees will remain the same, and almost 40% plan to increase staffing levels. The rising demand for services is the most common factor cited in the need for workforce growth. There are however concerns regarding the ability to recruit adequate numbers of staff with the requisite skills and experience levels in positions such as counselling, fund development as well as supervisory and management positions.



Changes to HR Practice

Changing economic conditions are not the only factor affecting organizational growth. In response to the question "What has been the most significant change you have made to your Human Resource management practices over that past 2 years?" a number of common themes were identified. The most common changes were:

- Formalized and/or improved Human Resource policies and procedures;
- Employing professional Human Resource staff on either a full time, part time or consulting basis;

- Increasing staff wages, introducing benefits and developing flexible work environments;
- Increased funding for professional development.

It appears as though organizations have established strong human resource management foundations, with 87% of organizations having HR policies and procedures formally developed. However, only about half of organizations update and review their policies on an annual basis.

Future Expectations

Looking to the future, organizations clearly recognize the need to continue developing healthy and effective human resource management practices. The survey asked participants:

"In the next 2 - 3 years, what do you expect will be the greatest area of human resource need for your organization?"

The most common areas of need were:

- The availability of and/or the need to develop the next generation of senior leaders and managers;
- The ability to recruit and retain staff with the necessary skills and experience levels at all levels including managerial, frontline and technical staff;
- Succession planning as the current leadership retires;
- Funding for competitive salaries and professional development;
- Increasing workloads for staff as funding levels remain insufficient and service demand increases.

Moving Forward

The results of the *Workforce Needs Survey* will inform the work of CCVO as we respond to and address the workforce issues facing the nonprofit sector in Calgary. We believe periodic “pulse taking” is critical to ensuring that our strategies and activities of the Calgary HR Initiative align with the needs in the sector.

Conclusion

Organizations have taken a number of measures over the past two years to improve their human resources management practices, including formalizing policies and procedures and employing professional HR staff and consultants.

Strategy

The Calgary HR Initiative will continue to seek out cost-effective, collaborative resources, such as our Communities of Practice, to assist organizations in the development of their human resource management systems and practices.

Conclusion

There is interest in a variety of collaborative and innovative activities such as shared services and space, strategic volunteer engagement and shared training resources.

Strategy

This fall CCVO is undertaking an applied research project to better understand the local conditions for developing collaborative working arrangements between sector organizations.

Conclusion

Providing funding for the full costs of infrastructure and competitive salaries remain the most important elements for funders to support.

Strategy

The Funders Task Group of the Calgary HR Initiative is actively exploring systemic issues in current funding levels and practices as well as ways to promote the development of good HR practices.

CCVO would like to thank all the organizations who participated in our survey.

Questions?

If you have any questions or require additional information please contact:

Mike Grogan, Director, Workforce Development with CCVO
at mgrogan@calgarycvo.org
or (403) 261-6655 Ext. 227

*CHRI is an initiative of the Calgary Chamber of Voluntary Organizations (CCVO)
in partnership with with the United Way of Calgary and Area.*

