



# 2020 Labour Market Trend Report

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# Henry Goldbeck

## President

As we enter 2020, the Canadian unemployment rate continues to be low, maintaining the candidate's market that has been in place during recent years. Despite unexpected national third quarter 2019 job losses, the economy remains strong. <sup>[1]</sup>

This, coupled with high numbers of retiring Baby Boomers, means that many companies face challenges in finding qualified candidates to fill positions.

Exceptions to this trend exist in the oil-dependent provinces of Alberta and Saskatchewan, where many skilled individuals find themselves unemployed. Additionally, speculation persists about a potentially broader global economic downturn in the near future, which would, of course, impact the job market.

For the time being, we find ourselves in a tight labour market where many qualified workers are gainfully employed and accustomed to the advances of head-hunters. Loyal to their company and content with their current position, these top candidates will need to be wowed in order to give recruiters their full attention.





# Work Life Balance and Evolving Expectations

The evolution of work life balance has changed candidates' expectations. "I've been amazed how much detail the candidates want before they will even submit a resume," says Goldbeck recruiter Karen Epp.

Epp notes that the trend towards work-life balance has gained momentum. "Candidates want flexible hours, the ability to pick their children up from school, to work from home," she says. "They are asking questions about these and other HR policies very early on in the recruitment process."

Wary of wasting valuable time on extended commutes, candidates are often willing to accept a moderate pay cut if it means working for a company located closer to their home — another example of the priority being placed upon quality of life.

With more options available to them, highly recruited candidates are looking into the future and selecting jobs that provide them opportunities for long-term growth and advancement; not just short term monetary gain.

"Candidates want to see a clear career path," Goldbeck recruiter Julia Sustakova explains. "Maybe before, they were happy in a new job, new role, new company. Now, they have higher standards, asking questions such as: 'how can I increase my position within the company and my knowledge? What kind of training can I get? Can I learn how to take on project management?'"

In addition to advancing the candidate's skill set and career trajectory, training is seen as an indication of commitment on the company's part.

"They want to see if the company is willing to invest," says Sustakova. "This is the proof that the company is being really serious about offering them a job with long-term goals, not just as a short-term solution."

## FINANCE AND ACCOUNTING

Career path planning is nothing new in the finance and accounting world. This

is where term contracts and professional designation funding are the norm, providing a clear picture of the road ahead. Companies looking to net strong candidates can expect to field questions about their professional development offering.

Ever-present factors in finance and accounting are mergers and acquisitions. "I've seen it happen frequently," says Epp. "Companies are bought by larger companies and find their finance and accounting departments eliminated."

Despite the USA's recent trend towards economic protectionism and globalism, we haven't seen a great slow-down in cross-border buy-outs — so the threat of elimination is something that accountants and finance professionals continue to deal with.

While it's understandable that parent companies would want central control



**Karen Epp**  
Senior Recruiter



over monetary functions, it's disappointing when individuals lose jobs as a result."

Despite this, rewards are still strong in the industry. According to the 2019 Hays Canada Salary Guide, 28% of finance and accounting professionals expected salary increases of more than 3%, while only 24% of the general workforce had such expectations.<sup>[2]</sup> Among the factors contributing to this optimistic expectation are a strong economy, a shortage of skilled finance professionals and a shifting of roles within the department.

## CONSTRUCTION

While the projected rate of construction in BC over the next decade has dipped slightly, the industry is still going strong, particularly in the Greater Vancouver Area. As a result, it can sometimes prove challenging to secure adequate labour, thus driving up salaries in the industry.<sup>[3]</sup> The struggle is particularly acute when it comes to finding skilled tradesmen to lead teams.

"They just don't have enough people that are skilled enough to lead other people," notes Goldbeck recruiter Kevin Britton. In order to secure quali-

fied candidates, Britton recommends thinking outside the proverbial box. "You've got to start pulling from forestry, from mining," he advises. "People that worked in construction and then went into the mining industry need to be brought an offer that'll be lucrative enough to bring them back to the city.

As change affects various industries, a common theme is recruiting for aptitudes or personality traits — as opposed to somebody who ticks all the boxes in terms of direct experience. Often times, a candidate can be trained in the specific knowledge necessary for a certain position, while leadership ability tends to be more of an innate quality than a learned one.

Britton contends that those looking to hire foremen or operations managers for urban-based construction or manufacturing processes can convince veteran leaders to return to the city from other positions further afield. "It's easier on the body, you're home every night and you're closer, things like that," says Britton. "There are a lot of positives. When these workers get older and have families, you can entice them back."

Another opportunity for finding quali-

fied candidates for leadership positions in the construction field is found in areas suffering through economic downturns, such as Alberta.

"You can pull candidates from Calgary and Edmonton right now, as things are a lot slower there," says Britton. Those hoping to entice quality candidates to make a move in order to accept a position can expect to pay relocation fees, as well as other benefits.

"They want a solid tool allowance," notes Britton. "People are looking for RSP contributions, food allowance, et cetera."

Britton explains that landing good candidates in this market means convincing people that they will enjoy their new lives. "People want to meet the team now, and the people that they'll be working with, so they know who they're going to be seeing every day," he says. "They want to know more about estimators."<sup>[4]</sup>

## PRODUCTION AND OPERATIONS

Company president Henry Goldbeck explains the skills being sought in the



production and operations sector.

"There is demand for GM position candidates that have an understanding of technology, quality and production, and how digital technology can affect their marketplace," explains Goldbeck. "They want people that have experience with modern manufacturing systems, like Sigma and Lean manufacturing, that know how to improve production and quality processes."

Finding qualified candidates for leadership positions can be a challenge for Western Canadian manufacturers. According to Goldbeck recruiter Alesia Pagliaroli, the B.C. manufacturing sector simply lacks depth relative to that of Ontario.

"In Western Canada, we lack the high concentration of manufacturers necessary to create a large pool of candidates," says Pagliaroli. "For example, if there's an injection moulding position in a Western Canadian city, it would be much harder to find a candidate qualified for a skilled or supervisory position than it would be in Ontario. It's a similar situation with CNC Programmers."

If a suitable candidate cannot be found locally, people are willing to

relocate to Western Canada for the right opportunity. While money is obviously a factor, career development can be equally appealing for candidates.

"People want to know whether they will be learning new skills and how the company is run," says Pagliaroli. "What initiative will they be able to take? What training and opportunities will they be offered? People want an opportunity to grow in their career."

According to Goldbeck, the allure of the West can be as personal as it is professional.

"Their parents or adult children may have moved to the West. They may be from the West and want to move back," he explains, adding, "Sometimes they just love to go snowboarding!"

## GENERAL MANAGEMENT

As baby boomers in North America continue to move into retirement, succession planning is becoming a more important topic. We're going to see this grow noticeably into 2020, and how organizations tackle this issue will

be front and centre. Some owners will teach their family members to step in to the role, others will hire a new GM altogether. Either way, there's usually going to be the need for new, experienced candidates to add to the management equation.

"Companies are looking for individuals who have had profit and loss responsibility with businesses larger than the ones they'll be taking over, with the anticipation that they'll be able to grow the business," says Henry Goldbeck.

To manage this, we're going to be searching for candidates that can demonstrate a progressive management style, with an understanding of how technology can support the growth and competitiveness of their business. According to Goldbeck, this attitude should apply to all facets of the company. "It's every area of their business, from operations, logistics, manufacturing, sales and marketing, etc.

While a progressive mentality is paramount, it must also be balanced with respect for what has been built by the outgoing individual or team. Often times, there is a transition period where an owner will still be involved and work-



ing closely with the new general manager. The incoming general manager will be expected to bring new ideas to the table while still earning the trust and regard of their predecessor.

For 2020, we're expecting to see positions that may or not include equity, it's definitely not a given that it will be included. This decision comes down to the attitude of the ownership and the realities of the job market. Goldbeck has seen an increased level of clarity and detail with regards to equity compensation in recent years.

"They're not making it up as they go," he observes. "The equity situation is usually pretty well defined. Everyone is doing more of it, so they're following a process that they've established is best for them, and there's less flexibility."

## FORESTRY, MINING AND HEAVY INDUSTRY

When it comes to the forestry industry, Britton does not see a lot of hiring at the present time. "There's a lot of curtailments going on with mills right now," he explains.

"They're getting shut down, they're

bought out, sold out. Employees are working irregular schedules, such as working a week on, a week off." While mining is more steady, Britton is not seeing a lot of growth. "In forestry, jobs are a bit more at risk, while mining is holding steady. People aren't worried about their jobs, but not a lot of new jobs are opening up."

As noted in the construction section, both industries are vulnerable to talent drain at leadership positions, as players in other sectors look to pluck top talent.

"You're starting to see candidates from these industries looking to go into other industries," says Britton. "Speaking to my forestry clients and contacts, this is something I've noticed. The cost of lost talent becomes apparent when things pick up. If people leave the industry, they may not come back."

## SALES

Few positions in a company have as much potential to impact the bottom line as sales. As a result, competition for gifted sales people is always intense and this certainly rings true today. Natural sales people find their

talents are transferable and there is often little to prevent them from jumping ship. The big players in every industry are willing to pay for great candidates, but, as in other industries, money (while very important) is not the entire story.

Sales people work incredibly hard, and are often allowed to do so with a certain amount of autonomy. This dovetails nicely with the premium currently being placed upon flexibility and work/life balance. Attracting quality sales people involves providing a great total package, including an enticing pay structure, appealing benefits packages and favourable work-life conditions.

Now, more than ever, authenticity is key in sales relationships. With multi-tiered sales platforms and a tech-savvy generation fully aware of the choices in front of them, good, old-fashioned trust can be the differentiator. To this end, Kevin Britton recommends finding sales talent from within your particular industry, or even within your company.

"Individuals can go into sales and make a lot of money if they know their industry and they know what they're selling," he says.



"Hands on expertise, particularly in business to business sales, is the key to demonstrating authenticity. You can have ten years of sales degrees and experience, but knowing the product, knowing the market, actually having the hands on experience, these are the best salespeople.

## TRANSPORTATION AND LOGISTICS

The transportation and logistics sector is undergoing major technological and procedural shifts, making this a great time for adaptable candidates with technical expertise and an understanding of the big picture.

"It's changing fast, and automation is becoming more and more present," says Goldbeck Recruiter Julia Sustakova.

"Many functions are becoming increasingly automated. We're seeing more frequent use of drones, 3D printers and autonomous vehicles. As a result, companies are investing in new levels of training, in order to get a better understanding of the new skills and future employees to be able to adjust to this change. It's definitely a candidate's market."

Automation, of course, is not an overnight process; so companies are looking to retain quality employees, particularly ones that show an ability to adapt and retrain.

"Most companies are seeking skills instead of qualifications," explains Sustakova. "That means that someone younger who is strong in technology, but perhaps doesn't have all the qualifications of someone who's worked in supply chain for 30 years, could be favoured if they show an ability to adapt.

She explains that the fast rate of change is such that the executive may not even have a firm handle on the particulars of the roles they are hiring for, particularly when it comes to leadership positions that deal with operations or regulation.

"Often times, I see that they are willing to hire external talent, because they know that the company has not adjusted yet," she explains. "They probably don't see that the best way is to solve this internally, so they create a new role within the company, where they want fresh talent to bring knowledge, methods, techniques and new ways of working. In many cases, they don't know what the exact role should be; they just

want someone to cover a particular area."

## INSURANCE

According to Canadian Underwriter Magazine, 37% of the insurance workforce in Saskatchewan will retire by 2027.<sup>[5]</sup> While the numbers in the rest of Canada are not quite so dramatic, the point remains, the insurance industry will have to work hard to recruit and retain young professionals who are ready for the challenges of tomorrow.

To this end, the industry is looking to scout for core skills and use a 'screen in' methodology, rather than the 'screen out' procedure that might have been utilized in the past. Another opportunity exists in engaging with young professionals and promoting the breadth of careers that the industry offers. Much like the transportation and logistics industry (and, to a certain extent, almost every industry), insurance continues to transition through automation and technical change. As a result, an emphasis is being placed upon adaptability and training efforts.

Candidates can be plucked from other industries, but this goes both ways, so top talent will expect to be



compensated. The industry is relatively recession-proof, so by presenting a clear-cut career path and investing in their personnel, insurance companies are able to attract and retain talent.

## CONSTRUCTION

The candidate's market remains in place with a talented candidate usually enjoying a host of options. As a result, top candidates are in a position to hold out for jobs that offer the work-life balance that is so desired, particularly by young people. Additionally, there is an emphasis placed upon a clear and defined career path and employer investment in training and professional development.

Change is ongoing in nearly every industry, so individuals who demand across the board, particularly for leadership positions. With the sands set to continue shifting in the foreseeable future, individuals with the innate qualities to adapt are highly desired.

Making these placements requires a thorough understanding of the skill sets and personality types that can thrive in a given position. While direct experience can be very important, making these connections is not always as simple as searching for a

resume that ticks all the relevant boxes.

Goldbeck's recruiters possess a wealth of experience and a thorough understanding of the industries we deal with. As a result, we are uniquely qualified to make placements that are favourable to both the hiring company and the candidate.

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Finding candidates for an available position is more than just selecting the best qualifications. It requires FINDING THE RIGHT FIT into your specific industry and organizational culture.

Goldbeck Recruiting is a contingency recruitment and executive search firm located in Vancouver, BC. Since 1997, we have been helping companies fill challenging positions that require a unique combination of skills, professionalism, and industry background.

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