



2021

Predictions

Managing Your Workforce



Introduction

It might seem counterintuitive to start off a report such as this by saying that I'm skeptical of predictions, but it's only fair I'm honest with you.

I think we all know a few examples of the loudest, most confident person in the room getting an out-sized share of attention for their opinion. Then when someone else responds with the variables and factors behind a differing prediction, eyes glaze over. We tried to walk the line between that. This report was designed to give you a range of personal opinions from our team that you can combine with the opinions of other experts and politicians you follow and piece together

your decisions this year. I hope you find it to be a valuable use of your time. If it's not, let me know about it on LinkedIn and we can build both our profiles with some healthy public debate.

One piece of advice I will give that is more important than any individual decision is this: Take the time to hire the best people. Whether you use a recruitment agency or not, this will always be worthwhile no matter the circumstances you're faced with in 2021.

A NEW BASELINE HAS BEEN set, and companies have all adapted to work under COVID restrictions. As we write this in the run up to the holidays, the biggest thing we're watching for is how closely people



HENRY GOLDBECK
President

follow the rules over the break. If hospital capacity is managed, then I believe we will have a good year. The key will be the first quarter, heavily dependent on the general health figures. I'm a big believer in the K-shaped recovery. Particularly

here in BC's Lower Mainland, we have strong industries like construction and tech that will continue to grow. Amazon is adding 6,000 people to The Post building, currently under construction in a perfect literal example.

The vaccine will run its course over the year. Once things stabilize, the government will invest heavily on infrastructure to boost the economy. Our economists aren't afraid of deficit spending and our federal and provincial leadership will spend more liberally in contrast to past crises. Business owners have already started their own spending. Plans and strategies hamstrung by the first lockdowns and uncertainty are unfolding now. Goldbeck had a similar October and November to pre-pandemic levels, and our network is busy preparing for next year. We do have some concerns. We'll

be keeping a close eye on the US, and the Biden administration will not do Alberta any favours. Our 300 million + neighbours to the south are heading into the worst COVID phase to date, and they're struggling to manage hospital capacity. This may affect the import/export industry in particular, which has widespread potential consequences from US food to auto and lumber demand.

It will all come down to our local consumers in the end. We think that they'll have a lot of pent up spending desires come the summer and the next holiday season. Personally, I think it will be the biggest Christmas spending ever in 2021. By then, we'll be publishing our next batch of predictions and if we were right, we'll make sure to dust off this report. But most likely, we'll pretend we never said any of it!

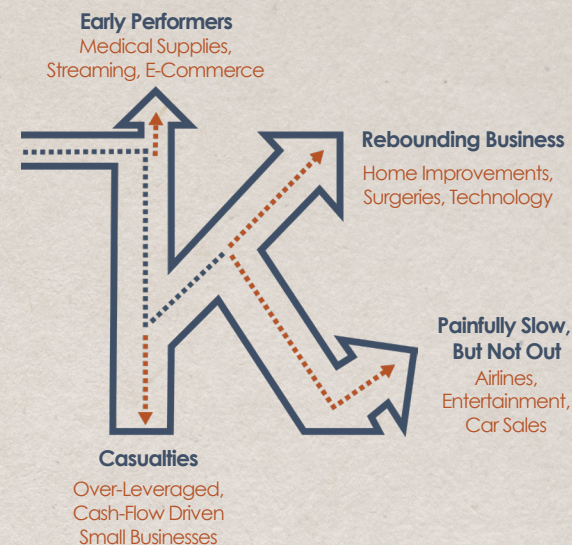


Table of Contents

The following report contains two types of insights, useful to employers and employees alike.

The first is observational. Where do we stand today? This is the comparatively easy part, although putting it into perspective still requires expertise.

The other is predictive. Where are we going tomorrow? Our executive recruiters and senior team are in close contact with a wide range of business leaders. In order to take advantage of their knowledge, we've teed them up and instructed them to take a rip. Let's see who hits the fairway.

5	Hiring and Compensation
6	Candidate Mentality
7	Benefits, Safety and Health
8	Lifetime Learning and Realignment
9	Working Remotely
11	Virtual Recruiting, Interviewing and Onboarding
12	Communications and Engagement
12	Online Everything
13	The Role of Recruiters
14	Facing Uncertainty



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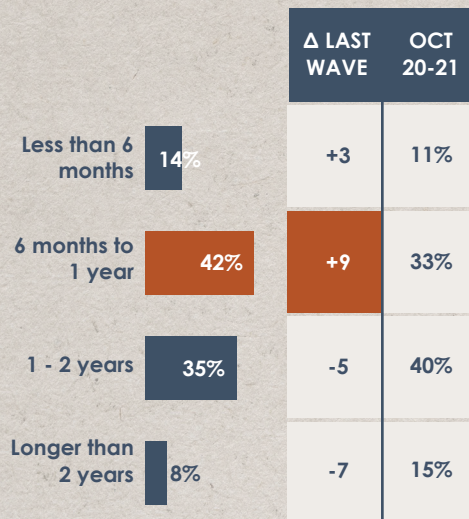


ALESSIA PAGLIAROLI
Executive Recruiter



JUDY SLUTSKY
CPHR Consultant

PERCEPTIONS OF WHEN THE PANDEMIC WILL END



Angus Reid Poll taken Dec 16-17, 2020. Base: TOTAL applicable (n=1,510). Q: There's been a lot of talk of "when this is over". In your mind, what will that look like? Q: In the previous question, you said [PIPE IN Q_NORMAL] And when do you think this will happen?

HIRING AND COMPENSATION

Of this we are confident: workers will still be needed in the foreseeable future and they will still expect to be compensated. Our shifting economy remains in flux, but there will be a light at the end of the tunnel. This particular period defies the easy characterization of boom or bust, employer's market or employee's.

"Several factors indicate that this downturn is different," says the Harvard Business Review. "And there are warning signs that Hiring Managers dusting off 2008's hiring playbook may destroy considerable value for their firms."¹

Several of our executive recruiters and members of our senior team shared their thoughts on compensation and hiring.



"Something that I believe we're going to see is the continued trend toward smaller offices and working from home," says our Executive Recruiter Kevin Britton. "We may see even more contract / contractor agreements than actual employees as people are going to want to write off their homes as offices, supplies, travel etc. Companies may be forced to pay for cell bills, laptops, and internet. This, of course, would be minimal for smaller

¹ "Why Hiring During Covid Is Different Than in Previous Downturns." Harvard Business Review, December 7, 2020. <https://hbr.org/2020/10/why-hiring-during-covid-is-different-than-in-previous-downturns>.

companies that have large offices that cost a fortune in comparison."

Goldbeck Executive Recruiter Jessica Miles sees current realities impacting compensation for salespeople.

"Since sales representatives are selling more virtually, companies are providing mileage for car use, rather than monthly car allowances. We were already seeing this trend before the pandemic."

Despite the availability of recently released candidates, our Recruiter Alessia Pagliaroli observes that companies are approaching hiring with caution.

"Clients have been skeptical about hiring candidates who have been let go, even if it was due to COVID."

CANDIDATE MENTALITY

With the state of the economy uncertain, perhaps many are hesitant to walk away from their current positions.

"I'm getting fewer applicants from postings," reports Goldbeck Executive Recruiter Karen Epp. "Of these, most are new Canadians or here on work permits. People are holding on to their jobs and not as open to

making a move at this time."

Pagliaroli sees an uptick in international applicants.

"Many applications are coming from the USA (and other countries too), definitely more than usual. On the other hand, the immigration processes have slowed down so many candidates are in an implied status waiting for PR, which is usually a deterrent for our clients."



BENEFITS, SAFETY AND HEALTH

Top of mind for both employers and potential employees are safety, health, and benefits.

As Alessia Pagliaroli says, "Due to the pandemic, benefits have become even more important now, so job seekers are asking more and more to have benefits covered from day 1, instead of waiting for the 3-month probation period."

Judy Slutsky, Goldbeck Recruiting's Certified Professional Human Resources Consultant, also sees greater need.

"Employees may require greater and different access to extended health care options (physical therapies in person and online) as well as access to greater variety of medi-

cations to manage stress, disease, pain."

While many are working remotely (more on that later), those who must report to work are expecting a safe environment. Companies will have to focus on this goal, often at the expense of business as usual.

Says Jessica Miles, "Productions and operations leaders in many industries will face challenges around workplace health and safety. The challenge of increasing operational efficiencies while maintaining COVID protocols could come into conflict. Some companies are requiring employees to travel, despite the travel challenges and requirement to quarantine when you get back to Canada. This is more for small to medium sized companies. The larger the compa-

ny, the stricter their policies are towards travel during COVID, probably due to liability issues."

Janitorial staff were once considered like hockey referees, the less seen or thought of, the better the job they were probably doing. Nowadays they are featured as symbols of a workplace's commitment to sanitation.

Karen Epp adds, "My daughter at age 17 landed her first job doing cleaning for Covid. I expect the cleaning industry has had to adapt to a lot of changes and demands. She is tested weekly for COVID to remain in her job. Will we see more of this?"

LIFETIME LEARNING AND REAL TIME REALIGNMENT

"Our need will be the real creator" – Plato

With so many factors impacting the workplace, positions are being reimagined on the fly. Like society as a whole, companies have taken on the challenges of 2020 one day at a time, a trend that will continue in the near future.

"I saw executives take on lower level responsibilities because the business needed them to," says Business Development Manager Will Goldbeck. "I know a company where after laying off outside sales people due to COVID, the VP of sales had to hit the road and become the de facto junior outside sales person for the company."



Long gone are the days where gold watch ceremonies marking a half century of service to one company were commonplace. Today, more than ever, even employees who do have extended careers with a single company are expected to embrace lifelong learning.

"Existing roles now require that new

technology becomes a part of the employee deliverables," says Judy Slutsky. "We're seeing a closer look at existing employee skills required to meet new and future business objectives, including new technology required to do business such as e-commerce and the leadership and management skills to work with a remote workforce."

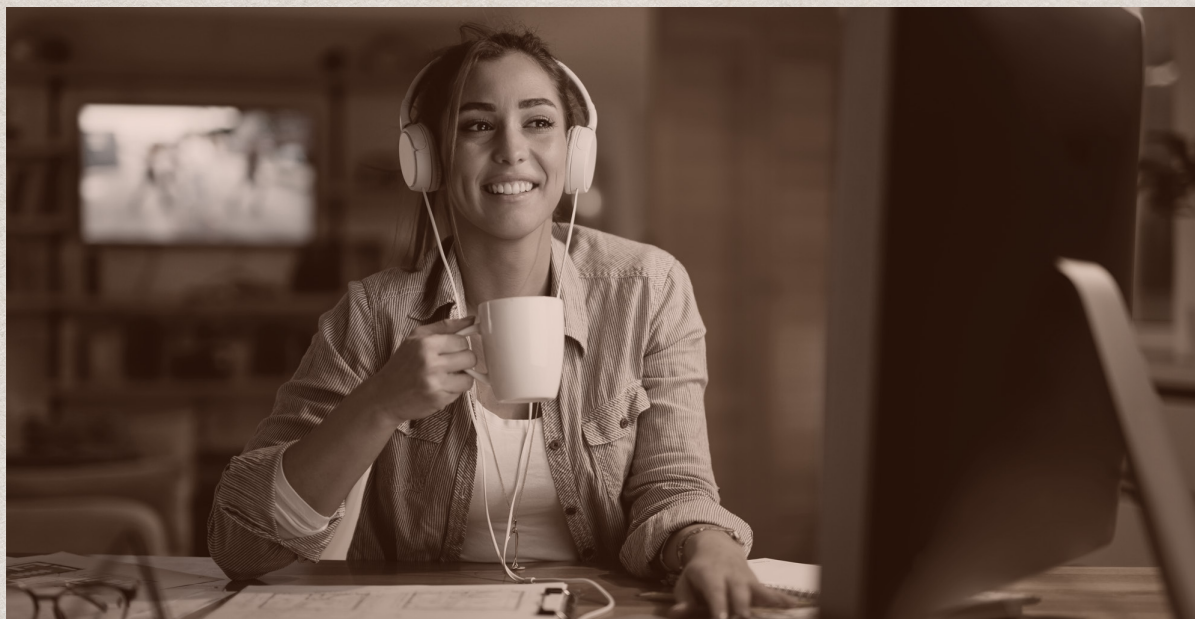
WORKING REMOTELY

Have you ever sat by an ocean, lake or poolside on a hot summer day? Jumping in seems like a good idea, but somehow you're hesitant to do so. After much delay you take the plunge. Hours later you're still splashing about, hesitant to leave. Remote working is like that body of water: 2020 threw us in head first but now some of us aren't ready to dry off any time soon. While the debate can be polarizing and many are anxious to get back to the workplace ASAP, it seems that we'll see an uptick in the practice of remote work for the foreseeable future.

According to Angus Reid, "Over the last year almost one-half of Canada's workforce started working from home. These individuals report high levels of satisfaction with the experience (specifically with their overall

work productivity and their ability to maintain that coveted work/life balance). In fact, only one-in-five indicate that they want to go back to the office full time, and two-in-five saying not at all."²

"I think more full time roles will be filled remotely," says Will Goldbeck. "I saw one posting for a substantial accounting position and you could live wherever you wanted as long as you kept 9-5 EST hours. They are a normal office, but they figured why



² Roy, Holly. Last Covid-19 Report of the Year, December 21, 2020.

not hire an accountant from home? Makes sense to me."

"I am receiving requests almost daily from applicants looking for remote jobs," Karen Epp adds. "Will employers create and be open to more remote positions? In the past, once a person proved themselves to an employer then remote work was considered. Candidates now want it from the start of employment. I think employers will continue to be slow in this but am curious to see how remote work evolves."

The trend toward remote applies to sales as well.

Jessica Miles points out, "As the pandemic continues, customers are not allowing sales representatives in. Sales people are pivoting and using virtual tools to stay in touch with

their clients and for sales presentations (Zoom, Teams, etc.)."

The consequences of this shift will go beyond the ability to wear leisure clothes from the waist down. Companies are increasingly considering the possibility that their candidate pool is global. The implications of this are staggering and could take years to fully realize.

"I wonder if companies are going to be hiring people remotely more and more often," says Executive Assistant Ciaran Henderson. "This may lend towards the globalisation of the workforce in general. If you are a company who is going to be hiring for a specialized position that is going to be working fully remote, then this does not limit you to the local geographical region. This could be a big opportunity for com-

panies to diversify their workforce, save money and hire people with higher skills than the local market allows."

Henderson believes that this unlocking of geographical restrictions on hiring will not only impact the way we work, but the very places we call home.

"I believe that the valuation of traditional commuter cities/towns and beyond will rise in value. If people only have to visit the office a couple of times a month, I believe they will be willing to live further away, hence raising the demand and the value of the properties in these areas."

'Doveray, no proveryay' goes the Russian wisdom, which translates to 'trust, but verify.' It was a mantra oft

repeated by Ronald Reagan as he and his Soviet counterpart Mikhail Gorbachev worked to thaw the Cold War in the 1980s. It seems that many managers feel the same way toward their teams today.

"I do believe there will be companies that will want software to log people's work on their home computers, usage, etc. to ensure things are getting done," says Kevin Britton. "Trust is great, but companies and those who have to answer to the bottom line want to have all the data they can, I would imagine."

VIRTUAL RECRUITING, INTERVIEWING AND ONBOARDING

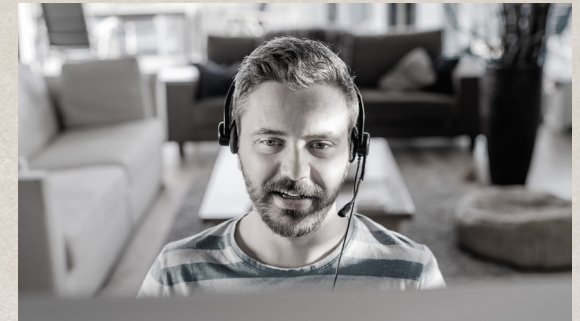
It's not only the day to day work that will be (and is) taking place remote-

ly, but recruiting, interviewing, and onboarding as well.

"Recruiting will be more virtual," Karen Epp explains. "Clients do not expect recruiters to meet candidates in person. In person interviews will happen as a very last step of the recruitment process and only with whoever really needs to be involved."

This shift means that both employees and employers will have to learn to present themselves favourably through the screen, says Allesia Pagliaroli.

"Recruiting processes will likely stay virtual and both candidates and HR teams need to improve the way they come across/present themselves through a video call instead of in-person."



How does HR measure success in this new style of remote working, recruiting and hiring? By looking to the numbers.

"There is a renewed focus on analytics and data when it comes to human resources," says Judy Slutsky. "As organizations decrease human contact with each other – HR data is becoming increasingly important to gauge employee performance. This has resulted in more focus on

having a robust HRIS system and more focus on identifying employee Key Performance Indicators and metrics to identify and track performance in jobs.

Organizations are taking a closer look at employee attrition rates, retention rates, underlying factors in job satisfaction and engagement rates."

COMMUNICATIONS AND ENGAGEMENT

Recent years have seen increased focus on team building and company culture. Can this be achieved remotely? Alessia Pagliaroli observes that companies are looking for ways to engage their remote workforces, while Ciaron Henderson can't help but wonder about the future of

communications technology.

"Companies are developing engagement programs to keep the remote teams motivated and focused," argues Pagliaroli. "Also, they are thinking about different ways to keep a positive, supportive, inclusive compa-



ny culture when everyone is remote, which may create disconnection."

Henderson predicts, "There will be a continuing shift in technology towards improving communication services that people can use to connect remotely. Looking Glass has already developed an affordable personal holographic display. It will be interesting to see how this technology develops in the future."

ONLINE EVERYTHING

For many households, 2020's most frequent houseguest has been the Amazon guy or gal. Going forward even laggard companies will have to consider their online customer-facing infrastructure a top priority. As a result, tech skills will continue to be in demand.

"Retailers and grocers who think that online services are a pandemic-only situation better think again," says Angus Reid. "Before March, curbside pick-up or online delivery was a niche offering among grocers and relatively non-existent among retailers. Now, almost half of Canadians have tried online grocery services and that proportion increases to three-quarters for retailer services."²

"To have an online presence is no longer an option, it is an absolute necessity and if businesses stick to a traditional brick and mortar model, I think they will be doomed to fail," says Ciaran Henderson. "Online delivery services for takeaway food and groceries have exploded and I think the competition in this area is going to become bigger. You can already see a shift in some of these companies putting in place custom-

er loyalty programmes to try and keep customers from switching to competitors."

"Delivery services, cold calling sales, construction, mining, food industry (other than waiters etc.), grocery, online literally anything are going to be huge," adds Kevin Britton. "Entrepreneurship for people starting online businesses will be something they are going to continually increase."

"A functional, effective online customer service/order fulfillment team has become even more essential for companies selling online," Alessia Pagliaroli points out. "Employers may create more structured customer service/ordering teams that have the ability to work on pricing, analytics, etc. to predict consumers' new habits."

THE ROLE OF RECRUITERS

As companies reimagine their workplaces and staff, recruiters will evolve alongside them. Managers are sharpening their pencils during this period of economic uncertainty, which means that recruiters must work extra hard to convey their value, says Business Development Manager Will Goldbeck.

"Recruiting is an expense. In my area of speaking with prospective clients, this is more apparent to businesses than before. As an organization, when you had to lay off good people in the spring or summer due to COVID, it can then be hard to justify hiring a recruiter. This is why more than ever we have to justify our expense. Because we are worth it."

² Roy, Holly. Last Covid-19 Report of the Year, December 21, 2020.

"This demonstration of value happens not just with lip service, they actually have to deliver. I liken it to a nice restaurant versus McDonald's. A nice restaurant has to live up to your expectations and deliver on something you cannot get at McDonald's. If you don't, then you have to compete with the prices at McDonald's, and that is not sustainable. In our world that means working with clients who have worked really hard to fill a tough position! They have tried everything and they cannot find that perfect mix of technical knowledge, experience, and career stage. And then we come in, work our tails off, target the specific people who qualify, and go after them. When that happens, our clients are thrilled to pay our fee. Who wouldn't? We just solved their problem and they got an incredible employee who will probably

improve their bottom line. That's just good business. So that is how we grow, to keep delivering and to reach more employers who have tried on their own and know they can't do it alone. The easy positions, recruiters will get less and less of those."

FACING UNCERTAINTY

Death and taxes. Right now, there are few other certainties. Tumultuous times have a knack for placing a premium on those who can re-imagine process, steer a steady ship, and ride the waves without panic. Even as our recruiters have gamely offered their predictions for the coming months and years, they admit that constant re-evaluation will be in order.

"Every year as the year comes to a close," muses Karen Epp, "I wonder what will the next year bring? It is

WHAT WILL "BACK TO NORMAL" LOOK LIKE?

Things will be the same as it always was

6%

There will be some minor changes to how we live our lives

41%

There will be major permanent changes to how we live our lives

50%

I don't think there will be a time when this is over

3%

Angus Reid Poll taken Dec 16-17, 2020. Base: TOTAL applicable (n=1,510). Q: There's been a lot of talk of "when this is over". In your mind, what will that look like? Q: In the previous question, you said [PIPE IN Q_NORMAL] And when do you think this will happen?

typical for November and December to slow a bit. Usually I encourage applicants that recruitment is always busy in the first quarter of the year. Today, I am filled with uncertainty as to what the first quarter will be like and some hope that positive change and solutions are ahead. I do not feel as certain about anything as I have in the past."

"I think COVID-19 has been a wake up call for almost everyone," stresses Will Goldbeck. "It makes you re-evaluate everything you are doing. Oh, I didn't even have to go to the office this whole time? What else have we been doing that doesn't make sense? It definitely made me re-evaluate how we prospect and reinforced the power of the phone call. When COVID first hit, we shifted to email prospecting (assuming no one would be in the

office to answer the phone). It didn't work, basically at all. We needed the phone call and now we make twice as many phone calls as pre-COVID."

Looking forward, Kevin Britton says, "I haven't seen a huge slow down in too many industries but, rather, small changes in direction and more strategic people being put in place who have a vision of our new future world."