

Manitoba

HR Trends Report

Research to Help You Lead

MANITOBA HR TRENDS REPORT SPRING 2020

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INTRODUCTION

This report serves as a reference tool for HR professionals and departments in Manitoba to make better-informed decisions using up-to-date workplace information. Taken in concert with best practices, the right labour market information can help human resources professionals improve the advice they provide.

CPHR Manitoba, CPHR British Columbia and Yukon, CPHR Alberta, and CPHR Saskatchewan have commissioned this study to supplement other sources of labour information available to their members and to provide benchmarks that can help human resources professionals make better decisions. This report details the results from CPHR Manitoba members. Results for Western Canada as a whole are available under a separate cover.

METHODOLOGY

The Spring 2020 wave of this study was conducted by Insights West on behalf of CPHR Manitoba, CPHR British Columbia and Yukon, CPHR Alberta, and CPHR Saskatchewan. The survey was conducted online from November 25th to December 16th, 2019.

Members of the four associations were invited to participate via email communication from their respective associations. In total, 1,413 Manitoba human resources professionals were sent a survey invitation. Respondents were screened to include members who:

- Are currently employed; and
- Have employees in Manitoba.

Among CPHR Manitoba members, a total of 115 human resources professionals participated in the survey, for an overall response rate of 8.14%. Survey responses to individual questions were optional. The margin of error of this survey varies depending on the number of completions each question received. The margin of error for a sample size of 115 (all survey respondents participating) is +/- 9.14% nineteen times out of twenty. Due to the small base size and high margin of error, results should be interpreted with caution.

Where available, results have also been compared to data from previous waves of this study. Waves prior to Spring 2019 were conducted by One Persuasion Inc.

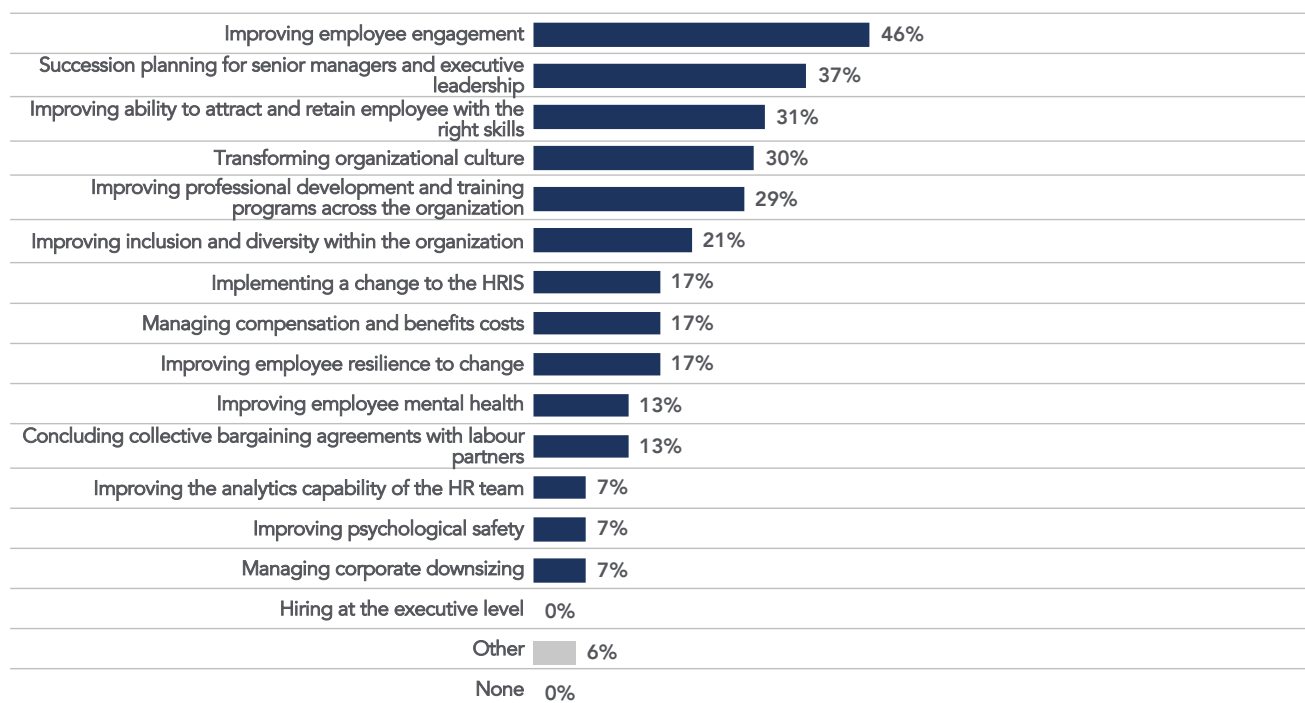
FORWARD LOOKING PRIORITIES & CHALLENGES

HUMAN RESOURCES PRIORITIES

Improving employee engagement (46%) stands out as Manitoba organizations' most common human resources priority for 2020, followed by *succession planning (37%)*.

Close to three-in-ten include *improving ability to attract and retain employee with the right skills (31%)*; *transforming organizational culture (30%)*, and *improving professional development and training programs (29%)* among their top three objectives and priorities.

Top HR Priorities



***Small base size, interpret with caution.** Base: Employed in HR function (Jan – Jun 2020 n=70)*

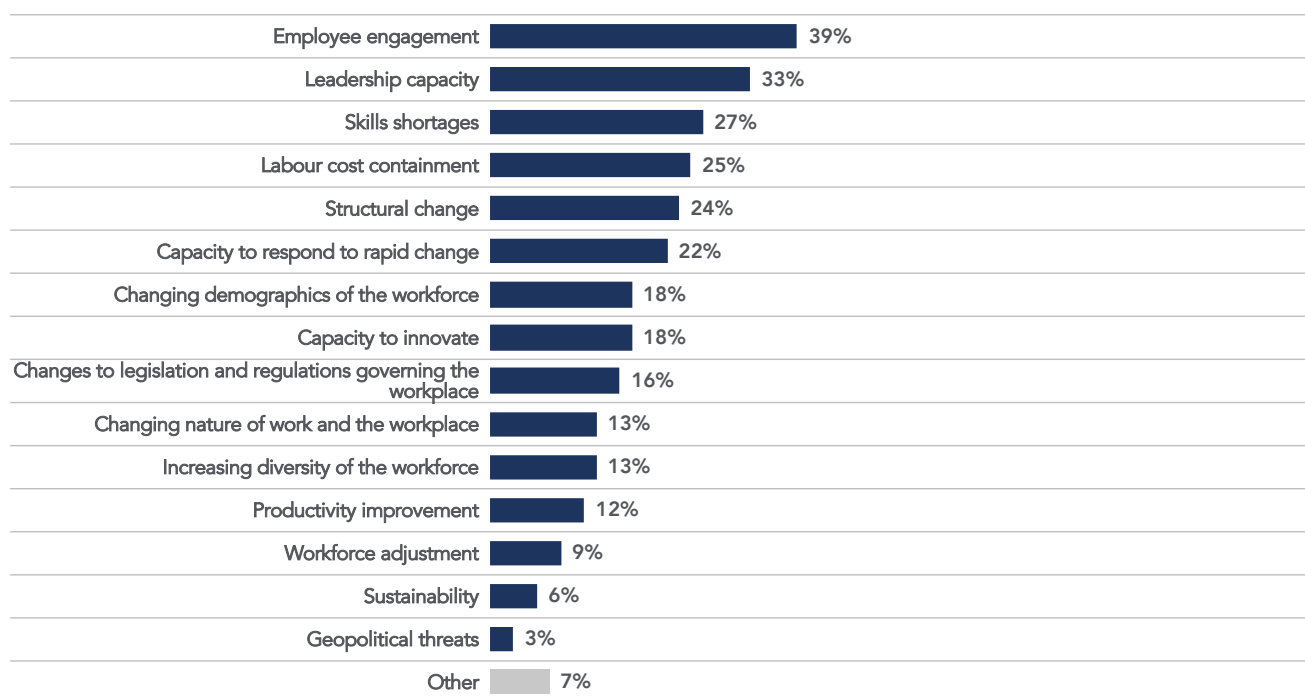
D19. Looking at your own organization from a human resources perspective, what are your top three objectives and priorities for 2020? Please select up to three.

HUMAN CAPITAL CHALLENGES

Manitoba organizations most commonly include *employee engagement* (39%) and *leadership capacity* (22%) among their top human capital challenges for the next twelve months.

Close to one-quarter see *skills shortages* (27%), *labour cost containment* (25%), *structural change* (24%) and *capacity to respond to rapid change* (22%) as among their top challenges for the next year.

Top Human Capital Challenges in Next Year

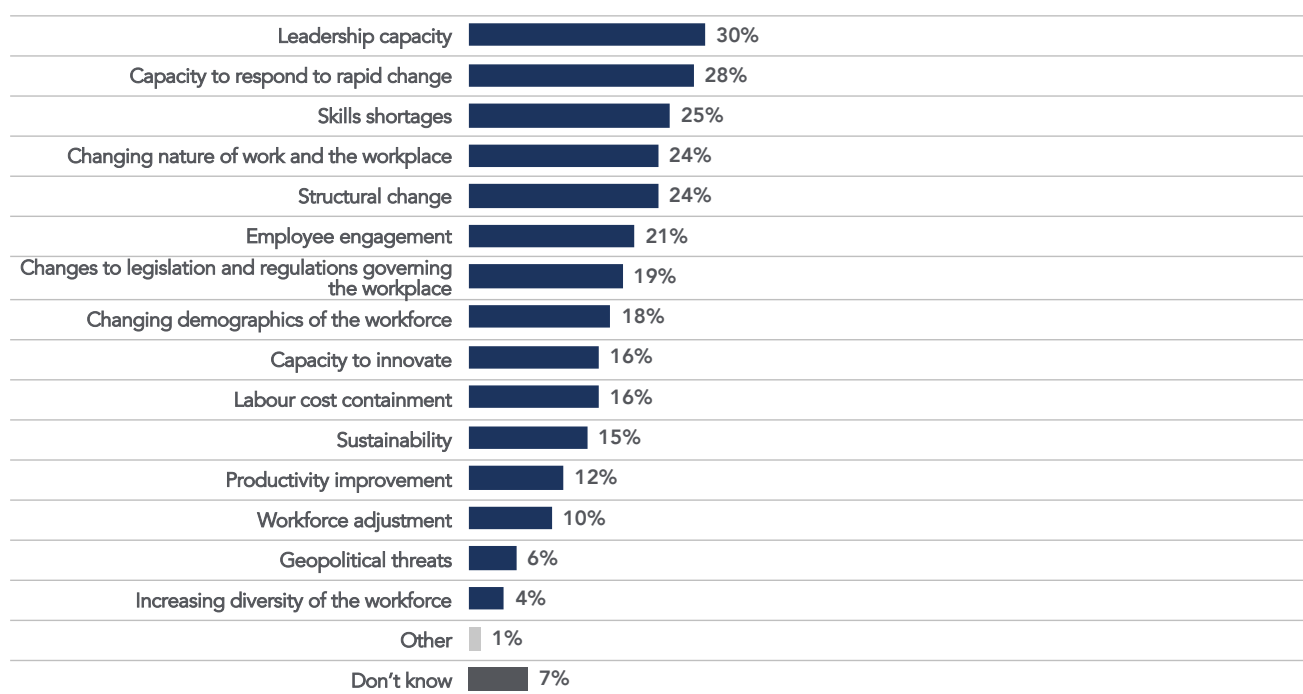


***Small base size, interpret with caution.** Base: Employed in HR function (Jan – Jun 2020 n=69)*

D20. In your opinion, what are the top three human capital challenges facing your organization in the next 12 months?
Please select up to three.

Looking toward the next three to five years, Manitoba organizations are most concerned about *leadership capacity* (38%), followed by *capacity to respond to rapid change* (28%). One-quarter are concerned about *skills shortages* (25%), the *changing nature of work and the workplace* (24%) and *structural change* (24%).

Top Human Capital Challenges in Next 3-5 Years



***Small base size, interpret with caution.** Base: Employed in HR function (Jan – Jun 2020 n=67)*

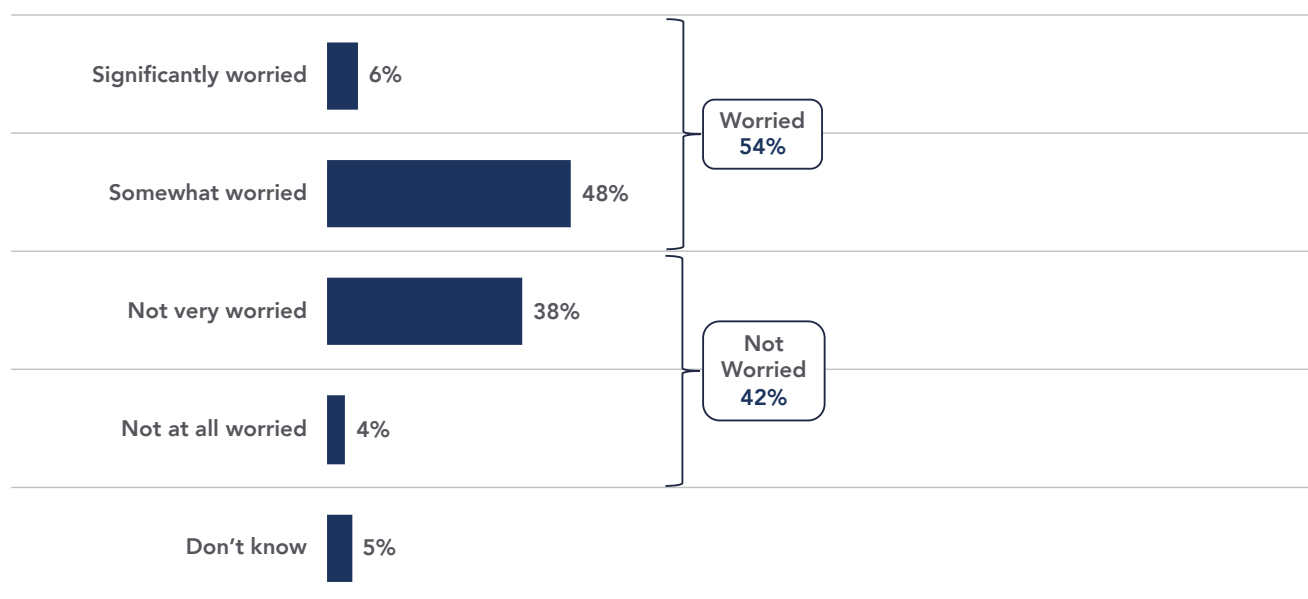
D21. In your opinion, what are the top three human capital challenges facing your organization in the next 3 to 5 years?
Please select up to three.

TALENT RETENTION

CONCERN ABOUT RETENTION

Just over half (54%) of Manitoba HR Professionals are worried about their ability to retain key talent over the next twelve months. Two-in-five (42%) say they are not worried.

Concern About Talent Retention



**Small base size, interpret with caution.*

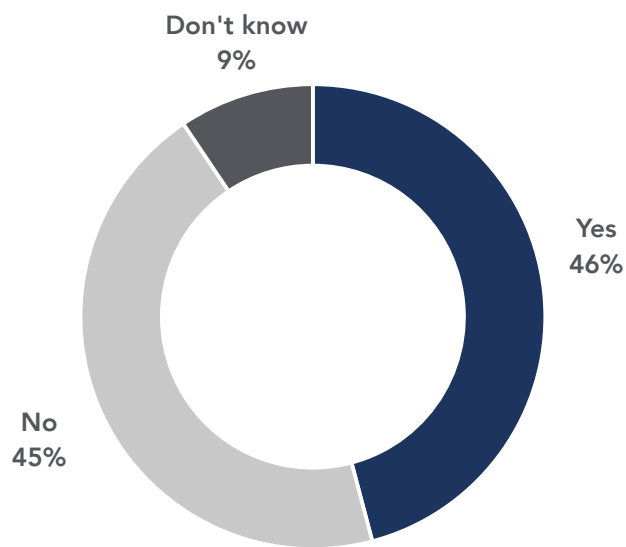
Base: Employed in HR function (Jan - Jun 2020 n=84)*

D13. To what extent is your organization worried about their ability to retain key talent over the next 12 months?

RETENTION RATES

Just under half (46%) of Manitoba organizations measure and track employee retention rates.

Measure and Track Retention Rates



**Small base size, interpret with caution.*

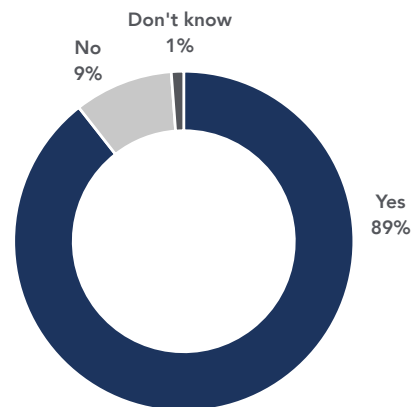
Base: Employed in HR function (Dec 2019 n=85)*

D10. Does your organization measure and track retention rates?

EXIT INTERVIEWS

A strong majority (89%) of Manitoba organizations conduct exit interviews with employees who depart their organization voluntarily.

Conduct Exit Interviews



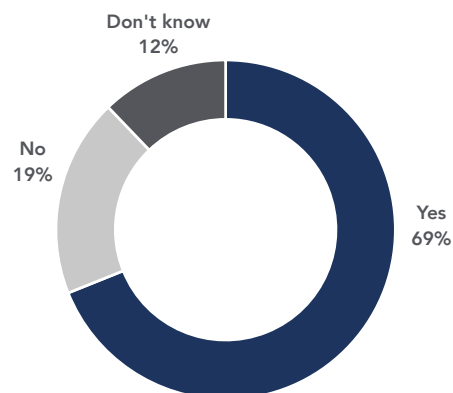
*Small base size, interpret with caution.

Base: Employed in HR function (Dec 2019 n=85)*

D7. Does your organization conduct exit interviews with employees departing voluntarily?

Among those Manitoba organizations that conduct exit interviews, two-thirds (69%) compile the results to identify trends contributing to employee turnover.

Compile Exit Interview Results



*Small base size, interpret with caution.

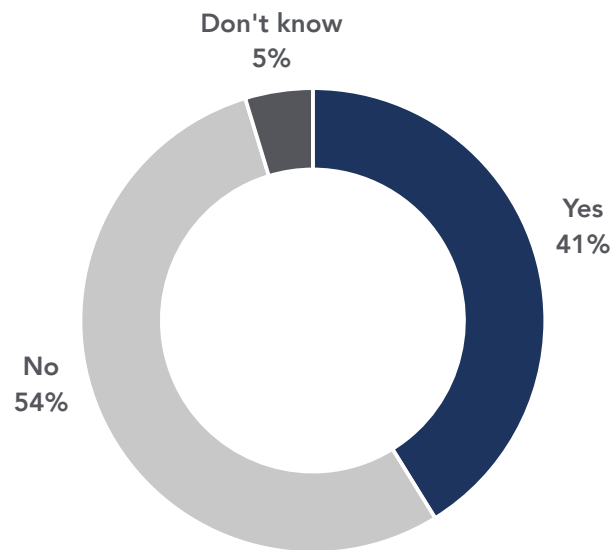
Base: Conduct exit interviews (Dec 2019 n=74)*

D8. Does your organization compile the results of exit interviews to identify trends contributing to employee turnover?

EMPLOYEE PERFORMANCE

Two-in-five (41%) Manitoba organizations classify individual employees based on performance for the purpose of calculating HR metrics.

Employee Classification



***Small base size, interpret with caution.**

Base: Employed in HR function (Dec 2019 n=85)*

D9. Does your organization classify individual employees based on performance for the purpose of calculating HR metrics (i.e. high performer, average performer, low performer)?

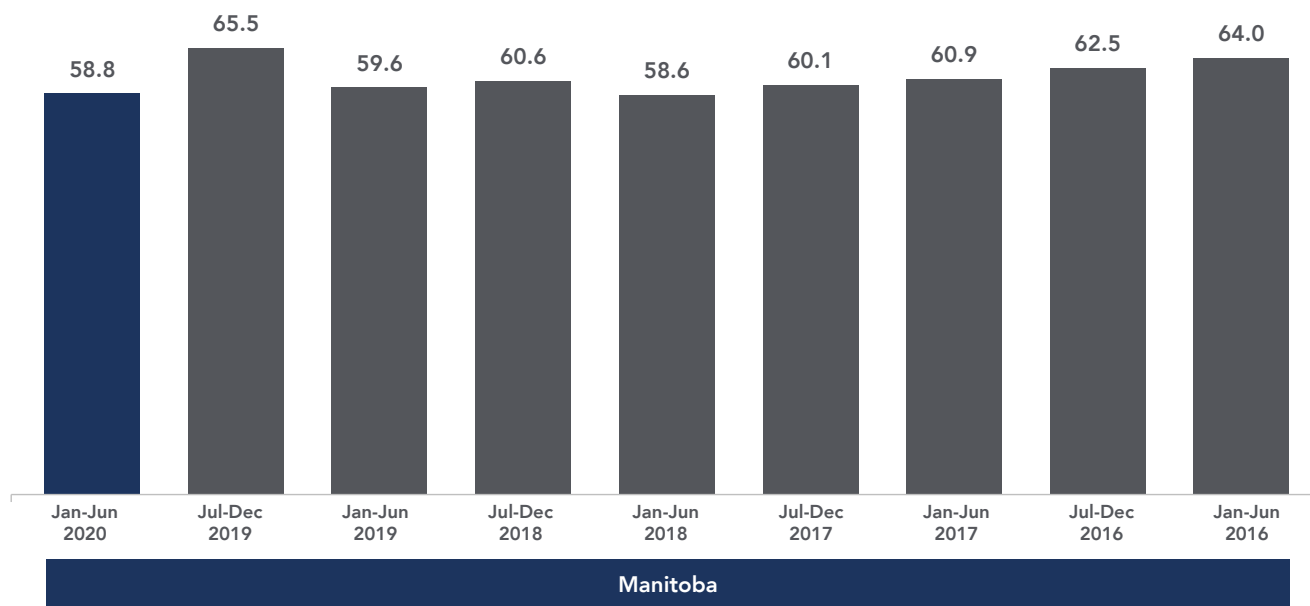
LABOUR MARKET FORECAST

HIRING CONFIDENCE INDEX

The Hiring Confidence Index was created to measure how employers feel about hiring over the next six months. The index emphasizes how confident HR professionals are that they can hire the right people to fill open positions and incorporates views on expected growth in the number of positions. The scores have a maximum value of 100 and a minimum value of 0. Scores greater than 50 signify that HR professionals are more confident than they are concerned about hiring.

After increasing more than five points to 65.5 for the last half of 2019, Manitoba's Hiring Confidence Index has dropped to 58.8 this wave, returning to a score similar to that seen for the Index in the Spring of 2019 and 2018 reports.

Hiring Confidence Index

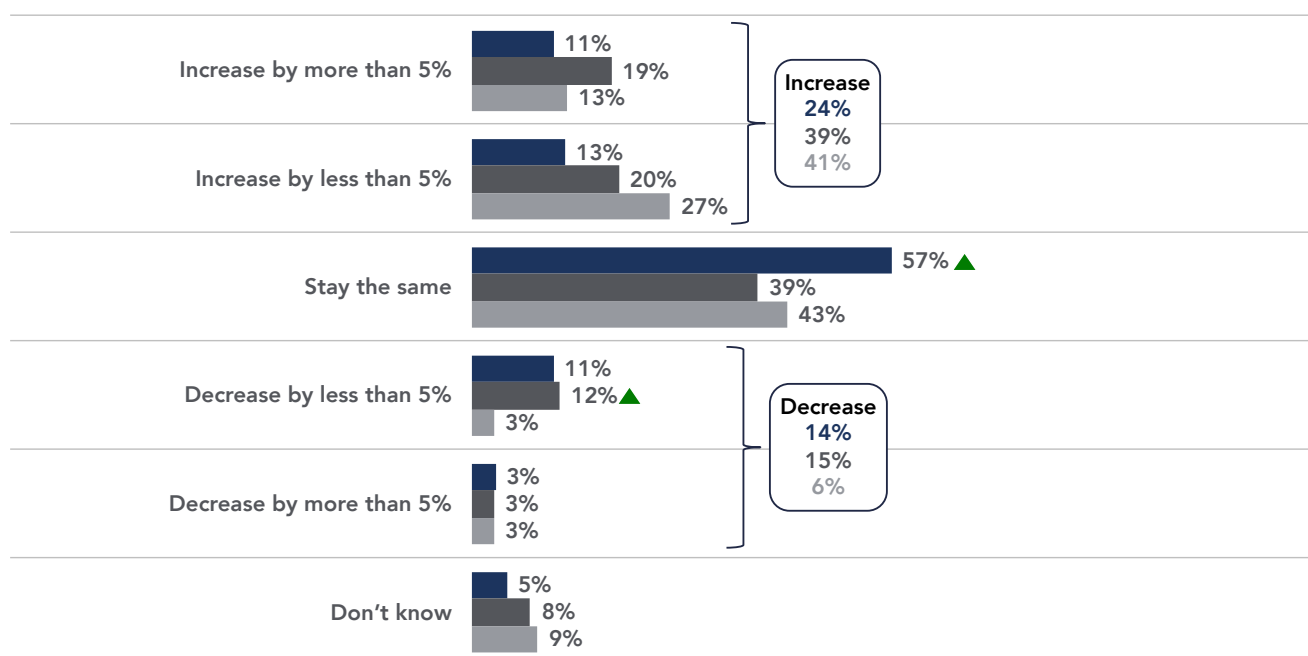


THE SIX MONTH OUTLOOK

One-quarter (24%) of Manitoba organizations expect their headcount to grow in the first half of 2020, while the majority (57%) expect their total number of employees to stay the same over this period. One-in-seven (14%) expect a net loss of staff.

Expected Next 6 Month Employee Change

■ Jan - Jun 2020 (n=63)*
■ Jul - Dec 2019 (n=75)*
■ Jan - Jun 2019 (n=102)



Base: Employed in HR Function, exclude n/a

*Small base size; interpret with caution.

C13. Over the next six months, how do you expect the total number of employees to change for any reason?

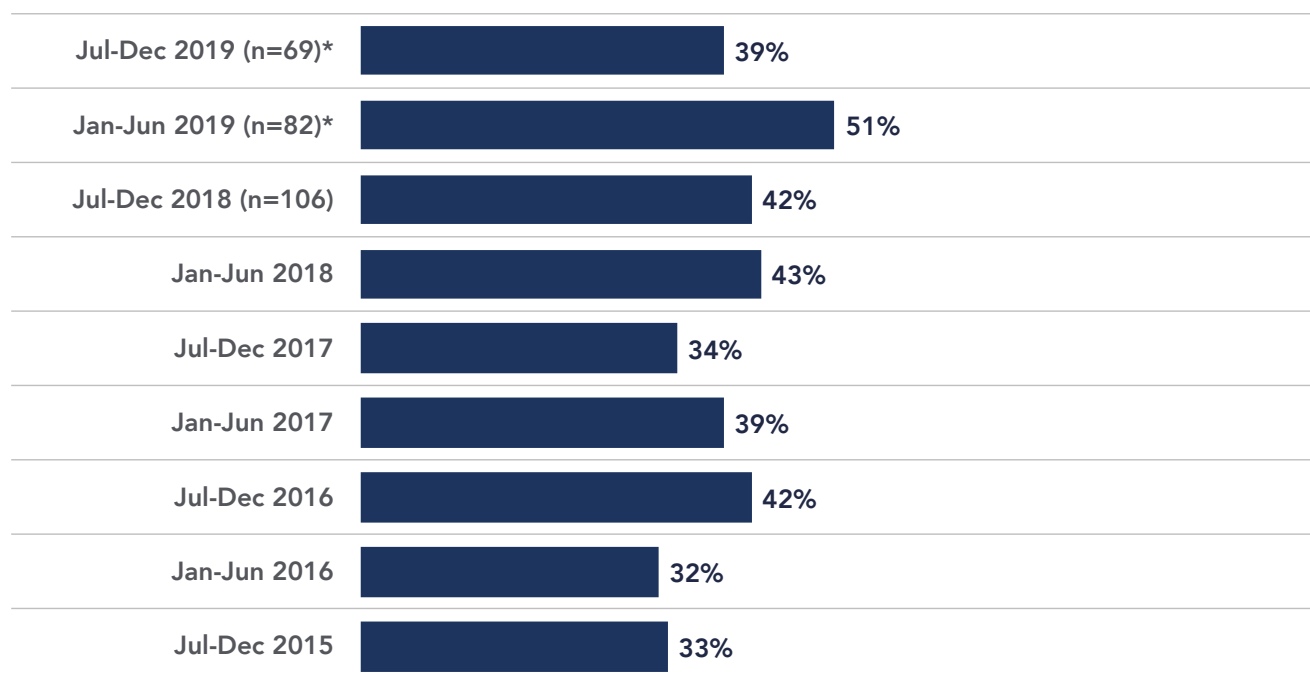
LABOUR MARKET STATISTICS

CURRENT TRENDS

Four-in-five (31%) Manitoba organizations reported a net increase in employment over the past six months.

Past 6 Months Change in Total Number of Employees

Increased



*Small base size; interpret with caution. Base: Employed in HR function
C6. In the last six months, how has the total number of employees (full time
and part time) in your organization's employment changed?

A strong majority (87%) of Manitoba organizations reported a loss of permanent employees over the past 6 months.

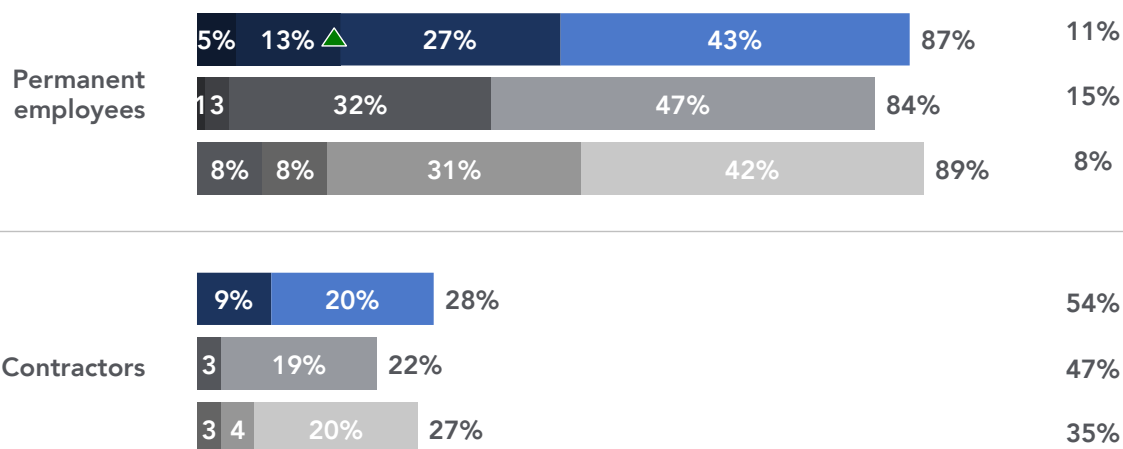
More than one-quarter (28%) reported the loss of contractors, although more than half (54%) said they either “don’t know” or “not applicable,” indicating that many of these organizations likely do not have contract employees.

Number Who Left Organization in Past 6 Months

■ Jul - Dec 2019 (n varies)**
■ Jan - Jun 2019 (n varies)*
■ Jul - Dec 2018 (n varies)*

Any

Don't Know/
Not Applicable



■ 100+ ■ 50 to <100 ■ 10 to <50 ■ <10

Base: Employed in HR function

*Small base size; interpret with caution. **Very small base size; interpret with extreme caution.

C7. In the last six months, how many people have left your organization's employment for any reason (retirement, downsizing, resignation, termination, etc.)?

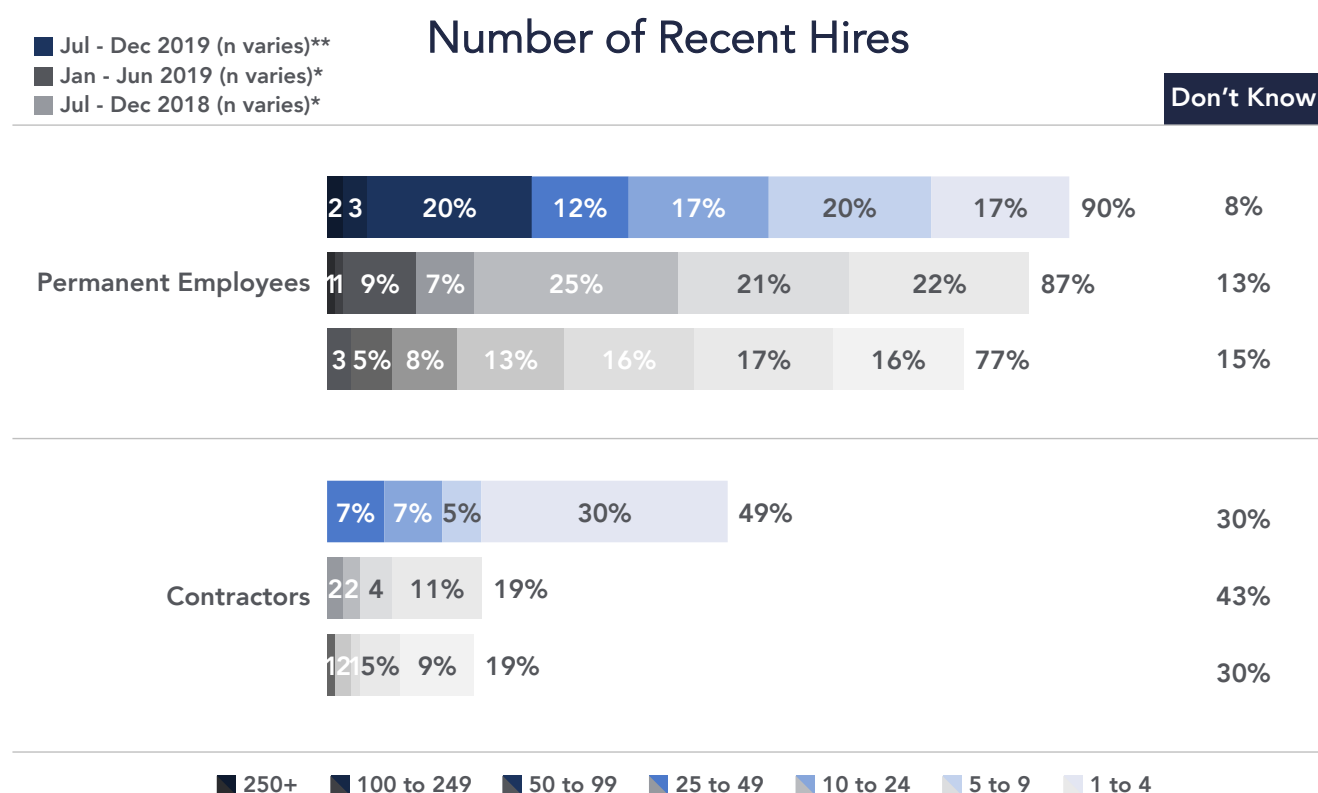
Manitoba HR Trends Report



Half (51%) of Manitoba organizations report a net increase in employment over the past six months, unchanged from the previous wave.

Manitoba organizations are twice as likely to have hired new permanent employees over the past six months than contractors. A strong majority (90%) have hired new permanent employees in the past six months, while half (49%) have hired contractors.

The proportion of who report hiring contractors has more than doubled since the previous wave.



Base: Employed in HR function

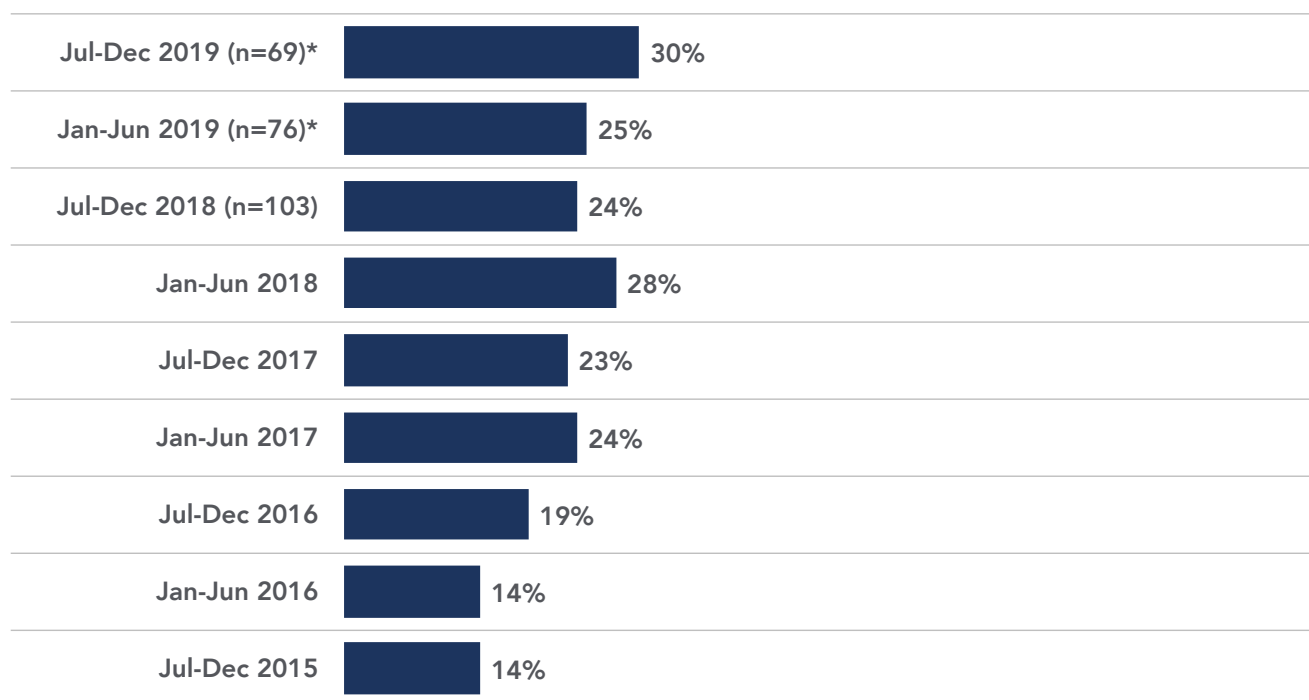
*Small base size; interpret with caution. **Very small base size; interpret with extreme caution.

C10. In the last six months, how many people have joined your organization for any reason (new hires but exempting acquisitions, and mergers)?

TEMPORARY LAYOFFS

Three-in-ten (30%) Manitoba organizations engaged in the practice of temporary layoffs in the latter half of 2019.

Engaged in Temporary Layoffs in Past 6 Months



Base: Employed in HR function

*Small base size; interpret with caution.

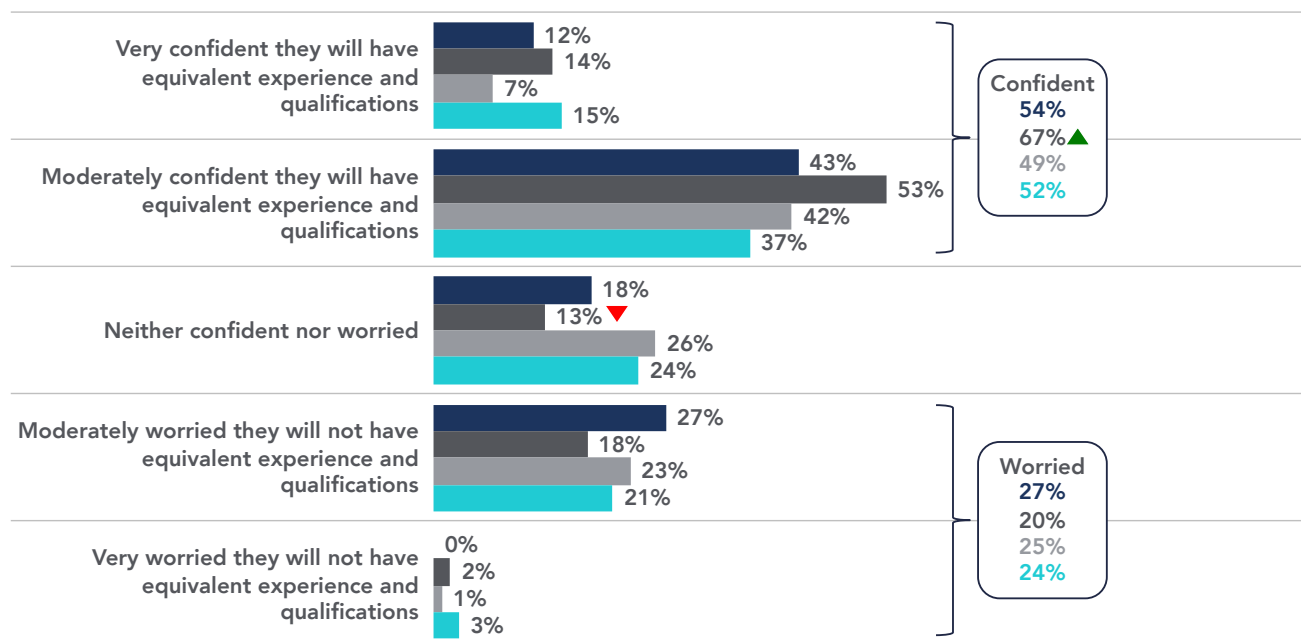
C12. Has your organization engaged in temporary or seasonal layoffs in the last six months?

FILLING VACANCIES

Just over half (54%) of Manitoba human resources professionals are confident that new hires who fill vacant positions will have equivalent experience and qualifications. This is a return to previous levels of confidences, following a significant increase in the latter half of 2019. Over one-quarter (27%) are worried that new employees will not have equivalent experience and qualifications.

Confidence in Experience and Qualifications of New Hires

■ Jan - Jun 2020 (n=103)
■ Jul - Dec 2019 (n=97)*
■ Jan - Jun 2019 (n=141)
■ Jul - Dec 2018



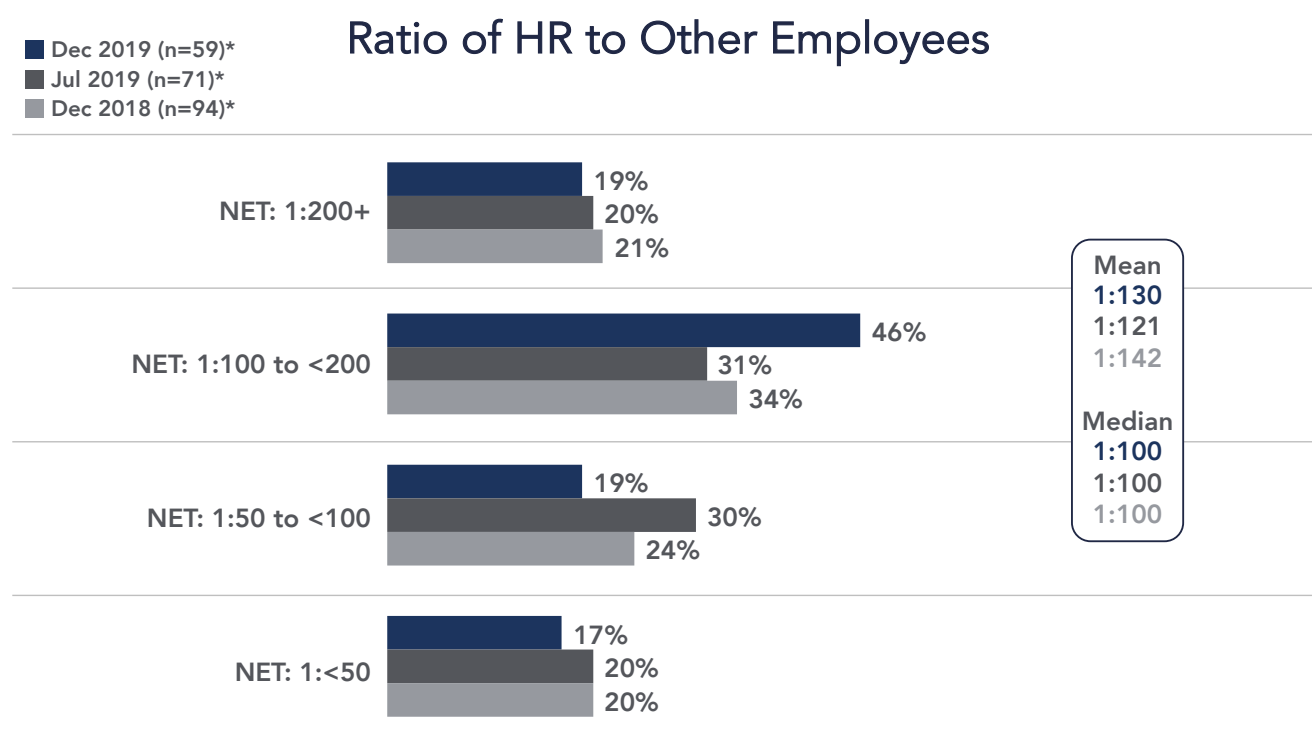
*Small base size, interpret with caution.

Base: Employed in HR function

C4. Over the next 6 months, how confident or worried are you that new hires to fill vacant positions will have equivalent experience and qualifications?

HR TEAM RATIO

Manitoba organizations have an average of 130 employees for each human resources employee, with a median of 100 employees for each HR employee. At the top of the scale, one-in-twenty organizations (19%) have a two hundred or more to one employee to HR professional ratio, while the a similiar proportion (17%) have one-fourth the ratio, with less than fifty employees for every HR employee.



Base: Employed in HR function

*Small base size; interpret with caution.

C5. What is the ratio of HR employees to all other employees in your organization?

EMPLOYEE BENEFITS

Nearly all Manitoba organizations offer at least some of their employee types *prescription drug coverage (99%); employee life insurance policy (99%); paid professional development opportunities (99%); extended health benefits (96%); paramedical health benefits (95%); disability insurance (93%); professional dues reimbursement (92%); and paid vacation time over the standards minimum (91%).*

Most also provide *tuition reimbursement (83%)* and an *employee pension plan (71%)* to full-time employees through to executives.

Few provide any of the benefits tested to contractors.

Benefits By Employee Type

	ANY	Executives	Senior Mgmt.	Mgmt.	Full-time Salaried	Full-time Hourly	Part-time	Contractors
Prescription drugs coverage	99%	84%	90%	91%	91%	78%	61%	1%
Employee life insurance policy	99%	84%	90%	93%	93%	82%	57%	3%
Paid professional development opportunities	99%	84%	90%	90%	85%	66%	43%	1%
Extended health benefits	96%	79%	87%	90%	91%	78%	60%	3%
Paramedical health benefits	95%	79%	88%	91%	92%	77%	58%	2%
Disability insurance	93%	78%	85%	88%	88%	75%	54%	3%
Core health benefits	93%	77%	84%	85%	87%	80%	62%	2%
Professional dues reimbursement	92%	73%	84%	80%	66%	36%	19%	0%
Paid vacation time over standards minimum	91%	77%	82%	80%	74%	63%	38%	3%
Tuition reimbursement	83%	75%	78%	76%	78%	51%	37%	0%
Employee pension plan	71%	55%	60%	66%	66%	63%	47%	3%
Group RRSP w/employer matching contributions	64%	51%	52%	52%	56%	44%	30%	2%
Paid parking	62%	49%	52%	51%	44%	43%	38%	10%
Vehicle allowance	60%	40%	35%	24%	13%	5%	2%	2%
Paid flex days	51%	46%	46%	42%	40%	30%	19%	2%
Health spending account	41%	34%	34%	33%	36%	28%	24%	3%
Stock options	26%	25%	21%	14%	14%	11%	9%	0%
Flexible benefit credits	23%	19%	16%	16%	16%	12%	12%	2%
Transit pass allowance	17%	13%	15%	15%	17%	13%	17%	2%
Unlimited vacation time	8%	8%	4%	0%	0%	0%	0%	0%
Other	44%	41%	37%	37%	41%	33%	37%	4%

Base: Employed in HR (Dec 2019 n varies)

D14. Which employees receive each of the following types of benefits?

The majority of Manitoba organizations provide an *Employee Assistance Program* (93%) to all employee types, with the exception of contractors. Smaller majorities offer at least some of their employee types *flexible work hours* (73%) and *ergonomic options/resources* (69%).

Other Benefits By Employee Type

	ANY	Executives	Senior Mgmt.	Mgmt.	Full-time Salaried	Full-time Hourly	Part-time	Contractors
Employee Assistance Program (EAP)	93%	79%	85%	90%	90%	75%	61%	0%
Flexible work hours	73%	58%	64%	61%	58%	31%	27%	2%
Ergonomic options/resources	69%	60%	67%	67%	67%	55%	55%	5%
Remote work option	56%	39%	46%	41%	33%	18%	16%	5%
Time-off for charity work	44%	37%	40%	42%	40%	30%	25%	2%
Internal mentorship program	40%	25%	30%	33%	32%	16%	16%	2%

Base: Employed in HR (Jan - Jun 2020 n varies)

D15. Which employees receive each of the following other types of benefits?

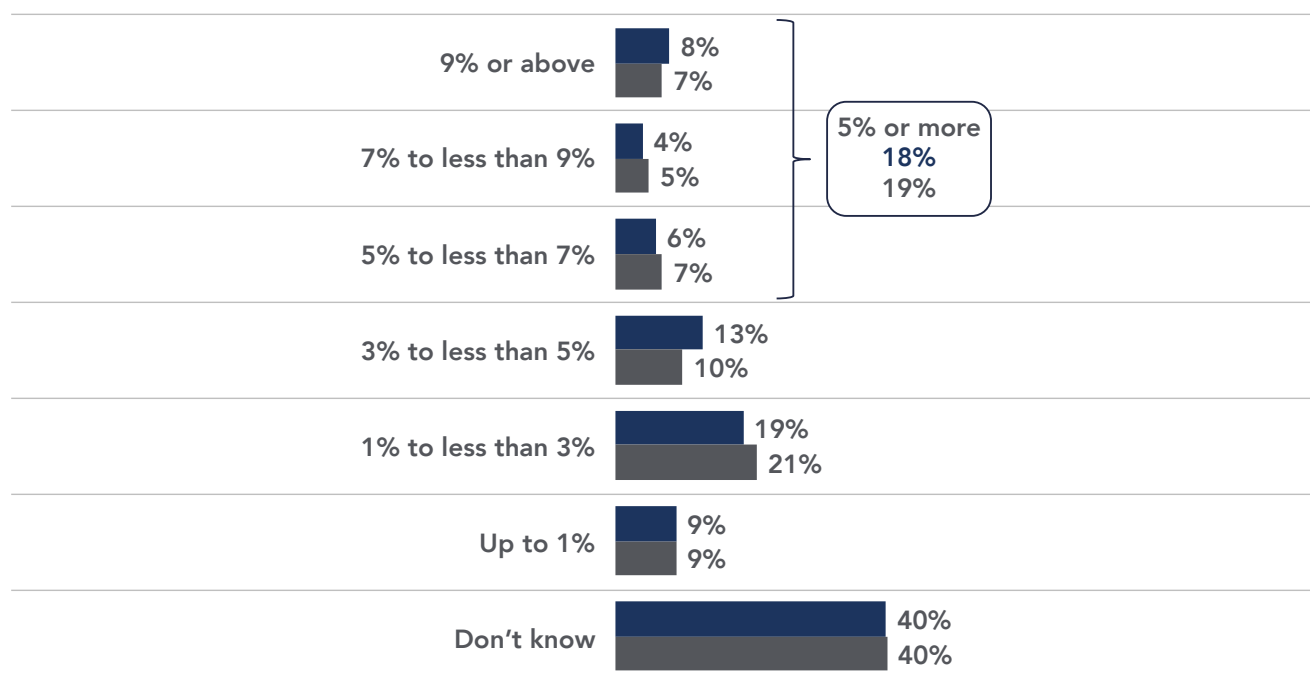
EMPLOYEE DEVELOPMENT

LEARNING AND DEVELOPMENT BUDGETS

The majority (60%) of Manitoba human resources professionals are aware of what percent of their organization's budgeted expenses are allocated toward learning and development for employees in their organization. Two-in-five (18%) allocate at least five percent of their budgeted expenses toward learning and development.

Budgeted Expenses for Employee Development

■ Jan - June 2020 (n=77)*
■ Jul - Dec 2018 (n=109)



Base: Employed in HR function, excluding not applicable

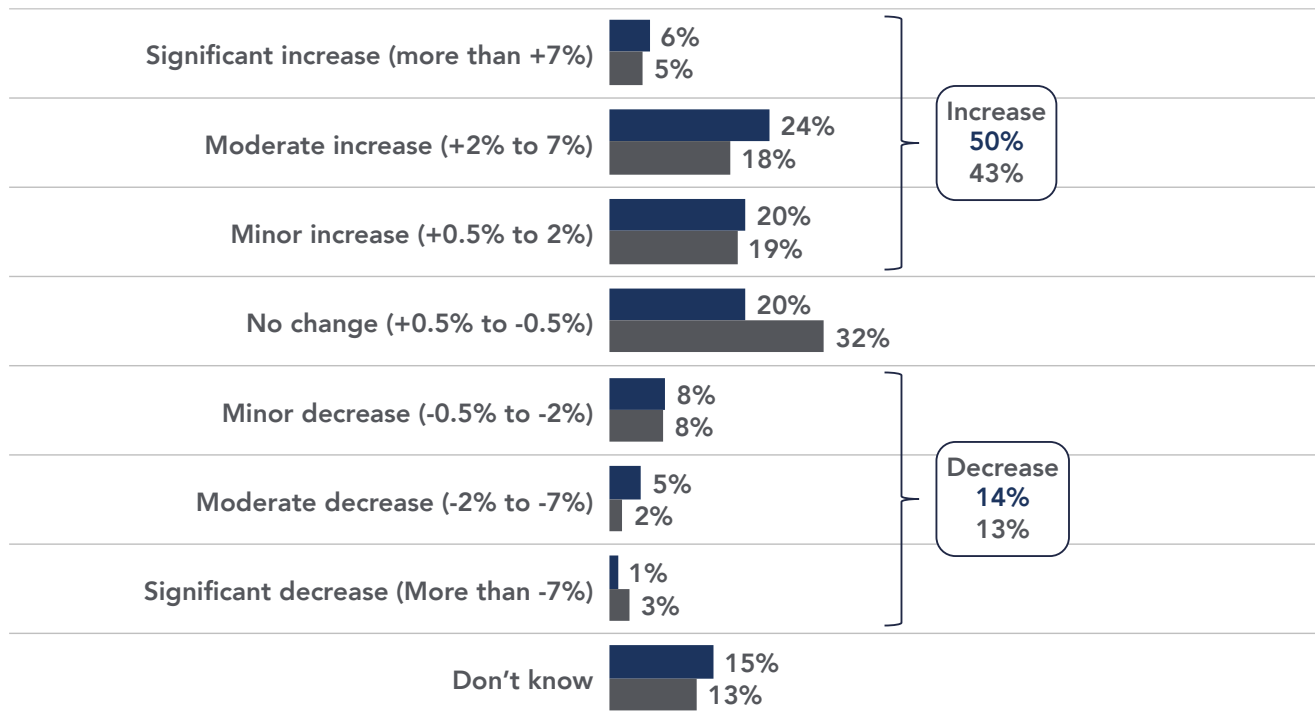
*Small base size, interpret with caution

D6. Approximately what percentage of budgeted expenses is allocated for learning and development for employees in your organization?

Half (50%) of Manitoba organizations expect to see an increase in their human resources operations budget for the 2020 fiscal year. One-in-seven (14%) expect to see a decrease.

Expected Change to 2020 HR Operations Budget

■ 2020 (n=84)*
■ 2019 (n=110)



Base: Employed in HR function, excluding not applicable

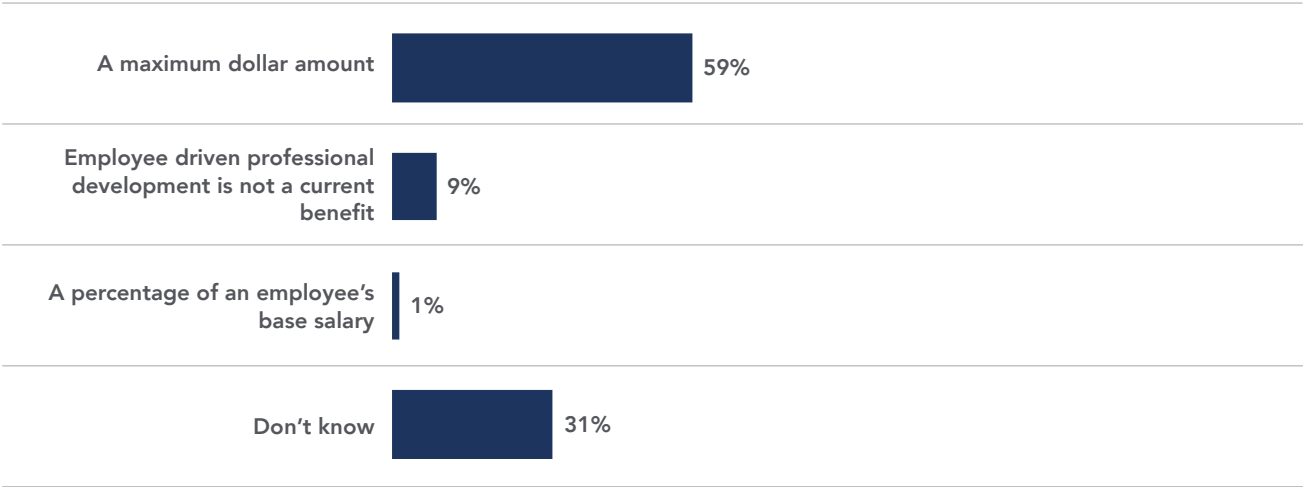
*Small base size, interpret with caution

D5. Which one of the following options most closely matches how you expect your HR operations budget to change within the next budget year?

ALLOCATION OF FUNDS

Manitoba organizations most commonly allocate funds for employee driven professional development via a maximum dollar amount (59%). Very few (1%) determine the amount as a percentage of an employee's base salary.

Professional Development Funds Allocation



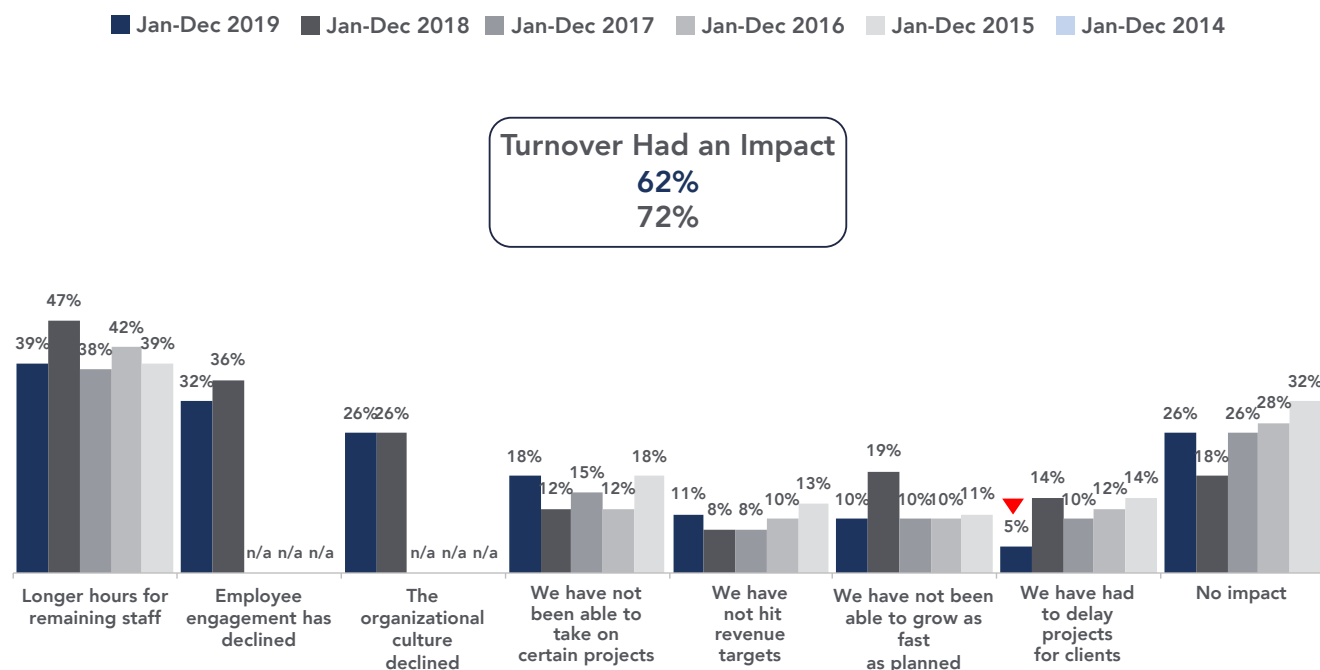
Small base size, interpret with caution. Base: Employed in HR function (Jan - Jun 2020 n=70)
D16. How does your organization allocate funds for employee driven professional development?

EMPLOYEE TURNOVER

TURNOVER IMPACT

The majority (62%) of Manitoba organizations report experiencing direct impacts from employee turnover, most commonly *longer hours for remaining staff* (39%), followed by a *decline in employee engagement* (32%). One-in-twenty (11%) believe that they have *not hit revenue targets* due to employee turnover. There has been a significant decline in the proportion reporting that they *have had to delay projects for clients* (5%).

Past Year Turnover Effects



**Small base size, interpret with caution.*

Base: Employed in HR function, excluding not applicable (Jan-Jun 2020 n=87)*

D2. In the past year, how has employee turnover affected your organization?

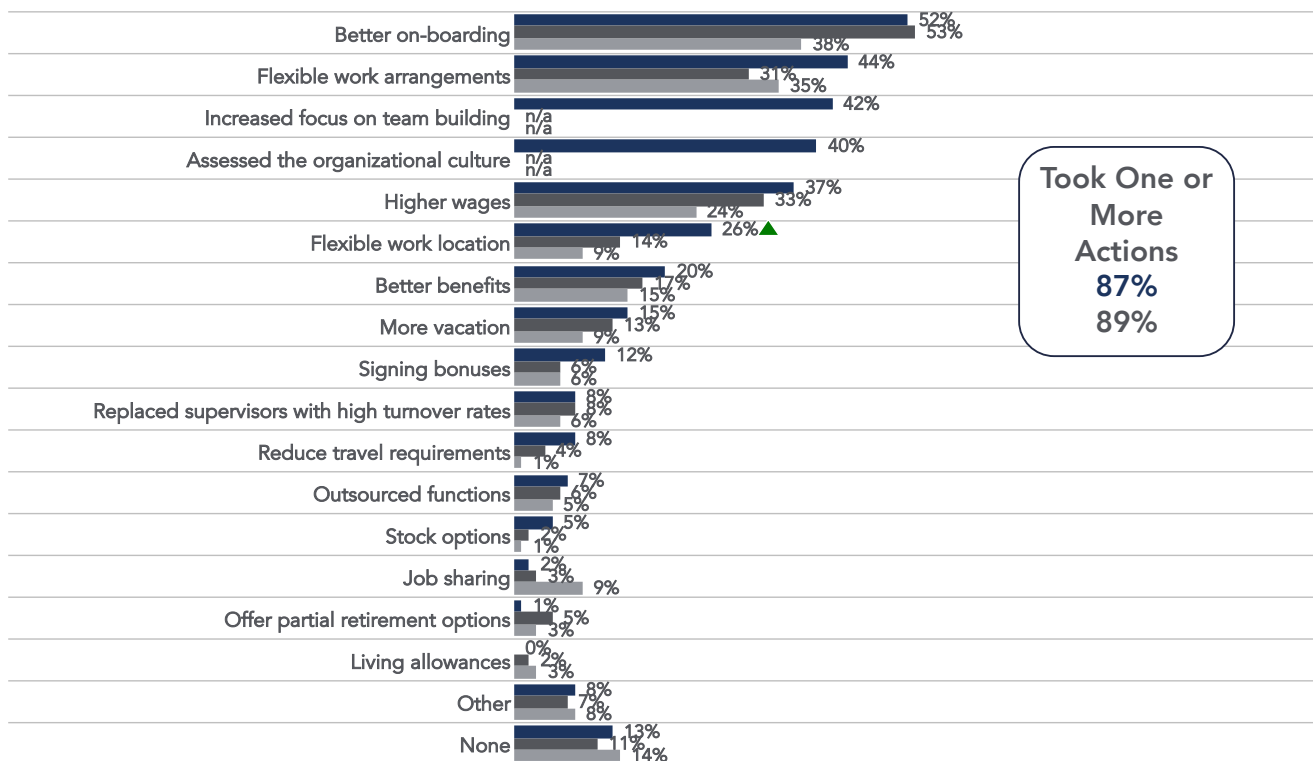
REDUCING TURNOVER

A strong majority (87%) of Manitoba organizations took one or more actions to reduce employee turnover. *Better on-boarding* (52%) is the most popular action, followed by *flexible work arrangements* (44%); *increased focus on team building* (42%); *assessing the organizational culture* (36%); and *higher wages* (37%).

Those using *flexible work locations* (26%) has significantly increased over the past year.

Past Year Actions to Reduce Turnover

■ Jan - Dec 2019 (n=86)*
■ Jan - Dec 2018 (n=121)
■ Jan - Dec 2017

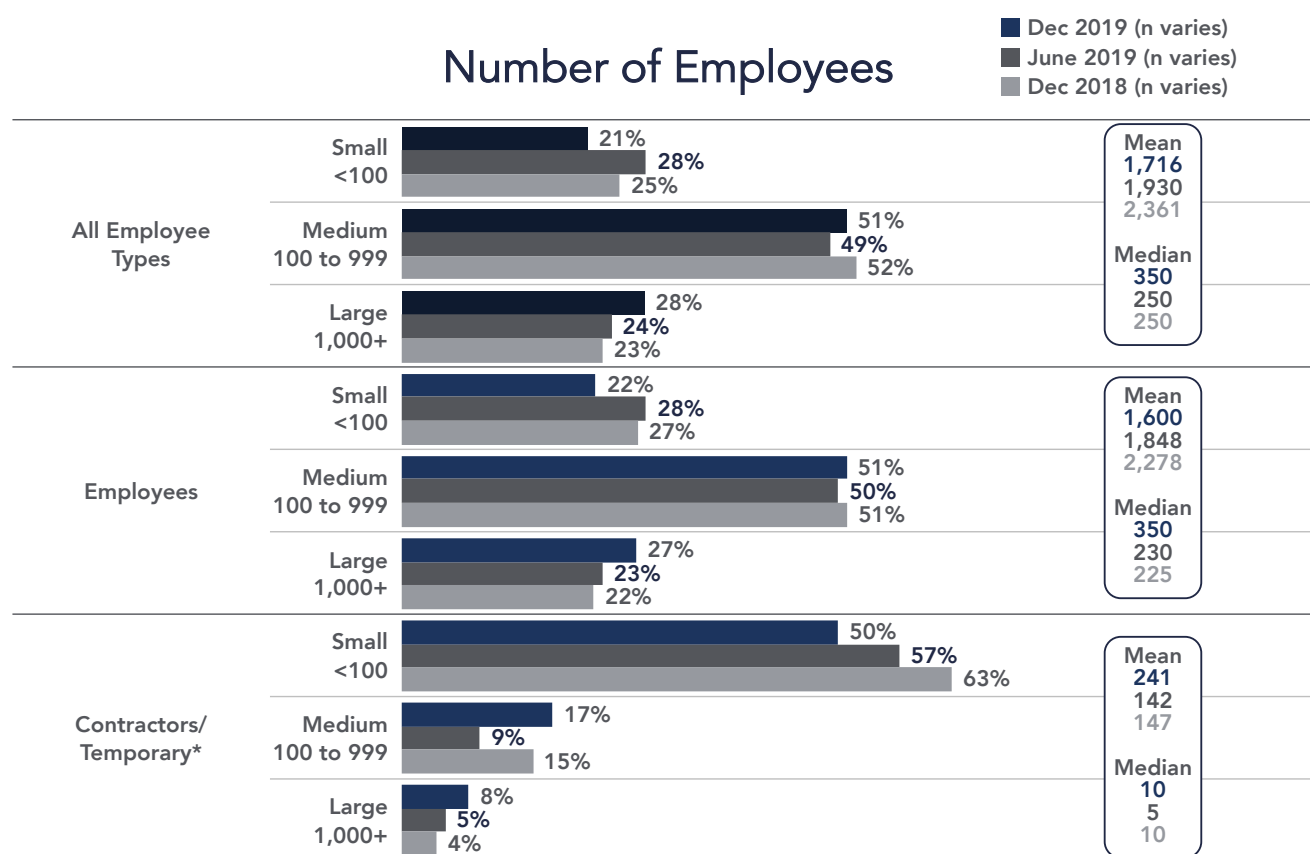


*Small base size, interpret with caution. Base: Employed in HR function, excluding not applicable
D1. In the past year, what actions have you taken to reduce turnover for any reason?

RESPONDENT PROFILE

ORGANIZATION SIZE

For the purposes of this report, small organizations are defined as those having fewer than 100 employees (of all types), medium organizations as those having between 100 and 999 employees, and large organizations as those employing 1,000 or more employees. The average number of employees for organizations across Manitoba is 1,716, while the median is 350.

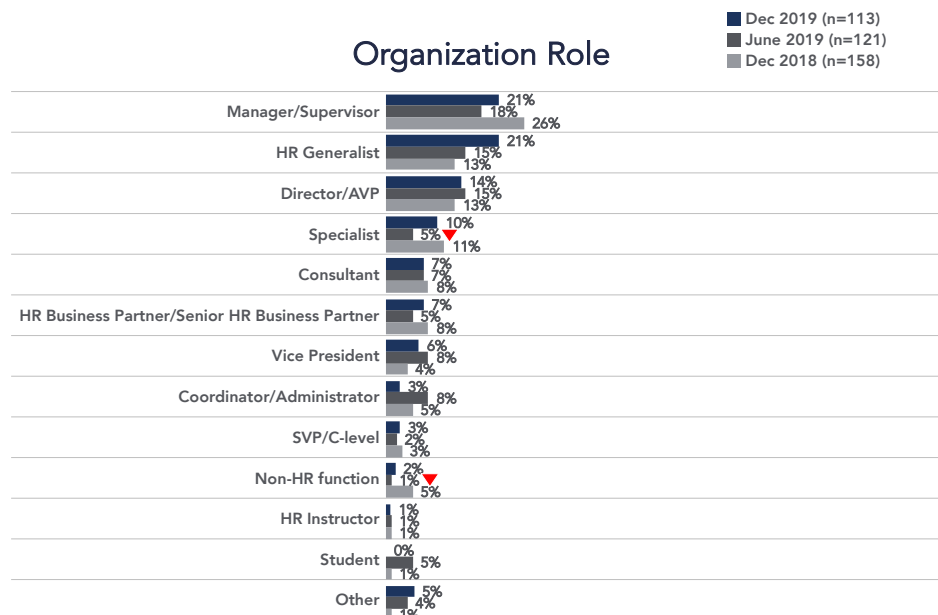


*Small base size, interpret with caution. Base: Employed in HR function

C2. How many people (both full time and part time) does your organization have in the province of {S1}.

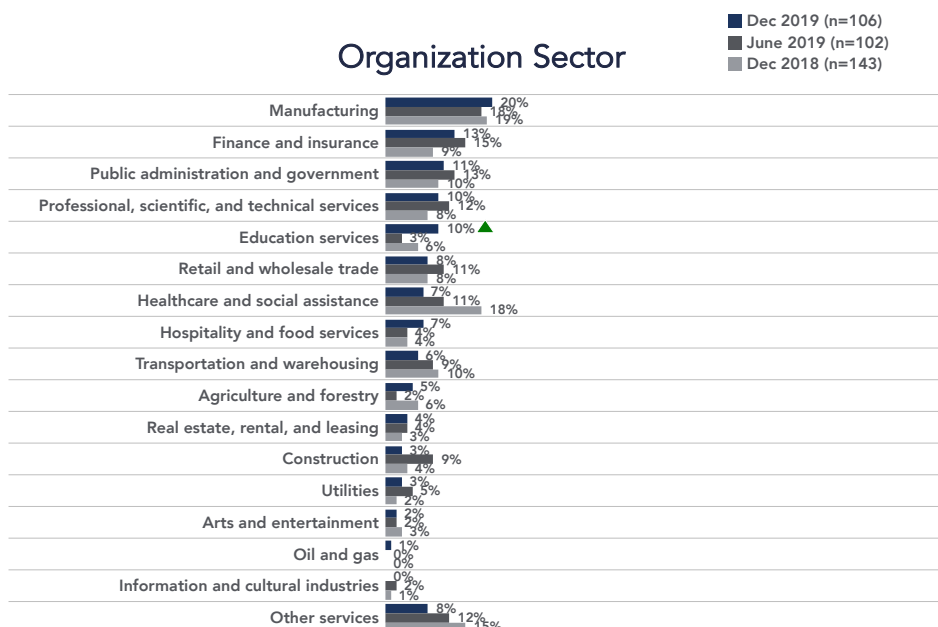
DEMOGRAPHICS

Respondents were also distributed across a wide range of roles in the organization as well as sectors and organization type. More than two-in-five (44%) have at least some unionization among their employees.



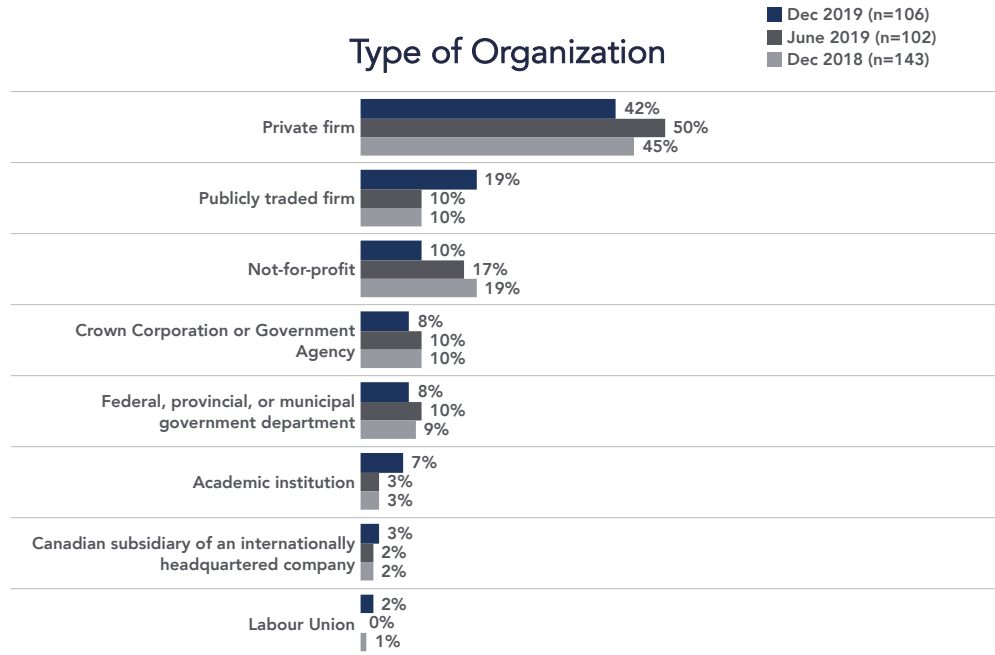
Base: All respondents

C1. Which option best describes your role in your organization?

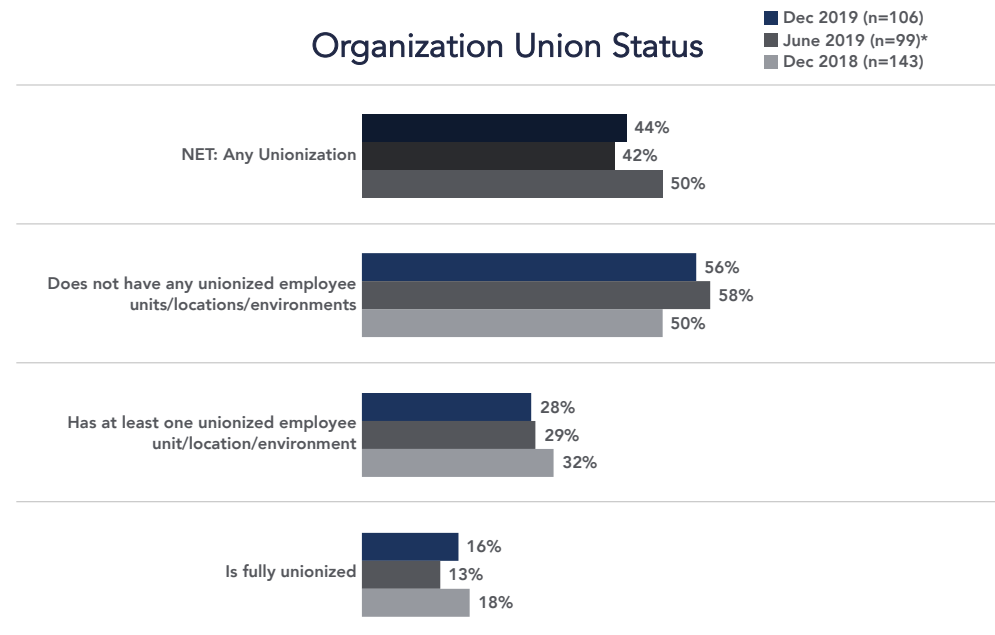


Base: Employed in HR function

C3. What sector does your organization operate in? If you are a consultant to multiple firms, please select all of the applicable areas.



Base: Employed in HR function
C3a. My organization is a...



*Small base size, interpret with caution. Base: Employed in HR function
C3b. Which of the following best describes your organization?

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ABOUT THE ORGANIZATION

Chartered Professionals in Human Resources of Manitoba

CPHR Manitoba is the professional association dedicated to strengthening the human resources profession and upholding the highest standards of practice. We link members, businesses, and the general public to important HR issues and trends that are occurring provincially, nationally, and globally.

CPHR Manitoba is the exclusive certifying body in Manitoba for the nationally recognized Chartered Professional in Human Resources (CPHR) designation - the leading standard for HR professionals in Canada. The CPHR demonstrates HR expertise, experience and ethical management of today's human capital.