

Human Resources Trends

Municipal Finance Authority ANNUAL GENERAL MEETING

March 24, 2010

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Emergency and Health Services Commission
(BC Ambulance Service and 811 / HealthLink BC)

Environmental Scan

Emerging HR Pressures / Challenges for Employers

- Ageing workforce with chronic medical conditions
- Human rights and duty to accommodate
- Increasing unionization
- Increasing public and client demand for services
- Decreasing resources to supply services
- Economic vagaries (recession, inflation, interest rates, etc)

Impact of Imploding Economy

The future of Canadian labour: more [unskilled] unemployed; good [skilled] job unfilled

(Globe and Mail, February 3, 2010)

The plight of the underemployed

(Globe and Mail, January 20, 2010)

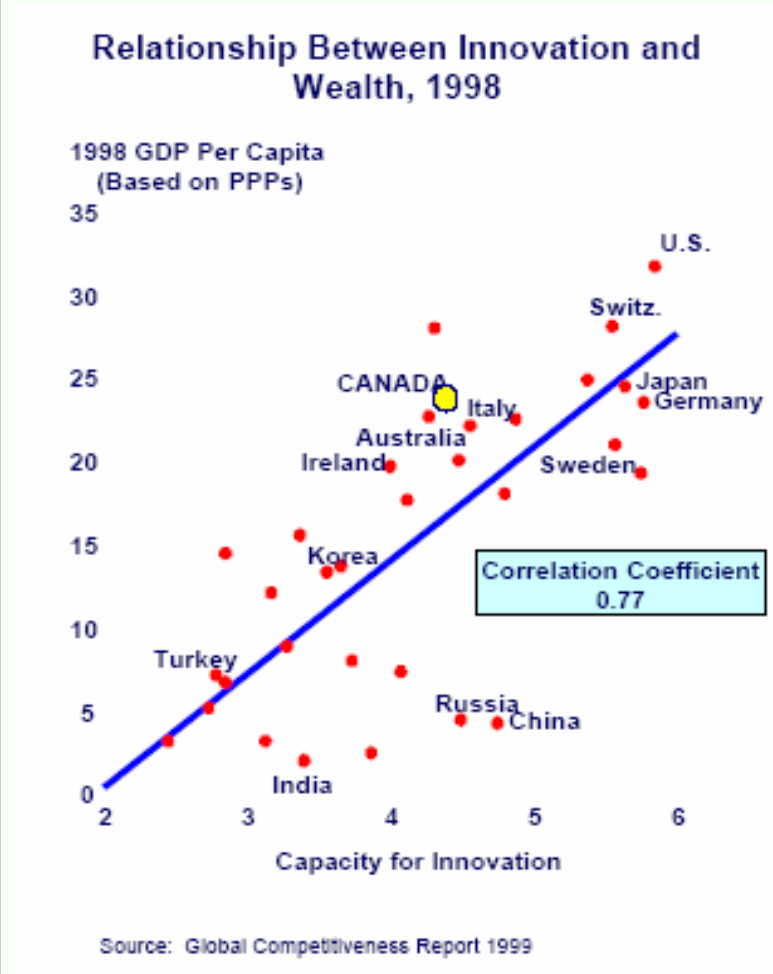
Job loss forces rethink on retirement

(Globe and Mail, February 6, 2010)

Workplace creativity withers on the vine

(Globe and Mail, February 20, 2010)

Productivity?



Canada's Place on World Economic Stage, Industry Canada, 2001

If we want innovation and productivity to maintain our society.....

our employees had better be healthy and engaged enough to work – and produce!

Global Competitiveness Report 2009/10

World Economic Forum Top 5:

- 1.1. Switzerland
2. United States
3. Singapore
4. Sweden
5. Denmark

2. Measures sustainability and growth through 3 basic sub-indices “*basic requirements*”, “*efficiency enhancers*”, and “*innovation factors*”.

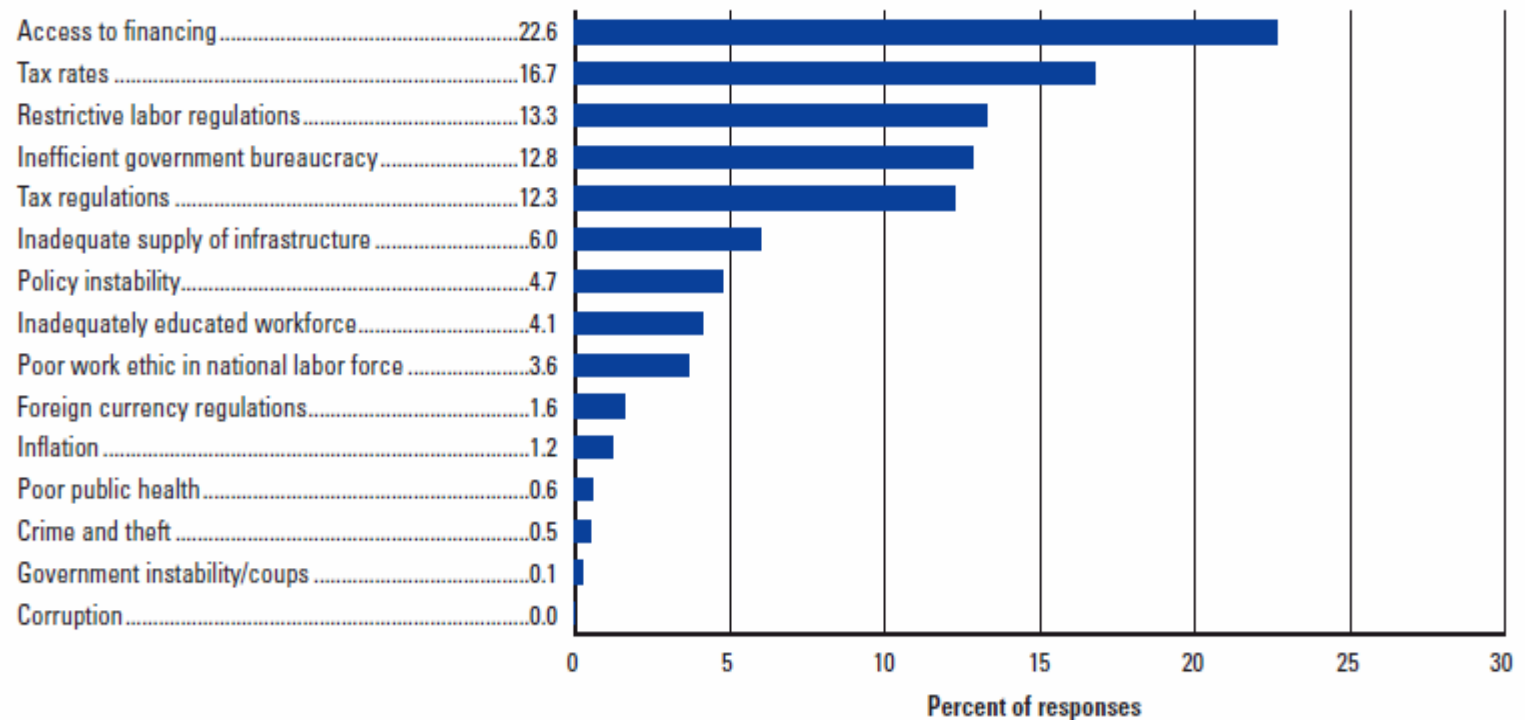
3. 2007 Canada was 13th. 2009 Canada was 9th

Global Competitiveness Report 2009/10

World Economic Forum

Canada

The most problematic factors for doing business



The Future HR Trend

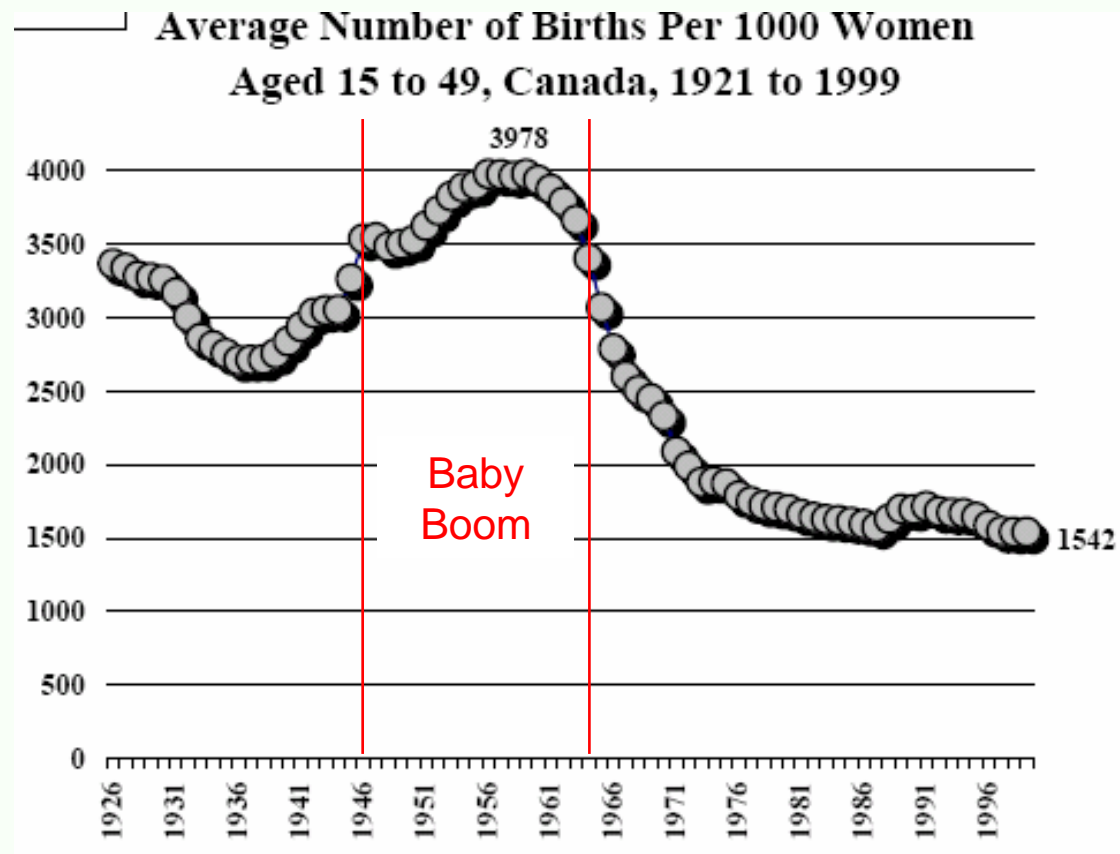
Canada will have too few workers to meet the needs of its economy and of society”

Perrin Beatty, President and CEO, Canadian Chamber of Commerce

The recession and rising unemployment may have diverted attention from labour shortages, but the shortages that existed before the recession will resurface after the economy fully recovers.

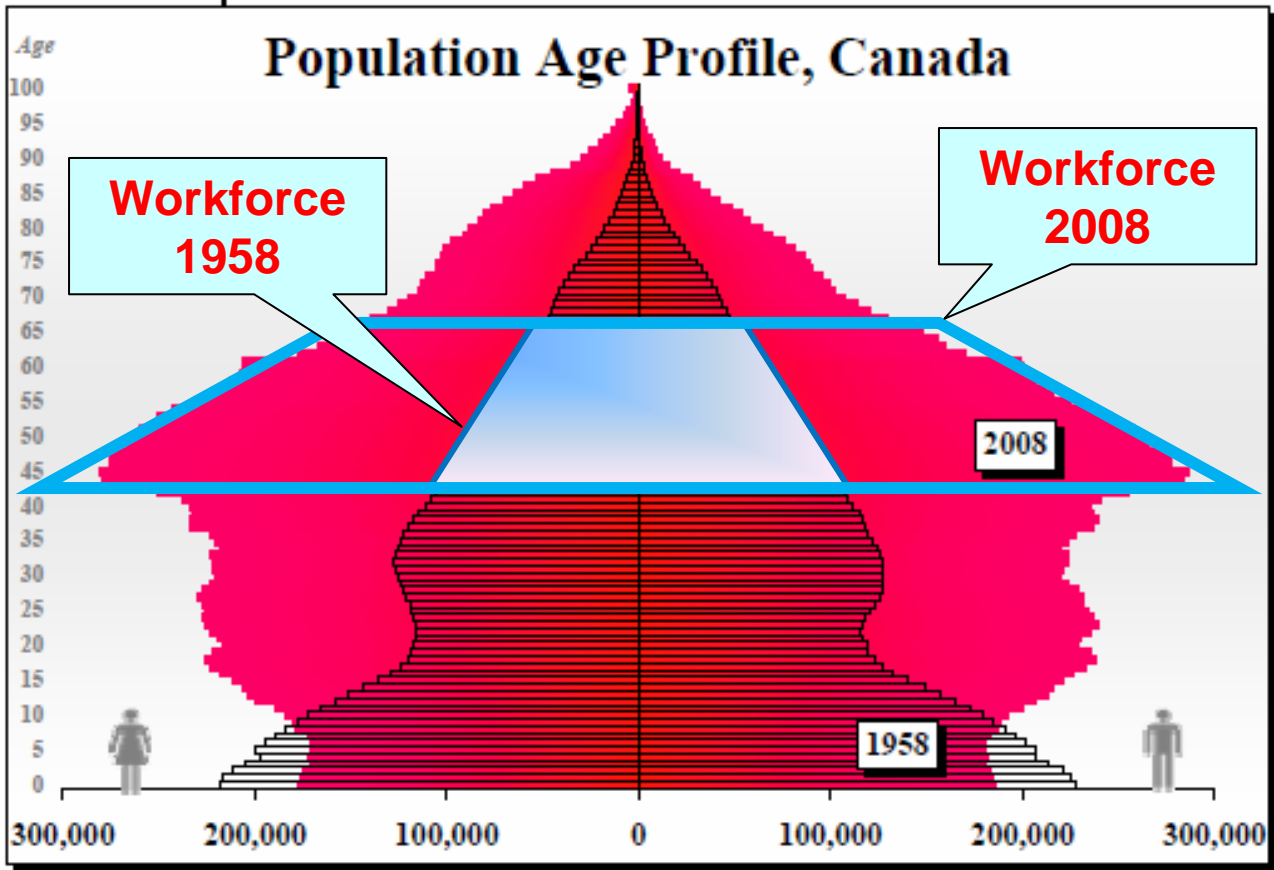
*Recession, Recovery and the Future Evolution of the Labour Market ,
Canadian Chamber of Commerce Report, February 22, 2010*

What aging workforce?



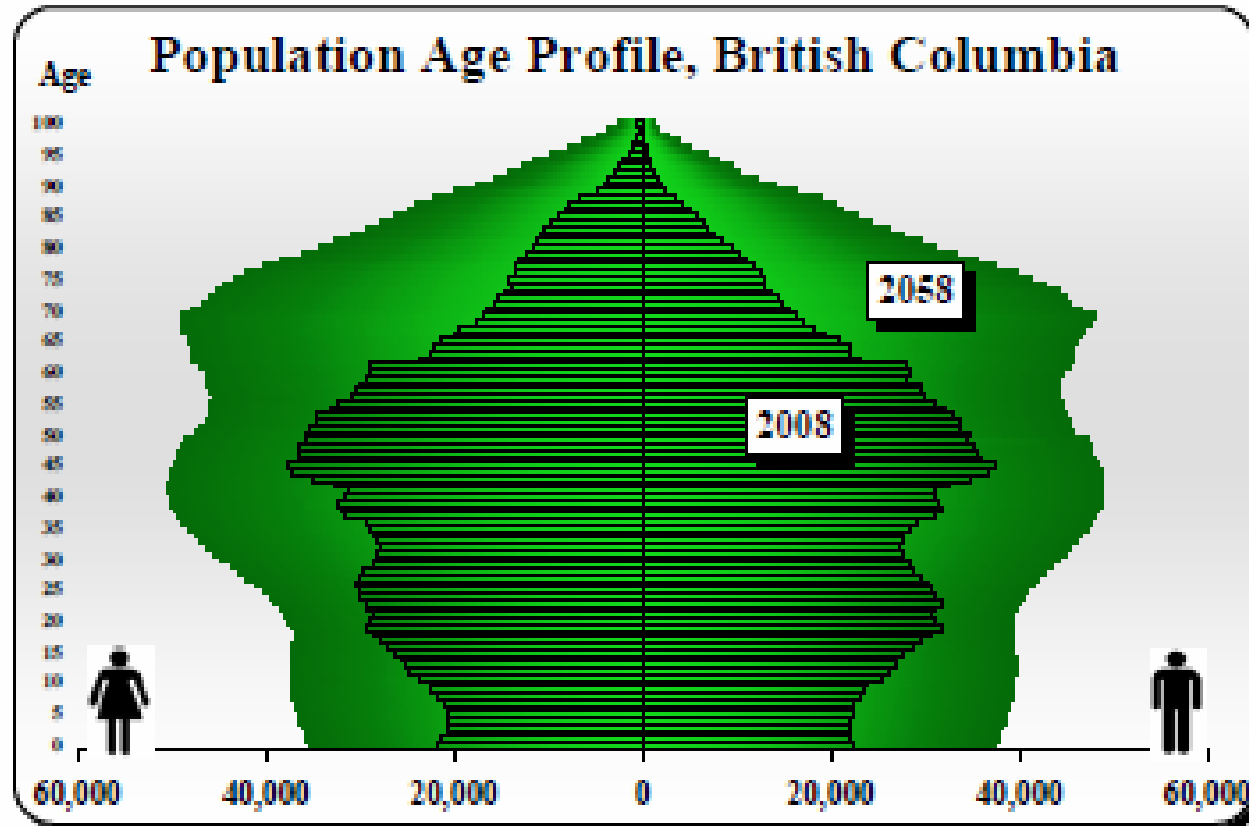
David Baxter, Urban Futures, 2003

What aging workforce?



Canada to 2058, Report 74, Urban Futures Institute, December 2009

What aging workforce?



Canada to 2058, Report 74, Urban Futures Institute, December 2009

Generations at Work

Greatest diversity ever with different generations at work

Labour shortages: Employees cannot replace retiring baby boomers fast enough, or retiring them too early

Employees once spent their entire career with one employer...they can now expect to change jobs many times over their work-life(1)

Declining birth rates...For the first time, more childless couples in Canada than couples with children* (2)

Employees in private sector retiring an average of 3.5 years later than those in public sector(3)

Source: Michelle Ray, Walkabout Seminars Int'l. BCHRMA Conference 2009
(1) & (2) Census Canada 2006, Released September 2007 (3) Statscan "perspectives" 2003

The World in 1992

Technology

- Windows 3.1 released by Microsoft
- Microsoft Works released by Microsoft
- AT & T release video telephone for \$1,499
- The first Nicotine patch is introduced to help stop smoking
- Space Shuttle Endeavour successful maiden voyage

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The World in 1992

Popular Television

- Law & Order
- America's Funniest Home Videos
- Home Improvement
- The Jerry Springer Show
- The Ren & Stimpy Show
- The Oprah Winfrey Show
- Married... with Children
- Star Trek: The Next Generation

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The World in 1992

Major World Political Leaders

Canada

Prime Minister Brian Mulroney

France

President François Mitterrand

Russia / Soviet Union

General Secretary Boris Yeltsin

United States

President George H. W. Bush

United Kingdom

Prime Minister John Major

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The World in 1992

<u>Somalia</u>	US & UN intervention OPERATION RESTORE HOPE to end famine and civil war
<u>China</u>	McDonalds opens first McDonalds in Beijing China
<u>France</u>	Euro Disney opens in France
<u>U.S.</u>	Bill Clinton becomes U.S. president
<u>Iraq</u>	hampers the efforts of UN Weapons Inspectors
<u>Afghanistan</u>	Overthrow Of Communist Government
<u>U.K.</u>	Prince Charles and Princess Diana separate

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The World in 2010

iPods™. Blackberries™. Voice over

Internet telephones. Laptops. Email.

High-speed Internet. Hybrid cars.

GPS systems. Video games. DVD players.

Digital cameras. Instant messaging.

Cell phones. DNA testing.

BOOMERS, X AND Y

	Baby Boomers 1946 – 1964	Generation X 1965 – 1980	Generation Y Born after 1981
Life-Defining Events	Civil Rights movement, Hippies Woodstock, Cold War, Quebec Crisis, Trudeau Era	Personal computers, AIDS, corporate downsizing, fall of communism, increase in divorce, are very close to friends	Digital age, Reality TV, Terrorism (9/11, Oklahoma Bombing), corporate and government scandals

Source: adapted from N-Gen People Performance Inc.

BOOMERS, X AND Y

	Baby Boomers 1946 – 1964	Generation X 1965 – 1980	Generation Y Born after 1981
Attitudes and Values	Personal growth, youthfulness, equality, ambition, collaboration	Pragmatism, results-driven, flexibility and adaptive	Confident, optimistic, civic minded, innovative, diversity focused, techno-savvy

Source: adapted from N-Gen People Performance Inc.

BOOMERS, X AND Y

	Baby Boomers 1946 – 1964	Generation X 1965 – 1980	Generation Y Born after 1981
Relationship with Org'tion	<p>Loyal to the team</p> <p>“Live to work” mentality</p> <p>Career = self worth</p> <p>Wants job security</p> <p>Personal relationship with superiors</p>	<p>Loyal to manager</p> <p>“Work to live” mentality</p> <p>Career = only one part of me</p> <p>Expects to be downsized</p> <p>Informal with superiors</p> <p>“Tell me what you can do for me”</p>	<p>Loyal to colleagues</p> <p>“Work to contribute” mentality</p> <p>Career = opportunity to add value</p> <p>Very casual relationship with superiors</p> <p>“Show me what you can do for me right now”</p>

Source: adapted from N-Gen People Performance Inc.

BOOMERS, X AND Y

	Baby Boomers 1946 – 1964	Generation X 1965 – 1980	Generation Y Born after 1981
Work Style	<p>Bend the rules</p> <p>Work in teams</p> <p>Focus on people not numbers</p> <p>Structure work style</p> <p>Cautious of change</p>	<p>Focus on results</p> <p>Change the rules</p> <p>Work independently</p> <p>-little supervision</p> <p>-informal team structure</p> <p>Multi-task</p> <p>Flexible works style / At ease with change</p>	<p>Focus on quickest solution using technology</p> <p>Challenge the rules</p> <p>Work independently with supervision and direction</p> <p>Fluid work style</p> <p>Desires changes</p>

Source: adapted from N-Gen People Performance Inc.

BOOMERS, X AND Y

	Baby Boomers 1946 – 1964	Generation X 1965 – 1980	Generation Y Born after 1981
Mgmt Style	Participative Decisions by consensus Open-minded “Flavour of the Month” Political	Fair Straightforward Flexible Brutally honest Not political	Inclusive Personal Opinionated Still to be determined.

Source: adapted from N-Gen People Performance Inc.

HRM Trends for Organizations

1. The Changing Role of the HR Professional
2. The War for Talent
3. Corporate Culture
4. The Healthy Workplace: Wellness, Work-Life Balance
5. The Diverse Workforce
6. Talent Management: Leadership Development & Succession Planning
7. Outsourcing of HR Functions: The Virtual HR Organization
8. The Impact of Technology
9. Impact of Legal and Compliance Issues
10. Corporate Social Responsibility

Strategic HR Planning

The basic questions to be answered for strategic planning are:

Where are we going?

How will we develop HR strategies to successfully get there (given the circumstances)?

What skill sets do we need?

Strategic HR Planning

Forecasting HR requirements

How many people do we need to get to the strategic goals?

What jobs will we need to have in place

What skill sets will those people need?

Gap analysis

Do our present employees have the required skills?

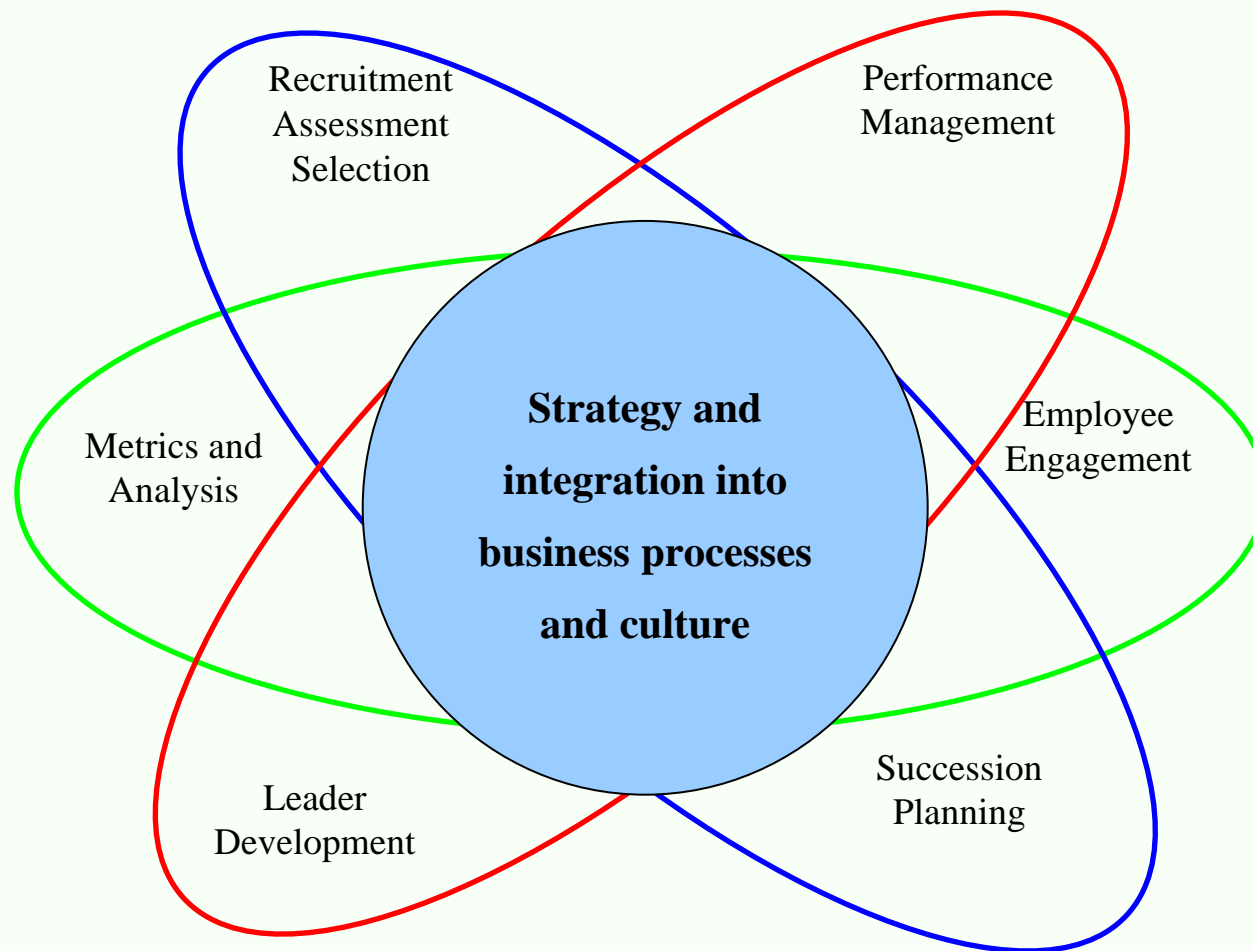
Are employees currently in positions that use their strengths?

Do we have enough managers/supervisors?

Are current HR management practices adequate for future needs?

Develop Operational HR plans to support strategies

Talent Management



Labour Relations Outlook 2010

“Universal labour peace is unlikely in the coming year.

Public sector unions are bargaining in the face of substantial fiscal deficits

Private sector unions will be focused on protecting benefits and defending jobs.

The recession and its effect on pension security may spur government, employers, and unions to deal with flaws in the pension system.”

Industrial Relations Outlook: A Recovery Offering Little Relief. Conference Board of Canada, January 2010

Labour Relations in Local Government

EXHIBIT 11-1: CHANGE IN TOTAL EMPLOYEES AND UNIONIZED EMPLOYEES IN LOCAL GOVERNMENT 1982-2007

	Total Employees	Total Union Members
1982	81,500	69,365
2007	96,949	87,749
Percent Change	19.0%	25.2%

- Mostly CUPE, then BCTF
- Different reality bargaining in public sector

LOCAL GOVERNMENT IN BRITISH COLUMBIA, Fourth Edition, 2008, UBCM

Municipal Agreements Expiring 2010

Abbotsford
Chilliwack
Courtenay
Greater Victoria LR Association
Kamloops
Nanaimo
Northern Cowichan
North Vancouver
Quesnell
Port Moody
Prince George
Richmond

Future 3 “Rs” of HR

Recruitment

Retention

Relationships
(employee engagement)

It's all about Managers – DUH!

1. The keys to financial success in business are not the strategies or the systems of the firm.
2. Employee attitudes cause financial results and not the other way around.
3. The character and skill of individual managers, who practice what they preach and recognize their role in coaching employees, are what count.
4. "It's about character and courage," and "it's very, very scarce."

(Maister)

It's all about Managers – DUH!

If a business wants its people to make a lot of money for it, then it must

- set high standards, and
- give employees something they can get excited about.

These employees must be managed by someone who is

- trustworthy,
- cares about people as well as the business, and
- acts with integrity.

David Maister, a former faculty member at the Harvard Business School and a best-selling author, recently surveyed 5,589 respondents in 139 professional service firm offices worldwide to determine the best predictors of positive financial performance of the business. *Practice What You Preach: What Managers Must Do to Create a High Achievement Culture*, 2001



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**Certified Human
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(CHRP)**



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