

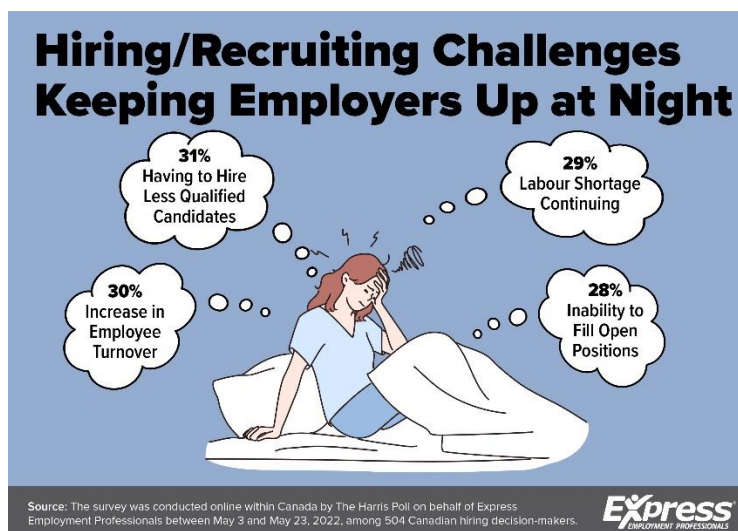
Lack of Qualified Candidates and High Employee Turnover Are Top Concerns Keeping Employers Up at Night

75% Expect to Face Hiring Challenges in the Next Year

TORONTO, Dec. 28, 2022—Three-quarters of Canadian employers (75%) say they are facing hiring challenges that keep them up at night, according to a survey from The Harris Poll commissioned by Express Employment Professionals.

While most companies (70%) have a generally optimistic outlook when it comes to hiring in the year ahead, a majority (75%) expect to face hiring challenges over the next year causing them a great deal of worry.

The top hiring issue, which one-third of employers are concerned about (31%), is having to hire less qualified candidates to fill open positions. There is a large proportion of companies that say they have open positions they cannot fill (40%), with the most cited reason being because applicants lack relevant experience (42%). As a result, some employers are hiring candidates they may not have hired when the labour market was not as tight.



The next biggest hiring concern keeping employers up at night is employee turnover (30%). Despite improved pay and benefits, more than one-third of companies (35%) have experienced an increase in employee turnover so far this year, a significant rise from the quarter (24%) who from 2021. For companies that have experienced increased turnover this year, the main causes identified include better pay and/or benefits offered elsewhere (36%), employees resigning (35%), employees feeling overworked (33%), retirements (30%), increased workplace demands (29%) and better perks offered elsewhere, such as summer Fridays and unlimited vacation days (28%).

Labour shortages follow closely behind as being a concern for employers (29%). Three quarters of businesses (74%) say they have been affected by labour shortages in some way. In response, two-thirds (66%) say they have taken steps to make hiring easier, such as offering remote work (24%), offering higher starting salaries (20%), offering hiring bonuses (17%) and reducing qualification criteria for open positions (14%).

The survey reflects what is being seen by Michael Elliott, an Express franchise owner in London and Kitchener, Ontario.

“Employers continue to struggle to find candidates with the right skills, and in many cases have made compromises on skills in order to simply fill the roles,” said Elliott. “With most companies continuing to struggle to find enough workers to fill gaps in their headcount, many have increased pay to keep up with surging compensation demands brought on by the shortage of workers.”

He reports that more companies have trained and re-trained employees in order to fill unopen positions.

“The inability to find qualified workers means companies now have to invest in additional training to get the candidates to the right level to satisfy the job requirements,” said Elliott. “It’s a longer process, but it demonstrates the company’s willingness to invest in employees and hopefully create a stronger commitment from the worker.”

Elliott says that the hiring challenges faced by employers will continue as long as consumer spending remains high.

“In the current market there is still a lot of job shifting because workers know their worth in this tight labour market. And workers will jump ship not once but several times in order to boost their overall earnings, opting to work with any company that has higher wages,” said Elliott. “Even if efforts to curb inflation are successful and turnover and wages plateau, wages will not return to pre-labour shortage levels.”

His advice to employers struggling to find workers: “Find out why employees are departing and implement the strategies needed to retain good employees.”

Demand for top talent is still incredibly high and even if all the other pieces fall into place, such as sufficient product and demand, businesses can't operate without workers, according to Express Employment International CEO Bill Stoller.

"With some promising signs of inflation easing and more job seekers entering the picture, my hope for the new year is that employers can finally catch a break and get a good night of rest after the tumultuous past two years," he said.

Survey Methodology

The survey was conducted online within Canada by The Harris Poll on behalf of Express Employment Professionals between May 3-23, 2022, among 504 Canadian hiring decision-makers (defined as adults ages 18+ in Canada who are employed full-time or self-employed, work at companies with more than one employee and have full/significant involvement in hiring decisions at their company). Data were weighted where necessary by company size to bring them into line with their actual proportions in the population.

If you would like to arrange for an interview to discuss this topic, please contact Ana Curic at (613) 858-2622 or email Ana@MapleLeafStrategies.com.

About Bill Stoller

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment International. Founded in Oklahoma City, Oklahoma, the international staffing franchisor supports the Express Employment Professionals franchise and related brands. The Express franchise brand is an industry-leading, international staffing company with franchise locations in the U.S., Canada, South Africa, Australia, and New Zealand.

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At Express Employment Professionals, we're in the business of people. From job seekers to client companies, Express helps people thrive and businesses grow. Our international network of franchises offers localized staffing solutions to the communities they serve across the U.S., Canada, South Africa, Australia, and New Zealand, employing 586,000 people globally in 2021 and 10 million since its inception. For more information, visit ExpressPros.com/CA.