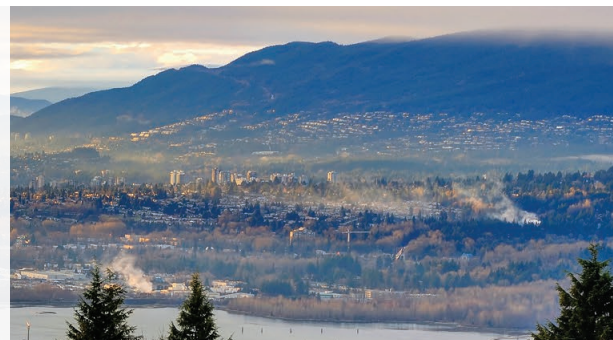


# SOUNDING BOARD



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## Financial crunch on horizon for Metro Vancouver businesses

### BUSINESS CONDITIONS | Survey finds headwinds expected in 2023

Rapidly increasing costs are top of mind for Metro Vancouver businesses, according to new data released by the Greater Vancouver Board of Trade and the Canadian Chamber of Commerce's Business Data Lab.

The top five obstacles Metro Vancouver businesses are expecting in the first quarter of 2023, as reported in the latest edition of the Canadian Survey of Business Conditions, are rising inflation (55%), the rising cost of inputs (44%), rising interest rates (43%), rising real estate and leasing costs (36%), and recruiting skilled employees (36%).

Nearly half of businesses in Metro Vancouver (48%) expect operating expenses to increase in the next three months, while 47 per cent expect profitability to

decrease and 30 per cent expect to raise prices. A full 65 per cent of businesses reported they are very likely (37%) or somewhat likely (28%) to pass on any increase in costs to customers.

"The labour challenges and borrowing costs of the past year are beginning to manifest in a liquidity crunch that will put many of the businesses still carrying significant debt from the pandemic at risk," said Bridgitte Anderson, President and CEO of The Greater Vancouver Board of Trade. "We need governments laser focused on reducing barriers associated with doing business in our region and creating efficient permitting processes, not increasing costs and fees."

"Persistent labour shortages and difficulty finding skilled



workers will be compounded by a looming wave of retirements to create a truly challenging business environment. It will take a coordinated effort from the business community, education sector and governments to ensure that we have the skilled

workforce our region needs to thrive," Anderson concluded.

Metro Vancouver businesses plan to increase compensation to attract and retain talent, with three quarters (74%) reporting that they will raise wages in the coming year. Concerningly,

The labour challenges and borrowing costs of the past year are beginning to manifest in a liquidity crunch



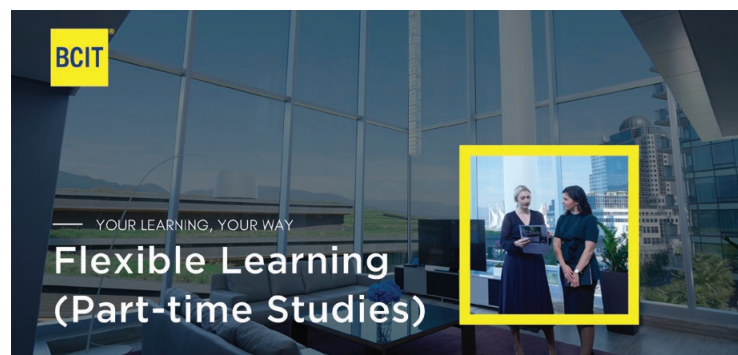
more than a third (36%) of businesses have no plan in place to address expected retirements. With businesses in every sector experiencing the same challenge, organizational ability to recruit and retain talent will be a key determinant of success in 2023. SB

## Flexible learning is key in addressing skills and labour gap

### TRAINING | Flexibility key to addressing workforce gaps

Following a global pandemic, along with inflation and supply chain challenges, employers across sectors are experiencing acute labour shortages. Job vacancies hit a record high in the second quarter of 2022, according to Statistics Canada. While B.C.'s latest Labour Market Report forecasts more than one million job openings in the next decade, many of these jobs remain unfilled as Canada undergoes declining labour force participation rates. Employers are challenged with skilled employee retention and recruitment. The labour shortage is only expected to intensify as the working population ages, labour reshuffles, and the ripple effects of the pandemic and inflation persists.

The British Columbia Institute of Technology's (BCIT) recent launch of Flexible Learning signals an evolution in how industry, government, and post-secondary can collaboratively build an agile workforce that



supports the economic resilience of British Columbia and beyond.

"Accelerated demographic shifts in the workforce and economic challenges across industries have heightened the need for quick and relevant upskilling to fulfill in-demand jobs. BCIT Flexible Learning answers this need," said Jennifer Figner, BCIT Associate Vice President, Academic Operations. "Ultimately, flexibility reduces barriers to education and allows learners to choose and customize the post-secondary experience that's right

for them today."

#### Flexible Learning: Reducing barriers to upskilling for the workforce

Flexible Learning encompasses a suite of learning options – part-time courses, microcredentials, industry services, and free online learning courses – that allow learners to choose when, where, how, and what they learn. Learning is short, accredited, industry-focused, customizable, and self-paced so learners make the most out of their time and

resources.

Learners are able to start with one course and if it's the right path, take more courses and ladder credits towards earning a program credential – whether that's a certificate, diploma, bachelor's degree, or even a master's degree. This is particularly beneficial during times of economic challenge as learners can seek a shorter-term accreditation for the skills and competencies needed to ladder into in-demand jobs – rather than investing more resources into a longer program.

This "a la carte" approach allows learners to pay and take what they need – one step at a time – while promoting equity in education and contributing towards a diverse workforce.

In some cases, learners have obligations to fulfill, such as being a homemaker during the day or working part-time. In other cases, they may have received their professional training in a foreign country and need to complement their previous schooling

in order to align with Canadian requirements. Regardless of the circumstance, Flexible Learning provides convenient access for learners to expand on the breadth and depth of their skills so they can take their careers to the next level.

The Environmental, Social, and Governance (ESG) Fundamentals Microcredential launched jointly with BCIT earlier this year reflects the success of a flexible learning option that responds to industry needs. Through the ESG Microcredential, organizations have been able to quickly upskill their talent to help advance towards a regenerative economy, as well as to embrace relevant opportunities for innovation.

By reducing barriers to upskilling, more learners have the opportunity to pursue pathways to employment. In turn, this contributes towards fulfilling the skills gap in B.C. and in building an agile workforce that is attractive for business and economic development. BCIT

## EMPLOYMENT | Reimagining employee benefits

### Understanding the total compensation package

Employers and employees alike are experiencing a significant shift in the workplace. Employees now expect more support and flexibility from employers in the aftermath of the pandemic - and as the economy recovers, an under-supply of workers is concerning Canadian businesses, with the potential to impede their growth and compromise their competitiveness.

The tight labour market is due to several factors. Fewer applicants, underskilled people applying, and furloughed and laid-off employees finding work elsewhere all contribute to a shortage of people. The problem is further amplified by an aging population leaving the workforce. Called the “great resignation”, the labour scarcity is expected to continue for years. The Global Workforce Hopes and Fears Survey found that one in five workers globally plans to quit their job in 2022.

It’s essential that companies struggling to recruit and retain the talent get creative with their total compensation package – and this doesn’t just mean salary, it means offering the personalized and flexible benefits that prospective employees want.

#### Taking a holistic view when it comes to employee benefits.

Due to the overabundance of

job openings, employees have more options. They have more control and flexibility in looking for work that meets their expectations and aligns with their values, which have changed since the pandemic began. What candidates want is to work for an employer that prioritizes the health and wellness of their people. In fact, 77% of employees said they would leave their current organization for one that would offer them better support for their wellbeing (even with a lower salary).

A survey conducted by The Conference Board of Canada and TELUS Health found a gap of up to 83% between the benefits Canadian employees have – and the benefits they want from – their employers. A gap of 83% is large, and significant enough to lead to employee disengagement and high staff turnover.

“The survey was designed to gain a deeper understanding of the current and evolving needs of Canada’s workforce amidst a global pandemic when it comes to their health needs,” said Lauren Florko, Senior Research Associate, The Conference Board of Canada. “We found that 33% - 59% of respondents said that health and wellness support offered by their employers does not reflect their current needs.”

Employee surveys across the

TELUS Health

### Reimagining Employee Benefits

country echo the same sentiment about the importance of benefits. According to a new survey by Robert Half Canada Inc, 49% of respondents say benefits are the second-most important factor when considering job offers.

If employers are to set themselves apart, make their employees feel valued, and increase retention, they must take a holistic view when it comes to health benefits and the total compensation package.

Often, “compensation” is thought of as salary, but it is only one part of a total compensation package, which should also take the following into consideration:

- Financial benefits such as pension plans, retirement savings plans, and profit sharing
- Personalized health services that include basic dental, eye exams, glasses/contacts, and prescription drugs for all employees (including part-time employees) and their family



(respectively) of respondents rating them as essential

- Unique perks such as gym memberships, free day-care, training stipend, paid volunteer days, and tuition reimbursement

#### The return on investing in a happier, healthier workforce

Traditionally, when evaluating the return on investment, or ROI for a total compensation plan, employers will look at financial outcomes such as savings realized from fewer claims. There are, however, different ways to evaluate the impact of a total compensation plan beyond savings on claim costs.

Value on investment or VOI looks at how a program affects qualitative business attributes such as morale, recruitment, retention, satisfaction, presenteeism, and engagement.

A workforce that is valued and cared-for will be more engaged and more productive. Engaged employees take fewer sick days, and may remain with their company longer. Additionally, an organization that demonstrates genuine concern for the health and wellbeing of its people and their families will stand out in a competitive labour market, finding it easier to recruit and retain good talent.<sup>9</sup> The result of investing in the health and wellbeing of your employees means a happier, healthier workforce overall - and that’s where the real value lies. TH

members

- Mental and emotional health resources, wellness groups, check-ins to monitor progress, and surveys to measure engagement - helping to stave off employee burnout and fatigue
- The integration of digital health solutions such as virtual care, EAP’s, and virtual pharmacy services that can provide on-demand, 24/7 access to health and wellness services, and financial and legal assistance programs -- allowing employees to easily and proactively fit primary care and mental health support into their day-to-day lives
- Flexible work arrangements, including working from home, to help employees overcome concerns of long commutes and poor work/life balance. Flexwork and telework have increased in importance for employees, with 65% and 72%

## LEADERSHIP | One-to-one with Brad Liski

### Aligning purpose and passion

Welcome to the latest installment of Q&A, our regular series of one-to-ones with some of Greater Vancouver’s leading business figures. Brad Liski is the co-founder and CEO of TruEarth.

#### What was your first job?

My first job was separating screws from these little paper holders for my dad’s cabinet making company. I was not yet even 10 years old, and I still remember how painful the screws were on my fingers. My first job outside the family business was as a dishwasher at the Keg in Regina.

#### What inspires you?

I enjoy seeing people do more

than they ever thought they could. It’s inspiring to watch people – whether family, friends, colleagues, or peers – challenge their own belief systems and rise above their fears.

#### What do you like most about doing business in Greater Vancouver?

As a business leader, I appreciate Greater Vancouver’s diversity of workforce and the fact that people have well-rounded experiences and talent.

#### What is your most prized possession and why?

I used to have an answer for this, but the past few years have changed my thinking around “prized possessions.” My most



### ONE-TO-ONE WITH BRAD LISKI

CO-FOUNDER AND CEO,

TRU EARTH

cherished thing is an old radio on my desk that my dad had on job sites when I was a kid.

#### What keeps you awake at night?

I ask myself, “Are we moving fast

enough to truly reverse climate change?” I put daily pressure on our leadership to be bold, go faster and stretch their thinking. Now is the time for action and people want easy solutions, so that’s what we must do.

#### What do you think makes a great leader?

A great leader stretches the thinking of the people around them and inspires them to focus on action over words. In the case of business, leaders also set an example and push themselves more than they push their team. They are willing to reverse a decision when it’s clear it was wrong, and then apologize for the misjudgment. This courage enables them to people to speak up and clean up when they are wrong.

I try to emulate values I learned from my dad to Be Humble, Be Kind and Get the Work Done. BL

Tru Earth® based in Vancouver, Canada is a leading eco-friendly household product company committed to eliminating plastic from landfills and oceans.