

EMPLOYER Labour Market News

CALGARY AND AREA

Government
of Alberta ■



Identifying and building leadership

IDENTIFYING AND BUILDING leaders in a workforce takes time, commitment, and effort, but it is worth it—for everyone.

Aspiring leaders value the growth opportunity, and are prepared to take on more challenging and fulfilling roles. Meanwhile, the organization gets quality staff, reduced turnover rates, strong supervisors, and builds the capacity to innovate and adapt in a changing business climate—an important asset in an aging workforce.

The leaders that built much of Canada's post-war economy will soon retire, and they will need to be replaced, at all levels.

The skills needed by a junior supervisor, a lead hand or a head cashier are basic but crucial. The people that will take on these crucial roles need to be identified early, and trained to set them—and your company—up for future success.

No company has the same plan for building its leadership, and no company should—different companies will need different leaders. Still, companies that do a



great job of building up their talent tend to take at least three basic steps:

- Step one:** They know what kind of leadership they need to match their strategic goals (see page 2).
- Step two:** They identify potential leaders (see page 3).
- Step three:** They invest in developing leadership skills (see page 4).

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Notice: As of March 31, 2010, the Department of Employment and Immigration (E&I) will no longer be producing the Calgary & Area Employer Labour Market News publication. Prior issues of Labour Market News, as well as labour market information in general, are available in the Career & Business section of the E&I website employment.alberta.ca/. Related labour market information is available online on the Alberta Learning Information Service (ALIS) website alis.alberta.ca. This publication and other labour market information products can be found online at employment.alberta.ca/calgary.



Step 1: Look ahead, then look for leaders

The first thing to do when you are looking to develop talent is to figure out what skills you want and need.

Successful leadership development programs depend on identifying the leadership competencies most important to your business.

“You have to know the hole first before you can fill it,” explains Sharlene Massie, CEO of About Staffing. “You have to figure out what your end goal is going to be as far as what you are trying to accomplish in the workplace.”

Taking a hard look at where your organization wants to be in the long term is a critical part of the exercise. “It’s that vision thing,” says Massie. You have to look at the big picture.” And you can’t stop thinking about the future.”

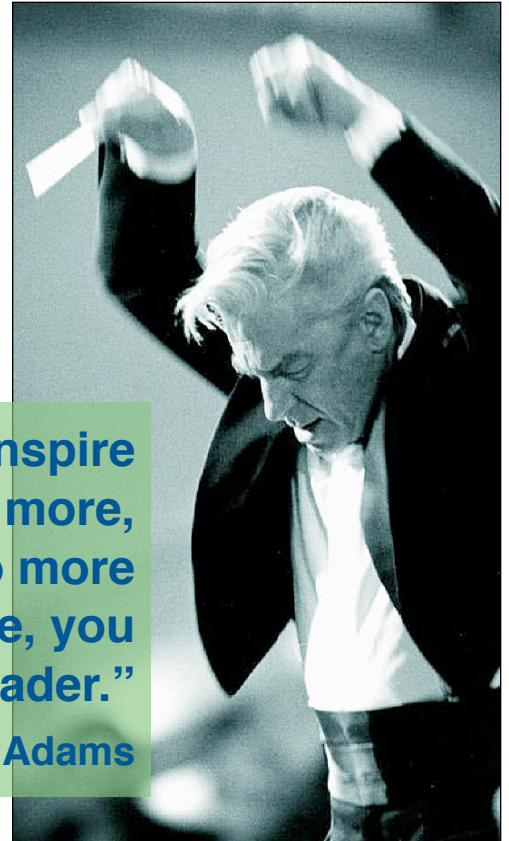
A Hewitt Associates study of the world’s top companies for

leadership development found they never lost their focus on the long term objectives, even during a downturn.

“All the value we create comes from our people — that doesn’t change if we are in a recession or if we are growing rapidly,” said A.G. Lafley, chairman of the board at Procter & Gamble.

“If your actions inspire others to dream more, learn more, do more and become more, you are a leader.”

— John Quincy Adams



Questions to help determine leadership needs

The first job in building leadership within a workforce is to show some leadership and define where the organization is going. Here are a few questions that might help get that process started.

- What problems need to be solved with a leadership development program?
- Where is there a lack of leadership? Is it with senior managers, middle managers, or supervisors?
- Are you experiencing a high failure rate for new managers?
- Is there a lack of leadership for a specific function like sales, or logistics?
- What sort of leadership is missing? Is it a lack of engagement, organization or follow-through?
- Is there a lack of successors for key positions? If so, which positions?
- Is growth an issue?
- Is there a need to build leadership talent for new openings due to rapid growth?
- Is the early identification of potential leadership talent a challenge?
- Is the organization losing leaders early? If so, why? Do they feel they have no options for career development? Are they frustrated by corporate culture, or bureaucracy? Do they feel undervalued?
- Do you anticipate a wave of upcoming retirements that could create demand for new managers?
- Are the employees with potential unwilling to consider management promotions due to negative perceptions?



Step 2: Identify leadership talent

There is no guaranteed formula for leadership. But some of the more common traits that set leaders apart include emotional maturity, self-awareness, social and communication skills, and a willingness to take on risk and embrace change.

Many of these qualities are hard to test for, and employers face a challenge if they want to identify leadership potential. One place to start looking is in the daily operations of the business.

How someone behaves handling day-to-day business is a good indication of how they will behave with larger responsibilities. The potential leaders are often the ones taking initiative, the ones who jump at the chance to take responsibility and solve a problem, and those keeping an eye on the needs and performance of other staff (see right for more clues).

Naturally, the most common opportunity to spot leadership talent is at work, but Massie suggests employers look outside the workplace too. “Semi-formal venues can be helpful when you are identifying leadership talent,” says Massie.

“We have a staff meeting every Friday, and everyone goes over their career goals, but we also talk about personal goals as well. In this type of environment, you get a much better idea of what people want out of work.”

Massie isn't suggesting giving up all formality. She is suggesting a balance. “There has to be a regimented part of the assessment process and annual performance reviews are essential,” says Massie. “But you have to be watching for the whole person as well—you need to include the water cooler conversations.”

Even while keeping an eye out for budding talent, it can still be difficult. And if you are having difficulty identifying leadership talent, running a small test can help. Hand out a minor project and see how it goes. Leaders will usually jump at the chance. But if there's opposition, don't push it too hard.

“Some people are quite happy to stay 10 to 20 years in the same job,” says Massie. “And that's OK. If you do promote someone who really doesn't want to be in management, you can find yourself scratching your head after they leave the company.”



What to look for in a leader

Do you have a cashier who is the go-to for questions from other cashiers? Or a third-year apprentice who is unofficially mentoring the newer workers? Is there a customer service rep who keeps clients happy by really thinking about the problem and coming up with solutions? They are all potential leaders.

One fairly reliable way to identify a leader is when an employee consistently meets goals. If they have the capacity to manage their own duties, they may have the capacity to manage more. But here are few other qualities often exhibited by people with leadership potential:

1. Leaders often like leading, and they tend to step up to opportunities.
2. Leaders often bring out the best in others.
3. They have integrity, admit mistakes, and don't let their egos get in their way.
4. They seek out and welcome feedback.
5. When it comes to learning, they exhibit a lot of agility by trying out new perspectives and learning from mistakes.
6. They tend to be adaptable, adjusting to new situations and people quickly.
7. Even without all the facts, they can simplify complex situations and make decisions.
8. Leaders are often good conceptual thinkers. The best leaders keep the big picture in mind, and they think ahead.
9. Most leaders understand their corporate culture and work well in it.
10. Leaders tend to have a passion for results.

Source: Development Dimension International



Step 3: Develop leadership talent

Formal training is often essential to develop leadership skills, but it is just one part of the solution.

Leaders often build on the advice and example set by mentors and co-workers. There are options for self-study, and outsourced workshops. Perhaps most importantly, leaders thrive and develop on their own in environments where they are allowed to succeed.

Sending the right message is an easy start to leadership development, but giving the wrong impression can be devastating. “You have to be careful with your messages to employees,” says Massie. “The wrong message can stop a company from growing.”

Some of the most effective ways to develop leadership talent is to let people try a new task. “Giving people a chance to lead a project is a wonderful way to build on leadership skills,” say Massie. “Even if it is something small, leaders will rise to the occasion. It’s probably one of the best techniques.” Be careful not to set up your staff for failure though—make sure they have the tools they need to succeed.

Building the right environment for leadership development is another relatively inexpensive approach



that yields excellent results. “You have to try and foster an environment that allows individuality, open communication and honesty and that is not intimidating,” says Massie. But as with all things to do with culture, change is time-consuming. “It has to start on the first day of employment and go all the way through the employment relationship.”

Other options for inexpensive but effective leadership development rely on tapping the latent

resources of your employees. “Mentoring and setting up a buddy system are easy,” says Massie.

It can be surprising to find out how much leadership talent already exists in your organization, but sometimes it is best to call in the professionals, and seek expert advice.

Training options

If there’s one thing going for leadership development it’s an abundance of resources and advice. There are books, consultants who will help you understand your leadership needs, leadership workshops, and executive consultants.

But since every person learns differently it can be important to take an open and mixed approach to leadership development.

Lectures, small group discussions, case studies, team presentations, videos, e-learning and workshops can all have very different results

“Leaders are made, they are not born. They are made by hard effort, which is the price which all of us must pay to achieve any goal that is worthwhile.”

— Vince Lombardi



for different people. And focusing on a 'silver bullet' for training will leave talent behind.

The University of Calgary Continuing Education program has a leadership [course](#). You may want to bring in a speaker or consultant for a seminar. The Speaker's Bureau of Alberta is a good place to start looking ([speakersalberta.com](#)).

The Banff Centre ([banffcentre.ca](#)) offers public programs and custom solutions for leaders in the corporate, government, Aboriginal, arts, and non-profit sectors.

7 Habits trainers base their leadership techniques on the best-selling book, *The Seven Habits of Highly Effective People*. Dates for public workshops and other information can be found at [franklincovey.ca](#).

SkillPath is a reputable training organization ([skillpath.com](#)), and the U of C Continuing Education offers a number of relevant courses, like project management, business seminars for emerging leaders, personal and workplace effectiveness ([conted.ucalgary.ca](#))

SAIT offers a suite of Business and Operations Management courses: [sait.ca](#).

The generation gap

One major impediment to fostering a workplace conducive to leadership development is the gulf between generations. "The baby boomers sometimes do not appreciate what the new generation is bringing into the workplaces," says Massie. "They sometimes do not appreciate the incredible technological skills they bring, the creativity, or innovations in the way people work and

manage their work-life balance. These are things that are becoming more important and need to be incorporated."

Stay focused

However you decide to build leadership in the workplace, the key is being consistent and making leadership development a priority.

Companies that succeed in developing their leadership talent, like IBM, are built that way from the ground up. It's not a huge part of the budget, but they work at it and make time. They have formal procedures and mechanisms in place for identifying and developing leaders.

So if you know what you want, look for it and develop the talent. Then you will find the leaders needed for success.

16 different roads to acquiring leadership skills

There is no single guaranteed path to becoming a great leader. Like leadership style, the route depends on the individuals, But there has been a lot of thought given to this subject, and below is a list of 16 development experiences that have a big impact on leadership development published in *The Lessons of Experience* (McCall, Lombardo and Morrison).

Assignments:

- Early work experiences: early non-managerial jobs
- First supervision: first time managing people
- Starting from scratch: building something from nothing
- Fix it/turnaround: fixing/stabilizing a failing operation
- Project/task force: discrete projects and temporary assignments done alone or as a part of a team
- Scope: increase in numbers of people, dollars, and functions to manage
- Line to staff switch: moving from line operations to corporate staff roles

Other People:

Role models: other people with exceptional (good or bad) qualities

Values played out: "snapshots" of chain-of-command behaviour that demonstrate individual or corporate values

Hardships:

Business failure or mistakes: ideas that failed or deals that fell apart

Demotions/missed promotions/lousy jobs

Employee performance problem: confronting an employee with a serious performance problem

Breaking a rut: taking on a new career in response to discontent with the current job

Personal traumas: crises and traumas such as divorce, illness, and death

Coursework: formal courses

Purely personal: experiences outside of work.



Buying into consumer confidence indexes

EVER WONDER WHAT goes on in the mind of an economist?

Take a casual conversation over coffee talking about the new car you plan to buy. On the other side of the coffee, an economist might be thinking to himself, “Hmmm... are there a lot of people planning to buy a new cars? Because if they do, that’s going to make a big difference to car dealerships, and will boost auto manufacturers.”

And that, in a nutshell, is why economists create and use consumer confidence indexes. The idea is that a happy consumer—one who *feels* that their standard of living is increasing—is more likely to spend more and make bigger purchases, like a new car or home. That in turn, will pump up the rest of the economy.

How does it work?

There are different indexes out there (including a new one from RBC), but the Conference Board of Canada’s Index of Consumer Confidence (ICC) is the oldest and probably the most widely used in this country.

The product itself is produced every month and is based on four survey questions posed to a random sample of Canadians. If you happened to be one of the Canadians picked, this is what the Conference Board would ask:

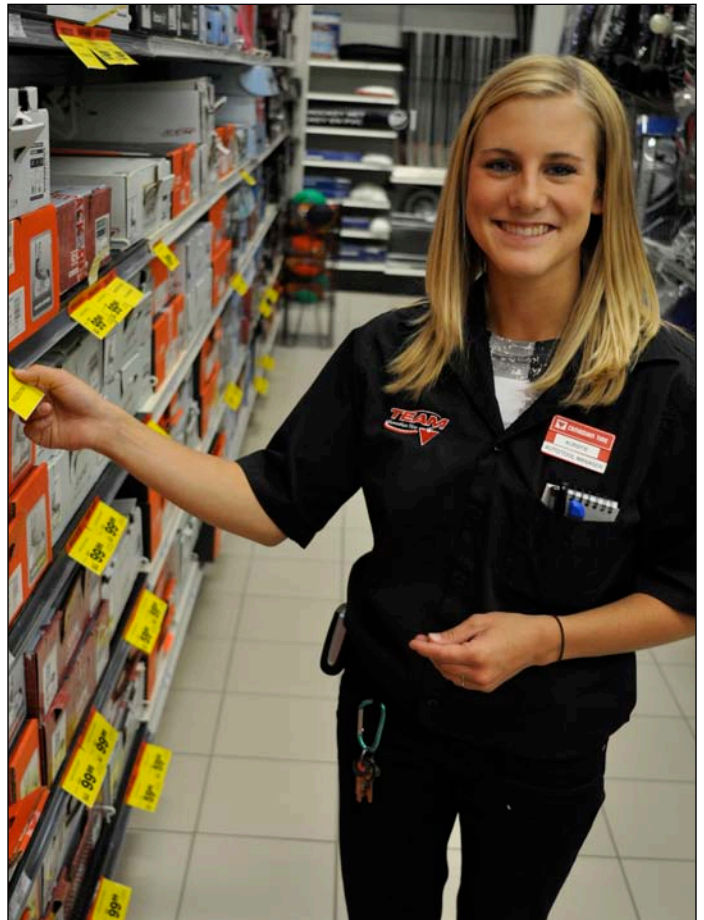
Question 1: Considering everything, would you say that your family is better or worse off financially than six months ago?

Question 2: Again, considering everything, do you think that your family will be better off, the same or worse off financially six months from now?

Question 3: How do you feel the job situation and overall employment will be in this community six months from now?

Question 4: Do you think that right now is a good or bad time for the average person to make a major outlay for items such as a home, car or other major item?

“The idea is to come at the question of consumer confidence from a number of directions,” explains Todd Crawford, an economist with the Conference Board of Canada. “If people are confident about their work situation, it’s a good indication they will feel comfortable spending. The first two questions on people’s financial situations are also important. They give us perspective on how people perceive whether now is actually a good time to be spending money—if they feel that things will



Consumers willing to spend money help keep retail workers employed. They also help keep the manufacturers busy churning out products for stores.

get better or worse—and that can be a good indication of people’s spending plans.”

The positive responses to each question are added, then divided by the total number of positive and negative responses. All four numbers are averaged which produces the final index value for the month.

Why read it?

Since about 60 per cent of Canada’s economy is made up of consumer spending, what consumers think is no idle question. “It’s a major part of our economy,” says Crawford. “How consumers behave has ripple effects on nearly every sector.”

If your company is in the retail industry, you definitely want to keep close tabs on consumer confidence. As one of the most timely gauges of what’s going on in the minds of customers, retailers can stock their shelves to match the moods and intentions of their customers.

For manufacturers, widespread consumer optimism usually means more products to build and sell.



Even oil and gas producers should sit up and take notice when consumers change their mood. As consumers gain confidence, they are more likely to travel abroad, spurring demand for fuel. As they lose confidence in the economy, they may cancel long vacations or start taking the bus to save money.

Possibly the only business where you might not bother with reading the ICC is if you were in exports. But then, you should probably be reading the confidence indexes in your export markets.

Strengths and weakness

Consumer confidence indexes are highly subjective, and that's how they should be read.

For example, consumer spending can drop after gas prices rise, not realizing that as a percentage of their spending, the increase in fuel prices is trivial. But sometimes, perception matters more than reality.

"In many cases, what is actually going on is not what people think is going on," says Crawford. "We have had times when the economy was doing well and consumer confidence dropped. And there have been times when the economy was losing jobs and consumer confidence rose."

A good example of a break between mood and the cold hard facts happened at the beginning of the recession starting in 2009. While income levels and employment were still fine (in Canada at least), consumer confidence was falling as bleak news reports streamed in from the USA. In the end, the cold hard facts were less reliable than popular opinion.

Subjective or not, this indicator seems to do a good job of predicting actual spending in the future. "We did a statistical analysis and found a 10 point rise in the ICC correlates to a 0.2 per cent increase in consumption,"

Strengths

- + One of few indicators that targets average households
- + Has historically been a good predictor of consumer spending and, therefore, the **gross domestic product** (consumer spending makes up more than two-thirds of real GDP)

Weaknesses

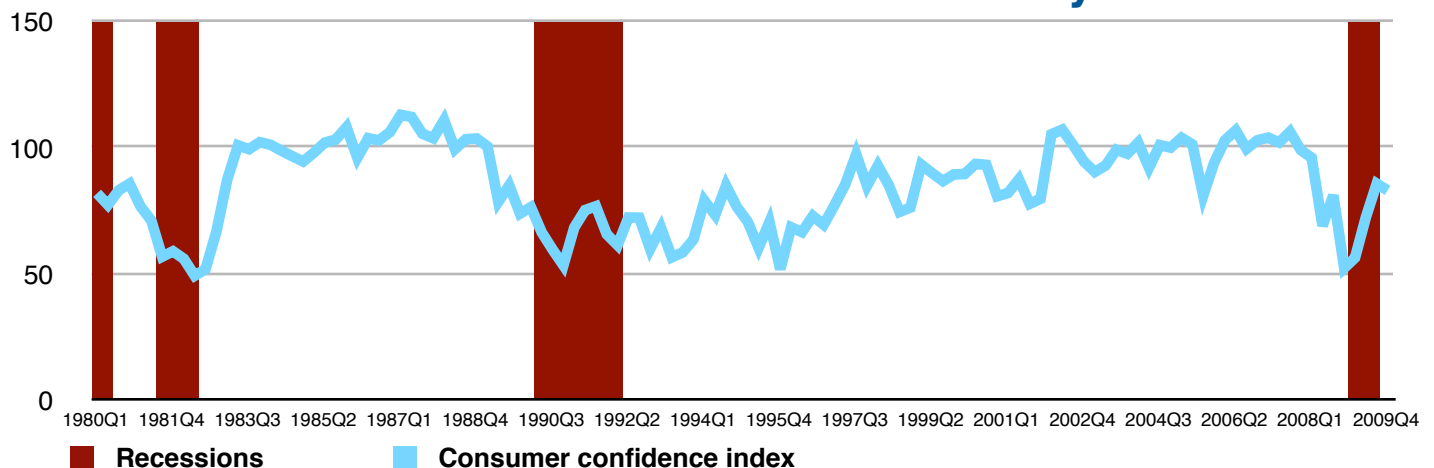
- A subjective survey
- Survey results may contradict other indicators, such as GDP

says Crawford. "And if there is more spending in the economy that usually results in higher corporate profits and higher investments. This creates jobs, which creates more income, which creates more spending. There certainly is a multiplier effect."

However valuable this index is, Crawford warns there are limits. "Other things go into GDP growth that wouldn't otherwise be affected by consumer confidence like exports and government spending."

That said, Crawford says employers may want to think about taking a closer look at this number. "We have a lot of small- to mid-sized businesses using this. Some of them have found it to be extremely useful, and if you are in the business of retail sales this is of interest. But the industries behind retailers should also pay attention, because this gives them an indication of what demand is going to be over the next six to 12 months."

Consumer confidence since January 1980



Sources: Consumer price index: Conference Board of Canada. Recession dates: Statistics Canada.



Why use Labour Market information?

THE MORE EFFICIENTLY the labour market works, the more productive and competitive the economy will be. To function properly, labour markets rely on *labour market information* (LMI) so participants can make decisions that match conditions—the better the information, the better the decisions.

LMI can come packaged as raw objective numbers in a file, a booklet on workplace regulations, or in the story of a worker's daily experience. It includes any information on the labour market including unemployment rates, education needs for a certain job, skills shortages and advice on managing your workforce.

“This type of information is vitally important,” explains Elizabeth Beale, a member of the advisory panel on labour market information for the Forum for Labour Market Ministers. “Recruiters need this information to match up available supply and demand. Large employers need it when they are planning expansions and they need to know the availability of certain types of occupations of skilled workers. Families need it to help young people make decisions on careers.”

Because LMI is targeted to a variety of participants in the labour market, it makes sense to divide it by audiences and the decisions they need to make. Job seekers and employees use LMI to help find the right

job, choose a career plan and training to match their goals.

Governments and businesses making policy decisions, expansion plans or deciding how to handle a slowdown also need LMI.

If LMI is working well, it is like oil in an engine. It lets the parts of the engine operate smoothly together. And it doesn't take much to make a big difference when the information flows freely. Workers know where to look for jobs and employers know where to look for workers.

Canada spends less than \$100 million a year on LMI. If that spending delivers reduced unemployment or raises salaries by a mere one tenth of one per cent, it will deliver an \$800 million boost to the GDP.

Using LMI effectively can help governments and businesses make the right decisions. It can also prevent some really bad ones. “This is not just research. It matters a great deal,” says Beale. “We can make big mistakes if we do not have a full understanding of the labour market.”

Beale says most businesses understand the value of LMI, but face the bewildering task of finding the right LMI for their needs. Below are some valuable LMI sources available for employers to help them avoid mistakes and make the most of the current labour market.

Where to find (LMI) products

Government sources

If you are looking for the latest information on Calgary's labour situation, make a point of reading the *Calgary & Area Labour Market Quarterly & Annual Report* at employment.alberta.ca/calgary. What sets these reports apart is timeliness. Each report includes the results of a survey of 200+ employers and their comments. At the municipal level there is no better way to get a feel for employer sentiment.

The main portal for provincial labour market information is **Alberta Employment and Immigration** (AEI) which has a webpage dedicated to the LMI at employment.alberta.ca/lmi. From this single page, there are links to labour supply projections, industry-specific plans for building Alberta's labour force and labour force statistics.

For employers, another important AEI webpage is the **Employer Toolkit** (employment.alberta.ca/eToolkit).

Here, you will get information on four key areas on four webpages:

- Inform:** Contains information such as occupational supply and demand data, industry profiles and labour market statistics.
- Attract:** Focuses on bringing new employees into the Alberta labour force, including resources on topics such as recruitment strategies, immigration and tapping into underutilized sources of labour.
- Develop:** Concentrates on ways to enhance and upgrade the skills of your current employees, including information such as available educational and apprenticeship programs.
- Retain:** Provides strategies and methods to help keep your current workers engaged, satisfied and willing to stay. Materials include how to keep safe and healthy workplace environments, creating more flexible work arrangements, ideas on delaying the retirement of valuable employees and more.



If you need some advice fast, a great provincial source is the **Alberta Learning Information Service** publications page (alis.gov.ab.ca/ep/careershop). This mix of publications is searchable and vast. Want a booklet on employment rules? It's here. Handling diversity in the workforce? There's something for that as well. And it's all free to download.

Job Futures (jobfutures.ca) offers labour market information for researching occupations, education, training, and insights into future trends.

For economic information and statistics about Alberta's economy visit the **Government of Alberta's** website (albertacanada.com).

Information about wages can be important to a company's competitive position, and they can be found on **ALIS** at alis.alberta.ca/WAGEinfo. In addition to the 2009 Wage and Salary Survey information, there is also a list of other wage data sources.

ALIS's OCCinfo is an important source of job descriptions (alis.gov.ab.ca/occinfo).

Statistics Canada collects and provides an enormous amount of information on Canada's labour market. The site is not the easiest to navigate, but the data forms the bedrock for much of the statistical analysis of Canada's labour market, and with some practice you can find some real gems at statcan.gc.ca. Much of the information on this website is free but the more detailed you get, the more likely it is you will need to pay for information using CANSIM (cansim2.statcan.gc.ca). This important tool has data from as recently as last year, and as detailed as employment levels by industry in a single region.

Visit labourmarketinformation.ca for the **federal government's** specialized Labour Market Information website. Built primarily for job seekers, this site does have information of interest to employers like salary information, reports on different regions and information on the overall labour market situation.

Non-government sources

The **Conference Board of Canada** has useful information about Canada's economy at conferenceboard.ca, including consumer confidence indexes.

Want to find out about one particular community? Try **Alberta First**, at albertafirst.com. Visiting a town's municipal website is also a great place to find information.

If you are interested about the labour issues in a particular sector of the economy, there is a **sector**

council that can help you. There are 33 councils in Canada representing different sectors of the economy. The oil and gas sector, for example, is represented by the **Petroleum Human Resources Council of Canada**. Its website (petrohrsc.ca) has a variety of information. All the sectors are under the umbrella of the Alliance of Sector Councils (councils.org). The Alliance's site also has a [list](#) of all the councils with their contact information.

Calgary Economic Development's website is full of information that will help employers understand the overall economy and its major industries. One great tool on the website is the business directory. Choose any sector of the economy and you will find local companies organized and filtered by size or income.

Never underestimate the importance of reading the morning **newspaper** when it comes to LMI. Calgary's two main papers, the *Calgary Sun* and the *Calgary Herald*, closely follow the major events that will have a profound impact on employers. Often, the information is not labelled as LMI, but if you know how to interpret economic indicators (see page 6, for example) the media is an excellent source of LMI.

The Business Link (canadabusiness.ab.ca) is a great resource for aspiring entrepreneurs or existing small business owners.

The **Calgary Chamber of Commerce** (calgarychamber.com) offers valuable information to employers on some of the most pressing HR challenges faced by employers, including TalentPool (chambertalentpool.com), a valuable repository of information on hiring and retaining underutilized segments of the population.

One last source of LMI... You

The sources listed above are all fairly formal. But don't abandon your instincts as you try and get a feel for the labour market.

If you suddenly start running into people who are looking for work, it could be just a statistical quirk, or it could be real.

What are the people in your industry saying? What are they doing? Where are they finding workers? How are they finding workers? These are all perfectly valid sources of information. Hunches, impressions and stories are all clues to what is going on in the labour market.



Need to learn more? Take online courses about employment standards!

Learning more about employment standards can be as easy as a click of the mouse!

The Alberta government's Employment and Immigration department offers [eLearning programs](http://employment.alberta.ca/SFW/268.html). (employment.alberta.ca/SFW/268.html).

These stand-alone, interactive, web-based awareness programs are designed to provide Alberta employers and employees with an opportunity to learn more about minimum employment standards in the workplace.

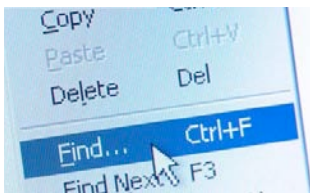
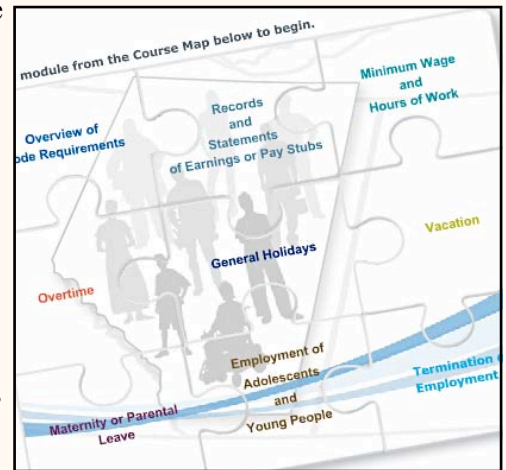
The following online courses are now available:

Dispute Resolution

Provides basic information and options to help address disputes in the workplace relating to payment of earnings, leaves, etc.

Basics of Employment Standards

This eLearning program will help you gain a basic understanding of the main topics of Employment Standards legislation.



Whether it is for workplace support or general knowledge, there are many places employers can turn for information.

Health and Safety

Work Safe Alberta

An organization committed to preventing work-related injuries.

employment.alberta.ca/whs-wsa

Canadian Safety Council—Occupational Safety and Health

Provides information on how to encourage safety in the workplace and deal with mishaps.

safety-council.org

Canadian Centre for Occupational Health and Safety (CCOHS)

Gives direction to employers regarding what to do if employees suffer from substance abuse problems.

ccohs.ca/oshanswers/psychosocial/substance.html

General Links

Calgary Chamber of Commerce

An organization for business in Calgary to network and learn business practices. calgarychamber.com

Where to find us

This publication and other labour market information products can be found at

employment.alberta.ca/calgary.

We welcome your feedback! Send comments or suggestions to ei.webmaster@gov.ab.ca.

Building and Educating Tomorrow's Workforce

Alberta government's 10-year labour force strategy. employment.alberta.ca/betw

Calgary Economic Development

Connects businesses to information and networks in the Calgary region and promotes the city.

calgaryeconomicdevelopment.com

Economic development in Alberta

Provides support and assistance to Alberta business and also compiles information on the Alberta economy.

albertacanada.com

Employee Relations

Alberta Employment and Immigration Mediation Services

Helps resolve disputes in the workplace through collective bargaining agreements.

employment.alberta.ca/mediationservices

Human Resources

Canadian Council of Human Resources Associations (CCHRA)

The human resources body combining efforts of 10 provincial and specialist human resources associations.

cchra-ccarh.ca

Alberta Employment Standards

Information on everything from minimum wage to maternity and parental leave.

employment.alberta.ca/employmentstandards

Alberta Labour Relations Board

Employment standards information for trade unions, labour law and more.

alrb.gov.ab.ca/index.html