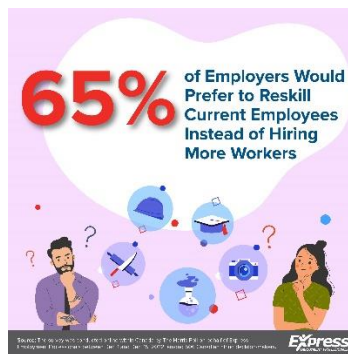


## Facing Persistent Skills Gaps, Employers Prefer Reskilling Current Employees Over Hiring New

*Half of Canadian Companies Provide and Pay for Employee Training, but Want Strings Attached to Ensure Employee Retention*

**TORONTO, April 12, 2023**—Two-thirds of Canadian companies (65%) prefer reskilling existing employees for open positions before bringing on new workers, according to a new survey from The Harris Poll commissioned by Express Employment Professionals.



Companies are facing ongoing difficulties in finding skilled workers, with the top reasons why companies have open positions they can't fill being lack of hard skills (43%) and lack of relevant experience (42%). At the same time, companies are struggling with high employee turnover, with 29% of companies expecting turnover to increase this year. This has made employers wary of investing in training for new hires and instead preferring to reskill their existing employees.

When it comes to who should be responsible for providing and paying for training, 75% of hiring managers say it should be the employer, and 77% of job seekers agree. Yet just under half (49%) of companies surveyed are currently both providing and paying for employee training.

But employers are looking for some strings to be attached to such training to combat employee turnover. Specifically, over half (58%) say if a company pays for an employee's training and that

employee leaves the job within a year of starting that training, the employee should then be required to reimburse the company for the costs of that training.

The skills gap is a huge factor in the current labour shortages plaguing businesses according to Brent Pollington, an Express franchise owner in Vancouver, British Columbia.

“Both job seekers and employers are voicing their concerns over the education system and not being set up for success,” said Pollington. “Companies need to heed the advice ‘hire for attitude, train for skill’ because it’s not getting any easier to hire and employee and jobseeker demands continue to increase.”

While more employers are providing training, Pollington says many are still hesitant.

“While many businesses seem to be willing to train entry-level employees, due to the high upfront cost, the time to see a return on investment, and the chance the employee might leave for another job once trained, there is an unwillingness to take chances on those who don’t apply with strong prospects,” he said. “Fear of an employee leaving after an employer has paid for training has stopped many companies from hiring good people and have caused them to make more hoops that candidates have to jump through.”

Pollington says companies can structure the training to avoid some of these concerns.

“A company can invest in internal team members to help them learn and contribute more by using a sliding scale. This generally starts with an 80/20 split for the employee, shifting to 50/50 within 3 months give or take, and continuing to gradually reduce the cost to the employee the longer they are with the company,” he noted.

Pollington adds that while providing training is important, it alone is not sufficient to attract and retain employees.

“Companies need to create a pathway for further growth and learning, but they also need to build compensation plans that are competitive and make it harder for competitors to poach,” he said. “Understand that turnover is expensive, and pay your people what they are worth.”

The critical skills gap has only just begun to severely impact the workforce, and almost every industry will continue to suffer if there isn’t a turning point soon, according to Express Employment International CEO Bill Stoller.

“This isn’t an issue that will be solved overnight or by one person,” he added. “Young people need to be educated on the lucrative careers in skilled trades, and the government should provide incentives for these careers. Whether the onus of training ultimately falls on the worker or employer, action needs to be taken now on both sides to ensure the stable and balanced workforce of the future.”

## **Survey Methodology**

The Job Insights survey was conducted online within Canada by The Harris Poll on behalf of Express Employment Professionals between Dec. 1 and Dec. 15, 2022, among 506 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.

Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within + 4.6 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.

The omnibus survey was conducted online within Canada by The Harris Poll on behalf of Express Employment Professionals from Dec. 13-15, 2022, among 1,050 adults ages 18 and older. Data are weighted where necessary by age, gender, race/ethnicity, region, education, marital status, household size, household income and propensity to be online, to bring them in line with their actual proportions in the population. Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within + 3.8 percentage points using a 95% confidence level.

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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](mailto: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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