

Recession to RecOVERY

Q&A with KIM CAMPBELL

HR Director of Vancouver Organizing Committee (VANOC)

EXCLUSIVE

Judy MacKenzie Principal at TEVO Consulting



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BY SANDRA HOKANSSON

President and Country Manager Adecco Employment Services Limited

here is a close correlation between the performance of the staffing industry and the state of the economy. Because the staffing industry reflects market demand for hiring, it can been seen as a barometer for economic activity. We are one of the first industries to feel the effects of a slowdown and also one of the first to see signs of a recovery.

Through 2009, Adecco Canada worked diligently with its clientele to help them navigate this difficult time, while at the same time we faced our own challenges: enhancing our value proposition in a recession, leveraging our network and specialty business lines and driving efficiencies through our organization.

Our industry was hit hard last year, as organizations right-sized to weather the recession and hiring came to a standstill. This is illustrated in the Canadian Staffing Index, a new datapoint released from ACSESS, The Association of Canadian Search, Employment and Staffing Services.

The Index starts from a benchmark of July 2008 at 100. The low point was reached last year in May 2009, at 35 points off the benchmark, which dragged on and confirmed 2009 as a very difficult year. More recent data indicates that as of April 2010, the Index was still 21% off the benchmark but was climbing from 31% off in January 2010. We're now seeing a trend toward moderate employment growth for Q2, which is certainly encouraging for the Canadian economy.

The last 18 months have been a challenging time for leaders and particularly for HR professionals. Recessions of this magnitude are difficult to navigate even for the most experienced business leader; and many managers today, not having been through a recession, have little similar experience to draw upon. Moreover, this was a recession of a different making, with unpredictable outcomes and effects.

Today as HR professionals take time to catch their breath, after focusing on downsizing and cost containment, they need to turn their attention to retention of employees as the economy heats up again and to attraction strategies as the labour market tightens, especially for high-demand skill sets.



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In this edition of LEAD, we are excited to share with you an interview with Kim Campbell, HR Director from the Vancouver Organizing Committee (VANOC), who shares with us the unique recessionary and retention strategies deployed during the highly successful 2010 Games, and we are pleased to feature several other prominent voices on the topic of recession to recovery. I also wish to thank our other contributors James Heeney, Judy MacKenzie, the firm, Shepell•fgi, Dean Powell and Peter Andersen.

Sincerely,

Sandra Hokansson

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Kim Campbell is the Director of Human Resources at the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games. Kim is a dynamic and high performance professional with nine years of diverse professional experience, ranging from consulting, human resources and financial management. A strategic thinker with strong financial analysis and problem solving skills coupled with the ability to communicate effectively while building strong relationships.







Judy MacKenzie founded TEVO Consulting Inc. in 2007 to focus on leadership development and talent management. Judy's background has been primarily in human resources where she spent the last 10 years as an Executive. Combined with her strong strategic HR background she has combined Executive and Leadership Coaching to her winning formula.

Dean Powell, has had a diverse career. In the role of Human Resources Manager at KTH Shelbourne Manufacturing, Dean has a proven history of adapting organizational processes in order to meet current business needs, garnering the support of suppliers and clients along the way. Dean continues to promote his philosophy of strong Human Resources programs as being a vital aspect of a company's success.





Peter Andersen, Ph.D., is an independent consulting economist specializing in economic forecasting. Peter spends part of the year teaching Economics at the University of Texas at Austin. The Financial Post has rated Dr. Anderson as Canada's most accurate economic forecaster several times.

PRACTICAL TIPS FOR EMPLOYERS

RE-ENTERING THE HIRING MARKET



t appears that the Canadian market, and perhaps even the Global market, is recovering from the financial crisis which first appeared in 2008.

Statistics Canada recently reported that employment rose by 109,000 jobs in April 2010 with large gains in full-time work. Further, the unemployment rate edged down 0.1 percentage point to 8.1% in April. In fact, employment has been in an upward trend since July 2009 which has seen 286,000 new jobs.

While the extent and length of this growth and recovery is unknown, certainly it is a good sign for Canadian businesses. However, with this increase in hiring also comes a new subset of employment law issues. Specifically, employers are now faced with recruiting and hiring decisions which may result in potential liability. As such, we have put together a summary of some of the more important issues to keep in mind when hiring:

JOB QUALIFICATIONS

The Ontario Human Rights Code (the "Code") provides limitations on employers with respect to the hiring and treatment of employees. The Code, under section 5, prohibits discrimination in employment on the grounds of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, same-sex partnership status, family status and handicap.

What does this mean for employers? This means that it is important for an employer to think critically about the qualifications that are necessary for an individual to perform the



functions of the job. When that list of qualifications has been carefully created, they should form part of the job advertisement or posting. Should an employer neglect to include a certain qualification in its job advertisement, it will be very difficult for the employer to legitimately argue that a candidate is not qualified because he/she is not able to perform some aspect of the job due to a factor protected by the Code. For example, where an employer has not identified that the prospective employee must be able to drive a car for the purposes of performing the job but then seeks to disqualify a candidate who is unable to drive due to a physical disability (e.g. a leg injury or issues with his/her sight), it will be more difficult to justify that driving a car is in fact integral to performing the job (as it was not important enough to include in the original advertisement).

INDUCEMENT

Inducing an individual to accept employment is not, in and of itself, illegal or laden with risk. However, there are several risks that could arise where an employer actively seeks out an employee who is currently working for another employer.

Consider an individual that is not actively looking for work and is secure in his or her position but because of the representations made by the prospective employer about the role and remuneration and other related issues, he or she chooses to leave that secure employment. In those circumstances, it is very possible that should the employer ultimately terminate that employee's employment in future (due to a restructuring or downsizing, or simply because the "fit" wasn't as positive as originally antici-



pated), the length of employment to be considered includes the employee's tenure with the previous employer. For example, where an employee is in secure employment with approximately ten (10) years' service and is induced to join a new organization but is terminated without cause within the first year, it is very possible that a court would include that prior service in calculating the employee's entitlement to reasonable notice of the termination of their employment.

INTERVIEWING AND HIRING

One issue which is often raised is whether employers can hire based on the preference of the customer. For instance, can a clothing store aimed at a younger age group only hire young workers? The simple answer is NO.

This issue has repeatedly been considered by human rights tribunals around Canada and they have consistently held that customer preference is not an excuse for discrimination.

DUTY TO ACCOMMODATE

The more practical issue facing an employer in an interview situation is where the employer is presented with a candidate during whose interview, it is revealed or becomes apparent that the prospective employee has a distinguishing characteristic (e.g. a disability) which could potentially impact that person's ability to perform certain functions of the job.

In these circumstances, just as with an existing employee, the employer has a duty to accommodate that individual to the point of undue hardship. Therefore, important questions are: >

- What is the nature of the disability and what specific limitations does it create, if any?
- What are the requirements of the job?
- To what degree, if any, does the candidate's limitations impact his/her ability to perform the necessary requirements of the job?
- If there is some impact, can it be accommodated?

One of the most difficult moments for a hiring employer in these circumstances is achieving the comfort necessary to address these issues when they appear unexpectedly. When a candidate arrives at the interview and it becomes obvious that they have a condition or disability which may require accommodation, there may be an influx of anxiety on the part of the interviewer. The interview should proceed as it would with any candidate, and it is not contrary to the Code or inappropriate for the person to engage in a brief dialogue with the candidate about any restrictions they may have in performing the functions of the job.

There are of course questions that are not appropriate. Most importantly, an employer is not entitled to an identification of the diagnosis of the condition or the complete nature of the disability. Furthermore, a fixation on the issue is clearly inappropriate as the purpose of the interview, as with all others, is to assess the merits of the individual's skills and ability vis-à-vis the job they are being interviewed in respect of.

The nature and scope of an employer's duty to accommodate is the subject of many courses, seminars, cases and books. However, put simply, the employer has the obligation to seriously examine the nature of the job in question, the impact the disability has or might have on the ability of that person to perform the job, and whether any possible impact can be alleviated through an accommodation. This duty of the employer applies to a prospective candidate in the same fashion as to an existing employee. The duty to accommodate is to the point of "undue hardship" – that means it doesn't just have to be a "hardship" but an "undue hardship".

Given the issues surrounding these situations, particularly in regard to an employer's right to medical information relating to the disability and the nature of an accommodation that may

be required, it is very much advisable to seek professional advice when presented with a possible accommodation request of a prospective employee.

INTERVIEWING CHECKLIST

To assist in avoiding these pitfalls, we suggest you consider the following when performing all hiring:

• Prepare a list of criteria necessary for the job



- Prepare a list of questions to ask
- Review the resume for gaps in service
- Consider asking why the employee left their last workplace
- Ask if they are currently on working notice
- Check more than one reference
- Attend interview in groups of more than one
- Make sure to take notes of questions and answers

Employers should also be concerned when hiring an employee who is subject to a restrictive covenant they entered into with a former employer. Employers should be sure to inquire about whether a potential hire is subject to a restrictive covenant, as a former employer can



bring a claim against the present employer for inducing the breach of the restricted covenant committed by the new employee.

EMPLOYMENT AGREEMENTS

Putting together an employment agreement once the hiring decision is made could be one of the best decisions you make in the hiring process. A clear and enforceable employment agreement can be the best method to protect your workplace although putting one in place is often more difficult than employers think. Employers should ensure to create employment agreements with advice from their legal counsel to ensure that you are complying with all applicable employment standards legislation.

Although employers tend to focus their attention on compensation and job responsibilities, most legal disputes arise out of issues surrounding termination. For this reason, employers should clearly address in writing the payment that is due upon termination of employment.

Employers may quite understandably be reluctant to negotiate terms of termination with



people they are hoping to recruit, but they should still consider it given the potential cost of leaving the matter unresolved. While difficult to precisely measure, the payments that an employee is entitled to upon termination of their job can be significant. A study by Barry Fisher, a prominent employment law mediator, found that courts have awarded an average of 2.6 months' notice per year of service to employees who have been with a company for just two years. This means that on average, an employee with two years' service receives over five months of notice on termination.

While it can be argued that these cases generally involve employees with higher incomes and notice per year of service decreases significantly as tenure increases, leaving it to a judge to determine how much is owed on termination can lead to significant liability.

Negotiating a preset amount can help not only to reduce costs but also to increase predictability if and when employers have to make difficult staffing decisions. A written contract could limit the entitlement for a two-year employee to as little as two weeks, for example. Employ-

ers should ensure, however, that any clauses restricting severance be drafted in a manner that is both clear and unambiguous.

CONCLUSION

Certainly the marketplace suggests that hiring will continue to grow over the upcoming months. This is great for the Canadian economy and businesses generally. Hopefully the above tips will be helpful as your workplace moves towards recovery and makes the transition of an expanding workplace more fluid.

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BY JUDY MACKENZIE

During the recent recession, layoff announcements were more common than want ads in newspapers, and even though recovery is now on the horizon, many companies may still be struggling to keep productivity up. While most workers who have managed to maintain their positions in these difficult times are thankful, it's likely that morale has suffered nonetheless.

In workplaces where layoffs have occurred, keeping spirits and productivity high

and-pop operation, chances are strong that you're also struggling to achieve more with less. It's also likely that you're desperately trying to keep the bottom line in check so your company – and your employees – can make the most out of the recovery ahead.

When it's your job to make sure employees remain engaged to see a company all the way through to recovery, you need some serious strategies up your sleeve.

Recognize Employees may still be Cautious

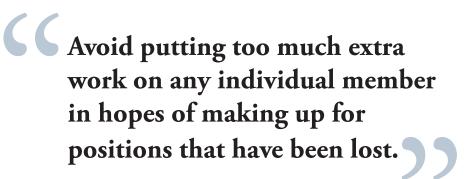
With just about every sector of the economy hit by the recession, be mindful of that many of your employees are likely dealing with tightened budgets at home due to layoffs, furloughs and the rising cost of living. Keep these things in mind when dealing directly with your employees and understand that anxiety levels might be higher than normal for many in your workplace.

Since morale and productivity can be greatly impacted by the uncertainties of the present economy, do your part to focus your employees on the tasks at hand by:

- Promoting a professional atmosphere in the workplace;
- Fostering a sense of teamwork;
- Acknowledging the difficulties they may face while gently directing them back on track with work assignments;
- Providing positive reinforcement for jobs well done.

Let them Mourn, but not for too Long

If your company has faced layoffs or other major changes, recognize the fact that your employees may have a need to "mourn". It is perfectly acceptable for your employees to feel sad for coworkers who have been laid off and it is okay for them to mourn the loss of "better times". Just don't let the behaviour go on for



can prove to be difficult at best. Workers left behind often get hit with a double whammy. Not only do they have to pitch in to pick up the slack while worrying about their own stability, but they may also harbour feelings of guilt that they've retained their positions while former coworkers have not.

Whether you manage a department for a giant corporation or you head up a mom-

Dealing with morale in the face of change, the emotions surrounding cutbacks and the need to balance the budget all take special tactics. The following tips can help you engage your employees and get their buy-in for efforts to make a company leaner and meaner to see its way through to better economic times. In doing so, you and your employees might even be able to save positions and make the workplace more enjoyable in the process.

too long! Presently we are heading into a strong second quarter of economic growth in Canada, so it is time to move on. Encourage the ushering in of a new era by rearranging work spaces and removing empty desks (when possible). This helps you avoid the "ghost town" look that some companies have created by keeping rows of empty desks and even personal effects of former employees in place. This prolongs the pain and does no one any good.

Keep Communication Channels Open:

Pay attention to what your employees are saying - keep your ears open for the major topics of discussion in your workplace and address the issues you are able to address. Be honest – paint an accurate picture of the recovery prospects but don't get too optimistic too quickly if the business is not there yet. Tell employees the truth when you can. When corporate policy won't allow full disclosure or you just don't have the information, be truthful about that, too. Your employees will respect your frankness.

Keep the Door Open for Discussions

If your company has an open-door policy, make sure your employees know that it's in place. When your employees feel like they can come to you with their concerns and ideas, their attitudes can improve greatly. If you make sure your workers know that their opinions do matter, they will be more willing to pitch in and do their part.

Let Employees offer their Moneysaving Suggestions

Give your employees an ok opportunity to help the company succeed and chances are they will surprise you with their suggestions for potential savings. Encourage them to share every idea they have for cutting outgoing expenses. Even the smallest ideas can turn out to have a big impact on the bottom line. Some companies are even encouraging moneysaving suggestions by

creating monthly contests to get ideas. Token prizes like choice parking spaces can sweeten the deal.

By opening the door for your employees to share their ideas on saving money on the in-side, your company can benefit by:

• Empowering its employees – one of the most frustrating aspects of working through transition is feeling powerless to do anything to help save a company or a job. When employees are given the opportunity to share ideas for cutting the budget without cutting people, they gain a sense of empowerment.

This, in turn, can greatly improve their



sense of loyalty to a company and their personal commitment to help it survive and thrive.

- Boosting morale when it is made very clear that input from every employee is valuable to the company, morale tends to rise. Even entry-level employees can have some incredible ideas for saving money and this policy gives them a chance to really shine.
- Realizing savings employees are often in the very best position to point out the potential for costs savings. They see where the waste is and can often make suggestions >



to eliminate it; even when recommendations only add up to small savings.

Encourage them to Share their Moneymaking Ideas, Too

Make sure employees know their moneymaking ideas are also welcomed. They might have ideas for monetizing operations in new ways that could easily be implemented.

Learn to Reward Excellence in New Ways

With corporate parties, bonuses and other perks slashed long ago by many companies to pare down their budgets, rewarding employees for jobs well done has become quite difficult. Still, good managers know that positive rewards are important no matter the state of the economy. In fact, they can prove to be just the ticket to improve morale as companies pull together.

There are a variety of ways to reward employees for their achievements without hitting the corporate bottom line too hard. Some options include:

- Hosting in-house parties lavish holiday parties may no longer be feasible, but potluck luncheons are probably just fine. Some companies are hosting in-house parties to bring teams together. Managers might chip in for the more expensive fare, while employees can show off their culinary talents with side dishes and desserts. This is a low-cost way to build camaraderie and bring everyone together to share appreciation.
- Offering time off big bonuses are out, but an hour or two off on a Friday for employees who went beyond their quotas might be just fine. This is a small gesture that shouldn't hurt the bottom line too much and it will be appreciated by employees who might enjoy the chance to start a weekend a little early.
- Hosting "raffles" give all employees



who achieve a certain benchmark within a month "raffle tickets" for a chance to win a gift certificate. Even a small award of a dinner out or movie tickets can be especially appreciated in this economy when many families are foregoing entertainment entirely to make ends to afford big prizes, but smaller rewards thank employees for their efforts on behalf of the company can go a very long way. When managers take the time to thank their employees for jobs well done, the praise is often more appreciated than many employers realize.

meet. Companies may no longer be able

ever. If you manage a team, make sure to lead by example by pitching in where you can. Avoid putting too much extra work on any individual member in hopes of making up for positions that have been lost. The better able a team is at pulling together, the easier it will be for everyone to weather the storm and come through without too much stress.

Take Care of Yourself

Managing employees under any circumstance calls for a knack at juggling a lot of concerns and issues. With the recession taking its toll on companies, their budgets, the size of the workforce and more,

the job can be particularly taxing. If it's your goal to get everyone through as unscathed as possible and keep morale high, your well-being will also be of importance. Do take the time to care for yourself, work out issues that might be bothering you and seek out advice from your own supervisors when problems arise.

As a manager, you are in a position to help your company and your employees move into recovery. The more proactive you are with enacting morale-boosting measures and assisting with keeping profits high and expenses low, the better off you and your staff will be. Engage your employees positively and empower them to help themselves when possible and your efforts can make a difference.

