

WORKPLACE CULTURE RESEARCH FOR AGRICULTURE AND FOOD AND BEVERAGE MANUFACTURING

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FSC is a forward-thinking centre for research and collaboration dedicated to preparing Canadians for employment success. We believe Canadians should feel confident about the skills they have to succeed in a changing workforce. As a pan-Canadian community, we are collaborating to rigorously identify, test, measure, and share innovative approaches to assessing and developing the skills Canadians need to thrive in the days and years ahead. The Future Skills Centre was founded by a consortium whose members are Toronto Metropolitan University, Blueprint ADE, and The Conference Board of Canada

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TABLE OF CONTENTS

	Page #
Executive Summary	3
Results of the Environmental Scan	4
Research Findings	24
Sector Specific Recommendations / Tools	48
Case Studies	72
Practical and Actionable Recommendations for Industry Leaders	98

Executive Summary

The following report examines workplace culture within the primary agriculture and food and beverage manufacturing sectors within Canada. First, an environmental scan was conducted on existing research related to workplace culture and the last impacts of the pandemic on the Canadian workplace in a post-pandemic time period. Second, qualitative research, including interviews and focus groups were conducted to understand high level challenges and opportunities in the industry. Quantitative research was then conducted to inform stakeholders on current and future workforce challenges, to understand what will be needed to retain and attract workers over the next 5-10 years and to inform tools and recommendations for employers. This survey, with over 200 responses, included questions that were informed by the results of the environmental scan and the qualitative research. Based on the research findings, sector specific recommendations were developed, as well as four case studies with takeaways and learnings for the industry. Lastly, this report includes practical and actionable recommendations for industry leaders to create a positive culture to attract and retain workers in a post-pandemic workplace.

ENVIRONMENTAL SCAN

Introduction

The agri-food sector plays an outsized role in the Canada's economy accounting for 1 out of every 30 jobs in the country and employing over 500,000 people. In economic terms, the industry accounts for 3.3% of Canada's GDP, or \$65.1 billion dollars (Statistics Canada, 2023). Despite its impressive position in Canada's labour market, agriculture, meat processing, and food & beverage manufacturing and processing are faced with crisis level labour shortages. This report is situated within the present day environment and aims to address ways in which the agri-food business can build employment cultures that both attract and retain employees. The purpose of this project is to uncover challenges and opportunities within the agri-food workforce sector, as well as develop actionable recommendations for employers, decision-makers, and other partners.

In the fall of 2023, there are several environmental factors that influence the future of labour that need to be considered as part of any strategic recommendations. First, living in a post-pandemic economy, the shifting expectations of workers both within the organization and in the broader labour market need to be integrated into recruitment strategies and human resource practices. Second, labour needs to be considered as a global resource. As immigration, migration, and government partnerships reshape how people move for employment, the agri-food sector needs to consider immigration and migration when planning for strategies to address persistent labour shortages. Third, organizations generally need to remain connected to the issues that are important to today's worker. This means that an

understanding of broader forces acting on employment relationships is key to developing workplaces for today's worker.

This environmental scan follows the priorities outlined above. Through a thorough review and examination of government, industry, and research reports, recommendations are developed to support planning for the current and future labour needs of the agri-food sector.

Objective

The purpose of this environmental scan is to examine Canada's workplace in 2023, taking into account the effects of the pandemic and other societal or environmental factors. The focus will be on the agri-food sector; however, the broader workforce will be examined in order to inform our understanding of agri-food business.

Methodology

In preparing this environmental scan, resources were identified for examination using a range of approaches. Statistics Canada publications, general searches for white papers, industry reports, and private research were collected. Particular focus was given to reports on the agricultural sector, meat processing and food & beverage processing and manufacturing. Finally, academic and scholarly research that was thematically related to the issues identified within the sector were reviewed.

In addition to this environmental scan, primary research was conducted whereby employers were interviewed on their 'best practices' and a sample of employers were asked to

complete a survey reporting on their HR practices. Also, a series of focus groups and interviews were conducted with employees. The project used an iterative approach. The methodology is summarized in the table that follows:

Table 1.

<i>Source</i>	<i>Purpose</i>
Review of Statistics Canada reports	To understand (1) broad trends in the industry; (2) issues important to government; (3) ways in which government might support efforts within the sector
Primary data collection	Conducting qualitative interviews along with quantitative surveys allowed for a focused understanding of the issues relevant to this project. While the data collected was analyzed separately, this research was an iterative process and the learnings drawn from the primary research shaped the environmental scan, and vice versa.
Identification of research specific to the relevant industries	Sub-sectors of the agri-food industries have conducted assessments, primary research, and analyses to understand the specific challenges facing them, during and post-pandemic. A review of these reports, and an understanding of the

	<p>unique and overlapping challenges has helped to shape our understanding of the diversity of issues within the sector.</p>
Review of broader HR literature	<p>The field of HR is generally concerned with many of the themes identified as being key concerns of the agricultural and agri-food business sectors.</p> <p>Through an understanding of what has worked in other sectors, and why, this literature helped to develop strategies to address the challenges facing the agri-food workforce.</p>

Influences of the pandemic on Canada's workplace

The agri-food sector exists within the broader Canadian context. While each country responded differently to the pandemic, Canada's labour force was impacted by the health strategies implemented locally, which included extended periods of time working remotely, and working under restricted social conditions. The resulting impact was that a large number of Canada's jobs moved from 'high-contact' sectors such as food services and accommodations to 'low-contact' sectors such as online services, banking, and technology (RBC, 2022). This motivated youth to gain increased levels of education in order to prepare for high-skilled employment.

Overall, the movement of workers to remote working conditions has persisted post-pandemic. In a survey of over 5000 workers, 40% of employees reported that they continued

to work from home almost 2 years since the pandemic was declared (Future Skills Centre, 2023). This same report found that remote work was associated with job satisfaction and employee well-being.

A report by the Labour Market Information Council (LMIC) reported on consequences of the pandemic for the manufacturing sector specifically. This is an industry that suffered significant job loss as plants were forced to close or reduce the number of employees on site in compliance with social distancing measures. A result of these measures persisting for several years is that the sector now suffers from lack of skilled employees from which to draw as existing employees within the sector were forced to retool for work that was available during the pandemic (LMIC, 2020).

As we consider the balance of remote to onsite work in the Canadian labour force, McKinsey has found that there is a need to reflect on this question through the lens of inclusivity. They found that employees with disabilities were 11 percent more likely to prefer a hybrid work model than employees without disabilities. Men and women both expressed strong preferences for hybrid work, but nonbinary employees were 14 percent more likely to prefer it. LGBTQ+ employees were 13 percent more likely to prefer hybrid work than their heterosexual peers. The takeaway from this work is that individuals with stigmatized identities prefer work from home arrangements as it allows them to avoid the negative interactions they may face when dealing with others in the workplace.

In sum, the pandemic has changed Canada's workplace:

- Workers who experienced the pandemic have been motivated to increase their skills so that they might gain access to flexible work options, and avoid any potential volatility in the labour market
- Employees are demanding some level of flexibility in their work schedule
- Individuals from historically underrepresented groups are more likely to desire a work from home arrangement
- There is a need to build inclusive cultures with flexible work arrangements for today's post-pandemic workplace

Challenges in Agri-food business

There is no doubt that the persistent labour shortage is at the heart of the challenges faced by businesses in the agricultural and agri-business sectors. These challenges preceded the pandemic, but have magnified since 2020.

In part, this shortage is due to the growth of the sector. For instance, the food and beverage manufacturing sector has identified significant potential for growth as Canada responds to the world's increasing demand for food (FPSC, 2021). They have identified labour as a challenge to this growth both in terms of replacement of employees leaving the sector, and demand for employees to meet the expansion of the industry. A sub-sector that will suffer greatly due to the need for replacement of workers is the seafood processing industry where the average worker is over 50 years of age (FPSC, 2019). In a report on the meat processing industry, Food Processing Skills Canada found that the sector is expected to grow year over year due to increased worldwide demand. At the same time, the labour modelling predicts a vital

need for hiring to meet both replacement and expansion demands. Meat processing faces a particularly acute challenge as the labour needs are compounded by a high turnover rate across the industry of 41%. This is further complicated by the fact that the labour needs are in unskilled work, at odds with the emerging workforce where youth earn higher levels of education, than generations before (FPSC, 2019).

During the pandemic, the labour challenges in the sector have been addressed through a migrant workforce. For instance, there was a 0.6% decrease in employment from 2020 to 2021 resulting in increased need for Temporary Foreign Workers (TFWs) to fill the vacancies. At the same time, a study by CAHRC found that in 2020, 40% of employers in primary agriculture were not able to fill vacancies and the industry suffered earning losses. There was a similar finding for food and beverage manufacturing, which represents the largest percentage of Canada's manufacturing employers, where it was estimated that the sector would be short 20% of its workforce (CAHRC, 2020). In food and beverage processing, a sub-sector which accounts for 7600 businesses and 280,000 employees, 70% of employers reported facing recruitment and retention challenges (FPSC, 2021). Their report identified firm size as a major challenge to competitiveness as an employer with the majority of businesses being small to medium sized operations with limited capacity for development in areas such as human resource practices. Similarly, most primary agriculture operations are family-owned businesses (CAHRC, 2022).

While the business continuity challenges of a labour shortage are clear, there are significant workplace consequences. For instance, labour shortages have risks to current employees in the form of worker health and safety due to longer shifts, burnout due to

productivity pressures, and stress from the persistent nature of the environmental challenges (Statistics Canada, 2022). As a result, understanding how to mitigate the current labour issues and make plans for future is key the ongoing success of this sector.

Various studies have uncovered a range of issues underlying this particular challenge: seasonal work, rural locations, limited transportation options, and difficult work (e.g., harvesting animals in meat processing), to name a few. It seems as though the industry's employment challenge is not 'one thing' but a few key issues that make it difficult to either recruit or retain employees.

As the figure below from Food Processing Skills Canada's report titled *At the Crossroads to Greatness* indicates, many of the challenges in the agri-food sector are related to labour and employment. It follows that an examination of strategies to attract, engage, and retain a robust workforce are key to economic growth within this sector.

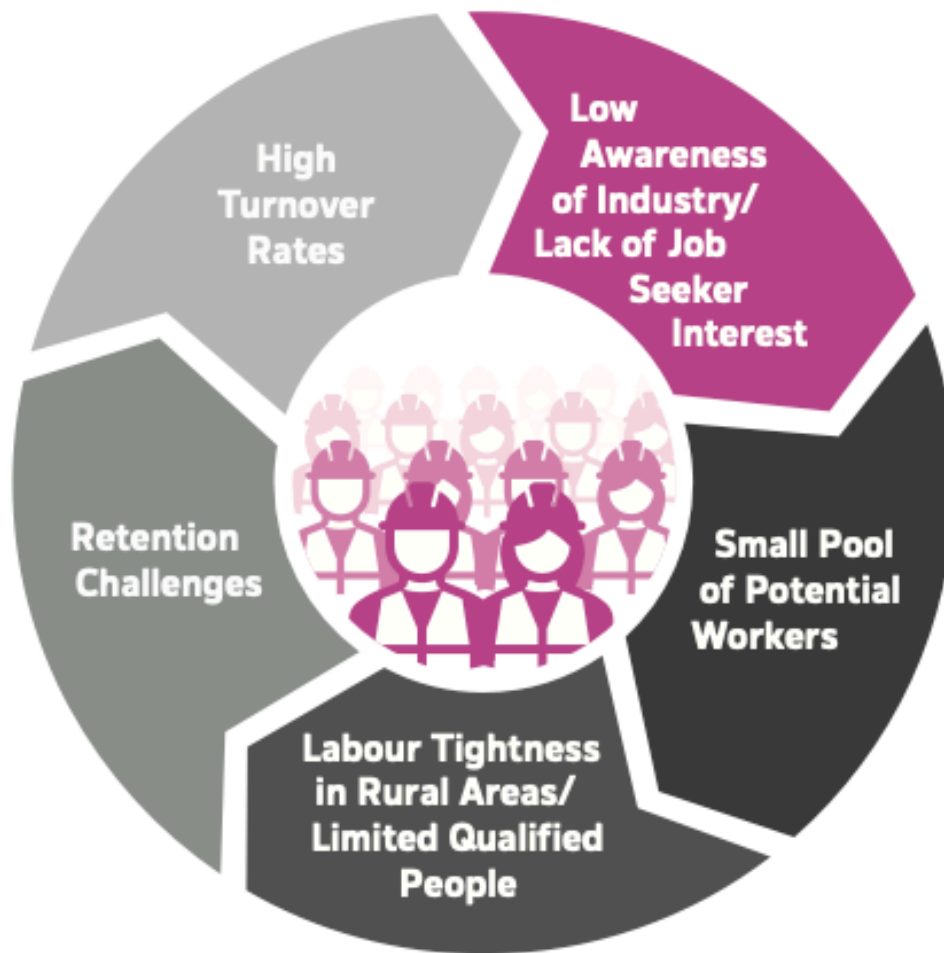


Figure 1. Food Processing Skills Canada's report titled *At The Crossroads to Greatness*

A way forward

Several partner organizations of the agricultural and agri-food business sectors have explored avenues for addressing the labour challenges faced across industry. A number of studies have indicated the need to focus on recruitment and retention efforts, including the *What we Heard Report* from Statistics Canada (2023) and the *National Workforce Strategic Plan for Agriculture and Food and Beverage Manufacturing Report* by the Canadian Agriculture Human Resource Council (2022). Similarly, specialized reports from various sub-sectors have

identified strategies for addressing the challenges identified. The proposed strategies will be reviewed and summarized here.

In May 2023, Statistics Canada released the *What we heard report – Agricultural labour strategy*. They focussed on recruitment, retention, skills, automation and technology, and capacity building. The data they collected revealed that operations within the industry identified the following strategies:

- Improving wages and offering non-wage incentives such as increased benefits, opportunities for growth, and training and skills development opportunities;
- Increasing education on the career opportunities that exist to enhance knowledge and change perceptions of the sector;
- Ensuring the voice of workers is included in all conversations; and
- Creating mentorship programs for youth and underrepresented groups.

In the same study, the following priorities were identified:

- Improve workplace culture
- Improve working conditions
- Offer non-wage incentives
- Focus recruitment on youth and new Canadians
- Keep older workers in the workforce longer

With a similar aim, the Canadian Agricultural Human Resource Council (CAHRC) report identified 5 pillars to develop a strong and sustainable workforce:

- Perception and Awareness of Industry and Careers
- People and Workplace Culture
- Immigration and Foreign Workers
- Skill Development
- Automation and Technology

Most relevant to the current project is the 2nd pillar, people and workplace culture. Under this theme, the working paper identified three priorities:

1. Developing and promoting workplace culture models.
2. Identifying HR Best Practices.
3. Attracting and retaining workers, including underrepresented groups.

Also of particular note is a thorough report titled *Securing Canada's Meat Workforce* (Food Processing Skills Canada), although it is specific to the Meat Processing Industry and written from a pre-pandemic lens. The report conducted analysis to understand the labour challenges within the sector and provided key sector-specific recommendations including:

- Federal policy changes that would help to address the critical labour shortage
- Support more skilled meat cutters to immigrate permanently to Canada through changes to the NOC coding system
- A focus on permanent pathways for immigration
- Encouraging young families to remain or relocate to rural communities
- Engaging effectively with groups experiencing low labour market participation

- First Nations partnerships
- Sector employment opportunities awareness campaigns
- Examine reasons for the low levels of enrollment in existing training for meat cutting and butcher programs
- Support more systematic development of training materials, tools and programs within the industry to enhance on-the-job training
- Industry learning/development programs (including some leading to a certificate)
- Innovation partnerships

Recruitment

The meat processing industry has identified a core strategy for addressing the labour shortage; hire employees from groups who are currently underrepresented in the industry, namely youth, Indigenous peoples, new Canadians, and unemployed (FPSC, 2019). In examining this strategy, employers needed to build their operations so that they become increasingly attractive to a wide range of job seekers as well as to existing employees.

The problem of recruitment can be viewed through the lens of culture, where culture is intended to describe the ‘characteristics’ of a business environment that both attracts and engages employees, a place where people want to work for more than just a paycheque. The report also acknowledges the impact that the pandemic has had on work attitudes, the workplace, and business in general. As a result, employers need to move toward post-pandemic employment practices that include progressive HR programs and policies (e.g., right to disconnect, flexible work hours; CAHRC, 2022). This cultural shift should also include

addressing employees' needs around healthy workplaces and mental health programming.

Finally, there is a need to respond to 21st century employment challenges. This includes aligning the values of the corporation with the environment in which it exists and the employees it hopes to attract. This would include developing strategies for inclusion, and environmental sustainability.

In terms of attracting potential employees, the reputation of the employer has been identified as a key factor. In *At the Crossroads to Greatness*, FPSC confirmed that labour segments who have been underrepresented in this subsector (i.e., youth, recent immigrants, Indigenous People and those who are tenuously attached to the labour force) are more predisposed and open to working in the food and beverage processing industry than other Canadians. Recent immigrants to Canada and Indigenous peoples were found to be a particularly promising target group.

In 2020, the FPSC conducted research on Canadians' perceptions of working in food and beverage manufacturing industries. Youth, Indigenous people, new Canadians and unemployed individuals were consistently more interested in exploring career options in this industry than the general population; this was especially true for new Canadians. Figure 2 summarizes their findings.

 Top Five Proposed Changes that could Sway Willingness to Work	Youth	Indigenous People	New Canadians	Unemployed
	<p>Top arguments – would you be more willing to work in the meat and seafood sector if employers...:</p> <ol style="list-style-type: none"> 1. Provide immigration legal support (60% - Small sample size) 2. Provide a path to citizenship (58% - Small sample size) 3. Offer bonuses based on performance (56%) 4. Offer bonuses based on retention (55%) 5. Offer to cover costs of tuition and school supplies (55%) 6. Take care of transport to and from work (55%) 7. Offer predictable full-time work (55%) 	<p>Top arguments – would you be more willing to work in the meat and seafood sector if employers...:</p> <ol style="list-style-type: none"> 1. Provide a path to citizenship (63% - Small sample size) 2. Offer opportunities for language training (63% - Small sample size) 3. Offer to cover costs of tuition and school supplies (57% - Small sample size) 4. Offer bonuses based on performance (57%) 5. Offer bonuses based on retention (55%) 6. Offer predictable full-time work (53%) 7. Provide immigration legal support (50% - Small sample size) 8. Take care of transport to and from work (50%) 9. Prepare meals for staff (49%) 	<p>Top arguments – would you be more willing to work in the meat and seafood sector if employers...:</p> <ol style="list-style-type: none"> 1. Offer bonuses based on performance (65%) 2. Take care of transport to and from work (64%) 3. Offer bonuses based on retention (64%) 4. Take care of transport for employees living on reserve (63% - Small sample size) 5. Offer predictable full time work (62%) 6. Offer to cover costs of tuition and school supplies (59% - Small sample size) 7. Prepare meals for staff (58%) 	<p>Top arguments – would you be more willing to work in the meat and seafood sector if employers...:</p> <ol style="list-style-type: none"> 1. Offer bonuses based on performance (59%) 2. Offer to cover costs of tuition and school supplies (58% - Small sample size) 3. Offer bonuses based on retention (58%) 4. Take care of transport to and from work (58%) 5. Offer predictable full-time work (56%) 6. Provide a path to citizenship (56% - Small sample size) 7. Provide immigration legal support (56% - Small sample size) 8. Offer opportunities for language training (53% - Small sample size) 9. Prepare meals for staff (52%) <p><small>*Some results have been excluded due to small sample sizes where only certain respondents were shown an argument based on the group they belonged to. This is an effect of overlap between the different groups.</small></p>

Target Groups at a Glance	Youth	Indigenous People	New Canadians	Unemployed
	<ul style="list-style-type: none"> • More likely to want to complete more education (66% to 36% in the general public) to improve job opportunities. • 50% are willing to move for better job opportunities- 53% so for a specific job compared to 26% and 30% respectively in the general public. • More likely to consider proximity to family and friends when considering move (67% to 51% in the general public). • More likely to lean on social media for job opportunities (40% to 27% in the general public) with Facebook and Instagram being the most likely platforms. • Less aware that jobs require physical work (67% to 73% in the general public) and could involve strong odours (64% to 72% in the general public). • 13% more likely to apply to a job in food and beverage manufacturing were it to be closely located (30% to 17% in the general public). • 9% more likely to apply to a job in meat and seafood manufacturing (20% to 11% in the general public). 29% likely to apply after Choicebook™. 	<ul style="list-style-type: none"> • Less likely among target audiences to want to complete more education (50% to 58% across all target groups) to improve job opportunities. • Least likely to be looking for a new job among the groups, however more likely than the general public (33% to 23% in the general public). • Closer to the general public in willingness to move for both better job opportunities (36% to 26% in the general public) and a specific job (39% to 30%). • Only 15% use programs specifically for Indigenous People to learn about opportunities. • Slightly more likely to have a positive impression of jobs in the food and beverage processing sector (38% to 31% in the general public). • 14% more likely to apply to a job in food and beverage manufacturing were it to be closely located (31% to 17% in the general public). • 11% more likely to apply to a job in meat and seafood manufacturing (22% to 11% in the general public). 29% likely to apply after Choicebook™. 	<ul style="list-style-type: none"> • Three in four would switch careers for a better opportunity (73% to 45% in the general public). • Half are actively looking for a new job (52% to 23% in the general public). • 52% are willing to move for better job opportunities, the same proportion of which are willing to do so for a specific job. • More likely to be persuaded to move by higher pay (80%), lower costs (72%), paid relocation (76%), paid housing (74%), and help in finding job for spouse (68%). • Half look to social media for job opportunities (Facebook and LinkedIn being the most likely platforms). One in four attend general job fairs. • 25% more likely to apply to a job in food and beverage manufacturing were it to be closely located (42% to 17% in the general public). • 17% more likely to apply to a job in meat and seafood manufacturing (28% to 11% in the general public). 41% likely to apply after Choicebook™. 	<ul style="list-style-type: none"> • 68% would switch careers for a better opportunity (compared to 45% in the general public). • Over half are looking for a new job (55% to 23% in the general public). • One in four use job placement services (26%) and employment centres (26%) to learn about opportunities. • Slightly more likely to have a positive impression of jobs in the food and beverage processing sector (39% to 31% in the general public). • 21% more likely to apply to a job in food and beverage manufacturing were it to be closely located (38% to 17% in the general public). • 14% more likely to apply to a job in meat and seafood manufacturing were it to be closely located (25% to 11% in the general public). 32% likely to apply after Choicebook™.

Figure 2. from Your next worker: What you need to know (FPSC, 2020)

Retention

In identifying the best practices for retention, the food and beverage manufacturing sector cited a range of solutions (FPSC, 2021). In surveying potential employees among the general populations, they described a need to focus on compensation from a creative perspective. While hourly wage and salary are important factors, non-traditional compensation and benefits were valued highly by respondents. They also reported recognition and award programs as being attractive employment practices. Benefits beyond compensation were also found to be valued highly. The figure below from their report summarizes their findings. Notably, the figure distinguishes between all workers and generation Z. Youth are an important target group for the entire agri-food industry as many sub-sectors face record levels of retirements within the next decade. According to the chart below, the retention strategies on this chart have the same pattern of preference for both youth and all Canadians of all ages, however, many of the practices are more significantly valued by youth. Understanding these trends will help employers plan for the workforce of today, and tomorrow.

Relative Appeal of Compensation, Work Flexibility and Health/Wellness Options (% Appealing)

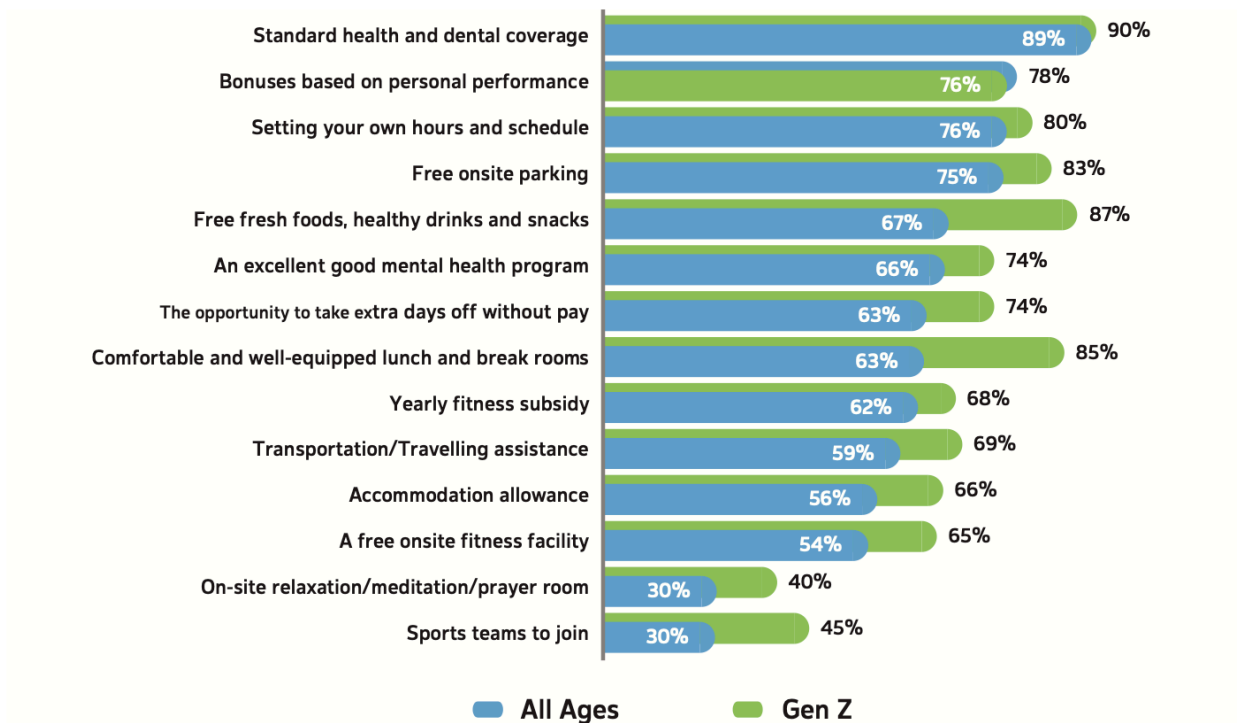


Figure 3. FPSC, 2021

In a study that focused on generational differences in the seafood processing sector, FPSC (2020), examined the following goals:

- Career-related goals and aspirations.
- Career-related concerns and fears. sources of motivation.
- Expectations of employers and the workplace.
- Internal communications.
- Compensation.
- Learning and training.
- Perceptions of a career in the trades.
- Perceptions of unionization.

- Openness and interest in working in sectors of the economy, including food and beverage manufacturing.

Their summary findings are included in figure 4.

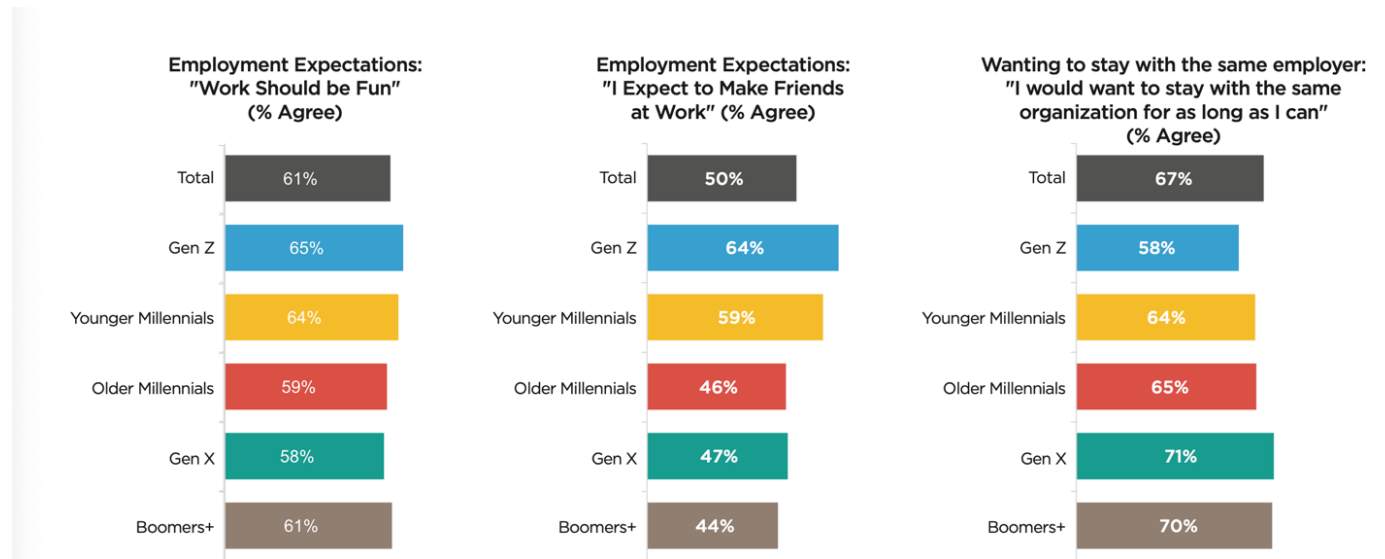


Figure 4. Seafood processing industry, FPSC (2019)

From this, they concluded that there is a great deal of overlap in how the generations view work with financial security and work-life balance being key for everyone. Ongoing learning emerged as a priority. The study also found that employers should focus on employee health and wellness programming and speak to values and contributions in their recruitment strategy rather than just duties and responsibilities.

In *At the Crossroads to Greatness*, Food Processing Skills Canada reported on lessons learned as a result of the COVID-19 pandemic. They found that, in the future, there will be a need to be adaptable to consumer demand as it ebbs and flows. As a result, the workforce will need to be able to flex and adjust. This is a business argument for flexible work arrangements,

however, there is also a need to respond to employee expectations. Across sectors, employees are demanding flexible hours, work from home policies, and non-traditional arrangements. The agri-food sector will need to be creative in this respect in order to compete with adjacent industries.

In the meat processing sector, research found that workers wanted the availability of predictable, full-time work, and transportation to and from work (FPSC, 2019). Youth were enticed by tuition reimbursement programs. Some additional, innovative retention programs include:

- Shorter shifts; flexible schedule
- Phone breaks
- Music on headphones while working
- Transportation
- Tailored comp: forgoing health benefits in favour of wages, education bursaries, PT work; leaves of absence for education/travel
- Better training options on site

While compensation and flexible work represent important issues to today's employee, there are other engagement strategies available to employers. Businesses should adopt modern HR practices. This would include creative cultures that are open, flexible, diverse and empower employees. Lastly, at the foundation to successfully attracting, recruiting and retaining workers is effective leadership at the managerial level. It is key to have the right leaders in the right positions who can easily adapt their leadership style depending on the situation and the individuals who are being managed.

Conclusion

The environmental scan provides the industry with a great deal of insight and guidance into how to proceed post pandemic. There is a need to shift in response to changes in employment expectations, national employment trends, and changing demographics. The table below summarizes some of the key findings from this section.

Table 2. Responding to Today's Workplace Trends: Directions for Leaders

<i>Recruit from underrepresented groups</i>	Youth
	Newcomers to Canada
<i>Robust compensation</i>	Incentives
	Bonuses
	Recognition
<i>Engage employees directly</i>	Seek feedback
	Be responsive
<i>Provide developmental opportunities</i>	Tuition reimbursement
	On the job training
<i>Provide support to the whole person</i>	Wellness programming
	Mental health policies
<i>Be ready to change</i>	Workplaces need to continue to adapt to the
	changing world around
<i>Implement flexible work practices</i>	Creative shift scheduling
	Remote work where possible

RESEARCH FINDINGS

Research Findings

Both qualitative and quantitative research was conducted to inform partners on current and future workforce expectations and what is needed to retain and attract workers, as well as to inform tools and resource content for workers over the next five to ten years. The number of surveys and interviews/focus groups was based on the results of the environmental scan and the consultants' knowledge of a sample size that would deliver appropriate statistical power for the analysis.

Qualitative Research Findings

From a qualitative perspective, 13 interviews/focus groups were conducted with 30 participants. The participants were asked the following questions:

1. What motivated you to work in this industry?
2. What attracted you to work at this operation specifically?
3. Why do you stay with this operation?
4. What are some things your employer does that make this somewhere you want to work?
5. What are some things that your employer could do differently or better?
6. What are some challenges in your industry that are important to you and that impact the work that you do?

There were several themes that emerged from these interviews/focus groups that are worth noting, and are consistent with the findings from the environmental scan.

First, there are opportunities to change the perceptions of working in the industry. While 20% of the population sees the sector in a positive light and 30% see it negatively, there is a huge opportunity to sway the other 50% undecided towards positive. Work should be done on improving the perceptions of the industry from a workplace culture perspective.

Second, given the increases in minimum wage, the fact that the individuals in the labour pool have other employment options (e.g., Amazon, Starbucks, McDonalds, etc.) and there are limited margins to offer higher wages within this sector, employers cannot attract workers based on pay. Therefore, it is even more important to invest in practices to improve the workplace culture to compensate.

Third, it was found that employers who have been successful at attracting and retaining workers have

- Made an intentional effort to invest in practices to set a purposeful culture within their workplace.
- Invested significantly in the onboarding of their employees. Specifically, there were several examples of employers who spend time interviewing or checking in with their employees at several points in time after the initial hire (e.g., one week, two weeks, one month, etc.) The biggest challenge with retention is within the first month or so. This has resulted in a significant reduction in turnover for these employers. If employers can

get over the initial hump, then they are likely to retain the employee. This speaks to the importance of finding an employee that fits with the operation (i.e., working conditions, workplace culture, etc.) and investing in an onboarding process.

- Worked on more invest for roles with challenging working conditions. This plays a major role in the difficulty in attracting and retaining workers. Operations with challenging working conditions must invest more in practices directed towards attracting and retaining their workers to compensate. For these operations, intentional programs to improve workplace culture are essential for low turnover.
- Spent time listening to their employees. They ask for input, criticisms and suggestions for improvements, and then follow up with either changes to the workplace to address any concerns, or an explanation as to why the changes are not possible.
- Build a culture of community for their temporary foreign worker (TFW) labor force, both among the TFWs and between domestic workers and TFWs.
- Looked for innovative ways to offer TFWs programs to transition into permanent residency in order to retain them at the end of their placement. For example, transition programs including providing connections for housing, drivers licenses, and other necessities. They are using the TFW program as a potential pathway to immigration, mutually beneficial to both the worker and the employer.
- Invested in small, fun initiatives to create a workplace culture of family and inclusion. Examples of these initiatives include contests, prizes, draws, food trucks, community initiatives (e.g., parades), discounted food orders, and cultural festivals.

- Recognized that the labour shortage/crisis has been the impetus for change and have realized that innovative practices are needed to become an employer of choice.

Examples of these innovative practices include investing in inclusive workplaces, flexible shifts/hours, pleasant break areas, lunches, holiday parties, picnic/lunch areas, recognition programs, and referral programs.

These interviews and focus groups also led to conversations resulting in unintended connections that are worth noting. For example, interviewed employers were connected to WALI to explore the use of their new onboarding program for Mexican TFWs. Another example is the facilitation of working group meetings with Mushrooms Canada on developing a transition plan for TFWs seeking permanent residency. In addition, best practices were shared anonymously with the interviewer and other organizations that were discovered from previous interviews and focus groups. The benefits of these interviews and focus groups will spread far beyond this report because of the conversations that unfolded during the process.

The results from these interviews and focus groups were used to inform the content of the quantitative survey and to create case studies of best practices to be shared with other producers, processors and manufacturers. Both the environmental scan and this qualitative research informed the focus of the quantitative survey, namely turnover and retention of domestic workers.

Quantitative Survey findings

An online survey was sent out through distribution lists and personal networks. Respondents were asked to respond to all questions. Between 30 August and 11 October, 2023 we received 235 responses representing independent operations in the Agriculture and Food & Beverage Processing and Manufacturing sectors.

Who responded?

Responses included 78% representing primary agriculture, and the 22% are from meat processing, and food and beverage processing and manufacturing. Most responses were from mid-size operations: 33% with 11-30 employees, 26% with 31-99 employees, and 20% with over 100 or under 10. Of these, 53% did not have any dedicated human resource management employees. 38% had 1 or 2; 8% had 3-5, and finally 2% had over 6 dedicated HR staff members. For those without HR professionals, 45% spent less than a quarter of their time on HR related activities, while 16% reported spending between 25% and 50% of their time on people management type work.

In sum, this survey represents a range of operations in the agricultural sector from primary agriculture to meat processing and food and beverage manufacturing. The size of the operations surveyed are representative of the types of organizations that operate in this environment, with most being mid-sized firms. Given that we are focussed on HR issues in this survey, it is notable that only 38% of the operations surveyed had a dedicated HR employee.

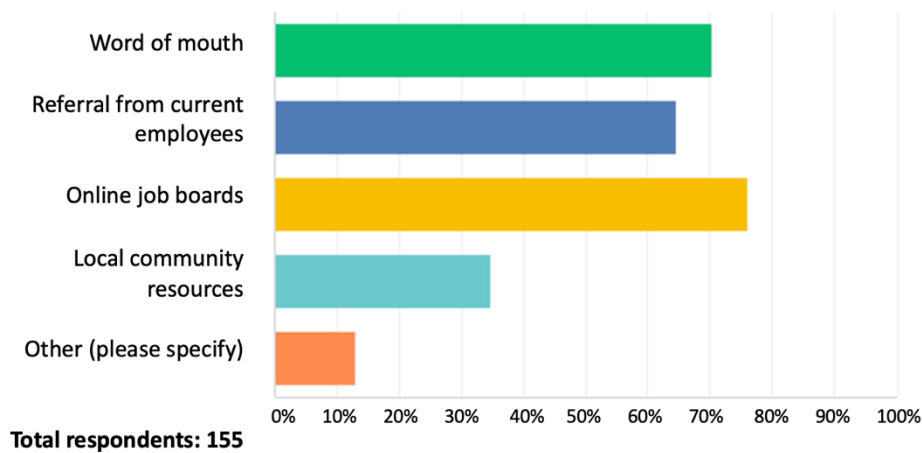
Respondents indicated an average rate of voluntary turnover of 10% in the last 6 months with some reporting rates as high as 45%. Involuntary turnover at between 1% and 5%, leading

to an overall turnover rate of between 8% and 15% among respondents with a few outliers at a 25% overall rate of turnover.

The survey focused solely on Canadians or permanent residents (not TFWs) since this gap was identified through the environmental scan. Questions were asked about two groups of employees, entry level employees and skilled employees.

Canadian, or permanent resident entry level employees

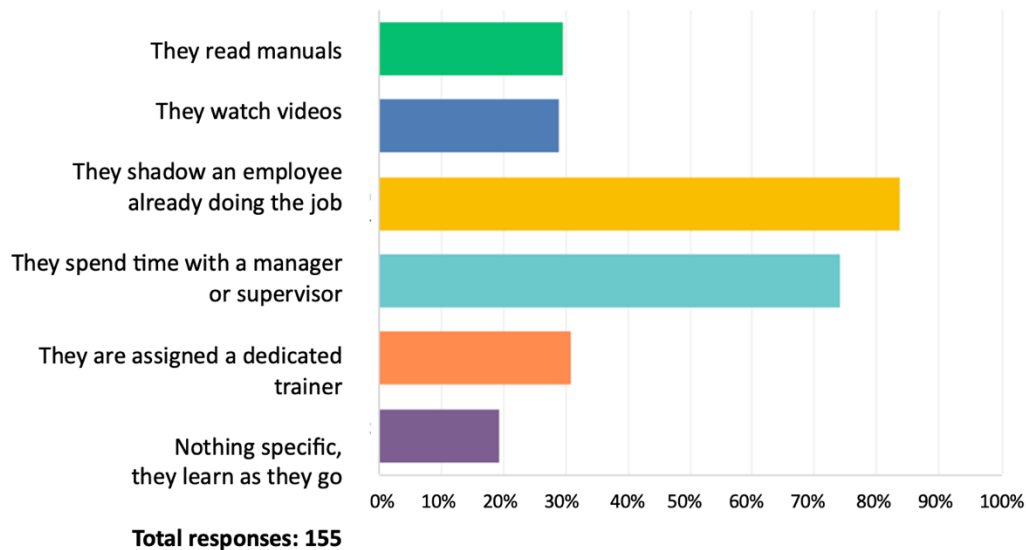
Recruitment



The chart above describes how Canadian or permanent resident entry level employees are recruited by operations in the agricultural sector. Of those who listed ‘other’, their responses included social media posting, local advertisements, job banks, radio advertisements, and university job boards. Most, 67%, indicated that it is very difficult to recruit these employees.

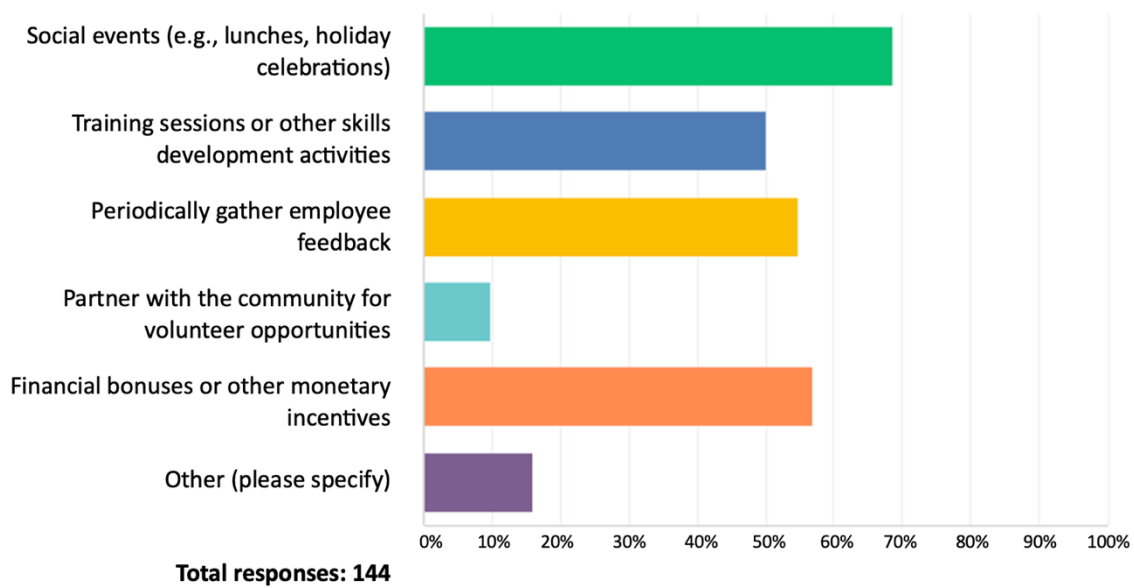
Onboarding

New employees are onboarded through a range of strategies, with the most popular being job shadowing, 84%, and spending time with a manager or supervisor, 74%. These methods were respectively ranked as being the most effective.



Engagement

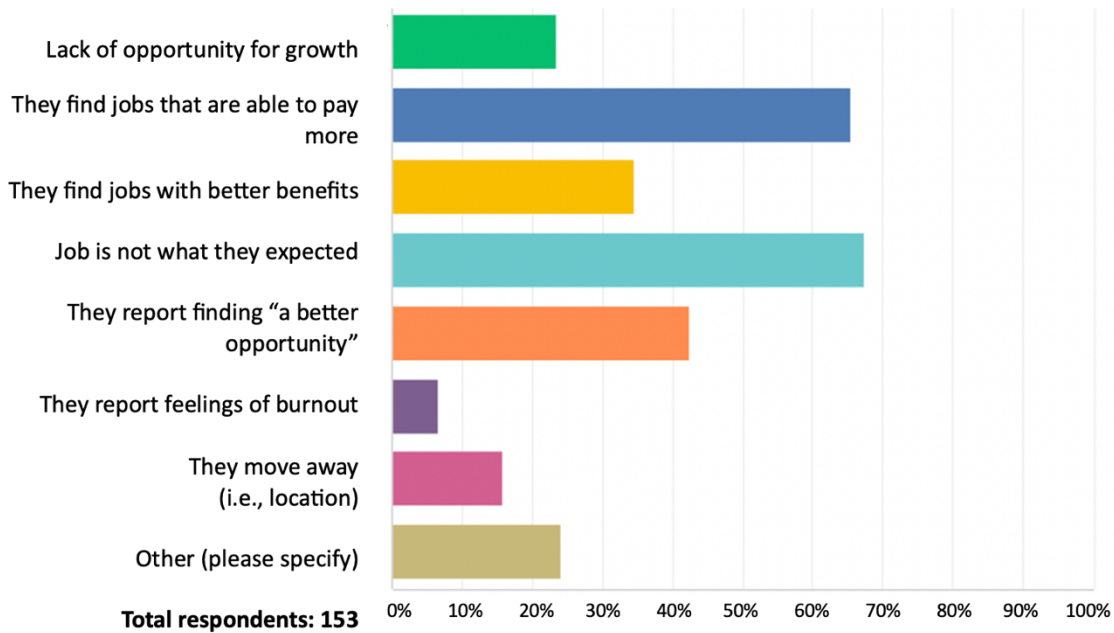
Most operations are targeting the employee experience through social events (eg., holiday celebrations, summer picnics, staff lunches) and financial incentives. Training programs and periodically gathering feedback are also employed regularly. Only a few operations, 10%, create partnerships within the community. Of those who selected 'other', they noted that either they did not have a large enough contingent of Canadian employees to organize this type of programming, or their only Canadian employees were summer students. In terms of which activities were most effective, respondents ranked any of the top four, namely social events, financial incentives, gathering feedback and training with no real observable pattern.



Retention

A range of issues regarding retention were noted. Workers left because the job is not what they expected, they find work that pays more, or generally find “a better opportunity” elsewhere. Of those who hire Canadian employees, there is a reported retention rate of 50% of employees hired within their first month of employment and a 25% average turnover rate beyond the first month. 58% of respondents reported being ‘concerned’ or ‘very concerned’

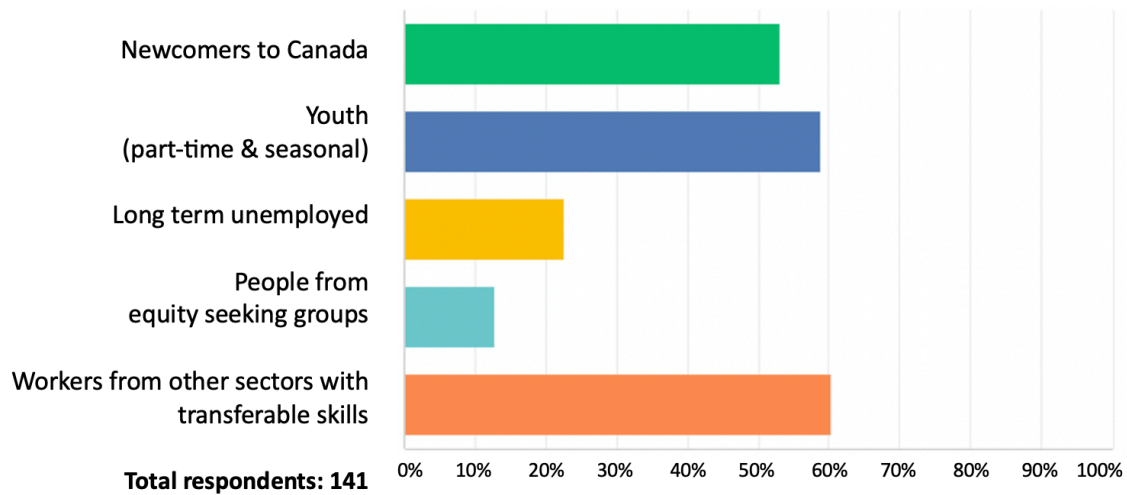
about employee turnover.



Workforce planning

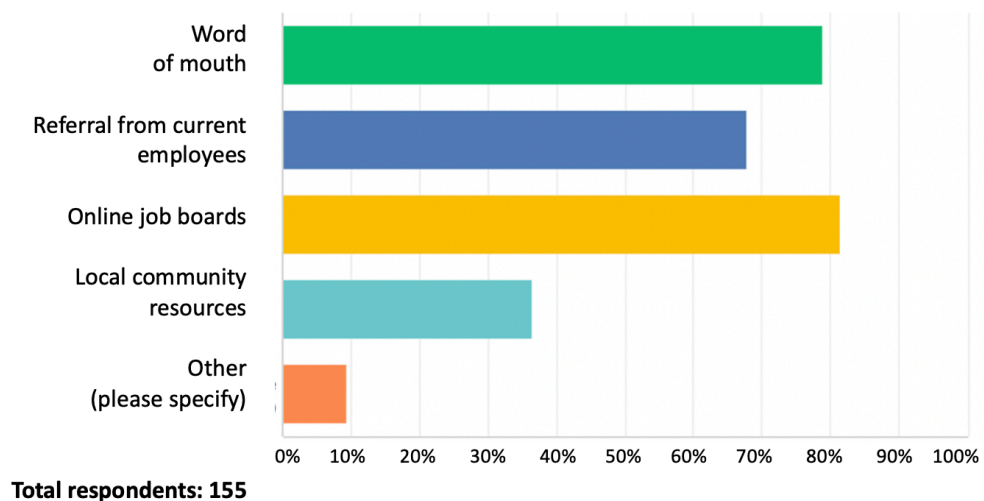
Respondents indicated that they wished to recruit from a range of demographic groups for entry-level positions as per the table above, the most sought after being newcomers to Canada, youth, and workers from other sectors who have transferable skills. Of these groups, respondents are looking for support or assistance in recruiting newcomers, 54%, youth, 48%,

and workers from other sectors, 40%.



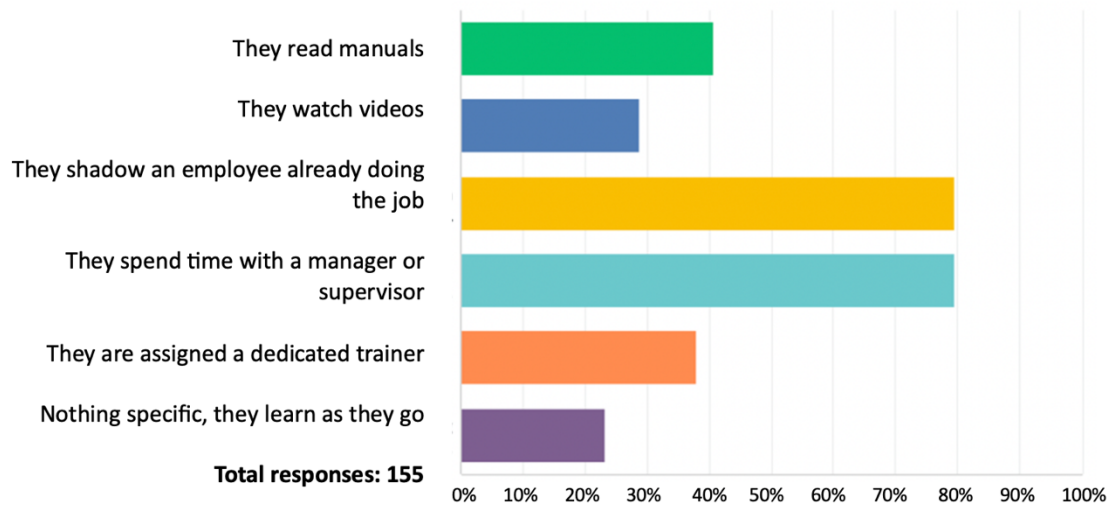
Canadian, or permanent resident skilled employees

Respondents indicated using similar strategies for skilled employees as they did for entry level employees. 67% reported that recruiting skilled Canadians or permanent residents is 'very difficult.'



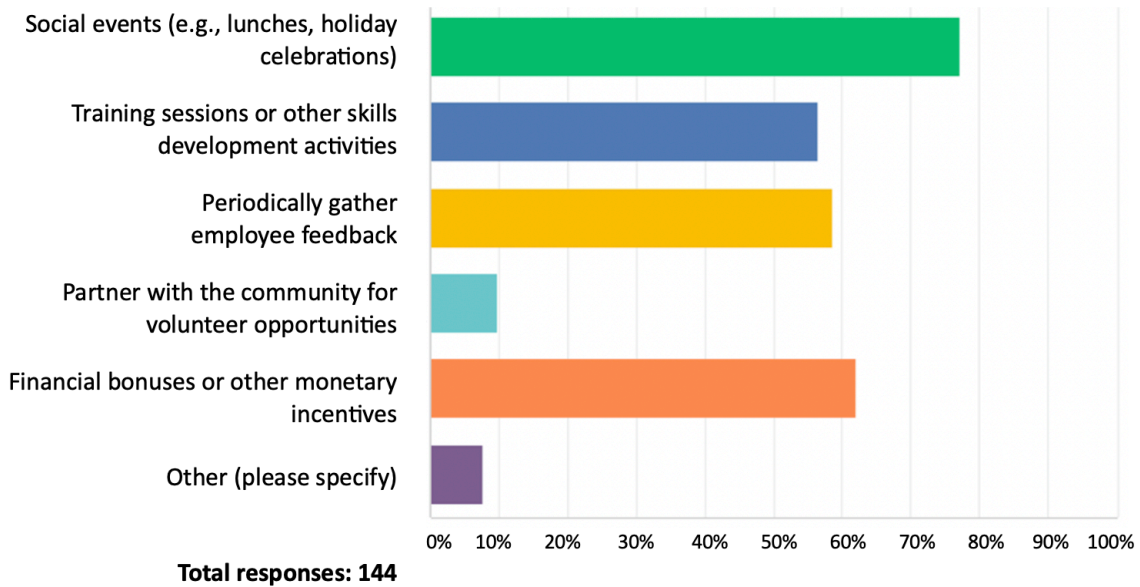
Onboarding

Similar strategies are used to onboard skilled employees, with shadowing an employee and spending time with a manager being the most popular. These direct person-to-person training methods were also ranked as being the most effective.



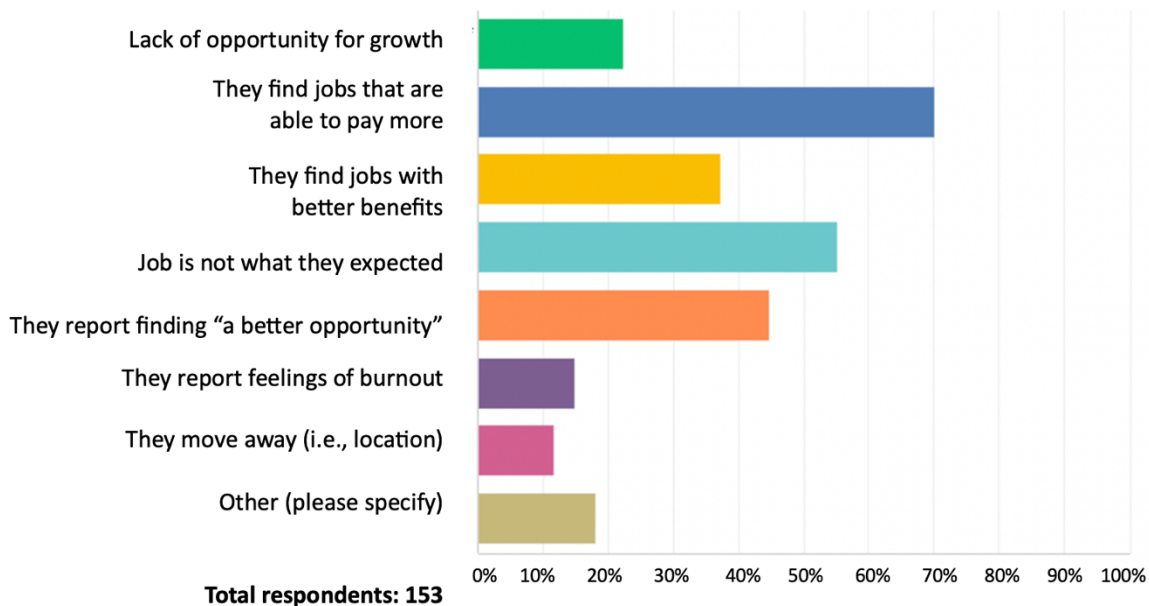
Engagement

Again, employers are reporting similar strategies for engaging skilled Canadian or permanent resident employees as they did direct entry. Most operations are targeting the employee experience through social events and financial incentives, with training programs and periodically gathering feedback as well. Respondents ranked any of the top four, namely social events, financial incentives, gathering feedback and training as most effective with no real observable pattern.



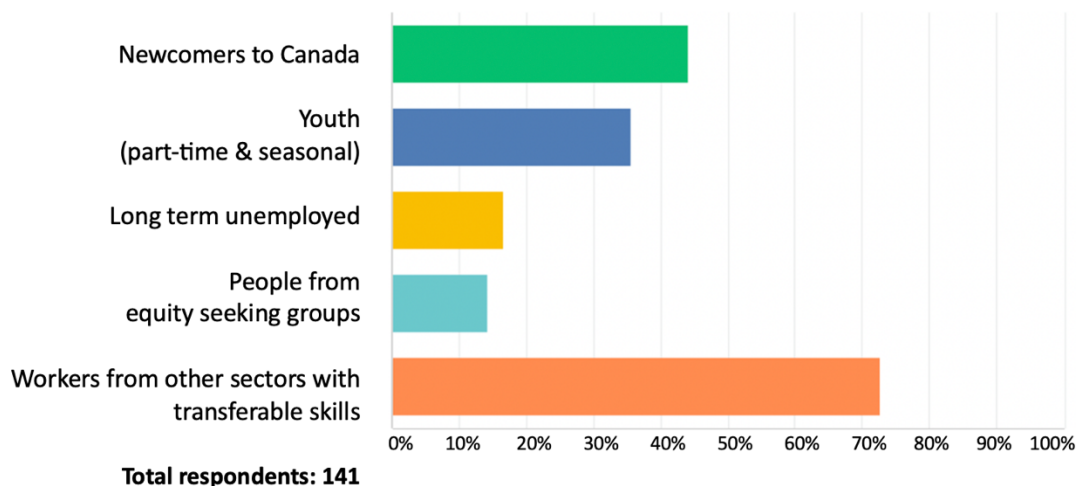
Retention

In this category, respondents reported very low turnover rates losing an average of close to 0% in the first month, and between 0 and 25% after that. 16% were 'not at all concerned' about turnover, 29% were 'somewhat concerned', 29% were 'concerned', and 26% were 'very concerned'. The most often reported reason for leaving was finding a position that paid more, followed by the job not meeting expectations.



Workforce planning

When reporting on skilled Canadian or permanent resident employees, respondents indicated that they are interested in hiring workers from other sectors who would have transferable skills. They are also interested in targeting newcomers to Canada and youth for skilled work. Support for hiring these individuals follows the same pattern.



Culture

Respondents were asked to list words that described their operation's culture. The word cloud below represents these responses. The larger the word, the more often it was used.



Comparison between Entry vs Skilled Employees

The findings for entry vs skilled employees were very similar, where there were differences, it was completely expected, for example:

- skilled workers are more likely to learn on their own and read manuals from an onboarding perspective
- from a retention perspective, entry level employees are more likely to leave because the job was not as expected (e.g., physical working conditions), and skilled workers were more likely to report burnout

- from a workplace planning perspective, youth and seasonal workers were much more likely to be used for entry level workers and for skilled workers, it was much more likely to hire workers from other sectors with transferrable skills

It was notable that only 13% and 14% of employers looking for entry level and skilled employees respectively were looking to employees from equity deserving groups.

Summary of Quantitative Research Findings

It had been identified from the environmental scan and the qualitative research, that there was a gap with respect to understanding specifics around HR practices with domestic employees. The following are the highlights from our findings:

- For entry and skilled employees, word of mouth and referrals from current employees are by far the most popular methods of recruitment.
- For onboarding both skilled and entry level employees, most employers use job shadowing and spending time with the manager or supervisor.
- Most operations use many different methods to keep all their employees engaged including social events, training sessions or other development opportunities, financial bonuses and periodically gathering feedback about working conditions.
- With respect to reasons why employees quit, for entry level employees, the most cited reason was that the job was not as expected (i.e., working conditions), followed by the fact that they found a job that paid more, or a better opportunity. Skilled employees, on the other hand, left mostly because they found a job that paid more, followed by the job

not being as expected. Skilled employees were much more likely to leave because they were burned out.

- While 67%, indicated that it is 'very difficult' to recruit domestic employees. Employers hiring for entry level positions were most likely to look for workers from other sectors with transferrable skills, followed by youth and seasonal employees, and newcomers to Canada, whereas employers hiring for skilled employees were looking mostly for workers from other sectors with transferrable skills, followed by newcomers to Canada.
- Overall, respondents indicated an average rate of voluntary turnover of 10% in the last 6 months with some reporting rates as high as 45%. Involuntary turnover at between 1% and 5%, leading to an overall turnover rate of between 8% and 15% among respondents with a few outliers at a 25% overall rate of turnover.
- With respect to hiring entry level employees, there is a reported retention rate of 50% of employees hired within their first month of employment and a 25% average turnover rate beyond the first month. 58% of respondents reported being 'concerned' or 'very concerned' about employee turnover. This is very different than the findings for skilled employees, where respondents reported very low turnover rates losing an average of close to 0% in the first month, and between 0 and 25% after that. 16% were 'not at all concerned' about turnover, 29% were 'somewhat concerned', 29% were 'concerned', and 26% were 'very concerned'.
- Only a few operations, 10%, create partnerships within the community. This is an opportunity, given that the interviews, focus groups and case studies suggested this is to be critical to becoming an employer of choice and retaining workers.

Research Conclusions

The findings from the quantitative research reinforced what was heard anecdotally in the interviews and focus groups:

- There are intentional efforts across all sectors to increase engagement and create a positive culture in the workplace. There is an opportunity here to further invest in the community to engage employees.
- The qualitative research also showed that employers who have been successful at attracting and retaining their employees spend time listening to them. This was reinforced with the survey with 55% of employers periodically checking in with their entry level employees and 58% checking in with their skilled employees.
- The interviews/focus groups showed that the biggest challenge with retention is within the first month or so.
- The qualitative research showed that working conditions play a major role in the difficulty in attracting and retaining workers.
- The interviews/focus groups, for the most part, suggested they are losing workers to other sectors (e.g. fast food) where they can receive the same pay with better working conditions.

SECTOR SPECIFIC RECOMMENDATIONS & TOOLS

Recommendations for Creating a Positive Workplace Culture

Do

- Understand that culture matters! Culture sets the tone for how people treat one another and consequently signals to perspective employees what is valued within the organization. Culture can attract or discourage employees from seeking employment with the firm.
- Decide what values you want to guide your operation. Be careful yet deliberate about your priorities. These priorities then need to flow down through all parts of your organization, leadership, business strategy, and employment policies.
- Ensure that setting the tone for the organization starts at the top. Leaders need to 'walk the walk'. Culture is determined from the very top, both in statement about vision and strategy and through behaviour from top management. Leaders need to represent the cultural values they hope to set.
- Monitor and evaluate culture. For culture to be successful, it needs to be more than a plaque on a wall or words shared by leaders. Organizations should continuously evaluate their company culture to ensure that it is aligned with the intentions set by top management. Regular cultural audits where employees have input into their experience within the firm will help leaders ensure that their collective vision is on track.
- Set a culture that includes every employee. As employers in Canada, there is great opportunity in drawing from the diversity within this country. In order to reap this benefit, operations need to ensure that there are places that are welcoming of all employees and value broad ranging contributions.

Don't

- Don't set a culture and forget about it. A static culture does not take into account the rapid rate at which business and the world changes. Ensure that you are constantly reevaluating your cultural priorities and ensuring that you are deliberately strategizing ways to share your vision with those around you.
- Don't forget to align your HR policies with your culture. All of your efforts to support and guide your people should be grounded in your culture. For instance, you want your cultural vision to determine how you orient new employees to the firm. Employees, new and longstanding, should understand the culture of the firm as a guidepost to the operation's priorities.
- Don't let a culture develop haphazardly. Culture should develop following a careful process of deciding on priorities, planning, and set goals. If you let a culture develop on its own, you might end up with a culture that you don't want, or no discernable cohesive culture at all!
- Don't forget about employee onboarding. The best way to support employees into a successful transition into the firm is to onboard them deliberately and purposefully in a way that is aligned with culture. This your opportunity to ensure that employee expectations are set appropriately and to engage them through the values of the firm.
- Don't work in silos! In order to share cultural values, employees should be encouraged to collaborate and work across departments. Exposure to people across the whole firm will help culture spread.

Recommendations for Being an Effective Leader

Do

- Alter your leadership style depending on many factors. Different people are motivated by different leadership styles and different situations require different leadership styles. There is not one best leadership style. Leaders can be Directive (they simply tell their employees what to do), Participative (they involve their employees in decision making and seek input), Encouraging/Supportive (they provide resources, support and feedback) or Achievement Oriented (focus on setting and achieve goals). Which one of these styles is best depends on who you are leading and what motivates them, their position, your strengths as a leader, and the culture, structure and strategy of the operation. Which leadership style is best? It depends!
- Recognize that in some situations, workers will be more motivated by a visionary, charismatic leader, whereas in other situations, workers will be motivated more by a transactional leader, someone who provides clear expectations and feedback on performance.
- Spend time to understand what leadership style works best for which employees. Have conversations with your employees and ask them what motivates them in order to understand which leadership style would be most effective for them.
- Reflect on the situation to understand how that impacts which leadership style you should use in any given situation. Is there a time urgency or would a mistake be very costly? Then you likely need to use the Directive leadership style. Is the culture of your

operation to be very open-door and your employees are empowered to make decisions?

Then the Participative leadership style might be most effective.

- Think about how the strategy of your operation will affect which leadership style you should use. For example, the most effective leadership style will be different in an operation with a strategy that focuses on low cost, in which case you would likely use the Directive or Achievement Oriented style versus one that focuses on customer service, where you would likely not use the Directive style.
- Think about how the structure of your operation will affect which leadership style you should use. For example, the larger your organization, the more difficult it becomes to use the Participative style. The number of levels and bureaucracy in your operation will also affect which leadership style is effective (for example, the more levels and bureaucracy, the more likely the Directive Style would be most effective).

Don't

- Don't use the same leadership style in every situation.
- Don't assume what leadership style you prefer is the same one that motivates each of your employees.
- Don't use the Directive style and just tell your employees what to do if you think that particular employee likes to participate in decision making or needs feedback and support to be motivated.
- Don't use the Encouraging or Participative leadership style if there is time urgency (for example, during Harvest or Planting season), or if it would be expensive if the employee

made a mistake (for example, if there are high input costs). In this case, you would want to use the Directive style and just tell the employee what to do.

- Don't use the Participative style if you aren't going to consider the employee's input and suggestions. They would feel frustrated if you asked them to participate in decision making and then you didn't use their advice.
- Don't use the Achievement-Oriented Style if you can't clearly set goals and easily and objectively measure achievement on the goals. It's not always possible to set goals in all positions. If you do use the Achievement-Oriented leadership style, involve the employees in the setting of the goals, provide continuous feedback on the progress of achieving the goals and set challenging, but attainable goals.
- Don't ignore the impact of your operation's culture, strategy and structure on which leadership style is most effective. They are all important factors in determining which style you should use.

Recommendations for Hiring New Employees

Do

- Do make sure your hiring process is valid which means it is based on an actual job description. You can't have a hiring process that is fair and legally defensible if you haven't invested time in developing solid job descriptions (tasks required to do the job and the relevant knowledge, skills and abilities required). The interview questions should be job-related and based on the job description.
- Do make sure your hiring process is reliable which means you are applying the same process and criteria to everyone that applies. From both a legal standpoint, and also to pick the best person, you need to ensure you are evaluating all of the resumes in the same way, and asking the same questions to everyone you are interviewing. You should also have a scoring system in place to score their answers to the interview questions.
- Do make sure your hiring process is as free from bias as it possibly can be. There is a lot of potential bias when you are hiring someone, for example, you might be more inclined to hire someone who is similar to you (similar interests, values, characteristics). Or if the interviewer has stereotypes, they may be biased against people of a certain age, ethnicity or gender. Interviewers can be trained on what these potential biases are so that they are less likely to be biased through the hiring process. Bias can lead to people from marginalized communities and disadvantaged groups being discriminated against. From a fairness, ethical and legal perspective, it is very important that the interviewer isn't biased in any way.

- Having said all of this, you still need to make sure your hiring process is practical, from both a cost and time perspective. The CAHRC Agri-HR Toolkit has excellent templates and guides to help you to develop a job description and interview questions!

Don't

- Ask random, open ended interview questions that are not based on a job description. It can really get you in to trouble from a legal/discrimination standpoint and will not help you to hire the best person. It can lead to biases and stereotypes that you might not even be aware of.
- Don't create interview questions without spending a lot of time writing up a solid job description. Remember, the interview questions must be based on the job description in order for the interview to be legally defensible.
- Don't use a different hiring process for different candidates for the same job. You need to ask the same questions to each person and evaluate the resumes in the same way.
- Don't ever try to hire someone without
 - A solid job description of the job tasks and knowledge, skills and abilities required to do the job
 - Evaluating all resumes in the same way
 - Interview questions that are based on the job description
 - A scoring system for interview answers with criteria
 - Asking all potential employees the same interview questions
 - Thinking about whether it is more important to find someone who has the specific skills to fill the job or who fits with the culture of the operation

Recommendations for Onboarding New Employees

Do

- Invest the time in onboarding your new employees. Make a plan and checklist of items you will include throughout the onboarding process.
- If appropriate, set your new employee up with a mentor within your operation. Ensure this mentor is someone who you value as an employee, as it is quite likely this new employee will model the behaviours of their mentor.
- Conduct interviews or check-ins with your new employees regularly (perhaps after the first week, every two weeks after that for a few months). Try to understand what they like and dislike about the job and make changes where necessary to reduce turnover. Create a culture where new employees feel like they can speak up if they aren't happy about something and come to you with any concerns.
- Provide a realistic job preview when you are hiring them so that you don't have unmet expectations. When you are going through the selection process, or even early on during the employment relationship, be open and transparent about what the job entails (the good and the bad)! If employees know what they are walking into, it will reduce turnover and increase motivation!
- Remember that new employees can be committed in different ways. They can have continuance commitment which means they will stay because they have to (maybe they don't have another opportunity to go to), or they could stay because they have normative commitment, meaning they stay because they feel like they should stay. We don't want employees to have either normative or continuance commitment. We want

employees who have affective commitment, meaning they stay because they want to and because they simply feel positively about the organization. A strong onboarding program with a mentor, a realistic job preview and time spent on socializing them into the company will result in higher affective commitment!

Don't

- Don't underestimate the importance of investing time in an onboarding program. It will reduce turnover and increase motivation.
- Don't choose the wrong person if you are going to set up a mentorship relationship. The new employee will likely exhibit the same behaviours as the mentor you have chosen for them, so it is critical that you choose the right person.
- Don't sugar coat things. Provide a realistic job preview to the new employees so they understand the good and bad about the job. Otherwise, you are wasting your time as things will not be as they expect them to be, and they are more likely to leave.
- Don't ignore your employees once they start. You need to check in with them regularly to understand how they are feeling and to understand if there are ways that you can improve things that aren't working. Create a culture where new employees feel like they can speak up if they aren't happy about something.

Recommendations to Motivate Your Employees

Do

- Be mindful of the importance of fairness because it is very important to motivate your employees. Employees can be motivated by three types of fairness. First, they can be motivated by distributive fairness; feeling that one is paid fairly relative to others. Second, they can be motivated by Interactional fairness which means do they feel they are treated with respect. The most important type of fairness when it comes to motivation is procedural fairness. Do your employees feel that HOW you make decisions is fair. It's not the outcome of the decision that is important, it's the procedures that you used to make the decisions.
- Do spend time ensuring your decisions are procedurally fair. Ask yourself whether each decision is made using a procedure that is representative of how your employees would want you to make the decision. For a very simple example, think about how vacation time is allocated, do employees think this process fair? Have you asked them? It can apply to any decision you make as a manager – who works what shift? Who works on which piece of machinery or which line? Who gets promoted? Who gets to go on training courses? Another way to ensure procedural fairness is to apply the same procedure when making a decision consistently, to all employees. Also, ensure that your employees feel comfortable coming to you if they don't think a decision is fair, without a fear of you judging or punishing them. Lastly, you need to be transparent and communicate HOW you are making decisions so you're your employees can see that you

are being fair. Procedural fairness is extremely important in order to have motivated employees.

- Do make sure your employees have a high level of self-efficacy, which is their belief that they can do the job. It's different from self-esteem, which is an overall belief about yourself. Self-efficacy is job or task-specific. If an employee isn't motivated or performing well, you should ask yourself whether they have all of the tools, resources and skills to do you the job and whether you have given them clear instructions.
- Do talk to each of your employees to understand what motivates them. Some employees are motivated by extrinsic factors, meaning they are motivated by pay, benefits, vacation and other tangible things. Others are motivated more by intrinsic factors, which are feelings from within like feeling satisfied, being challenged, or feeling like you have accomplished something. It is important for you to understand which is more important to each employee so that you can manage them differently. For example, if one employee is more motivated by intrinsic factors then continuous feedback is going to be very important. Whereas for an employee who is motivated by extrinsic factors, you are going to want to pay very close attention to ensuring rewards are given in a timely way, tied to performance and that they are valued. It gets tricky because you want to treat all employees fairly, but differently according to what motivates them.
- Do set goals with your employees. However, you need to ensure that the goals are challenging, but attainable, and easily and objectively measured. However, the most

important thing about goal setting is that you need to provide continuous feedback on the progress on the goals.

- Do recognize that your employees are constantly comparing themselves to other people, both inside and outside of your organization. They will be comparing everything they bring to the job (their skills, education, attitude, effort, etc.) and what they get in return (salary, incentives, vacation, benefits, etc.). They then compare their perceptions on this to other people. If they feel others are paid more for the same effort and performance, they will not be motivated and they will stop working as hard. Individuals will use their co-workers within the company as comparators, but also people working in other organizations as well.

Don't

- Don't assume that all of your employees are motivated by the same thing. Remember, some are motivated by feelings from within, whereas others are motivated by tangible things like pay and vacation.
- Don't underestimate the importance of intrinsic motivators, or feelings from within. Managers tend to assume that people are mostly motivated by money, and that often isn't the case.
- Don't confuse rewards with reinforcers. Rewards are provided to employees without being tied to anything, for example, a holiday bonus. Reinforcers, on the other hand, are rewards that are tied to performance (merit pay, for example). While rewards may increase employee engagement and morale, they do not increase motivation. Reinforcers, because they are tied to performance, increase motivation.

- Don't hide how you make decisions. If you are making decisions in a fair way, then communicate openly and transparently how you are making decisions.
- Don't assume if an employee isn't motivated or isn't performing well that it is necessarily because of something they are struggling with. Look to the situation, and to yourself as a Manager to see what you could do better. Put yourself in their perspective and try to understand if they have clear instructions, and all of the skills, resources and time to do the job. When someone isn't performing, Managers typically assume that it is the worker's fault, and this often is not the case, and it is actually because of external factors.

Recommendations for Conducting Effective Performance Appraisals

Do

- Ensure you are doing performance appraisals for all employees. They are critical from both a motivational and also a legal perspective. It is not legally defensible if you are not formally documenting your employees' performance (for example, if there was a claim of discrimination with respect to a promotion or pay, you could be asked to produce the employee's performance reviews).
- Ensure your performance appraisals are valid (meaning the questions are based on the job description) and reliable (administered the same way consistently for every employee).
- Provide continuous feedback. The performance appraisal should not be a discrete event. Rather, a manager should be providing continuous feedback throughout the year so that there are no surprises at the time of the review, and it is more of a formality to sign off on the documentation.
- Perform "start-stop-continues" with your employees. Ask them what you as a Manager can stop, start and continue doing to improve their job. Just by asking for their opinion, it will increase their motivation, and it often leads to conversations about things that can easily be improved upon. You can also reverse the exercise and also do "stop-start-continues" of your employees in the same exercise. Use the opportunity to tell them what you would like them to stop, start and continue doing.
- Make a diary of your employees' performance. When you see something you like or dislike, write it down. This will help when it comes time to conduct your performance

review, as you won't be biased by the most recent thing that happened. It will help you to look more holistically about their performance over the rating period. Your employees will also feel valued because you took the time to document their performance.

- Be mindful of the various biases that can occur in a performance review. Rater biases affect the performance rating more than the employee's actual performance!
 - The halo effect says that if we see an employee do something good, we automatically rate them high on everything. It can also be the reverse and if we see an employee do something bad, we automatically rate them lower on everything else.
 - The similar-to-me bias says that raters will rate employees higher if they are similar to them in some respect (could be similar interests, education, gender, etc.)
 - The recency bias says that raters will remember the most recent thing the employee has done and it will affect the rating and the primacy bias says that the rater may remember the first thing the worker did in the rating period, and that in turn, affects their overall ratings.
 - Some raters commit the strictness bias and rate everyone harshly, while others commit the leniency bias and rate everyone leniently. Most managers commit the central tendency bias, and rate everyone right down the middle!

- Do use CAHRC's AgriHR Toolkit to get started with a performance review if you are currently not conducting them. It is a great place to start with templates and suggestions!

Don't

- Don't ignore the importance of conducting performance reviews. From both a motivational and legal standpoint, they are incredibly important!
- Don't forget the importance of investing time in a job description. The items you are rating your employees on will be based on the job description in order for the appraisal to be valid and legally defensible.
- Don't just do performance reviews once per year, or even once six months.
Continuously provide feedback to your employees so that the performance review is not a discrete event.
- Don't make the performance review a one-way conversation. Use the conversation as an opportunity to ask your employee what you could stop, start and continue doing.
- Don't rate everyone the same, in the middle of the scale. Take the time to think about any way that you might be biased towards an employee and try not to have that affect the rating you give them.
- Don't just measure an employee's performance either subjectively (using scales) or objectively (using hard numbers such as number of sales, quality measures, etc.). If you just use subjective measures (e.g. on a scale of 1 to 10, how often do you see an employee exhibit a certain behaviour), because that can lead to a great deal of bias. On the other hand, you don't want to only use objective measures/hard numbers (for

example, sales, quality measures, safety measures) as it can feel frustrating to the employees if there are things outside of their control. You want to use a combination of both subjective and objective measures!

Recommendations for Effectively Training and Developing Your Employees

Do

- When deciding which employees to offer training and development opportunities to, ensure you are choosing individuals in a fair and consistent way. From both a legal standpoint, and also to motivate your employees, you need to have a fair procedure to determine who receives training and development opportunities. Also, this process needs to be applied consistently to all employees.
- When training for new skills or processes, measure the success of training by increases in performance, not by employee perceptions of whether they enjoyed the training or thought it was worthwhile. Training is only valuable if it increases the performance of your employees. It would be ideal to have some measure of performance before the training, and then to measure that performance a few weeks or months after the training to see if it was a success.
- Use training and development opportunities as a benefit to offer strategically to your employees to increase their commitment to your operation and reduce turnover. Think of it as a form of compensation for those who value upgrading their skills. It can help you to become an employer of choice and differentiate you from other competitors when it comes to recruiting your employees.
- Before deciding what type of training and development opportunities to offer, conduct a needs analysis, at the organizational level (is training needed on the culture, values, mission, goals and strategy of your operation?), at the job level (is training needed on new knowledge, skills and abilities required for the job?) and at the person level (are

there gaps between the knowledge and skills needed for the job and the employee in the position)?

- Use your performance appraisal conversation as an opportunity to give feedback to the employee on what knowledge, skills and abilities could be improved upon and offer training and development opportunities that address them. Also, use the performance appraisal conversation to ask your employees if there are particular areas where they would welcome training and development opportunities. You might be surprised to find out they are interested in training in other areas of your operation!
- If you are offering the training and development “in-house”, keep the learning principles in mind. The following learning principles help people to learn most effectively:
Participation – ensure the participants are actively involved in the training; Repetition – repeat the material as much as possible (research tells us we forget 50% of what we hear immediately and 75% of what we hear in two months; and of that 25% we remember, only 60% of it is correct); Relevance – ensure the material is meaningful; Transfer – make the training as similar to the actual job as possible (e.g. train in the same location, with the same coworkers) and Feedback (provide feedback to the learners on their progress). These principles will help to increase the likelihood that the employees will retain the information they learn!

Don't

- Don't randomly choose who receives training and development opportunities. In order to be legally defensible and not biased, you should have a procedure of deciding who receives training opportunities and when, and that procedure should be applied consistently to all employees.
- Don't always assume there will be an upward learning curve when you train your employees. Learning takes places in bursts, and can plateau before it increases again over time.
- Don't underestimate the importance of self-efficacy with respect to training. Self-efficacy is the belief that someone can learn the skills that they are being trained and that they can apply the skills to the job. It is different than self-esteem which is one's overall belief in themselves because self-esteem is job specific. After an employee is trained you should ensure they have self-efficacy by asking them if they feel confidence in applying the newly learned information or skills to their job.
- Don't ignore organizational influences on the transfer of training, meaning the likelihood that they will transfer what they have learned to the workplace. First, ask yourself whether there are rewards for demonstrating the new skills or behaviours. Second, are there environmental constraints or obstacles (for example, is there a lack of equipment, tools, time, etc. that may prevent the employees from using their newly learned skills?). Also, ensure there is both supervisory and peer support for what was learned in the training. Training coworkers together can help to reinforce the behaviours with each

other. Lastly, ensure you have a strong organizational learning climate where learning is encouraged, supported, and rewarded.

- Don't measure the effectiveness of the training based on the employees' reaction as to whether they were satisfied with it. Instead, you want to measure the actual learning and whether it resulted in attitude or behaviour changes.

Recommendations for Effectively Compensating Your Employee

Do

- Do tie some pay to performance. From a motivational standpoint, it is important that employees have some portion of their pay tied to performance (an incentive). But it is also critical that those incentives are provided in a timely manner, and based on a fair and valid performance appraisal so that employees can make the connection between the incentive and their performance.
- Do have incentives or merit pay that are based on a combination of individual and organizational performance. If you only provide individual incentives, you will create a culture of competitiveness and people will look out for themselves. If you only provide incentives based on organizational performance, you will end up with some individuals being social loafers, meaning that they don't work hard because they know they will get the same reward as everyone else.
- Do have an open and transparent pay system, IF AND ONLY IF, you have invested time into ensuring it is procedurally fair. Have you spent time ensuring that the procedures to decide what job receives what level of pay are fair and valid? Ideally, if you have, and you can communicate that process, it will greatly motivate employees because they can understand why they are receiving the pay that they are. If you don't have an open and transparent pay system that is procedurally fair, then employees will overestimate what their coworkers are being paid and it will affect their perceptions of equity.
- Do ensure you have both internal equity and external equity. Internal equity means that you are paying people fairly relative to each other within the organization. External

equity means that you are paying your workers fairly relative to those in similar positions at your competitors. Your employees will constantly be comparing themselves to other people within the organization and in other organizations.

Don't

- Don't have an open and transparent pay system if you haven't invested the time to ensure it is procedurally fair and unbiased.
- Don't randomly determine wages or merit pay. In order to motivate your employees, the pay system must be structured and based on job descriptions, external wage rates and internal equity. Merit pay or incentives must be tied to a performance measure that is objective and free from bias. Employees must feel like both their wages and any merit pay are determined in a fair and equitable way.
- Don't have incentives that are solely based on either individual performance or company performance. It should be a combination of rewards that are tied to both individual and organizational performance.
- Don't forget that your employees are constantly comparing themselves to others both within your organization and in other organizations. If they feel like they aren't being paid fairly compared to someone else, they will not be as motivated and will put in as much effort. Spend the time to analyze whether you are paying people fairly relative to each other within your organization, and gather data from other organizations.
- Don't wait too long to provide incentives that are tied to performance. Employees need to see the connection between the performance and the reward.

CASE STUDIES

CASE STUDY #1: Becoming an employer of choice

Nortera, a large vegetable processor with 13 operations and 3000 employees, has become an employer of choice in both Canada and the United States. Over a 25 year history, they have responded to challenges by creating a strong company culture anchored by a strong leadership team with stable, grassroots values and a commitment to employee satisfaction, success and well-being.

A notable example of their strength is the STAY program. In response to a recorded 17% turnover rate in one of their departments, they built an employee feedback system in order to get the root of this challenge. This program involves a series of interviews with both new and long-term employees where feedback is collected on the employee experience. It should be made clear that this differs from performance appraisal or evaluation. Performance management conversations happen at a different time. The STAY interview is a scheduled, open, two-way conversation between each employee and their supervisor. For new employees, the interviews occur at 2 weeks, 6 weeks, 12 weeks and 16 weeks, and is used a tool to retain new employees.

There are five questions that are asked in the STAY interview:

1. What do you enjoy about working here?
2. What do you learn from working here?
3. When was the last time you thought about leaving us and what prompted that?
4. Why do you stay here?
5. What can I do to make your work experience better?

The outcomes of these interviews are recorded and inform all kinds of activities within the operation including: the establishment of an outdoor non-smoking area, hosting team meetings at a different time of the day (beginning vs end of shift) and providing freezer jackets and tuques during cold temperatures. Notably, turnover was reduced to 5%.

In addition to the STAY program, Nortera has found other creative ways to listen to their employees. For instance, supervisors are encouraged to have a true “open door policy” where leaders are accessible and employees are encouraged to share concerns or suggestions.

Similarly, they have implemented a stop-start-continue program where employees are regularly asked what they want you to stop, start and continue doing. They have also launched an online tool called Office Vibe, where employees are prompted by email every two weeks to report on relationships with managers, relationships with co-workers, recognition, satisfaction, personal growth, ambassadorship, alignment, feedback and wellness. The answers are anonymous, although the employee can choose to identify themselves. It has an astounding participation rate of 66%! The benefits are that managers receive a snapshot of how their employees are feeling, co-workers can send “good vibes” to colleagues, and all employees have an opportunity to feel heard. The key to the success of this program is that there is follow-up on the answers and a sincere effort to address concerns or ideas that are raised through the survey. Some of that follow-up may even come directly from the CEO!

Through open communication with employees and responsiveness to employee feedback, Nortera has created a culture that withstands labour shortages, competitive with other sectors where pay might be higher, and earned a reputation as an employer of choice. Their employees

talk about the operation with great pride espousing the core values of the company, namely environmental sustainability and healthy living through plant-based diets.

In reflecting on their success in responding to challenging labour markets, one leader noted “maybe the shortage has hurt some companies, but it has made us better... we have become solution-based thinkers because we didn’t have a choice”. This shift in mindset and perspective has made a big difference in their ability to retain workers. Some employees have gone as far as to call Nortera a “mystical” place to work. What have they done to earn this reputation and to become an employer of choice. See Table 1 for some concrete examples of their strategies. Perhaps the biggest learning from Nortera is that their strong, positive culture is not an accident, it is purposeful and is the outcome of intentional programs and practices targeted at the employee experience. Here are the key learnings from this case study:

- Be intentional and thoughtful of programs or practices that will lead to a positive culture;
- Look at data on turnover and understand why people are leaving;
- Seek employee feedback and make changes based on that feedback;
- Foster and create a culture of pride amongst your employees;
- Invest in the community;
- Over-hire to deal with absenteeism and prevent burnout;
- Be flexible with your policies and practices – be open to making changes to accommodate your employees;
- Don’t underestimate the importance of working conditions, and invest in improvements;

- Look at the industry labour shortage from a different perspective – focus on how it can make your organization better and be solution based.

Table 1. Examples of programs that support Nortera’s culture

<p>Wages.</p> <ul style="list-style-type: none"> • They acknowledge that you have to pay general labour almost as much as skilled labour, but they also recognize that they can’t compete with automotive salaries. • Focus on building a workplace where people want to be. • Invested in creating a transparent pay system with strong pay equity.
<p>Working conditions</p> <ul style="list-style-type: none"> • Focused on positive, safe and inclusive workplaces. • Investment in pleasant break areas, improving facilities, paving the parking lot, providing picnic areas and providing healthier alternatives for lunch. • Investment in automated equipment to improve the experience of their employees, specifically with respect to the physicality of work.
<p>Recognition through events</p> <ul style="list-style-type: none"> • Frequent, yet simple events such as barbeques and holiday parties to support the culture of pride at Nortera.
<p>Staffing</p> <ul style="list-style-type: none"> • Over-hire by 8-13%; employ more staff than they need to prevent burnout and fill gaps when absenteeism occurs.

<ul style="list-style-type: none"> • Ensure hiring practices are fair and effective; careful interview questions that allow the selection of people who fit with their unique culture and organizational values.
<p>Employee development</p> <ul style="list-style-type: none"> • Self-paced training and development informed by a competency based. • Employees have the opportunity to move quickly through a series of levels; progress is recognized with pay raises. • The program has allowed them to cross train, resulting in efficiencies. For example, they are now able to run each shift with 18 people versus 24 people 3 years ago. The money saved goes to increased wages!
<p>Encouraging a culture of pride and helping</p> <ul style="list-style-type: none"> • In line with their value of caring for people, Nortera also quietly and humbly invests in the community, whether it's to foodbanks, children's camps, inner city schools, just to name a few, which further contributes to the sense of pride among employees.
<p>Responsive work arrangement</p> <ul style="list-style-type: none"> • Flexibility out of necessity! In response to employee demand, they have developed flexible and innovative with policies and practices, because "they don't have a choice if they want to attract and retain talent". • Example: A site who was having difficulty with weekend skilled trades so they hired two workers who work solely on the weekend (two 12 hour shifts for which they pay time and a half). These positions are now attractive to some individuals who can get 36 hours of pay in two days.

Key Take-Aways from this Case Study

- Employers like Nortera who have been successful in attracting and retaining workers have recognized that the labour shortage/crisis has been the impetus for change and have realized that innovative practices are needed to become an employer of choice. Examples of these innovative practices, include investing in inclusive workplaces, more flexible shifts/hours, pleasant break areas, providing lunch, holiday parties, picnic/lunch areas, recognition programs, referral programs, etc.
- Be mindful of the importance of fairness, because it is very important to motivate your employees. Employees can be motivated by three types of fairness. First, they can be motivated by distributive fairness which means do they feel they are paid fairly relative to others. Second, they can be motivated by Interactional fairness which means do they feel they are treated with respect. The most important type of fairness when it comes to motivation is procedural fairness. Do your employees feel that HOW you make decisions is fair. It's not the outcome of the decision that is important, it's the procedures that you used to make the decisions. Ask yourself whether each decision is made using a procedure that is representative of how your employees would want you to make the decision. One way to ensure that you are using this strategy as your guide is to give employee's voice into your processes. Another way to ensure procedural fairness is to apply the same procedure when making a decision consistently, to all employees. Also, ensure that your employees feel comfortable coming to you if they don't think a decision is fair, without a fear of you judging or punishing them. Lastly, you need to be

transparent and communicate HOW you are making decisions so you're your employees can see that you are being fair. Procedural fairness is extremely important in order to have motivated employees, and Nortera has excelled in this regard!

- Nortera has clearly demonstrated that Participative Leadership (involving employees in decision making and asking for their input) can be very effective! But we need to remember that you need to alter your leadership style depending on many factors. Different people are motivated by different leadership styles and different situations require different leadership styles. There is not one best leadership style. Leaders can be Directive (they simply tell their employees what to do), Participative (they involve their employees in decision making and seek input), Encouraging/Supportive (they provide resources, support and feedback) or Achievement Oriented (focus on setting and achieve goals). Which one of these styles is best depends on who you are leading and what motivates them, their position, your strengths as a leader, and the culture, structure and strategy of the operation. Which leadership style is best? It depends! The participative style has worked very well for Nortera!
- Employers, like Nortera, who have been successful at attracting and retaining their employees spend time listening to them. If employees feel they have a voice, they will be more motivated. They ask their employees for input, criticisms and suggestions for improvements, and then follow up with either changes to the workplace to address any concerns, or an explanation as to why the changes are not possible.

- Employees can be committed in different ways, and Nortera has created a great deal of Affective Commitment within their employees (meaning they stay because they want to and because they simply feel positively about the company). Alternatively, and not desired, you can have employees who have continuance commitment which means they will stay because they have to (maybe they don't have another opportunity to go to), or they could stay because they have normative commitment, meaning they stay because they feel like they should stay. We don't want employees to have either normative or continuance commitment. All of Nortera's intentional practices and initiatives towards developing a positive workplace culture has resulted in high affective commitment and pride amongst their employees.
- Like Nortera, perform "start-stop-continues" with your employees. Ask them what you as a Manager can stop, start and continue doing to improve their job. Just by asking for their opinion, it will increase their motivation, and it often leads to conversations about things that can easily be improved upon. You can also reverse the exercise and also do "stop-start-continues" of your employees in the same exercise. Use the opportunity to tell them what you would like them to stop, start and continue doing. This has worked well for Nortera by giving their employees a voice, which increases motivation and commitment!

CASE STUDY #2: Creating a Culture of Community

The labour crisis facing the Agri-food sector is perhaps the industry's biggest challenge and is not going to go away anytime soon. Operations in this sector have a reputation for difficult working conditions, making it challenging to attract and retain workers. A recent survey of businesses in the sector found that retention is at its worst in the first few weeks of employment. According to this study, there is a retention rate of 50% for entry level employees within the first month of employment and a 25% average turnover rate beyond the first month. The research also showed that 67% of employers report that they lose entry level employees because the job was not what they expected with respect to working conditions. Employees are largely lost to other sectors such as fast food, where employees receive the same pay but with better working conditions. Given the increases in minimum wage, the fact that the individuals in the labour pool have other employment options and there are limited margins to offer higher wages within this sector, employers cannot attract workers based on pay. In fact, 65% of employers reported that they are losing entry level employees because they find better pay elsewhere. If organizations in the sector want to attract and retain workers, they need to make significant and intentional investments to become ***employers of choice***, meaning that employers need to create operations where people want to work. This is of particular importance given that word of mouth and referral from current employees are by far the most common methods of recruitment. Therefore, it is even more important to invest in practices to improve the workplace culture to become an employer of choice.

In a recent study, respondents in the Agri-Food sector were asked to provide three words to describe the workplace culture of their organization. The word cloud below represents these responses (the larger the word, the more frequently it was used):



It is no surprise that in the Agri-food sector, workplace cultures are described as family-oriented, positive, inclusive, supportive and friendly given that the majority of these operations are in rural communities with strong values. Those that have been successful at becoming an employer of choice have excelled at creating a culture of community. Employers can do this by creating engagement within the organization, or externally with the surrounding community. Investment in the local community has been shown to increase engagement and create a positive workplace culture. However, recent research has shown that only 10% of employers make this investment! There is a huge opportunity to not only make a difference in the surrounding town, but also to engage employees by instilling values, and differentiating the employee experience.

Some organizations exemplify community engagement by investing in several initiatives that bridge a relationship between the company and the community. As a result, some operations have taken a role in community economic development. In a few cases, the operations have become the main economic driver of the towns in which they operate and have provided significant economic investment in the form of housing, playgrounds, and sporting facilities. Other organizations show their commitment to their community by quietly donating to local community organizations (e.g., hospitals, sports organizations), encouraging their employees to volunteer in the communities in which they live, participating in parades, and holding cultural events aimed at building community among their Temporary Foreign Workers (TFWs) and the local communities. All of these initiatives create a feeling of community among employees, which leads to increased engagement and commitment.

In addition to being a strong community partner, there are many examples from organizations who make an intentional effort to create a culture of community within the workplace.

- With respect to onboarding new employees, specifically TFWs, some employers spend a significant amount of time orienting new employees and equipping them with everything that is available in the community. Most employers also use job shadowing and ensure the new worker spends time with the direct manager or supervisor.
- To retain employees, several organizations check in with their employees quite often and listen to what they can do to make improvements. This can be a formal program with regular increments between check ins for new employees (e.g., after one week, two weeks, one month, two months, etc.) or informally for longer term workers. In fact, 55% of employers periodically check in with their entry level employees and 58% check in

with their skilled employees. They ask their employees for input, concerns, and suggestions for improvements, and then follow up with either changes to the workplace, or an explanation as to why the changes are not possible.

- Recent research also showed that most operations invest in keeping their employees engaged through social events, training and development opportunities, financial bonuses and small, fun initiatives to create a workplace culture of family and inclusion. Examples of these initiatives include contests, prizes, draws, and food trucks, community initiatives (e.g., parades, cultural festivals), and discounted meat orders.
- Employers of choice go out of their way to build a culture of community for their TFWs, both among the TFWs and between domestic workers and TFWs.

Key take-Aways from this case study

- Working conditions play a major role in the difficulty in attracting and retaining workers. Operations with challenging working conditions must invest more in practices directed towards attracting and retaining their workers to compensate. For these operations, intentional programs to improve workplace culture are essential for low turnover.
- Given that most entry level workers quit because the job was not as expected (i.e., working conditions), and that this turnover is most likely to happen in the first month, ensuring organizations provide a realistic job preview (RJP) is very important. A RJP is a process whereby perspective employees receive a realistic description of what the working conditions are actually like so that new employees have appropriate expectations. Some organizations even prepare videos and bring the employee to the workplace prior to hiring them to make it as realistic as possible.
- Organizations successful at retaining workers live by their organizational values. Spend time deciding what values you want to guide your operation. Be careful yet deliberate about your priorities. These priorities then need to flow down through all parts of your organization, namely leadership, business strategy, and employment policies.
- Understand that culture matters! Culture sets the tone for how people treat one another and consequently signals to perspective employees what is valued within the

organization. Culture can attract or discourage employees from seeking employment with your organization.

- Monitor and evaluate culture. For culture to be successful, it needs to be more than a plaque on a wall or words shared by leaders. Organizations should continuously evaluate their company culture to ensure that it is aligned with the intentions set by top management. Regular cultural audits where employees have input into their experience within the firm will help leaders ensure that their collective vision is on track.
- Employers of choice invest in small, fun initiatives to create a workplace culture of family and inclusion. Examples of these initiatives include contests, prizes, draws, food trucks, community initiatives (parades, sports, etc.) and cultural festivals.
- Investing in your community can instill feelings of Affective Commitment meaning that your employees are more likely to stay because they feel positively about where they work and have pride in their organization.
- Employers who have been successful at attracting and retaining their employees spend time listening to them. If employees feel they have a voice, they will be more motivated. They ask their employees for input, criticisms and suggestions for improvements, and then follow up with either changes to the workplace to address any concerns, or an explanation as to why the changes are not possible.

CASE STUDY #3: Equity, Diversity & Inclusion: From a Temporary Foreign Worker Lens

Recent research has shown that 67% of employers surveyed find it is 'very difficult' to recruit domestic employees. In addition, respondents indicated an average rate of voluntary turnover among domestic employees of 10% in the last 6 months with some reporting rates as high as 45%. Many operations have turned to recruiting Temporary Foreign Workers (TFWs) to address the labour challenge.

In this case study, we examine methods used by employers to retain, motivate, and engage TFWs. Many of these efforts are strategic in nature; strategies to become an employer of choice. What makes all of these initiatives truly remarkable is that they are intentional efforts towards improving equity, diversity and inclusion (EDI) within the Canadian workforce. These organizations have worked hard to make their workplace an inclusive place to work, where the TFWs and domestic workers are treated equally, while acknowledging and celebrating cultural differences.

There are some exciting examples of operations going above and beyond to attract and retain employees arriving in Canada through the TFW program through both intentional practices that engage employees, improving their overall experience in Canada and others that support pathways to immigration. The following are notable examples:

- Exceeding requirements with respect to sourcing and providing housing. Some organizations offer a choice in the type of housing available to TFWs so that the worker can choose what suits their situation best (e.g., condos, large family homes, etc.). Another organization has renovated a nursing home so that the workers can stay together and form their own community-like environment.

- Intentionally promoting workplace values around inclusion to ensure that their TFWs are considered an extension of their work-family and treat all employees domestic and foreign, according to the same labour standards and practices.
- Sending managers to the host countries to recruit and select TFWs to ensure fit with the organization's needs and workplace culture.
- Creating an environment that celebrates cultural differences and traditions through events and initiatives both in the workplace and in the community (e.g., food trucks, ethnic grocery stores, and cultural heritage festivals).
- Investing in an extensive onboarding process where new employees learn about the company as well as their local community and Canada. In addition, there are relatively small things they do to help to onboard new employees. For example, some operations provide furniture for new homes, carpooling options to get to work, support in navigating the driver's license process, as well as assistance with obtaining a SIN, and health card and setting up Canadian banking services. A notable example about how to support the adjustment of TFWs to Canada comes from the Western Agriculture Labour Initiative (WALI). WALI is developing a unique pilot onboarding initiative for Mexican TFWs whereby they are offering training in the host country on what to expect when they arrive in Canada. This is to reduce the unmet expectations amongst TFWs, and to create a smoother transition into their work in Canada. Any efforts to ensure that workers' expectations are accurate and in line with the standards of employment will help employees adjust and remain satisfied. Not only will this support transition to the

work, it will ensure that the new worker has everything that they need to be successful in the role.

- Some organizations recognize that TFWs can become an important source of labour at the end of their contract and offer support for pathways to immigration (e.g., support for housing, employment opportunities for family members, and assistance in completing immigration paperwork and navigating the process). Creating an inclusive culture that celebrates equity and diversity will increase the likelihood that TFWs will want to stay with your organization if they transition to permanent residency.

In summary, creating a welcoming and inclusive culture is a sound investment. When employees who arrive in Canada as foreign workers are made to feel part of the work-family through support of life and family, as well as cultural celebration, everyone wins.

Key take aways from this case study

- Employers of choice go out of their way to build a culture of community for their TFWs, both a community within the TFWs and also a community between domestic workers and TFWs.
- Set a culture for both domestic and TFWs that includes every employee and creates a positive, inclusive workplace culture. As employers in Canada, there is great opportunity in drawing from the diversity within this country. In order to reap this benefit, operations need to ensure that they are places that are welcoming of all employees and value broad ranging contributions.
- Treat all employees, domestic and TFWs, fairly and with respect. How your domestic employees perceive how you treat your TFWs will increase their own motivation. Treating everyone consistently and fairly will improve the workplace culture of inclusion, and increase motivation for all employees.
- Intentionally celebrate the cultural differences amongst all of your employees, perhaps through social events or food trucks, for example.

- Be creative about helping your TFWs to transition to permanent residency (if this is a strategic direction for your operation). While ensuring you are also following all regulations, think creatively about ways you can support their pathway to immigration.
- Dedicate resources within your organization finding and attracting the right TFW and supporting them through their onboarding process and during their time in Canada. A small investment can go a long way in both their well-being and feelings of inclusion, and it is the right thing to do.
- Invest the time in onboarding your TFWs. Make a plan and checklist of items you will include throughout the onboarding process. If appropriate, set your TFWs up with a mentor within your operation. Ensure this mentor is someone who you value as an employee, as it is quite likely this new TFW will model the behaviours of their mentor. In addition, investing in onboarding increases self-efficacy, which is a worker's belief that they can do the job. It's different from self-esteem, which is an overall belief about yourself. Self-efficacy is job-specific and predicts job performance and productivity.

CASE STUDY #4: Challenges to Attracting and Retaining Domestic Workers

There is a great deal of evidence of the labour challenges within the Canadian agricultural sector and the Food and Beverage Manufacturing/Processing sectors. CAHRC recently funded a research study that included both interviews and focus groups and a quantitative survey to understand turnover. Overall, respondents indicated an average rate of voluntary turnover of 10% in the last 6 months with some reporting rates as high as 45%. Involuntary turnover at between 1% and 5%, leading to an overall turnover rate of between 8% and 15% among respondents with a few outliers at a 25% overall rate of turnover. For both entry and skilled employees, 67%, indicated that it is very difficult to recruit domestic employees. With respect to hiring entry level employees, there is a reported retention rate of 50% of employees hired within their first month of employment and a 25% average turnover rate beyond the first month. 58% of respondents reported being 'concerned' or 'very concerned' about employee turnover. This is very different than the findings for skilled employees, where respondents reported very low turnover rates losing an average of close to 0% in the first month, and between 0 and 25% after that. 16% were 'not at all concerned' about turnover, 29% were 'somewhat concerned', 29% were 'concerned', and 26% were 'very concerned'.

The interviews/focus groups provided context around the causes of turnover and what innovative employers were strategically doing to retain their employees. The labour shortages and challenges were evident and consistent across the Agricultural, Meat Processing and Food and Beverage Processing/Manufacturing sectors. However, anecdotally, it appeared through the interviews/focus groups that the causes were different. In Primary Agriculture and Meat

Processing, the challenging working conditions seemed to play the largest role in attracting and retaining employees, which was not necessarily the case with the Food and Beverage Processing/Manufacturing sectors which face the same competitive labour market as other industries. When working conditions play a major role in the difficulty in attracting and retaining workers, those operations must invest more in practices directed towards attracting and retaining their workers to compensate. For those operations, intentional programs to improve workplace culture are essential for lower levels of turnover. Examples of these innovative practices, include investing in inclusive workplaces, more flexible shifts/hours, pleasant break areas, providing lunch, holiday parties, picnic/lunch areas, recognition programs, and referral programs. Given that the research showed that for both entry and skilled employees, word of mouth and referral from current employees are by far the most popular methods of recruitment, these types of initiatives go a long way.

The research showed that working conditions play a major role in the difficulty in attracting and retaining workers, specifically, the survey showed that 67% of employers report that they lose entry level employees because the job was not what they expected with respect to working conditions. In addition, the interviews/focus groups, for the most part, suggested that organizations are losing workers to other sectors (e.g., fast food) where they can receive the same pay with better working conditions. The survey reinforced this with 65% of employers reported that they are losing entry level employees because they find better pay. Given the increases in minimum wage, the fact that the labour pool can work at places like Amazon, Starbucks, or McDonalds and there are limited margins to offer higher wages within this sector, employers cannot attract workers based on pay. Therefore, it is even more important to invest

in practices to improve the workplace culture to compensate. Some operations invest in small, fun initiatives to create a workplace culture of community and inclusion. Examples of these initiatives include contests, prize draws, food trucks, community initiatives (e.g., parades, sports), meat orders and cultural festivals.

What was clear from the interviews/focus groups was that employers who have been successful in attracting and retaining their workers, have made very intentional efforts to invest in practices to increase the culture within their workplace. For example, they have invested significantly in the onboarding of their employees. Specifically, there were several examples of employers who spend time interviewing or checking in with their employees at several points in time after the initial hire (one week, two weeks, after one month, etc.) to ensure worker satisfaction and to check on areas of possible improvement. This has resulted in a significant reduction in turnover for these employers. The biggest challenge with retention is within the first month or so. If employers can get over the initial hump, then they are likely to retain the employee. The interviews/focus groups showed that the biggest challenge with retention is within the first month or so. The survey showed that there is a reported retention rate of 50% of entry level employees hired within their first month of employment and a 25% average turnover rate beyond the first month. An interesting distinction in the survey was that there was an average of close to 0% in the first month, and between 0 and 25% after that for skilled employees. From an onboarding perspective, the research showed that for both skilled and entry level employees, most employers use job shadowing and spending time with the manager or supervisor.

In addition, employers who have been successful at attracting and retaining their employees spend time listening to them. They ask their employees for input, criticisms and suggestions for improvements, and then follow up with either changes to the workplace to address any concerns, or an explanation as to why the changes are not possible. The qualitative research also showed that employers who have been successful at attracting and retaining their employees spend time listening to them. In the interviews/focus groups, there were several examples of employers who spend time interviewing or checking in with their employees at several points in time after the initial hire (one week, two weeks, after one month, etc.) to ensure worker satisfaction and to check on areas of possible improvement. This was reinforced with the survey with 55% of employers periodically checking in with their entry level employees and 58% checking in with their skilled employees.

Most notably, from the interviews/focus groups, it was found that employers who have been successful in attracting and retaining workers have recognized that the labour shortage/crisis has been the impetus for change and have realized that innovative practices are needed to become an employer of choice. They have made intentional efforts to attract and retain workers, that has paid off with lower turnover.

Key Take-Aways from this Case Study

- Invest the time in onboarding your new employees. Make a plan and checklist of items you will include throughout the onboarding process. If appropriate, set your new employee up with a mentor within your operation. Ensure this mentor is someone who you value as an employee, as it is quite likely this new employee will model the behaviours of their mentor.
- Conduct interviews or check-ins with your new employees regularly (perhaps after the first week, every two weeks after that for a few months). Try to understand what they like and dislike about the job and make changes where necessary to reduce turnover. Create a culture where new employees feel like they can speak up if they aren't happy about something and come to you with any concerns.
- Provide a realistic job preview when you are hiring them so that you don't have unmet expectations. When you are going through the selection process, or even early on during the employment relationship, be open and transparent about what the job entails (the good and the bad)! If employees know what they are walking into, it will reduce turnover and increase motivation!
- Remember that new employees can be committed in different ways. They can have continuance commitment which means they will stay because they have to (maybe they don't have another opportunity to go to), or they could stay because they have

normative commitment, meaning they stay because they feel like they should stay. We don't want employees to have either normative or continuance commitment. We want employees who have affective commitment, meaning they stay because they want to and because they simply feel positively about the organization. A strong onboarding program with a mentor, a realistic job preview and time spent on socializing them into the company will result in higher affective commitment!

- Understand that culture matters! Culture sets the tone for how people treat one another and consequently signals to prospective employees what is valued within the organization. Culture can attract or discourage employees from seeking employment with the firm. Decide what values you want to guide your operation. Be careful yet deliberate about your priorities. These priorities then need to flow down through all parts of your organization, leadership, business strategy, and employment policies. Ensure that setting the tone for the organization starts at the top. Leaders need to 'walk the walk'. Culture is determined from the very top, both is statement about vision and strategy and through behaviour from top management. Leaders need to represent the cultural values they hope to set.
- Invest in attracting the right people, a dedicated onboarding program, and intentional initiatives to engage and retain your employees!

PRACTICAL AND ACTIONABLE RECOMMENDATIONS FOR INDUSTRY LEADERS

Practical and Actionable Recommendations for Industry Leaders

1. Promote and disseminate the Sector Specific Recommendations / Tools and Case Studies included in this report.
2. Develop a dynamic website dedicated to dissemination of HR tools, including weekly newsletters, blogs, Q&As, etc. It is key that the material is relevant to multiple sectors (Agriculture and Food & Beverage Processing and Manufacturing) and that it is updated frequently.
3. Create a 'community of practice' among leaders in the industry where they can share 'best practices' regarding cultural change, community building, and general engagement activities within their operations.
4. Host industry specific workshops/roundtables for organizations to learn about and share best HR practices and work through challenges together and with topic area experts. Meet frequently. Invite experts/guest speakers to facilitate the discussion.
5. Promote and disseminate existing and free sector-specific online resources:
 - Foundations in Agricultural Management: Online, free course developed in partnership with the University of Guelph, RBC and FCC. This course explores agricultural business strategy and planning, farm management, succession planning and financial fundamentals.

<https://www.guelphagriculturalmanagement.com>

- CAHRC Agri-HR Toolkit: A low-cost, complete HR guide for Agriculture Employers and Managers with templates and modules on recruitment, selection and hiring, compensation and benefits, worker performance, succession planning, HR policies, health and safety, wellness, diversity and inclusion and foreign workers.
<https://hrtoolkit.cahrc-ccrha.ca>
- Farm Credit Canada's (FCC) website/portal for Managing People: Includes resources to manage and lead employees in the industry.
<https://www.fcc-fac.ca/en/knowledge/managing-people.html>
- Farm Management Canada: National organization dedicated exclusively to the development and delivery of leading-edge resources, information and tools to support farm business success.
<https://fmc-gac.com/who-we-are/>
- Western Agricultural Labour Initiative (WALI): Currently developing an innovative onboarding program for Mexican TFWs.
- Food Processing Skills Canada's comprehensive reports with sector-specific recommendations:
 - Securing Canada's Meat Workforce: A thorough report including recommendations on HR practices and opportunities with TFWs in the meat processing industry.
<https://fpssc-ctac.com/wp-content/uploads/2020/03/exec-summary-canadian-meat-and-poultry-lmi-final-report.pdf>

- Working Together: A Study of Generational Perspectives on Canada's Labour Force

<https://lmi.fpsc-ctac.com/wp-content/uploads/2022/08/Working-Together.pdf>

- *At the Crossroads to Greatness:*

<https://lmi.fpsc-ctac.com/reports/at-the-crossroad-to-greatness/>

6. Promote and disseminate existing and free non-sector-specific online resources by creating an online 'library' or repository for research, tools and other work that would support knowledge sharing among leaders in the sector. For example:

- Chartered Professionals in Human Resources Canada (CPHR): A website with firsthand, high quality, evidence based, timely information including a toolkit and reports.
<https://cphr.ca/resources/>
- Human Resources Professional Association (HRPA): A website with the latest news, trends and thought leadership that shape HR in Canada including up to date resources on current employment legislation, HR best practices and white papers.
<https://www.hrpa.ca/hr-insights/>
- Canadian Government: Services and information relevant to Canadian employers.
<https://www.canada.ca/en/services/business/hire/humanresourcesmanagement.html>
- Canadian HR Reporter: Timely news on HR issues in Canada including articles and videos.

<https://www.hrreporter.com/news/hr-news>

7. Plan networking activities for industry leaders. They can be social events with a keynote speaker or sector conferences focussed on people leadership and culture. These types of events allow for the creation of information networks that can then become useful connections for ongoing sharing of knowledges and resources, both formally and informally.
8. Develop a cultural audit for the industry, meaning a tool to be used to conduct a comprehensive evaluation of an organization's values, beliefs, behaviors, and practices to understand the current culture and identify strategies for improvement. Operations could conduct these audits themselves or hire third-party services for these purposes.
9. Develop a set of evaluation tools to support operations in continually evaluating their HR practices in order to be continuously revising, updating, and ensuring their operations are 'working' as planned from an HR perspective.
10. Conduct future research to examine how the trends explored in this report develop over time:
 - Consider how retention differs for the various interest groups (e.g., youth, immigrants, skilled versus non-skilled employees). To date this work has been conducted for recruitment only.
 - There is a general finding that support for mental health and well-being would benefit workers in this sector. Explore various interventions and their relative utility across the various industries and workplaces.

- Continue to examine issues of diversity and inclusivity within the agricultural sector. As operations gain success in hiring across the demographic groups explored in this project, there will be a need to support the growing diversity within each business. How can operations in the agri-food business sector benefit from the potential for innovation and creativity that comes from a diverse workforce?

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