Community Hiring

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Social Value and Your Business

The business sector has a critical role to play in contributing to a flourishing society. And consumers increasingly expect it. There is a high level of consensus around the world that companies' social role goes beyond meeting legal requirements, complying with ethical standards, creating jobs and paying taxesⁱ.

How can business respond to these rising expectations? What role can business play to contribute to strong communities? And how can this be done in a way that enables business growth and delivers financial value?

Business is not apart from society but a part of society. — TOMORROW'S COMPANY

This "Community Hiring" report is a partial answer to these questions.

It is designed to address the knowledge gap for businesses large and small that seek to foster more inclusive and equitable communities, yet lack the tools and insights to play an effective role.

Leading businesses know that their financial health and the health of their communities are interdependent. By supporting the vibrancy, health and resilience of the communities in which they operate, they are contributing to their future workforce and supplier and customer base. Everyone, including business, benefits from a vibrant and healthy community and society.

While for years companies have "given back" to society through philanthropy and community relations, increasingly they are tapping into their core competencies and operations to create a more positive social footprint. They are going beyond charity to use their power to purchase, develop products, invest, market, hire and train to create lasting value for society and their business.

The "<u>Social Value Business Guide</u>" provides an overview of four emerging opportunities to create strong social value from your business investments and tap into the business benefits:

- Community hiring
- Living wage
- Social buying
- Social innovation

This report focuses on Community Hiring.





About the Author

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Community hiringⁱⁱ

> What is it?

Community hiring is a deliberate human resource strategy to fill job positions by hiring people from groups who face employment barriers whether they are youth, Aboriginal people, people with disabilities, new Canadians, people recovering from addictions, or are re-entering the workforce or are otherwise long-term unemployed.

Companies seeking to make a direct and meaningful contribution to poverty reduction and economic and social inclusion may be interested in opportunities to hire people who face labour market barriers because of a physical, mental or developmental disability; lack of work experience or difficulty finding employment that matches their skill-set; age, cultural or language barriers; or a lack of credential recognition. People with such employment barriers have often been out of the workforce for a number of years or struggle with various issues preventing labour market attachment.

While qualified, responsible and motivated, these individuals often experience difficulty (re)entering the workforce. They are often supported and sourced through community service agencies – government-funded organizations that provide pre-employment training to job seekers and hiring referral services for employers.

> Why is it important?

According to Statistics Canada 2011 informationⁱⁱⁱ single parents, recent immigrants, people with disabilities, Aboriginal people and unattached middle-aged individuals are more at risk of experiencing low income than other Canadians. As of 2011, low income affected about one in five single parents (of whom nine out of ten were single mothers). Among off-reserve Aboriginal people and recent immigrants (those who arrived in Canada after 2001) one in every six individuals experienced low income. In 2011, over one in every three unattached individuals, aged 45 to 64 years old, experienced low income and over one in five people with disabilities experienced low income. Finally, in 2012, the youth unemployment rate (youth aged 15 to 24) was 14.3 percent, more than double that of the adult unemployment rate of 6.0 percent^{iv}.

Providing jobs for vulnerable and excluded people can have a direct positive benefit on their quality of life. Creating good and decent jobs for an appropriately qualified labour force will maintain social cohesion, promote prosperity and enable business development and innovation towards a more sustainable future.

> What can you do?

There are many routes to finding quality candidates for consideration. You might prefer to go through a government-funded employment service agency, directories of which are listed in the Resource Section in the appendix. These programs, which are found across Canada, can assist employers with recruitment, pre-screening and sometimes follow-up services, often helping to reduce recruitment costs. Alternatively, a business could target specific disadvantaged groups, such as youth, new immigrants, or people with disabilities, and locate the local or provincial resource agency, community organization or educational institution to provide the necessary hands-on support. Sometimes the



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employment organization can help the business access government wage subsidy or other incentive programs, to offset some of the costs and create greater value-added for the firm.

A few steps you can follow:

- Appoint a human resource champion to lead the initiative.
- Identify a suitable position or appropriate roles, which might require some task or workplace accommodation. Typically suitable positions do not require technical skills or prior experience. Possible work roles include administration, manufacturing, construction, general labour, painting, warehousing, landscaping, fulfillment, etc.
- Research and contact the appropriate community or provincial organization to help you with a job-match. If your priority is to hire youth with employment barriers, you may wish to contact youth agencies; if your priority is people with disabilities or new immigrants you may wish to contact those organizations.

> What are the business benefits?

Experience with community hiring programs reveals the following business benefits^v:

<u>Recruitment cost savings</u> – Recruitment services from community agencies are free, and will save you time, money and effort which would have otherwise been expended putting ads in the newspaper, online or in social media, sifting through resumes, and interviewing unqualified candidates. Instead of receiving and screening dozens of resumes, your local agency can help you identify the top two to four candidates best suited for your position, and who may already possess the requisite experience and training.

<u>Productive Workforce</u> – Employees hired through community agencies tend to take pride in their work and are serious about their jobs. They also typically display greater performance, productivity and commitment when working for their respective employers.

<u>Reduced Turnover</u> – By gaining a more dependable, motivated and loyal entry-level workforce, employers often benefit from reduced turnover rates.

<u>Brand and Reputation</u> – By implementing a community hiring program, business owners are provided with a strong marketing platform to showcase their social responsibility commitment. This enables them to become an employer and partner of choice.

<u>Risk Management</u> – Companies can counteract the effects of demographic change and labour market talent gaps. A community-hiring program can help a firm gain access to talent in a tight labour market.

<u>Potential Wage Subsidies</u> – Individuals hired through community-service agencies may be eligible for wage subsidies through government-sponsored programs. A wage subsidy reimburses an employer for a percentage of a new employee's wage for a certain number of weeks.

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Traditional Knowledge and Local Insight

Depending on the nature of your company, a benefit of local hiring can be local expertise and insight and "traditional knowledge". An example is the extractive sector, where hiring Aboriginal people can provide detailed knowledge of the physical geography or local culture, which can be very valuable to companies. Hiring someone with local insight could help to understand new markets and create more inclusive design opportunities. An immigrant can help to understand the cultural nuances in a different market allowing for insight-led innovation.



Case Study 1

Community Engagement: Mills Office Productivity

www.mills.ca



Mills Office Productivity is a B.C.-based, family-owned and -operated supplier of stationery, technology products, furniture, facilities, printing services and education products. Mills' experience in the office supply industry dates back to 1949. Since then Mills has grown to 118 employees and has remained a viable and strong competitor in the office supply industry.

Mills' social responsibility practices are based on the principle that businesses have an important role to play in addressing the social interests and sustainable development goals of their community. Mills is located in Vancouver's Downtown Eastside, an area with high rates of poverty and homelessness. The company embraces its community leadership through active engagement with social enterprises and unique hiring practices. It also gives back through sponsorships and donations to initiatives, foundations and charities that aim to instil real and permanent improvements to the lives of disadvantaged community residents.

In 2002, Mills began hiring residents of Vancouver's Downtown Eastside and provided training, employment and benefits to at-risk youth and hard-to-employ community residents through a partnership with Fast Track for Employment, a community employment services agency. Three employees still work for the company.

Mills strongly believes in giving people opportunities that may have not been otherwise extended to them. In a joint effort with other business associates, the owner led an effort in 2007 to create <u>HAVE Café</u>, a social enterprise operating as a culinary training society and a restaurant in the Downtown Eastside. HAVE provides occupational and life skills training to residents of the community that have been excluded from work due to poverty, homelessness, addiction or mental and physical disabilities. In addition to occupational training, students in the eight-week program receive meals, Food Safe Certification and employment counselling as support to successfully transition into the local workforce. To date over 600 students have graduated from the program, with nearly one third successfully finding employment. Mills donates significant funds, time, services, marketing and fundraising support to ensure HAVE Café continues to help those out who need it most. For example, the owner serves as chair on the board of directors for the café, a role he has played since its inception. In this capacity he provides his business expertise and support to the organization. The company engages its customers and employees to support the café's fund-raising efforts and hires the café to provide catering services onsite at staff and marketing events and functions. Mills also requires vendors to use the café's services when hosting marketing events at its corporate office.

While Mills social contributions are altruistically motivated, the company is able to tell a compelling story of their local and social roots which resonates with customers, building brand value and customer loyalty.



Appendix A Resources

Employer's Toolkits

How to Attract, Retain and Engage Mature Workers http://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/toolKit_Book2.pdf

Diversity at Work: Recruiting and Retaining Immigrants http://www.workbc.ca/WorkBC/media/WorkBC/Documents/Docs/toolKit_Book4.pdf

Disability in the Workplace: Company Practices <u>http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---</u> ifp_skills/documents/publication/wcms_150658.pdf

Social Capital Partners

http://www.socialcapitalpartners.ca/

Social Capital Partners applies market-based solutions to tackle systemic social issues. The non-profit, founded by Canadian business leader and philanthropist, Bill Young, designs and implements business models that address access to employment issues. The organization focuses on improving employment opportunities and outcomes for youth, new Canadians, persons with disabilities, aboriginals and single parents. It partners with businesses, community service agencies, governments, consultancy firms and others to test, prove, launch, and scale community hiring models. Their Community Hiring model was the basis for the community hiring section in this business guide.

IHG Academy

IHG, or Intercontinental Hotels Group, is the parent company of a number of hotel chains including Holiday Inn and Crowne Plaza. Building upon their community hiring experience around the world, they have developed a step by step process of how to engage and work with local community hiring partners. Their program allows community employment and training support agencies to train barriered jobseekers in the basic skills they require for entry level positions. <u>http://www.ihgacademy.com/</u>

Employment Service Agency Directories

The following is a list of provincial government resources you can contact to find employment service agencies in your province. Click on the link to go to the website.

Alberta Manitoba New Brunswick Newfoundland and Labrador Northwest Territories Nova Scotia Ontario Prince Edward Island Quebec



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<u>Yukon</u>

<u>BC</u>

World Business Council for Sustainable Development (WBCSD) Responsible Business Employment Strategies Program

http://action2020.org/business-solutions/responsible-employment-strategies

The WBCSD is a CEO-led, global association of 200 international companies dealing exclusively with business and sustainable development. It developed a 2050 Vision for sustainable development and a 2020 Action Plan to achieve the vision. The Action Plan identifies "societal must-haves" for a sustainable society, one of which is "decent and productive employment for all". Its ambition is to create 300 million additional good and decent jobs, significantly reduce the number of unfilled positions in business due to skills shortages and significantly reduce the number of people in vulnerable employment. According to its research the global labor market faces a major supply and demand imbalance. Currently, 200 million people are unemployed while 40 million people enter the labor pool annually. At the same time, businesses struggle to recruit appropriately qualified employees to ensure future business development and innovation. The WBCSD's Responsible Employment Strategies initiative aims to catalyze collective business action to develop skills for the future, enhance employment opportunities, and promote good working conditions within companies and throughout their supply chains.

Endnotes

- ⁱⁱ This section is adapted from: <u>http://www.ic.gc.ca/eic/site/csr-rse.nsf/eng/rs00592.html and</u> <u>http://www.socialcapitalpartners.ca/index.php/learnings/community-hiring accessed on March 15, 2014.</u>
- ⁱⁱⁱ From: <u>http://www4.hrsdc.gc.ca/.3ndic.1t.4r@-eng.jsp?iid=23#M_4</u> accessed March 19, 2014.



ⁱ "GlobeScan Radar 2013: Business in Society", August 2013, p. 9.

^{iv} From: <u>http://www.statcan.gc.ca/pub/11-626-x/11-626-x2013024-eng.pdf accessed March 19</u>, 2014.

^v Taken from: "Guide to Community Hiring: A tool for helping source the right employees and support the community ", Social Capital Partners, p. 1.