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Bridging the Divide, Part II: What Canadian Job Ads Produced

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Executive Summary

Media and policy commentary have focused lately on Canadian employers' apparent inability to find employees with the desired labour market skills. To explore this issue further, HEQCO reviewed and summarized the current discourse surrounding a "skills gap" in *The Great Skills Divide: A Review of the Literature* and conducted an analysis of Canadian job advertisements geared toward recent postsecondary graduates in *Bridging the Divide, Part I: What Canadian Job Ads Said*. In the latter publication, 316 job advertisements for entry-level positions requiring postsecondary education were examined to ascertain the education credentials, work experience and essential skills employers were seeking. To follow-up on *Bridging the Divide, Part I*, the current report analyzes survey responses from 103 employers that posted job advertisements included in the preceding study. In particular, employers were asked if they had filled the advertised position or, if not, the reasons for being unable to find someone to hire. Those employers that had filled the position were also asked about the successful candidates' qualifications and performance on the job so far.

The large majority of employers (84%) hired someone for the advertised position. Among the successful applicants, almost two-thirds (63%) had more than the maximum number of years of work experience outlined in the job advertisement. Specifically, for these entry-level positions, 59% of hired applicants had three or more years of work experience and 25% had more than five years. Employers' apparent preference for prior work experience was also reflected in the finding that insufficient work experience was most commonly (53%) provided as a reason for not filling the advertised position.

When asked to rate the importance of a range of essential skills for their hiring decisions, employers reported little variability among them, with almost all skills perceived as important. Furthermore, in almost all cases, the reported importance of a skill did not correlate with the proportion of times that skill was requested in the job advertisement. Nonetheless, 86% of employers were generally satisfied with the employees that they had hired and 90% of employers believed that their new employee possessed the necessary skills for the job. Thus, a large majority of employers found employees and these employees were meeting or exceeding their expectations.

Though small in scope, the findings from this study suggest that college and university graduates have the right skills for the labour market. However, given the considerable work experience possessed by the new hires, one may be left wondering if the successful applicants were actually recent graduates. Similarly, a few other thoughts come to mind in light of the findings related to work experience: what skills did these applicants develop in postsecondary and what skills did they develop on the job? Are employers hiring candidates with substantial previous work experience for entry-level positions because they are unwilling to train employees, or are employers coveting a set of skills that they do not think can be developed in postsecondary education? Now that the majority of Canadian adults possess a postsecondary education, is substantial work experience the primary factor that distinguishes a successful job applicant from an unsuccessful one?

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Introduction

Canada's so-called "skills gap" has taken centre stage in the media and among policymakers. Discussion of the issue often implicates Canada's postsecondary system, with employers and business leaders voicing concern that the system is not graduating students with the skills needed by the labour market. However, labour market observers and employers remain divided as to the extent – or even the existence – of such a gap. To summarize the current discourse surrounding the issue of a skills gap, HEQCO recently published *The Great Skills Divide: A Review of the Literature*. To add to the commentary on this topic by examining the skills employers desire and how they communicate this to prospective employees, HEQCO also published *Bridging the Divide, Part I: What Canadian Job Ads Said*, which analyzed online job advertisements geared toward recent Canadian postsecondary graduates. Following up on the latter publication, the current report analyzes survey responses from employers that posted the job advertisements included in the original analysis to find out how the hiring process unfolded.

Readers should note that this report is best understood as a continuation of *Bridging the Divide, Part I*. In response to the concerns voiced by employers that they are struggling to find employees with the necessary qualifications – whether it be education credentials, work experience or essential skills – the first report asked: how are employers communicating to prospective employees the skills that matter to them in making hiring decisions? The analyses conducted in this original report provided a better understanding of how employers articulate and value credentials, work experience and essential skills in the hiring process. For example, it was found that less than one-quarter of employers (24%) were open to hiring a candidate without work experience, despite advertising "entry-level" positions. Another finding from this report was that the three essential skills most frequently requested by employers in job advertisements were the ability to work with others, oral communication skills and computer skills.

Bridging the Divide, Part I added to the discussion about how to better align postsecondary skills with the Canadian labour market, but also left several questions unanswered: what was the outcome of the job advertisement? Did the employer struggle to find someone with the skills needed for the position or did the employer find the employee they were looking for? How did the qualifications of the successful applicant compare to those outlined in the job advertisement?

To answer these questions, a follow-up survey was created for the employers that posted the 316 job advertisements included in the original analysis. Using a call centre to administer the survey, these employers were asked if they had filled the advertised position, what skills had mattered most in making the hire and if they were satisfied with their new employee.

The following section of this report provides a detailed description of the survey methodology used to gather data from employers and is followed by an analysis and discussion of the findings. The employer survey was designed to assess the same skills categories – credentials, work experience and essential skills – examined in *Bridging the Divide, Part I*, so the results from the two studies are presented in juxtaposition.¹ Directly comparing the information provided in the job advertisement to the employer survey provided insight into the 'recruited for' versus 'hired' applicant.

¹ Readers interested in gaining a more comprehensive understanding of the methods used and findings revealed in *Bridging the Divide, Part I: What Canadian Job Ads Said* should refer to the publication here.

Methodology

The goal of this survey was to examine how the hiring process progressed beyond the posting of the job advertisements included in *Bridging the Divide, Part I*. Specifically, the following questions were investigated:

1. Did the employer fill the position?
2. How did the successful applicant's qualifications compare to the qualifications outlined in the job advertisement?
3. To what extent did an applicant's postsecondary credential matter to the employer's hiring decision?
4. To what extent did an applicant's work experience matter to the employer's hiring decision?
5. What essential and/or soft skills mattered to the employer when making the hiring decision?

Survey Instrument

The survey used in this study was developed by researchers at HEQCO and the consultant team at the research firm R. A. Malatest & Associates. It consisted of 23 questions, was designed to take approximately 10 minutes to fill out and could be completed by telephone or online.²

The survey was organized into four parts meant to mirror the information collected in the previous job advertisement analysis. Part I opened with basic questions regarding the hiring process used by the employer to fill (or not fill) the advertised position. Part II asked the employer about the postsecondary education (PSE) of the employee they hired and if education factored into their hiring decision. Part III asked about the applicant's prior work experience and if work history factored into the success of the applicant. Part IV asked the employer what skills were important in the hiring decision and if the employee they hired had the necessary skills for the position they filled.

The survey made extensive use of dichotomous (yes/no) questions, some of which also made available an "other" answer. Questions about the importance of specific qualifications – credentials, work experience and essential/soft skills – to the hiring decision used either a three-point or a five-point Likert-type scale.

Survey Administration

The survey was conducted by R. A. Malatest & Associates, using their in-house Computer Assisted Telephone Interview (CATI) and Computer Assisted Web Interview (CAPI) systems.³ Malatest's team of interviewers received general training on surveying techniques and CATI/CAPI systems, as well as training specific to this study.

Respondents were solicited initially through a formal mailed letter from HEQCO, which was sent out during the second week of April 2014. This letter was intended to serve as a response rate enhancement tool. The letter contained an explanation of HEQCO's research to date on skills gaps, a link to the online survey and instructions for booking a telephone interview (should they prefer).

Phone calls began the week of April 21, 2014 and ran until July 9, 2014 (12 weeks total). Respondents who neither completed nor refused the survey were contacted a maximum of 15 times via phone (based on Malatest's observations from previous survey research that few completions are achieved after this many attempted contacts).

² To view the complete survey, see Appendix A.

³ CATI is a surveying approach in which phone interviews are conducted by an interviewer using a script generated by a software application. CAPI technology is used to conduct online surveys.

The telephone survey took approximately 10 minutes to complete on average, while the online survey took approximately nine minutes to complete.⁴ To encourage participation, respondents were given the option of entering a draw to win an iPad Air or of nominating a charity to receive a donation of \$600. Respondents who were unable to accept incentives as per company policy could choose to opt out completely.

Survey Respondents

In total, 103 of the 316 employers that posted job advertisements included in *Bridging the Divide, Part I* completed the follow-up survey – a response rate of one-third (33%). The majority (58%) of these employment opportunities were located in Ontario, although six other provinces were represented. More specifically, 41% of the job placements were located in Toronto, 11% in Edmonton, 8% in each of Vancouver and Calgary, 7% in Ottawa-Gatineau and 3% in Montreal (see Table 1).

Table 1: Location of Job Placement

Location of Job Placement	Number of Jobs	Percentage of Total Jobs
Toronto	42	41%
Edmonton	11	11%
Vancouver	8	8%
Calgary	8	8%
Ottawa-Gatineau	7	7%
Montreal	3	3%
Hamilton	2	2%
Kitchener-Cambridge-Waterloo	2	2%
London	2	2%
Kelowna	2	2%
Kingston	1	1%
Saskatoon	1	1%
Winnipeg	1	1%
Outside census metropolitan area	13	13%
Total	103	100% ⁵

Using the 2011 National Occupation Classification (NOC), 35% of the job opportunities included in the current follow-up study would be categorized as business, finance and administration occupations; 26% as natural and applied sciences and related occupations; 16% as sales and service occupations; and 11% as occupations in education, law and society or community and government services. The remaining occupation classifications can be viewed in Table 2.

⁴ Several outliers (greater than 30 minutes) were removed when calculating the average completion times for the online survey. As time is recorded whenever a web browser is left open, there were instances where the online completion time was longer than the maximum completion time for a telephone survey.

⁵ Throughout the report, percent totals may not add up to 100 due to rounding.

Table 2: Type of Occupation as Outlined by the 2011 NOC

Type of Occupation	Number of Jobs	Percentage of Total Jobs
Business, Finance and Administration	36	35%
Natural and Applied Sciences and Related Occupations	27	26%
Sales and Service	16	16%
Education, Law and Society, Community and Government Services	11	11%
Health	6	6%
Art, Culture, Recreation and Sport	3	3%
Management	3	3%
Manufacturing and Utilities	1	1%
Total	103	100%

Most online job advertisements were not explicit as to who within the company was hiring, so the specific manager and/or organizational unit to which the advertised position would report often had to be tracked down. In all cases, Malatest endeavoured to speak with the manager who most closely oversaw the advertised position. However, this was not always possible and the survey was most often completed by a representative from the organization's human resources department. A direct manager completed 25% of the surveys, while an HR representative completed 75% of the surveys. As displayed in Table 3, most survey respondents (78%) completed the survey over the telephone, while the remainder (22%) completed the survey online.

Table 3: Mode of Survey Completion

Survey Mode	Number of Employers	Percentage of Total Employers
Online	23 ^a	22%
Telephone	80	78%
Total	103	100%

^a Of the 23 respondents who completed the survey online, 13 did so only after being contacted by Malatest via telephone.

Data Analyses

The employer survey responses were mainly analyzed and summarized using descriptive statistics. However, more advanced statistical analyses were used in a few cases to address particular questions; these procedures are identified accordingly within the Findings section. Specifically, Spearman's rank-order correlation test was used to measure the strength of association between a number of select variables and Wilcoxon's signed-rank test was conducted to compare the median difference between importance of education and importance of work experience in the hiring process. Because the goal of this paper was to examine the hiring process as a whole, responses from the employer survey were compared to the job advertisement information reported in *Bridging the Divide, Part I*.

Limitations

A primary concern with this study is the issue of selection bias. *Bridging the Divide, Part I* only analyzed job advertisements that required some form of PSE, were designated as entry-level and were posted online during the week of January 20, 2014 on one of three search engines (i.e., Monster Canada, Workopolis and

Charity Village). This original sample consisted of 316 job advertisements but only 103 of these employers completed the follow-up survey. Though geographic location and occupation type have been summarized to provide some information on the survey respondents, it is difficult to determine how representative the respondents are of the original sample and, more broadly, the Canadian labour market at large.

Additionally, although the intention was to compare the specific qualifications regarding education, work experience and soft/essential skills outlined in the job advertisement to those possessed by the hired applicant, PSE data are limited in the findings below. The survey item that addressed the specific PSE credential(s) of the hired applicant was ambiguous, so the employer responses were not valid. However, it was still possible to analyze how important the employee's educational background was to the employer's hiring decision.

Furthermore, a wide range of essential and soft skills emerged as being important to employers in the initial job advertisement analysis. Mindful that longer surveys discourage completion, the current survey only asked about the top 10 and the bottom three skills that mattered to employers. When employers were asked if a specific skill (e.g., writing skills) was needed for the position they had advertised, it was also not possible to ensure that each employer understood writing skills to mean the same thing. While the survey provided brief definitions of each skill (e.g., writing was defined as, "communicating by arranging words, numbers and symbols on paper or a computer screen"), these definitions were brief and left room for interpretation. Moreover, even where a shared understanding of what constitutes a specific skill existed, an employer may not have been able to assess accurately the importance of that skill to the position in question.

Another important limitation of this research was that an HR representative for the company completed the survey more often than the employee's direct manager (75% versus 25%, respectively). Presumably, it would have been better to gather information from the employee's direct manager rather than an HR representative because the manager works more closely with the employee on a daily basis and is therefore a better judge of his or her skillset.

Findings

Filling the Position

Employers received an average of 80 applications⁶ and interviewed an average of seven potential candidates⁷, with three employers opting not to interview anyone from their pool of applicants. As a result of these interviews, 84% of employers hired an applicant, 14% of employers did not hire anyone and 2% of employers reported that the hiring was still in progress or the position was no longer needed (see Table 4).

Table 4: Status of the Hiring Process for the Advertised Position

Did you fill the advertised position?	Number of Employers	Percentage of Total Employers
Yes	87	84%
No	14	14%
Hiring in process/Role no longer required	2	2%
Total	103	100%

⁶ One employer reported that he or she received 1,072 applications. This number was greater than three standard deviations above the mean and was removed from the reported average.

⁷ One employer reported that he or she interviewed 100 applicants. This outlier was greater than three standard deviations above the mean and was removed from the reported average.

Among employers that hired someone, 86% said that they were happy with the employee they chose. A further 12% of employers considered it too early to judge (or were otherwise unwilling to make an assessment) and only 2% of employers said they were not satisfied with the employee they hired (see Table 5).

Table 5: Employers' Satisfaction with the Hired Applicants

Generally, are you satisfied with the employee you hired?	Number of Employers	Percentage of Total Employers
Yes	75	86%
No	2	2%
Unable to comment/Too early to tell	10	12%
Total	87	100%

Taken together, these results suggest that most employers were able to fill the advertised position and were able to do so with a candidate they believed to be well suited to the job. The following sections of this paper will delve more deeply into the qualifications that mattered most to employers in assessing and hiring applicants. These findings will be compared to those from *Bridging the Divide, Part I*.

Previous Work Experience

In *Bridging the Divide, Part I*, all of the job advertisements that were analyzed explicitly stated that the position was entry-level. It was thus striking to observe in the job advertisement analysis that three-quarters of the 316 employers required previous work experience. However, because employers can set as high a standard as they want when advertising a position, job advertisements may be geared toward the ideal candidate. Therefore, the follow-up survey asked employers to indicate how many years of work experience the hired applicant actually possessed.

Of the 316 employers that posted job advertisements analyzed in the previous report, 83 responded to the survey questions on work experience. As displayed in Table 6, hired applicants most frequently had three to five years of previous work experience (34%), followed by one to two years (27%), more than five years (25%) and less than one year (13%). Only 1% of hired applicants lacked work experience, despite the fact that all of the positions were advertised as entry-level.

Comparing the number of years of work experience of the hired applicants to the advertised minimums, 20% of employers hired someone whose years of work experience matched the minimum amount outlined in the advertisement and 10% of employers hired someone who had less work experience than the requested minimum. The large majority (70%) of employers hired an employee who had more work experience than the advertised minimum.

Similarly, as shown in Table 6, employers overwhelmingly hired applicants who had even more work experience than the requested maximum. Only 14% of successful applicants had less than one year of work experience, while 29% of advertisements outlined that the maximum work experience was less than one year. Furthermore, 18% of job ads specified that three or more years of work experience was acceptable but, in reality, 59% of successful applicants had more than three years of employment experience. In fact, 63% of employers hired an applicant who had more years of work experience than the maximum outlined in the job posting, while only 11% of employers hired someone with less experience than the maximum. The remaining 26% of employers hired someone who matched the maximum work experience qualification.

Table 6: Years of Work Experience of the Hired Applicants Compared to the Minimum and Maximum Years of Work Experience Requested in the Job Advertisements

	Hired Applicant	Advertised Minimum	Advertised Maximum
No work experience	1 (1%)	23 (28%)	17 (21%)
Less than 1 year of work experience	11 (13%)	5 (6%)	7 (8%)
1 to 2 years of work experience	22 (27%)	49 (59%)	44 (53%)
3 to 5 years of work experience	28 (34%)	6 (7%)	14 (17%)
More than 5 years of work experience	21 (25%)	0 (0%)	1 (1%)
Total	83 (100%)	83 (100%)	83 (100%)

While it is evident that most employers hired employees with substantial previous work experience, these numbers do not definitively indicate whether or not employers *preferred* candidates with more work experience over those with less. Without having knowledge on the entire pool of applicants from which the successful candidate was selected, it is not possible to answer this question. However, to assess to some extent what role work experience played in the hiring process, employers were asked how important the applicant's previous work experience was to their hiring decision. As displayed in Table 7, most employers considered work experience to be central to their hiring outcome, with 66% of employers reporting that past work experience was "very important" to their decision. A further 29% of employers considered work experience to be "somewhat important," while only 6% deemed it "not important."

Table 7: The Importance of Past Work Experience to Employers' Hiring Decisions

How important was the employee's past work experience in your hiring decision?	Number of Employers	Percentage of Total Employers
Not important	5	6%
Somewhat important	25	29%
Very important	57	66%
Total	87	100%

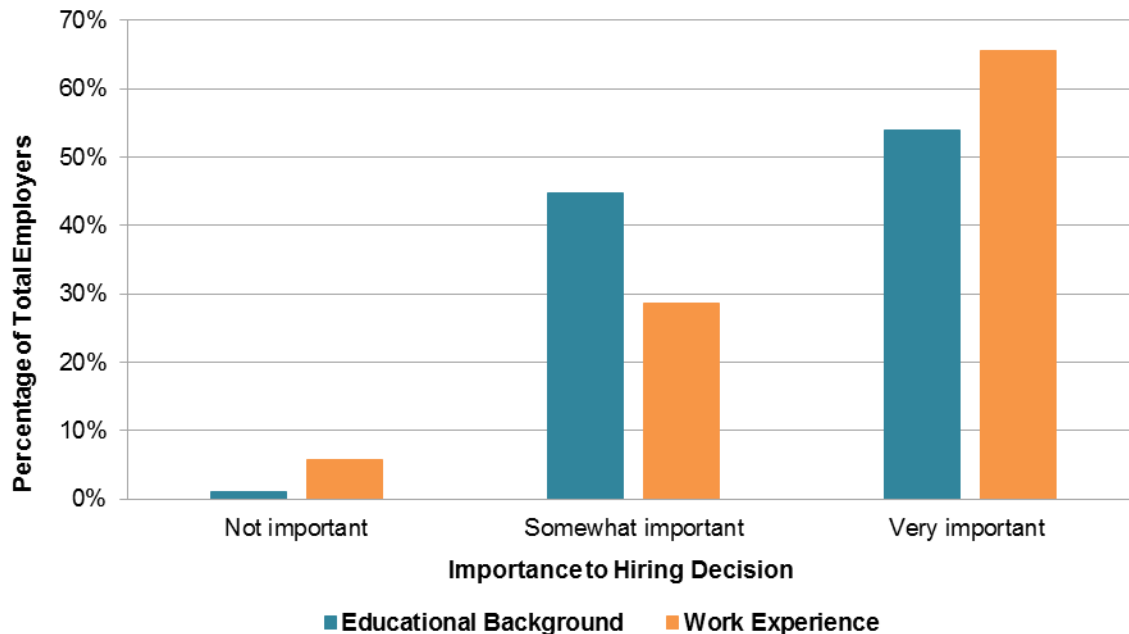
Analyses also revealed a statistically significant positive relationship⁸ between the importance of work experience to an employer and the number of years of work experience possessed by the hired applicant. This association suggests that the more an employer valued work experience, the more likely they were to hire someone with a greater number of years of previous employment. Alternatively, this correlation could indicate that the greater work experience the hired applicant possessed, the more value the employer placed on his or her past employment. Either way, more work experience and the value placed on this work experience by employers went hand-in-hand.

Though the hired applicants' specific education credentials are not included in this report, employers were asked to rate how important the employee's educational background and past work experience were in the hiring decision. On the one hand, more employers considered work experience (66%) rather than educational background (54%) to be "very important" to their hiring decision; on the other hand, more employers considered educational background (45%) rather than work experience (33%) to be "somewhat important" to

⁸ $r_s(81) = .48, p < .01$

their hiring decision (see Figure 1). A Wilcoxon signed-rank test was performed and failed to reject the null hypothesis that work experience and educational background were equally important in the hiring decision.⁹

Figure 1: The Importance of Educational Background and Work Experience to Employers' Hiring Decisions



Essential and “Soft” Skills

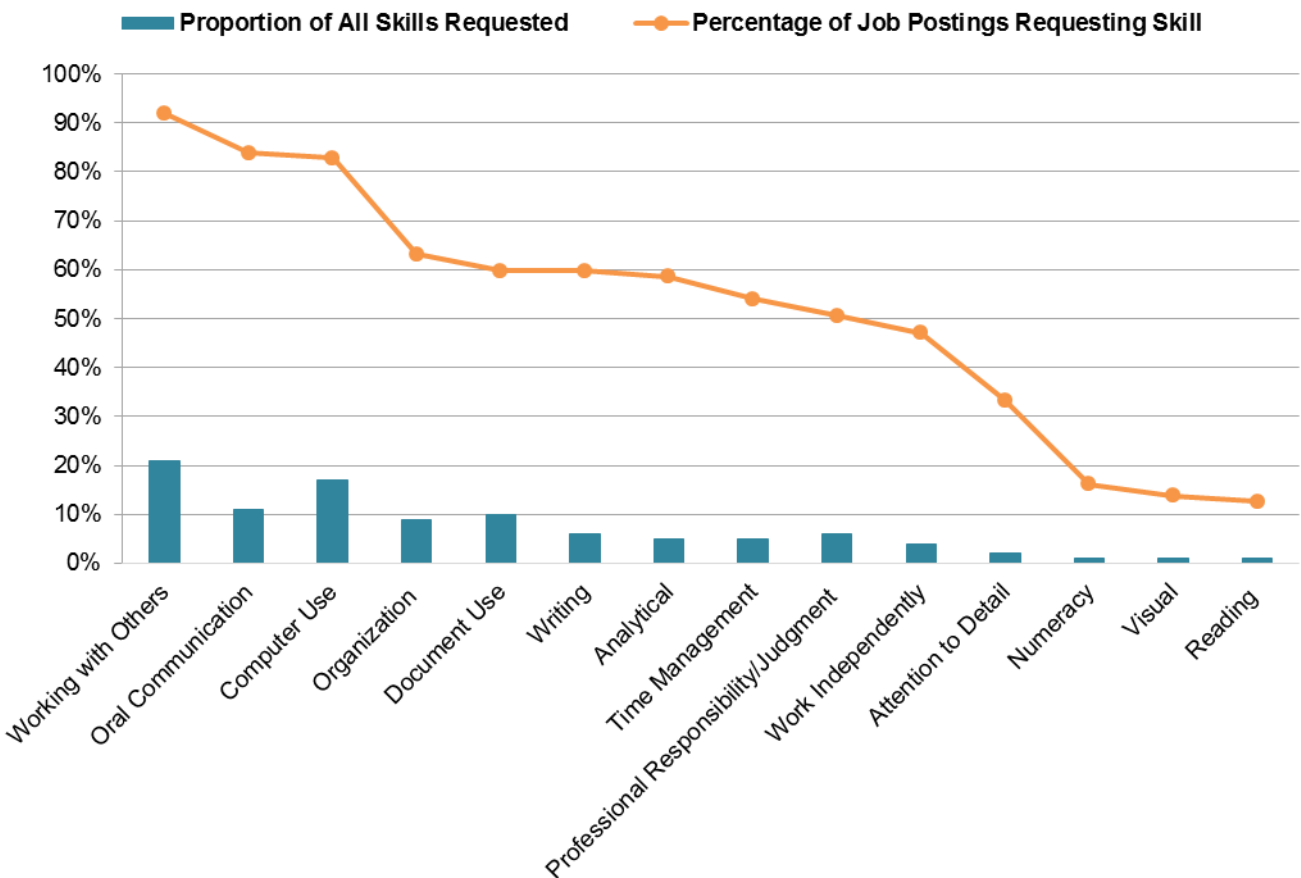
In *Bridging the Divide, Part I*, essential or “soft” skills were measured using two different methods. First, the presence or absence of a skill in each job advertisement was measured using a yes/no variable. Second, the relative importance of a specific skill was measured using a calculation of the proportion of times each skill was mentioned as a product of all skill mentions. For example, using this second measurement technique, if writing skills (or activities requiring writing skills) were mentioned four times, oral communication skills were mentioned twice and computer skills were mentioned twice, writing skills would be assigned a value of 50% and oral communication and computer skills would each be assigned a value of 25%. By both measures, the same five skills emerged in *Bridging the Divide, Part I* as being most frequently requested: working with others, oral communication, computer use, document use and administration/organization skills.¹⁰

Among employers that responded to the follow-up survey, these same five skills ranked highest, albeit in a slightly different order depending on the measure used. The line in Figure 2 indicates the percentage of total employers in the sample that mentioned a skill in their advertisement: working with others (92%), oral communication (84%), computer use (83%), organizational skills (63%) and document use (60%). The bars in Figure 2 represent the average proportion of times a skill was mentioned in the job advertisements as a product of all skill mentions: working with others (21%), computer use (17%), oral communication (11%), document use (10%) and organizational skills (9%).

⁹ $z = -.76, p = .45$

¹⁰ Employment and Skills Development Canada’s (ESDC) list of essential skills was used to create an initial list of skills, but other skills that frequently appeared in the job advertisements and did not fit into these categories were also coded. Of the five skills listed here, only administrative/organizational skills is not considered an essential skill by ESDC.

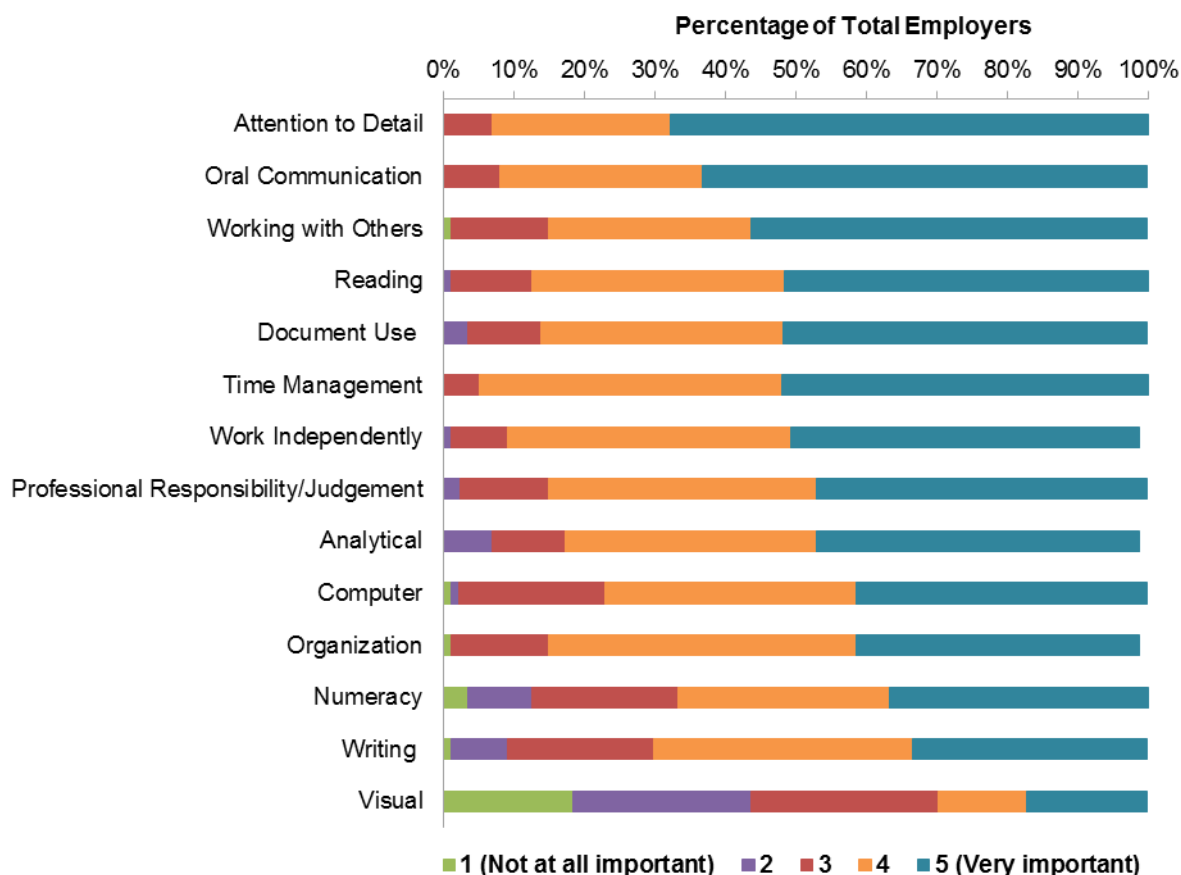
Figure 2: Essential and/or Soft Skills Included in the Job Advertisements as a Percentage of all Job Postings and as a Proportion of all Skills Requested



To examine the extent to which these various skills factored into the hiring decision, employers were asked to rate on a scale from 1 (not at all important) to 5 (very important) how essential each skill was to the position for which they were hiring.

When considering how many employers rated a skill as “very important,” Figure 3 shows that attention to detail was most highly rated by 68% of employers. Next, two skills that were among the most frequently represented in the job advertisements, oral communication and working with others, were rated as “very important” by 63% and 56% of employers, respectively. Reading, document use and time management tied for fourth, with 52% of employers ranking each of these skills as “very important.” Nonetheless, Figure 3 makes clear that there was limited variability in how employers rated each skill. With the exception of visual skills, all skills were considered important (i.e., rated 4 or 5) by at least two-thirds (67%) of employers.

Figure 3: The Importance of Various Essential/Soft Skills to the Advertised Position as Reported by Employers¹¹



To compare these results with the findings from *Bridging the Divide, Part I*, correlations between the number of times an employer mentioned a skill in a job advertisement relative to other skills and the employers' rated importance of a skill were tested. In general, the number of times a skill was mentioned in an advertisement (as a proportion of total mentions) did not correlate with the employer's reported importance for that skill. In only two cases – computer use and document use – was a significant and positive association found.¹²

It may be tempting to interpret the absence of a relationship between the skills employers advertised and the skills that mattered to them in the hiring process to mean that the employers did not advertise the skills that they actually wanted in an employee. While this may be part of the story, the low variability in how employers rated each skill in the survey – with employers rating almost all skills as important – likely plays a larger role in explaining the general lack of correlation. Perhaps employers considered almost all skills to be important to their hiring decision because they did not have a clear idea of what skills mattered most to the position they

¹¹Due to rounding, bars may not add up to 100%.

¹²The correlation between proportion of times computer use skills was mentioned and reported importance of computer use skills was of moderate strength ($r(84) = .46, p < .01$). The correlation between proportion of times document use skills was mentioned and reported importance of document use skills was statistically significant but weak ($r(84) = .23, p = .03$).

were filling. Or perhaps explicitly asking employers to rank, as opposed to rate, various skills would have elicited more information regarding the relative importance of skills.

It is also worth noting that even if the lack of correlation represents a disconnect between the skills employers advertised and those on which they based their hiring decisions, this mismatch did not seem to prevent employers from finding employees with the skills that they needed. When employers were asked if the applicant they hired had the necessary skills for the position, the overwhelming majority of employers (90%) reported that the employee they hired possessed the required skills. Only 8% of employers were unsatisfied with the skillsets of their employees, while 2% of employers said they did not know or that it was too early to tell (refer to Table 8).

Table 8: Extent to Which the Hired Applicants’ Skills Match the Skills Required for the Position

Does the employee you hired have the necessary skills for the position?	Number of Employers	Percentage of Total Employers
Yes	78	90%
No	7	8%
Don’t know/Too early to tell	2	2%
Total	87	100%

Employers that did not Fill the Position

The 14 employers that did not hire an applicant were asked to identify the reason(s) for this decision using the options in Table 9. Employers that did not hire an applicant most frequently cited too little work experience (57%), while a further 36% said that applicants lacked the required soft skills and 29% said that applicants lacked the required education.

Table 9: Reasons Employers Did not Hire an Applicant to Fill the Advertised Position

Why were you unable to fill this position?	Number of Employers	Percentage of Total Employers
Applicants did not have enough work experience	8	57%
Applicants did not have the required “soft skills”	5	36%
Applicants did not have the required education	4	29%
Other	5	36%

Among the eight employers that identified not enough work experience as a reason for not hiring, none of them indicated “no work experience” as an acceptable minimum in their job advertisement and only two of them requested a minimum of less than one year of work experience.¹³

While only five employers selected lack of soft skills as a reason for not hiring, all 14 employers that did not hire someone were asked to identify what soft skills (if any) were missing among the applicants. Oral communication skills were reported as missing most frequently (7 employers), followed by professional responsibility and judgment skills (6 employers), the ability to work independently (4 employers) and computer

¹³ Of the remaining six employers that did not hire someone due to a lack of work experience, three requested a minimum of one to two years of work experience, two requested three to five years and one requested five or more years.

skills (3 employers).¹⁴ The rest of the skills mentioned were identified as missing by only one or two employers.

Among the four employers that reported that applicants did not have the required education, one of these employers advertised for a college diploma, two employers advertised for a university degree in a specific field (physical therapy and any quantitative field) and the final employer requested an accredited certificate in sonography. For two of these four positions, additional registration/certification with a particular professional association was also required.

Considering that only 14 out of 103 employers did not find a suitable candidate, it is unwise to pinpoint patterns and draw broad conclusions based on this sample. However, most notable is that not enough work experience was the most common reason provided for not hiring even though these jobs were all categorized as entry-level. Nonetheless, what can be concluded confidently from this limited sample is that few employers actually failed to find a successful job applicant.

Conclusions: What about that skills gap?

The notion that employers cannot find employees with the skills necessary to succeed in the labour market has dominated media and policy narratives. Reports of a “skills gap” often draw support from employers’ broad perceptions that their workplaces suffer from a shortage of skilled workers (e.g., Canadian Chamber of Commerce, 2012; Stuckey & Munro, 2013). Rather than relying on these sweeping statements, this report looked for skills deficiencies at a more micro level by examining the process by which employers advertise and fill individual job openings in their firms. Specifically, this study focused on positions designated as entry-level that required some form of PSE.

The current study determined that not only were most employers (84%) able to find someone to hire, they hired applicants with whom they are generally satisfied (86%). Among these successful applicants, almost two-thirds (63%) had more than the maximum number of years of work experience outlined in the entry-level job advertisement. More precisely, the majority (59%) of hires had three or more years of previous employment and 25% of hires had even more than five years of work experience. Interestingly, employers’ high demands for work experience may be one reason why not enough work experience was most commonly (53%) provided as an explanation by the 14 employers that did not hire.

When employers were asked to rate the importance of a range of essential or “soft” skills to their hiring decisions, almost all skills were believed to be important. Likely due to the limited variability in these responses, the importance of most skills did not correlate with the proportion of times that skill was requested in the job advertisement. However, 90% of employers reported that their new employee possessed the necessary skills for the job. This finding suggests that college and university graduates have the right skills for the Canadian labour market, but given the sizeable work experience of this study’s sample, it begs the question: what skills did the applicants develop during their time in the PSE sector and what skills did they develop during their time in the workforce?

While small in scope, the observations from this study suggest that Canada’s alleged skills gap may be just that – an allegation that warrants further evidence. However, as outlined in *The Great Skills Divide*, the “skills gap” is a multifaceted issue and, even if no widespread gap is evident, gaps may exist in certain occupations and/or locations and in some skills but not others. Although it is not appropriate to make strong nationwide conclusions based on this study’s limited sample size, the current findings provide a valuable, evidence-

¹⁴ Recall that oral communication and computer skills appeared in the top five skills featured in the job advertisements.

based contribution to the narrative on the skills gap within Canada. On the discouraging side of things, the entry-level positions analyzed were generally filled by people with more work experience than was expected. Without information on the entire pool of applicants, it cannot be confidently concluded that employers favoured applicants with substantial work experience over those without. However, this finding is relevant to the discussion on employers not wanting to train entry-level employees (e.g., Cappelli, 2012). Further to this point, employers that could not find a suitable candidate to hire were most likely to report not enough work experience as the explanation, which mirrors Cappelli's (2012) assertion that employers across the Americas are twice as likely to blame difficulty filling positions on a lack of experience than on a lack of soft skills. Perhaps, in the past, a PSE credential indicated to Canadian employers that a job applicant had the necessary set of skills to succeed in the workplace, but with a (climbing) PSE attainment rate of almost 60%¹⁵ (OECD, 2012), is it possible that previous work experience has become the new indicator of "work-ready" skills?

¹⁵ For adults in Canada between the ages of 25 and 44 (OECD, 2012).

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