



SME workforce and its current challenges

Survey report

September 2022



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01. Methodology



Methodology

Survey methodology

Online survey.

Respondent profile

Business owners and business decision-makers from the BDC ViewPoints panel.

Survey dates

September 6-16, 2022

Margin of error

For a probabilistic sample of 627 respondents, the maximum margin of error is ± 3.9 percentage points, 19 times out of 20. However, as this survey is based on a non-probabilistic sample, this information is provided for reference only.

Data processing and analysis

Were performed by the BDC Research and Market Intelligence team.

Weighting factors

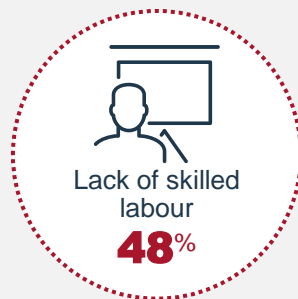
Results were weighted by region and number of employees to be representative of the Canadian SME population.



02. **Survey highlights**



Current workforce challenges



These are the same elements that have become **more prevalent** in the past two years with the pandemic.

Challenges addressed in priority



(49% in B.C. ↑)



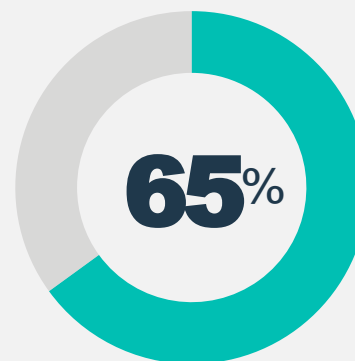
(38% in B.C. ↑)

43%

say their employees work **remotely** at least some of the time.

Among these, **60%** say there was **less** teleworking before the pandemic, and **67%** expect there will be **as much** or more teleworking in the next 12 months.

Time required at the office

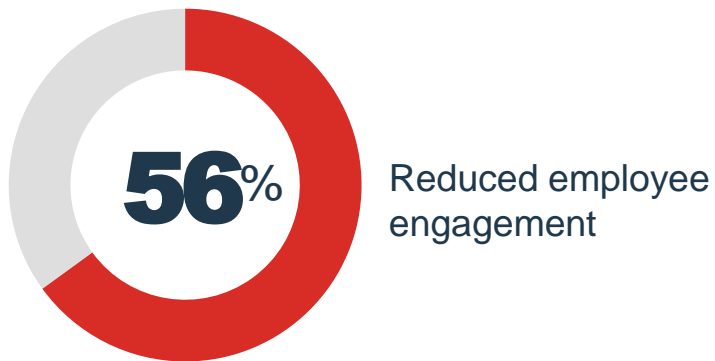
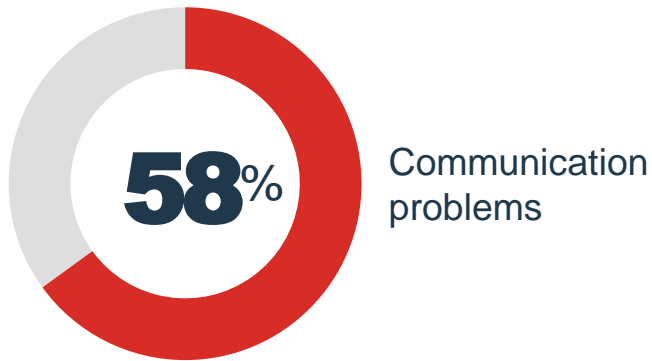


do not impose a minimum amount of time at the office.

And this is **not likely to change** in the next three months.



Top telework challenges:



Impacts of telework TOP 2*



Impacts of telework BOTTOM 2*



*Proportion of those who find the impact of telework positive.

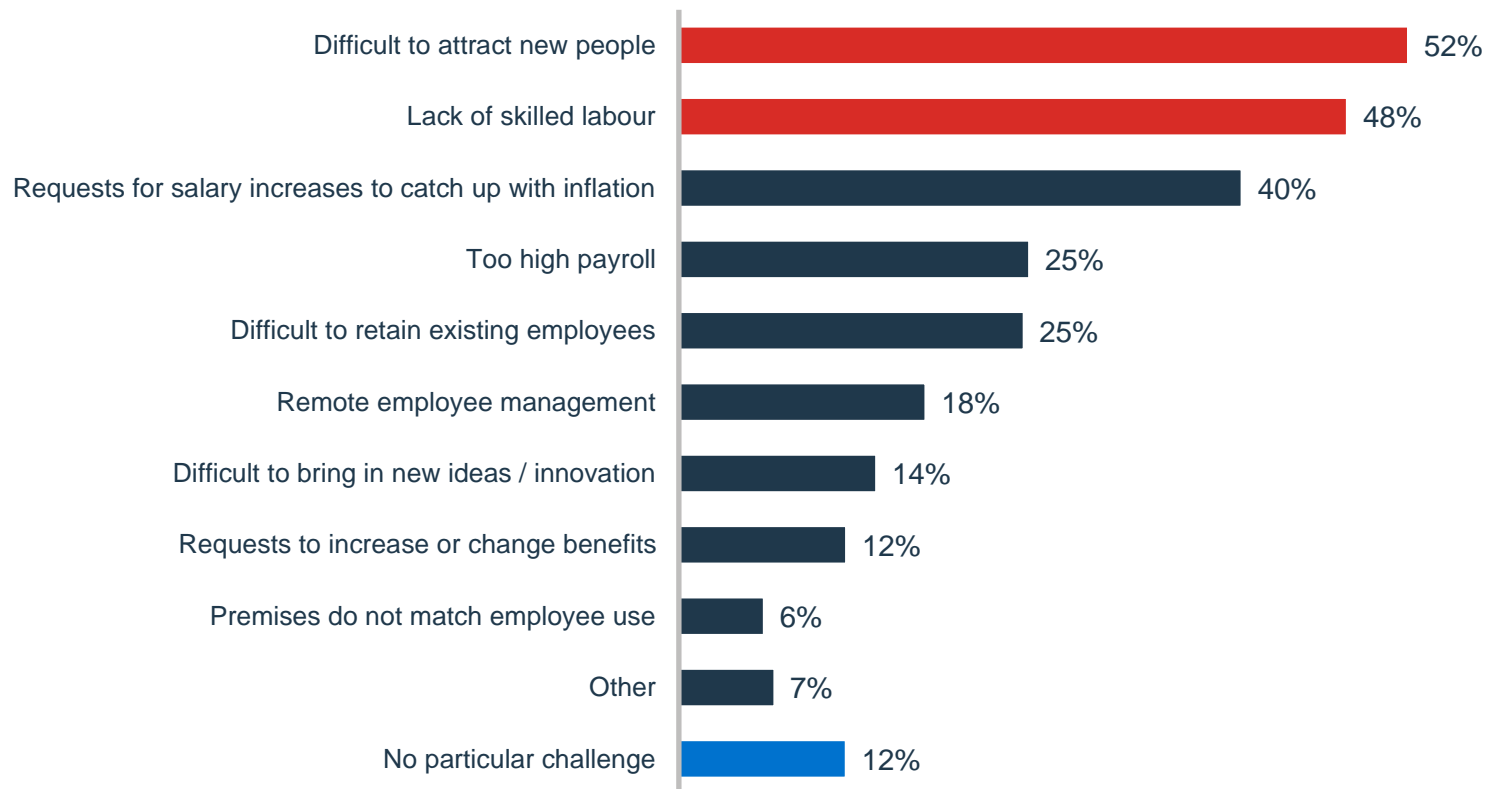


03. **Detailed results**

Workforce challenges



S5Q1. What workforce management **challenges** is your company currently facing?

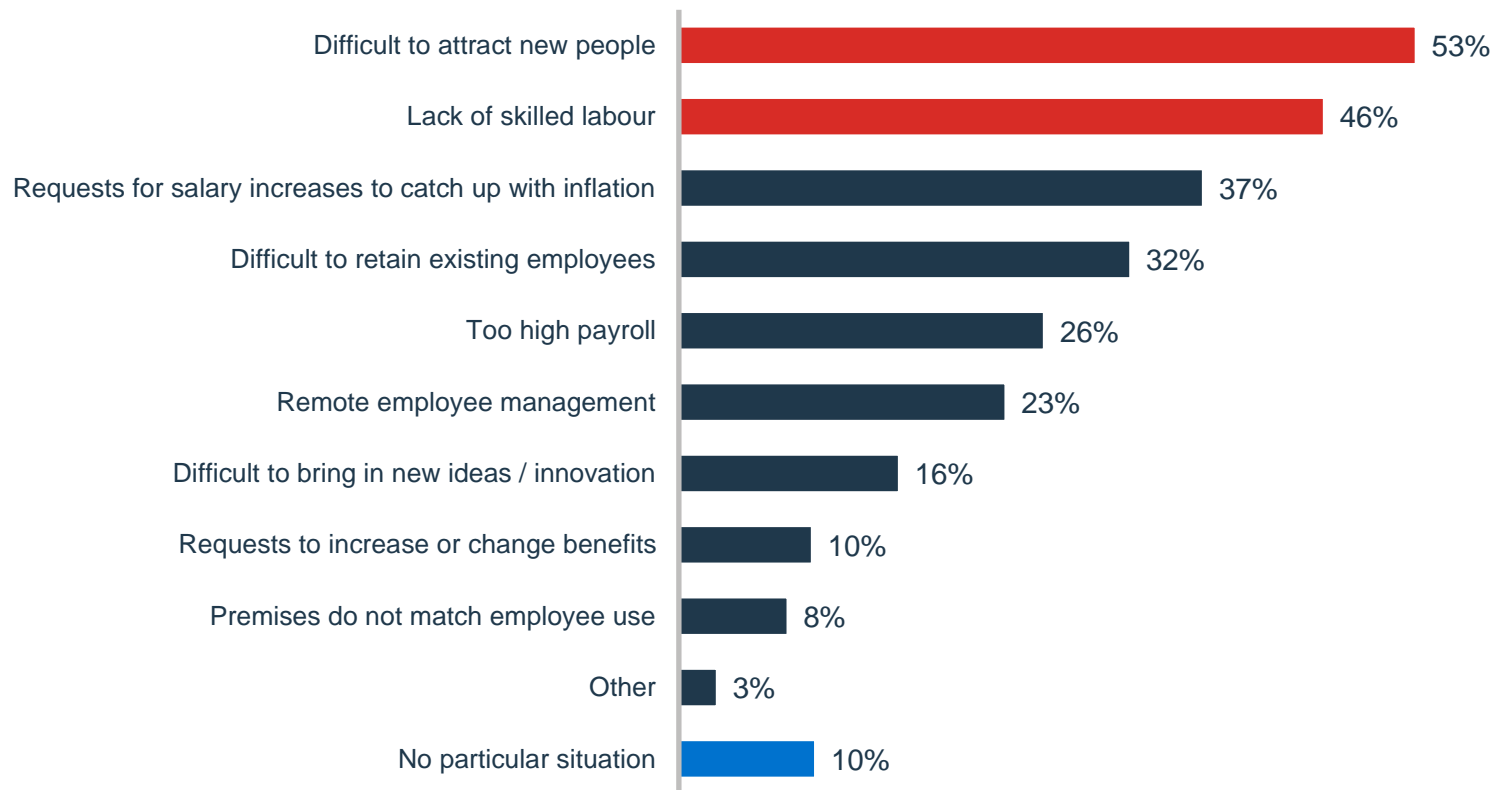


Base: All respondents (n=622). Those who did not know were excluded from the calculation base. Multiple mentions were allowed, therefore total exceeds 100%.

Prevalent workforce management situations



S5Q2. What workforce management situations have **become more prevalent in the last two years**, i.e., since the pandemic?

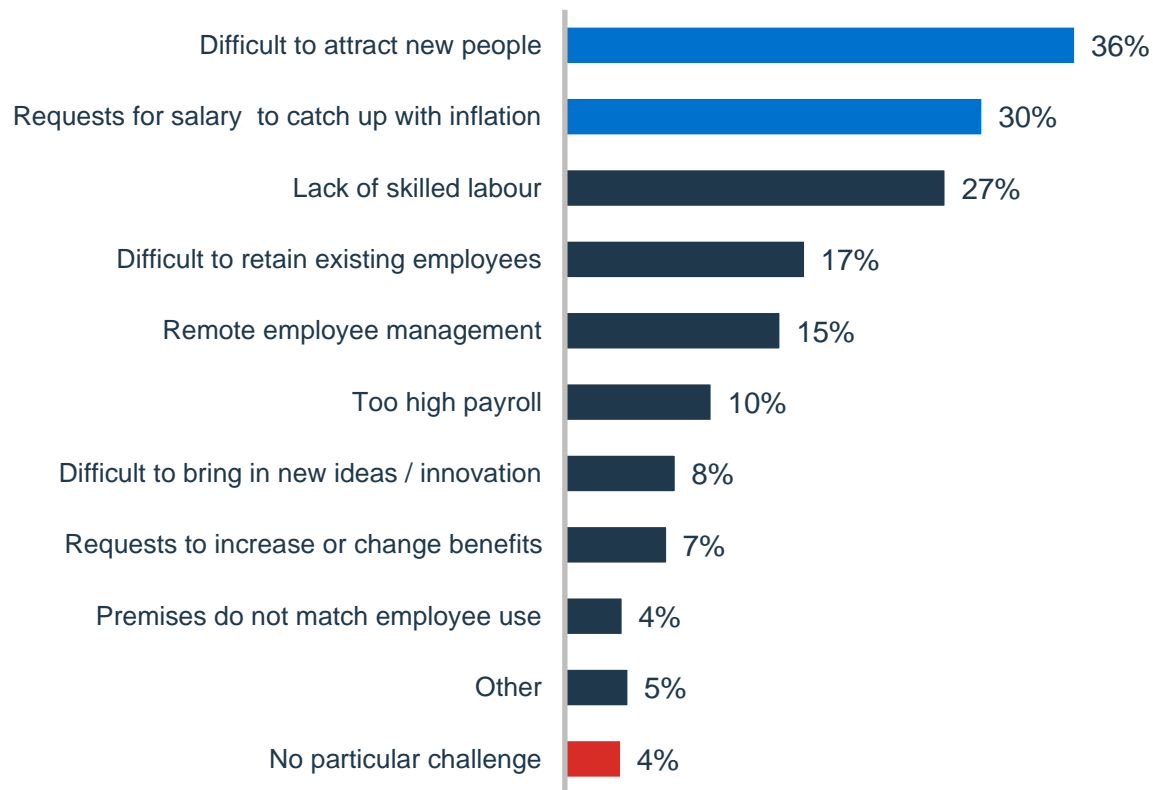


Base: All respondents (n=623). Those who did not know were excluded from the calculation base. Multiple mentions were allowed, therefore total exceeds 100%.

Addressed workforce challenges in the past year



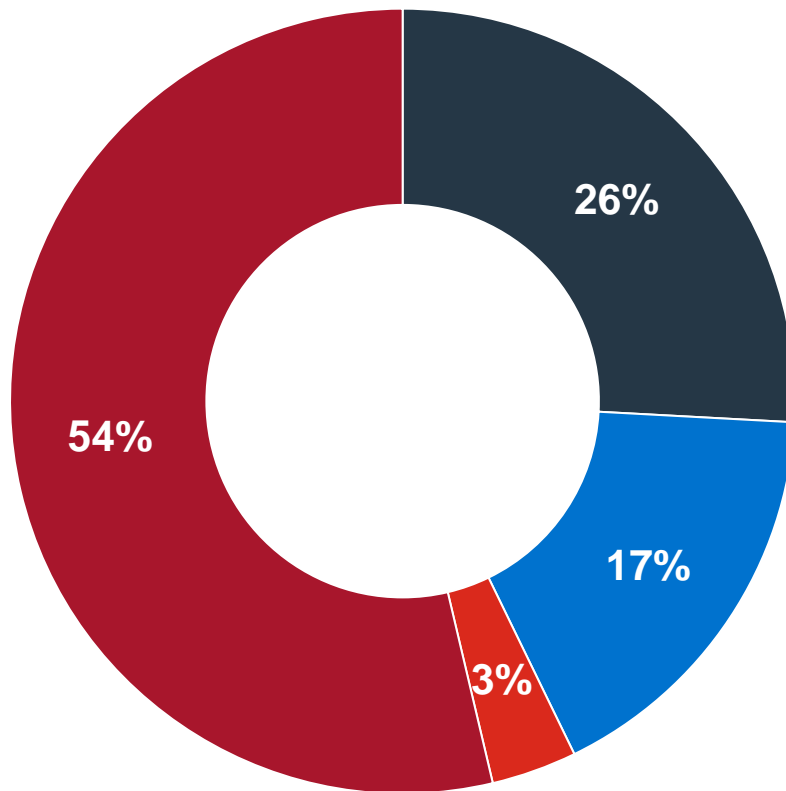
S5Q3. And what workforce management challenges have you **tried to address first** over the **past year**?



Teleworking employees



S5Q4. Do your employees **currently telework** at least some of the time?



■ Yes: some employees telework

■ Yes: all employees telework

■ No: they could telework, but we do not offer it

■ No: the nature of the work does not lend itself to telework

Yes

43%

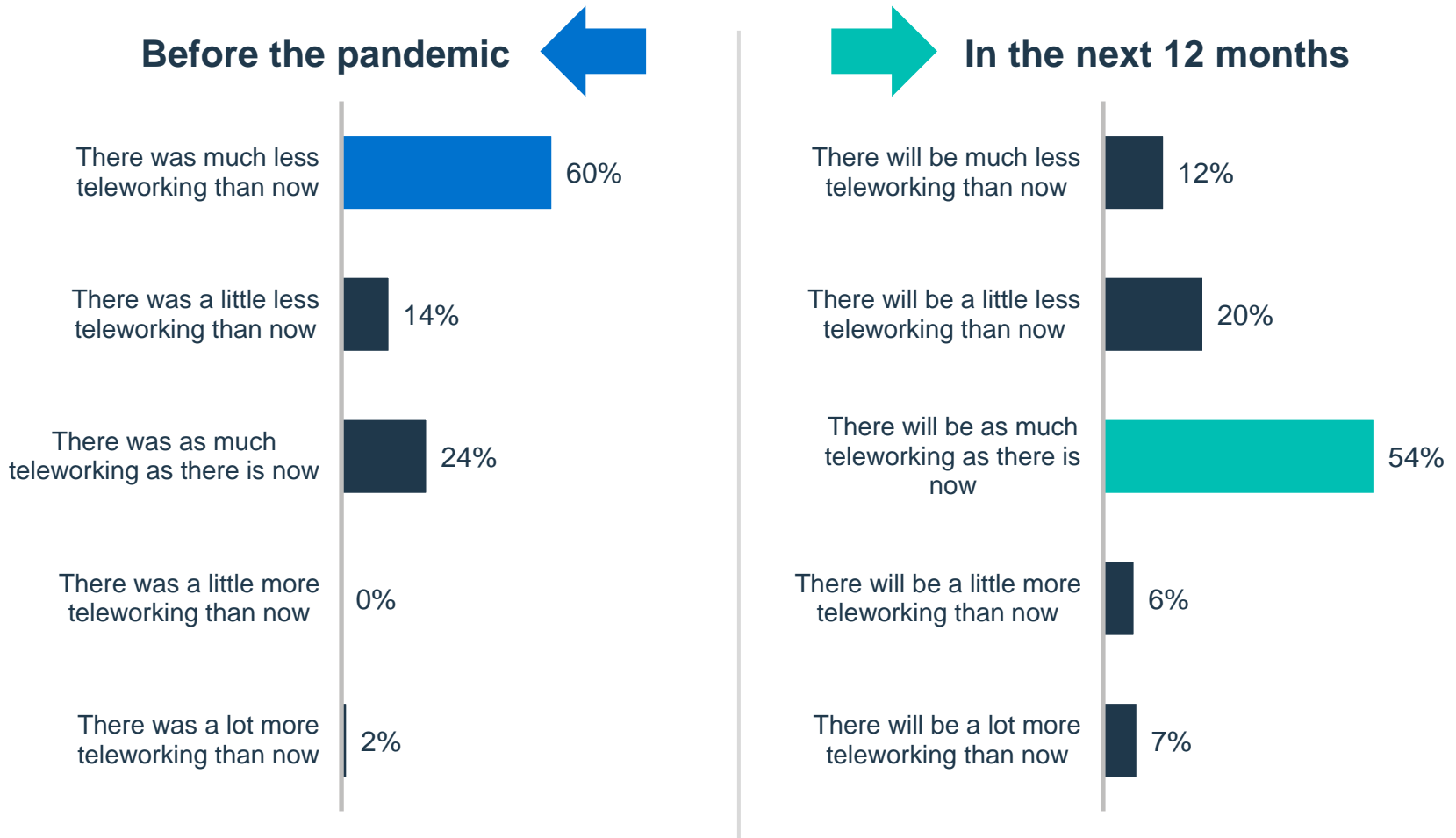
No

57%

Evolution of teleworking



S5Q5. Regarding teleworking, how has the situation **evolved**, and **will it evolve** in your company?



Base: Those for which teleworking would be possible (n=306).

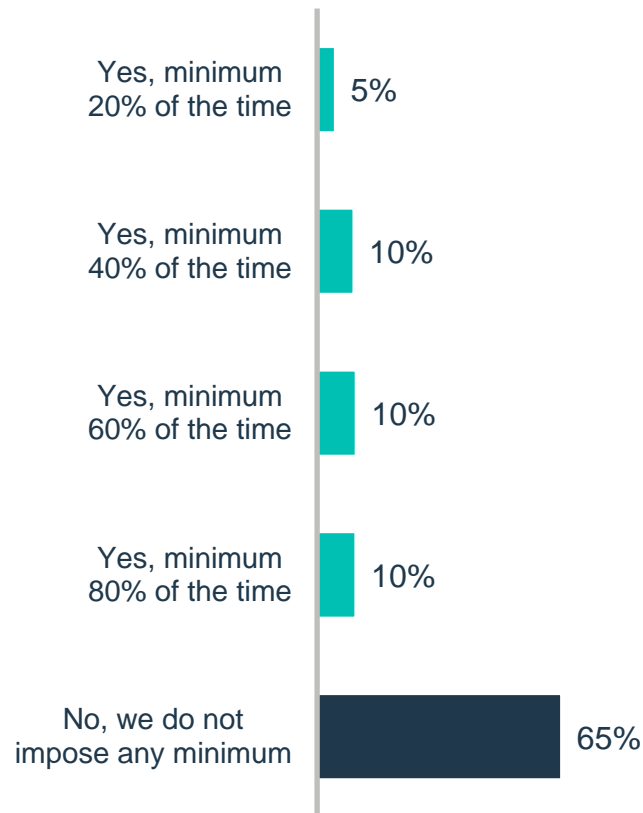
Minimum of time required to spend in the office



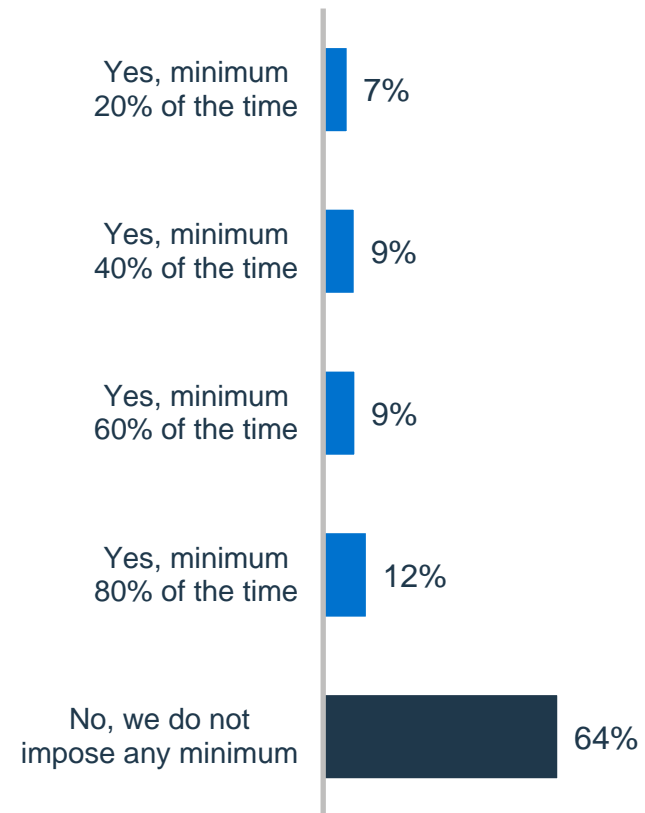
S5Q6. Do you require a **minimum amount of time** in the company's offices for your employees?

S5Q7. In the next 3 months, do you **intend to impose a minimum** amount of time in the company's offices for your employees?

Currently – Average imposed time **55%**



Next 3 months – Average imposed time **54%**



Teleworking challenges



S5Q8. What **challenges** do you think telework brings?



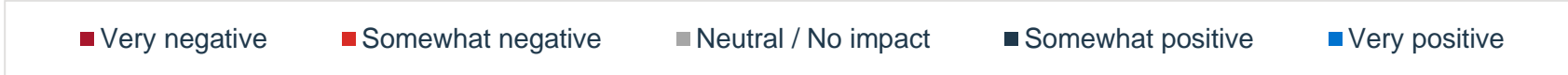
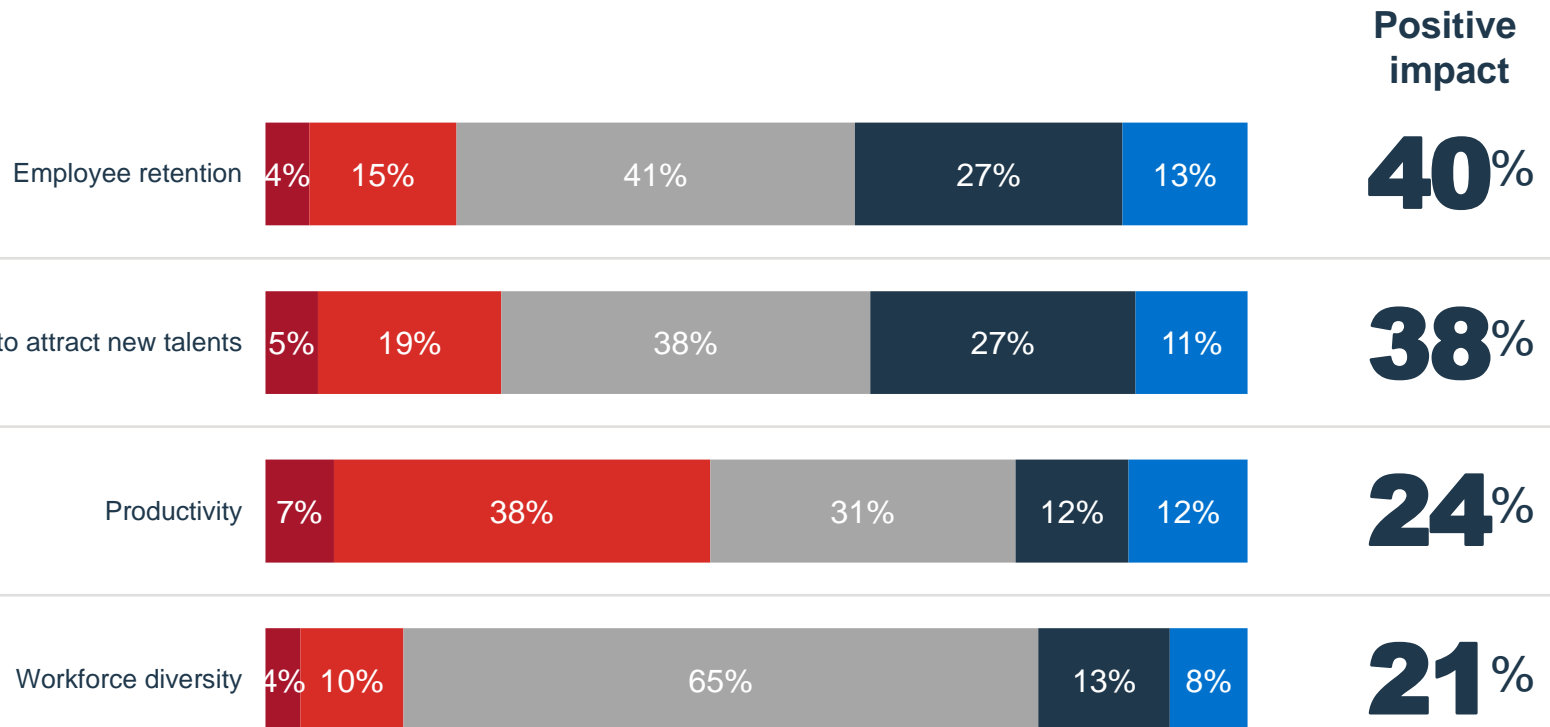
Base: Those for which teleworking would be possible (n=306). Those who did not know were excluded from the calculation base. Multiple mentions were allowed, therefore total exceeds 100%.

Impacts of teleworking – Part 1

Perceived impact mainly positive or neutral



S5Q88. How would you qualify the **impact of teleworking** on the following aspects of your business?



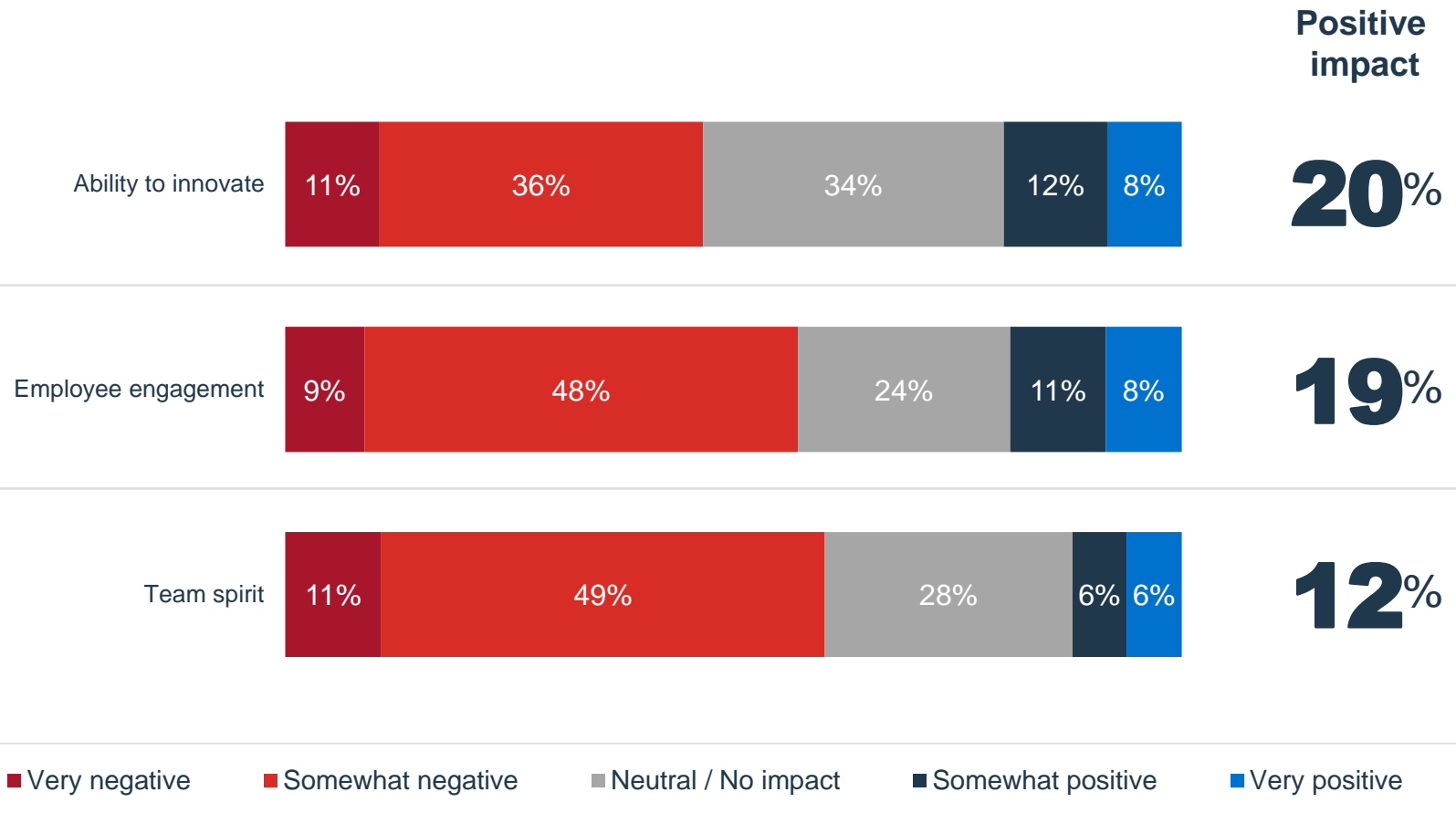
Base: Those who currently offer the possibility of teleworking to their employees (n=263-276). Those who did not know were excluded from the calculation base.

Impacts of teleworking – Part 2

Perceived impact mainly negative



S5Q88. How would you qualify the **impact of teleworking** on the following aspects of your business?





04.

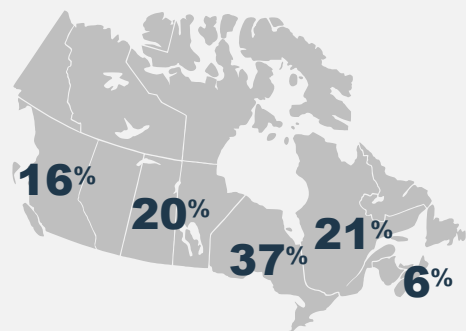
Respondent profile



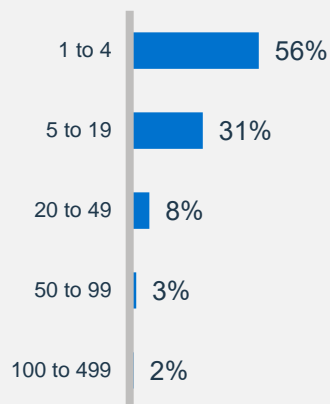
Profile of those who completed the survey



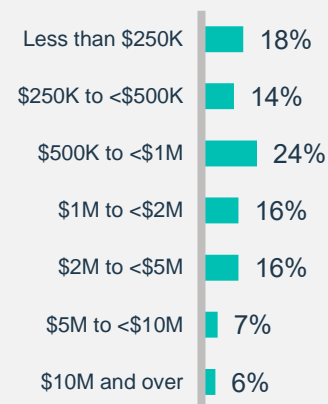
Region



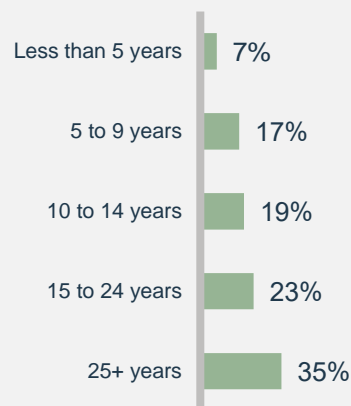
Number of employees



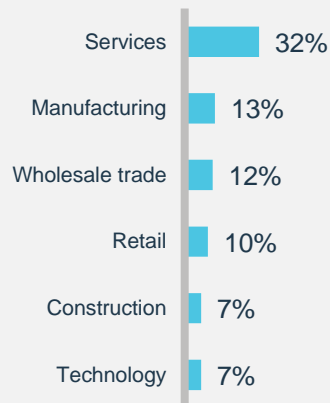
Annual sales



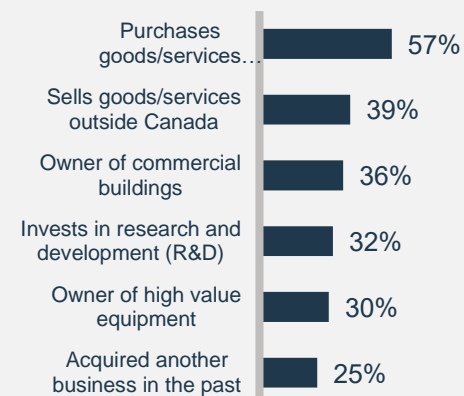
Years in business



Sector of activity



Specific activities*

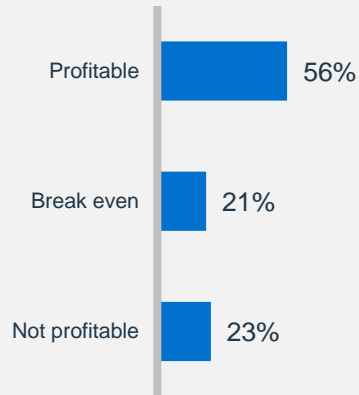


Base: All respondents (n=459-627). Those who did not know or preferred not to answer were excluded from the calculation base. For the sectors, only those with 7%+ respondents are presented. *Multiple mentions were allowed, therefore total exceeds 100%.

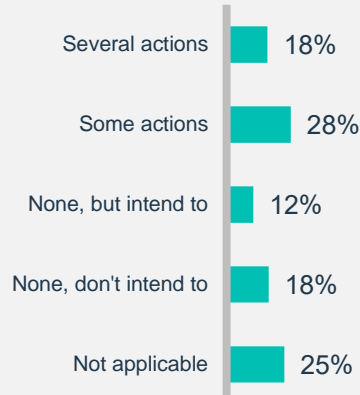
Profile of those who completed the survey (cont.)



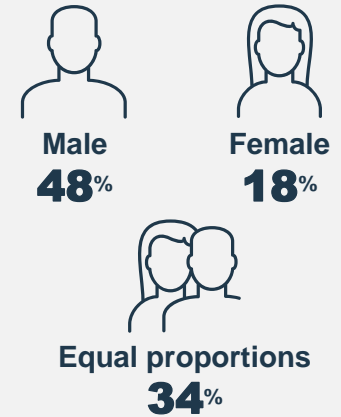
Profitability



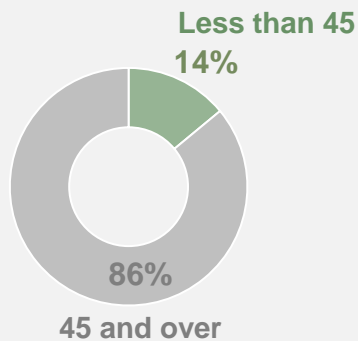
Carbon footprint actions



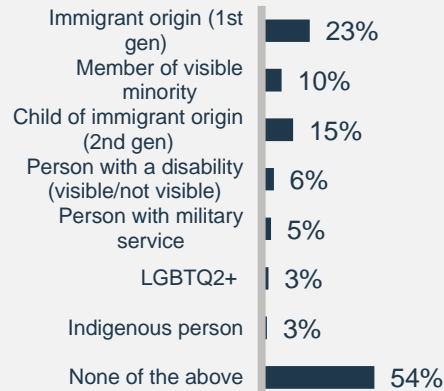
Gender ownership



Owners' age



Diversity*



Base: All respondents (n=570-610). Those who did not know or preferred not to answer were excluded from the calculation base. *Multiple mentions were allowed, therefore total exceeds 100%.



05. Appendix

Results by region



Workforce challenges



S5Q1. What workforce management **challenges** is your company currently facing?

	Atlantic	Quebec	Ontario	Prairies	B.C. & North
Difficult to attract new people	49%	55%	47%	44%	70% ↑
Lack of skilled labour	56%	55%	42%	37% ↓	59%
Requests for salary increases to catch up with inflation	27%	50% ↑	39%	42%	34%
Too high payroll	24%	26%	26%	21%	26%
Difficult to retain existing employees	23%	34% ↑	23%	24%	18%
Remote employee management	15%	19%	21%	18%	9% ↓
Difficult to bring in new ideas / innovation	23%	17%	14%	15%	7% ↓
Requests to increase or change benefits	4% ↓	19% ↑	12%	7%	12%
Premises do not match employee use	0%	6%	6%	9%	5%
Other	2%	3%	9%	6%	9%
No particular challenge	11%	6% ↓	12%	14%	17%
<i>Sample size</i>	39	190	198	108	87

Base: All respondents. Those who did not know were excluded from the calculation base. Multiple mentions were allowed, therefore total exceeds 100%. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample.

Prevalent workforce management situations



S5Q2. What workforce management situations have **become more prevalent in the last two years**, i.e., since the pandemic?

	Atlantic	Quebec	Ontario	Prairies	B.C. & North
Difficult to attract new people	62%	51%	52%	47%	59%
Lack of skilled labour	52%	52%	41%	38%	57%
Requests for salary increases to catch up with inflation	26%	49% ↑	37%	41%	24% ↓
Difficult to retain existing employees	29%	36%	30%	28%	40%
Too high payroll	15%	29%	28%	25%	25%
Remote employee management	20%	29%	25%	23%	13% ↓
Difficult to bring in new ideas / innovation	22%	13%	20%	17%	7% ↓
Requests to increase or change benefits	6%	15% ↑	9%	8%	7%
Premises do not match employee use	0%	6%	8%	9%	11%
Other	0%	2%	4%	3%	1%
No particular situation	9%	7%	12%	6%	14%
<i>Sample size</i>	39	189	199	109	87

Base: All respondents. Those who did not know were excluded from the calculation base. Multiple mentions were allowed, therefore total exceeds 100%. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample.

Addressed workforce challenges in the past year



S5Q3. And what workforce management challenges have you **tried to address first** over the **past year**?

	Atlantic	Quebec	Ontario	Prairies	B.C. & North
Difficult to attract new people	37%	30%	35%	36%	49% ↑
Requests for salary increases to catch up with inflation	44%	38% ↑	29%	26%	20%
Lack of skilled labour	30%	29%	24%	28%	29%
Difficult to retain existing employees	18%	15%	19%	17%	15%
Remote employee management	18%	14%	18%	18%	8%
Too high payroll	12%	10%	11%	4% ↓	17%
Difficult to bring in new ideas / innovation	1% ↓	9%	8%	6%	12%
Requests to increase or change benefits	13%	10%	9%	3%	1% ↓
Premises do not match employee use	0%	6%	3%	2%	7%
Other	0%	4%	4%	6%	6%
No particular challenge	0%	0%	7%	6%	2%
<i>Sample size</i>	36	179	181	97	78

Base: All respondents. Those who did not know were excluded from the calculation base. A maximum of two mentions was allowed, therefore total exceeds 100%. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample.

Teleworking employees



S5Q4. Do your employees **currently telework** at least some of the time?

	Atlantic	Quebec	Ontario	Prairies	B.C. & North
Yes: some employees telework	17%	21%	27%	29%	29%
Yes: all employees telework	11%	22%	21%	14%	7% ↓
No: they could telework, but we do not offer it	6%	3%	4%	6%	1%
No: the nature of the work does not lend itself to telework	67%	54%	48%	51%	63%
YES (NET)	28%	43%	48%	43%	36%
NO (NET)	72%	57%	52%	57%	64%
<i>Sample size</i>	39	191	199	111	87

Evolution of teleworking (past)



S5Q5. Regarding teleworking, how has the situation **evolved**, and **will it evolve** in your company?

Before the pandemic	Atlantic*	Quebec	Ontario	Prairies	B.C. & North
There was much less teleworking than now	<i>n/a</i>	55%	62%	71%	48%
There was a little less teleworking than now	<i>n/a</i>	19%	11%	14%	15%
There was as much teleworking as there is now	<i>n/a</i>	25%	27%	12%	34%
There was a little more teleworking than now	<i>n/a</i>	0%	0%	0%	0%
There was a lot more teleworking than now	<i>n/a</i>	1%	0%	4%	2%
Less teleworking than now (NET)	<i>n/a</i>	74%	73%	84%	64%
More teleworking than now (NET)	<i>n/a</i>	1%	0%	4%	2%
<i>Sample size</i>	12	102	111	49	32

Base: Those for which teleworking would be possible. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample. *Results are not shown when the sample size is smaller than 20 respondents.

Evolution of teleworking (future)



S5Q5. Regarding teleworking, how has the situation **evolved**, and **will it evolve** in your company?

In the next 12 months	Atlantic*	Quebec	Ontario	Prairies	B.C. & North
There will be much less teleworking than now	<i>n/a</i>	7%	15%	20%	0%
There will be a little less teleworking than now	<i>n/a</i>	22%	18%	20%	28%
There will be as much teleworking as there is now	<i>n/a</i>	63%	54%	39% ↓	57%
There will be a little more teleworking than now	<i>n/a</i>	6%	6%	8%	3%
There will be a lot more teleworking than now	<i>n/a</i>	1% ↓	6%	13%	12%
Less teleworking than now (NET)	<i>n/a</i>	30%	33%	40%	28%
More teleworking than now (NET)	<i>n/a</i>	7%	13%	21%	15%
<i>Sample size</i>	12	102	111	49	32

Base: Those for which teleworking would be possible. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample. *Results are not shown when the sample size is smaller than 20 respondents.

Current minimum of time required to spend in the office



S5Q6. Regarding teleworking, how has the situation **evolved**, and **will it evolve** in your company?

	Atlantic*	Quebec	Ontario	Prairies	B.C. & North
Yes, minimum 20% of the time (equivalent to 1 day for a full-time employee)	<i>n/a</i>	4%	4%	11%	0%
Yes, minimum 40% of the time (equivalent to 2 days for a full-time employee)	<i>n/a</i>	9%	7%	10%	11%
Yes, minimum 60% of the time (equivalent to 3 days for a full-time employee)	<i>n/a</i>	14%	13%	6%	7%
Yes, minimum 80% of the time (equivalent to 4 days for a full-time employee)	<i>n/a</i>	6%	10%	10%	21%
YES, impose a minimum amount of time (NET)	<i>n/a</i>	33%	34%	36%	39%
No, we do not impose any minimum	<i>n/a</i>	67%	66%	64%	61%
<i>Sample size</i>	9	93	102	43	31

Base: Those who currently offer the possibility of teleworking to their employees. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample. *Results are not shown when the sample size is smaller than 20 respondents.

Minimum of time required to spend in the office in 3 months



S5Q7. In the next 3 months, do you **intend to impose a minimum** amount of time in the company's offices for your employees?

	Atlantic*	Quebec	Ontario	Prairies	B.C. & North
Yes, minimum 20% of the time (equivalent to 1 day for a full-time employee)	<i>n/a</i>	6%	8%	6%	7%
Yes, minimum 40% of the time (equivalent to 2 days for a full-time employee)	<i>n/a</i>	13%	7%	6%	2%
Yes, minimum 60% of the time (equivalent to 3 days for a full-time employee)	<i>n/a</i>	13%	8%	6%	9%
Yes, minimum 80% of the time (equivalent to 4 days for a full-time employee)	<i>n/a</i>	7%	14%	18%	9%
Yes, will impose a minimum amount of time (NET)	<i>n/a</i>	40%	37%	36%	27%
No, we won't impose any minimum	<i>n/a</i>	60%	63%	64%	73%
<i>Sample size</i>	9	93	102	43	31

Base: Those who currently offer the possibility of teleworking to their employees. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample. *Results are not shown when the sample size is smaller than 20 respondents.

Teleworking challenges



S5Q8. What **challenges** do you think telework brings?

	Atlantic*	Quebec	Ontario	Prairies	B.C. & North
Communication problems	n/a	51%	60%	54%	62%
Reduced employee engagement	n/a	51%	52%	59%	61%
Team management problems	n/a	42%	43%	58%	59%
Difficult integration of new hires	n/a	41%	50%	35%	42%
Cybersecurity issues	n/a	39%	39%	40%	46%
Reduced productivity	n/a	30%	39%	51%	38%
Decreased employee motivation	n/a	32%	40%	41%	30%
Need to monitor hours worked	n/a	28%	28%	41%	28%
Iniquities between employees	n/a	16% ↓	33%	31%	44%
Lack of innovation	n/a	18%	31% ↑	8% ↓	23%
Increased employee turnover	n/a	9%	9%	11%	6%
Other	n/a	10%	8%	3%	0%
No particular challenge	n/a	5%	11%	4%	14%
<i>Sample size</i>	12	102	111	49	32

Base: Those for which teleworking would be possible. Those who did not know were excluded from the calculation base. Multiple mentions were allowed, therefore total exceeds 100%. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample. *Results are not shown when the sample size is smaller than 20 respondents.

Impacts of teleworking



S5Q88. How would you qualify the **impact of teleworking** on the following aspects of your business?

% who said teleworking has a POSITIVE impact	Atlantic*	Quebec	Ontario	Prairies	B.C. & North
Ability to innovate	n/a	15%	19%	18%	38% ↑
Team spirit	n/a	7%	13%	12%	23% ↑
Productivity	n/a	27%	22%	19%	23%
Employee engagement	n/a	20%	17%	12%	19%
Employee retention	n/a	38%	34%	50%	48%
Ability to attract new talents	n/a	49%	39%	41%	47%
Workforce diversity	n/a	27%	22%	10% ↓	24%
Sample size	8-9	89-93	98-101	39-43	29-31

Base: Those who currently offer the possibility of teleworking to their employees. Those who did not know were excluded from the calculation base. Arrows indicate statistically significant differences between a given sub-group and the rest of the sample. *Results are not shown when the sample size is smaller than 20 respondents.



Thank you.

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