The Next Sprint
Workplace Skills and Diversity Strategies for Advancing the Tech Ecosystem
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I am excited to see the discourse happening within the Toronto tech industry. We’ve been having the right conversations about diversity, inclusion, belonging, and skills of the future.

As the world after this pandemic unfolds, tech companies and talent who use this report as a strategic document can position themselves to win the tech talent race. As hiring begins to ramp up, be intentional about implementing these learnings. This will be a strategic advantage.

Here’s what we know right now:

1. Diversity that leads to belonging helps our region win globally. Diversity is our power and our strength. It helps us find talent, fill roles, and open up new markets.

2. The skill set required to work in tech is unique and multi-faceted. Tech workplace skills must go beyond technical capacities and begin to also include “future skills” like adaptability, collaboration, lifelong learning, work ethic, and communication.

We’ve talked and we’ve learned. Now we face the hard part. Our ecosystem must intentionally move our conversations to tangible action and outcomes. These actions are uncharted territory. We are learning together and it presents an exciting opportunity. We are well positioned to act. This report helps us see the gap between what we say, where we are and where we want to be. Our toolkits, connected to this report, provide guidance for closing these gaps.

In this report, we outline our research over the past year speaking with tech employers and job seekers. We present survey data, focus groups conversations, and 1:1 interviews with ecosystem partners and job seekers.

Talent X is committed to being reflective with our practices. The journey to winning the future of work is ambiguous yet exciting. We need to lean on data and practices in order to win. No one has the perfect formula or playbook, but collectively, we can build a prosperous tech future. Here’s to our next sprint.

Lekan Olawoye
Founder Talent X/ BPTN
Executive Summary

Toronto has an exciting opportunity to move from conversation to action. The tech ecosystem can hire for diverse qualities and skills that enhance the industry. Now is the time we set ourselves apart and set ourselves up for global success.

To help us get there, Talent X and Black Professionals in Tech Network (BPTN) conducted research on diversity, tech workforce skills, and recruitment and retention. We hope this report serves our ecosystem as a roadmap for our collective next steps.

Research Questions:
1. What skills do job seekers need for the growth of Toronto’s tech economy?
2. How can employers recruit for these skills?
3. How can job seekers acquire the skills they don’t have?
4. Once acquired, how can job seekers demonstrate they have these skills to employers?
5. Is Toronto tech recruiting a diverse workforce?

Data Sources:
500 employers surveyed through LinkedIn
Employer & Job Seeker Focus Groups
Employer & Job Seeker 1:1 Interviews

Research Location

Toronto, GTA, Southwestern Ontario (SWO) *hereby referred to as Toronto
RESEARCH FINDINGS

DIVERSITY

• Companies with a more ethnically diverse staff are about 1.5 to 2X more likely to have diversity, inclusion and retention practices than firms that are predominantly Caucasian

• 2/3 of ethnically diverse companies believe that the sector is becoming more diverse overall, only 56% of less diverse companies believe the same

• Companies that report poor diversity retention are more likely to be measuring diversity metrics and less likely to be reviewing and implementing diversity strategies

• Companies who report being ethnically diverse and believe they are doing a good job at diversity are using the most techniques to hire and retain a diverse workforce

• 40% of companies who say they are doing a good job at diversity retention have a Diversity Framework in place, compared to only 21% of companies with poor retention

SKILLS

Our data sets along with focus group data use the terms personality traits, soft skills, and sometimes mindsets interchangeably. This is not uncommon in the soft skills literature. Technical and ‘hard skills’ are more understood and defined. ‘Soft skills’ are considered harder to learn, identify, and test for in hiring. The term power skills has emerged in literature as an appropriate reframing of soft skills to emphasize their importance. In this report we refer to all three as power skills.

• Power skills are competencies that are multi-dimensional, complex, ever-changing. They are timeless, personal, and transferable.

• Employers think technical skills and soft skills are equally important to the functioning of their organization

• Soft skills language does a disservice to the importance of these skills, and are being called power skills now

• The most desired skill employers are recruiting for is adaptability/agility

Skills of A Star Employee:

Collaboration, Adaptability/Agility, Life-long Learning, Hard Work Ethic, Coachability

RECRUITMENT & RETENTION

• Employers are recruiting and testing for technical skills but not for power skills, despite them being the differentiating factor in long-term success

• Over half of companies that are more ethnically diverse recruit using online job boards

• Companies that report doing a poor job at retaining a diverse workforce

1https://www.uwo.ca/ownyourfuture/events/power_skills.html Power Skills
are less likely to use online job boards

RECOMMENDATIONS

To thrive, employers need to attract and retain diverse candidates with a variety of power skills. The community has done a good job of starting this dialogue. Now we must put practices in place to help us advance these goals.

Employers should:

• Invest in power skills training on collaboration, adaptability, lifelong learning, work ethic, and coach-ability for current employees
• Implement intentional hiring questions related to these power skills
• Balance skills testing between technical skills and power skills
• Ensure they hire for the full diversity spectrum, which includes demographic characteristics, age, race, diversity of thought, diversity of ability, diversity of sexuality, and more

Job seekers should:

• Reframe resumes with emphasis on power skills for tech
• Use real life/work experience on resumes to show how you demonstrate the mastery of these skills
• Gain practical experience through work-integrated learning, co-op, or internships, as well as project-based work, volunteer, hack-a-thons, and any other opportunity that enables power skill development
• Find a mentor in tech by going to industry events, having virtual coffee chats

Educational Institutions should:

• Engage with the tech ecosystem (beyond recruiters) to learn what skills and attributes the business will require of graduates, and the language companies use
• Ensure counselling departments are connected with professional associations and the business community
• Ensure all departments teach power skills
• Be sure that the students know how to speak about this skill and point to professional situations in which they’ve used it
What is the State of Diversity in Toronto’s Tech Ecosystem?

“What was my gut that led me to suggest that they hire this person. I know they are trying to get away from that when hiring [for] diversity.”

– Employer 1:1 Interviews, when explaining how diversity relates to recruitment

WHAT WE KNOW

For Toronto’s tech ecosystem to compete globally, we need strategies for increasing diversity, inclusion, and belonging (DIBs). Firms must diversify hiring and retention to be competitive in the global talent market. The good news is, our region realizes the benefits of having diverse perspectives and experiences in the fast-changing tech industry.

Creating diverse workplaces benefits team and individual productivity, results in better performance in global markets, and helps inspire and retain employees.2

Employers face new and unfamiliar situations when implementing DIBs initiatives. Many know it is the right thing to do but are not sure where to start. Employees are looking to senior leaders to guide them in understanding DIBs. Finally, we’ve started to build shared language and conversation, but more guidance is needed.

We know that:

• The best way to start taking action is to simply start

• Employers have a strong desire to ‘get it right’, but this can’t hold them back from taking steps

• DIBs requires critical reflection on internal processes and open company dialogue

A diverse workforce is defined as a workforce of individuals who “have an array of identities, abilities, backgrounds, cultures, skills, perspectives and experiences that are representative of Canada’s current and evolving population.”3

An inclusive workforce is “fair, equitable, supportive, welcoming, and respectful. It recognizes, values and leverages differences.”4

Belonging in the workforce refers to the feeling created when you are able to be yourself and feel accepted and valued for who you are.5

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3 Treasury Board of Canada Secretariat. “Building a Diverse and Inclusive Public Service: Final Report of the Joint Union/Management Task Force on Diversity and Inclusion,”

4 Ibid

However, our ecosystem has not moved the needle on DIBs as much as we would like. Women are still underrepresented in tech firms. Research by the MaRS Discovery District’s Talent Development Department in 2018, (Talent X’s previous incarnation) found that racialized individuals are over-represented in job applications but under-represented in tech jobs. There are still many barriers to employment for young people, immigrants, women, and people of colour. The second MaRS report, Tech For All, found that women, black people, young people, and non-leaders experience lower levels of DIBs in the workplace than white employees and people in leadership positions. Members of the LGBTQ+ community, people with disabilities, and Indigenous workers face barriers that prevent them from feeling fully included in their workplaces. To win globally, we must address these barriers and reduce the bottleneck.

**WHAT THE DATA SAYS**

Our Abacus Data survey gathered responses from 500 tech sector employees in Toronto, the GTA, and Southwestern Ontario (SWO) (Exhibit 1). Participants were invited to complete a survey on LinkedIn via InMail message and targeted ads. Participants were targeted based on their area of work (Toronto or Kitchener/Waterloo), their job seniority or department (Management level or Human Resources), and their field of work (tech sector).

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As seen in Exhibit 1, respondents see their workplaces as predominantly:

- Male (64%)
- Caucasian (50%)
- Canadian citizens (67%)
- Between 30-45 years old (43%)
- In ‘Development’ roles (60%)

**Exhibit 2:** Employers Perspectives on Tech Sector Growth, Diversity in Visible Minorities, Gender Balance

**Employers Think Tech is Getting More Diverse**

Seventy-four percent of tech employers surveyed believe tech is growing in Toronto, the GTA, and SWO. 63% believe it is becoming more diverse in its representation of visible minorities, and 60% believe it is more diverse in gender balance. (Exhibit 2).

Many employers self-reported their workplaces are at least 50% Caucasian. Because of this, we split the data by percentage Caucasian to identify if attitudes about the tech sector were impacted by ethnicity (Exhibit 3).
Exhibit 3: Has the Tech Sector in Your Area Gotten More Diverse? Grouped by % of Workforce That Is Caucasian

Firms with 26-50% Caucasian employees (we call “more ethnically diverse) think the tech sector in their area is becoming more diverse in its representation of visible minorities. Less ethnically diverse firms (76-100% Caucasian employees) are less likely to think the sector is becoming more diverse. It is important to note that ethnicity is only one aspect of a diverse workforce.

Firms with majority Caucasian employees (less than 1 in 4 employees are visible minorities) are less likely to report that they are doing “well” on reflecting the diversity of the labour market around them (Exhibit 4).
Exhibit 4: How does your workforce score on reflecting the level of diversity?

To ensure we are on the right track, the diversity of Toronto tech companies should strive to reflect the diversity make-up of the labour pool in that area.

JOB SEEKERS HIGHLIGHT CHALLENGES IN TECH CULTURE

In Focus Groups and 1:1 interviews, we asked job seekers about tech culture

When asked about what they would change about culture, one job seeker said diversity, particularly the lack of focus on diversity. They mentioned that larger companies have programs, but startups are less likely to. They said, “there should be a goal to make the workplace more diverse, even if you are a start up.” This perspective suggests that smaller nascent companies feel less diverse than large companies. We recognize that new startups lack capacity and resources yet can take an active approach to diversity by making it a value from the start.

Several job seekers have experienced the “bro culture” in tech. A woman-identified respondent expressed challenges in having her voice heard. She remarked that it may not be the intention of her male col-
leagues to “silence her” but she feels that this is “part of the fight”. One interviewee said that humour is a common defense mechanism against the “bro culture”.

Job seekers mentioned that after-work social events can be exclusionary. Gun clubs and beer gardens were mentioned as those that are not inclusive to all. Even as diversity of women and visible minorities increases, there needs to be some unlearning taking place in workplaces to enable these diverse communities to stay and thrive. We recognize this is a journey. These findings point to where we need to go in order to see the results hoped for.

Diversity is something we want and something we aren’t sure how to achieve. It is important for our ecosystem to define what a more inclusive workforce looks and feels like. To measure progress, we must set goals and targets. Not a quota of hires, but a benchmark of excellence for inclusion and diverse talent retention. This is how we know whether we are getting better.

DIBs is a journey, not a destination. If we think of it like a verb and take actions as companies and as an industry, we will create the conditions for success.

What are the Most Important Workforce Skills?

“[Tech] needs great employees who do not just do their own work, but help their colleagues get their work done too.” – Job Seeker Focus Group

“When I hire [an employee] they don’t need to know everything, but if they are a lifelong learner then that’s key, especially in this field because it is always evolving. New threats arise that we need to protect against, and if someone does not have the ability to learn new concepts and new things, they won’t be successful.” – Employer 1:1 Interviews

“For me a good employee is someone who is independent. They take on the role and take it seriously. You assign them with their job, and they know their function, and they just deal with it. When they need coaching, they seek it, and then they go out and execute.” - Employer 1:1 Interviews

WHAT WE KNOW

Technology is changing rapidly. Dealing with this speed of change requires a unique blend of skills beyond the mastery of internal processes. Individuals must be adaptable, resilient, and complex problem solvers.9

Twenty-first century societies are challenging and complex. Individuals are being asked to manage, adapt, and constantly learn in an environment ripe with complexity and uncertainty. This is also true in the workplace.

The Organization for Economic Co-operation and Development defines skills and competencies as “more than just knowledge and skills. [A competency] involves the ability to meet complex demands. The ability to communicate effectively is a competency that may draw on an individual’s knowledge of language, practical IT skills and attitudes towards those with whom he or she is communicating.”

Reframe Soft Skills as Power Skills

As aforementioned, soft skills language takes away from the importance of these skills to the functioning of individuals and organizations. The Economist, Forbes, Google, and LinkedIn have documented the limitations of calling these skills ‘soft’. Consider emotional intelligence. This is the “ability to sense, understand, value and effectively apply the power of emotions as a source of human energy, information, trust, creativity and influence.” They are not simple or soft at all, and it’s time to reframe them accordingly.

As you’ll notice while reading this report, quantitative data along with focus group data use the terms personality traits, soft skills, and sometimes mindsets interchangeably. For the purposes of this report, we will be referring to all three terms as power skills.

Power skills is being adopted as the more appropriate naming for these skills. Power skills are skills that are multi-dimensional, complex, ever-changing. They are timeless, personal, and transferable.

WHAT THE DATA SAYS

Power Skills Are as Important as Technical Skills

When asked to rank the top three skills needed by job seekers, Toronto’s Tech employers identified technical skills and power skills as being equally important (58% each). Following technical skills and power skills, “fit within company” was the third most important identified (34%). Notably, fit within a company is not a skill area. Talent X recommends that companies hire for “cultural add” instead. Hiring for cultural add means “building a workplace that evolves and becomes conducive to a variety of mindsets, ideas, and life approaches. [With cultural add] you retain and leverage the best talent while improving your culture.”

Seeing fit identified as the top 3 skills may point to employers viewing fit within the company as a culture requirement (Exhibit 6). These results stay consistent when comparing across company size and revenue.

We explored this further in our qualitative research. In focus groups and 1:1 inter-

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10 ibid, pg 7.
11 Trudeau-Poskas, Dr. D. “Soft skills are 2020’s hard skills here’s how to master them,” January 2020, https://www.forbes.com/sites/forbescoachescouncil/2020/01/29/soft-skills-are-2020s-hard-skills-heres-how-to-master-them/#6a41679570f2
13 University of Western Ontario, “Power skills,” retrieved February 2020, https://www.uwo.ca/ownyourfuture/events/power_skills.html
views, employers mentioned a number of ‘skills or attributes’ that fall into the category of ‘hiring for fit’ and ‘subjective character traits’. Terms like good personality, good attitude, personable, and friendly were mentioned. These terms mean different things to different people and are difficult to measure. However, employers mentioned them frequently in our discussions.

- Good Personality
- Enthusiastic
- Personable
- Thoughtful
- Good attitude
- Loyal
- Friendly
- Passionate
- Trustworthy

Talent X prioritizes hiring for the core power skills candidates need to have in order to thrive in your company. When defined, power skills enable an employer to bring on talent that will work well within the environment while helping the company grow beyond its blind spots.

Exhibit 6 – Top 3 Skills Employers Need in Prospective Employees

<table>
<thead>
<tr>
<th>TOP 3 SKILLS NEEDED FOR PROSPECTIVE EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Competencies</td>
</tr>
<tr>
<td>Personality traits</td>
</tr>
<tr>
<td>Fit within company</td>
</tr>
<tr>
<td>General applicable skills</td>
</tr>
<tr>
<td>Past Experience</td>
</tr>
<tr>
<td>Sales/marketing competencies</td>
</tr>
<tr>
<td>Educational Background</td>
</tr>
<tr>
<td>Project Management</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

We want you to reflect on the array of competencies involved when hiring new employees. What are 3 skills you need perspective employees to fill? These can be technical proficiencies, personality traits, characteristics, or certain experience sets.
Tech’s Most Desired Attributes

“When I hire, I look for someone with strong communication skills. A lot of the work we do is talking to stakeholders. I am not always going to be in the room, so I have to have people who can manage conversations with high level executives. You really need someone who can communicate and manage themselves in difficult conversations.” – Employer 1:1 Interviews

Employers were asked to identify the most important attributes (skills) to the successful functioning of their organization. From a list provided in our Abacus Survey, the top five power skills to Toronto tech employers are:

1. Collaboration (92% extremely or very important)
2. Adaptable/Agility (92% extremely or very important)
3. Enthusiasm to learn (91% extremely or very important)
4. Hard work ethic (86% extremely or very important)
5. Coachability (88% extremely or very important)

Collaboration skills involve working with others in order to create or produce something. 15

Adaptability/Agility is the quality of being able to adjust to new conditions. Often, it means changing in order to make an outcome successful. In tech, adaptability is important because things are constantly changing. Being adaptable means using judgement to make difficult decisions. It can also mean learning quickly, thinking on your feet, and staying positive through change. 16

Enthusiasm to learn or lifelong learning is the ongoing, voluntary, and self-motivated pursuit of knowledge for personal or professional reasons. 17

Hard work ethic is considered to be performing a job or task to the best of your ability, while upholding company values and policies. 18

Coachability is when an employee has an openness and willingness to learn. Coachable employees are willing to give up control to improve work performance and accept feedback without becoming angry or defensive. Coachable employees want to improve and change for the better. 19

Of these five skills, collaboration scored as the most important attribute to the overall functioning of organizations (Exhibit 7).

Communication skills are vital for each of these five skill areas. Communication was mentioned by employers frequently, but didn’t make it into the top five skill attributes. We speculate that this is because effective communication skills are foundational skills for life and work. Employers may not identify them outright because of how obvious they may seem. For example, being coachable requires an open-

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ness to communication and an ability to listen, be aware, and respond accordingly to situations. Without effective communication skills, employees cannot collaborate well with one another. They are important parts of each of the five core power skills and must be prioritized and understood.

Exhibit 7: Collaboration is the Most Important Attribute

MOST IMPORTANT ATTRIBUTES
TO THE SUCCESSFUL FUNCTIONING OF YOUR ORGANIZATION

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Extremely important</th>
<th>Very important</th>
<th>Important enough but not crucial</th>
<th>Not too important</th>
<th>Not at all important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaboration</td>
<td>64%</td>
<td>38%</td>
<td>6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adaptable/Ability</td>
<td>50%</td>
<td>42%</td>
<td>7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enthusiasm to learn</td>
<td>48%</td>
<td>43%</td>
<td>7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard work ethic</td>
<td>44%</td>
<td>42%</td>
<td>12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coachability</td>
<td>42%</td>
<td>46%</td>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receptive to feedback</td>
<td>33%</td>
<td>53%</td>
<td>12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smarts/Intelligence</td>
<td>32%</td>
<td>49%</td>
<td>19%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agreeability</td>
<td>31%</td>
<td>46%</td>
<td>18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Humility</td>
<td>26%</td>
<td>47%</td>
<td>24%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stamina</td>
<td>23%</td>
<td>51%</td>
<td>24%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sensitive to the needs of others</td>
<td>19%</td>
<td>47%</td>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A diverse range of demographic attributes</td>
<td>17%</td>
<td>33%</td>
<td>34%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aware of the barriers and disadvantages</td>
<td>16%</td>
<td>37%</td>
<td>35%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Again, from the list above, please specify if each is extremely important, important enough but not crucial, not too important, or not at all important to the successful functioning of your organization.

Collaboration is Essential for All Roles

Collaboration was ranked by employers as an essential skill, regardless of job function. Collaboration is clearly a necessary skill for tech companies, and one that must be explored and understood (Exhibit 8).

Power skills like agreeability, adaptability, sensitive to the needs of others, and being aware of others’ disadvantages are seen as more relevant for some roles over others.

Attributes like agreeability and being sensitive to others’ needs are scored by employers as very important to People & Culture roles and Administrative Staff but not highly for Engineering and Development roles. However, a key part of collaborating effectively is being sensitive to the needs, perspectives, and opinions of others. This is an area for employers to consider.
In Focus Groups and 1:1 interviews, employers added more information to the powerskill discussion. When asked to tell us about ‘star employees’, employers spoke about those who proactively take on “stretch projects”, are curious about the entire company, and have a learning mindset. These skills enable them to take on new challenges to transform their skills. These skills are highly advanced and intangible. They are what employers see as making the difference. Employers note that employees who possess these skills more easily transition into strategic leadership roles.

In our focus group discussions, we noticed that employers have a lot of terminology to describe these skills. Many are using various words to describe similar skills. We’ve outlined the terms we heard to illustrate how important it is for our ecosystem to develop a shared skills language.
Toronto Tech’s 5 Most Desired Skills as Voted by Employers (2020)
Employers Face an Adaptability Skill Gap

For each of the power skills, employers were asked to assess which skills they desired for their workplaces and which skills they currently had already. This helps identify which skills are most desirable but lacking. Employers in Toronto tech are facing the biggest skill gap with adaptability/agility. A 28-percentage point gap exists between the attributes they most want for a successful workforce and what their workforce currently has (Exhibit 9).

Exhibit 9: Gap Between Desired and Current Workplace Attributes Identified by Employers

Importantly, the gaps experienced by companies are largest for power skills like adaptability, receptive to feedback, etc., but not for smarts/intelligence. Smarts/intelligence could be referring to technical skills or formal education.

“The terms agility and collaboration are overused by people - what they mean is, you are not stuck in your mindset, you can change your mindset really fast and adjust to what is happening, you can catch new ideas.” – Job Seeker 1:1 Interview
When asking job seekers about the adaptability skill set, we learned they see it as equally important but noted some confusion. They said these skills are necessary for the fast-paced tech culture. One job seeker said, “until you have 10,000 employees, you can’t afford to be slow. Being fast and agile is important to tech.” Even within large organizations, agility is critical. Most tech companies are going through a constant transformation, regardless of size.

However, job seekers also noted the confusion with the terminology agile and adaptable. In the tech community, agile has become a framework for working unto itself. Agile is a software development methodology whereas agility and adaptability are skill sets employees can possess. In a 1:1 interview an interviewee said “the word agility has become empty from its real meaning”. “It’s not what it used to mean,” they said. ‘Being agile’ may no longer refer to being adaptable, but instead refer to using the agile framework many firms use.

This perspective shows the need for clarity as we continue to look for these traits. Employers must recognize the confusion in the market and use the right language in the right context. If adaptability is the trait an employer is referring to, steering clear of using a double-meaning like “agility” will help clear up confusion.

Skills are a tricky area to define. We inherently know the skills we are looking for but have long struggled to define them and communicate our need for them. It’s clear that the power skills the tech ecosystem seeks are complex and multi-faceted. Now we have clarity on the need for employees that are collaborative, lifelong learners, adaptable, demonstrate hard work ethic, and are coachable.

Collaboration is essential regardless of your role within a company. This finding should inspire companies to invest in training and enhancement opportunities for all employees to learn better collaboration tools.

To ensure we attract, hire, and retain the right job seekers, Toronto tech must continue to refine its understanding of these terms.
How Are Firms Recruiting and Retaining Talent?

“I have a team that is very diverse. We are conscious of the people we are bringing on board, but it is also the reality of who is applying for the roles. If there are not enough people applying from all spectrums then it’s hard to satisfy that.” - Employer 1:1 Interviews

“I want to get to a point where diversity is not a checkbox. I don’t know what’s the answer, but I know that diversity is key to my team being so strong.” - Employer 1:1 Interviews

WHAT WE KNOW

Toronto tech employers are ready to hire a diverse and skilled workforce. Achieving this goal requires intentional recruiting and retention strategies. First, we must increase the pool of applicants while reducing biases and systemic barriers to hiring. Then, we must create inclusive work environments where employees thrive.

Recruitment and retention with these goals in mind isn’t easy. To assess where we are at, we asked employers about their hiring practices including how they interview, test for skills, and where they source candidates.

On the retention side, we asked about the types of strategies for DIBs.

When employees feel they belong, they are more likely to be productive, engaged, and invested in the company. It boosts morale, team dynamics, and personal satisfaction.20 Our ecosystem is invested in these outcomes and ready to put intentional strategies in place.

WHAT THE DATA SAYS

Employers Test for Technical Skills Not Power Skills

One important finding we noticed is that tech employers surveyed test more for technical skills despite having the biggest skill gaps with power skills. Employers are more likely to test for software, programming, or coding skills, despite noting technical skills and personality traits as equally important to the workforce, only 1% of employers test for personality traits (Exhibit 10). They are much more likely to test for technical skills than use a general skills assessment or case study.

However, given the gap in their needs for power skills like collaboration and adaptability, the strategy for only testing for technical skills will not yield the hiring results desired. Employers express no large gap in recruiting for smarts and intelligence in candidates. This highlights a possible blind spot to what skills are most desirable in the recruiting process.

However, we also see that 19% of employers use a case study to test for skills. Case studies may yield more information to employers about power skills. This data may not portray an accurate and full picture of how our ecosystem tests and teases out power skills in recruiting. This is an area for us to discuss.

**Exhibit 10: Skill Testing Used by Employers in Hiring**

**WHAT IS THE SKILL TESTING COMPONENT?**

- Software/Programming/Coding skills: 45%
- General skill assessment: 24%
- Case Study: 19%
- Personality test: 1%
- Other: 10%

When reviewing resumes, employers prioritize screening for work history and experience (Exhibit 11). Although soft skills appears 4th on the list (11%), it could be that work history and experience illustrates soft skill examples to employers and they don’t identify it separately in their mind.
Exhibit 11: Employers Screen Resumes for Experience/Work History

TYPICAL SCREENING CRITERIA FOR RESUMES?

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience/Work History</td>
<td>42%</td>
</tr>
<tr>
<td>Technical Skills</td>
<td>25%</td>
</tr>
<tr>
<td>Certifications/Educational Background</td>
<td>19%</td>
</tr>
<tr>
<td>Soft Skills</td>
<td>11%</td>
</tr>
<tr>
<td>Interviews</td>
<td>11%</td>
</tr>
<tr>
<td>Communication Skills- Written, Verbal</td>
<td>5%</td>
</tr>
<tr>
<td>Fit</td>
<td>4%</td>
</tr>
<tr>
<td>Keyword Search</td>
<td>3%</td>
</tr>
<tr>
<td>Impressions from Others/Reference Check</td>
<td>2%</td>
</tr>
<tr>
<td>Social Media (LinkedIn, Twitter, FB, etc.)</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>20%</td>
</tr>
</tbody>
</table>

What are your typical screening criteria for resumes?

More Diverse Companies Have Diversity Strategies

Retaining a diverse workforce is just as important as recruiting for one. We asked Toronto tech employers about their activities in retaining diversity. This was done through assessing which internal strategies they are using.

We looked at which companies are undertaking what strategies based on how ‘ethnically diverse’ they are. To isolate this, we cut the data by percentage of the workforce that is Caucasian. Notably, ethnic diversity is only one aspect of diversity.

‘Non-diverse companies’ (those with a higher percentage of the workforce that is Caucasian) are less likely to have an internal committee dedicated to assessing the state of diversity, inclusion and belonging in their organizations. They are also less likely to review their recruitment and interview processes for potential exclusion/barriers (Exhibit 12). Employers that examine their workforce and don’t see ethnic diversity consider this to be not “doing a good job”.
Exhibit 12: Less Diverse Workforces Are Also Less Likely to Develop Technical Skills and Power Skills Needed

Less diverse companies are less likely to develop technical skills or power skills. However, these results could be impacted by geographic location and diversity makeup of the available skilled population. Fewer than half of these less diverse firms review their recruitment process for exclusion barriers or risks. Fewer than half have intentional diversity strategies (Exhibit 13). While only 1 in 4 track visible minority diversity metrics, few companies track anything beyond race and gender.

Intentional diversity strategies are important. Firms that simply track metrics are less ethnically diverse. While we don’t know the direction of causation, we can see that having more diversity strategies such as reviewing your recruitment process for barriers, having internal committees for DIBs, and having employee resource groups are more common in firms that have a more balanced ethnic split (between Caucasian and non-Caucasian).
When asked directly about whether they have strategies to retain diverse candidates, 88% of employers said no (Exhibit 14). When compared to the previous question results, we see a much higher percentage of respondents saying they have intentional hiring practices. This may call attention to the difference in strategies between hiring and retaining. This could suggest that diverse hiring is on the minds of employers but diverse retention is a new challenge.
**Exhibit 14:** Majority of Companies Don’t Have Diversity Retention Strategies

**ANY STRATEGIES TO RETAIN DIVERSE CANDIDATES?**

![Pie chart showing 88% Yes and 12% No]

Do you enjoy any strategies to retain diverse candidates once they are already in your workforce?

**Companies that Retain A Diverse Workforce Hire Through Online Job Boards**

Companies that report doing a good job on retaining a diverse workforce are more likely to use online job boards (Exhibit 15). Only 38% of employers that report doing a poor job on diversity use online job boards.

More diverse firms are more likely to use online job boards which may suggest standardizing the process of hiring. Hiring using online job boards may help widen the scope of candidates seen for positions.

LinkedIn is a popular platform for networking and recruiting in the tech ecosystem. One thing to note is that our LinkedIn networks may reflect our personal networks. Thus, the diversity within our personal networks will be present online as well. Employers must be mindful of where they source candidates from when recruiting for DIBs. We recommend differentiating the approach and using a variety of channels.
Hiring a diverse, skilled workforce is what our community wants. Diversity cannot be an afterthought once it’s time to fill a role. It must be an intentional and measurable strategy that helps move the company in a direction. It’s important to note that the perspective of a company around diversity is automatically skewed if its employees are not representative. So, getting an external perspective on diversity, inclusion and belonging is critical to reducing groupthink.

As an ecosystem we must diversify recruitment and take retention seriously. Organizations that have DIBs strategies are more likely to have a diverse workforce, suggesting that strategies have the desired outcome.

Finally, we must hire employees that have a diversity lens. This perspective must complement technical skills and power skills. At a minimum, everyone within the organization should have an understanding of why diversity is important. This is not just something for the talent and people teams. If we continue to over-index on some parts of the company having a lens of diversity and not others, we will continue to have instances where staff from diverse backgrounds do not fit in their departments and feel isolated or slighted. In a global market, all employees must have a diversity lens as a competency.
RECOMMENDATIONS

Advancing the tech ecosystem in Toronto is our next collective sprint. To thrive, employers need to attract and retain diverse candidates with a variety of power skills. Job seekers need guidance and practice on how to stand out. Post-secondary institutions need to serve both groups. The ecosystem has done a good job of starting this dialogue. Here are some practices to help us advance these goals and win this race.

For Employers

“Prompt with better questions where people can demonstrate [soft skills]. Perhaps recruit more from industry people who have had their own startup and show an entrepreneurial spirit. I think it is that kind of quality that somebody in a project management capacity would need to exemplify. It is a soft skill you need to probe for.” – Employer 1:1 Interview

Employers need to prioritize hiring for technical and power skills that they’ve identified as equally important. There needs to be an equal assessment of power skills as we see for technical skills. We know power skills are complex and until now, undefined. We now understand what power skills are crucial to employers. With this, we move forward into implementation. To hire and retain diverse and skilled employees, employers can do the following:

Make diversity an everybody thing.

Everyone in the company, not just HR, must understand and be invested in DIBs.

Much of the time, retaining diverse employees begins with listening. Not everyone is motivated or challenged by the same things. Also, use the exit conversation as an immense learning opportunity. Try to create a space (with a neutral third party) where the former employee can share the reasons they are leaving the workplace. This feedback sheds a light on any limitations in company policies, culture, or work challenges.

Hire for the diversity spectrum.

A diverse workforce is one with “an array of identities, abilities, backgrounds, cultures, skills, perspectives and experiences that are representative of Canada’s current and evolving population.” To hire for the full spectrum of diversity, employers must get to know their current employees. This means understand them beyond ethnic diversity alone. Next, recruit candidates from a variety of sources. If you hire exclusively from personal networks, yet your personal network is not diverse, you will not end up with diverse candidates. Diversifying your own network will diversify your company’s.

Implement diversity and inclusion strategies.

It’s no longer enough to talk about DIBs in your workplace. Employers must implement intentional diversity and inclusion strategies in the hiring and retention process. This must be a vital part of company culture in Toronto tech.
Recruit for power skills.

Apply your values and desired skills and infuse them in the hiring process. Use language that aligns with the types of candidates you want to see apply. To hire for power skills, ask specific questions in interviews that allow job seekers to showcase their skills. Consider using tools to help screen for power skills like Koru and Pymetrics. Look at scenario-based questions as a tactic to assess for the most important skills: collaboration, adaptability, lifelong learning, work ethic, and coachability.

Train current employees on power skills.

Look for courses and training opportunities to enhance employee skills with collaboration, adaptability, lifelong learning, work ethic, and coachability.

There are now more innovative ways than ever to train skills. Virtual reality technology is being used to simulate experiences that let employees experience power skills in action. VrCAVE offers corporate training on skills like diversity of perspective, empathy, communication, problem solving, working with ambiguity, and building a flexible mindset. Employees can practice real workplace skills in a fun and fast-paced simulation. Following the training, a discussion is encouraged to see what people learned and how it can apply to their role.

For Job Seekers

“It took me a long time to figure out where I can find startups. I need access to resources like websites and meetups, pointing us to where we should look and a network of people to talk to. If you don’t have friends in startups, where do you go?” – Job Seeker 1:1 Interview

Job seekers are looking for clarity. They want to know how to thrive in the tech ecosystem and also how to stand out when applying for career advancements. To be successful working in tech, we recommend that job seekers do the following:

Get connected

In order to jump when an opportunity arises, job seekers must be well connected to the tech ecosystem. Being seen requires connecting to the network as much as possible. Going to tech related events, following relevant individuals on social media, and networking regularly. To attract new opportunities, you also have to put yourself in places you might not normally go. Find a mentor who can help you through the process.

Enhance your power skills.

Develop your skills in collaboration, lifelong learning, work ethic, adaptability/agility, and coachability. Learn how to explain your experience in terms that are relevant to the tech sector. You can build or enhance your existing power skills by taking on new projects at school or work, volunteering, finding a mentor, joining a club, taking co-op or work-integrated learning opportunities, travel to a new country, learn a language, or expanding your circle of friends.

Use all channels to apply for jobs.

Employers use a variety of channels when hiring including personal networks, online job boards, LinkedIn, and referrals. Given this, job seekers must connect to all channels when seeking a job in tech. For those without a strong existing network, try to find a mentor who is connected to
the ecosystem.

**Help employers implement DIBs.**

Retaining diverse employees is an “every-body thing”. It’s not just something HR departments should be tasked with. To do this well, employers will need to “understand the experiences and sentiments of current and past employees.” Job seekers and current employees are crucial to implementing DIBs. Employers will be looking to you to answer questions and provide insight.

**Do your research.**

Follow tech trends, read relevant reports, and follow companies you admire on social media to learn what is important to them. It is an ongoing learning process as the tech industry changes rapidly.

**For Post-Secondary Institutions**

“To change anything, you have to change the university, and not the startups. You have to go way back. At the university, a teenager goes in and their character and personality is shaped.” – Job Seeker 1:1 Interview

Universities and colleges play an important role in this process. With these recommendations, we try to bridge the gap between academic preparation and industry needs.

**Engage the tech ecosystem.**

Connect with industry leaders, technical experts, founders, managers, and more. This connectivity allows schools to learn about the quickly changing needs of employers, especially in the context of changing economic conditions. In recent months we know many employers have laid off staff. This may change the playing field for students in seeking co-ops and placements.

**Ensure all departments teach power skills.**

Find opportunities to integrate the core power skills into courses and faculties. The most desired tech skills are collaboration, adaptability/agility, enthusiasm to learn, work ethic, and coachability. When teaching these skills, make the connection from learning to doing in the workplace for students.

**Expose students to diverse working environments.**

Increase co-op, internship and apprenticeship opportunities for students interested in the technology sector, where they can grow their networks and increase their understanding of a specific expertise or discipline by partnering with start-ups.

**Help students talk about their skills.**

Help students identify and translate their experiences into career-narratives. At times, students may not know that they have or have used a power skill and thus cannot point to it within interviews. This helps students stand-out to employers, builds their confidence, and helps them make connections between what they’ve done and what is valued by industry.

**Take an agile approach to education.**

Students are looking for all opportunities to stand out to employers. As a result, university and college must design and implement curricula that train students to be ready for the future of work. This may mean re-thinking courses, programs, and modules. Tech is known for its agility. Ontario’s PSEs can be the same.
This work is a journey. To succeed as a region, we all need to prioritize hiring for a diverse workforce with the power skills needed to thrive. It requires us all to commit to taking actions that move us forward. We can no longer rest on conversation alone, it’s time to act. Let’s begin our next sprint.