

Capturing Talent on Vancouver Island

A Summary of Findings & Recommendations

Prepared for The Vancouver Island Economic Alliance by McIntyre Consulting

OUR QUESTION:

How can Vancouver Islands stakeholders more effectively incentivize post-secondary graduates to remain on the Island to contribute their employment skills, entrepreneurial talents and investment capital to the local economy and communities in which they live work, play, and lead?”



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Purpose & Background

The goal behind VIEA's 'Capturing Talent' initiative is to build collaboration amongst institutions and with the business community to ensure that students who want to build their lives on Vancouver Island have every opportunity to become the active community members, business successors, and entrepreneurs of our future.

In January 2017, the Vancouver Island Economic Alliance partnered with the National MBA Games, hosted at Vancouver Island University, to deliver a competitive case study competition based around VIEA's 'Capturing Talent' initiative, which was still in its early stages at the time. Through this partnership, top MBA students from across Canada worked in teams to develop seventeen different presentations featuring unique insights and strategies for how to address this broad and complex challenge.

This summary and the enclosed presentation were developed to serve as an amalgamation of the best insights from the case competition and help pave a way forward. The summary below provides additional considerations and perspectives to help readers consider the big picture around this issue and more fully understand the rationale for the multi-faceted hybrid solution provided in the enclosed presentation.

Key Issues and Realities to Consider

Vancouver Island's population is aging - fast! While the Island has long had a reputation of being a prime retirement destination for many elder Canadians and expats, few are fully aware of the challenge that many Island communities face in finding sufficient numbers of young, motivated citizens to replace their retirees and serve in new roles that are being created to care for our aging population. This issue is not limited to entry-level jobs. We currently lack young, educated individuals to take on leadership roles within long-standing community organizations or take over for retiring managers and business owners. The unfortunate irony in all of this is that more students are currently graduating from Island universities than ever before. If this is the case, why are Islander stakeholders struggling to engage and retain young people after their graduation from post-secondary education? What are we doing wrong?

This initiative focused on Vancouver Island, but in our increasingly globalized world, it is worthwhile to consider the current state of the macro economy from a youth's perspective, along with all the financial, environmental and social realities facing educated young adults in 2017. If the reader takes a step back to imagine what it would be like to be 21 again (only in 2017), one cannot help but recognize that university students today often have to take on completely different priorities than students did even 20 years ago. With rising costs of living, growing consumer debt and student loans hanging overhead, the thought of home ownership — never mind the prospect of starting a new venture — is daunting to even the most passionate and motivated graduates. All of this, coupled with the fact that Vancouver Island is gradually becoming a bedroom community for Vancouverites and 'urban refugees', makes many Islanders worry that it is only a matter of time before housing costs in major Island communities like Victoria and Nanaimo inflate to that of mainland metro suburbs. Indeed, the results of this swift residential land grab by wealthy investors — and the subsequent response by owners of prime rental property previously occupied by indebted students — will likely change our Island economy forever. As we've already seen across BC, this challenge will likely hit our young people the hardest and further impede their ability (and decrease their incentive) to build a good life here.



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Along with the swift adoption of the Internet and digital media into everyday life has come a deeper and broader awareness of our world's most critical challenges, particularly in the minds of educated youth. This has dramatically impacted the way that young people – especially those raised and educated on the west coast - think and feel about their future. As more students become aware of the inconvenient truths that have arisen as a result of humanity's excessive consumption, environmental degradation, and exponential population growth during the last two centuries, many of them cannot help but question the contemporary definition of monetary 'success' and re-examine their own plan for pursuing happiness. Upon learning about the gravity of current issues such as climate change and the grossest income disparity gap that humanity has even seen (both of which loom over their future like a dark cloud), many students and grads are conflicted with the thought of whether or not they will pursue the same kinds of dreams and goals that their parents and grandparents did when they were young. Where life events like parenthood and home ownership were previously considered pillars of western life, many young people today see these as expensive burdens and distractions that would only drive them further into debt and perpetuate the problems they see around the world.

Particularly on Vancouver Island, many of the engaged and passionate young people that choose to stay and contribute on the local level consider themselves at the front-line of a collective effort to re-examine and influence how we feed, clothe, house, educate, entertain and employ ourselves for the betterment of humanity as a whole - not just for themselves. This earth-centric, socially conscious, and perhaps even altruistic mentality is reflected in the growth of the 'sharing economy' and Vancouver Island's own local food, farm-to-table, eco-tourism and craft beverage markets in recent years, which in turn has helped to draw more educated young people to communities that have embraced these kinds of social and economic innovations (an example of a positive feedback loop).

While more and more young leaders and entrepreneurs strive to realize their visions for the future of our communities, we must acknowledge that our path to the sustainable local economy they imagine is still largely unclear, riddled with barriers and red tape. Investors typically want guarantees of financial returns (not social and environmental returns) and many civil leaders on Vancouver Island are often out of touch with the desires and interests of young people today. This may be because young people represent less than one fifth of the Island's population, own the least amount of capital, and pay the least amount of taxes, thus making them virtually invisible to politicians and influential decision makers who tend to cater to the interests of the majority. This trend may seem "fair enough" to members of the Island's elder demographic who feel that they've earned their influence, however this reality continues to foster spiteful divide between the youngest and oldest generations (ie. "millennials are so entitled and lazy!" vs. "baby boomers are so greedy and selfish!"). This not only further discourages educated young people who want to inspire and influence progressive change on Vancouver Island, but also often drives them away to urban centres that have allowed youthful inspirations to influence the majority of their public and private investment.

Of course, we must acknowledge that on the other side of the spectrum there are plenty of youth who have responded to the world's most daunting challenges with increased apathy and hedonism. Many of them lack faith in our political systems amidst overwhelming evidence of corporate influence and an ever-growing income disparity gap. They are discouraged by the continued environmental degradation they witness in the name of 'economic growth', which clearly has not benefitted everyone equally (as was apparently promised to previous generations).



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As many graduates will testify, a university degree is no longer the ‘key to success’ that was promised to them when they were in high school. Most jobs now require that applicants have at least some ‘experience’ in the field, which in itself is often impossible to get without a sponsored co-op, internship or job placement. Meanwhile, climate change is showing more of its ugly face every day through rising ocean levels, strange weather patterns and violent storms that are hitting us closer to home than ever before. ‘*Is the world ending? If so, how long do we have? Should I even bother building a career or should I just have as much fun as I can before everything comes crashing down?*’ — this is the internal dialogue of a young university graduate today.

If the reader puts themselves in the shoes of a university student in 2017, one can sympathize with the fact that the path to a meaningful, rewarding life is far from clear, especially to grads who will struggle to find a job title that aligns with their degree major. For many of these discouraged grads, a minimum wage job at a coffee shop may seem ideal compared to the drudgery of an underpaid internship filled with overwhelming stress and a rigid hierarchy, even if that means they have to co-rent a ‘family home’ with several other independent adults in order to pay their bills. Needless to say, young peoples’ confidence in the future is waning, and so is their motivation to contribute to our local communities and economies. Indeed, this issue is global in scale, but this does not mean that Vancouver Island is helpless against it.

When considering how today’s university students will build their lives after graduation, it is critical to acknowledge that the question *where* to live, work and play will likely be top of mind. Yes, grads will want to make enough money to live comfortably, ideally doing something related to their studies. However, if the community that a university graduate is educated in does not cater to their interests and values, or if they do not have a strong social and professional network to support their advancement, it is very likely that they will consider moving to a community that does (or at least appears as such), regardless of the money or career opportunities available. If the ‘joy of work’ was enticing for young people, we might be able to incentivize them solely with monetary bonuses and new jobs. But young people aren’t mean of production; they’re members of the community. We need to treat them as such.

At this point, it is worth noting that many of the MBA students who compiled presentations (being young people themselves) emphasized not only the economic value of graduates, but also their social and cultural value — factors that are too often neglected by civil leaders and decision makers in the business community. This key insight became a revolving theme throughout the compilation of this summary and the enclosed presentation. It is also for this reason that we incorporated the phrase “live, work, play and lead” into our ‘Big Question’ (below), which was inspired by one of the MBA student presentations. More on this to come.

Our Big Question

How can Vancouver Island’s stakeholders more effectively incentivize post-secondary graduates to remain on the Island to contribute their employment skills, entrepreneurial talents and investment capital to the local economy and communities in which they live, work, play and lead?



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Discoveries

Brain Drain Is Here - Let's Slow It Down

Upon reviewing the MBA students' presentations in detail, it is clear that they left very few of our relevant "threats and weaknesses" uncovered (see "SWOT Analysis" in enclosed presentation). Clearly, the effects of 'brain drain' are not exclusive to developing countries. In our increasingly globalized world, many young people on Vancouver Island exodus en-mass after graduation to get more education, experience the allure of big city life or travel abroad to witness different cultures. They seek chances to learn new things, build relationships and make a difference using the skills, knowledge and values that they acquired through their time in university. Many recent graduates could find plenty of rewarding opportunities right here on the Island, but the reality is that few will have a chance to find this out for themselves before they leave. In order to incentivize more of these grads to either stay or return to the Island, we first need to know more about who currently stays and *why*. *What keeps young people on Vancouver Island? What kinds of incentives (not just monetary) motivate them to settle here?* With more accurate data, we can start to set realistic goals and take further action accordingly. This key learning outcome is embedded into our proposed solution.

Connection Matters!

On Vancouver Island, many university students admit that they don't feel connected to Island communities in a way gives them motivation or purpose to stay here. Almost entirely across the board, MBA students recognized this as the most significant challenge of 'Capturing Talent', becoming the cornerstone of our proposed solution!

Students quote many different reasons for wanting to leave the Island, from "not enough jobs" to "not enough to do for fun" - only some of which are true. This shows that we need to do a better job of promoting the Island lifestyle *and* the employment opportunities available here, both *internally and externally*. To do so effectively, we first need to know more about what young people think about VI as a place to live, work, play and lead, and identify trends in those who *love* the Island and those who *can't wait to leave*. We should continue target those students who are most likely to love the Island for its unique traits and find more ways to engage students who have not yet had a chance to fall in love with our region.

By 'engage' students, we mean that we need to give them more chances to contribute to positive change in ways that are actually relevant to the issues that matter to them (even on a small scale on the local level). If we don't do this, many young people will continue to simply tune out rather than engage with the Island economy in a meaningful way, even after graduation. MBA students also identified the lack of connection between students and Island communities as a missed opportunity to stimulate an interest in Island culture while showcasing the array of job and/or volunteer opportunities that Vancouver Island offers, which could further incentivize them to "live, work, play and lead" here.

Stakeholders Need To Collaborate On This Issue

When exploring reasons for this problem in the first place, MBA students made note of the fact that the real challenge of 'Capturing Talent' has not yet been addressed in a way that promotes action amongst stakeholders on a cross-sectoral, region-wide level. They also cited limited two-way communication or collaboration amongst employment stakeholders and the institutions in which young people are educated, which would be essential in order to bridge the gap between universities and the community at large. These stakeholders include not just employers, but also:



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- Island Families & Communities at Large
- Non-Profit / Community Organizations
- Affordable Housing Providers and Developers
- Municipal, BC & Federal Governments
- Industry Associations, including Tourism
- Women in Entrepreneurship
- Local and Established Employers (SME)
- Other Educational Institutions
- Nearly everyone on Vancouver Island!

Each of these stakeholders could collaborate to provide many incentives for students and grads to get involved in local communities and build connections. For example, educational institutions could allow more students to gain credits towards their degrees for relevant student projects, internships, community volunteering or problem solving efforts on the community level. On the employers' side of the equation, an effective collaboration with municipal and provincial governments could potentially create tax incentives for the retention of local grads. Cross-sectoral modernization of recruitment tactics and HR policies would also make a huge difference across the region.

To be successful, MBA students recognized that stakeholders will need to share the responsibility of adapting the way we do business in order to attract and retain more of our young people who have different values around employment and 'a good life' than previous generations did. HR practices can be modernized based on insight from our additional research in this area. Local governments could provide tax incentives to employers who hired and retain local grads. Clearly, the opportunities here are endless, pointing to the need for ongoing discussion and collaboration amongst employment stakeholders relevant to this issue – another learning outcome embedded into our proposed solution!

Vancouver Island CAN Meet This Challenge

Despite the fact that employment stakeholders all over Vancouver Island face numerous challenges in attracting, mobilizing and retaining young talent, the MBA students also pointed out ample "strengths & opportunities" that we can leverage as a region. They recognized the potential of leveraging aspects of Vancouver Island's external brand image as nature-inspired hub for arts, culture, and recreation, which already appeals to many of the educated and motivated young people that have moved their families and businesses. We have the opportunity to build on positive elements of our region's reputation, including (but certainly not limited to) our growing focus on environmental sustainability, our local food and craft beverage market, easy access to incredible outdoor recreation, and plenty of opportunities to fill gaps in an aging citizenship. We have opportunities to highlight recent successes in our tech sector, innovations in affordable housing for young people (though currently lacking), and so much more. Again, more research and cross-sectoral collaboration amongst relevant stakeholders will be essential.

Proposed Solution

The statement below amalgamates the best solutions identified in the MBA student presentations into a master solution, relevant to our 'big question':



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(1) Work cross-sectorally to promote awareness of the Island's unrealized potential to retain talent from local educational institutions; (2) strive to better understand our target demographic and the various incentives that might keep them here; (3) educate and empower all Island stakeholders to promote and embody a youthful, progressive and authentic 'Islander' brand image that will appeal to today's employable population, and (4) foster a sense of belonging amongst Vancouver Island students (and young people in general) by facilitating more hands-on opportunities for them to contribute to community and business development in alignment with their values.

Many of the MBA student teams developed and presented alternative solutions that revolved around generating economic/financial incentives for grads, such as increasing starting wages, subsidizing housing costs or funding training programs to make young people 'job-ready' for growing industries like technology. However, the success metrics and decision criteria (see below) that the MBA students developed based on the Initiative's goals and VIEA's overarching organizational objectives favoured broader, socially-aligned strategies that involved cross-sectoral collaboration and dramatic shifts in perspective. In particular, the MBA students advised that we develop more ways for students to solve problems in local organizations, business and governments as part of their education, effectively developing critical soft skills and help them build social capital in the communities in which they learn.

Decision Criteria for Proposed Strategies

The decision criteria below was refined and amalgamated based on all seventeen MBA student presentations. These were used to help identify the most relevant and effective solutions from the wide array of options:

- ✓ *Strengthen Niche* - strengthen Vancouver Island's positioning as an attractive region for young workers
- ✓ *Promote Local Strengths* - leverage what has worked and is working for us 'right now'
- ✓ *Connection to Community* - work cross-sectorally to integrate young people into community
- ✓ *Increase Awareness of Local Attractions and Amenities* - build on past wins of Island tourism sector
- ✓ *Act in Alignment with Values of Island Communities* - be authentic to the "Islander" brand
- ✓ *Align with Values of Young Professionals* - what do young people want? Let them build it!
- ✓ *Strive for Long-term Sustainability and Vitality* - what will benefit generations to come?

Multiple presentations clearly identified that the promotion of a progressive, youthful and authentic "Islander" brand image (supported by a cohesive marketing campaign and tailored HR practices that all employment stakeholders could adopt) is what would be most effective for attracting and retaining younger workers to our region over the long-term. Furthermore, the MBA students advised that stakeholders combine forces to facilitate more opportunities for Island students to have the kinds of positive experiences (internships, community projects, outdoor adventures, open learning, ect.) that will help foster a lasting sense of belonging, purpose, community and 'pride in place'.

It is important to note that we do not (yet) have enough data - nor have we identified the right indicators - to accurately determine how poorly or effectively Vancouver Island is engaging, mobilizing and retaining post-secondary students from various backgrounds or faculties (VIEA is currently collaborating with Vancouver Island's



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major universities in this area. For this reason, the pursuit of additional research has been identified as a strategic pillar in the proposed “Islander Initiative”, below:

The “Islanders Initiative” – see presentation for full details

A multi-phased, cross-sectoral plan for promoting economic, community and cultural sustainability and vitality on Vancouver Island through the attraction, engagement and retention of young people.

Strategic Pillars:

1. Get to know the people we’re talking about to make sure we get our facts straight
2. Promote shared awareness and incentivize action amongst stakeholders
3. Craft and promote the ultimate ‘Islander’ brand to boost retention and pride in place
4. Give more students/young people something *meaningful* to do !

In Conclusion

Success in this initiative will require more than simply creating and promoting more jobs. Anecdotal evidence alone points to the fact that many young people (especially those with university education) no longer want to be treated as means of production in a global economy that they consider to be unsustainable, wasteful and inequitable. Nevertheless, work still need to get done. Yes, the transition to a sustainable and more equitable economy is ultimately essential and hopefully inevitable, but we will still need capable, inspired workers to get us from here to there and look after our growing number of elders in the mean time.

To communicate the gravity of this issue to our fellow stakeholders and Islanders, we will need to shift our perspectives to see that this as more than strictly an economic problem. As identified by the top MBA students from across Canada, the vibrancy and strength of our communities and local culture will continue to fade along with our aging workforce unless we collectively embody an Island-wide culture that embraces our young people, helps nurture their ideas and gives them space to craft a sustainable and socially-conscious future. We need to acknowledge and act on the fact that the values, expectations and perspectives of young people have changed dramatically over the last few decades, and thus it is critical that we talk to our youth, ask them questions and consider their perspectives when putting solutions in place.

Moreover, we need to get clear on how young people view Vancouver Island as a place to call home and identify the kinds of incentives (particularly non-monetary) that drive them to get engaged in the community. The MBA students made it quite clear than any and all actions we take to address this issue must be developed in consultation with (and specific to) the up and coming generation of graduating students, recent graduates and those soon to enter post-secondary education. Only through consistent cross-sectoral collaboration and community building that aligns with the common goals and values of young people today will we be able to address this challenge of “Capturing Talent” in an effective and relevant way.

We can do this!

For more information about this initiative, please visit www.viea.ca or contact info@viea.ca.

