

A Survey Report
by the Society for
Human Resource
Management
and the Canadian
Council of Human
Resources Associations

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SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

Dipping Into a Wide Labor Pool

2008 Global Talent Sourcing in the United States and Canada

 CCHRA · CCARH
Canadian Council of Human Resources Associations
Conseil canadien des associations en ressources humaines

PROJECT TEAM

Project leader: Amanda Benedict, M.A., Survey Research Specialist

Project contributors: Nancy Lockwood, M.A., SPHR, GPHR, Manager, HR
Content Program
Evren Esen, Manager, Survey Program
Steve Williams, Ph.D., SPHR, Director, Research

External reviewers and contributors:

Andrea White, LL.B.

2007–2008 SHRM Global Special Expertise Panel:

Aliza Dart Scott, SPHR

Brad Boyson, SPHR, GPHR

John R. Wilson, Esq.

2006–2007 SHRM Global Special Expertise Panel:

Thomas W. Belker, SPHR, GPHR

Noel Kreicker

Lorelei Carobolante, SCRP

Mary C. MacDonald

Lisbeth M. Claus, Ph.D., SPHR, GPHR

Vikesh Mahendroo

Timothy D. Dwyer

Debra B. Malkis

Phillip A. Felando

Jean-Louis Mutte

Paul J. Giuliani, SPHR, GPHR

Lance Jensen Richards, GPHR

Gerlinde Herrmann

John N. Walker, GPHR

Norman Howard

Design: Scott Harris, Senior Graphic Designer

Production: Bonnie Claggett, Production Traffic Specialist

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For more information, please contact:

SHRM Research Department

1800 Duke Street, Alexandria, VA 22314, USA

Phone: (800) 283-7476 Fax: (703) 535-6432

Web: www.shrm.org/research

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ABOUT THIS REPORT

Beginning in June 2007, the Society for Human Resource Management (SHRM) conducted a survey about recruiting, hiring and retaining citizen, legal resident alien or landed immigrant status and foreign national workers in the United States and Canada. This report presents an analysis of the 2007 Foreign and Domestic Talent Survey results and examines differences among countries and within countries by organization staff size and employment sector.

For the purposes of this report, citizen workers are those who have citizenship in their country of employment. Legal resident alien workers describes workers who legally permanently reside in the United States and are eligible for employment but who do not have citizenship; the Canadian equivalent is landed immigrant status workers. Foreign national workers are those who are temporarily in the country for the purpose of employment.

ABOUT SHRM

The Society for Human Resource Management (SHRM) is the world's largest professional association devoted to human resource management. Our mission is to serve the needs of HR professionals by providing the most current and comprehensive resources, and to advance the profession by promoting HR's essential, strategic role. Founded in 1948, SHRM represents more than 225,000 individual members in over 125 countries, and has a network of more than 575 affiliated chapters in the United States, as well as offices in China and India. Visit SHRM at www.shrm.org.

ABOUT THE PARTNER

SHRM partnered with the Canadian Council of Human Resources Associations (CCHRA) to collect survey data in Canada through its nine provincial associations.

The Canadian Council of Human Resources Associations (CCHRA) is a collaborative effort of human resources associations from across Canada. The CCHRA represents more than 33,000 professionals including over 17,000 Certified Human Resources Professionals (CHRP's).

The CCHRA's mission is to be the national voice on the enhancement and promotion of the human resources profession across Canada and internationally through established and credible designations. In less than 15 years the CHRP designation has become the symbol of excellence in human resources management.

Introduction

Employers within the United States and Canada are encountering increasing challenges in recruiting and retaining workers. There are a variety of factors that contribute to these difficulties, including shortages of candidates with appropriate skills or required degrees as well as shortages of candidates within specific professions, such as nursing¹. Overall low unemployment rates and the retirement of the baby boom generation (i.e., those with birth dates from 1945 to 1964) have also contributed to difficulty in filling vacant positions. When standard recruitment tactics do not yield qualified candidates, employers must cast wider nets in their recruiting and hiring efforts.

Faced with a lack of qualified candidates in the local and national domestic labor pool, many employers have tapped skilled foreign labor. The internationalization of business and the abundance of skilled workers who are willing to emigrate to stronger job markets have created a global source of job candidates. However, using foreign workers is not without potential pitfalls. Immigration and national security policies and laws related to the employment of foreign nationals can create challenges for employers.

Employers are concerned not only with finding the best talent to fill job vacancies, but also—in the cases where the most qualified candidate is a foreign national worker—with ensuring that the appropriate type of work visa can be obtained and that processing of the required documentation is timely. In recent years, the skilled worker shortage in the United States has led to visa caps routinely being exhausted. Further, post-9/11 security measures have increased the already considerable visa application processing time lags. Lack of available work visas and paperwork processing delays are among the biggest obstacles, and other issues such as intensified work site enforcement continue to present challenges in recruiting work-authorized foreign nationals.

HR is at the forefront of staffing efforts within organizations, and is instrumental in recruiting, hiring and retaining workers. HR professionals' experiences in conducting tasks related to building and keeping a workforce present a picture of labor shortages and the need to hire foreign labor now and in the future. As policymakers debate immigration laws, work visa availability and the creation of a better system for verifying identity and eligibility to work, they would be well-advised to take into consideration the need for a highly skilled workforce.

Employers are concerned not only with finding the best talent to fill job vacancies, but also—in the cases where the most qualified candidate is a foreign national worker—with ensuring that the appropriate type of work visa can be obtained and that processing of the required documentation is timely.

¹ Casner-Lotto, J., & Barrington, L. (2006). *Are they really ready to work?* United States: The Conference Board, Corporate Voices for Working Families, Partnership for 21st Century Skills and Society for Human Resource Management.

Methodology

The 2007 SHRM Foreign and Domestic Talent Survey was conducted among HR professionals employed by organizations operating in the United States and Canada. SHRM partnered with CCHRA, an HR organization in Canada, to collect survey data from HR professionals employed by organizations located in that country. The survey instrument for HR professionals in each of the countries included questions regarding policies and practices related to recruiting, hiring and retaining foreign and domestic talent and characteristics of the responding organizations. The survey instrument for HR professionals in Quebec, Canada, was translated into French by Ordre des CRHA et CRIA du Québec (ORHRI).

A sample of HR professionals employed by companies in the United States was randomly selected from SHRM's membership database, which included approximately 225,000 individual members at the time the survey was conducted. Only members who had not participated in a SHRM survey or poll in the previous six months were included in the sampling frame. Members who were students, consultants, academics, located internationally or had no e-mail address on file were also excluded from the sampling frame. Beginning in June 2007, an e-mail that included a link to the 2007 Foreign and Domestic Talent Survey² was sent to 6,000 SHRM members. A total of 5,344 surveys were successfully delivered, and 634 HR professionals responded, yielding a response rate of 12%. The survey was fielded for a period of five weeks, and four e-mail reminders, a faxed reminder, and reminder phone calls were sent to sample members in an effort to increase the response rate.

The sample of United States HR professionals was representative of the SHRM membership population, although there were some differences by organization staff size with more HR professionals in this sample from small- and medium-staff-sized organizations and fewer from large-staff-sized organizations. HR professionals in this sample were more likely to report that their HR departments had 1–4 employees and less likely to report that their HR departments had 5–9, 10–24 and 100 or more employees. Compared with the general SHRM membership, HR professionals in this sample were more likely to be from the service (profit) and manufacturing (durable goods) industries and less likely to be from “other” industries.

SHRM's partnering organization in Canada, CCHRA, sent the survey invitation through its provincial associations. Members of nine provincial associations were contacted by e-mail and 387 members completed the survey. Most of the provincial associations sent at least one e-mail reminder or follow-up mailing during the data collection phase.

² This survey instrument is available upon request by contacting the SHRM Survey Program at surveys@shrm.org or by phone at 703-535-6301.

NOTES AND CAVEATS

Analysis by organization staff size and organization sector: Throughout this report, analyses by HR respondents' staff size and employment sector within each country included in the survey are presented and discussed, when applicable. Organizations are grouped into three staff size categories based on the number of full time and part time employees at the company: small organizations (1 to 99 employees), medium organizations (100 to 499 employees) and large organizations (500 or more employees). Organization sectors include publicly owned for-profit, privately owned for-profit, nonprofit, government, and other. Results are not presented for other employment sectors due to the small number of organizations in this category.

Differences: Conventional statistical methods were used to determine if observed differences were statistically significant (i.e., there is a small likelihood that the differences occurred by chance). Therefore, in most cases, only results that were significant are included, unless otherwise noted.

Generalization of results: As with any research, readers should exercise caution when generalizing results and should take individual circumstances and experiences into consideration when making decisions based on these data. While SHRM is confident in its research, it is prudent to understand that the results presented in this survey report are truly representative only of the sample of HR professionals responding to the survey.

Number of respondents: The number of respondents (indicated by "n" in figures and tables) varies from table to table and figure to figure because some respondents did not answer all of the questions. Individuals may not have responded to a question on the survey because the question or some of its parts were not applicable or because the requested data were unavailable. This also accounts for the varying number of responses within and among tables and figures.

Confidence level and margin of error: A confidence level and margin of error give readers some measure of how much they can rely on survey responses to represent all of SHRM members. Given the level of response to the survey, SHRM is 96% confident that responses given by U.S. respondents can be generalized to all SHRM members with a margin of error of approximately 4%. For example, 63% of HR professionals employed by organizations in the United States reported that their organizations were about as likely to hire foreign national workers now compared with two years ago. With a 4% margin of error, the reader can be 96% certain that between 59% and 67% of SHRM members would report that their organizations were presently as likely to hire foreign national workers as they were two years ago. It is important to know that as the sample size decreases, the margin of error increases, and therefore the margin of error for each individual question will vary depending on the number of responses to that particular question.

Key Findings

The largest percentages of HR professionals—about two-thirds of HR professionals from the United States and Canada—indicated that their organizations had increased efforts to recruit and retain citizen and legal resident alien workers in the United States or landed immigrant status workers in Canada as a result of immigration policy.

HR professionals from the United States reported the greatest average degree of difficulty in hiring foreign national workers from countries not included in NAFTA, consistent with recent visa supply shortages. By contrast, HR professionals from organizations in Canada reported the greatest average degree of difficulty in recruiting citizen and/or landed immigrant status workers, indicating insufficient local labor to fill vacant positions.

For both the United States and Canada, the lowest average degree of difficulty was reported for retaining foreign national workers from countries included in NAFTA.

The largest percentages of respondents from Canada and the United States reported that the primary reason for recruiting and/or hiring foreign national workers was an inability to successfully recruit citizen and legal resident alien or landed immigrant status workers with the necessary skills.

HR professionals from the United States and Canada reported greater proportions of foreign national workers hired to fill skilled work vacancies than semi-skilled work or unskilled work vacancies.

More than one-third of HR professionals from Canada reported that their organizations most likely will hire foreign national workers to fill vacant positions over the next 12 months. By contrast, nearly one-half of organizations from the United States reported that they most likely will not hire foreign national workers in the next 12 months.

About one-half of HR professionals from the United States and Canada indicated that the average verification and hiring process for each foreign national worker requires more time now than it did just two years ago.

HR professionals from both the United States and Canada reported the greatest average degree of challenge encountered with the amount of time it takes to process paperwork for foreign national workers.

The largest percentages of respondents from the United States and Canada strongly agreed or agreed that the hiring process is faster for foreign national workers using Treaty NAFTA visas compared with those using other types of visas.

The largest percentages of respondents from Canada and the United States reported that the primary reason for recruiting and/or hiring foreign national workers was an inability to successfully recruit citizen and legal resident alien or landed immigrant status workers with the necessary skills.

Survey Results

IMPACT OF IMMIGRATION POLICY

What is the impact of government-instituted immigration policy on how organizations conduct business? HR professionals in the United States and Canada were asked to identify the actions that their organizations had taken as a result of immigration policy, which includes laws governing pathways to citizenship as well as non-citizens' eligibility for employment. The majority of respondents from each country reported taking actions that indicated a staffing strategy focusing on workers who are already in the country and authorized for employment. The largest percentages of HR professionals—about two-thirds of HR professionals from the United States (66%) and Canada (65%)—indicated that their organizations had increased efforts to recruit and retain citizen and legal resident alien workers or landed immigrant status workers as a result of immigration policy (Figure 1). The next largest percentages of HR professionals from Canada (24%) and the United States (19%) reported recruiting foreign students who were pursuing education in the country where their organization was located.

Policy-related difficulties and delays with obtaining visas or processing work authorization for foreign national job candidates led some organizations to pursue alternative visas. HR professionals employed by organizations in Canada (22%) were more likely than their counterparts employed by organizations in the United States (16%) to report that their organizations had hired foreign national workers under different types of visas due to unavailability of preferred visa types and/or delays in document processing as a result of immigration policy. This action is a viable option only if there are appropriate second-choice visas available, which may explain the difference between Canada and the United States. The demand for highly skilled labor led to the supply of visas being exhausted in record time in the United States in 2007.

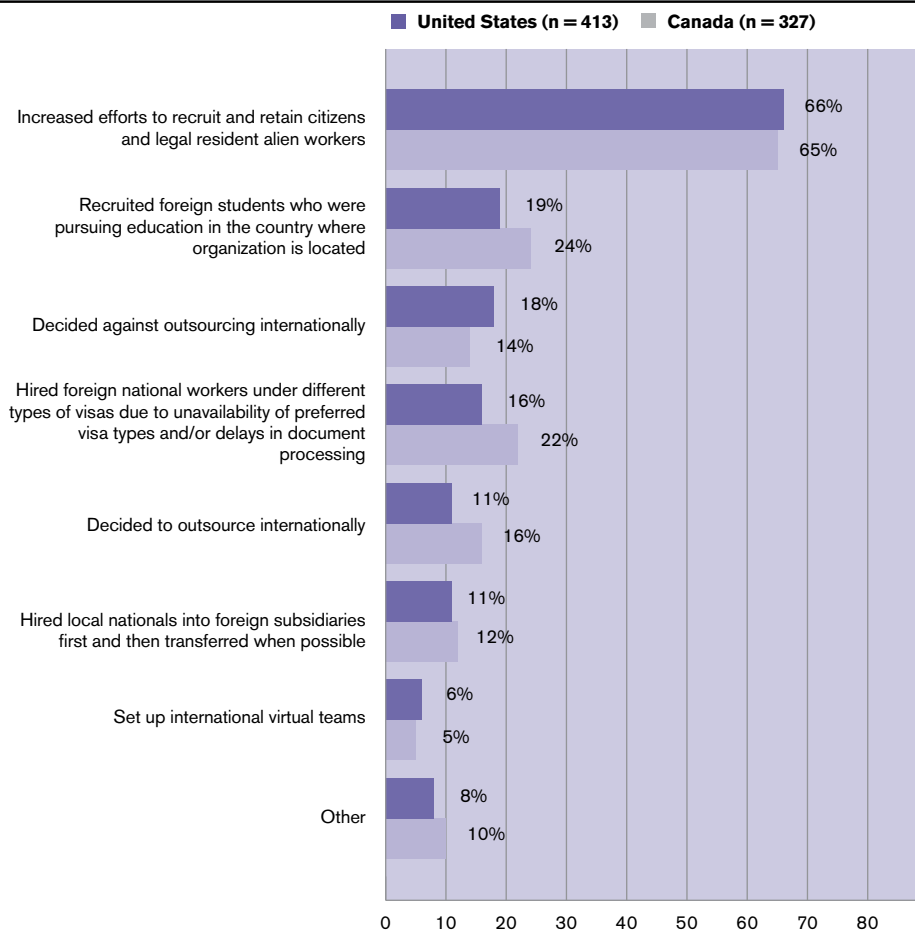
Overall, smaller percentages of organizations reported taking actions that shifted business to international operations. HR professionals from Canada (16%) were significantly more likely than those in the United States (11%) to report that their organizations had decided to outsource internationally as a result of immigration policy.

Policy-related difficulties and delays with obtaining visas or processing work authorization for foreign national job candidates led some organizations to pursue alternative visas.

The smallest percentages of HR professionals, just 5% from each country, reported that their organizations had set up international virtual teams as a result of immigration policy. An international virtual team uses technology to enable geographically dispersed workers to collaborate on a project and/or common goal.

John R. Wilson, Esq., President and Partner, GoffWilson, P.A., and member of SHRM’s Global Special Expertise Panel, noted that “Employers have become creative and are utilizing alternative visas, such as transferring employees from a commonly held foreign corporation to the local corporation. Governments are aware of this and are examining how this method may be further restricted, so the future viability of this strategy is questionable. Moreover, it results in a local company creating a foreign entity, thus, in essence, transferring work offshore.

Figure 1 | Actions Taken by Organizations as a Result of Immigration Policy



Note: Canadian respondents were asked about “landed immigrant status workers” rather than “legal resident alien workers.” Percentages do not total 100% due to multiple response options.
 Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

“In order for any country to remain competitive in a global environment, it must have access to the best talent that is available, and this access must be similar to foreign competitors. Current policy does not encourage this, and the result is a loss of global standing.”

Within the United States, there were differences by organization staff size and organization sector in the percentages of organizations that had taken various actions as a result of immigration policy. Small-staff-sized organizations (28%) were more likely than medium-staff-sized organizations (14%) or large-staff-sized organizations (13%) to report that immigration policy had led them to decide against shifting work internationally (Table 1). This difference may be due to smaller organizations’ awareness of having fewer resources—including flexibility in HR staff time—to devote to developing, implementing and managing an international outsourcing initiative.

Table 1 | Actions Taken by Organizations as a Result of Immigration Policy in the United States (by Organization Staff Size)

	Overall (n = 413)	Small (1 to 99 employees) (n = 125)	Medium (100 to 499 employees) (n = 134)	Large (500+ employees) (n = 124)	Differences by Organization Staff Size
Decided against outsourcing internationally	18%	28%	14%	13%	Small > medium, large

Note: Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

As shown in Table 2, HR professionals employed by publicly owned for-profit organizations (23%) were nearly four times more likely than their counterparts employed by nonprofit organizations (6%) to report that they had hired foreign national workers under different types of visas due to unavailability of preferred visa types and/or delays in document processing. Researching and procuring suitable alternate visas requires staff time and other costs, to which publicly owned for-profit organizations may be able to devote more resources. Government agencies (24%) were more likely than privately owned for-profit organizations (5%) to report that they had taken other actions as a result of immigration policy, including not hiring foreign nationals.

Table 2 | Actions Taken by Organizations as a Result of Immigration Policy in the United States (by Organization Sector)

	Overall (n = 425)	Publicly owned for-profit organization (n = 106)	Privately owned for-profit organization (n = 199)	Nonprofit organization (n = 52)	Government agency (n = 34)	Differences by Sector
Hired foreign national workers under different types of visas due to unavailability of preferred visa types and/or delays in document processing	16%	23%	19%	6%	3%	Publicly owned for-profit > nonprofit

Note: Excludes “other” organization sectors. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the percentages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Within Canada, HR professionals employed by publicly owned for-profit organizations (25%) were more likely than those employed by privately owned for-profit organizations (10%), nonprofit organizations (3%) or government agencies (2%) to report that their organizations had hired local nationals into foreign subsidiaries first and transferred them when it became possible (Table 3). This finding may be in part due to publicly owned for-profit organizations being more likely to have foreign subsidiaries available for implementing this staffing strategy.

Table 3 | Actions Taken by Organizations as a Result of Immigration Policy in Canada (by Organization Sector)

	Overall (n = 327)	Publicly owned for-profit organization (n = 72)	Privately owned for-profit organization (n = 165)	Nonprofit organization (n = 33)	Government agency (n = 44)	Differences by Sector
Hired local nationals into foreign subsidiaries first and then transferred when possible	12%	25%	10%	3%	2%	Publicly owned for-profit > privately owned for-profit, nonprofit, government

Note: Excludes “other” organization sectors. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the percentages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

WORKFORCE STAFFING CHALLENGES

Recruiting and retaining workers poses challenges that vary according to labor pool origin as well as by an organization’s national location. As shown in Table 4, country of operation had a large impact on the average degree of difficulty in recruiting and retaining citizens and legal resident alien workers (referred to as “landed immigrant status workers” in Canada), foreign national workers from countries included in NAFTA,³ and foreign national workers from countries not included in NAFTA compared with two years prior to the survey. HR professionals from Canada reported a greater average degree of difficulty in recruiting and retaining citizens and legal resident alien workers/landed immigrant status workers now compared with two years ago than did their counterparts in the United States. By contrast, compared with HR professionals from Canada, HR professionals from the United States reported a greater average degree of difficulty in recruiting and retaining foreign national workers from countries included in NAFTA and foreign national workers from countries not included in NAFTA.

Organizations in the United States and Canada have experienced different challenges in taking various staffing actions. HR professionals from the United States reported the greatest difficulty with hiring foreign national workers from countries not included in NAFTA, consistent with widely reported visa supply shortages in recent years. For organizations in Canada, the greatest difficulty was reported for recruiting citizen and/or landed immigrant status workers, indicating insufficient local labor to fill vacant positions. HR professionals from both the United States and Canada reported the least difficulty in retaining foreign national workers from countries included in NAFTA.

³ The North Atlantic Free Trade Agreement (NAFTA) includes Canada, Mexico and the United States.

These results may reflect the experiences of organizations that have hired foreign national workers using the Treaty NAFTA visa. Explains Wilson, “Government-mandated immigration policy limits the ability of employers to hire foreign workers, and this has been accomplished by delays in processing visas, increased costs of visa applications, the complicated process required to complete an immigration application, or the lack of work visas available. The consequence of government immigration policy has had some positive effect on native employees, such as higher wages in some instances; but the greater result has been stagnation of growth potential for employers, or the loss altogether of opportunities to global competitors that have access to foreign talent.”

Table 4 | Average Degree of Difficulty in Taking the Following Actions Now Compared With Two Years Ago

	United States (n = 634)	Canada (n = 387)	Differences by Country
Recruit citizen and/or legal resident alien workers	2.05	2.32	Canada > United States
Retain citizen and/or legal resident alien workers	1.90	2.15	Canada > United States
Hire foreign national workers from countries included in NAFTA	1.98	1.59	United States > Canada
Retain foreign national workers from countries included in NAFTA	1.85	1.53	United States > Canada
Hire foreign national workers from countries NOT included in NAFTA	2.35	1.90	United States > Canada
Retain foreign national workers from countries NOT included in NAFTA	2.04	1.75	United States > Canada

Note: Respondents who indicated “not applicable” were excluded from analysis. Averages are based on a scale where 1 = “not at all difficult” and 4 = “very difficult” for United States respondents, and 1 = “no more or less difficult” and 4 = “much more difficult” for Canadian respondents. Higher averages indicate greater difficulty. Canadian respondents were asked about “landed immigrant status workers” rather than “legal resident alien workers.”

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Among organizations operating in Canada, there were differences by organization sector in the average degrees of difficulty reported for retaining citizen and/or landed immigrant status workers and hiring foreign national workers from countries not included in NAFTA. Compared with HR professionals employed by nonprofit organizations, those employed by publicly owned for-profit organizations and privately owned for-profit organizations reported greater average degrees of difficulty in retaining citizen and/or landed immigrant status workers. HR professionals who were employed by publicly owned for-profit organizations also reported a greater average degree of difficulty in hiring foreign national workers from countries not included in NAFTA than was reported by their counterparts employed by government agencies. These data are shown in Table 5.

Across the board, compared with those employed in the United States, HR professionals from organizations in Canada reported greater recruitment and retention challenges posed by various workforce factors (Table 6). According to HR professionals from Canada, the greatest average degree of challenge was posed by shortages of citizen and landed immigrant status worker candidates with applied skills such as professionalism, work ethics and communication skills. By contrast, HR professionals in the United States reported the greatest challenge posed by shortages of citizen and legal resident alien worker candidates with highly scientific and/or technical skills.

Table 5 | Average Degree of Difficulty in Taking the Following Actions Now Compared With Two Years Ago in Canada (by Organization Sector)

	Overall (n = 387)	Publicly owned for-profit organization (n = 78)	Privately owned for-profit organization (n = 190)	Nonprofit organization (n = 39)	Government agency (n = 62)	Differences by Sector
Retain citizen and/or landed immigrant status workers	2.15	2.31	2.24	1.59	2.00	Publicly owned for-profit > nonprofit Privately owned for-profit > nonprofit
Hire foreign national workers from countries NOT included in NAFTA	1.90	2.22	1.91	2.05	1.37	Publicly owned for-profit > government

Note: Canadian respondents were asked about “landed immigrant status workers” rather than “legal resident alien workers.” Excludes “other” organization sectors. Respondents who indicated “not applicable” were excluded from analysis. Averages are based on a scale where 1 = “no more or less difficult” and 4 = “much more difficult.” Higher averages indicate greater difficulty. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the averages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

HR professionals in both Canada and the United States indicated that the smallest degree of recruitment and retention challenge was posed by loss of domestic talent. This suggests that for organizations in both the United States and Canada, challenges with recruiting and retaining citizen and legal resident alien workers or landed immigrant status workers are more likely to be due to a lack of skills, lack of allied health professionals, lack of degrees or an unwillingness to do the job, rather than outmigration of those populations to jobs in other countries.

Table 6 | Average Degree of Recruitment and Retention Challenges Posed by Various Workforce Factors

	United States (n = 634)	Canada (n = 387)	Differences by Country
Shortage of candidates with highly scientific and/or technical skills in citizen and legal resident alien worker populations	2.37	2.61	Canada > United States
Shortage of candidates with applied skills in citizen and legal resident alien worker populations	2.34	2.79	Canada > United States
Shortage of allied health professionals in citizen and legal resident alien worker populations	2.03	2.57	Canada > United States
Demand for employment exceeds job vacancies	1.97	2.15	Canada > United States
Shortage of candidates with trade or mechanical skills in citizen and legal resident alien worker populations	1.96	2.50	Canada > United States
Shortage of candidates with college or university degrees in citizen and legal resident alien worker populations	1.95	2.28	Canada > United States
Shortage of candidates with basic skills in citizen and legal resident alien worker populations	1.89	2.23	Canada > United States
Shortage of citizen and legal resident alien workers who are willing to do the job	1.89	2.21	Canada > United States
Loss of domestic talent to other countries	1.29	1.78	Canada > United States

Note: Sorted in descending order by United States data. Respondents who indicated “not sure” or “not applicable” were excluded from analysis. Canadian respondents were asked about “landed immigrant status workers” rather than “legal resident alien workers.” Averages are based on a scale where 1 = “not at all” and 4 = “a large degree.” Higher averages indicate greater degrees of challenge.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

As shown in Tables 7 and 8, within the United States and Canada, there were differences by organization staff size for the average degree of recruitment and retention challenges posed by shortages of allied health professionals in the citizen and legal resident alien worker or landed immigrant status worker populations. HR professionals employed by large-staff-sized organizations in the United States reported more challenges posed by a shortage of allied health professionals compared with small-staff-sized organizations and medium-staff-sized organizations. Among HR professionals in Canada, more extensive recruitment and retention challenges due to a shortage of allied health professionals were reported for large-staff-sized organizations than for medium-staff-sized organizations.

Table 7 | Average Degree of Recruitment and Retention Challenges Posed by Various Workforce Factors in the United States (by Organization Staff Size)

	Overall (n = 634)	Small (1 to 99 employees) (n = 218)	Medium (100 to 499 employees) (n = 203)	Large (500+ employees) (n = 161)	Differences by Organization Staff Size
Shortage of allied health professionals in citizen and legal resident alien worker populations	2.03	1.74	1.75	2.41	Large > small, medium

Note: Respondents who indicated “not sure” or “not applicable” were excluded from analysis. Averages are based on a scale where 1 = “not at all” and 4 = “a large degree.” Higher averages indicate greater degrees of challenge. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the averages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Table 8 | Average Degree of Recruitment and Retention Challenges Posed by Various Workforce Factors in Canada (by Organization Staff Size)

	Overall (n = 387)	Small (1 to 99 employees) (n = 92)	Medium (100 to 499 employees) (n = 146)	Large (500+ employees) (n = 138)	Differences by Organization Staff Size
Shortage of allied health professionals in citizen and landed immigrant status worker populations	2.57	2.07	2.08	2.92	Large > medium

Note: Respondents who indicated “not sure” or “not applicable” were excluded from analysis. Canadian respondents were asked about “landed immigrant status workers” rather than “legal resident alien workers.” Averages are based on a scale where 1 = “not at all” and 4 = “a large degree.” Higher averages indicate greater degrees of challenge. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the averages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Differences emerged among organization sectors for recruitment and retention challenges posed by several workforce factors. In the United States, HR professionals employed by nonprofit organizations reported more extensive challenges posed by a shortage of allied health professionals in the citizen and legal resident alien worker populations than did HR professionals employed by privately owned for-profit organizations. Compared with HR professionals employed by nonprofit organizations, those employed by publicly owned for-profit organizations reported greater challenges posed by a shortage of candidates with trade or mechanical skills in the citizen and legal resident alien worker populations. These data are depicted in Table 9.

Table 9 | Average Degree of Recruitment and Retention Challenges Posed by Various Workforce Factors in the United States (by Organization Sector)

	Overall (n = 634)	Publicly owned for-profit organization (n = 137)	Privately owned for-profit organization (n = 288)	Nonprofit organization (n = 99)	Government agency (n = 61)	Differences by Organization Sector
Shortage of allied health professionals in citizen and legal resident alien worker populations	2.03	2.00	1.66	2.69	2.00	Nonprofit > publicly owned for-profit, privately owned for-profit
Shortage of candidates with trade or mechanical skills in citizen and legal resident alien worker populations	1.96	2.14	1.95	1.51	2.06	Publicly owned for-profit > nonprofit

Note: Excludes "other" organization sectors. Respondents who indicated "not sure" or "not applicable" were excluded from analysis. Averages are based on a scale where 1 = "not at all" and 4 = "a large degree." Higher averages indicate greater degrees of challenge. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the averages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Among HR professionals in Canada, those employed by government agencies reported a greater average degree of challenges posed by loss of domestic talent to other countries than did those employed by privately owned for-profit organizations and nonprofit agencies. HR professionals from government agencies also reported more recruitment and retention challenges posed by a shortage of allied health professionals in the citizen and landed immigrant status population, compared with HR professionals employed by privately owned for-profit organizations. Greater degrees of shortages of candidates with trade or mechanical skills in the citizen and landed immigrant status worker populations were reported by HR professionals from publicly owned for-profit organizations than by HR professionals employed by nonprofit organizations. These data are shown in Table 10.

Table 10 | Average Degree of Recruitment and Retention Challenges Posed by Various Workforce Factors in Canada (by Organization Sector)

	Overall (n = 387)	Publicly owned for- profit organization (n = 78)	Privately owned for-profit organization (n = 190)	Nonprofit organization (n = 39)	Government agency (n = 62)	Differences by Organization Sector
Loss of domestic talent to other countries	1.78	1.92	1.68	1.57	2.18	Government > privately owned for-profit, nonprofit
Shortage of allied health professionals in citizen and landed immigrant status worker populations	2.57	2.40	2.03	2.55	3.27	Government > privately owned for-profit
Shortage of candidates with trade or mechanical skills in citizen and landed immigrant status worker populations	2.50	2.60	2.53	1.91	2.50	Publicly owned for-profit > nonprofit

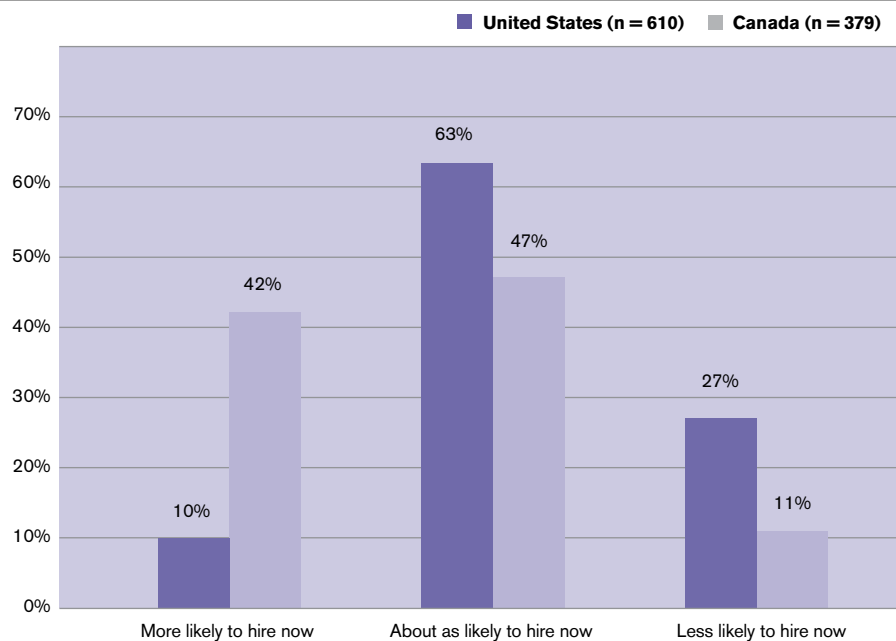
Note: Excludes "other" organization sectors. Respondents who indicated "not sure" or "not applicable" were excluded from analysis. Canadian respondents were asked about "landed immigrant status workers" rather than "legal resident alien workers." Averages are based on a scale where 1 = "not at all" and 4 = "a large degree." Higher averages indicate greater degrees of challenge. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the averages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

GLOBAL SOURCING: CURRENT PRACTICES AND FUTURE NEEDS

Given the increased difficulties in finding local job candidates with the right skills, degrees and motivation to work in the desired professions, some organizations are broadening their recruitment efforts to find qualified workers. Significant differences emerged between the United States and Canada in organizations' likelihood of hiring foreign national workers now compared with the likelihood of hiring these workers two years prior to the survey (Figure 2). HR professionals from organizations in Canada were far more likely than HR professionals in the United States to indicate that their organization's likelihood of hiring foreign national workers had increased in the past two years. Nearly one-half of HR professionals from Canada (42%) reported that their organizations were more likely to hire foreign national workers now compared with two years ago. By contrast, only 10% of HR professionals from the United States reported that their organizations were more likely to hire foreign national workers now compared with two years ago. Nearly two-thirds of organizations in the United States (63%) and almost one-half of those in Canada (47%) reported that their likelihood of hiring foreign national workers was about the same now as it was two years prior to the survey. HR professionals from the United States (27%) were more likely than those from Canada (11%) to have reported that their organizations were less likely to hire foreign national workers now compared with two years ago. These findings may be due to differences between the countries' immigration-related policies, including visa shortages in the United States, or to increased local labor shortages in Canada creating

**Figure 2 | Likelihood of Hiring Foreign National Workers
Now Compared With Two Years Ago**



Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

a greater need to expand recruitment and hiring efforts to tap foreign labor. Aliza Dart Scott, SPHR, Senior Director, Global Human Resources, FEI Company, and a member of SHRM’s Global Special Expertise Panel, was somewhat surprised that U.S. employers are less likely to hire foreign nationals now compared with two years ago. She comments, “I do think that the immigration laws are such that they are more restrictive of employers, making hiring less flexible. It’s more administrative for HR professionals to handle that process, and that’s time and money to a company. Changes in legislation are aiming toward more administration for HR practitioners rather than less.”

To what extent are employers in the United States and Canada hiring foreign national workers at various skill levels within their organizations? As shown in Table 11, both the United States and Canada reported greater proportions of foreign national workers hired to fill skilled work job vacancies than semi-skilled work or unskilled work job vacancies during the two years prior to the survey. This is likely to be prevalent in certain industries such as the sciences, technology and engineering, where the pool of employees is especially scarce. “Our organization feels a shortage in skilled jobs. We have an engineering-centric workforce,” explains Scott.

Table 11 | Average Proportion of Job Vacancies Filled by Foreign National Workers During Previous Two Years

	United States (n = 634)	Canada (n = 387)	Differences by Country
Skilled work	2.15	2.32	Canada > United States
Semi-skilled work	1.64	1.81	Canada > United States
Unskilled work	1.60	1.73	

Note: Excludes HR professionals who responded “not applicable, we have not hired this skill level in the past two years.” Averages are based on a scale where 1 = “none of these vacancies” and 4 = “most or all of these vacancies.” Higher averages indicate greater proportions of vacancies filled by foreign national workers during the two years prior to the survey. Blank cells in the last column indicate that no statistically significant differences were found.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

On average, Canada was more likely than the United States to have hired foreign national workers for skilled work and semi-skilled work job vacancies. These findings are consistent with reported shortages of skills, degrees and selected professions in local labor pools. Within organizations in the United States, large-staff-sized organizations were more likely than small-staff-sized organizations to have hired foreign national workers to fill job vacancies at the skilled and semi-skilled levels (Table 12). This may indicate that large-staff-sized organizations have more pressure to fill vacant positions with the best available candidates, including hiring foreign national workers, or that they are more open to recruiting workers outside of the citizen and legal resident alien labor sources.

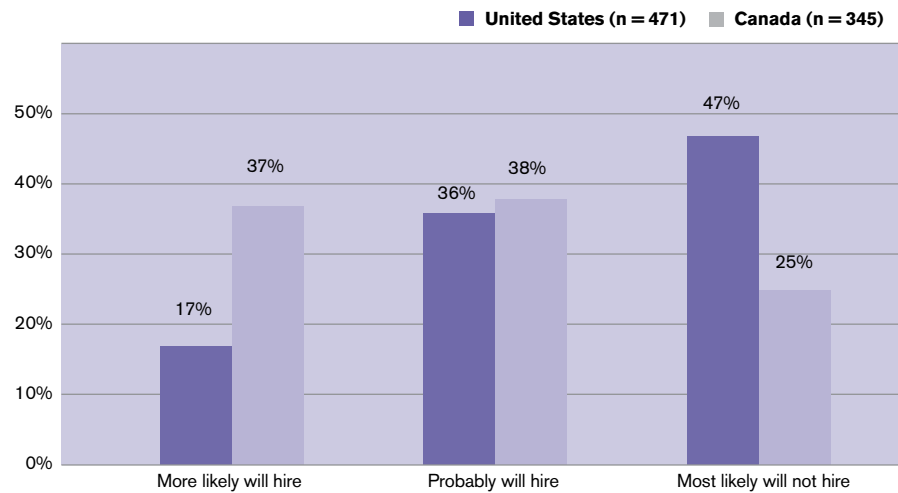
Table 12 | Average Proportion of Job Vacancies Filled by Foreign National Workers in the United States (by Organization Staff Size)

	Overall (n = 634)	Small (1 to 99 employees) (n = 218)	Medium (100 to 499 employees) (n = 203)	Large (500+ employees) (n = 161)	Differences by Organization Staff Size
Skilled work	2.15	1.90	2.12	2.41	Large > small
Semi-skilled work	1.64	1.49	1.60	1.82	Large > small
Unskilled work	1.60	1.51	1.61	1.70	

Note: Excludes HR professionals who responded “not applicable, we have not hired this skill level in the past two years.” Averages are based on a scale where 1 = “none of these vacancies” and 4 = “most or all of these vacancies.” Higher averages indicate greater proportions of vacancies filled by foreign national workers during the two years prior to the survey. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the averages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options. Blank cells in the last column indicate that no statistically significant differences were found.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Organizations in Canada are less optimistic about their ability to fill vacant positions without tapping foreign labor pools than are organizations in the United States (Figure 3). Nearly one-half of HR professionals from the United States (47%) reported that their organizations most likely will not hire foreign national workers to fill vacant positions in the next 12 months, compared with one-quarter of HR professionals from Canada (25%) who reported that their organizations most likely will not hire foreign national workers to fill vacant positions. More than one-third of HR professionals from Canada (37%) compared with just 17% of those from the United States reported that their organizations most likely will hire foreign national workers to fill vacant positions. “For us it’s really contingent on getting the visa, given the visa shortages,” notes Scott.

Figure 3 | Likelihood of Hiring Foreign National Workers to Fill Vacant Positions in the Next 12 Months



Note: Respondents who indicated “not sure” were excluded from analysis.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Table 13 | Likelihood of Hiring Foreign National Workers to Fill Vacant Positions in Next 12 Months in the United States (by Organization Staff Size)

	Overall (n = 471)	Small (1 to 99 employees) (n = 159)	Medium (100 to 499 employees) (n = 149)	Large (500+ employees) (n = 135)	Differences by Organization Staff Size
Most likely will hire	17%	10%	18%	23%	Large > small
Possibly will hire	36%	30%	32%	45%	Large > small
Most likely will not hire	47%	60%	50%	32%	Small > large Medium > large

Note: Respondents who indicated “not sure” were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Differences emerged within countries when these data were analyzed by organization staff size. HR professionals from large-staff-sized organizations within the United States were more likely than those from small-staff-sized organizations to indicate that they most likely will hire (23% and 10%, respectively) or possibly will hire (45% and 30%) foreign national workers in the next 12 months (Table 13). In contrast, small-staff-sized organizations (60%) and medium-staff-sized organizations (50%) were more likely than large-staff-sized organizations (32%) to report that they most likely will not hire foreign national workers in the next 12 months. Within Canada, HR professionals from large-staff-sized organizations (47%) were more likely than those from medium-staff-sized organizations (31%) to report that their organizations most likely will hire foreign national workers to fill vacant positions in the next 12 months (Table 14). These findings are not surprising: the more employees an organization has, the more hiring experience it will have, including recruitment efforts for which the most qualified candidates are foreign national workers.

Table 14 | Likelihood of Hiring Foreign National Workers to Fill Vacant Positions in Next 12 Months in Canada (by Organization Staff Size)

	Overall (n = 345)	Small (1 to 99 employees) (n = 84)	Medium (100 to 499 employees) (n = 133)	Large (500+ employees) (n = 120)	Differences by Organization Staff Size
Most likely will hire	37%	31%	31%	47%	Large > medium
Possibly will hire	38%	38%	40%	36%	
Most likely will not hire	25%	31%	29%	18%	

Note: Respondents who indicated “not sure” were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options. Blank cells in the last column indicate that no statistically significant differences were found.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Moreover, differences emerged by organization sector within Canada. HR professionals from government agencies (37%) were more likely than those from publicly owned for-profit organizations (16%) to report that they most likely will not hire foreign national workers during the next 12 months. These data are shown in Table 15.

Table 15 | Likelihood of Hiring Foreign National Workers to Fill Vacant Positions in Next 12 Months in Canada (by Organization Sector)

	Overall (n = 345)	Publicly owned for-profit organization (n = 70)	Privately owned for-profit organization (n = 172)	Nonprofit organization (n = 36)	Government agency (n = 52)	Differences by Organization Sector
Most likely will hire	37%	51%	34%	28%	35%	
Possibly will hire	38%	33%	40%	44%	29%	
Most likely will not hire	25%	16%	26%	28%	37%	Government > publicly owned for-profit

Note: Respondents who indicated “not sure” were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the percentages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options. Blank cells in the last column indicate that no statistically significant differences were found.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

HR professionals from the United States (50%) were more likely than their counterparts from Canada (35%) to indicate that their organizations had not hired foreign national workers during the two years prior to the survey.

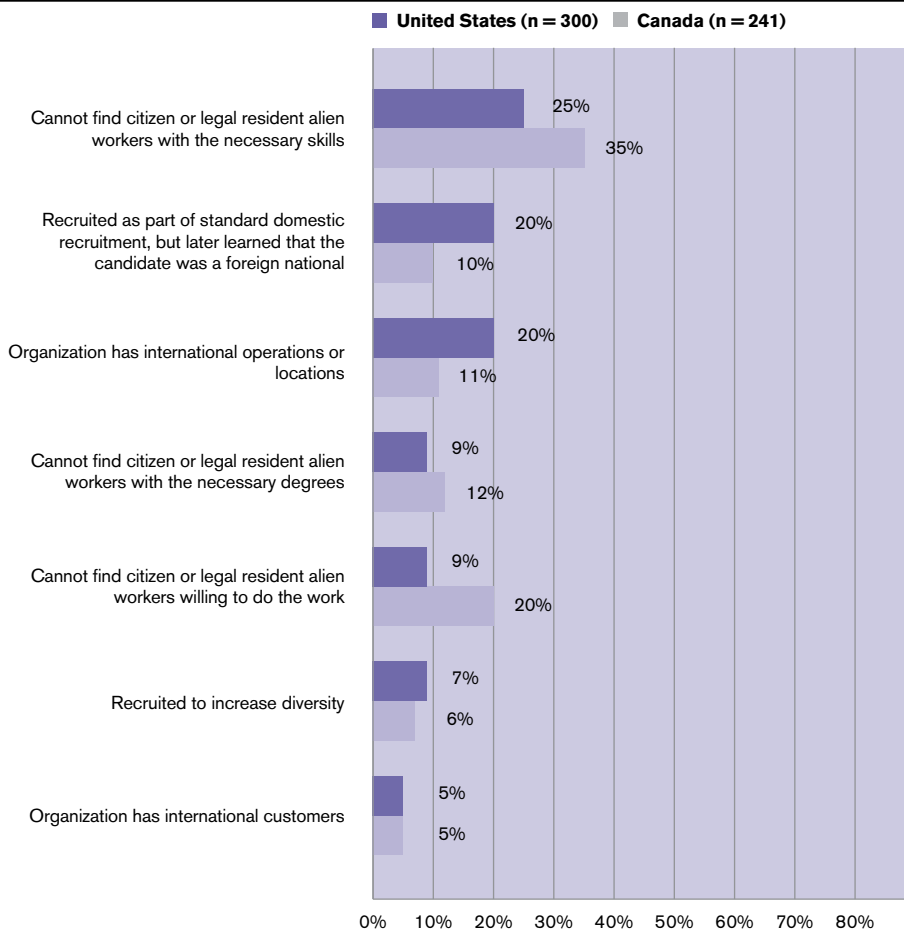
Within the United States, HR professionals from small-staff-sized organizations (63%) and medium-staff-sized organizations (52%) were more likely than those from large-staff-sized organizations (34%) to report that their organizations had not hired foreign national workers in the two years prior to the survey. Also within the United States, privately owned for-profit organizations (53%) and government agencies (64%) were more likely than publicly owned for-profit organizations (37%) to report that their organizations had not hired foreign national workers during the previous two years.

Within Canada, government agencies (45%) were more likely than publicly owned for-profit organizations (22%) to report that their organizations had not hired foreign national workers in the two years prior to the survey.

A number of factors related to both the qualifications of job seekers and organizations’ business operations drive decisions to recruit and hire workers from outside of the citizen and legal resident alien or landed immigrant status worker populations. When asked about their primary reasons for recruiting and hiring foreign national workers, the majority of respondents who had hired foreign national workers in the two years prior to the survey cited reasons related to finding the most qualified candidate for the job. The largest percentages of respondents from Canada (35%) and the United States (25%) reported that the primary reason for doing so was inability to find citizen or legal resident alien workers with the necessary skills. One-fifth of respondents from the United States (20%) reported that their primary reason for recruiting and hiring

foreign national workers was that it was part of a standard domestic recruitment strategy in which it was later learned that the candidates were foreign nationals, and another one-fifth (20%) reported that their primary reason was that their organization had international operations or locations. The second-largest percentage of HR professionals from Canada (20%) reported that they recruited and hired foreign national workers because they could not find citizens or landed immigrant status workers who were willing to do the work. The smallest percentages of HR professionals from each country (5%) indicated that the primary reason their organizations had hired foreign national workers was because the organization had international customers. These data are depicted in Figure 4.

Figure 4 | Primary Reasons for Recruiting and/or Hiring Foreign National Workers



Note: Sorted in descending order by United States data. Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” were excluded from analysis. Canadian respondents were asked about “landed immigrant status workers” rather than “legal resident alien workers.” Percentages do not total 100% due to exclusion of “other” response category.
 Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Within Canada, differences emerged among organization staff sizes for a few of the reasons cited for recruiting and hiring foreign national workers (Table 16). HR professionals employed by small organizations (46%) and medium organizations (41%) were more likely than those employed by large organizations (24%) to report that they could not find citizen or legal resident alien workers with the necessary skills. Large organizations (19%) were more likely than medium organizations (6%) to report that they could not find citizen or legal resident alien workers with the necessary degrees.

Table 16 | Primary Reasons for Recruiting and/or Hiring Foreign National Workers in Canada (by Organization Staff Size)

	Overall (n = 241)	Small (1 to 99 employees) (n = 54)	Medium (100 to 499 employees) (n = 85)	Large (500+ employees) (n = 97)	Differences by Organization Staff Size
Cannot find citizen or landed immigrant status workers with the necessary skills	35%	46%	41%	24%	Small > large Medium > large
Cannot find citizen or landed immigrant status workers with the necessary degrees	12%	9%	6%	19%	Large > medium

Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” were excluded from analysis. Canadian respondents were asked about “landed immigrant status workers” rather than “legal resident alien workers.” Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

According to HR professionals in the United States, the primary reasons cited for recruiting and hiring foreign national workers differed significantly among organization sectors (Table 17). Nonprofit organizations (40%) were more likely than privately owned for-profit organizations (17%) or publicly owned for-profit organizations (11%), and government agencies (38%) were more likely than publicly owned for-profit organizations, to report that their primary reason for recruiting and hiring foreign national workers was that the recruitment was part of a standard domestic recruitment effort in which it was later learned that the candidates were foreign nationals. Publicly owned for-profit organizations (33%) were more likely than privately owned for-profit organizations (17%) or nonprofit organizations (9%) to report that their primary reason for recruiting and hiring foreign national workers was that their organizations had international operations or locations. These findings may be attributable to the business operation differences among the employment sectors in the United States: publicly owned for-profit organizations may be more likely than other sectors to have international operations, suggesting that global sourcing is more likely to be a planned part of the organization’s business strategy. Nonprofit organizations (16%) were more likely than publicly owned for-profit organizations (2%) to report that their primary reason for recruiting and hiring foreign national workers was that they could not find citizen or legal resident alien workers with the necessary degrees. This may be due in part to the type of positions being hired by nonprofit organizations and the degrees required for these positions compared with the types of positions being hired by publicly owned for-profit organizations.

Table 17 | Primary Reasons for Recruiting and/or Hiring Foreign National Workers in the United States (by Organization Sector)

	Overall (n = 300)	Publicly owned for- profit organization (n = 84)	Privately owned for- profit organization (n = 132)	Nonprofit organization (n = 45)	Government agency (n = 21)	Differences by Organization Sector
Recruited as part of a standard domestic recruitment, but later learned that the candidate was a foreign national	20%	11%	17%	40%	38%	Nonprofit > publicly owned for-profit, privately owned for-profit Government > publicly owned for-profit
Organization has international operations or locations	20%	33%	17%	9%	10%	Publicly owned for-profit > privately owned for-profit, nonprofit
Cannot find citizen or legal resident alien workers with the necessary degrees	9%	2%	8%	16%	14%	Nonprofit > publicly owned for-profit

Note: Excludes “other” organization sectors. Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the percentages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Within Canada, HR professionals employed by government agencies (44%) were more likely than their counterparts employed by publicly owned for-profit organizations (22%) to report that their organizations had not hired foreign national workers during the two years prior to the survey. Of the respondents whose organizations had hired foreign national workers within the two years prior to the survey, those employed by government agencies (29%) were more likely than HR professionals employed by privately owned for-profit organizations (10%) or publicly owned for-profit organizations (7%) to report that an inability to find citizen or landed immigrant status workers with the necessary degrees drove their decisions to hire foreign national workers. Nonprofit organizations (18%) were more likely than privately owned for-profit organizations (2%) to report that having international customers drove their decisions to hire foreign national workers. These data are shown in Table 18. SHRM Global Special Expertise Panel member Brad Boyson, SPHR, GPHR, Manager, International Operations, Royal Caribbean International, comments, “It’s important to keep in mind the structural differences between the U.S. and Canada. Canada has a much larger percentage of its workforce employed directly or indirectly within the government sector—for example, health care—including a much higher rate of unionization, and significantly more research is publicly controlled and funded.”

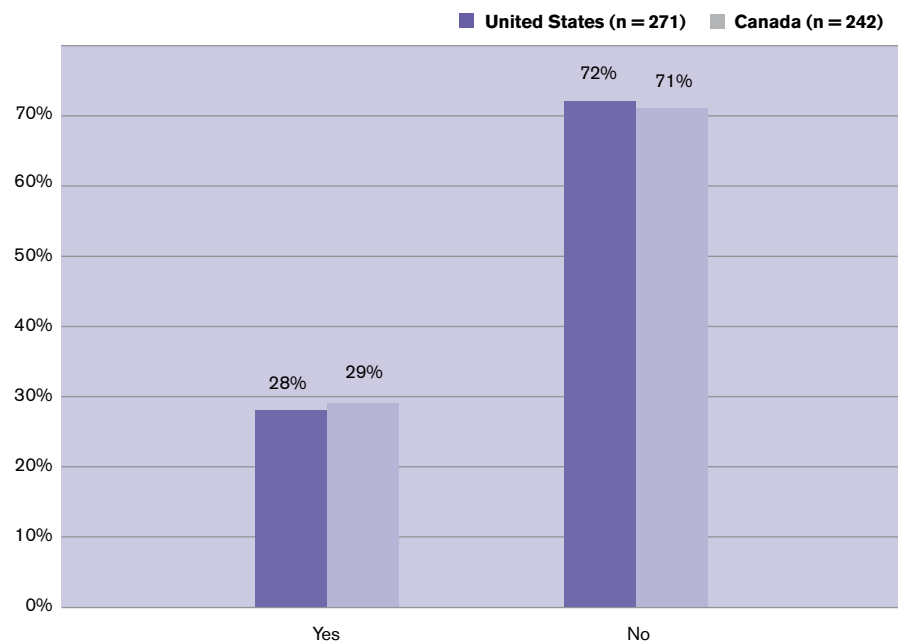
Some employers hire foreign national workers through third-party employers or contractors. As shown in Figure 5, about one-quarter of HR professionals from Canada (29%) and the United States (28%) whose organizations had hired foreign national workers during the two years prior to the survey reported that foreign national workers had been hired through third-party employers or contractors. While this practice is common, it is not the predominant means through which organizations hire foreign national workers. Comments Wilson, “The employment of foreign workers through third-party contractors might be a viable means of addressing labor shortages, but care must be exercised to ensure that the contractor is hiring workers with authorization.”

Table 18 | Primary Reasons for Recruiting and/or Hiring Foreign National Workers in Canada (by Organization Sector)

	Overall (n = 241)	Publicly owned for- profit organization (n = 58)	Privately owned for- profit organization (n = 123)	Nonprofit organization (n = 22)	Government agency (n = 31)	Differences by Organization Sector
Cannot find citizen or landed immigrant status workers with the necessary degrees	12%	7%	10%	14%	29%	Government > publicly owned for-profit, privately owned for-profit
Organization has international customers	5%	5%	2%	18%	3%	Nonprofit > privately owned for-profit

Note: Excludes "other" organization sectors. Respondents who indicated "not applicable, we have not hired foreign national workers in the past two years" were excluded from analysis. Canadian respondents were asked about "landed immigrant status workers" rather than "legal resident alien workers." Sample sizes are based on the actual number of respondents answering the organization sector question; however, the percentages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.
 Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Figure 5 | Foreign National Workers Hired Through Third-Party Employers or Contractors



Note: Respondents who indicated "not applicable, we have not hired foreign national workers in the past two years" or "not sure" to this item were excluded from analysis.
 Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Not surprisingly, differences by organization staff size emerged for both the United States and Canada in the percentages of HR professionals who reported that their organizations had hired foreign national workers through third-party employers or contractors (Tables 19 and 20). According to HR professionals in the United States, large-staff-sized organizations (39%) were more likely than small-staff-sized organizations (15%) to have hired foreign national workers through another party. The same holds true for Canada, where 37% of HR professionals employed by large-staff-sized organizations reported hiring foreign national workers through third-party employers or contractors, compared with only 17% of respondents employed by small-staff-sized organizations. It may be the case that large organizations have a greater need to hire specialty skill sets that are easier to locate through third parties, and that the most qualified candidates available through the third-party employer or contractor are foreign national workers.

Table 19 | Foreign National Workers Hired Through Third-Party Employers or Contractors in the United States (by Organization Staff Size)

	Overall (n = 271)	Small (1 to 99 employees) (n = 74)	Medium (100 to 499 employees) (n = 84)	Large (500+ employees) (n = 96)	Differences by Organization Staff Size
Yes	28%	15%	25%	39%	Large > small
No	72%	85%	75%	61%	

Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” or “not sure” to this item were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Table 20 | Foreign National Workers Hired Through Third-Party Employers or Contractors in Canada (by Organization Staff Size)

	Overall (n = 242)	Small (1 to 99 employees) (n = 54)	Medium (100 to 499 employees) (n = 88)	Large (500+ employees) (n = 94)	Differences by Organization Staff Size
Yes	29%	17%	27%	37%	Large > small
No	71%	83%	73%	63%	

Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” or “not sure” to this item were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

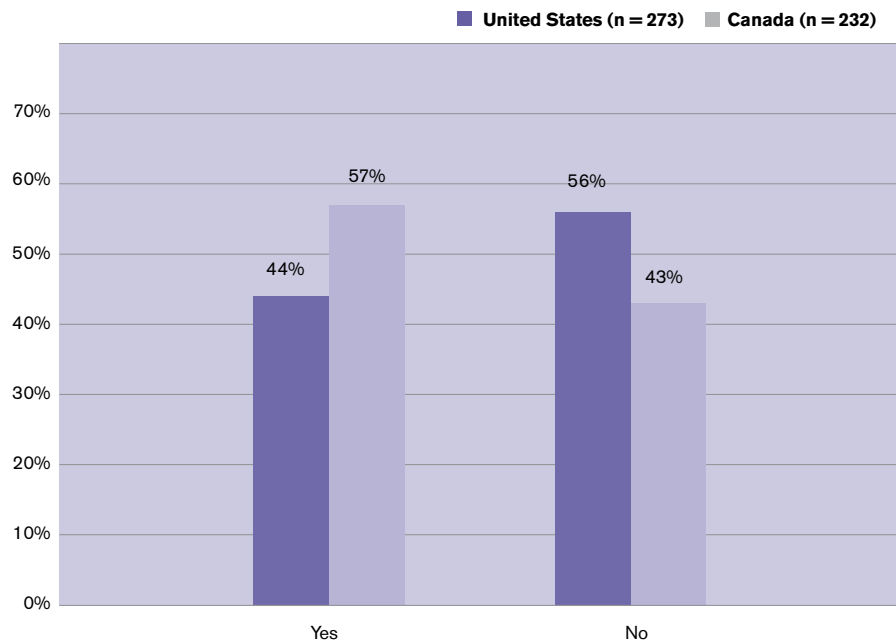
EMPLOYER-SPONSORED PROGRAMS FOR FOREIGN NATIONAL WORKERS

Foreign national workers may face challenges in transitioning from their country of origin to the country where they are working, including understanding how business is conducted, navigating financial systems and procuring housing. Organizations can implement programs to help new foreign national workers to adjust to their new country of employment. According to HR professionals from organizations that had hired foreign national workers in the two years prior to the survey, those in Canada

(57%) were more likely than those in the United States (44%) to provide orientation or onboarding programs to new foreign national workers help them acculturate to their countries of employment. These data are shown in Figure 6.

Organizations in the United States (48%) that had hired foreign national workers during the two years prior to the survey were more likely than their counterparts in Canada (33%) to report that they provided training to managers and supervisors to help them understand cultural issues in working with foreign national workers.

Figure 6 | Provide Orientation or Onboarding Programs to Help Foreign National Workers to Acculturate



Note: Respondents who indicated "not applicable, we have not hired foreign national workers in the past two years" or "not sure" to this item were excluded from analysis.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Among organizations in the United States that had hired foreign national workers in the two years prior to the survey, differences emerged among employment sectors in the percentages that provided orientation or onboarding programs to help their foreign national workers to acculturate. More than one-half of HR professionals from publicly owned for-profit organizations (59%) reported that their organizations provided programs to help their foreign national workers to acculturate, compared with just 15% of HR professionals from government agencies who indicated that their organizations provided orientation or onboarding programs to employees who are foreign nationals (Table 21). The likelihood of providing orientation programs to foreign national workers may be related to the frequency with which organizations hire from that labor pool: organizations that rarely hire foreign national workers may not have identified a need to develop these programs.

The diversification of the workforce may present additional challenges in the form of culturally entrenched workplace behaviors and expectations. Workers from other countries may bring with them different approaches to organizational hierarchy and workplace communications that supervisors and managers would be well-advised to

take into consideration in understanding the employee’s work style.⁴ According to HR professionals, organizations in the United States (48%) that had hired foreign national workers during the two years prior to the survey were more likely than their counterparts in Canada (33%) to report that they provided training to managers and supervisors to help them understand cultural issues in working with foreign national workers (Figure 7). This training may be part of manager-level employees’ general workplace diversity training or a separate training program focusing on working with foreign national employees.

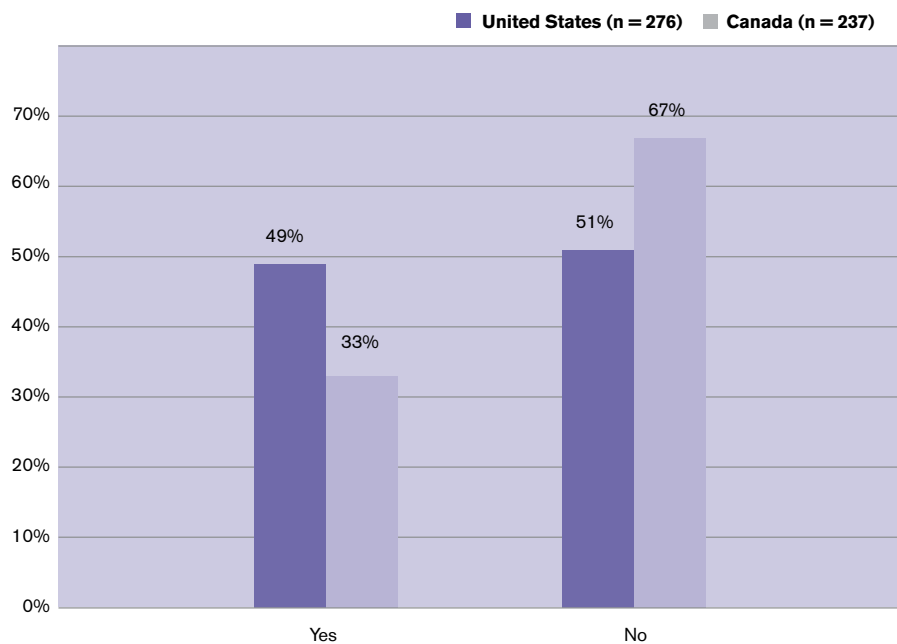
Table 21 | Provide Orientation or Onboarding Programs to Help Foreign National Workers to Acculturate in the United States (by Organization Sector)

	Overall (n = 273)	Publicly owned for-profit organization (n = 74)	Privately owned for-profit organization (n = 127)	Nonprofit organization (n = 41)	Government agency (n = 20)	Differences by Organization Sector
Yes	44%	59%	43%	34%	15%	Publicly owned for-profit > government
No	56%	41%	57%	66%	85%	

Note: Excludes “other” organization sectors. Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the percentages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Figure 7 | Provide Training to Managers and Supervisors to Help Them Understand Cultural Issues in Working with Foreign National Workers



Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” or “not sure” to this item were excluded from analysis.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

⁴ Lockwood, N. (2005, January). Executive coaching: Cross-cultural perspective. *SHRM Briefly Stated*. Retrieved from www.shrm.org/research/briefly_published/

Among Canadian organizations that had hired foreign national workers in the two years prior to the survey, organization staff size is a factor in whether training is provided to managers and supervisors to help them understand cultural issues that may arise in working with employees who are foreign nationals. HR professionals from large-staff-sized organizations (46%) were more likely than those from medium-staff-sized organizations (22%) to report that the organization trained managers and supervisors about cultural issues in working with foreign national workers (Table 22).

Table 22 | Provide Training to Managers and Supervisors to Help Them Understand Cultural Issues in Working with Foreign National Workers in Canada (by Organization Staff Size)

	Overall (n = 237)	Small (1 to 99 employees) (n = 53)	Medium (100 to 499 employees) (n = 76)	Large (500+ employees) (n = 94)	Differences by Organization Staff Size
Yes	33%	30%	22%	46%	Large > medium
No	67%	70%	78%	54%	

Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” or “not sure” to this item were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.

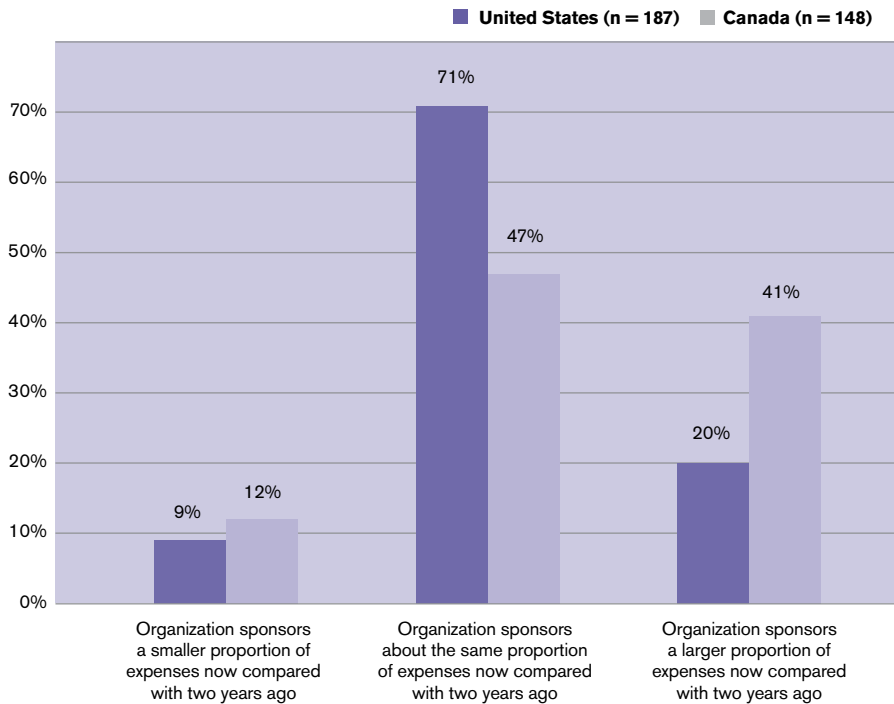
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

When asked about the proportion of immigration-related expenses sponsored for foreign national workers now compared with the proportion sponsored two years ago, 74% of respondents from the United States and 60% of those from Canada who responded to the question indicated that their organizations had sponsored some portion or all of the immigration-related expenses for their foreign national workers in the two years prior to the survey. Within the United States, HR professionals from small organizations (51%) were more likely than those from large organizations (26%) to report that they had not sponsored any part of immigration-related expenses for foreign national workers in the past two years. There were no differences in Canada related to organization staff size or organization sector.⁵

Among organizations that had hired foreign national workers and sponsored all or part of the immigration-related expenses during the two years prior to the survey, the largest percentages of organizations in the United States (71%) and Canada (47%) reported that they sponsored about the same proportion of expenses now compared with two years ago (Figure 8). HR professionals in the United States were more likely than their counterparts in Canada to report sponsoring the same proportion of immigration-related expenses. By contrast, HR professionals in Canada (41%) were more likely than those in the United States (20%) to report that their organizations sponsored a larger proportion of immigration-related expenses now compared with two years ago. This may reflect Canadian organizations’ greater likelihood of hiring foreign national workers to fill job vacancies.

⁵ These data are not depicted in a table or figure.

Figure 8 | Proportion of Immigration-Related Expenses Sponsored by the Organization



Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” or “not applicable, we have not sponsored any part of the immigration-related expenses for foreign national workers in the past two years” were excluded from analysis.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

CHALLENGES TO HIRING FOREIGN NATIONAL WORKERS

When asked about the frequency with which challenges were encountered in various aspects of hiring foreign national workers, HR professionals in Canada reported substantially more frequent challenges encountered than those in the United States with regard to the amount of time it takes to process paperwork for foreign national workers, identifying equivalent degrees and insufficient amount of time on temporary work visas before they expire (Table 23). HR professionals from both the United States and Canada reported that challenges were most frequently encountered with the amount of time it takes to process paperwork for foreign national workers. Compared with HR professionals in Canada, those in the United States reported a greater frequency of encountering challenges with the availability of the type of visa needed. This finding is consistent with widely-reported visa shortages for foreign nationals hoping to obtain employment in the United States. Boyson counters, “Arguably, the greater impediment to attracting global talent in Canada, at least historically,

has been economic and not administrative or legal: a combination of the higher real earning potential available in the U.S. coupled with a greater concentration of knowledge-based industries and employers. However, with the recent flip in exchange rates, it will be interesting to see how this economic dynamic is affected. Already the international film and television industry in Canada, in large part a by-product of exchange rate differentials, has seen a major downturn in its operations due in large part to the change in currency exchange rates.”

Table 23 | Average Degree of Frequency of Challenges Encountered with Various Aspects of Hiring Foreign National Workers

	United States (n = 316)	Canada (n = 250)	Differences by Country
Amount of time it takes to process paperwork for foreign national workers	2.57	2.88	Canada > United States
Availability of the type of visa needed	2.47	2.01	United States > Canada
The cost of immigration-related expenses for foreign workers	2.21	2.15	
Verifying credentials	1.99	2.06	
Insufficient amount of time on temporary work visas before they expire	1.96	2.21	Canada > United States
Authenticity of documentation of eligibility for employment for foreign national workers	1.88	1.89	
Availability of required documentation for foreign national workers	1.88	1.99	
Identifying equivalent degrees	1.90	2.25	Canada > United States
Ability to procure immigration status for family members of foreign national workers	1.79	1.95	
Quality of documentation of eligibility for employment for foreign national workers	1.77	1.79	

Note: Respondents who indicated “not sure” or “not applicable” were excluded from analysis. Averages are based on a scale where 1 = “not at all” and 4 = “very frequently.” Higher averages indicate greater frequency of encountering challenges. Blank cells in the last column indicate that no statistically significant differences were found.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Within Canada, differences emerged by organization staff size for the average degree of frequency that difficulties were encountered in various aspects of hiring foreign national workers. Compared with HR professionals from small organizations and medium organizations, HR professionals from large organizations reported more frequently encountering difficulties with the authenticity of foreign national workers’ documentation of eligibility for employment. HR professionals from large organizations also reported more frequently encountering difficulties with identifying equivalent degrees for foreign national workers than was reported by HR professionals from medium organizations. These data are presented in Table 24.

Table 24 | Average Degree of Frequency of Challenges Encountered with Various Aspects of Hiring Foreign National Workers in Canada (by Organization Staff Size)

	Overall (n = 252)	Small (1 to 99 employees) (n = 54)	Medium (100 to 499 employees) (n = 90)	Large (500+ employees) (n = 91)	Differences by Organization Staff Size
Authenticity of documentation of eligibility for employment of foreign national workers	1.89	1.73	1.67	2.15	Large > small, medium
Identifying equivalent degrees	2.25	2.09	2.10	2.49	Large > medium

Note: Respondents who indicated “not sure” or “not applicable” were excluded from analysis. Averages are based on a scale where 1 = “not at all” and 4 = “very frequently.” Higher averages indicate greater frequency of encountering challenges. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the averages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Among organizations in the United States that had hired foreign national workers in the two years prior to the survey, differences emerged in the average degree of frequency of challenges for selected aspects of hiring foreign national workers. Compared with HR professionals from government agencies, HR professionals from publicly owned for-profit organizations reported more frequent challenges with the availability of the type of visa needed (Table 25). This finding may be associated with the frequency with which various employment sectors hire foreign national workers and the types of work (e.g., scientific, high-tech) into which they are hired.

Table 25 | Average Degree of Frequency of Challenges Encountered with Various Aspects of Hiring Foreign National Workers in the United States (by Organization Sector)

	Overall (n = 316)	Publicly owned for-profit organization (n = 86)	Privately owned for-profit organization (n = 136)	Nonprofit organization (n = 47)	Government agency (n = 22)	Differences by Organization Sector
Availability of the type of visa needed	2.47	2.68	2.46	2.39	1.75	Publicly owned for-profit > government

Note: Excludes “other” organization sectors. Respondents who indicated “not sure” or “not applicable” were excluded from analysis. Averages are based on a scale where 1 = “not at all” and 4 = “very frequently.” Higher averages indicate greater frequency of encountering challenges. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the averages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

More differences emerged by organization sector within Canada for the average degree of frequency of challenges for selected aspects of hiring foreign national workers (Table 26).

Table 26 | Average Degree of Frequency of Challenges Encountered with Various Aspects of Hiring Foreign National Workers in Canada (by Organization Sector)

	Overall (n = 252)	Publicly owned for-profit organization (n = 61)	Privately owned for-profit organization (n = 125)	Nonprofit organization (n = 22)	Government agency (n = 34)	Differences by Organization Sector
Verifying credentials	2.06	2.00	1.89	2.29	2.78	Government > publicly owned for-profit, privately owned for-profit
Authenticity of documentation of eligibility for employment for foreign national workers	1.89	1.77	1.77	2.00	2.67	Government > publicly owned for-profit, privately owned for-profit
Availability of required documentation for foreign national workers	1.99	2.10	1.84	2.06	2.50	Government > privately owned for-profit
Identifying equivalent degrees	2.25	2.15	2.07	2.36	3.15	Government > publicly owned for-profit, privately owned for-profit, nonprofit
Quality of documentation of eligibility for employment for foreign national workers	1.79	1.73	1.65	1.89	2.38	Government > publicly owned for-profit, privately owned for-profit

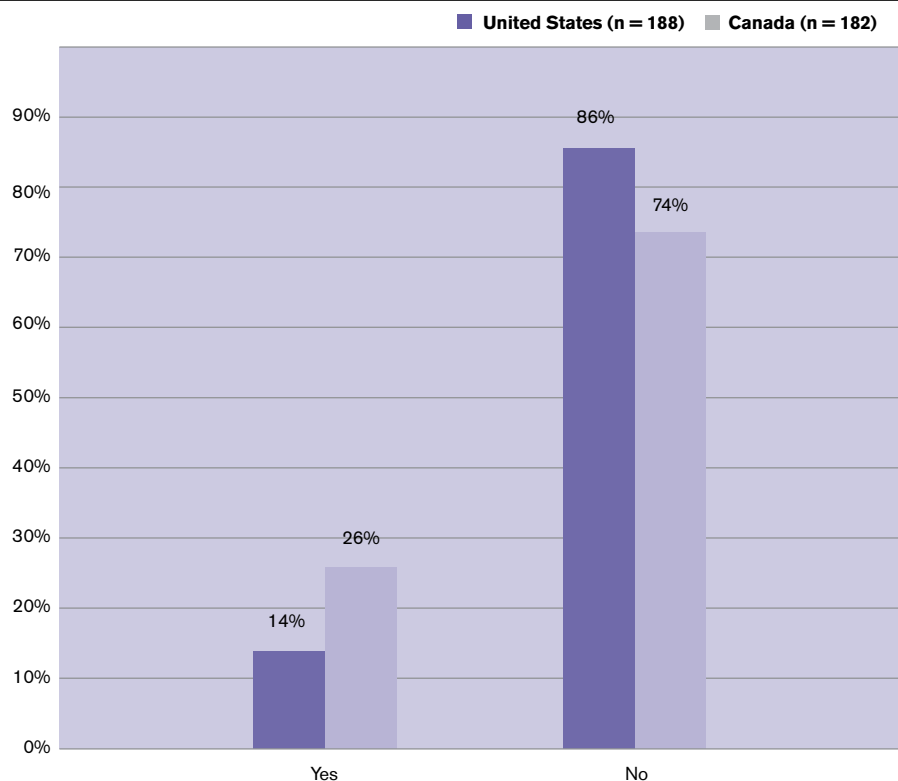
Note: Excludes “other” organization sectors. Respondents who indicated “not sure” or “not applicable” were excluded from analysis. Averages are based on a scale where 1 = “not at all” and 4 = “very frequently.” Higher averages indicate greater frequency of encountering challenges. Sample sizes are based on the actual number of respondents answering the organization sector question; however, the averages shown are based on the actual number of respondents by organization sector who answered the questions using the provided response options.
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Government agencies reported greater average degrees of frequency of challenges encountered with verifying credentials, the authenticity of foreign national workers' documentation of eligibility for employment, the availability of required documentation, identifying equivalent degrees, and the quality of foreign national workers' documentation. "In terms of identifying equivalencies of educational degrees, I think Canadian organizations are simply more aware of the global differences that exist in the first place. This is a residual of being a small nation that developed between the influences of the British and American systems," explains Boyson.

The vast majority of organizations in the United States and Canada that hire foreign national workers have not undergone a government audit of their records. Among organizations that had hired foreign national workers during the two years prior to the survey, HR professionals in Canada (26%) were significantly more likely than respondents from the United States (14%) to report that a government entity had audited their organization's documentation of its foreign national workers (Figure 9). Andrea White, LL.B., lawyer, Heenan Blaikie LLP, offers, "In Canada it is our experience that many employers are unaware of what the requirements are to confirm

HR professionals from organizations in Canada (55%) were more likely than those from organizations in the United States (43%) to report that, on average, the amount of time spent on the verification and hiring process for each foreign national worker was greater now compared with two years ago.

Figure 9 | Organization's Documentation of Foreign National Workers Has Been Audited by a Government Entity



Note: Respondents who indicated "not applicable, we have not hired foreign national workers in the past two years" or "not sure" to this item were excluded from analysis.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

the legality of the employment of their foreign workers. Often they falsely believe that having a copy of their Social Insurance Number will suffice without retaining a copy of their work permit. Further, most Canadian employers do not have a system that diarizes the dates that work permits expire.” Organizations would be well-advised to obtain confirmation on the work authorization documentation required by law as well as the length of time records need to be kept.

There are vast differences by staff size in the percentages of organizations in the United States that have had their organization’s documentation of foreign national workers audited by a government entity. HR professionals who were employed by large organizations (24%) were more likely than those employed by small organizations (7%) to report having had their foreign national worker documentation audited (Table 27). This suggests a possibility that the government entities that are responsible for monitoring hiring practices related to foreign national workers are more likely to target the records of larger organizations that tend to hire more foreign nationals.

Table 27 | Organization’s Documentation of Foreign National Workers Has Been Audited by a Government Entity in the United States (by Organization Staff Size)

	Overall (n = 188)	Small (1 to 99 employees) (n = 57)	Medium (100 to 499 employees) (n = 65)	Large (500+ employees) (n = 58)	Differences by Organization Staff Size
Yes	14%	7%	9%	24%	Large > small
No	86%	93%	91%	76%	

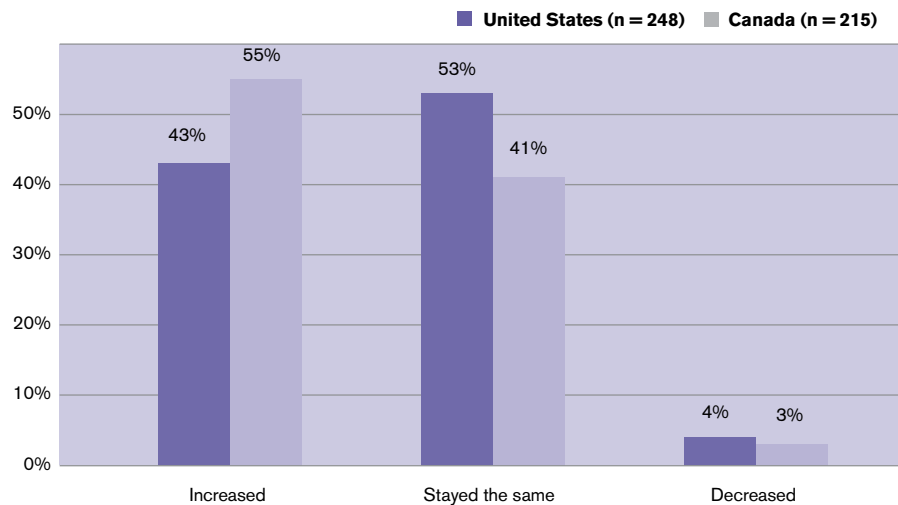
Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” or “not sure” to this item were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Given the amount of documentation required for the hiring process for foreign national workers and the challenges encountered with various aspects of this process, what effect has this had on the amount of time necessary to verify foreign national job candidates and complete the hiring process? About one-half of HR professionals from the United States and Canada indicated that the average verification and hiring process requires more time now than it did just two years ago. HR professionals from organizations in Canada (55%) were more likely than those from organizations in the United States (43%) to report that, on average, the amount of time spent on the verification and hiring process for each foreign national worker was greater now compared with two years ago (Figure 10). HR professionals in the United States (53%) were more likely than those from Canada (41%) to report that the average amount of time spent on each foreign national worker’s verification and hiring process was about the same now compared with two years ago. Very few HR professionals—only 4% in the United States and 3% of those from Canada—reported a decrease in the average amount of time spent on the verification and hiring process for each foreign national worker.

Further, differences emerged within the United States by employment sector, with HR professionals from nonprofit organizations (72%) more likely than their counterparts from publicly owned for-profit organizations (45%) to report that the average amount of time spent on the verification and hiring process had stayed the same.⁶ “In the past two years there has not been a significant change to our immigration requirements; however, the international workplace has expanded and has focused more on applicants from both India and China. Foreign workers from these countries—unlike those from the United States and many of the European Union countries—require visas as well as medicals to obtain a work permit in Canada, which does lead to additional processing times,” states White. Further, “The Canadian government has identified the issue of professional accreditation as being one of the key impediments for professionals and has recently set up the Foreign Credentials Referral Office in an attempt to simplify the process.” Legislative efforts related to immigration and verification of eligibility for employment would be wise to focus on the creation of an accurate and comprehensive nationwide—or international among the countries included in NAFTA—database or system for storing, tracking and updating documentation of foreign national workers.

Figure 10 | Amount of Time Spent on Verification and Hiring Process for Each Foreign National Worker Now Compared With Two Years Ago



Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” or “not sure” to this item were excluded from analysis.

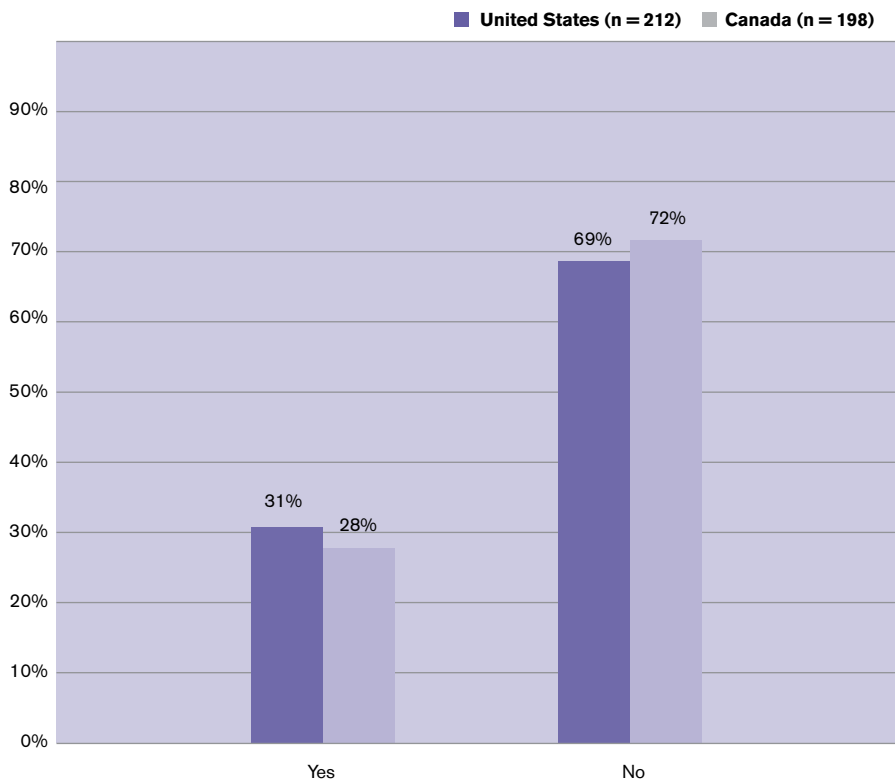
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

⁶ These data are not depicted in a figure or table.

USE OF THE TREATY NAFTA VISA

Relatively small proportions of organizations that had hired foreign national workers had hired those using the Treaty NAFTA (TN) visa, a special work visa available only to nonimmigrant workers from Canada, Mexico and the United States. Less than one-third of United States (31%) or Canadian (28%) organizations that have hired foreign national workers in the past two years have hired anyone using the Treaty NAFTA visa (Figure 11).

Figure 11 | Organization Has Hired Foreign National Workers Using the Treaty NAFTA Visa



Note: Respondents who indicated "not applicable, we have not hired foreign national workers in the past two years" or "not sure" to this item were excluded from analysis.

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

As depicted in Table 28, differences by organization staff size emerged within the United States for reported rates of having hired foreign national workers using Treaty NAFTA visas. According to HR professionals who were employed by organizations who had hired foreign national workers during the two years prior to the survey, large organizations (48%) were significantly more likely than medium (23%) or small organizations (22%) to have hired foreign national workers who were using the Treaty NAFTA visa. This may be due in part to the nature of the employment available at larger organizations: for example, the TN1 visa is available only to specific professions such as accountant, engineer, librarian, physicist, registered nurse and university teacher, which may be more likely to be in demand in organizations of 500 or more employees.

Table 28 | Organization Has Hired Foreign National Workers Using the Treaty NAFTA Visa in the United States (by Organization Staff Size)

	Overall (n = 212)	Small (1 to 99 employees) (n = 65)	Medium (100 to 499 employees) (n = 71)	Large (500+ employees) (n = 69)	Differences by Organization Staff Size
Yes	31%	22%	23%	48%	Large > small, medium
No	69%	78%	77%	52%	

Note: Respondents who indicated “not applicable, we have not hired foreign national workers in the past two years” or “not sure” to this item were excluded from analysis. Sample sizes are based on the actual number of respondents answering the organization staff size question; however, the percentages shown are based on the actual number of respondents by organization staff size who answered the questions using the provided response options.

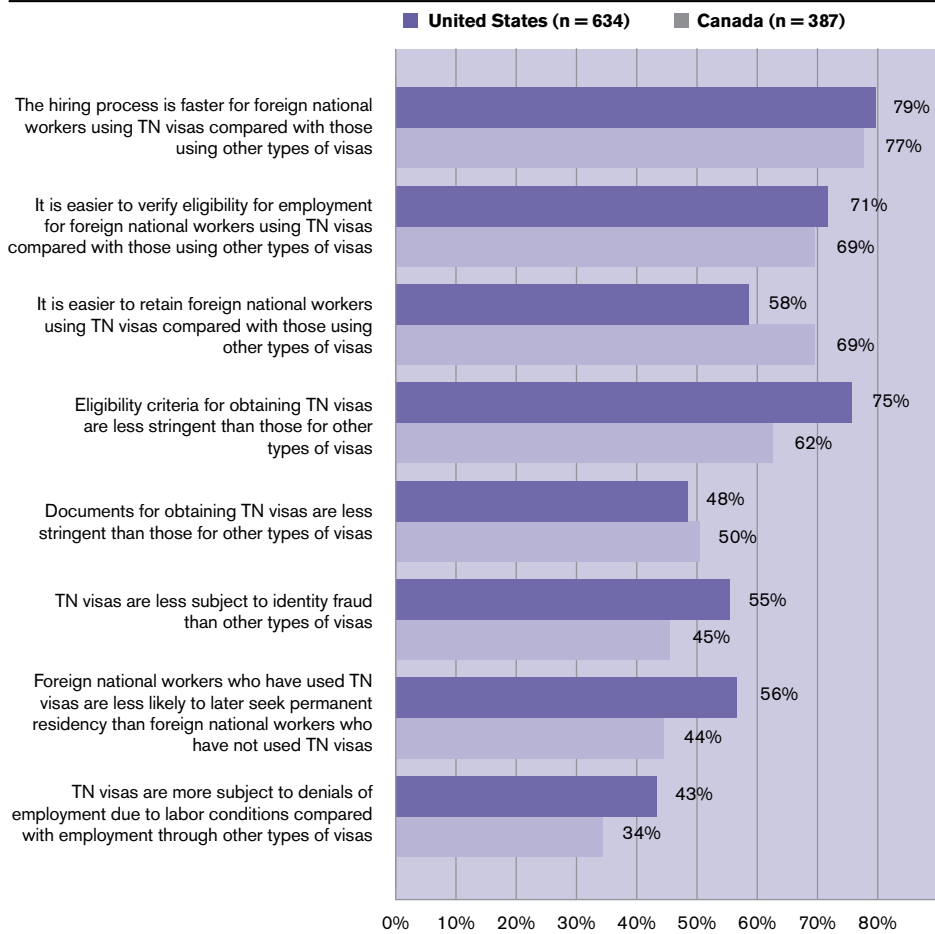
Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

When asked about their levels of agreement with various statements about the use of Treaty NAFTA visas, HR professionals from the United States and Canada reported similar levels of agreement for most of the statements. The largest percentages of respondents from the United States (79%) and Canada (77%) strongly agreed or agreed that the hiring process was faster for foreign national workers using TN visas compared with those using other types of visas. The smallest percentages of HR professionals from the United States (43%) and Canada (34%) indicated strong agreement or agreement that Treaty NAFTA visas were more subject to denial of employment due to labor conditions compared with employment through other types of visas (Figure 12).

The average levels of agreement with statements about use of the Treaty NAFTA visa varied significantly between the United States and Canada for just one statement. Compared with respondents from Canada, HR professionals from the United States reported greater average levels of agreement that the eligibility criteria for obtaining TN visas were less stringent than those for other types of visas.

Within the United States, respondents from small organizations reported greater agreement than did their counterparts at medium organizations that the eligibility criteria for obtaining TN visas were less stringent than those for other types of visas.⁷ There were no significant differences among responses from Canada by organization staff size or sector.

Figure 12 | Agreement with Statements About Use of Treaty NAFTA Visas



Note: Sorted in descending order by United States data. Excludes HR professionals who responded “not sure.” Includes responses of “strongly agree” and “somewhat agree.”
 Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

⁷ These data are not depicted in a table or figure.

Conclusions

If organizations' main assets are their people and if staffing strategies are to be leveraged for competitive advantage, organizations have an imperative to recruit, hire and retain the best possible talent for their workforces. However, recent trends in the general labor supply have created challenges. HR professionals in the United States and Canada reported increased difficulty in recruiting talent from the local labor pool of citizen and legal resident alien or landed immigrant status workers, and organizations in Canada have also reported increased difficulty in retaining these workers. Additionally, HR professionals in the United States reported that it's more difficult now compared with two years ago to hire and retain foreign national workers from countries not included in NAFTA. Both American and Canadian HR professionals reported comparatively less difficulty in hiring and retaining workers from countries included in NAFTA, suggesting that labor pools of neighboring North American countries may be a valuable source to tap when candidates in the local labor supply are scarce. Future recruitment strategies involving increased efforts to attract workers who are eligible to use the Treaty NAFTA visa may provide a higher return on investment by yielding a larger number of qualified job candidates who are ready to work more quickly due to a shorter processing time. Differences in hiring and retention difficulty levels among organization sectors within Canada may indicate that factors within sectors lead to a varied experience regarding challenges in hiring and retaining workers from various labor pools, which thus may influence their workforce recruitment and retention strategies.

Given the difficulties in recruiting and retaining workers from the local labor pool, and despite challenges in hiring and retaining foreign national workers, nearly two-thirds of organizations in the United States and about one-half of organizations in Canada report that they are about as likely to hire foreign national workers now compared with two years ago. In fact, 42% of organizations in Canada reported being more likely to hire foreign national workers now. By contrast, just 10% of organizations in the United States reported being more likely to hire foreign national workers now, and 27% reported being less likely to hire foreign national workers now compared with two years ago. Although much of the media attention around issues of foreign national workers focuses on undocumented workers and unskilled labor, within both Canada and the United States the largest proportions of job vacancies being filled by foreign national workers are at the skilled work level, with organizations in Canada reporting significantly greater proportions of jobs filled by foreign national workers compared

Both American and Canadian HR professionals reported comparatively less difficulty in hiring and retaining workers from countries included in NAFTA, suggesting that labor pools of neighboring North American countries may be a valuable source to tap when candidates in the local labor supply are scarce.

with organizations in the United States. The increasing trend toward global sourcing, particularly for skilled positions, is coming at a time when border control and immigration issues are being hotly debated in political arenas and visa supply is tightly controlled. Visa caps present substantial challenges for employers who look to foreign labor pools to fill highly skilled job vacancies, such as in the sciences and high-tech industries.

Organizations have developed creative staffing measures to get around red tape resulting from immigration policies. Although the majority of organizations in the United States and Canada reported that they increased their efforts to hire and retain employees from the domestic labor pool, the next largest percentages reported recruiting foreign students who are in the country for schooling. About one in five respondents from Canada (22%) and the United States (16%) reported that they had hired foreign national workers under different types of visas due to unavailability of preferred visas and/or processing delays. While this tactic may provide a stop-gap workaround, it is not a viable solution for organizations without the time, money and staff to devote to this process, nor is it an efficient long-term solution to organizations' staffing challenges.

Although some organizations hire foreign national workers due to shortages of qualified candidates in the local labor pool, other organizations' decisions to hire foreign national workers is a competitive practice tied to the organization's business strategy and may reflect and support global operations, international customers or the organization's efforts to establish an international or diverse perspective. Regardless of what drives the decision, the reality is that organizations cannot rely on completely sourcing their workforces through local labor, and global sourcing is already common practice for many organizations. Three-quarters of HR professionals from Canada (75%) and more than one-half of HR professionals from the United States (53%) reported that their organizations are likely to hire foreign national workers in the next 12 months. HR professionals are uniquely positioned to use real-life experiences in recruiting, hiring, retention and projecting hiring needs to provide practical guidance to policymakers. The results of this study underscore the need for future immigration policy efforts to balance concerns about national security with work authorization systems that allow organizations to legally and efficiently hire the most qualified workers.

HR Perspective

Today, recruiting and retaining talent is the number one human resource challenge for many organizations. As highlighted in this survey report, organizations in the United States and Canada use a number of avenues to attract and retain domestic and foreign national talent. Yet no matter the workplace population—domestic or foreign—HR professionals in both the United States and Canada experience challenges to find and keep talent. In fact, hiring individuals with basic requisite skills, appropriate educational degrees, trade or mechanical skills and technical and/or scientific skills continues to be difficult for companies in many different industry sectors. Due to widespread talent shortages, companies are forced to recruit workers outside their respective domestic marketplace. As the survey report indicates, even finding the right talent through foreign national workers is not always possible. The health care sector, for example, is known for its lack of critical talent in both the United States and Canada.

As highlighted by the *SHRM Workplace Forecast*, a number of trends in the marketplace have had a substantial impact on attracting and keeping both domestic and foreign talent: 1) the shift to a knowledge economy; 2) an increase in employee mobility; 3) a decrease in the number of foreign-born workers due to stricter immigration policies; and 4) a greater use of contingent workers.⁸ Consequently, in today's workplace where continuous learning is essential, organizations are making changes to retain workers. For example, many companies are increasing their investment in training and development to boost skill levels of employees, offering employment options designed to attract or retain semi-retired workers, and bringing retirees back as mentors. In addition, as noted by the survey report, organizations in the United States and Canada are now focusing on orientation and onboarding to help foreign national workers acculturate to their countries of employment as well as providing training to managers and supervisors regarding cultural differences. These actions help improve talent retention, avoid cultural conflicts, and create a more welcoming and collaborative workplace environment.

⁸ Schramm, J. (2006, June). *SHRM® Workplace Forecast*. Alexandria, VA: Society for Human Resource Management.

From a practical viewpoint, one way for HR to differentiate their organization in the marketplace—and to better attract and retain talent—is to go “back to the basics.” That is, HR can focus on two key factors for talent retention: job satisfaction and employee engagement. As noted in *2007 Job Satisfaction: A Survey Report by the Society for Human Resource Management*, the top five job satisfaction aspects for employees are compensation, benefits, job security, flexibility to balance work/life issues, and communication between employees and senior management.⁹ HR professionals can review their employee policies and practices to determine the extent to which these five factors are represented in their organization. A quick way to get a sense of workers’ opinions on these five factors, for example, is to conduct a pulse survey. Where appropriate, HR can make changes and provide managerial training for better communication. Ultimately, through thoughtful and targeted communication regarding employee benefits, and HR policies and practices, HR professionals can foster increased job satisfaction and retention of the current workforce as well as attract domestic and foreign talent.

Finally, as highlighted in SHRM’s “Leveraging Employee Engagement for Competitive Advantage: HR’s Strategic Role,” a number of critical factors contribute to employee retention: work/life balance, recognition for one’s contributions, a diverse work environment, opportunities to learn and grow, and career advancement possibilities. Employees also tend to remain with an organization where the leadership has credibility, where they feel a profound connection with the company and when they understand how their work contributes to the goals of the organization.¹⁰ Thus, by addressing job satisfaction and employee engagement opportunities, HR can help their organization overcome talent management challenges.

⁹ Society for Human Resource Management. (2007, June). *2007 Job satisfaction: A survey report by the Society for Human Resource Management*. Alexandria, VA: Author.

¹⁰ Lockwood, N.R. (2007, March). Leveraging employee engagement for competitive advantage. *SHRM Research Quarterly*.

Demographics

Organization Staff Size

	United States (n = 582)	Canada (n = 376)
Small (1 to 99 employees)	37%	24%
Medium (100 to 499 employees)	35%	39%
Large (500+ employees)	28%	37%

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada.

HR Department Staff Size

	United States (n = 552)	Canada (n = 366)	Differences
1 to 4 employees	63%	55%	United States > Canada
5 to 9 employees	16%	20%	
10 to 24 employees	11%	11%	
25 to 49 employees	5%	5%	
50 to 99 employees	3%	4%	
100 or more employees	2%	4%	Canada > United States

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Organization Sector

	United States (n = 602)	Canada (n = 384)	Differences
Privately owned for-profit organization	48%	49%	
Publicly owned for-profit organization	23%	20%	
Nonprofit organization	16%	10%	United States > Canada
Government agency	10%	16%	Canada > United States
Other	3%	4%	

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

Industry	United States (n = 604)	Canada (n = 384)	Differences
Services (profit)	19%	19%	
Manufacturing (durable goods)	12%	11%	
Health	9%	6%	
Government	7%	8%	
Services (nonprofit)	7%	4%	
Finance	6%	4%	
High-tech	5%	9%	Canada > United States
Construction and mining/oil and gas	4%	8%	Canada > United States
Educational services	4%	6%	
Manufacturing (nondurable goods)	4%	6%	
Insurance	4%	3%	
Wholesale/retail trade	3%	5%	
Transportation	3%	3%	
Utilities	2%	2%	
Telecommunications	2%	1%	
Agriculture	1%	1%	
Newspaper publishing/broadcasting	1%	0%	
Other	6%	5%	

Source: SHRM/CCHRA 2008 Global Talent Sourcing in the United States and Canada

SHRM Survey Reports

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1. SHRM/DDI 2007 Employee Retention in China Report (31 pages, October 2007)
2. 2007 Corporate Social Responsibility Pilot Study (40 pages, March 2007)
3. SHRM/CareerJournal.com 2006 Job Retention Poll (39 pages, December 2006)
4. SHRM/CareerJournal.com 2006 Workplace Vacation Poll (30 pages, September 2006)
5. SHRM/CareerJournal.com 2006 Workplace Romance Poll Findings (17 pages, January 2006)
6. SHRM/Gallup Organization 2005 Employee Discrimination in the Workplace Poll (12 pages, December 2005)
7. SHRM/CareerJournal.com 2005 U.S. Job Recovery and Retention Survey Report (40 pages, November 2005)
8. SHRM/CareerJournal.com 2005 Organizational Communication Poll Findings (24 pages, June 2005)
9. Workplace Productivity Poll Findings (17 pages, January 2005)
10. SHRM/CareerJournal.com Workplace Privacy Poll Findings (47 pages, January 2005)
11. SHRM/CareerJournal.com 2004 U.S. Job Recovery and Retention Poll Findings (33 pages, November 2004)
12. SHRM/CareerJournal.com Employee Trust and Loyalty Poll Findings (21 pages, July 2004)
13. SHRM/CareerJournal.com 2004 Job Negotiation Survey Findings (41 pages, April 2004)
14. SHRM/CareerJournal.com 2003 Job Opportunities Survey (39 pages, September 2003)
15. SHRM/CareerJournal.com 2003 Job Recovery Survey (28 pages, August 2003)
16. SHRM/CareerJournal.com 2003 Job Opportunities Poll (39 pages, April 2003)
17. SHRM/USAToday.com Job Satisfaction Poll (74 pages, December 2002)
18. SHRM/eePulse HR Implications of the Attack on America (23 pages, September 2002)

19. SHRM/Council of Public Relations Firms Corporate Credibility and Employee Communications Survey (14 pages, August 2002)
20. Job Opportunities Poll (30 pages, August 2002)
21. SHRM/CareerJournal.com Workplace Romance Survey (24 pages, February 2002)
22. School-to-Work Programs Survey (16 pages, January 2002)
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