

1-1-2008

# Opportunities for Employers in Immigrant Labour Market integration: a Case Study of the Canadian Financial Sector

Laura Caroline Burke  
*Ryerson University*

Follow this and additional works at: <http://digitalcommons.ryerson.ca/dissertations>

 Part of the [Business Commons](#)

---

## Recommended Citation

Burke, Laura Caroline, "Opportunities for Employers in Immigrant Labour Market integration: a Case Study of the Canadian Financial Sector" (2008). *Theses and dissertations*. Paper 87.

This Major Research Paper is brought to you for free and open access by Digital Commons @ Ryerson. It has been accepted for inclusion in Theses and dissertations by an authorized administrator of Digital Commons @ Ryerson. For more information, please contact [bcameron@ryerson.ca](mailto:bcameron@ryerson.ca).

OPPORTUNITIES FOR EMPLOYERS IN  
IMMIGRANT LABOUR MARKET INTEGRATION:  
A CASE STUDY OF THE CANADIAN FINANCIAL SECTOR

by

Laura Caroline Burke  
International Baccalaureate, Mahindra United World College of India, 2002  
Honours BA, University of Toronto, 2006

A Major Research Paper  
presented to Ryerson University

in partial fulfilment of the requirements for the degree of

Master of Arts  
In the Program of  
Immigration and Settlement Studies

Toronto, Ontario, Canada, 2008

© Laura Burke 2008

**OPPORTUNITIES FOR EMPLOYERS IN  
IMMIGRANT LABOUR MARKET INTEGRATION:  
A CASE STUDY OF THE CANADIAN FINANCIAL SECTOR**

© Laura Burke 2008

Masters of Arts  
Immigration and Settlement Studies  
Ryerson University

**ABSTRACT**

The focus of this study is on the financial sector, and it asks two questions: a) what are financial institutions currently doing in terms of assisting in the labour market integration of newcomers? and b) where are the opportunities for improvement within the financial sector with respect to the employment of immigrants? The study examines current achievements regarding the sector's successful labour market integration of immigrants, opportunities for improvement, and recommendations as to how the financial sector can become a leader in this domain as well as the benefits of doing so. Some key findings are that there is a gap in terms of the successful integration and inclusion of immigrants in the labour market despite recognition of the business case for diversity. Ingrained biases and beliefs persist, and the communication patterns and 'rigid' history of the financial sector are not maturing at the same pace as the global economy.

**Key Words:**

An article on the financial sector and immigrant labour market integration in Canada, used the key words: Financial sector; newcomers; immigrants; employers; employment opportunities.

## Acknowledgements

I would like to thank Elias Chiu, our program coordinator, for her patience over the last two years. I am also very grateful to Dr. John Shields for reading my work so thoroughly.

Thank-you to the people who inspired, encouraged and motivated me: Karen McCrindle, Sybil Roodenburg, Carole Desjardins and Wayne Mclean.

More than anything, I would like to thank Marlon Coore for his immeasurable support and tough love.

## Table of Contents

Section One - Situation of Canadian Economy and Effects on Newcomers.....	1
Labour shortages.....	2
Neoliberalism: The shift to a knowledge and skill-based economy.....	3
The survival job phenomenon.....	4
Section Two – Theoretical Constructs.....	7
Human capital theory.....	7
Social inclusion/exclusion theories.....	8
Racialization theory.....	9
Section Three - Why Focus on the Financial Sector?.....	11
The market economy and a shift to the private sector.....	11
The financial sector: a key stakeholder.....	12
A large employer with hiring challenges.....	13
Potential for leadership and gain.....	14
Section Four - Diversity Achievements in the Financial Services Sector.....	16
Recognition of the business case for diversity.....	16
How diversity fits in the financial sector.....	16
What the financial sector has already achieved.....	19
Section Five - Opportunities for Improvement.....	22
Pseudo-diversity, the link to labour market integration and organizational changes.....	22
Pseudo-diversity: biases and beliefs.....	23
The link to labour market integration: hiring and promoting newcomers.....	26
Fundamental organizational changes: history and communications.....	28
Section Six - Best Practices and Recommendations.....	33
How to achieve inclusion.....	33
Turning opportunities into strengths: Pseudo-diversity.....	33
Turning opportunities into strengths: Hiring and promoting.....	35
Turning opportunities into strengths: Breaking tradition.....	40
Section Seven - Conclusion: Inclusion and Integration.....	43
Appendix 1: ‘HOW’ Screenshot from hireimmigrants.ca.....	45
Appendix 2: Format of ‘e-tips’ emails from hireimmigrants.ca.....	46
Bibliography.....	47

**Section One**  
**Introduction - Situation of Canadian Economy and Effects on Newcomers**

The Honourable Donald H. Oliver, former member of the Standing Senate Committee on Banking, Trade and Commerce and advocate of corporate responsibility and human rights, summarises the situation of today's economy and the business imperative in Canada in the following terms: "Advances in technology, the globalization of markets and the emergence of liberal trading regimes have fundamentally changed the way we conduct business" (2005: 2). In order to stay on top of the game, leaders in Canada's financial sector must also fundamentally change the way they conduct business. One of the most pertinent questions in the challenge of successful labour market integration for immigrants to Canada is 'in whose hands does the responsibility lie?' This paper proposes that while the burden currently rests in the hands of the individual immigrant, it is in the best interest of society for the private sector to assume more responsibility in this role. The focus of this study is on the financial sector, and it asks the following two questions: a) what are financial institutions currently doing in terms of assisting in the labour market integration of newcomers? and b) where are the opportunities for improvement within the financial sector with respect to the employment of immigrants? The study therefore examines current achievements regarding the sector's successful labour market integration of immigrants, as well as opportunities for improvement and recommendations as to how the financial sector can become a leader in this domain, and why the sector will benefit from undertaking this responsibility.

## **Labour shortages**

There is already intense competition for talent in the Canadian labour market, and, as a large percentage of the current workforce is comprised of a generation that is over 50 years old, the talent demand will only increase over the next 10 years (RBC 2005). “The anticipated retirement of the Baby Boomers alone will create an exodus of 2,500-4,500 employees per year [in Toronto’s financial services industry]. Furthermore, the increased mobility of the workforce, combined with the decline in birth rate, will fuel the demand/supply imbalance” (TSFA 2007: 21). Moreover, the majority of new entrants into the labour market are newcomers to Canada. According to RBC Financial’s report titled *The Diversity Advantage: A Case for Canada’s 21<sup>st</sup> Century Economy*, “by the end of this decade, immigration will account for all of the net increase in the labour force and, by the latter part of the next decade, the size of the labour force will stop growing even with current levels of immigration” (RBC 2005: 7) The demand/supply imbalance of labour market entrants is already having a negative impact on the Canadian economy. “Statistics Canada’s *Survey of Business Conditions* depicts labour shortages as a major business constraint. Canada’s overall rate of unemployment stands at its lowest level in about 30 years” (RBC 2005: 7). But Liu explains how there seems to be a “disconnect between concern about a skill shortage and employer’s interest in immigration as a key source of skilled labour” (2006: 23). The role the financial sector plays in this disconnect will be examined more closely in this work.

## **Neoliberalism: The shift to a knowledge and skill-based economy**

The shift to neoliberal policies in Canada has implications for immigrants and their labour market integration because there is a greater focus on individual attainment and ability rather than on the temperament of the receiving society. It is largely the combination of arriving in a market-oriented, knowledge-based society, through an immigration system which has traditionally favoured education and experience that newcomers encounter barriers to successful integration into the labour market. The contradiction is that while many newcomers have high levels of education, training and experience – human capital assets that would appear to be highly valued in a knowledge-based society – these assets are devalued in the labour market because they were not attained in Canada (Shields, Rahi and Scholtz 2006). As Reitz (2003) outlines, changes in recruitment and hiring practices related to the de-valorizing of foreign- and therefore unrecognized- credentials is causing difficulties for newcomers in gaining access to knowledge-based occupations such as those in the financial sector. In order for newcomers to settle in a country such as Canada which is influenced by market principles and employers who are reluctant to recognize human capital assets achieved abroad, employment training and job placement services are of particular and increasing importance. Today, these services are crucial as immigrants continue to struggle with employment barriers such as a lack of recognition of foreign credentials, work experience and education - even as the possession of these same qualities is given increased importance in the immigration process. In line with a neoliberal agenda, the public provision of these services has been reduced significantly (Richmond and Shields 2004).



Neoliberalism and the restructuring of the economy are also aspects of the equation that force newcomers to Canada into reluctantly accepting 'survival jobs', jobs that are not in line with their educational attainment, training and experience. As the labour market has shifted away from relatively well paid semi-skilled jobs in the manufacturing sector towards a service-oriented knowledge-based economy, many low end jobs have been created that have been hard to fill with the native born labour pool. Labour market barriers for newcomers push many of them into the lower end of an increasingly bifurcated job market (Castles and Miller 2003; Stalker 2000).

### **The survival job phenomenon**

Finding gainful employment is a critical step in the transition process that new immigrants to Canada face. With reference to settlement indicators, employment is at the top of the list of all literature reviewed for this study. Among the many challenges faced upon entering the country is the need to establish self-sufficiency within the Canadian social context (Lochhead 2003). In our increasingly neoliberal world, integration on all levels is becoming more and more contingent on achieving success in the labour market. The economic necessity of accepting a 'survival job' is seen as an impediment to successful labour market integration. Sparks and Wolfson graphically present the situation faced by many newcomers to Canada, factors which can push them into accepting survival employment.

“Disentangling lack of Canadian experience, weak language skills and lack of cultural awareness is difficult. Pressing income issues often get in the way of taking the time for orientation sessions that could provide information on the Canadian and workplace culture. This issue was seen to slow the integration process and isolate the newcomer at work and in society” (Sparks and Wolfson 2001: 25).

There are numerous problems associated with taking a ‘survival job’ upon arrival in Canada. Aside from the fact that these jobs fall below the expectations set upon arrival, they often also consist of short-term or contract work, are not located within the immigrant’s field or profession, and often offer inadequate remuneration. This type of job is often on the periphery of the market, and unfavorable due to marginal pay, unattractive hours, instability, negative connotations and/or a lack of associated benefits. Cases also arise in which a ‘survival job’ may be in the newcomer’s field of expertise, yet they are underemployed within that profession. “Unfortunately, the deciding factor in labour market placement for a newcomer to Canada is often not based on a standard formula or published set of rules, but rather on the perception and limited knowledge available to potential employers” (Liu 2006: 9). How true does this hold in the financial sector?

There are also long-term implications for a recent immigrant’s ability to leave the ‘survival’ sphere of employment and move towards a career in their field of expertise. Future employment success is too often contingent on whether or not the first job obtained in Canada was within an immigrant’s area of expertise and in line with their educational attainment. As Pendakur states, “one’s initial place in the work force has a long term impact on one’s future labour-force contribution” (2000: 200). Individuals in survival jobs often come to be stigmatized as low end workers further devaluing their foreign acquired skills and credentials in the eyes of employers. It is difficult to re-enter a field after having been employed elsewhere for any amount of time because the relevant skills and knowledge necessary will have evolved. Previously acquired skill-sets may be out of date as it is challenging to remain on top of new developments in a profession

when not in contact with it on a daily basis. Not only are newcomers' skills not being upgraded during the period that they are employed in a 'survival job', they are often not gaining any relevant, transferable skills which would help to improve their chances of getting started in their chosen career. Ultimately, technical skills and knowledge are not kept current and experience and skills that can be contributed to their own human capital and potential for career advancement are not being gained or enhanced. This is particularly apparent in industries such as IT, where rapid innovations and changes in technology mean that information quickly becomes outdated. Additionally, newcomers in these circumstances do not develop networks of Canadian contacts in their profession which is critical to opening doors to suitable employment opportunities. The goal of this study is to evaluate the role that the financial sector in particular plays in lessening or increasing the burden of the survival job phenomenon for immigrants to Canada.

## **Section Two Theoretical Constructs**

There are a number of theoretical constructs which are widely used in the literature in relation to immigrant labour market integration. Three of these, human capital theory, social inclusion/exclusion theory and racialization theory, are briefly introduced here as they assist us in placing the challenges of newcomer labour market integration into a broader context.

### **Human capital theory**

Human capital theory focuses on individual efforts and skills along with open market competition as determinants of economic outcomes. Structural constraints, discrimination and unequal treatment are not addressed (Li 2003: 101). In other words, an individual's assets and characteristics are considered to be of greatest importance and influence in shaping his or her livelihood. Human capital theory plays down the role of outside societal influence and pressures such as historical and ingrained barriers to employment equity. Serious consideration of the human capital assets held by newcomers does not seem to take the forefront in immigrant labour market integration in Canada. As Liu explains, "the deciding factor in labour market placement for a newcomer to Canada is often not based on a standard formula or published set of rules, but rather on the perception and limited knowledge available to potential employers" (2006: 9). High levels of underemployment among highly educated foreign trained persons in Canada is a significant waste of human capital (Pendakur 2000: 199). This leads to the conclusion that employers are not focusing strictly on the value of human capital obtained anywhere in the world, but that there are other interfering factors. "Whether newcomers are able to translate their human capital achieved in their home country to the Canadian context

needs proving” (Liu 2006: 9). This study will look at whether employers within the financial sector focus on the value of human capital in their hiring practices and policies.

### **Social inclusion/exclusion theories**

Social capital theory, neoliberalism and how they relate to settlement also play a role in the integration of newcomers within the Canadian labour market (Liu 2006: 10). As Shields states, “Labour markets are the prime mechanisms through which immigrants bind themselves to their new society, and by which they are able to build standing within the host society’s social structure” (2003: 7). The problem with newcomers to Canada accepting employment below their potential levels of achievement is the negative impacts it has on economic productivity, social cohesion, and settlement. “As international professionals are forced by circumstances and barriers to take ‘survival jobs’, they experience socio-occupational dislocation and downward social mobility” (Sparks and Wolfson 16). Unfortunately, since the 1980s the level of achievement that immigrants have reached has deteriorated, and the possibilities of economic integration have decreased, while immigrant social exclusion has increased. Due to the ways it has furthered and increased the power of these forces, neoliberalism has been referred to as a capitalism of ‘aggressive exclusion’. “Neoliberal changes can be seen as a movement from inclusionary politics to the political practice of exclusion” (Shields 2003: 6). As Shields notes, “social exclusion theory arose out of threats of marginalization. While some groups in society were benefiting from the market economy, others were falling way behind” (2003: 8). Social exclusion results from structural forces within the receiving society, within its institutions, policies and organizations.

## **Racialization theory**

Racial formation describes the associations we make between individual characteristics, preferences, behaviors, and attitudes and a particular physical appearance or perceived group membership. Within society and its institutions there exists “preconceived notions of a racialized social structure” (Omi and Winant 1986:59). Racism occurs when lines of difference are created because of these associations, and the differences cause the exclusion of particular groups. As Liu states, racialization theory removes the burden of difference from the shoulders of visible minority groups, and places more accountability for terminating racially-biased behaviours on mainstream society and its institutions, particularly within the labour market (16). Racialization theory states that race is a social construct which is not inherent to individuals, yet it nonetheless plays a large role in determining access to economic opportunity in Canada (Galabuzi 2001:60). As Schmitz argues:

“Variance and variability from and nonconformity with the social norm are positive and need to be encouraged. Social norms pervade societies and organizations alike. Diversity and inclusion work is built on the belief that static and unchallenged social norms stifle creativity and innovation, create complacency and ultimately hinder agility and adaptation. Ensuring that a variety of thought, opinions, experiences and perspectives is represented within an organization is often the essential breeding ground for innovation and growth” (2008: 4).

Immigrants bring such innovation but Canadian employers too often fail to take advantage of it. The unfortunate case in the Canadian labour market is that “the deterioration of immigrants’ economic position is occurring in spite of the fact that their English and/or French language skills upon arrival have been increasing, and the education levels of immigrants exceed that of the native born population. Race and ethnic

discrimination are, without question, important factors here, as the vast majority of recent immigrants are identifiable minorities” (Shields 2003: 4).

To quote Galabuzi and Teelucksingh, “All things being equal, in a market economy, the value of labour should derive from its marginal productivity and equally productive persons should both be compensated equally and have equal opportunities for mobility” (2005: 6). Unfortunately, such is not the case in Canada, even though we do claim to adhere to market principles. The barriers that exist include racism and discrimination, inadequate accreditation and foreign credential recognition processes and a lack of information, all of which increase social exclusion and negate the potential of positive returns on human capital. This study will analyze where the financial sector fits in, supporting both social exclusion and racism, or in furthering a focus on the benefits of immigrant human capital in Canada. Are the race and the ethnicity of an immigrant cause for employers to perceive their levels of human capital as lower than those of Canadian born? (Galabuzi 2001: 60)

The remainder of this paper will use the theoretical constructs of human capital, social inclusion/exclusion and racialization to look at the opportunities for employers within the financial sector in Canada. Keeping these three theoretical concepts in mind will shed light on what the financial sector is already doing well, and where the opportunities for improvement can be found in creating an environment conducive to successful labour market integration of newcomers to Canada.

### **Section Three**

#### **Why Focus on the Financial Sector?**

##### **The market economy and a shift to the private sector**

The nonprofit sector once played a critical role in immigrant settlement, adjustment and integration, but the fore mentioned shift away from a social safety net and therefore away from provisions for the nonprofit sector has created a voids in some areas. For example, employment training and job placement services have faced significant cuts over the years (Shields 2003; Richmond and Shields 2004). It is the private sector that has the means of filling these voids. Less support for the non-profit sector due to neoliberal policies, combined with a downloading of responsibility from the federal to the provincial to the local level government, means that if the private sector wants to see individuals successfully integrate, they will have to play a larger role in providing support. In Ontario, offloading has been an important part of the provincial government's restructuring program. Even though the Liberal Governments of the last number of years have reversed some of the excesses of the Harris Conservative years, significant imbalances in fiscal capacity versus responsibilities persist. Municipalities have been expected to take on more of the responsibilities, but they have less financial resources to work with. "Neoliberal restructuring of nonprofit services has caused a crisis in the sector, as providers have been forced to do more with less" (Shields 2003: 19). Yet whether assistance in labour market integration is provided through the nonprofit sector, through government funding, or through the private sector, access to the labour market is the key to integrating within Canada. If the financial sector wants to see immigrants



succeed in this area, they must be willing to meaningfully assist with their labour market integration.

### **The financial sector: a key stakeholder**

Over the past decade the financial sector in Canada has placed a great emphasis on obtaining the business of ethnic minorities. This can be seen in advertisements which target different ethnic groups, such as the RBC financial commercial which starts off with a little girl asking “Mommy, when will we have a backyard like this?” and features a family who has just immigrated to Canada and focuses on how RBC can help them address issues specific to being a newcomer and buying a new home. Within Toronto, the financial capital of Canada, an increase in the number of bank branches within ethnic-niche neighbourhoods also serves as evidence that the business of immigrants to Canada is actively sought-after. The Bank of Montreal saw Chinese Canadian business increase by 400% when the institution was mandated to strengthen their relationship with this ethnic market (BMO 2005b). The same holds true at the TD Bank: “TD is committed to meeting the needs of our diverse customer base. Our network of multilanguage ABMs, convenient branch locations in the heart of many ethnic communities, and sponsorship of events that matter to our customers are just a few of the ways we show our desire to be a meaningful part of the communities where we live and work” (TDc). Some of the major banks have even gone to the extent of seeking to obtain the business of newcomers before they immigrate to Canada by setting up foreign branches in immigrant sending countries. For example, the Bank of Montreal has a branch in China and a branch in Hong Kong which enables immigrants to open an account and build their credit history within Canada

prior to even setting foot in the country (BMOc). These examples show the importance the financial sector places on securing the business of newcomers to Canada, but these examples also lead to the potential benefits the financial sector could reap through ensuring successful labour market integration of the same immigrant groups. As quoted in the 2005 Bank of Montreal 'Diversity and Workplace Equity' study entitled 'The Task Force on the Advancement of Visible Minorities': "If our employee population mirrors the diversity of our markets and our customers, the organization has a better chance of succeeding financially" (5). Whether the financial sector realizes it or not, it is a key stakeholder in the successful labour market integration of newcomers to Canada.

### **A large employer with hiring challenges**

Immigrants represent approximately 30 percent of all new labour market entrants in Canada and 20 percent of the labour force as a whole. "The financial services industry clearly reflects this diversity, with immigrants accounting for 23 percent of its workforce nationally" (TFSA 2007: 8). Among the largest industries in Canada, the financial sector faces the risk of significant labour market shortages in the near future, a risk which is even more acute in Canada's current service-oriented environment. Due to the prevalence of positions requiring a high skill and/or educational attainment, or a very specific skill set, it is not uncommon for hiring managers to take 6-8 weeks to fill a vacant position within one of the major banks. As the industry is growing and offering more diverse products and an increased number of services, an increasing number of positions are being created. The length of time it takes to recruit, interview, hire and fill a position will only increase as labour shortages become manifest. With each additional day a position is

vacant, there is an increased loss of productivity with significant long run financial costs. “The demand/supply gap will make it more difficult for financial services organizations to successfully execute their business strategies. Moreover, as the imbalance grows, the cost of talent will climb” (TFSA 2007: 22). Furthermore, when a position remains vacant for an extended period of time the burden of the excess work falls to existing employees. Taking on this extra work may induce frustration and decrease employee engagement levels; a worst case scenario would be that the existing employee may leave the institution, opening yet another vacancy.

If the untapped potential of immigrants in Canada were realized however, it “would amount to an increased \$13 billion in average incomes, bringing 400,000 more workers to the labour market” (RBC 2005: 6). These are gains that the financial sector would definitely benefit from. Ultimately, part of an institution’s financial success and position in the marketplace is contingent on their ability to efficiently recruit, train and retain good employees. Acting within a highly competitive industry, institutions within the financial sector must realize the strategic advantage of more successful labour market integration of newcomers to Canada (Harper 2008: 53-54), especially since as mentioned above, this population makes up 23 percent of its workforce (TFSA 2007: 8).

### **Potential for leadership and gain**

The benefit to the financial sector for establishing itself as a large stakeholder in immigrant labour market integration is that there is an opportunity for this sector to be seen publicly as taking on a socially responsible leadership role and in the process for it

to reap great rewards. Within Canada's large financial institutions there is the capital, the competence and the scope in many instances, to go beyond the accomplishments nonprofit organizations have achieved. The financial sector can also partner with nonprofits to achieve improved results. Through breaking down barriers that are currently in the way of career achievement in the areas of recruiting, hiring and helping new immigrants to excel within their sector, the financial sector stands to gain a much larger database to recruit from as well as loyal customers and employees. As stated in RBC 2005 report 'The Diversity Advantage': "Canada arguably ranks as the most culturally diverse population among major industrialized nations. This means that Canada also has the greatest incentive to realize the benefits of cultural diversity. We also have the greatest potential for rewards from our success" (16). On the other hand, the financial sector has a lot to lose in terms of productivity, innovation, recognition and financial gains by not playing their part in creating an environment conducive to the successful labour market integration of newcomers in an era of increased global competitiveness and an aging labour market.

## **Section Four**

### **Diversity Achievements in the Financial Services Sector**

#### **Recognition of the business case for diversity**

One of the most significant achievements of the financial sector is that an important percentage of large employers have realized how critical the issue of immigrant labour market integration is to their business. As stated in the 2005 RBC financial report ‘The Diversity Advantage’, in order to have the most productive workforce, it must be ensured that barriers to full and effective labour market integration are eliminated and that opportunities for participation are increased (3). The fact that diversity is recognized as an asset within many financial institutions is half the battle already won. The four major banks are familiar with the idea that “personal relationships and an understanding of business culture are critical to establishing trust with new customers and partners” (Oliver 3). They have realized that in order to secure the business of ethnic minority groups, not only will they have to reach out to those communities in terms of customized business offerings and strategic branch locations; they will also need to employ people who represent these groups. As stated by the Bank of Montreal ‘Diversity and Workplace Equity’ study, “if our employee population mirrors the diversity of our markets and our customers, the organization has a better chance of succeeding financially” (5).

#### **How diversity fits in the financial sector**

‘Diversity’ has been a buzzword with Canada’s financial sector for more than two decades. Use of the term has become increasingly widespread since the first employment equity act was mandated by the Canadian government in 1986. While recent research has

shown that diverse communities have a beneficial impact on municipal economics (RBC 2005: 9), researchers are now realizing that the same holds true on a smaller scale.

Diverse representation within institutions is also economically beneficial.

“In its most fundamental state, the broad case for leveraging diversity argues that the most successful economies are ones that are defined by high and rapidly growing living standards and will be those that optimally employ as many people in their populations as possible. They do so subject only to societal choices guided by economic incentives that influence behaviour, which is as unencumbered by artificial barriers as possible. This means maximizing potential labour force participation rates, employment rates and productivity per worker by employing people at what they do best and at the highest income per worker possible within this context”(RBC 2005: 6).

The Royal Bank of Canada (RBC) states that their economic strategy is a ‘productivity agenda’. Hiring and retaining employees with high skill levels, promoting innovation and encouraging upgrading of skills and procedures. It is diversity strategies which lead to new perspectives and greater innovation. The main arguments of the business case for diversity in the financial sector are multifaceted. As mentioned in section three, the financial sector stands to lose a lot from not undertaking diversity and inclusion as a mandate. Product sales, product variety and customer service are all dependant on the employee population representing the needs of a diverse customer base, from knowing what structure of service one ethnic group may prefer, to being able to communicate with the customer in their first language. Increased productivity is also a benefit of having a diverse employee population because people from diverse backgrounds and experiences are more likely to challenge and question current business practices, which often generates a new, more efficient process (Harper 2008). In today’s global world, having diverse perspectives means that mistakes such as advertisements which could be offensive from the point of view of a different culture or background happen less

frequently. Better advertisements and products that attract customers from beyond the ‘mainstream’ prototype can be developed. Talent management is another area where the business case for diversity becomes obvious. Simply put, not only is hiring easier when recruiting from a broader base, but according to recent market research, retention also increases both in the diverse and the non-diverse population when an institution takes on diversity and inclusion as part of its corporate culture (Sullivan 2008).

In sum, diversity fits in the financial sector because enhanced innovation and decision making arise from having the variety of perspectives, breadth of ideas, and number of alternatives to problem solving which arise from hiring employees who represent diverse groups, such as immigrants to Canada (Oliver 2005: 3). In addition to diversity in the workforce fostering innovation and creativity, hiring an employee base which reflects the marketplace benefits a company’s returns and has a positive impact on employee engagement. The BMO study on diversity and workplace equity reiterates that “companies that recruited from a broad pool of talent were likely to perform better financially” (2005a: 5). Rose Patten, senior executive of Human Resources at the Bank of Montreal summarizes this large success that the financial sector has already achieved: “We believe in diversity and workplace equity; it’s a core business value (...) and good business sense” (BMO 2005b).

## **What the financial sector has already achieved**

The financial sector already has procedures and mandates in place which can and which do assist newcomers to Canada in their efforts to successfully integrate into the labour market. These actions and measures revolve around financial support, mentoring and networking opportunities. Some of these actions positively influence the ability of newcomers to advance to a position which is in line with their skill and education level, and others relate to factors which affect the ability of immigrants to get their foot in the door within the Canadian labour market with meaningful employment.

The financial support that institutions such as the major charter banks in Canada are able to give to various initiatives like research, advertising and public awareness is immense. Due to the size of these organizations, the scope of the projects they can undertake and support is significant. For example, the Royal Bank of Canada (RBC) was the lead sponsor of the study “Career Advancement in Corporate Canada: A focus on Visible Minorities” which looked at leveraging diversity as a business imperative. By financially supporting various studies and organizations relating to diversity and to immigrant serving communities, the financial sector has taken the opportunity to both publicly promote their own business and to stand behind the values and causes these initiatives represent. As part of a three-year commitment to The Mentoring Partnership developed by the Toronto Region Immigrant Employment Council (TRIEC), TD has pledged \$540,000 to “aiding recent arrivals to Canada to overcome the obstacles to rebuilding their careers. TD employees have developed more than 300 mentoring relationships with program participants, and 34 employees have counselled more than one new Canadian



job-seeker” (TD<sub>b</sub>). BMO Capital Markets sponsors a program called *Equity Through Education*, a unique program that provides educational opportunities to visible minorities amongst other under-represented groups. The program “builds bridges into future talent pools of potential employees and leaders by creating opportunities through education.” (BMO<sub>d</sub>). Positions that could not even be fathomed within small and mid-sized organizations have been created in the large financial sector corporations. For example, one of TD’s major lines of business recently hired four Diversity Coaches, whose job focuses on one-on-one support during orientation training periods, as well as ongoing coaching, and the coordination and implementation of ‘accommodations’ (TD<sub>a</sub>).

The scope of institutions such as Canada’s charter banks also creates the need and the opportunity for unique initiatives which are relevant to creating an inclusive environment for newcomers. One example is events put on by the diversity council at BMO. In order to recognize the many holidays celebrated by a diverse employee population in an environment where bank holidays are standard, the diversity council will promote and host events and contests, with themes consistent with the holiday and/or the nationality that is celebrating. By encouraging all employees to participate, an awareness of the holidays of all cultures is created and welcomed. At TD Financial, various cultural-related dates are also celebrated. On Multiculturalism Day, employees wear traditional clothing, share food and music from different cultures and also take part in contests such as “Name that Flag” (TD<sub>a</sub>). At both the Bank of Montreal and TD Bank, a multicultural calendar is available on the intranet and promoted to employees. The scope of institutions with the financial sector also creates the possibility of conducting internal survey

methods such as *TD Pulse* and the *Diversity Inclusiveness Survey* at the TD Bank, and the *Annual Employ Survey* with its *Diversity Index* at BMO.

Programs that support networking and mentoring can also make a positive difference in the labour market integration of immigrants and are also sponsored within large financial institutions. For example, many financial institutions sponsor the Toastmasters program for employees who wish to join an internal club. Through attending weekly meetings which promise “to provide a mutually supportive and positive learning environment in which members have an opportunity to develop communication and leadership skills, which in turn foster self-confidence and personal growth”<sup>1</sup>, employees can attend and network across the organization. TD provides internships to members of designated groups, such as newcomers to Canada, through participation in programs such as *CareerBridge* (TDa). By promoting and encouraging internal networking and mentoring programs, institutions within the financial sector are already on track in creating an environment which is conducive to diversity and inclusion. As shown, the potential for positive influence in immigrant labour market integration through the financial sector is high, and in many ways is already being achieved.

---

<sup>1</sup> This is the motto of Toastmasters International. More information can be found at [www.toastmasters.org](http://www.toastmasters.org)

## **Section Five Opportunities for Improvement**

This section will identify where the financial sector is failing in terms of assisting in the successful labour market integration of newcomers to Canada. The following analysis will address areas in which the financial sector can improve and by bringing these areas to light, is meant to serve as a starting point for transformation.

### **Pseudo-diversity, the link to labour market integration and organizational changes**

This section will address three specific questions relating to the opportunities for the financial sector in immigrant labour market integration in Canada. The first question asks if the efforts made within the financial sector to encourage diversity and have diverse employee representation are based on ‘pseudo diversity’. Pseudo diversity is when the “criteria for understanding and relating to others are based on political correctness” (Oliver 2005: 5). For example, the awareness of diversity issues is intellectualized and discussed because that is the social expectation. The goal of this politically correct behaviour is to seek to minimise offense rather than to truly address the issues. **Second**, as stated in section four, one advantage is that the majority of financial institutions have realized the business case for diversity. The question to look at is whether they have made the direct connection between diverse employee populations and assisting newcomers in their transition into a successful career. Finally, a third question studies whether institutions within the financial sector need to make fundamental organizational changes in order to be leaders in the successful labour market integration of newcomers to Canada.

### **Pseudo-diversity: biases and beliefs**

While recognizing the huge achievement of the financial sector's embracing diversity, it must be asked if the claimed achievements are authentic or if they are 'lip service' arising from federal legislation instructing federally regulated industries such as banking to abide by the Employment Equity Act, and from the desire of financial organizations to secure the business of the largest percentage of the population as possible. As Oliver states in the study *Achieving results through diversity: A Strategy for success*: "This is not about quotas. It's about insisting that the hiring and promotion managers not overlook talented people because they are different" (2005: 5). Whether an immigrant to Canada is interviewing for their first job in the country or applying for a promotion within the financial sector, there exist biases which interfere with their success. Without challenging organizational biases, the full and best potential of individuals and organizations cannot be reached. As Schmitz claims, "business models and ingrained biases can be limiting factors for a company and its employees" (2008: 1). An important phenomenon demonstrated by Reitz is that as the Canadian labour market has come to revolve around a knowledge-based economy where education and knowledge-based skills are prioritized, Canadian employers have begun scrutinizing the skills of immigrants in contrast to those of Canadian-born, drawing a line of difference between the two, and to the detriment of newcomers (2001: 597). Unfortunately, the financial sector is not exempt from this phenomenon. The preconceived biases present in the financial sector revolve around both cultural and linguistic differences.

The difficulties encountered in labour market integration which relate to linguistic differences include a struggle to convince both current and prospective employers of one's abilities and qualifications (Dustmann and Fabbri 2003: 706). English language and its education are embedded within colonialism, nationalism and imperialism (Doecke and Kostogriz 2007: 2). Therefore, among English speakers, teachers and within institutions where the working language is English, the ideologies and expectations of these concepts are all-too-often perpetuated. Regardless of the first language of a newcomer, once English is spoken with what the listener considers to be 'an accent' a line of difference is often drawn between the listener and speaker. According to the listeners' bias, the speaker may either be discredited or even deemed incomprehensible because the personal bias of the listener affects the perception of the comprehensibility of a speaker who is not a native language speaker (MacDougall 2007: 19). Even if English is the immigrant's first language, culturally specific nuances relating to word emphasis, vocabulary choice and grammatical structure can be observed. As Doecke and Kostogriz's study titled *Encounters with 'Strangers'* asserts, those with perceived cultural and linguistic differences are constructed as inferior and therefore the one who is different is stigmatized (2007: 3).

While post-modern theory suggests a right to retain linguistic differences and stresses the importance of doing so (Doecke and Kostogriz 2007: 8) there is less room for these differences in the private sector. An example of how stigma towards language difference is evident in the business community is given in Raymond and Parks' 2004 study. While surveying Chinese student experiences in a Masters of Business Administration (MBA)

program, one student who is normally very successful in school recounts how her accomplishments as an MBA student were discounted due to grammatical, stylistic and mechanical differences in her work. (10). In an educational setting it is considered normal for a professor to critique a student's work in order to assist the student in achieving an expected level of accomplishment, but what this case study brings to light is that valid ideas and competencies were discredited because the speakers' maternal language was not English. Another relevant fact is that English as a second language training is offered through TD to "those employees who use sign language, as well as sign language training to hearing employees so that they could be more supportive of their deaf colleagues" (TDa). But the same training is not extended to other ELL employees, not even to French speaking employees despite the fact that Canada is a bilingual country. This example proves further evidence of the dominance of English as the only acceptable norm.

The opportunity for improvement for employers in immigrant labour market immigration is to ensure that diversity is a core belief of hiring managers that is passed on to all employees. It must be guaranteed that diversity is not discussed and implemented merely for the sake of being politically correct or for the sake of gaining the business of ethnic communities. Diversity must truly be ingrained as a core business and institutional value. In order for the financial sector to truly be a leader in the successful labour market integration of immigrants, biases relating to a rigid ideal for spoken English language must be overcome. "A successful firm will be one that is best able to secure top talent from all sources and employ them productively. Diversity is compatible with this goal" (RBC 2005: 9). But as stated by the Toronto Financial Services Alliance (TFSA 2007),

the challenge is not just to obtain a diverse employee population. “Do more than just acquire talent — invest energy, resources and commitment to develop and grow talent. Deploy talent into roles and projects that engage their skills and their passion. Connect them to communities of practice within the company” (30). The gap for the financial sector is that the focus on inclusion is not as strong as the desire to accomplish diverse representation.

### **The link to labour market integration: hiring and promoting newcomers**

In a study relating to recent immigrants and employment sponsored training conducted by Lochhead (2002), it was private sector managers who most commonly identified labour market shortages. Ironically, the same study found that employers list hiring new immigrants as “not important”. Despite experiencing and predicting skill shortages, employers do not readily consider immigration as a means to fill their occupational needs, even if they are in a region such as Toronto, Montreal or Vancouver where many immigrants tend to settle (CLBC 2004: 1). When hiring, companies will first choose retention strategies, then look to hiring new grads and aboriginal people. They will then resort to changing job descriptions and reallocating workloads, and finally to head-hunting among other organizations (The Public Policy Forum and Environics Research Group 2004). All this before looking to hire new immigrants.

Although the financial services sector has made more ground than many other sectors in assisting with immigrant labour market integration, there is room for improvement. According to the Toronto Financial Services Alliance, “financial services organizations

are still using ‘lack of Canadian experience’ as a barrier to entry. Organizations have to be prepared to take some risks in order for qualified immigrants to gain access at the right level and for the right roles. They need to do a better job of recognizing talent and experience and facilitating the cultural integration” (TFSA 2007: 28). When hiring, organizations are challenged by the same barriers immigrants face, namely, foreign credential recognition, language differences, a lack of Canadian experience and adaptation within the cultural norm. As Liu explains, “newcomer job seekers are often deemed a potential risk factor who may need further investment” (2006: 34). But the opportunity is for the financial sector to be a leader in the hiring and promoting of immigrants, not to avoid taking responsibility because there are challenges. Gordon Nixon, the CEO of RBC criticizes the business community for not being proactive and therefore losing out on the potential of immigrants who are often from visible minority groups. They “overlook immigrants in their human resource planning; they don’t hire immigrants at the level at which they were trained; and they have trouble integrating recent immigrants into the workforce” (TFSA 2007: 28).

Another barrier for immigrants in entering the Canadian financial sector is that the majority of jobs are not publicised. While this is a general phenomenon encountered by all labour market entrants, it is particularly harmful to newcomers to Canada who often possess even less social capital in the country. In his study titled ‘Access to Employment or Access to Employers: A Descriptive Study of Employers’ Attitudes and Practices in Hiring Newcomer Job Seekers,’ Eric Liu describes how “the majority of jobs are traded in the ‘hidden job market’. Research shows that an estimated 80 percent of job



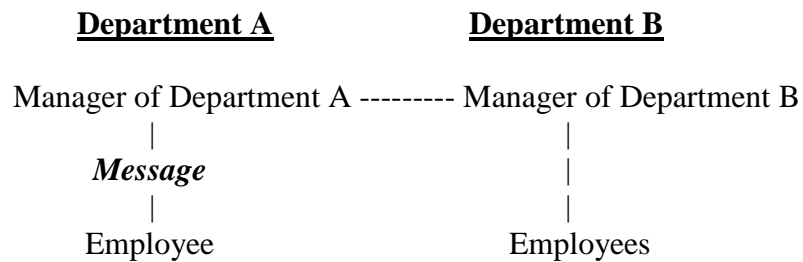
opportunities are never advertised” (2006: 36). The prevalent use of informal hiring strategies such as internal referrals and promoting internally means that newcomers are not able to attain higher ranking positions in their initial labour market integration attempt, even if these positions are most equivalent to their skill and education level. This causes the Catch-22 situation of applying for entry-level positions as a means to gaining access to the higher ranking positions, but being considered over-qualified and therefore not a suitable employee because the manager may fear that only a short time will be spent in this position. This indicates the weight of social identification as a huge factor in the unspoken rules of entering the labour market and achieving successful integration (Liu 2006: 34-35). The same unspoken rules are at play in attempting to climb the career ladder within financial institutions. As stated by Liu, a “narrowly defined social network continues to dominate the access to employment and newcomers’ life chances are lost” (2006: 39).

### **Fundamental organizational changes: history and communications**

In a study published by the Ivy Business Journal titled ‘Achieving Results through Diversity: A Strategy for Success’, Oliver paraphrases Richard Florida’s thoughts from *The Rise of the Creative Class* (2002) by saying that “smart, creative people want to live and work in places and organizations that are technologically advanced and provide the opportunity to learn from other skilled and educated people. Above all, these creative people seek tolerance. A feeling of acceptance is important to them- very important. They look for organizations – and countries—that are diverse and inclusive” (Oliver 2005: 4). We have discussed the benefits of a diverse and inclusive workforce. But in order for this

to be achieved, it will be crucial that the mould of tradition and conventional methods which financial institutions are known for are broken. RBC's report 'The Diversity Advantage' also refers to Richard Florida's work which contends that an environment that "celebrates the new over the traditional, is what helps attract the 'creative class' to cities, which in the process become the diverse and dynamic places people want to live" (2005: 20). The same holds true for institutions within the financial sector. Those which are willing to accept change and to innovate will draw employees who produce original and pioneering results, including immigrant groups.

Another fundamental organizational barrier that is faced in financial institutions concerns communication styles, whether it is intercultural, inter-industry or internal communication. First of all, it is assumed that when a newcomer is employed they will have knowledge of common practices surrounding communication with colleagues and managers. Furthermore, as the financial sector has a long history as being a rather 'rigid' industry, there is historical baggage and formalities that new employees are expected to understand. Yet these formalities are not written into any manual or policy, and while they are prevalent in all interactions, they are unspoken and hidden from view. For example, within the financial sector there is an expectation that any interdepartmental communication will pass through the department managers in a manner illustrated below:



The unspoken rule is that communication is not to be delivered directly, but that there is a hierarchy through which it should pass. While it may be argued that in a large, complex organization this is the most feasible communication structure, it must be noted that there are significant drawbacks such as a decrease in the speed at which information travels and a stifling of leadership development among more junior employees. This is just one example of how communication within the financial sector is not open, mainly because it is contingent on an archaic system of social hierarchy. This system makes a successful transition particularly difficult for newcomers to Canada who may not immediately grasp the nuances in communication and of the hierarchical order, which puts them at risk of not advancing in their careers due to non-conformance with the expected but unspoken customs. As Liu states, the social practices carried out in hiring and promoting aim at “maintaining the homogeneity at the organizational level. This reproduction process is tied in with organizational cultures to strengthen the power of dominant social groups” (2006: 37).

A further barrier in communications that is not unique to the financial sector is hesitation around speaking about the more in depth aspects of diversity. In the quest to be superficially politically correct on the part of the institutions, and in the effort to fit in on the part of newcomers, there is often a fear of mentioning culturally specific terms and customs. It is as if topics relating to certain aspects of cultural differences are taboo. The opportunity within the financial sector is to cultivate environments in which no element of workplace diversity is spoken about in hushed tones for fear of offending any group, but rather continually talked about and brought into the open as a core value. The flip

side to a subject being taboo is when it is spoken about in terms that render it meaningless. This happens when a subject that is directly related to the ‘people’ side of a business is nullified because it is not spoken about in relation to people, but in relation to hard cold facts. The vocabulary used is not meaningful or authentic, but rather is it calculated and overly ornate. While this is common within large organizations (known as ‘Corp-Speak’), it is a syndrome that is extremely prevalent in the financial sector. An example of this from the BMO website is revealing:

“BMO’s people strategies focus on the importance of talented, engaged and high performing employees. Developing an equitable and supportive workplace, which reflects the diversity of the communities in which we do business, are objectives that are explicitly aligned with strategic initiatives from the top and, subsequently, are carefully measured and connected to performance.

Recognizing the value of metrics, BMO’s commitment to diversity and workplace equity continues to be supported by a comprehensive system of goal setting, monitoring and evaluation processes. Through an extensive suite of management information reports, the President and CEO and senior executives monitor progress towards these benchmarks on a quarterly basis.

Through annual performance appraisals, executives are held accountable for meeting their diversity goals. To support executives in monitoring their progress, the Office of Diversity and Workplace Equity developed and implemented a system of posting quarterly results on the corporate intranet.

Another important way we measure progress is by surveying our employees through the Annual Employee Survey (AES). A tool to calculate employee attitudes and opinions, the AES measures opinions about workplace issues, including the enterprise’s commitment to a diverse workforce and an equitable, supportive workplace. Extensive demographic analysis is followed by focus groups and interviews.

The survey includes a Diversity Index, a compilation of questions enabling us to measure how well employees think we are doing. These efforts facilitate lines of business to prioritize diversity action plans and strategies. The Annual Employee Survey diversity results, which measure their qualitative progress, are also available online to all executives” (BMOe).

While the initiative mentioned in the preceding quote were excellent and will be used as 'best practice' examples when making recommendations, the business-centric language that is used can take away from the humanity and therefore the meaning of the effort. The opportunity here is to talk about people-related issues in people-centric terms.

Through embracing opportunities to go beyond pseudo-diversity and being politically correct, the financial sector could realize inclusion and become a model for assisting in successful immigrant labour market integration. By grasping and committing to the hiring and promotion of newcomers to Canada, labour shortages and retention struggles will dissolve. As Oliver explains, the effect of promoting ethnic minorities into managerial and executive positions is that employees see that the organization is open to differences (2005: 5). The ideal that the 'old boys' club' must be maintained is squashed, which has a very positive effect on employee engagement and motivates achievement. In order to achieve this, the opportunity for fundamental organizational changes must be realized and embraced, creating an environment for that goes beyond traditional customs towards authentic communication.

## **Section Six Best Practices and Recommendations**

### **How to achieve inclusion**

This section will provide recommendations on how to effectively achieve the opportunities for better immigrant labour market integration outlined in section five. It will summarize best practices and highlight possibilities for further achievement within the financial sector. First, a framework for integrating inclusion will be given. As Jeorg Schmitz, Vice-President of Innovation and Strategy at Training Management Corporation (TMC) outlines, the analysis of the following four factors within institutions can kick-off the journey towards authentic diversity and inclusion:

- (a) the dynamics of the marketplace,
- (b) the talent process,
- (c) the informal reinforcers of organizational culture (leadership culture), and
- (d) the formal reinforcers of organizational culture (systems, policies, practices, standards, etc.) (2008: 4)

### **Turning opportunities into strengths: Pseudo-diversity**

Rather than simply paying lip-service to diversity in the name of being politically correct and meeting quotas, there is an opportunity for genuine improvement in promoting diversity within the financial sector. There is evidence of policies in the sector which are making diversity come alive within its institutions. As part of a new hire orientation, all employees hired at TD are instructed on the internal employment equity program and are required to review the *Diversity and Employment Equity Policy* and *Respect in the Workplace Policy*. It is recognized that it may be difficult to digest all of this information

in the first week on the job, which is why TD's example of following up on this subject can serve as a 'best practice' model:

“On an ongoing basis, TD communicates to employees about the company's diversity commitments, policies and initiatives. We do so in an effort to reinforce our message about diversity and to ensure that employees have easy access to information, are knowledgeable about our diversity program and understand its importance to the success of our organization” (TDa).

Moreover, all TD Executives and HR practitioners received diversity training as an ongoing requirement. Sessions are also delivered to teach skills in hiring/recruitment and to provide “real life examples of diversity in the workplace” (TDa). The biggest recommendation for the entire financial sector would be for the same diversity training to be mandated to ALL people managers, not just some of them, and then further extended to the employee level.

In regards to linguistic and cultural biases, the recommendation is for companies to train their managers to understand differences of all kinds: culture, tradition, religion, language and behaviour. It is imperative that managers are assisted in recognizing their own cultural biases and prejudices, so that they may act in ways that their hiring and managing practices will not be negatively affected (Oliver 2005: 5). For example, some institutions provide managers of people with tips and resources to assist them in diversity recruitment. This should be mandatory in all institutions. The following are specific examples of how managers within the financial sector can overcome biases in hiring and work to remove language barriers in general in the workplace. They are taken directly from the [hireimmigrants.ca](http://hireimmigrants.ca) website:

- “Review interview questions and testing tools to ensure they do not create potential language barriers (i.e. ensure use of simple language and minimal slang).
- Be open to conducting interviews in foreign languages for highly skilled applicants in positions where communication skills are less important.
- Invest in external occupation-specific second language training for skilled immigrant employees who require skills enhancement.
- Help all employees, including skilled immigrants; develop presentation/communication skills by offering Toastmasters or other presentation skills courses within the company.
- Help develop skilled immigrants' communication/understanding skills by providing specific training on Canadian-English (e.g. slang, culture etc.).
- Invest in or develop a customized business English course that employees can take within the workplace.
- Consider hosting a social styles workshop as a way to help new employees understand how their communication styles might be perceived by colleagues” (Hireimmigrants.ca 2008)

The outcome to over-coming any aspect of ‘pseudo-diversity’ within the financial sector is that diversity becomes an ingrained business value, which means that the institution can nurture an inclusive environment.

### **Turning opportunities into strengths: Hiring and promoting**

Another opportunity for improvement within the financial sector is in making the link between immigrant labour market integration and in-house hiring and promotion. One of the best practices relating to hiring practices in the financial sector is exemplified by an HR Reporter who was recognized as a 2007 Immigrant Success Award Winner. Sischa Maharaj, senior manager of intake programs at CIBC, initiated a partnership with Skills International, “a web-enabled searchable database that matches pre-screened skilled immigrants and employers.” According to hireimmigrants.ca, CIBC is the first bank to link this technology to its recruitment management system. “Over 45 recruiters at CIBC



have been trained on using this resource, which has resulted in over 100 positions being posted and led to job offers to immigrant candidates” (hireimmigrants.ca 2008).

The same award was won in 2006 by Ken Pustai, senior vice-president of HR at TD Bank Financial Group. He established the Diversity Leadership Council, which views hiring immigrants as a business imperative and therefore has developed business plans which set annual and three-year goals, going beyond government employment equity requirements. A new position titled ‘Vice-president of Diversity Initiatives and Programs’ was also created at TD, which works to ensure that hiring is decided based on human capital considerations, and without over-looking any portion of the population. Furthermore, by supporting the Toronto Region Immigrant Employment Council (TRIEC), Ken made the business case for TD's involvement in Career Bridge and The Mentoring Partnership. Most importantly, he has been a public spokesperson for hiring immigrants and has collaborated with the Deputy Minister of Citizenship and Immigration, “who sought his suggestions for serving both immigrants and the Canadian business community” (hireimmigrants.ca 2008).

One of the very best examples is seen through the actions of Manulife Financial. The President and CEO, Dominic D'Alessandro, is also chair of the Toronto Region Immigrant Employment Council (TRIEC). Through his commitment to assisting in the successful integration of immigrants into the Canadian labour market, Dominic has made a difference by influencing both political and employer communities, and calling then to action.

“Manulife Financial believes that an organization and its leaders can motivate a community and increase awareness that skilled immigrants are not only potential consumers and employees, but they are also the means by which organizations

can develop international skills and perspectives. (...) For Manulife Financial, leadership effects change. Global success comes from developing international perspectives and honing international skills. By making a clear and public stand in favour of employing skilled immigrants, and by dedicating significant senior executive time and resources, Manulife's leaders anticipate other companies will also rise to the challenge of enriching their workforce and, by extension, the Canadian labour market” (hireimmigrants.ca 2008).

A multitude of ‘best practices’ can be drawn from Sischa, Ken and Dominic’s examples in relation to the hiring and promoting aspects of successful labour market integration for immigrants to Canada. One of them is the importance of tracking success. It is guaranteed that having a rigorous accountability framework for all targets and measures is on every senior manager’s agenda. Having targets and measures of accountability for the diversity agenda and diversity representation across the organization AND within top management must also be a constant priority on every manager’s agenda. Progress towards removing barriers for immigrant labour market integration must be evaluated, failures acknowledged, and rewards granted as with any other business imperative (Oliver 2005: 5). Not enough detailed or accurate statistics are currently being kept on how successful financial organizations are at hiring, promoting and retaining immigrants. As stated by the TFSA, “few companies track how well or how poorly they attract and retain new immigrants. Few have long term strategies relating to this imperative” (2007: 41). One way this can be done is through an online data collection tool, such as the one used by TD. “Our on-line tool e-Recruit invites external applicants to voluntarily self-identify as designated group members. This tool collects applicant data and serves as a reporting mechanism to assist in the tracking of designated group members where they choose to self-identify” (TDa). Developing a data-driven understanding of the benefits of

employing skilled immigrants is a key to successful immigrant labour market integration in the financial sector.

Another ‘best practice’ exemplified above is a focus on collaboration and on publicly promoting the importance of assisting in the successful labour market integration of immigrants. There is room and potential for the financial sector to collaborate with provincial and federal governments, and with immigrant serving agencies. Lochhead makes a suggestion for agencies to target employers who are likely to recruit foreign trained persons (FTP) with communications stressing the business sense in recruiting FTPs and how using credential assessment agencies would broaden the pool of qualified talent (2002: 7). On the contrary, it is employers who should take steps to make contact with immigrant serving agencies and use them as resources in their efforts to hire, promote and retain internationally educated persons.

There are literally hundreds of institutions and programs in Canada that can be contacted to help employers connect to and hire immigrants. These should become an integral part of the financial sectors recruitment and hiring strategies, because many of them realize that HR professionals are a gateway to accessing employers, and therefore have HR as well as manager and employer targeted programs. Other agencies such as ‘Skills for Change’ provide services to organizations interested in setting up their own mentoring programs. The best resource is an online site found at [www.hireimmigrants.ca](http://www.hireimmigrants.ca). Under the section titled ‘how you can tap an exceptional workforce for your company’ there are links to online hiring and to all other immigrant serving agencies in Canada, which can be sorted by region (See Appendix 1).

The site has already gathered many of the resources needed to help employers be a part of the successful labour market integration of immigrants. As self-proclaimed, it “identifies the challenges and explores the opportunities for you to enhance your business through the talents of skilled immigrants. It highlights what's working with employers already down this path and offers strategies to include skilled immigrants in your workforce” (hireimmigrants.ca 2008).

E-tips available from hireimmigrants.ca and registration can also be completed on the website. Some of the subjects of the e-tips covered include awareness and leadership; planning and sourcing; selecting; developing; and creating an inclusive climate (See Appendix 2). Another service offered through hireimmigrants.ca is the opportunity to register for free tele-seminars, webinars and live workshops on topics such as mentoring, recruiting and cultural competency.

Large financial institutions already have ‘best practices’ involving collaborating in order to better hire and promote immigrants: TD works with ‘diversity organizations’ to help expand their talent pool (TDa); BMO is partnering with community and government agencies to recruit employees from diverse communities (BMOe); and CIBC has declared public support for the Career Bridge program. These best practices can only be furthered through deeper commitments and by spreading them through the entire financial services sector. Promoting initiatives which assist in the successful labour market integration of immigrants is a key opportunity for the financial sector.

There are many best practice initiatives. For example, provincial credential assessment agencies exist, but publicity and promotion have not been done to the extent that employers are aware of them, nor have some employers made the efforts to seek them out (Lochhead 2002: 7), therefore they cannot sufficiently recognize the value and transferability of international skills and credentials. Another ‘best practice’ example is how CIBC made a public commitment to hire at least 15 Career Bridge interns in 2005, which sent a positive message for immigrant labour market integration not only to the other major banks and to the financial sector, but to the community at large. A section from [hireimmigrants.ca](http://hireimmigrants.ca) about the successes CIBC has had says that “the barriers to workplace integration of skilled immigrants can be removed if multiple stakeholders sit at the same table and work together” and the outcome is that the financial sector will overcome hurdles such as the ‘lack of Canadian experience’. The end result is that the financial institutions will see a decrease in labour shortages and an increase in their ability to retain employees.

### **Turning opportunities into strengths: Breaking tradition**

The most important step an organization can take in its journey to creating an inclusive environment for immigrant labour market integration is to offer training on how to coach incoming talent and how to manage change (TFSA 2007: 41). One aspect of this training would include how to make newly hired employees feel connected to the organization. This would involve “fostering ‘communities of practice’, where employees dealing with similar issues can network and learn from one another, (as well as) creating knowledge management and mentoring programs in which more experienced practitioners share their

knowledge with talent that is “up-and-coming” and/or new to Canada or Toronto” (TFSA 2007: 32). TD’s example can be followed as a ‘best practice’: “Leadership growth for visible minorities is another priority for us, and a company-wide symposium was recently held in which TD’s visible minority leaders networked, shared career experiences and explored ways of expanding leadership prospects” (TDa) This success could be furthered through industry and community wide symposiums. Examining performance leaders and sharing best practices with other areas of the organization is also an excellent process which is used by BMO. But in both of the above case, the fact that the sharing stops at the organizational level is an opportunity for improvement. Individual institutions within the financial sector will not go as far as they could, nor will they make as great of gains for labour market integration if they do not move beyond the mindset of being in competition with one another, and therefore not sharing best practices overall. Sharing beyond the organization would be another form of collaboration, only this time it is intra-industry, with a focus on sharing best practices instead of each institution trying to maintain its competitive edge.

Another aspect of breaking traditions within the financial sector focuses on communication styles. Organizations in general must seek to develop cultural competence around communications. Instead of managers leaving the onus on the immigrant applicant to share all their experience, employers should “seek out hidden skills of immigrant employees that may not have been originally identified on their resume because of fear of rejection/evidence of over qualification. Find ways to incorporate and recognize these skills appropriately” (hireimmigrants.ca 2008). An example is given by Ernst & Young, who have purchased a web-based tool called

GlobeSmart, which allows staff to access information on different cultures and behaviours, encouraging them to “better understand and interpret behaviour and bridge communication gaps” (hireimmigrants.ca 2008). It is through initiatives such as this that communication issues such as fear around being politically correct and inauthentic ‘corp-speak’ within the financial sector can be overcome.

As the 2007 TFSA study states, the challenge for the financial services industry remains to “build increased awareness among senior leaders and decision makers of the significance of the immigrant population as a source of skilled talent; create awareness among leaders of the value of skilled immigrants for access to international markets, and local niche/ethno-specific markets; and recognize that skilled immigrants bring access to new ideas and perspectives to support innovation” (hireimmigrants.ca 2008).

## **Section Seven**

### **Conclusion: Inclusion and Integration**

The financial sector had achieved significant accomplishments in terms of diversity awareness and representation. Leaders within financial institutions have recognized the business case for diversity. They have given financial support to projects that assist in the labour market integration of immigrants. Financial institutions also provide networking and mentoring opportunities to newcomers to Canada. The gap for the financial sector is that in accomplishing diverse representation, the need to focus on the successful integration and inclusion of immigrants has been overlooked. Ingrained biases and beliefs persist around the value of foreign acquired human capital and an expected ‘norm’ of the English language. Hiring and promoting newcomers to Canada has not been prioritized, despite the lip-service that is paid to diversity representation. The archaic communication patterns and ‘rigid’ history of the financial sector are not maturing at the same pace as the global economy. On the bright side, best practices within the sector have been noted. Through sharing and capitalizing on the ideas and actions that some institutions within the financial sector are exemplifying, the financial sector as a whole will reach their potential in assisting in meaningful immigrant labour market integration and be seen as a leader in social responsibility. Six actions are offered by [hireimmigrants.ca](http://hireimmigrants.ca) as the keys to achieving inclusion and integration in the workplace:

“Build awareness among hiring decision makers and diversity managers of the key differences between ‘visible minorities’ and ‘skilled immigrants’ to ensure programs for visible minorities are also inclusive of skilled immigrants. Create opportunities for the CEO and/or other senior management to communicate the value of diversity, with specific mention of skilled immigrants; to specifically mandate that qualified skilled immigrants be hired into the company; and to sponsor internal or external initiatives related to hiring, mentoring, promoting and retaining skilled immigrants. Identify a diversity champion within the most senior



levels of the organization; and ensure access to management, executive and board level opportunities for skilled immigrants” (hireimmigrants.ca 2008).

The Institute for Inclusion’s draft guide on implementing inclusion sums up six core values of inclusion as commitment, passion, courage, authenticity, interdependence and integrity (2008). Within the financial sector, these values will be manifest in overcoming the reliance on corp-speak and genuinely addressing authentic communication around diversity issues, and in embracing the challenge of evolving from competition-driven to collaboration-oriented institutions. When personal and organizational responsibility are taken to ensure an inclusive culture where all participants are equally respected, valued and engaged, then the successful labour market integration of newcomers will be achieved. In the words of Jeorg Schmitz, “Diversity is a given, inclusion is optional” (2008: 4). Large organizations within the financial services sector are moving towards choosing the option of inclusion. The most successful of the institutions will be the ones who follow the outline given above, and who continue to go beyond diversity by authentically promoting and abiding by the values of inclusion.

## Appendix 1: 'HOW' Screenshot from hireimmigrants.ca

<http://www.hireimmigrants.ca/how/1/> :



- [HIRE ONLINE](#)
- [ASK AN AGENCY](#)
- [HIRE AN INTERN](#)

**“Find job-ready immigrants through non-profit employment service agencies, organizations and/or programs.”**

You can access the talent pool by selecting one of the following sections:  
[Hire online](#), [Ask an agency](#) or [Hire an intern](#)

**Appendix 2: Format of ‘e-tips’ emails from hireimmigrants.ca**  
<http://www.hireimmigrants.ca/resources/?resource=etip>



**Hiring IT professionals is becoming more and more challenging. Has your organization considered hiring skilled immigrants? By implementing bias-free recruitment practices and policies your organization can more effectively attract, hire and integrate skilled immigrants.**

**Attend the How-To Workshop on Recruiting and Selecting to learn how to effectively source, screen, conduct cross-cultural interviews and test for competencies of skilled immigrants.**

**Attend the How-To Workshop on Cultural Competence to understand how cultural differences can influence communication and how to build cross-cultural competence into your organization.**

**[To learn more and/or register click here.](#)**

hireimmigrants.ca e-tips are relaunching on a bi-weekly basis. If you no longer wish to receive these e-mails, please click unsubscribe below. To view this e-tip as a webpage [click here.](#)

This email was sent by hireimmigrants.ca, a TRIEC program

TRIEC

170 Bloor Street West, Suite 901 Toronto, Ontario M5S 1T9 Canada 416-944-1946

This email was sent to: xxxxxxxxxxxxxxxxxxxxxx

Funding provided by



We respect your right to privacy - [view our policy](#)

[Manage Subscriptions](#) | [Update Profile](#) | [One-Click Unsubscribe](#)



## Bibliography

Alboim, Naomi, Ross Finnie and Ronald Meng. 2005. 'The Discounting of Immigrants' February, 2005. Skills in Canada: Evidence and Policy Recommendations' IRPP, *Choices* 11(2),

Arat-Koc, Sedef. 1999. "Neo-Liberalism, State Restructuring and Immigration: Changes in Canadian Policies in the 1990s" (pp. 31-56), *Journal of Canadian Studies*, 34:2, Summer 1999

Bachmann, Kimberly. 2003. "The impact of Employment Equity on Corporate Success in Canada" prepared for HRSDC.  
[http://www.sdc.gc.ca/asp/gateway.asp?hr=/en/lp/lo/lsw/we/special\\_projects/RacismFreeInitiative/ConferenceBoard.shtml&hs=wzp](http://www.sdc.gc.ca/asp/gateway.asp?hr=/en/lp/lo/lsw/we/special_projects/RacismFreeInitiative/ConferenceBoard.shtml&hs=wzp) Last accessed: 2007-10-23

BMO Financial Group, Human Resources. 2005a. Diversity and Workplace Equity: The Task Force on the Advancement of Visible Minorities.  
<http://hrcentral.bmofc.net/english/can/bmo/3eq.htm> Last accessed: 2006-10-26

BMO Financial Group, Human Resources. 2005b. "Why Diversity is Good for Everyone." Interview with Rose Patten and Frank Techar, March 2005.

BMO Financial Group, c. "Corporate Responsibility: Commitment to Diversity"  
[http://www2.bmo.com/content/0,1089,divId-7\\_langId-1\\_navCode-4907,00.html](http://www2.bmo.com/content/0,1089,divId-7_langId-1_navCode-4907,00.html) Last accessed 2008-06-30

Career Bridge. Internships for Internationally Qualified Professionals.  
[www.careerbridge.ca](http://www.careerbridge.ca) Last accessed 2008-07-26

Castles, Stephen and Mark J, Miller. 2003. The Age of Migration: International Population Movements in the Modern World, 3<sup>rd</sup> edition. (New York: The Guilford Press).

"Catalyst and The Diversity Institute in Management and Technology. (2007). "Career Advancement in Corporate Canada: A focus on Visible Minorities."

CLBC The Canadian Labour and Business Centre. 2004. "CLBC Handbook- Immigration and Skill Shortages". November 233, pp.1-36. Last accessed 2008-06-15  
[http://www.clbc.ca/Research\\_and\\_Reports/Archive](http://www.clbc.ca/Research_and_Reports/Archive))

Doecke, Brenton and Alex Kostogriz. 2007. Encounters with 'Strangers': Towards a Dialogical Ethics in English Language Education. *Critical Inquiry in Language Studies*, 4(1), 1-24.

Dustmann, Christian and Francesca Fabbri. 2003. Language Proficiency and Labour Market Performance of Immigrants in the UK. *The Economic Journal*, 113 (July), 695–717.

"Employment Equity, Affirmative Action and Managing Diversity: Assessing the Differences" in *International Journal of manpower*. 17 (4-5)

Florida, Richard. 2002. *The Rise of the Creative Class: And How It's Transforming Work, Leisure, Community and Everyday Life*. Basic Books.

Galabuzi, Grace-Edward. 2001. *Canada's Creeping Economic Apartheid: The Economic Segregation and Social Marginalisation of Racialised Groups* (Toronto: Canadian Centre for Social Justice Foundation for Research and Education, May).

Galabuzi, Grace-Edward and Cheryl Teelucksingh. 2005. 'Working Precariously: The Impact of race and immigrant status on employment opportunities and outcome in Canada.' The Canadian Race Relations Foundation.  
<http://www.socialjustice.org/pdfs/WorkingPrecariously.pdf> Last accessed: 2006-10-25

Harper, Garrett. 2008. "Creative Class and Knowledge Economy Strategies with an Immigrant Workforce," *Applied Research in Economic Developments*, Vol. 5, No. 1, May, pp. 53-68.

Hireimmigrants.ca, aTRIEC program. <http://www.hireimmigrants.ca/> Last accessed 2008-08-15

Institute for Inclusion. 'Implementing Inclusion: A guide in draft form.'  
<http://www.instituteforinclusion.org/institute-for-inclusion-mission/guide-to-inclusion.html> Last accessed 2008-07-31

Keung, Nicholas. 2000. "Newcomers First Jobs are Crucial: Study," *The Toronto Star*, March 25.

Li, Peter S. 2003. *Destination Canada: Immigration Debates and Issues*. Don Mills: Oxford UP.

Liu, Eric Nan. 2006. [Access to Employment or Access to Employers: A Descriptive Study of Employers' Attitudes and Practices in Hiring Newcomer Job Seekers](#). Ryerson University, Toronto.

Lochhead, Clarence. 2002. "Employment Sponsored Training Among Recent Immigrants." *Canadian Labour and Business Centre*. September 30, pp. 1-15. Last accessed: April 7, 2008  
[http://www.clbc.ca/files/Reports/Fitting\\_In/Training\\_among\\_Recent\\_Immigrants\\_-\\_WES.pdf](http://www.clbc.ca/files/Reports/Fitting_In/Training_among_Recent_Immigrants_-_WES.pdf)

MacDougall, Allana. 2007. *Hearing Audible Minorities: Accent, Discrimination, and the Integration of Immigrants into the Canadian Labour Market* (Masters Thesis, University of Ryerson, 1991).

McHugh, Margie, Julia Gelatt and Michael Fix. 2007. Adult English Language Instruction in the United States: Determining Need and Investing Wisely. *Migration Policy Institute*, July 2007. Last Accessed 2008-01-10  
[http://www.migrationpolicy.org/pubs/NCIIP\\_English\\_Instruction073107.pdf](http://www.migrationpolicy.org/pubs/NCIIP_English_Instruction073107.pdf).

Oliver, The Honourable Donald H. 2005. Achieving results through diversity: A Strategy for success. *Ivey Business Journal, Online*.  
[www.triec.ca/newsite/docs/Resources/Issues\\_Indicators/2005Mar\\_Ivey\\_ResultsThroughDiversity.pdf](http://www.triec.ca/newsite/docs/Resources/Issues_Indicators/2005Mar_Ivey_ResultsThroughDiversity.pdf) Last Accessed 2008-09-11

Omi, Michael and Howard Winant. 1986 *Racial Formation in the United States: From the 1960s to the 1980s*. (New York: Routledge & Kegan Paul Inc).

Pendakur, Ravi. 2000. *Immigrants and the Labour Force: Policy, Regulation, and Impact* (Montreal and Kingston: McGill-Queen's University Press).

Pendakur, Krishna and Ravi Pendakur. 2000. "Ethnicity and Earnings," in Ravi Pendakur ed., *Immigrants and the Labour Force: Policy, Regulation, and Impact* (Montreal and Kingston: McGill-Queen's University Press).

Raymond, Patricia and Susan Parks. 2004. Chinese Students' Enculturation Into an MBA Program: Issues of Empowerment. *Critical Inquiry in Language Studies*, 1(4), 187-202

RBC Financial Group. 2005. The Diversity Advantage: A Case for Canada's 21<sup>st</sup> Century Economy. <http://www.rbc.com/newsroom/pdf/20051020diversity.pdf>  
Last accessed: 2008-04-15

RBC Financial Group: Corporate Responsibility. 2008. "Diversity and Inclusion." Last accessed April 8, 2008.

<http://www.rbc.com/responsibility/workplace/diversity.html#minorities>

Reitz, Jeffery G. 2001. "Immigrant Skill Utilization in the Canadian Labour Market: Implications of Human Capital Research," *Journal of International Migration and Integration*, Vol. 2, No. 3, Summer, 347-378.

Richmond, Edward and John Shields. 2004. "Third Sector Restructuring and The New Contracting Regime: The Case of Immigrant Serving Agencies in Ontario". CERIS. Policy Matters. No. 3. February ([http://www.ceris.metropolis.net/frameset\\_e.html](http://www.ceris.metropolis.net/frameset_e.html))

Schmitz, Joerg. 2008. What Diversity and Inclusion Is Really About.  
[http://www.tmc corp.com/channel.aspx?page\\_id=P0107](http://www.tmc corp.com/channel.aspx?page_id=P0107) Last accessed 2008-07-17

Simmons, Alan B. 1999. 'Immigration Policy: Imagined Futures' in Shiva S. Halli and Leo Driedger, eds., *Immigrant Canada: Demographic, Economic, and Social Challenges*. Toronto: University of Toronto Press

Shields, Dr. John. 2003. No Safe Haven: Markets, Welfare, and Migrants. CERIS Working Paper Series. #22. 39 pp.

Shields, Dr. John; Khan Rahi and Antoine Scholtz. 2006. "Visible-Minortiy Employment Exclusion: The Experinece of Young Adults in Toronto." CERIS. Policy Matters. No. 28. September. [http://ceris.metropolis.net/PolicyMatter/PolicyMatters\\_contents.htm](http://ceris.metropolis.net/PolicyMatter/PolicyMatters_contents.htm)

Skills for Change: Diversity at Work. <http://www.skillsforchange.org/> Last accessed 2008-08-05

Sparks, Rosemary J. and William G. Wolfson. 2001. "Settlement in the Workplace: The Settlement Needs of Employed Newcomers: An Exploratory Study". Funded by Citizenship and Immigration Canada. Sponsored by COSTI Immigrant Services.

Stalker, Peter. 2000. Workers Without Frontiers: The Impact of Globalization on International Migration (Geneva: International Labour Organization).

Sullivan, Dr. John. 2008. "Diversity Recruiting- The Compelling Business Case." <http://www.multiculturaladvantage.com/recruit/metrics/Diversity-Recruiting-The-Compelling-Business-Case.asp> Last accessed: 2008-08-15

The Public Policy Forum, and Environics Research Group. 2004. "Survey of Canadian Employers and Human Resource Managers: Bringing Employers into the Immigration Debate". November 4, pp.1-54. Last accessed 2008-03-18  
[http://www.pforum.ca/ow/survey\\_public\\_policy-en.pdf](http://www.pforum.ca/ow/survey_public_policy-en.pdf)

TD Bank Financial Group, a. "Diversity in Our Workplace". Last accessed 2008-07-15  
<http://www.td.com/corporateresponsibility/diversity/workplace.jsp>

TD Bank Financial Group, b. "Diversity in the Community". Last accessed 2008-07-15  
<http://www.td.com/corporateresponsibility/diversity/community.jsp>

TD Bank Financial Group, c. "Customers". Last accessed 2008-07-15  
<http://www.td.com/corporateresponsibility/diversity/customer.jsp>

TFSA Toronto Financial Services Alliance. 2007. "Talent Matters: Shaping Talent Strategies in a Changing World: A Study of the Toronto Financial Services Industry Talent Market". March, Deloitte.

You Tube. RBC Commercial. Last accessed 2008-07-15  
<http://www.youtube.com/watch?v=HcAjzuv5WWU&feature=related>