

PRO-Fit Initiative: Integrating the Professional Services Talent Pool With Emerging Opportunities

An Economy in Transition

Within the context of the Burlington/Halton Region economy, we are now seeing the affects of the global downturn. The most obvious sign is the announced plant closures, forced restructurings and layoffs. Examples over the last year include: Burlington Technologies, ProPak, Dover Industries and Smurfit MBI. While the manufacturing sector has been the focus of much of the press and government attention, the value-added service sector is also being affected.

AIC Financial in Burlington has lay-off over fifty of its staff and Bell Canada and other service firms have been reducing their workforce at the managerial level. Given that the valued-added service sector now represents about twenty-five percent of the Burlington economy (higher in other GTA municipalities), it is crucial that these sectors are not forgotten as governments develop policies and programming related to stimulating the economy and assisting with recovery and economic transition.

While the overall poor performance of the North American and Global economy is the primary driver of the localized economic impact, there are other factors that are likely to affect the depth, length of the recession and the eventual recovery. Much is being written about paradigm shifts in way in which business will be conducted in the future. Old business models are proving to be ineffective, creating the need for companies to continually re-invent themselves and their methods. BEDC believes that three themes will drive creation of new business models locally and internationally.

- The need for greater collaboration within and between companies will become a critical success factor.
- Higher levels of innovation and creativity across all sectors, and including managerial excellence, will be required to develop competitive advantage.
- The need to integrate production and support services will increase to meet market expectations.

Any economic development efforts to assist and support companies over the next few years must address these themes to be successful and lay a sustainable foundation for new growth and prosperity.

BEDC Is Committed to Building An Economy for the New Century

Burlington Economic Development Corporation (BEDC) is a non-profit corporation that works in partnership with the City of Burlington to provide the local economic development mandate. Established in 1994, and supported jointly by the City of Burlington and private sector partners to carry out the business development and attraction activities for the community, BEDC's strategy focuses on providing economic prosperity to the community through ongoing support of the key sectors in the community – including financial services, business services, ICT and scientific/ technical services and manufacturing.

The on-going private sector support for BEDC is a leading example of a sustainable public/private partnership. BEDC has a Board of Directors of twenty composed of sixteen business representatives along with the Mayor, two Councillors and the City Managers representative. The business members come from the city's major companies and cross all business sectors. Under the Board's direction based on their collective years of experience in business, BEDC has been focused on providing economic development services to the business community that have a direct impact on their ability to operate effectively, innovate and grow.

Last year the Board formed three task forces to address issues and opportunities affecting the short and long-term competitiveness of the local economy. The task forces include: Economic Development Strategy, Education and Workforce Development and Employment Lands. The Economic Development Strategy group is developing a vision for what the Burlington economy will look like ten years from now along with specific and measurable goals and objectives and implementation initiatives. A copy of draft goals and objectives is attached as an appendix.

The Education and Workforce Development Task Force was formed in recognition that the retention, development and integration of highly skilled talent will be our single most important competitive advantage in the global economy for years to come. Their first, task was to work with the City, Halton Region and McMaster University to locate the DeGroot Centre for Advanced Management Studies in Burlington. This was accomplished in January 2009 and Centre will begin construction this year to be operational in the Fall of 2010. At that time McMaster's entire MBA and Executive MBA program will be housed in the new facility. In the interim BEDC will be working with DeGroot to forge stronger linkages between the school's programs and local businesses. It is expected that the Centre will become a key resource in region for the development of managerial excellence.

The Task Force is now in the process of identifying immediate projects related to workforce development and the creation of a longer-term workforce development strategy. Earlier this year the Task Force was able to convene a workshop of the majority of education and training providers to meet with the business community to discuss how we can systematically make better linkages between the regional supply (workers) and demand (jobs/work) for labour and plan for future needs. Our objective is

to establish a sustainable partnership between the education/training and business communities. Such a partnership holds the potential to be able to react and quickly serve the business community, or its sub-sectors, with respect to its need to re-invent itself.

BEDC is well positioned to lead and undertake initiatives to support the transition of the local economy, and the high-value service sector in particular. The on-going direct private sector involvement and leadership of BEDC demonstrates the business community commitment to actively engage in projects focused on the development and transformation of the business base. BEDC supplements its private sector support with the experience and business intelligence we have gained by working with the City, individual companies, economic sectors, business associations and other local and regional stakeholders.

Pilot Project Proposal

The Burlington Economic Development Corporation (BEDC) is proposing to lead a pilot project that seeks to turn the current displacement of highly qualified and experienced professionals from valued-added service sectors into a local competitive advantage. Thousands of Burlington residents are employed in professional service sectors of the economy which includes Financial Services, Business Services, Information Technology, and Scientific/Technical Services. These sectors are not immune to the current economic downturn and a number of professionals have lost their jobs in recent months. For example, in Burlington AIC Financial Group laid-off fifty of its staff at the end of 2008. This situation is becoming more common and is affecting communities across the Greater Toronto Area.

Displaced professionals need to make adjustments to their lives and careers as the economy goes through a fundamental transition. While at this time no-one can predict with certainty what the new economy will look like, there are some trends that will have a strong influence on its direction. Collaboration, within and between companies, will become more important as businesses seek to innovate and respond. The need for creativity as a competitive advantage will require an increasing fusion across sectors and work disciplines. The integration of production and support services will continue as companies need to respond to customer needs and demands. These trends imply an increasing demand for individuals that work in, support and direct increasing complex and international operations. Displaced professionals are a pool of talent available to meet these emerging demands through entrepreneurship and collaboration.

Creating An Economic Development Opportunity

Displaced professionals represent a tremendous economic resource in the community given the depth and range of experience they have developed throughout their careers. The challenge is to support and harness this talent pool in a coordinated manner so that

individuals can improve their collaborative and entrepreneurial skills, improve their use of technology based networking systems, identify joint business opportunities, form fluid consortium to respond to existing and new opportunities, and create linkages to the existing business community as a means of improving its innovation and growth capabilities. **The goal of the pilot project is to develop an action plan and infrastructure to capture and direct the economic potential of displaced professionals in the community.**

While the development of an action plan is a necessary and worthwhile outcome on its own, there will be a focus throughout on identifying and developing tangible projects or services that will directly support the ability of professionals and their client companies to adapt to the changing economy. The action plan process will be an important vehicle for bringing the stakeholders together, developing collaborative experiences and networks and indentifying specific projects to implement. Projects will be self identified by the stakeholders, address real issues and viable opportunities and develop local partnership for implementation. At this point it is difficult to identify what the projects may be, but based on work in other sectors the following is a few examples of collaborate projects that are underway.

- The Aerospace sector identified the need to undertake a project to collectively and systematically gather international intelligence on future aircraft development projects (Boing, Airbus,etc) that they could work together on to win a piece of the business.
- The Food Processing sector needed to reduce staff turnover as a prerequisite toward improving productivity and innovation. They have developed a management training initiative focused on managing a multi-cultural workforce and making themselves better employers.
- The Toronto Financial Services sector identified the need to better recruit highly skilled international talent. The industry and academic community have formed a partnership to export financial services training globally as a combined business development, marketing and recruitment initiative.

BEDC is already working with the Hamilton/Burlington Chapter of the Professional Engineers of Ontario (PEO) to address some of the needs of its members. We are in discussion with respect to linking unemployed members and younger members with advanced manufacturing opportunities with existing companies. One idea being discussed is a Fall job fair to match workers with employers that may also include interactive sessions on collaborative business techniques and the use of collaboration and networking software/services. The PEO is just one of the project stakeholders and the development of the action plan will allow us to better define the needs of the affected professionals and tailor the Fall programming to suit the audience and make it applicable to other sectors if possible.

Pilot Project Objectives

The objectives of the pilot project are to:

- Assess and document the value-added service economy and labour force in the community
- Analyze best practices underway in other jurisdictions
- Identify options for building a collaborative network
- Identify linkages to the existing business base and collaborative project opportunities
- Develop an action plan and infrastructure to organize and coordinate collaborative efforts
- Share the results of the project with other municipalities and levels of governments
- Partner with the Professional Engineers of Ontario on a project to integrate its members with local business opportunities.

Proposed Workplan

The following steps are put forward as a draft workplan for the project. Consulting services will be retained through a competitive process as needed.

1. Data collection and detailed analysis of the local value-added services sectors
2. Service Sector Professionals Discussion Groups to discuss issues and opportunities for collaboration
3. Service Sector Company Roundtables and Interviews (Financial Services, Business Services, Information Technology, Scientific/Technical Services) to discuss linkage opportunities
4. Internet research and phone interviews of best practices
5. Internet research and phone interviews of technology based collaboration and community of interest networks
6. Preparation of a draft report on issues and opportunities
7. Workshop to review draft report and identify strategic directions, actions and infrastructure requirements
8. Preparation of draft action plan and infrastructure proposal
9. Presentation of action plan to stakeholders and project participants
10. Finalize action plan
11. Presentation of finding to other municipalities and levels of government
12. Develop and deliver a joint project with the Professional Engineers of Ontario

Project Deliverables and Expected Results

Implementation of the workplan would produce:

Project Deliverables	Expected Results
An-in depth profile of the local value-added services sectors and labour force	<ul style="list-style-type: none"> • Improved understanding of the composition of the local economy and its challenges • Improved ability for govt. and stakeholders to plan, develop and implement policies and programs
A background paper of the findings from the discussion groups and roundtables	<ul style="list-style-type: none"> • Improved understanding of the issues and opportunities facing high value sector professionals • Identification and prioritization of possible collaboration projects • Improved capacity for local professionals to network together and with existing companies
A background paper on best practices and collaborative networking systems	<ul style="list-style-type: none"> • Improved understanding of emerging business models and economic trends • Identification of possible projects/initiatives from other jurisdictions and sectors and their results • Identification of strengths and weaknesses of collaborative networking systems • Identification of possible projects/ initiatives related to the use of collaborative networking systems
An action plan and assessment of infrastructure requirements	<ul style="list-style-type: none"> • Development of consensus on a strategy to guide the transformation of the local economy • Development of collaboration partnerships within and between professional service sectors • Improved collaboration with McMaster, Mohawk and the Centre for Skills Development and Training • Commitment by stakeholders toward the implementation of the action plan

<p>Specific collaboration projects within and across professional services sectors</p>	<ul style="list-style-type: none"> • Improved ability for professionals to form joint ventures • Identification of business development opportunities for professionals and small businesses • More successful business start-ups • Improved resource base for local companies to source innovation and management expertise
<p>Joint BEDC/PEO labour force integration project</p>	<ul style="list-style-type: none"> • Increased collaborative skills for professional engineers • Increased job/work opportunities • Meet the work force needs of local companies