

Realizing Mining's
True Potential with
EFFECTIVE HR



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Introduction

2 areas of HR investment for maximum returns:



Centralization of a strong Human Resources practice



Professionalization of people leadership

In today's current landscape, complex challenges related to recruiting and retaining talent requires leaders to prioritize and place strategic emphasis on HR, paying close attention to initiatives and innovative practices that engage talent.

While the reasons for these workforce complexities span from the geographic to the societal, the solutions can be broadly categorized into two areas: 1) embedding strong Human Resources practice at the core of your business and 2) investing in people development – **especially your leaders.**

At Teal & Co., we recognize that directing attention and maintaining focus on strategic Human Resources can not only improve these issues but make your organization stronger.

Clear Role Expectations and Competencies

Effective HR is about attracting, retaining, and engaging the right people for the right jobs.

Accomplishing this successfully involves a thorough understanding of the essential qualities and competencies that are necessary – especially when seeking new and future leaders.

This is even more important in industries like mining where employee retention is being made more challenging by factors like:



Increasingly Limited Talent Pools



Geographical Limitations



High Skill Requirements



Demanding Work Environments



Effective, efficient, and progressive recruitment results in greater efficiencies and increased productivity.

Professional Development

Sustained employment translates into a more favourable return on training investment, and fostering the development of your team will enhance their commitment to the organization. This is crucial for leaders who seek growth and are looking for the assurance of ongoing professional development, helping them to enhance their people management capability and furthering their career goals.

Almost 40% of mining employees plan to leave this year.¹ There's a clear correlation between employee plans to stay longer and having trust and confidence in the organization's senior leadership team and the organization offering the chance for employees to achieve their career goals and showing care and concern for them. All of these are areas where professionalization of employee/leader development and effective HR processes and procedures can help.

Career development is the second-most cited reason for switching jobs in mining.²



46%

of US job seekers across every industry said **lack of recognition and limited opportunities for growth** were their top reasons for burnout.³

Commitment to Growth, Learning & Training

Committing to the growth of your business and communicating goals clearly to your team delivers the benefits of attracting and developing the talent you need. The importance of continuous learning and training is especially important with increasing use of new and emerging technology.

Labour markets like mining have a challenge finding the people with the skills they need, resulting in a big talent crunch.⁴ The industry faces a particularly tight labour market, with the ratio of job seekers to job vacancies almost equal at 1.4 unemployed people per vacancy according to 2018 stats.⁵

This is notably lower than sectors like construction, which compete for similar skilled labour and have a ratio of 4.8 unemployed people per vacancy. **The time for mining companies to respond with strategic HR is now**, with a 2019 MIHR report predicting a net change in employment of only plus or minus ~26,000 people between 2020 and 2030.⁵

73%

of mining companies think skills gaps in the local labour market are the biggest barrier to adopting new technology.⁶



Mining & Quarrying
1.4 to 1



Construction
4.8 to 1

Successful retraining of local workers is critical for success.⁶

Proper Talent Processes and Procedures

Rooting a performance driven culture within your business requires reinforcing and strengthening the desired behaviours that reflect the optimal culture and developing ways of recognizing and rewarding those competencies. By providing a clear framework for successful performance you can ensure training, rewards and recognition are consistent and give employees a target to strive for.



Collaborating with HR to articulate competencies, define training objectives and establish clear career development targets is pivotal to inspiring performance and setting the expectation of excellence.⁷ Together, these efforts improve employee satisfaction and lower attrition. Employees feel valued and see the connection between excellence in performance and further growth opportunities.



Board member total compensation at mining companies varies widely at all percentiles.⁸



Fewer companies are granting dedicated meeting attendance fees, opting for set annual fees instead.⁸

Inclusivity and Belonging

Within a holistic and comprehensive talent management strategy, the significance of well-defined policies that promote inclusivity, prioritize diversity and uphold equity, cannot be underestimated.

Employees are 3x more likely to stay at, and recommend, diverse companies.

At all levels of mining, women are underrepresented.

One report⁹ found that only 18% of those employed in mining are women, and the Bedford Mining Compensation Report⁸ showed a drop in female representation on company boards (from 20.6% in 2020 to 19.2% in 2021). And it's not just about representation – diversity has been shown to increase performance, recruitment, and retention.

Racially diverse companies are 35% more likely to outperform less diverse counterparts.

35%

25%

Companies with strong female representation are 25% more likely to outperform.¹⁰

Making Health & Safety a Priority for Your People

Cultivating a robust safety culture will not only have a positive impact on attracting and retaining talent but will also improve productivity and enhance your reputation.

Given the mining industry is often seen as inherently riskier than other professions, fulfilling safety obligations and demonstrating a sincere commitment to safety is critical to success.

A strong HR foundation is key to creating this culture.¹¹

Establishing best practices and policies is undoubtedly a priority for every organization as it lies at the core of safeguarding employees and managing risks. The integration of these strategies into your business through regular training and documentation is essential, underscoring the importance of safety to your workforce.



Building a culture of safety protects your workforce and ability to attract and retain talent.



Centralization of a Strong Human Resources Practice

Achieving your organizational goals means building your teams and attracting the best from the talent pool – which requires committing to strong and effective HR.

For People Development

Effective HR practices can ensure the professionalization of people leadership, bring clarity to role requirements and people development within those competencies, and help you recognize good performance.

For Company Culture

HR can develop and communicate the policies and protocols that encompass safety awareness, improve performance, reduce accidents, and prioritize diversity, equity and inclusion – all of which collectively contribute to recruitment and retention objectives.

Must
Haves:



Talent
Strategy



Leadership
Development



Succession
Planning

However, making an impact requires implementation.

Centralizing sound HR practices means integrating them into your organizational culture. This will enable you to acknowledge and incentivize adherence to these practices, while also providing a framework for recruitment, promotion, development, engagement, and retention.

Ultimately: investment in a capable, diverse, and motivated workforce results in substantial benefits for every sector, particularly industries grappling with a limited talent pool. Prioritizing training and listening to your people will allow you to understand and resolve issues before they escalate.⁷

What's next for your business?

Reach out to the experts at Teal & Co. about how strategic HR can help – with employee development, centralizing strong HR, or getting to the heart of employee issues.

Further Reading

- 1 "40% of Mining Employees Plan to Leave Their Job This Year.", MPI Recruitment
- 2 "The Top Motivator for Switching Mining Jobs Has Pivoted Massively." MPI Recruitment
- 3 "2023 United States Job Market Trends Report.", Joblist
- 4 "Redefining the Role of HR in Mining Industry – A Way Forward." ETHRWorld
- 5 "Canadian Mining Labour Market - 10-Year Outlook." Mining Industry Human Resources Council (MiHR)
- 6 "The Future of Jobs Report 2020." World Economic Forum
- 7 "Has Mining Lost Its Luster? Why Talent Is Moving Elsewhere and How to Bring Them Back." McKinsey & Company
- 8 "The Mining Industry Compensation Report 2022." The Bedford Group Transearch
- 9 "Women and the Mine of the Future - A Gendered Analysis of Employment and Skills in the Large-Scale-Mining Sector: Australia."
- 10 "Diverse Firms Outperform, Research Shows." Markets Media
- 11 "The Role of HR in Safety and Compliance." HSI



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