

EXECUTIVE SUMMARY

Working on behalf of the Saskatchewan Beauty Industry Sector Partnership Steering Committee and with, Saskatchewan Post-Secondary Education and Skills Training, Trimension Group conducted research to identify the human resource and training needs of the beauty industry in Saskatchewan. The research completed formed the basis to devise strategies for human resource and training needs.

INTRODUCTION

The beauty industry is undergoing change with new occupations emerging such as estheticians, nail technicians, electrologists and make-up artists. As well, client expectations are changing as the baby boom generation ages and continues to prosper. This is changing the demands on those who work in the industry.

As a result of the changes taking place in the industry and in the absence of an industry association, Trimension Group, on behalf of a group of industry representatives submitted a proposal to Saskatchewan Post-Secondary Education and Skills Training for funding under the Sector Partnerships program. Funding provided the opportunity for industry and key stakeholders to develop a strategic human resource and training plan. This report represents the result of the study.

METHODOLOGY

Trimension Group carried out primary and secondary research as part of the study. Primary research results were validated through focus groups conducted with participants involved in the industry.

The following provides a brief description of the steps taken to complete the study and produce the final report:

Literature Review

A literature review was completed with the objective of providing the Steering Committee with background information necessary to establish a base for the human resource and training needs assessment. The information for the literature review was obtained from various sources including published and unpublished reports.

Education and Training Database

Research was conducted to develop and compile a database of education and training programs for the Saskatchewan beauty industry. The database outlines education and training programs that may be applicable to the beauty industry. The database includes programs offered across

Canada and identifies the institution, program name, a brief description, length of training program, method of delivery and contact information.

Industry Survey

Trimension Group developed the survey instrument in consultation with the Saskatchewan Beauty Industry Sector Partnership Steering Committee. The survey respondents were drawn from an industry database compiled for the project. Interviewers were instructed to speak to the owner or manager of each business surveyed. A total of 102 personal and telephone interviews were conducted in January, 2000. Interviews were completed in-house by Trimension Group and by NorSask Consumer Interviewing Services Ltd.

Industry Validation

In May, 2000 three focus groups were completed as part of the validation of the survey results. The focus groups were made up of a combination of employers and employees and were held in Saskatoon, Swift Current, and Regina.

SUMMARY OF FINDINGS

The Saskatchewan beauty industry is primarily comprised of service and retail shops. 57.9% of the businesses surveyed reported the size of their trading area to have a population of less than 10,000 people. 92% of the businesses surveyed employ fewer than ten persons, including owners and/or managers.

The major occupations in the industry are owner/managers, cosmetologist journeypersons and cosmetologist apprentices. Full time positions amongst respondents are expected to increase by 6.7% within the next five years. The largest projected increases are for cosmetologist journeypersons and estheticians.

The average age of employees in the industry is below the provincial labour force average age. 74.4% of full time employees in the industry are between the ages of 25 and 54 years.

Employers indicated the major difficulties encountered in recruiting new employees include:

- lack of work ethic;
- lack of experience;
- inability to offer new employees competitive wages.

Starting wage levels in the industry are often at, or near, minimum wage but do show a trend to increase once experience is gained and a clientele is developed.

Employers surveyed indicate employees often lack some of the skills required to be successful in the industry. The three main areas identified by employers where training needs to be improved are:

- coloring;
- cutting;
- customer relations/communications.

Industry considers formal entry level training as the most important form of training in the industry. Upgrading training is considered the second most important form of training. The main difficulties encountered in achieving training objectives are:

- cost of training and books;
- accessibility to training;
- lack of time.

Cosmetology and barber/styling are most often cited as the occupations within the industry that are changing. The ongoing changes in client preferences, styles, fashions, and products result in a continuous learning environment. 53% of those who responded think technology will have an impact on their business.

66.7% of the businesses surveyed expressed an interest in joining an industry association if one were formed.

KEY FINDINGS

Key findings provide an overview of the industry by summarizing the results of the survey of the beauty industry. The key findings provide information on areas that require further research and validation in focus groups.

Company Information

The largest percentage of companies surveyed (93.1%) operate a service and retail shop. The predominant services provided by the businesses surveyed are barber/stylists and cosmetologists followed by estheticians.

57.9% of the businesses surveyed reported the size of the trading area to have a population less than 10,000 people.

A majority of businesses surveyed (92%) employ fewer than 10 people. 67.1% of businesses employ three or fewer persons.

A majority of businesses surveyed (90.2%) indicated they were aware of the Journey person Certification programs for cosmetologists and barber/stylists offered in Saskatchewan.

Employment Projections

The largest projected increases in employee numbers (full time, part time, chair rental) are for cosmetologist journeypersons (54.8%) and estheticians (44%). These occupations are projected to increase by 62 positions over the next five years. Special permit holders and apprentice positions are projected to decrease. Full time occupations in the industry are projected to increase by 6.7% within the next five years while overall employment numbers are projected to remain static.

Employee Profile

In terms of age of employees, 34.6% of full time employees are between 25 and 34 years of age. 74.4% of full time employees in the industry are between the ages of 25 and 54 years compared to the provincial labour average of 52%. Only 4.5% of employees are aged 55 or older compared to 30% for the provincial average.

For part time employees 34.7% are 24 years of age or less compared to the provincial average of 19%.

Wages at the entry level range from less than \$10,000 to \$49,999 per year. Wages for experienced employees range from less than \$10,000 to \$59,999 per year. For most occupations in the industry experience provides an opportunity for increased wages.

A majority of businesses (80.4%) provide the normal required benefits of Employment Insurance and CPP benefits.

With respect to education levels 80.4% of permanent employees have a trade certificate or diploma compared to 72.3% for part time employees. Overall, 95.9% of permanent employees have a trade certificate or higher level of education.

Females account for 88% of the workforce in the sample.

Aboriginals make up 2.6% of the workforce in the industry compared to the provincial average of 4%. Visible minorities make up 1.6% of the workforce compared to the provincial average of 3%.

Recruitment and Retention

48% of businesses surveyed indicated a good work ethic is of major importance for those looking for employment in the industry. 28.4% of respondents rated the lack of work ethic as a major difficulty they face in recruiting new employees.

Word of mouth was identified as the most effective means for employers to recruit new employees.

Of those businesses who responded, 78.3% indicated employee turnover was not a problem. In the last year over 70% of employees who left the industry left voluntarily with personal reasons cited as the most common reason for leaving.

Skill Requirements and Training

Coloring, cutting, and customer relations/communication skills were the areas identified where training needs to be addressed.

For most occupations communication skills were highly rated as skills required and skills that employees often lack.

The primary training requirement identified for formal entry level training was basic training in perming, coloring, cutting and styling. Another area identified was dealing with the public/communication skills.

Training areas recommended for upgrading and updating courses include: product knowledge (new products); perms; colour; cutting; new techniques; new trends; and new styles.

Respondents reported the three main difficulties in achieving their training objectives are: cost of training and books; accessibility to training; and a lack of time.

A combination of external and internal training was selected by the majority of respondents as the preferred method for the delivery of training. Electrolysis technician training was the only occupation where respondents indicated 100% of formal entry level training should be provided externally.

On-the-job-training for new employees was the choice of 37.3% of those surveyed as to the type of training currently provided.

Formal entry level training was considered the most important type of training by the businesses surveyed.

Industry Trends

Massage therapists, estheticians, manicurists and pedicurists were identified as emerging occupations in the beauty industry. Cosmetologists and barber/stylists were most often cited as the occupations in the industry that are changing.

53% of those who responded (n=41) think technology will have an impact on their business within the next five years. 22% of those who responded thought computers would be required and their business would become more efficient because of computer technology.

50% of those who responded thought the skill needs of employees in the industry would remain the same over the next five years.

Awareness

89.2% of business surveyed do not belong to an industry association. 66.7% of those surveyed expressed an interest in participating in a Saskatchewan Beauty Industry Association if one were formed.

RECOMMENDATIONS

The Saskatchewan Beauty Industry Sector Partnership has developed the following recommendations:

- A Saskatchewan beauty industry association be formed to provide: a regulatory and licensing function; employer/employee benefits; a common forum to address challenges in the industry including health, safety, and training issues;
- Esthetics, electrolysis, nail technology and make-up artistry should be designated as a trade or sub-trade under The Apprenticeship and Trade Certification Act;
- Industry, SIAST, and other training providers should partner to develop a process to review training, training needs and expectations;
- Industry needs to work with Post-Secondary Education and Skills Training, SIAST, and other training providers to ensure minimum qualification levels for cosmetology and barber/stylist instructors are met;
- The beauty industry in Saskatchewan needs to actively promote the industry and market career opportunities within the sector;
- Industry needs to identify and work with Aboriginal organizations, including training providers to: develop and foster partnerships; enhance opportunities for Aboriginals to participate in the industry; and work toward a mutual goal of a representative workforce;
- The sector partnership should develop a communication strategy to present the results of the sector partnership study;
- Industry will continue to work together to address training and human resource issues.

NEXT STEPS

The following next steps are planned for the Beauty Industry Sector Partnership:

- The sector partnership will communicate the results of the sector partnership study. Copies of the executive summary will be distributed to businesses identified during the course of the study. Copies of the executive summary will be distributed at conventions and meetings throughout the year;
- The sector partnership will develop a strategy, and begin discussions, to form an association that represents the industry;
- The sector partnership will initiate discussions with the Apprenticeship and Trade Certification Commission to explore the feasibility of having the occupations of esthetician, electrologist, nail technician, make-up artist designated a trade or sub-trade. This will also include investigation and research into the applicability of trades that currently exist under the Apprenticeship and Trade Certification Act;
- The sector partnership will initiate a process to review training issues in the industry;
- The sector partnership will work with Saskatchewan Education to develop a process to promote beauty occupations as a career opportunity within the school system;
- The sector partnership will work to develop and foster partnerships with Aboriginal organizations, including training providers, to promote career opportunities in the industry;
- The sector partnership will continue to work together to sustain the Beauty Industry Sector Partnership.