

METHODOLOGY

Canada's Best Startup Employers 2024

November 2023

Methodology – Canada's Best Startup Employers 2024

Summary

Through continuous growth, Canada has been able to create a vibrant ecosystem, establish itself as a global hub for startups in recent years and as a result counter global macro-economic trends to a certain extent. In addition to favorable conditions due to government support programs, liveable metropolitan areas such as Toronto, Montreal or Vancouver are particularly attractive to employees, founders and investors alike. For the first time, the study “Canada's Best Startup Employers 2024” examines best performing startups as an employer through defined KPI's to guide potential candidates in finding innovative and stable startups to work for. Companies considered in the evaluation must be headquartered in Canada, founded between the years 2014 and 2021, employing more than 10 employees, and exhibit a startup structure. Spin-offs of large corporations without a significant amount of external funding are examples of companies not considered.

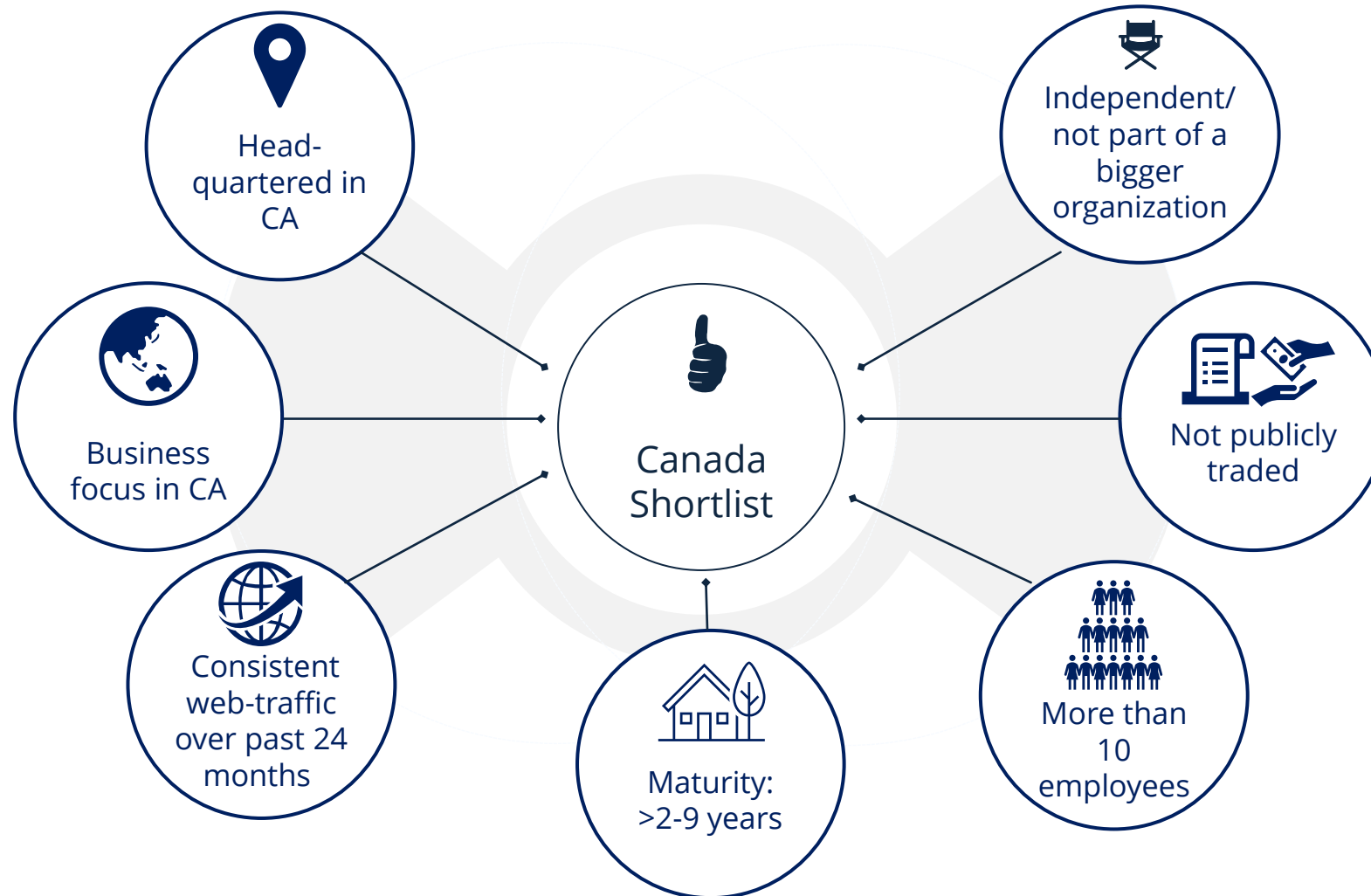
- Analysis of more than 3 million datapoints.
- All data gathered in Q3 and Q4 2023 via a social listening campaign and extensive desk research.
- First step: narrow down initial longlist of more than 5,000 companies to 1,500 companies that qualified for the in-depth analysis.
- The detailed evaluation of 1,500 employers was based on the following three main criteria:
 - I. **Reputation as an employer (Social Listening)**
 - II. **Employee satisfaction**
 - III. **Growth**



The 200 companies receiving the highest total score are awarded The Best Startup Employers Canada 2024.

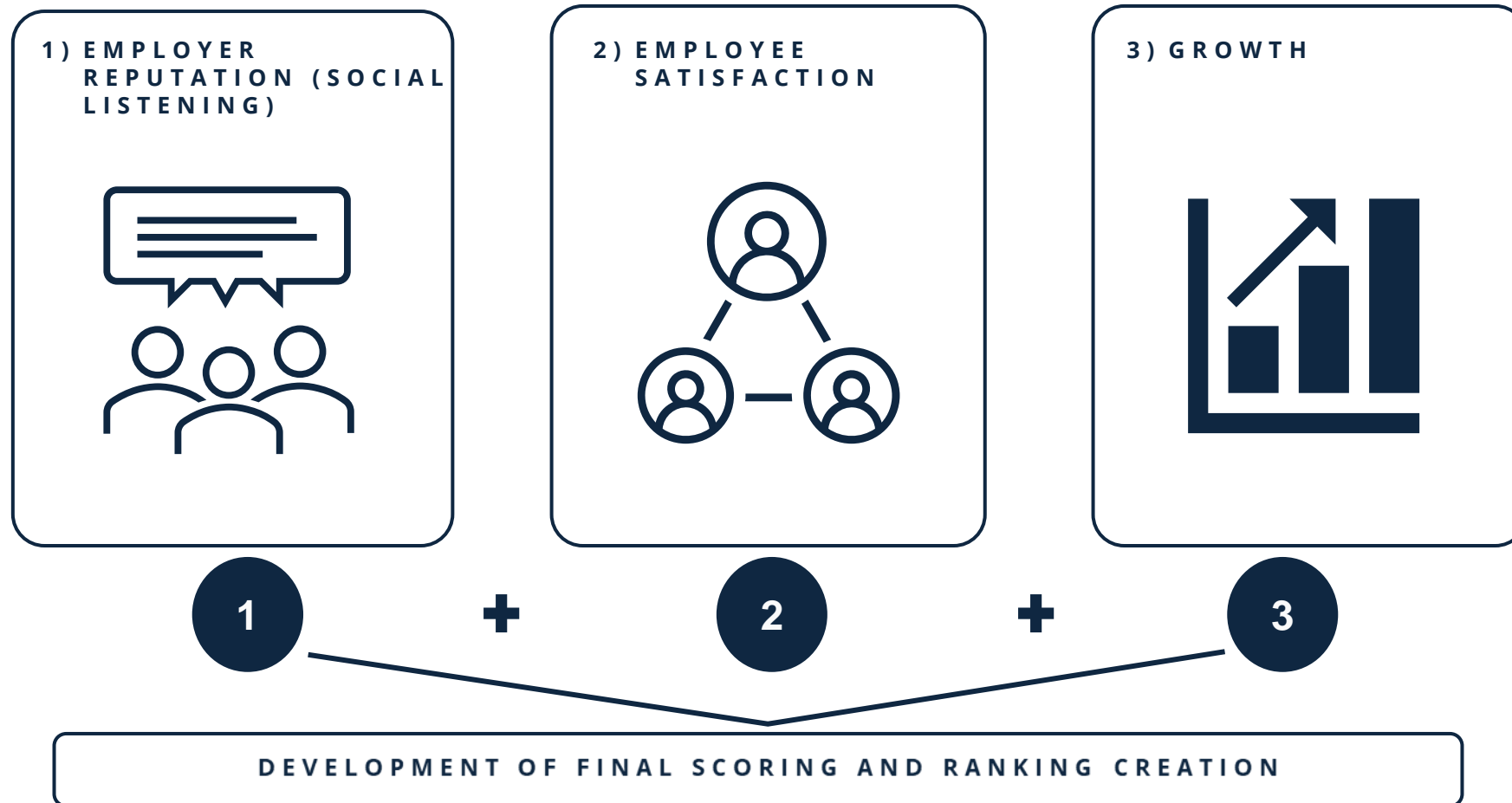
Startup definition: Implementation of well-developed selection criteria for our shortlist creation

Inclusion criteria



More than 3 million data points are gathered from a variety of sources using state-of-the-art methods as well as desk research

Main Pillars



Social listening tracks and categorizes social media channels and web sources

Methodology: Employer Reputation

1

EMPLOYER REPUTATION (SOCIAL LISTENING)



- A positive employer reputation helps in building and maintaining a sense of belonging and loyalty among employees, which can contribute to higher productivity and collaboration, essential elements for success in a startup.
- In a competitive job market, a positive employer reputation can make a startup more attractive to skilled professionals who are looking for not just a job, but an engaging and fulfilling work environment.
- Data on employer reputation is collected using a social listening approach. This approach tracks information from social media channels and web sources and categorizes it.
- The results describe employer attractiveness based on direct information linked to our specified companies.

WHAT IS MEASURED?

- Relevant workplace **aspects** and **search terms** are defined and tested (e.g., employee engagement, company/corporate culture, company strategy, ...). For three months news sites, micro-blogs, blogs, and social networks will be tracked comprehensively regarding these aspects.
- Identified posts and articles are highlighted and through algorithm-based **text analysis** categorized as **positive**, **neutral** or **negative**. With this data, the share of positive content can be evaluated.
- Furthermore, the total **volume** of documents per company, a posts **virality** and **reach** (no. of linkages, shares and estimated readership) factored into the evaluation.

Relevant KPIs researched on websites and job rating platforms

Methodology: Employee Satisfaction

2

EMPLOYEE SATISFACTION



- Employee Satisfaction is important especially for companies in the early stages of maturity. Early hires can shape the development of startups in a profound way. They help build something from the ground up and identify closely with the service or product.
- Not only are satisfied employees more productive, but they also represent the first line of marketing, can act as brand ambassadors and help to create a positive external perception.
- The indicators are identified, collected and evaluated through desk research and natural language processing.

WHAT IS MEASURED?

- Employee satisfaction can be measured through employee's **retention** (average length of employment in relation to a company's founding year) and **reviews** on the employer brands. The total number of reviews across openly accessible platforms, blogs and comments additionally indicates their **relevance as an employer**.
- Presence and form of keywords on topics such as:
 - **Benefits:** Country-specific arrangements for compensation, support or insurance provided by an employer that go beyond the standard
 - **Flexible working hours**
 - **Workplace mobility**

Relevant KPIs researched on websites and job platforms

Methodology: Growth Indicators

3

GROWTH



- The main objective for many startups is growth. This is important not only for founders and shareholders but also for employees. Growth means **opportunities** to learn **new skills** and to take on new **responsibilities**.
- An innovative, fast-moving atmosphere is a unique selling point for startups to differentiate themselves from corporate employers with stronger brand recognition that can easily outspend them in terms of salary and other corporate benefits.

WHAT IS MEASURED?

In absence of comparable “hard” financial data a set of proxies for growth are evaluated:

- **Website traffic** (to prevent statistical outliers from skewing the results, a rolling average was used to normalize time series data)
- **Headcount growth**, calculated over a two-year time frame via websites, online platforms
- **Headcount total** as separate measure of growth success
- **Job openings**, referenced to company size, gathered from websites and openly accessible platforms

Scoring model

All gathered data builds the basis for the Top 200 ranking



(1) Different weightings are assigned to different types of media. Logistic regression analysis was used to evaluate the impact each channel has on the sub score.

(2) Scores reported on an ordinal basis and were attributed by the percentiles.

(3) To control for seasonal peaks and valleys in the time series data, a 4-month rolling average was applied.

Industries

Each employer grouped by industry

1. Advertising & Marketing
2. Biotechnology & Agriculture
3. Business Products & Software Services
4. Retail
5. Communication & Social
6. Robotics/Engineering
7. Professional Services
8. Education & EdTech
9. Energy & Resources
10. Manufacturing
11. Finance
12. Hardware & Electronics
13. Healthcare
14. Hospitality
15. Lifestyle & Health
16. Media & Entertainment
17. Real Estate
18. Security
19. Technology
20. Transportation & Logistics