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# 2016 Workforce Survey Report

May 2016



Prepared by:

**Vail Valley Partnership/Vail Valley Economic Development**

101 Fawcett Rd., Ste. 240 | Avon, CO 81620 | 970-476-1000

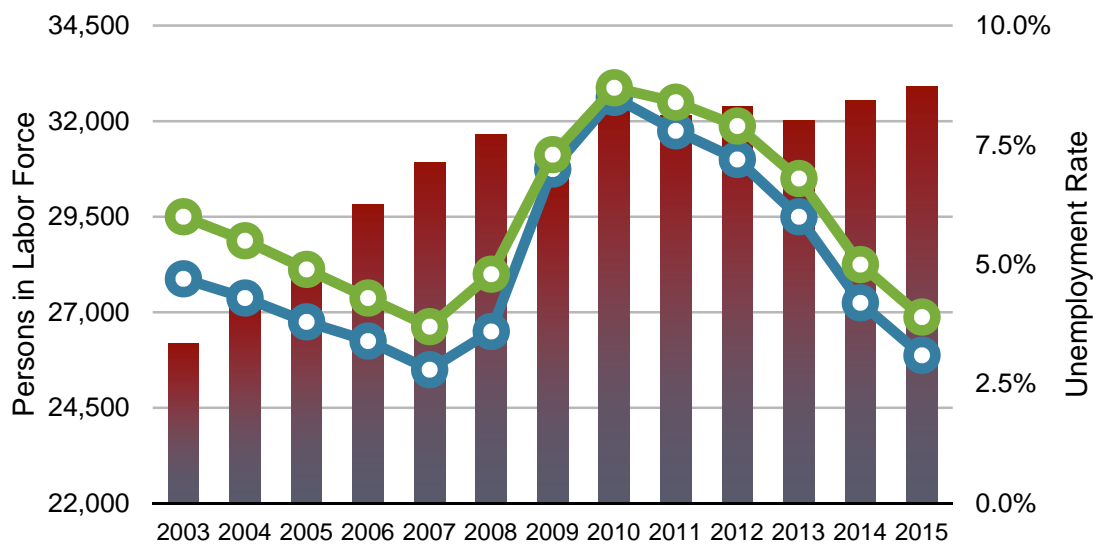
[vailvalleypartnership.com](http://vailvalleypartnership.com) | [vailvalleymeansbusiness.com](http://vailvalleymeansbusiness.com)

Report Author: Andrej A. Birjulin, Ph.D., Research Director | 970-328-0299

## Eagle County's Labor Force: Conditions Continue to Improve

After relatively high unemployment rates in 2009-2012, which also exceeded the state rates in 2010-2012, unemployment saw a solid decline in 2013 and that has continued through the current year. In 2015, the Eagle County unemployment rate was 3.1%, which is below the state rate of 3.9%. The current local unemployment rate has also closed the gap between the rate in 2008, which was 3.6%. The number in the labor force increased 10.9% between 2014 and 2015 to 32,910.

The county's population continues to grow at a slow and steady pace, about 1.8% per year (State Demographer estimates 2010 - 2015; the population is currently estimated at 53,303). School enrollment in K-12 for fall of 2015 grew 1.3% from the previous year to 6,550.



■ Eagle County Labor Force    ● Eagle County Unemployment    ● Colorado Unemployment

As a rural resort county, employment is disproportionately comprised of the accommodation and food services; retail trade; arts, entertainment and recreation; and construction. About a quarter of the County's employees work in accommodations and food services, another 11% in retail trade and 11% in arts, entertainment and recreation. Construction, a once robust sector of the economy, now employs about 11% of the workforce, which is up somewhat from 2012. Additionally, many residents are challenged to find suitable employment to carve out a sustainable living in the county since the average wage is lower than in Denver, yet the cost-of-living is high. The cost for housing is especially high, ranging from about two times the

national average in the Gypsum and Eagle area and increasing dramatically as one gets closer to the prestigious skis areas of Vail and Beaver Creek.

Eagle County has 31,675 housing units and 19,961 households. Almost 2 in 5 homes in the county are classified as “vacant,” primarily second homes. While median household income in the county is higher than the statewide average (\$73,774 compared to \$59,448), weekly wages are low: \$812 a week in Eagle County compared to \$1,005 per week average statewide.

It’s against this backdrop of an economy continuing to gain strength slowly, but steadily, that we take a look at what employers in Eagle County are saying about business and workforce.

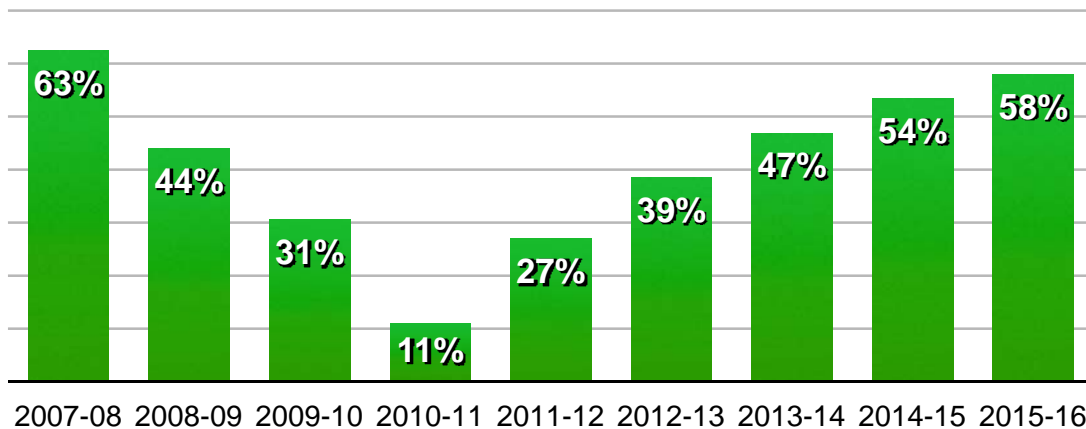
### 10th Annual Workforce Survey

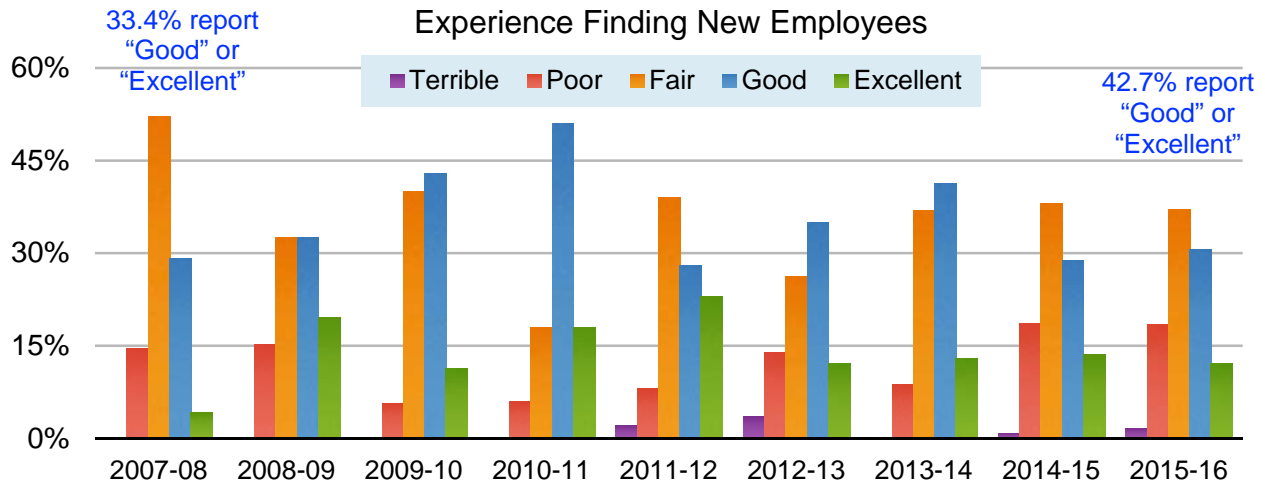
Vail Valley Economic Development (formerly The Economic Council of Eagle County) has been conducting a workforce survey in Eagle County since 2006-07. Although there has been some variation in items and response choices across administration years, core items on the current version of the survey have been collected since 2007-08 and ask employers about their business outlook, their employees, and their forecasts for the future. Prior survey results can be found at [www.vailvalleymeansbusiness.com](http://www.vailvalleymeansbusiness.com). In 2015-16, 128 businesses responded to the Workforce Survey, remaining steady over the previous year. This summary report compares those responses with data from prior surveys.

### Hiring New Employees

The chart below shows the percentage of responding businesses with vacant positions. While still below the 2007-08 boom-year level of nearly 2 out of 3 of businesses with unfilled positions, 2015-16 saw a fifth yearly increase and shows that well over half of the businesses have current vacancies.

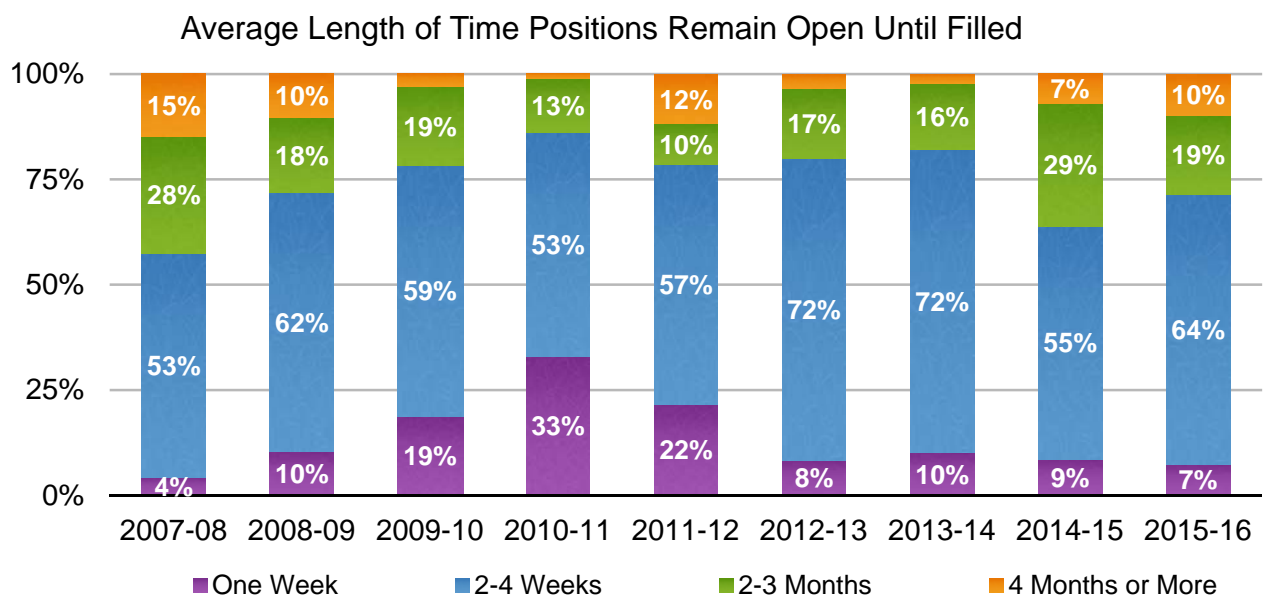
Percentage of Businesses with Vacant Positions





Respondents were asked to rate their company’s experience in finding the employees it needs. As seen in the chart above, the experience of hiring new employees held relatively steady over the previous year, but was still well below the most positive year that was seen in 2010-11. In 2015-16, 20% indicated that the experience was “terrible” or “poor” and 43% indicated that it was “good” or “excellent.”

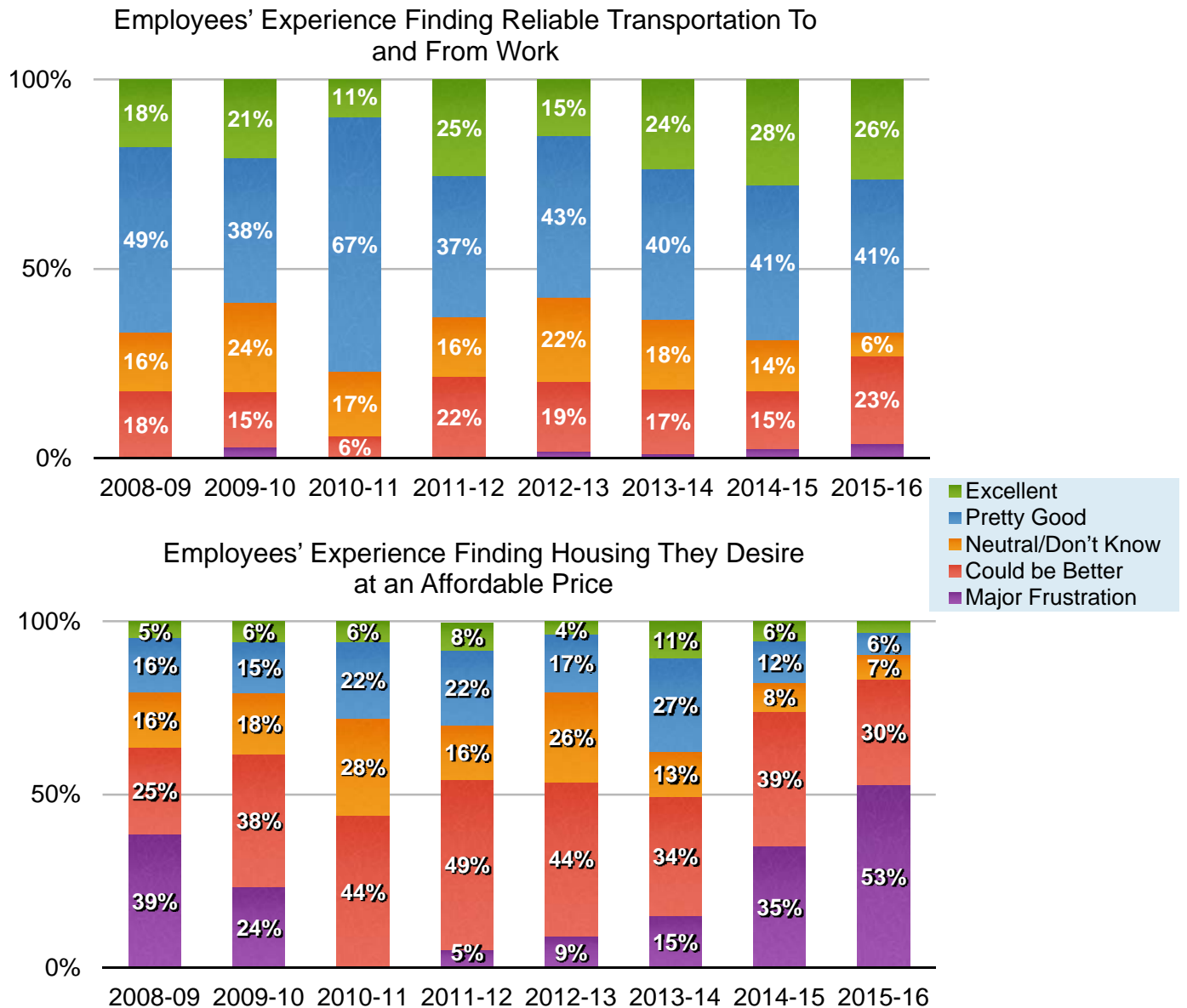
As seen in the chart below, in 2015-16, 71% of businesses reported that they can fill positions in within 4 weeks, an increase over the previous year. Those that indicated it took more than a month declined to 29%. While these results indicate a modest improvement over the previous year, the overall hiring results show that the days of easy hiring seem to have peaked in 2010-11.



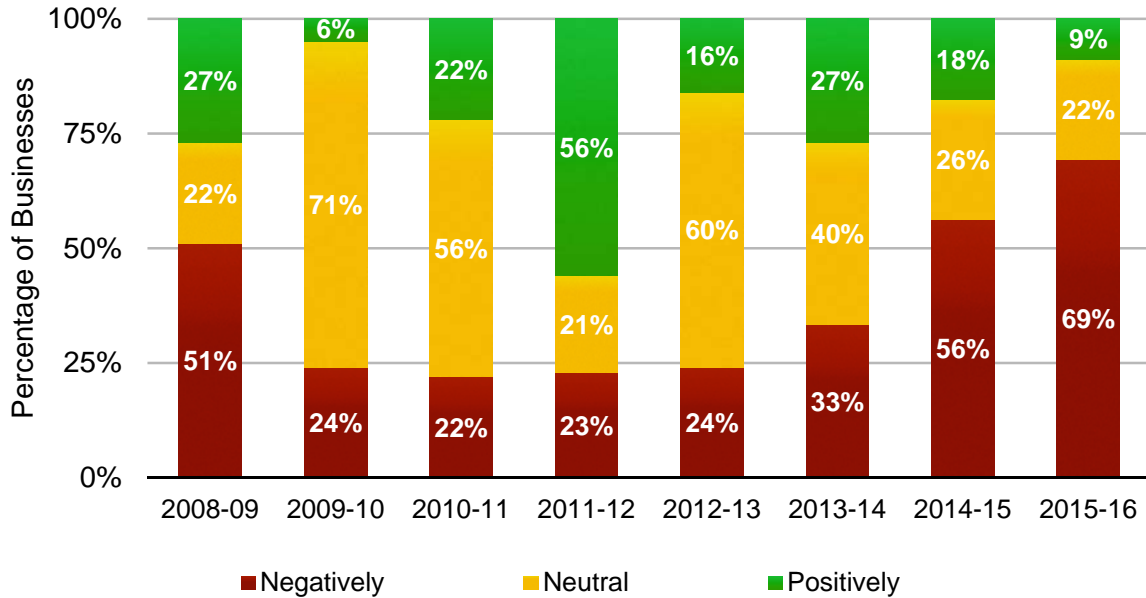
## Employee Experiences with Housing and Transportation

Perception of employees' experiences in finding reliable transportation and housing continue to change. Transportation saw a small decline over the previous year, with 67% of employers saying their employees' experience finding reliable transportation to and from work is "excellent" or "pretty good", but 27% giving a negative rating.

Frustration with housing rose dramatically in 2015-16 and has exceeded the previous high point set in 2008-09. Currently, those indicating it's a "major frustration" is 14% higher than 2008-09 and those feeling "it could be better" is 5% higher, while those using the positive end of the scale is 11% lower. Use of the neutral point on both scales is at the lowest point ever.



## Effect of Housing on Ability to Attract, Hire and Retain Employees



As seen in the chart above, the number of businesses saying housing negatively affects their ability to attract, hire and retain employees grew by 13% over the previous year and those saying housing is a positive factor decreased by 9%. Specific comments made in this area include:

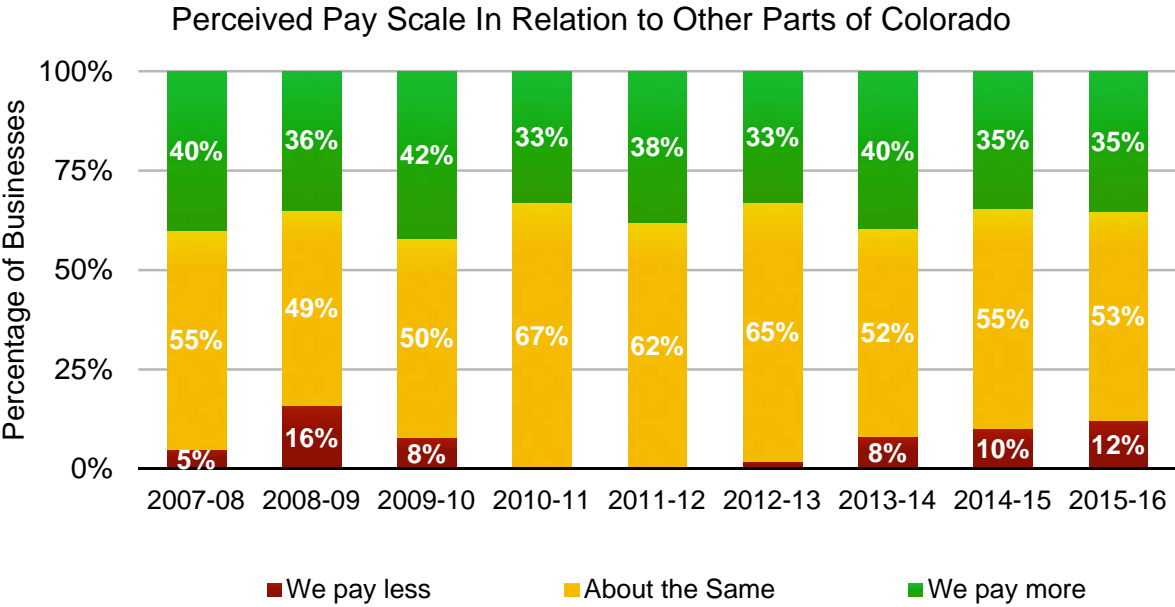
At this point however the situation is of great concern as we grow.
Because we often pull from candidates that are out of Eagle County, housing cost is a big consideration when negotiating offers and salary requirements.
Directly affecting my transportation business.
For new hires recruited from out of state, we lack affordable housing.
For the seasonal role we relay the challenge with finding housing.
Housing has always been a problem, but we have managed because of our ability to provide for some.
I hire students who live with their parents.
It is hard to keep teachers in Eagle County Schools in general because the housing is pricey and teachers do not make a lot.
More information is needed, but we do not know of many issues in regards to housing.
Most of my associates have to work two and three jobs in order to live up here.
Most own homes, but some rent.
Probably the biggest obstacle we face.
They can find rental property. But some who wish to purchase a home are unable to qualify for a mortgage amount needed in this area.
We can house 50% of our staff.
With only 1 employee she is fine...but I know that's an issue for other business owners.
With the exception of our managers, our employees spend the majority of their monthly income on

housing and have a longer commute from the places that they are able to find. Living and working in the Vail Valley gets more expensive every year. Vail Resorts is slowly pushing out the local and making it to where only the rich can afford to live in the Eastern part of the county.

Pay and Benefits

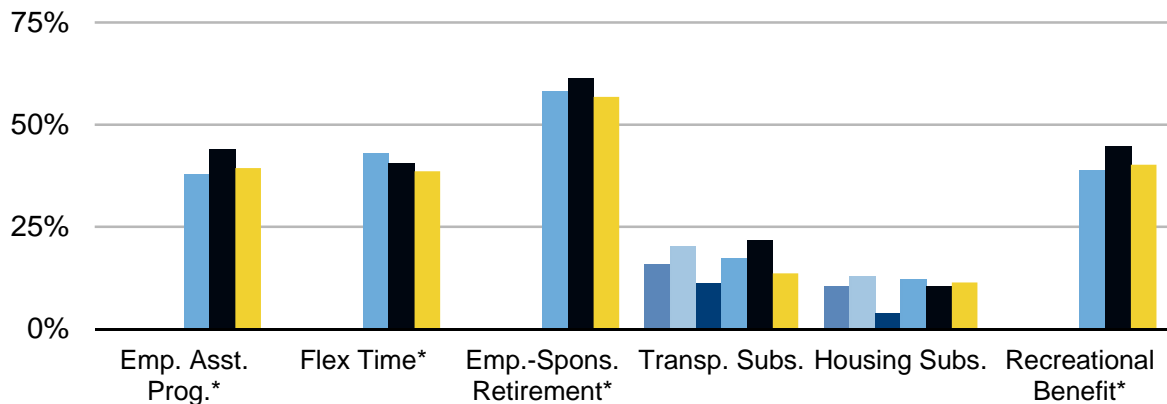
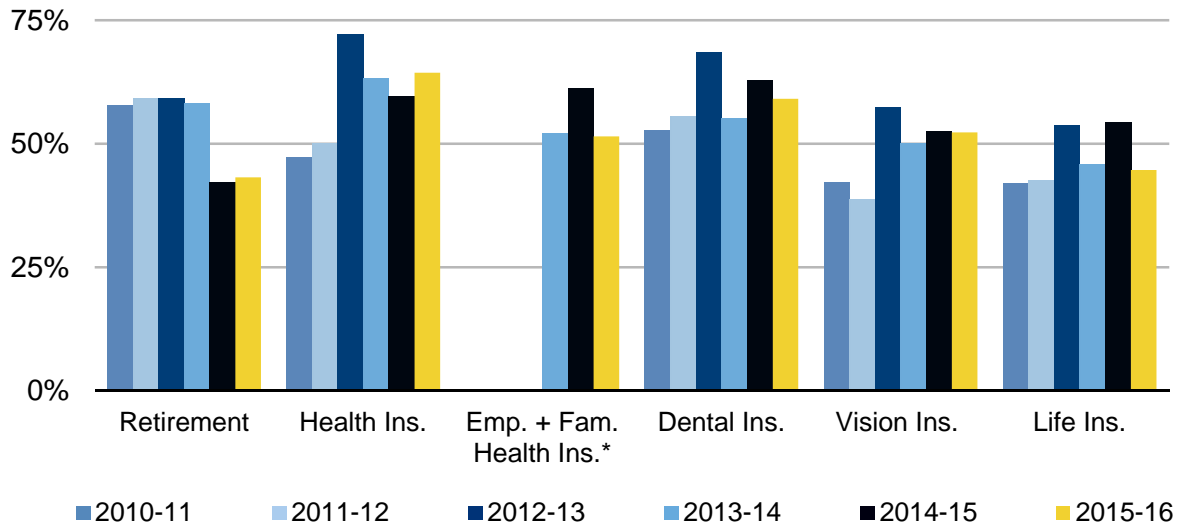
The survey asked employers about their pay scale and about benefits they provide. Almost all (96%) respondents say they provide job training and other professional development (PD) to new employees as well as those that have worked for them more than six months. Over half (53%) say they provide “considerable” PD to new employees and 40% to employees working more than six months.

Most entities in Eagle County tend to pay the same, or more, than similar businesses in other parts of the state. As shown in the chart below, those who say they pay more than other parts of the state stayed steady over the previous year and those who say they pay less grew by 2%.



The charts on the following page show the percentage of businesses that offer various benefits asked about in the survey. Health insurance, dental insurance, vision insurance, life insurance, and employer sponsored retirement plans are offered by over half of the entities surveyed. The percentage of businesses offering employee health insurance peaked in 2011-12, but came up slightly this past year.

Percentage of Businesses Offering the Following Benefits:



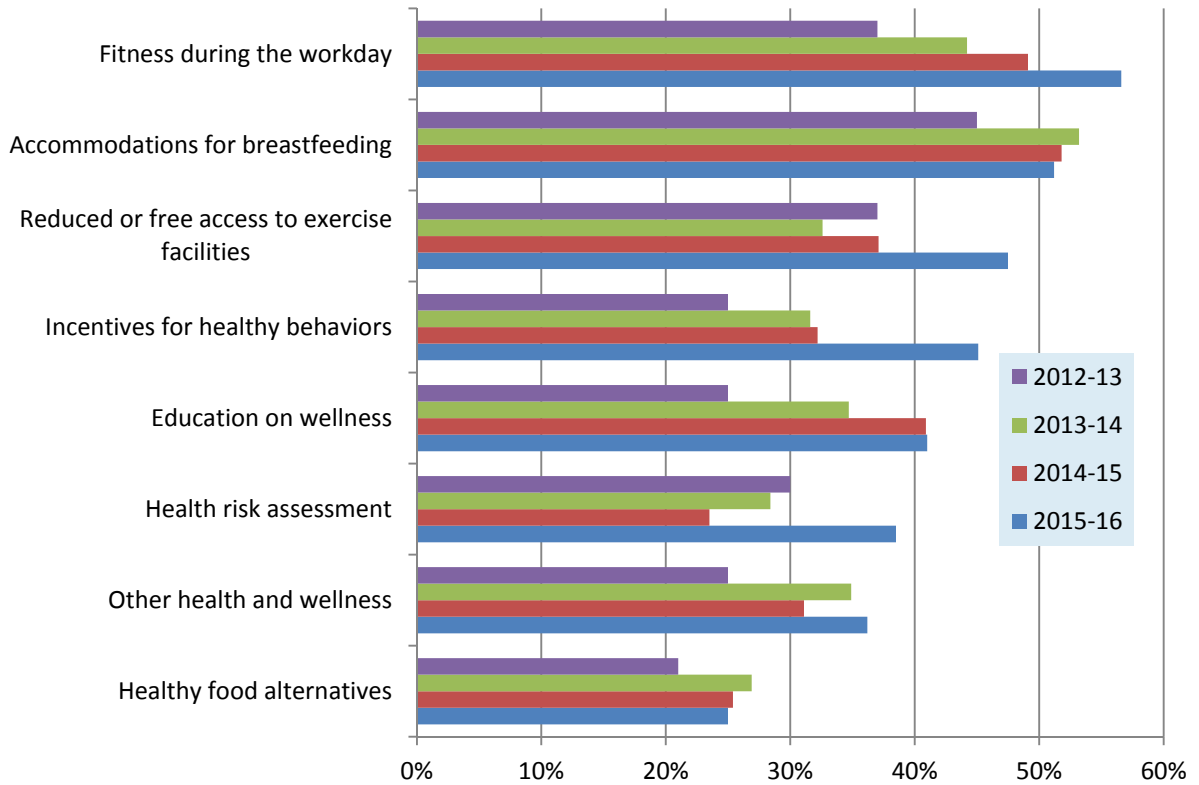
\* New in 2013-14.

### Health and Wellness Programs

There are a number of programs that have been implemented by businesses and other employers throughout the County stressing workplace wellness over the last few years. These efforts are driven primarily by the desire to increase employee satisfaction and improve recruitment and retention, but also to increase productivity as well as moderate spiraling health care costs. Starting in 2012-13, survey items were created to capture the percentage of businesses across the county that has adopted each program. These rates are shown below for each of four years that they were included on the survey. The chart shows that adoption of most programs has generally increased over the years or stayed relatively steady. Fitness during the workday and education wellness saw the strongest gains, while accommodations for breastfeeding and healthy food alternatives saw a small decline.



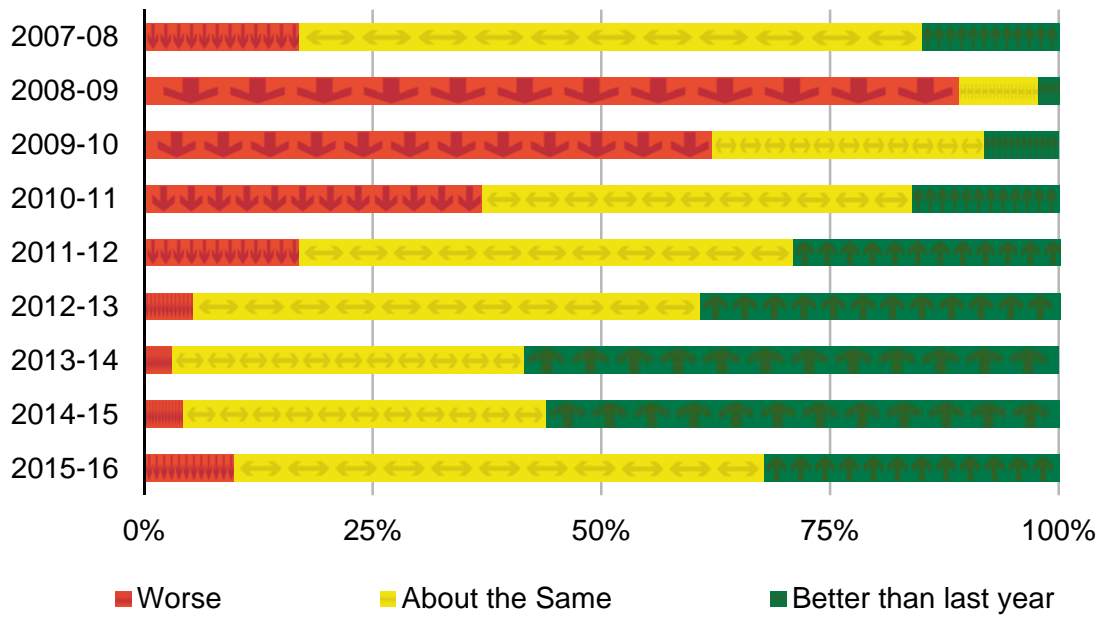
### Percentage of Businesses Offering the Following Health and Wellness Programs



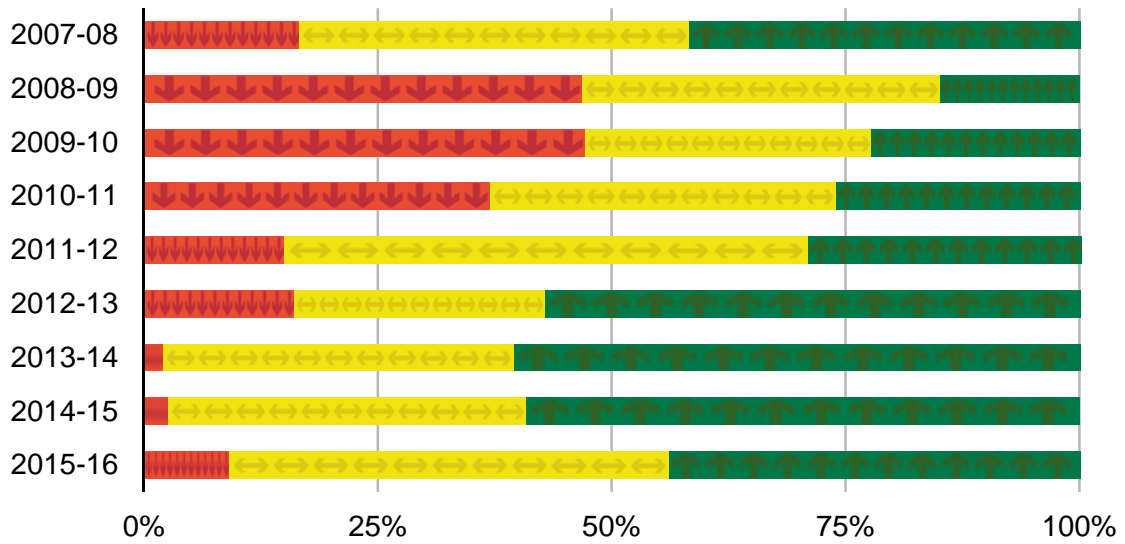
### The Economy

As shown in the two charts below, business owners and managers continue to feel pretty good about the Eagle County Economy in general as well as their own business health, but the results overall moved in a negative direction from 2014-15. On both measures, those that felt the current year was better than the previous year declined, and those that felt the current year was worse, increased. Those that felt the current year was about the same as the previous year also increased when compared to the 2014-15 survey results.

Businesses Indicating the EC Economy in General  
is Better or Worse Off than in the Previous Year



Businesses Indicating their Own Business Health  
is Better or Worse Off than in the Previous Year



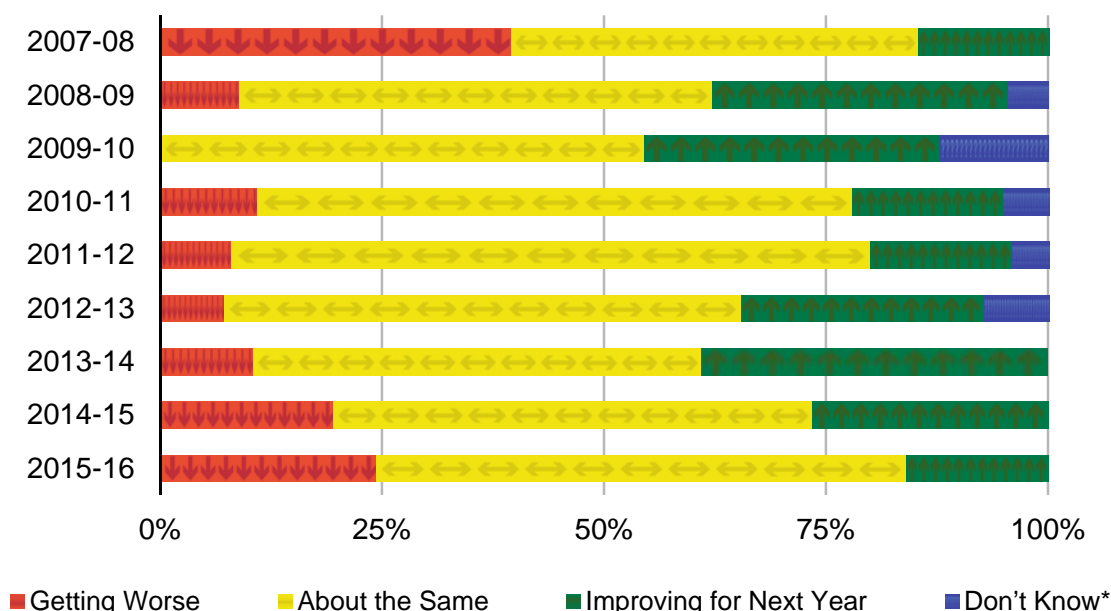
Comments from survey respondents regarding their own business health include the following:

Depends on business type. i.e.: our hotel ops are better; property management / rental more challenged.
The reduction in oil and gas taxes impact select sectors of the economy negatively as increases in property taxes will not be felt until Summer 2017.
The prices of lift ticket and the value of the Euro/Peso had a significant impact on our business this year.
We are growing.
We had about 50 percent staff turnover last year with tenured employees who moved on to their next life challenge. We've just settled in with a new team.
We have added a safety committee, and we are researching ways to help our employees have higher health and wellness in a responsible way.
We have been through some unexpected personnel changes, but are improved for the experience and change.

### Finding and Keeping Employees

About 16% of respondents say the outlook for finding and keeping employees is improving for next year, an 11% decrease from 2014-15. Those who say it will be “about the same” increased by about 6%, but those who say it will be worse has grown by about 5%.

Predictions for Your Ability to Hire and Retain Employees in the Coming Year

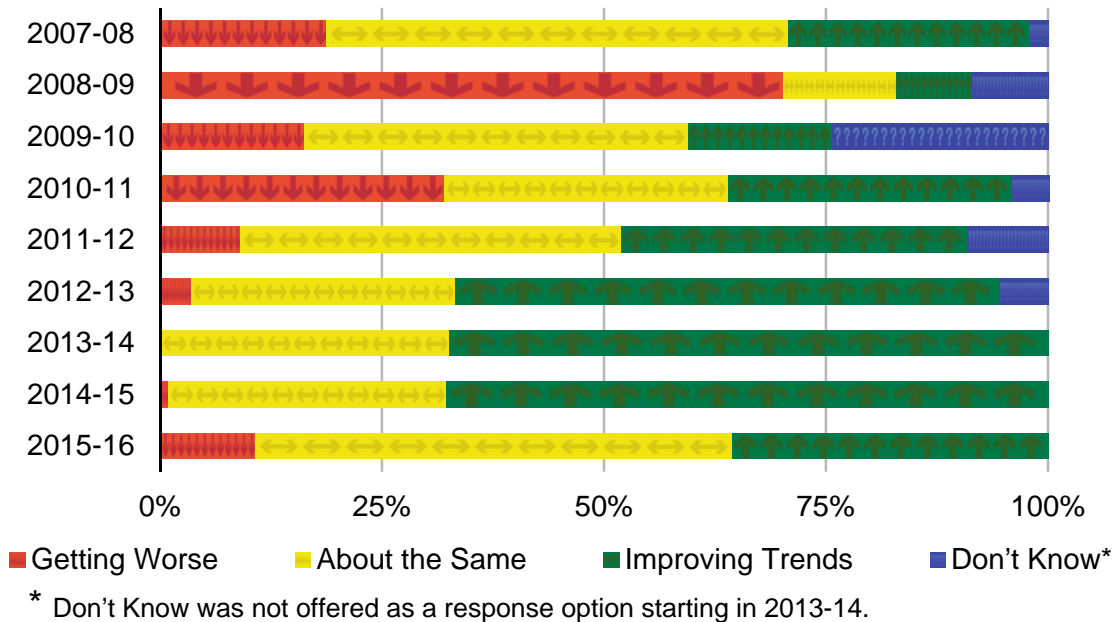


\* Don't Know was not offered as a response option starting in 2013-14.

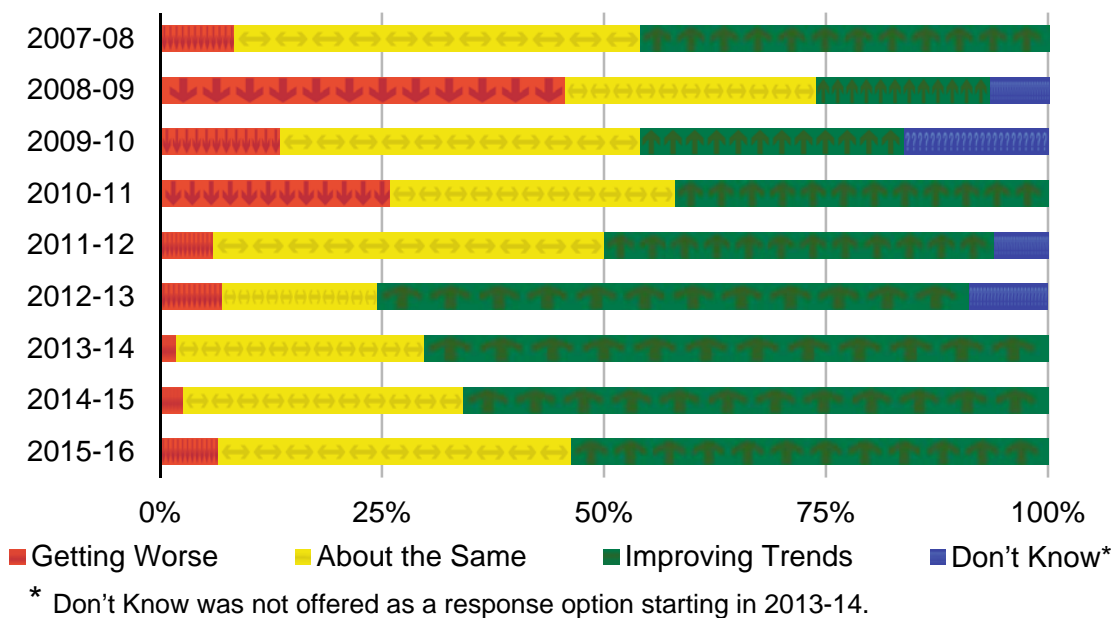
## Predicting the Future

The outlook for the economy has declined when compared to the previous year, with 11% of respondents feeling that the County's economy will be worse in the upcoming year and 7% feeling that their own business health and vitality will be worse. Those that felt optimistic about the County's economy in the upcoming year decreased dramatically (32%) from 2014-15, although the decline in optimistic predictions for respondents' own business health and vitality was much less (12%).

Predictions for EC's Economy for the Coming Year



Predictions for Own Business Health for the Coming Year



## Current Business Growth and Expansion

The percent of businesses that say they are considering expanding or diversifying into a different service sector is 19%, which is the same as the previous year. When asked what resources might be beneficial for business owners or managers during the current survey administration, the responses were as follows:

A holistic, county-wide housing solution
A resource for employees to assist in finding housing and/or roommates.
A workforce housing clearinghouse, one-stop shop for options.
ABILITY TO PROVIDE HEALTH BENIFITS
Access to group health insurance at a reduced rate.
Affordable health care and housing options. Greater investment in education.
Affordable Housing Diversified Transportation options
Affordable housing and living are most important to attracting and keeping good employees in the service industry.
Affordable housing is the biggest issue right now. Without it my overhead is inflated along with a diminished pool of human capital.
Affordable housing options for year round employees.
Affordable professional development opportunities
An ability attract a qualified workforce that can balance work and play.
As a non-profit, administrative support is always needed, but hard to fund...
Assistance with recruiting outside the valley, assistance with customer service training for existing associates, assistance with helping new associates find housing.
BANKS THAT HAVE SOME INTELLIGENCE
Better affordable housing scenario
Better bus systems for Edwards, Avon, and Minturn employees or better parking options.
Better transportation service(s) in Minturn to Vail/Beaver Creek. It affects us a lot.
Cheaper housing.
Continue to enhance Avon, add more for our guests' experiences, promote worldwide.
Continued application and integration of new technology as it comes along.
Customers complain to me when shopping how expensive it is to ski, shop, eat and visit Vail/Beaver Creek. The Riverwalk is the last stop on their vacation, typically (most comments). They are surprised my prices are lower than in Vail/Beaver Creek and I have more "word of mouth" advertising because of it. However, there is less to spend because they are on the end of their vacation - my issue not a resource issue due to my location.
Eagle County taking a more active and financial role in supporting the business community.
Having easier access to affordable and possibly subsidized evening child for individuals in specific circumstances.
Health care assistance and affordable housing for employees
Housing Options, More Bus Lines/ Time Options outside of Vail- Edwards routes. More lines/ better schedules to Leadville, Minturn, Eagle and beyond.
Housing subsidies
Housing. Leveraging reciprocal relationships for employee recruiting (partner with summer resort operations to move ee's back and forth). Continue to drive tourism to Eagle County in summer and off seasons.

Human. A qualified, motivated workforce.
If we could tap into a group health insurance plan it would be immensely helpful. Our board and I feel horrible that this benefit had to go ahead- staff was compensated in their salaries for the loss, but we still wish we could offer this.
Incentives for locally owned companies to grow.
Inexpensive, effective advertising options.
Job Boards.
More affordable housing.
More affordable housing for our associates so they would not have to work so many jobs to survive up here. We have a very good starting rate, so it would be nice if our associates could have more time with their families.
More affordable housing throughout the county.
More affordable housing, better child development options, and more robust consumer options from healthcare to groceries to get and keep a more modern, informed workforce.
More affordable housing/renting. Stronger talent pool.
More housing options for staff.
More housing options that employees can afford.
Online employee screenings that categorize skill and experience to fit local jobs better. I believe there are too many good potential employees doing the wrong jobs in Vail. If we had a system that everyone moving to the valley, renters and owners, that would position them in front of the right type of job this would raise the level of employee engagement within their job choice. I have developed this screening system in a very basic format with in my hiring protocol.
Our company has a multitude of resources that daily benefit the progress of each day. We share these resources with other companies, as often as possible and in as many different forums as possible.
Resources to evaluate purchasing employee housing.
Small business development support.
Staffing is the challenge beyond our control.
The Town of Vail cracking down more on the people who rent their homes on a short term basis without paying taxes. These people are under cutting our nightly rates by a significant amount.
Training opportunities on how to improve aspects of business, but the VVP Partnership provides that to us.
Training opportunities, as a group, need facilitators, individual, leadership, progressive think tank .
Training seminars in important HR or business topics (new laws and regulations, management skills).
Trainings in HR best practices.
Understanding statewide issues, challenges and opportunities is important when looking at the big picture of our community. Keeping a finger on the pulse of the state legislature and understanding the state economy are important to our community.
Understanding who is looking for a job, and what types of wages they are looking for.
We see Destimetrics for Beaver Creek to better understand business levels, but would be nice to see the whole Vail Valley and also a separate retail report.
Would love to see more professional development opportunities for our young workforce. The Vail Symposium has great offerings but is often too expensive for younger professionals.
Your economic forecasting and reporting is excellent. Local political election polling would be informative.

## Survey Methodology

Vail Valley Economic Development invited employers to participate in this research by sending them an email link to an online survey. Staff then placed follow-up “invitation to participate calls” to those companies and other entities that had not yet completed the survey, but were considered highly representative of local business climate. The Vail Valley Partnership and its member associations included information and the survey link in their online newsletters, and area non-profit organizations were invited to weigh in.

The survey was designed and tested by research staff, and distributed through Survey Monkey, an internet-based survey tool. Data was tabulated and analyzed using SPSS, the Statistical Package for Social Sciences.

This was an opt-in rather than a random sample or census survey, so a margin of error cannot be calculated. However, survey respondents represented small and large businesses of different types employing a large number of workers throughout the valley, and results can be used to assess trends in the Eagle County workforce.

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## Conclusions

Some conclusions from the 2015-16 Workforce Survey:

- ✓ Business owners and managers have reduced confidence about the economy in general and their own business health when compared to the 2014-15 results. A modest decline was seen among respondents in terms of opinions regarding current conditions versus the previous year. Optimistic predictions for the upcoming year declined more dramatically, especially for the Eagle County economy in general.
- ✓ Frustration with housing continues to grow and is substantially higher than in 2014-15. Negative opinions about housing are higher than ever found in the history of conducting the survey. More than 2 out of 3 respondents feel that the housing situation negatively impacts their ability to hire and retain employees and this issue was mentioned frequently when asked about additional resources that are needed.
- ✓ Providing health insurance for employees continues to be a challenge.
- ✓ Companies throughout Eagle County provide a variety of workforce wellness options and the percentage of businesses offering various options has generally increased or stayed the same over the past three years. Some of the most common options include accommodations for fitness possibilities during the work day, breastfeeding, reduced or free access to exercise facilities, and incentives for healthy behaviors.
- ✓ Businesses that report plans to expand and/or diversify are the same as in 2014-15, but are higher than they have been during the 2013-14 or 2012-13 survey years.
- ✓ The percentage of businesses that pay more than other parts of the state has stayed steady when compared to the previous year and those that pay less increased slightly.