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## Utah Non-Compete Agreement Research

*August 16, 2016*

# **Agenda**

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## **Objectives and Methodology**

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## **Deliverables**

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## **Timeline**

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## **Project Team**

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## **Next Steps**

# **The goal of this research is to discover truly objective and informative employer and employee perspective with regards to non-compete agreements.**

## Objectives

## Methodology

## Deliverables

## Timeline

## Project Team

## Next Steps

**Challenge:** Obtain objective, timely, and actionable data to inform policymakers and business leaders alike on the impact of legislation regarding non-compete agreements.

### Objectives

- Determine key issues related to non-compete agreements
- Identify how employer-employee non-compete agreements are used in Utah
- Discover how Utah employers and employees are affected by H.B. 251 legislation
- Determine how Utah's non-compete agreement laws influence non-Utah based companies ultimate decision whether to relocate to Utah or elsewhere
- Determine whether additional revisions to H.B. 251 are necessary or would be supported

### Methodology

#### 1. Quantitative Research:

- Randomized surveys distributed to a representative sample of employers and employees in Utah
- Understand perspectives on non-compete agreements by company size, industry type, job function, location, etc.

#### 2. Focus Groups:

- Conduct multiple Focus Groups of employer and employee representatives
- Understand perspectives of stakeholders affected by non-compete agreement legislation

#### 3. In-Depth Interviews:

- Interview companies who have investigated moving to Utah in the last 12 months, or are actively investigating whether or not to move to Utah
- Explore incentives from, and effects of, non-compete agreement legislation

**The Outcome:** A comprehensive research analysis on non-compete legislation in Utah, informing the State on market forces, employer and employee perspectives, and potential effects of non-compete legislation.

# Quantitative Research Methodology

Objectives

**Methodology**

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## Quantitative Research

- Design, program, and field a 10-minute survey
  - Target 1,000 respondent employer representatives that have key HR decision making authority (business associations throughout Utah responsible for recruiting participation)
  - Target 2,000 individual employees working in Utah based private companies
- Gather key information across company size (adhering to international size classifications, with additional stratification for small- and medium-sized companies)
- Proposed company sizes:
  - 2-9 Employees
  - 10-19 Employees
  - 20-49 Employees
  - 50-99 Employees
  - 100-249 Employees
  - 250-499 Employees
  - 500 or more Employees

## Potential Segments

Company Size

Industry Type

Job Function

Company Location

Demographics

## “Employer” Qualifications

General responsibilities for:

- Hiring
- Retention

Must have employees

Must be competitive, for-profit company

Broad variety from several industries, company sizes, demographic sets, and job functions

## “Employee” Qualifications

Work in a competitive, for-profit company

Broad variety from several industries, company sizes, demographic sets, and job functions

# Focus Group Methodology

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**Methodology**

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## Focus Groups

- Conduct eight Focus Groups with respondents drawn from those that expressed strong opinions in survey:
  - Employers
    - Supportive of increased restrictions of non-compete agreements: 2 groups
    - Opposed to increased restrictions of non-compete agreements: 2 groups
  - Employees
    - Supportive of increased restrictions of non-compete agreements: 2 groups
    - Other Stakeholders: 2 groups (or in-depth interviews)
- Understand stakeholder perspectives by gathering detailed information on perceptions, needs, and uses of non-compete agreements



# In-depth Interview Methodology

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## In-Depth Interviews

- Conduct 10-12 in-depth interviews (IDIs) with key decision makers at companies that have investigated relocating to Utah. These interviews will help:
  - Understand motivations for investigating a move to Utah
  - Discover basic understanding of the non-compete agreement landscape in Utah
  - Determine perspective on non-compete agreements generally
  - Define the importance of perspectives on non-compete agreements on ultimate decisions to locate in Utah or elsewhere
- Individuals to be interviewed:
  - Influencers of establishing HR policies (e.g., VP HR, C-Suite executives, etc.)
  - GOED and similar government entities will recommend and help recruit participants

### Example Interview Count:

Industry	C-Suite Executives	HR Policy
Finance	1	1
IT Software	1	1
Aerospace & Defense	1	1
Outdoor Recreation	1	1
Life Sciences	1	1
Energy	1	1

### Example Location of IDI Participants

- Arkansas
- California
- Florida
- Illinois
- Louisiana
- New York
- North Carolina
- Pennsylvania
- South Carolina
- Texas

**Deliverables:** Cicero will provide the following deliverables at the end of the project:

## Executive Summary Report

High level results of:



- Employer Survey
- Employee Survey
- In-depth interviews with companies that investigated relocating in Utah
- Focus Groups with non-compete agreement stakeholders

## Interview Summary Reports

IDIs with key decision makers at companies that have investigated the opportunity to locate in Utah



## Survey Crosstab and Frequency Report

Easily digestible summary survey data



## Survey Raw Data File



# Non-Compete Agreement Research: Example Timeline\*

Objectives

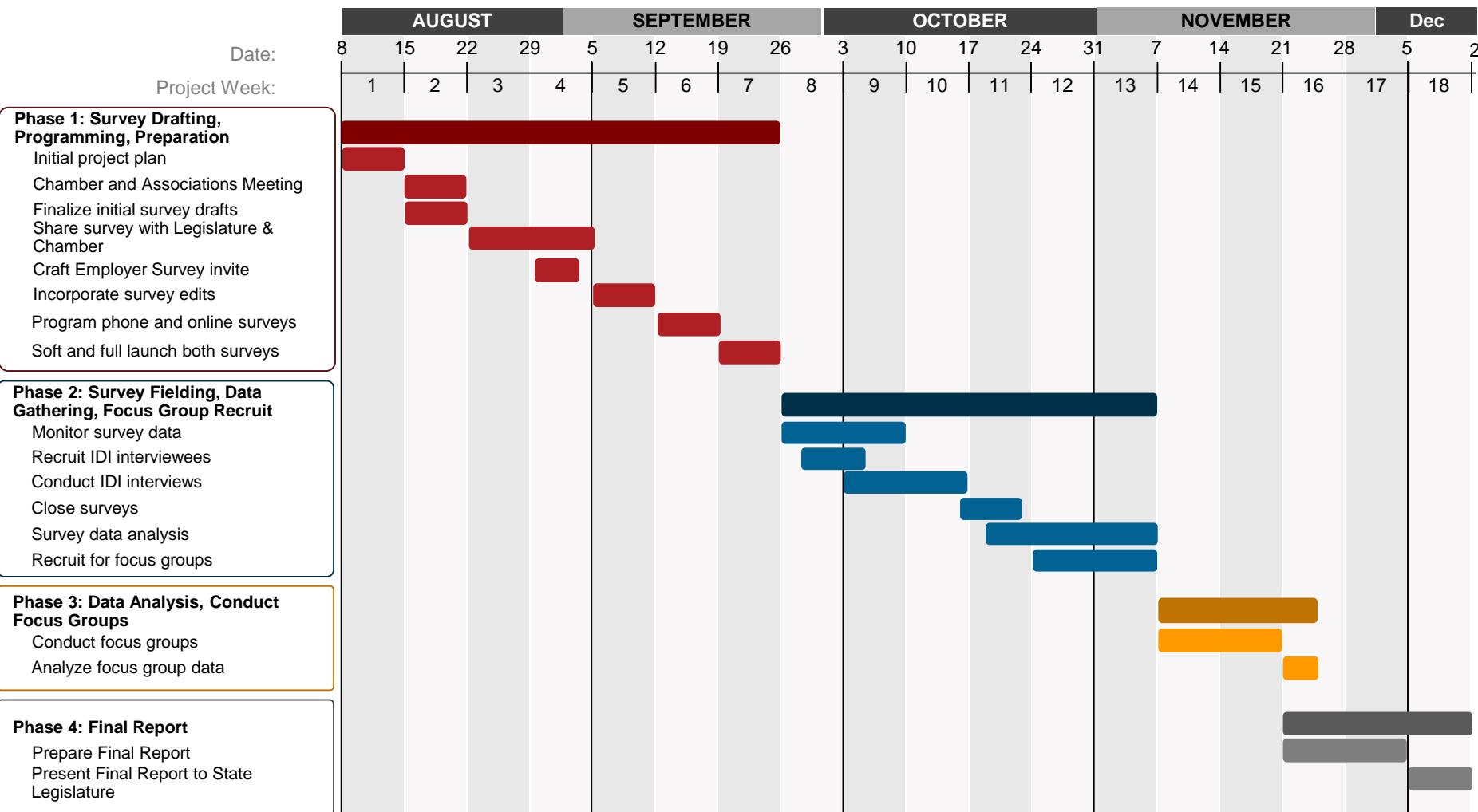
Methodology

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\*The timeline has real flexibility. Quality and accuracy will not be sacrificed in order to complete the study quickly. Please note that a completion date in January or February is also quite possible.

# Non-Compete Agreement Research: Cicero Team

Objectives

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**Project Team**

Next Steps

## Cicero Team Contact Info

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## **Next Steps:**

1. Finalize letter and signatures
2. Raise \$50,000
3. Provide input on questionnaire
4. Ensure a representative sample of employers participate