



Utah Non-Compete Agreement Research

August 16, 2016

Objectives and Methodology

Deliverables

Timeline

Project Team

Next Steps

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

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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.

1

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

2

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



2

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*

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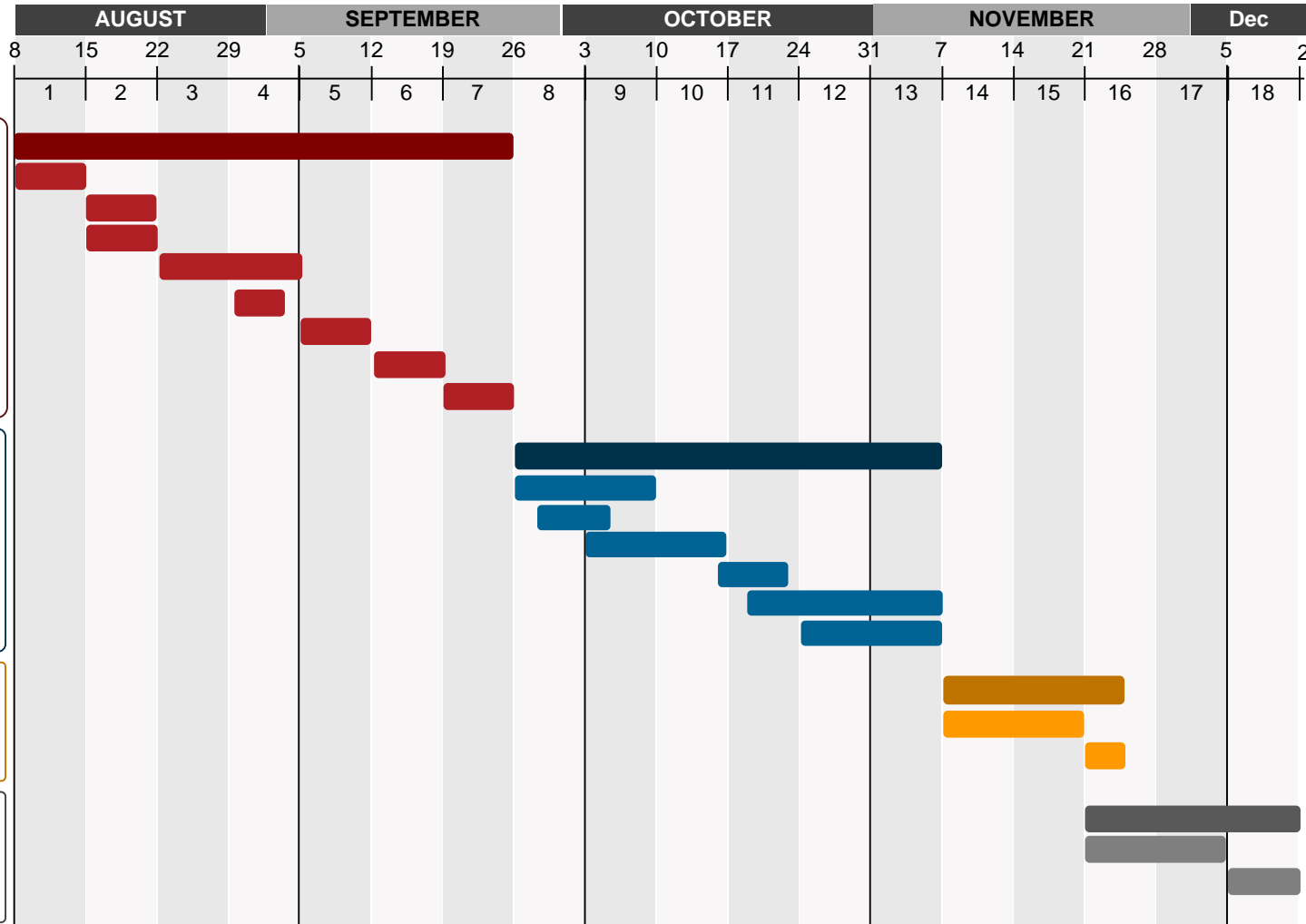
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Date:

Project Week:



*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

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Cicero Team Contact Info

Senior Partner / CEO

Name: Randy Shumway
Office: 801-456-6717
Mobile: 801-828-0177
Email: rshumway@cicerogroup.com

Engagement Manager

Name: Chad Berbert
Office: 801-456-6791
Mobile: 801-927-8526
Email: cberbert@cicerogroup.com

Senior Analyst

Name: Kevin Duncan
Office: 801-456-6711
Mobile: 435-553-1148
Email: kduncan@cicerogroup.com

Non-Compete Agreement Research: Immediate Needs and Next Steps

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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