

# Idaho Employer Business Climate Survey

## August 2023



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### Authors and project partners

This survey and accompanying report were the collaborative effort of the Idaho Department of Labor's regional labor economist team. Additionally, the survey was made with input from the Idaho Commission on Hispanic Affairs who also provided translation services for a Spanish version of the online questionnaire.

The regional labor economist team comprises six members who each cover one of the labor market areas in Idaho from each region's main office in addition to their supervisor stationed at the central office in Boise:

- Craig Shaul, research analyst supervisor
- Sam Wolkenhauer, regional labor economist – northern Idaho
- Lisa Grigg, regional labor economist – north central Idaho
- Jan Roeser, regional labor economist – southwestern Idaho
- Seth Harrington, regional labor economist – south central Idaho
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## Executive summary

*This report presents the results of the first Idaho Business Climate Survey conducted by the Idaho Department of Labor. The intent is to measure and understand Idaho businesses' top concerns, and the current and near-term outlook of Idaho's labor market and economy in real time on an annual basis.*

Idaho's economy has been undergoing a transition in the past decade. Its labor and housing markets have been among the hottest in the country due to its strong economy. Idaho was among the first to experience trends of a tight labor market, aging demographics and changing work set ups for companies and their employees enabled by technological advancements. The COVID-19 pandemic in 2020 accelerated these trends and seemed to make them permanent. Slow workplace transformations have been replaced by dynamic and fast-paced shifts that are rewriting norms.

Data from the U.S. Census Bureau, the U.S. Bureau of Labor Statistics and other sources that can be used to explain these shifts takes time to be gathered, analyzed and distributed, if it is available at all. This survey captured information in real time. It was developed as a method to resolve questions for which there is scarce data and knowledge. The results establish a benchmark for an annual survey with the same questions to measure changes and understand shifts in the economic landscape for employers.

The survey asked a series of core questions to gauge views on the current and near-term future of the Idaho's labor market and economy. Additional questions to enhance the survey's investigation of the business climate include the following:

- Characteristics of the business and its leadership.
- Experience with job postings and the various methods employers used to advertise positions.
- The workplace arrangements of employees.
- Interest in additional surveys for future research.

### Key takeaways

- A plurality of respondents (40%) reported their employment neither grew nor shrunk the past three years despite the COVID-19 pandemic. A majority (56%) expected to gain workers over the next five years.
  - Expectations for future employment growth were correlated with a business's experience of the past three years. Generally, businesses expecting future growth were those that had grown through the pandemic, while those expecting future reductions had also experienced recent reductions.

- Over half of respondents had a top concern involving labor, either high turnover or the supply/cost of workers.
  - Labor concerns were prevalent across goods-and service-producing industries.
  - Other top concerns included economic uncertainty; supply or cost of nonlabor inputs; and taxes, regulations and other public policies.
- 44% of respondents cited job switching as the top reason for labor turnover.
  - Job switching was a commonly cited top reason among goods-producing industries as well as several customer-facing service industries.
  - A plurality of respondents from arts, entertainment and recreation industries cited employees leaving to return to school or enroll in a job training program.
  - Retirements was a top reason for labor turnover among several service industries.
  - Only 14% of respondents cited an employer-initiated decision as a top reason for labor turnover such as discharge/termination or internal promotion.
- Respondents who advertised their job openings typically used online advertising and/or referrals and informal professional networks.
  - Referrals were the most common method with 68% of respondents.
  - Over a quarter of respondents who advertised job openings did not use an online job board.
  - Relatively few respondents used job fairs, local media or physical signs to help fill their job openings.
- Idaho employers see deficiencies in workers' soft skills and expect their need for these skills to grow.
  - Leadership/managerial and time management skills were top ranked in current skills deficiencies and will be a growing need over the next five years.
  - Job-specific English, reading and writing, as well as math, appear to be least deficient of the skills considered.
- Idaho's business leadership community skews towards white, non-Hispanic/non-Latino men.
  - Men account for about 59% of Idaho business owners/leaders compared with just over 50% of the state's total population.
  - Hispanics and Latino/Latinas account for an estimated 12% of Idaho business owners/leaders compared with 13% of the state's total population.
  - An estimated 87% of Idaho business owners/leaders identified as white compared with 81% of the state's total population.

- About nine out of 10 people who work for an Idaho employer do so in person instead of remotely or hybrid.
  - Industries with a larger share of remote and hybrid workers included those centered around the creation, exchange and curation of knowledge and data.
  - Industries with a smaller share of hybrid or remote workers included goods-producing industries as well as many typically customer-facing service industries.
- Regions with populations growing faster than the state average had larger shares of newer businesses, while slower population growth regions had larger shares of older businesses.

## Business climate and core concerns

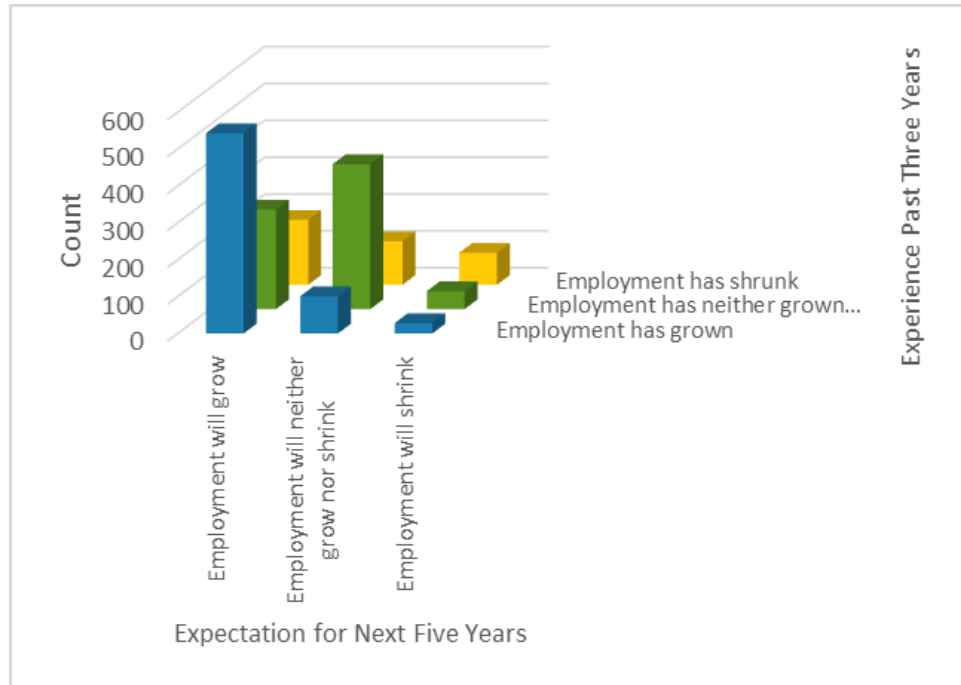
The state's regional labor economist team wanted to learn about the experience of Idaho employers during the COVID-19 pandemic and how that might reflect upon their expectations over the next several years. The survey focused on changes in employment levels and asked respondents two questions regarding that: 1.) has employment grown or shrunk over the past three years and 2.) what are their expectations for employment changing over the next five years. Figure 4 provides a 3-D bar graph of responses to the two questions.

Looking at Idaho business's experiences over the pandemic years, a plurality of respondents reported employment having neither grown nor shrunk (40.3%) followed closely by those who said employment grew (38.1%). However, over a quarter of respondents reported employment shrunk since the onset of the pandemic (21.6%). Those respondents represented three industries: management of companies and enterprises; real estate, rental and leasing; and wholesale trade.

Owing perhaps to the generally optimistic tendency of entrepreneurs, a majority of respondents expected their business's employment to grow over the next five years (56.0%), followed by those who expected no change (34.7%) and finally those who expected employment to shrink (9.3%). Industries with relatively more pessimistic employment outlooks were management of companies and enterprises; real estate, rental and leasing; other services (except public administration); and educational services.

Finally, as seen in Figure 4, future employment expectations appear correlated with the business's past employment experience. A majority of respondents who expected growing employment said their employment has grown the prior three years. Similarly, a majority of respondents who expected neither growth nor shrinking also said their employment neither grew nor shrunk over the pandemic. And again, a majority of respondents with negative employment outlooks were those who said they lost workers in the past few years.

**Figure 4: Past and future expected employment change**



Source: 2023 Idaho Business Climate Survey

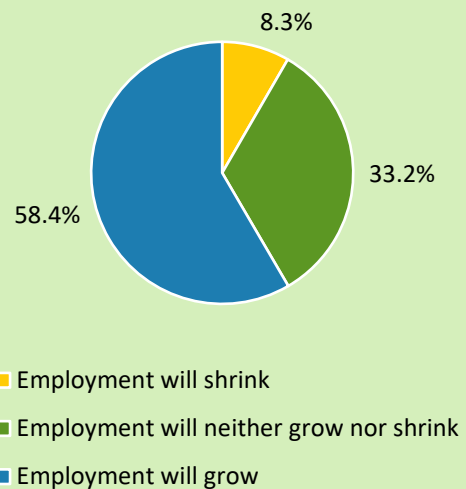
**Southwestern Idaho highlight**

Southwestern Idaho’s economy has a diversity of industries due to several factors, including:

- The state capital’s location in Ada County;
- It includes the population core of the state within the largest metropolitan statistical area – Boise, ID MSA – comprising Ada, Boise, Canyon, Gem and Owyhee counties; and
- The diverse but robust agricultural activities in most of the 10-county area.

Survey respondents operating exclusively in Region 3 were optimistic with 58.4% of businesses expecting employment to grow over the next five years. Of these respondents, 33.2% believe employment will neither grow nor shrink and a minority (8.3%) anticipate their employment will shrink over the same period.

**Expected employment change over next five years**

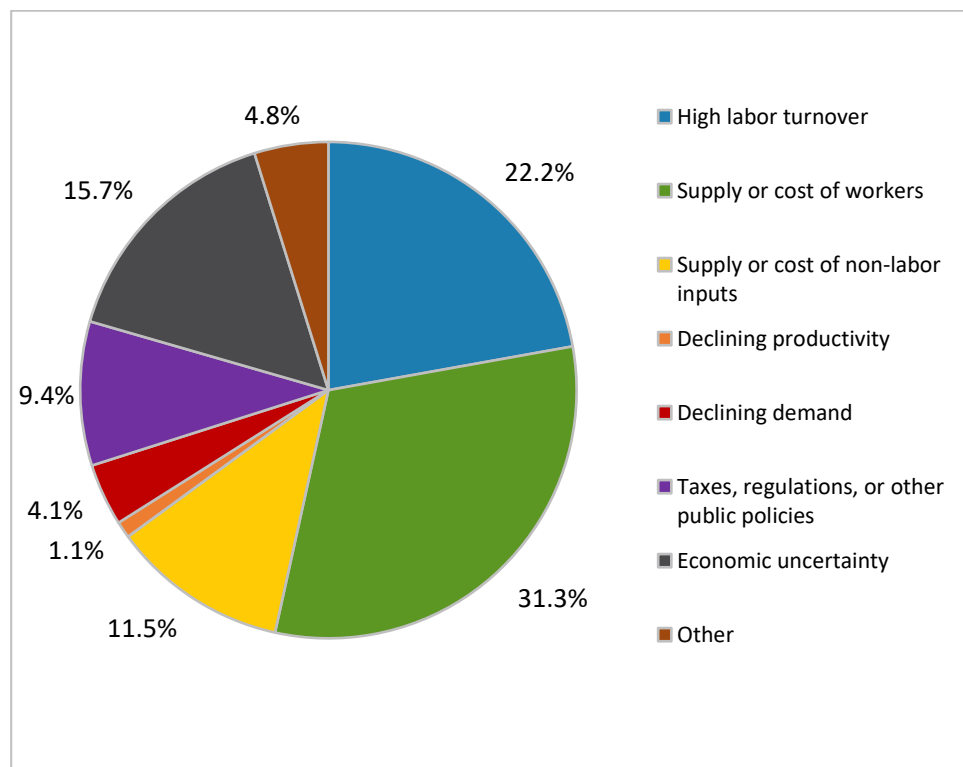


**Top business concerns**

Anecdotal evidence suggested labor concerns were a common worry for local businesses, but the department wanted to know if these concerns were widespread. To quantify this, survey respondents were asked to rank eight business concerns in the order of importance along with the option to provide an open-ended response to the concern if they wished to elaborate further. Figure 5 provides a breakdown of respondents’ top concern by rank.

Over half of respondents who answered the question reported some labor-related issue as their top concern with 31.3% choosing “Supply or cost of workers” and 22.2% selecting “High labor turnover.” This corroborates ongoing trends of a tight labor market including low unemployment, elevated job openings, as well as high quit rates and low layoff/discharge rates. Common open-ended responses included workers no longer wish to work many difficult jobs, fierce competition among employers for talent, widespread job switching as workers shop for more attractive pay and benefits, in addition to poor talent pipelines for certain specialized occupations within the state.

**Figure 5: Top business concerns**



Source: 2023 Idaho Business Climate Survey

Note: Numbers represent re-weighted sample based on respondent industry and the number of known establishments from the 2022 Quarterly Census of Employment and Wages

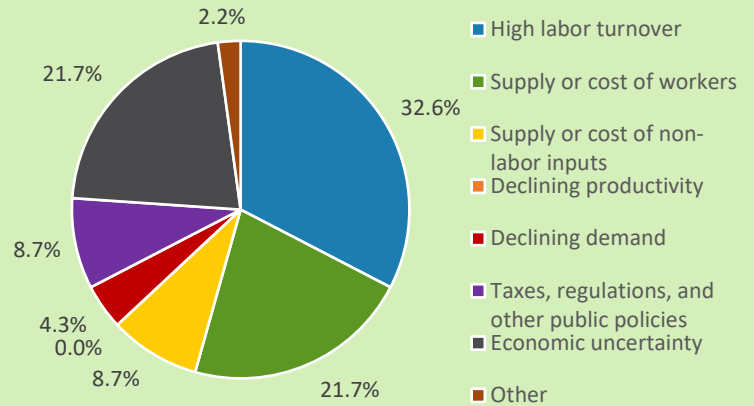


**Southeastern Idaho highlight**

Southeastern Idaho’s economy is a varied mix of goods- and service-producing industries ranging from agriculture, mining and manufacturing to professional and recreational services as well as higher education like Idaho State University. Much of the economy and population share connections with the sprawling Wasatch Front to the south in nearby Utah.

A majority of respondents operating exclusively in Region 5 cited a labor-related issue as their top concern. More cited labor turnover as their top concern than the supply or cost of workers (32.6% vs 21.7%, respectively). Additionally, the share of respondents citing economic uncertainty as their top concern — 21% — was much larger than the state average at just 15.7%.

**Top business concerns in southeastern Idaho**



Several industries indicated labor turnover and the supply of workers were their top concerns as seen in Figure 6.

**Figure 6: Top concern as % of respondents**

Industry	Labor turnover	Supply of workers
Mining	33.3%	66.7%
Health care and social assistance	26.2%	45.3%
Educational services	33.3%	31.8%
Public administration	40.0%	20.0%
Agriculture, forestry, fishing and hunting	16.0%	40.7%
Construction	23.9%	32.7%
Accommodation and food services	28.2%	27.1%

Source: 2023 Idaho Business Climate Survey

The most common concern unrelated to labor was “Economic uncertainty” at 15.7%. This survey coincided with a string of banking failures starting in March 2023, but it seems unlikely this was the sole cause. In their open-ended responses, many respondents who selected economic uncertainty as their top concern cited recession worries, high inflation and interest rates, ongoing supply chain issues, concerns over government spending, and unpredictable consumer behavior.

Among the industries where economic uncertainty was the top concern were wholesale trade (47.8% of industry respondents); information (42.9%); and real estate, rental and leasing (33.8%).

Rounding out respondents' top concerns by share were "Supply or cost of non-labor inputs" with 11.5% of respondents; "Taxes, regulations or other public policies" at 9.4%; "Other" at 4.8%; "Declining demand" at 4.1%; and "Declining productivity" at 1.1%.

### ***Reasons for labor turnover***

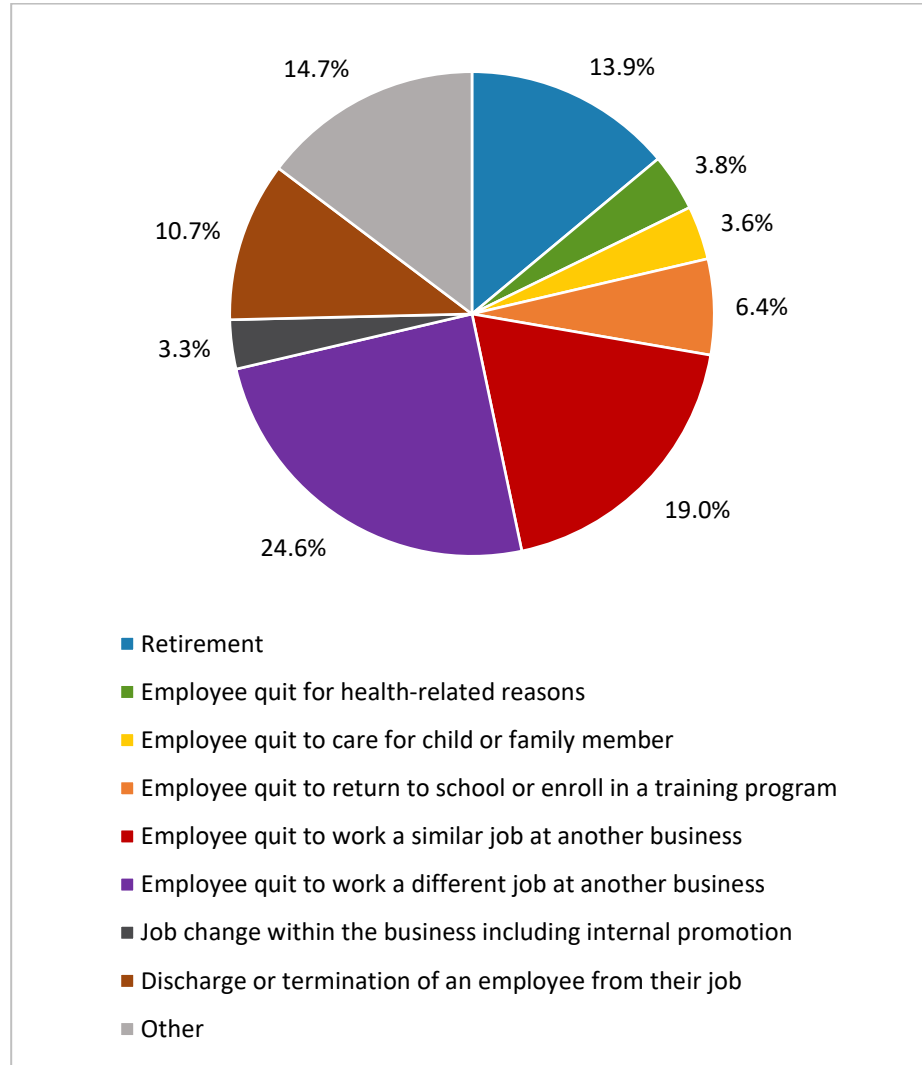
What accounts for the high labor turnover many Idaho employers identified as their top concern? The decision of a worker to separate from their job or an employer to let an employee go is complex, so the department included a similar ranking question. Respondents were asked to rank nine possible reasons for labor turnover at their business along with the ability to provide open-ended responses if they desired to elaborate. Figure 7 provides a pie chart of respondents' top reason for churn among their workers.

Most respondents cited some form of job switching as the main reason for labor turnover with 24.6% citing "Employee quit to work a different job at another business" and 19.0% citing "Employee quit to work a similar job at another business." This is consistent with other evidence that suggests the labor market remained tilted in workers' favor with employees much more confident in ending an employment relationship with their employer. In a job-seekers market, workers with an abundance of employment options will shop for the best match.

While job switchers of some kind were the most cited turnover reason among all respondents, some industries appear more impacted than others. A majority of respondents within mining (100%), manufacturing (52.6%), and public administration (50%) gave job switching as the top reason for labor turnover within their business, while a near-majority was reported among construction (47.9%), accommodation and food services (47.7%), educational services (47.5%), health care and social assistance (46.8%), other services except public administration (45.1%), and retail trade (44.8%).

Though 14.7% of respondents chose "Other" reason, many open-ended responses stated labor turnover was not an issue for the business. The next most commonly cited top reason was "Retirement" at 13.9%, owing in part to an ongoing demographic transition as the baby boomer generation exits the workforce. Industries with notably large shares of respondents citing retirements as a top reason for labor turnover included public administration (25%); utilities (25%); transportation and warehousing (25%); wholesale trade (23.8%); finance and insurance (21.8%); real estate, rental and leasing (21.2%); and information (21.1%).

**Figure 7: Top reason for labor turnover**



Source: 2023 Idaho Business Climate Survey

Note: Numbers represent re-weighted sample based on respondent industry and the number of known establishments from the 2022 Quarterly Census of Employment and Wages

Rounding out the list of top reasons for labor turnover were “Discharge or termination of an employee from their job” (10.7%), “Employee quit to return to school or enroll in a training program” (6.4%), “Employee quit for health-related reasons” (3.8%), “Employee quit to care for child or family member” (3.6%) and “Job change within the business including internal promotion” (3.3%). For some industry examples, 28.6% of respondents in arts, entertainment and recreation and 13.6% of those in accommodation and food services cited employees quitting to return to school or enroll in training as their top reason for employee turnover, while 13.5% of respondents in health care and social assistance cited workers quitting to care for children or family.

### ***Worker skills assessment***

While labor concerns are at the front of many businesses' minds, employers desire workers with a degree of requisite skills. While it is beyond the scope of this survey to look at technical skills in detail, the survey did include two questions to assess the current and future needs of Idaho employers when it comes to several more general skills.

Figure 8 provides a breakdown for each skill based upon what percentage of current workers adequately possess it. Skills are ranked by the share of respondents who reported that less than two-thirds of current employees adequately possess this skill, as shown by the orange and yellow bar lengths.

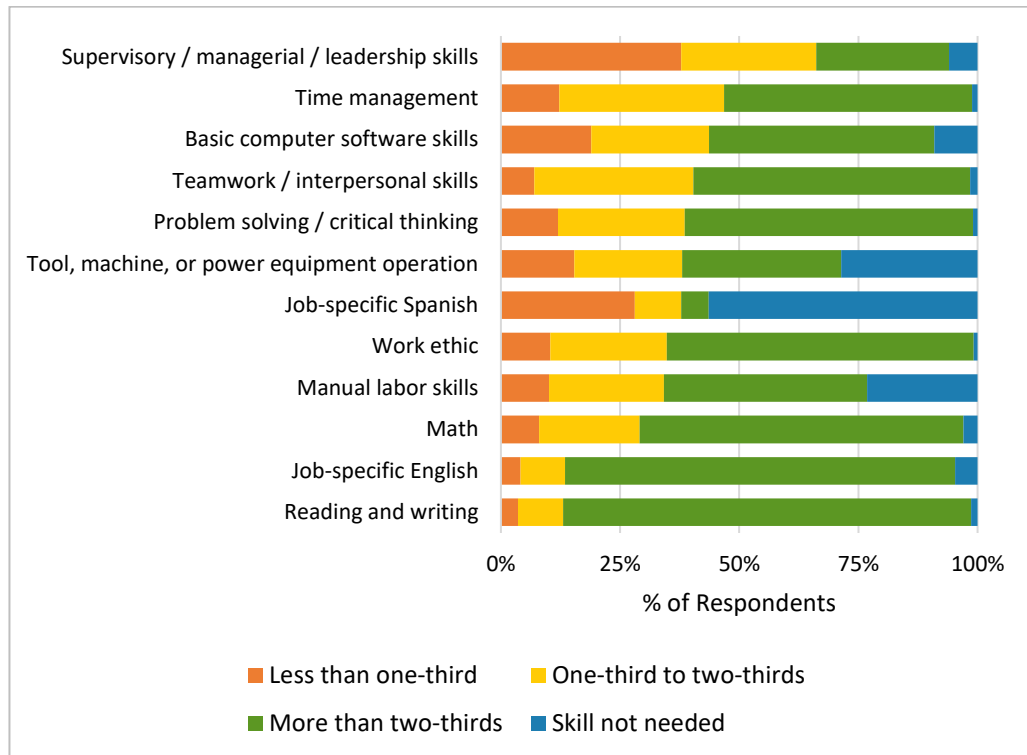
At the top of the list of deficient skills are a cluster of soft skills including supervisory/managerial/leadership, time management, teamwork/interpersonal, as well as problem-solving and critical thinking.

Ignoring basic computer software skills, these most deficient skills are difficult to replace by automation and difficult to learn and develop beyond exercising them. At the other end of the spectrum are the more traditional cluster of reading and writing, job-specific English and math with far larger shares of respondents reporting more than two-thirds of their workers having the desired skill level.

The survey also asked respondents to rank these skills according to how their needs will change over the next five years. Figure 9 tells a similar story: many of the same skills currently seen as deficient are expected to be growing in need.

Supervisory/managerial/leadership and time management came in first and second, respectively, followed by teamwork/interpersonal and work ethic.

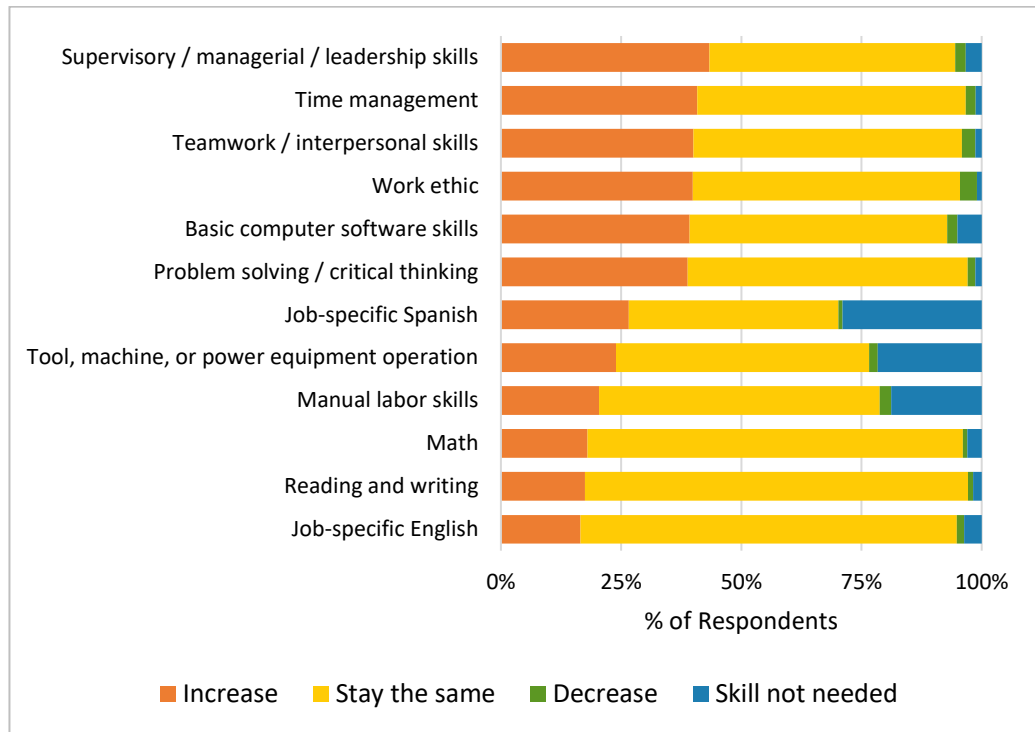
**Figure 8: Share of workers adequately possessing skills**



Source: 2023 Idaho Business Climate Survey

Note: Numbers represent re-weighted sample based on respondent industry and the number of known establishments from the 2022 Quarterly Census of Employment and Wages

**Figure 9: Need for skills over next five years**



Source: 2023 Idaho Business Climate Survey

Note: Numbers represent re-weighted sample based on respondent industry and the number of known establishments from the 2022 Quarterly Census of Employment and Wages

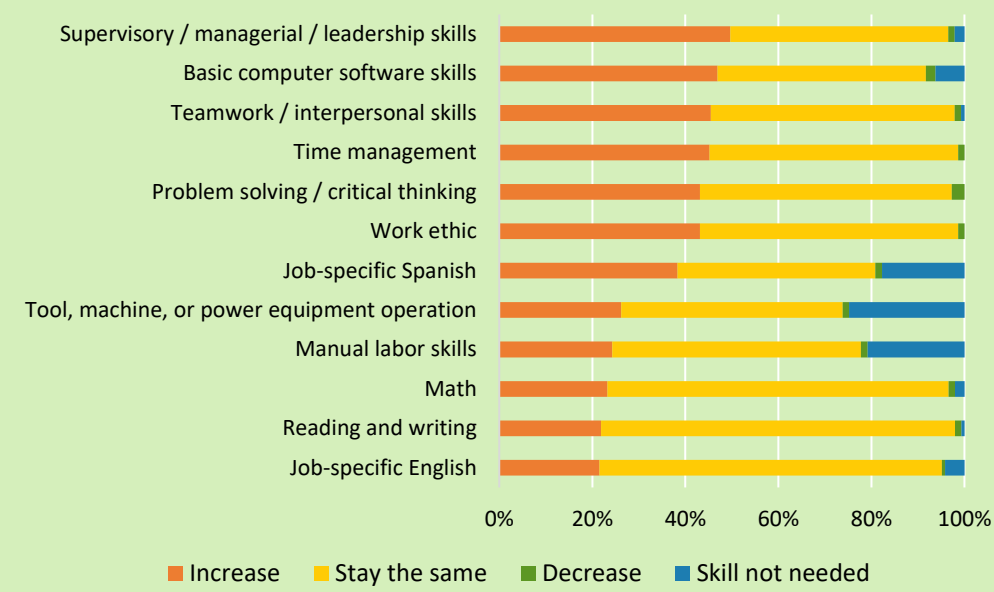
Part of the reason for the high demand for workers with leadership skills may reflect an aging workforce and the expected retirement of many experienced leaders and supervisors from the workforce over the coming years.

**South Central Idaho highlight**

*South central Idaho is known for food processing, agriculture/agri-business and tourism with the famous Sun Valley Resort. The hands-on approach to education provided by the College of Southern Idaho is a critical resource for providing workforce development in the region.*

*Region 4’s expected need for skills compared with the state’s expected needs highlights local differences. Overall, the region follows much of the state’s trend with most growing needs in soft skills like interpersonal skills and time management. However, basic computer software skills are the second highest skill most expected to increase in demand with 8% more south central Idaho employers anticipating an increase compared with the state overall. In a region with deep roots in agri-business and food processing, software and computer assisted technology is becoming a growing element of production. The region expects the need to grow as technology and software becomes even more ingrained in business models and workflows.*

**Need for skills over next five years – south central Idaho**



## Job postings and advertising methods

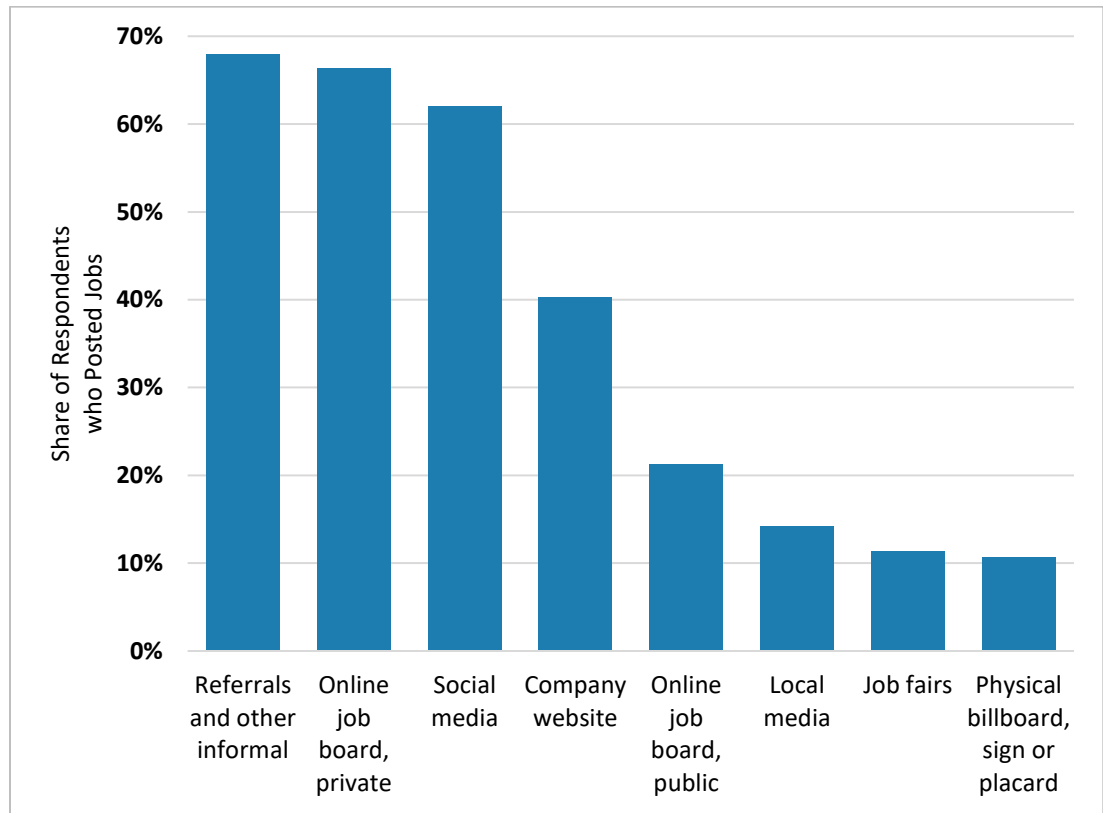
With workers in demand, employers must find ways to advertise job openings for suitable applicants. The regional labor economist team often refers to the Conference Board's Help Wanted Online (HWOL) data series when measuring the pace of hiring in their respective regions and statewide. However, the team wished to know if the HWOL data is truly representative given that some employers may not post their openings on job boards the Conference Board mines for its data collection. As such, the survey included a multiple-choice question concerning the methods Idaho businesses use to advertise their job postings. Figure 10 charts the share of respondents who posted jobs for each method considered.

Interestingly, employers seemed to rely on two extremes — the most high-tech and the most low-tech. The most cited method among respondents with job postings was employee referrals and other informal professional networks at 68.0%, the most low-tech of all methods in that it consists mostly of word-of-mouth. At the opposite end of the technology spectrum was internet-based methods ranging from privately owned online job boards such as Indeed, Monster and ZipRecruiter (66.4% of respondents); social media (62.0%); a company website (40.2%); and publicly owned online job boards such as the Department of Labor's IdahoWorks (21.3%). Job posting methods in the intermediate technology category had considerably lower adoption rates: local media such as newspapers as well as local television and radio (14.1% of respondents); local job and career fairs (11.4%); and physical signs, billboards and placards (10.6%).

Considering all online job boards, private and public, 72.8% of respondents who posted jobs used such platforms, meaning that just over a quarter of Idaho employers with labor needs would not be captured by the Conference Board's HWOL data series. Industries that appear to have lower-than-average adoption rates of online job boards when advertising openings, included management of companies and enterprises (50.0% of industry respondents); agriculture, forestry, fishing and hunting (53.8%); accommodation and food services (54.5%); retail trade (60.9%); and arts, entertainment and recreation (63.3%).



**Figure 10: Job posting method**



Source: 2023 Idaho Business Climate Survey

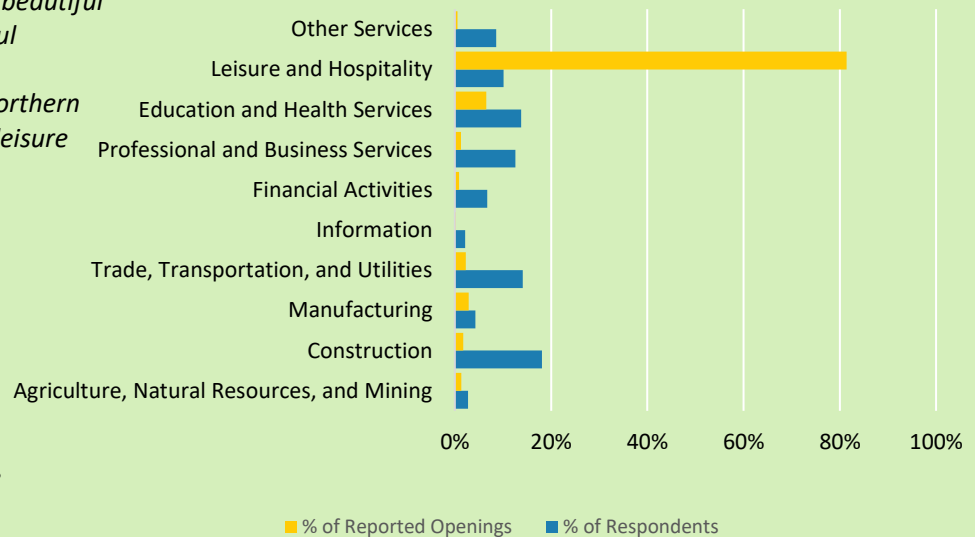
Note: Numbers represent re-weighted sample based on respondent industry and the number of known establishments from the 2022 Quarterly Census of Employment and Wages

**Northern Idaho highlight**

Northern Idaho is well known for its beautiful lakes, scenic mountains and bountiful outdoor recreation opportunities. Correspondingly, labor demand in northern Idaho is dominated by the needs of leisure and hospitality industries including restaurants, hotels and recreational establishments.

Despite making up just over 10% of regional respondents to the survey, leisure and hospitality accounted for over 80% of the job openings reported – a sign of the enormous need for workers to make the region’s summer recreational season a success.

**Job openings reported – northern Idaho**



## Idaho business leadership demographics

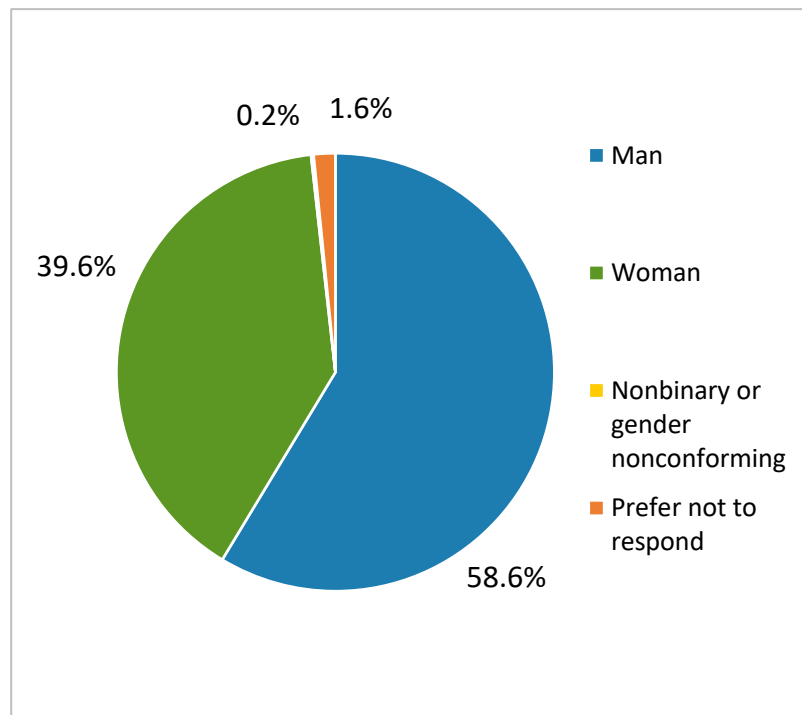
Another objective of the survey was to learn more about the characteristics of the owners and leaders of Idaho businesses, in part as a response to a data request from the Idaho Commission on Hispanic Affairs. The survey asked responding entities to answer a panel of demographic questions for the most significant three decision-makers of that business, be they owners, leaders or both.

### Gender

When asked to identify the gender of the top three owners/leaders of the company, 58.6% of individuals were men, 39.6% were women and fewer than 2% preferred not to respond or were nonbinary/gender nonconforming (see Figure 11).

Survey responses demonstrate there is a much larger share of men in business leadership when compared with the total Idaho adult population. According to the most recent U.S. Census American Community Survey (ACS) data from 2021, the total Idaho population for those age 18 and older is evenly split between males (50.1%) and females (49.9%).

**Figure 11: Gender of Idaho business owners/leaders**



Source: 2023 Idaho Business Climate Survey

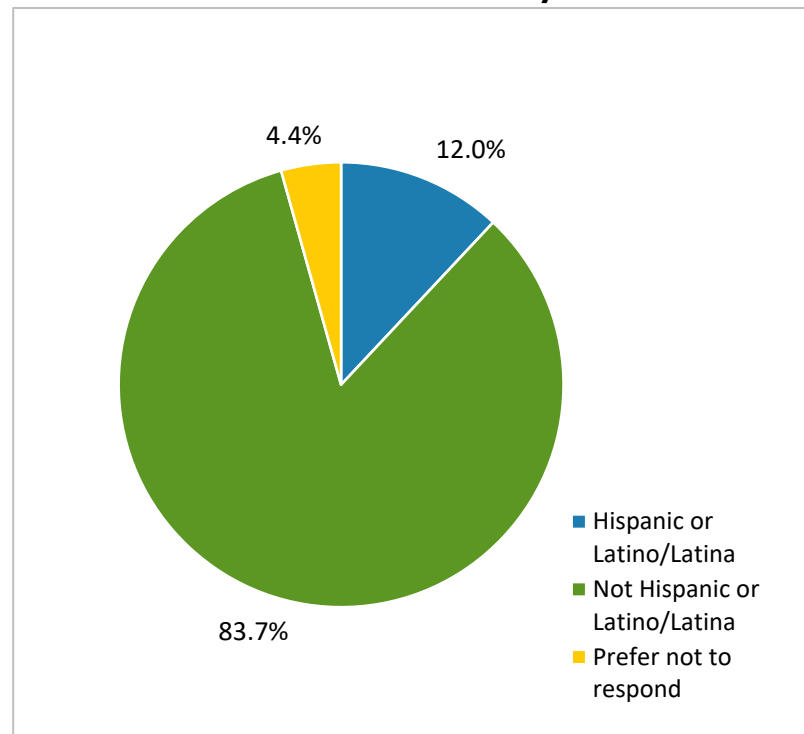
By region, the percentage of women as a total of all owners/leaders ranged from a low of 38% in southeastern Idaho to a high of 45% in north central Idaho.

Overall, 79% of responding entities had at least one male listed in their business leadership while 63% reported at least one female. The highest share of business entities having at least one male in a leadership role was 84% in the eastern region compared with the lowest of 71% in the north central region. For women, results ranged from 55% in the southeastern region to 75% in north central Idaho.

### ***Ethnicity***

Respondents were asked if the top three owners or leaders of the business identified as Hispanic or Latino/Latina. Based on completed responses, the results have those who do not identify as Hispanic or Latino/Latina at 83.7%, those identifying as Hispanic or Latino/Latino at 12.0% and those preferring not to respond at 4.4% (see Figure 12). Excluding the entities that either left the question blank or only selected "Prefer Not to Respond," between 13-14% of entities reported Hispanic or Latino/Latina ethnicity in at least one member of their top leadership team, which is very similar to the 13% of Idaho's total population that identified as Hispanic or Latino/Latina in the 2020 decennial U.S. Census.

**Figure 12: Hispanic or Latino/Latina origin of Idaho business owners/leaders**



Source: 2023 Idaho Business Climate Survey

By business type, entities with Hispanic or Latino/Latina leadership were slightly more likely to be a privately owned proprietorship or privately owned partnership than the share of total statewide survey responses. Combined, proprietorships and partnerships represented 42% of Hispanic or Latino/Latina leadership business entities compared with 37% of total survey responses.

The highest number of responding entities with Hispanic or Latino/Latina leadership were in four industries of 1) construction (22%), 2) healthcare and social assistance (11%), 3) retail trade (9%), and 4) professional, scientific and technical services (9%). Together, these four industries represented a combined 52% of all entities with at least one leadership member identified with Hispanic or Latino/Latina ethnicity. No Hispanic leadership was identified in survey responses in the administration and support, mining, public administration or utilities industries.

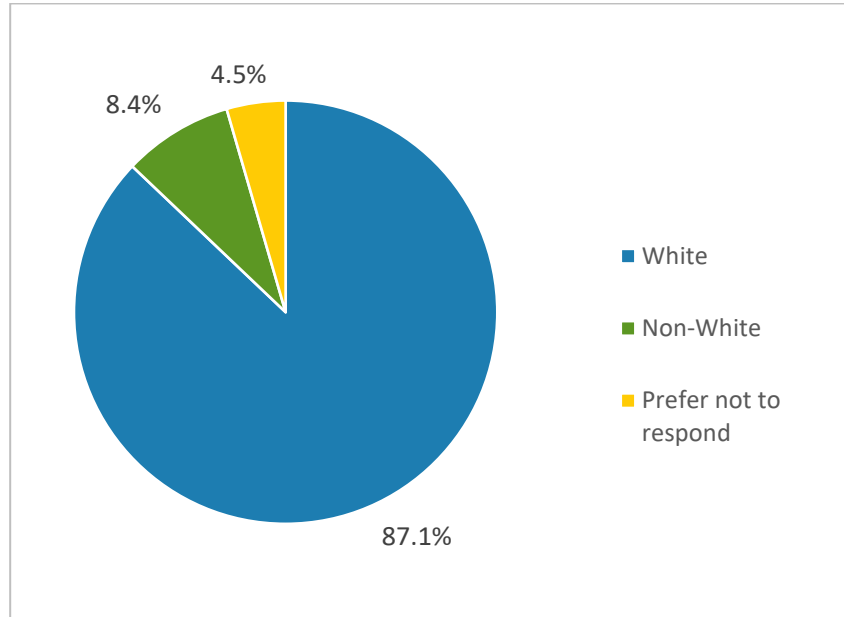
Overall, businesses with Hispanic or Latino/Latina leadership look to be slightly younger entities than overall survey responses, with 36% of those businesses founded within the last five years (since 2018). This compares with 33% of total survey responses. However, very young businesses — opened in or after 2021 — the ratio changes as 14% of those entities showed Hispanic or Latino/Latina leadership compared with 16% of total survey responses.

## Race

One survey question asked respondents to identify the race for the top three owners or leaders of the business. Based on completed responses, the statewide results showed 87.1% of surveyed business leadership was white, 8.4% identified as another single race or two plus races and 4.5% selected "Prefer Not to Respond" (see Figure 13), and 28% of survey respondents left the question blank. Excluding the entities that either left it blank or only selected "Prefer Not to Respond," 91% of responses listed white as their leadership's race while 9% of business leadership was identified as a race other than white. According to 2021 1-year ACS data from the U.S. Census, it is estimated that 81% of Idaho's total population is white while 19% identify as a different race or two or more races.

Survey responses showed an approximate 10% overweight of white leadership at 91% compared with the total population at 81%. Nearly all non-white groups were less represented in the survey results than expected for the total population. The exception was Native Hawaiian and Other Pacific Islanders who represented 0.2% of survey results compared with 0.1% for Idaho's total population.

**Figure 13: Race of Idaho business owners/leaders**



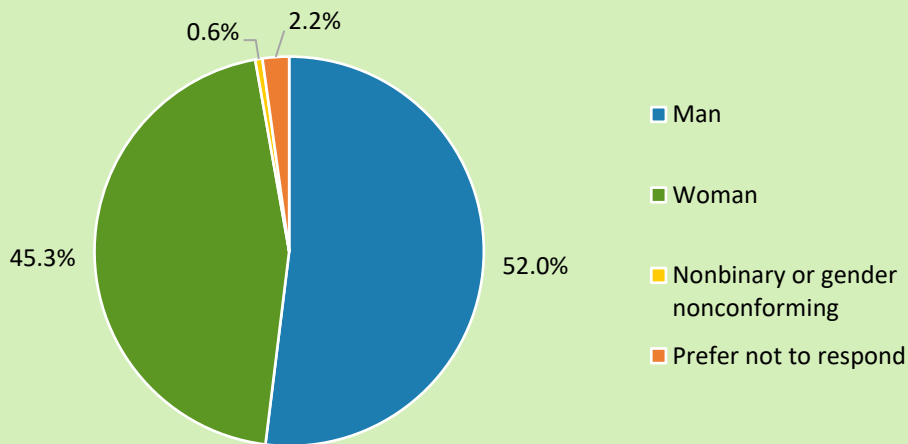
Source: 2023 Idaho Business Climate Survey

**North Central Idaho highlight**

*North central Idaho is a region of contrasts, from steep river canyons with the state’s lowest elevation to the fertile rolling hills of the Palouse and Camas Prairie. With its low population density, the main economic drivers include manufacturing, agriculture, natural resources and top-level secondary education institutions including the University of Idaho and Lewis-Clark State College.*

*Respondents in Region 2 had a higher share of women in roles of business ownership/leadership at 45% compared with the state overall at 40%. Three-quarters of responding north central business entities had at least one woman listed in a leadership role, the highest of any region and higher than the statewide average of 63%. However, only 6% of the region’s business owners and leaders identified as Hispanic or Latino/Latina, half of the statewide estimate of 12%.*

**Gender of business owners/leaders – north central Idaho**



For leadership representation by race spread throughout unique business entities, 90% of responding businesses had at least one member of leadership that identified as white, 5% had at least one member that identified as Other Race, just slightly under 5% had a member of leadership that was two or more races and a combined 4% of businesses had leadership that was either American Indian or Alaska Native (1.1%), Asian (1.8%), Black or African American (1.0%), and/or Native Hawaiian and Other Pacific Islander (0.4%).

Overall, non-white racial leadership was more likely to show up in privately owned corporations and less likely to be found within proprietorships and partnerships compared with total survey responses.

## Remote and hybrid work

The remote working model existed in Idaho before the pandemic. Adaptation to the disruption caused by COVID-19 accelerated this trend by decades in redefining the nature of where work happens. The flexibility on when and where work can happen — remotely from the office versus at the workplace — varies depending on the industry and specific occupations. From the survey, the team attempted to find out the level Idaho employers had embraced full remote or hybrid in-office/work-from-home schedules for their workers and how different industries have employed this employment trend.

The survey indicates that 11% of total employment in Idaho work remotely or with a hybrid workplace arrangement. It was about an even split between these two with 5.7% fully remote and 5.3% in a hybrid workplace arrangement.

Not surprisingly there are differences among Idaho's industries as not all have an option for where work can be performed. Businesses with jobs involving a physical aspect of goods being made or services being performed were not conducive to telework arrangements. These had the smallest percentages of employment that were remote or hybrid. Mining industry respondents had the smallest portion with just 0.4% of employment in a hybrid set up. Only 4.3% of retail, 6% of construction and 8.9% of manufacturing jobs represented in the survey have workplace arrangements other than in-person.

**Eastern Idaho highlight**

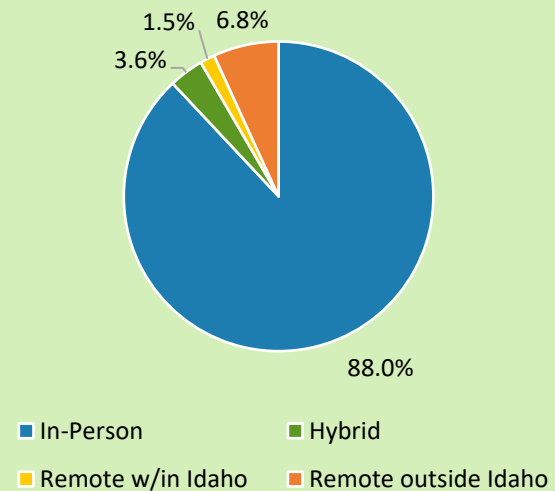
Eastern Idaho encompasses a balanced industry footprint in health and education, transportation, utilities and trade, as well as professional and business services. As a gateway to recreation and amenities in many national parks, the region draws millions of annual visitors. The local economy is further anchored by the Idaho National Laboratory and its local colleges. A vibrant economy and family oriented environment has led to a bastion for population growth in the region.

Relative to the 89% state share of employees with in-person work arrangements, 88% of employees working for eastern Idaho businesses work in-person. Those working remote or in a hybrid arrangement comprised 12% of surveyed eastern Idaho employees. Nearly one quarter of employment was attributable to professional, business, financial and informational services, industries which are conducive to remote or hybrid work.

Interestingly, a large majority (82%) of remote workers were reported as being located out-of-

state. While teleworking has provided new avenues for local employers to meet their labor needs, it also means that wages and salaries paid may not necessarily circulate through the local economy but instead flow outward.

**Share of employees by work arrangement – eastern Idaho**

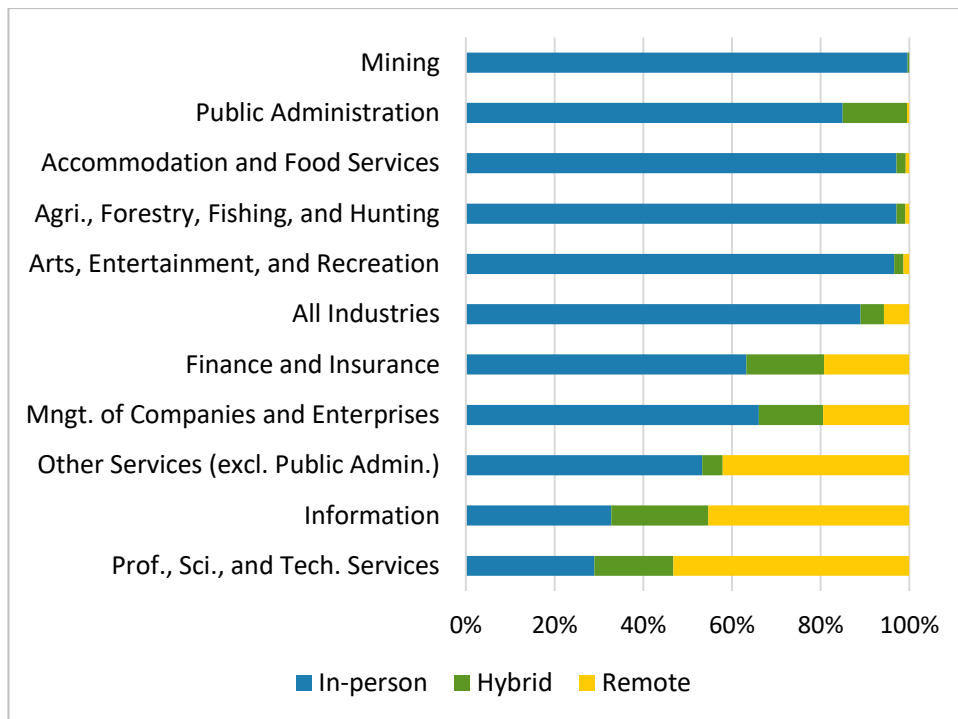




On the opposite end, industries centered around the creation, exchange and curation of knowledge and data had a much larger portion of employees working remote or on a hybrid schedule. Professional, scientific and technical services and information were the only two industries with a minority of employees working exclusively in person at 29% and 32.8% respectively. Professional, scientific and technical services was the only industry to report a majority of employees (53.2%) working in a remote arrangement in Idaho.

Public administration had an above-average proportion (15%) of employees working in a hybrid arrangement — 14.5% are hybrid while only 0.5% are fully remote.

**Figure 14: Share of employees by work arrangement, industry**



Source: 2023 Idaho Business Climate Survey

Note: All Industries numbers represent re-weighted sample based on respondent industry and the number of known establishments from the 2022 Quarterly Census of Employment and Wages

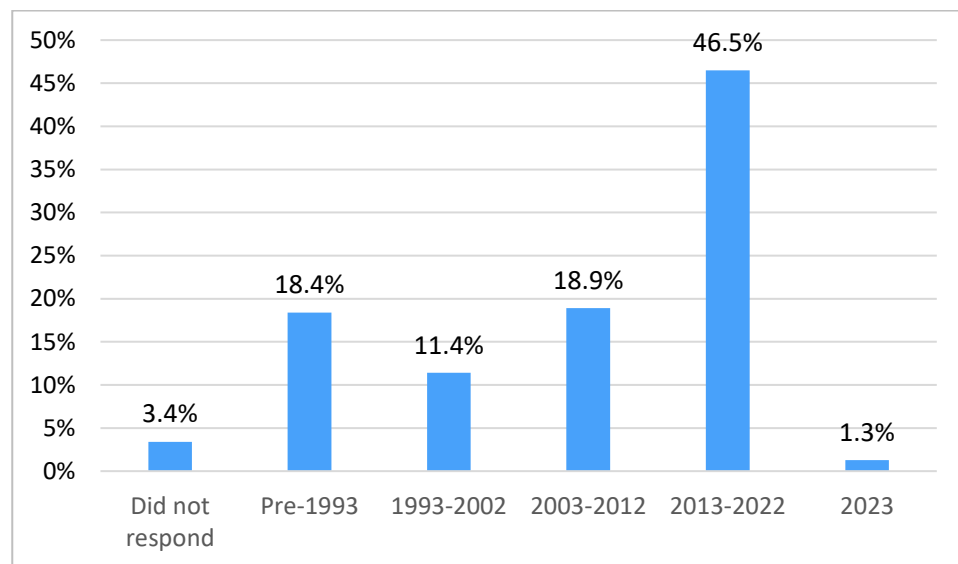
## Age of locally operated businesses

Seventy-two percent of businesses surveyed operate in a single county within Idaho while 3% operate statewide. Looking exclusively at respondents who operate out of a single county, nearly half first began operations in Idaho within the past 10 years and about seven out of 10 within the past 20 years (see Figure 15).

Among these locally operated businesses, the less-populated regions of Idaho had the largest shares of respondents who had been in operation for 30 or more years: south central, 30%; southeastern, 29%; and north central, 29%. This may reflect slower population growth as more people typically means increased and new demands as well as a growing labor force available for hire by new businesses. From the U.S. Census Bureau's annual population estimates, these three regions experienced population growth rates below the state average of 22% between 2012 and 2022: south central, 14%; southeastern, 9%; and north central, 7%.

Dovetailing this point, the regions with the fastest population growth had the largest share of locally operated businesses that started within the past decade. The share of one-county operating businesses founded within the past 10 years were northern, 56%; southwestern, 54%; and eastern, 54%. For a comparison, these regions' populations grew by 27%, 26% and 24%, respectively.

**Figure 15: Start-up year of locally operated business**



Source: 2023 Idaho Business Climate Survey

Note: Percentages represent respondents who only operated in a single Idaho county.

Of those business operating exclusive in a single county since before 1890 – the year of Idaho's statehood – over one-third in this survey were located in north central Idaho.

## Appendix A: Methodology

The survey asked a series of core questions to gauge views on the current and near-term future of the state's labor market and economy. Additional questions to enhance the survey's investigation of the business climate include the following:

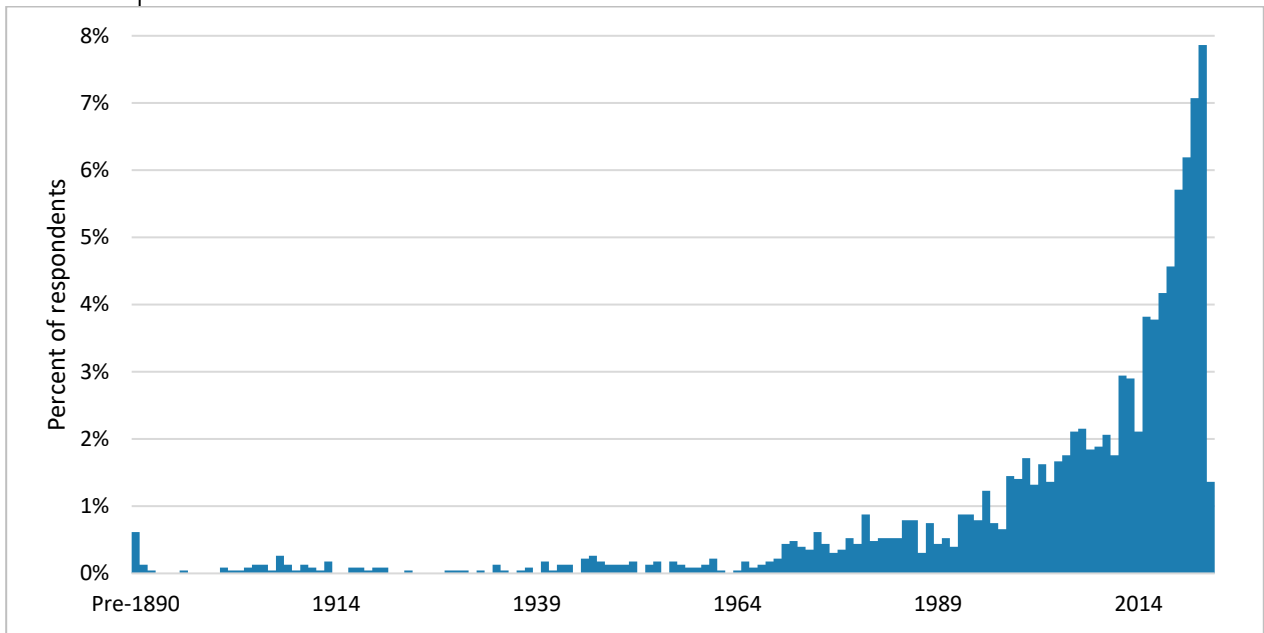
- Characteristics of a business and its leadership.
- Experience with job postings and the various methods employers used to advertise positions.
- The workplace arrangements of employees.
- Interest in additional surveys for future research.

The survey was distributed via email to 90,611 unique emails pooled from within Idaho Labor on March 13, 2023, with a follow-up email sent on March 22. The survey was closed to responses on March 25, 2023. During this time 2,360 responses were collected, which the research team was satisfied with given the relative newness of this study and the time frame for which it was open. Future samples will be conducted with a more limited and focused sample, though still random.

### Composition of survey respondents

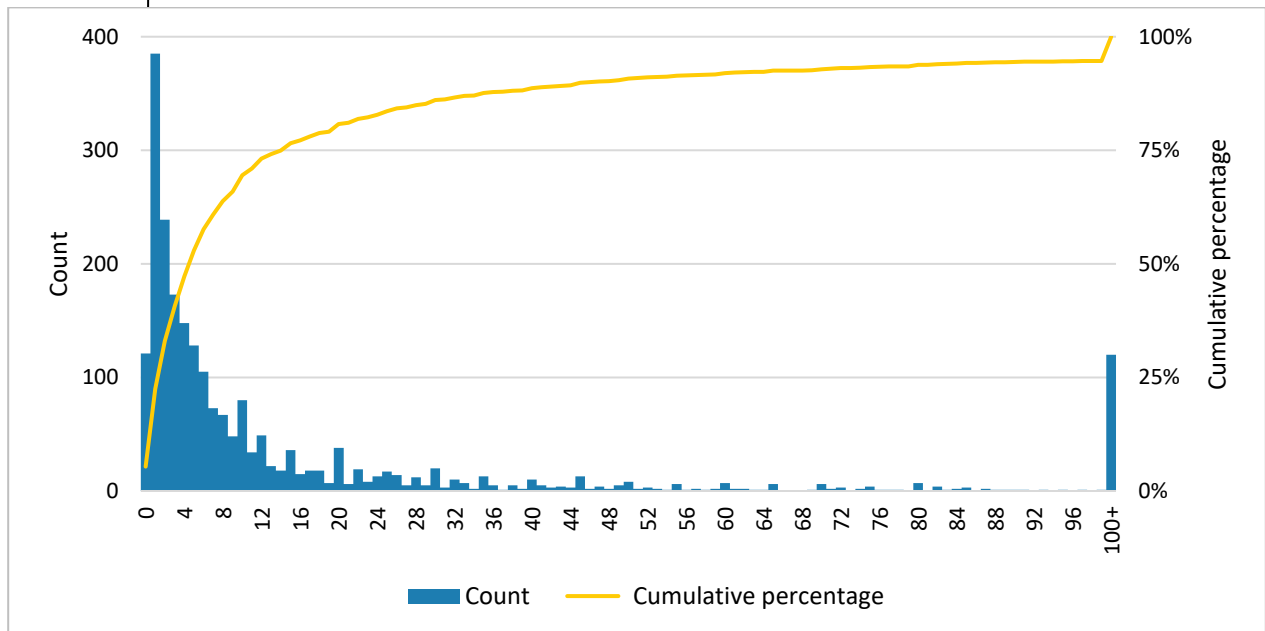
- Of the 2,360 responses collected
  - 95% represented private businesses,
  - 5% were from public agencies or state-owned enterprises,
  - 60% were from private corporations or other private incorporated entities,
  - 92% of the private business respondents were for-profit entities,
  - About half began operating in Idaho before 2012 (see Figure 1),
  - 80% were businesses with 20 or fewer workers; about 5% had 100 or more (see Figure 2), and
  - Industry representation skewed toward construction (see Figure 3).
- Where appropriate, aggregated responses were weighted by industry at the state level.

**Figure 1: Year respondent first began operating in Idaho**



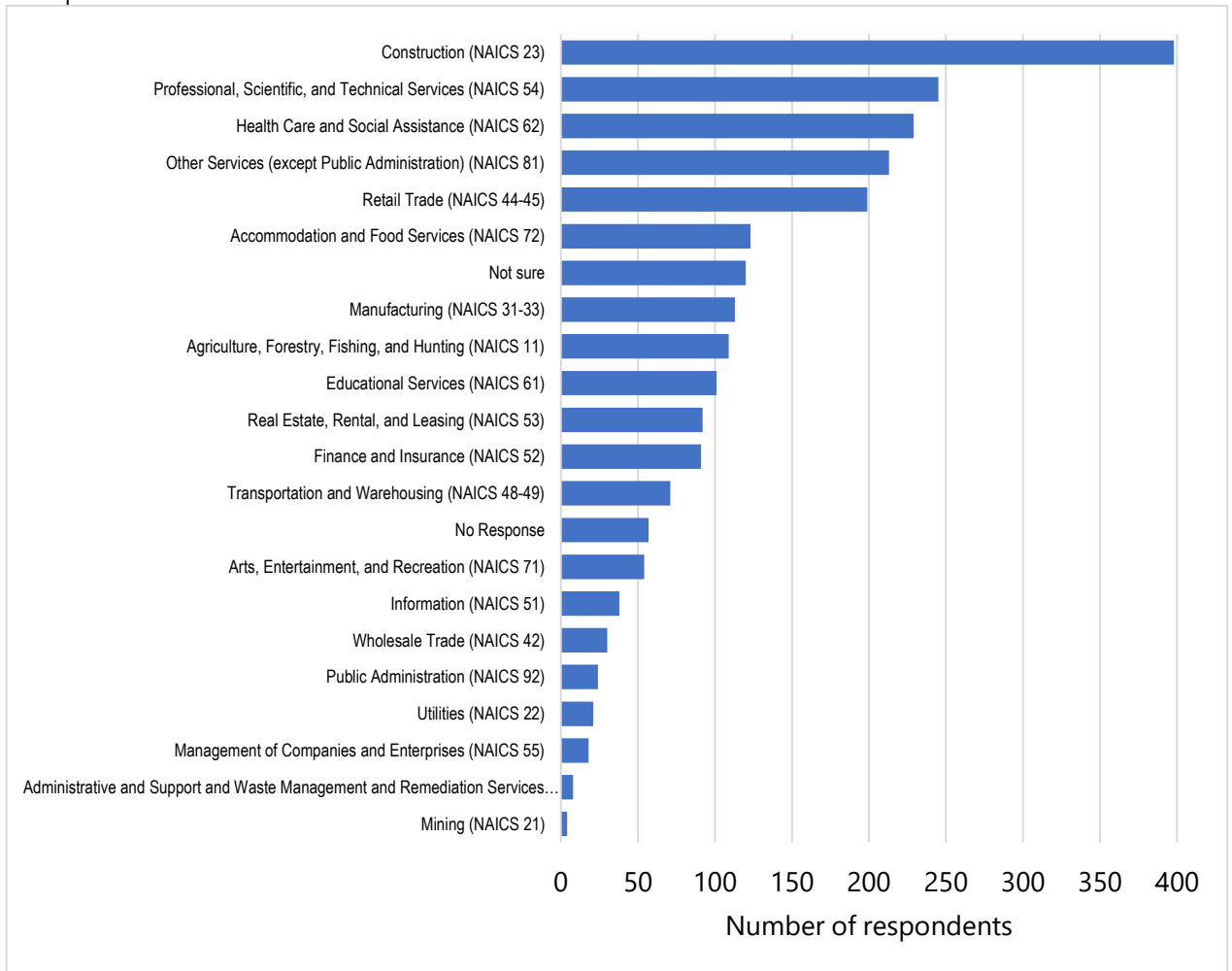
Source: 2023 Idaho Business Climate Survey

**Figure 2: Number of workers per respondent**



Source: 2023 Idaho Business Climate Survey

**Figure 3: Industry of respondents**



Source: 2023 Idaho Business Climate Survey