

## This Report

This is a brief findings and analysis report based on response from businesses to a workforce needs survey conducted during June 2009 as part of the Recreation and Tourism Industry Skill Panel managed by CTEC. These findings are part of building a foundation of information about skills needs across the industry, as well as engagement of businesses in the region.

It is important to note that these survey results cannot represent the full depth and breadth of the industry in our region, but can still offer key indications of where workforce development solutions may be needed across employers in the Recreation and Tourism sector. Findings will be used to 1) Bring employers together to discuss common workforce challenges; 2) to develop a deeper understanding of the root causes of these common workforce challenges; and 3) to develop mutually beneficial solutions to those challenges, using the Skill Panel partnership of private and public stakeholders.

## Workforce Needs Survey: Findings and Analysis

A total of 24 businesses in the recreation and tourism industry in the Okanogan region (roughly north from Wenatchee to the border with Canada, west to the Methow Valley, and east to Grand Coulee Dam) responded to the survey. The complete survey is attached to the end of this report.

### Who Responded?<sup>1</sup>

A variety of sub-sectors are represented in the survey findings, but three sub-sectors equally represent the bulk of businesses: 1) Hotel/guest house/resorts; 2) Agricultural tourism; and 3) Outdoor recreation. Each of these subsectors make up 25% of respondents. The entertainment sub-sector makes up 12% of respondents. Vineyards represented a small percentage of respondents, and business support services were well represented in the “other” category, including the Okanogan Tourism Council, Chambers of Commerce, Visitor Information centers, marketing and advertising consultants. Unique outliers included responses from a solar energy installer/distributor and a mail order seed business.

### Analysis:

- Based on the fact that 75% of respondents fell into the hotel/resort; ag tourism; and outdoor recreation sub-sectors, it is safe to assume that findings about workforce skills and challenges will be driven by their responses.

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<sup>1</sup> Of the 24 responses, 13 provided their identity. They included: Loup Loup Ski Area; Okanogan County Fairgrounds; Methow Suites B&B; Filaree Farm; Sunstar Computer Services; Prospector Inn; Okanogan County Tourism Council; Oroville Chamber of Commerce; Shaws Fruit and Produce; Conconully Chamber of Commerce; Simalkameen Adventures; Cottonwood Cottage; and 4 Bears.

- It is possible that the outlier responses indicate a broader industry cluster of businesses that identify with the Recreation and Tourism industry. This may be worth exploring as part of industry cluster mapping activities related to the Skill Panel.

### Biggest Challenges to Businesses Overall

Recruiting and retaining good employees is rated by 50% of respondents as the “biggest challenge” faced by businesses. The Down Economy also earns a 50% response.

Marketing to customers is a “big challenge,” according to 50% of respondents. A final comment at the end of the survey is: “We rely on small businesses to volunteer their time to promote our region.”

50% of respondents cite “other” as the “biggest” or a “big” challenge, however, descriptions of “other” mostly related to a skilled workforce, including repeated comments in the following categories:

- Hiring competent, dependable people is difficult when the tourism season is so short;
- Employees that are great at their job are the ones who leave for better offers;
- It is difficult to recruit and retain good workers when wages are relatively low in this industry;
- Cannot afford to increase wages, pay overtime, or employ workers on a full-time basis, so the quality of workers we get is generally low.

### Analysis:

- It is clear that hiring dependable workers is a challenge for the businesses in the industry for two main reasons: 1) the jobs are unattractive to workers because they may be seasonal and because they are not high quality (wage, benefits, advancement opportunities); and 2) in this rural area, businesses are generally small and therefore are unable to support full-time, long-term employees.
- A valuable activity of the Skill Panel moving forward could be to uncover where good jobs do exist, where opportunities for advancement exist, and where “cross-walks” between sub-sectors may exist. It may also be useful to work with interested employers to identify where their workers come from and how to jointly build foundational skills so that the overall “dependable and competent” labor pool is larger.
- The Skill Panel may want to consider narrowing its engagement of businesses to those that employ a certain number of employees, such as 10 employees. This may help narrow the scope of need, and therefore lead to workforce solutions most relevant to employers (vs. sole proprietors) in the industry. This survey captured both, and therefore might be skewed toward non-workforce related challenges.

### Specific Workforce and Skills-related Challenges

Responses to specific challenges were mixed across the options provided in the survey. They include:

- 62% of respondents rate “retaining a good employee over time” as a “challenging”, “very challenging” or “most challenging” workforce related problem;
- 50% of respondents rate “misperceptions about my industry” as either “challenging” or “very challenging”;
- 63% of respondents rate “lack of basic customer service skills” as either “challenging” or “very challenging”;
- In response to “lack of work readiness”, only 12% say this is “very challenging”; 25% say this is challenging; and 38% say this somewhat challenging;
- 75% of respondents cite “lack of needed technical skills” as “challenging”, “very challenging” or “most challenging”. The comments indicate technical skills may include: answering a multi-line phone, operating credit card machines, cash registers, copy and fax machines (and doing this while tending to a customer). Financial record keeping is also a needed technical skill.
- In the “other” category, respondents commented on the need for employees to have local knowledge about services, sites, and things to do.
- A unique comment was an observation that local jobseekers, workers and employers are not motivated or receptive to worksite or on-the-job training.

#### Analysis:

- A re-emphasis on job quality is evident in the responses to this question, specifically that jobs in the industry may be too low quality to attract good workers over time. This should be a specific area of research for the ISP. The respondents in this survey may not represent the full scope of jobs and advancement opportunities in the industry, but the full scope may not fully be known. It would be valuable to identify which jobs are higher level, how low-skilled workers might advance into them, and how basic skills can be improved in the population of jobseekers that actually seek part-time, seasonal employment (such as students).
  - A comment at the end of the survey: “The hotel industry is a great place to work both full time and part time. You get to meet interesting people. It can be challenging and rewarding.”
- The outlier comment about a lack of receptiveness to on-the-job training may be worth pursuing further – is this a cultural aversion in our region? Is it that jobseekers and employers do not find value in on-the-job training? Why not?

#### Definitions of Good Customer Service

Responses varied but fall into a few major categories, including:

- Able to listen to customer, discern their needs, and act accordingly;
- Friendly, courteous, a good attitude no matter what, making the customer feel that you have gone the extra mile for them;

- Knowledgeable about what is available (within the business, community and region) to meet a customer's needs;
- Ability to reconcile complaints or prevent complaints if service is delayed or inadequate
- Customers come back.

#### Analysis:

- There appears to be general agreement on the definition of good customer service. For future Skill Panel activity, follow-up questions might include: Is good customer service something "teachable"? How so or why not?

#### Where do you go to get good workers?

For this question, respondents were allowed to "check all that apply" from the following list: local WorkSource Center; community colleges; by advertising in the newspaper; via an industry association or business network; through word of mouth; or other.

62% of respondents say they get good workers through word of mouth in the community; 38% say they get good workers via their industry association, chamber of commerce or other business network. 25% say they get good workers from WorkSource, and 25% say they get good workers from community colleges. Only 12% say they recruit workers from advertising in the newspaper.

#### Analysis:

- In hindsight, the question should have been phrased "Where do you go to recruit workers?" (vs. ". . . good workers"?). There is a chance that word of mouth is the dominant mechanism to recruit good workers because the referral may be more reliable if coming from someone that the employer knows and trusts. This may not be true for public training providers such as WorkSource.

#### Interactions with other businesses/industries

This question was intended to begin to map the true "industry cluster" of Recreation and Tourism in the region. The question was phrased: How does your business interact or connect with other businesses or industries in the area (for example, do you rely on other businesses or industries for supplies, marketing, sales, etc? Responses fall into the following categories:

- Shared marketing: using Chambers, marketing and design consultants, newspapers, and even competitors (if one hotel can't offer what a customer needs, another can, make the referral, and your competitor will return the favor later);
- Local purchasing: an effort to purchase needed supplies locally was emphasized in survey responses; and
- Common membership in Associations and Chambers.

### Analysis:

- Responses show a natural industry cluster<sup>2</sup> where firms are connected by common suppliers and common customer markets.
- With a deep and broad understanding of the tourism/recreation industry cluster, the Skill Panel will have a better understanding of what jobs exist across sub-sectors, and even within firms that share the cluster (e.g. think golf club or slot machine manufacturing!). With this “cluster map”, transferrable skills can also be identified, which lead to the development of career pathways and lattices.

## Okanogan Recreation and Tourism Workforce Needs Survey

### Tell us about your Workforce Needs

We are interested in finding out what you as an employer need most from your workforce. Is it good customer service? Are there technical skills you look for in an employee? What are your biggest challenges when it comes to hiring and retaining good workers? This survey is part of a new joint partnership (called a “Skill Panel”) of public sector stakeholders and business leaders (led by the Economic Alliance and Colville Tribal Enterprise Corporation) focused on growing our region’s recreation and tourism sector, and developing successful employees in the industry.

We hope the results of this survey will give us information about common workforce challenges across the Recreation and Tourism sector in our region. The information will help us and public sector partners (like our local colleges and workforce training providers) better determine how to serve you. Your input is very important.

Please take 10 minutes to respond to this survey.

- Company name (optional):
- Your name (optional):
- Your contact info (optional):
- What kind of business do you consider your company? Please circle one.
  - Hotel/guest house/resort
  - Restaurant/bar
  - Agricultural
  - Vineyard/winery

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<sup>2</sup> Harvard University’s Michael Porter, expert in the theories of cluster economics, defines an industry cluster as: Regional clusters or networks of firms **related by common suppliers, shared markets, labor pools or infrastructure**; can be highly organized or loosely affiliated companies. Firms cluster because they are leveraging interactions (including competition) to their mutual advantage.



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- Via my industry association, Chamber, or other business network
  - Through word of mouth in the community
  - Other: \_\_\_\_\_
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- How does your business interact or connect with other businesses or industries in the area (for example, do you rely on other businesses or industries for supplies, marketing, sales, etc?)
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- Do you have more to say? Please write more on this topic that you think important for us to know. You can also call Lindsey Woolsey (Corporation for a Skilled Workforce) at 509-826-7991 to discuss these issues in further depth.

Thanks for your time! We'll let you know our results.