

2015 Survey of Businesses

SKILL NEEDS OF EMPLOYERS IN THE US VIRGIN ISLANDS



U.S. Virgin Islands 2015 Employer Survey

Acknowledgements

Consultant

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EXECUTIVE SUMMARY

Small businesses are the cornerstone of the US Virgin Islands economy (USVI), as firms with fewer than 50 employees comprise 95% of the more than 3,000 businesses in the economy, and account for more than one-half of the private-sector workforce. More so, nearly 80% of USVI businesses have fewer than 10 employees, but micro-businesses—with one to four employees—are the most prevalent comprising more than one-third. Altogether, USVI businesses are a powerful economic engine, contributing 80% of the Territory's gross domestic product (GDP) and 70% of the Territory's workforce. Such evidence of the importance of businesses to the success of the economy in terms of productivity and job creation accentuated the need to better understand the skills and education needs of businesses, and to identify mismatch of skills in the workforce. This study, therefore, sought to answer fundamental questions such as:

- Which jobs are difficult to fill?
- What technical and occupational skills are lacking?
- What impacts are skills deficiencies having on business performance?
- How are employers responding to hiring difficulties?
- What future trends are businesses preparing for?

Hiring difficulties

The survey shows, in the aggregate, while there is presently no economy-wide hiring difficulties, skills shortages exist in some industries and occupations. The survey reveals that 62% of employers have no difficulty filling positions. However, 38% find some of their vacancies difficult to fill.

The survey further indicates that technical and management, sales and administrative occupations, and skilled trades are mentioned more frequently as being difficult to fill.

Reasons for hiring difficulties

A shortage of candidates with the relevant work experience and technical or occupational skills are the primary reasons employers give as to why they find it difficult to fill jobs. Approximately 53% of industry-wide employers report that a general lack of work experience is the major impediment to filling jobs, while finding qualified candidates with technical or occupational skills (49%) is given as the root of the hiring difficulties.

Employers identify other reasons for hiring difficulties, including not enough qualified applicants to choose from (40%), candidates lack of educational credentials (22%), and unwillingness to accept the offered wages (16%). A lack of soft skills, which include communication and interpersonal skills are the reasons selected by a number of employers.

Skills deficiency

When asked about the specific skills most often lacking, employers frequently mention hard or technical skills such as reading, writing, and verbal skills; computer technical skills; and math logical reasoning. They also cite soft skills such as customer service, attitude, punctuality and reliability, and time management as other reasons why jobs are difficult to fill.

Overall, 38% of employers report difficulty filling positions in their businesses.

Employers' response to hiring difficulties

The most common responses by businesses to address hiring difficulties include hire a less qualified applicant, recruit locally, overtime for current employees, or not fill the position. Nearly a third (31%) hired a less qualified applicant, 29% increased local recruiting, 25% granted overtime to employees, and 23% simply did not fill the position.

Impact of skills shortage

Employers identify several impacts associated with their business' inability to fill positions. Sixty-four percent indicate that skills deficiencies result in an increase in workload of current employees, about 34% say it makes it difficult to meet objectives, 26% cite increase in their operational costs and a loss of revenue, 19% report it impacts their competitiveness and erodes customer satisfaction. Others report skills gaps are impacting their ability to develop new products and services (14%).

Addressing skills needs

Among employers who are taking steps to address skills deficiencies, the highest percentage provides in-house training and development opportunities for their employees (87%), with smaller numbers using seminars and conferences, self-study, apprenticeship programs, commercial trainers, universities or colleges, and the workforce development system to meet their skill needs.

Prospects for hiring

When asked about their hiring plans for the next one to two years, employers indicate they expect to have the same number of employees as they have now. More than two-thirds (69%) say their number of employees will remain the same, 26% of businesses plan to increase their workforce, but 5% plan to reduce their workforce.

Types of occupations or skills employees require in the future

In regards to the occupations employers anticipate will be in highest demand in the next 12 to 24 months, they most frequently cite sales, information technology, electricians, mechanics, and skilled trades in general. The top skills employers say they would require are customer service, communication, literacy, and management.

INTRODUCTION

The Government is placing emphasis on a labor market strategy that responds more effectively to the recruitment and skill needs of employers in an effort to strengthen the business base and improve competitiveness, while supporting higher wage jobs and living standards for residents. As stated in the 2015 Comprehensive Economic Development Strategy Plan, developing the private-sector and workforce are major tenets of its economic development strategy. But to achieve the goal of a competitive economy that provides high-wage jobs and business opportunities, strengthening education and improving the quality of the Territory's labor force to meet skill standards and competency are critical.

Study Objectives

In parallel with the economic development strategy, and recognizing the important relationship between education and workforce development and economic development prompted the U.S. Virgin Islands Bureau of Economic Research (BER) to commission the conduct of the 2015 Business and Employer Study. The study was conducted by the consulting firm SygmaPCS in collaboration with BER and guided by stakeholders in government and business. The research sought to examine the nature of the skills and knowledge gaps from employers' perspective to determine the impact of skills deficiencies on businesses, jobs being affected the most, and what skills employers are looking for. The study will help to address the paucity of information by providing empirical data necessary for policy-makers and workforce development practitioners to gain deeper insight into the needs of businesses, in relation to workforce and job readiness.

At issue is why some employers report having difficulty filling jobs even now when many remain unemployed. Many employers express concerns about finding qualified workers with the skills, training, and experience for jobs they have now and anticipate creating in the future. The skills gap is seen as a critical factor undermining the labor market and the competitiveness of the USVI economy. Despite concerns about USVI's skills gap, very little is known about the extent or which occupations are experiencing the greatest challenges, and what kinds of skills, training, and credentials employers require.

The claims of a skills gap is mostly anecdotal and seldom backed by empirical evidence that stakeholders require to take strategic action. This study, therefore, marks a development framework that allows policy-makers in business and government in advancing understanding of current and future needs of employers, and provides a stronger foundation for targeting strategies to address the skills challenge, and build a globally competitive workforce.

Sampling Survey Design and Implementation

A random design in the selection of USVI businesses in the survey was considered desirable as it allows one to make the statement "The estimates are unbiased, and one is 95% confident that they are within 5 percentage points of the true percentage" that is obtained. Such a design based on planned randomness is called a probability sample. With a registered population of 3,450 businesses¹ in the USVI, an economical technique is to draw a sample by selecting one near the beginning of the list, and the others at a fixed interval thereafter. A sample obtained in this manner is referred to as a *systematic sample*. This

¹ U.S. Virgin Islands Department of Labor Statistics database.

particular sampling design offers a convenient means of obtaining sample information, it is generally spread more uniformly over the entire population, and it can sometimes yield more precise estimates than a simple random sample.

In this survey, the population of businesses was stratified by island—St. Croix, St. John and St. Thomas. Systematic sampling procedures were then applied to the list. Having determined an appropriate sample size n with a margin of error of 5% for the estimates, the sampling interval k was determined by n/N , where N is the population size of businesses. The sample of businesses selected into the survey was obtained by randomly selecting one business from the first k businesses in the frame, and every k th element thereafter. The design is therefore referred to as a *1-in- k systematic sample* with a random start.

The survey was conducted during October to December 2015 using an online survey of businesses throughout the US Virgin Islands. Additionally a paper questionnaire was also used to collect the data which were managed through the Survey Monkey online survey tool.

Organization of the report

The report is structured as follows. The first section highlights recent economic performance and labor force trends to provide background information to interpret the results and for execution of strategic objectives. The report then summarizes the evidence for skills gaps in particular occupations, details the drivers of gaps, considers the impacts on business, and reveals which skills employers are seeking.

The survey questions and responses are presented in tables in the Appendix section of this report. Results of the survey and labor force and other economic indicators are also available at www.usviber.org.

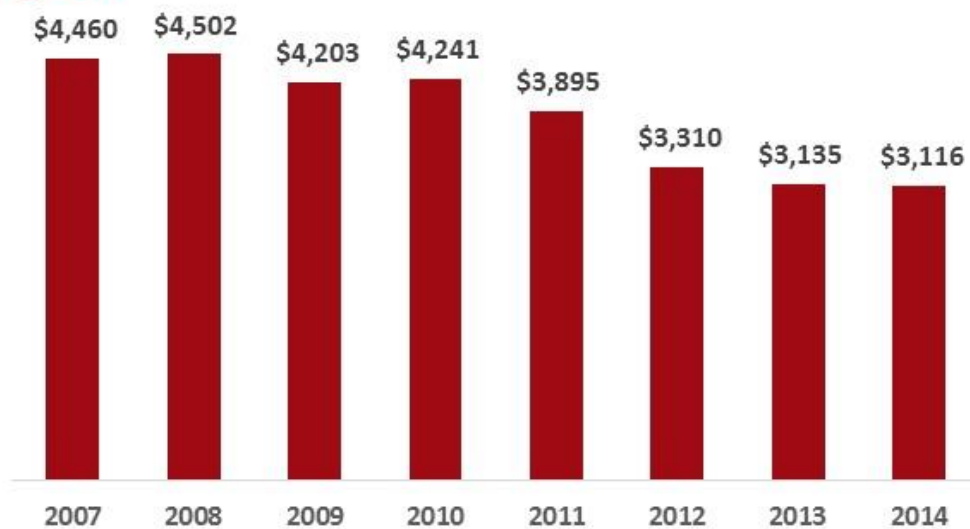
U.S. VIRGIN ISLANDS ECONOMY

Overview of Recent Performance and Trends

The United States Virgin Islands, with an estimated population of 104,760² spread across three main islands—St. Croix, St. Thomas and St. John—is primarily a service-economy built on tourism and related industries. The USVI has a real gross domestic product (GDP) of \$3.1 billion in 2014 according to the U.S. Bureau of Economic Analysis (BEA). Private sector service-producing industries accounted for 64% of output, followed by government (20%), and goods-producers (16%).

Economic activity as measured by real (inflation-adjusted) GDP contracted sharply since 2008 as shown in figure 1. The economy grew until 2008 but averaged a 5% annual decline since then. From 2007 to 2014, the economy lost an estimated \$1.3 billion of output value.

Figure 1. Real GDP in \$millions



Source: U.S. Bureau of Economic Analysis, (BEA)

Employment

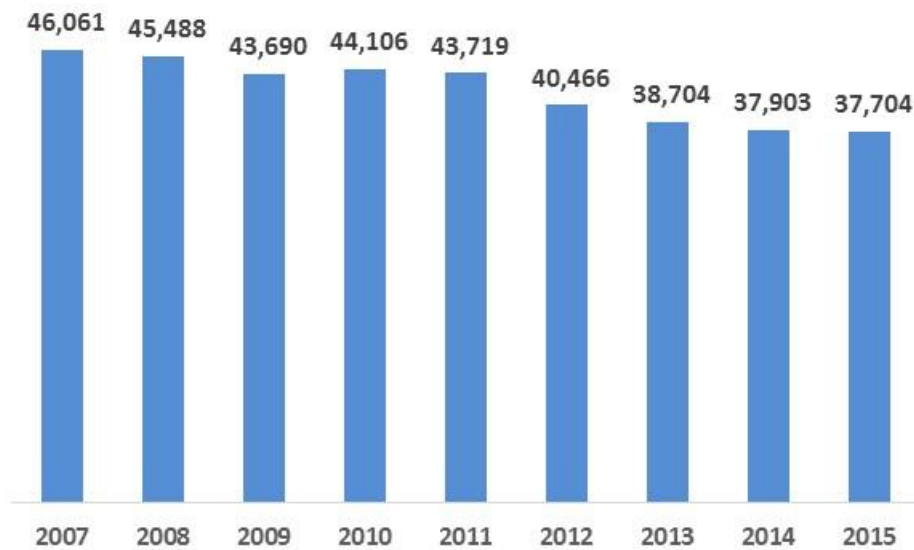
The average annual change in employment is reflected in figure 2. The USVI lost 18% of its nonagricultural wage and salary jobs—more than 8,000 net jobs since 2007—the legacy of the recession and the closure of the oil refinery. The largest job losses occurred in construction, manufacturing, and other services.

The labor force is estimated at 48,133 as of February 2015 (most recent published data). There are 42,713 persons employed in civilian jobs or about 83% of the population 16 years and older.

About 37,779 people are employed in nonagricultural wage and salary jobs with an industry annual average wage of \$35,000, and industry average hourly earnings of \$16.81. A predominantly service-economy, four in ten jobholders are employed in the Trade, Transportation and Utilities, and Leisure and Hospitality industries.

² Source: 2013 Virgin Islands Community Survey, Eastern Caribbean Center, University of the Virgin Islands.

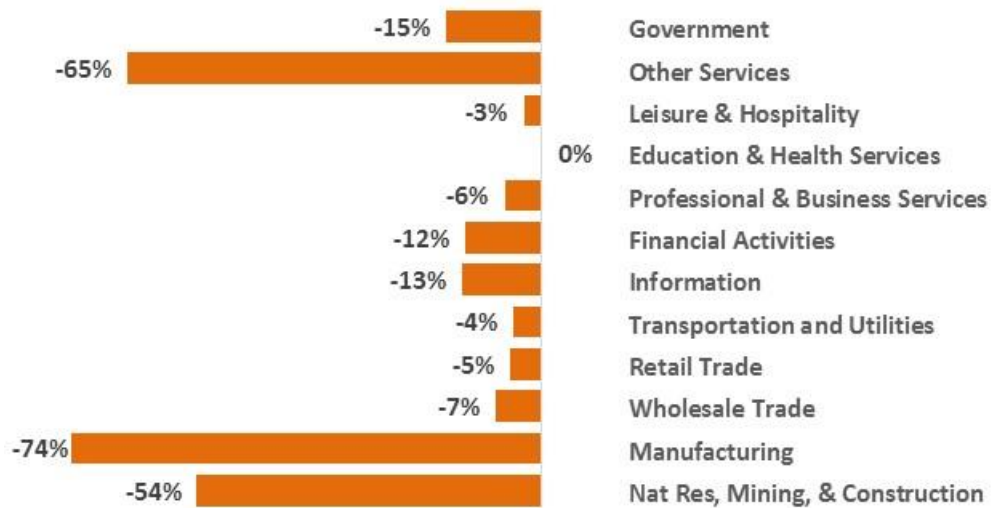
Figure 2. Average Annual Employment



Source: U.S. Virgin Islands Bureau of Labor Statistics, Department of Labor.

As shown in figure 3 below, the construction sector had net job loss of 54% between 2007 and 2015. Manufacturing lost 74% and Other Services lost 65%. Collectively, these three sectors account for 60% of the job losses between 2007 and 2015.

Figure 3. Net Employment Change, 2007-2015

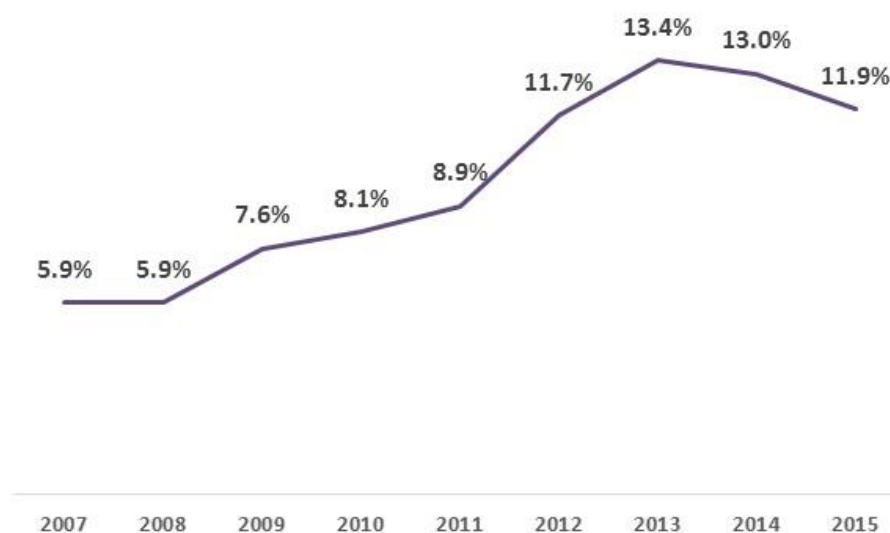


Source: U.S. Virgin Islands Bureau of Labor Statistics, Department of Labor.

Unemployment

The unemployment rate increased over the years from 6% in 2007 to nearly 12% in 2015 (Figure 3). Although the rate declined in the past year, it remains high at 11.3% as of February 2016—twice the national unemployment rate of 4.9%.

Figure 3. U.S. Virgin Islands Unemployment Rates



Source: U.S. Virgin Islands Bureau of Labor Statistics, Department of Labor.

Current Job Demand

Data on jobs postings serve as a useful indicator of hiring trends and provide insight into the types of jobs currently in demand. In 2015, there were 4,748 on-line job postings as compared to an average 5,773 unemployed workers (a ratio of more than one unemployed worker for every one advertised job opening). The top advertised job openings in 2015, as shown in the table below, were frontline managerial occupations, office and administrative support occupations, food preparation and serving related occupations, healthcare practitioners and technical occupations, and sales and related occupations.

Top Ten Job Openings by Occupations, 2015

Occupation	Job Openings
Management of Companies	688
Office and Administrative Support	562
Food Preparation and Service Related	555
Healthcare Practitioners and Technical	434
Sales and Related Activities	342
Installation, Maintenance, and Repair	335
Business and Financial Operations	220
Construction and Extraction	179
Education, Training, and Library	168
Production	147

Source: U.S. Virgin Islands Department of Labor.

Projected Job Demand

Employment projections of the top ten jobs that will be in demand out to the year 2022 were developed by the USVI Department of Labor. The table shows the top occupations will be office and administrative support, sales and related, food preparations and service related, protective service, and management.

Occupations such as managers, retail salesperson, administrative assistants, security guards, and food preparation and serving workers are among the top long-term jobs and the top advertised jobs. The projections indicate that these jobs will continue to be in demand in the near future.

Top Jobs by Projected Demand 2022

Occupation	Employment
Office and Administrative Support	8,325
Sales and Related	4,193
Food Preparation and Serving Related	3,856
Protective Service	3,470
Management	2,587
Building and Grounds Cleaning and Maintenance	2,277
Transportation and Material Moving	2,065
Business and Financial Operations	1,663
Installation, Maintenance, and Repair	1,494
Life, Physical, and Social Science	1,404

Source: U.S. Virgin Islands Department of Labor.

Workforce Characteristics

Education Attainment

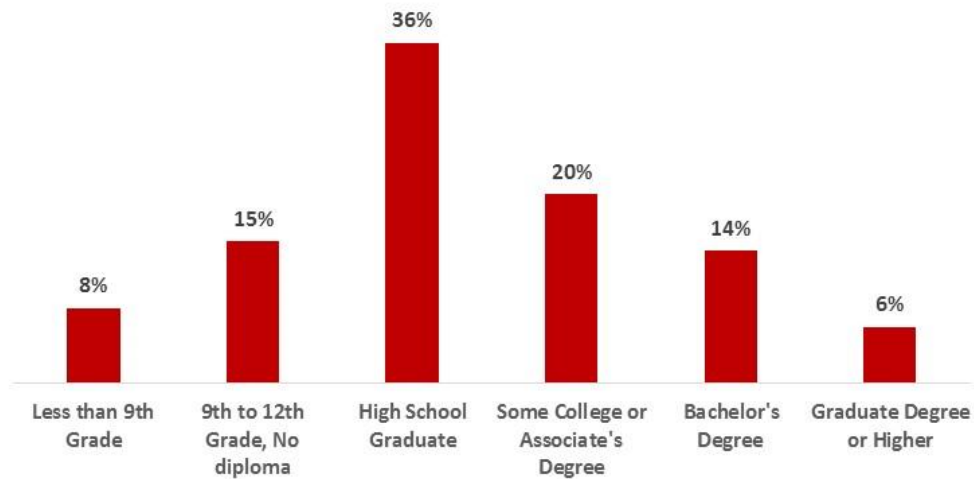
Data on education attainment presented in figure 4 provide context and insight into the qualifications of the labor force. Just over one-third (36%) of the Territory's 16 years and older workforce population have a high school diploma but have no post-secondary degree. Twenty percent have some college or an Associate's degree, 14% have a Bachelor's, and 6% have a Graduate degree or higher. Twenty-three percent of the workforce have no high school diploma or equivalent.

Age of workers

Changing demographics, in particular the aging of the working-age population, have implications for the labor force not only the supply of labor, but also the demand for certain skills. The median age of the labor force 16 years and older was 44.1 years in 2013, a marginal increase from 43.7 years in 2010.

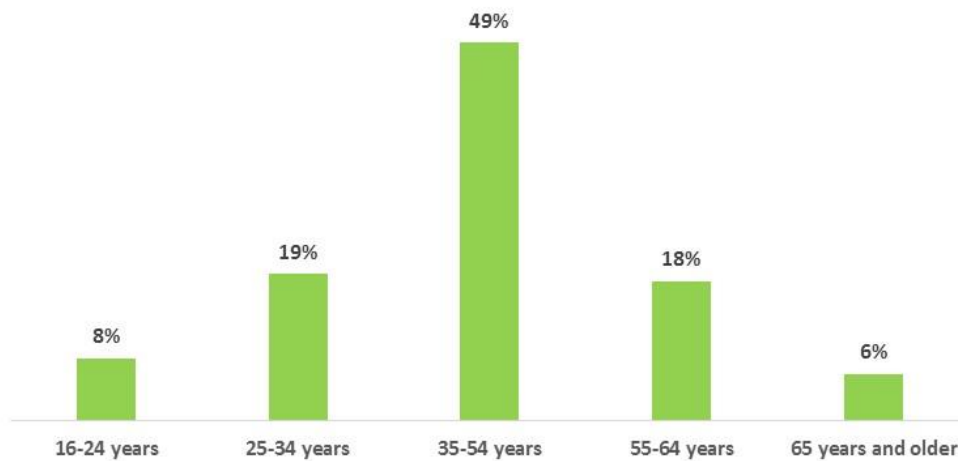
As shown in figure 5, comprising 49% of the workforce, the majority of the job holders are aged 35-54 years. Workers 55-64 years comprise 18% of the workforce, while workers 65 years and older represent 6%. Younger workers under 35 years are 27% of the workforce.

Figure 4. Educational Attainment, workers 16 years and older in labor force



Source: University of the Virgin Islands, Eastern Caribbean Center, 2013 Community Survey.

Figure 5. Age of workers 16 years and older in labor force



Source: University of the Virgin Islands, Eastern Caribbean Center, 2013 Community Survey.

KEY SURVEY FINDINGS

This section summarizes the findings of the employer survey for businesses across sectors and industries. It documents evidence of the skills challenge from employers' perspectives, as well as identify the factors that contribute to the skills gaps. It reveals the occupations which are most difficult to fill and the skills employers need in the near term.

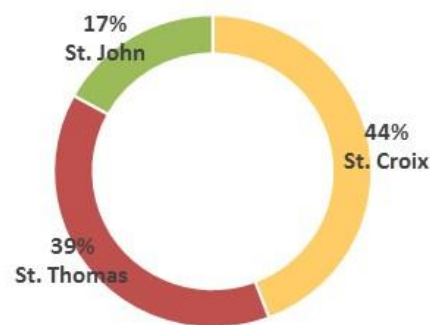
Respondents Profile

Location of Business

The survey yielded responses from businesses on all three islands and from all economic sectors. Most of the businesses are involved in service sector activity, reflecting the nature of the U.S. Virgin Islands economy as a whole.

Respondents were asked to supply the primary location of their business. Of those who provided a location, 44% have their primary business on St. Croix, 39% on St. Thomas, and 17% on St. John (figure 6).

Figure 6. Business Location



Business Organization

Just about 42% of businesses are organized as a corporation—the most common organizational form. Limited Liability Corporation (LLC) is the second most common form at 26%, while 16% are sole proprietors. Approximately 4% are partnerships, 9% are non-profits, and 2% are of other organizational types (figure 7).

Figure 7. Business Organization



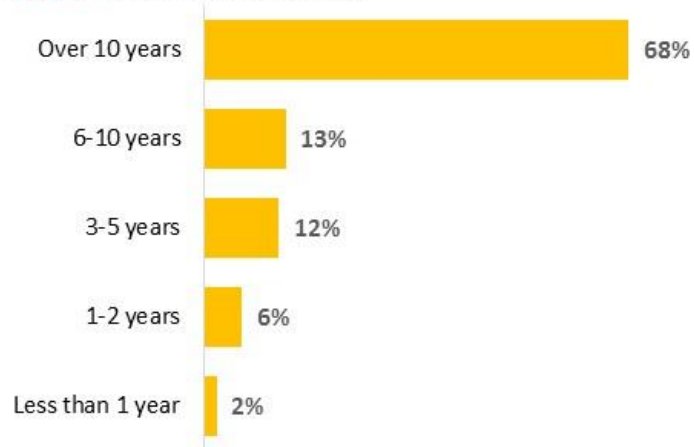
Years in Operation

Employers were asked to indicate how long their business is established.

The responses, depicted in figure 8, show that most businesses are well-established, operating for 10 years or longer (68%).

Thirteen percent of businesses have operated for 6 to 10 years, 12% for 3 to 5 years, and 6% for 1 to 2 years. A small number of the businesses (2%) are newly established, operating for less than a year.

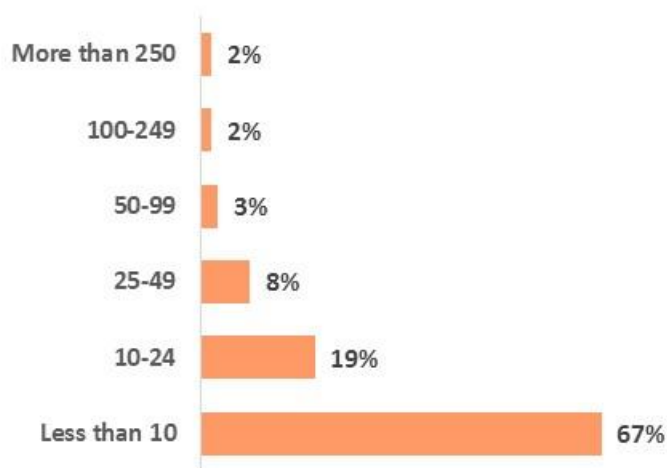
Figure 8. Years in Operation



Full-time Employees

Consistent with the business size demographic, approximately 67% of businesses that responded have fewer than 10 full-time employees, 19% have 10-24 employees, 8% have 25-49 employees, and 3% have 50-99 employees. About 4% of businesses have 100 or more full-time employees (figure 9).

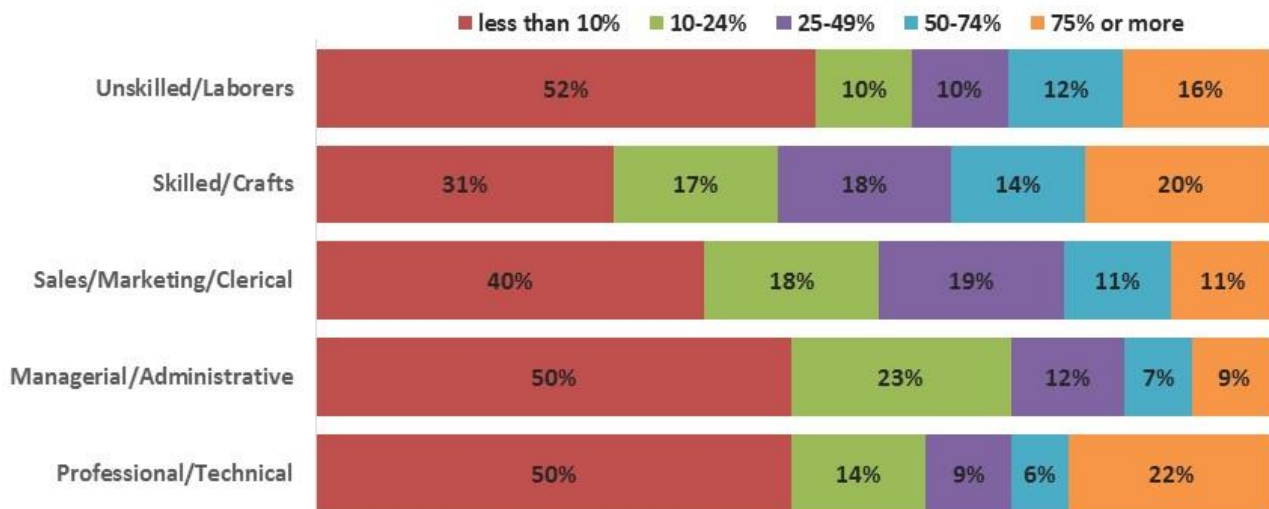
Figure 9. Number of Full-time Employees



Workforce by Occupation

Figure 10 on the next page shows the composition of the workforce of businesses. Management and administrative, and professional and technical occupations comprise a relatively small share of employment (less than 10%) for most businesses. The responses reveal 50% of businesses have less than 10% of their workforce in managerial/administrative and professional and technical positions. Less than 10% of unskilled laborers are also employed by most businesses.

Figure 10. Full-time Employees by Occupational Categories



Business Classification

Employers were asked to identify which category best described their primary business. These responses are given in figure 11. While 'Other' represents the largest percentage of the responses (32%), most of the businesses can be categorized under the given Federal standard classification of business establishments used in the survey. The category with the second highest self-described business classification is involved in retail trade activities (20%), followed by businesses in health care and social assistance services (11%). Accommodation, restaurants and entertainment sector, and those providing transportations and warehousing services (both at around 8%) have the third largest response, while the remaining sectors represent 5% or less of the responses.

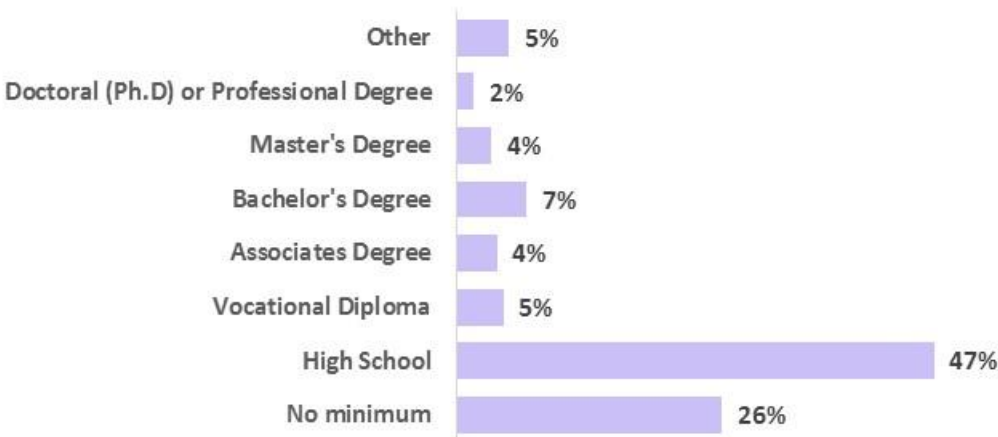
Figure 11. Industry Classification



Education Requirement

When employers were asked whether positions required various levels of education, 47% say their positions require a minimum high school diploma, the most frequent response. This is not surprising since most of the employers are involved in service sector activity which generally do not require higher degrees. About 26% of employers require no minimum education for most positions in their businesses (figure 12).

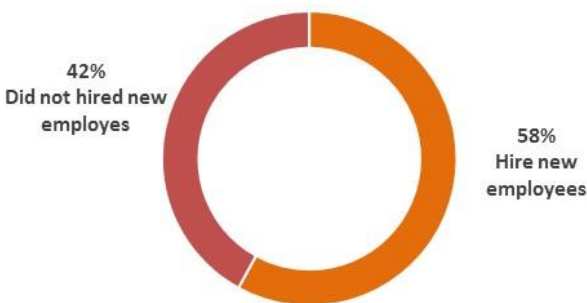
Figure 12. Minimum Education Required for Most Positions



Employee Hiring

Approximately 58% of businesses hired new employees in the past year (figure 13). The sectors where most hiring occurred were other services (32%); retail trade (21%), transportation and warehouse (8%); health care and social assistance (8%); and accommodation and food services (7%).

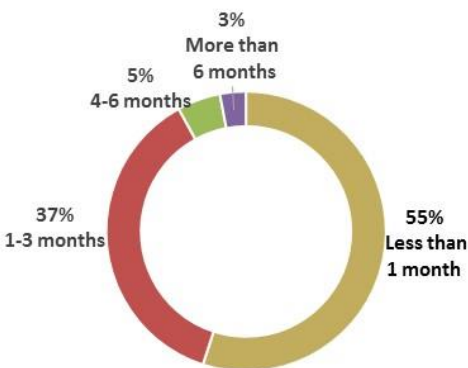
Figure 13. Hired New Employees in Past Year



Length of Time to Fill Positions

Employers were also asked about the length of time it took to fill positions. Businesses that reported hiring employees in the previous year, 55% say that it took less than 1 month to fill vacancies, 37% indicate it took 1-3 months, 5% took 4-6 months, and 3% say it took more than 6 months to fill vacancies (figure 14).

Figure 14. Average Length of Time to Fill Vacancies



Hiring Difficulties

The evidence suggests that the economy is experiencing performance gaps due to misalignment between the skills needs of employers and skills available in segments of the labor force.

In general, approximately 38% of businesses indicate they have difficulties filling positions but 62% report no difficulty. The sectors where there are hiring difficulties include retail; professional, scientific and technical services; health care and social services; and accommodation and food services.

Figure 15. Difficulty Filling Vacancies in Past 12 months



Jobs that are Hard-to-Fill

While the survey shows there is presently no widespread skills shortages, findings at the sector and occupational levels reveal which jobs are difficult to fill. Results reveal employers are in greatest need of skilled workers in sales and administrative support occupations, managers and technical occupations, and hospitality occupations. In terms of the types of jobs that are hard to fill, the ones most frequently mentioned are categorized below.

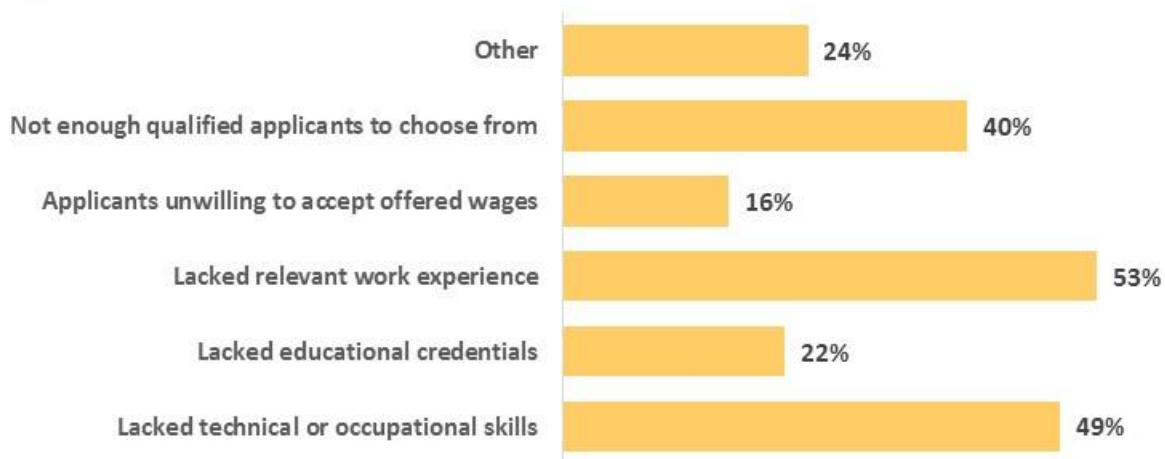
- Sales, and administrative support (sales managers, sales associates, customer service representatives, administrative assistants)
- Skilled Production (mechanics, electricians, technicians)
- Professional and Technical occupations (nurses, physical therapists, accountants, pharmacists, information technology)
- Hospitality (cooks, chefs, waiters)

Why employers are having difficulty filling jobs

The main cause contributing to hiring difficulties is jobseekers lack of relevant work experience. Half of the businesses (53%) cite this reason. The second reason, cited by 49% of businesses, is applicants lack technical or occupational skills. Other employers (40%) attribute the problem to not enough qualified applicants to choose from, and 16% cite candidates unwilling to accept offered wages contribute to some hiring difficulties (figure 16).

Jobs are hard to fill for other reasons including a lack of soft skill, such as attitude, communication, teaming, leadership, and work ethics.

Figure 16. Reasons for Difficulty Filling Jobs



Skills lacking among jobseekers

Evidence about skills requirements are reflected in responses to the question on what skills are lacking in the workforce (figure 17). Essential hard skills deficits in reading, writing, and verbal skills (40%); computer technical skills (27%); and math logical reasoning (22%) are most cited as lacking in candidates.

Soft skills are more often identified as lacking and these are more commonly related to customer service (59%), punctuality/reliability (52%), and time management (42%).

Figure 17. Basic and Occupational Skills Most Lacking in Candidates



How Businesses Respond to Skill Shortages

Employers adopt a series of actions to address skills shortages as captured in figure 18. For many employers, the most common responses are to hire a less qualified applicant (31%), increased recruiting locally (29%), over-time for existing workers (25%), and did not fill the job opening (23%). There are other solutions employers choose in response to workforce needs such as recruit from outside, use temporary

workers or outsourcing, and to a lesser degree training, increased pay/compensation, and move some operations outside the USVI.

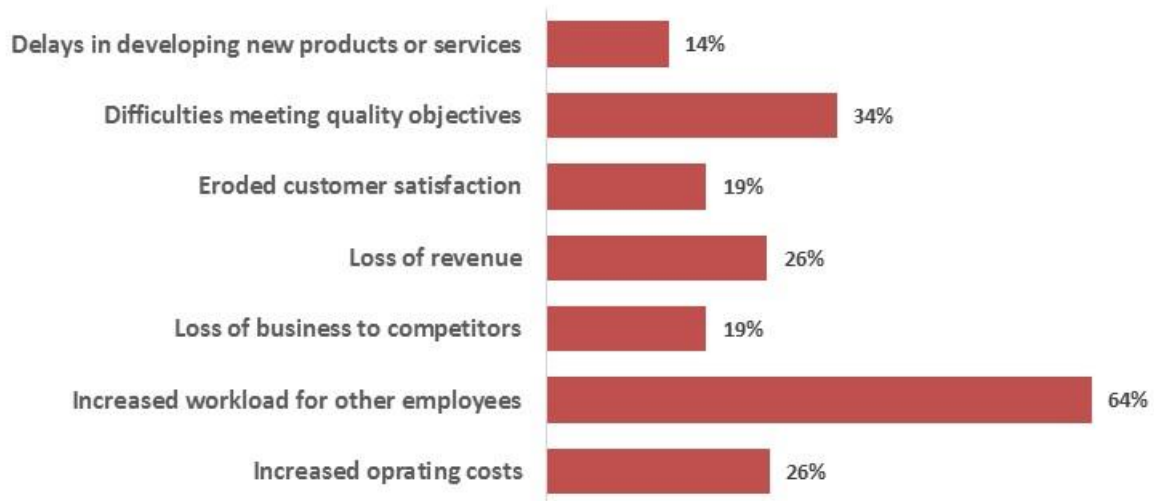
Figure 18. Response to Hiring Difficulty



Impact of Skill Shortages

Employers are unanimous on the main consequence of skills shortages on business. Almost two-thirds (64%) say skills shortages cause an increase workload for current employees. Others cite difficulties meeting objectives (34%), loss of revenue (26%), increased operational costs (26%), loss of business to competitors (19%), eroded customer satisfaction (19%), and delays in product and service development (14%).

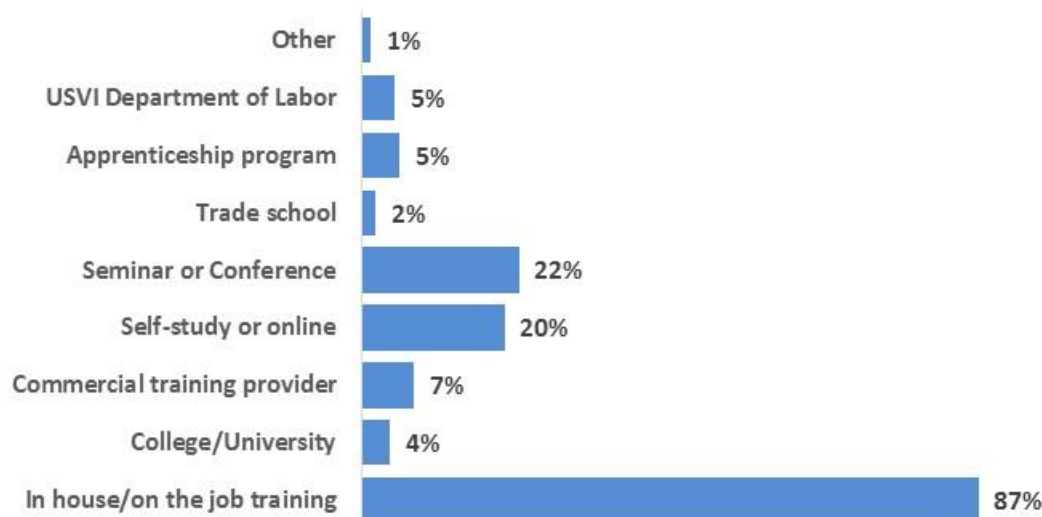
Figure 19. Impact of not Finding Qualified Employees



How Employers Address Skills Needs

The survey also asked a series of questions focusing on employers' recruitment, retention, and skills development practices. Eighty-seven percent of employers reported that they provide training and skills development opportunities for their employees. When asked which methods employers use to meet the skill needs of their workforce, on-the-job training is the most cited method of skill acquisition with 87% of employers using that method. All other resources are used with relatively low frequency as shown in figure 20.

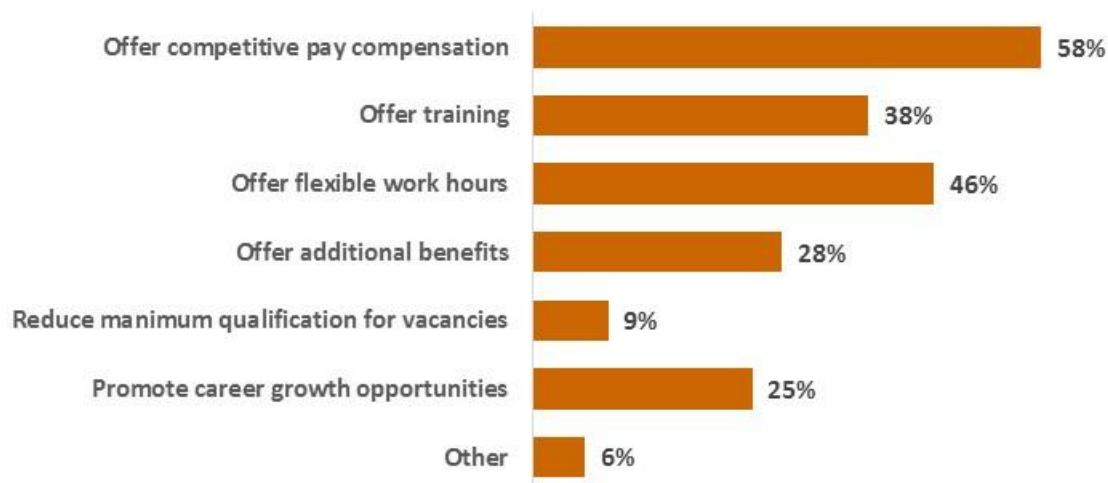
Figure 20. Meeting Workforce Needs



Retention of Employees

As it relates to retention of employees, the most common incentives employer utilize are offer competitive pay compensation (58%), flexible work hours (46%), and training (38%). Other incentives include career growth promotion, reduce the minimum qualifications, and offer additional benefits (figure 21).

Figure 21. Incentives offered to Retain Employees

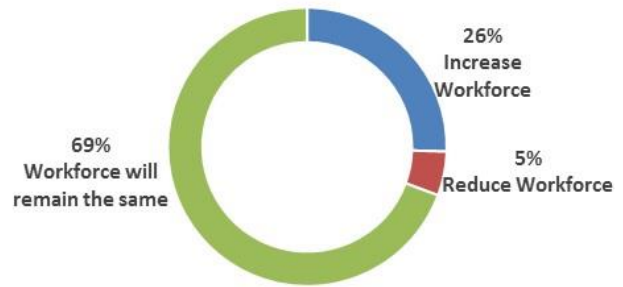


Plans for Hiring

Almost 69% of the respondents report that they plan to have the same number of employees over the next 12 to 24 months. Nearly 25% of respondents plan to increase their workforce, while 5% plan to reduce their workforce.

The sectors that are most likely to increase the number of employees over next 12 to 24 months are accommodation and food services, retail, transportation and warehouse, and health and social services.

Figure 22. Plans for Workforce in next 12 to 24 months



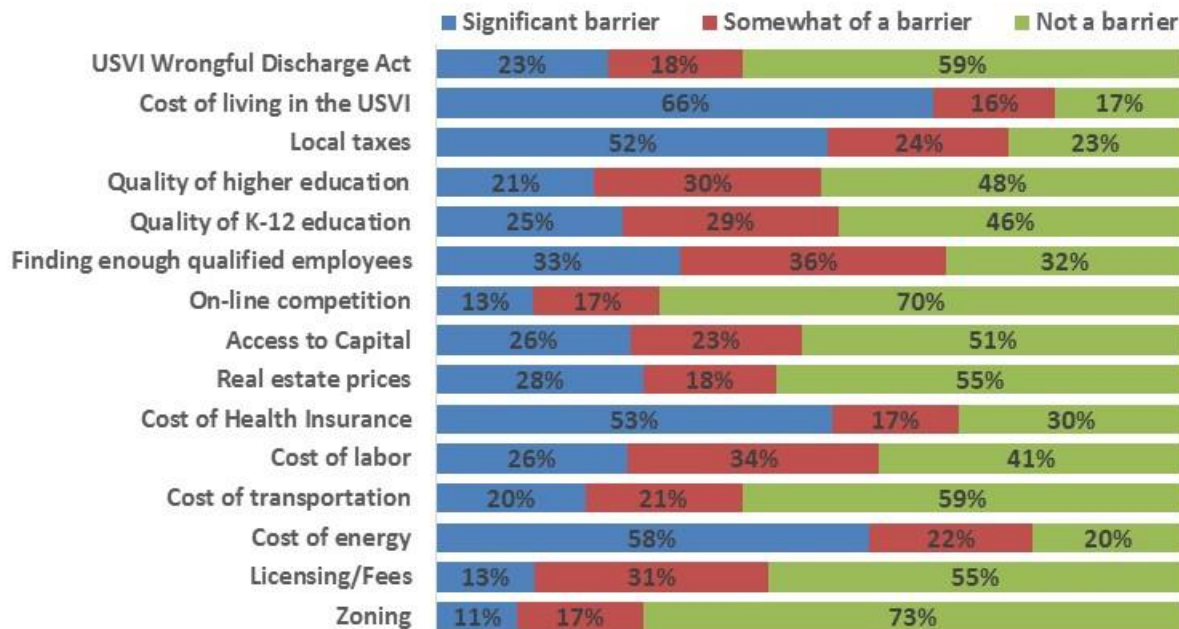
Types of skills or occupations employers require in the future

Businesses were asked to specify which occupations or skills they expect would be in demand in the next one to two years. They most frequently cite sales, information technology, electricians, mechanics, and skilled trades in general. The top skills employers say they would require in the next 12 to 24 months are customer service, communication, literacy, and management.

Employer Perspectives

Employers were asked to identify each of several issues that are a pediment to business. They identify four primary issues: the cost of living in the USVI, cost of energy, cost of health insurance, and local taxes.

Figure 23. Barriers to Business



Sixty-six percent of respondents identify the cost of living in the USVI as a significant barrier to business. Similarly, 58% state the cost of energy is a significant barrier, while 53% identify the cost of health insurance, and 52% identify local taxes as a significant barrier to business. Employers cite the following as

somewhat of a barrier to business: finding enough qualified employees (36%), the cost of labor (34%), licensing and fees (31%), quality of higher education (30%), and quality of K-12 education (29%).

Most respondents do not consider local government regulations a significant barrier to business. Seventy-three percent of respondents say that zoning is not an impediment; about 55% say the same for licensing, and 59% for the USVI Wrongful Discharge Act. Other issues such as cost of labor, access to capital, real estate prices, cost of transportation, on-line competition, quality of K-12 and higher education are not a barrier for more than half of the respondents.

Conclusion

There are skills gaps in certain sectors of the economy and spotlights the need to redesign a workforce system to prepare workers for jobs that align with industry demands and trends. Shifting demographic pattern, technology, and globalization will induce changes in the workforce and raise the need for new skills, experience, and education. How well the labor force is able to adapt to changes and shifts in business demand depends on investments by individuals, employers and government in initial and continuing education and training. The priority now is to ensure that the USVI has a high quality workforce which will enable it to be competitive and to secure its future economic growth. This means creating opportunities for high-growth industries and occupations, working with employers to secure the skills they need to fill jobs, and developing education and training pathways that prepare workers for high demand occupations.

Finally, it is worth emphasizing this survey only reflects the perspectives of employers and what skills and credentials they need in the workforce. Not all challenges in the labor force are about lack of skills, work experience, and education credentials as there might be employment practices that are inimical to the general welfare of employees. Jobseekers perspectives are equally important and could provide additional insight into the challenges of how to balance employer needs with those of jobseekers.

Appendix: Survey Questions and Responses

Table 1. On which island is your primary business located?

Island	N=184	Percent
St. Croix	82	44.5
St. Thomas	71	38.5
St. John	31	17.0

Table 2. How is your business legally organized?

Organization	N=182	Percent
Sole Proprietor	30	16.5
Partnership	7	3.8
Limited Liability Corporation	48	26.4
Corporation	77	42.3
Non-profit	16	8.8
Other	4	2.2

Table 3. For how many years has your business been operating?

Years	N=183	Percent
Less than 1 year	3	1.6
1 to 2 years	11	6.0
3 to 5 years	22	12.0
6 to 10 years	23	12.6
Over 10 years	124	67.8

Table 4. How many full-time employees, including yourself currently work at your business?

Employees	N=184	Percent
Less than 10	123	66.9
10 to 24	35	19.0
25 to 49	15	8.2
50 to 99	5	2.7
100 to 249	3	1.6
More than 250	3	1.6

Table 5. Which of the business sectors best categorize your primary business?

Industry	N=170	Percent
Agriculture, Forestry, Fishery, and Hunting	1	0.6
Mining, quarrying, and oil and gas extraction	1	0.6
Construction	8	4.7
Manufacturing	2	1.2
Wholesale trade	1	0.6
Retail trade	34	20.0
Transportation and warehousing	13	7.7
Real estate and rental and leasing	6	3.5
Professional, scientific, and technical services	6	3.5
Management of companies and enterprises	1	0.6
Educational services	3	1.8
Health care and social assistance	18	10.6
Arts, entertainment, and recreation	1	0.6
Accommodation and food services	13	7.7
Other services (except public administration)	8	4.7
Other	54	32.8

Table 6. What is the minimum level of education needed for most full-time positions in your business?

Education	N=172	Percent
No minimum education	45	26.3
High School Diploma or GED	81	47.4
Vocational Diploma or Certificate	9	5.2
Associated Degree	7	4.1
Bachelor's Degree	12	7.0
Master's Degree	6	3.5
Doctoral (PhD) or Professional Degree	3	1.7
Other	9	5.2

Table 8. In the past 12 months has your business hired any new employees?

New employees	N=168	Percent
Yes	97	57.7
No	71	42.3

Table 9. On average, what was the length of time it took your business to fill positions?

Length of time	N=158	Percent
Less than 1 month	89	56.3
1 to 3 months	50	31.7
4 to 6 months	9	5.7
More than 6 months	10	6.3

Table 10. In the past 12 months, did your business have any difficulty finding qualified applicants for any of the jobs you were trying to fill?

Difficulty	N=164	Percent
Yes	63	37.4
No	101	61.6

Table 11. What are the key barriers for finding qualified applicants to fill positions in your business? Select all that apply.

Barriers	N=141	Percent
Lack technical or occupational skills	70	49.3
Lack educational credentials	31	21.8
Lack relevant work experience	75	52.8
Applicants unwilling to accept offered wages	23	16.2
Not enough qualified applicants to choose from	57	40.1
Other	34	23.9

Table 12. When you had difficulty finding qualified applicants, how did your business respond? Select all that apply.

Response	N=141	Percent
Increased recruiting effort locally	41	29.9
Recruit from outside	28	19.0
Overtime for existing skilled employees	35	24.8
Hired a less qualified applicant	44	31.2
Used temporary labor or outsourced work	23	16.3
Increased pay/compensation	8	5.7
Target internal training	15	10.6
External skills training	4	2.8
Did not fill job opening	32	22.7
Moved some operations out of the Territory	2	1.4
Other	16	11.4

Table 13. What impact has not finding qualified employees have on your business? Select all that apply.

Impact	N=118	Percent
Increased operating costs	31	26.3
Increased workload for other employees	76	64.4
Loss of business to competitors	22	18.6
Loss of revenue	31	26.3
Eroded customer satisfaction	22	18.8
Difficulties meeting quality objectives	40	33.9
Delays in developing new products or service	17	14.1
Other	18	15.4

Table 14. Which basic and occupational skills are most lacking among applicants? Select all that apply.

Skills Lacking	N=136	Percent
Reading/Writing/Verbal	54	39.7
Math/Logical Reasoning	30	22.1
Computer/Technical	37	27.2
Project Management	18	13.2
Customer Service	80	58.8
Leadership	35	25.7
Time Management	57	41.9
Punctuality/Reliability	70	51.5
Other	7	5.1

Table 15. Does your business provide training for your employees?

Training	N=157	Percent
Yes	119	75.8
No	38	24.2

Table 16. How does your business meet the training needs of your business? Select all that apply.

Training	N=150	Percent
In-house trainers/on the job	130	86.7
College/University	6	4.0
Commercial training provided	11	7.3
Self-study or On-line	30	20.0
Seminar or Conference	33	22.0
Trade School	3	2.0
Apprenticeship Program	8	5.3
U.S. Virgin Islands Department of Labor	7	4.7
Other	2	1.3

Table 16. How does your business retain employees? Select all that apply.		
Employee Retention	N=153	Percent
Offer competitive pay/compensation	88	57.5
Offer training	58	38.9
Offer flexible work schedule	69	45.8
Offer additional benefits	43	28.1
Reduce maximum qualification for vacancies	13	8.5
Promote career growth opportunities	38	24.8
Other	9	5.9

Table 17. Thinking about your employees, which of the following best describes your hiring plans for your workforce in the next 12 to 24 months?		
Hiring Plans	N=157	Percent
Increase workforce	40	25.5
Reduce workforce	8	5.1
Workforce will remain the same	109	69.4