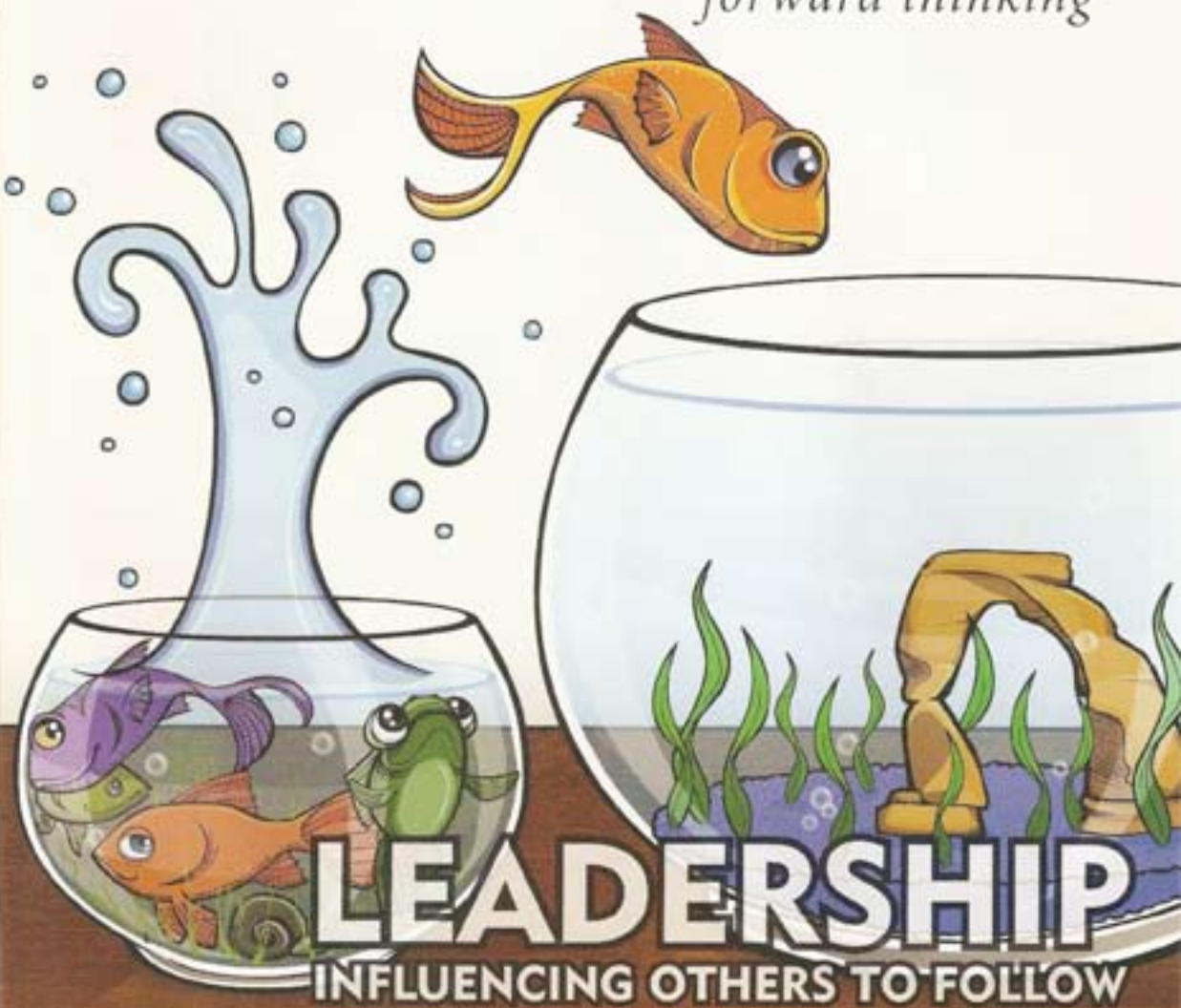


# Utah CEO

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# Executive Sweet

by Chuck Green

Job Harley, left, CEO of ONYX Graphics in Midvale, discusses a print job with Project Manager Doug McKay.

*Businesses finding it easier to lure executives to work, play and stay here.*



**Throughout the U.S. and abroad,** Jeb Hurley and his briefcase have made the rounds. He takes the whirlwind in stride. "Every place has its pluses and challenges," he chuckles.

After more than 10 years in Boston, Hurley believes he's found professional and personal nirvana in Midvale, where he's been since March when he joined ONYX Graphics as CEO. Still, before coming to the firm, which specializes in wide-format digital printing solutions, Hurley grappled with, among other things, the potential limitations of the local labor pool, especially at the executive level. Compounding matters, given their likely salary demands, he mulled the challenge of luring executives from outside the state.

Ultimately, he found his concerns were unwarranted. Not only has the business opportunity here clicked, including his ability to tap into a "rich environment" in terms of software and technology, Hurley has relished the lifestyle change from the "serious Northeast to the Mountain States and all this area offers."

However, Utah has faced challenges in executive recruitment and development, and whether it remains a simmering issue or is a problem that was more pertinent several years ago — as Gov. Jon Huntsman and others believe—the reputation for difficulties in this area remains. That's largely because the state's salaries are lower than in other markets and a perception exists that, should someone move here for one job and want to leave it for another, there are few (if any) companies to move to.

In Utah in 2007, the average salary for all management occupations was \$84,720, compared to \$96,150 in the U.S., according to the Bureau of Labor & Statistics. Comparatively, for all such positions in 2002 in Utah, the average salary was \$67,230, and \$78,870 in the U.S. Furthermore, in 2007, the average salary in Phoenix for accountants and auditors was \$55,050; San Francisco Bay, \$72,340; Denver, \$67,450; and Salt Lake City \$60,570. General and operations managers in Phoenix averaged \$99,060; San Francisco Bay, \$123,750; Denver, \$107,880; and Salt Lake City, \$95,140.

Utah ranked second in Forbes.com's Best States For Business in 2007 and in 2008. The survey examined states in six categories: business and living costs, job and income growth, business climate, educational attainment, venture capital investment and quality of life. Utah benefited from low business costs (9 percent below the national average) and a

strong current economic environment. The state's five-year job growth rate jumped to 1.8 percent, from 1.3 percent last year, while income growth improved to 3.2 percent, from 2.2 percent.

### **Idyllic for some, regardless of salary**

For the most part, salaries here are lower than in San Francisco and Denver, but higher, largely, than Phoenix, notes Scott Schaefer, professor in the Department of Finance at the David Eccles School of Business at the University of Utah. With amenities like geography and outdoor activities, Utah is idyllic for some, even at a lower salary, he said. On the other hand, those features don't inspire everyone, regardless of financial compensation. That's significant because it reduces the incentives for firms and other employers to increase wages, Schaefer adds.

In any event, the governor emphasized that many of the old stereotypes once associated with the state no longer apply. For instance, rising salaries across the board have helped overtake the notion that a "decent" salary that could be had in one business in the state might not easily be parlayed into another well-compensated position elsewhere here, said the governor. He also

debunked "the old complaint" that Utah lacks flexibility, mobility or opportunities.

One thing the state might lack is a corporate headquarters type of environment, adds Mark Knold, chief economist with the Utah Department of Workforce Services. While noting the presence of some corporate offices, Knold said that they're often locally grown. "But you've got to start somewhere. We're just not coming off of a good past," he said.

Because there might be fewer corporate headquarters here than in Denver and San Francisco, managers here, on average, may not be as high on the corporate ladder, said Schaefer.

Though echoing the sentiment that Utah isn't exactly a corporate haven, Gov. Huntsman points out that the U.S. is a nation of small and medium-sized businesses, to which Utah is home to its fair share. "You've got to figure that Fortune 500 companies are in flux today like never before. Would you rather set your sights on a place like Utah that's got a young, refreshing dynamic and innovative environment, or go to Michigan or Ohio where you have businesses that are dying on the vine?"

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— Governor Jon Huntsman

## Dollar stretches

Lisa Vehrenkamp set her sights on Utah four years ago when she transferred from American Express headquarters in New York, and she believes that, in some ways, her wallet has been the better for it and that her dollar has gone further.

That's an important consideration, adds Knold, who notes that comparing salaries alone between one state and another can yield an incomplete picture. He said the cost of living in certain areas must be balanced because, often, a lower salary in one city buys more goods and services, such as housing and transportation, than it would elsewhere.

But Vehrenkamp also has encountered professional challenges living in Utah. For instance, she believes it's important to return regularly to the Big Apple in order to maintain visibility there. She also travels often internationally, so until a direct Paris flight became available from Salt Lake Airport, she had to connect to leave the country.

Beyond cost of living, Jeff Edwards, president and CEO of the Economic Development Corp. of Utah in Salt Lake, thinks the state got a boost that continues to reverberate from the success of the 2002 Winter Olympics in Salt Lake City. The games conveyed "the state pulled off the most successful winter games in history, so there must be a bunch of smart, competent people there."

Gov. Huntsman is more restrained; he feels the impact of the Olympics on the state is generally overstated. "It was a 17-day show; that's not going to convince people." Instead,

they'll be swayed by doing business with, traveling to and interacting with people in Utah and seeing for themselves that the state is increasingly a heterogeneous destination — culturally, economically and ethnically, he notes.

## Culture shock can be difficult to shake

Still, it hasn't been easy to shake what Knold calls "a long cultural shock" of moving into a Mormon community, particularly among those with a relatively adverse perception of who Mormons are and what life's like in Utah. While that

attitude, to a degree, is "slowly breaking down," the stigma remains, he adds. "You're talking about 150 years of history with that kind of mindset to overcome. You don't go from, so to speak, nothing to 80 miles an hour; corporate kings overnight. You have to take baby steps."

For some, the cultural conservatism of our area can be off-putting, Schaeffer notes. "Think of a non-religious wine connoisseur who doesn't ski." For someone like that, he points out, the area isn't a match.

Ultimately, Edwards recognizes that it can be difficult to overcome entrenched perceptions, particularly when trying to convince senior managers to trade off their jobs elsewhere and even consider Utah. The best solution is for people to see the state for themselves, he suggests.

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