

APRIL 2023

WAGE AND BENEFITS SURVEY 2023

MANUFACTURING



PREPARED BY
STRATEGIC MARKETING SERVICES

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Methodology

Project Objective

The main project objectives included assessing the starting and maximum wages for occupations in a variety of industries, assessing additional wage-related benefits such as pay increases and wage differentials, and understanding paid time off policies and benefits, workplace incentives, workforce trends, and community quality of life and amenities. This will help the Cedar Valley Regional Partnership and Grow Cedar Valley track wage and benefit data by occupation type to aid in attracting new talent to existing industry and prospective employers.

Project Design

Strategic Marketing Services (SMS) developed the content of an online survey instrument to assess the current wages and benefits provided to occupations within the manufacturing; finance and insurance; professional, scientific, and technical services; health care and social assistance; and transportation and warehousing industries among employers in Black Hawk, Bremer, Buchanan, Butler, Chickasaw, and Grundy counties.

An invitation to take the online survey was administered by email from Strategic Marketing Services (SMS) on behalf of Grow Cedar Valley and from Cedar Valley Regional Partnership members to approximately 400 human resources and management contacts with 284 contacts starting the survey and five opting out on the first page. Of the remaining 279 survey starts, 128 contacts fully completed the survey. The completion rate was 32 percent. This achieved a $95 \pm 7.15\%$ confidence interval, which means if this study was completed 100 times; the same results would be achieved 95 out of 100 times. The confidence interval indicated the actual aggregate results for the entire population of organizations in the above counties and industries would be in a ± 7.15 percent range of the aggregate statistics.

Survey Results

Wage Information

Just over 70 percent (71.4%) of respondents in the manufacturing industry provided salary information for the Shift/Production Supervisor occupation, followed by Assembly/Production Worker/Laborer (69.0%), Material Handling/Forklift Operator/Warehouse Worker (64.3%), and Maintenance Mechanic (57.1%). A second tier includes Engineer (52.4%), Sales Representative/Manager (52.4%), and CNC Machinist/Programmer (42.9%).

Starting Salary

The mean and median starting salary are close in value indicating the distribution of the data is fairly symmetrical.

Occupation	Mean	Median	Min	Max
Engineer (N=22)	\$64,895.62	\$62,940.80	\$41,600.00	\$130,000.00
Safety Manager (N=16)	\$64,040.10	\$59,660.80	\$35,360.00	\$100,000.00
Sales Representative/Manager (N=22)	\$59,641.82	\$57,500.00	\$35,360.00	\$110,000.00
Shift/Production Supervisor (N=30)	\$56,439.66	\$55,000.00	\$35,360.00	\$ 76,000.00
Automation Technician/Robotic Technician (N=8)	\$51,953.50	\$52,000.00	\$29,120.00	\$ 75,088.00
Maintenance Mechanic (N=24)	\$47,466.67	\$43,732.00	\$33,280.00	\$ 68,640.00
Welder/Fabricator (N=16)	\$41,409.05	\$41,260.40	\$33,280.00	\$ 66,000.00
CNC Machinist/Programmer (N=18)	\$40,687.78	\$39,500.00	\$27,040.00	\$ 70,000.00
Material Handling/Forklift Operator/Warehouse worker (N=27)	\$38,177.73	\$37,440.00	\$27,040.00	\$ 47,840.00
Assembly/Production Worker/Laborer (N=29)	\$36,975.02	\$35,360.00	\$27,040.00	\$ 48,672.00

Maximum Salary

The mean and median maximum salary for each occupation except Safety Manager are close in value indicating the distribution of the data is fairly symmetrical. The median maximum salary for Sales Representatives/Managers is 63 percent greater than the median starting salary. Automation Technician/Robotic Technicians have the lowest growth from median starting salary to median maximum salary (Roughly 28%).

Occupation	Mean	Median	Min	Max
Sales Representative/Manager (N=22)	\$97,373.41	\$94,000.00	\$43,680.00	\$185,000.00
Engineer (N=22)	\$93,622.55	\$91,800.00	\$49,920.00	\$160,000.00
Safety Manager (N=16)	\$86,087.35	\$82,500.00	\$44,200.00	\$140,000.00
Shift/Production Supervisor (N=30)	\$76,781.10	\$75,000.00	\$46,800.00	\$120,000.00
Automation Technician/Robotic Technician (N=8)	\$65,951.00	\$66,520.00	\$45,760.00	\$ 93,600.00
Maintenance Mechanic (N=24)	\$64,680.63	\$64,780.00	\$45,760.00	\$ 81,120.00
CNC Machinist/Programmer (N=18)	\$59,201.72	\$58,240.00	\$27,000.00	\$ 85,000.00
Welder/Fabricator (N=16)	\$58,304.10	\$57,080.00	\$46,904.00	\$ 72,000.00
Assembly/Production Worker/Laborer (N=29)	\$52,536.38	\$49,712.00	\$35,360.00	\$ 69,760.00
Material Handling/Forklift Operator/Warehouse worker (N=27)	\$51,392.77	\$49,067.20	\$35,360.00	\$108,825.60

Other occupations and their starting and maximum salaries:

- Quality (\$66,460 to \$76,960)
- Customer Service (\$45,000 to \$60,000)
- Quality Technician (\$47,528 to \$52,832)
- Plant Manager (\$109,000 to \$160,000)
- Office Manager (\$27,040 to \$39,520)
- Office Admin (\$36,000 to \$75,000)
- Machine Operator (\$36,400 to \$45,760)
- FRP Spray Technician (\$37,440 to \$44,096)
- Production Manager (\$62,000 to \$75,000)
- Laboratory (\$35,360 to \$68,640)

Additional Wage Information

The median standard annual wage/salary percentage increase in the last 12 months was 5.0%, with 78.6% of respondents planning to provide pay increases in the next 12 months. However, only 21.4% of respondents will provide an annual cost of living pay increase.

Over half (59.5%) of the respondents reported that their company uses a variable/performance pay program such as bonuses, commission, and other monetary incentives. Additionally, 52.4% provide a differential pay scale for weekday 2nd shift, followed by weekday 3rd shift (31.0%), weekend 3rd shift (14.3%), and weekend 2nd shift (11.9%) and weekend 1st shift (11.9%). Other responses reported by respondents included:

- All shift employees work a swing shift days or nights - night crew has a shift differential. Maintenance gets on call pay.
- Sunday Pay.
- Weekday Mid Shift.
- Winter Outside Work.

In general, a median differential pay scale of \$1.00 to \$2.50 was provided to employees working weekday and weekend 2nd and 3rd shifts as shown in the following table.

Hourly Rate Shift Differential	Mean	Median	Minimum	Maximum
Weekday 2nd Shift (N=21)	\$ 1.75	\$ 1.75	\$ 0.50	\$ 4.00
Weekday 3rd Shift (N=12)	\$ 1.57	\$ 1.25	\$ 0.30	\$ 3.00
Weekend 1st Shift (N=4)	\$ 2.75	\$ 2.50	\$ 1.00	\$ 5.00
Weekend 2nd Shift (N=4)	\$ 3.25	\$ 2.00	\$ 1.00	\$ 8.00
Weekend 3rd Shift (N=5)	\$ 1.86	\$ 1.00	\$ 0.30	\$ 4.00

Double Shift Weekday and Weekend responses from respondents include:

- Double hourly rate

Holiday Shift responses from respondents include:

- \$15.00
- Double time

Other shift responses from respondents include:

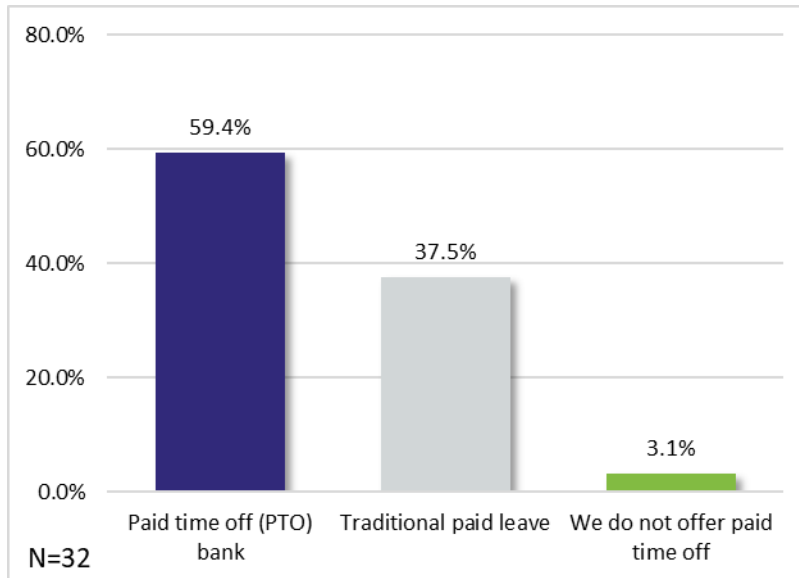
- \$0.75/hr
- \$1.00/hr
- \$1.50/hr for working nights. Maintenance gets 4 additional hours added to schedule at base wage
- \$10.00

Benefits

Paid Leave

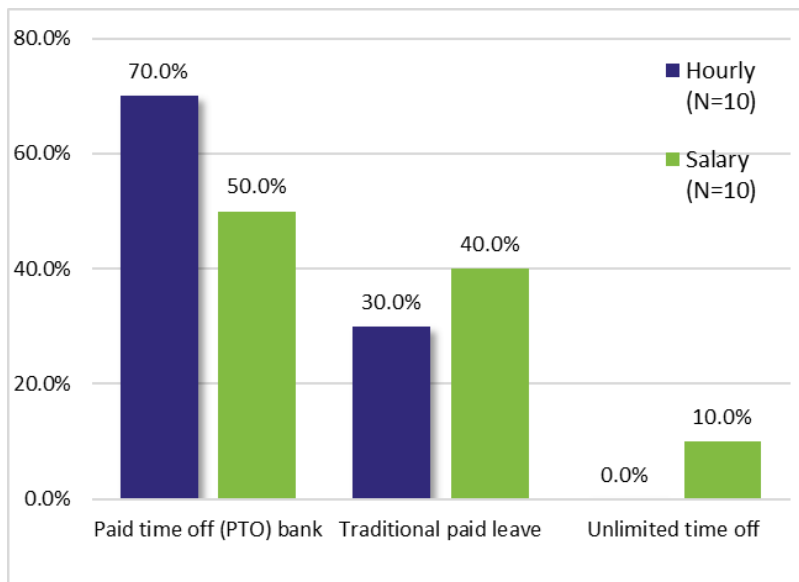
Approximately 50-70% of respondent organizations provide PTO banks to their employees, while 30-40% provide a traditional paid leave policy. The following graphs provide more detailed results for organizations that reported they provide the same benefits to hourly and salary employees and for organizations that reported they provide different benefits to hourly and salary employees.

Same Benefits



Of the respondent organizations that reported they provide the same benefits to hourly and salary employees, 59.4% provide a Paid time off (PTO) bank to employees, while 37.5 percent provide traditional paid leave. About 3 percent do not offer paid time off.

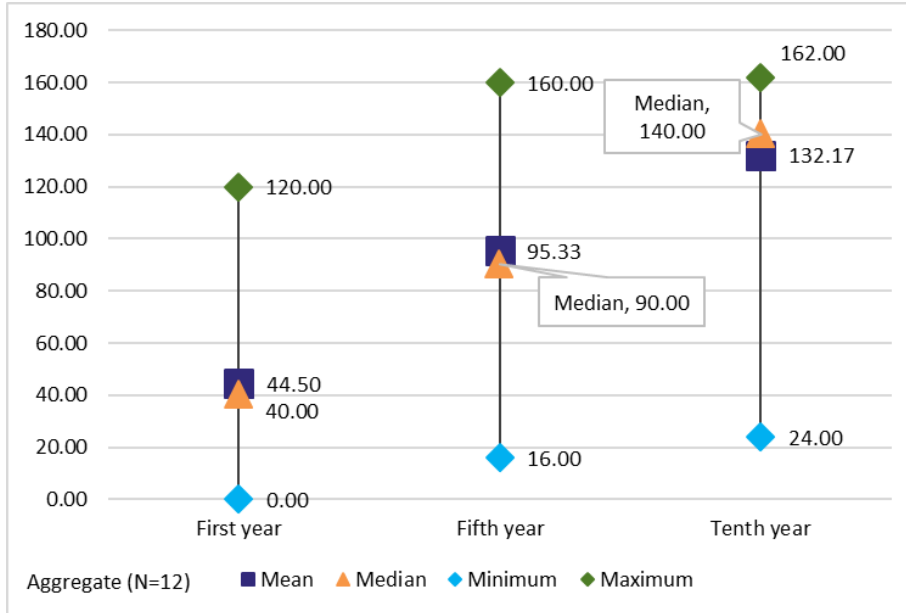
Different Benefits



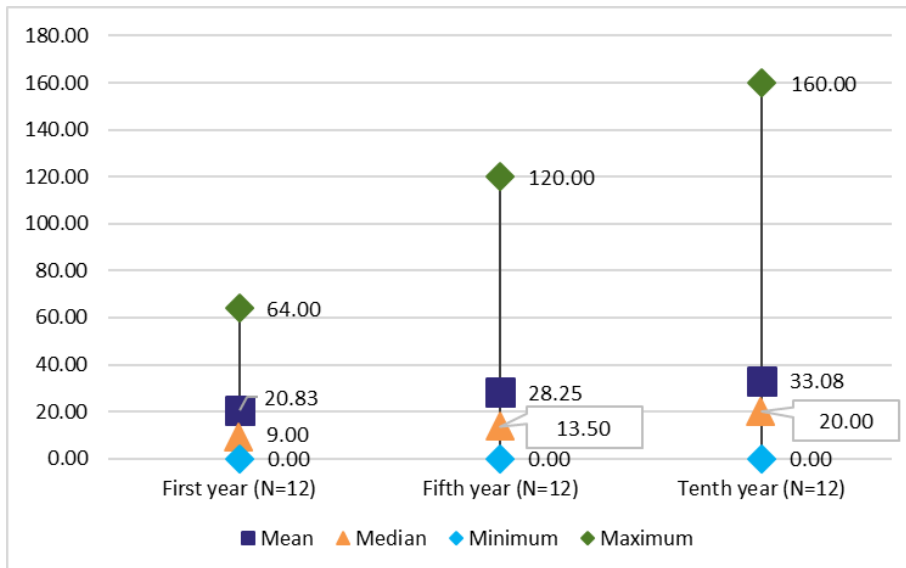
Of the respondent organizations that offer different benefits to hourly and salary employees, more organizations offer a PTO bank to hourly employees (70.0%) compared to salary employees (50.0%). 40 percent of organizations offer traditional paid leave to salary employees, while 30 percent of hourly employees are offered the same.

For organizations that offer the same benefits to their employees, there was a 197 percent increase in mean vacation hours from the first year of employment to the tenth year of employment, and a 250 percent increase in median vacation hours. Additionally, there was a 58.8 percent increase in mean sick hours from the first year of employment to the tenth year of employment, and a 122 percent change in median sick hours. For organizations utilizing PTO versus traditional paid leave, there is a 111 percent increase in mean PTO hours from the first year of employment to the tenth year of employment, and a 100 percent increase in median PTO hours.

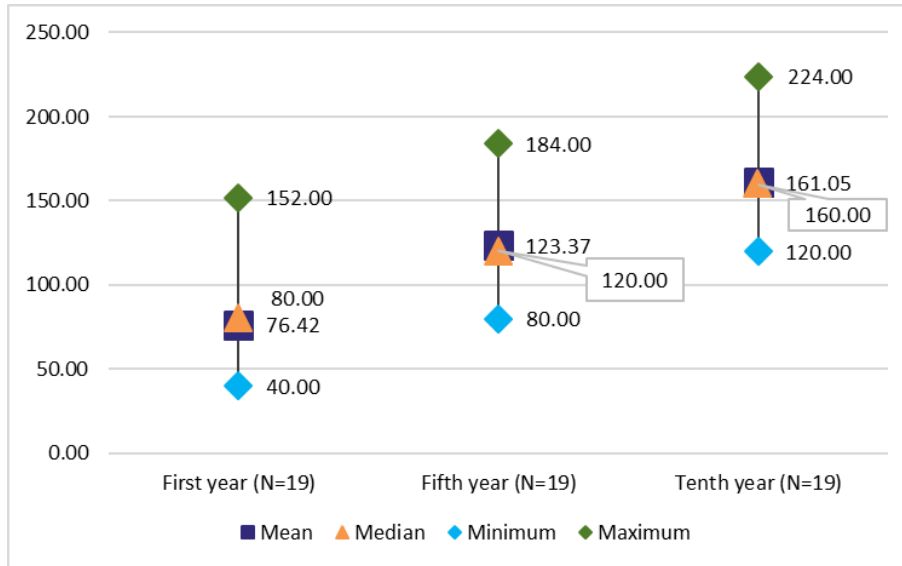
Vacation Hours



Sick Hours



PTO Hours



Paid Benefits and Work Place Incentives

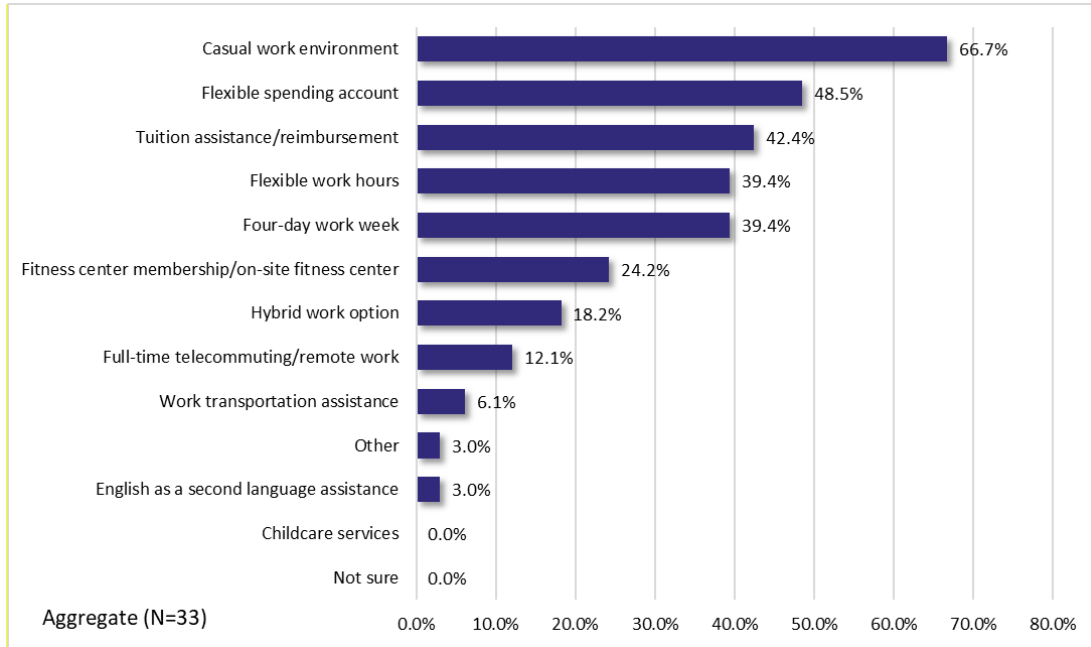
The vast majority (70-100%) of respondents reported employees receive Independence Day, Memorial Day off, Labor Day, New Year’s Day, Thanksgiving Day, and Christmas Day paid off. 18-20% reported employees receive other holidays and observances paid off. Other responses reported by respondents included:

- Good Friday (3)
- Birthday
- Easter
- President's Day
- 4th of July and some other misc. days.

Additionally, about one-fourth of respondents (23.8%) offer paid benefits to part-time employees, including paid time off/vacation and sick leave (100.0%), paid holidays (100.0%), health insurance (90.0%), and retirement benefits (80.0%).

In addition to paid holidays, the top additional benefits reported by organizations that offer the same benefits to salary and hourly employees are life insurance coverage (87.5%), short term disability (75.0%), health insurance for employees – including dental and/or vision (68.8%), long term disability (62.5%), the option to purchase family health insurance (59.4%), and a 401(k) or 403(b) match (59.4%). For organizations that offer different benefits to salary and hourly employees the top categories were similar with a higher percentage of salary employees having access to those benefits (Roughly 10 percentage points).

Top workplace opportunities or incentives offered to employees reported by respondents included a casual work environment (66.7%) and a flexible spending account (48.5%). A second tier of opportunities or incentives offered to employees includes tuition assistance/reimbursement (42.4%); flexible work hours (39.4%); four-day work week (39.4%); and a fitness center membership/on-site fitness center (24.2%).



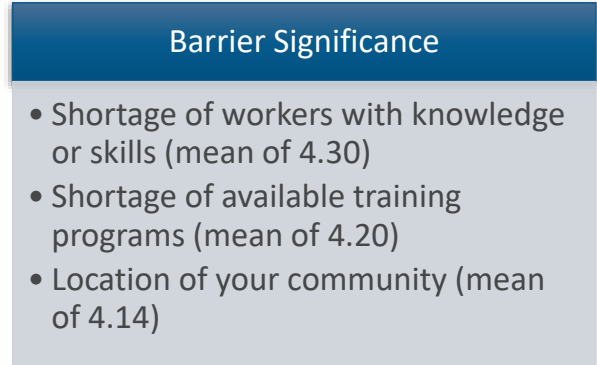
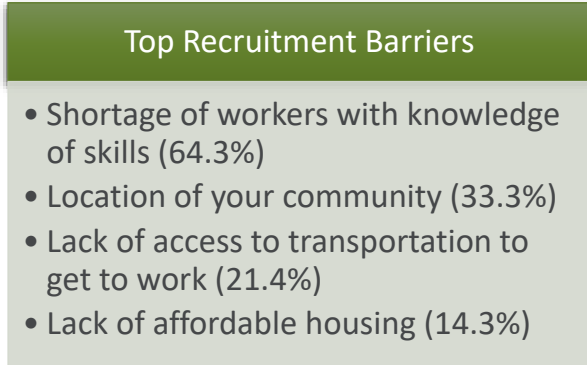
In addition, the mean value of employees eligible to work remotely is just under 16 percent, while 8 percent of employees are currently working remotely on average. Over half of respondents (58.6%) have experienced no impact on local operations due to remote work options, while just over 20 percent have been impacted both positively and negatively.

	Mean	Median	Minimum	Maximum
% Eligible to Work Remotely (N=26)	15.9%	8.0%	1.0%	71.0%
% Currently Working Remotely (N=24)	8.0%	4.0%	0.0%	40.0%

Employee Recruitment

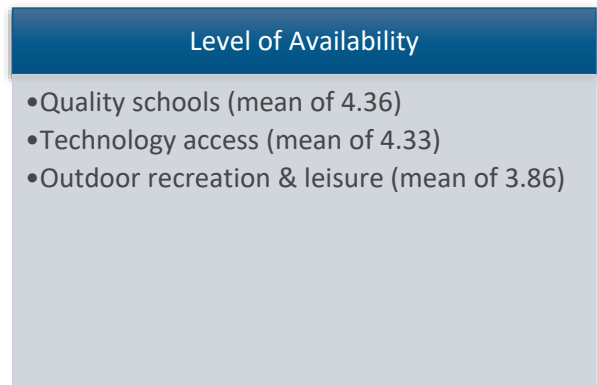
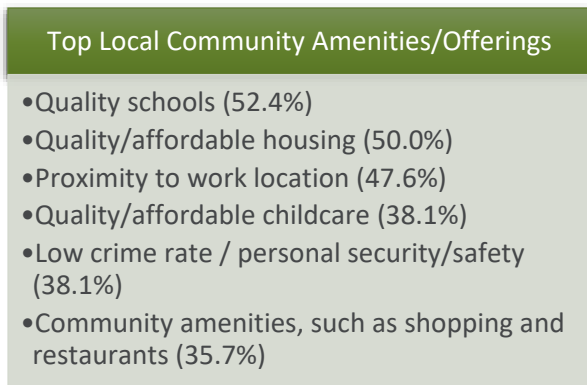
Barriers to Recruitment

The greatest barrier related to recruiting potential employees as it relates to the community is by far the shortage of workers with knowledge of skills (64.3%). Other top barriers are included in the graphic below. Respondents were also asked to rate the significance for each of their top three barriers, using a scale of 1 to 5, where 1 is insignificant and 5 is critical. The top-rated barriers are included in the graphic below. The lowest rated barriers include lack of access to transportation to get to work (3.56), lack of access to childcare (3.20), and lack of diversity in the community (3.00).



Community Amenities/Offerings

The top local community amenities/offering most important to potential employees include quality schools (52.4%), quality/affordable housing (50.0%), and proximity to work location (47.6%). Other top amenities/offering are included in the graphic below. Respondents were also asked to rate the level of availability for each of their top 5 local amenities/offering, using a scale of 1 to 5, where 1 is no availability and 5 is very high availability. The top-rated amenities are included in the graphic below. The lowest rated amenities included quality/affordable childcare (2.81), quality/affordable housing (2.76), and arts, entertainment & culture (2.00).



Appendix

The table below lists starting and maximum salaries for occupations in other industries selected by respondents.

Occupation	Starting Salary	Maximum Salary
Accounting	\$39,520	\$75,000
Apprentice Toolmaker	\$31,200	\$70,720
CNC Operator	\$37,440	\$70,720
Design	\$41,600	\$93,600
Engineering	\$55,120	\$75,000
Fabricator	\$37,440	\$56,160
Maintenance	\$41,600	\$65,000
Painter	\$37,440	\$43,680
Sales (3)	\$56,633	\$199,283
Shipping	\$42,640	\$54,080
Toolmaker	\$37,440	\$70,720
Transportation	\$55,000	\$80,000
Warehouse	\$41,600	\$62,400