

2017 Regional Wage and Benefit Study: Champaign County

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Champaign, Clark, Logan,
Madison and Union Counties

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Executive Summary

Organizations from five counties (Champaign, Clark, Logan, Madison, and Union) received a link to an electronic survey via email to participate in a benefit survey. Survey items were created to capture information about the company's demographics, pre-employment practices, insurance plans, and other benefits and incentives. The results of the survey can be used to benchmark existing organizations' benefits against the overall sample or attract prospective organizations to the community.

Out of 166 organizations that participated in the study, 53 are in Champaign County. Below is a summary of the Champaign County results.

- Service-related organizations represent 32% of the Champaign County sample while manufacturing makes up 19% of the sample.
- There is a minimum of two employees and maximum of 948 employees at any given company. The average number of employees per organization across all companies is 89 with a total of 4,700 employees represented in the data. Companies with 11-50 employees and greater than 100 employees had the highest participation in the study.
- Champaign County companies averaged one contractor per firm with a range of 0-20 contractors. The average number of seasonal/temporary employees per organization across Champaign County companies is 15 with a range of 0-286 temporary employees.
- Few organizations had union employees.
- Average employee tenure ranges from two to 41 years at any given organization with an overall average being 9 years.
- The top three most frequently selected ways organizations in Champaign County post jobs is via online sources (e.g., company website, paid job boards, social media).
- Twenty-seven percent of the Champaign County sample give preference to veterans in the hiring process.
- Thirty-percent of organizations in Champaign County are willing to hire a convicted felon. Conditions under which these organizations are willing to hire include if the conviction was for a non-violent crime or the conviction occurred after a specified time had passed.
- The majority conducts pre-employment background checks and few post-employment.
- Very few organizations conduct a credit check. For those organizations that do, most perform it pre-employment.
- The two most frequent reasons for conducting drug and/or alcohol testing is reasonable suspicion and during pre-employment.
- Thirty-six percent of Champaign organizations have a second chance policy for alcohol/drug violations.
- More than half the sample offers job shadowing.
- Fifty-three percent of companies offer internships, but only 27% offer paid internships. Individuals attending college are the most likely to be hired as an intern. On average,

the minimum age across all organizations that would be willing to hire an intern is 18 years of age.

- Twenty-three percent offer a flexible spending account.
- Few companies offer Health Reimbursement Accounts.
- More companies in Champaign County offer Health Savings Accounts (38%) than Health Reimbursement Accounts (9%). There is some variability in terms of employer contribution per coverage level.
- Over 50% offer a traditional co-pay health insurance plan with employee only and family as the most frequently offered coverage levels.
- Of those employers that offer a traditional health insurance plan, 28% have a working spouse provision.
- While 34% of the organizations either do not offer health insurance or contribute to health insurance costs, 16% contribute \$14,000 or more toward health insurance while 14% contribute \$10,000-\$11,999.
- Most organizations that provide health insurance spend 10-19% or 20-29% of the employee's wage on health insurance.
- When offered, dental insurance is likely to be a shared cost and life/accidental death and dismemberment is likely to be paid by the employer. Nearly 50% of the organizations do not offer disability or vision insurance. When offered, disability insurance (long-term and short-term) is either employee paid or employer paid. There is variability in terms of who is likely to pay vision insurance when it is offered by the employer.
- The most common type of retirement plan offered is the 401K, 403B.
- The two most common ways PTO is categorized is with personal, sick, and vacation as separate categories or all three types of leave lumped into one category.
- The most frequently offered type of other paid leave is paid holidays with the average number of paid holidays being 8. Bereavement and jury duty are the next most frequently offered types of other paid leave.
- In terms of the most frequently offered incentives, 18 organizations offer merit pay and 14 offer employee assistance programs. The next cluster of incentives includes flextime, premium paid shift differentials, and wellness programs.
- A large majority (75%) of organizations provide funds for employees' professional development and/or tuition reimbursement. As compared to the percentage of organizations that offer professional development (93%), a smaller percentage (59%) of organizations offer tuition reimbursement to employees.
- Twenty-three percent of organizations offer fringe benefits that make up 10% or less of salaried employees' wages. For hourly employees, twenty-one percent report fringe benefits account for 10% or less of wages.
- The majority opts for state-funded workers' compensation.

Research Objectives

The main purpose of this research is to provide wage and benefit benchmarks for businesses in Champaign, Clark, Logan, Madison, and Union counties. By providing data on common benefits, incentives, and wage averages, businesses will be able to determine if they lag behind, match, or lead the market in terms of compensation practices. Employee turnover and productivity issues may be avoided if businesses are able to use this information to become more competitive in attracting and retaining reliable and effective employees. In addition, the information provided by the data in this report should assist economic development in our communities. Having knowledge of the competitive market may result in a more beneficial strategy to attract new businesses to the area and spur the growth of economic development.

Methodology

A detailed explanation is provided in the Overall Results.

Analysis of Benefit Data

Excel was used to analyze the survey data. The data were screened for missing data and data entry errors. Respondents were contacted if data were missing (e.g., indicated paid holidays as a benefit but didn't provide the average number of paid holidays provided). Not all organizations that were contacted responded, even after repeated attempts. In addition, variables with responses outside the expected range were either corrected or considered outliers and deleted from analyses. For example, the PTO portion of the survey asked respondents to indicate the number of paid days off that employees were given. Some respondents answered the question in hours; these companies were contacted and the data were changed from hours to days. If the contact person could not be reached the responses for that item were not included in analyses. Thus, the number of responses (i.e., n-size) for each item will vary.

Frequencies and/or descriptive statistics were then calculated for each survey item. For questions in which the organization could select more than one option, data is represented in terms of frequency count. For questions in which the organization could only select one option, data is represented in terms of percentage of organizations.

Finally, it is important to note that the data comes from a self-selected non-probability sample. Thus, results should not be generalized to all organizations in Champaign County. Instead, data are only representative of those companies that responded to the survey.

Company Information

Contact Information

- Information of who completed the questionnaire was useful when there was a need to clarify data.

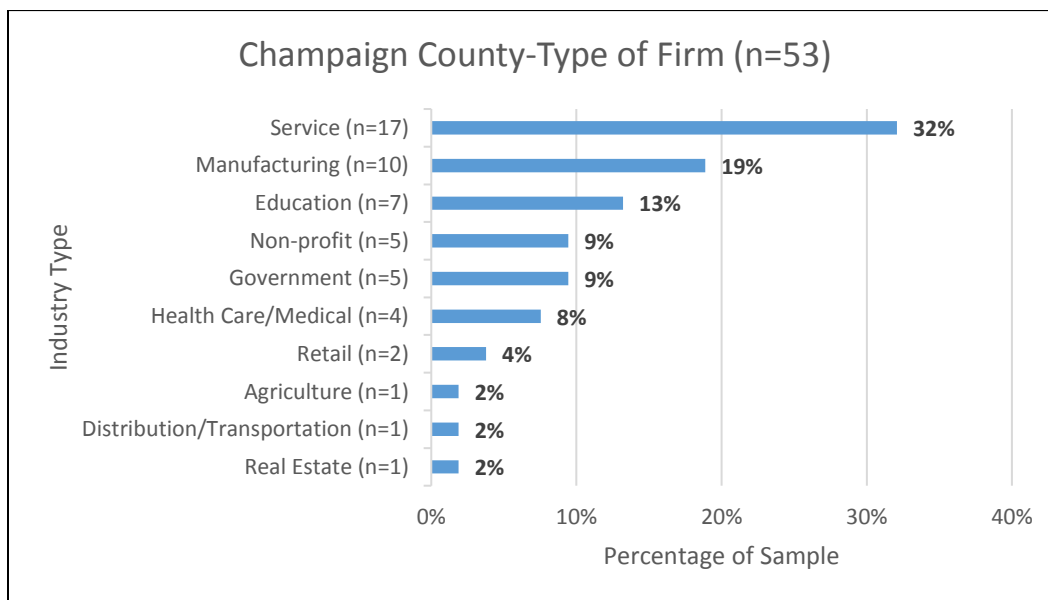
Organization Name

- The company name was collected but will remain confidential.

Type of Firm

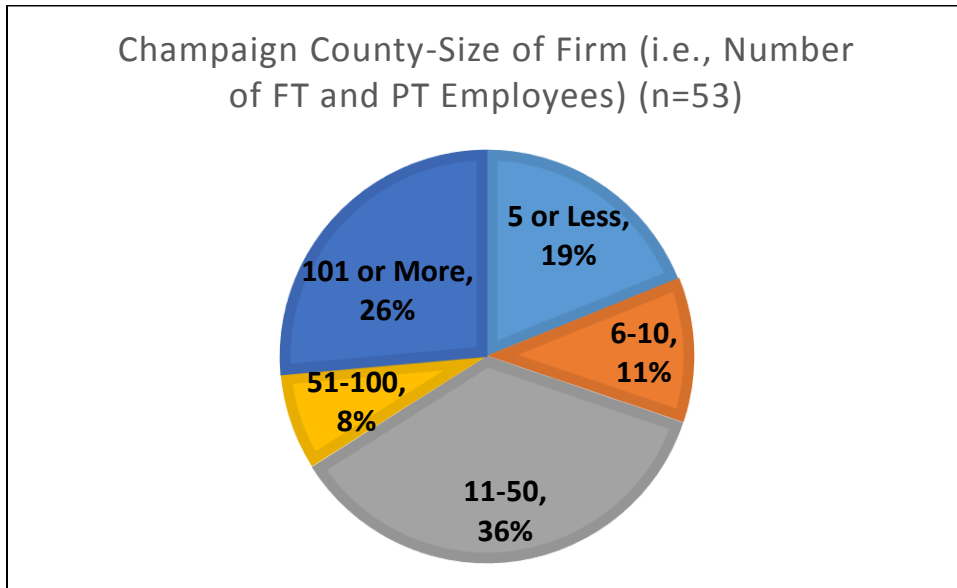
Any organization that selected “Other” was analyzed to see if it could be grouped with an existing category. In some cases, organizations categorized themselves into different industries (e.g., some banks identified as Retail while others identified as Service). To maintain consistency in coding across similar types of organizations, the following coding rules were adopted and responses to the “type of firm” question were modified.

- Farming and Agricultural businesses were coded as Agriculture.
- Public libraries were coded as Education.
- Housing, Real Estate Investment, and Construction companies were coded as Real Estate.
- Attorney and law offices were coded as Service.
- Banks and credit unions were coded as Service.
- Auto & Tire centers were coded as Service.
- Electrical and HVAC organizations were coded as Service.



Service organizations represent 32% of the Champaign County sample. In the overall dataset, manufacturing and service organizations constituted 29% and 23%, respectively, of the sample.

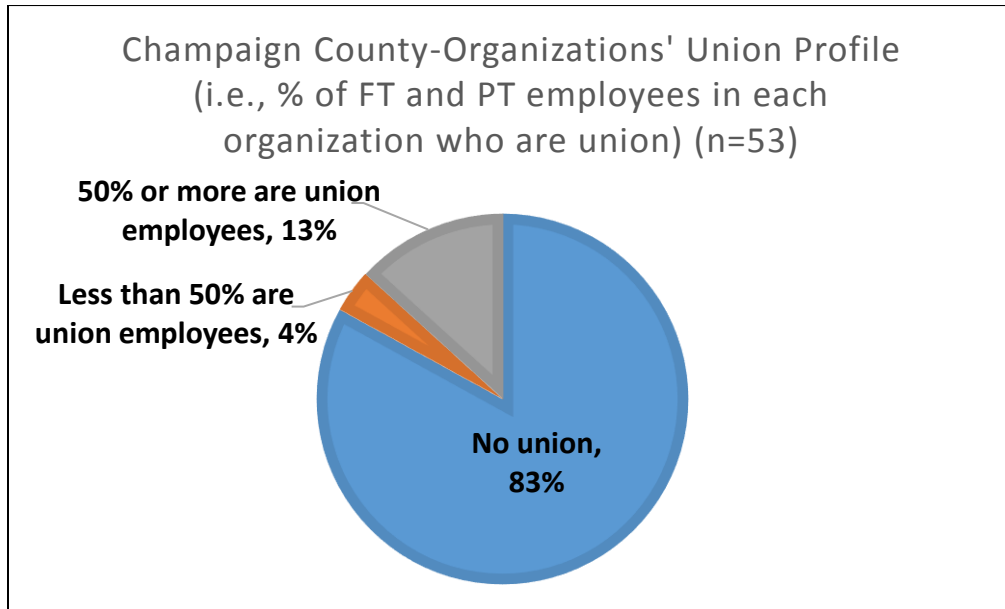
Size of Firm



There is a minimum of two employees and maximum of 948 employees at any given company. The average number of employees per organization across Champaign County companies is 89 with a total of 4,700 employees represented in the data. Companies with 11-50 employees and greater than 100 employees had the highest participation in the study.

Champaign County companies averaged one contractor per firm with a range of 0-20 contractors. The average number of seasonal/temporary employees per organization across Champaign County companies is 15 with a range of 0-286 temporary employees.

Organizations' Union Profile



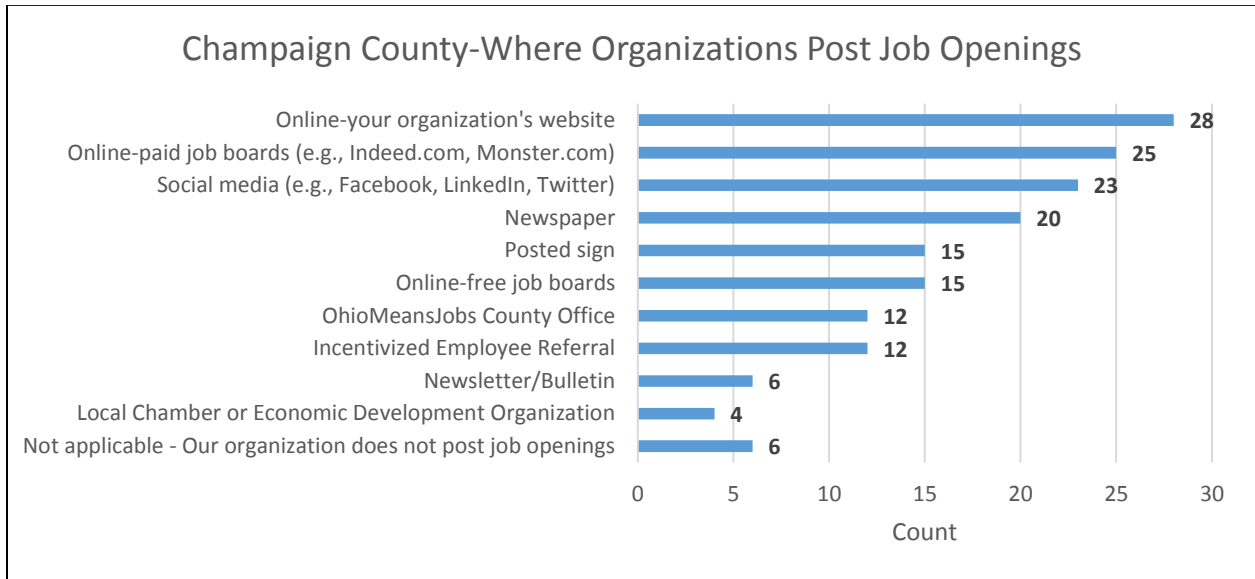
Few organizations had union employees.

Average Employee Tenure (i.e., Number of Years with the Company)

Average employee tenure ranges from two to 41 years at any given organization with an overall average being 9 years.

Pre-employment Processes

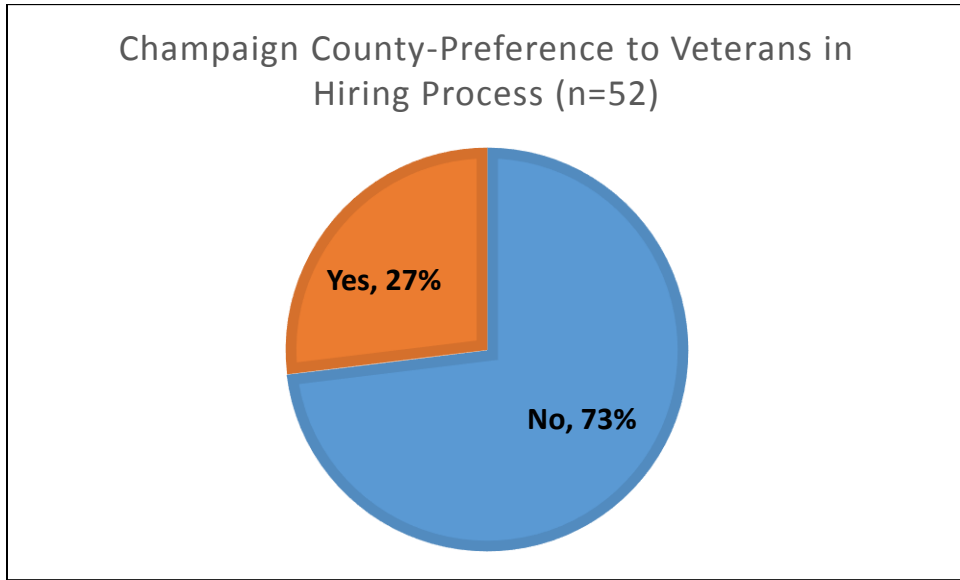
Where Organizations Post Job Openings



Note: Companies could select more than one option.

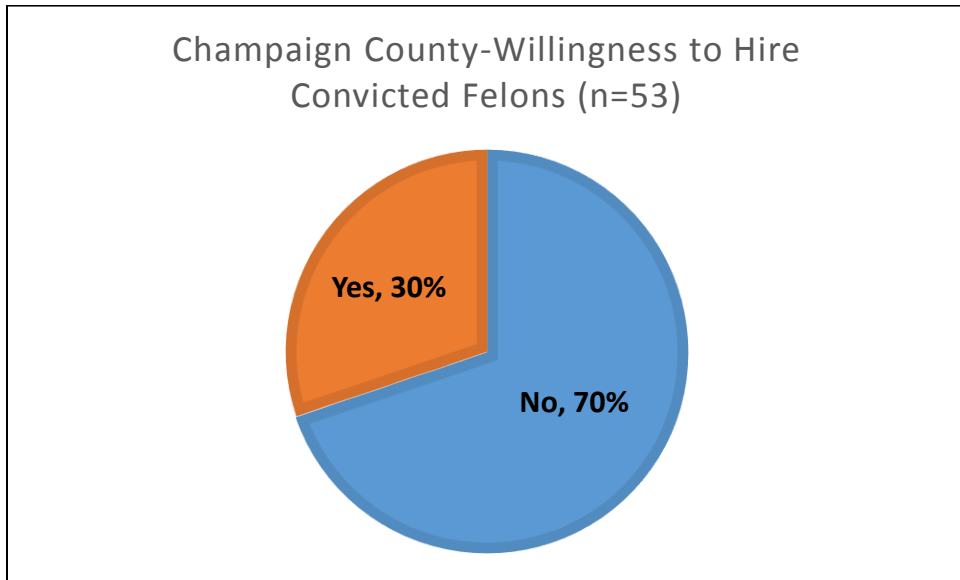
The top three most frequently selected ways organizations in Champaign County post jobs is via online sources (e.g., company website, paid job boards, social media), which is similar to the overall results.

Preference to Veterans in Hiring Process

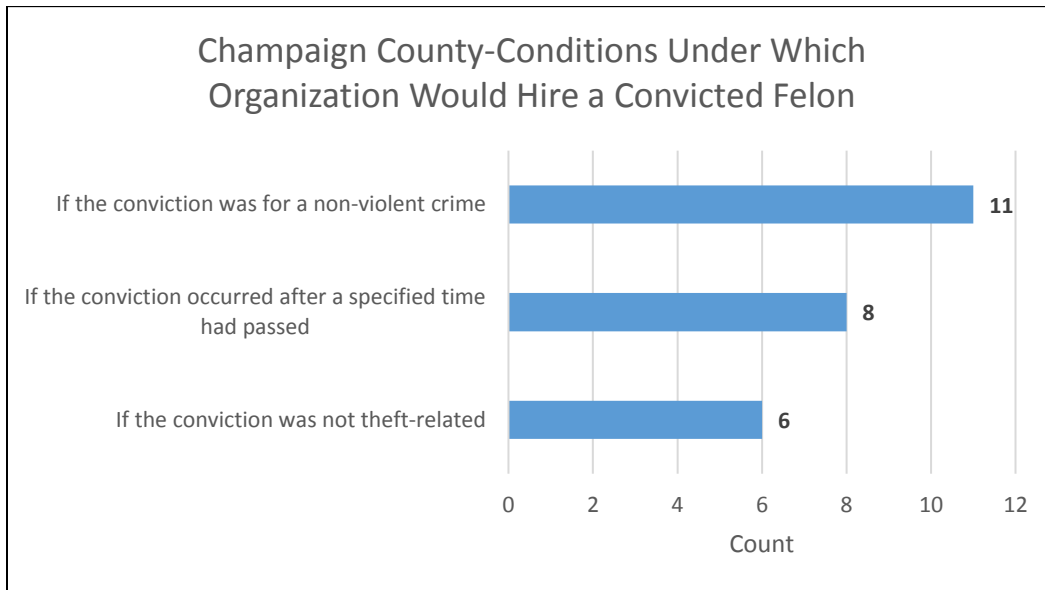


The results are similar to the overall results in that a small percentage (27% in Champaign County v. 33% in overall sample) of organizations give preference to veterans in the hiring process.

Willingness to Hire Convicted Felons



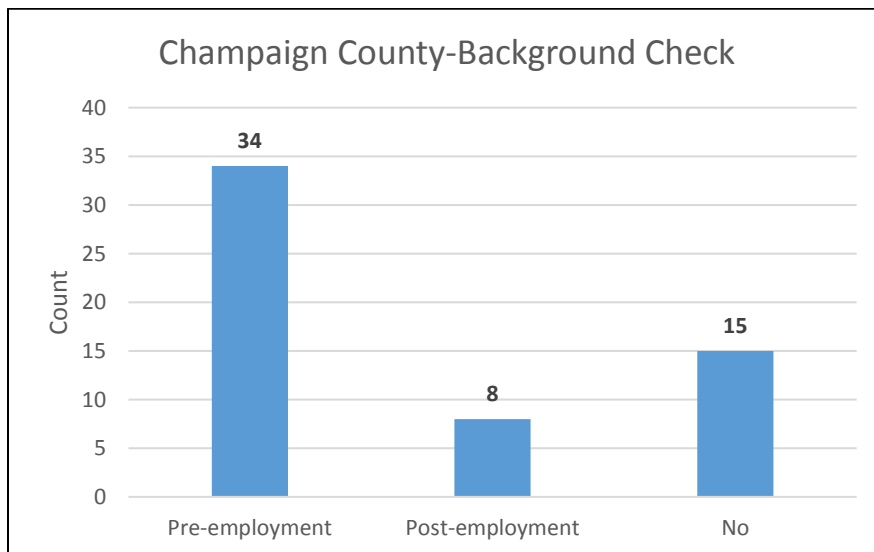
Conditions Under Which Organization Would Hire a Convicted Felon



Note: Companies could select more than one option.

Thirty-percent of organizations in Champaign County are willing to hire a convicted felon whereas in the overall sample 41% of organizations are willing to do so. Conditions under which these organizations are willing to hire include if the conviction was for a non-violent crime or the conviction occurred after a specified time had passed.

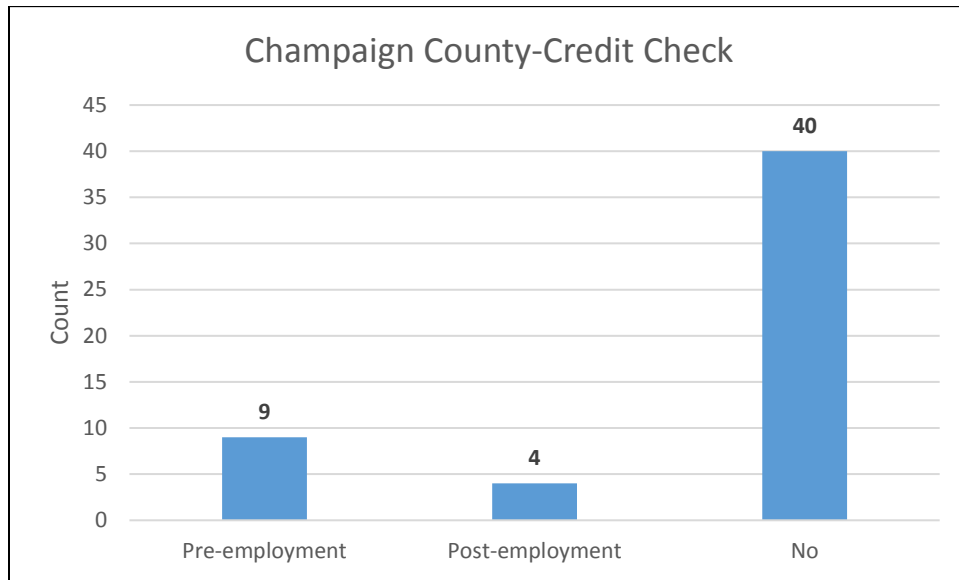
Background Check



Note: Companies could select more than one option.

Consistent with the overall sample, the majority conducts pre-employment background checks and few post-employment.

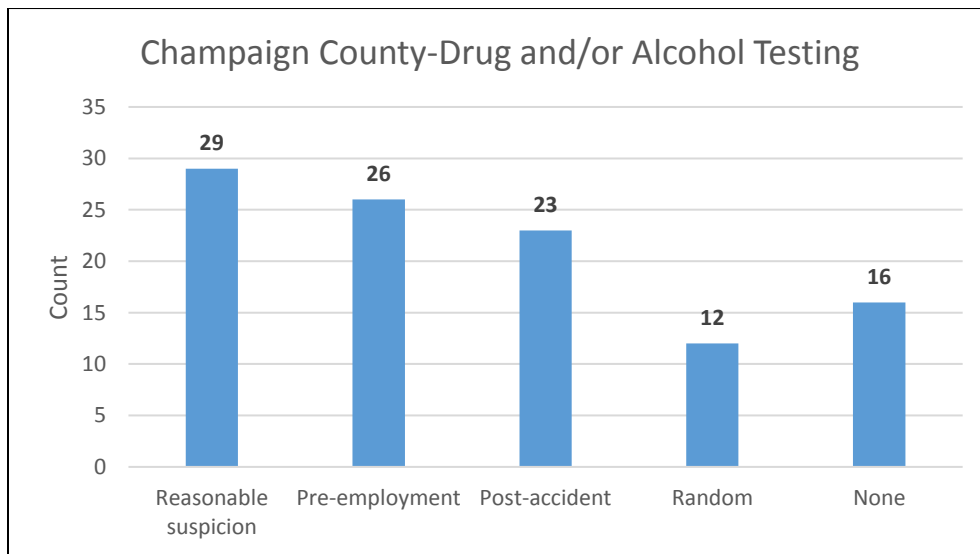
Credit Check



Note: Companies could select more than one option.

Similar to the overall sample, very few organizations conduct a credit check. For those organizations that do, most perform it pre-employment.

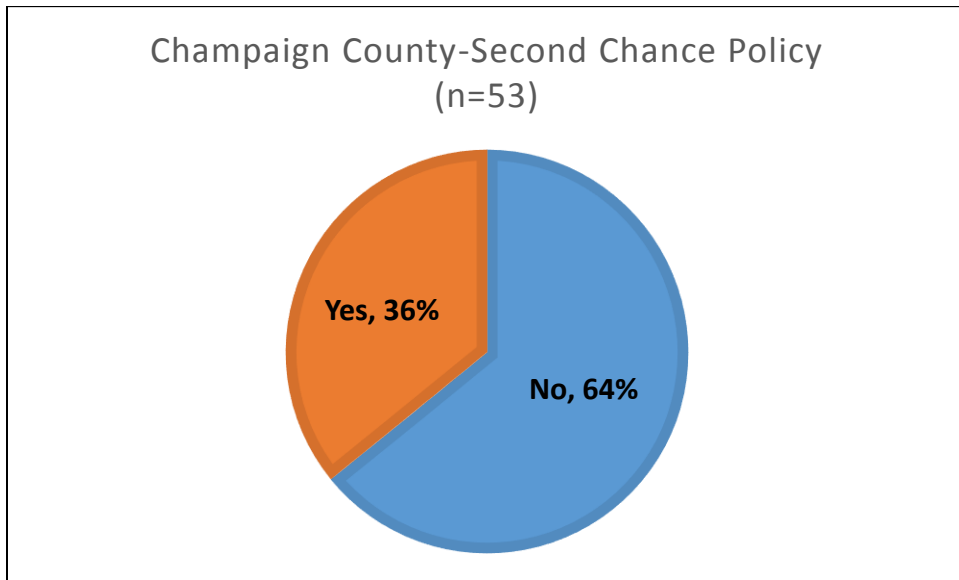
Drug and/or Alcohol Testing



Note: Companies could select more than one option.

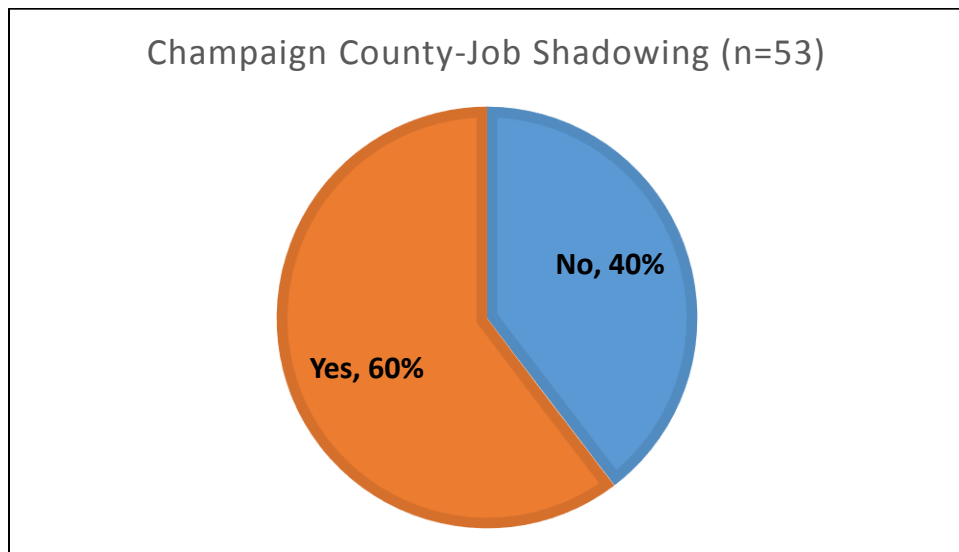
The two most frequent reasons for conducting drug and/or alcohol testing is for reasonable suspicion and during pre-employment. This is similar to the overall results, except pre-employment was the most frequent and reasonable suspicion was the second most frequent in the overall sample.

Second Chance Policy for Drug and/or Alcohol Violations



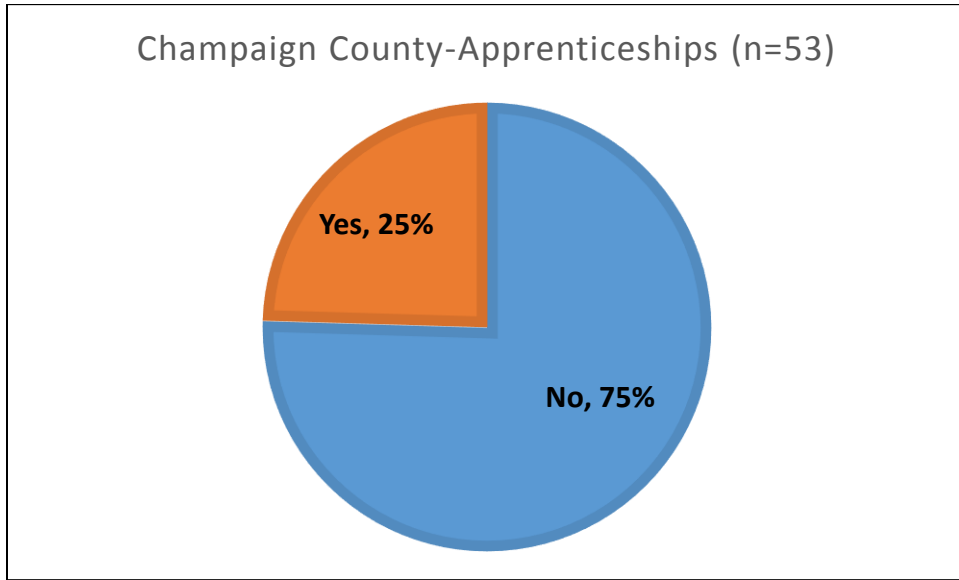
Thirty-six percent of Champaign County organizations have a second chance policy for alcohol/drug violations. This is less than the overall sample (i.e., 43%).

Job Shadowing



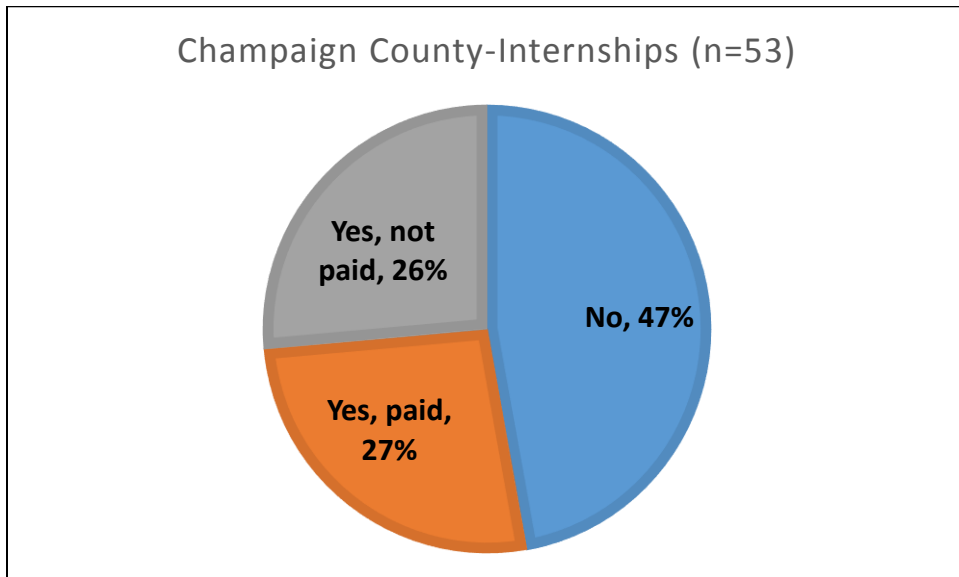
More than half the sample offers job shadowing, which is similar to the overall results.

Apprenticeships

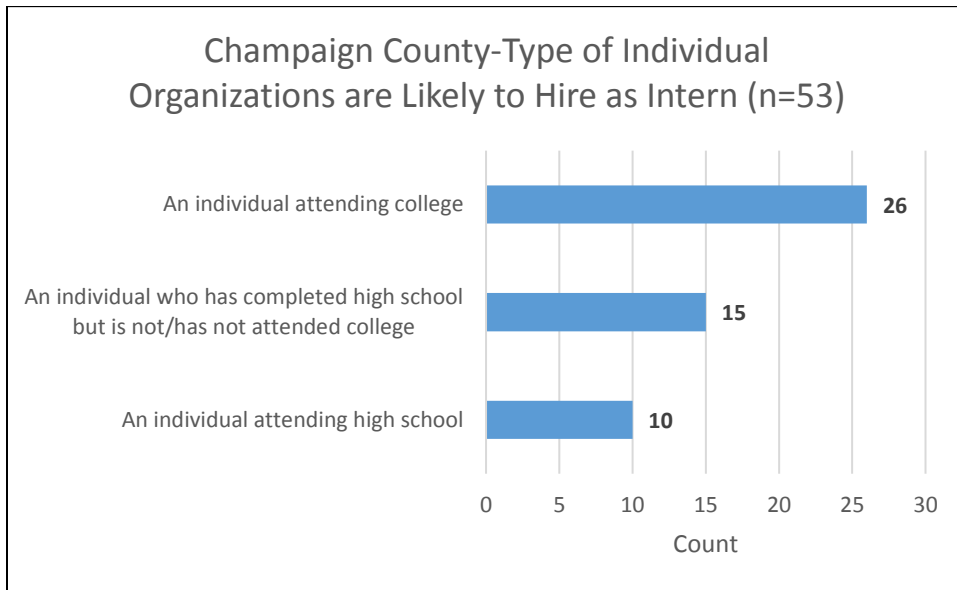


Similar to the overall results, a quarter of the sample offers apprenticeships.

Internships



Type of Individual Organizations are Likely to Hire as Intern

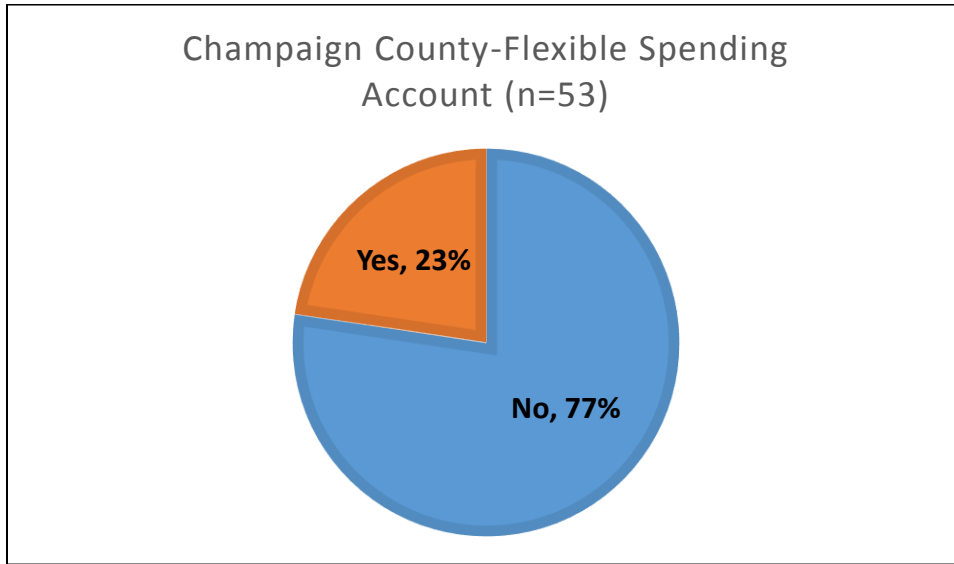


Note: Companies could select more than one option.

A smaller percentage of companies offer paid internships as compared to the overall sample (i.e., 37%). Individuals attending college are the most likely to be hired as an intern. On average, the minimum age across Champaign County organizations that would be willing to hire an intern is 18 years of age.

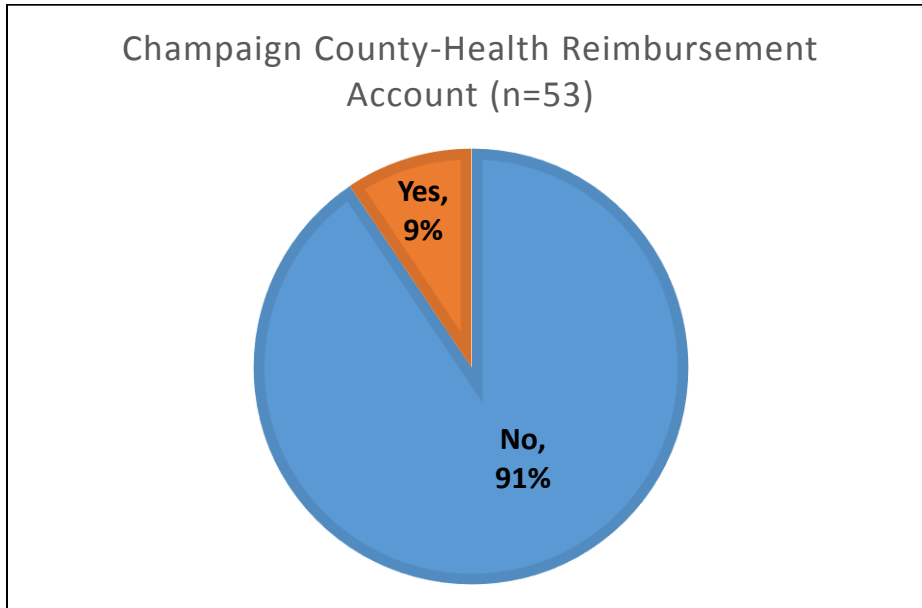
Insurance

Does organization offer a Flexible Spending Account?



Twenty-three percent offer a flexible spending account, which is 10% less when compared to the overall sample.

Does organization offer a Health Reimbursement Account?

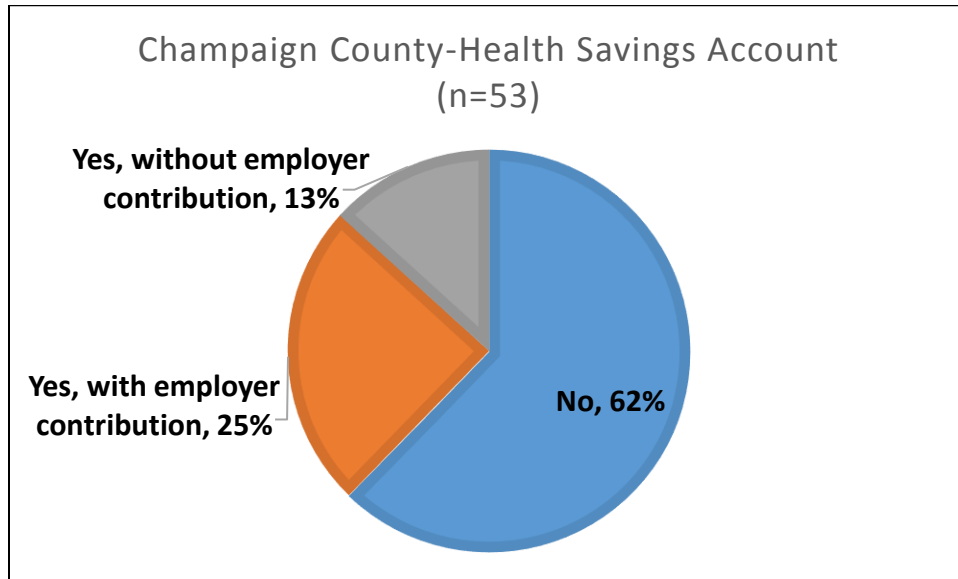


Few companies offer Health Reimbursement Accounts.

If organization offers a Health Reimbursement Account (H.R.A.), what is the dollar amount per coverage level contributed by the organization?

Too few organizations answered this question for the results to be reliable.

Does organization offer a Health Savings Account?

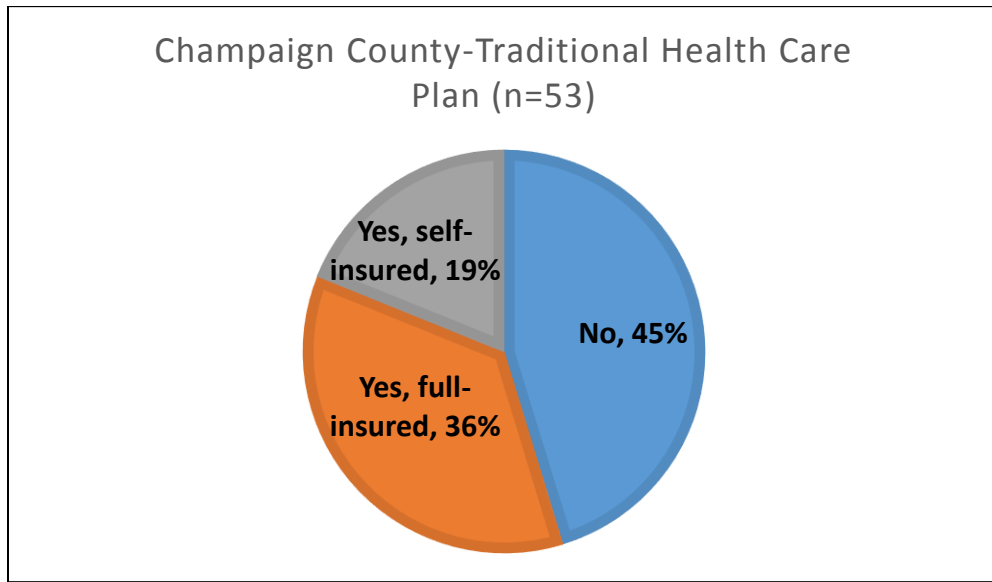


If organization offers a Health Savings Account (H.S.A.), what is the dollar amount per coverage level contributed by the organization?

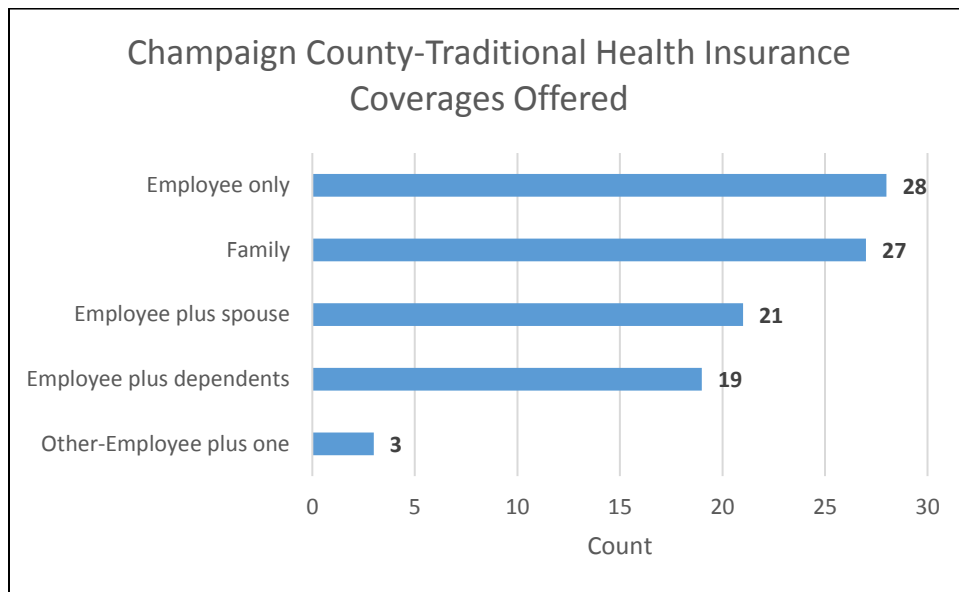
H.S.A. Coverage Levels	Average	Range
Employee only (n=13)	\$944	\$80-\$2,100
Employee plus spouse (n=9)	\$1,624	\$250-\$4,200
Employee plus dependent (n=10)	\$1,742	\$250-\$4,200
Family (n=10)	\$1,821	\$250-\$4,200

More companies in Champaign County offer Health Savings Accounts (38%) than Health Reimbursement Accounts (9%). There is some variability in terms of employer contribution per coverage level.

Does organization offer traditional co-pay health insurance plans?



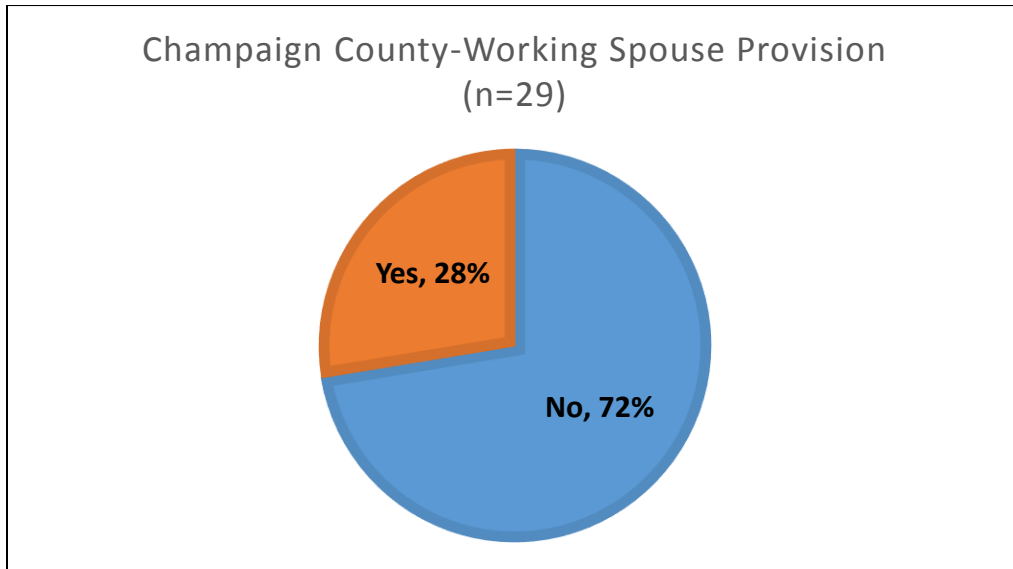
Types of Traditional Health Insurance Coverage Plans



Note: Companies could select more than one option.

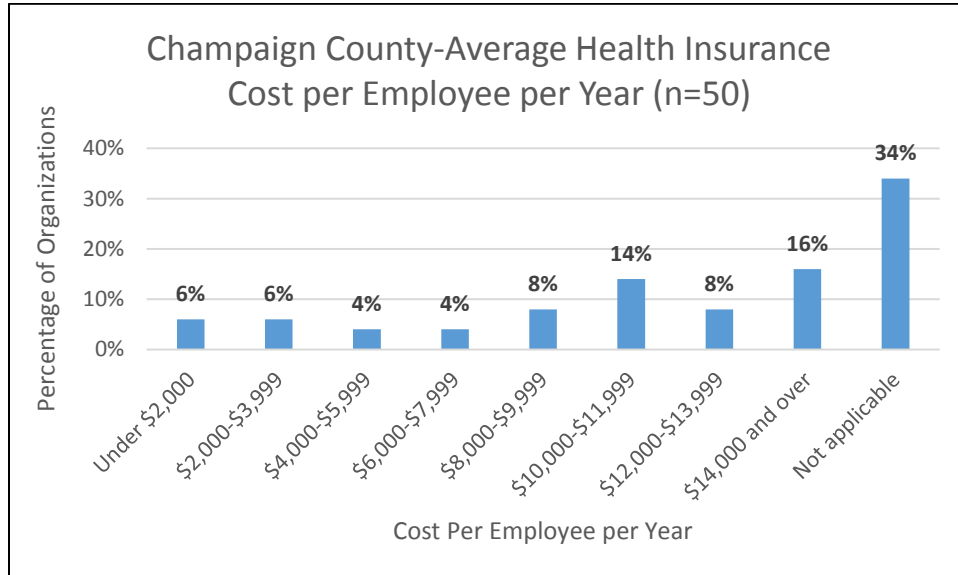
Over 50% of Champaign County organizations offer a traditional co-pay health insurance plan with employee only and family as the most frequently offered coverage levels.

If organization offers traditional health insurance plan, does it have a working spouse provision?



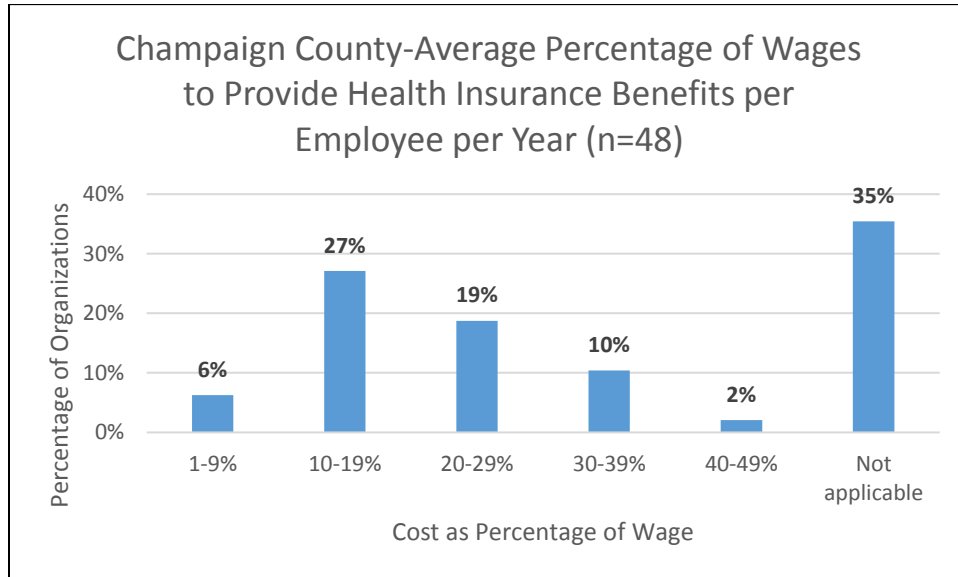
Of those employers that offer a traditional health insurance plan, 28% have a working spouse provision. In the overall sample, 32% have this provision.

Health Insurance Cost (i.e., annual total employer-paid premiums, as well as H.R.A. and H.S.A. contributions, divided by the number of enrolled employees) per Employee per Year



While 34% of the organizations either do not offer health insurance or contribute to health insurance costs, 16% contribute \$14,000 or more toward health insurance while 14% contribute \$10,000-\$11,999.

Average Percentage of Wages to provide Health Insurance Benefits (employer-paid premiums, Health Reimbursement Account and Health Savings Account contributions) Per Employee per Year



Most organizations that provide health insurance spend 10-19% or 20-29% of the employee’s wage on health insurance.

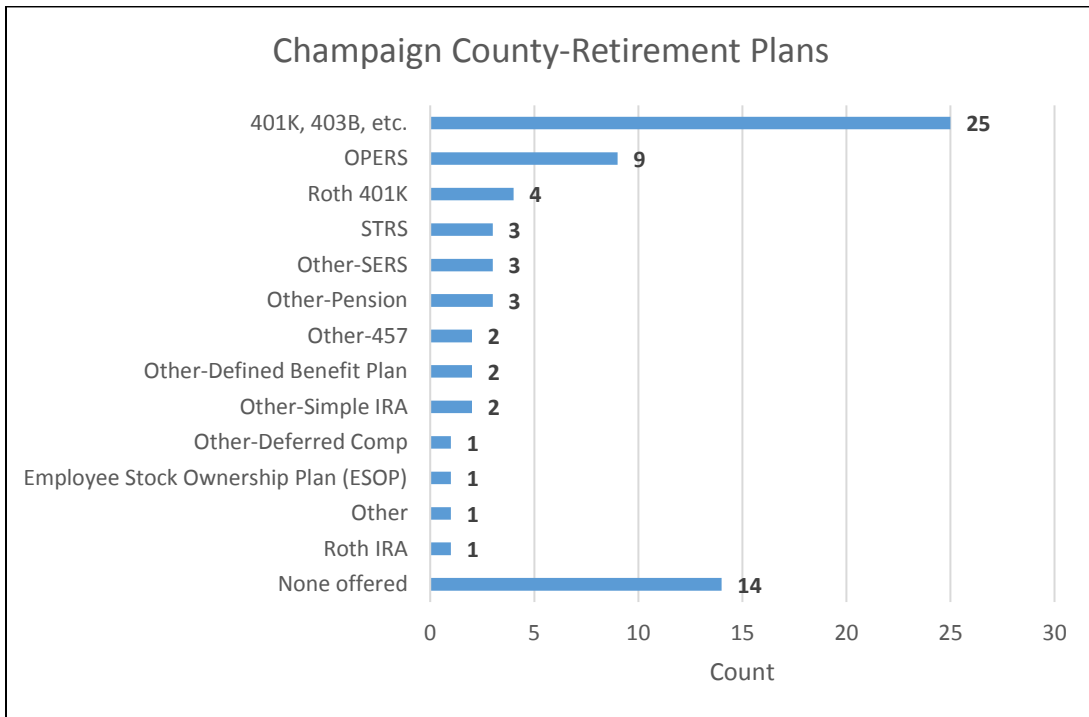
Other Types of Insurance

Type of Insurance	Employee paid only	Employer paid only	Shared cost	N/A
Dental (n=52)	10	5	16	21
Disability, Long-term (n=53)	14	13	1	25
Disability, Short-term (n=52)	13	13	1	25
Life/Accidental Death & Dismemberment (n=52)	10	17	7	18
Vision (n=52)	9	5	12	26

When offered, dental insurance is likely to be a shared cost and life/accidental death and dismemberment is likely to be paid by the employer. Nearly 50% of the organizations do not offer disability or vision insurance. When offered, disability insurance (long-term and short-term) is either employee paid or employer paid. There is variability in terms of who is likely to pay vision insurance when it is offered by the employer.

Benefits and Incentives

Retirement Plans



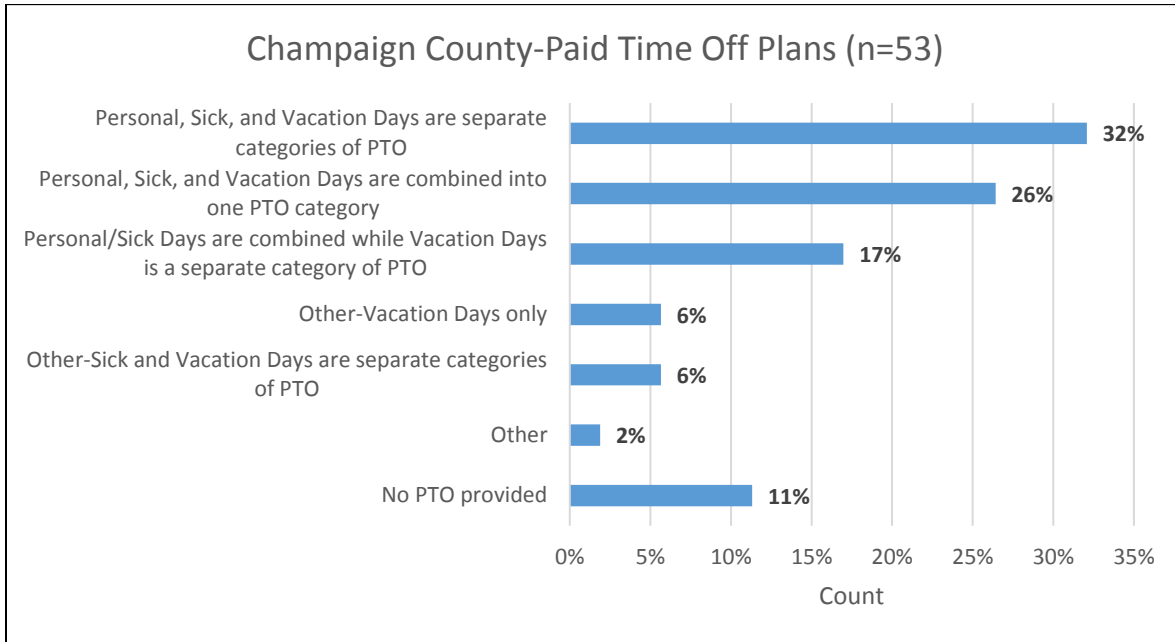
Note: Companies could select more than one option.

The most common type of retirement plan offered is the 401K, 403B.

Organization’s Contribution to Retirement

Except for state pension funds (e.g., OPERS, SERS, STRS), most organizations offered a dollar for dollar match on the first 3-6% of employee’s wage. Similarly, a 50% match on an employee’s first 3-6% of pay was another common description.

Paid Time Off Plan

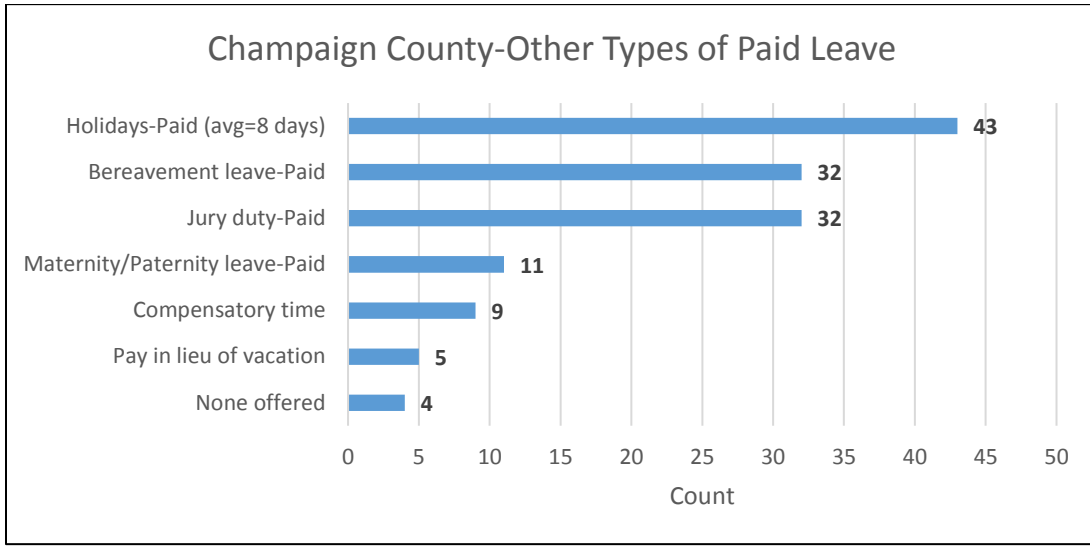


The two most common ways PTO is categorized is with personal, sick, and vacation as separate categories or all three types of leave lumped into one category.

Average Number of Days Employees Receive in Paid Time Off by Years of Service (n=46)

Years of Service	Average PTO Days	Mode	Range
1	11	5, 10	0-30
2	13	10	2-30
5	16	10	3-30
10	19	15	3-35
15	21	20, 25	3-40
20	22	20	3-45
25	23	25	3-45

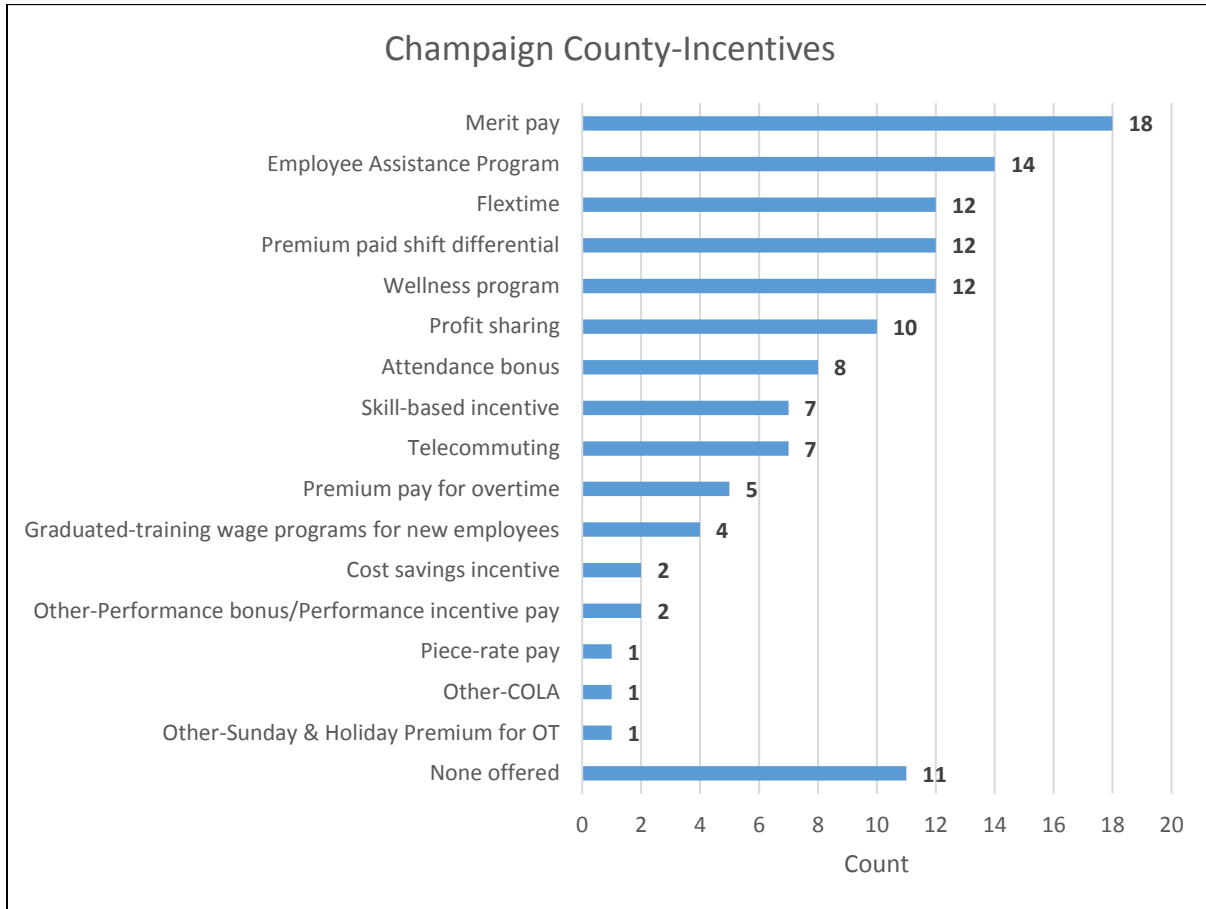
Other Types of Paid Leave



Note: Companies could select more than one option.

The most frequently offered type of other paid leave is paid holidays with the average number of paid holidays being 8. Bereavement and jury duty are the next most frequently offered types of other paid leave. These findings are consistent with the overall results.

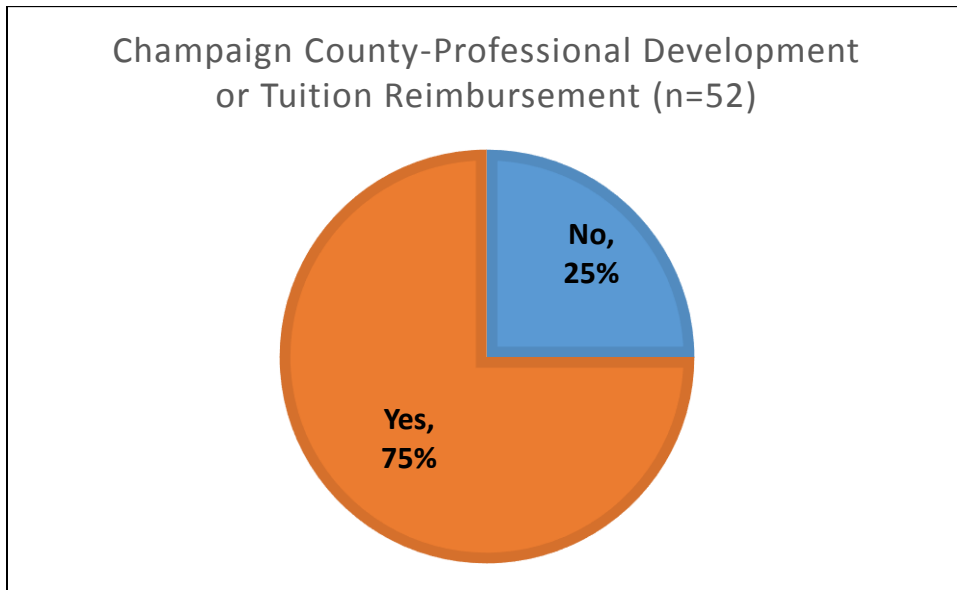
Incentives



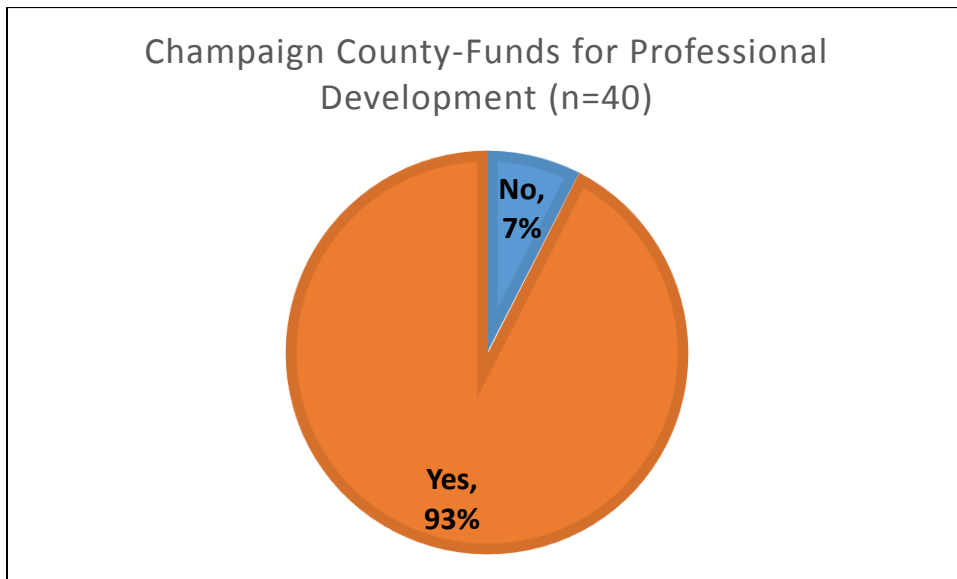
Note: Companies could select more than one option.

In terms of the most frequently offered incentives, 18 organizations offer merit pay and 14 offer employee assistance programs. These were also the top two most frequently offered incentives in the overall sample. The next cluster of incentives includes flextime, premium paid shift differentials, and wellness programs.

Does organization offer professional development or tuition reimbursement?



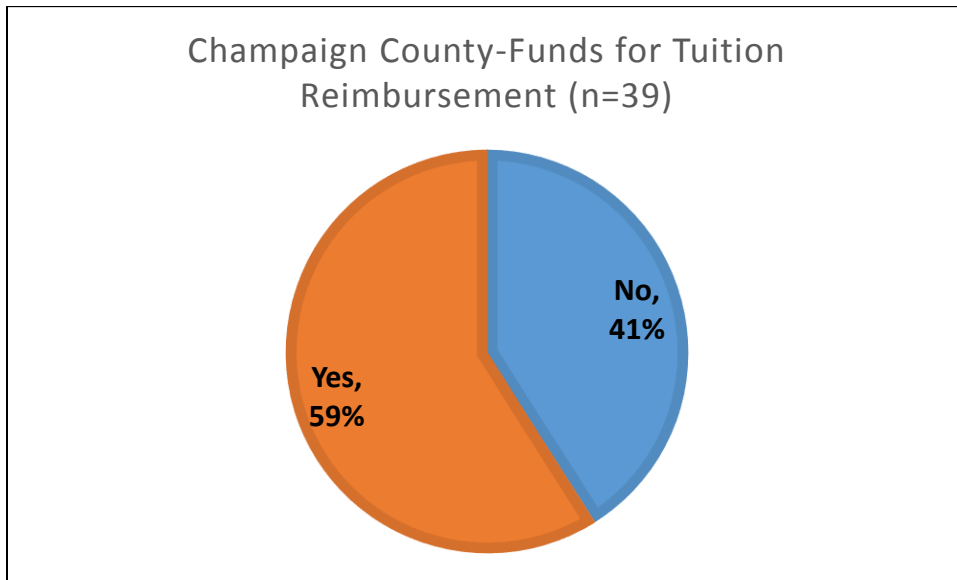
Does organization offer professional development?



What is the maximum employer contribution toward professional development per employee per year?

Maximum Employer Contribution toward Professional Development			
n	Average	Mode	Range
17	\$1,456	\$500	\$200-\$5,000

Does organization offer tuition reimbursement?

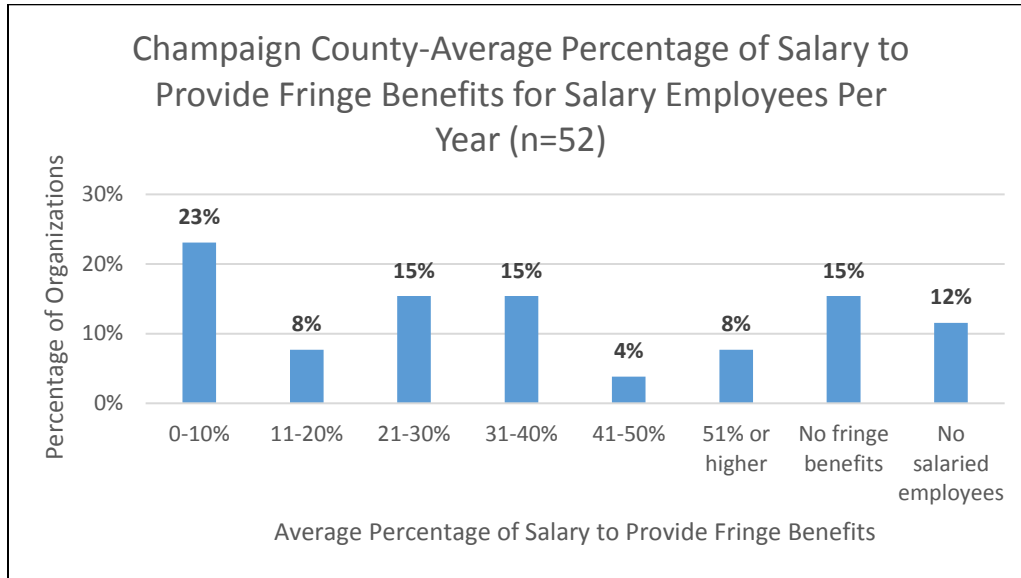


What is the maximum employer contribution toward tuition reimbursement per employee per year?

Maximum Employer Contribution toward Tuition Reimbursement			
n	Average	Mode	Range
16	\$5,253	\$5,000; \$5,250	\$100-\$24,000

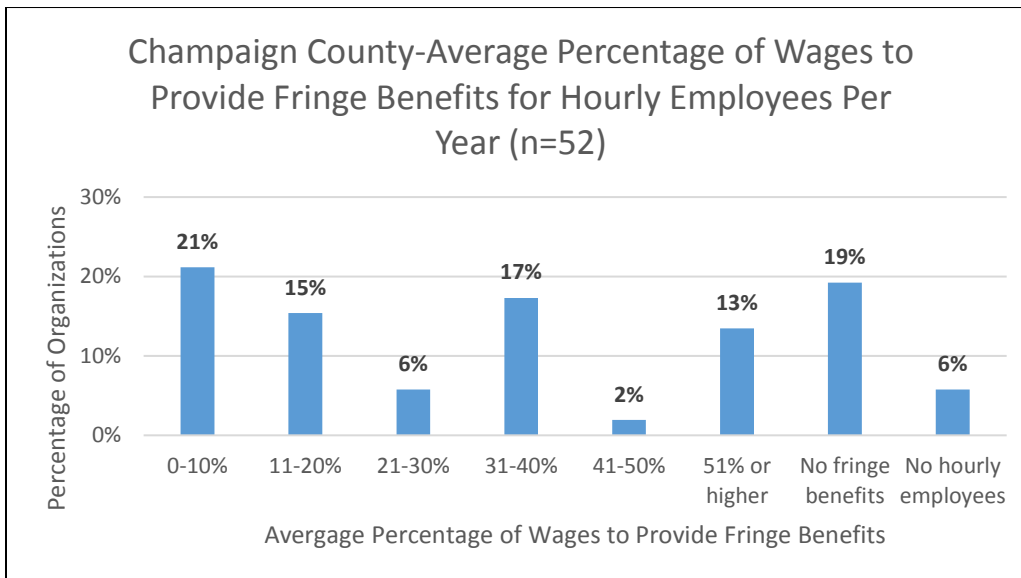
A large majority (75%) of organizations provide funds for employees’ professional development and/or tuition reimbursement. As compared to the percentage of organizations that offer professional development (93%), a smaller percentage (59%) of organizations offer tuition reimbursement to employees. For both types of benefits, there is great variability in terms of the maximum dollar amount offered by the employer (e.g., \$100-\$24,000 for tuition reimbursement).

Average Percentage of Salary to Provide Fringe Benefits (insurance, retirement, paid time off, and incentives) for Salary Employees Per Year



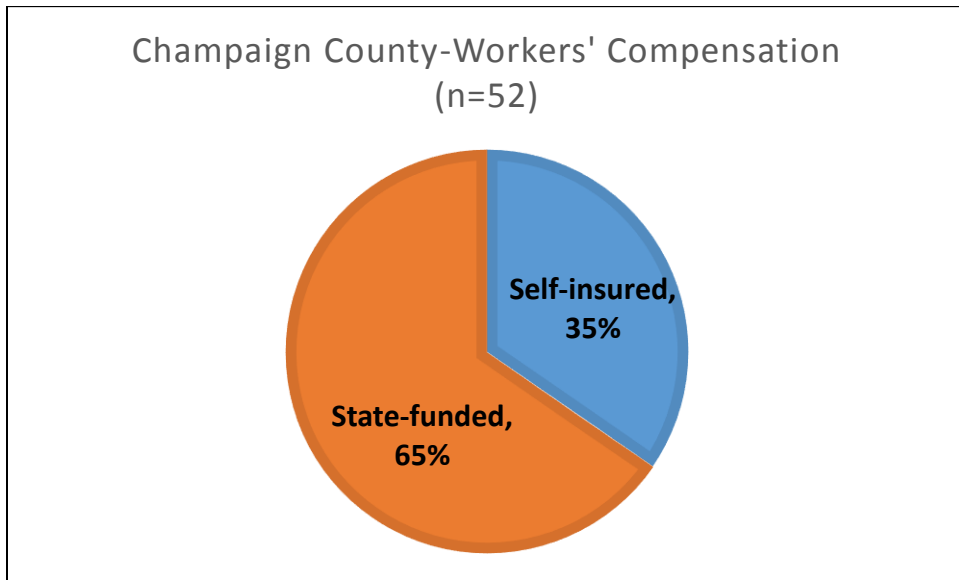
Twenty-three percent of organizations offer fringe benefits that make up 10% or less of salaried employees’ wages. In the overall sample, the most frequent response is 21-30% in terms of average percentage of salary to provide fringe benefits for salary employees per year.

Average Percentage of Wages to Provide Fringe Benefits (insurance, retirement, paid time off, and incentives) for Hourly Employees Per Year



For hourly employees, twenty-one percent report fringe benefits account for 10% or less of wages. In the overall sample, the two most frequently selected percentage of wage ranges are 0-10% and 31-40%.

Workers' Compensation



The majority opts for state-funded workers' compensation.

Limitations

A detailed list of limitations is provided in the Overall Results.