



KerberRose

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Northeast Wisconsin Regional Economic Partnership (NEWREP) Benefits Survey Executive Summary & Results



Executive Summary

Northeast Wisconsin Regional Economic Partnership (NEWREP), together with KerberRose, is pleased to present the results from our Benefits Survey highlighting the manufacturing industry across the Labor Shed.

A need was identified to analyze benefit offerings to retain the current workforce and attract new employees to support our extensive manufacturing industry. By gathering data on current benefits offered by local manufacturers, we can better support a solid foundation to confidently and competitively secure the workforce needed to drive the success of our local organizations.

Invitations to participate in the survey were extended to manufacturers via email communications on May 16, May 23, and May 31 from the following organizations:

- Door County Economic Development Corporation
- Envision Greater Fond du Lac
- Fox Cities Chamber of Commerce
- Greater Green Bay Chamber
- Kewaunee County Economic Development Corporation
- Marinette County Development & Tourism
- NEW Manufacturing Alliance
- Oshkosh Chamber of Commerce / Greater Oshkosh EDC
- Shawano County Economic Progress, Inc.
- Sheboygan County Chamber
- Winnebago County

Executive Summary

The survey was open for responses from May 16 through June 3, utilizing an online platform. We received participation from a total of 191 respondents. As there are approximately 600 manufacturers in Northeast Wisconsin with 25 or more employees and reporting revenues of \$3 million or more, this survey represents nearly a third of those manufacturers. Please note not every respondent answered each question on the survey, so response totals fluctuate slightly.

Cross-tab analyses were completed based on type of ownership, annual revenue and total employees. While there were some slight differences based on each of these factors (i.e., public company with higher revenues and more employees), none are of statistical significance or otherwise noteworthy. Based on a lack of statistical significance, we are unable to include them in this analysis.



Participant Demographics

Most responses (85.64%) came from privately owned operations, with 77.19% of respondents reporting revenues greater than \$5 million and 92.98% with revenues over \$1 million. Of note, 33.92% of respondents reported revenues in the \$10 million - \$49.9 million range and 15.79% reported revenues of \$1 million – \$4.9 million.

Of the respondents, 62.77% of organizations have fewer than 200 employees, 21.28% have 100-199 employees, and 15.96% have 1,000+ employees. Overall, this is a good exemplifier of the Labor Shed and includes a significant number of larger companies within the region.

Responses indicate 77.42% come from an environment where more than half of their workforce is non-union; alternately, only 8.60% report more than half of their workforce as belonging to a union.

Survey results also point to 74.19% of respondents coming from a demographic of more than half of their workforce being hourly, and 56.45% where their workforce is less than half salaried workers.

Nearly 100% (99.89%) have an employee population which identifies as white and 26.11% as Hispanic, indicating a non-diverse population.

Overview: Given the above, the average survey respondent comes from a privately-owned company with more than \$1 million in annual revenues and fewer than 200 employees who are typically hourly workers in a non-union environment.

Pay Increases

While the majority of respondents replied their company provides compensation increases based on merit (87.57%), this was closely followed by market trends (65.41%), and cost of living (44.32%).

Other responses include: annual reviews, skill-based pay and union contract negotiations. More than 72% (72.43%) of increases are given annually.



Benefits

The following benefits are offered by 70% or more of respondents:

- Health Insurance – 96.20%
- Dental Insurance – 92.93%
- Vision Insurance – 86.41%
- Life Insurance – 89.13%
- Short-Term Disability Insurance – 85.87%
- Long-Term Disability Insurance – 75.54%
- Retirement Plan – 97.28%
- Paid Time Off (PTO) – 72.28%
 - Paid Vacations – 70.11%
 - Paid Holidays – 100%
 - Paid Bereavement Leave – 84.24%

Respondents indicated employees receive benefits at 30 – 34 hours/week (61.96%), followed by 40+ hours/week (18.48%), and 35 – 39 hours/week (13.59%). Clearly, 30 – 34 hours/week appears to be the norm for required weekly employee hours.

Benefits

Survey results indicated variation on when employees are eligible for benefit coverage. The top response was 30 days after start date (22.28%), followed by the first of the month following start date (20.11%), 60 days after start date (16.85%), and 90 days after start date (14.13%). “Other” also came in at 16.85% with the largest response being: First of the month following 30 days of employment.

In the following subcategories we’ll look at some of the breakdown for popular benefits.



Benefits

Health Insurance

Note: these figures vary slightly from the above reporting as the number of respondents varied from question-to-question.

Medical Insurance:

Nearly 97% (96.47%) of responding employers offer medical insurance, with 37.79% offering two plans ,and 31.40% offering one plan. A very high percent (81.40%) do not mandate a spouse take coverage through their own employer if available.

For those who offer a High Deductible Health Plan, 31.14% have a maximum deductible of \$3,001-\$5,000, while 25.75% have a deductible of more than \$5,000. In addition, 46.25% of companies either do not offer or contribute to a plan, while 23.75% contribute \$5,000 or more on an annual basis.

Dental Insurance:

Almost 94% (93.98%) offer dental insurance, with 24.10% offering two plans, and 65.66% offering one plan. Nearly 36% (35.98%) report an annual maximum benefit per participant of \$1,001-\$1,500 and 30.49% report an annual benefit of \$1,000 or less. Nearly 84% (83.73%) provide orthodontia for patients under 19, while only 30.12% offer adult coverage. The lifetime maximum for orthodontia is most commonly \$1,000-\$1,500.

Vision Insurance:

Approximately 89% (88.55%) of respondents offer vision insurance.

Benefits

Average Monthly Premiums

Monthly premium norms for Medical, Dental, Vision, etc.:

- Employee only (single coverage) – Less than \$200 (58.08%)
- Employee + One – \$300-\$499 (32.93%), followed closely by \$200-\$300 (21.56%)
- Employee + Children – \$300-\$499 (30.54%)
- Family Plan – \$300-\$499 (29.94%), followed closely by \$500-\$699 (22.16%)

For the majority (61.82%), health assessment outcomes did not affect premiums.

Most companies include a prescription drug benefit as part of their medical plan (89.16%).

Overview: Based upon data collected, while 11% of respondents do not offer an Employee + One Plan and 14% do not offer an Employee + Children Plan, a greater percentage offer a plan for Employee only and Family Plan.

Benefits

Section 125 Cafeteria Plans

Benefits included as part of a Cafeteria Plan include:

- Medical Insurance – 57.89%
- Dental Insurance – 53.95%
- Vision Insurance and Health Savings Account (tie) – 52.63%

Those most often self-funded by the employee include:

- Vision – 40.51%
- Dental Insurance – 37.34%
- Medical Insurance – 27.22%
- Long-Term (24.68%) and Short-Term (22.15%) Disability

Additional responses include: employee pays a small share and company covers the rest (partially self-funded), and voluntary benefits paid 100% by the employee.

Employee Wellness Program

More than 62% (62.05%) of companies offer an Employee Wellness Program

- Approximately 34% (33.74%) indicated the wellness program provides discounts or reimbursements on monthly premiums
- Nearly 38% (37.42%) do not offer any discounts

Benefits

HRA/HSA

While 45.12% of responding companies do not offer an HRA/HSA, those who do (29.88%) contribute \$1,000 or less on an annual basis to the plan.

Life Insurance

Of those companies offering life insurance, 33.54% pay a flat dollar amount, 22.56% pay a base of 1X salary, and 12.20% pay 1.5X salary. Most respondents also offer employee-paid supplemental life insurance for employee/self (74.70%), spouse (71.69%), and dependents (66.87%).

Short-Term & Long-Term Disability

Short-term disability is offered by 89.70% of respondents and benefits typically take effect on day 8 (50.30%).

Long-term disability is provided by 78.18% of respondents and benefits most often take effect at 6 months (35.58%), followed by Day 90 (28.22%).

Benefits

Retirement Plan

Nearly 77% (76.83%) of respondents offer only one retirement plan option, under which employees are vested immediately in 32.52% of responses and at 4-5 years in 23.93% of responses. This data seems contrary to the national trend of 3-5 years to be fully vested.

The matching percentage a company contributes to a participating employee is 50% (26.22% respondents) and 100% (25% respondents) respectively, with 27.44% of respondents following other plans including:

- 100% on first 3%
- 50% for next 2% (and other slight variations of this formula)
- Up to \$1,000 maximum
- Other percentages noted: 30%, 45%, 80%

Approximately 33% (32.70%) of employers responded they will match a maximum of 4-5% of an employee's salary for a participating employee, whereas 27.04% will match 6-7%.

For non-participating employees, employers typically do not match/contribute (63.19%).

Within the plans, 37.27% offer 11-20 investment options, 34.16% offer 20 or more options, and 23.60% offer 1-10 options.

Benefits

More than 22% (22.09%) of employees are eligible to begin contributing to their retirement plan at 90 days after their start date, while 15.34% can contribute on their employment start date. Other responses include:

- First of the month following 30 days of employment
- First of the month following 60 days of employment
- Following one quarter of employment

The company match timeline is similarly suited to the above schedule.

Profit Sharing

Profit sharing is offered by 38.41% of respondents. Of these, 34.19% pay between 1-19%. 4.52% of respondents have a generous perk of paying 100% of the plan for their employees.



Benefits

Pension

Nearly all respondents (92.68%) do not offer a pension plan.

For those who do, the following company contributions apply:

- Employer matches percent of employee contribution – 3.82%
- Percent of salary – 2.55%
- No employer contribution, years of service, and amount contributed (tie) – 1.91%
- “Other” was 3.18% with responses including: hours worked, Union employees only, and plans that are now frozen.



Benefits

PTO

Nearly 84% (83.98%) of respondents indicated they offer Paid Time Off (PTO), with the majority accrual at 1-3 years (52.91%), 4-5 years (41.86%), and 6-10 years (39.53%). Other comments also indicated change is present at the 15, 20, and 25+ year marks.

- PTO Received based on years of service (top responses):
 - 0-6 Months: 51.79% at 5 Days and 85.71% NA/Don't Offer
 - 7-12 Months: 46.43% at 5 Days and 42.86% NA/Don't Offer
 - 1-2 Year(s): 59.74% at 6-10 Days
 - 3-5 Years: 52.23% at 11-15 Days
 - 5+ Years: 79.39% at 16-20 Days
- Approximately 66% (65.56%) of respondents pay out accrued, unused vacation time.
- The majority (52.49%) do not offer personal/floating holidays.

Overview: Most companies offer 5 days of PTO when first hired (0-12 months), 10 days at 1-2 years, 15 days at 3-5 years, and approximately 20 days at 5 years. Additional days may be offered at the 10, 15, 20, and 25-year marks.

Benefits

Sick Leave

While 58.86% indicated sick days are covered under PTO, 62.43% later responded they do not offer sick leave, so there is an inconsistency in the reporting which must be noted. Some of this may be due to interpretation, as respondents may have answered sick leave in the negative if it is part of their PTO offerings. Most respondents indicated they do not pay out unused sick leave.

Holidays

Most respondents (75% or greater) have major holidays paid including: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and the day after, Christmas Eve, and Christmas Day. Other responses also included Juneteenth Day and the week between Christmas and New Year's.



Benefits

Work Schedules

Respondents noted their companies offer the following scheduling benefits: flexible hours/schedules (56.96%), working remotely (47.47%), and (adjusted) summer work hours (22.15%). Additional comments include:

- Hybrid working models between onsite and remote
- Working 36 hours with pay for 40
- Working 4/10-hour shifts
- Relaxed start and end times
- Shortened Friday hours

The comments indicate scheduling flexibility and remote work options are available to some positions, yet are not applicable to those who need to be onsite to perform their duties. Most indicated a hybrid schedule of a few days in the office and a few days remote when they are able.

Benefits

Company Perks

Additional perks are a company's way of showing its employees they are valued. Some of the more popular perks offered by the respondents include:

- Opportunity to attend Seminars/Conferences – 71.17%
- Tuition Reimbursement – 66.26%
- Free Coffee/Snacks – 60.74%
- Opportunity to travel to Trade Shows, etc. – 59.51%
- Education Assistance – 54.60%
- Casual Dress Day/s – 53.37%
- Maternity Leave (Paid or Unpaid) – 52.15%
- Paid Professional Development – 49.08%
- Employee Engagement Surveys – 42.33%

Other comments include: relocation expense reimbursement, onsite financial advisor meetings, and vacation donation policy.

Benefits

Education Assistance

It is important to note that while 66.26% of respondents who offer company perks provide employee tuition reimbursement, there is variance in how long an employee needs to work for their employer without having to repay that expense.

The most popular response was 1-2 Years at 39.26%, followed by 3-4 Years at 15.95%, and Less than a Year at 10.43%. Those at 5+ years only had a 1.84% response rate.

Jury Duty

We also asked how companies reimburse their workforce for jury duty and found the following:

- 39.51% make up the difference between jury duty and regular pay
- 35.19% offer regular pay
- 13.58% do not offer this benefit

Benefits

Employee Rewards

It is important to recognize employee achievement in the workplace and there are several ways to do so, leading to increased employee satisfaction and better overall engagement. While 11.66% of respondents indicated their organization does not offer such benefits, here are some of the top responses from those who do:

- Gift Card/Credit Card – 67.48%
- Cash Bonus – 52.76%
- Merchandise/Company Apparel – 50.31%
- Public Recognition – 42.94%

Overview: Given the responses, we can clearly see that monetary recognition is a key part of the benefits package adopted by over half the responding organizations.

Benefits

Events

Corporate events are another way to foster job satisfaction. The following are some of the more popular events shared by respondents:

- Free Lunches – 75%
- Year-End Holiday Event – 70.73%
- Employee Appreciation Event – 57.32%
- Picnic – 49.39%
- Safety Recognition – 44.51%

One respondent noted these types of activities are on hold until COVID further decreases. Others noted they recognize 25+ years of service with specially planned events.



Benefits

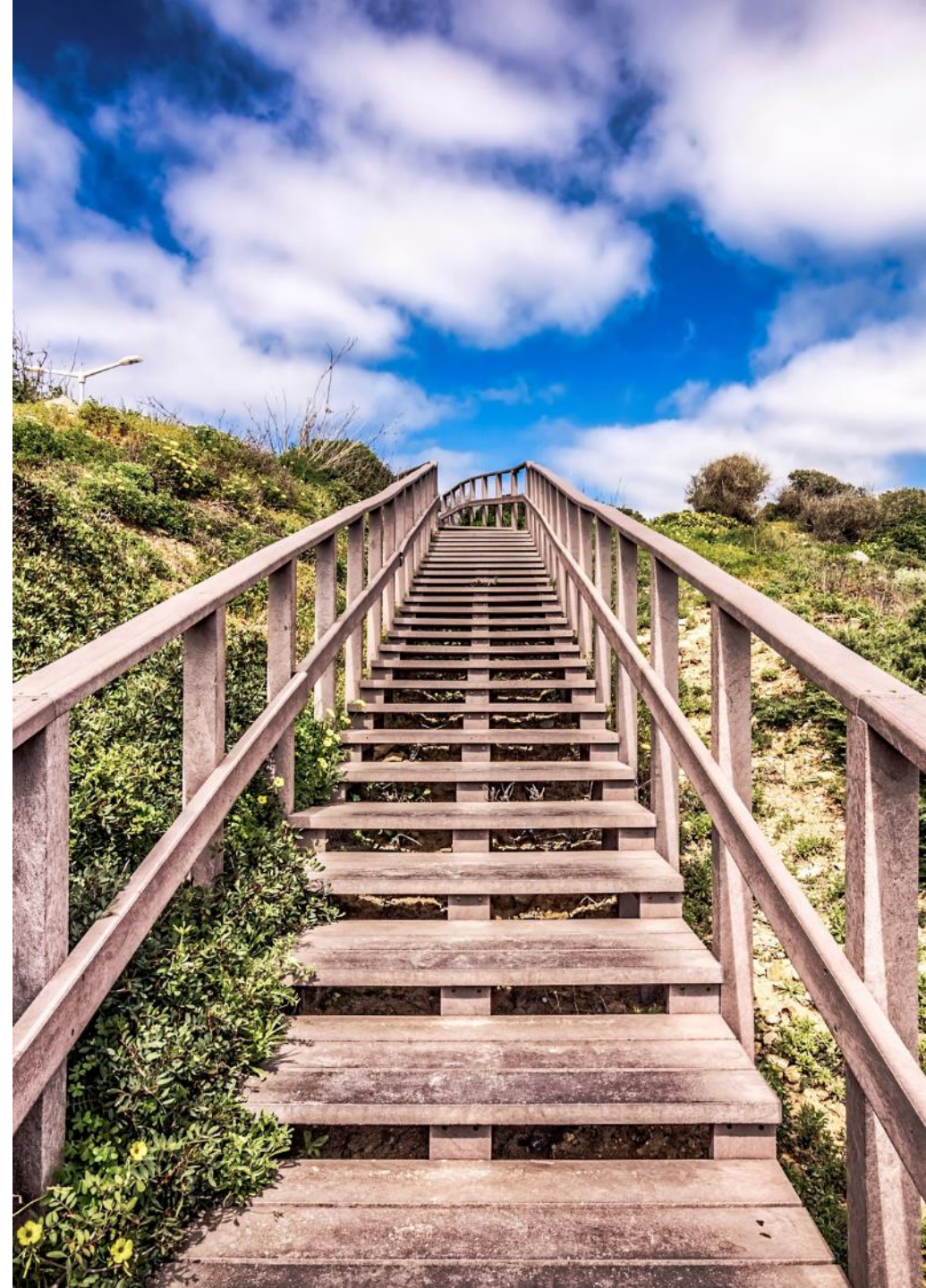
Creative Benefits

Creative benefits can be a way for an employer to gain an advantage over others when it comes to attracting and retaining employees. Following are some recurring themes garnered from the survey responses:

- Food offerings (echoing the responses in the prior two sections above): cookout, potluck, food trucks, pancake breakfast
- Safety shoes/safety glasses reimbursement program
- Onsite or nearby free clinic
- Referral bonus program
 - \$3,000 referral bonus per hire
 - \$1,000 referral bonus following 6 months of employment
 - \$750 referral bonus following 6 months of employment
 - \$1.00/hour bonus per referral, for up to one year
- Legal insurance
- Charity donation chosen by a different employee each month
- Bring your dog to work day
- Perfect attendance for 1 year = 1 floating holiday

Next Steps

Based on survey findings, employers within the Labor Shed are already taking strides to attract and retain new and existing talent; however, there are also a few areas where emphasis could be placed to ensure a more competitive and well-rounded benefits package.



What Employers are Doing Well

Overall, employers are doing a good job of recognizing their employees through their benefits package. Following are some highlights of areas where survey respondents excel:

- Nearly all companies indicated they provide regular compensation increases, particularly based on merit and market indicators.
- 100% of respondents provide paid holidays.
- Nearly 66% (65.56%) of respondents pay out accrued, unused vacation, which is positive.
- Employees are vested sooner than 5 years at many companies, which is faster than national averages.
- Nearly all companies surveyed (96.47%) offer medical insurance, which is a make-it or break-it item for many employees. The majority also provide disability and life insurance, in addition to some form of retirement offerings.
- Another plus is 78.79% of respondents offer an Employee Assistance Program (EAP); companies should recognize the importance in promoting those services and encouraging employees to take advantage of them.

Areas of Focus/Recommendations

The purpose of this survey is to gather comparative data and uncover areas which may need to be addressed. Here are a few benefits to focus on and strengthen to position a company as an employer of choice. Taking into consideration most respondents cannot implement all the provided recommendations due to budget restraints, the first three represent our top suggestions:

- **Hiring Bonus** – it was surprising that 59.76% of companies responding do not offer any kind of bonus to new hires, particularly in today's economy. It is a job candidate's market, and it seems as though everyone is advertising bonuses on billboards, outside places of employment, and on the radio. Not including this employee perk may prove detrimental to recruitment efforts.
- **HRA/HSA** – nearly half of respondents do not have a plan in place, yet this is a budget-friendly option to round out your benefits package.
- **PTO** – the survey indicates 16.02% of respondents do not provide Paid Time Off. While federal law does not require employers to provide this benefit, its unfathomable why companies would not offer this benefit to increase employee morale and prevent burnout.
- **Childcare Assistance** – 56.96% of respondents do not provide any childcare assistance, and only 15.82% are able to provide flexible employee schedules for when family issues arise. Much of this may be due to the nature of the manufacturing industry and the jobs provided, yet as 89% of families with children have at least one working parent (Bureau of Labor Statistics, April 2020), employers need a plan to support this large population of their workforce.

Areas of Focus/Recommendations

- **Paid Maternity Leave** – excluding short-term disability, 65.85% of respondents do not offer any paid maternity leave, and only 17.07% cover it fully (100%). The risk in omitting this benefit is providing no incentive for women to return to work following their pregnancy. How much of your workforce will you potentially have to replace in this scenario? This benefit can also be extended to Paternity Leave.
- **Flexible/Creative Scheduling** – while this can be difficult in manufacturing settings, creative and flexible scheduling (four 10-hour days, incorporating shorter shifts for semi-retired employees, etc.) should be considered.
- **Diversity** – while much of the lack of diversity within the Labor Shed can be attributed to regional demographics, studies have shown a more diverse workforce often allows the employer to better understand its customers, makes it easier to hire and retain talent, and can boost your employer brand (B. Chignell, CIPHR, February 2018).
- **Domestic Partner Benefits** – 74.25% do not provide domestic partner benefits. This may be an area to consider when trying to set yourself apart from others.
- **Retirement** – only 22.09% of employees are eligible to contribute to their retirement plan at 90 days; more employers should allow employee contributions within the first 90 days of employment.