

**THE  
LINCOLN TRAIL AREA  
OF KENTUCKY  
WAGE & FRINGE BENEFITS  
SURVEY**

**April, 2004**

**Compiled and Prepared by**

**THE PATHFINDERS**



**Dallas, Texas**

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## INTRODUCTION

This Lincoln Trail Area of Kentucky Wage and Fringe Benefits Survey was sponsored by the Lincoln Trail Area Development District. It was conducted by The Pathfinders, an economic development and corporate site-selection consultant firm.

The wage data presented by job title in this report includes:

Low Entry Pay	Low Average Pay
Average Entry Pay	Average Average Pay
High Entry Pay	High Average Pay
	Weighted Average Pay

Weighted average corrects the distortion which would occur in a simple average if one company has ten employees in a position at an average of \$10 per hour and another company has one employee in the same position at \$20 per hour. The simple average of those two would be \$15 per hour, but the weighted average would be \$10.91 per hour.

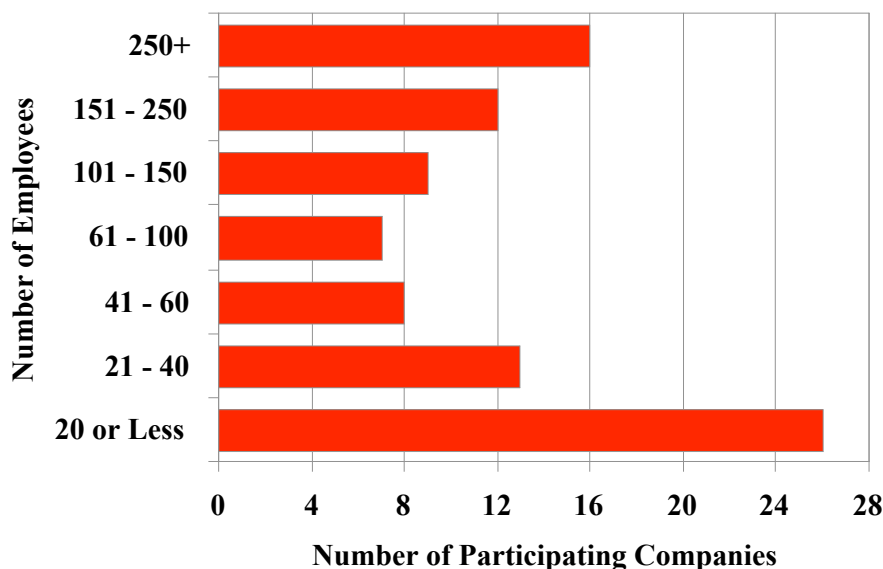
Fringe benefits reported include insurance, sick leave, holidays, vacations, and financial plans.

Please note that some of the companies responding to the survey did not answer all the questions on the form; therefore, the total number of responses for each question will not always equal the total number of participants.

Information from participating companies is held in confidence; however, general information regarding this survey can be obtained by contacting the offices of The Pathfinders via telephone (972-418-7588); fax (972-418-1588); or, e-mail ([info@thepathfindersus.com](mailto:info@thepathfindersus.com)).

## SURVEY SUMMARY

Ninety-one (91) firms participated in the Lincoln Trail Area of Kentucky Wage and Fringe Benefits Survey, representing an employment base of over twelve thousand (12,000) workers. Sixteen companies (18%) reported more than 250 employees each. A chart illustrating the number of participating companies by number of employees is shown below.



Forty-two of the participating firms (46%) during the past twelve months increased employment, and eighteen (20%) decreased employment for a net of +953 jobs. Forty firms (44%) project increasing employment during the next twelve months for a total of more than 500 jobs, while three of the reporting companies (3%) project decreasing the number of jobs over the next twelve months.

Of the reporting companies, eleven (12%) are unionized, with an average of approximately 92% of workers belonging to the unions. The reported total annual payroll for the participating companies was over \$200 million, although it should be noted that not all companies responded to the annual payroll question. When responding to questions about employee attitudes and productivity, the responses were very favorable. Most companies did, however, report more

difficulty in finding skilled workers than unskilled workers. The participating companies reported lower turnover among skilled workers than unskilled workers.

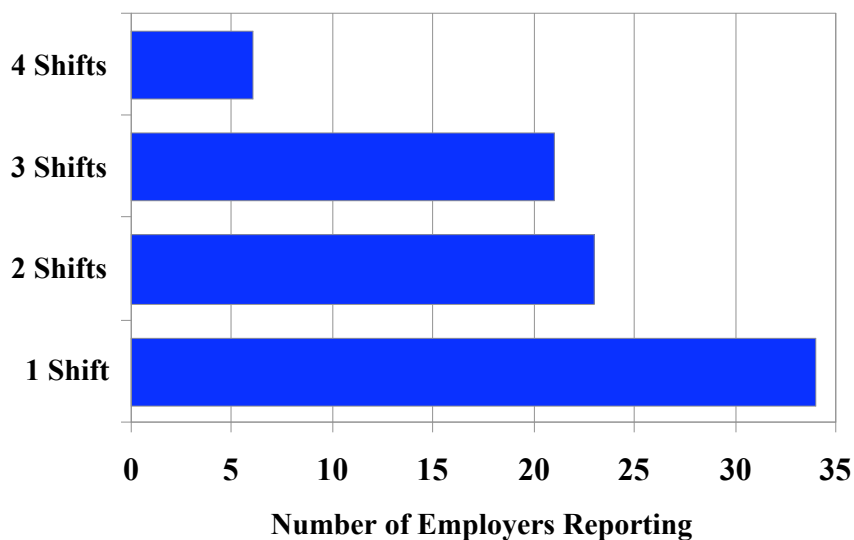
The following table shows approximate economic effects on the local economy of the reported workers.

### Economic Impacts

<b>Total Employment of Participating Companies</b>	<b>12,401</b>
<b>Annual local income</b>	<b>\$ 795 million</b>
<b>Local retail sales (annual)</b>	<b>\$ 415 million</b>
<b>Additional bank deposits</b>	<b>\$ 305 million</b>

Companies responding to the survey were asked to report the number of shifts worked. This information is reported on the following chart. 37% of the participating companies (34 companies) reported working one shift, followed by 25% (23 companies) reporting two shifts; 23% (21 companies) reporting three shifts; and, 7% (6 companies) reporting four shifts.

### Number of Shifts Worked



Survey respondents were asked to rate turnover among unskilled and skilled workers as low, moderate, or high. With regard to skilled workers, 65% of the participating companies reported low turnover; 23% reported moderate turnover; and 3% reported high turnover. Among unskilled workers, 34% of the participating companies reported low turnover; 38% reported moderate turnover; and, 13% reported high turnover. These findings are presented below in both tabular and graphical format.

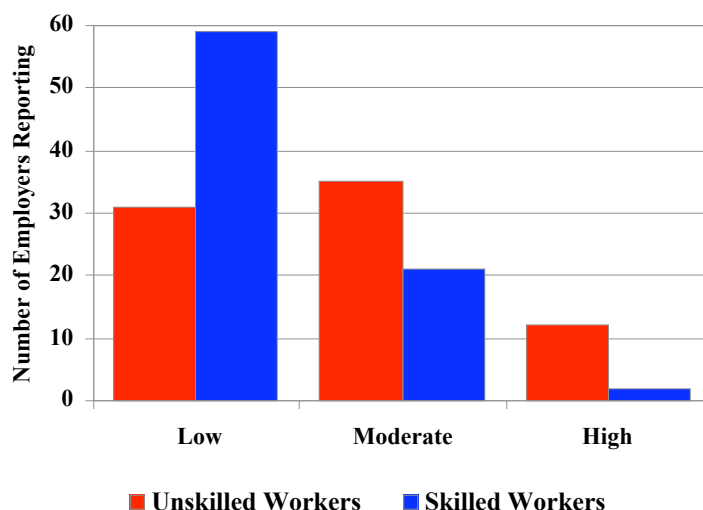
### Skilled Workers Turnover Ratings

	Number of Companies	% of Total Companies
Low	59	65%
Moderate	21	23%
High	3	3%

### Unskilled Workers Turnover Ratings

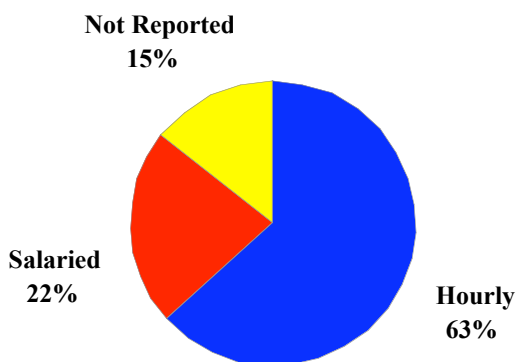
	Number of Companies	% of Total Companies
Low	31	34%
Moderate	35	38%
High	12	13%

### Skilled / Unskilled Workers Turnover Ratings

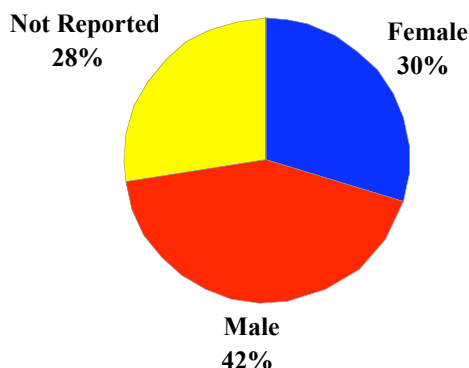


The percentages of hourly and salaried employees, as well as male and female employees, of the reporting companies are illustrated in the pie charts below. The total reported employment of 12,401 is comprised of 63% hourly workers and 22% salaried workers. 15% of the companies did not report hourly or salaried data. Of the total reported employment, female workers made up 30% and male workers 42%. 28% of the participating companies did not report the number of male or female employees in their businesses.

**Hourly / Salaried Employees**



**Female / Male Employees**



The participating employers were asked to rate the local workforce on the following factors: availability of skilled labor, availability of unskilled labor, worker productivity, and worker reliability and attitudes. As noted in the charts which follow, 72% of the companies reported Worker Productivity as “good” or “excellent” and 67% of the companies reported Worker Reliability and Attitudes as “good” or “excellent”.

Skilled laborers are difficult to find in many areas of the nation. The availability of skilled labor in the Lincoln Trail Area was rated “good” by 25% of the participating employers and “fair” by 60% of the employers. The availability of unskilled labor was rated “good” by 62% of the participating employers and “fair” by 26%.

## EMPLOYER RATINGS OF WORKFORCE (percentages of employers surveyed)

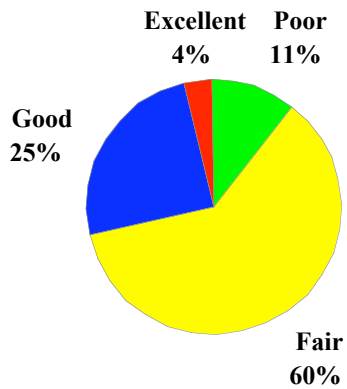
### Productivity



### Attitudes



### Skilled Availability



### Unskilled Availability



# **WAGE SECTION**

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## SUMMARY OF WAGES REPORTED

Employers were asked to report entry-level wage, average wage, and number of employees for each job classification.

- β Some companies did not report both entry and average hourly wages for their employees. In those instances, whatever wage was reported (entry or average) was used for both.
- β Management job titles, such as plant managers and owners, even though reported by some companies, were not included in the wage summary.
- β Some job titles particular to only one company, were not listed, but the wages reported for those titles were included in another listed job title that appeared to be similar in nature, both in wage rates and job description.

The wage data presented includes:

- β Low Entry Pay – the lowest entry pay by each job title among all companies responding
- β Average Entry Pay – the average entry pay by each job title when all participating companies are considered
- β High Entry Pay – the highest entry pay by each job title among all companies responding

Average Pay – While companies typically have a single “entry pay rate” by job title, over time people working within that job title may have different pay rates (even in the same company) because of length of job tenure, merit raises, etc. The “average pay” in a job title reported by a participant considers the average of the pay rates of everyone in that job title. Some workers because of short tenure in that job may still be at the entry rate while others will be higher.

- β Low Average Pay – the lowest average pay by each job title among all companies responding
  
- β High Average Pay – the highest average pay by each job title among all companies responding
  
- β Average Average Pay – Each individual company reported their “average” pay within each job title. This “average average pay” is the average of all companies participating.
  
- β Weighted average corrects the distortion which would occur in a simple average if one company has ten employees in a position at an average of \$10 per hour and another company has one employee in the same position at \$20 per hour. The simple average of those two would be \$15 per hour, but the weighted average would be \$10.91 per hour.