

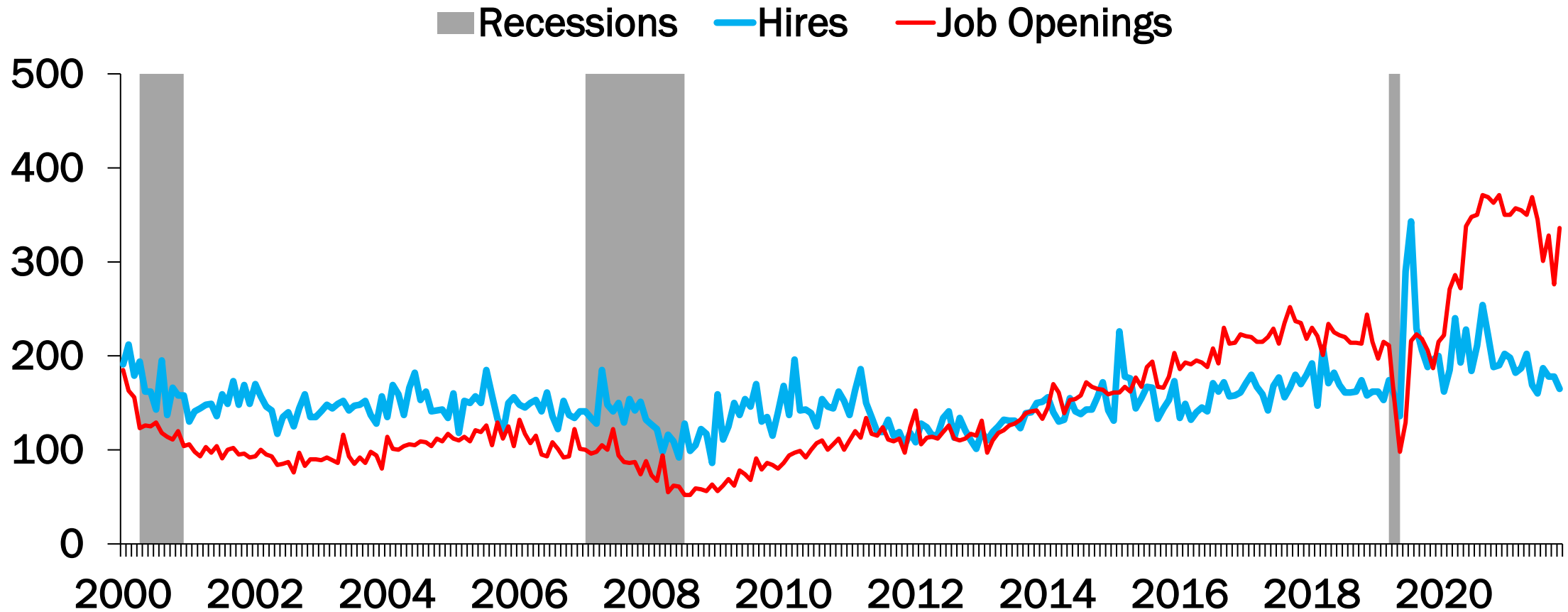
2022 Wage and Benefit Survey for Southwest Michigan

Mike Horrigan, President

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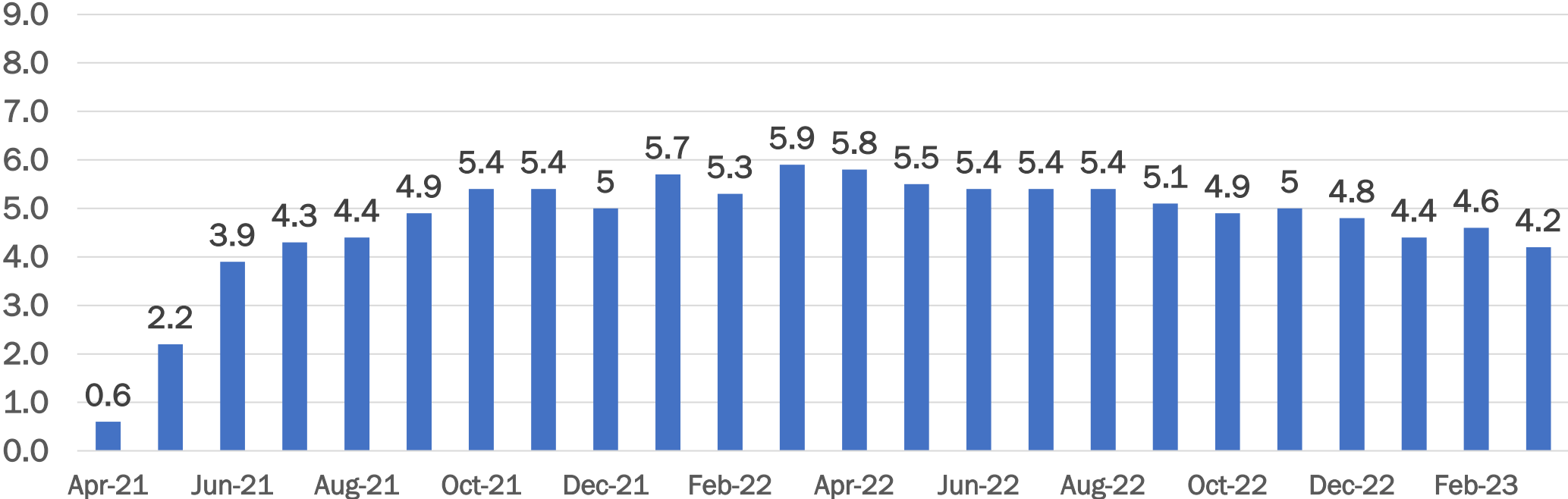
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In Michigan, like the nation, job openings greatly exceed hires, with the gap closing somewhat in recent months



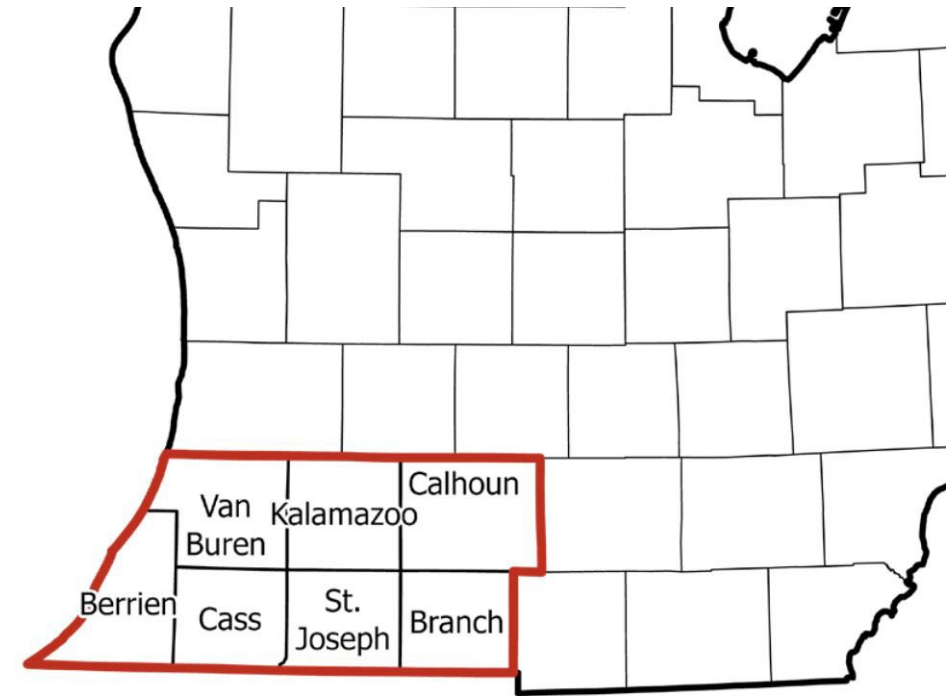
After sharp swings related to the pandemic, average hourly earnings remain elevated relative to historical trends

Percent change from 12 months ago



Survey Description

- Southwest Michigan counties: Berrien, Branch, Cass, Calhoun, Kalamazoo, St. Joseph and Van Buren
- Focused on Manufacturing and Health Care employers
- Data collection: Sep 27 – Nov 17, 2022



Over 90 percent of employers reported it was difficult (38%) or very difficult (53%) to hire workers

The most common reasons cited were:

- Low number of applicants (73%)
- Workers lack technical skills (50%)
- Lack of work experience (50%)
- Unwillingness to accept wage offers (44%)
- Lack of soft skills (37%)

The most common methods used to attract workers cited by employers

- Increase starting pay (95%)
- Hiring bonuses (42%)
- Flexible work arrangements (42%)
- Increased benefits (28%)
- Waiving drug tests (25%)

Nearly 70 percent of employers reported it was difficult (51%) or very difficult (16%) to retain workers

The most common reasons cited were:

- Poor employee attendance (92%)
- Poor quality work (74%)
- Workers receiving competitive wage offers (68%)
- Workers reporting that their pay is too low (53%)
- Lack of reliable transportation (50%)
- Family/care responsibilities (42%)

Other reasons cited include:

- Lack of flexible working hours (21%)
- Lack of opportunity for promotion (18%)
- Lack of professional development opportunities (13%)
- Employee drug abuse (13%)
- Lack of investment in training (11%)
- Lack of benefits (5%)

Employers offered incentives during the pandemic to attract and retain workers; we asked which incentives they intended to keep

- Extra PPE of safety measures (64%)
- Flexible workday scheduling (36%)
- Teleworking or remote work (32%)
- Gift cards (25%)
- Hiring bonuses (23%)
- Redesign of workspaces (21%)

- Hazard pay bonus (18%)
- Additional sick leave (16%)
- Shift preference (14%)
- Increase end-of-year bonuses (14%)
- Additional paid time off (11%)
- Insurance benefits starting on day one (7%)
- None (5%)

Workplace practices adopted in response to difficulties hiring and retaining workers

Referral bonuses (75%)

Profit sharing (44%)

Signing bonuses (33%)

Half of employers reported automating work processes in response to labor shortages

All employers in health care reported having their employees be 'on call', while only 20 percent of manufacturing firms did so

Half of employers reported using independent contractors or employees from staffing companies

Employers reported adopting a number of pro-active policies to improve the quality of the work environment as a way to attract and retain workers



Casual dress (78%)

Regular employee reviews (69%)

Exit interviews (64%)

Regular employee engagement activities (53%)

Maternity leave unpaid (51%)

Flextime (38%)

Private spaces for breaks (35%)

Provision of uniforms (35%)

Paternity leave – unpaid (35%)

Employee discounts (31%)

Formal promotion training (27%)

Job rotation (22%)



Relocation Assistance (20%)

Free food at the worksite (18%)

Telework (16%)

Tech provided by the company (15%)

Credit union membership (11%)

Professional memberships (11%)

Car leasing or ownership (9%)

Union participation and dues (9%)

Paternity leave – paid (9%)

Job sharing (6%)

Compensation for public transit (2%)

Childcare assistance (2%)

Employer benefits

- Life Insurance (86%)
- Health Insurance (97%)
 - Full time only (86%)
- Dental (89%)
- Vision (84%)

Over 70 percent of employers allow employees to be eligible for retirement within their first six months – 20 percent allow immediate eligibility

Retirement benefits

- Manufacturing (85%)
 - Full time employees only (60%)
 - Full and part time (26%)
- Health care (78%)
 - Full time employees only (11%)
 - Full and part time (67%)

The survey asked employers to report starting and average wages for the following occupations, listed in numerical order of their Standard Occupational Classification (SOC) codes.

Table 37. Average Wages by Occupation and Company Size for Manufacturing (\$)

Occupation	All employers		Companies with 1-50 employees		Companies with 51+ employees	
	Starting wage	Average wage	Starting wage	Average wage	Starting wage	Average wage
(11-3051) Industrial production managers	72,837	97,548	70,750	89,563	73,631	100,927
(11-9041) Architectural and engineering managers	84,567	105,510	82,500	113,200	84,885	103,972
(13-1020) Buyers and purchasing agents	53,596	64,550	50,625	58,505	54,917	67,717
(13-1071) Human resources specialist	50,338	62,019	49,500	55,273	50,422	62,862
(13-1081) Logisticians	57,125	66,621			57,125	66,621
(15-1211) Computer systems analysts	57,250	73,572	45,000	61,740	61,333	81,460
(15-1232) Computer user support specialist	52,333	61,580			52,333	61,580
(15-1244) Network and computer systems administrators	71,429	84,641	80,000	85,000	70,000	84,601
(17-2071) Electrical engineers	74,571	81,514	65,000	75,044	78,400	85,395
(17-2112) Industrial engineers	61,065	70,914	65,000	72,000	60,503	70,779
(17-2141) Mechanical engineers	68,273	75,342	72,750	78,038	65,714	73,245
(17-3013) Mechanical drafters	56,667	60,750	52,000	60,000	59,000	61,500
(43-5061) Production, planning, and expediting clerks	47,200	55,403	52,000	56,934	45,455	54,510
(43-5071) Shipping, receiving, and inventory clerks	37,840	42,639	32,000	39,581	39,684	44,386
(43-9061) Office clerks, general	38,405	45,209	34,333	42,161	41,736	48,003
(51-1011) First-line supervisors of production and operating workers	50,328	56,477	45,347	48,854	52,463	59,943
(51-2028) Electrical, electronic, and electromechanical	46,800	54,615	49,000	55,833	45,333	53,396

Information on national, state, and local wages and employment updated annually from over 1.2 million employers



<https://www.bls.gov/oes/tables.htm>

Labor shortages longer term

Average monthly changes in employment will slow down significantly over the next ten years

Year	BLS employment projections	Average monthly change (in thousands)
2012	145,356	
2021	158,135	118
2031	166,452	69
Year	MI actual and projected employment	Average monthly change
2010	4,084,320	
2018	4,678,014	6,184
2020	4,279,580	
2030	4,654,510	3,124

Full report

Southwest Michigan Wage and Benefits Survey: Van Buren, Kalamazoo, Calhoun, Berrien, Cass, St. Joseph, and Branch Counties

<https://research.upjohn.org/reports/286/>

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