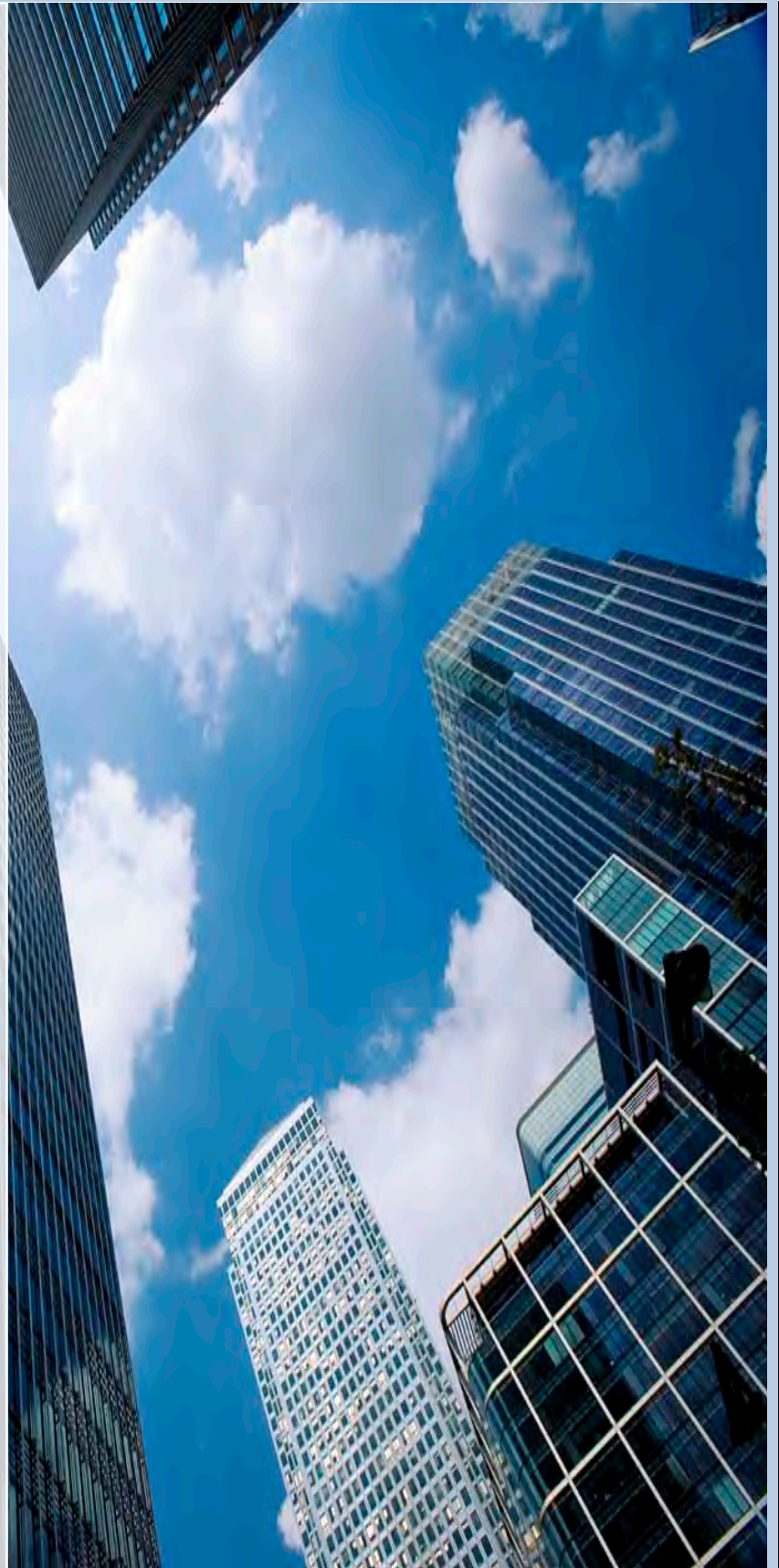


executive summary

state of tennessee salary, wage & benefits survey

2011-2012



SalarySurveyOnline.com

800-288-6044

a comprehensive survey with regional details

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2011 – 2012 State of Tennessee Salary, Wage and Benefits Survey

A comprehensive survey with regional details

Since 2001, Effective Resources, Inc. has been providing salary, wage, and benefit data for major metropolitan areas in the Southeast. We are pleased to present our third annual survey for the State of Tennessee and its major metropolitan regions via *SalarySurveyOnline.com*. This survey is put together by compensation professionals with the active support of the Tennessee State SHRM Council, Inc. and its network of thousands of Human Resource professionals along with the Tennessee Chamber of Commerce and Industry. Our surveys are developed by professionals for professionals. The survey is an invaluable source of information for employers of all sizes, business owners, Human Resource professionals, and educational institutions with graduating seniors.

Wage and salary data is provided for hundreds of jobs in a variety of easy-to-use breakouts including Industry, Region, Company Size by Employees, and Company Size by Sales/Assets. The survey also contains comprehensive benefits sections with details for medical premium increases, life insurance and disability plans, medical out-of-pocket costs, 401(k) matching, vacation and sick time, and other important issues facing today's employers.

The following Executive Summary provides an overview of this year's survey results.

METHODOLOGY

The 2011 – 2012 State of Tennessee Salary, Wage and Benefits Survey, and its regional surveys, were conducted, tabulated and reported by *SalarySurveyOnline.com*, a web-based data collection and reporting system designed and managed by Effective Resources, Inc. For returning survey participants, basic company information is provided upon login, for review and updating as necessary. Additionally, returning participants have access to their prior year data submitted to aid in survey completion.

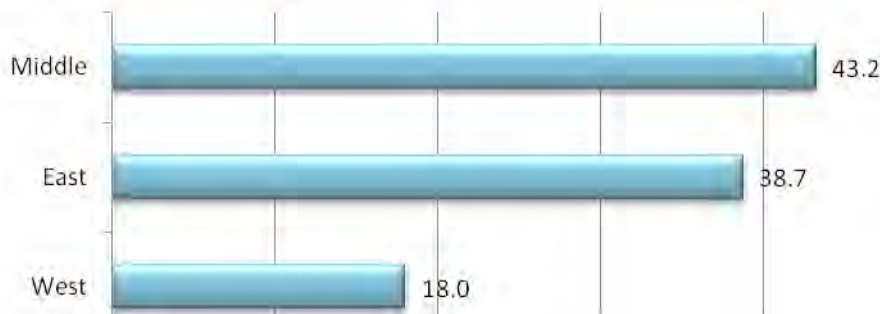
Beginning early 2011, *SalarySurveyOnline.com*, via the Tennessee State SHRM Council, Inc., their twelve chapters, and the Tennessee Chamber of Commerce and Industry, survey information was communicated to all individuals in their databases. In addition, individuals who participated in the past or expressed interest to participate in our surveys were invited to participate via the survey web site database. The collection period was from August 1, 2011 through August 31, 2011.

Real-time and server validations are built into the questionnaire process. These programming checks flag data that is unexpected or out of acceptable range (i.e. below minimum wage) as it is being entered providing the participant opportunity to review and/or correct their entry. A final validation check flags other errors or shortcomings to survey completion and provides areas of correction to the participant. In order for the survey to be accepted, the participant had to correct these issues.

Partially completed or inadequate responses are excluded from this report.

Data was collected from 222 participating firms representing 1,926,374 employees with 102,328 employees in the survey area. Surveys were compiled for East, Middle, West Tennessee and the State of Tennessee.

Figure 1: % Participation by Region



Compensation data for 345 positions was surveyed for 17 functional areas: Banking and Finance, Government/Education, Healthcare, Hospitality, Manufacturing and Distribution, Sales (Retail/Wholesale), Services (Business/Consumer), and other industry groups. Wage and salary data was provided for 336 jobs in a variety of easy-to-use breakouts including Industry, Region, Company Size by Employees, and Company Size by Sales/Assets. The wages reported were those in effect as of June, 2011.

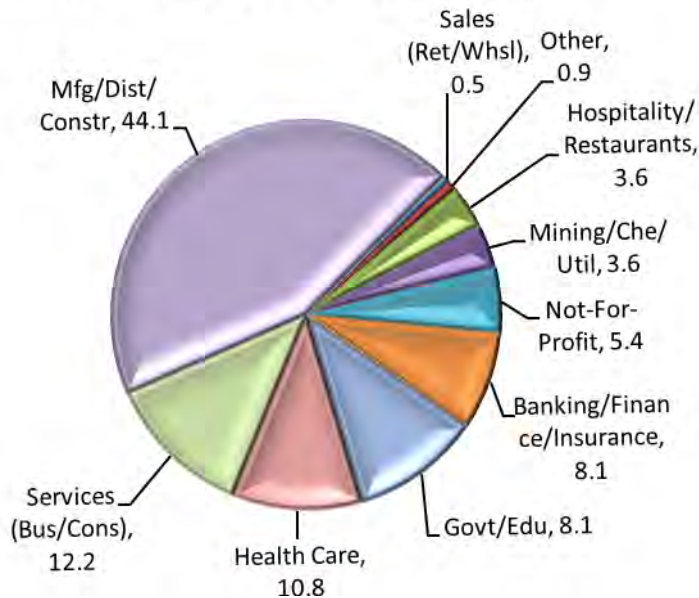
PARTICIPANT COMPANY PROFILE (Figure 1 and Figure 2)

This year's survey was completed by 222 companies with employees in

Tennessee, which was a 3.3 percent increase in participants over last year. We anticipate participation to rise steadily each year.

The Manufacturing and Distribution industry is our largest participation group, followed by Services (Business/Consumer), and Health Care. Government & Education and Banking, Finance, and Insurance are also fairly well represented in the survey. Not-for-Profit, Mining, Chemicals & Utilities, Hospitality and Restaurants, Sales (Retail/Wholesale), and the elusive "Other" category played a smaller role in the results.

Figure 2: % of Participation by Industry



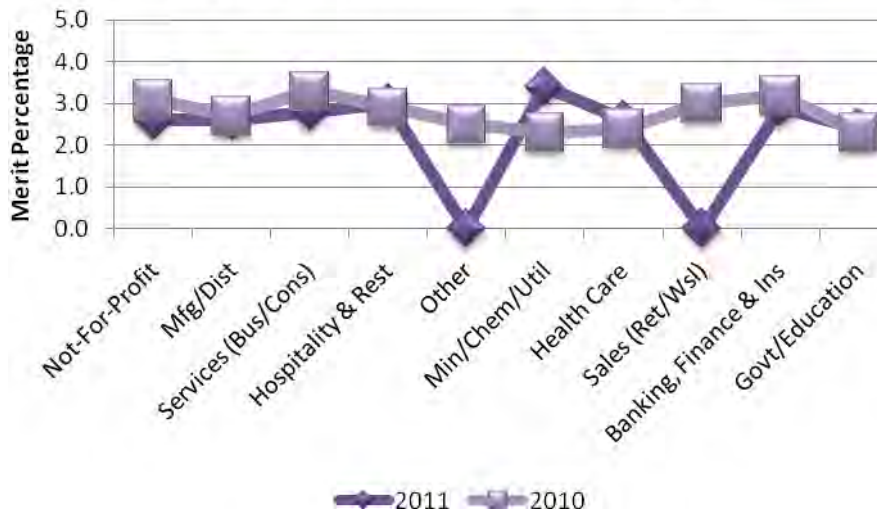
MERIT INCREASES (Figure 3)

The overall merit increase projected in Tennessee this year is 2.7 percent (for those employers who are planning to grant a merit increase) compared with 2.8 percent increase in 2010. However, our survey shows a significant increase in the number of employers planning to grant a merit increase. Last year, only 56 percent of employers planned to give an increase. This year, 76 percent are planning increases. The average merit projected for next year is also 2.7 percent.

The 2.7 percent projected merit is just slightly lower than the 2.8 percent projected for Tennessee from WorldatWork.¹ It is not surprising that the merit increases this year are a bit down from last year. As with most annual projections, the actual will very likely be something less than the projected.

¹ WorldatWork 2011-2012 Salary Budget Survey

Figure 3: Planned Merit Increase



Last year, The National Bureau of Economic Research, said the recession ended in June 2009. Its members felt the sting of indignant reaction from a public for whom economic pain continues to be an everyday reality. Not much has changed. In a recent CNN/ORC Poll², 69% of respondents indicated we are in a serious or moderate recession. With unemployment still high, job creation low -- at best, the

housing market remains on life support and other day-to-day economic realities not much better, many Americans see little difference between then and now.

SALARY RANGE ADJUSTMENTS

Planned salary range adjustments for exempt and non-exempt pay ranges are reported at 2.7 percent. These projections are significantly higher than national projections of 1.5 percent reported by WorldatWork.

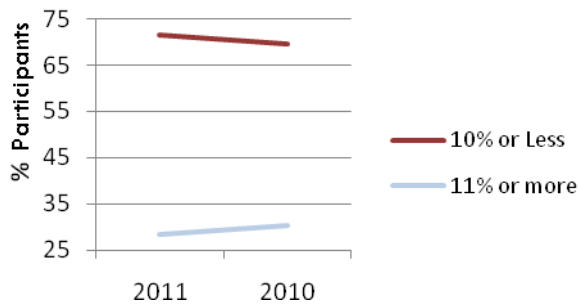
TURNOVER

Tennessee's 9.8 percent unemployment rate as of June 2011 is a few ticks up from 9.5 percent in July 2010. These figures will continue to reflect the impact of the recession recovery for quite a while. Compared with a national unemployment rate of 9.1 percent, Tennessee is unfortunately higher.³ Even though the overall labor supply exceeds demand, opportunities continue for experienced and skilled workers. The overall average monthly turnover rate in Tennessee is 1.6 percent which is about

² CNN/ORC Poll, Released September 2, 2011

³ United States Department of Labor, Regional and State Employment and Unemployment Summary, August 2010

Figure 4: Medical Premium Rate Increase



half of the national average of 3.0 percent as of July 2011.⁴ The historical trend continues with Hospitality & Restaurants experienced the highest turnover at 3.1 percent. Even with cities, counties and other governmental and educational sectors feeling the pinch of the economy that private sector employers have been dealing with for a while now, the Government/Education sector had the lowest turnover at 1.1 percent.

BENEFITS (Figure 4 and Figure 5)

There was good news for 71.6 percent of employers in the form of medical insurance premium rate increases of 10 percent or less. Conversely, however, 28.4 percent of employers have gotten hit with high premium increases of 11 percent or more. This is an increase of those with lower premiums of 69.6 percent over last year. Can this be the beginning of the effects of health care reform? Time will tell.

Figure 5: Average Out of Pocket Medical Expense



Employee average annual out-of-pocket expenses for employee only coverage is \$2,856 and \$5,692 for family coverage. These are increases from last year of 9.5 percent and 3.8 percent respectively.

The employee's portion of the medical premium for employee only is 25 percent and is up slightly from 24.5 percent last year. The employee's portion of premium for employee plus family also went up from 32.4 percent to 33.7 percent reported this year.

Summary

What has changed? Not much. Employers and employee are still being pressed by external economic forces. Changes in benefit plan design and cost-shifting for the employee have helped employers cope with large premium increases over the past few years. Employers are holding tight on cost-reduction strategies until they see the impact of health care reform.

⁴ United States Department of Labor, Job Openings and Labor Turnover Summary, July 2011

Even with the good news that more employers plan to dole out merit increases this year, employees can hardly bear any more economic burden.

State of Tennessee				
Average Weighted Base Pay \$				
Job Title	2010 - 2011	2011 - 2012	Change %	
Accounts Payable Clerk	33,028	30,098	-8.9	
Assembler I	27,266	26,864	-1.5	
Teller	24,516	25,525	4.1	
Machine Operator I	31,340	31,011	-1.0	
Registered Nurse (RN)	51,999	52,193	0.4	
Receptionist/Switchboard Operator	25,574	25,094	-1.9	
Custodian	22,546	22,580	0.2	
Executive Secretary	46,159	46,003	-0.3	
Human Resource Manager	72,387	66,999	-7.4	
Warehouse Person	24,757	27,089	9.4	

Rates for Selected Jobs

A sampling of some jobs across the State are listed to the left. Note that the rates reflect average weighted annual base pay only and do not include differentials, premiums or incentives.

Job Report

Each job report contains a full page of data as shown in the thumbnail sample to the right. Included is the job description, number of companies and number of incumbents reporting, average hire rate, average weighted pay rate, pay range, bonus, rate by union status, rate by region, rate by industry and rate by company size.

SalarySurveyOnline.com
2008 - 2009 State of Florida Salary, Wage & Benefits Survey

Salary
110 - Receptionist/Switchboard Operator
Directs and provides information services to visitors. Operates manual, automatic or computerized telephone switchboard, PA system, and related communications throughout facility.

Summary		Range	
Companies	Incumbents	Average Salary	# of Firms
136	401	Average Minimum	21,579
Average Salary	23,670	Maximum	28,746
Average Hire Rate	23,670	Average Maximum	31,911
Average Rate Weighted	24,170		104

Bonus		Labor Union	
Firms Eligible for Bonus	Firms Paying a Bonus	Average Salary	# of Incumbents
44	33	Non Union	25,508
Average Bonus Paid	7,484	Union	27,628

Counties/Regions		Average Salary	# of Incumbents
Central Florida		23,347	78
Out Coast		27,784	23
North Florida & Panhandle		25,540	22
Northwest Florida		25,607	41
South Florida		27,908	38
Space & Treasure Coast		23,724	17
Tampa Bay		26,307	231

Industry		Average Salary	# of Incumbents
Banking, Finance & Insurance		28,278	12
Government/Education		26,178	82
Health Care		25,770	87
Hospitality		21,403	16
Manufacturing/Distribution		26,123	31
Mining, Chemicals & Utilities		0	1
Not For Profit		25,735	134
Other		27,483	57
Retail		0	1

Company Size (Sales / Assets)		Average Salary	# of Incumbents
Under \$ Million		27,725	43
\$M - \$5M		26,047	161
\$5M - \$10M		26,148	49
\$10M - \$50M		26,795	80
\$50M - \$100M		28,669	12
\$100M or more		29,743	50

Company Size (Employees)		Average Salary	# of Incumbents
Under 50 employees		26,052	7
50 to 100 employees		27,117	69
100 to 250 employees		25,432	22
250 to 749 employees		26,704	99
750 or more employees		26,101	213

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Accessing Survey Results

The surveys at *SalarySurveyOnline.com* are excellent support tools for your benchmarking, planning and budgeting processes. Our surveys afford you the ability to review benefits and compare your pay rates with others of similar size, industry and geographic region so you can make informed decisions.

Survey results are available in a variety of formats to suit your work style and priced to fit the tightest budget. Be sure to check out the Customized Market Analysis format: Set your own parameters for data by selecting specific companies, industry, company size, and more, to see only the data that is relevant to your company.

To review the surveys available and/or purchase the results, contact your local Tennessee SHRM Chapter, Tennessee SHRM State Council, Tennessee Chamber of Commerce and Industry, go to www.SalarySurveyOnline.com or call us at (800) 288-6044 during normal business hours.

Our managing firm, Effective Resources, Inc., also provides consulting services in Affirmative Action plan preparation, compensation planning, performance management, incentive plan design, market pricing, employee opinion surveys, and other analytically-demanding projects.



Developers of *SalarySurveyOnline.com*
Effective Resources, Inc
www.EffectiveResources.com
800-288-6044

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