



NORTHEAST MISSOURI ALLIANCE

Healthcare Workforce Assessment



Research Conducted and Prepared by:

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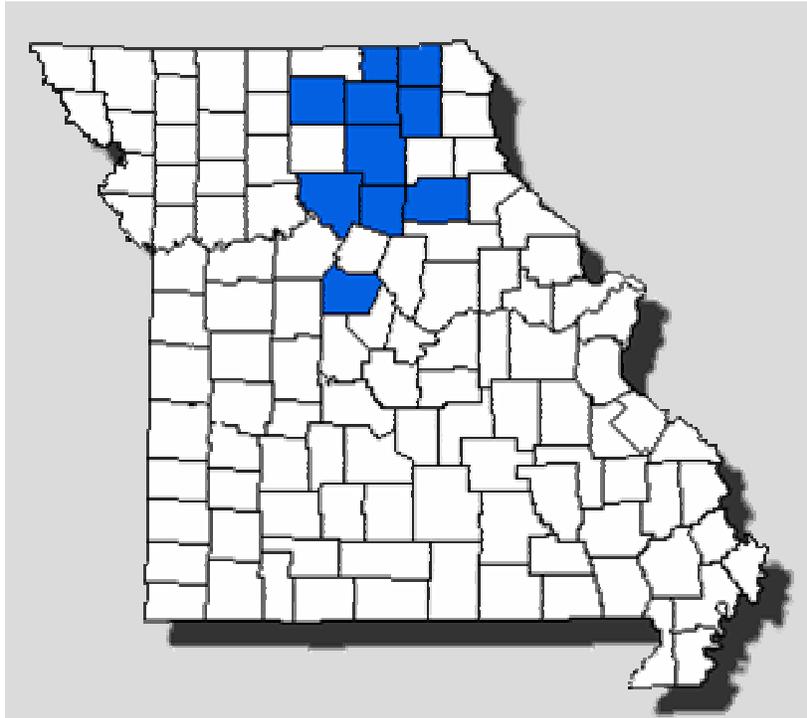
Quality of Labor Program

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NORTHEAST MISSOURI ALLIANCE

QUALITY OF LABOR PROGRAM



Funded By:

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I. EXECUTIVE SUMMARY

INTRODUCTION

Northeast Missouri Alliance (NEMA) commissioned a Workforce Assessment to obtain a measure of the Quality of Labor in the ten-county labor market. The Healthcare Workforce Assessment is a subset of a Quality of Labor Survey conducted for the Northeast Missouri area of Hospitals and Nursing Homes. The purpose of assessing the workforce is to provide employers with labor information necessary to make better-informed decisions for private investment that minimizes risks for hiring, retaining, and developing the workforce.

PROGRAM AND ASSESSMENT METHODOLOGY

The healthcare assessment consists of seven respondents. As part of a larger survey, a total of 66 electronic questionnaires were e-mailed to business firms in the region. The response rate was 56.1 percent with 37 firms responding. Confidentiality is strictly enforced. Any question or answer with less than three responses was eliminated to minimize the chance of matching the response to a company. Due to the sample size, a normal statistical confidence level is reflected in the data results.

Results of the Workforce Assessment are expressed in a manner considered to be of greatest value to the interested stakeholders. Because larger employers influence the average more than smaller employers, some results are weighted. The term *percentage of total employment* identifies a weighted percentage. Other amounts are expressed as absolute totals either in terms of total employment or total number of respondents. The term *percentage of total respondents* means the figures are not weighted relative to each company's total employment level.

Respondents were asked to estimate or approximate the answer for the following items: *Commuting Distance, Absenteeism, Turnover, Age of Employee, and Employer Contribution* toward benefits. It is important to recognize that these numbers are or may be estimates and should be viewed accordingly.

QUALITY OF LABOR AND COMPENSATION FINDINGS

These results reflect the views and perspectives of healthcare employers in the ten-county NEMA area labor market only and represents the demand side of the workforce market. The **healthcare sector** represents 19 percent of the respondents in this study and 30 percent of the total employment reported in the survey.

- Of the 12 quality characteristics, **Productivity** scored the highest with a rating of 3.86 on a 5.0 scale and **Product Quality and Trainability** ranked second. The overall *quality index for healthcare* is 3.37 compared to the overall statistical average 3.00. The *workforce quality index* is a single number that represents the results of all twelve quality characteristics that can be used to make quick comparisons between subgroups or even other locales.
- Of the 12 workforce skills characteristics, **Reading Comprehension** ranked highest with a 3.71 on a 5.0 scale. The overall *workforce skill index for healthcare* is 3.24 compared to the overall *statistical average* is 3.00. The *workforce skill index* is a single number that represents the results of all twelve skill characteristics that can be used to make quick comparisons between subgroups or even other locales.
- Healthcare Employers provide 27.0 percent as a contribution for benefits of total compensation. The average number of paid holidays is 6.9 days.
- The overall average hourly wage for the NEMA area healthcare market is \$16.88 and compares to the 2012 BLS national average wage of \$22.01 and Missouri average of \$19.79. The *NEMA labor market* hourly wage average is 23.3 percent below the national average and 14.7 below the State of Missouri.

II. COMPANY AND EMPLOYMENT PROFILE

RESPONSES

A total of 7 healthcare providers completed the online Workforce Assessment. This represents a response rate of 58.3 percent of the healthcare employers who were sent the survey.

EMPLOYMENT LEVEL

The seven firms responding to the survey employ 1,698 persons with an average of 243 employees per firm. Of the 1,698 total, there are 959 full-time hourly employees, 441 part-time hourly employees, and 298 salaried employees.

WORKER DEMOGRAPHICS

The average length of employment per employee is 6.5 years. The average age of employees is 42.3 years. The range in average age is 38 years to 45 years with no healthcare providers reporting an average age of 46 years or more. Employees average 13.5 years of education with 4 out of 7 or 57.1 percent of firms reporting averages above this level. The education attainment of those with bachelors degrees or higher for those employed by the responding firms is 28.6 percent and 61.3 percent with an associate degree or higher attainment level.

ABSENTEEISM RATE

The average unscheduled absenteeism rate for the respondents over a 12-month period is 9.6 percent. Absenteeism is more difficult to measure in that no standard exists for reporting absenteeism. Differences in vacation, holiday, and sick leave policies affect whether an absence is scheduled, benefit-related, or unexcused.

TURNOVER RATE

The average turnover rate over a 12-month period is 15.9 percent. The assessment did not address the difference between total or voluntary turnover.

COMMUTING DISTANCE

An average of 55.4 percent of the employees live within 10 miles of their place of work and 31.5 percent commute from 10-30 miles to work. Of the remaining, 13.2 percent commute 31 or more miles to work.

WORKFORCE QUALITY CHARACTERISTICS

Twelve (12) quality characteristics were rated by employers on a scale of five (5)-excellent, to one (1)-poor. A rating of three (3) is considered average. The shaded area represents the range of the responses from employers of five to one (excellent to poor) and represents the views about the quality of the current workforce. The un-shaded portion of the chart means that none of the responding employers rated those characteristics as poor.

	Excellent 5	Good 4	Average 3	Fair 2	Poor 1
Productivity			3.86		
Product Quality			3.71		
Trainability			3.71		
Team Compatibility			3.57		
Safety			3.57		
Honesty			3.57		
Reliability			3.43		
Attitude			3.43		
Work Ethic			3.29		
Educational Achievement			3.00		
Initial Skills				2.71	
Availability of Job Applicants				2.57	

Productivity received the highest rating of 3.86. **Availability of Job Applicants** ranked the lowest with a score of 2.57. Ten (10) of the twelve (12) quality characteristics received ratings above 3.0, the statistical average.

Ten of the 12 quality characteristics received at least one excellent (5) rating while three received a poor (1) rating. **Productivity, Product Quality, and Trainability** all received at least two excellent ratings.

The healthcare *quality index* is 3.37 compared to the overall *statistical average* 3.00. The *workforce quality index* is a way to make comparisons of characteristics with a common starting point and weights for each of the classifications. The index provides a single number or measure for all twelve characteristics which can be used for comparison purposes.

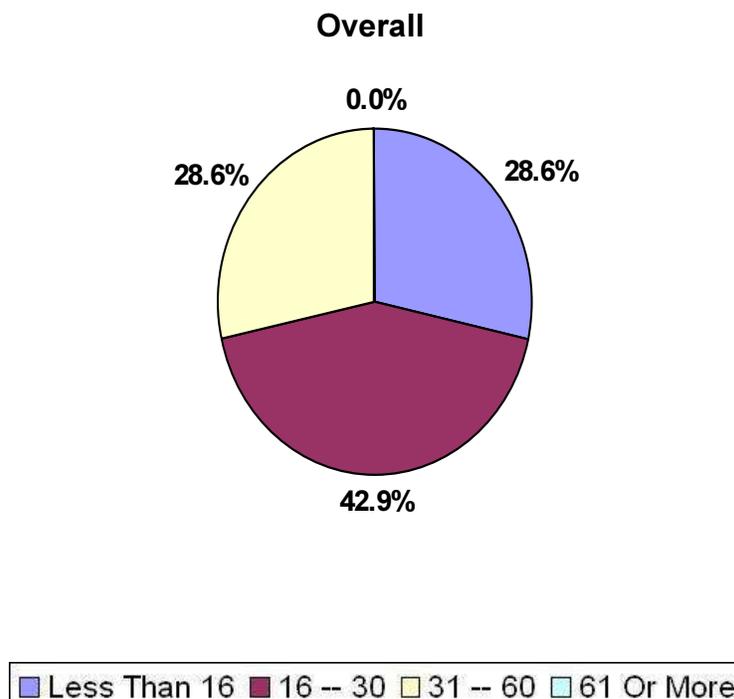
III. EMPLOYER PRACTICES

APPLICATIONS TO FILL POSITIONS:

This section relates to employer's practices and experience as it applies to the availability of job applicants. The greater the number of qualified applicants to fill positions, the greater the perceived opportunity in filling those open positions. Employers perceptions about hiring people is not only about the number of people looking for work but the number of applicants meeting the soft and hard skills for those open positions.

Overall, approximately 71 percent of the firms indicated that they would need to review 16 or more qualified applicants to fill five available positions. Twenty-nine percent of the healthcare providers needed 31 or more qualified applicants.

Applications (reviewed to fill 5 positions)	Overall
Less than 16	28.6%
16 -- 30	42.9%
31 Or More	28.6%
Total	100.0%



FORMAL TRAINING PROGRAMS

All healthcare providers responding to the survey have a formal training program. Seventy-one percent of the firms provide training with both internal and external providers.

USE OF EMPLOYMENT AGENCIES

Eighty-five percent of the employers use public or private employment agencies to hire employees. Of those who utilize public or private employment agencies, 50 percent use public employment agencies and 50 percent use private companies.

DIVERSITY PLAN

Fourteen percent of the employers have a written diversity plan.

USE OF WORK TEAMS

Twenty-nine percent of all employers utilize self-directed work teams.

WORKFORCE SKILL CHARACTERISTICS

Twelve (12) skill characteristics were rated by responding healthcare providers on a scale of five (5)-excellent, to one (1)-poor. A rating of three (3) is considered average. The shaded area represents the range of the responses from employers of five to one (excellent to poor) and represents the views about the skills of the current workforce. The un-shaded portion of the chart means that none of the employers responding to this survey rated those characteristics as poor or fair.

Reading Comprehension is rated highest by the healthcare providers at 3.71. **Mathematics** ranked lowest with 2.71. Two of the skill characteristics rated below the statistical average of 3.00.

Of the twelve skill characteristics, ten received at least one excellent (5) rating while seven received at least one evaluation of poor (1).

The healthcare *skill index* is 3.24 compared the overall *statistical average* 3.00. The *skill index* is a way to make comparisons of characteristics with a common starting point and weights for each of the classifications. The index provides a single number or measure for all twelve characteristics which can be used for comparison purposes.

WORKFORCE SKILL CHARACTERISTICS

	Excellent 5	Good 4	Average 3	Fair 2	Poor 1
Reading Comprehension			3.71		
Understanding written sentences and paragraphs in work related documents.					
Service Orientation			3.57		
Actively looking for ways to help people.					
Judgment and Decision Making			3.43		
Considering the relative costs and benefits of potential actions to choose the most appropriate one.					
Operation Monitoring			3.43		
Watching machinery to make sure a machine is working properly.					
Troubleshooting			3.29		
Determining causes of operating errors and deciding what to do about it.					
System Evaluation			3.29		
Identifying measures or indicators of system performance and the actions needed to improve or correct performance, relative to the goals of the system.					
Social Perceptiveness			3.29		
Being aware of others' reactions and understanding why they react as they do.					
Active Learning			3.14		
Understanding the implications of new information for both current and future problem-solving and decision-making.					
Management of Material Resources			3.14		
Obtaining and seeing to the appropriate use of equipment, facilities, and materials needed to do certain work.					
Active Listening			3.00		
Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.					
Science				2.86	
Using scientific rules and methods to solve problems.					
Mathematics				2.71	
Using mathematical logic to solve problems.					

IV. WORKFORCE COMPENSATION

BENEFITS

The *Benefits* section is another large component of workforce costs and varies both by the employer type and size of the company. Generally, the larger employer groups and the **government/public sector** provide better overall benefit plans for their employees. The range in benefit costs to total compensation varies from no benefits or only those paid as part of the employer's mandated government costs. The mandated costs consist of Medicare, Social Security, etc. All benefits combined can, in some instances, total over 40 percent of total compensation.

A variety of benefit programs are made available to employees. All healthcare firms responding contribute or provide health insurance for their employees with four (4), or 57 percent, of the firms contributing 75 percent or more coverage. None of the respondents contribute to Vision Care and only three to Dental.

Dependent coverage for health insurance is offered with contributions by five firms responding to the survey. None of the healthcare respondents contribute to group life or vision care for dependents.

EMPLOYER CONTRIBUTIONS - EMPLOYEES

EMPLOYER CONTRIBUTIONS BY BENEFIT CATEGORY EMPLOYEES						
Plan	N/A*	100%	75-99%	50-74%	1-49%	None**
Group Life Insurance	0	4	2	0	0	1
Health Insurance	0	0	4	3	0	0
Dental Insurance	0	0	0	1	2	4
Vision Care	0	0	0	0	0	7

EMPLOYER CONTRIBUTIONS - DEPENDENTS

EMPLOYER CONTRIBUTIONS BY BENEFIT CATEGORY DEPENDENTS						
Plan	N/A*	100%	75-99%	50-74%	1-49%	None**
Group Life Insurance	0	0	0	0	0	7
Health Insurance	0	0	0	4	1	2
Dental Insurance	0	0	0	0	2	5
Vision Care	0	0	0	0	0	7

*N/A means the company does not provide the program.

**None means the company offers the program but does not participate financially.

Retirement Plans

Only one employer offer both a pension plan (defined benefit) and a 401(k) plan or similar public sector (defined contribution) plans and 35.7 percent offer only a 401(k) plan. Of those offering the 401(k) plan, two contributed a company match.

Paid Holidays

Employees are provided an average of 6.9 paid holidays per year by responding employers.

Tuition Reimbursement

Forty-three percent report offering company-sponsored tuition programs for their employees with 1.5 percent of employees participating in the programs.

Benefit Compensation Costs

Healthcare employers provide 27.0 percent as a contribution for benefits of total compensation

Shift Operations—Pay Differentials

All providers operate 24/7/365. The average hours worked per shift is 7.8 hours. The number of work days per week is 7. For the second shift, the average hourly shift differential is 35 cents per hour. For the third shift the average hourly shift differential is 90.4 cents per hour.

WAGES AND SALARIES

While workforce cost is an important element when evaluating an existing labor market, it is not the only factor. Workforce quality, skills, and availability covered in other sections of this study are also key factors. A highly competitive labor cost structure is critical in both the domestic and global marketplaces. The labor factor is easier to evaluate when all components (quality, availability, and cost) are part of the assessment process.

All wages and salaries are weighted by number of employees. In some cases there are wide ranges from the minimum starting to the maximum starting values. Employer types by industry and employment level (number of employees) impact the values reported by the respondents. A different mix of reporting respondents could well change the results.

Starting Salary and Wage Ranges

This section reflects the starting high and low salary or wage as reported by the respondents. In some instances there are wide ranges in the reported values where the top salary or wage is over two times the lowest value. All salaries and wages have been weighted by employment level. By weighting the average, it is easier to see where the truer market rate for that job classification rests.

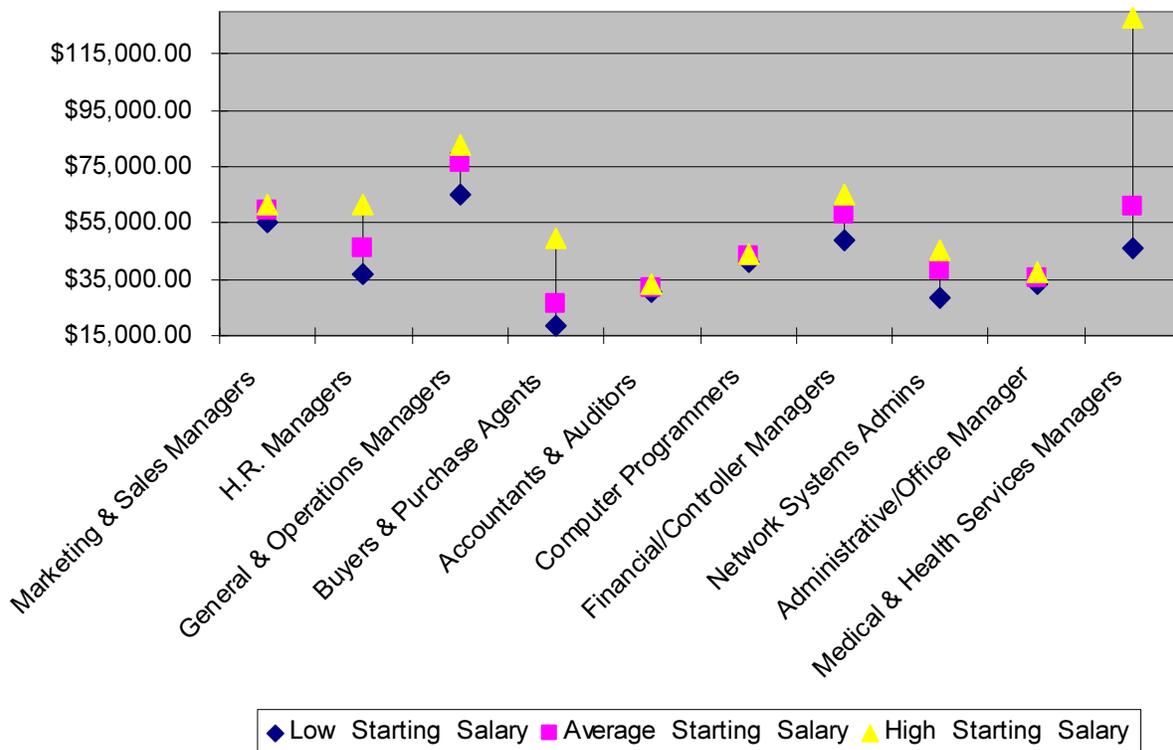
In the job classifications section of the survey, three pieces of data are collected: Starting Annual Salary, Average Annual Salary, and Number of Employees. Only the Starting Annual Salary is used to determine the Annual Salary Starting Range and the Annual Wage Starting Range. If 50 employers provided a Starting Annual Salary or Wage for a job classification, out of the 50 responses the lowest salary or wage is used as the Low Starting Salary and the highest salary is used as the High Starting Salary for that job classification. The Average Starting Salary is the average of all 50 employers.

SALARY RANGES COMPENSATION SUMMARY

Job Classification*	Low Starting Salary	Average Starting Salary	High Starting Salary	Overall Average Salary	Number of Employees
Marketing & Sales Managers	\$55,100.00	\$59,280.00	\$61,500.00	\$73,180.00	5
H.R. Managers	\$37,100.00	\$46,285.71	\$61,500.00	\$68,958.57	7
General & Operations Managers	\$65,100.00	\$76,375.00	\$82,500.00	\$82,600.00	4
Buyers & Purchase Agents	\$18,720.00	\$26,101.67	\$49,400.00	\$34,550.00	6
Accountants & Auditors	\$30,600.00	\$31,680.00	\$33,200.00	\$46,842.40	5
Computer Programmers	\$41,400.00	\$43,160.00	\$43,600.00	\$48,140.00	5
Financial/Controller Managers	\$49,100.00	\$58,041.67	\$65,400.00	\$65,735.00	6
Network Systems Admins	\$28,400.00	\$38,160.00	\$45,000.00	\$47,920.00	5
Administrative/Office Manager	\$33,200.00	\$35,500.00	\$37,500.00	\$42,840.00	5
Medical & Health Services Managers	\$46,100.00	\$60,966.10	\$128,000.00	\$77,627.12	59

* See glossary for more information

ANNUAL SALARY STARTING RANGE



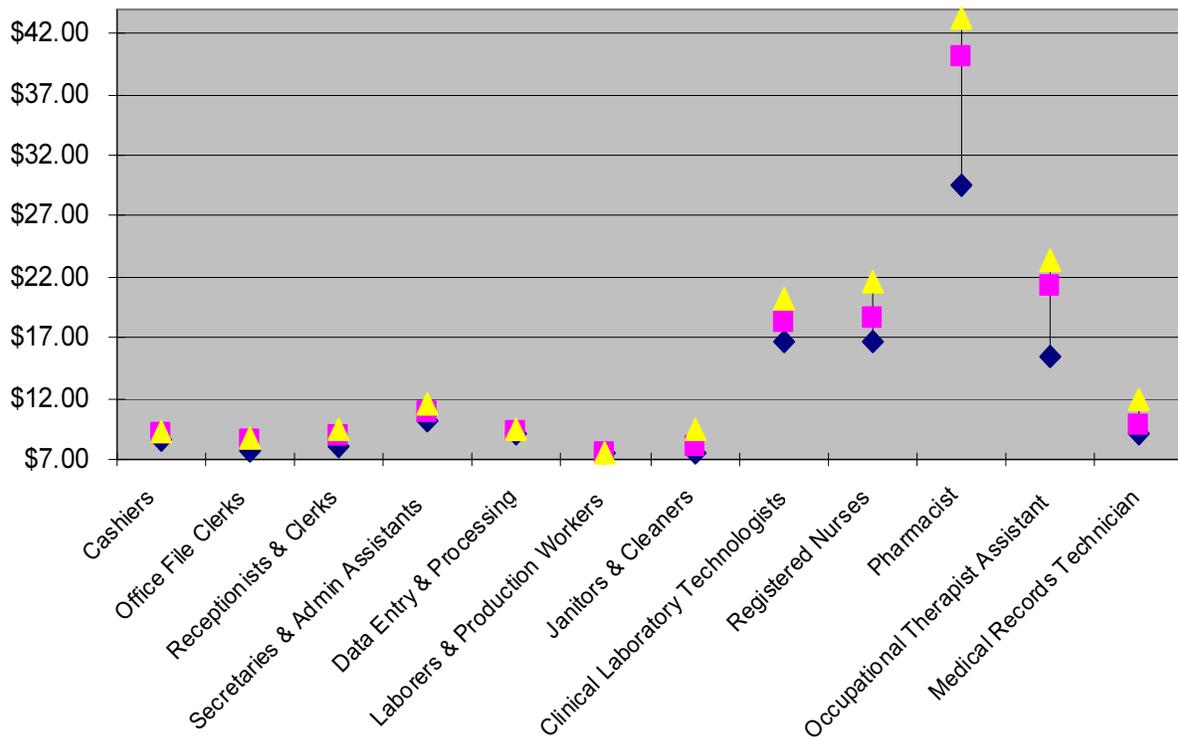
*General and Operations Manager (see page 11 on Salary Compensation Summary). The chart is a reflection of the data presented and due to the range from low starting to high starting is not adequately shown on the chart.

WAGE RANGES COMPENSATION SUMMARY

Job Classification	Low Starting Wage	Average Starting Wage	High Starting Wage	Overall Average Wage	Number of Employees*
Cashiers	\$8.63	\$9.06	\$9.25	\$12.96	4
Office File Clerks	\$7.70	\$8.52	\$8.75	\$10.28	6
Receptionists & Clerks	\$8.00	\$8.94	\$9.40	\$10.49	25
Secretaries & Admin Assistants	\$10.09	\$10.88	\$11.55	\$13.57	16
Data Entry & Processing	\$9.10	\$9.26	\$9.40	\$10.18	5
Laborers & Production Workers	\$7.45	\$7.45	\$7.45	\$8.25	112
Janitors & Cleaners	\$7.50	\$8.09	\$9.45	\$9.59	21
Clinical Laboratory Technologists	\$16.68	\$18.27	\$20.13	\$22.88	38
Registered Nurses	\$16.68	\$18.67	\$21.63	\$26.74	300
Pharmacist	\$29.49	\$40.10	\$43.32	\$51.56	14
Occupational Therapist Assistant	\$15.40	\$21.33	\$23.35	\$28.25	9
Medical Records Technician	\$9.10	\$9.88	\$12.00	\$11.12	9

*the total number of employees from the salary and wage Job Classifications will not equal the reported employment on page 2. The 47 Job Classifications in this report are only a small sample of the 300 plus listed in BLS.

HOURLY WAGE STARTING RANGE



Salary and Wage Rate Comparisons to State and National Averages

As part of the evaluation process it is important to compare the area's average salaries and wages with state and national averages. The healthcare breakout of the salary and wage section covers 22 job classifications similar to the Bureau of Labor Statistics (BLS) and in the following key categories: Management & Professional Staff, Office & Support, and Healthcare & Support. The job classifications listed in these categories are a selected sample most representative of the Area Healthcare Market (ALM) workforce.

ANNUAL AVERAGE SALARY BY JOB POSITION

Job Classification*	Survey Average	Missouri State**	National USA**
Management & Professional Staff			
Marketing & Sales Managers	\$73,180	\$113,700	\$129,870
Human Resources Managers	\$68,958	\$98,180	\$109,590
General & Operations Managers	\$82,600	\$87,750	\$114,850
Financial/Controller Manager	\$65,735	\$112,790	\$123,260
Administrative/Office Managers	\$42,840	\$71,150	\$88,660
Buyers & Purchasing Agents	\$34,550	\$58,460	\$62,310
Accountants & Auditors	\$46,842	\$62,910	\$71,040
Computer Programmers	\$48,140	\$70,720	\$78,260
Network Systems Administrators	\$47,920	\$69,980	\$76,320
Medical & Health Services Managers	\$77,627	\$88,500	\$98,460

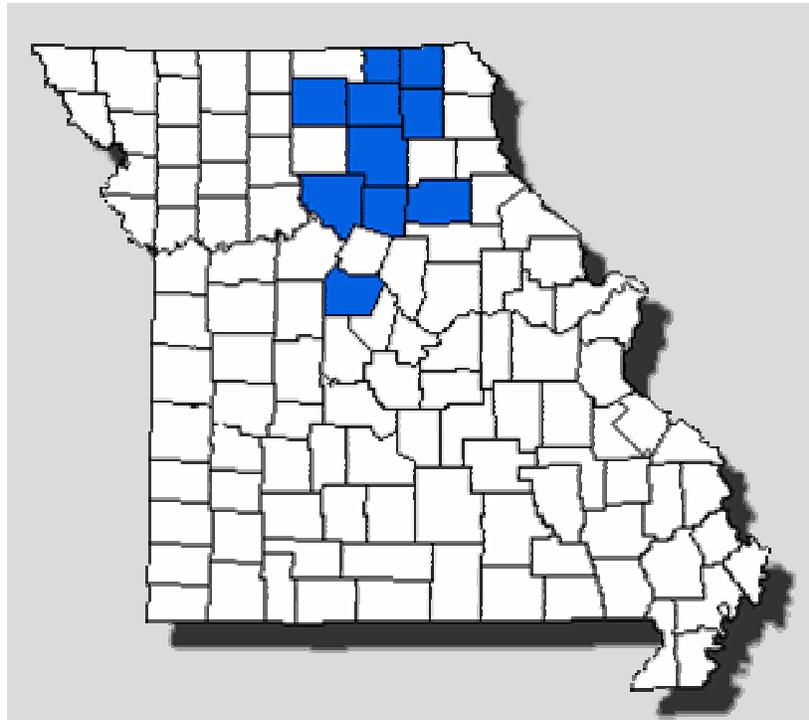
HOURLY AVERAGE WAGE BY JOB POSITION

Job Classification*	Survey Average	Missouri State**	National USA**
Office & Support			
Office/File Clerks	\$10.28	\$14.14	\$14.07
Receptionists & Information Clerks	\$10.49	\$12.32	\$13.00
Secretaries & Administrative Assistants	\$13.57	\$18.71	\$20.34
Data Entry Operators	\$10.18	\$13.35	\$14.05
Cashiers	\$12.96	\$9.36	\$9.79
Laborer and Production Helpers	\$8.25	\$12.02	\$11.84
Janitors and Cleaners	\$9.59	\$11.59	\$11.95
Healthcare & Support			
Clinical Laboratory Technologists	\$22.88	\$26.60	\$28.19
Registered Nurses	\$26.74	\$27.40	\$32.66
Pharmacist	\$51.56	\$55.93	\$55.27
Occupational Therapist Assistant	\$28.25	\$26.18	\$25.52
Medical Records Technician	\$11.12	\$17.11	\$17.68
Weighted Average (All Salary and Wage)	\$16.88	\$19.79	\$22.01

V. IN CLOSING

NORTHEAST MISSOURI ALLIANCE

QUALITY OF LABOR PROGRAM



**“If you are interested in further research by industry sector, employment level, or additional county information, please contact Ameren Economic Development.”
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Appendices

APPENDIX A - GLOSSARY OF TERMS

Defined Benefit Plan: A defined benefit plan refers to a traditional or fixed pension. It is a plan under which an employee receives a set monthly amount upon retirement, guaranteed for their life or the joint lives of the member and their spouse. This benefit may also include a cost of living increase each year during retirement. The monthly benefit amount is based upon the participant's wages and length of service.

Defined Contribution Plan: A defined contribution plan refers to a retirement savings program under which an employer promises certain contributions to a participant's account during employment, but with no guaranteed retirement benefit. The ultimate benefit is based exclusively upon the contributions and investment earnings of the plan. The benefit ceases when the account balance is depleted regardless of the retiree's age or circumstances. Examples include 457, 401(k), and 403(b) plans.

Employer Compensation Costs: Employer costs for employee compensation measures all costs for wages, salaries, and employee benefits for non-farm private and state and local government workers. Costs include legally required benefits, including Social Security, Medicare, unemployment insurance, and workers compensation insurance. Other benefit costs are those based on employer compensation policies or union contracts. Benefits such as life, health, and disability insurance benefits; paid leave benefits (vacation, holidays, sick leave and personal leave); and retirement and savings are all considered part of the compensation costs.

Non-weighted Averages: Non-weighted averages refer to percentage of total survey respondents. This means large employers with hundreds of employees would be weighted the same as small employers with only a few employees.

Weighted Averages: Weighted averages refer to percentage of total employment. Weighted average corrects the distortion which would occur in a simple average if one or more companies have many more employees at a given wage than another group of employers at a different wage. If group A has ten employees in a position at an average wage of \$15 per hour and another company has one employee in the same position at \$25 per hour, the simple average wage would be \$20 per hour, but the weighted average wage would be \$15.91 per hour.

Workforce Quality Index: The *workforce quality index* is a relatively simple way to make comparisons for characteristics with a common starting point and weights for each of the quality classifications. The index provides a single number or measure for all twelve characteristics as rated by respondents in the project study. This indexing methodology can also be used to measure how the respondents from the **manufacturing sector** compare with the respondents from the **service/other sector** or the **government/education sector** and with all the respondents from all industries in the project group.

Workforce Skill Index: The *workforce skill index* is a relatively simple way to make comparisons for characteristics with a common starting point and weights for each of the skill classifications. The index provides a single number or measure for all twelve characteristics as rated by respondents in the project study. This indexing methodology can also be used to measure how the respondents from the **manufacturing sector** compare with the respondents from the **service/other sector** or the **government/education sector** and with all the respondents from all industries in the project group.

APPENDIX B - JOB CLASSIFICATIONS

Salary Titles	Job Classification	SOC
Marketing & Sales Managers	Marketing & Sales Managers	11-2021
Administrative/Office Managers	Administrative/Office Managers	11-3011
H.R. Managers	Human Resources Managers	11-3121
Medical Services Managers	Medical & Health Services Managers	11-9111
General & Operations Managers	General & Operations Managers	11-1021
Buyers & Purchasing Agents	Buyers & Purchasing Agents	13-1023
Accountants & Auditors	Accountants & Auditors	13-2011
Computer Programmers	Computer Programmers	15-1131
Network Systems Administrators	Network & Computer Systems Administrators	15-1142
Financial/Controller Managers	Computer Support Specialists	15-3031

Wage Titles	Job Classification	SOC
Pharmacist	Dispense drugs prescribed by physicians and other health practitioners	29-1051
Registered Nurse	Registered Nurse	29-1141
Clinical Laboratory Technologists	Clinical Laboratory Technologists & Technicians	29-2011
Medical Records Technician	Compile, process, and maintain medical records	29-2071
Occupational Therapist Assistant	Assist in providing occupational therapy treatments	31-2011
Janitors & Cleaners	Building Cleaning Workers	37-2011
Cashiers	Cashiers	41-2011
Bookkeeping, Accounting, and Auditing Clerks	Bookkeeping, Accounting, and Auditing Clerks	43-3031
Receptionists & Clerks	Receptionists & Information Clerks	43-4171
Secretaries & Admin Assistants	Secretaries & Administrative Assistants	43-5011
Office/File Clerks	File Clerks	43-9061
Laborer and Production Worker	Help production workers by performing less skilled jobs	51-9198