



Surveys & Statistics

Employer & Employee Changes in the New Economy, Q3 2003

We send an enormous "Thank You" to those employers participating in the October 1st unveiling of HRS survey results:

Allen-Edmonds Shoe Corp Alpha Source Inc Alterra Healthcare
 Archdiocese of Milwaukee Batteries Plus Behnke Lubricants/JAX USA Blue Horse Bradley Corp
 Brady Corp The Business Journal Serving Greater Milwaukee Capital Returns Inc Clearwing Productions
 Conley Media/Employment Times Creation Technologies Dri-Tec Everbrite LLC Faustel Flexmor
 GMK Cos Geo-Synthetics Inc Grede Foundries Health Care System Consultants JCPenney Logistics
 Jefferson Electric Inc Johnson Controls Ken Matheson Agency Kettle Creek/Kings Way Homes
 Mandel Group Marshall Field & Company Maysteel LLC Meyer & Wallis Milwaukee Public Museum
 National Technologies Inc NCL Graphic Specialties Panef Corp Paper Machinery Corp Payne & Dolan
 Personnel Dynamics Pinahs Co Inc PSC Group Racine County RedPrairie Corp Reindl Bindery Co
 Reinhart Boerner Van Deuren SC RidgeStone Bank Rock-Tenn Company Runzheimer International
 Schroeder Companies Serigraph Inc Tekra Corporation Velvac Inc Whyte Hirschboeck Dudek SC
 Winter Klomen Moter & Repp SC Wisconsin Web Offset Wiscraft Inc Zilber Ltd/The Towne Group

Employer Survey:

Health Insurance Cost Containment

432 employers participated in the summer survey at www.HRSteam.com. Respondents include a large cross section of employers including small, midsize and large organizations, many with national and international operations, primarily offering facilities within 90 miles of metro-Milwaukee. Anonymity was protected. Survey was conducted July through September 2003. Precise question and results follow:

My organization is responding to rising health insurance costs by:

Increasing Employee Contribution	75%
Reducing Benefits Levels	52%
Absorbing Costs with No Changes	6%

More Specifically...

Only Increasing Employee Contribution	38%
Both Increasing Contribution & Reducing Levels	38%
Only Reducing Benefits Levels	19%
Absorbing Costs with No Changes*	6%

*Beyond this study, recent HRS conversations with area employers indicate that the majority of employers absorbing all costs are at or below 70% employer premium contribution.

Employee Survey:

Tell Your Employer What You Want!

HRS surveyed 912 pre-qualified employees and job seekers for their updated career motivators. Survey respondents are primarily employed, reside within 90 miles of metro Milwaukee and are accustomed to earnings of \$20-60,000 annual within manufacturing, administrative, entry professional, customer service, trades and distribution teams. Anonymity was protected. Survey was conducted July through September 2003. Precise questions and results follow:

1. If your employer were to provide you with only one of the following, which one would you choose as "most helpful" ?

Job Description	40%
Written Performance Review	38%
Employee Handbook	22%

2. Employers are currently battling rising health insurance premiums. If given a choice, which of the following would you prefer?

Less Physician/Facility Choices	34%
Increased Employee Contribution to Premium	33%
Increased Employee "Out of Pocket" per Medical Visit	33%

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Validity & Reliability

3. Today's employer is experiencing significant company change. As change is asked of you, indicate which of the following is most important to you.

Increased Training and Feedback	48%
Clear Vision/Model of Future Org	22%
Your Future Job Description	16%
Your Individual Gain from Change	14%

4. Most organizational teams have faced increased pressures, challenges and anxieties over the past 2+ years. How has your immediate supervisor's behavior changed in the last 12 months?

More Difficult, Unreasonable/Unpleasant	73%
Less Difficult, More Reasonable and/or More Pleasant?	27%

5. Today, in 2003, what do you consider to be most important to you overall in your job?

Job Security*	48%
Training & Positive Feedback	15%
Career Advancement Potential	15%
Money/Immediate Compensation	14%
Benefits & Perks**	8%

*Job Security is a re-emerged leader, completely overtaken in a healthy economy by Training & Positive Feedback. Our study forced respondents to choose.

**The equal split between health cost absorption in #2 plus the lagging concern for employer benefits in #5 may indicate an employer opportunity to better educate employees in real costs and real values.

Employee Survey Part 2: Profiling the Demographics!

Isolating demographic profiles yielded no more than an infrequent 10% maximum deviation from baseline aggregate data. The profiles we isolated were the largest respondent pools for each survey question. Samples of our findings follow:

1. Employees who prioritized Job Security as Most Important Overall showed increased preference for Handbook and decreased preference for Performance Review when asked to choose.
2. Employees who prioritized Job Security as Most Important Overall were more likely to perceive supervisors as "More difficult" in behavior.
3. Those who preferred Increased Training & Feedback as a Change Management tool were more likely to prioritize Training & Positive Feedback as "Most Important Overall" and less likely to prioritize Money. (Makes sense!)
4. Respondents who perceive their supervisors as "More difficult, unreasonable and/or unpleasant" over these past 12 months, demonstrated an increased concern for Advancement.

Employee survey aggregate statistics remained consistent throughout compilation, unchanging beyond the 40% data entry checkpoint.

Both employee and employer surveys were purposefully conducted across aggregate "real world" demographics to yield aggregate data for employer decision making.

Survey results are further validated by and directly correlated to daily HRS operational findings. Those findings are attained through ongoing individual consultation and research of employer practices, as well as, changing employee mindsets and motivators.

Employee surveys can be further validated via HRS or self-implementation within individual employers. Complimentary "licensing" of this exact survey may be obtained through written request to HRS. HRS written permission will constitute licensing. Individual organizational findings may vary according to employer culture, and those findings may be beneficial in validating and comparing an employer's culture and team profile against what is established by this specific study as the "norm."

Please contact HRS directly for additional studies in validity or reliability, as well as, additional interpretive results.

Comparing to Benchmarks:

Our employee survey augments the following studies. Given the changes in today's employment environment, we asked respondents to choose between related intrinsic and extrinsic motivators. Our questions did not replicate these studies.

- ➔ 69% of in-place employees surveyed seek "respectful treatment from their boss" as the #1 reason to stay in a job. 64% of those employees seek "coaching and feedback." *The Hay Group*
- ➔ 80% of candidates consider the availability of company training when deciding to take a job. *Gallup Survey/Wall Street Journal Almanac*
- ➔ In a nationwide survey of 2,000 workers, 69% said they find praise and recognition from their bosses more motivating than money. 80% said recognition or praise motivates them to do a better job. *Gallup Survey/PC Week*

Ideas for future surveys? We'd like your wish list! Please also remember HRS at every opportunity to work directly with you!