

Compensation Planning for 2019

September 2018

If you would like consulting advice regarding specific issues pertaining to jobs in your organization, or would like additional information about the compensation and benefit services we provide, please contact Andie Gordman at 402.964.5624 or agordman@ssgi.com.

We are pleased to provide to you, our clients and friends, this 20th edition of the Special Bulletin regarding compensation structure adjustments and estimated merit increases to assist you in planning for personnel expenses in 2019.

At SilverStone Group, we use a variety of compensation survey sources to provide compensation planning information. The national, regional and local survey sources cited are projections for 2019 and are reported as average or median percentages of payroll.

As you review this information, keep in mind that pay structure adjustments are the movement of the pay range minimums, midpoints and maximums. Individual pay increases are generally equal to or higher than the structure adjustments due to greater increases being given to better performers and to progress individuals low in the ranges.

National Data

Salary Budget Increases by Type			
Type of Increase	2018 Projected	2018 Actual	2019 Projected
General Increase/COLA	1.6	1.5	1.8
Merit Increase	2.9	2.8	2.9
Other Increase	0.9	0.8	0.9
Total Increase	3.1	3.1	3.2

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Total Salary Budget Increases by Employee Group, 2018 Revenue and Number of Employees			
Employee Group	2018 Projected	2018 Actual	2019 Projected
Nonexempt Hourly Nonunion	3.1	3.1	3.1
Nonexempt Salaried	3.1	3.1	3.1
Exempt Salaried	3.1	3.1	3.2
Officers/Executives	3.1	3.1	3.2
2016 Revenue	2018 Projected	2018 Actual	2019 Projected
Up to \$30M	3.0	3.2	3.2
>\$30M to \$100M	3.0	3.2	3.2
>\$100M to \$300M	3.0	3.1	3.2
>\$300M to \$600M	3.0	3.3	3.3
>\$600M to \$1B	3.0	3.1	3.1
>\$1B to \$3B	3.0	3.1	3.2
>\$3B to \$5B	3.0	3.0	3.1
>\$5B to \$8B	3.0	3.0	3.0
>\$8B to \$10B	3.0	2.9	3.1
>\$10B	3.0	3.0	3.1
Number of Employees	2018 Projected	2018 Actual	2019 Projected
1 to 499	3.0	3.4	3.4
500 to 2,499	3.0	3.2	3.3
2,500 to 9,999	3.0	3.1	3.1
10,000 to 19,999	3.0	2.9	3.0
20,000+	3.0	2.9	3.0

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Total Salary Budget Increases by Industry			
Industry	2018 Projected	2018 Actual	2019 Projected
Accommodation and Food Service	3.0	3.2	3.2
Ag, Forestry, Fishing and Hunting	3.0	2.9	3.0
Arts, Entertainment and Recreation	3.0	3.2	3.2
Construction	3.0	3.4	3.6
Educational Services	2.6	2.5	2.7
Finance and Insurance	3.0	3.2	3.3
Healthcare and Social Assistance	3.0	2.9	3.1
Information	3.0	3.2	3.2
Manufacturing	3.1	3.1	3.2
Public Administration	3.1	2.7	3.0
Real Estate/Rental and Leasing	3.1	3.4	3.4
Retail Trade	2.9	3.0	3.0
Telecommunications	3.2	2.7	3.0
Transportation and Warehousing	3.0	3.0	2.9
Utilities	3.0	3.2	3.2
Wholesale Trade	3.4	2.8	3.0

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Salary Structure Increases by Employee Group			
Employee Group	2018 Projected	2018 Actual	2019 Projected
Nonexempt Hourly Nonunion	2.1	2.0	2.1
Nonexempt Salaried	2.1	2.1	2.1
Exempt Salaried	2.1	2.1	2.2
Officers/Executives	2.1	2.0	2.2

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Regional Data

Total Salary Budget Increases by Employee Group and Region								
Employee Group	2018 Actual				2019 Projected			
	Central Region	East Region	South Region	West Region	Central Region	East Region	South Region	West Region
Nonexempt Hourly Union	3.0	3.0	3.0	3.1	3.1	3.1	3.1	3.1
Nonexempt Salaried	3.1	3.0	3.1	3.1	3.1	3.1	3.1	3.1
Exempt Salaried	3.1	3.1	3.1	3.1	3.1	3.1	3.2	3.2
Officers/Executives	3.0	3.0	3.1	3.1	3.1	3.1	3.1	3.2

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Total Salary Budget Increases by Industry Central Region*		
Industry	2018 Actual	2019 Projected
Accommodation and Food Service	3.0	3.1
Ag, Forestry, Fishing and Hunting	2.8	3.0
Arts, Entertainment and Recreation	2.9	3.1
Construction	3.4	3.6
Educational Services	2.4	2.4
Finance and Insurance	3.1	3.1
Healthcare and Social Assistance	2.9	3.0
Information	3.1	3.2
Manufacturing	3.1	3.1
Public Administration	1.9	2.5
Real Estate/Rental and Leasing	3.3	3.3
Retail Trade	3.0	3.0
Telecommunications	2.7	2.9
Transportation and Warehousing	2.9	2.8
Utilities	3.1	3.1
Wholesale Trade	2.8	3.0

* IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Projected 2019 Merit Increase Budget by Industry and Employee Group Central Region*					
Industry	Nonexempt Hourly Nonunion	Nonexempt Salaried	Exempt Salaried	Officers and Executives	All
Accommodation and Food Service	2.8	2.9	2.9	2.9	2.9
Ag, Forestry, Fishing and Hunting	2.5	-	3.0	3.4	3.0
Arts, Entertainment and Recreation	-	-	-	-	3.1
Construction	3.0	3.0	3.0	3.3	3.1
Educational Services	2.4	2.3	2.4	2.3	2.4
Finance and Insurance	2.9	3.0	2.9	2.9	2.9
Healthcare and Social Assistance	2.7	2.6	2.8	2.8	2.8
Information	3.0	3.0	3.0	3.0	3.0
Manufacturing	2.9	2.9	3.0	3.0	2.9
Public Administration	-	-	2.9	2.8	2.9
Real Estate/Rental and Leasing	2.9	3.0	3.0	3.2	3.0
Retail Trade	2.6	2.8	2.8	2.8	2.7
Telecommunications	2.8	3.0	2.8	2.7	2.8
Transportation and Warehousing	2.8	2.6	2.8	2.8	2.8
Utilities	2.8	2.8	2.8	2.9	2.8
Wholesale Trade	2.9	3.0	2.9	2.9	2.9

* IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Salary Structure Increases by Employee Group and Region								
Employee Group	2018 Actual				2019 Projected			
	Central Region	East Region	South Region	West Region	Central Region	East Region	South Region	West Region
Nonexempt Hourly Union	2.0	2.0	2.0	2.1	2.1	2.1	2.1	2.1
Nonexempt Salaried	2.0	2.0	2.0	2.0	2.2	2.2	2.1	2.1
Exempt Salaried	2.0	2.1	2.1	2.1	2.1	2.2	2.1	2.2
Officers/ Executives	2.0	2.0	2.0	2.0	2.1	2.2	2.2	2.1

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Salary Structure Adjustments by Industry Central Region*		
Industry	2018 Actual	2019 Projected
Accommodation and Food Service	2.2	2.0
Ag, Forestry, Fishing and Hunting	1.6	2.4
Arts, Entertainment and Recreation	-	-
Construction	2.0	1.9
Educational Services	2.1	2.0
Finance and Insurance	2.0	2.1
Healthcare and Social Assistance	1.7	1.8
Information	2.3	2.6
Manufacturing	2.0	2.2
Public Administration	1.5	2.2
Real Estate/Rental and Leasing	2.3	2.4
Retail Trade	1.7	2.2
Telecommunications	2.9	1.8
Transportation and Warehousing	1.7	1.9
Utilities	1.8	1.9
Wholesale Trade	1.9	1.7

* IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

State Data

Total Salary Budget Increases by State			
State	2018 Projected	2018 Actual	2019 Projected
Iowa	3.2	2.9	3.0
Nebraska	3.2	3.0	3.0
South Dakota	3.2	3.0	3.0

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Projected 2019 Merit Increase Budget by State and Employee Group					
State	Nonexempt Hourly Nonunion	Nonexempt Salaried	Exempt Salaried	Officers and Executives	All
Iowa	2.8	2.8	2.8	2.9	2.8
Nebraska	2.8	2.8	2.9	2.9	2.8
South Dakota	2.8	2.8	2.8	2.9	2.8

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Salary Structure Adjustment Percent by State		
State	2018 Salary Structure Adjustment	2019 Salary Structure Adjustment
Iowa	1.8	2.1
Nebraska	1.8	2.1
South Dakota	1.9	2.2

Source: 45th Annual Salary Budget Survey, World at Work 2018/2019

Local Data

Performance Increases by Number of Employees and Employee Group Omaha, NE						
Number of Employees	2018 Actual			2018 Budgeted		
	Exempt	Nonexempt Office	Nonexempt Non-Office	Exempt	Nonexempt Office	Nonexempt Non-Office
1 to 249	3.4	3.1	3.3	3.1	2.9	3.0
250 to 999	2.9	2.9	2.6	2.9	2.9	2.7
1,000+	2.7	2.5	2.1	2.6	2.6	2.4
Overall	3.1	2.8	2.7	2.9	2.8	2.7

Source: HRAM's 2018 Wage and Salary Survey General Pay Practices

General Increases (Cost of Living) by Number of Employees and Employee Group Omaha, NE						
Number of Employees	2018 Actual			2019 Budgeted		
	Exempt	Nonexempt Office	Nonexempt Non-Office	Exempt	Nonexempt Office	Nonexempt Non-Office
1 to 249	2.0	2.0	0.0	1.8	1.8	0.0
250 to 999	3.0	3.0	3.0	2.3	2.3	1.9
1,000+	2.7	2.7	2.7	2.2	2.2	2.2
Overall	2.6	2.6	2.9	2.1	2.1	1.9

Source: HRAM's 2018 Wage and Salary Survey General Pay Practices

Projected 2019 Salary Range Increases by Number of Employees and Employee Group Omaha, NE			
Number of Employees	Exempt	Nonexempt Office	Nonexempt Non-Office
1 to 249	3.3	2.9	2.9
250 to 999	3.0	2.9	2.6
1,000+	2.6	2.6	2.5
Overall	2.9	2.8	2.6

Source: HRAM's 2018 Wage and Salary Survey General Pay Practices

With our Human Resource Consulting Team's extensive experience and integrated approach, we can help your organization develop effective compensation strategies, mitigate compliance risks and maximize resources to drive both employee and organizational performance. Our team can help structure competitive base pay plans, incentive plans and total rewards strategies. Our experts stay abreast of regulatory changes and help you interpret the impact for your organization, greatly reducing complexity and time involved. Done properly, risks that could have a crippling effect can be eliminated. Leverage your human resources to achieve strategic and financial goals. Contact us today to see how we can help you stay current, competitive and compliant.