

# 2018 Compensation and Benefits

An Overview Report for Senior Care



Activated Insights

## Introduction: Why This Topic Matters

In a conversation about workplace culture, many people feel pay and compensation needs to be discussed. This finding is very common across nearly all industries and companies that work with Great Place to Work® Institute. This report is an overview of the findings from data submitted by senior care employees as well as senior care employers in 2018.

Ensuring compensation is fair at your organization is critical. We recommend building on insights from this report with a third party review of pay by role within each market where you have team members. It is also important to communicate the process of how compensation is evaluated and set in a fair way.

## 2018 Voices of Employees Across Aging Services



### In the news: pressure from other employers

Like many hourly-paid industries, compensation and benefits in senior care will experience pressure from employers in the market who are re-evaluating their pay strategies. Local municipalities are also passing new minimum wage laws.



Amazon has increased its minimum hourly rate to \$15/hour for over 350,000 employees



**TARGET**

Target is increasing to \$15/hour by 2020

# “Best in Class” versus Certified GPTW

## Base Pay and Bonuses

“Best” organizations<sup>1</sup> do not necessarily pay better than others in the industry.

### Comparing Total Pay Across Groups of Providers



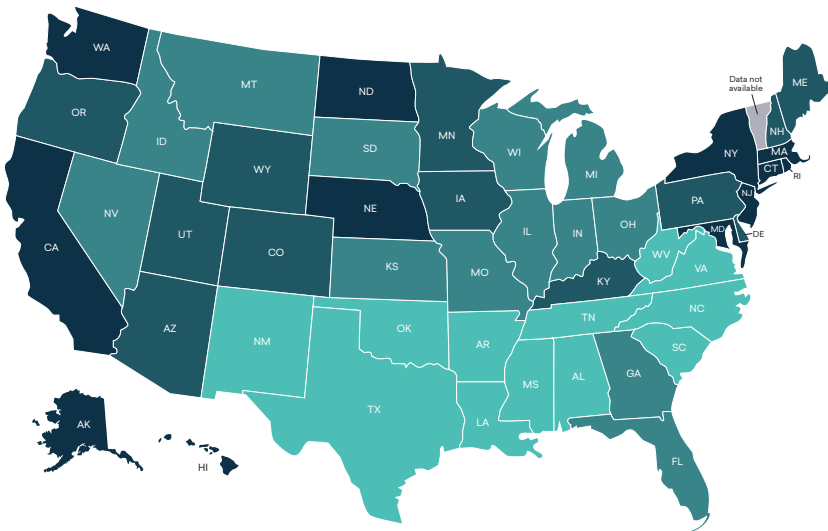
### The Statistics Behind the Analysis

An F-Test revealed unequal variances between the populations.

A two-tailed T-Test reveals that we can NOT say the difference of wages is statistically different at an alpha of 0.05.



## Examples of Relative Wage Levels Within Markets



Annual mean wage of personal care aides<sup>3</sup>

- \$17,760 – \$21,130
- \$21,510 – \$23,290
- \$23,300 – \$25,780
- \$25,830 – \$31,970

Wages vary greatly by role and by metropolitan and area markets.

Wages for a similar role varies over \$10,000 across state lines. So it is critical to benchmark wages by role within the same geographic market.

Map is for illustration purposes only – one role cannot be representative of the 100+ roles in senior care.

<sup>1</sup> Great Place to Work certification is an honor granted to organizations. In senior care, the criteria to meet includes a majority of employees say on the Trust Index assessment that it is a great place to work and where participation in the survey is high enough to meet the minimum confidence interval required. Based on employee scores, some certified organizations then get recognized in Fortune as “best” employers.

<sup>2</sup> As measured by the most common hourly role in the organization e.g. CNA, Caregiver, Aide, Care Partner, etc.

<sup>3</sup> Source: Bureau of Labor Statistics, May 2017

## Employers Differentiate with Benefits (PTO, Healthcare, Retirement, Other)

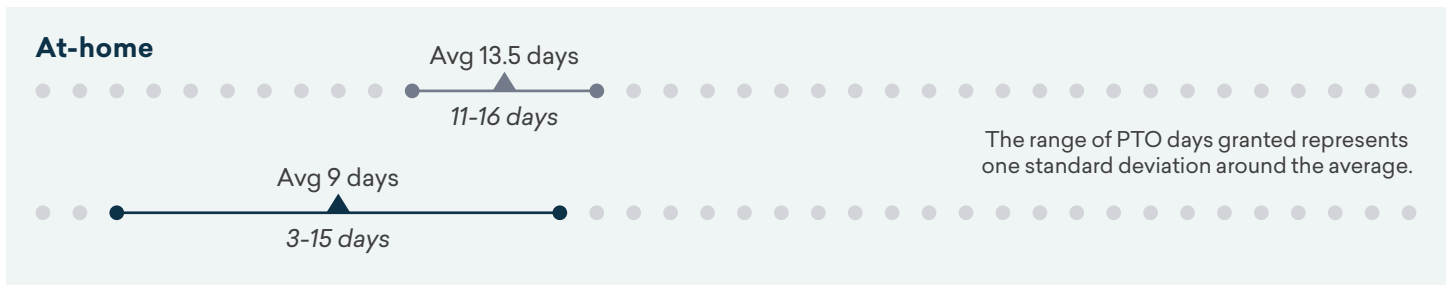
A key finding of this 2018 study is that employees across aging services are differentiating based on benefits. The core set of benefits include PTO, healthcare (medical, dental, vision), and retirement.

In addition, “50 Best” employers often further differentiate with unique benefits specific to their organizations, which employees often cite as a “perk” of their workplace.

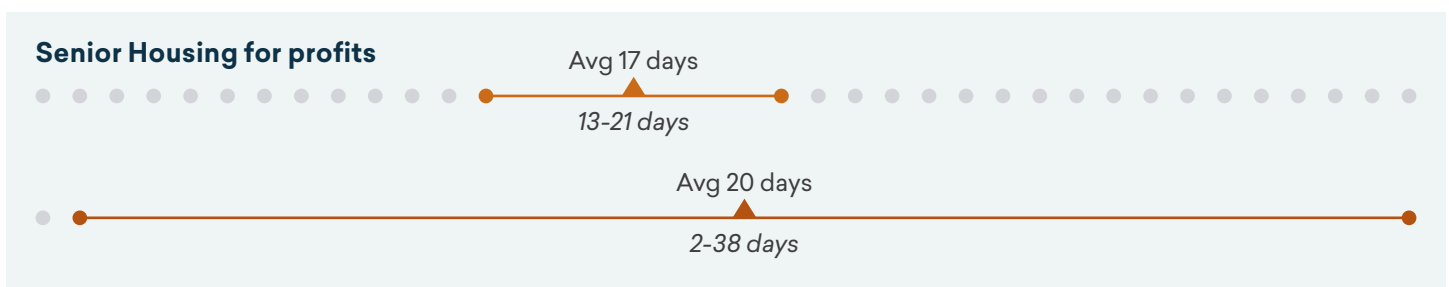
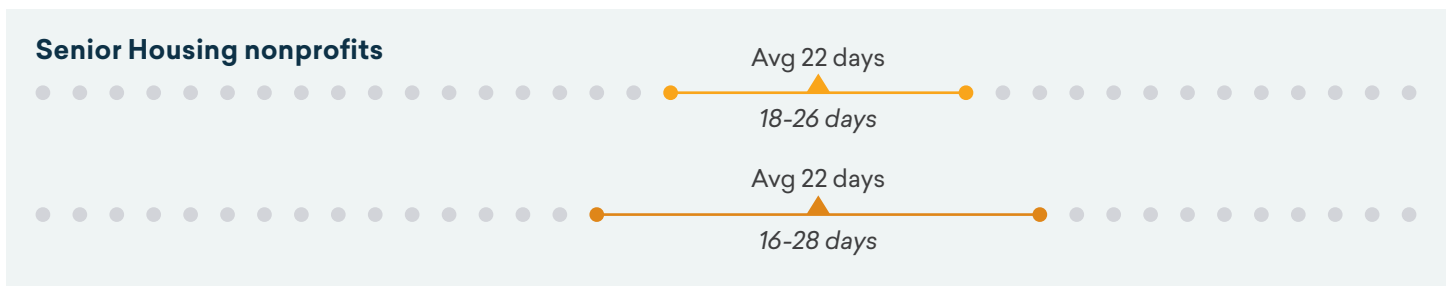
### Paid Time Off (PTO)

#### How many days off do employees receive after working for one year?

At-home providers provide some PTO but not as much as senior housing and care providers.



On average, nonprofits offer more PTO to employees than for profits. But the range varies widely. Interestingly, certified companies offer on average slightly more PTO than Fortune’s 50 Best.



#### Bright Idea

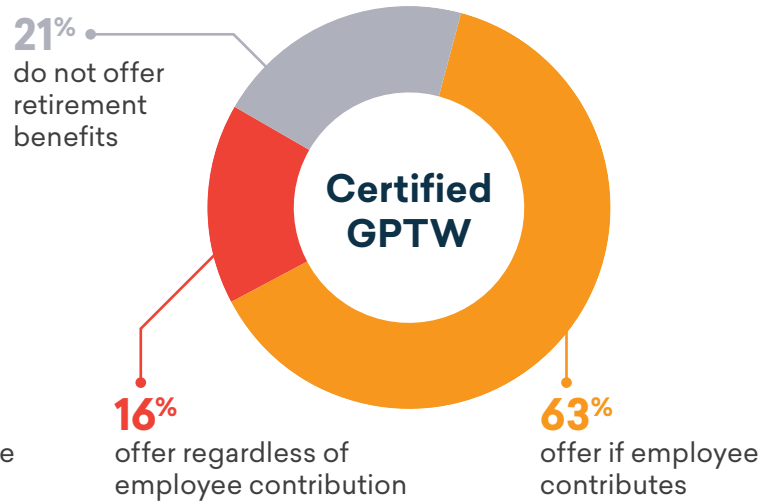
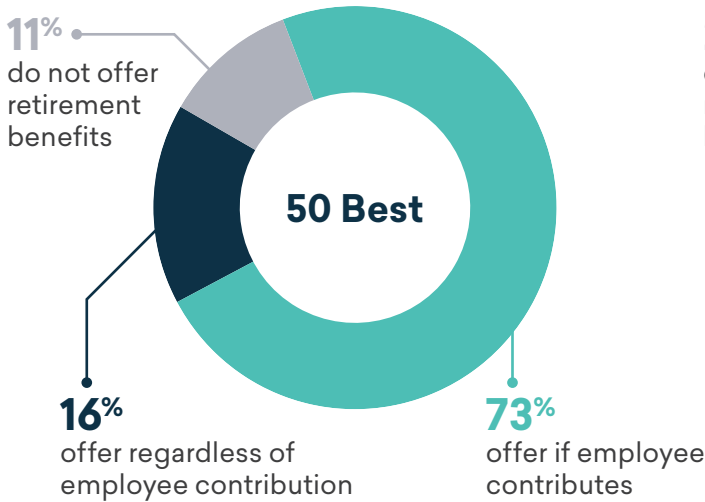
To make time off extra special, some of the “Best” providers designated non standard days as paid holidays (e.g., Mother’s Day and Father’s Day).



#### Bright Idea

Some providers also make it easy to donate your PTO days to colleagues in need.

# Retirement Benefits (401K or 403B)

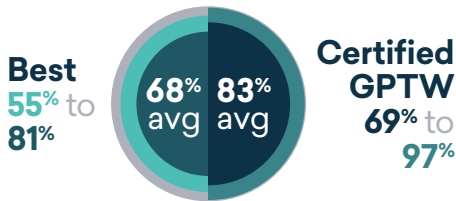


For organizations that match, contribution levels vary significantly. For instance, organizations range in matching, from 10% to 100% of what an employee contributes. Some match up to 10% of base pay or the contribution limit.

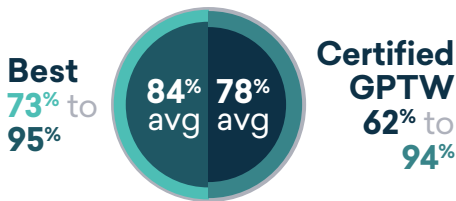
# Healthcare (Medical Insurance)

Percent paid for employee (+/- 1 standard deviation)

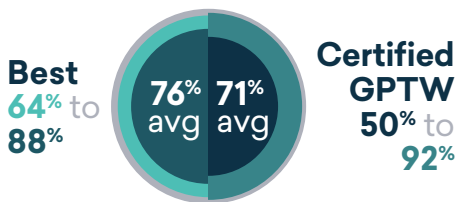
**At home providers:**



**Senior Housing nonprofits**

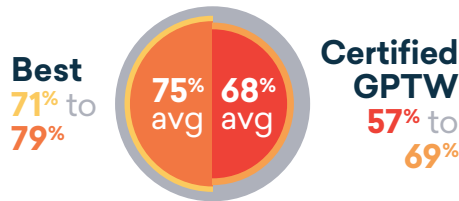


**Senior Housing for profits**

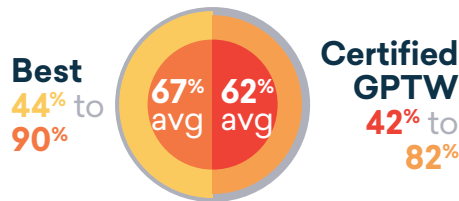


Percent paid for dependent (+/- 1 standard deviation)

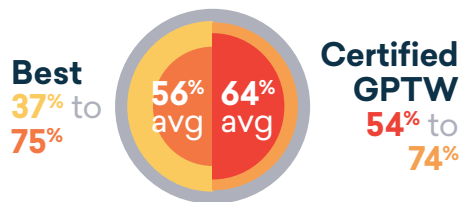
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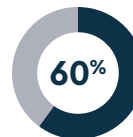


Percent of part timers offered healthcare benefits (+/- 1 standard deviation)

**At home**

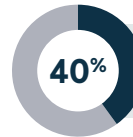
Very few at-home providers offer part timers health benefits

**Senior Housing nonprofits**

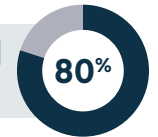


**Best**

**Senior Housing for profits**



**Certified GPTW**



Better spousal benefits and affordability are common reasons benefits are not taken when eligible.

Employers who offer medical insurance benefits often also offer dental and/or vision benefits.

For a discussion and more details beyond this overview report, please contact us at [hello@activatedinsights.com](mailto:hello@activatedinsights.com)