

Executive Summary - Information Technology

Overall Survey

The Kane County Wage and Benefit survey was designed to gather labor market information from businesses in Kane County for the purpose of aiding Kane County in business retention, business attraction, and workforce development. In addition, the Kane County Economic Development Advisory Board will utilize the results to enhance the efforts of local and regional planning. The results of the survey will be made available to businesses for use in planning and hiring practices.

This survey is unique in its design and implementation in that it targets specific industry sectors. Businesses were grouped into five industry sectors. For each of the five sectors, industry specific occupational titles were used. Therefore, there were actually five different surveys developed to gather wage and fringe benefit information. Industries were categorized into five sectors listed below.

- Agriculture, Construction
- Manufacturing
- Business Services; Health; Communications; Transportation; Utilities; and Finance; Insurance; and Real Estate
- Personal Services, Retail Trade
- Information Technology and Service, E-Business

In addition to compiling wage and benefit information from Kane County businesses, the project includes a compilation of comparison wage information from surrounding communities. For the top occupations by employment numbers in Kane County, a comparison has been made between the Kane County average wages and average wages in DuPage, Lake, McHenry, and Will Counties. Comparative data is not provided for all occupations analyzed.

The survey results are compiled into six separate reports. The first report “Wage and Benefit Survey Results for All Industry Sectors” contains the responses from all survey respondents regardless of industry classification. The second report “Wage and Benefit Survey Results for Agriculture and Construction Sectors” contains the responses from those businesses whose SIC codes place them in agriculture and construction industry sectors. The remaining reports contain responses from companies by SIC code for manufacturing, information technology, personal services and retail trade, and business services as outlined above.

The data for this survey was collected as of December, 2000, and is valid as of that date. Market fluctuations, changes in the economy, and changes in employment contracts are some of the events that can impact this data. The wage and benefit data in comparison with other counties is not as subject to these events. To utilize this data beyond December, 2000, wages can be adjusted by the annual cost of living increase as published by the US Department of Labor.

Kane County and the Kane County Economic Development Advisory Board contracted with the Center for Governmental Studies at Northern Illinois University in the Fall of 2000 to conduct this county-wide wage and benefit survey.

Information Technology and Service Survey Results

- The overall number of information technology and service companies located in Kane county is only 123. Our sample contained all available companies in this sector and included a response of 14 companies or 11.4%. Given the small number of respondents, many of the numbers for evaluation are too small to be statistically significant.
- Based on a review of the survey respondents, many companies that are involved with information technology and service may still classify themselves as manufacturers or retailers and thus, would not appear in this analysis. Companies were classified based on their reported SIC codes. There is no SIC code specifically for e-businesses.
- The percentage of information technology companies responding to the survey was similar to the percentage of information technology companies who received the survey.¹
- The percentage of information technology companies responding to the survey by geographic region was similar to the percentage of information technology companies who received the survey by geographic region.² There were more responses from the Tri Cities area and fewer from the West and Aurora area.
- The percentage of information technology companies responding to the survey by number of employees was similar to the percentage of information technology companies who received the survey by number of employees.³
- Less than one third of the responding information technology and service companies had another business location.
- For responding companies, wages and salaries were tied to length of service more than merit review and cost of living.

Information Technology and Service Vacation and Sick Leave Benefits

- The number of paid vacation days increased significantly after 1 year of seniority.
- Vacation days did not appear to be different between exempt and non-exempt employees.⁴
- Paid sick days did not appear to increase with seniority.
- The percent of exempt employees provided a vehicle was four times higher than for non exempt employees.

¹ Given that the percent of companies responding is similar to the percent of companies who received the survey indicates that the responses are representative of the overall population of companies by industry in Kane County.

² Given that the percent of companies responding is similar to the percent of companies who received the survey indicates that the responses are representative of the overall population of companies by geographic region in Kane County.

³ Given that the percent of companies responding is similar to the percent of companies who received the survey indicates that the responses are representative of the overall population of companies by number of employees in Kane County.

⁴ For purposes of this survey, exempt employees are salaried employees and non-exempt employees are hourly. In many cases, salaried employees are full time, professional positions and hourly employees are part-time and/or non professional positions.

Information Technology and Service Insurance Benefits

- Nearly two-thirds of the responding companies paid for over 75% of employee health insurance.⁵
- Of the companies who provide dental insurance, three fourths paid for over 75% of the cost.
- Only 21% of the companies supply employee vision insurance.
- One half of the companies supply family health insurance, but over 70% of them pay 75% or more of the cost.
- Less than 30% of the companies supply family dental insurance, but of these 50% pay for 75% or more of the cost.
- Only about 14% of the companies provide family vision insurance.
- Over 50% of the companies supply employee life insurance.
- Only about 28% of the companies offer a defined contribution plan with all of them paying for between 1 and 25% of the cost.

Information Technology and Service Education and Training Benefits

- Except for apprenticeships and outside training, the educational benefits for exempt and non-exempt employees are basically the same.
- Apprenticeships were slightly more prevalent for non-exempt employees and outside training was much more prevalent for exempt employees.
- In general, approximately 50% of the employers pay the full cost of education and training for employees with only 14% paying the full cost of apprenticeship programs and 36% paying the full cost of tuition reimbursement.

Information Technology and Service Survey Respondents

- The overall respondents provided wage and salary information for over 225 different occupations in Kane County for which this report provides detailed information for 6 different occupations in the information technology sector. To maintain business confidentiality, a summary of the wage data is reported for only those occupations with 3 or more businesses providing information.
- The respondents provided wage and fringe benefit data from 14 businesses and included information for 299 full time employees and 5 part time employees in Kane County.

⁵ A total of 14 companies responded to this question. 9 of the companies responding to this question indicated that they pay for 75% or more of employee health insurance. The remaining 5 companies pay for less than 75% of employee health insurance.

Methodology

Survey Design

The purpose of the Kane County Wage and Benefit Survey was to compile accurate labor market data from businesses in Kane County to enhance local and regional planning efforts and to share with businesses.

The survey instrument consists of two parts. The first part requests basic business information, fringe benefits available to both exempt (salaried) and non-exempt (hourly) employees, and training and educational opportunities. For purposes of this survey, exempt employees are salaried employees and non-exempt employees are hourly. In many cases, salaried employees are full time, professional positions and hourly employees are part-time and/or non professional positions. The second part lists industry specific occupational fields and requests information for each occupation such as number of employees, minimum and maximum salaries, and position requirements. The occupational fields in the second part of the survey were selected based on industry sector. See **Appendix A** for copies of the survey instruments.

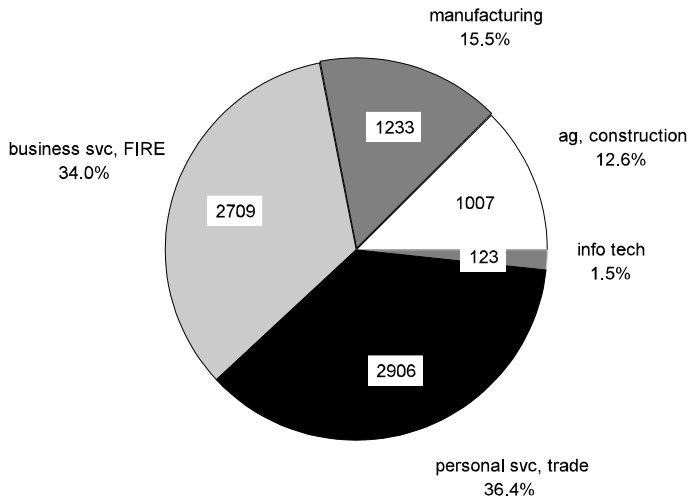
Businesses were grouped into five industry sectors based on SIC code. See **Appendix B** for a detailed listing of industry categorization by SIC code. Occupational titles were strategically placed in the different industry specific surveys based on the SIC code classifications and the listing of all occupations in Kane County. Therefore, there were actually five different surveys developed to gather wage and fringe benefit information. The five industry sectors are summarized below.

1. Agriculture and Construction
2. Manufacturing
3. Business Services; Health; Communications; Transportation; Utilities; and Finance; Insurance; and Real Estate
4. Personal Services, Retail Trade
5. Information Technology and Service, E-Business

Sampling Strategy

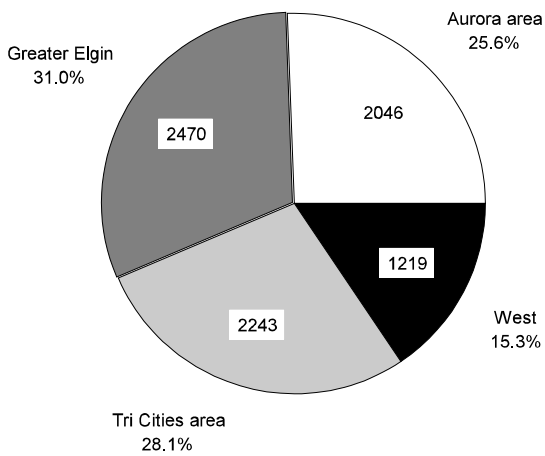
The original sample included approximately 8,000 businesses from Kane County. The sample was drawn based on SIC code and then stratified by business location within Kane County and number of employees. Based on information supplied by the Kane County Economic Development Advisory Board, the County was divided into four geographic areas. See **Appendix C** for a map of these four areas. The database was drawn from Dunn and Bradstreet. Below are tables of the original sample.

Overall Sample By Industry



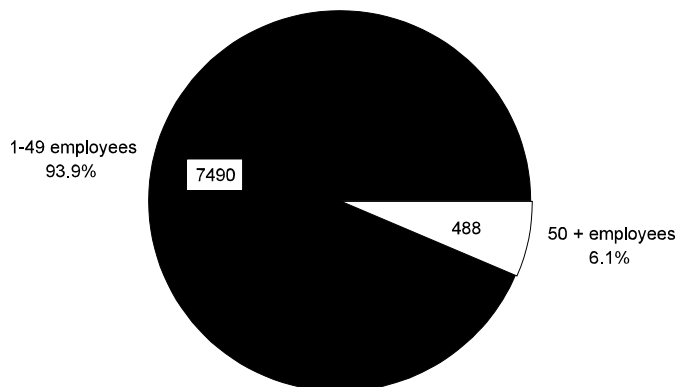
Industry Sector	Number of Businesses in Sample
Agriculture, Construction	1007
Manufacturing	1233
Business Services	2709
Personal Services	2906
Information Technology	123
	7978

Overall Sample by Location



Location in Kane County	0-50 Employees	over 50 employees
Aurora area	12.5%	12.5%
Greater Elgin/Upper Fox	12.5%	12.5%
Tri Cities area	12.5%	12.5%
West	12.5%	12.5%
	50%	50%

Overall Sample by Number of Employees



Overall Survey Respondents

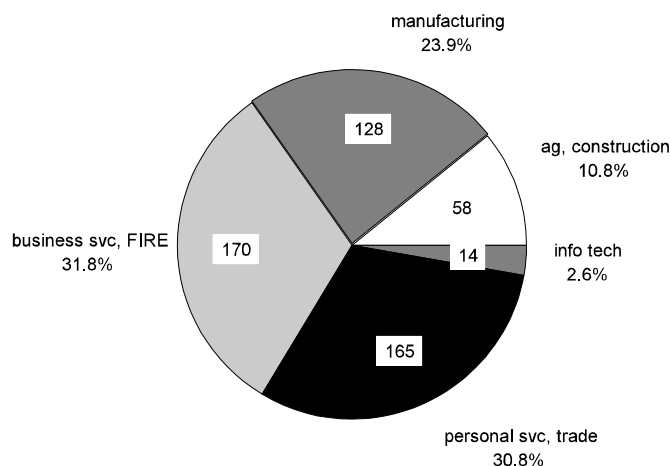
In October, 2000, industry specific surveys were sent to 7,978 businesses in Kane County. In addition, two reminder postcards were sent to businesses in the month following the original mailing. A total of 535 completed surveys were received from businesses in Kane County for a response rate of 9.5% based on the **valid sample** size of 5,646. The **valid sample** for this survey equals the total number of businesses that could have successfully completed the surveys. Therefore, the valid sample is the original sample less the number of incomplete addresses, closed businesses, and businesses outside of Kane County⁶ (7,978 - 2,332 = 5,646).

Unless otherwise noted, the percentages and information compiled below represents the number of businesses that responded to a particular question and not the valid sample (5,646) or responding sample (535). **Not all businesses responded to all questions.**

Nearly 30% of the original database was dropped due to incorrect or expired addresses, closed businesses, or businesses not in Kane County. Below is a summary of the disposition of the sample.

	number of businesses	Percent of Original Sample
incomplete or expired addresses	946	11.9%
businesses that have closed or have no employees	104	1.3%
businesses outside of Kane County	1282	16.0%
	2332	29.2%

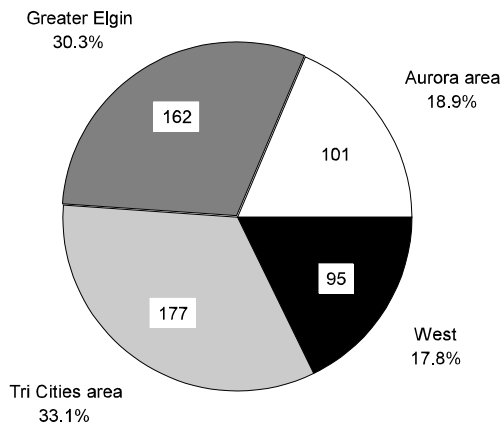
Completed Surveys
by Industry Sector



Industry Sector	Number of Respondents	Percent of Respondents	Percent of Sample
Ag, Construction	58	10.8%	11.4%
Manufacturing	128	23.9%	19.3%
Business Services	170	31.8%	33.2%
Personal Services	165	30.8%	34.2%
Information Technology	14	2.6%	1.9%
	535	100.0%	100.0%

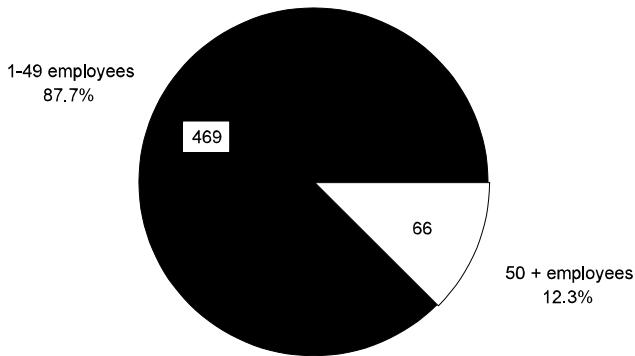
⁶ Since the sample was drawn by zip code and zip codes cross county lines, the original sample included some businesses outside Kane County.

Completed Surveys
by Location in Kane County



Location	Number of Respondents	Percent of Respondents	Percent of Sample
Aurora Area	101	18.9%	21.7%
Greater Elgin/ Upper Fox	162	30.3%	32.0%
Tri Cities area	177	33.1%	28.3%
West	95	17.8%	18.0%
	535	100%	100%

Completed Surveys
by Employment Size



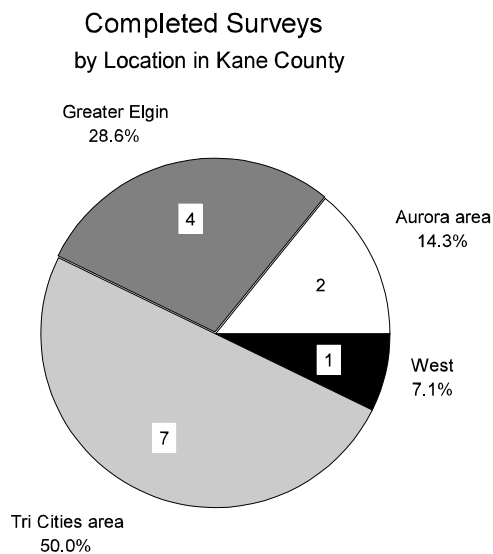
Number of Employees	Number of Respondents	Percent of Respondents	Percent of Sample
0-50 employees	469	87.7%	91.8%
Over 50 employees	66	12.3%	8.2%
	535	100%	100%

Information Technology and Service Respondents

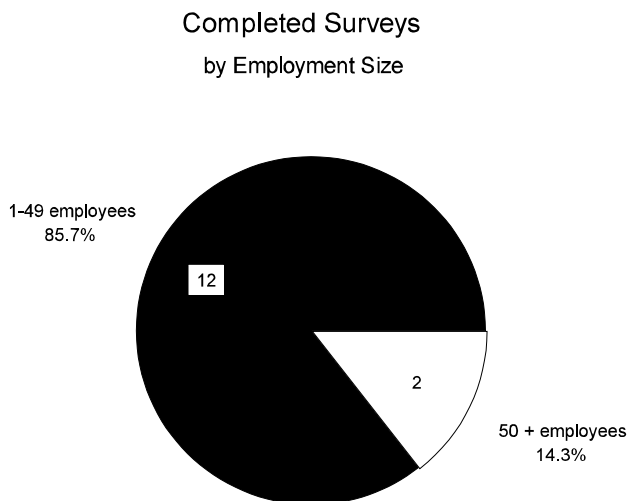
Business Information

The following graphs and charts provide basic business information for information technology and service businesses such as the number of employees both full time and part time as well as information regarding other business locations. Also provided is a summary of types and participation levels of various options used by businesses in Kane County as a basis for wage and salary increases.

Unless otherwise noted, the percentages and information compiled below represents the number of information technology and service businesses that responded to a particular question and not the valid sample (5,646) or responding sample (535). **Not all businesses responded to all questions.**

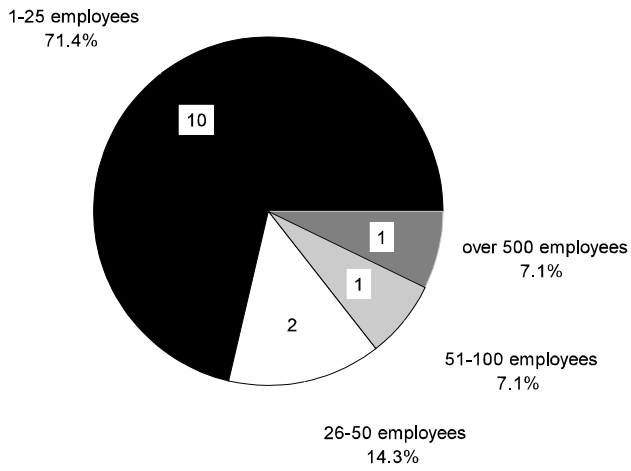


Location	Number of Respondents	Percent of Respondents	Percent of Sample
Aurora Area	2	14.3%	21.7%
Greater Elgin/ Upper Fox	4	28.6%	32.0%
Tri Cities area	7	50.0%	28.3%
West	1	7.1%	18.0%
	14	100%	100%



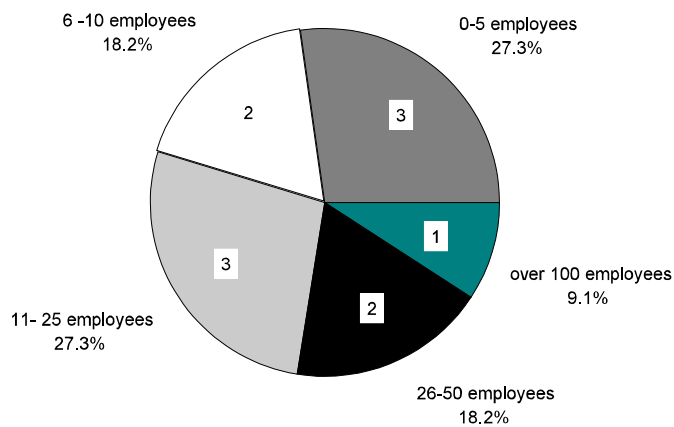
Number of Employees	Number of Respondents	Percent of Respondents	Percent of Sample
0-50 employees	12	85.7%	91.8%
Over 50 employees	2	14.3%	8.2%
	14	100%	100%

Employment Size Information Technology



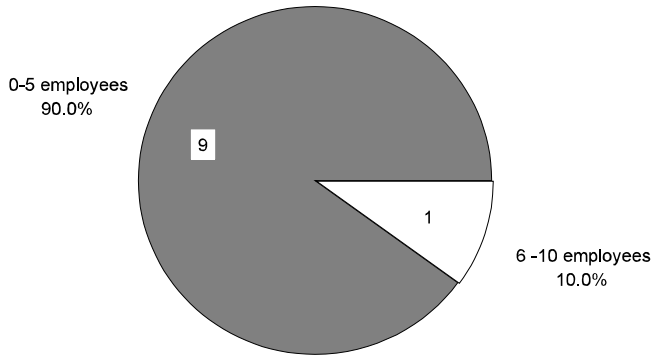
Employment Size	Number of Businesses
1-25 employees	10
26-50 employees	2
51-100 employees	1
101-500 employees	0
over 500 employees	1
total	14

Full Time Employees Information Technology



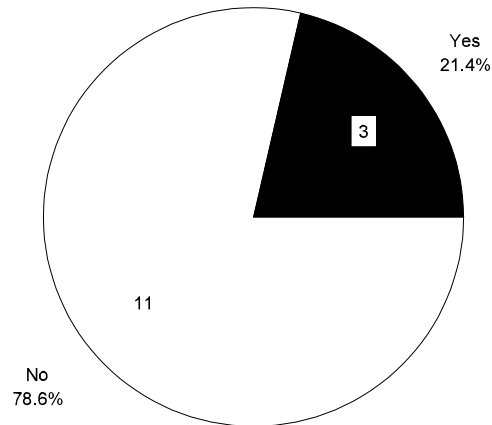
Full Time Employees	Number of Businesses
0-5 employees	3
6-10 employees	2
11-25 employees	3
26-50 employees	2
51-100 employees	0
over 100 employees	1
total	11

Part Time Employees
Information Technology

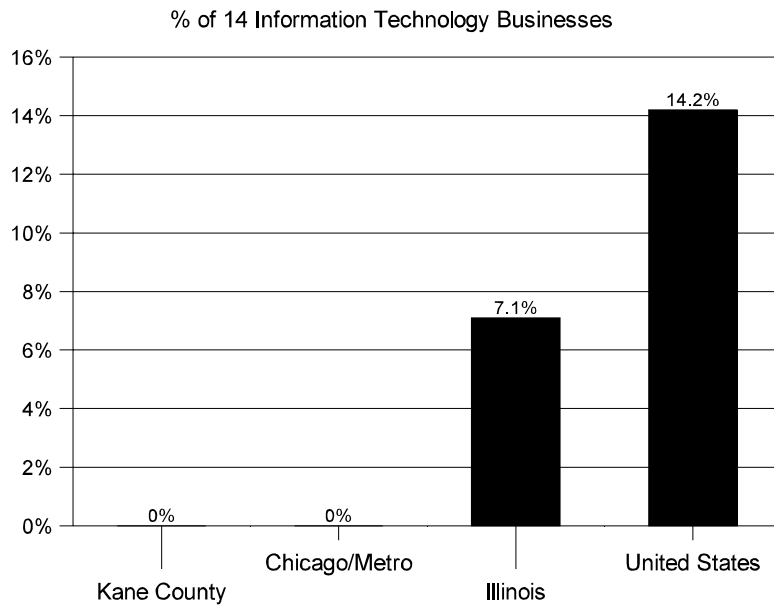


Part Time Employees	Number of Businesses
0-5 employees	9
6 -10 employees	1
11- 25 employees	0
26-50 employees	0
51-100 employees	0
over 100 employees	0
total	10

Does your business have other locations?



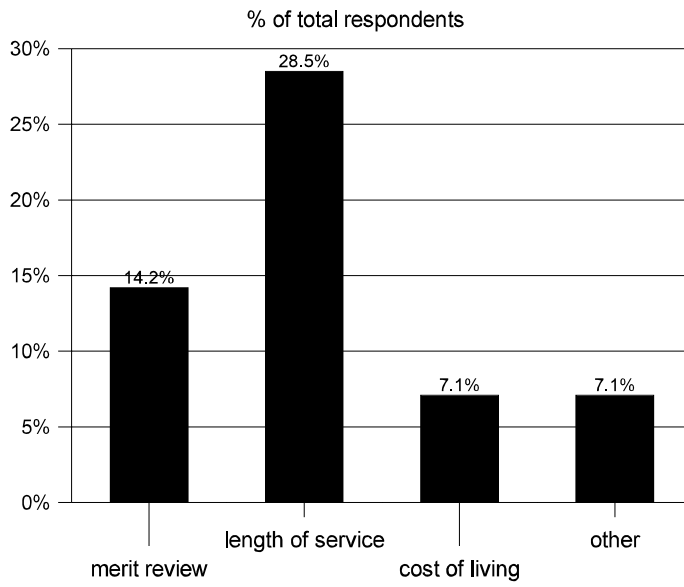
If yes, where are the other locations?



* International location was not an available option.

Kane County	Chicago/Metro	Illinois	United States
0	0	1	2

Which of the following are used by your business as a basis for wage and salary increases?



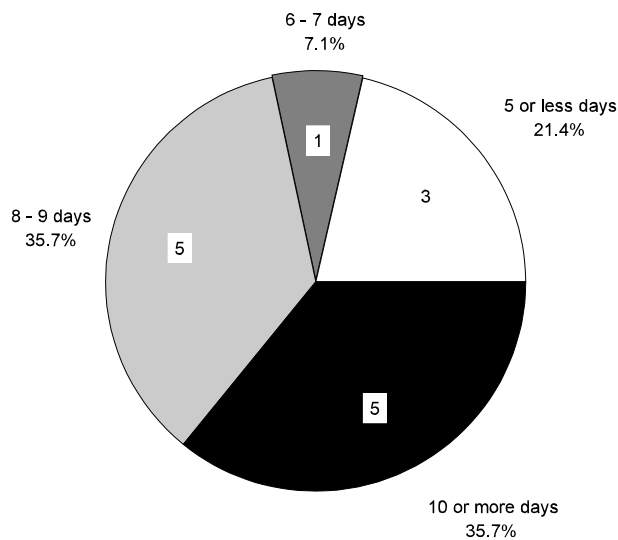
Benefits and Training Provided

Vacation and Sick Leave Benefits

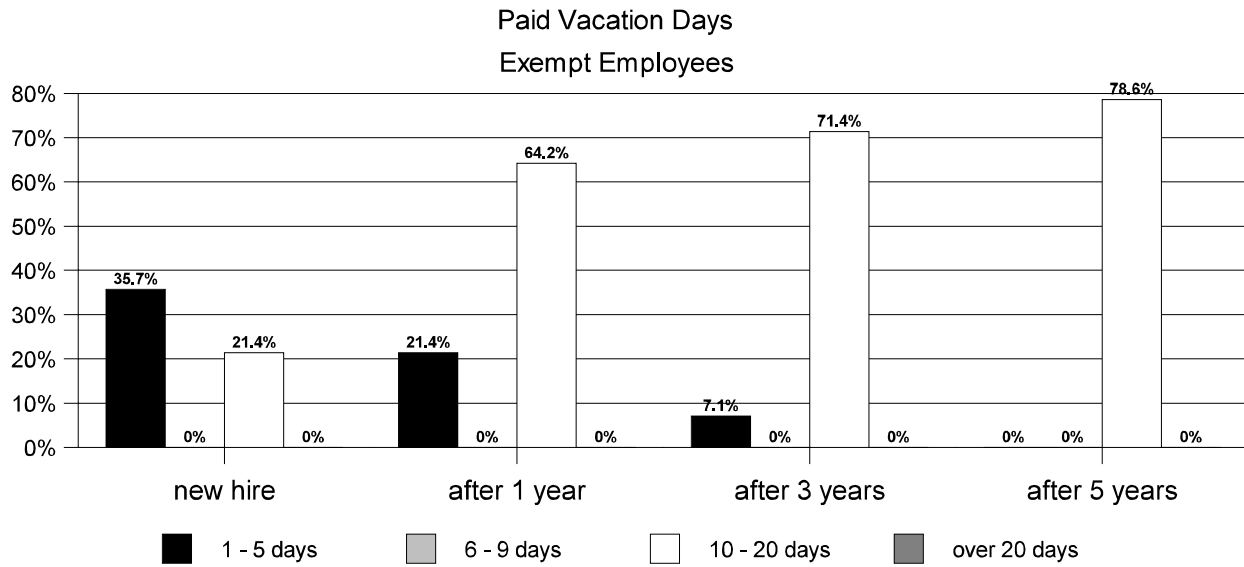
The following graphs summarize paid holidays received per year along with information on the amount of vacation and sick leave benefits available to both exempt (salaried) and non-exempt (hourly) employees. Also provided is information on vacation carryover options and availability of company vehicles.

Unless otherwise noted, the percentages and information compiled below represents the number of information technology and service businesses that responded to a particular question and not the valid sample (5,646) or responding sample (535). **Not all businesses responded to all questions.**

How many paid holidays per year does your business offer?

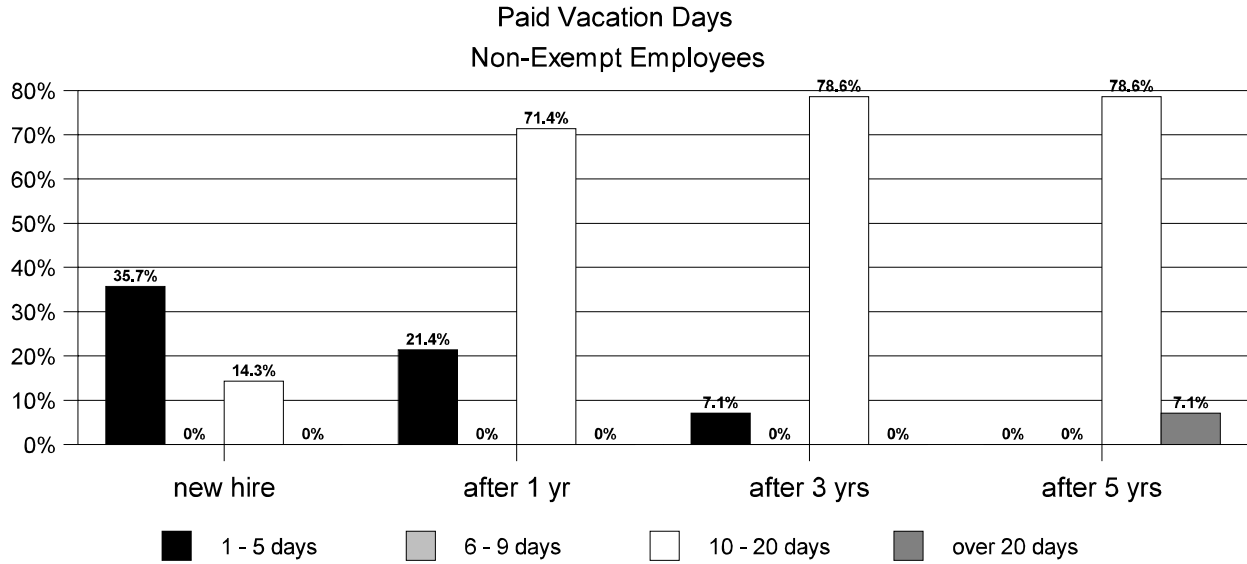


Please indicate the number of paid vacation days available per year for your employees?



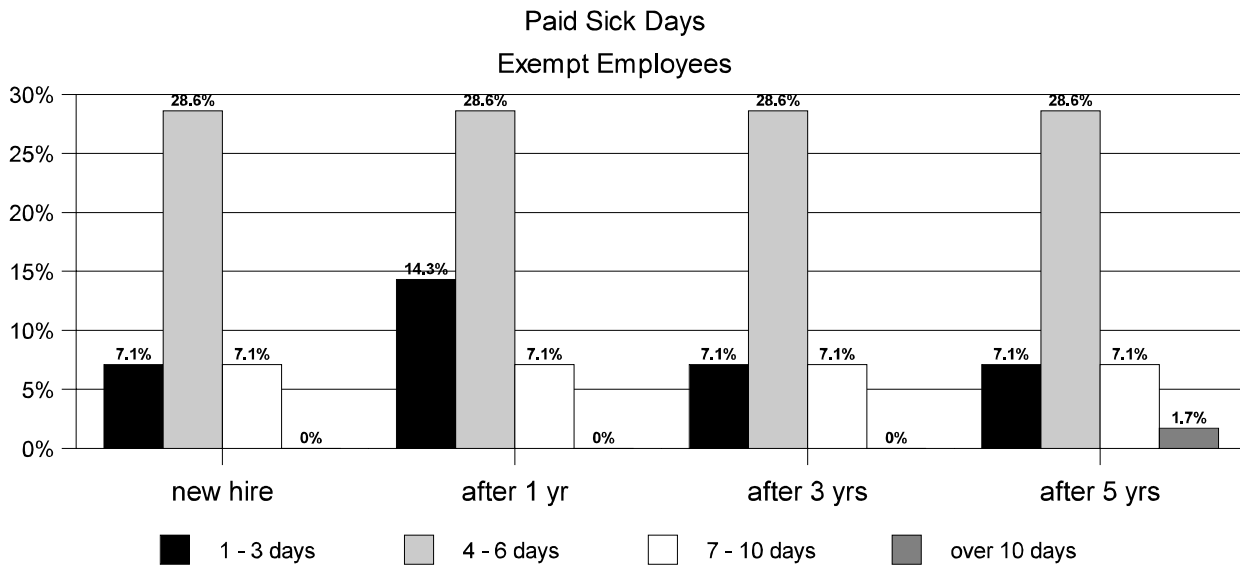
	new hire	after 1 year	after 3 years	after 5 years
1 - 5 days	35.7%	21.4%	7.1%	0%
6 - 9 days	0%	0%	0%	0%
10 - 20 days	21.4%	64.2%	71.4%	78.6%
over 20 days	0%	0%	0%	0%

Please indicate the number of paid vacation days available per year for your employees?



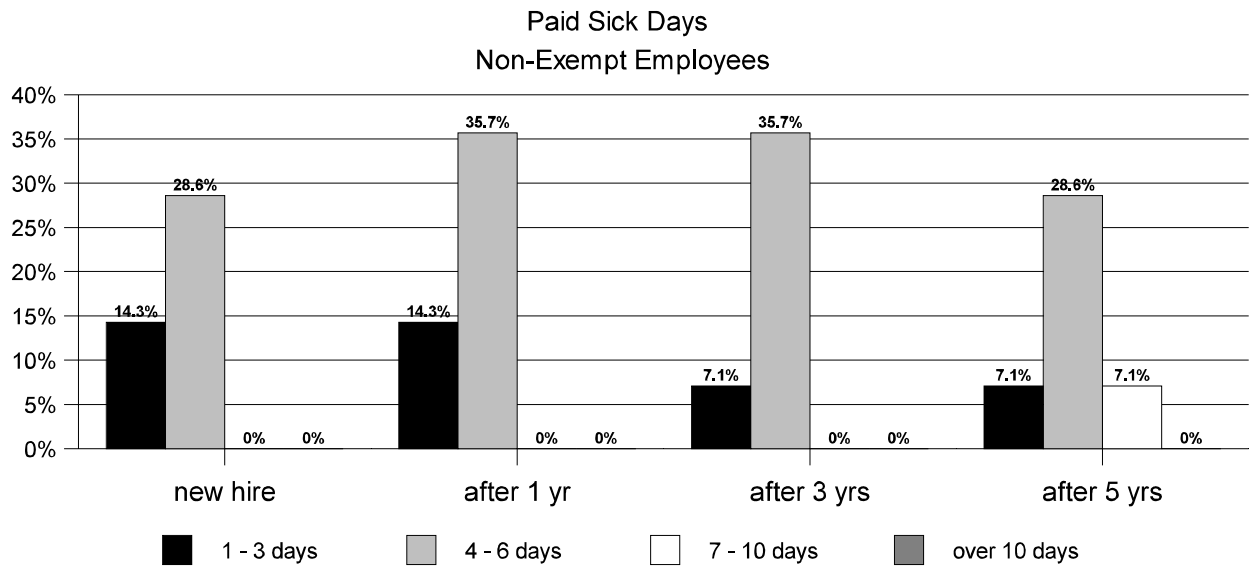
	new hire	after 1 yr	after 3 yrs	after 5 yrs
1 - 5 days	35.7%	21.4%	7.1%	0%
6 - 9 days	0%	0%	0%	0%
10 - 20 days	14.3%	71.4%	78.6%	78.6%
over 20 days	0%	0%	0%	7.1%

Please indicate the number of paid sick days available per year for your employees?



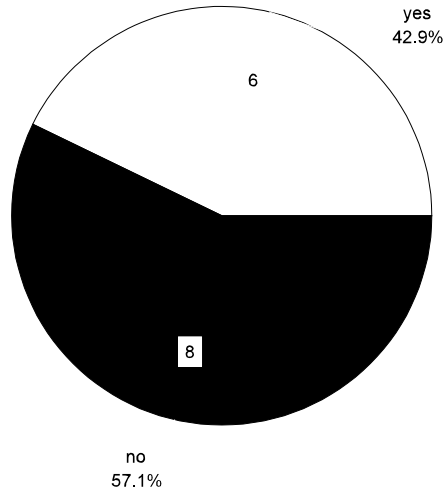
	new hire	after 1 yr	after 3 yrs	after 5 yrs
1 - 3 days	7.1%	14.3%	7.1%	7.1%
4 - 6 days	28.6%	28.6%	28.6%	28.6%
7 - 10 days	7.1%	7.1%	7.1%	7.1%
over 10 days	0%	0%	0%	1.7%

Please indicate the number of paid sick days available per year for your employees?



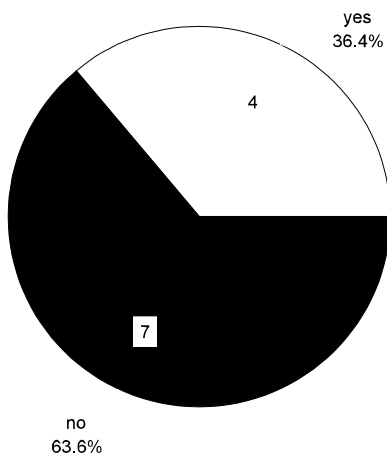
	new hire	after 1 yr	after 3 yrs	after 5 yrs
1 - 3 days	14.3%	14.3%	7.1%	7.1%
4 - 6 days	28.6%	35.7%	35.7%	28.6%
7 - 10 days	0%	0%	0%	7.1%
over 10 days	0%	0%	0%	0%

Does your business offer vacation accrual or carryover options?

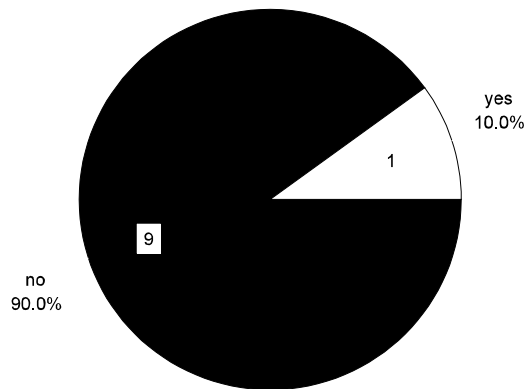


Does your business offer or provide a vehicle to some or all employees?

Exempt Employees



Non-Exempt Employees



Insurance Benefits

The following graphs indicate the type and level of benefits offered to employees and families of employees for both exempt (salaried) and non-exempt (hourly) positions. For each of the graphs the data is organized into 6 categories - 0%, 1-25%, 26-50%, 51-75%, 76-99%, 100%. These categories represent the percentage that the businesses pay for the corresponding employee benefit. For example, 49.2% of businesses report that they pay 100% of employee health insurance but only 47.7% report paying 100% of employee dental insurance.

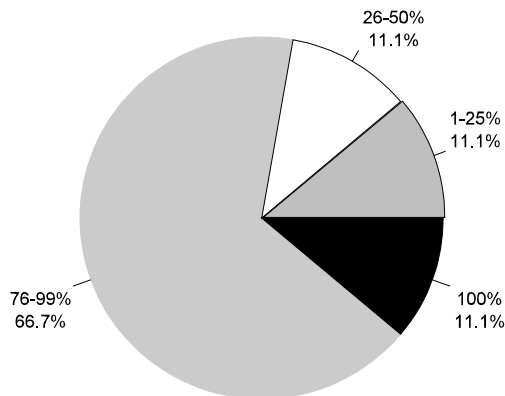
Unless otherwise noted, the percentages and information compiled below represents the number of information technology and service businesses that responded to a particular question and not the valid sample (5,646) or responding sample (535). **Not all businesses responded to all questions.**

Exempt Positions (Salaried)

Please indicate which of the following benefits your business offers to employees?

Health Insurance - Employee

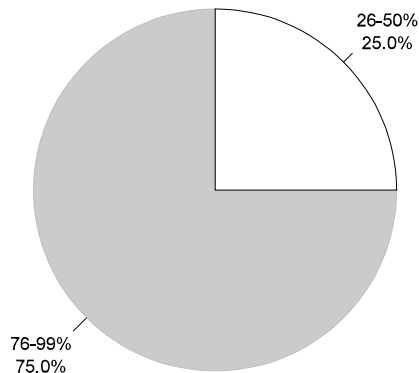
Exempt Employees



Health Insurance Employee	Number of Businesses
0%	0
1-25%	1
26-50%	1
51-75%	0
76-99%	6
100%	1
total	9

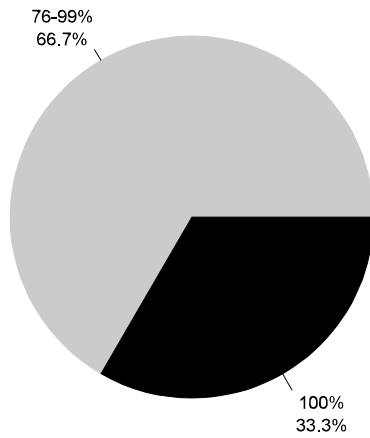
Dental Insurance - Employee

Exempt Employees



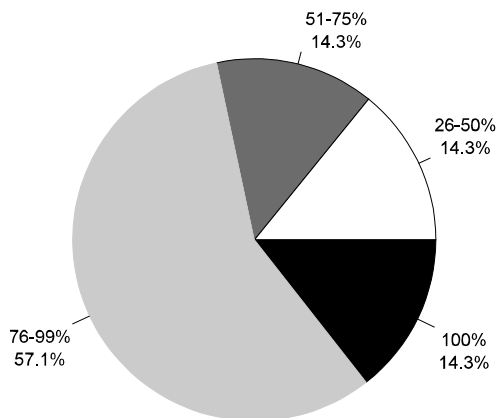
Dental Insurance Employee	Number of Businesses
0%	0
1-25%	0
26-50%	1
51-75%	0
76-99%	3
100%	0
total	4

Vision Insurance - Employee
Exempt Employees



Vision Insurance Employee	Number of Businesses
0%	0
1-25%	0
26-50%	0
51-75%	0
76-99%	2
100%	1
	3

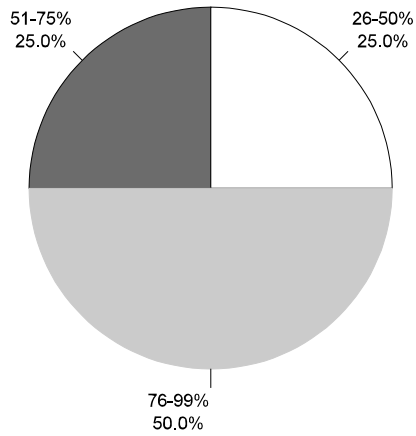
Health Insurance - Family
Exempt Employees



Health Insurance Family	Number of Businesses
0%	0
1-25%	0
26-50%	1
51-75%	1
76-99%	4
100%	1
total	7

Dental Insurance - Family

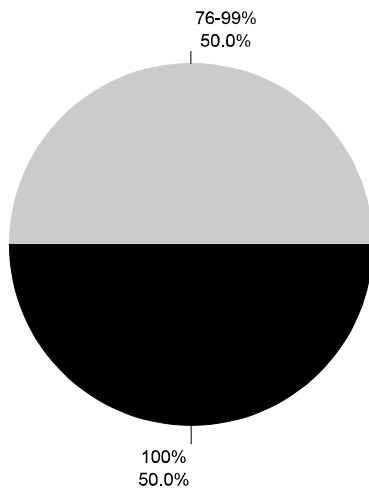
Exempt Employees



Dental Insurance Family	Number of Businesses
0%	0
1-25%	0
26-50%	1
51-75%	1
76-99%	2
100%	0
total	4

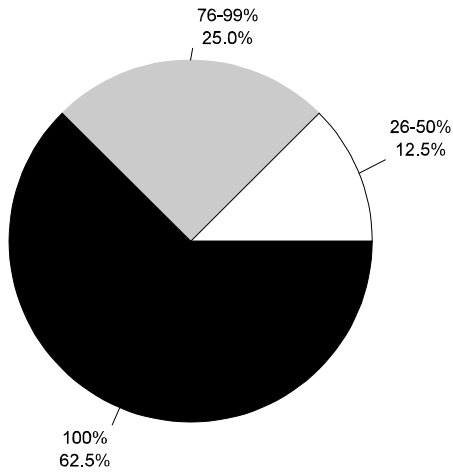
Vision Insurance - Family

Exempt Employees



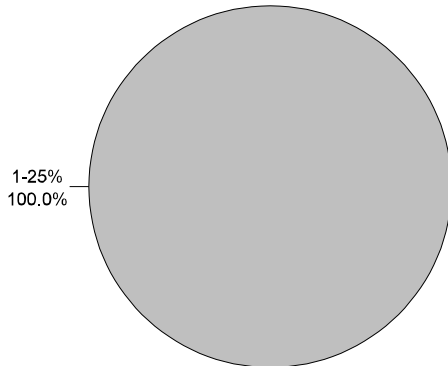
Vision Insurance Family	Number of Businesses
0%	0
1-25%	0
26-50%	0
51-75%	0
76-99%	1
100%	1
total	2

Life Insurance
Exempt Employees



Life Insurance	Number of Businesses
0%	0
1-25%	0
26-50%	1
51-75%	0
76-99%	2
100%	5
total	8

Defined Contribution Plan (401K)
Exempt Employees



Defined Contribution Plan	Number of Businesses
0%	0
1-25%	4
26-50%	0
51-75%	0
76-99%	0
100%	0
total	4

Defined Benefit Plan (Fixed Formula)

Exempt Employees

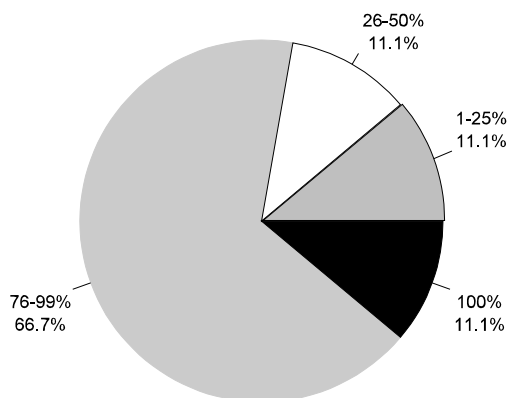
Defined Benefit Plan	Number of Businesses
0%	0
1-25%	0
26-50%	0
51-75%	0
76-99%	0
100%	0
total	0

Non-Exempt Positions (Hourly)

Please indicate which of the following benefits your business offers to employees?

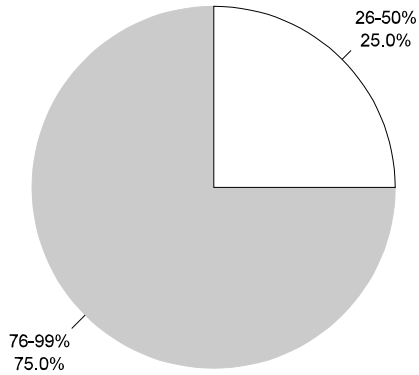
Health Insurance - Employee

Non-Exempt Employees



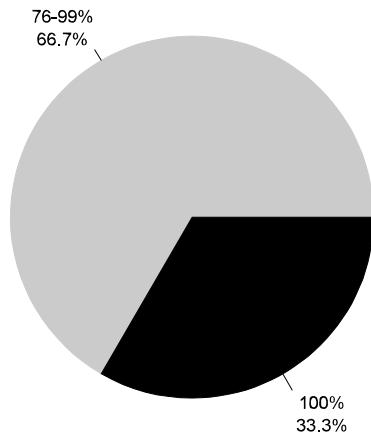
Health Insurance Employee	Number of Businesses
0%	0
1-25%	1
26-50%	1
51-75%	0
76-99%	6
100%	1
total	9

Dental Insurance - Employee
Non-Exempt Employees



Dental Insurance Employee	Number of Businesses
0%	0
1-25%	0
26-50%	1
51-75%	0
76-99%	3
100%	0
total	4

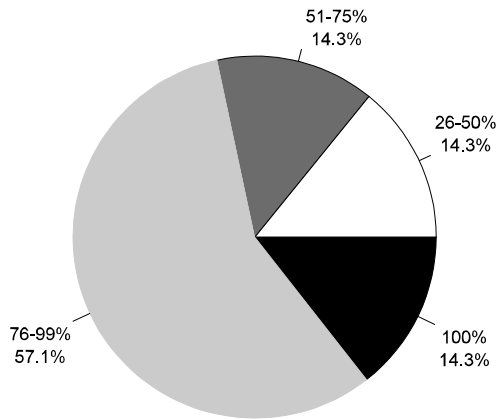
Vision Insurance - Employee
Non-Exempt Employees



Vision Insurance Employee	Number of Businesses
0%	0
1-25%	0
26-50%	0
51-75%	0
76-99%	2
100%	1
total	3

Health Insurance - Family

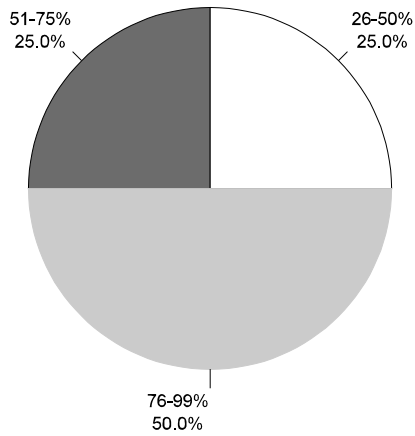
Non-Exempt Employees



Health Insurance Family	Number of Businesses
0%	0
1-25%	0
26-50%	1
51-75%	1
76-99%	4
100%	1
total	7

Dental Insurance - Family

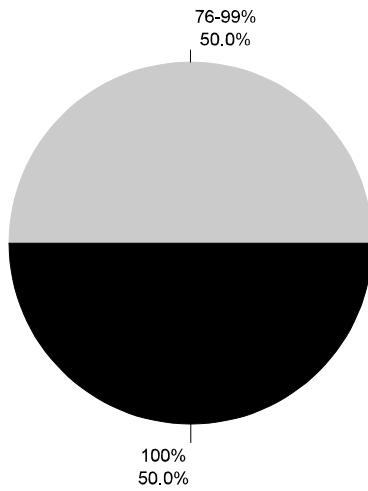
Non-Exempt Employees



Dental Insurance Family	Number of Businesses
0%	0
1-25%	0
26-50%	1
51-75%	1
76-99%	2
100%	0
total	4

Vision Insurance - Family

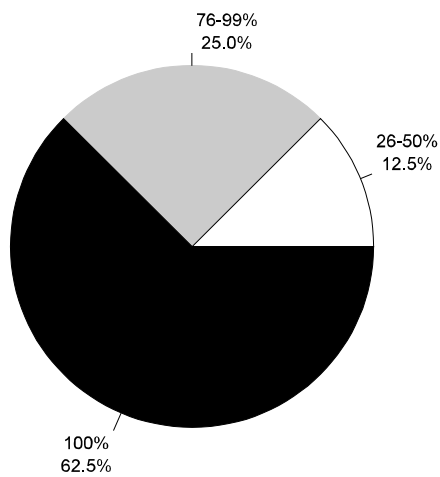
Non-Exempt Employees



Vision Insurance Family	Number of Businesses
0%	0
1-25%	0
26-50%	0
51-75%	0
76-99%	1
100%	1
total	2

Life Insurance

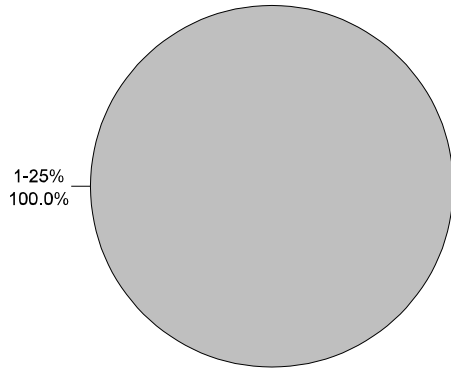
Non-Exempt Employees



Life Insurance	Number of Businesses
0%	0
1-25%	0
26-50%	1
51-75%	0
76-99%	2
100%	5
total	8

Defined Contribution Plan (401K)

Non-Exempt Employees



Defined Contribution Plan (401K)	Number of Businesses
0%	0
1-25%	4
26-50%	0
51-75%	0
76-99%	0
100%	0
total	4

Defined Benefit Plan (Fixed Formula)

Non-Exempt Employees

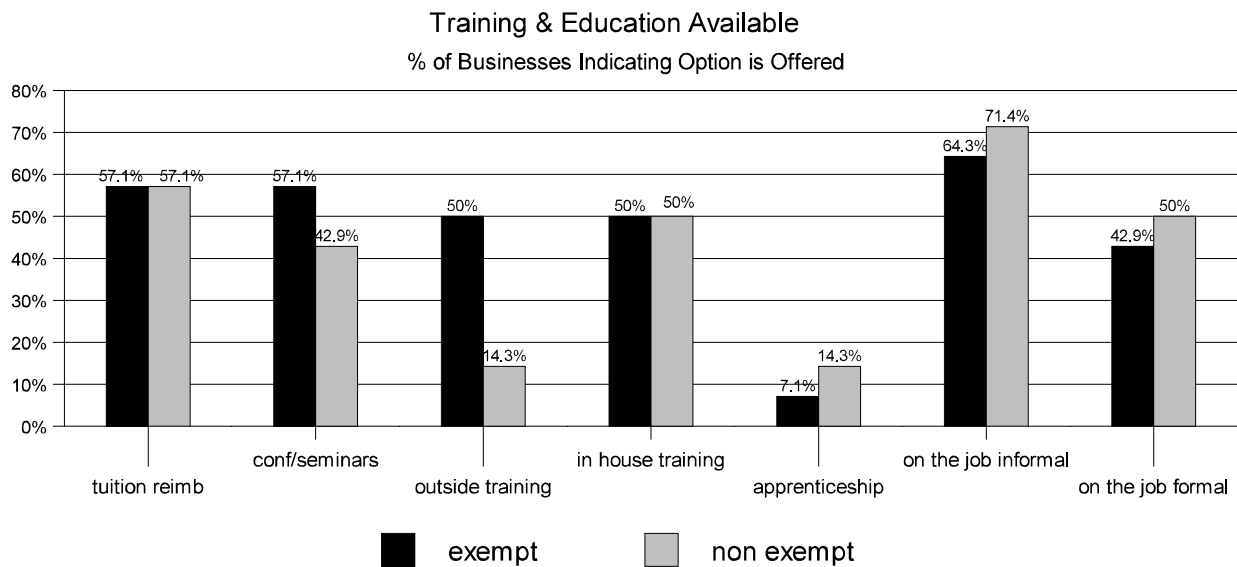
Defined Benefit Plan (Fixed Formula)	Number of Businesses
0%	0
1-25%	0
26-50%	0
51-75%	0
76-99%	0
100%	0
total	0

Education and Training Benefits

The following graphs indicate the various types of training and educational opportunities provided or available to both exempt (salaried) and non-exempt (hourly) employees. Also shown is the percentage of businesses that pay 100% of the education and training costs associated with each of the training and educational opportunities.

Unless otherwise noted, the percentages and information compiled below represents the number of information technology and service businesses that responded to a particular question and not the valid sample (5,646) or responding sample (535). **Not all businesses responded to all questions.**

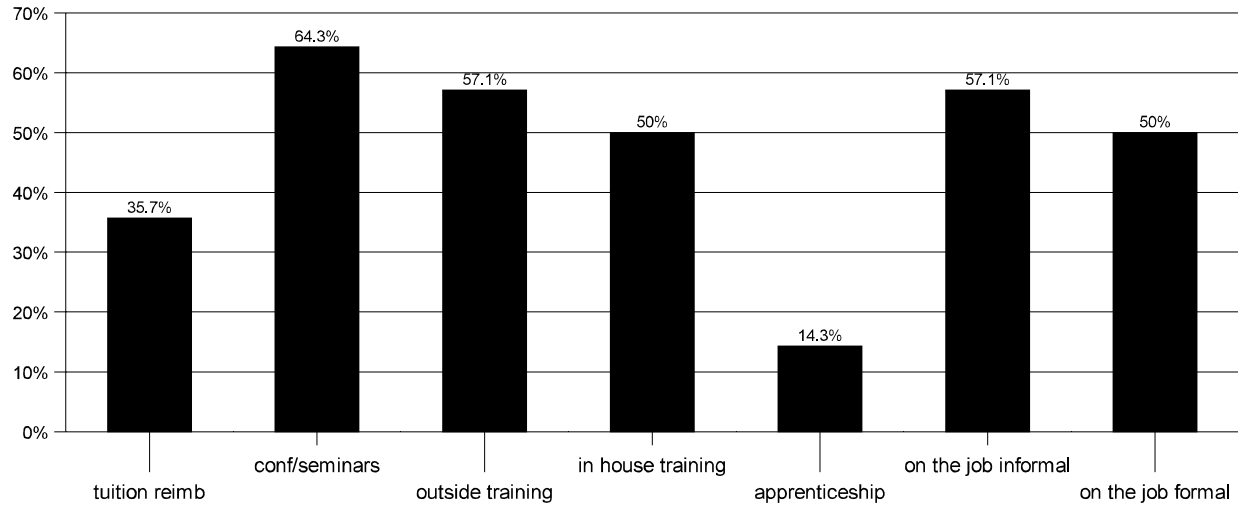
Please indicate the types of training and educational opportunities available to employees.



	tuition reimb	conf/seminars	outside training	in house training	apprenticeship	on the job infor	on the job form
exempt	8	8	7	7	1	9	6
non exempt	8	6	2	7	2	10	7

Training & Education Reimbursement

% of Businesses That Pay 100%



tuition reimb	conf/seminars	outside training	in house training	apprenticeship	on the job infor	on the job forma
5	9	8	7	2	8	7

Wages and Salaries by Occupational Title



Wages and Salaries by Occupational Title

Wages and Salaries

The following tables and graphs summarize reported wages and salaries by occupation title for information technology and service businesses. For each occupation, information is reported for: number of businesses reporting on that occupation; number of full time and part time employees; number of businesses reporting that the position is exempt (salaried); number of businesses reporting the position is union; difficulty level in finding quality applicants; and, the basic position requirements.

A total of over 225 different occupations were reported by survey respondents. However, only 6 of those occupations are summarized in the following section. For confidentiality purposes, a summary of the wage data is reported for only those occupations with 3 or more businesses providing information.

<u>Category</u>	<u>Page</u>
Administrative Support Occupations	33
Machine Setters, Setup Operators, and Tenders Occupations	36
Marketing and Sales Occupations	38
Professional, Paraprofessional, & Technician Occupations	40

Unless otherwise noted, the percentages and information compiled below represents the number of information technology and service businesses that responded to a particular question and not the valid sample (5,646) or responding sample (535). **Not all businesses responded to all questions.**

INFORMATION TECHNOLOGY INDEX AND SUMMARY OF OCCUPATIONS

Occupational Title	Number of Businesses	Number of Full Time Employees	Number of Part Time Employees	Number of Businesses with Exempt Positions	Number of Businesses with Union Positions	Average Salary ⁷	Average Hourly	% of businesses reporting that this position is very difficult to attract quality applicants	Page
Accountants and Auditors	3	3	1	3	0	\$51,600	*	0%	41
Bookkeeping, Accounting, and Audit Clerks	4	4	2	4	0	\$35,708	\$18.75	0%	34
Computer Programmers	4	4	0	3	0	\$50,857	*	25.0%	42
Electrical and Electronic Assemblers	3	271	0	0	2	*	\$9.62	0%	37
Marketing and Sales Supervisors and Directors	5	5	0	4	0	\$62,000	*	66.7%	39
Secretaries	4	12	2	1	0	\$31,567	\$9.50	0%	35

* For Average Salaries and Average Hourly with an asterisk (*) no data was provided for these occupational fields. See the corresponding report for average hourly wages.

⁷ For Average Salaries with an asterisk (*) no salaries were provided for these occupations. Only hourly wages were reported. See the corresponding report for average hourly wages.

Administrative Support Occupations

Bookkeeping, Accounting, & Audit Clerks

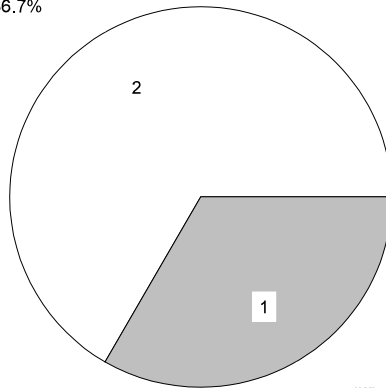
Number of Businesses Reporting	Number of Full Time Employees	Number of Part Time Employees	Number of Businesses with Exempt Positions	Number of Businesses with Union Positions
4	4	2	4	0

Minimum Salary & Hourly	Maximum Salary & Hourly	Average Salary & Hourly
\$4,000	\$50,000 *	\$35,708
\$10.00	\$25.00	\$18.75

* Given the large salaries reported, some respondents likely reported professional accounting and bookkeeping positions here rather than clerical positions.

Difficulty Attracting Quality Applicants

somewhat difficult
66.7%

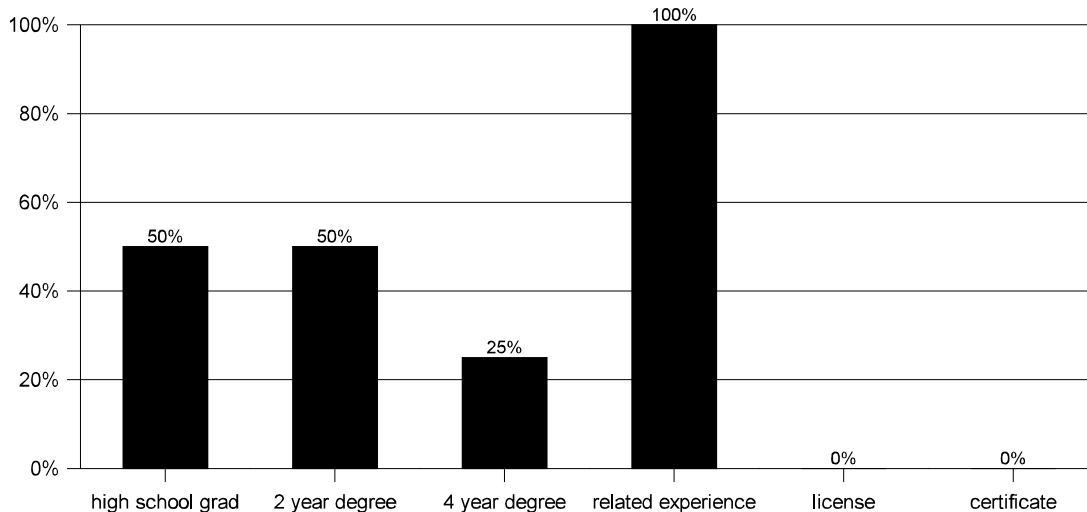


not difficult
33.3%

Difficulty Level	Number of Businesses
very difficult	0
somewhat difficult	2
not difficult	1

Position Requirements

% of Businesses with Requirement

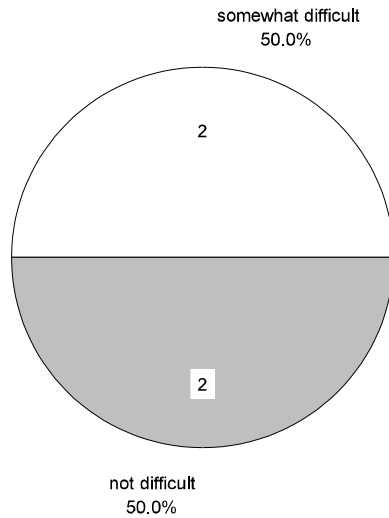


Secretaries

Number of Businesses Reporting	Number of Full Time Employees	Number of Part Time Employees	Number of Businesses with Exempt Positions	Number of Businesses with Union Positions
4	12	2	1	0

Minimum Salary & Hourly	Maximum Salary & Hourly	Average Salary & Hourly
\$27,000	\$40,800	\$31,567
\$7.00	\$12.00	\$9.50

Difficulty Attracting Quality Applicants



Difficulty Level	Number of Businesses
very difficult	0
somewhat difficult	2
not difficult	2

Position Requirements

% of Businesses with Requirement

