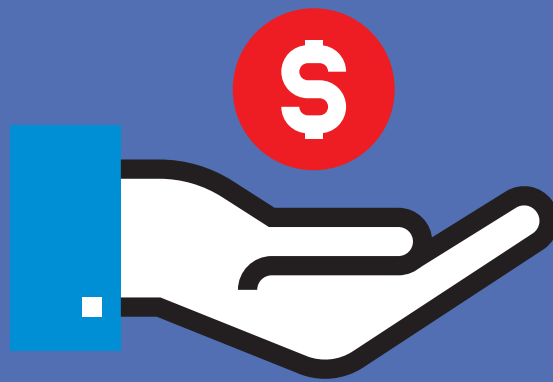


2017



# 2017 Employee Compensation Report

Payroll and benefits data for paint stores.  
*Report published by the North American Retail Hardware Association.*

# 2017 Employee Compensation Report

Brought to you by the Paint and Decorating Retailers Association

The *2017 Employee Compensation Report* from the Paint and Decorating Retailers Association presents industry averages for job-specific wages and benefits, such as health insurance and bonuses, based on data submitted by independent paint and decorating retailers from across the U.S.

## What Is Inside the Employee Compensation Report?

- Average number of employees working in a variety of full- and part-time jobs, including manager, salesfloor personnel and outside sales
- Average wages for full- and part-time positions
- Types of insurance benefits offered and which employees receive them
- Retirement benefits offered
- Paid vacation and other time off provided
- Use of bonuses
- Provision of nontraditional benefits
- Employee training participation and employer investment in training
- Employee turnover and new employee recruitment methods

## How to Use the Employee Compensation Report

The numbers in this study can be used for general guidance on salaries and benefits. Retailers who use the report for benchmarking should keep in mind that local market conditions, minimum wage laws and the cost of living vary across the country. Keep in mind that salary levels for owners may indicate differing operational styles or retailers who balance salaries with return on invested capital.

Further, employees at small businesses may serve a variety of functions in an operation, so comparing their wages to the average pay listed for more than one position may be beneficial.

## Study Methodology

The North American Retail Hardware Association compiled and published the *2017 Employee Compensation Report* on behalf of PDRA. NRHA collected data for the study using online surveys emailed to retailers. Data collection started in July and continued through October of 2017. NRHA staff analyzed the survey results.

Study participants represent nearly 300 independent paint and decorating retail store locations. Respondents' survey answers were kept confidential and are presented in aggregate.

# Paint Stores

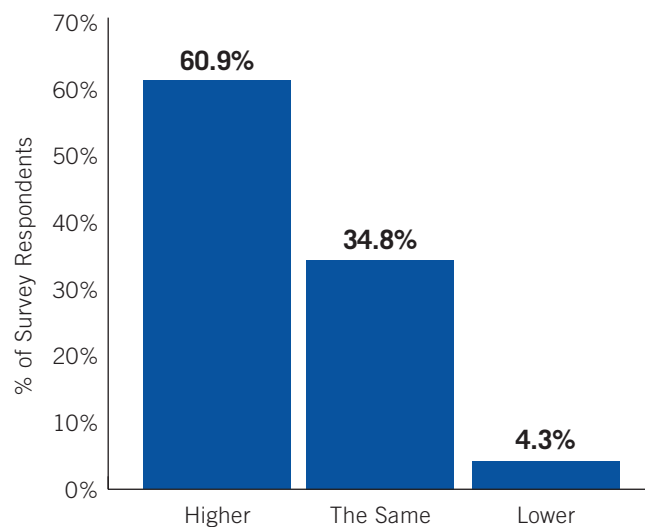
An in-depth look at how employees are compensated in retail paint businesses.

Payroll Currently  
Accounts for

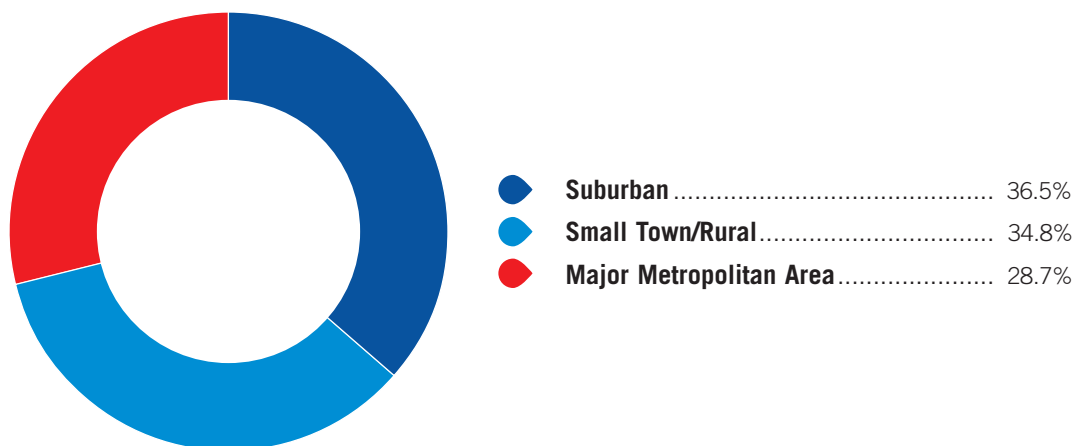
**19.1%**  
of Total Sales

Payroll is the most expensive operating cost for companies in the independent home improvement sector, according to NRHA's *2017 Cost of Doing Business Study*.

In 2018, Would You Anticipate Your Payroll Expenses to Be Higher, Lower or the Same?



## Percent of Respondents by Market Location



## Average Number of Employees per Paint and Decorating Store in Each Position, Average Hours Worked per Week and Average Wage per Employee

Position	Full-Time Employees			Part-Time Employees		
	# Per Store	Wages	# Hours	# Per Store	Wages	# Hours
Owners/Officers (annual)	0.67	\$74,747	50	0.02	\$76,030	14
Managers (annual)	1.10	\$60,505	47	-	-	-
Assistant Managers (annual)	0.78	\$45,820	45	-	-	-
Department Managers (annual)	0.17	\$53,048	46	-	-	-
Salesfloor Personnel (hourly)	3.65	\$15.38	44	0.37	\$12.52	21
Inside Sales (hourly)	0.29	\$14.01	43	-	-	-
Outside Sales (annual)	0.56	\$52,635	46	0.01	\$7,488	8
Office (hourly)	0.37	\$19.85	40	0.06	\$26.54	16
Cashiers (hourly)	0.02	\$13.00	40	-	-	-
Stock (hourly)	0.05	\$14.67	38	0.03	\$9.88	19
Delivery/Receiving (hourly)	0.30	\$14.97	43	0.01	\$9.00	25
Warehouse (hourly)	0.20	\$13.53	39	0.02	\$12.00	25
IT/Computer Specialists (hourly)	-	-	-	0.01	\$20.00	3
Advertising/Marketing (annual)	0.02	\$52,500	50	-	-	-
Design Center (hourly)	0.30	\$15.69	39	0.06	\$14.89	26
Color Consultants (annual)	0.01	\$70,000	50	-	-	-
Design Professionals (hourly)	0.15	\$17.38	40	-	-	-
<b>Total</b>	<b>8.64</b>			<b>0.59</b>		

This chart shows the average number of people employed at the various positions in paint and decorating stores participating to the study. The employee counts are listed per store and, in some cases, are fewer than one employee per store due to one employee being used across multiple locations or simple averaging across study participants.

## Percent of Respondents Offering Group Insurance by Employee Type

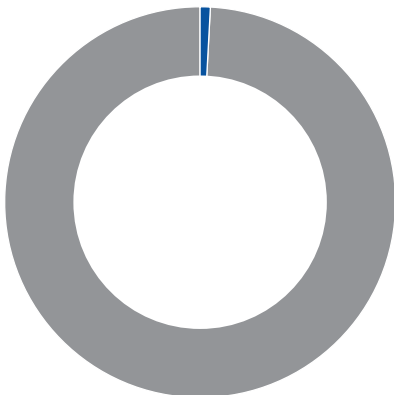
	Major Medical	Dental Care	Eye Care	Short-Term Disability	Life
<b>Management</b>	43.6%	27.3%	20.0%	18.2%	29.1%
<b>Management and Their Families</b>	43.6%	34.6%	21.8%	18.2%	25.5%
<b>Full-Time Employees</b>	43.6%	29.1%	20.0%	20.0%	30.9%
<b>Full-Time Employees and Their Families</b>	34.6%	29.1%	16.4%	16.4%	21.8%
<b>Part-Time Employees</b>	0.0%	0.0%	0.0%	0.0%	1.8%
<b>Part-Time Employees and Their Families</b>	0.0%	1.8%	1.8%	0.0%	0.0%

This chart shows the breakout of group insurance by type of employee and if employees' families also receive the insurance benefits. Column totals do not equal 100% because responses of "Do Not Offer" are not included in this chart and participants could select all of the answers that apply to their businesses.



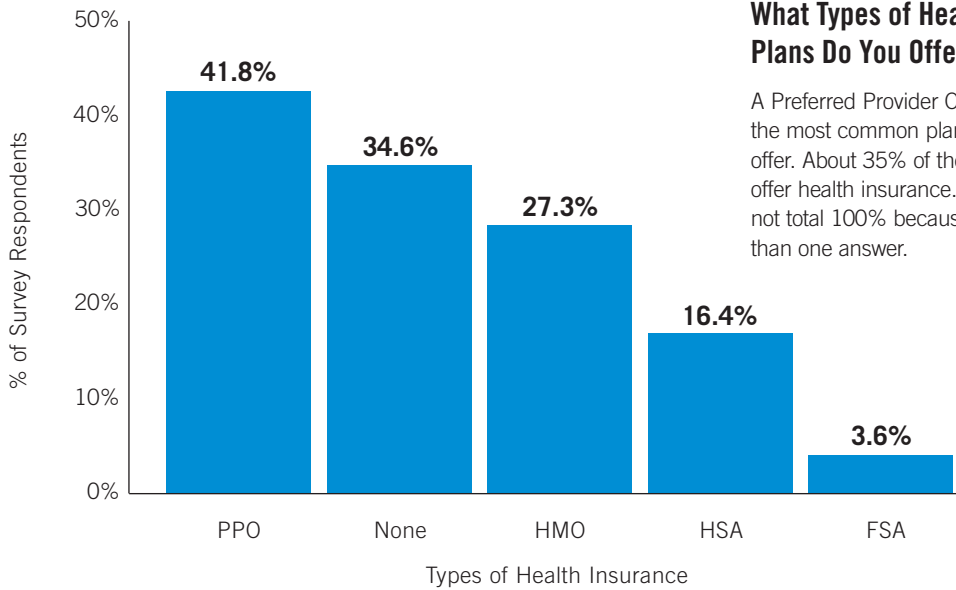
**What Percent of Your Full-Time Employees' Premiums Do You Currently Pay?**

**50.6%**



**What Percent of Your Part-Time Employees' Premiums Do You Currently Pay?**

**0.9%**



### What Types of Health Insurance Plans Do You Offer Employees?

A Preferred Provider Organization (PPO) is the most common plan paint and decorating retailers offer. About 35% of the retailers surveyed do not offer health insurance. Percentages in this chart do not total 100% because retailers could select more than one answer.

### Average Paid Time Off Employees Receive Annually

At paint and decorating stores, management and full-time employees receive similar benefits, including paid time off. On average, both groups receive four sick days and more than two work weeks of vacation. In addition, about 60% of retailers offer bereavement days to managers, 60% offer bereavement days to full-time workers who are not in management and 16% offer bereavement days to part-time employees.

	Sick/Personal Days	Vacation Days
<b>Management</b>	4.3	10.8
<b>Full-Time Employees</b>	4.1	10.7
<b>Part-Time Employees</b>	0.7	4.9

### Percent of Respondents Offering Nontraditional Benefits by Employee Type

Respondents could select all options that applied to their operations.

	Retirement	Salary Bonus	Maternity Leave*	Paternity Leave*	Educational Reimbursement	Flex Time	Comp Time	Cell-phone	Laptop/Tablet	Company Car	Employee Discount
<b>Do Not Offer</b>	54.6%	25.5%	78.2%	81.8%	89.1%	94.6%	94.6%	43.6%	76.4%	61.8%	7.3%
<b>Management</b>	43.6%	70.9%	18.2%	16.4%	10.9%	5.5%	1.8%	54.6%	21.8%	34.6%	87.3%
<b>Full-Time Employees</b>	45.5%	56.4%	21.8%	16.4%	9.1%	3.6%	1.8%	14.6%	9.1%	5.5%	85.5%
<b>Part-Time Employees</b>	5.5%	16.4%	1.8%	1.8%	0.0%	1.8%	1.8%	3.6%	1.8%	0.0%	63.6%

Managers and full-time employees receive similar time off and monetary benefits, but managers receive tangible items, such as company cars and cellphones, far more often than full-time employees do. In fact, 35% of managers receive a company car and 55% are provided cellphones, compared to 6% of full-time workers getting vehicles and 15% receiving cellphones.

\*Beyond what may be required by law.

## What Kind of Retirement Plan Do You Offer Employees?

Respondents could select all answers that applied to their operations.

<b>We do not offer retirement plans.</b>	47.3%
<b>401(k)</b>	23.6%
<b>SIMPLE IRA plans</b> (Savings Incentive Match Plans for Employees)	20.0%
<b>Other</b>	5.5%
<b>SARSEP plans</b> (Salary Reduction Simplified Employee Pension)	3.6%
<b>SEP plans</b> (Simplified Employee Pension)	1.8%
<b>Payroll Deduction IRAs</b>	0.0%

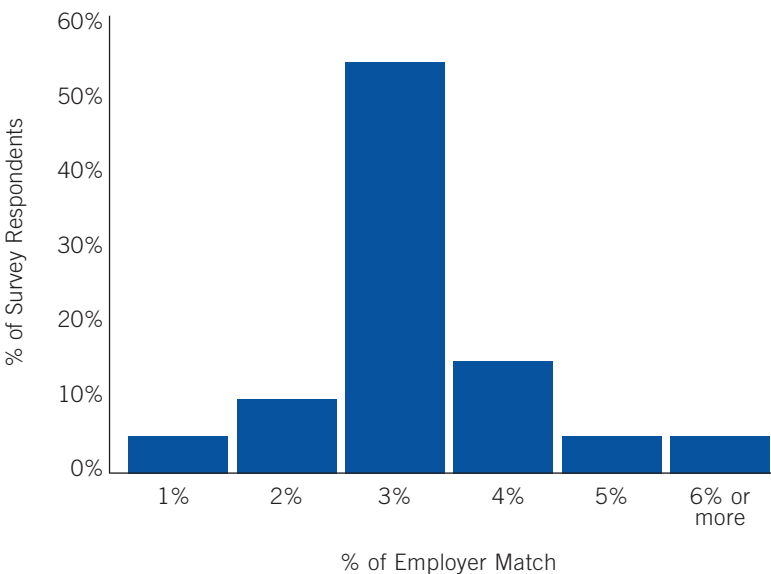
To retain strong talent, it is important that employers offer ways for employees to save for their futures; however, only about 50% of paint and decorating retailers offer these plans due to the high cost and paperwork. Respondents who answered “Other” say they provide pension or profit-sharing plans.

## Do You Provide an Employer Match to the Retirement Plan?



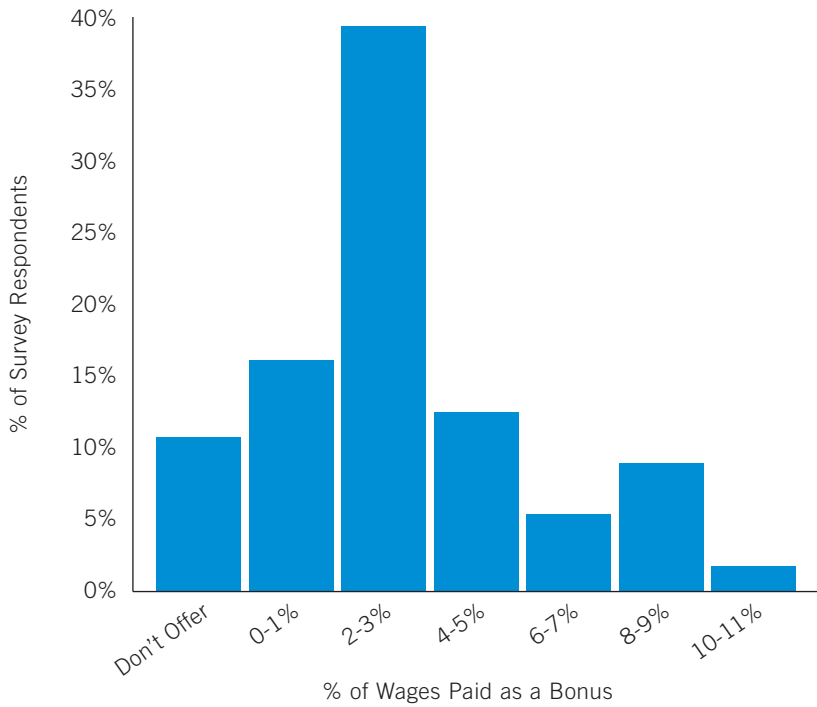
- **Yes** ..... 69.0%
- **No** ..... 31.0%

Of the respondents who provide a retirement plan, about 70% go on to provide an employer match. This high number aligns with the types of plans most offered—401(k) and SIMPLE IRA plans—which often include employer matches.



### If You Offer an Employer Match to the Retirement Plan, How Much Do You Match?

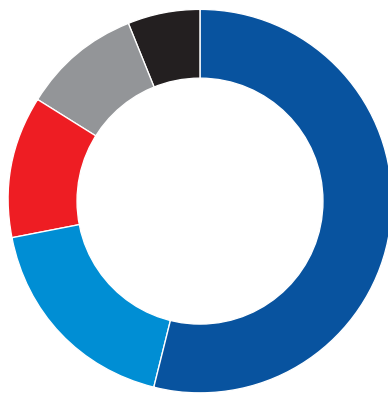
This chart shows the average employer match contribution among respondents. It is important to effectively communicate with employees the extent to which matches are given, such as dollar for dollar, and to what level of one’s salary the match will be fulfilled as indicated by this chart. This clarification is important because a 100% company match for up to 6% of an employee’s salary varies greatly from a 20% company match for up to 6% of an employee’s salary.



### On Average, What Percent of Total Wages Are Paid as a Bonus?

Bonuses are one of the most common benefits for study participants to offer. About 90% of respondents from retail paint and decorating operations offer noncommission bonuses to employees.

### How Often Are Noncommission Bonuses Paid?

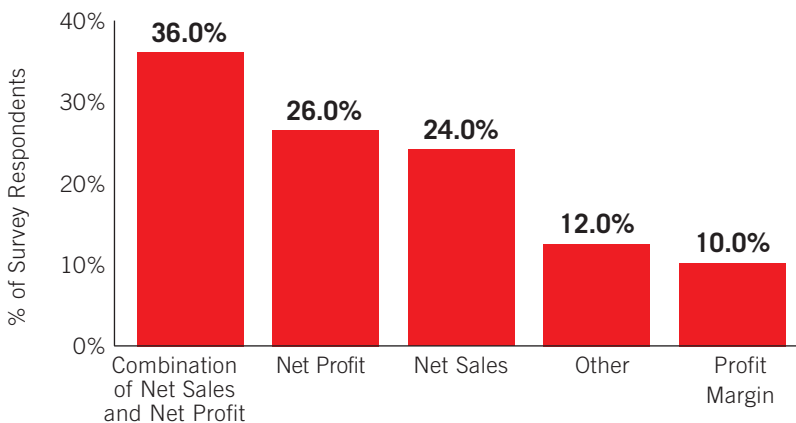


- **Annually** ..... 54.0%
- **Monthly** ..... 18.0%
- **Quarterly** ..... 12.0%
- **Semiannually** ..... 10.0%
- **Other** ..... 6.0%

Due to a majority of noncommission bonuses being based on net sales, profit or both, more than 80% of the respondents who pay bonuses provide them annually, quarterly or monthly. Common reporting practices are reasons for regular bonus schedules. Retailers who answered “Other” pay bonuses on varying schedules or as the owner deems appropriate.

### What Do You Base Noncommission Bonuses On?

Respondents could select more than one option.



\*Respondents who answered “Other” base noncommission bonuses on factors such as employee performance and rebates.

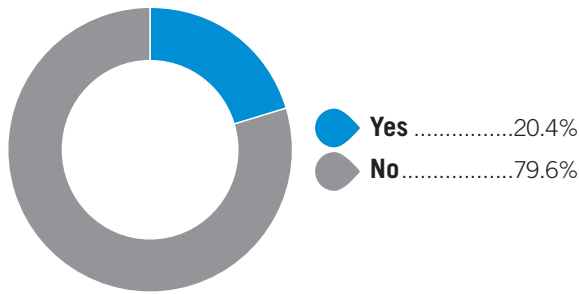
### Do You Offer a Holiday Bonus to Any of Your Employees?

Respondents could select more than one option.

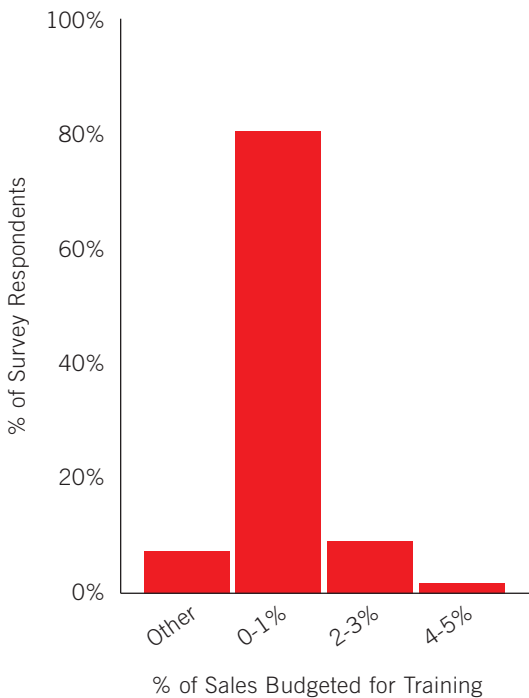
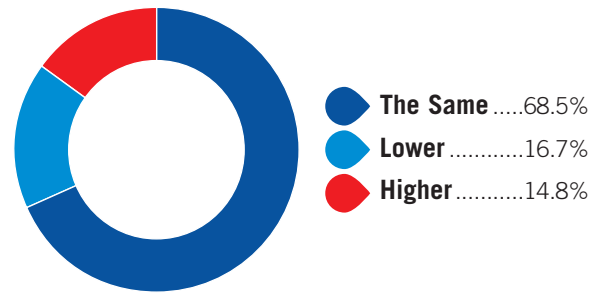
<b>Full-Time Employees</b>	58.2%
<b>Managers</b>	54.6%
<b>Do Not Offer</b>	36.4%
<b>Part-Time Employees</b>	30.9%



## Do You Have a Formal Employee Training Program?

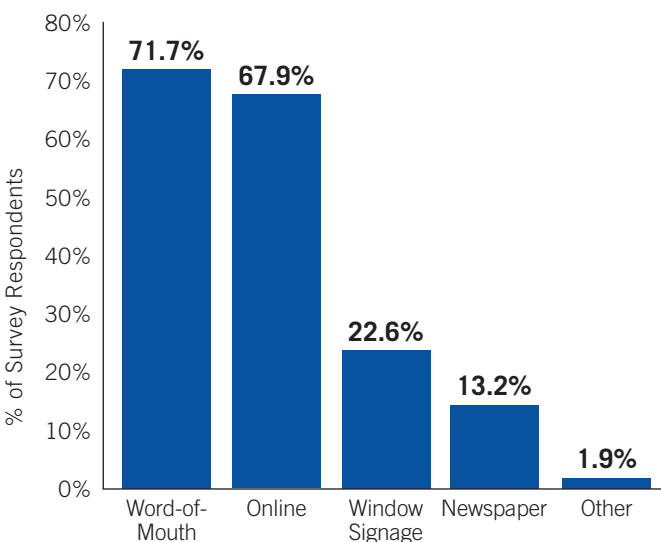


## Was Employee Turnover in 2017 Higher, Lower or the Same Compared to 2016?



## What Percent of Sales Do You Typically Budget for Training?

Most paint and decorating businesses invest 1% or less in employee training, even though training is effective in boosting employee morale and confidence, and can also improve retention rates. Respondents who answered "Other" say they do not budget for training. On average, retailers say they provide 20 hours per year of training to managers and assistant managers, 20 hours per year to full-time employees who are not in management and 16 hours per year to part-time workers.



## How Do You Advertise for Job Openings?

*Respondents could select more than one option.*

When trying to fill job openings, respondents rely most often on word-of-mouth and online sources for recruiting new workers. The next most common method is posting a sign in the window, which is easy to maintain and inexpensive. The 2% of retailers who answered "Other" also use government job services. Respondents could select all of the answers to this question that apply to their businesses.