

Oklahoma Employee Benefit Compensation

OESC 2005 Benefits Survey

Appendix A: Methodology



Vacation & Holiday

Health & Medical



Retirement, Bonuses
& Profit sharing



SURVEY METHODOLOGY

Sample Design

Information for the *2005 OESC Benefit Survey* comes from a survey of Oklahoma firms conducted in months of August, September and October of 2003. The 3,384 firms sampled for this survey were selected from a universe of firms doing business in three Oklahoma geographic regions of metropolitan Oklahoma City, metropolitan Tulsa and Greater Oklahoma (remainder of state) as determined by the fourth quarter 2002 Oklahoma's Covered Employment and Wages (QCEW) data base of non-farm firms. Firms were selected by a sampling procedure that stratified by the geographical region, industry and firm sized. Firms were randomly selected within each stratum.

As well as the previously mentioned three geographical regions, three firm sizes consisting of small (4 – 49 employees), medium (50 – 249 employees) and large (250 and more employees) and ten major industry sectors as defined by the Standard Industrial Classification Manual (1987) were selected by the stratified sampling procedure. Firms with one to four employees employing a small fraction of 83,377 employees of the total 1.02 million non-farm Oklahoma employees were omitted from the sampling in order to obtain firms representing a maximum portion of Oklahoma employment.

Definitions

Ten major industrial sectors, as defined in the 1987 Standard Industrial Classification (SIC) Manual, were used in both the sampling of Oklahoma firms for this survey and in reporting benefits that they offered to their employees. The definitions for these ten major industrial sectors follow.

Mining

Firms primarily engaged in mining including the extraction of minerals occurring naturally: solids, such as coal and ores; liquids, such as crude petroleum; and gases such as natural gas. Mining also includes quarrying, well operations, milling and other preparation customarily done at the mine site, or as a part of mining activity.

Construction

Firms primarily engaged in construction of buildings and other structures including new work, additions, alterations, reconstruction, installations and repairs.

Manufacturing

Firms engaged in the mechanical or chemical transformation of materials or substances to new products including assembling component parts of manufactured products if the new product is neither a structure nor other fixed improvement.

Wholesale Trade

Firms engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, construction contractors, or professional business users; or to other wholesalers.

Retail Trade

Firms engaging in selling merchandise for personal or household consumption and rendering services incidental to the sale of the goods.

F.I.R.E. (Finance, Insurance, and Real Estate)

Firms that operate primarily in the fields of finance, insurance and real estate including banks, savings and loans, holding companies, investment companies and brokers; insurance carriers, brokers and agents; and real estate owners, lessors, lessees, buyers, developers and agents.

Services

Firms primarily engaged in providing a wide variety of services to individuals, businesses and government establishments including hotels and other lodging places; firms providing personals, business, repair and amusement services; health, legal, engineering, and other professional services; educational institutions; membership organizations and other miscellaneous services.

Public Administration

Government agencies or government organizations engaged in executive, legislative, judicial, administrative and regulatory activities of Federal, State, local and international governments. Also includes private firms that are also primarily engage in the same activities as government agencies or government organizations.

All Other Industries or Non-classifiable Firms

Firms in this category are ones that cannot be classified into any other industrial sector.

Survey Response Rates

Returns for the *2005 OESC Benefit Survey* have a healthy distribution across the three stratified levels of geographical area, industry sector and firm size. The following five tables demonstrate the survey response rate distribution across these three stratification levels, as a percentage of the total universe of Oklahoma non-farm firms and their employees, and by method of response.

TABLE 47A: Survey Response Rates by Geographical Area.

| Geographical Area | Sample | Returned | Response Rate (Percent) |
|--------------------------|---------------|-----------------|--------------------------------|
| Oklahoma City | 1120 | 657 | 58.7 |
| Tulsa | 1,132 | 685 | 60.5 |
| Greater Oklahoma | 1,132 | 743 | 65.6 |
| Total | 3,384 | 2,085 | 61.6 |

Note: Greater Oklahoma is everything outside Oklahoma City and Tulsa metropolitan areas.

TABLE 47B: Survey Response Rates by Firm Size

| Firm Size | Sample | Returned | Response Rate (Percent) |
|---------------------|---------------|-----------------|--------------------------------|
| Small Firms | 1559 | 1090 | 69.9 |
| Medium Firms | 1,295 | 740 | 57.1 |
| Large Firms | 530 | 255 | 48.1 |
| Totals | 3,384 | 2,085 | 61.6 |

*Note: Small Firms are those with < 50 employees; Medium Sized Firms are those with 50 to 249 employees; and Large Firms are those with 250 or more employees.

TABLE 47C: Survey Response Rates by Industry.

| Geographical Area | Sample | Returned | Response Rate (Percent) |
|------------------------------|---------------|-----------------|--------------------------------|
| Mining | 65 | 38 | 58.5 |
| Construction | 244 | 147 | 60.2 |
| Manufacturing | 430 | 283 | 65.8 |
| Utilities | 173 | 99 | 57.2 |
| Wholesale Trade | 215 | 135 | 62.8 |
| Retail Trade | 665 | 342 | 51.4 |
| F.I.R.E. | 182 | 111 | 61.0 |
| Services | 1365 | 877 | 64.2 |
| Public Administration | 39 | 33 | 84.6 |
| All Other Industries | 6 | 20 | — |
| Total | 3,384 | 2,085 | 61.6 |

* Note: 16 firms returned their survey without address labels or other identifying features rendering industry identification impossible. These 16 firms were added to 4 all other industries returns to make a total response of 20 for that category.

TABLE 47D: Responses by Industry and Firm Size; Population of Oklahoma Non-farm Firms, with State and Federal Government Agencies and Firms Size Less than 5 Employees Excluded.

| Industry by Firm Size | Total Number of Firms in Industry | Number of Responding Firms | Percent of Firms Responding | Total Number Employed in Industry | Number Employed by Responding Firms | Percent Employed by Responding Firms |
|---|--|-----------------------------------|------------------------------------|--|--|---|
| MINING | | | | | | |
| Small Firms | 687 | 21 | 3.1 | 8,602 | 390 | 4.5 |
| Medium Size Firms | 59 | 12 | 20.3 | 5,352 | 1,432 | 26.8 |
| Large Firms | 12 | 5 | 41.7 | 8,483 | 6,157 | 72.6 |
| All Size Firms | 758 | 38 | 5.0 | 22,437 | 7,979 | 35.6 |
| CONSTRUCTION | | | | | | |
| Small Firms | 3,021 | 107 | 3.5 | 35,347 | 1,229 | 3.5 |
| Medium Size Firms | 165 | 36 | 21.8 | 13,535 | 3,534 | 26.1 |
| Large Firms | 14 | 4 | 28.6 | 6,938 | 1,339 | 19.3 |
| All Size Firms | 3,200 | 147 | 4.6 | 55,820 | 6,102 | 10.9 |
| MANUFACTURING | | | | | | |
| Small Firms | 2,085 | 116 | 5.6 | 30,805 | 1,898 | 6.2 |
| Medium Size Firms | 379 | 124 | 32.7 | 41,262 | 13,730 | 33.3 |
| Large Firms | 88 | 43 | 48.9 | 47,278 | 20,867 | 44.1 |
| All Size Firms | 2,552 | 283 | 11.1 | 119,345 | 36,495 | 30.6 |
| UTILITIES | | | | | | |
| Small Firms | 1,281 | 53 | 4.1 | 17,253 | 693 | 4.0 |
| Medium Size Firms | 142 | 30 | 21.1 | 13,243 | 3,104 | 23.4 |
| Large Firms | 41 | 16 | 39.0 | 38,699 | 23,938 | 61.9 |
| All Size Firms | 1,464 | 99 | 6.8 | 69,195 | 27,735 | 40.1 |
| WHOLESALE TRADE | | | | | | |
| Small Firms | 2,263 | 86 | 3.8 | 29,139 | 1,191 | 4.1 |
| Medium Size Firms | 175 | 40 | 22.9 | 14,968 | 3,977 | 26.6 |
| Large Firms | 14 | 9 | 64.3 | 9,294 | 7,390 | 79.5 |
| All Size Firms | 2,452 | 135 | 5.5 | 53,401 | 12,558 | 23.5 |
| RETAIL TRADE | | | | | | |
| Small Firms | 6,227 | 229 | 3.7 | 82,419 | 3,665 | 4.4 |
| Medium Size Firms | 528 | 79 | 15.0 | 46,569 | 7,231 | 15.5 |
| Large Firms | 75 | 34 | 45.3 | 61,980 | 29,361 | 47.4 |
| All Size Firms | 6,830 | 342 | 5.0 | 190,968 | 40,257 | 21.1 |
| F.I.R.E. | | | | | | |
| Small Firms | 1,818 | 68 | 3.7 | 22,478 | 1,040 | 4.6 |
| Medium Size Firms | 128 | 28 | 21.9 | 11,891 | 2,464 | 20.7 |
| Large Firms | 33 | 15 | 45.5 | 21,739 | 10,701 | 49.2 |
| All Size Firms | 1,979 | 111 | 5.6 | 56,108 | 14,205 | 25.3 |
| SERVICES | | | | | | |
| Small Firms | 9,706 | 421 | 4.3 | 116,333 | 6,425 | 5.5 |
| Medium Size Firms | 1,311 | 342 | 26.1 | 128,669 | 36,694 | 28.5 |
| Large Firms | 235 | 114 | 48.5 | 192,895 | 120,827 | 62.6 |
| All Size Firms | 11,252 | 877 | 7.8 | 437,897 | 163,946 | 37.4 |
| PUBLIC ADMINISTRATION | | | | | | |
| Small Firms | 336 | 19 | 5.7 | 4,893 | 347 | 7.1 |
| Medium & Large Firms | 63 | 14 | 22.2 | 5,829 | 1,764 | 30.3 |
| All Size Firms | 399 | 33 | 8.3 | 10,722 | 2,111 | 19.7 |
| ALL OTHER INDUSTRIES | | | | | | |
| All Size Firms | 268 | 20 | 7.5 | 2,342 | 596 | 25.4 |
| ALL INDUSTRIES & ALL FIRM SIZES* | 31,154 | 2,085 | 6.7 | 1,018,235 | 311,984 | 30.6 |

Small Firms are < 50 employees; Medium Sized Firms are 50 to 249 employees; & Large Firms are 250 and more employees.

*98 of the responding firms reported that they had gone out of business, merged with other firms or currently had no employees.

TABLE 47E: Methods Used for Reponse.

| Method of Response | Returned | Response Rate (Percent) |
|---------------------------|-----------------|--------------------------------|
| Mail | 1834 | 88.0 |
| Online | 219 | 10.5 |
| FAX | 20 | 1.0 |
| Phone | 12 | 0.6 |
| Totals | 2,085 | 100.0 |

Survey Questionnaire

The format and most of the items used in the *2005 OESC Benefit Survey* instrument was borrowed from the *1998 New Hampshire Benefit survey* and used with the permission of the Economic and Labor Market Information Bureau of the New Hampshire Employment Security. The appropriateness of questionnaire items and the fitness of their language were appraised and tested by the following three methods: A content analysis of 15 statewide survey conducted by other state’s Labor Market Information Units and of one County benefit survey conducted by a municipal Chamber of Commerce was completed. A participant study was conducted with the cooperation of ten Human Resource Personal in ten Oklahoma firms of varying sizes and industries (see Appendix D). A pilot study of a random sample of 120 Oklahoma firms tested the fitness of the instrument.

The results of the participant study participated the addition of eight items to the questionnaire to address combined paid leave time. The pilot study was invaluable in determining some required question language refinement.

Survey Reporting Notes

1. Weights were calculated for the firms in each stratification level of geographical area, industry and firms size in order to make estimates of the number and percentages of firms in aggregates of different segments of the populations. A second set of weights was also calculated in order to make accurate estimates of the number and percentage of employees employed by these firms. Both weights were appropriately adjusted for changes in the dimensions and characteristics of the universe population of Oklahoma firms, as determined by the survey returns. For examples, adjustments were made for firms that had gone out of business or firms that had added or subtracted the number employed so that their firm size changed.
2. In some reporting situations where response was unusually low, two or more firm sizes were collapsed together into one size. For example, in some cases response was not sufficient to report the response of an industry by three firms sizes. In that situation, either two firms sizes were collapsed together or the responses were not reported by firm size. It should also be note that no large construction firms that employed part-time hourly employees responded to this survey.
3. In the original sampling, firms with less than five employees with a small fraction of 83,377 employees out of the total 1.02 million non-farm Oklahoma State employees were eliminated from selection. However, due to firm size change a portion of the remaining firms in our sample downsized so that at the time of the survey they had less than five employees. This was addressed by reporting the three firm sizes as: less than 50 employees; 50 – 249 employees; and 250 or more employees. State and Federal agencies were also excluded from this survey.