



# STRATEGY TITAN



## Wood Product Manufacturing US Compensation Trends Report

**NAICS 321 – August 2022 Edition**

Compensation trends and insights simplified

[www.strategytitan.com/labortitan](http://www.strategytitan.com/labortitan)



## EXECUTIVE SUMMARY

Strong wage growth over the past 12 months is expected to continue over the next 12 months.

### US Labor Market Overview

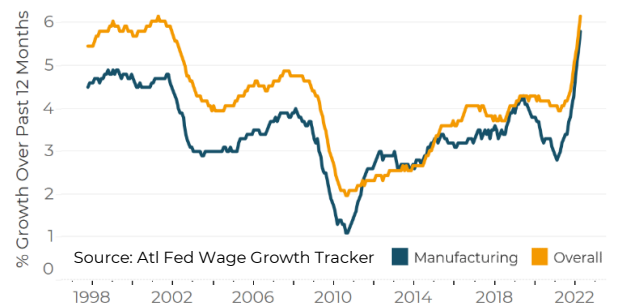
The July 13th edition of the Beige Book from the Federal Reserve highlighted that most labor markets in the US saw employment rise at a moderate pace and labor conditions remained tight overall. Modest improvements in labor availability amid weaker demand for workers was also noted, particularly among manufacturing and construction contacts.

Wage growth continues to be a consistent theme, with one third of Fed Districts indicating that employers were considering or had given employees bonuses to offset inflation related costs while in two Districts, workers requested raises to offset higher costs. A quarter of Districts indicated wage growth will remain elevated for the next six months, while a few noted that wage pressures are expected to subside later this year.

### Manufacturing Labor Market Overview

Per the Atlanta Fed, as of June 2022 manufacturing median wages overall have grown 5.8% over the past 12 months. Overall median US wages have grown 5.3% over the same time period. Manufacturing has experienced the 3rd fastest median wage growth behind “trade and transportation” (5.9%) and “leisure and hospitality” (6.4%).

Median % change in the hourly wage of individuals observed 12 months apart



### Wood Product Labor Market Overview

Wood Products saw median wage growth of 7.1% nationally across all jobs over the past 12 months.

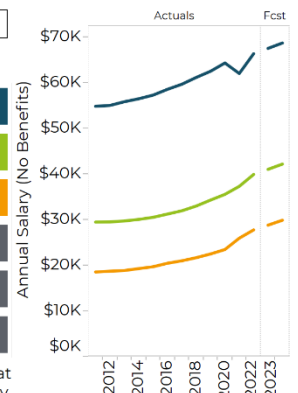
Our median wage growth forecast for the industry over the next 12 months is 2.7%. Considering the currently impact of inflation, it is possible this increases to mid/upper single digits for specific markets.

Annual Salary & Hourly Wages For All Wood Product Manufacturing Jobs

**Notes:** Figures below represent **salary/wages only**. Benefits and other forms of compensation are not included. Figures exclude overtime wages and other forms of special compensation. Assumes 2,080 straight time hours worked per year.

\*All figures as of July

	Actuals			Forecast	
	2020	2021	2022	2023	2024
Expert Annual Wage (90th PCTL)	\$64.3K	\$62.0K	\$66.3K	\$67.5K	\$68.7K
Median Annual Wage (50th PCTL)	\$35.5K	\$37.3K	\$39.9K	\$41.0K	\$42.1K
Entry Annual Wage (10th PCTL)	\$23.4K	\$25.9K	\$27.7K	\$28.8K	\$29.8K
Expert \$/Hr (90th PCTL)	\$30.9	\$29.8	\$31.9	\$32.5	\$33.0
Median \$/Hr (50th PCTL)	\$17.1	\$17.9	\$19.2	\$19.7	\$20.3
Entry \$/Hr (10th PCTL)	\$11.3	\$12.5	\$13.3	\$13.8	\$14.4



**PCTL** = Percentile, a salary/wage where a certain percentage of salary/wages fall below that number. In general, more experience, expertise and/or responsibility results in a higher pay.

# Top 20 Industry Specific Occupations With Median Wages and Forecasted Growth Nationally

## National Hourly Pay & Employment For Top 20 Occupations In Wood Product Manufacturing (NAICS 321)

\*Top 20 detailed occupations based on total US employment in "Wood Product Manufacturing" as of June 2022

Source: [strategytitan.com/labortitan](https://strategytitan.com/labortitan)

Occupation Title	Total Jobs	Median \$/Hr Pay				Forecasted 12 Month Median Wage Growth				
		\$0	\$20	\$40	\$60	1%	2%	3%	4%	5%
Woodworking Machine Setters, Operators, and Tenders, Except Sawing	47.1K		\$18.6			3.5%				
Sawing Machine Setters, Operators, and Tenders, Wood	36.1K		\$18.1			3.4%				
Laborers and Freight, Stock, and Material Movers, Hand	28.1K		\$16.0			3.7%				
Industrial Truck and Tractor Operators	21.2K		\$19.6			3.4%				
First-Line Supervisors of Production and Operating Workers	16.8K		\$27.7			2.1%				
Carpenters	12.2K		\$19.6			2.6%				
Heavy and Tractor-Trailer Truck Drivers	11.8K		\$23.5			3.6%				
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	9.2K		\$30.1			1.9%				
Cabinetmakers and Bench Carpenters	9.1K		\$19.0			3.0%				
General and Operations Managers	8.5K		\$47.9			1.4%				
Machine Feeders and Offbearers	7.7K		\$18.4			3.9%				
Office Clerks, General	7.7K		\$18.5			3.5%				
Maintenance and Repair Workers, General	6.9K		\$22.2			2.5%				
Industrial Machinery Mechanics	6.5K		\$24.6			1.8%				
Inspectors, Testers, Sorters, Samplers, and Weighers	6.3K		\$19.6			2.5%				
Helpers--Production Workers	6.3K		\$15.6			3.8%				
Production Workers, All Other	5.4K		\$15.8			0.6%				
Shipping, Receiving, and Inventory Clerks	3.8K		\$18.9			2.6%				
Bookkeeping, Accounting, and Auditing Clerks	3.5K		\$20.7			2.4%				
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	3.3K		\$18.9			2.8%				

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## Recommendations for 2023

Be proactive with your compensation management process and strategy. Building these muscles and processes takes time. Start the process today. Some recommendation to make that happen are below.

### Short Term (6-12 Months)

- Benchmark your wages against local occupational wages, not just national and regional figures.
- Understand if your wages increased less than your local market. If you took wages up 4% on average, and your competition took wages up 6%, you need to be ready to offer slightly larger wage increases in 2023 to remain competitive in your local labor market.
- Be prepared for more frequent conversations with your workforce on mid year increases until inflation starts to subside.

### Mid Term (1-2 Years)

- If you are using wage figures from a 3<sup>rd</sup> party like an industry association, consider using additional sources to ensure you are using high quality and reliable data. Surveys are great, but they tend to have challenges with sample size, frequency of update/recency, and industry bias.
- Competition for key roles is likely to persist through 2023 and beyond. To improve your chances of winning the talent battle you need to be confident that you are offering competitive wages.
- If you don't have a structured compensation benchmarking and management strategy/program, you should consider developing one. This is a key tool in the battle for talent and serves as the foundation for your 2023 plan and broader compensation strategy.

**Important note:** All median wages and forecasts presented in this report are national level estimates. Local wages and forecast can vary significantly based on unique local labor market dynamics. For detailed current and forecasted local market occupational wages/forecasts visit [strategytitan.com/labortitan](http://strategytitan.com/labortitan)

## About Strategy Titan

Strategy Titan is a strategic management, data, and analytics technology and advisory firm that focuses on helping companies drive top and bottom-line growth using the power of data and analytics.

Labor Titan is our proprietary workforce and compensation insight tool. It provides real-time and forecasted job compensation data at the metro, industry, and occupational work levels.

Labor Titan's wage and employment forecasts and predictive analytics will arm you with powerful insights on local occupational compensation trends.

Bottom line? We take the uncertainty and complexity out of compensation related hiring and retention decisions.

You can get custom occupational wage reports right down to your local metro in minutes at [strategytitan.com/labortitan](http://strategytitan.com/labortitan).

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