March 2021

UKG Workforce Activity Report

By analyzing weekly employee shift trends at 35,000 U.S. businesses with a combined 3.3 million employees, this index tracks the ongoing recovery of the U.S. workforce.

The state of the frontline workforce

Shift Data Informs Pace of National Recovery

Using high-frequency workplace data to track the health of the labor economy

By analyzing weekly employee shift work and pay statement trends across 35,000 U.S. businesses and 3.3 million employees, this index provides directional insight into the health of the frontline working economy. See all historical weekly reports at **UKG.com/WorkforceActivityReport.**

Following a strong upswing in February, shift volume dipped by 1.2% over the course of March, largely due to seasonal springtime fluctuations in the second half of the month. Shifts increased 2.6% in mid-March compared to mid-February — indicating the green shoots of recovery are still growing.

Executive Summary

March 2021

National shift growth (pg. 3)

11.1%	June
0.2%	July
3.2%	August
3.1%	September
-0.1%	October
0.1%	November
-3.2%	December
-3.0%	January
1.9%	February
-1.2%	March

Workforce Recovery Scale (pg. 5)

81.7	June
81.9	July
84.5	August
87.1	September
87.0	October
87.1	November
84.3	December
84.9	January
86.6	February
85.5	March

Shift growth by company size (pg. 6)

-0.9%	<100
-1.3%	101-500
-1.6%	501-1,000
-2.4%	1,001-2,500
-3.2%	2,501-5,000
3.5%	>5,000

Shift growth by industry (pg. 7)

-2.2%	Healthcare
-1.9%	Public sector
-1.6%	Manufacturing
-1.3%	Services & distribution
-0.3%	Retail, hospitality & food service

Shift growth by region (pg. 8)

-4.2%	Southeast
-0.8%	West
-0.7%	Northeast
-0.6%	Midwest

The UKG Workforce Recovery Scale stands at 85.5

"Last March, we watched stunned as the COVID-19 pandemic wreaked havoc on the U.S. labor market. This March, we continue to see promising signs of green shoots as businesses rebuild hiring confidence."

Dave Gilbertson
Vice president, UKG

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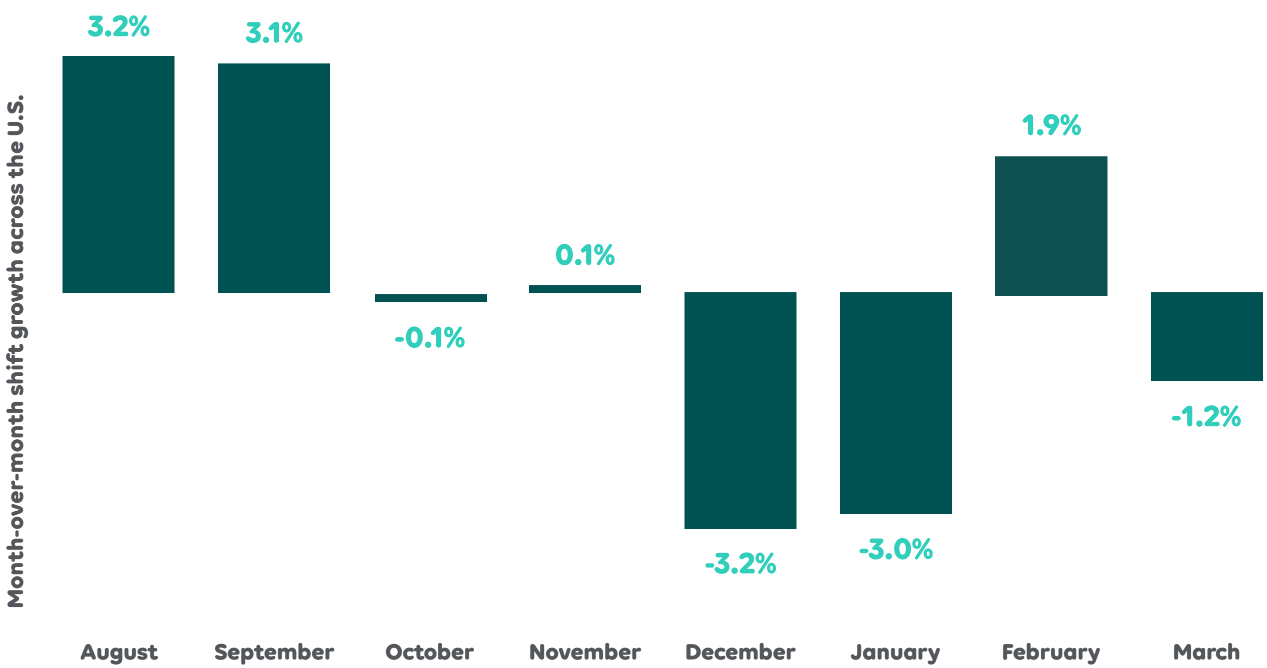
Shifts worked

Shift growth as measure of workplace recovery

This data reflects month-over-month shift growth as measured by time punches, collected via time clock, mobile, and web-based devices.

Impacted by a variety of health, regulatory, and seasonal factors, shift work across the U.S. dipped by 1.2% in March.



Shift volume in March declined by 1.2%

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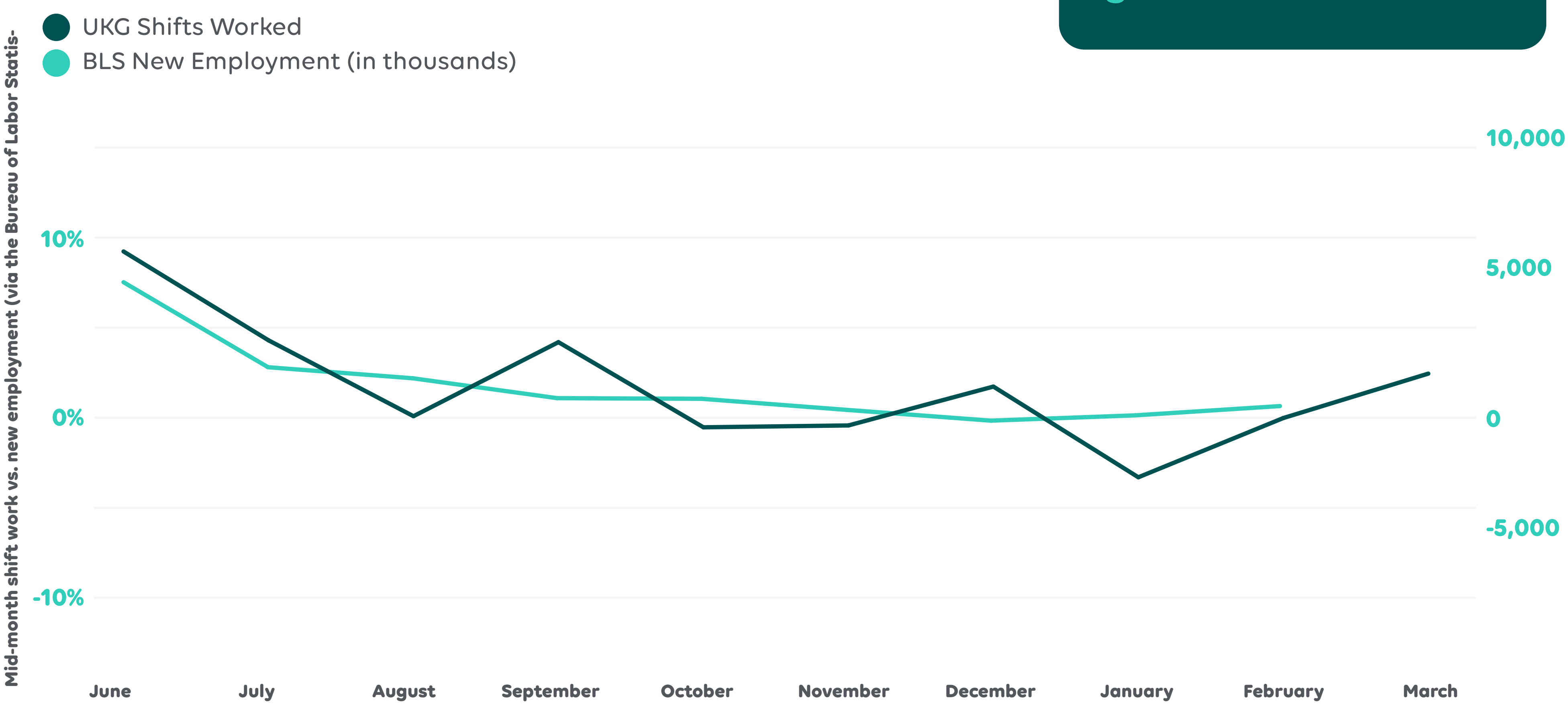
Shift recovery: Mid-month data aligns with changes in U.S. employment

Throughout the national economic recovery, high-frequency UKG shift data has closely correlated each month with the new employment gains reported by the U.S. Department of Labor — providing an indication of the direction of jobs recovery.

Mid-month shift volume in March saw its largest increase since September, propelled by February's strong new employment growth

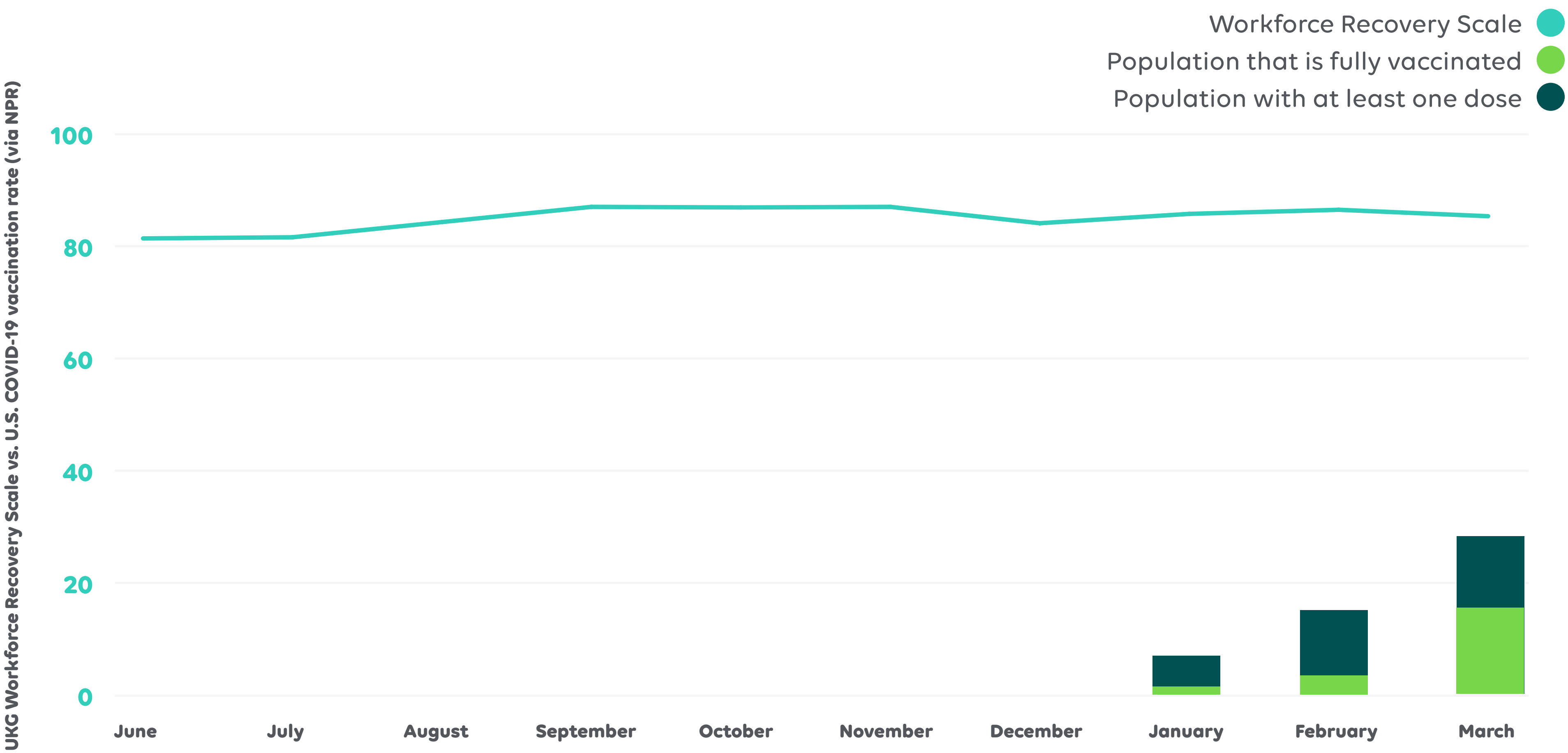


Shift recovery: Tracking work activity alongside vaccination rates

The UKG Workforce Recovery Scale is an indexed measure of shift work activity across the U.S. The Workforce Recovery Scale does not track the economic recovery from COVID-19; it is a metric benchmarking the shift-based workplace activity today against pre-pandemic activity to provide an alternative and complementary view into the national employment situation.

The national economic recovery is dependent on a variety of factors — including an increasing rate of COVID-19 vaccinations. The combination of vaccination rates and the Workforce Recovery Scale provides a multidimensional view of stability indicators that can empower organizations to begin planning for future post-pandemic operations.

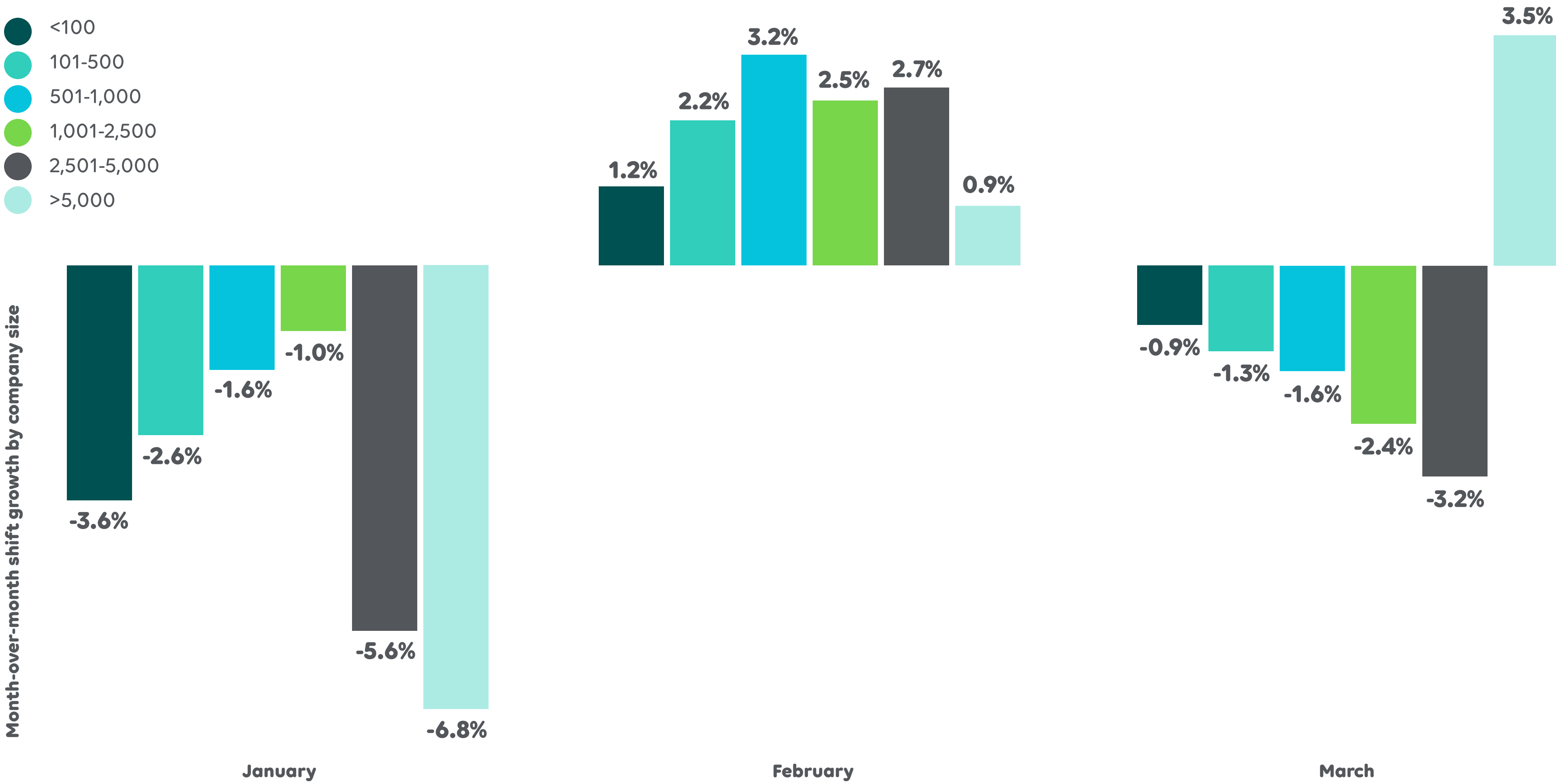
One year into the job market recovery, the UKG Workforce Recovery Scale sits at 85.5 compared to a 100.0 baseline in February 2020



Shift recovery: Company size

This data reflects month-over-month shift growth by company size as measured by time punches.

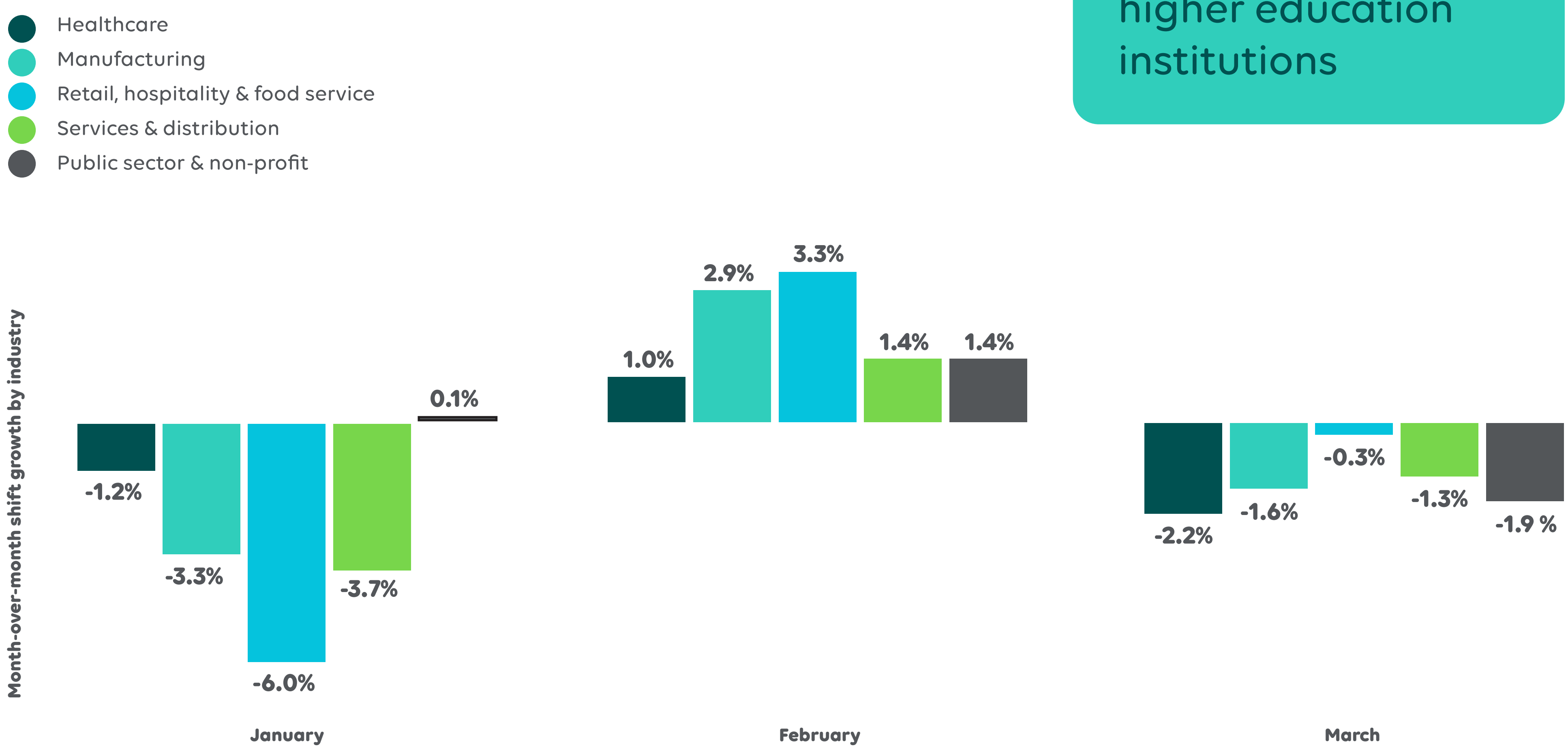
Despite the nationwide slowdown in shift work in March, companies with more than **5,000** employees saw a 3.5% increase in shift volume



Shift recovery: Industry

This data reflects month-over-month shift growth by industry as measured by time punches.

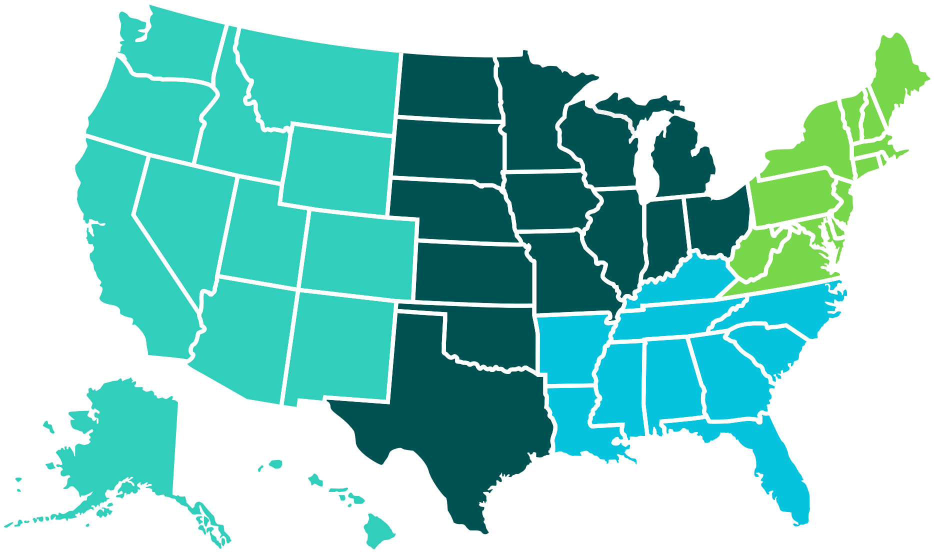
The public sector **declined 1.9%** in March as school vacations and spring breaks impacted operations at K-12 school systems and higher education institutions



Shift recovery: U.S. landscape

The workplace recovery continues to be highly regionalized and localized.

This data reflects month-over-month shift growth by region and state as measured by time punches.



Region	January	February	March
Northeast	**-3.5%** January	**2.0%** February	**-0.7%** March
West	**-3.8%** January	**3.2%** February	**-4.2%** March
Midwest	**-1.9%** January	**1.4%** February	**-0.6%** March
Southeast	**-3.6%** January	**1.3%** February	**-0.8%** March

15 states have not recovered 15% or more of shifts lost.

6 states continue to maintain stay-at-home advisories.

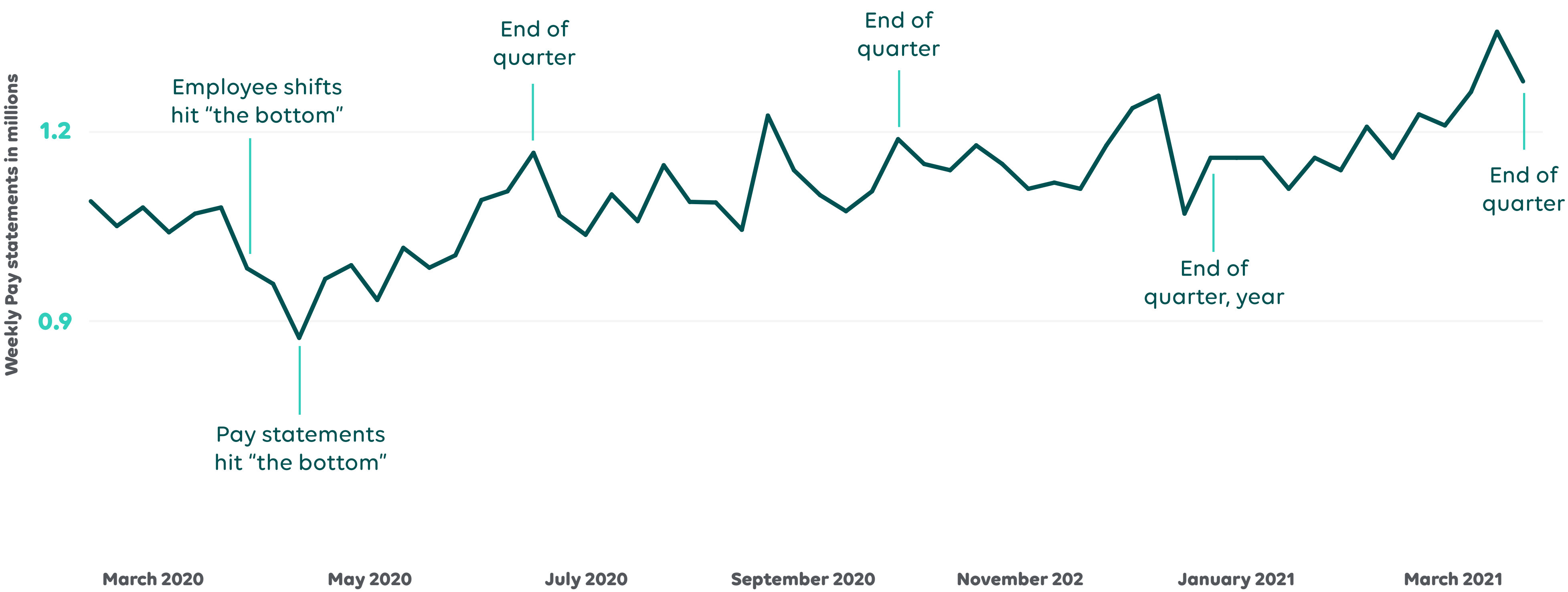
30 states saw an overall decline in shift work in March.

Pay statements

This data reflects the number of pay statements generated each week — including direct deposit and physical checks — for 3.3 million U.S. employees.

Because pay statements reflect previous hours worked, are generated by an employer with varying frequencies (e.g., weekly, biweekly, monthly), and employees often receive payments after termination (e.g., vacation accrual payout, severance), data should continue to reveal the resulting impact of changes in shifts worked on pay statement generation.

Leading up to end of quarter, the rolling two-week average pay statement volume is up 1.4% compared to the same time period in February



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Methodology

The Workforce Activity Report by UKG (Ultimate Kronos Group) is an index that measures week-by-week metrics including employee shifts worked and pay statements from 3.3 million employees across more than 35,000 UKG customers.

"Shifts worked" is a total derived from aggregated employee time and attendance data and reflects the number of times that employees — especially those who are paid hourly or must be physically present at a workplace to perform their jobs — "clock in" and "clock out" via a time clock, mobile app, computer, or other device at the beginning and end of each shift.

"Pay statements" reflect the number of payroll checks generated each week, including both direct deposit transfers and physical checks.

Beginning November 3, 2020, UKG updated its methodology to reflect a monthly chained index view of workforce activity.

For the latest data reports visit:
UKG.com/WorkforceActivityReport

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