



May 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**.

The consistency of workforce activity and recovery across the U.S. continued its tedious recovery in May, with mid-month shift volume levels increasing by just 0.1% compared to mid-April, indicating a slight — though still lackluster — improvement in month-over-month job creation. The UKG Workforce Recovery Scale currently sits at 85.3 out of 100.

May 2021

Mid-month shift growth (pg. 4)

0.3%	August
4.4%	September
-0.3%	October
0.2%	November
1.9%	December
-3.0%	January
0.2%	February
2.6%	March
-0.3%	April
0.1%	May

Workforce Recovery Scale (pg. 5)

84.5	August
87.1	September
87.0	October
87.1	November
84.3	December
84.9	January
86.6	February
85.5	March
85.9	April
85.3	May

Shift growth by company size (pg. 7)

-0.6%	<100
-0.2%	101-500
0.6%	501-1,000
-0.7%	1,001-2,500
4.2%	2,501-5,000
1.7%	>5,000

Shift growth by industry (pg. 8)

1.5%	Services & distribution
1.1%	Public sector
0.4%	Retail, hospitality & food service
-1.7%	Manufacturing
-2.2%	Healthcare

Shift growth by region (pg. 9)

0.9%	Southeast
-0.2%	West
-0.2%	Midwest
-0.3%	Northeast

The UKG
Workforce
Recovery Scale
stands at
85.3

Many people have adapted to new childcare arrangements, household budgets, and generally doing more with less. We expect those folks will use this summer to enjoy a sense of social normalcy to emotionally recharge, with a rapid acceleration in new employment come fall.

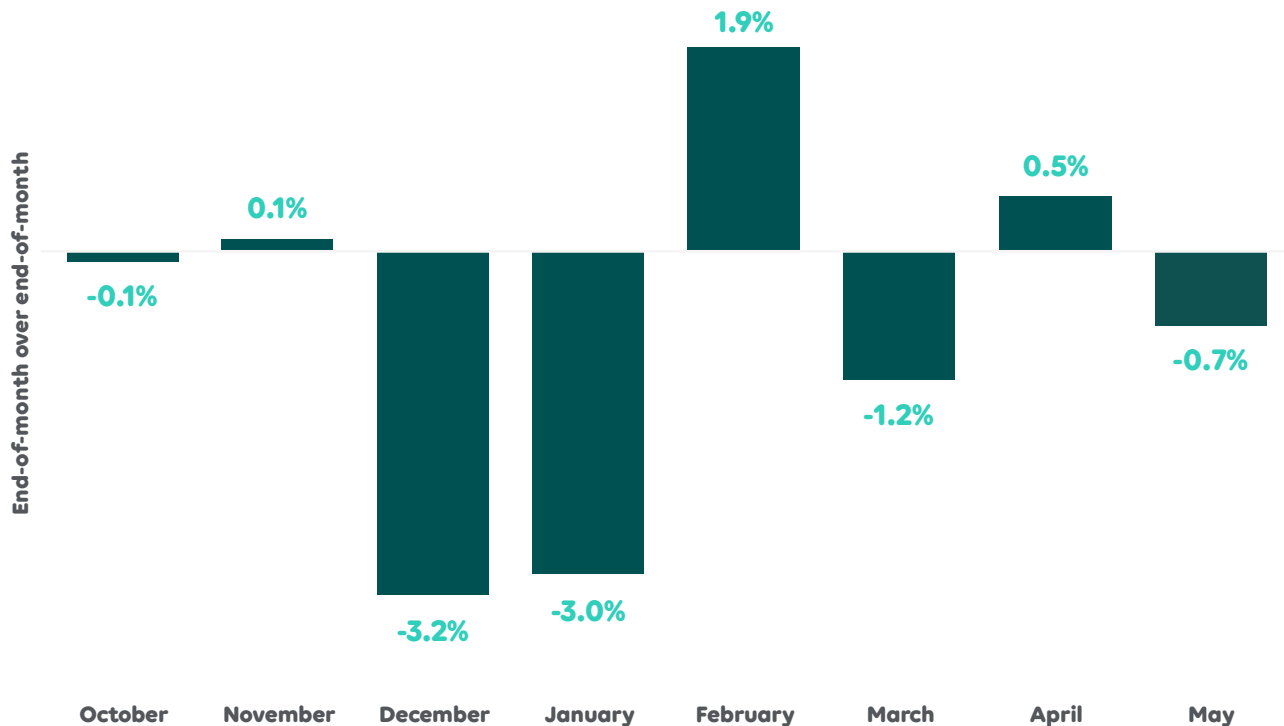
Dave Gilbertson
Vice president, UKG

Shifts worked

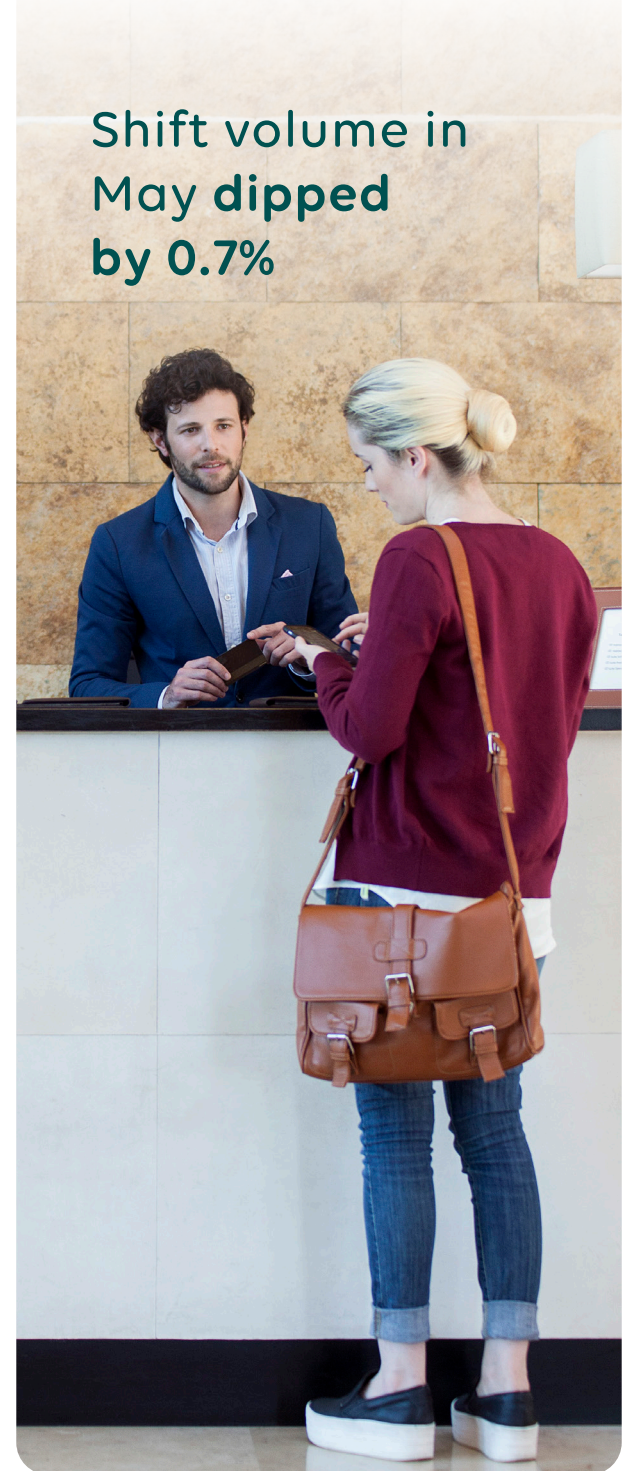
Shift growth as measure of workplace recovery

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

Despite increasing vaccination rates and the relaxing of restrictions, shift work volume across the U.S. remained relatively flat in April.



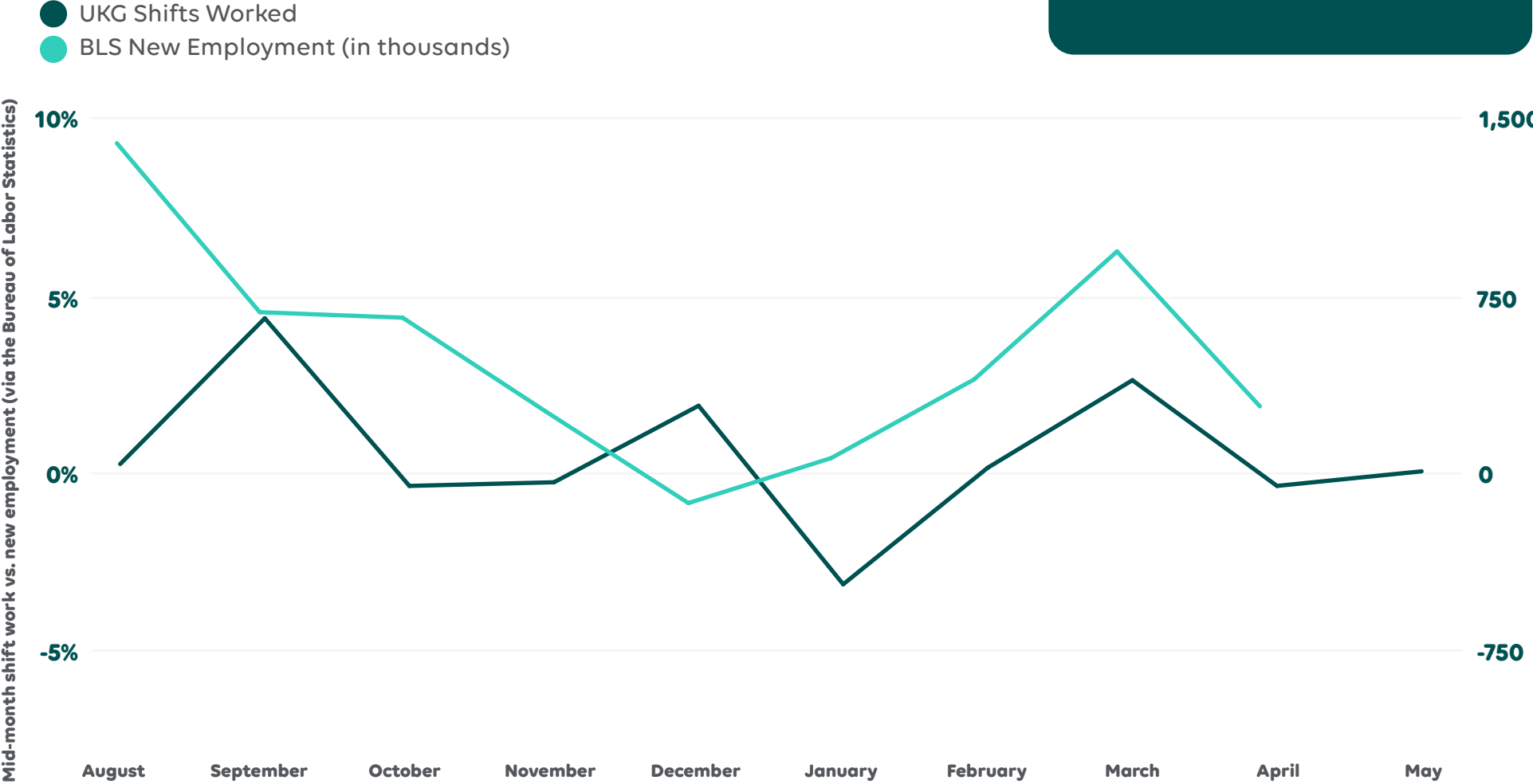
Shift volume in May dipped by 0.7%



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.

Following a decline in early April, shift volume growth from mid-April to mid-May increased slightly by 0.1%

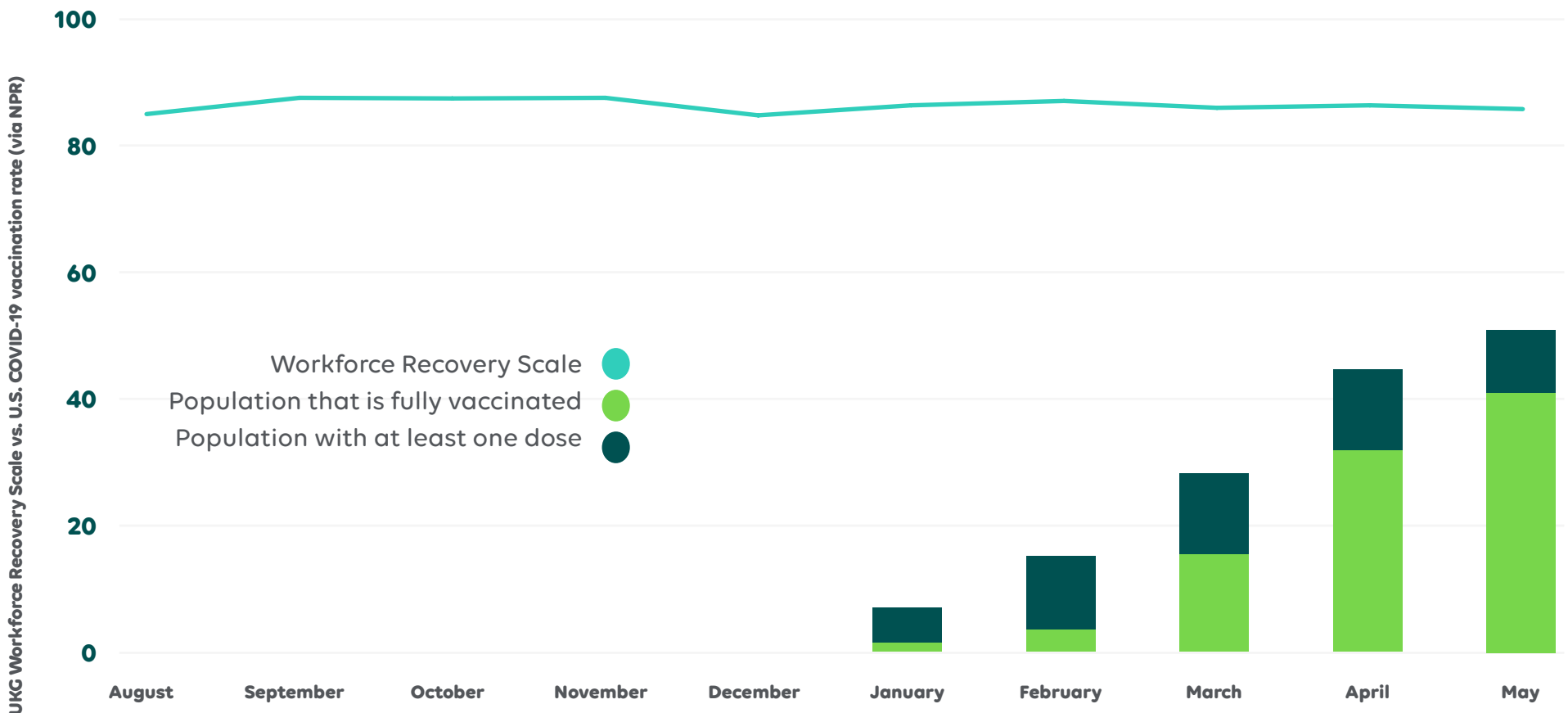


Shift recovery: Tracking work activity alongside vaccination rates

The UKG Workforce Recovery Scale is an indexed measure of end-of-month 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.

The UKG Workforce Recovery Scale currently sits at **85.3** compared to a **100.0** baseline in February 2020

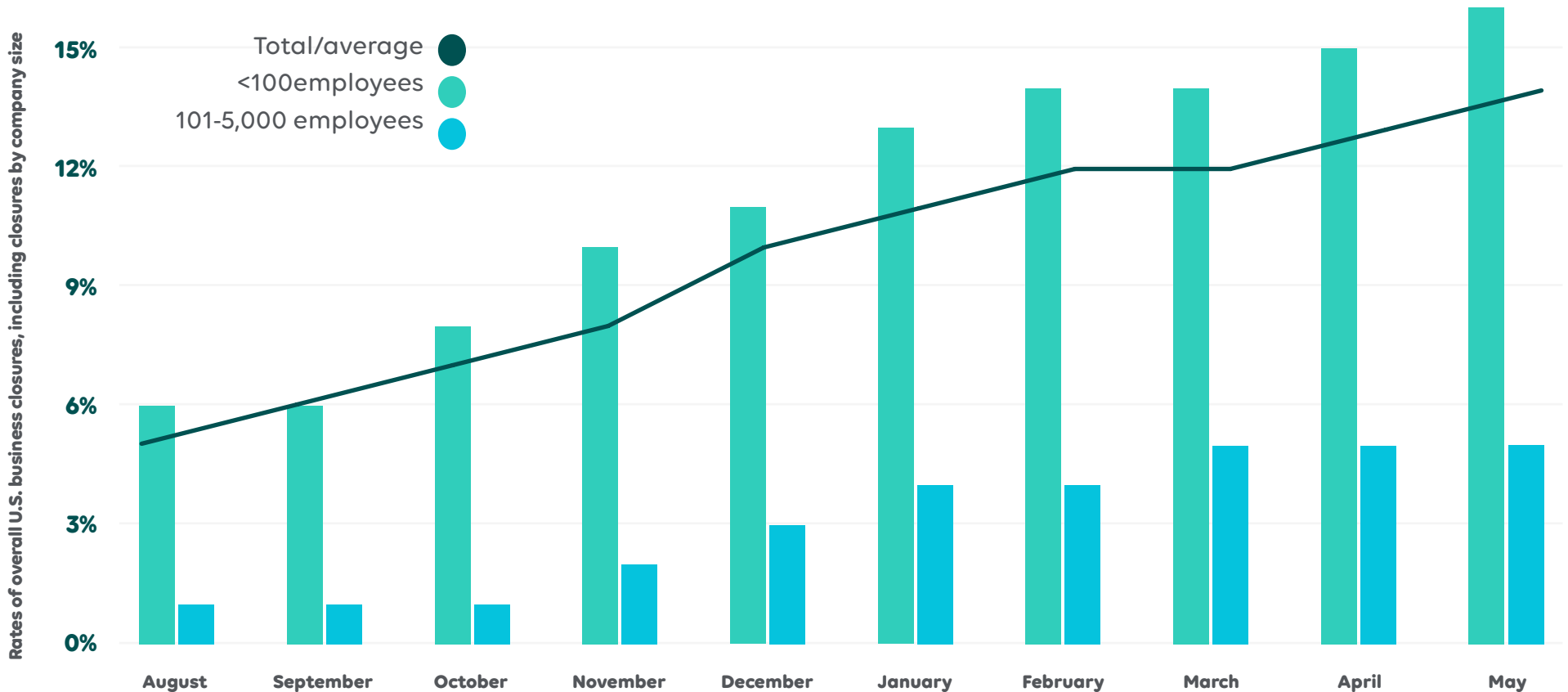


Shift recovery: Volume of business closures across company sizes

Shift work volume is a helpful high-frequency metric to measure not only the activity of hourly and frontline employees, but also the health of the businesses that employ them. By tracking businesses that have registered zero shifts, this metric can indicate rate of indefinite business closures. When broken down by company size, there is a clear differential of ongoing business stability between smaller organizations with less than 100 employees and larger organizations with more than 100 employees.

The ongoing rate of business closures, in tandem with the rate of job creation, will be a key factor in understanding the total impact of the COVID-19 pandemic.

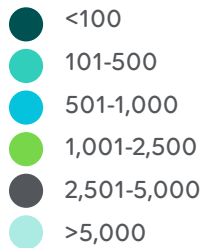
Across the U.S., 14% of all businesses — and 16% of small businesses — have indefinitely closed



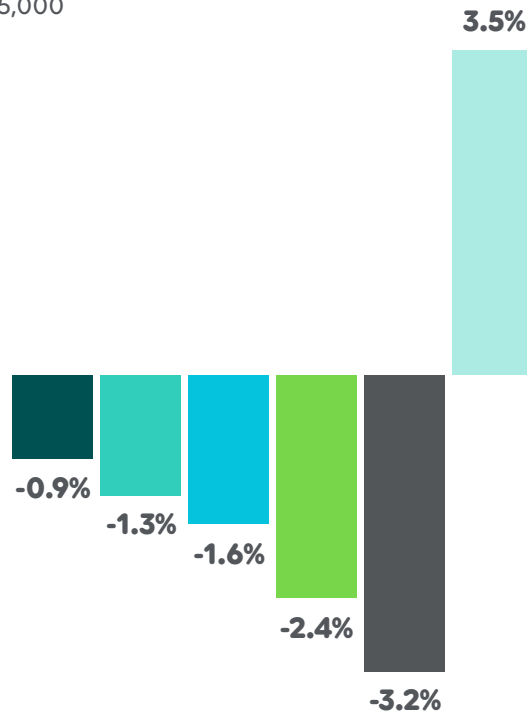
Shift recovery: Company size

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

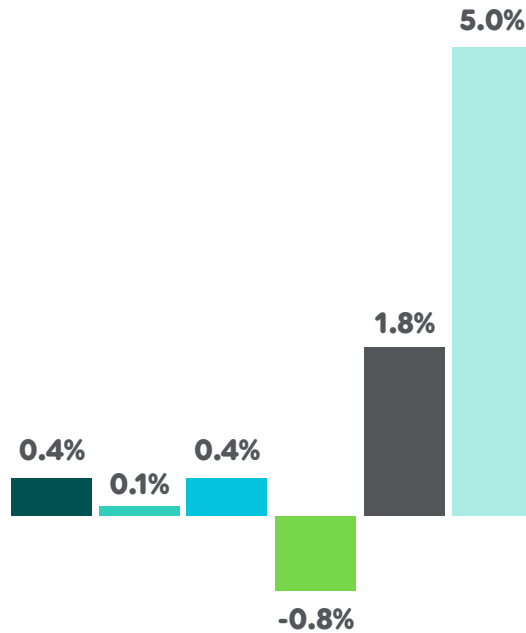
Companies with more than 2,500 employees saw significant month-over-month increases in shift work as larger companies continue to drive workplace recovery



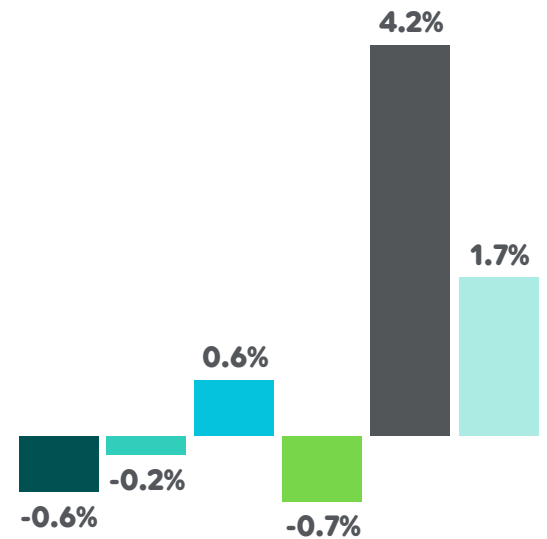
Month-over-month shift growth by company size



March



April

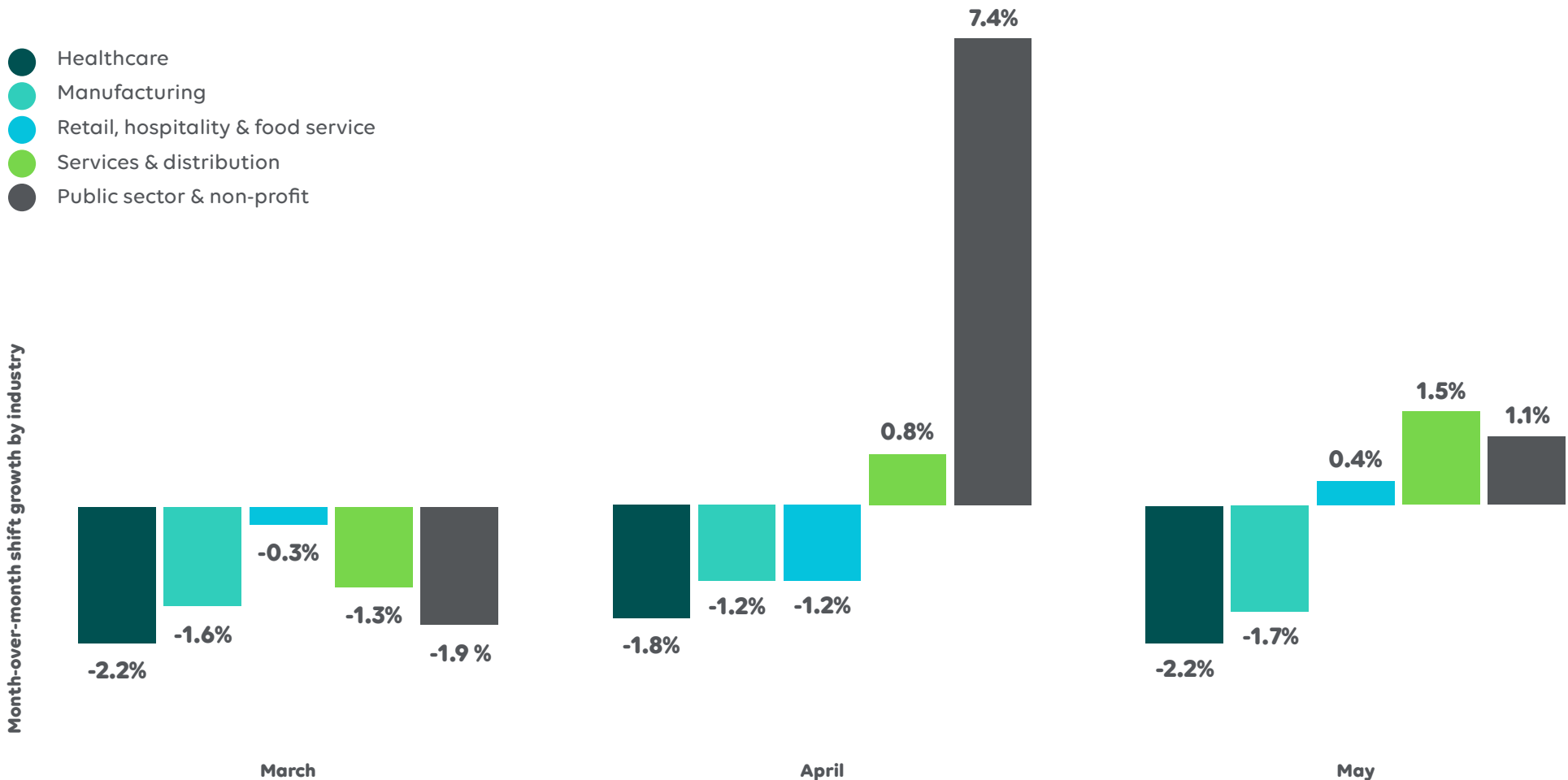


May

Shift recovery: Industry

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

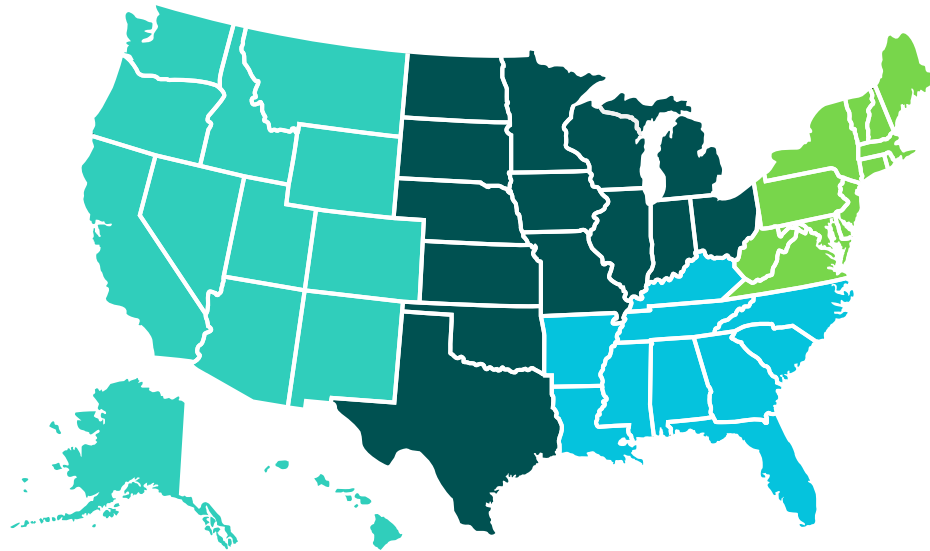
Organizations across services, distribution, and the retail space saw shifts increase as businesses reopened and prepared for summer tourism



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.



<div></div> Northeast			
-0.7% March	2.1% April	-0.3% May	
<div></div> Southeast			
-4.2% March	1.9% April	0.9% May	
<div></div> Midwest			
-0.6% March	0.0% April	-0.2% May	
<div></div> West			
-0.8% March	-0.8% April	-0.2% May	

15 states have not recovered 10% or more of shifts lost.

39 states had fully reopened by the end of May.

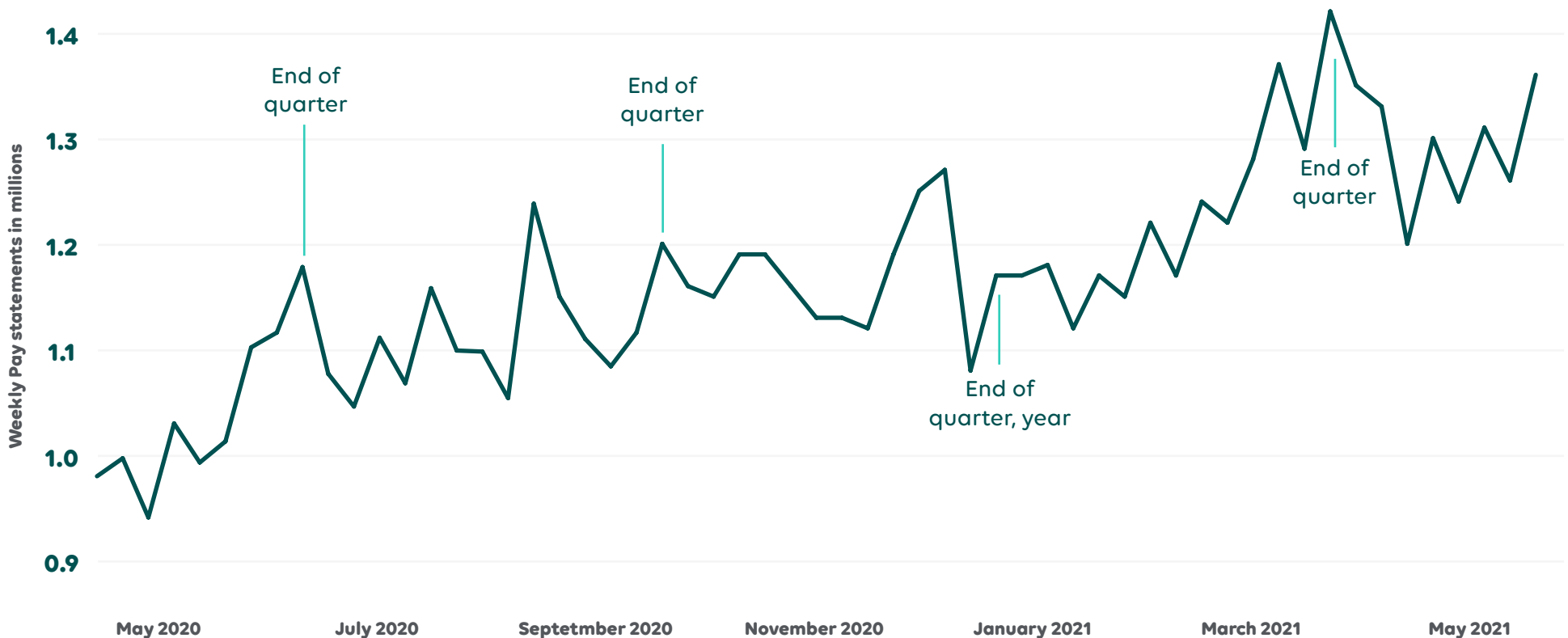
27 states saw an overall decline in shift work in May.

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.

The rolling two-week average pay statement volume is **up 3.8%** compared to the same time period in April



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 in May 2021, UKG updated its shift growth methodology to reflect mid-month over mid-month changes, unless otherwise stated; it had previously reflected end-of-month over end-of-month changes unless otherwise stated.

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

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