



# 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 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](https://www.ukg.com/workforce-activity-report).

Strong summer tourism continues to encourage business owner confidence, leading to a 1.1% lift in shift work between mid-June and mid-July and indicating a modest increase in jobs creation — although the recent surge in COVID-19 cases may hinder late summer progress. The UKG Workforce Recovery Scale currently sits at 86.3 out of 100.

## Executive Summary

# July 2021

### Mid-month shift growth (pg. 4)

<b>-0.3%</b>	October
<b>0.2%</b>	November
<b>1.9%</b>	December
<b>-3.0%</b>	January
<b>0.2%</b>	February
<b>2.6%</b>	March
<b>-0.3%</b>	April
<b>0.1%</b>	May
<b>2.0%</b>	June
<b>1.1%</b>	July

### Workforce Recovery Scale (pg. 6)

<b>87.0</b>	October
<b>87.1</b>	November
<b>84.3</b>	December
<b>84.9</b>	January
<b>86.6</b>	February
<b>85.5</b>	March
<b>85.9</b>	April
<b>85.3</b>	May
<b>86.7</b>	June
<b>86.3</b>	July

### Shift growth by company size (pg. 8)

<b>-0.4%</b>	<100
<b>0.6%</b>	101-500
<b>0.4%</b>	501-1,000
<b>1.5%</b>	1,001-2,500
<b>6.1%</b>	2,501-5,000
<b>1.8%</b>	>5,000

### Shift growth by industry (pg. 9)

<b>2.3%</b>	Retail, hospitality & food service
<b>2.0%</b>	Manufacturing
<b>1.2%</b>	Services & distribution
<b>-1.5%</b>	Healthcare

### Shift growth by region (pg. 10)

<b>3.2%</b>	West
<b>2.3%</b>	Northeast
<b>-0.1%</b>	Southeast
<b>-0.3%</b>	Midwest

The UKG  
Workforce  
Recovery Scale  
stands at  
**86.3**

People are returning to work. We just haven't seen the surge of people returning that businesses desperately need. This is true for both states that continue to offer pandemic-related unemployment benefits as well as states where these benefits have expired.

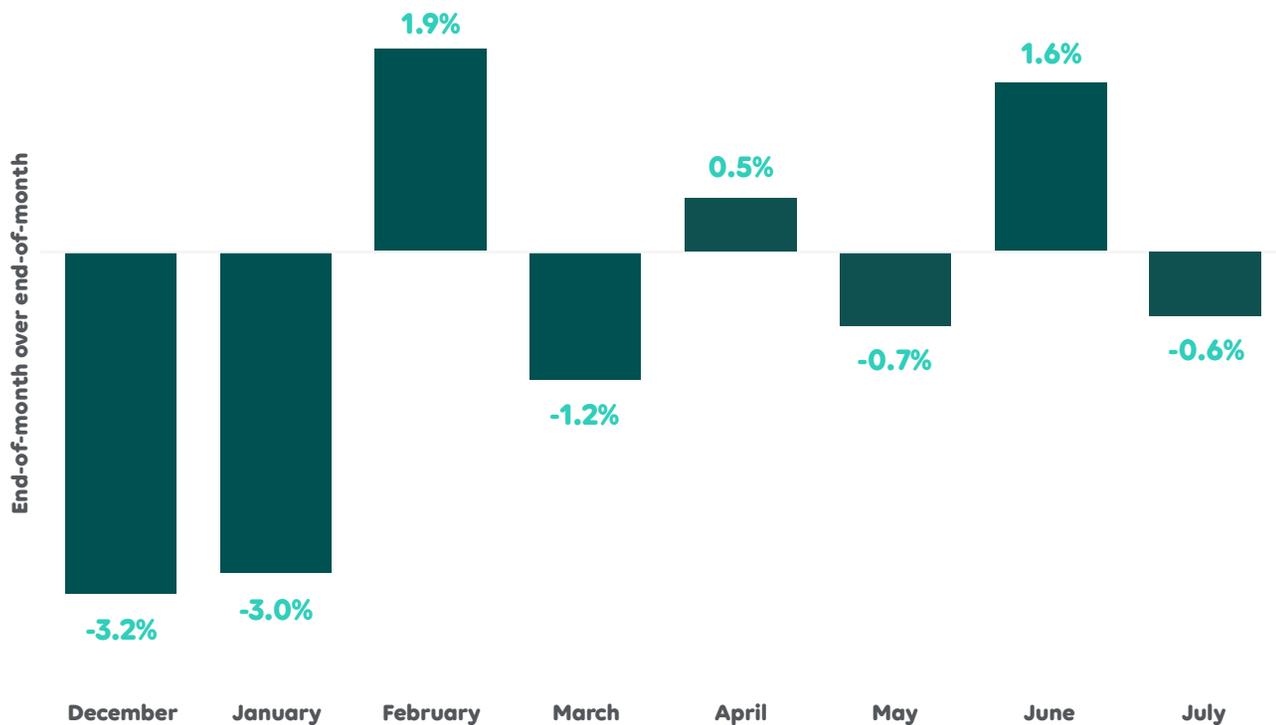
Dave Gilbertson  
Vice president, UKG

# Shifts worked

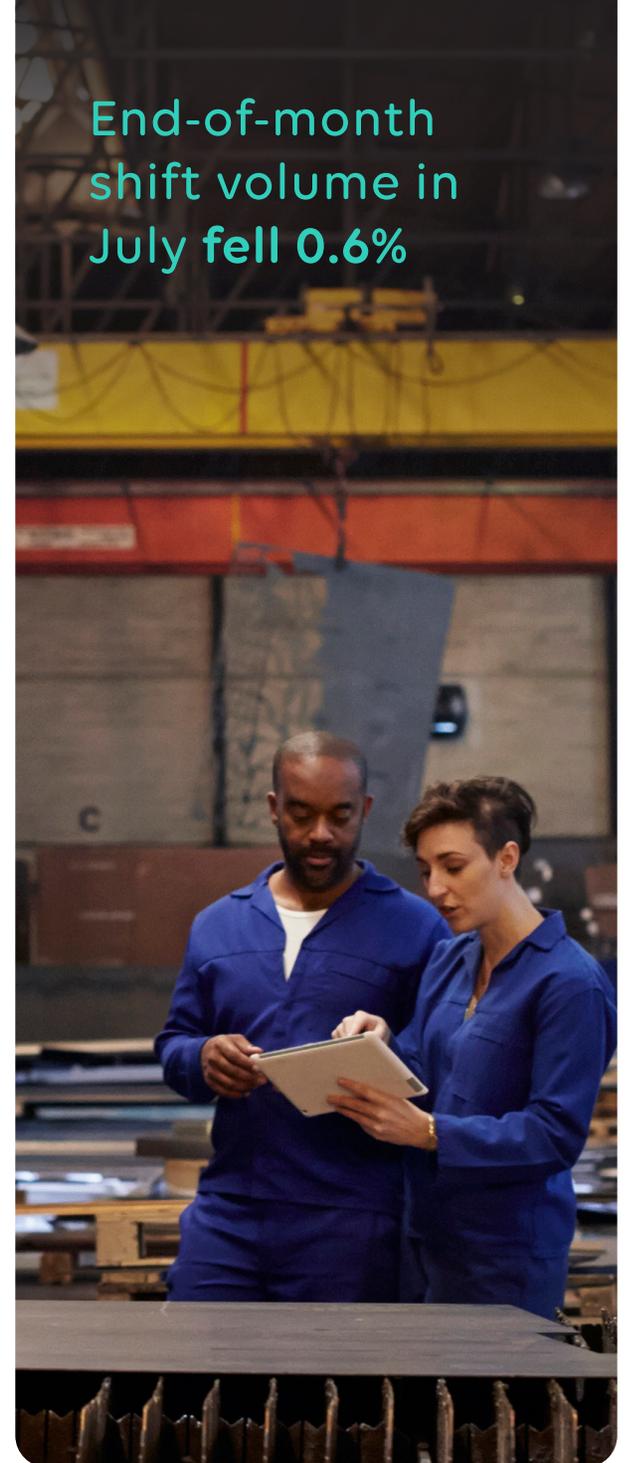
## Shift growth as measure of workplace recovery

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.

Summertime vacations, the growing skills gap, and concerns about the surging delta variant led to a slight decline in shift work over the course of July.



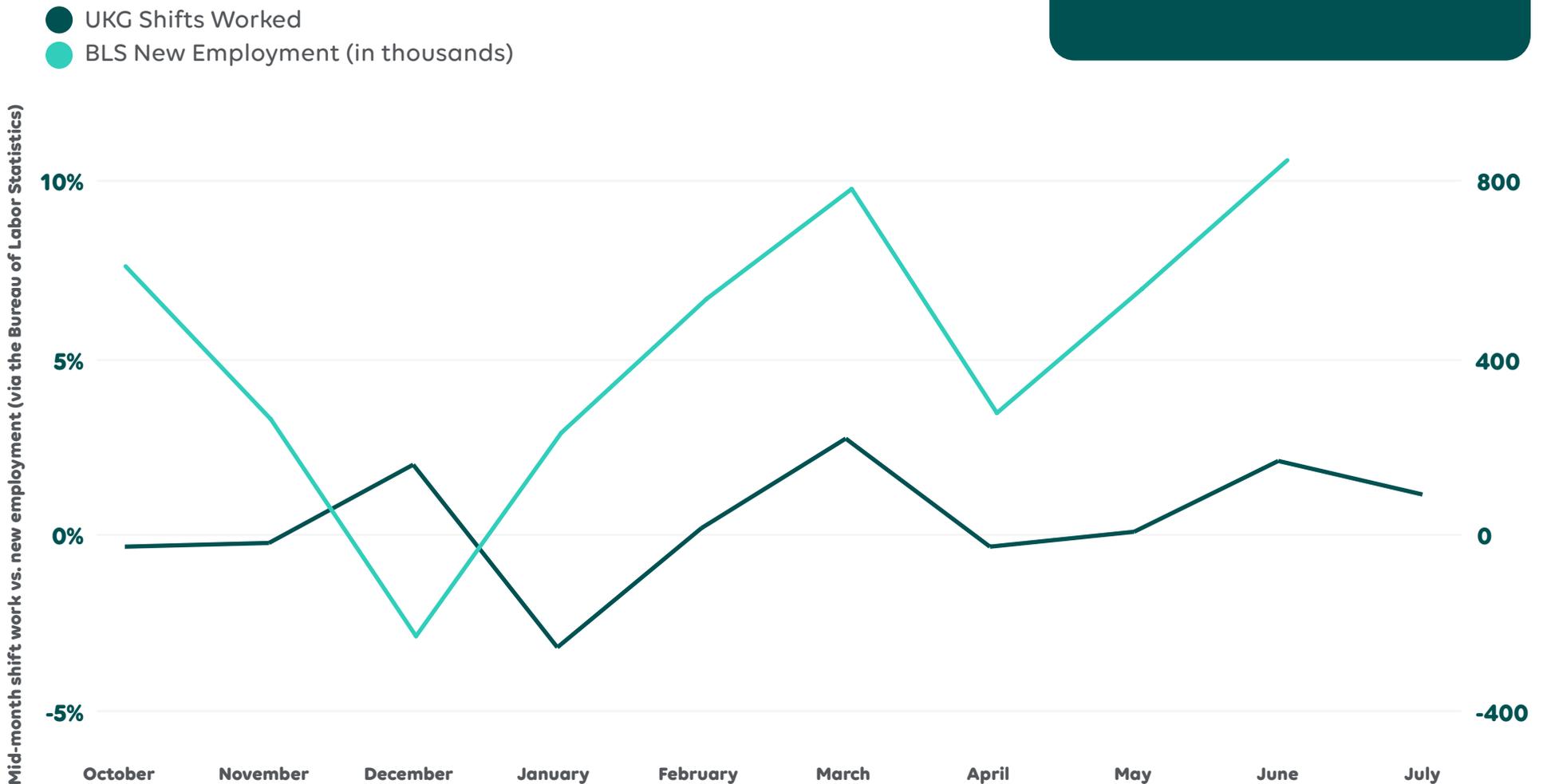
End-of-month shift volume in July fell 0.6%



## 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 growth from mid-June to mid-July (1.1%) maintained the spring surge seen in May and June



## Have expiring federal benefits created growth?

UKG data showed that states ending additional federal unemployment benefits grew workforce activity among hourly employees by half the rate of growth in states that continued the additional benefit.

### May workforce activity vs July workforce activity:

- States ending benefit = +2.2% growth
- States continuing benefit = +4.1% growth

Additionally, there was no difference in the % of states growing hourly workforce activity between those that ended the benefit vs those that continued the benefit.

### May workforce activity vs July workforce activity:

- % of states ending benefit that grew workforce activity = 81.0%
- % of states continuing benefit that grew workforce activity = 80.8%

There were 21 states that ended additional federal unemployment benefits in June. Most gave ~30 days of notice to recipients, which was intended to begin spurring additional movement towards becoming employed. UKG evaluated the shift work evidence in late May, prior to these announcements, and again in late July, a month after ending the additional benefits.

### Commentary from Dave Gilbertson, vice president, UKG

“The common assumption is that people would have become more open to a new job after extra federal pandemic-related benefits expired, if the benefits were what was holding them back. Our data indicates that these extra benefits were likely not the primary reason preventing people take accepting a new job.

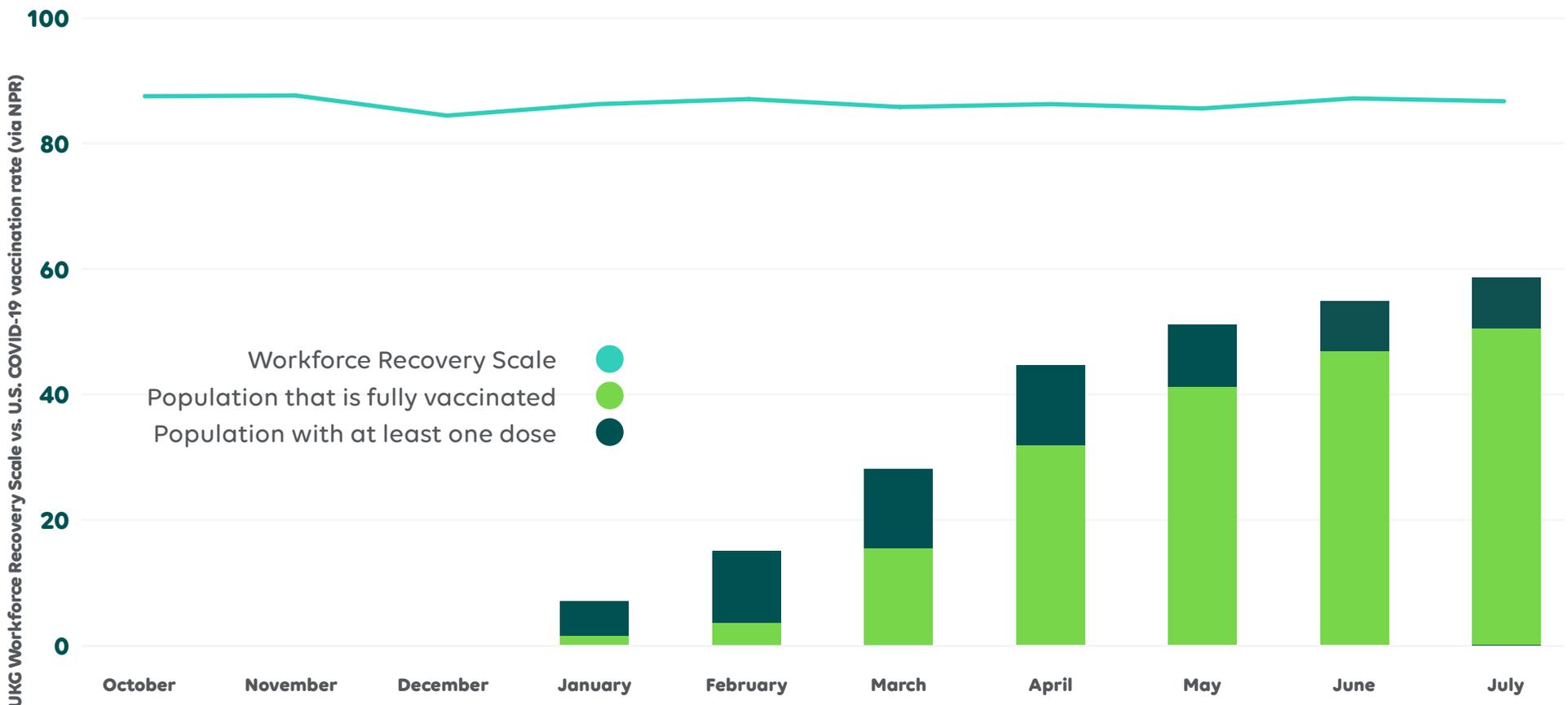
The states that removed the extra benefits tend to be states that did not pose as many restrictions last year, and as a result, did not see the same level of overall unemployment increases as other states with more comprehensive economic guidelines. Texas and Florida are two good examples. This positions them to show signs of a more normal economic environment today.”

## 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 **86.3**

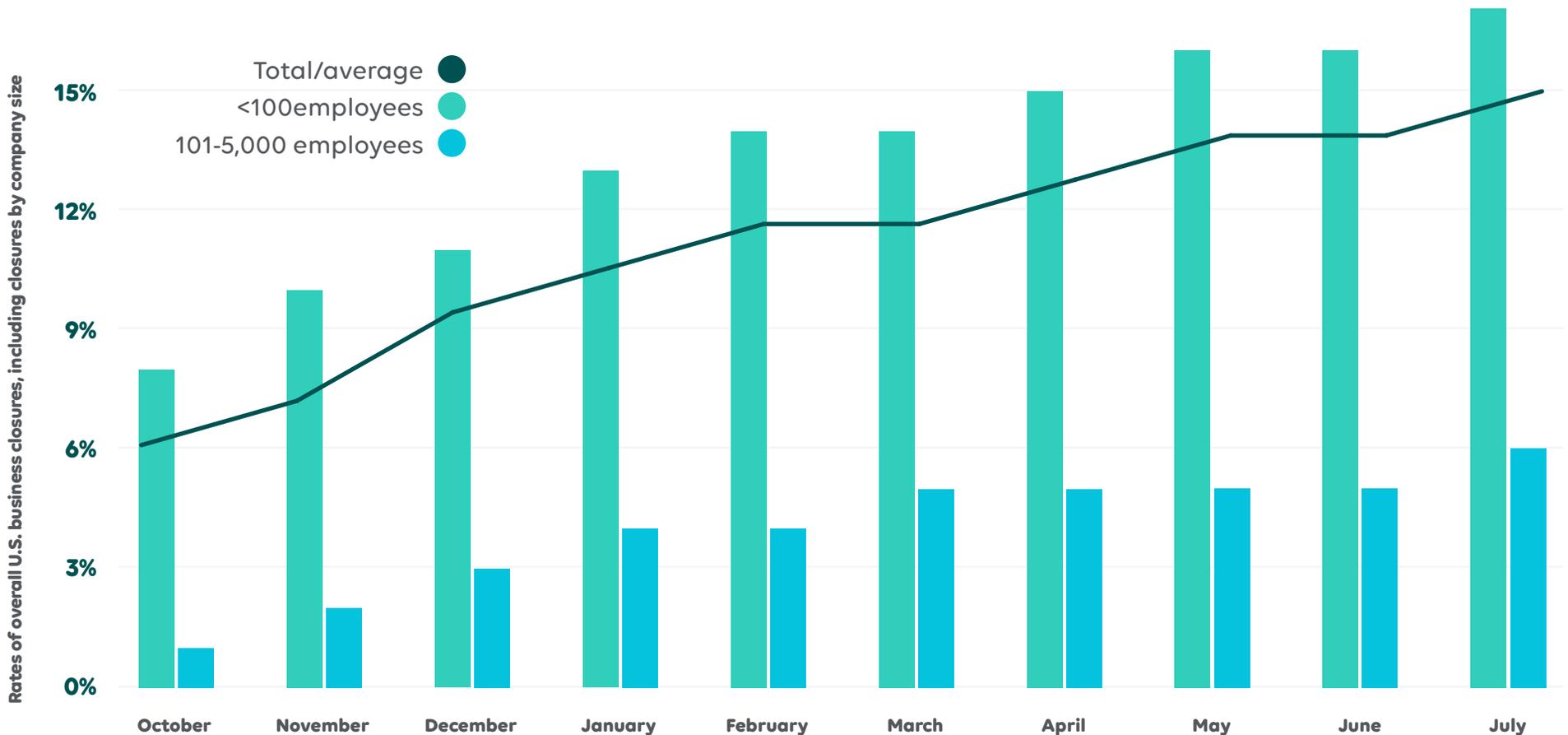


## Shift recovery: Volume of business closures across company sizes

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.

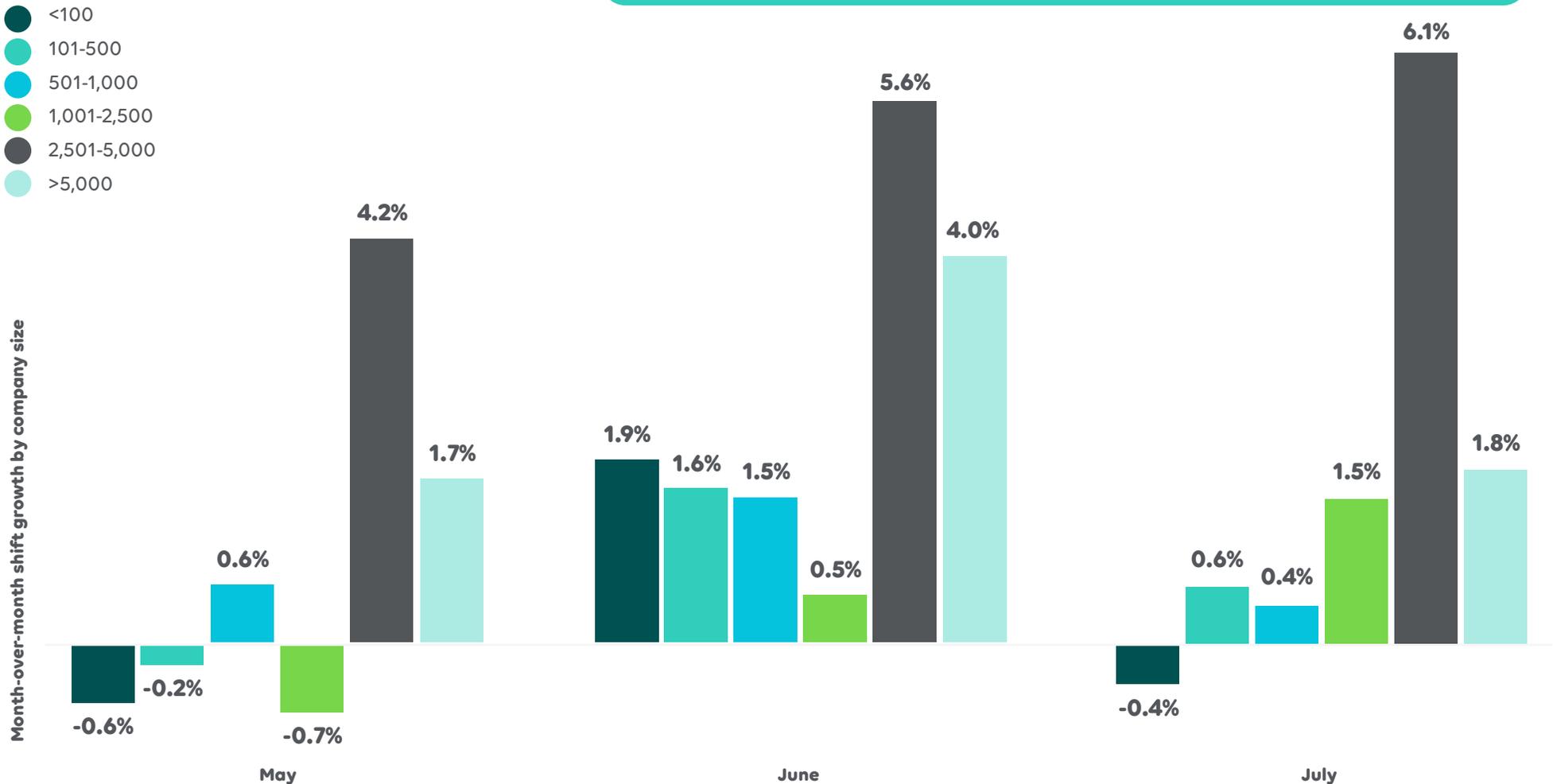
Across the U.S., 15% of all businesses — and 17% of small businesses — remain indefinitely closed



## Shift recovery: Company size

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

Companies with more than 1,000 employees continue to recover shifts twice as quickly as smaller companies — and the smallest companies continue to struggle most

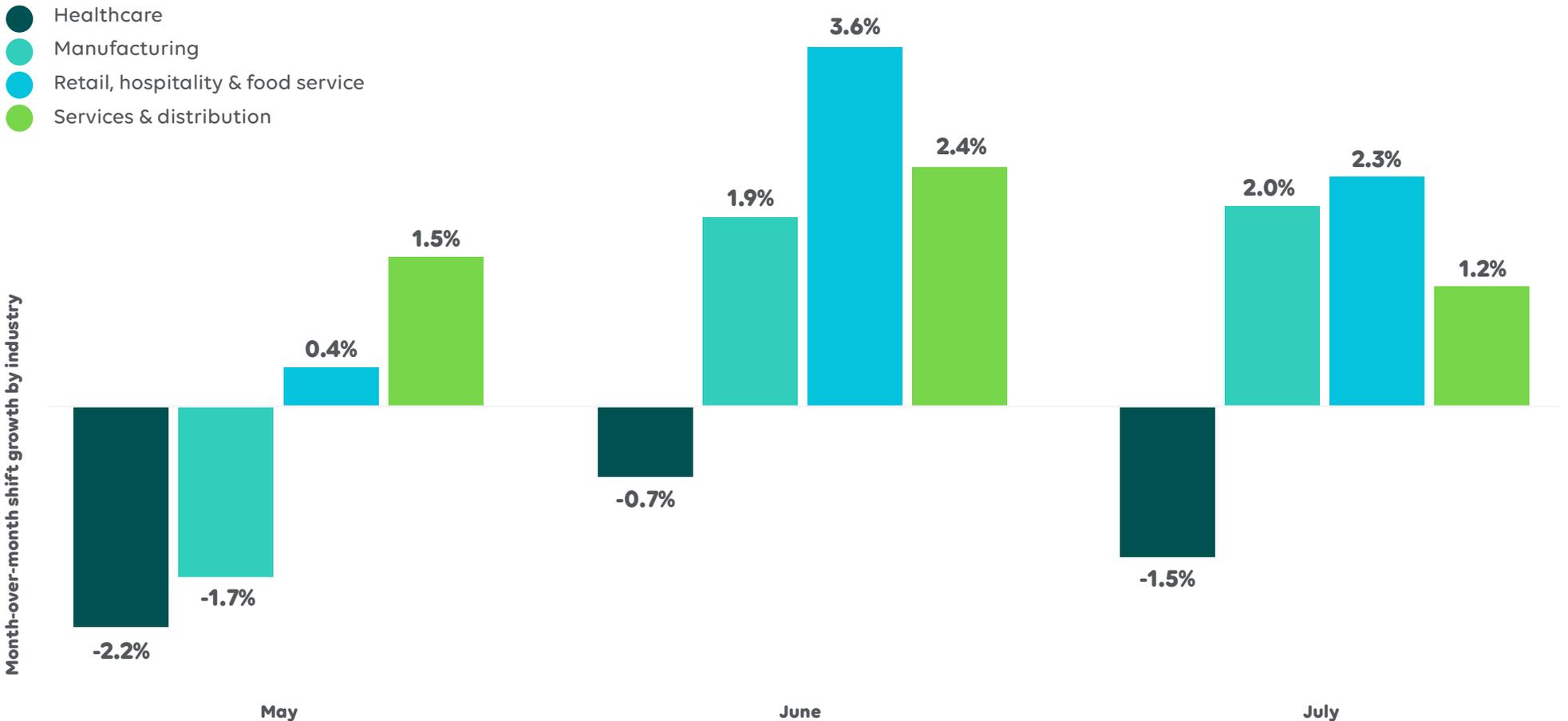


## Shift recovery: Industry

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

**Note:** As public and private educational institutions enter summer break, UKG will resume public reporting of public sector, education, and non-profit shift data in October.

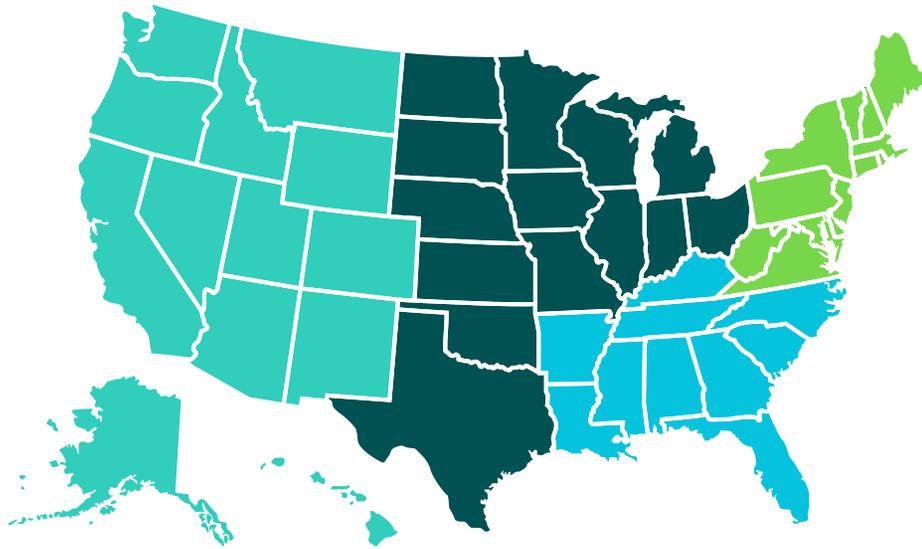
An acute shortage of skilled workers in healthcare led to a tenth straight month of shift declines



## 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.



● Northeast	-0.3% May	3.9% June	2.3% July
● Southeast	0.9% May	1.9% June	-1.0% July
● Midwest	-0.2% May	1.2% June	-0.3% July
● West	-0.2% May	1.2% June	3.2% July

**21 states** ended additional unemployment benefits in June.

**21 states** have a 7-day COVID-19 case rate of more than 100 per 100,000 residents.  
(via CDC)

**12 states** of those with the highest case rates saw shift work decline in July.

# 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.

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](https://www.ukg.com/WorkforceActivityReport)**

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