



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**.

Workforce activity between mid-September and mid-October rose just 0.1%, hindered by ongoing personal health concerns and a continued decline in labor force participation. This slight increase in workforce activity indicates potentially modest growth in national job creation. The UKG Workforce Recovery Scale currently sits at 86.0 out of 100.

October 2021

Mid-month shift growth

-3.0%	January
0.2%	February
2.6%	March
-0.3%	April
0.1%	May
2.0%	June
1.1%	July
-2.4%	August
-0.1%	September
0.1%	October

Workforce Recovery Scale

84.9	January
86.6	February
85.5	March
85.9	April
85.3	May
86.7	June
86.3	July
84.7	August
85.2	September
86.0	October

Shift growth by company size

0.0%	<100
-0.8%	101-500
1.4%	501-1,000
-0.7%	1,001-2,500
-1.3%	2,501-5,000
5.4%	>5,000

Shift growth by industry

1.2%	Retail, hospitality & food service
0.3%	Services & distribution
-0.1%	Manufacturing
-0.2%	Healthcare

Shift growth by region

1.3%	Southeast
0.7%	West
0.7%	Midwest
-1.2%	Northeast

The UKG
Workforce
Recovery Scale
stands at
86.0

"Labor participation rates have been declining for two decades. The pandemic only accelerated what was a slow, steady decline. To get folks back to work, we must better understand why they were leaving before the pandemic."

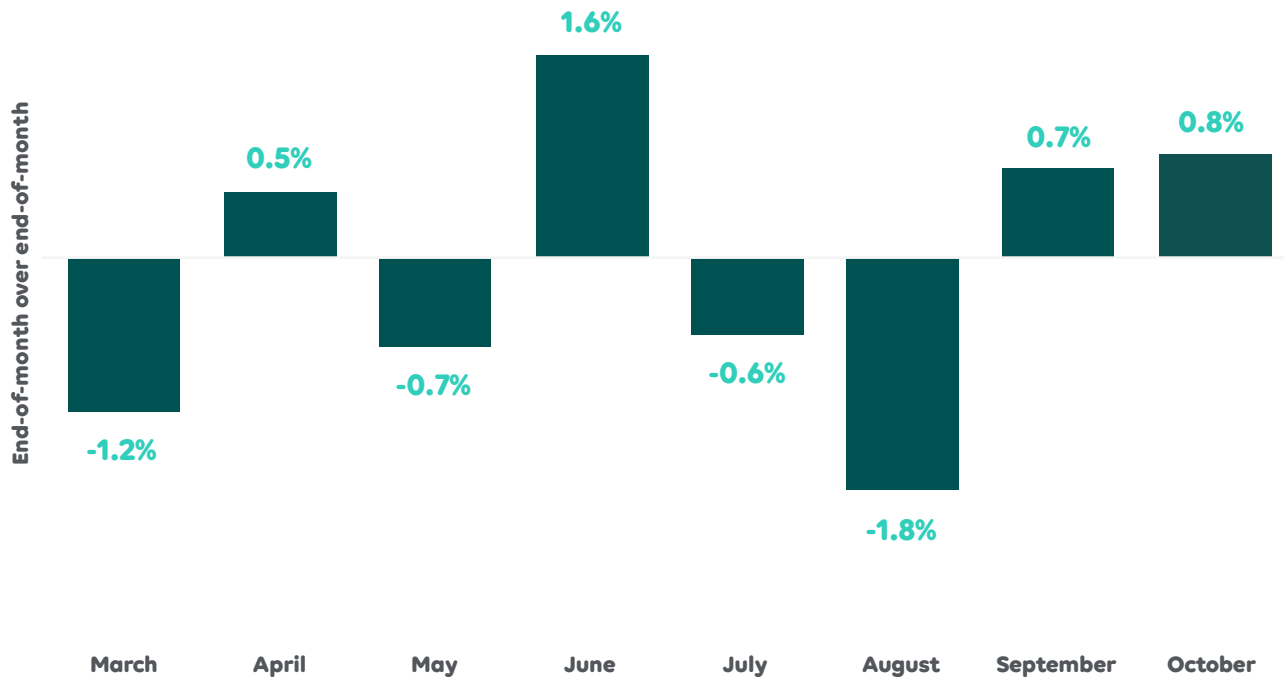
Dave Gilbertson
Vice president, UKG

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.

UKG is watching for several consecutive months of end-of-month workforce activity growth, as this could signal the next phase of jobs recovery.



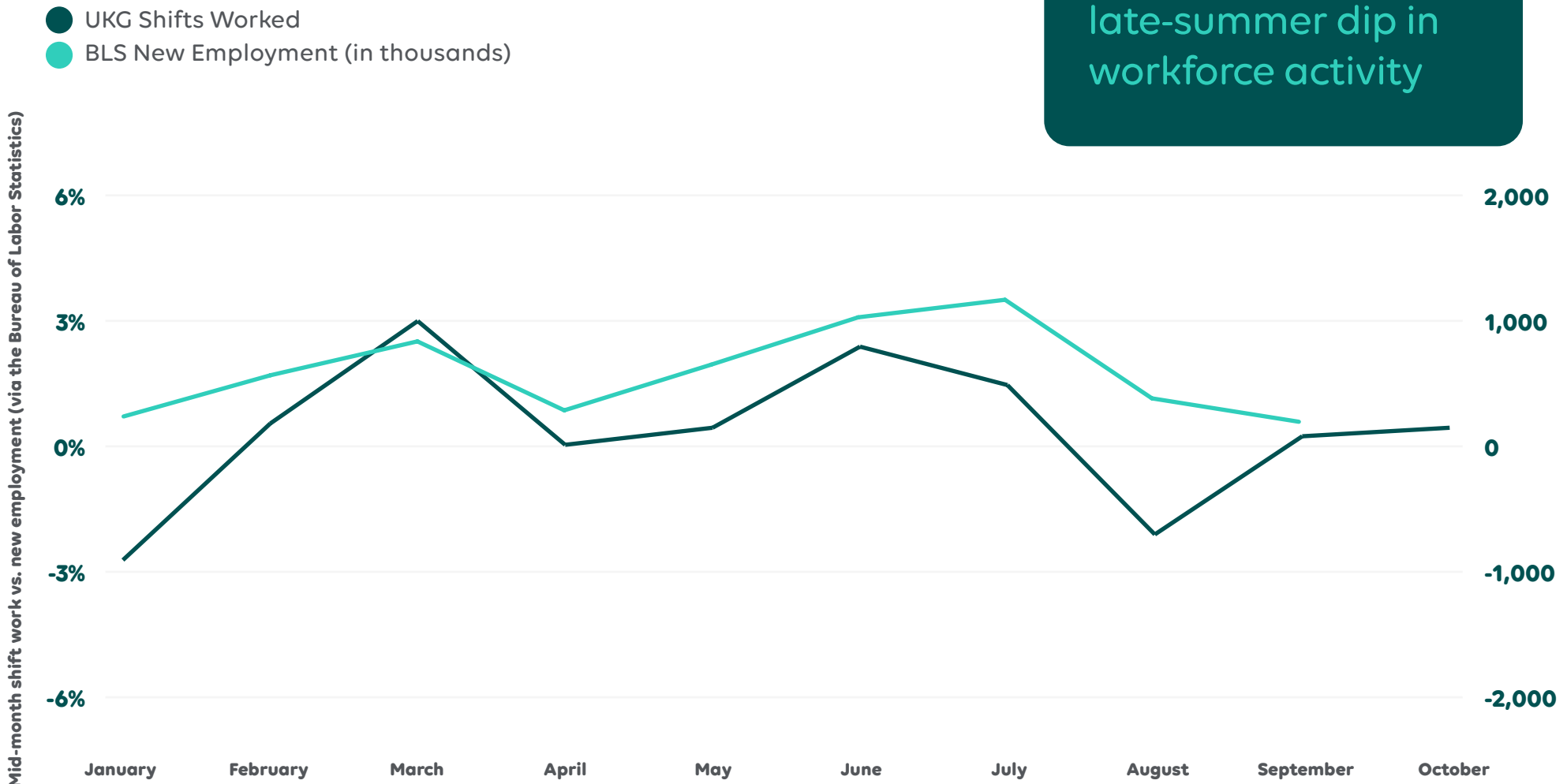
End-of-month shift volume in October rose 0.8%



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.

Shift volume was effectively flat between mid-September and mid-October (0.1%), leveling out after a late-summer dip in workforce activity



Job applicant data serves as early indicator of workforce activity

UKG is analyzing job applicant data to anticipate future workforce activity and the larger national jobs recovery. Continued growth in job applicants will be an early indicator that people who have remained on the sidelines during the post-pandemic recovery are beginning the process of returning to the workplace.

The job applicant data details the number of new applicants for any given job opening on a month-over-month basis.

Job applicants dip at the end of October following several weeks of strong gains in September and early October

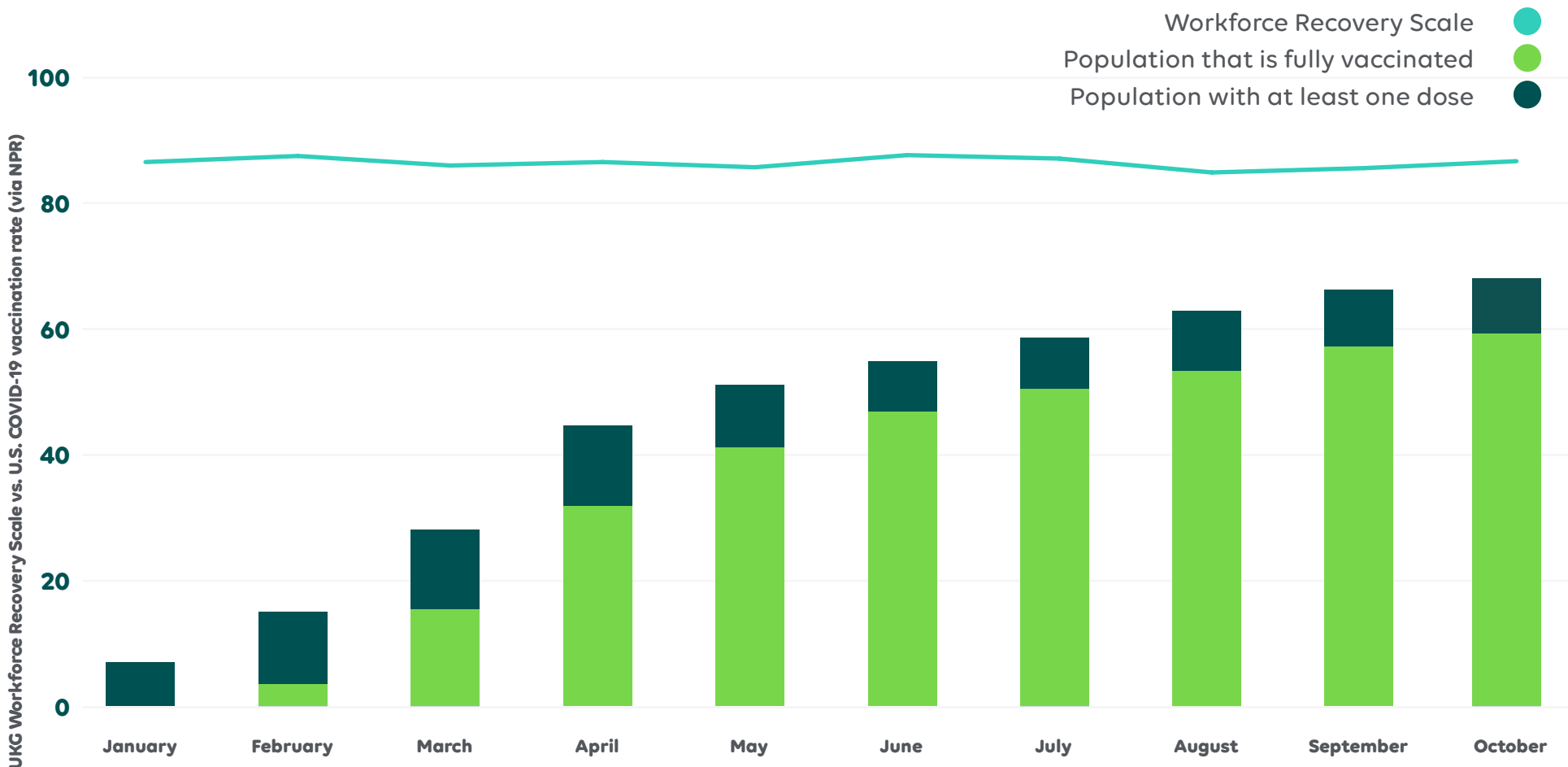


Shift recovery: Tracking work activity alongside vaccination rates

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 **86.0**

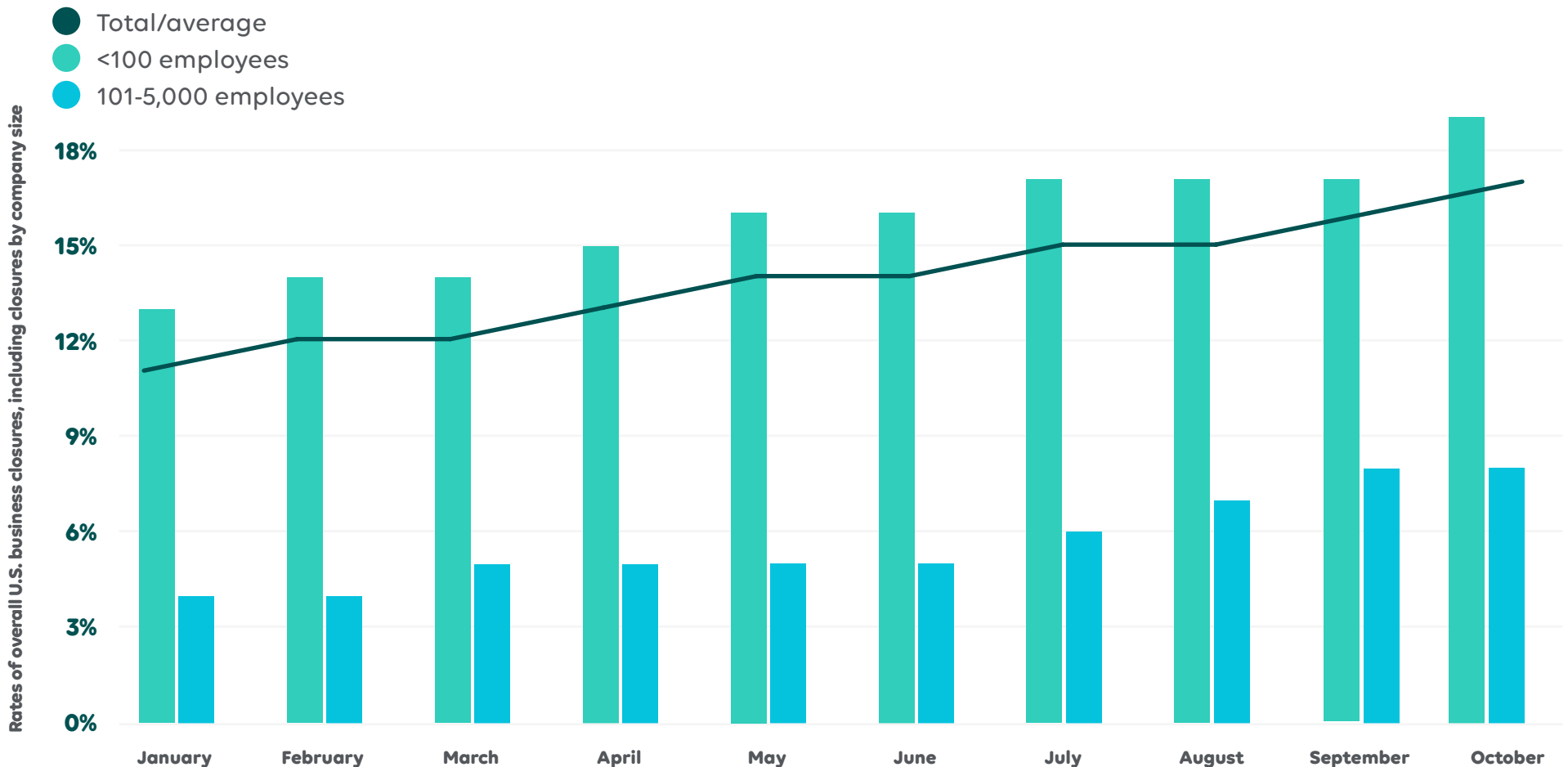


Shift recovery: Volume of business closures across company sizes

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.

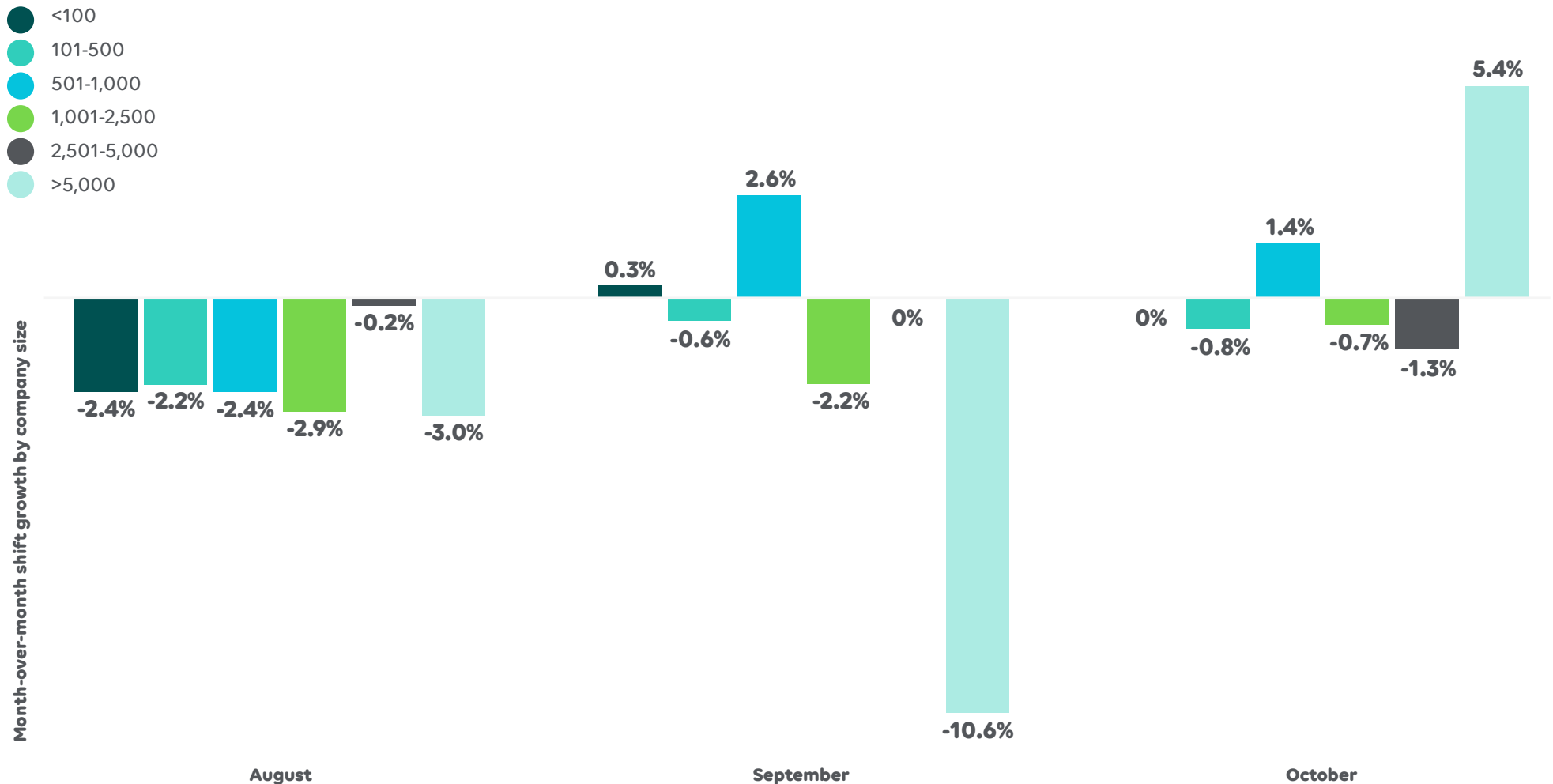
Across the U.S., 19% of all businesses — and 17% of small businesses — remain indefinitely closed



Shift recovery: Company size

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

Larger companies with more than 5,000 employees saw the most significant growth in shift work while Main Street continues its difficult recovery

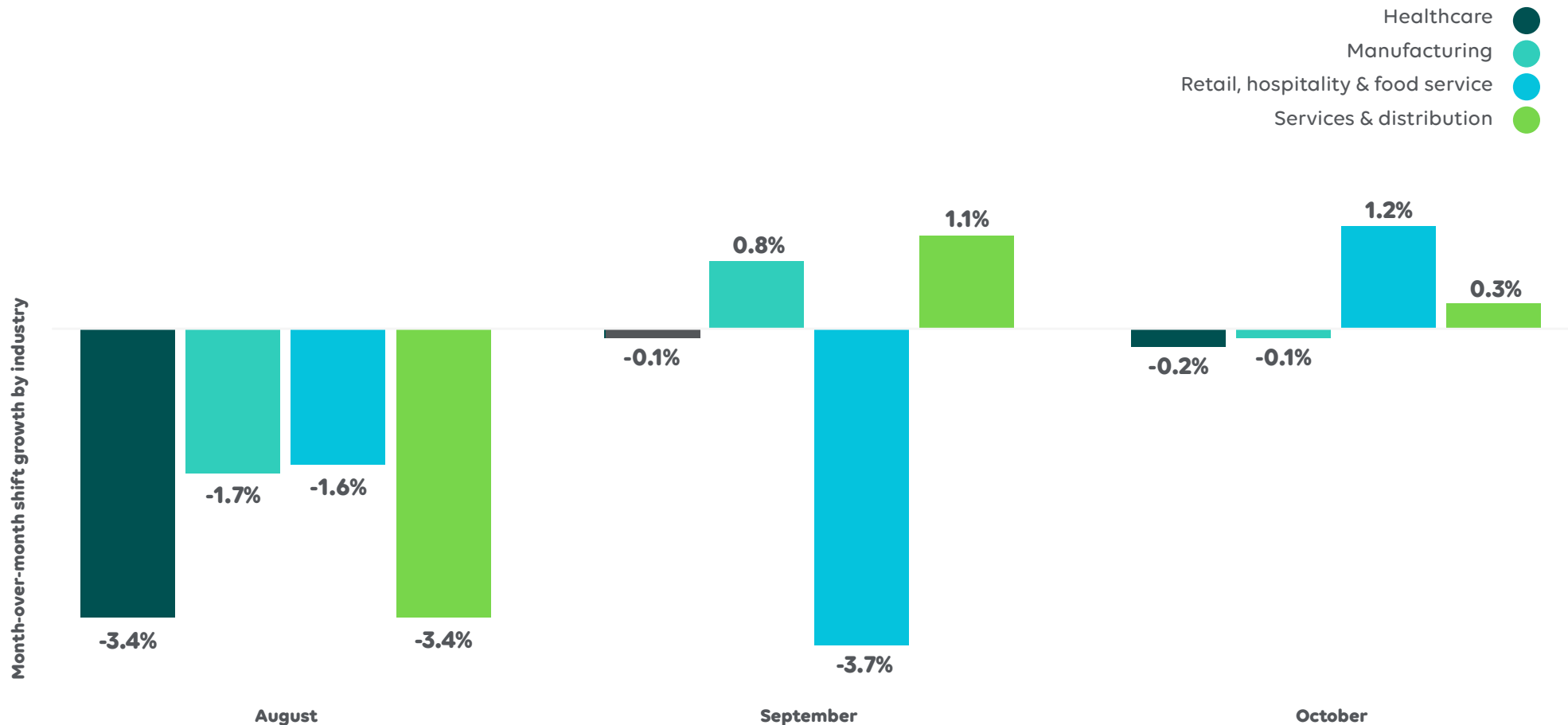


Shift recovery: Industry

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 November.

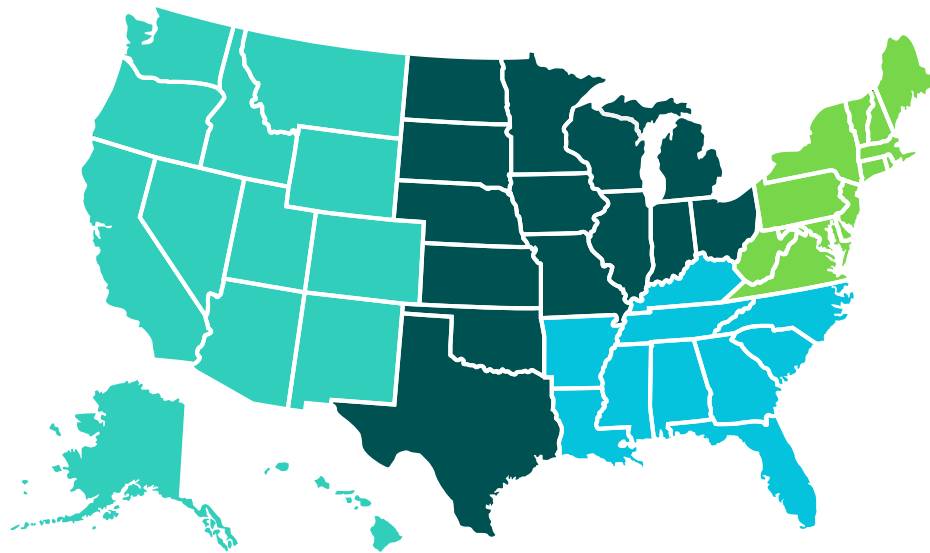
Healthcare and manufacturing, two trades reliant on skilled workers, continue to suffer from high attrition, early retirements, and declining workforce participation



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	-1.2% August	-0.5% September	-1.2% October
● Southeast	-3.7% August	-0.8% September	1.3% October
● Midwest	-2.5% August	-0.7% September	0.7% October
● West	-2.4% August	1.3% September	0.7% October

The 7-day COVID-19 case rate exceeds 250 per 100,000 residents in **13 states**. (via CDC)

Of those with the highest case rates, **12 states** fall in the West or Midwest regions.

For the first time in 2021, the Northeast has shown **three straight months** of decline.

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.

Previous reporting on the impact of unemployment benefits on workforce activity can be found in the July–September 2021 reports. UKG updated its shift growth methodology in May 2021 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://ukg.com/WorkforceActivityReport)

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