



UKG WORKFORCE ACTIVITY REPORT



By analyzing weekly employee shift trends at 35,000 U.S. businesses with a combined 4.0 million employees, this index tracks the ongoing recovery of the U.S. workforce.

The state of the frontline workforce

Lackluster jobs growth expected in May



Midmonth workforce activity declines for fifth time in past 6 months

By analyzing weekly employee shift work trends across 35,000 U.S. businesses and 4.0 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).

Workforce activity in May 2022 declined 1.0% relative to April 2022,¹ as U.S. workplaces continue to experience increasing stress from challenging economic conditions and try to anticipate the future course of inflation. Smaller companies with fewer than 1,000 employees experienced twice as much loss (-1.4%) as larger companies (-0.7%).

May 2022

Workforce activity decline points to lackluster May jobs growth

Midmonth shift growth

-2.4%	August
-0.1%	September
0.1%	October
1.4%	November
-1.7%	December
-5.1%	January
6.6%	February
-0.6%	March
-0.6%	April ¹
-1.0%	May

Shift growth by company size

-1.2%	<100
-1.0%	101-500
-2.6%	501-1,000
0.0%	1,001-2,500
-0.7%	2,501-5,000
-2.3%	>5,000

Shift growth by industry

-2.5%	Retail, food service, & hospitality
-2.2%	Healthcare
-1.7%	Manufacturing
-1.0%	Services & distribution
1.8%	Public sector & nonprofit

Workforce Recovery Scale

100.1	August
97.5	September
98.2	October
100.5	November
99.5	December
96.3	January
103.6	February
100.9	March
98.9	April ¹
98.5	May

Shift growth by region

-0.5%	Northeast
-0.7%	Midwest
-0.8%	Southeast
-3.6%	West

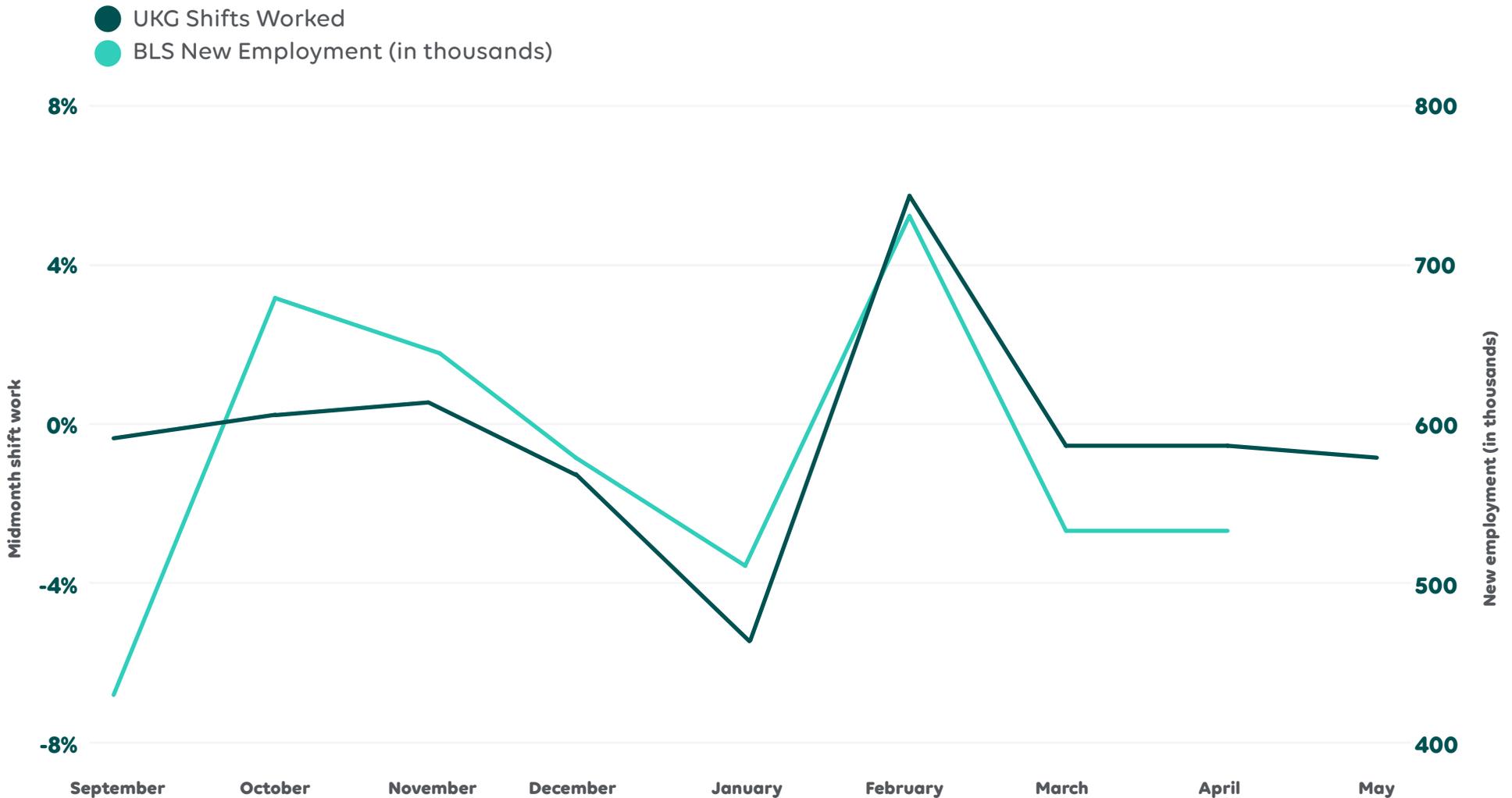
“We have confidence that the May jobs report will show gains, though they will likely be lackluster compared to April. This isn’t necessarily bad news, as the Federal Reserve seeks to return balance to the labor market to curb inflation. Retail workforce activity started declining in April, and accelerated the decline through May as hiring started to come under pressure in this segment.”

Dave Gilbertson
Vice President, UKG

Workforce activity and job creation: Tracking shift levels during the midmonth week

High-frequency UKG® shift data correlates each month with new employment gains reported by the U.S. Department of Labor — providing an early indication of the direction of jobs recovery. The UKG data often comes into even closer alignment following ensuing Department of Labor revisions.

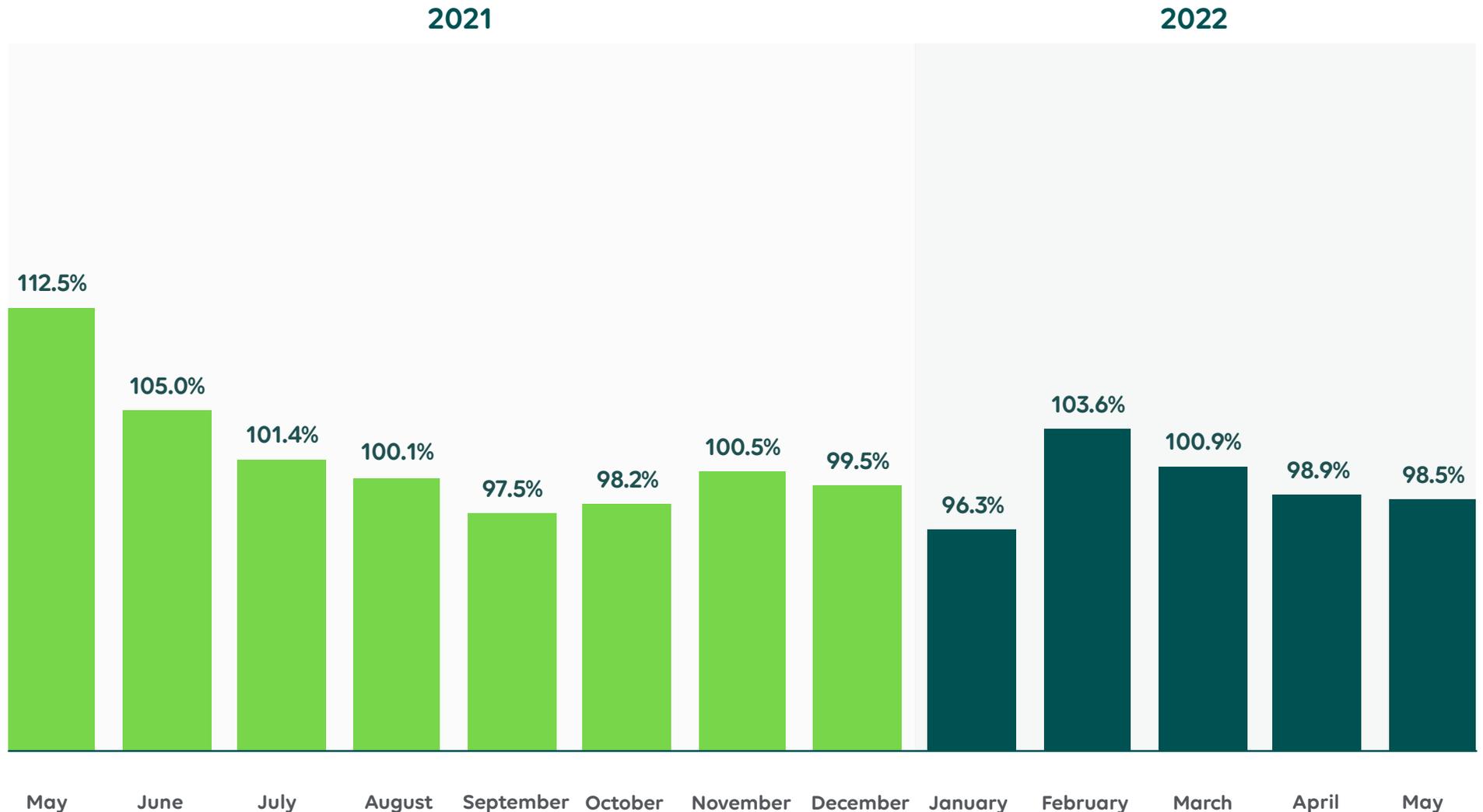
Workforce activity
declined -1.0% in May



UKG Workforce Recovery Scale

The UKG Workforce Recovery Scale — enhanced with an updated methodology in February 2022 — is a rolling 12-month index that measures workforce activity levels at U.S. businesses. The index is the level of workforce activity relative to the same month one year ago and provides a directional indicator for anticipated changes in the labor participation rate.

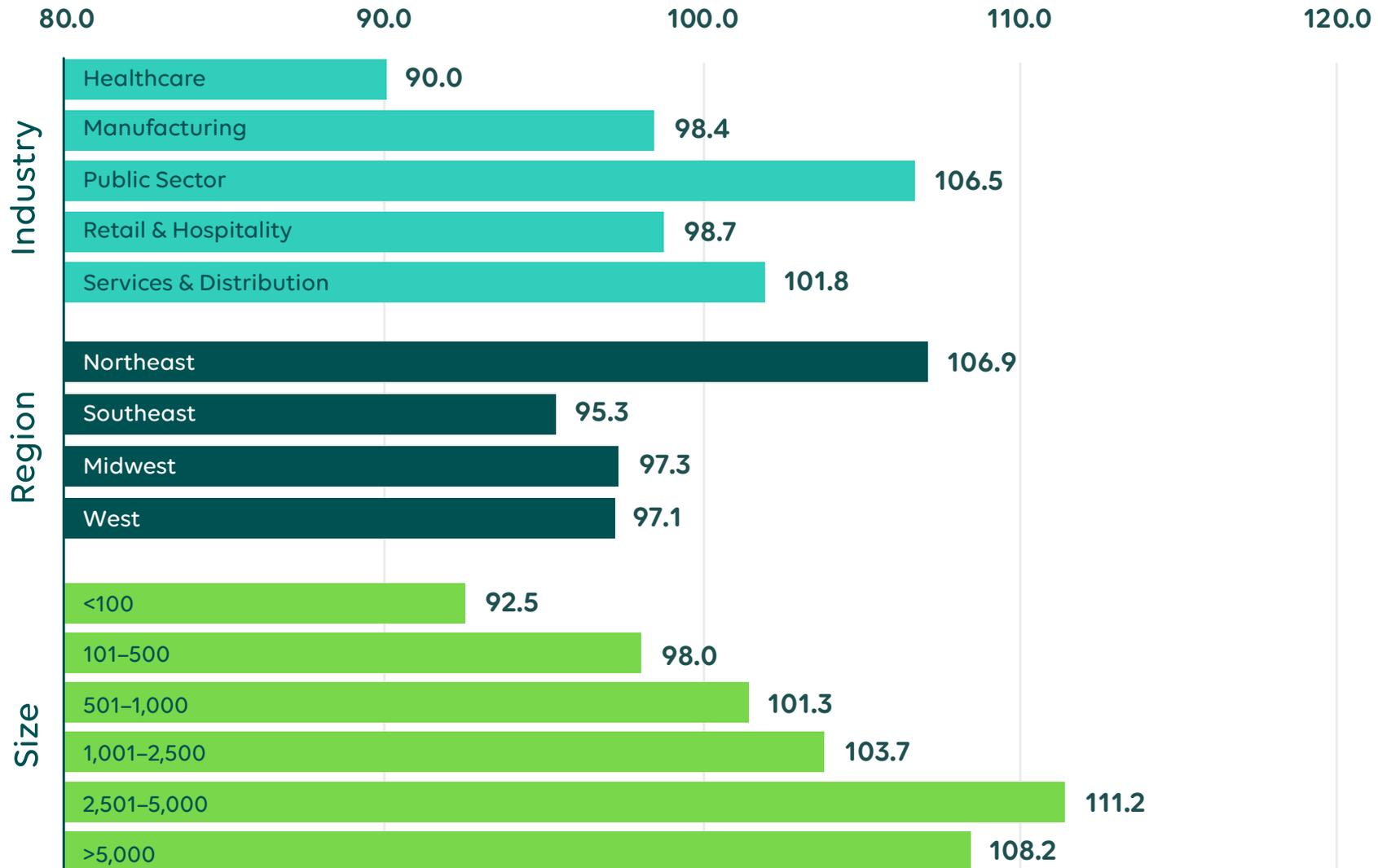
The UKG Workforce Recovery Scale for May is 98.5



UKG Workforce Recovery Scale

Examining the Workforce Recovery Scale index across industries, regions, or business sizes can provide a more detailed look at the often unequal distribution of economic momentum. The index is the level of workforce activity relative to the same month one year ago and provides a directional indicator for anticipated changes in the labor participation rate.

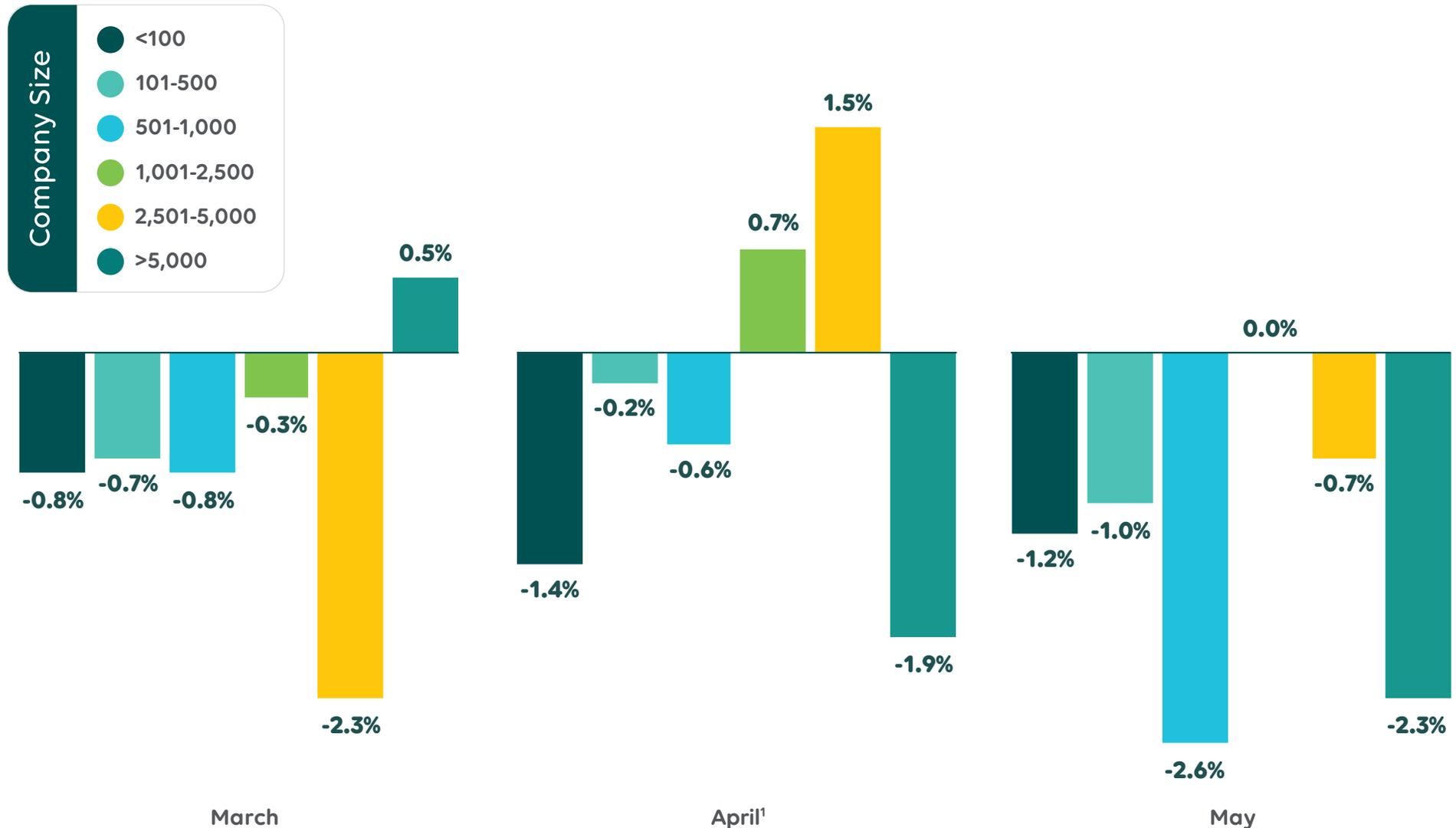
Businesses with >5,000 employees showed the largest growth in the past 12 months



Shift recovery: Company size

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

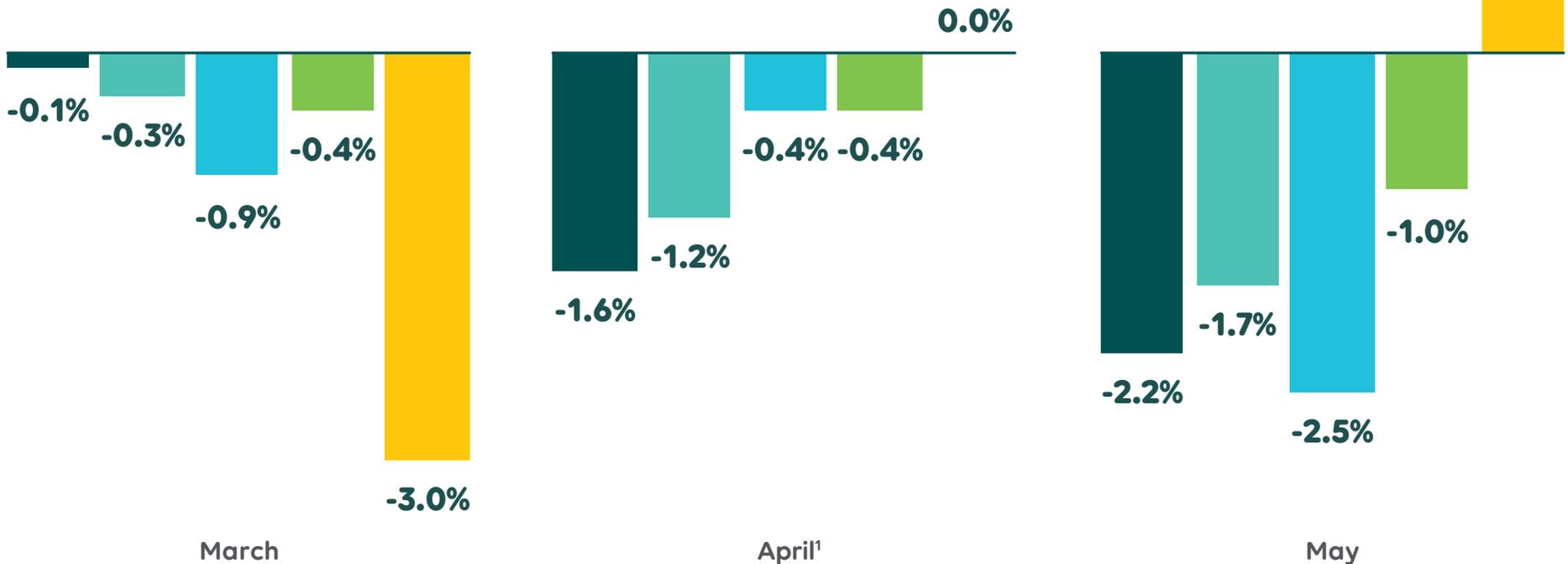
Businesses with <1,000 people lost twice as many shifts as larger businesses



Shift recovery: Industry

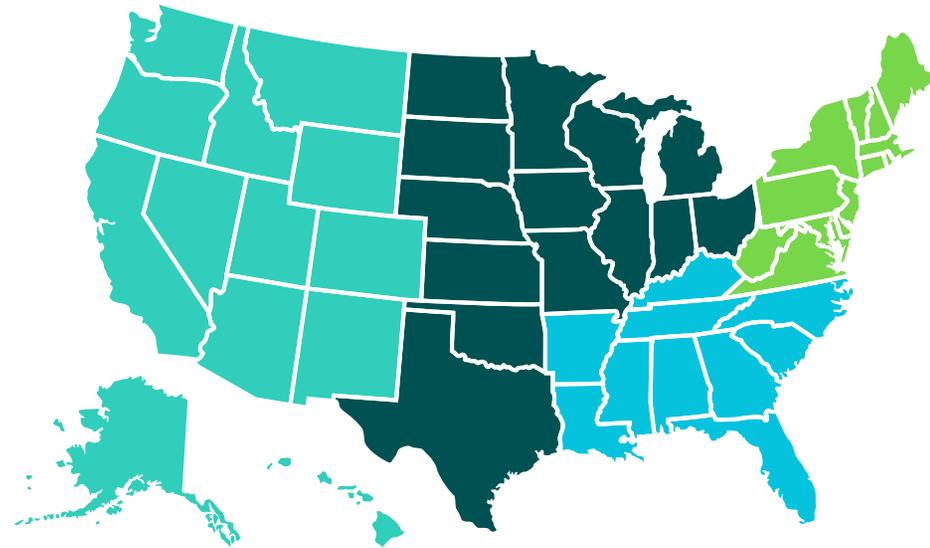
This data reflects month-over-month shift growth by industry as measured by time punches.

Consumer spending to adapt to inflation will heavily influence retail workforce activity



Shift recovery: U.S. landscape

The following includes CDC statistics and provides a snapshot of the May midmonth week.



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

● Northeast	March: -1.0%	April:¹ -0.3%	May: -0.5%
● Southeast	March: -0.5%	April:¹ -1.3%	May: -0.8%
● Midwest	March: -1.8%	April:¹ 0.2%	May: -0.7%
● West	March: 0.2%	April:¹ -1.3%	May: -3.6%

82.6% of people age 5+ have at least one vaccination

18.4% of U.S. counties are at low/medium risk of COVID-19 (CDC)

BA.2 and BA.2.12.1 variants now account for 98.4% of new COVID-19 cases (CDC)

Methodology



The Workforce Activity Report by UKG is an index that measures week-by-week metrics, including employee shifts worked and pay statements, from 4.0 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 timeclock,

mobile app, computer, or other device at the beginning and end of each shift. Beginning February 2022, UKG updated its indexing methodology to reflect a rolling 12-month index.

**For the latest data reports visit:
[UKG.com/WorkforceActivityReport](https://www.ukg.com/WorkforceActivityReport)**

¹ In May 2022, UKG adjusted data for April 2022 to better account for and mute the impact of the spring religious observances that fell during the April midmonth week.

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