

The UKG logo is positioned in the top right corner of the image. It consists of the letters 'u', 'K', and 'G' in a white, sans-serif font. The 'u' has two small teal dots above it, and the 'K' and 'G' are solid white.

UKG WORKFORCE ACTIVITY REPORT

July 2022



July jobs growth expected to fall behind June

Slight decline is a sign of continued 'soft landing' for economy

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.



Workforce activity decreased 0.6% in July

Executive Summary

July 2022



Mid-month shift growth

6.6%	February ¹
-0.6%	March
-0.6%	April
-1.0%	May
0.8%	June
-0.6%	July



Shift growth by company size

-0.9%	<100
-0.4%	101-500
-0.8%	501-1,000
-1.4%	1,001-2,500
4.3%	2,501-5,000
-1.5%	>5,000



Workforce Recovery Scale

103.6	February
100.9	March
98.9	April
98.5	May
96.5	June
95.5	July



Shift growth by industry

-0.7%	Retail, food service, & hospitality
-0.9%	Healthcare
0.4%	Manufacturing
1.4%	Services & distribution

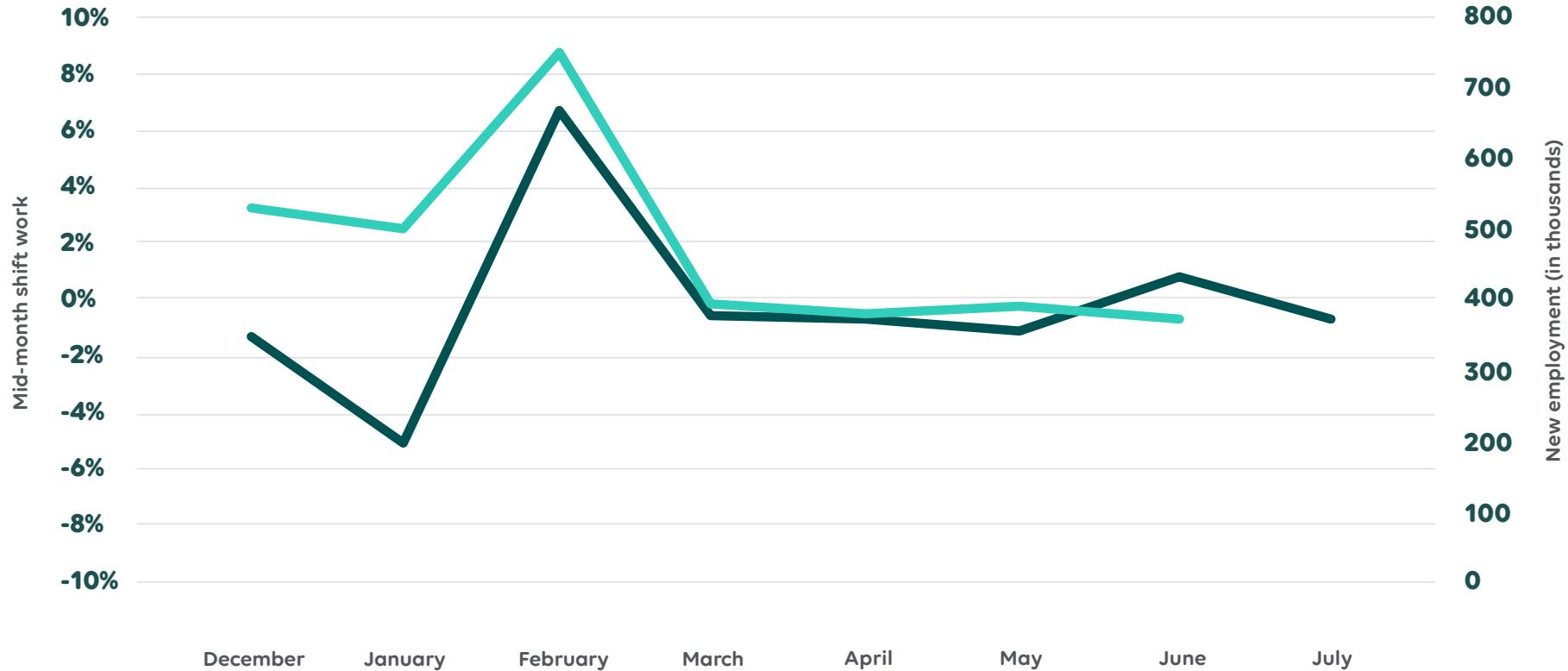


UKG expects slight increase in jobs growth in July

UKG data highlights very slight declines in workforce activity in four of the last five months, suggesting we'll see fewer new jobs in July compared to June. While there's no indication yet of broad-based layoffs outside of finance and technology, we see businesses pulling back on new hiring. This gradual decline would indicate efforts to slow the job market are starting to work.

Dave Gilbertson
Vice President, UKG

Workforce activity and job creation: Tracking shift levels during the mid-month week



- UKG Shifts Worked
- BLS New Employment (in thousands)



Workforce activity decreased 0.6% in July

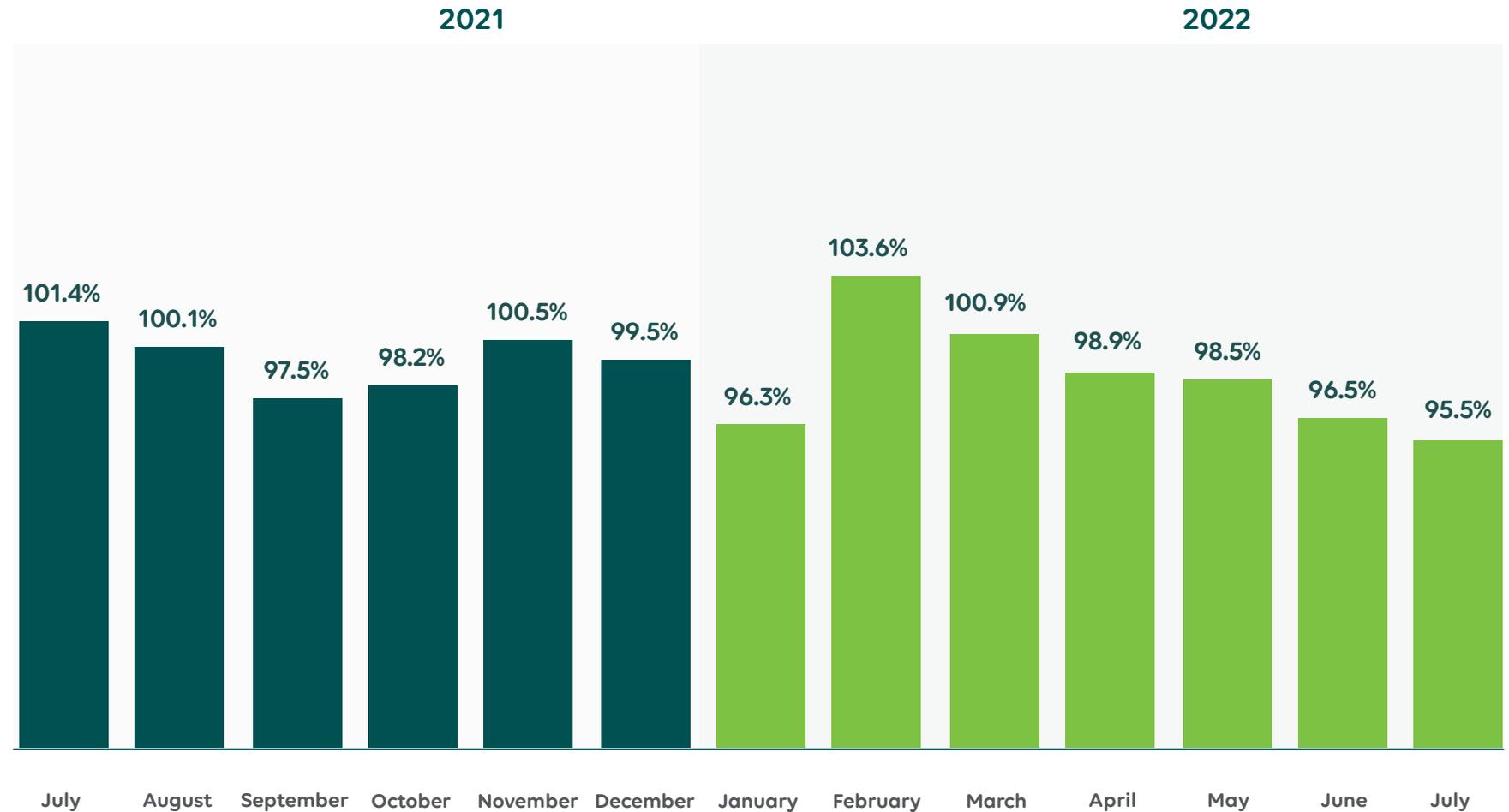
High-frequency UKG® shift data correlates each month with new employment gains reported by the U.S. Department of Labor — providing an indication of the direction of jobs recovery. The UKG data often comes into even closer alignment following ensuing Department of Labor revisions.

The UKG Workforce Recovery Scale for July is 95.5

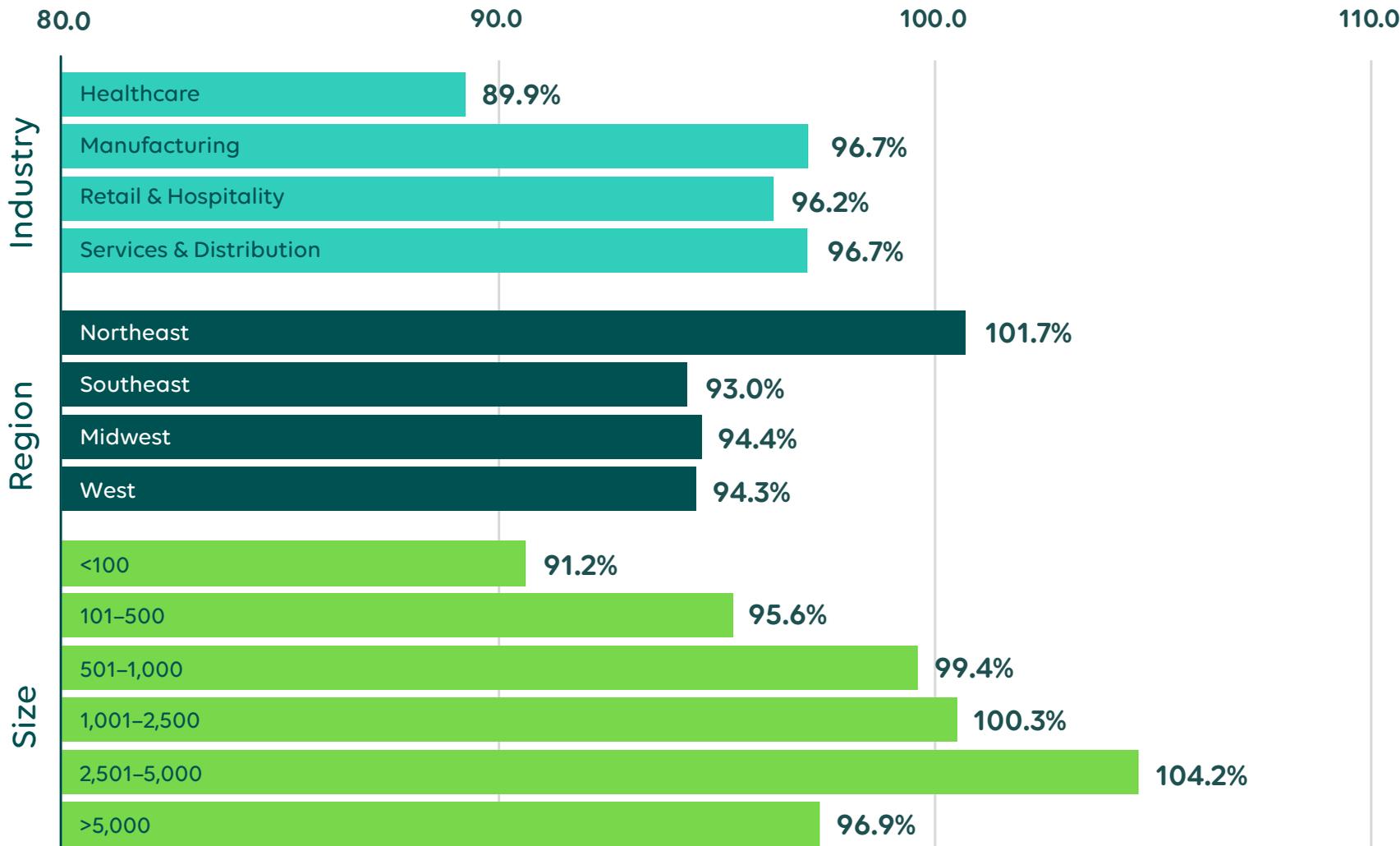


The UKG Workforce Recovery Scale — enhanced with an updated methodology in February 2022 — is a rolling 12-month index that measures workforce activity levels at U.S. businesses. The index is the level of workforce activity relative to the same month one year ago and provides a directional indicator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

UKG Workforce Recovery Scale



UKG Workforce Recovery Scale



The Recovery Scale Index slumped to its lowest point of 2022

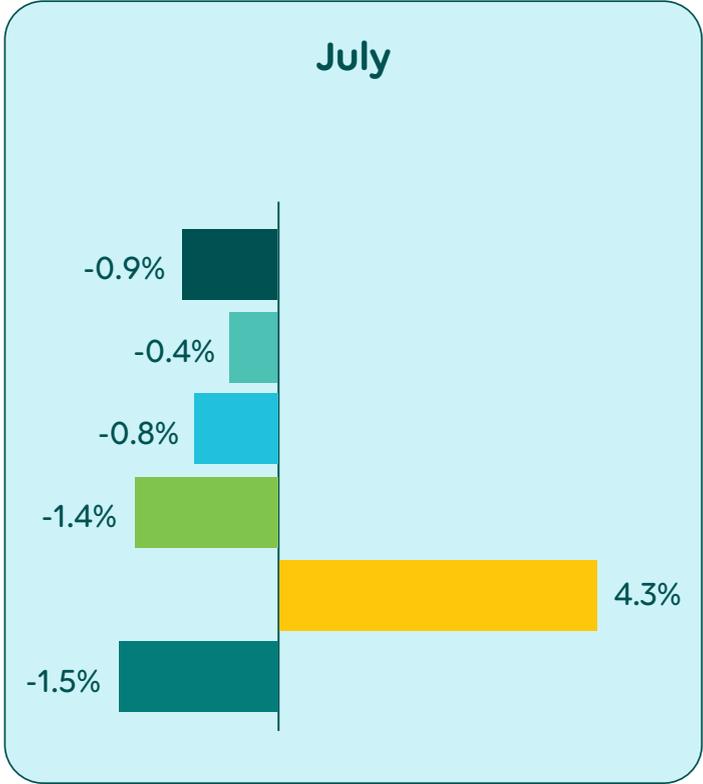
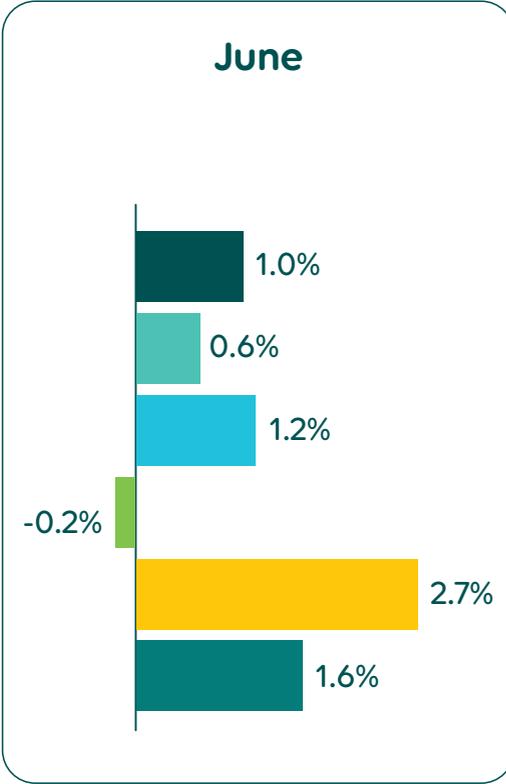
Examining the Workforce Recovery Scale index across industries, regions, or business size can provide a more detailed look at the often unequal distribution of economic momentum. The index is the level of workforce activity relative to the same month one year ago and provides a directional indicator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

Shift recovery: Company size

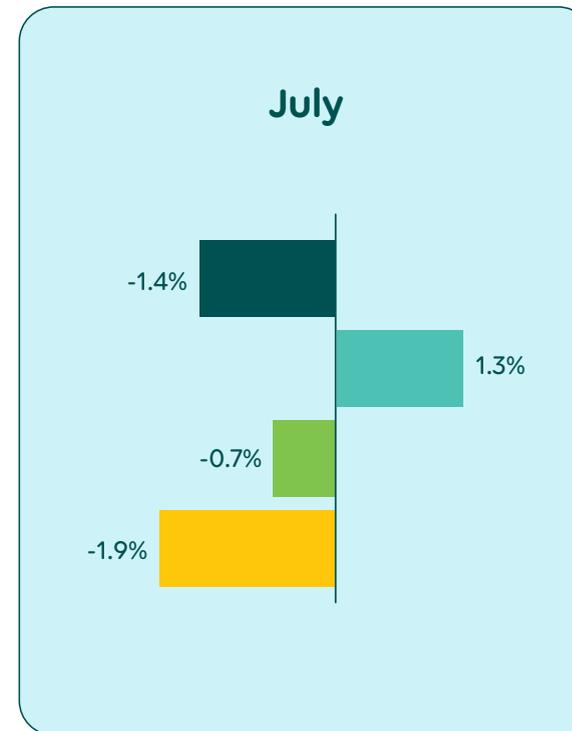
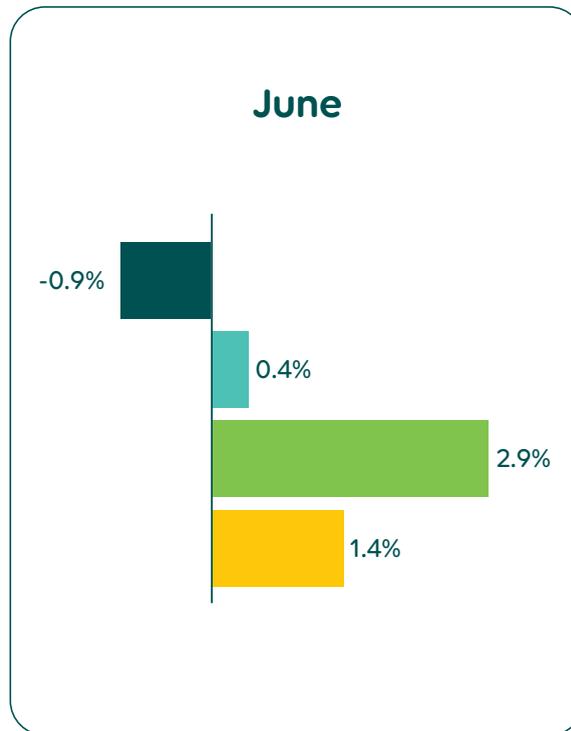
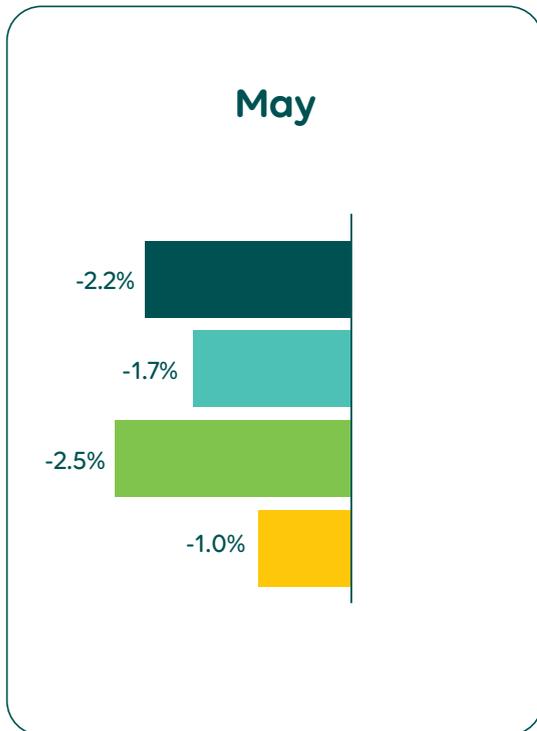
Some businesses chose to keep roles vacant vs compete to hire in July



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



Shift recovery: Industry

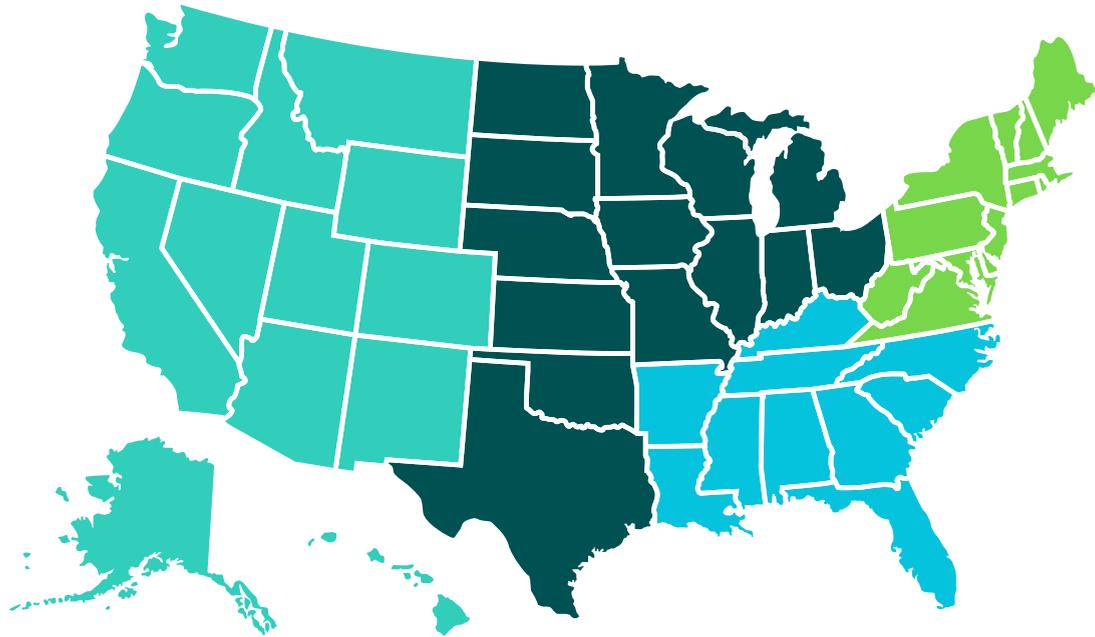


Manufacturing is the sole industry to grow shift work

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

Shift recovery: U.S. landscape

The following, including CDC statistics, provide a snapshot of the July mid-month week. This data reflects month-over-month shift growth by region and state as measured by time punches.



● Northeast

May: -0.5%

June: 2.7%

July: 0.5%

● Southeast

May: -0.8%

June: 0.4%

July: -1.5%

● Midwest

May: -0.7%

June: 0.2%

July: -1.1%

● West

May: -3.6%

June: 0.8%

July: 0.3%



83.4% of people 5+ with at least one vaccination (CDC)



79.6% of U.S. counties at medium/high risk of COVID based on hospitalization (CDC)



BA.5 variant accounts for 81.9% of COVID 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 3.9 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.

Since April 2020, UKG public sector data has included public K-12 and higher education institutions, in addition to traditional public sector government organizations. As is customary during the June-September timeframe, UKG will not report on public sector data until schools return in the fall.



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

Footnote 1: February growth attributed to strong snapback following sharp, but temporary, decline in shift work caused by January Omicron wave.

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