

UKG



UKG WORKFORCE ACTIVITY REPORT

July 2023



Workforce Activity Dips for First Time since April

Labor market remains tight

By analyzing weekly employee shift work trends across 35,000 U.S. businesses and 4.3 million people, this index provides directional insight into the health of the frontline working economy.

See all historical weekly reports at UKG.com/WorkforceActivityReport.



Shift work decreased -0.7% in July 2023

Executive summary

July 2023



Mid-month shift growth

-0.5%	February
-1.6%	March
-0.2%	April
1.0%	May
0.4%	June
-0.7%	July



Shift growth by company size

-1.0%	<100
-0.6%	101-500
-1.0%	501-1,000
0.0%	1,001-2,500
-0.2%	2,501-5,000
0.9%	>5,000



Workforce Recovery Index

92.6	February
95.1	March
96.4	April
99.1	May
99.5	June
98.4	July



Shift growth by industry

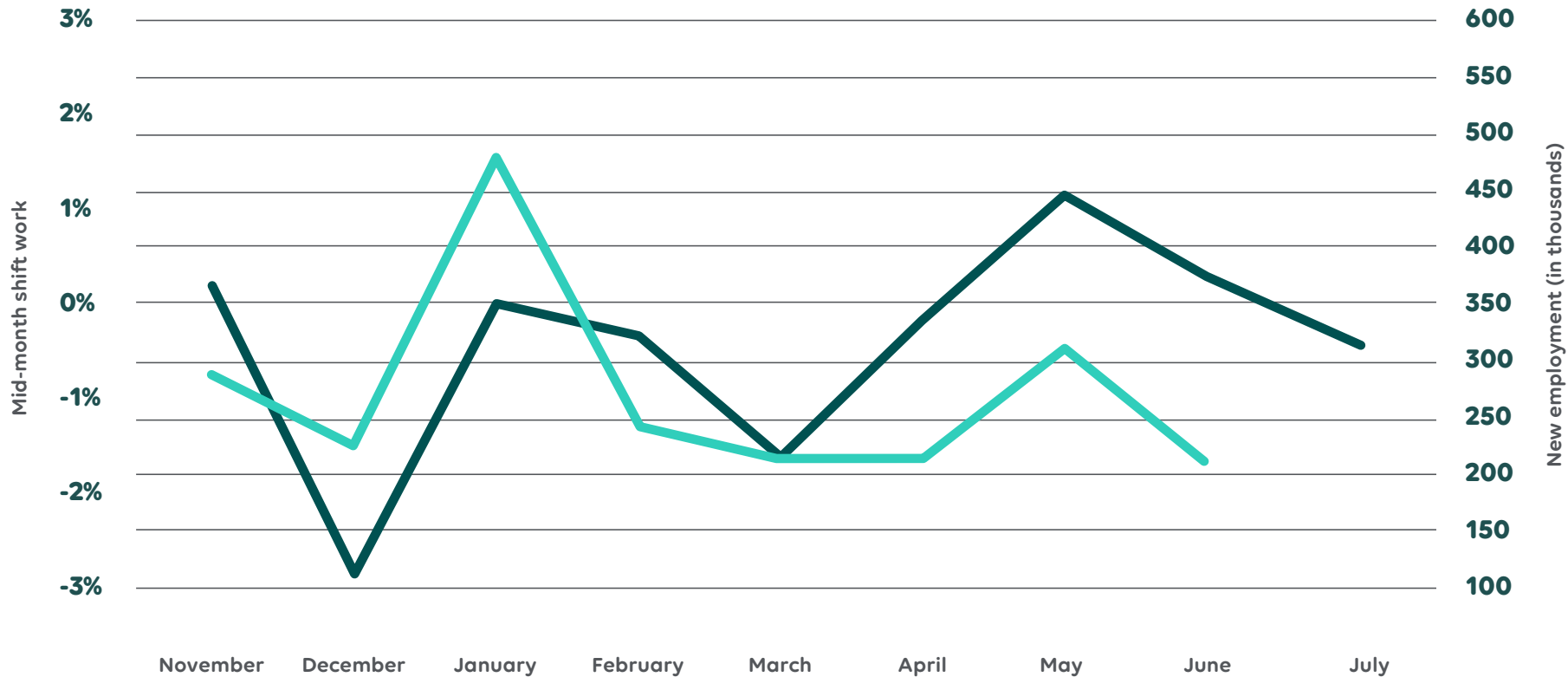
0.2%	Healthcare
-0.7%	Services & distribution
-0.9%	Manufacturing
-1.1%	Retail, food service, & hospitality



Challenging conditions will persist

Tightness in the labor market clearly has the Federal Reserve feeling uneasy. We've yet to see the loosening that they're seeking. This is going to continue to be one of the more challenging labor markets to navigate for some time.

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



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



Workforce activity decreased -0.7% in July

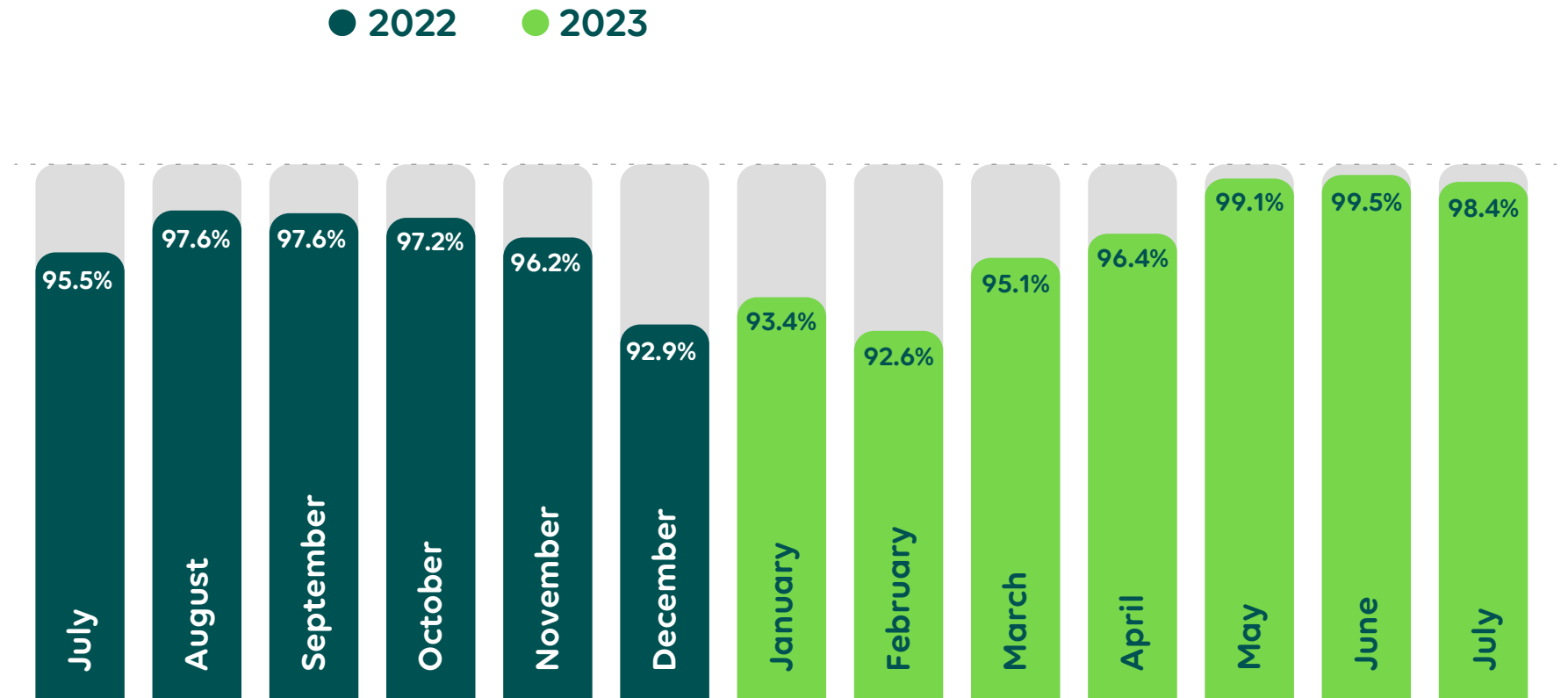
High-frequency UKG® shift data correlates each month with new employment gains reported by the U.S. Department of Labor — providing an indication of the direction of jobs recovery. The UKG data often comes into even closer alignment following ensuing Department of Labor revisions.

The UKG Workforce Recovery Index for July is 98.4

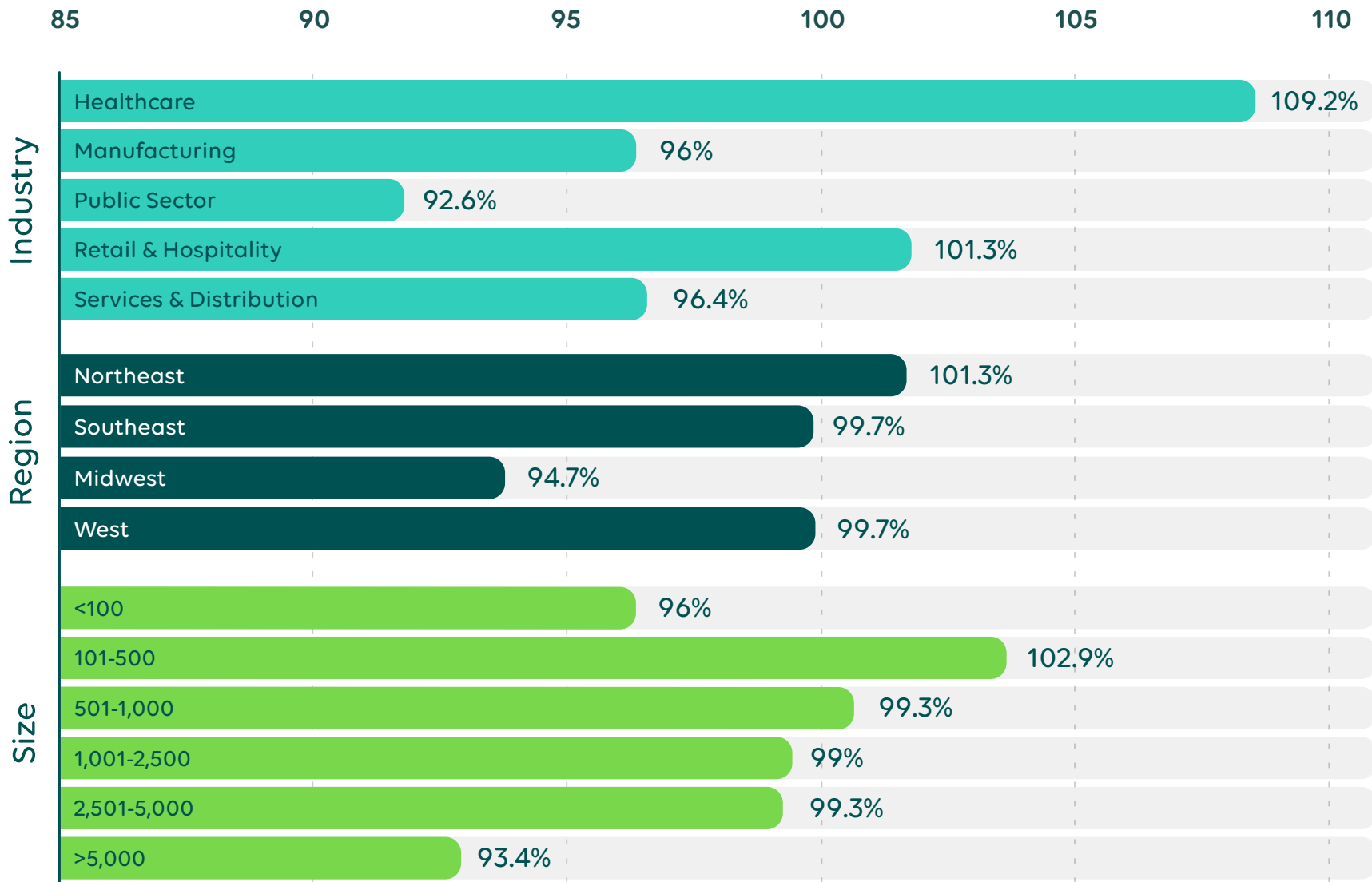


The UKG Workforce Recovery Index is a rolling 12-month scale that measures workforce activity levels at U.S. businesses. The index is the level of workforce activity relative to the same month one year ago and provides a directional indicator for anticipated changes in the labor participation rate.

UKG Workforce Recovery Scale



UKG Workforce Recovery Index



Healthcare outperformed all industries

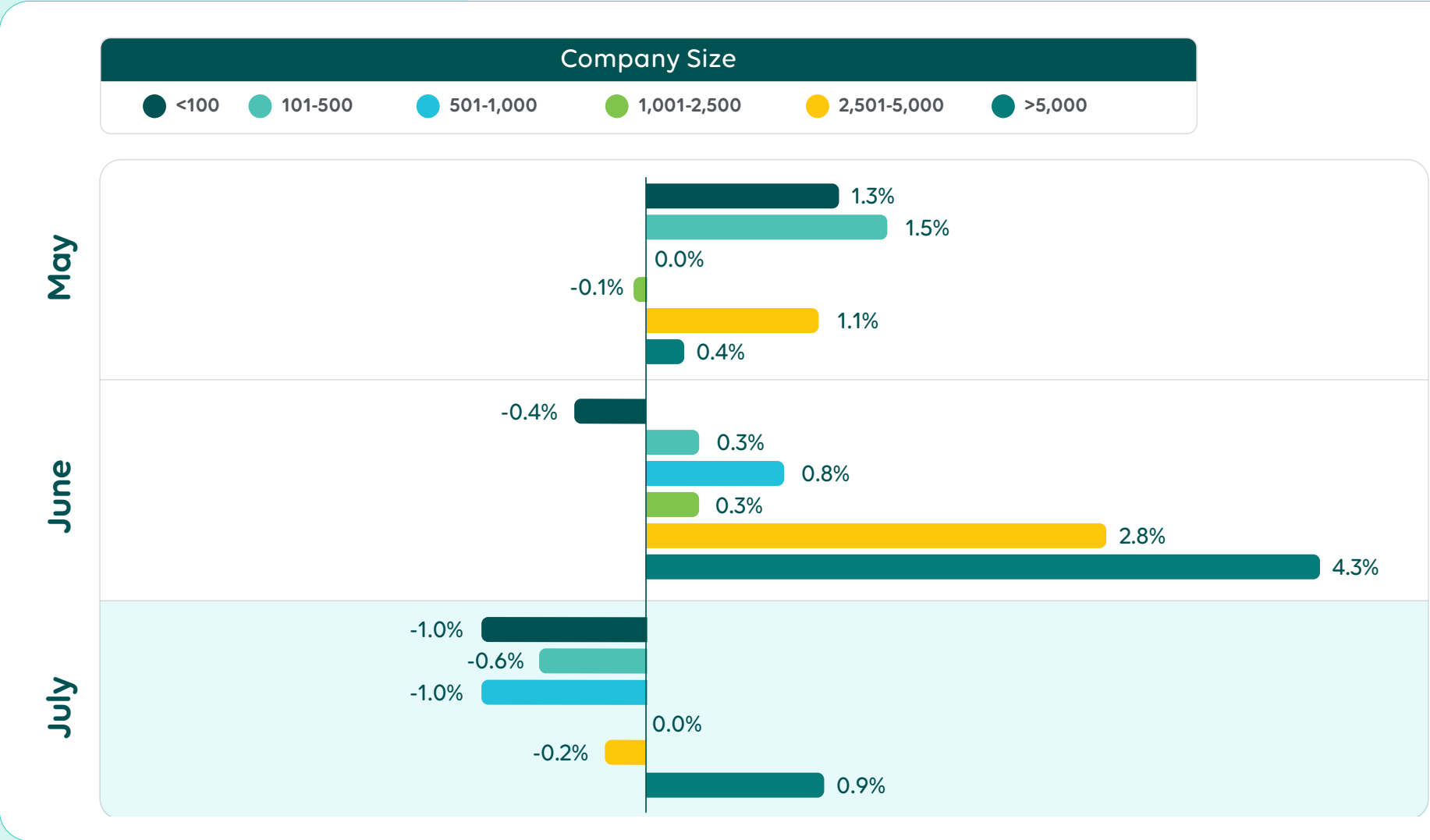
Examining the Workforce Recovery Index scale across industries, regions, or business size can provide a more detailed look at the often unequal distribution of economic momentum. The index is the level of workforce activity relative to the same month one year ago and provides a directional indicator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

Shift recovery: Company size

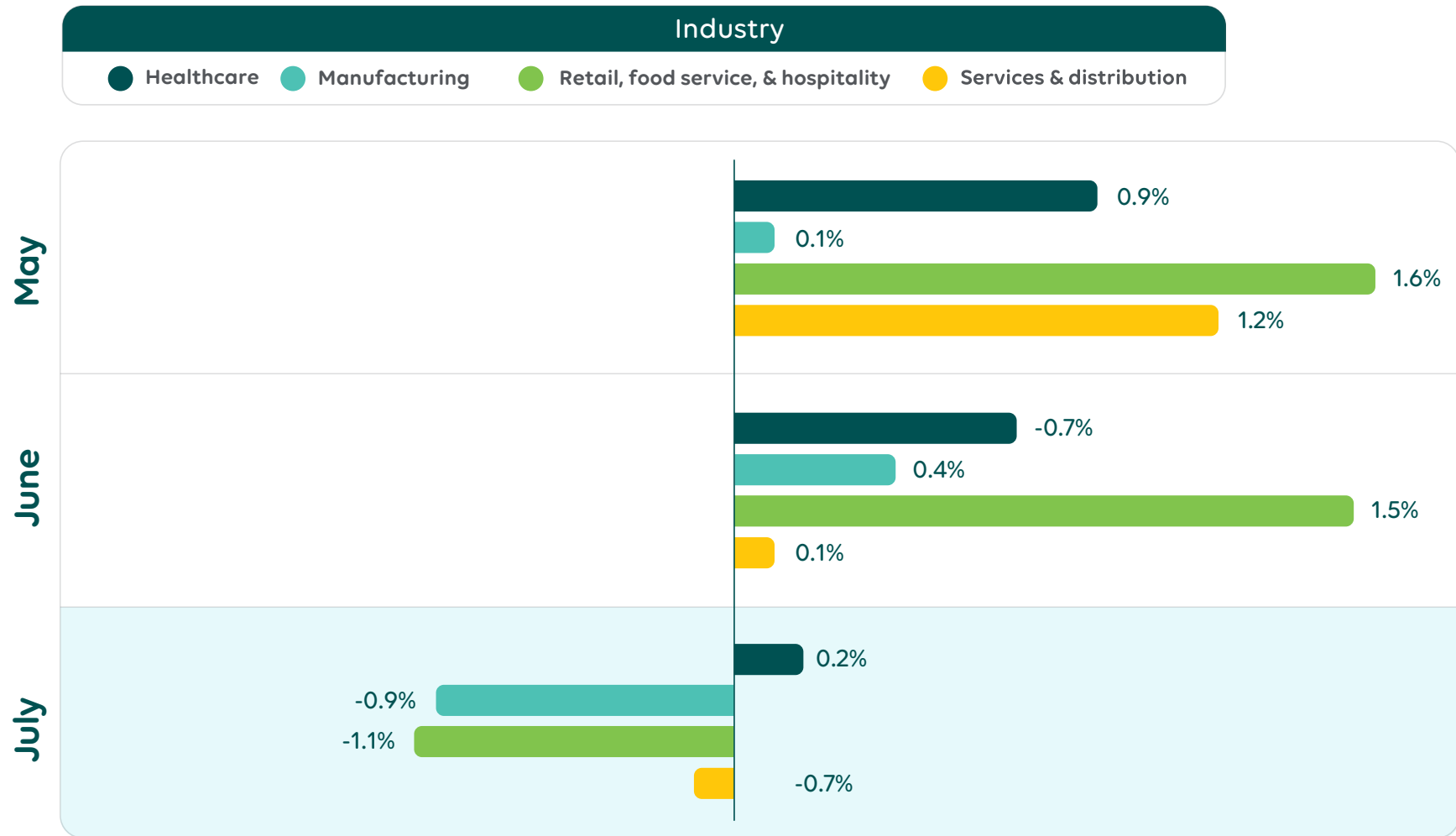
Smaller companies see continued declines



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



Shift recovery: Industry

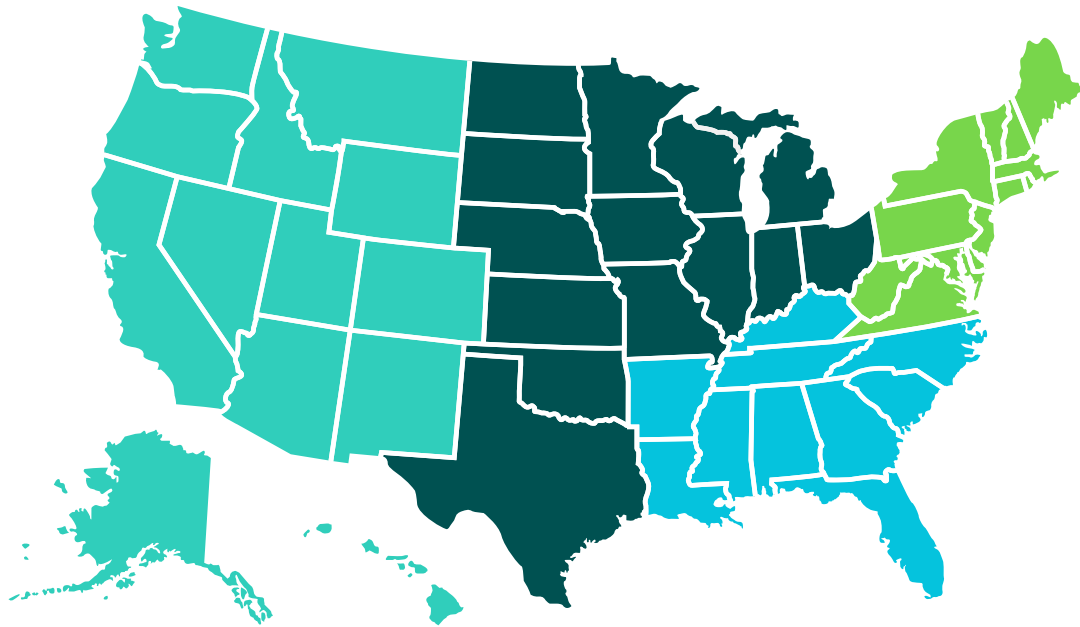


July 2023 dip
mirrors July 2022 dip

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

Shift recovery: U.S. landscape

While the COVID-19 pandemic created regional inconsistencies in workforce activity from 2020-2022, large variations in regional changes today can often be attributed to localized events such as extreme weather emergencies.



● Northeast

May: 2.6%
June: 0.8%
July: -1.1%

● Southeast

May: 1.2%
June: 0.2%
July: -0.5%

● Midwest

May: 0.0%
June: 0.8%
July: -1.2%

● West

May: 0.3%
June: 0.4%
July: 0.9%

Upcoming Reports



Aug. 4: Employment Situation Report



Aug. 10: Consumer Price Index, Real Earnings Report



Aug. 29: Job Openings and Labor Turnover Survey



Register to attend our monthly labor market briefing at 10:00 a.m. ET each month on the Tuesday prior to the BLS employment report publication by visiting UKG.com/WorkforceActivityReport.



Methodology

The Workforce Activity Report by UKG is an index that measures week-by-week metrics including employee shifts worked and pay statements from 4.3 million employees across more than 35,000 U.S. businesses.

“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.

*Public Sector data, which includes K-12 education, is adjusted out of the report from June-September annually.

For more information
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