

An Update on U.S. Workforce Activity

July 20–26, 2020



This report explores weekly workforce data from 3.2 million employees across 30,000 U.S. businesses — including employee shifts worked, employee new hires and terminations, and pay statements generated — to better understand the economic health of the national workforce.



The Current State of the National Workforce

Measuring four critical real-time metrics

Understanding the working economy with anonymized and aggregated workplace data

By tracking employee shifts, new hires and terminations, and pay statements based on daily employee data captured by Kronos customers, this report intends to provide directional insight into the current conditions of the national working economy. See all historical weekly reports at **Kronos.com/USWorkforceActivity**.

For the first time since shifts worked hit “the bottom” the week ending April 12, shifts across the country declined slightly last week during a non-holiday week, now down 14% overall (compared to 13% overall last week). This decrease is likely a combination of anticipated seasonal slowdowns as well as COVID-related reopening reversals — indicating that the economic recovery, though not yet declining for a second time, has plateaued.

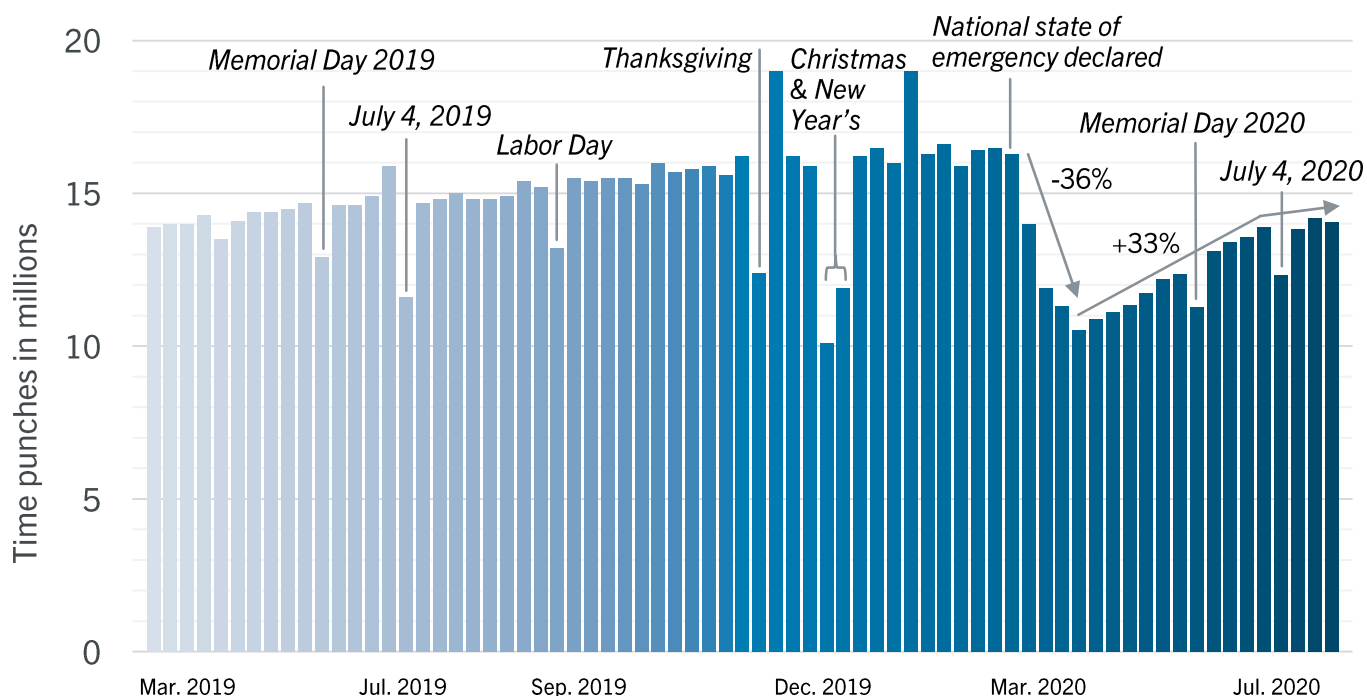
Shifts worked

Summer season slows shift growth nationwide

Shifts worked across the country

This data reflects shifts worked as measured by more than 1 billion time punches — when employees clock in at the beginning of their shift and clock out at the end of it via time clock, mobile, and web-based punches — over the past 17 months. With the exception of national holidays, data shows remarkable consistency despite expected fluctuations in time off, hirings, and firings.

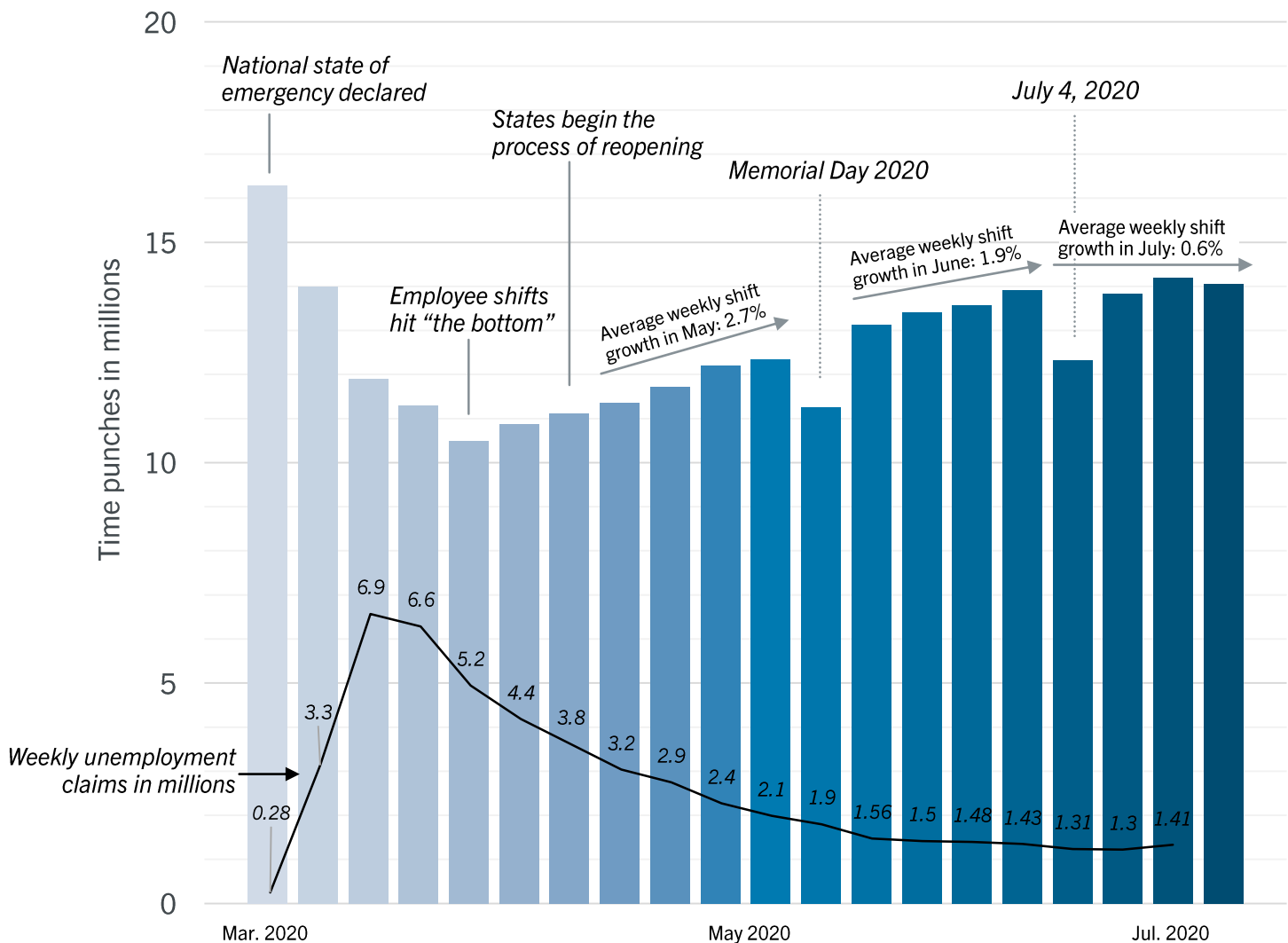
For the first time since the week ending April 12, shifts worked declined slightly (1%) during a non-holiday week. Though this decrease aligns with week-over-week decreases in July 2019 — a result of the seasonality of the U.S. workforce — last week's dip in shifts may also be partially attributed to the COVID-related reopening reversals occurring in pockets across the country.



Close up: Shifts worked since hitting “the bottom”

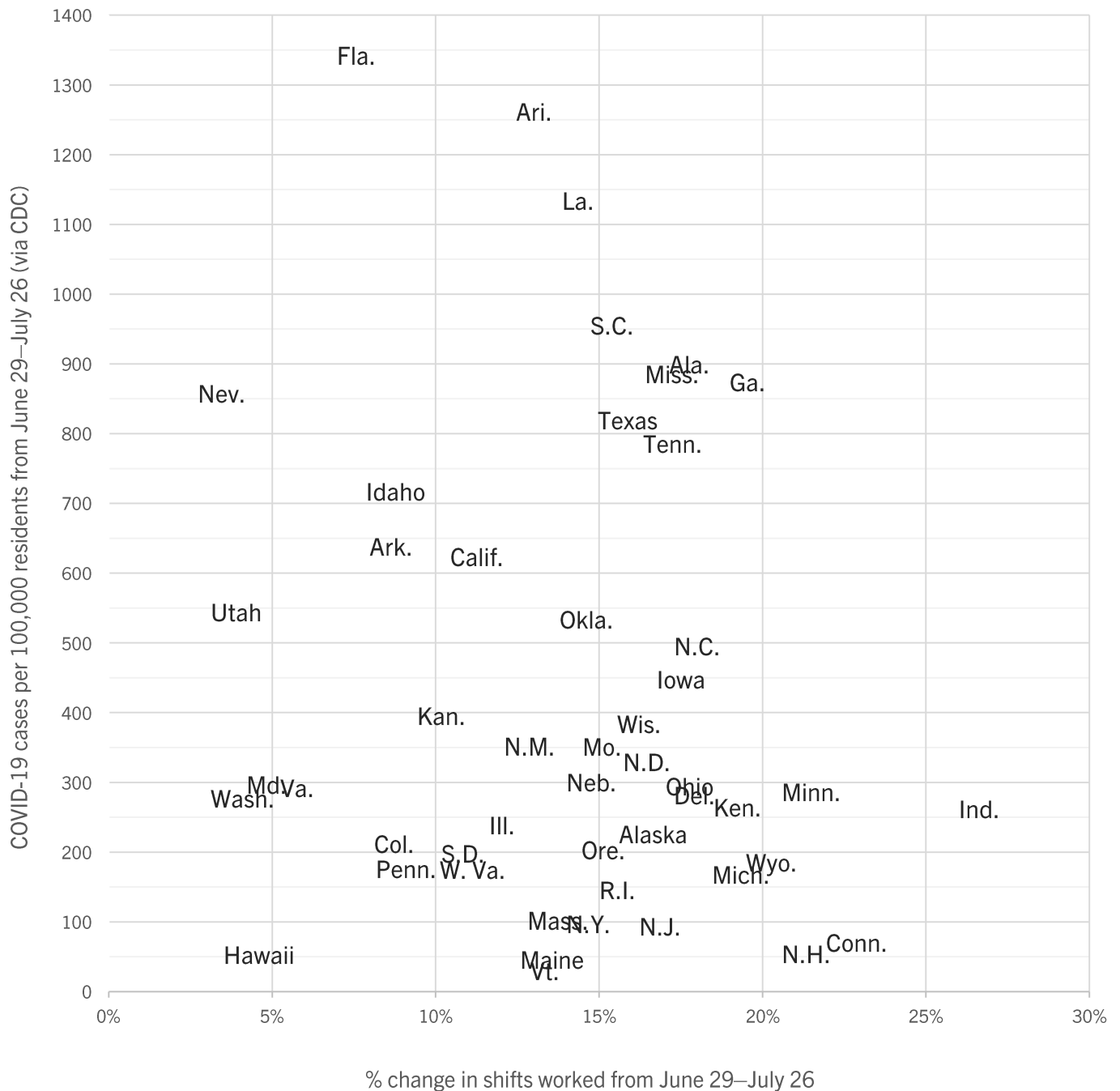
This data reflects shifts worked as measured by 250 million time punches — when employees clock in at the beginning of their shift and clock out at the end of it via time clock, mobile, and web-based punches — since reaching “the bottom” in the week ending April 12.

While shifts have risen 33% since hitting “the bottom,” shift recovery has hovered around 60% since early July. Last week marked the first non-holiday week shift decrease since mid-April, indicating that the combination of slower seasonal business operations and statewide COVID-related reopening reversals are having a definitive impact on shift work growth.



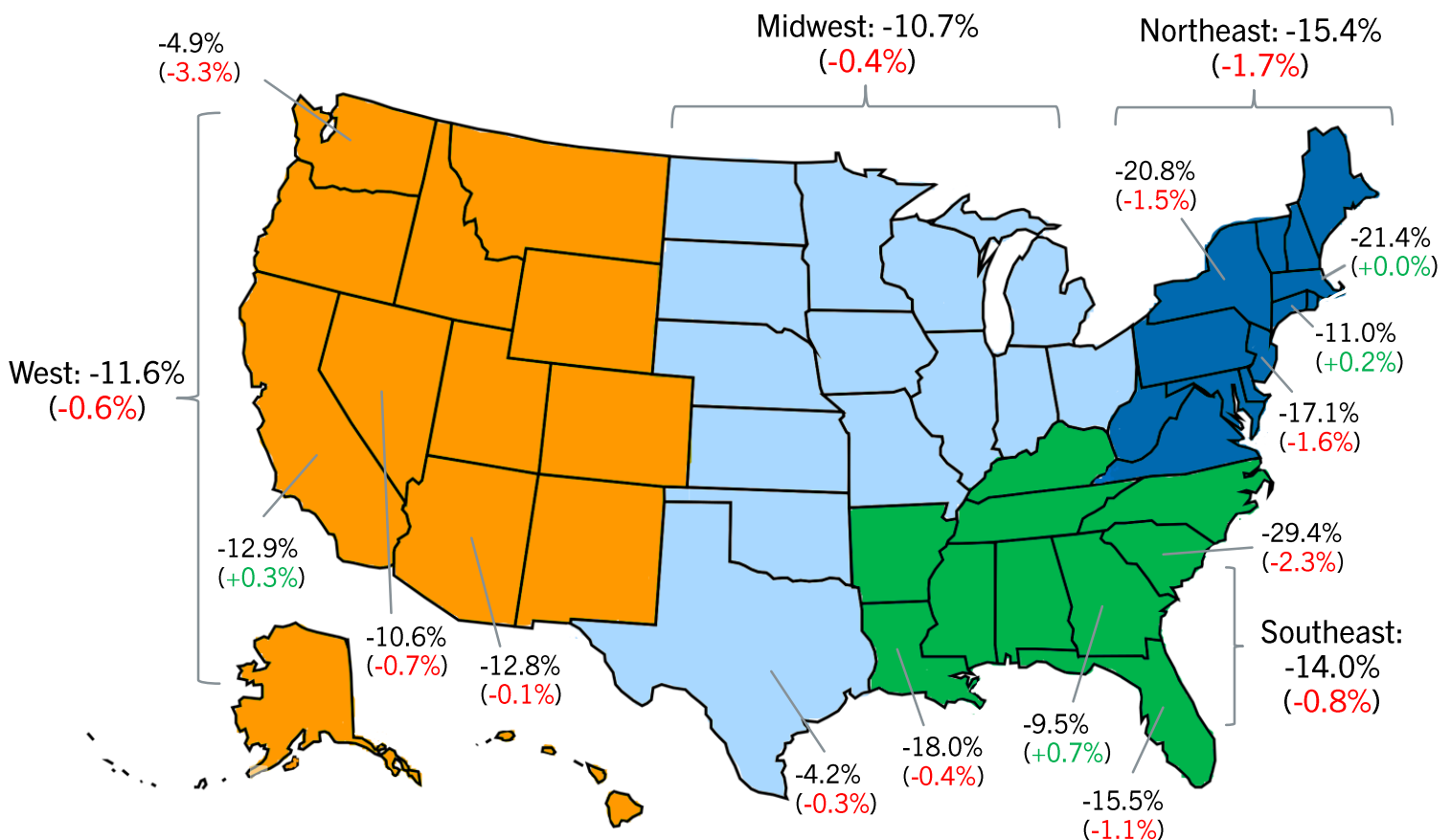
Change in shifts worked vs. COVID-19 cases by state (June 29–July 26)

This data compares the change in shifts worked to the number of new COVID-19 cases per 100,000 residents over the past rolling four weeks, revealing potential correlations between COVID-19 cases and shifts based on statewide reopening plans (or reversals) and resulting business operations.



Shifts worked across specific regions and states

This data reflects the changes in shifts worked as measured by time punches — when employees clock in at the beginning of their shift and clock out at the end of it via time clock, mobile, and web-based punches — since the week ending March 15 (in black), as well as shift increases (in green) or decreases (in red) over the past week from July 20–26.



22

For 22 states — close to half of the U.S. — recovery of shifts lost sits between 40–60%.

9

As COVID-19 cases rise, 9 states — Ari., Calif., Col., Fla., La., Mich., Nev., N.M., and Texas — are reversing reopening plans.

14

Shifts increased across just 14 states over the past week, primarily in the Northeast.

State of recovery across all U.S. states

The states below are ranked by workplace recovery as measured by increase in shifts since hitting “the bottom” the week ending April 12 compared to loss of shifts between mid-March and mid-April:

119%

shift recovery in Mississippi,
exceeding pre-pandemic levels.

- | | | |
|-------------------------|---------------------------|--------------------------------|
| 1. Mississippi: 119.4% | 16. Missouri: 70.3% | 38. New York: 53.0% |
| 2. New Hampshire: 95.3% | 17. Delaware: 70.3% | 39. Arizona: 52.5% |
| 3. Maryland: 94.1% | 18. West Virginia: 69.9% | 40. New Mexico: 48.0% |
| 4. Texas: 86.6% | 19. Alaska: 69.5% | 41. Alabama: 45.1% |
| 5. Arkansas: 84.8% | 20. Michigan: 68.9% | 42. Hawaii: 44.8% |
| 6. Idaho: 83.5% | 21. Kentucky: 67.8% | 43. Illinois: 44.2% |
| 7. Washington: 82.9% | 22. Nebraska: 66.3% | 44. North Dakota: 42.1% |
| 8. Iowa: 82.8% | 23. Wisconsin: 65.8% | 45. Rhode Island: 41.5% |
| 9. Nevada: 82.5% | 24. Tennessee: 65.7% | 46. Oklahoma: 37.2% |
| 10. Colorado: 82.1% | 25. Kansas: 65.6% | 47. Florida: 36.0% |
| 11. Vermont: 79.7% | 26. Virginia: 65.2% | 48. Utah: 35.6% |
| 12. Georgia: 78.7% | 27. Pennsylvania: 65.0% | 49. South Carolina: 11.9% |
| 13. Connecticut: 77.6% | 28. Louisiana: 63.8% | 50. District of Columbia: 4.1% |
| 14. Minnesota: 75.5% | 29. New Jersey: 63.3% | 51. Montana* |
| 15. Ohio: 74.7% | 30. Oregon: 62.4% | |
| | 31. Indiana: 60.7% | |
| | 32. California: 60.7% | |
| | 33. North Carolina: 59.2% | |
| | 34. Massachusetts: 59.0% | |
| | 35. Wyoming: 58.5% | |
| | 36. South Dakota: 56.9% | |
| | 37. Maine: 54.9% | |

4%

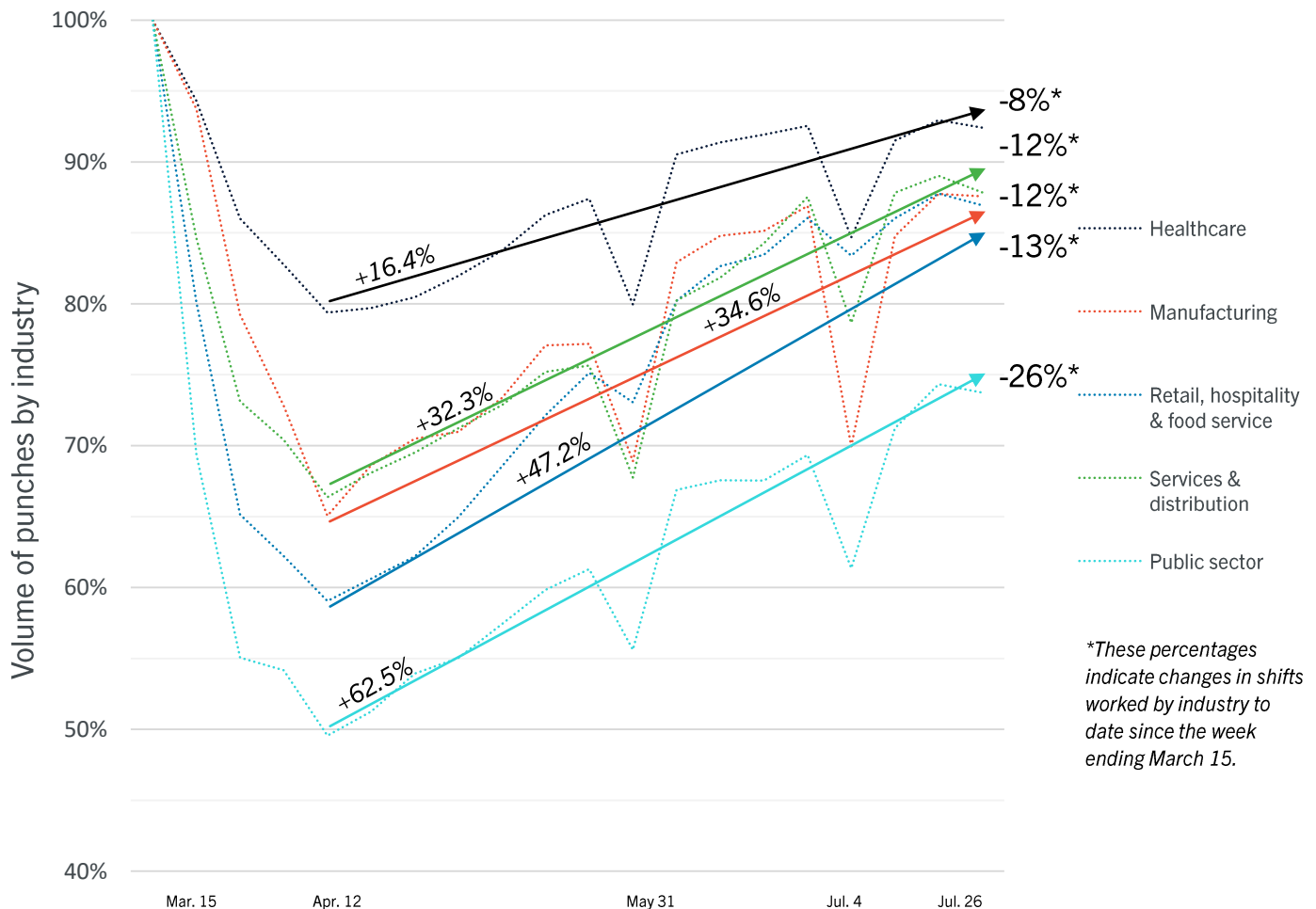
shift recovery in the District of
Columbia, the lowest in the country.

**The volume of time punches in these states, while meaningful, may not provide the representative sample needed to confirm statistical significance.*

Shifts worked across specific industries

This data reflects the percentage changes in shifts worked across industries as measured by time punches — when employees clock in at the beginning of their shift and clock out at the end of it via time clock, mobile, and web-based punches. Organizations in manufacturing, retail, hospitality, and food service, and services and distribution are all paused at 12–13% declines relative to mid-March, despite all experiencing different rates of decline during the depths of the shutdown — indicative of a convergence and resulting plateau in the recovery. Shifts in public sector, still in the midst of its traditionally slow summer season, remain more than a quarter (26%) below pre-pandemic levels.

Data will continue to signal how industries are being impacted and when businesses begin to stabilize and eventually regain footing within the economic climate.



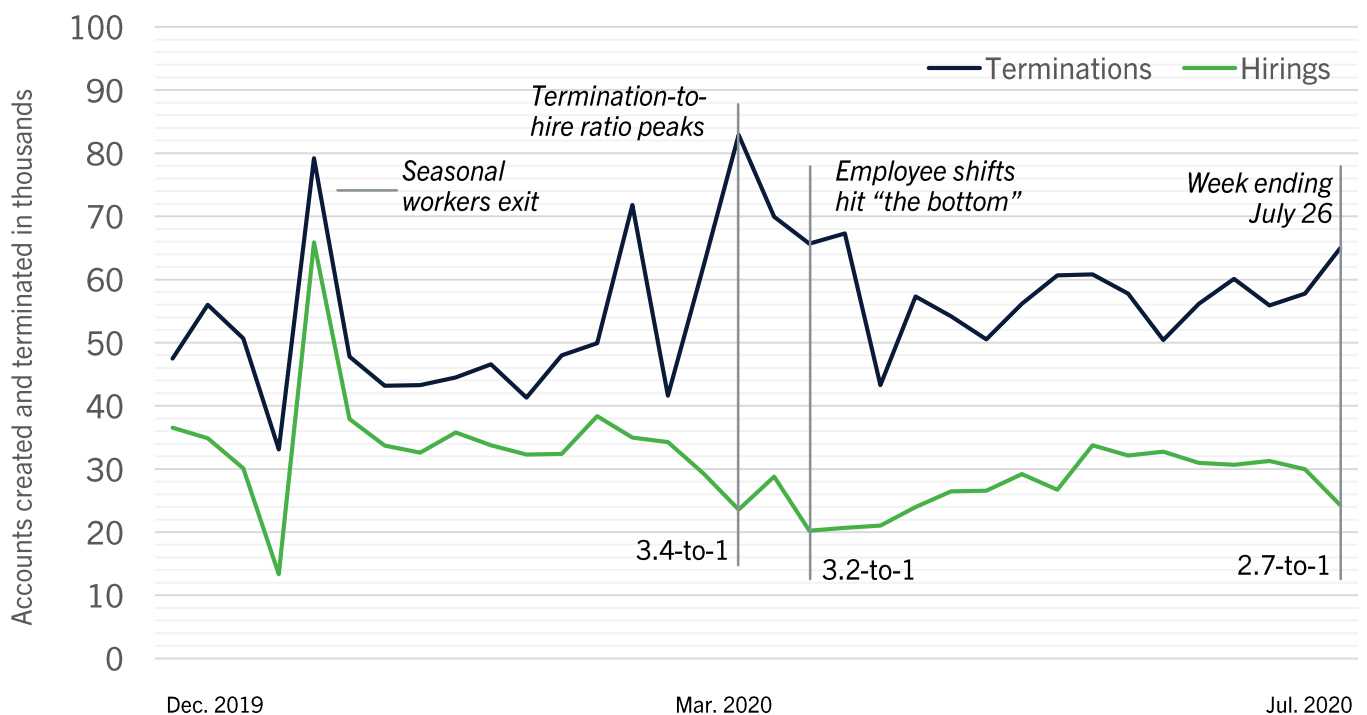
Employee accounts

Terminations outpace hiring 2.7-to-1

Employee hires and terminations

This data reflects the number of new U.S. employees being hired (in green) and terminated (in black) based on accounts created and terminated in their employer's human capital management system.

Before the pandemic, the termination-to-hire ratio was 1-to-1 as organizations maintained their workforce; however, the turbulent economic landscape caused the ratio to peak at 3.4-to-1 during the week ending March 29 — two weeks after the national state of emergency was declared and two weeks before shifts hit “the bottom.” The current termination-to-hire ratio stands at 2.7-to-1, and will continue to indicate stability, recovery, and growth as businesses reopen and begin to hire again.



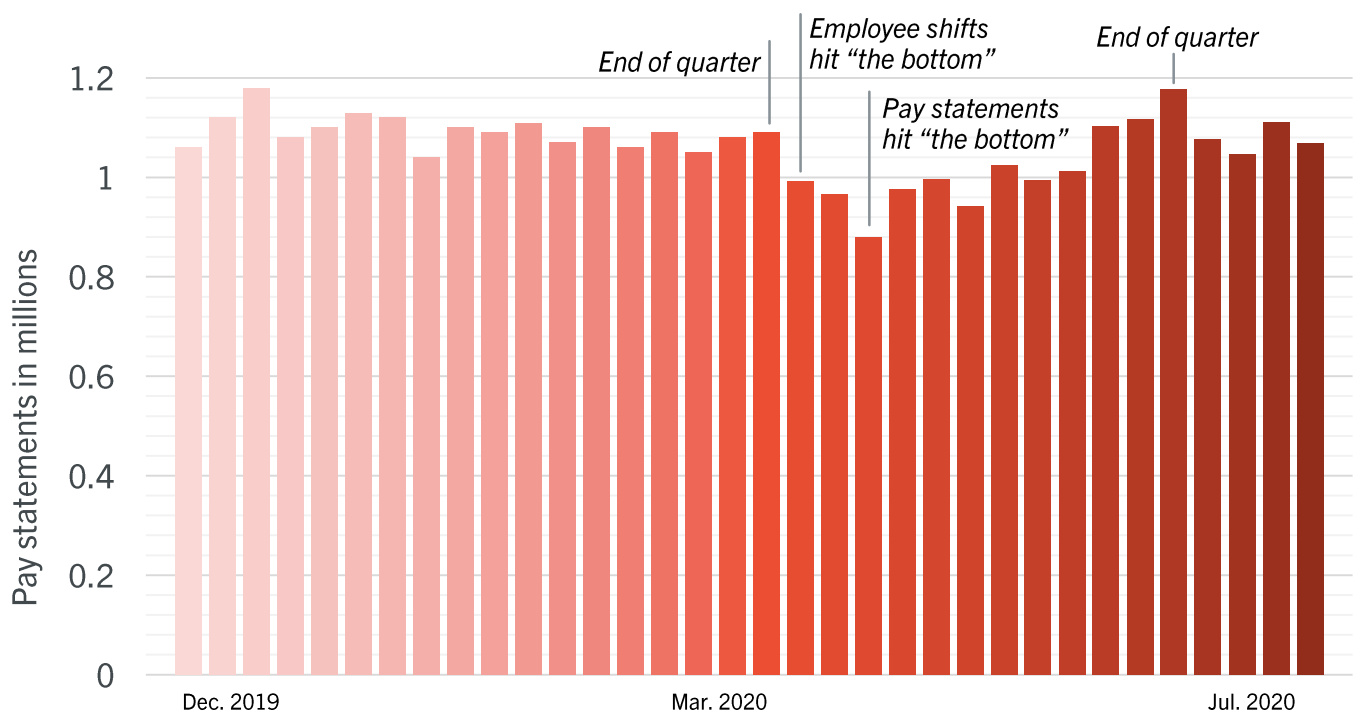
Pay statements

Paycheck creation sees staggered recovery

Pay statements generated

This data reflects the number of pay statements generated each week — including direct deposit and physical checks — for 3.2 million U.S. employees. Payroll volume is up 1% on a rolling 2-week period, indicating paycheck creation has remained relatively steady amid anticipated seasonal fluctuations.

Because pay statements reflect previous hours worked, are generated by an employer with varying frequencies (e.g., weekly, biweekly, monthly), and employees often receive payments after termination (e.g., vacation accrual payout, severance), data over the coming weeks should continue to reveal the long-term impact of changes in shifts worked and employee hirings and terminations.





About This Report

Methodology

The U.S. Workforce Activity Report measures week-by-week metrics including employee shifts worked, new hires and terminations, and pay statements from 3.2 million employees across approximately 30,000 Kronos customers. The data included in this report is not seasonally adjusted.

Visit **[Kronos.com/USWorkforceActivity](https://www.kronos.com/USWorkforceActivity)** for the latest data report.

“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.

“New hires” is the aggregate number of new employee profiles created inside a Kronos cloud solution. A new employee profile is created when an individual is hired into a position. New hire dates may be pre- or post-dated, creating minor variations in prior week’s data.

“Terminations” is the aggregate number of employee profiles that are deactivated/removed from a Kronos cloud solution, indicating a termination of employment. The cause could be a layoff or resignation, as examples. Termination dates may be pre- or post-dated, creating minor variations in prior week’s data.

“Pay statements” reflect the number of payroll checks generated each week, including both direct deposit transfers and physical checks.

This week’s report, and future reports, contains an enhanced industry-level data view, which will influence direct comparisons with prior reports.

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