

An Update on U.S. Workforce Activity

July 27–August 2, 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](https://www.kronos.com/USWorkforceActivity).

In tandem with the first uptick in weekly unemployment claims in 16 weeks, shifts worked across the U.S. continue to slow dramatically: Over the past five weeks, shifts have increased just 1.5% following an encouraging 32% gain over the preceding 11 weeks. Although July has historically seen shift work remain relatively flat due to the seasonality of the U.S. workforce, the addition of COVID-related statewide mandates and reversals has led to a definitive summertime slowdown in the national labor recovery.

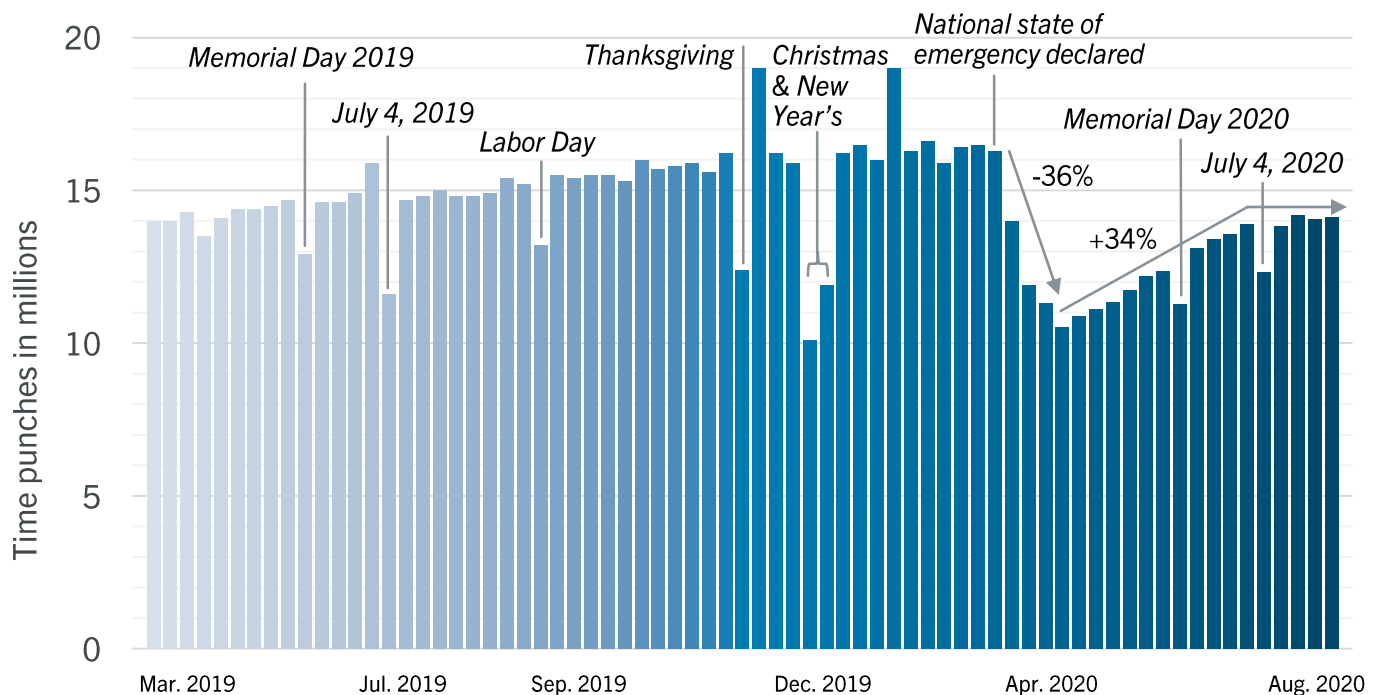
Shifts worked

Shift growth remains flat since late June

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 terminations.

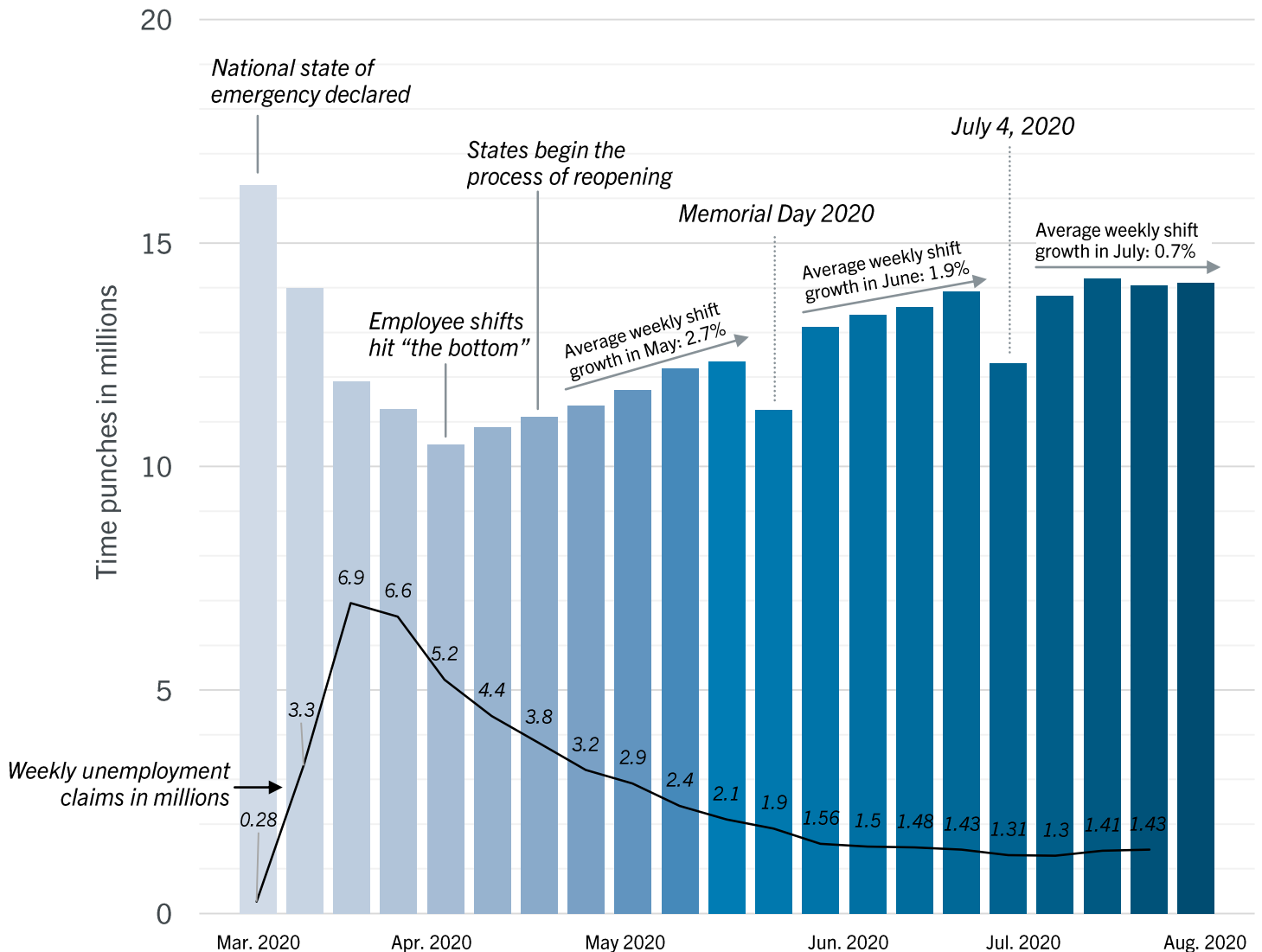
The pace of shift growth continues to slow, rising less than half a percent over the past week and just 1.5% since late June. Recovery of shifts lost has reached a similar standstill, hovering around 60% over the same time period. The coming weeks should reveal if this slowdown is the result of seasonality or if the current COVID-19 climate will have long-term ramifications on the labor recovery.



Close up: Shifts worked since hitting “the bottom”

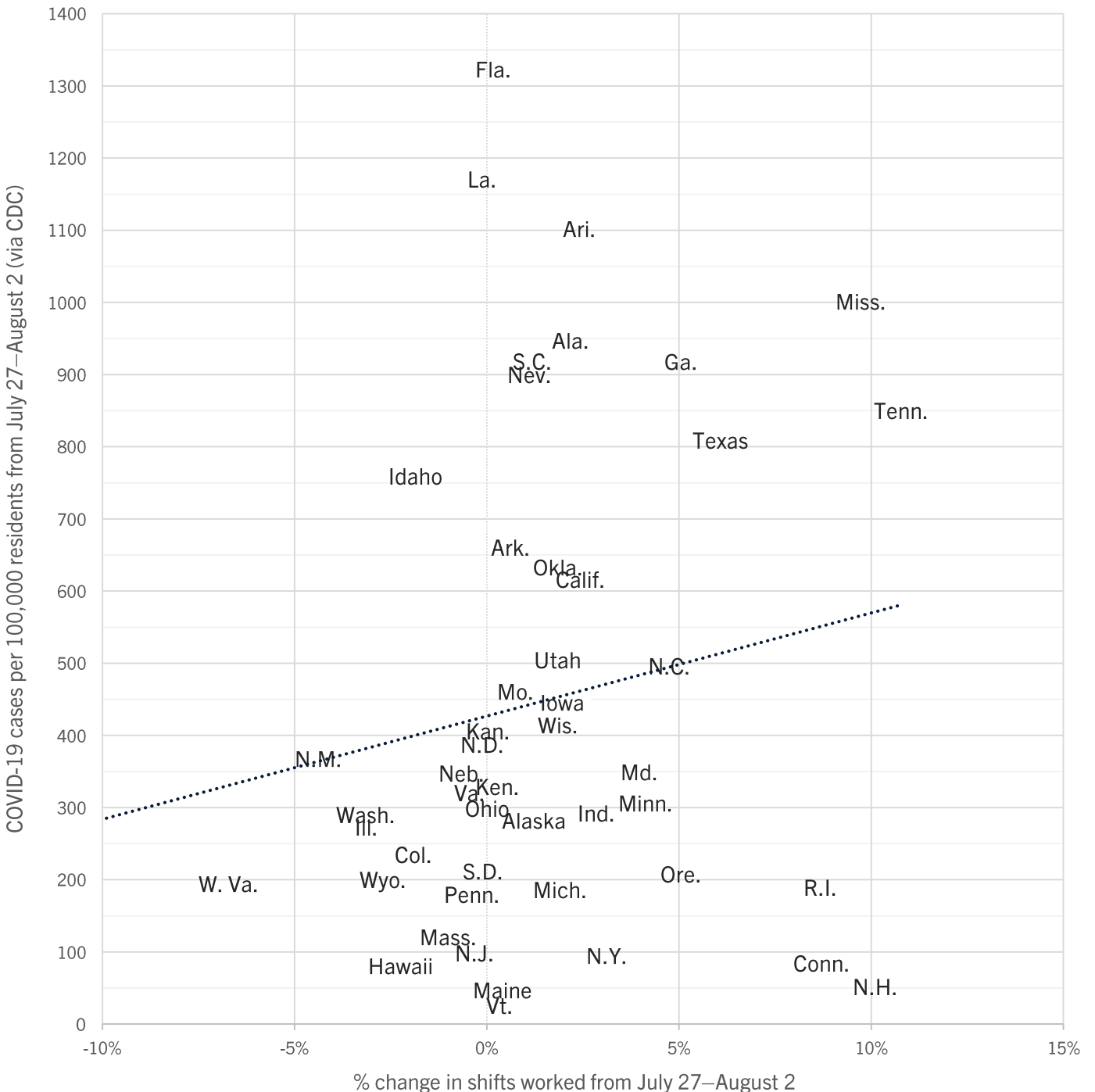
This data reflects shifts worked as measured by 265 million time punches — when employees clock in at the beginning of their shift and clock out at the end of it via time clock, mobile, and web-based punches — since reaching “the bottom” in the week ending April 12.

Shifts worked have remained relatively flat since late June, increasing an average of just 0.3% each week, compared to a 2.7% average weekly growth rate in May and 1.9% average weekly growth rate in June. As an anticipated summertime slowdown combines with the economic impact of COVID-19, this data will be helpful in determining if this is a short- or long-term trend in overall labor recovery.



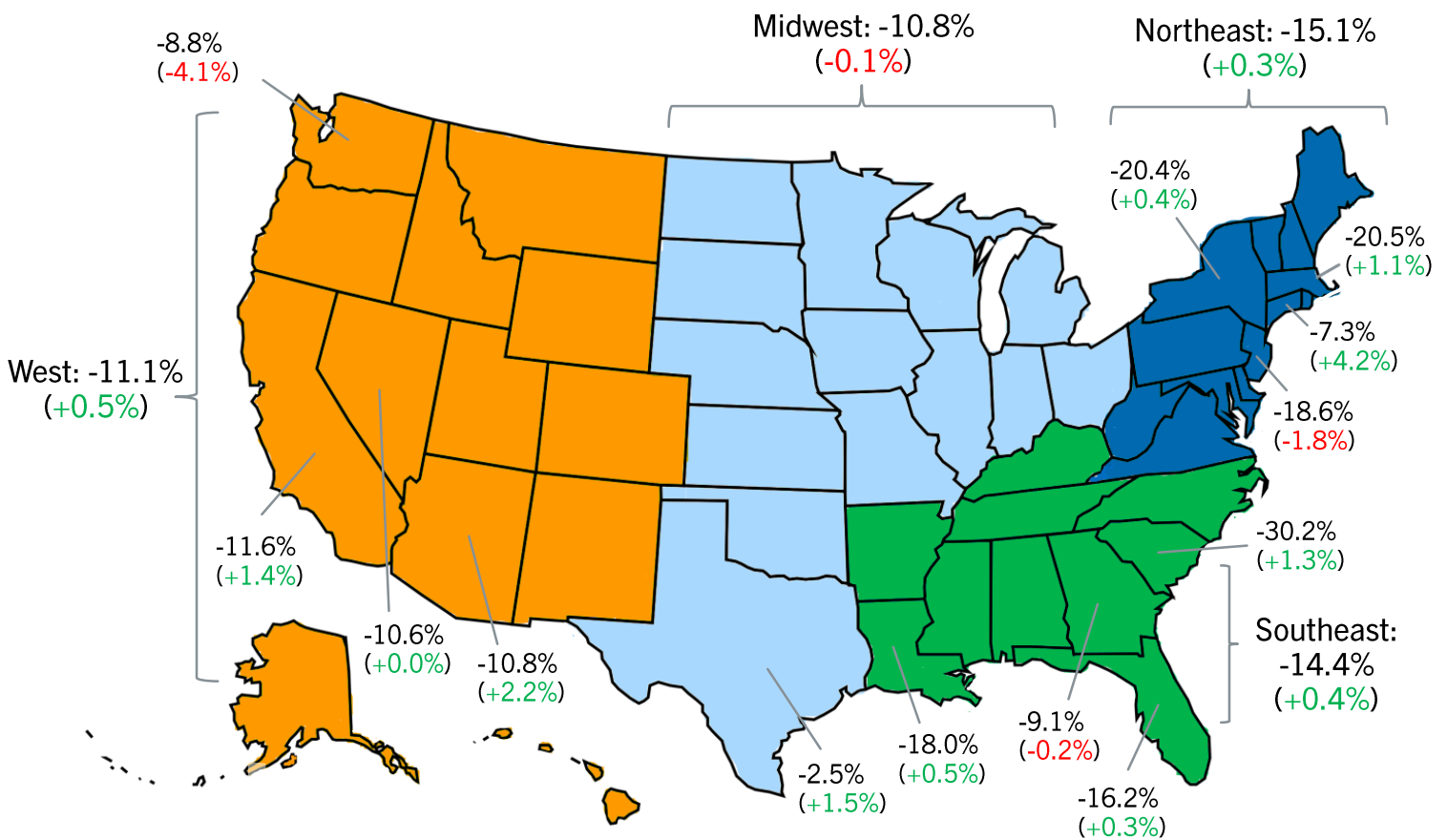
Change in shifts worked vs. COVID-19 cases by state (July 27–August 2)

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 the relationship between cases and shifts.



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 27–August 2.



24

For 24 states — nearly half of the U.S. — recovery of shifts lost sits between 40–60%.

10

Ten states — Ari., Calif., Col., Fla., Ken., La., Mich., Nev., N.M., and Texas — are reversing reopening plans.

19

Shifts dipped across 19 states — a third of the U.S. — last week, primarily in the Midwest.

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:

100%

shift recovery in New Hampshire, meeting pre-pandemic levels.

1. New Hampshire: 100.3%
2. Mississippi: 91.46%
3. Maryland: 94.5%
4. Texas: 92.2%
5. Arkansas: 86.9%
6. Idaho: 86.0%
7. Connecticut: 85.1%
8. Nevada: 82.6%
9. Tennessee: 79.0%
10. Iowa: 78.4%
11. Georgia: 78.3%
12. Vermont: 76.8%
13. Minnesota: 75.3%
14. Colorado: 74.4%
15. Alaska: 73.8%
16. Ohio: 73.3%
17. Nebraska: 72.8%
18. Washington: 69.5%
19. Michigan: 68.9%
20. Oregon: 67.4%
21. Pennsylvania: 66.7%
22. Kentucky: 66.6%
23. Wisconsin: 66.4%
24. Missouri: 65.9%
25. California: 64.5%
26. Louisiana: 64.5%
27. Virginia: 63.1%
28. West Virginia: 62.7%
29. Indiana: 61.9%
30. Massachusetts: 60.7%
31. New Jersey: 60.1%
32. Arizona: 59.8%
33. South Dakota: 59.0%
34. North Carolina: 58.0%
35. Maine: 58.0%
36. Kansas: 57.3%
37. Wyoming: 56.4%
38. New York: 53.8%
39. Utah: 51.8%
40. Alabama: 43.5%
41. North Dakota: 42.7%
42. Rhode Island: 39.5%
43. Oklahoma: 39.5%
44. Illinois: 37.2%
45. New Mexico: 37.0%
46. Florida: 36.9%
47. Hawaii: 36.0%
48. South Carolina: 14.5%
49. District of Columbia: 4.9%
50. Delaware*
51. Montana*

5%

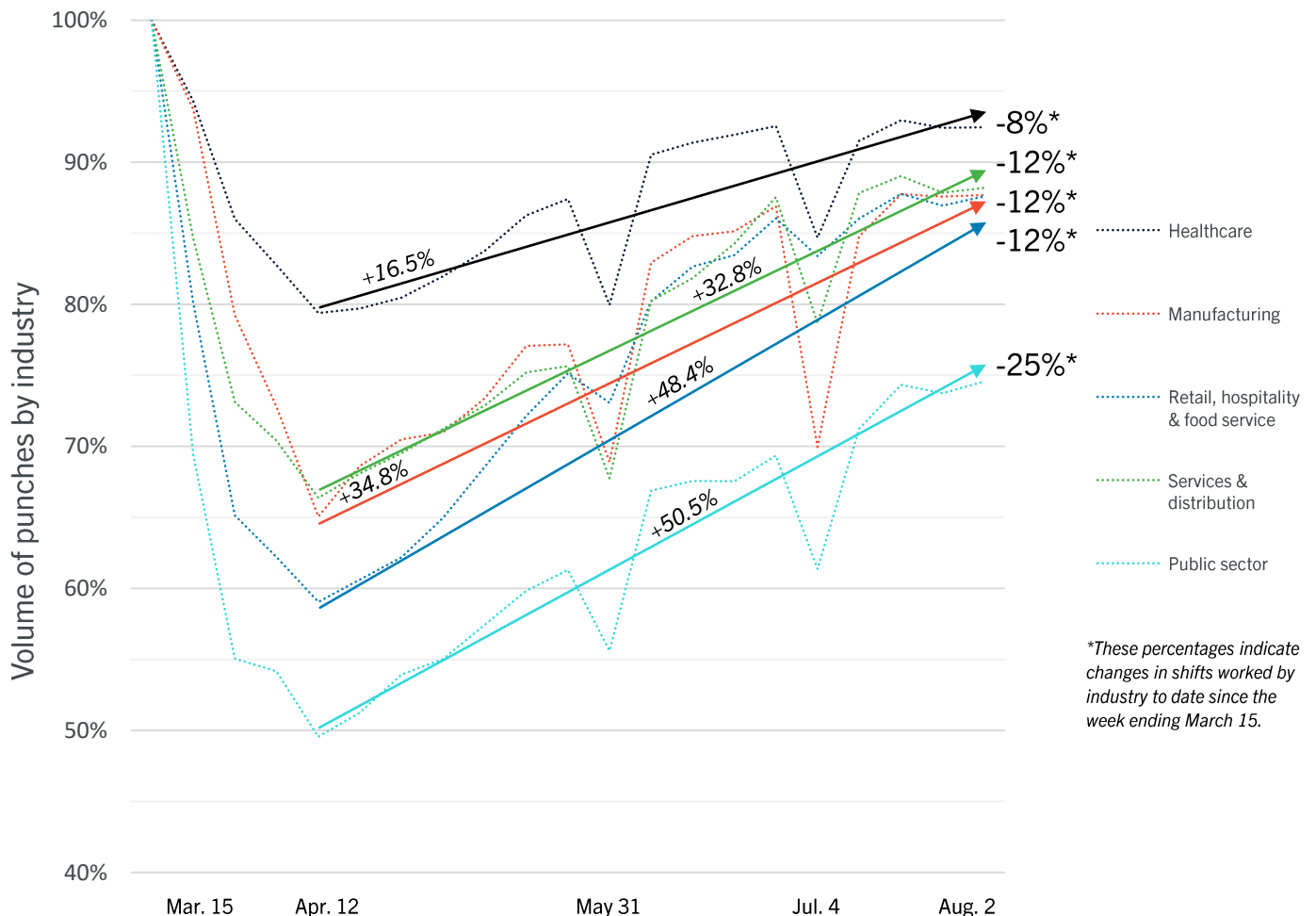
shift recovery in the District of Columbia, the lowest in the country.

*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 remain paused at 12% 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, though still in the midst of its traditionally slow summer season, have risen by more than 50% since hitting “the bottom.”

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



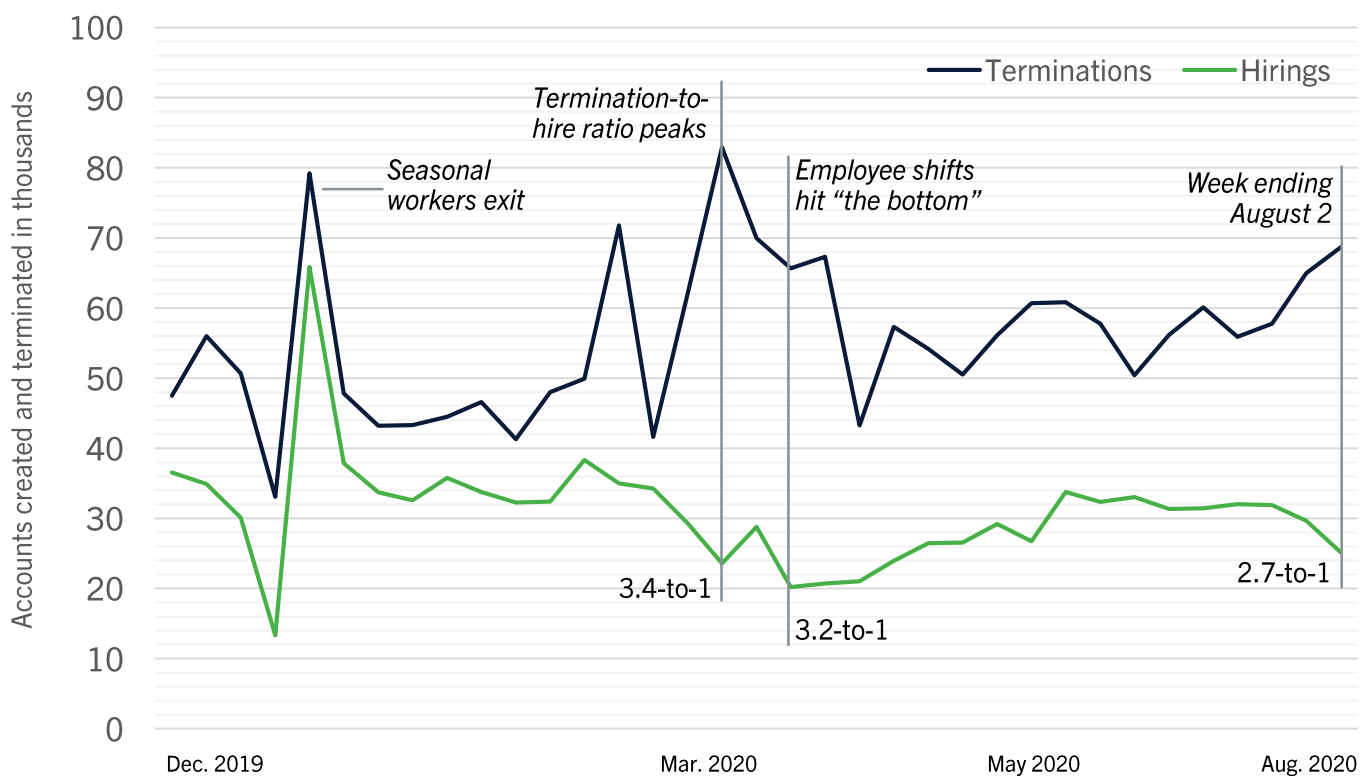
Employee accounts

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.



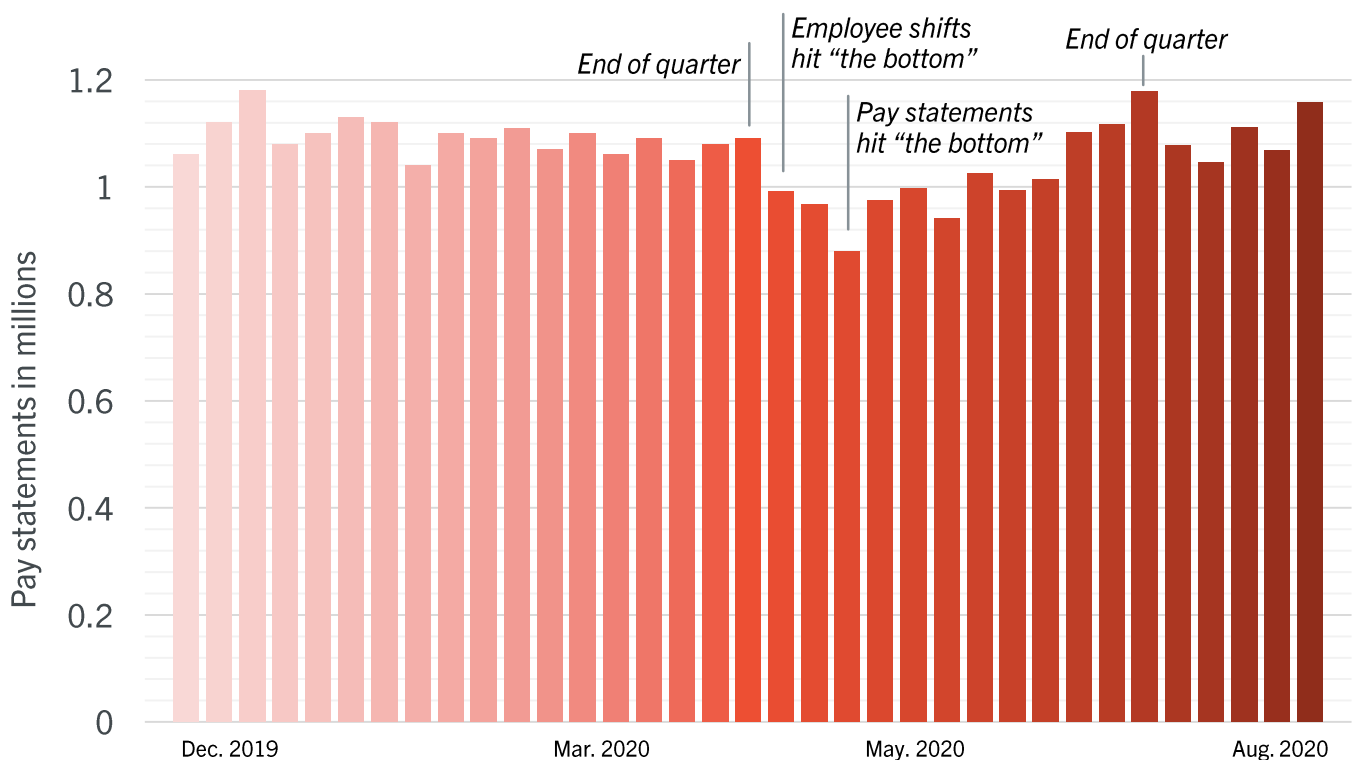
Pay statements

Paycheck creation sees staggered stabilization

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. Although pay statements jumped 8.4% over the past week, this increase is likely due to last week including the last Friday of the month.

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.

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