



The State of the Hourly Worker

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Introduction

The world of work has undergone tremendous change over the last three years — a change that has profoundly impacted workers. The Covid-19 pandemic, followed by the Great Resignation, and ongoing global conflicts are just a few forces affecting hundreds of millions of American workers' livelihoods.

Organizations with hourly or shift-based workers are facing unprecedented challenges, as well. Market conditions, such as the ongoing labor shortage,

have impacted the finding and retaining of qualified shift workers. Yet, it's clear that organizations that understand the needs of their workers and prioritize job satisfaction become employers of choice.

As a leading provider of workforce scheduling solutions, Shiftboard has been conducting surveys of American workers to understand their perspectives and needs since 2019. Indeed, our 2019 Hourly Worker Report confirmed a strong labor market with high turnover rates and rising employment expenses.

Introduction

The results of our 2023 report reflect similar trends to those seen in 2019. The United States is still in a strong labor market. For organizations in industries dependent on hourly and shift workers, job opportunities remain abundant. This report dives deep into the mindset and motivations of the workers in the new era. Consider, for example, these findings from 2023:

- Achieving work-life balance continues to be the top driver of job satisfaction, with 75% of workers saying it is necessary and another 20% saying it is important.
- Aside from work-life balance, 82% of shift workers reported that their work schedule impacts much more than their earning power: it also affects their ability to be present for their families, highlighting the importance of scheduling in driving employee job satisfaction and retention.
- There are significant generational differences around scheduling and stress, which managers must understand.
- Hourly union workers have more complex scheduling needs than their non-union counterparts.

Understanding hourly employee preferences, how employees relate to their work schedules, and implementing strategies to address those needs can significantly impact job satisfaction and engagement. By prioritizing employee well-being, workforce managers can create a more positive work environment and foster a culture of trust and respect. This approach will lead to better business outcomes, such as reduced labor costs, higher employee retention, improved customer satisfaction, and increased innovation.

Taking action to understand workers' relationship with scheduling can help create a happier and more engaged workforce — a valuable investment and outcome for any business looking to achieve long-term success.

A group of construction workers wearing hard hats and safety vests, looking towards the right. The image is overlaid with a dark blue tint.

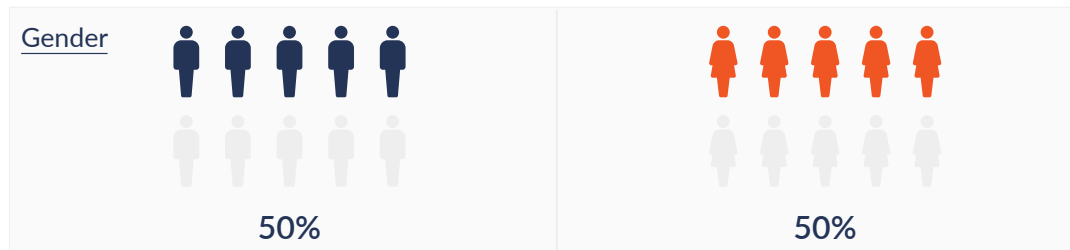
Profile of Today's Hourly Workforce

Profile of Today's Hourly Workforce

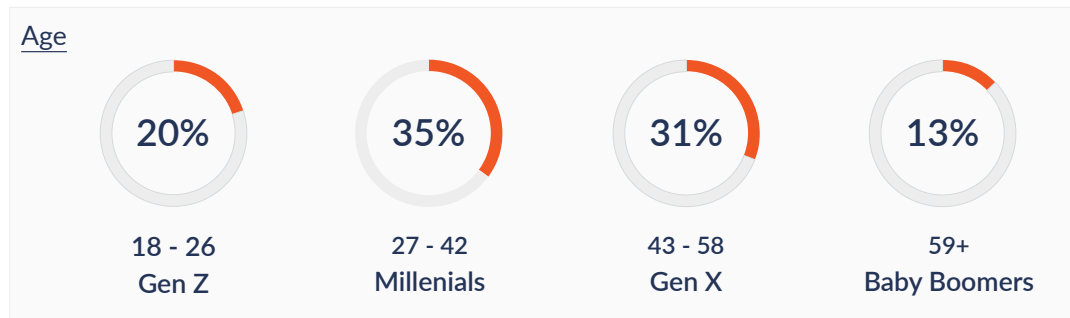
Gender, Age, and Household Status

According to 2021 data from the U.S. Bureau of Labor, nearly 78.7 million hourly workers, 60% of the U.S. workforce, are employed in critical frontline industries.

Of these workers, respondents to our survey were split evenly between male and female (50% each).



The majority, 66% of respondents, were between the ages of 27 and 58. Specifically, 35% were Millennials born between 1981 and 1996, and 31% were Gen X born between 1965 and 1980. Another 20% were Gen Z born between 1997 and 2012, and 13% were Baby Boomers born between 1946 and 1964. Together, Gen Z and Baby Boomers account for 33% of respondents who were either just getting started in the workforce or heading toward retirement.

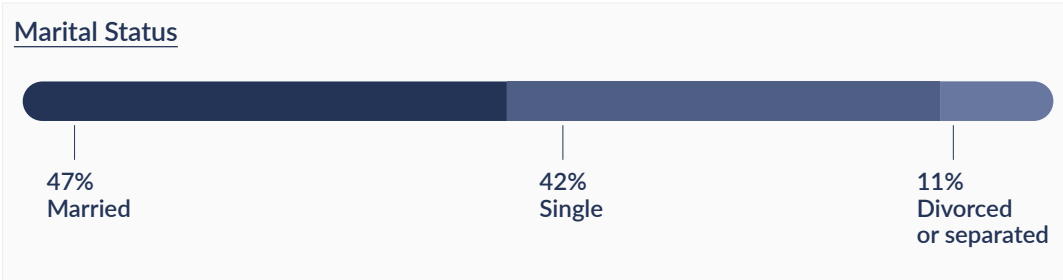


Profile of Today's Hourly Workforce

Gender, Age, and Household Status

From a household perspective, 47% were married, 42% were single, and 11% were divorced or separated.

An awareness of these varied demographics is critical for workforce managers, as the past's one-size-fits-all management strategies and processes are no longer relevant for attracting and retaining talent in today's complex labor landscape.

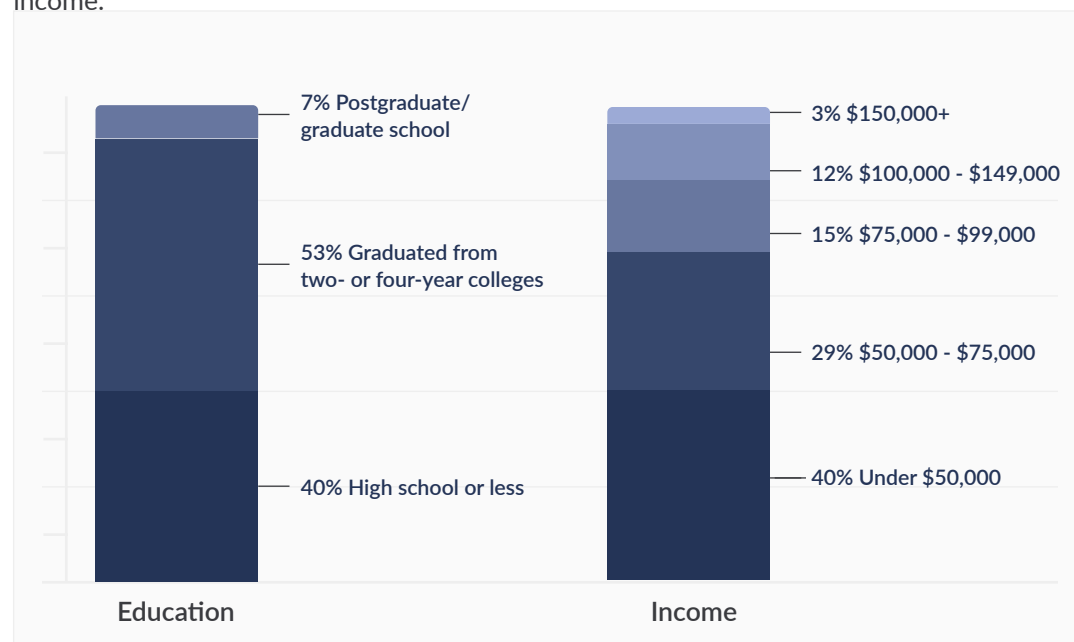


Profile of Today's Hourly Workforce

Education and Income

Our study revealed that shift workers tend to have completed higher education and have significant earning power. Notably, 53% have graduated from two- or four-year colleges. Another 7% of the hourly workforce has an advanced degree, while 39% report having a high school diploma or less.

Nearly half of the hourly workers in our survey claim household incomes between \$50,000 and \$99,999, with 15% reporting household incomes of \$100,000 or more. Still, about 40% reported an annual income under \$50,000, highlighting the presence of lower-income workers in this sector. The data suggests that shift work can offer meaningful employment opportunities for individuals with varying levels of education and income.



Profile of Today's Hourly Workforce

Generational Differences

For the first time in history, today's modern workforce comprises five generations shaped by different social, economic, and technological factors, which have vastly influenced different values, attitudes, and work styles. Understanding generational differences can help managers and leaders tailor their management approach and workplace policies to meet the needs and expectations of their multi-generational employees.

Shiftboard's recent survey data uncovered significant differences and preferences regarding how these various age groups work, what's important to them in their jobs, what causes them stress, and much more.

Profile of Today's Hourly Workforce

Generational Differences

For example, workforce managers may need to realize that younger generations tend to value workplace flexibility more than their older counterparts. Gen Z and Millennials are significantly more likely to prioritize having influence over their work schedule, with 55% and 51%, respectively, citing it as necessary for job satisfaction. In contrast, only 42% of Gen X and 37% of Baby Boomers felt the same.

In addition, Gen Z (38%) and Millennials (33%) also value the ability to swap overtime hours for extra time off compared to older generations. Finally, Gen Z is significantly more likely to value the ability to work remotely and have access to employer-provided professional development than older workers.



Profile of Today's Hourly Workforce

Managing Workplace Stress for the Next Generation

It's essential for people managers to be aware of the drivers of stress in their workforce, as high levels of stress can lead to decreased productivity, increased absenteeism, and higher turnover rates.

For example, the most shocking result from the survey was that Gen Z struggles the most to find the right work-life balance compared to other generations. They also report significantly higher stress levels than Gen X, Baby Boomers, and Millennials for several reasons.

Some of the top drivers of stress for Gen Z include:

- Pay rate or salary
- Trying to find the right work-life balance
- Variety in the kind of work performed
- Working a lot of overtime
- Maintaining consistency in the number of hours worked
- Not having enough flexibility in their work schedule

These findings highlight the need for employers to understand the unique stressors faced by Gen Z. By understanding these drivers of stress, managers can work to implement policies and practices that address these concerns and create a more supportive and less stressful work environment for all employees. These strategies may include offering more flexible scheduling options, providing financial education and resources, and creating a supportive and understanding work environment.

Profile of Today's Hourly Workforce

The Pandemic's Silver Lining for Job Satisfaction

Other surprising insights across these demographic groups include how different generations were affected by the pandemic. Many believe that the pandemic changed employee-employer relationships. Gen Z (73%) and Millennials (71%) were significantly more likely to feel like their employer improved their job satisfaction because of the pandemic-fueled labor shortage, compared to Gen X (60%) and Baby Boomers (57%).

These findings highlight the need for employers to understand these generational differences and develop effective strategies to address employee expectations to navigate today's complex labor landscape.

Profile of Today's Hourly Workforce

Unionized Workers

Creating and managing union workers' schedules can be challenging for workforce managers. Union workers typically have a collective bargaining agreement outlining specific scheduling rules and regulations. These regulations may include limitations on the number of hours worked, mandatory rest periods, seniority-based shift preferences, and other factors managers must consider when creating schedules.

Union workers have higher levels of stress, but are more likely to believe things have changed since the pandemic. Perhaps because of this, union workers are significantly more likely to be willing to take a pay cut in exchange for more control over their work schedule or for better health benefits.

Union workers also want more control over their shift options, with a higher proportion (87% versus 77% of Non-Union) agreeing that they prefer choosing a shift rather than being assigned one. Union workers see more value in the ability to trade shifts too.

Work Preferences Compared	Union	Non-Union	Difference
My job is a serious source of stress for me	67%	50%	17%
Labor shortage motivated my employer to improve my job experience	81%	65%	16%
Willing to take a reasonable pay cut for greater schedule control	54%	38%	16%
Willing to take a reasonable pay cut for better health benefits	55%	42%	13%
Prefer being able to select shifts versus being assigned shifts	87%	77%	10%
Worker/employer relationship has changed since the pandemic	66%	57%	9%
Having the ability to trade shifts is highly valuable	84%	75%	9%

Profile of Today's Hourly Workforce

Unionized Workers

In addition, our research finds that union workers are more likely than non-union workers to seek other employment due to difficulties communicating schedule changes or uncertainty caused by frequent schedule changes.

Union workers are also more likely to look for other jobs if they cannot change shifts or work extra shifts and perceive unfairness in how work is allocated and scheduled.

Finally, while consistency is more important for union workers, they are more likely to seek alternative employment if they perceive an organization better aligns with their values.

All these factors can significantly impact employee morale, productivity, and retention, underscoring the importance of addressing them. By considering these challenges, managers can cultivate a more favorable work environment that promotes employee loyalty among union members, benefiting the organization as a whole.

Likely to make me want to leave my job	Union	Non-Union	Difference
Unable to easily communicate changes in my schedule to my employer (e.g. sick day)	54%	43%	11%
Daily uncertainty arising from frequent schedule changes	53%	43%	10%
Inability to trade shifts if I want to trade shifts	43%	34%	9%
Lack of consistency in number of hours I work each week	53%	45%	8%
Unfairness in how work schedules are determined	52%	44%	8%
Moving to an organization that better aligns with my values	51%	43%	8%
Limited access to work extra shifts	40%	32%	8%

A healthcare worker, likely a nurse, is shown in profile, wearing blue scrubs, a light blue surgical mask, and blue nitrile gloves. She is looking down at her hands, which are positioned as if she is adjusting or examining the gloves. The background is a blurred clinical setting, possibly a hospital room or a laboratory, with a white cabinet and a window visible. The overall lighting is soft and blue-toned, creating a professional and focused atmosphere.

The Impact of the Pandemic

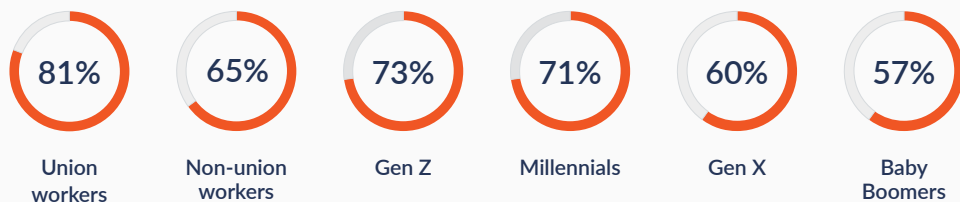
The Impact of the Pandemic

When our previous State of the Hourly Worker report was released in 2019, no one could have predicted that one of the most significant global events, the Covid-19 pandemic, was on the not-too-distant horizon and soon would irrevocably change the working landscape as we know it.

During the pandemic, shift workers' critical role in the global economy and the risks and rewards of hourly work became increasingly apparent on a broad scale. Frontline industries that rely heavily on shift labor, such as manufacturing, energy, and healthcare, scrambled to keep operations running despite vast numbers of their employees being unable to work because of illness or caring for family members. Such shortages caused supply chain and other disruptions that dominated headlines for months — the effects of which are still being felt across various industries.

From an employee perspective, the pandemic created a silver lining in terms of job satisfaction. Nearly six in ten workers believe the employee-employer relationship has changed, with more than two-thirds saying that the ensuing labor shortage motivated their employer to improve their job experience. This view was more strongly held by union workers (81%) than non-union workers (65%). Younger generations, Gen Z (73%) and Millennials (71%), were significantly more likely to feel this way compared to Gen X (60%) and Baby Boomers (57%).

Labor shortage motivated employer to improve job experience



A worker in a light blue uniform and white gloves is using a power tool to work on the side of a car body in a factory. The worker is wearing yellow earplugs. The background shows a factory floor with yellow and black safety stripes and other workers in the distance. The image has a blue tint.

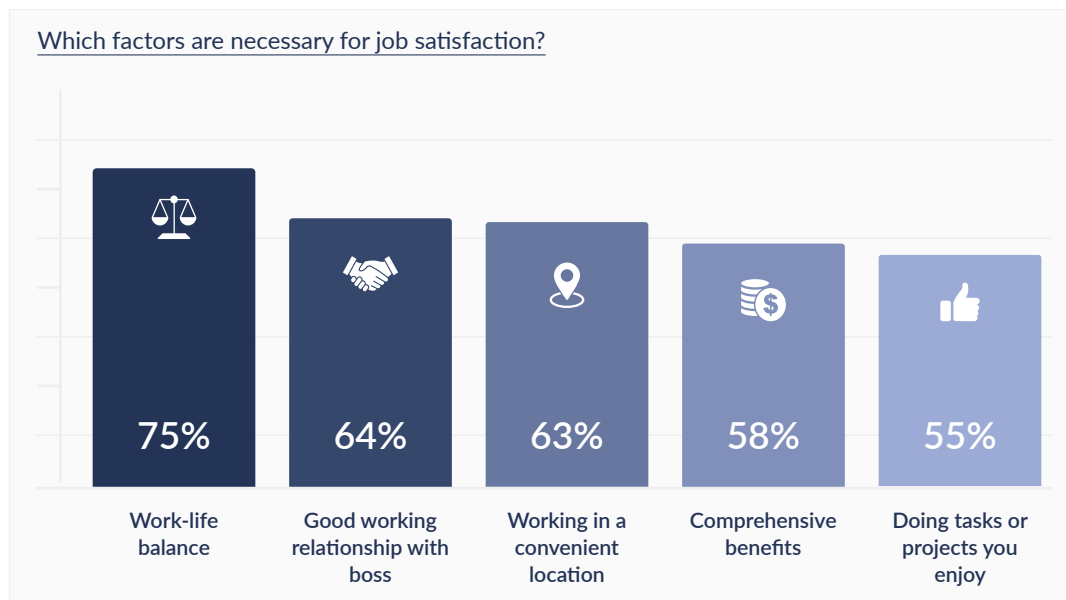
Hourly Worker Priorities: What Matters Most in the Workplace?

Hourly Worker Priorities: What Matters Most in the Workplace?

Work-Life Balance

Our 2019 research showed that many factors, from pay to location to enjoying the task at hand, contribute to an hourly worker's positive view of their job. However, one of the most enduring insights was the importance hourly workers place on work-life balance.

Three-quarters (75%) of hourly workers polled ranked work-life balance as necessary for job satisfaction. Contrary to popular belief that pay or benefits are most important to workers, work-life balance continues to outrank most other drivers of job satisfaction. It also edged out having a good working relationship with your boss (64%), working in a convenient location (63%), and doing tasks or projects you enjoy (55%).



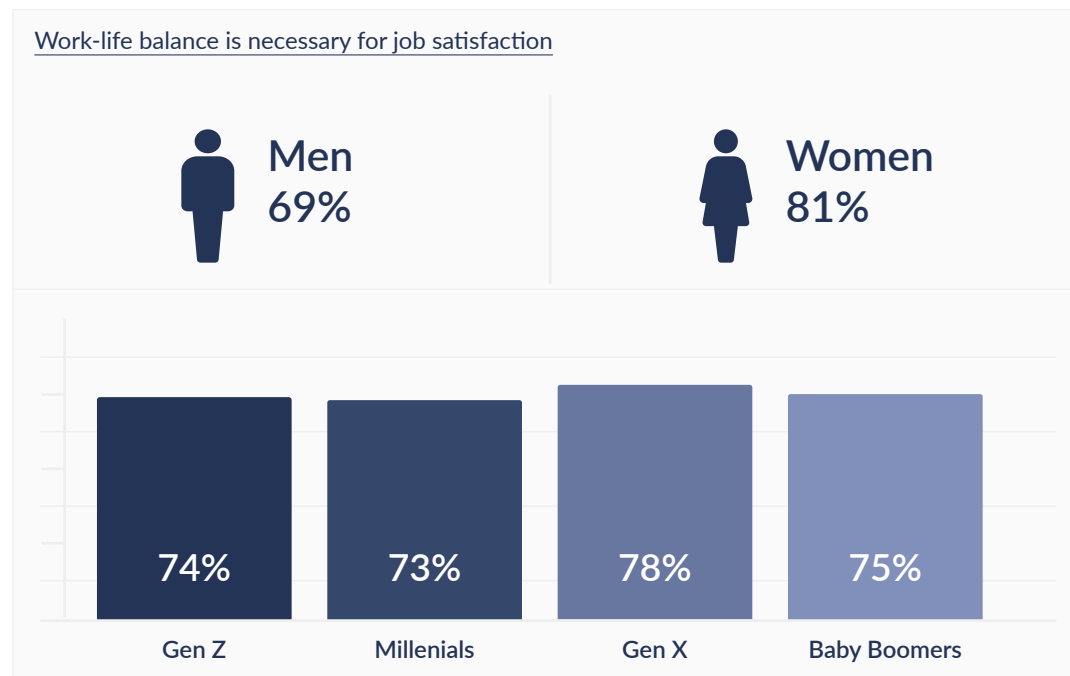
Hourly Worker Priorities: What Matters Most in the Workplace?

Work-Life Balance

The high value placed on work-life balance holds true across demographic breakdowns. Both men and women view work-life balance as necessary for job satisfaction, although more women (81%) considered it to be necessary than men (69%).

Similarly, all generations of workers placed a high value on work-life balance.

As reinforced by the data, the bottom line is that work-life balance is not a trendy buzzword tossed around by life coaches and wellness practitioners. It's a driving force for today's workforce, especially among shift workers.



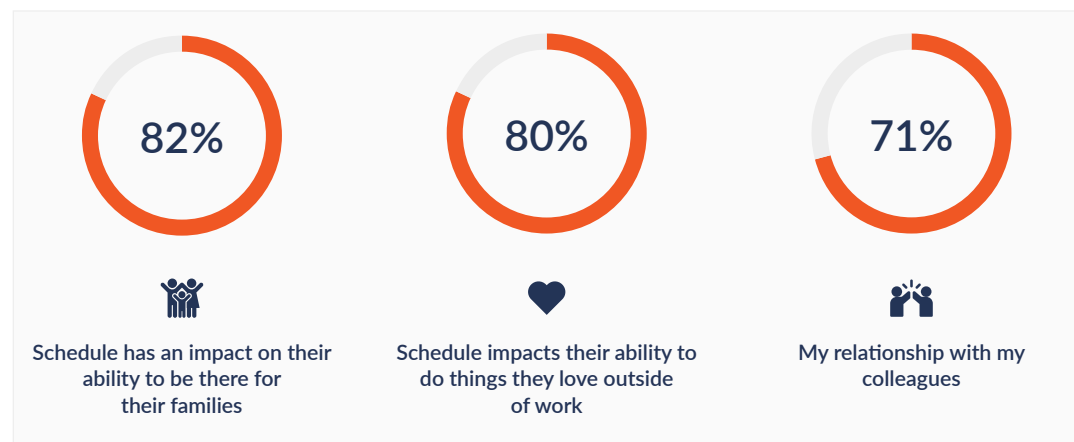
Hourly Worker Priorities: What Matters Most in the Workplace?

Worker-Centered Scheduling

The significance of employee schedules in a shift worker’s pursuit of work-life balance, and their level of job satisfaction, cannot be overstated. Due to their direct and frequent impact on daily life, including childcare, parenting schedules, and social activities, work schedules heavily influence hourly employee satisfaction and retention more than any other aspect of work.

According to our data, a staggering 82% of respondents said their work schedule impacts their ability to be present (or not) for their families, while 80% said it impacts their ability to do things they love. Meanwhile, 71% said the work schedule affects their relationships with colleagues.

This research highlights the importance of a well-designed, worker-centered employee scheduling strategy. When complemented by agile schedule management, employee scheduling can considerably boost job satisfaction and employee retention.



Hourly Worker Priorities: What Matters Most in the Workplace?

Quality of Life

Our research demonstrates how work schedules inextricably impact an employee's quality of life. In fact, 78% of respondents said their work schedule affects their physical, emotional, and psychological well-being, edging out those who said it affects their ability to maximize their income (76%).

From a shift employee's perspective, work schedules are as stressful as other, more apparent, aspects of their jobs, including commute time, relationship with their boss, and even their paycheck.



Hourly Worker Priorities: What Matters Most in the Workplace?

Schedule Consistency

When it comes to employee schedules, surprises are not a good thing. Shift workers place a premium on having consistency in the days and times they work. Nearly 60% of workers believe consistency is necessary (versus important) for job satisfaction, with 88% stating that it's extremely important to have week-over-week consistency in their work schedule. Nearly four out of five workers (79%) reported that they always prefer consistency versus varying work schedules.

And what happens when such consistency is lacking? Nearly half (46%) said they would consider employment elsewhere.



Hourly Worker Priorities: What Matters Most in the Workplace?

Schedule Flexibility

In addition to schedule consistency, shift workers also want to feel empowered with some measure of flexibility in their work lives (a significant factor in achieving work-life balance).

By allowing shift workers to influence the days and times they work, they can better manage their personal and professional lives, leading to less stress and a better overall work experience. Additionally, allowing employees the ability to choose when they work more can also help to increase productivity as they can better manage their availability and work during times when they can be more focused and productive.

Offering employees greater flexibility and autonomy in managing their schedules can be an effective means of retaining staff, as it shows an employer's commitment to meeting employee needs and reinforces their sense of value within the organization.



Hourly Worker Priorities: What Matters Most in the Workplace?

Schedule Flexibility

Even so, most workers surveyed reported a disconnect between that desire and the reality in their workplace: 53% say the ability, or lack thereof, to influence their work schedule causes at least some stress and frustration. Similarly, 41% of shift workers said the inability to influence their schedule would make them likely to look elsewhere for employment.

These statistics highlight the importance of providing shift workers with some measure of flexibility in their work schedules to reduce stress and improve job satisfaction. Employers who fail to offer their employees a degree of control over their schedules risk losing valuable workers to competitors who are more responsive to their needs. By listening to employee feedback and implementing flexible scheduling policies, employers can improve employee retention rates, reduce stress and burnout, and improve overall job satisfaction among their shift workers.



A woman wearing a white lab coat and a white hairnet is operating a piece of industrial machinery in a factory setting. She is pointing at a control panel with various buttons and a digital display. The background shows a clean, industrial environment with overhead lights and other machinery.

How to Attract and Retain Hourly Workers: Four Strategies for Employers

How to Attract and Retain Hourly Workers

Strategy 1: Prioritize Worker-Friendly Scheduling

In today's challenging labor landscape, more organizations are seeing the value in designing shift scheduling processes to better accommodate employees' needs. In fact, 79% say their work schedule impacts the likelihood of staying with their employer, highlighting the role scheduling plays in retention.

Additionally, work schedules are the backbone of the relationship between workers, colleagues, and managers, making these relationships crucial to overall job satisfaction. It's often said that people don't quit their jobs; they quit their managers. Therefore, it's vital for managers to understand workers' scheduling needs and create positive relationships with them.



How to Attract and Retain Hourly Workers

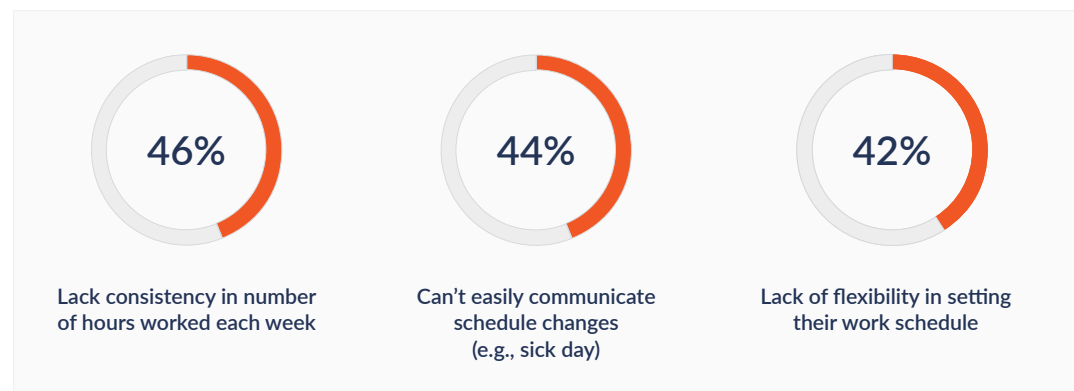
Strategy 2: Give Employees More Scheduling Control

Today's shift workers want more control and influence over their work schedules, with 82% of respondents saying it's extremely important to them. Furthermore, many hourly workers are willing to make trade-offs to achieve that: 40% said they'd be willing to take a pay cut if it meant having more control over their work schedule.

82% Hourly workers say schedule influence and control are extremely important

40% Hourly workers are willing to take a pay cut for more schedule influence and control

Lack of control is a major driver for job dissatisfaction and employee turnover: 42% said the inability to determine their schedule would make them more likely to leave their job. In comparison, 44% said they would look for a new job if they had difficulty communicating changes in their schedule, such as a sick day, to their employer. Finally, nearly half (46%) say that lacking consistency in the number of hours they work each week would make them seek employment elsewhere.

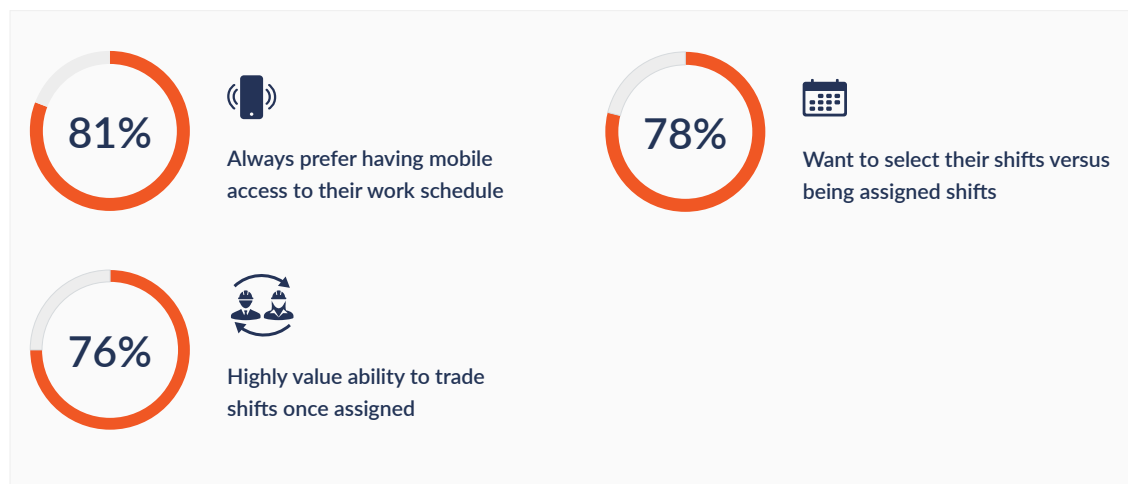


How to Attract and Retain Hourly Workers

Strategy 3: Empower People to Work Around Life's Demands

Shift and hourly workers want a say about how their schedules are determined. A whopping 78% want to select their shifts versus being assigned them, and 76% want the ability to trade shifts once they are assigned. In addition, taking advantage of technology is increasingly vital to today's shift workers: 81% said they always prefer having mobile access to their work schedules.

The message is clear: Hourly workers want to feel empowered to adapt work to their life. It should come as no surprise, then, that they would consider leaving their jobs if their hours were scheduled during a challenging time or if they could not influence their schedule.



How to Attract and Retain Hourly Workers

Strategy 4: Ensure Transparency in the Scheduling Process

Most shift workers are highly motivated to contribute to the organization's success by working overtime or taking additional shifts. However, it is crucial for managers to ensure that their scheduling requests are perceived as fair and equitable by employees.

One way to build trust is through transparent scheduling practices. Managers can demonstrate transparency by providing employees with advance notice of their schedules, offering flexibility to allow for employee input and preferences, and regularly seeking employee feedback to improve the scheduling process. Ongoing visibility into the processes that affect work schedules and the ability to influence the outcome of those processes fosters trust.



A low-angle, vertical photograph of a worker in an orange safety suit and white helmet climbing a metal ladder on an industrial site. The worker is wearing a blue safety harness and is positioned on the right side of the frame. The background shows a large, dark industrial structure, possibly a tank or silo, and a cloudy sky. The overall tone is industrial and professional.

Conclusion

Conclusion

The work landscape has shifted dramatically over the last several years — and not just because of the pandemic. As the workforce ages, attitudes from younger generations, such as career aspirations and the role of work in one's life, will significantly impact how we work in the future. In fact, we've already started to see this shift as most generations embrace more work-life balance and flexible work hours.

In this constantly evolving business landscape, staying ahead of the curve requires a delicate balance between meeting the diverse needs of your workforce and achieving your business objectives. However, the good news is that achieving this balance doesn't have to be a zero-sum game.

Adopting a worker-friendly approach to scheduling empowers people managers to make informed decisions that benefit both the company and employees. The result? A win-win strategy that promotes agile operations, skyrockets employee satisfaction, and drives competitive advantage.

A group of construction workers wearing yellow hard hats and high-visibility safety vests are gathered on a construction site. One worker in the center is gesturing with his hand while speaking to the others. The background shows a blurred construction site with blue and white structures.

Survey Methodology

Methodology

Shiftboard partnered with Kwantum Analytics to research the perspectives of U.S. workers and how work scheduling influenced job satisfaction and worker retention. A sample of 2,250 U.S. adults ages 18 - 65 was surveyed, of whom 1,630 were shift or hourly workers. To ensure the accuracy of the study's findings, the collected data was weighted to match the age and gender distribution of the U.S. general population. The margin of error for the shift or hourly workers reported on in this report was no more than +/- 2.4%. Survey respondents self-identified as working in shifts, being paid hourly, or never having done shift work in the past.

Shiftboard is Here to Help

Shiftboard is a leading provider of employee scheduling software for shift-based operations in mission-critical industries. Backed by Shiftboard's tailor-fit solutions, organizations can build adaptive workforce operations that increase operational agility, optimize labor resources, and accommodate workers' preferences, leading to improved efficiency and higher worker satisfaction and retention rates. To date, Shiftboard has supported over 630 million scheduled shifts for thousands of customers, including many Fortune 500 companies, providing the employment pipeline for \$66 billion in wages earned. For more information, please visit shiftboard.com.