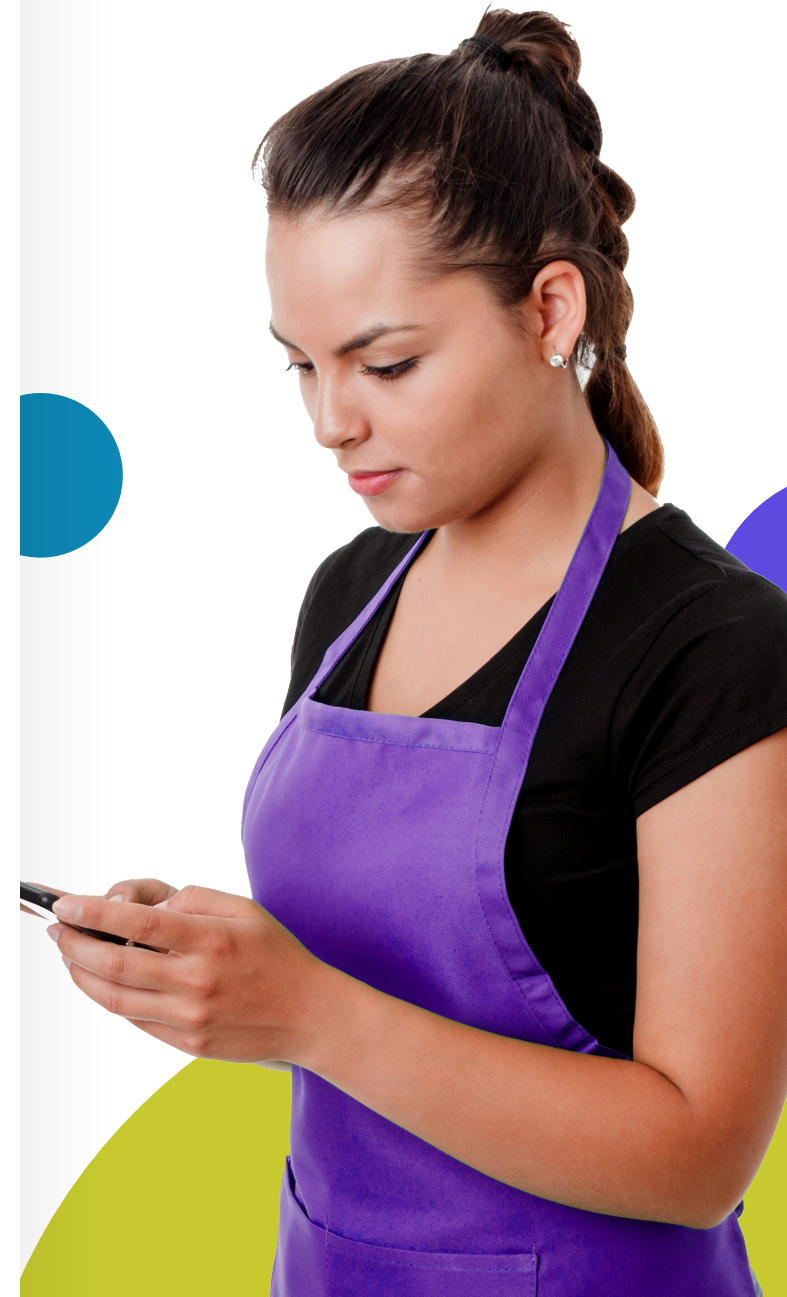




The Economic Impact of an Hourly Employee Missing a Single Shift.



Introduction.

Missing just a few hours of work might not sound like a big deal, but for millions of people in full-time service jobs, it can be financially devastating.

Consider Susan, a single mother of two young children. She works full-time in a hospital, pays a babysitter to watch her children and carefully budgets her monthly income to cover rent, food, and utilities, with very little money left to spare.

As the sole breadwinner of her family, Susan can't afford to miss a work shift. Doing so would hit her paycheck hard, leaving her scrambling to pay her bills on time and making it difficult to maintain the level of care she provides her children. A smaller than expected paycheck could force Susan to prioritize living essentials by absolute necessity. If rent eats up the majority of a reduced paycheck, that might mean Susan buys less food during her weekly trip to the grocery store or forgoes certain expenses for her children.

Sadly, Susan's situation reflects the reality for millions of working Americans.

Almost 80 percent of U.S. employees live paycheck to paycheck. For these people, missing a work shift has lasting financial consequences. The loss of a single shift — often caused by miscommunication between employees and managers and erratic scheduling practices — can jeopardize

employees' control over their financial stability. Such financial instability can lead to the inability to cover utilities or having to give up groceries for days at a time.

WorkJam, a digital workplace platform, examined the impact missing a single work shift had on hourly employees and their employers across the following service industries: retail, hospitality, logistics, healthcare, and banking. In addition to analyzing how a missed shift hurts employees and employers economically, WorkJam also looked for root causes to these scheduling challenges. WorkJam conducted online surveys of 1,000 hourly employees across the U.S. to further determine who is the most vulnerable and how a change in work schedules affects their day-to-day lives. Here's what WorkJam found.

Almost 80 percent of U.S. employees live paycheck to paycheck.

The Economic Impact of Missing Just One Work Shift



49%

of all surveyed respondents would be forced to make late payments on utilities and other necessities



27%

of all surveyed respondents would be unable to make rent payments on time



25%

of all surveyed respondents would be forced to skip grocery shopping for the week

The results of the study demonstrated that one work shift is all it takes to throw an employee's life out of balance and into financial instability. **A reduced paycheck can force employees to have to make late payments on utilities and other necessities (49 percent), be unable to pay rent on time (27 percent), or to have to forego groceries for a week (25 percent).** With wages and quality of life at stake, service employees desperately need their employers to value efficient workplace management solutions that ensure more predictable and flexible scheduling.



The cost of unplanned circumstances.

Imagine now that Susan's youngest son Justin is sick and needs to stay home from school.

Susan can't afford to miss a shift, so she frantically phones the babysitter, her mother, and several nearby relatives to see if anyone can take care of Justin while she is at work. Everyone is busy, so Susan decides she has no choice and calls her manager to let him know that she won't be able to make her shift. Susan will now experience some financial hardship unless she can find an additional shift to pick up to make up for the lost wages.

Meanwhile, Susan's manager Bill is scrambling to find a replacement for Susan. While he understands situations like this are out of anyone's control, Bill is frustrated as he can't easily reach other employees and will now try to ask someone who is on-shift to work overtime to cover for Susan. The added costs cause Bill to be stressed; his quarterly review is coming up, and the hospital is looking to shift leaders like him to drive down operating expenses.

Still, in spite of new and improved workplace technology, many employers continue to rely on outdated scheduling methods, such as printed calendars and face-to-face meetings or phone calls. For example, 55 percent of hospitality and 57 percent of retail employees still depend on paper schedules posted in break rooms to learn of their work shifts for the week.

Erratic work schedules also contribute to a vicious cycle of employee turnover and overtime work for managers. When faced with too many scheduling and communication inconsistencies, employees are often forced to search for more stability and financial security elsewhere, leaving employers with understaffed facilities and higher operating costs. However, when enabled with easy-to-use scheduling and communication tools, organizations can reduce attrition and realize significant savings by avoiding costs associated with recruiting, onboarding, and training new employees.

55 percent of hospitality and 57 percent of retail employees still depend on paper schedules posted in break rooms

Top 3 Scheduling Challenges for Working Parents

50%

Difficulty requesting more time off

47%

Difficulty communicating with managers when unexpected circumstances arise

31%

Difficulty changing work shifts with another coworker

Single mothers are hit the hardest.

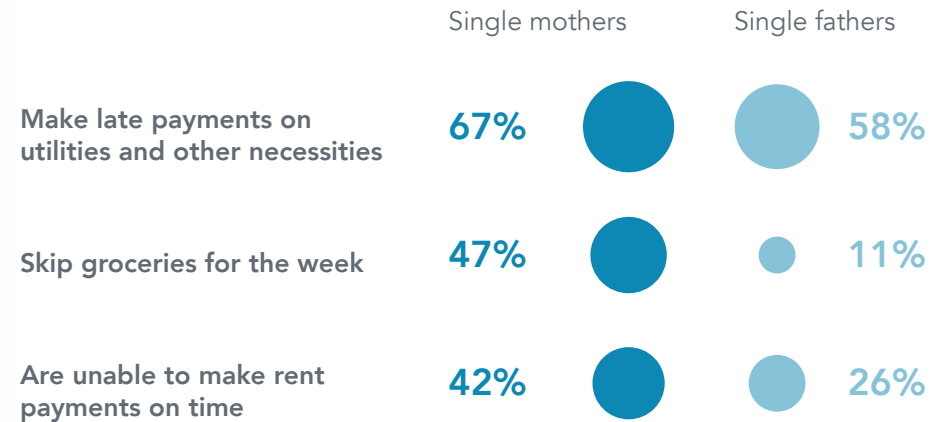
While missing or sacrificing one work shifts hurts hourly employees similarly across service industries, single mothers are hit the hardest.

As the primary provider and caretaker for their families, single mothers struggle to make ends meet if they have to miss just one of their work shifts. For these women, a reliable schedule means a predictable income — and a guarantee that they can afford to keep their family clothed, fed, and cared for. After missing a single shift or having one shift taken away, nearly seven out of 10 (67 percent) single mothers reported having to make late payments on their utilities and other necessities while 47 percent said they would have to skip groceries for the week and another 42 percent would be unable to make rent payments on time.

Single fathers face similar challenges, with 58 percent of those who miss one shift reporting they need to make late payments on their utilities and other necessities, while 11 percent have to skip groceries for the week.

These hardships occur when one shift is missed. Just imagine the difficulty that occurs when it's more than one.

When forced to miss, sacrifice or drop a work shift:



Problems also occur when there is no direct line of communication between employees and their employer.

An employee who can't easily reach his or her manager about scheduling changes may ask a colleague to relay information about availability or swapping shifts. This unreliable method of communication leaves employees and managers vulnerable to miscommunication and mistakes, jeopardizing an employee's good standing and earnings for that week.

While employees are responsible for notifying managers about last-minute schedule changes, it's also on the employers to maintain predictable scheduling practices if they want to keep their employees. Erratic scheduling frustrates employees who have to rearrange their lives around fluctuating work hours. Inconsistencies also make it difficult for managers to efficiently oversee their workforce, leading to overtime costs, and unhappy employees who seek greater control over their work-life balance.

Together, the combination of miscommunication and scheduling inconsistencies deepens the rift between employers and frontline employees, driving down employee engagement. **Irritation and annoyance around outdated scheduling practices can leave employees feeling disengaged from their work, putting more pressure on managers who understand that low engagement directly impacts retention.** Seventy-one percent of dissatisfied hourly employees are currently looking for new jobs, citing unstable schedules and difficulties reaching their managers as reasons for leaving.

With employee livelihood and employer operations at stake, businesses should address the scheduling and miscommunication inconsistencies plaguing their organizations. Fixing these problems is a true win-win for employees and employers. Fortunately for the hourly workforce, digital workplace platforms such as WorkJam can alleviate manual processes in scheduling and support a more productive environment for both employers and employees.



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The light at the end of the tunnel.

Now equipped with the tools offered by her employer's digital workplace solution, Susan can contact her manager Bill right through her smartphone the next time she has to miss a shift to take care of her son.

This time, however, she is able to let him know that she offered her shift to pre-qualified coworkers and that someone has already volunteered to take over her shift. Bill is relieved that there is no stressful situation to deal with and thanks Susan for taking care of it. The following week Susan sees that there is an open shift available, and with the touch of her finger she picks it up. Now she'll be able to fill the pay gap caused by last week's schedule changes. With her manager's approval, the schedule is fully staffed. Susan feels relief that her personal responsibilities won't impact the security of her job or her ability pay the bills.

The bottom line: Employers want to retain and engage their hourly employees to avoid understaffed shifts and expensive turnover costs.

On the flip side, employees want reasonable schedules and greater control over their economic well-being — instead of worrying about how many hours they can or cannot miss to provide for their family.

Service industries should strive to create a working environment that addresses the scheduling pain points plaguing both employees and employers. A stable work schedule is more than a convenience for both sides of the table — it offers financial peace of mind and empowers hourly employees to control their economic well-being. By simplifying the front-end distribution and management of schedules and unexpected shift changes, digital workplace platforms such as WorkJam help managers improve staffing while aligning work shifts to the needs of their employees.

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Methodology.

WorkJam surveyed 1,000 employees working in five service industries (retail, hospitality, logistics, healthcare and banking) across the United States. This survey was fielded online via SurveyMonkey, and respondents were limited to non-salaried employees who are compensated at an hourly rate.

About WorkJam.

The WorkJam Digital Workplace unleashes the potential of your enterprise workforce through agile scheduling, transformative communication, experiential learning and tailored recognition.

WorkJam increases sales conversion, drives down labor costs, lowers absenteeism and attrition rates, improves compliance, optimizes labor in relation to demand, and improves the customer experience through a more motivated and engaged workforce. For employees, WorkJam delivers more control over their schedule providing work-life balance, as well as the opportunity to develop skills, improve sale acumen and maximize their earnings and advancing their economic well-being. Learn more about WorkJam at **www.workjam.com**.

Contact WorkJam
sales@workjam.com

