



# It's Time to Get to Know **the Hourly Worker**

Many hourly workers have had time to evaluate their priorities over the last year and as a result, businesses are struggling to hire them. A nationwide survey reveals what these workers want, the types of hourly jobs that are the most desirable, and who is most likely to search for an hourly job.

It's Time to Get to Know  
**the Hourly  
Worker**

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# Hourly Workers are the **Backbone of the US Economy**

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In 2020, there were nearly 73 million hourly workers in the United States, representing 56% of all workers according to the US Bureau of Labor Statistics<sup>i</sup>.

While hiring the hourly workforce has always been challenging, it's even harder at the moment. Hourly workers are the unsung heroes who showed up and kept the economy going during the toughest times. We are now in an era of balance and fairness for incomes<sup>ii</sup>. After a year where we've seen how short and fragile life really is, workers are no longer accepting the status quo of overwork. After months of going to work in person and putting their lives on the line, America's hourly workers are gaining leverage<sup>iii</sup>. **Main thing**—the overall quality of hourly jobs—regardless of the field—needs to improve and that includes wages, perks, and incentives.

In this whitepaper, we're going to focus on what the labor force will likely look like going forward, how hourly jobs can change to remain competitive and desirable, and how to recruit at this historic moment of the American labor force.

There's plenty of data to support that businesses are understaffed and struggling to stay open, in fact the National Federation of Independent Business (NFIB) found that **42% of business owners have job openings they are unable to fill**<sup>iv</sup>. At this time in 2021, corporations like Chipotle<sup>v</sup>, Target<sup>vi</sup>, Walmart<sup>vi</sup>, and McDonald's<sup>vii</sup> are attempting to attract hourly workers through wage hikes, signing bonuses, and even free college tuition. While many economists believe that people would quickly return to work as the country reopened and more people got vaccinated, that's not the case<sup>viii</sup>. Employees have more confidence when it comes to finding the right job and after years of not having a voice, hourly workers are not just taking any job. Instead, they're asking themselves, **"Is this the kind of job I want?"**<sup>iii</sup>.

Read on to find out what types of jobs hourly workers want. ■

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of business owners  
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# What It's Like to Be **on the Clock**

Insight into the Life of the Hourly Worker



**67%**

of hourly workers surveyed earn at least \$16 per hour.

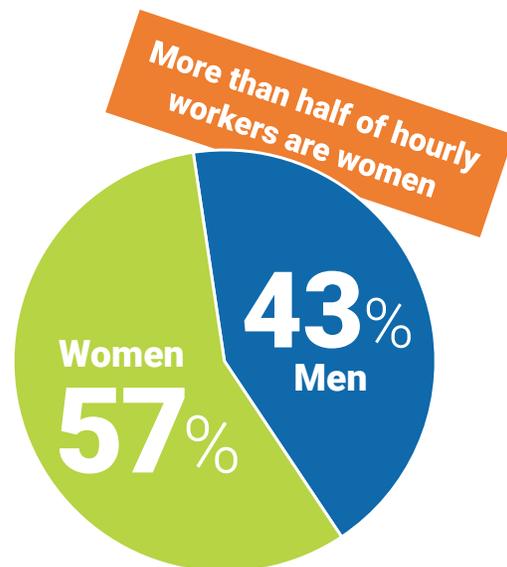
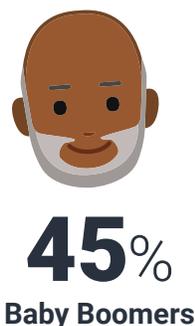
Nexxt, a talent solutions technology company, recently launched a **comprehensive market survey to more than 1,200 job seekers nationwide<sup>xi</sup>** to capture the pulse of the hourly worker, while also understanding how job seekers feel about searching for jobs at the moment, the types of jobs hourly workers are seeking, and what hourly workers are most enticed by when it comes to job packages.

What surfaced are some positives and negatives for those seeking to recruit these types of workers. For instance, 85% of those surveyed said that they've worked an hourly job at some point in their life, so they're no strangers to what they entail—but hourly workers have new demands. After higher pay and benefits, work flexibility is the primary motivator to get someone to return to an hourly wage<sup>viii</sup>.

67% of hourly workers surveyed said they earn at least \$16 per hour<sup>xi</sup> (The federal minimum wage is \$7.25<sup>ix</sup>.) and 75% of hourly workers surveyed said they cannot cover their current expenses<sup>xi</sup>. Attesting that workers are underpaid and until recently have had little leverage to demand higher wages.

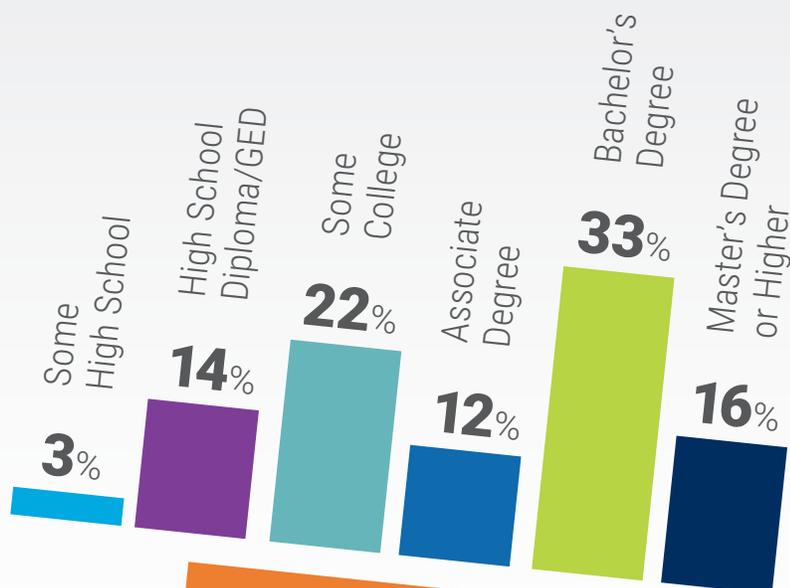
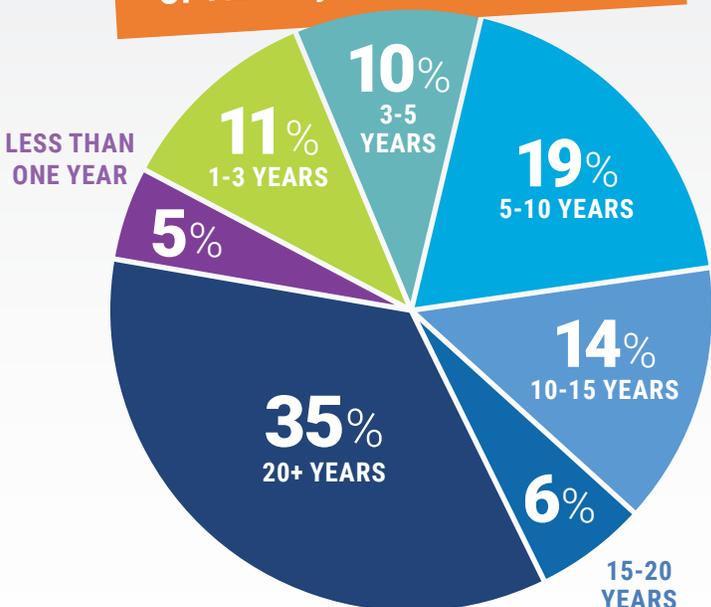
# Who is the Hourly Worker?

Baby Boomers make up the majority of hourly workers, followed by Gen X.



Baby Boomers are working longer to provide more financial security after seeing their retirement account balances decrease during the Great Recession<sup>x1</sup>.

Hourly workers have a lot of varied years of experience



Hourly workers span all levels of education



For more insights into the who the hourly worker is **download the full infographic.**



Enrique Lopezlira, the director of the low-wage work program at the University of California Berkeley Labor Center, said that the lack of access to child care and safety concerns are keeping many workers out of the labor force<sup>xiii</sup>.

According to The New York Times, Chipotle is raising its average wage to attract workers and **promote that the opportunities are a stepping stone to a career**. Chipotle CEO, Brian Niccol said the current labor market is among the most challenging he's seen in his career in the restaurant industry as **hourly workers are being choosy with employment options and are reassessing what they want to do**. "We are sharing with people that it's not just a job right now, but it's actually a job that can lead to a meaningful career," said Niccol<sup>v</sup>.

**For many low wage workers, the issue is more about finding a job with a brighter future** and their demands are already reshaping corporate policies. Featuring a newfound or renewed commitment to worker development in job postings such as relaxed education requirements, training opportunities, and upward mobility will increase and diversify the applicant pool<sup>xii</sup>.

Target is following suit of competitor, Walmart by offering its 340,000 part-time and full-time employees a new perk—a free college education. The program provides debt-free undergraduate degrees, certificates, certifications, free textbooks, and no out-of-pocket costs in 250 business-aligned programs from more than 40 schools, colleges, and universities. "Target employs team members at every life stage and helps our team learn, develop and build their skills, whether they're with us for a year or a career," Melissa Kremer, Target's Chief Human Resources Officer, said in a statement. Additionally, Target recently gave its hourly full-time and part-time workers in stores, distribution centers, and contact centers a \$200 recognition bonus as a thank you for their hard work<sup>vi</sup>.

At McDonald's, pay raises of an average of 10% will kick in for workers at company-owned restaurants in the next several months. McDonald's US Chief People Officer, Tiffanie Boyd, said the move is already paying off and they already had their largest month of hires in the last couple years. Additionally, McDonald's is chipping in millions of dollars to help its franchisees pay workers more and are piloting an emergency child care program<sup>vii</sup>.

Hourly workers are motivated by **a paycheck (40%), advancing their career (22%), and a better work environment (11%)**.

If these items can be focused on and offered, businesses who need to hire hourly workers can thrive when it comes to recruiting new talent.

# Hiring Hourly Workers

## Why It's Challenging to Find Talent

### Almost one third of those who are unemployed identify as passive or inactive job seekers

according to Nexxt's survey. As the country reopened and more people got vaccinated against COVID-19, many economists thought that people would quickly return to work<sup>xiv</sup>, but we're obviously not seeing that shift. As mentioned previously, hourly workers are reevaluating their priorities.

We've heard it said, **"Nothing matters if you don't have your health."** And for anyone who has experienced a health scare—their own or a loved one's—it's the truth. Before 2020, priorities for work were slanted, prioritizing work over life. Hustle culture, often associated with burnout, was worn with pride. Mental health and mental health days, didn't come up as often. The idea of taking care of one's self was put on the backburner, but those days are behind us. Job seekers are holding the cards and making the calls and they're no longer willing to wear their dedication to the daily grind as a badge of honor. After spending a year thinking about your own mortality, your priorities shift.

## TOP PRIORITIES FOR JOB SEEKERS

### JANUARY 2020<sup>xv</sup>

1. Salary
2. Job Security
3. Flexibility
4. Benefits
5. Health & Safety
6. Continuing Education

### NOW<sup>xvi</sup>

1. Salary
2. Job Security
<b>3. Health &amp; Safety</b>
4. Benefits
5. Flexibility
6. Continuing Education

Hourly workers aren't the only ones valuing work-life balance. Recent graduates who were previously drawn towards investment banking roles that demand grueling hours, but provide starting salaries of \$100,000 or more, according to The New York Times, are turning down the opportunities for positions that offer better hours and flexibility. A lot of people are now thinking anew about their careers. We're in a time where many are having inward looking moments, setting new goals, and making new priorities and new career choices<sup>xvii</sup>. As the Prudential "Pulse of the American Worker" survey found this year, 20% of workers changed jobs during the pandemic and 26% plan to do so after COVID-19 feels less threatening<sup>xviii</sup>.

There's also a shrinking working-age population that is limiting the labor supply. For the first time in US history, the number of working-age people has gradually declined<sup>xxiii</sup>. Additionally, the number of working-age people with bachelor's degrees increased by 2% annually in 2020 and the number of eligible workers with bachelor's degrees, willing to take blue collar and manual service jobs shrank. It is predicted that there will be a labor shortage among blue-collar and manual services occupations in the coming decade. However, we may see this turnaround as people rethink their careers and priorities and lean towards professions that provide more work life balance<sup>xix</sup>.

With working from home—companies now have to shift their strategy to being family friendly. "It's part of our core strategy to be a family-first organization, and you can see today that a lot of companies are shifting that way because they have to, there is so much pressure on them," said Chantelle Mowbray, Senior Vice President of People and Culture at Thinxx<sup>xx</sup>.

## How Hourly Workers Search for Jobs

**Currently full-time opportunities are the most sought-after opportunities by hourly workers**, followed by part-time, and then seasonal work, which is appealing to 8% of the hourly workers surveyed by Nexxt. Additionally, businesses seeking workers who are willing to work the weekend are in luck as **58% of those currently working and willing to work hourly jobs are prepared to work on Saturday and Sunday**<sup>xi</sup>.



Keep in mind that one out of four hourly workers said that they work a second job, and only less than half of them can cover their current expenses (45%), yet they'd still select to work an hourly job over a salaried job (54%), that is typically thought of as a higher quality, better paying job<sup>xi</sup>.



## Top reasons why employees work hourly jobs<sup>xi</sup>:

1.	They like the work they're doing
2.	The flexible hours
3.	It is a stepping stone to the next step in their careers
4.	The hourly job provides benefits

Hourly workers are most likely to search for jobs on websites like Nexxt, Indeed, ZipRecruiter, etc. After that they use LinkedIn, reach out to their network, go directly to a corporate website (this is a great opportunity for brands to create **Talent Communities**), and work with recruiters. Job fairs and hiring events are on the list, however with COVID-19, there were fewer events like that in the last year<sup>xi</sup>.

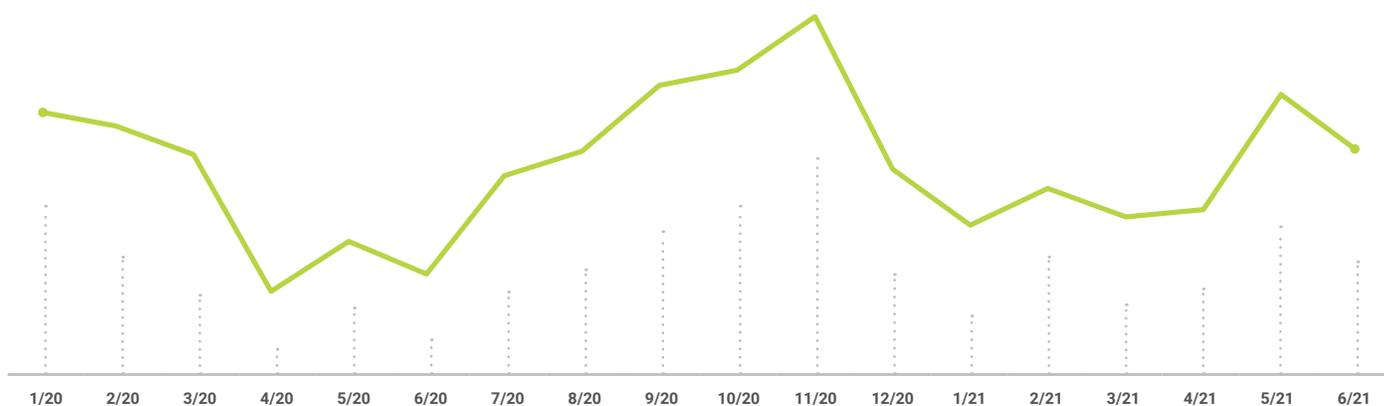
A **Talent Community** is the perfect way to make great hires in the future, especially if you recruit in a field that has a high turnover rate.

[Learn More About Talent Pipelines.](#)

It is not surprising that the top job search method is on websites like Nexxt. Engagement on jobs across Nexxt's Talent Network saw its largest peak in November 2020. And despite a decline in engagement after November 2020 and a flat performance until April 2021—there was a jump in engagement in May 2021. When comparing the engagement levels on jobs in June 2021 to six months prior, **engagement levels on jobs increased by 22%<sup>xxi</sup>**.

### Nexxt Talent Network Engagement Trends

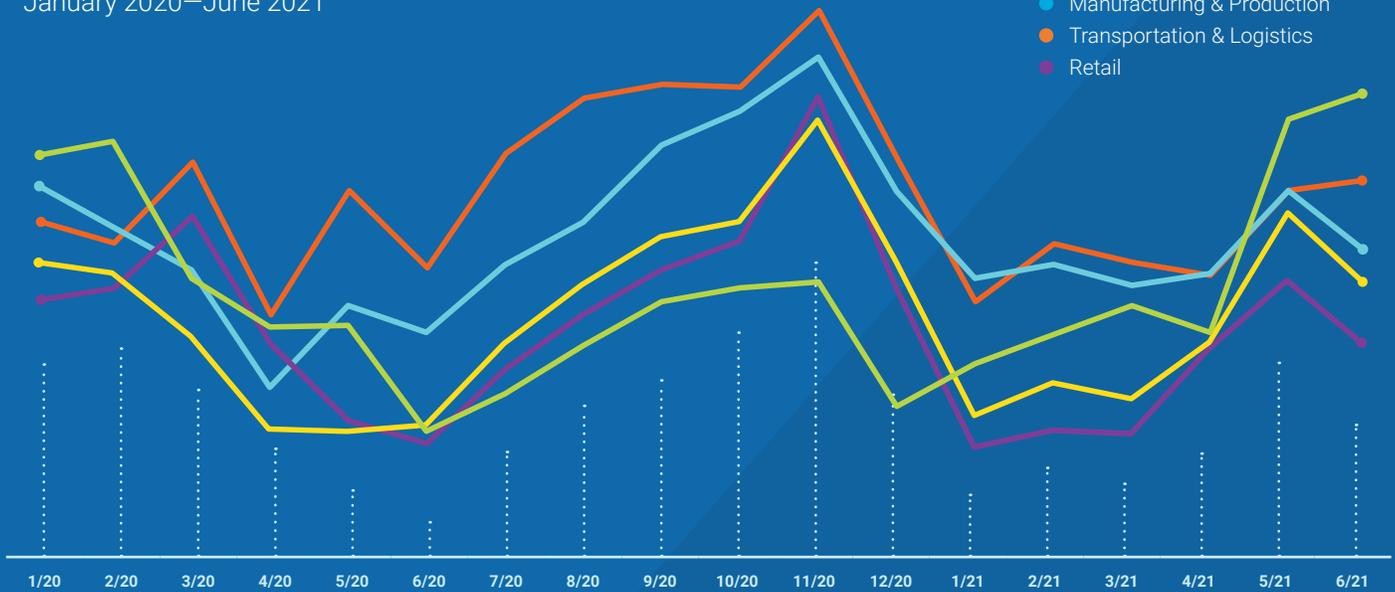
January 2020—June 2021



## Engagement Trends by Industry

January 2020—June 2021

- Hospitality, Travel, & Restaurant
- Healthcare & Medical
- Manufacturing & Production
- Transportation & Logistics
- Retail



### Hospitality, Travel, & Restaurant

Engagement on jobs across Nexxt's Talent Network in the Hospitality, Travel, & Restaurant field spiked by 108% in May 2021 when compared to January<sup>xxi</sup>.

### Manufacturing & Production

Engagement on jobs across Nexxt's Talent Network in the Manufacturing & Production field was at its lowest levels in April 2020, but began to gradually improve starting in July 2020. Engagement peaked in November of 2020, then dropped in January 2021. The first half of 2021 has remained relatively flat with the exception of a slight uptick in May<sup>xxi</sup>.

### Healthcare & Medical

Engagement on jobs across Nexxt's Talent Network in the Healthcare & Medical field spiked by 77% in June 2021 when compared to April 2021. This was the highest level of engagement in the past 18 months for jobs in their industry<sup>xxi</sup>.

### Transportation & Logistics

Engagement on jobs across Nexxt's Talent Network in the Transportation & Logistics field fluctuated during the first half of 2020, but grew 110% to close out the year. After a decline in the beginning of 2021, engagement is climbing again<sup>xxi</sup>.

### Retail

Engagement on jobs across Nexxt's Talent Network in the Retail field increased 56% in June 2021 when compared to January, with May 2021 exhibiting the highest engagement level so far this year<sup>xxi</sup>.

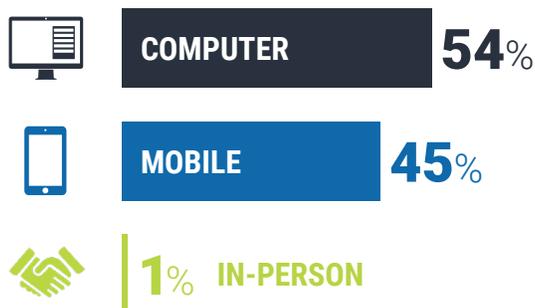
# Think Outside the Box to Engage with **The Right Candidates**

## Tactics to Hire Hourly Workers in the New Normal

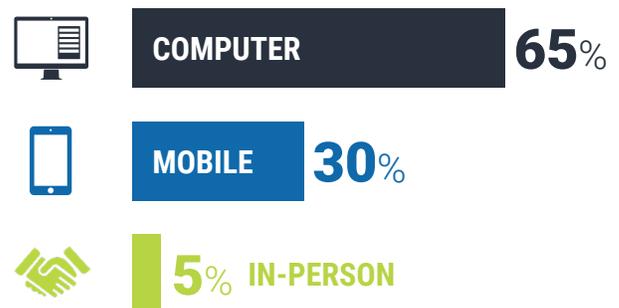
Regardless of why employers across the country might see a decline in engagement on their jobs, there are some recruitment solutions that might help to **evade some of those performance issues when it comes to getting jobs and hiring messages in front of the right audience.**

Mobile devices as well as computers both play important parts in the job search process, so ensuring the user experience works on all devices is key. And while we all know that the components of a solid hiring campaign start with a job, additional tactics to attract and engage with the best talent prove just as valuable.

### How hourly workers are **most likely to search for jobs**<sup>xi</sup>



### How hourly workers are **most likely to apply to a job**<sup>xi</sup>



## Email is Still Very Effective

While sending targeted emails is nothing new, it might be a forgotten tactic when there are fancier things being offered, but email works! For anyone looking to boost their job ads and promote their recruitment brand—**email campaigns get the attention of job seekers and are performing at pre-COVID-19 engagement levels.** Plus **88% of job seekers prefer to communicate with recruiters via email<sup>xii</sup>.** Even more effective than emails is texting. Candidates are already on their phones, so why not engage with them where they won't miss a message? In fact, closer to half of job seekers surveyed said that they search for jobs from their mobile device<sup>xi</sup>. With these solutions, you can **decrease time to hire and make more confident hiring decisions.** As competition for talent continues to rage, connecting with more job seekers by improving how you market open positions is key.

88%

of job seekers prefer to communicate with recruiters via email.



## About Nexxt

Nexxt is a leading technology company in the talent solutions field that uses today's most effective marketing tactics to reach the full spectrum of talent—from active to passive, and everything in between. Elevate your hiring with a blend of targeted solutions to achieve your recruitment goals. [Learn more about hiring with Nexxt.](#)

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