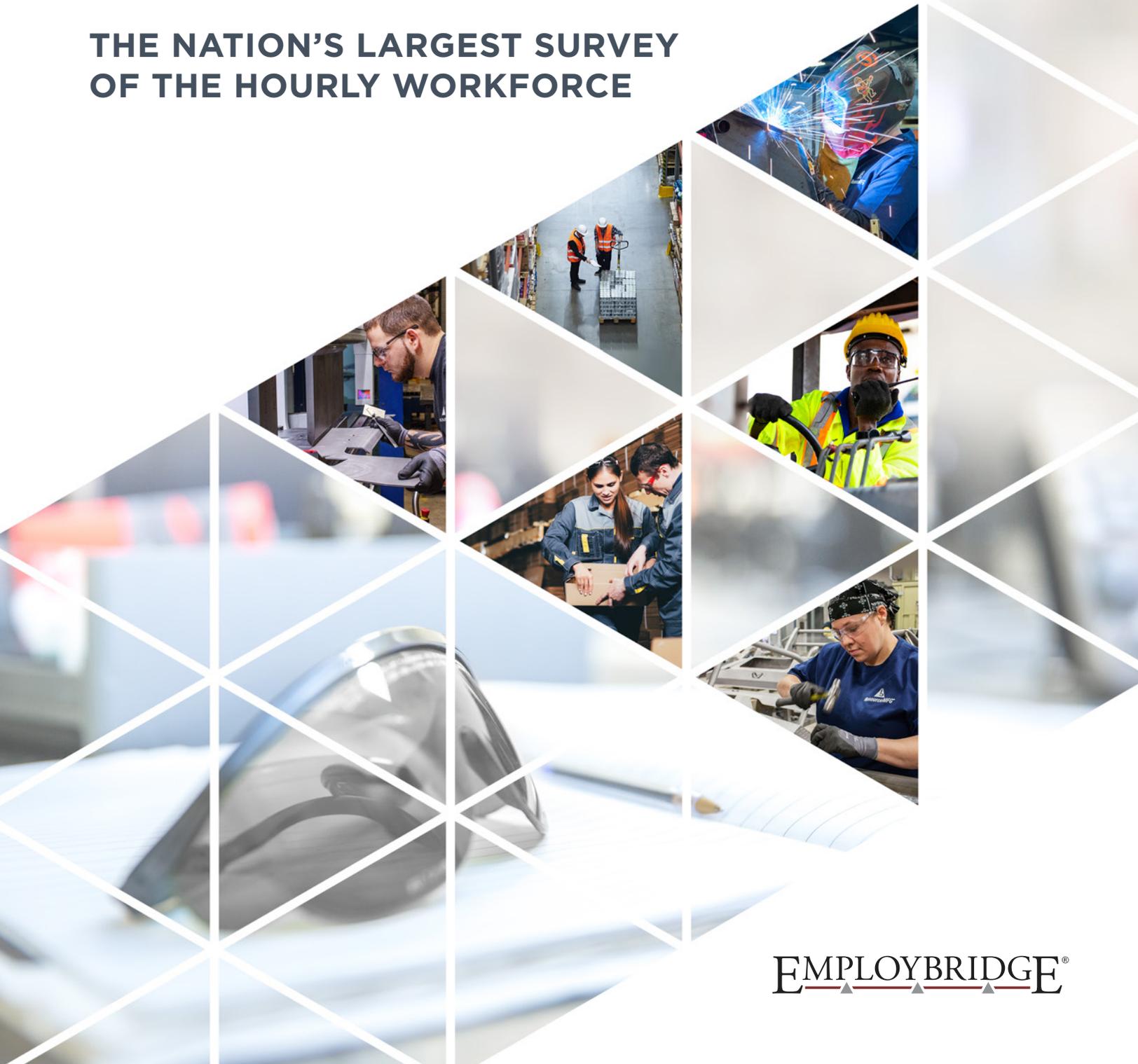


2021

VOICE OF THE BLUE-COLLAR WORKER

THE NATION'S LARGEST SURVEY
OF THE HOURLY WORKFORCE



LETTER FROM THE EXECUTIVE

As America rebounds from the effects of a global pandemic, many of us are eager to return to business as usual. Restrictions are being lifted around the country, and weekly initial jobless claims recently dropped to their lowest levels since the start of the pandemic. Nevertheless, we cannot ignore the impact of the last 15 months on our economy, our spirits, and the morale of our workforce. The Voice of the Blue-Collar Worker was developed over a decade ago in order to better understand the needs of those most essential to the success of our businesses, and the need to listen to and understand what matters most to these workers has never been more pressing. We believe that the future is bright for American industry, and the companies that are willing to adjust their workforce policies will have the best chances of attracting the essential employees necessary to take advantage of future business opportunities.

Despite the fact that over half of the jobs lost since February 2020 have now been recovered, many American workers are still sidelined by pandemic concerns and changes in family dynamics, with lower-income earners hit hardest. Recent staffing challenges have brought to light the unmet needs and concerns of our most essential workers. In order to rebuild the businesses most crucial to maintaining the health of our supply chain, we must look more thoroughly than ever at the needs of American blue-collar workers, including those underrepresented groups who have opted out of the workforce temporarily or permanently.

If we have learned anything over the past year and a half, it's that we must be open to change, and to looking at long-established beliefs and practices through a new lens. As you review this year's Voice of the Blue Collar Worker report, I invite you to reconsider policies and ideas that may not have been top of mind before the pandemic, and to think about your employees' needs for flexibility, upskilling, and health and safety measures. They've spoken clearly this year about what matters to them, and if it matters to them, it must matter to us. The manufacturing and logistics industries have rebounded with vigor, and as the nation reopens, industries like hospitality, construction and entertainment will follow suit. Let's move toward a brighter future in partnership with our valued blue-collar workers.



Brian Devine
Senior Vice President
EmployBridge

SURVEY METHODOLOGY

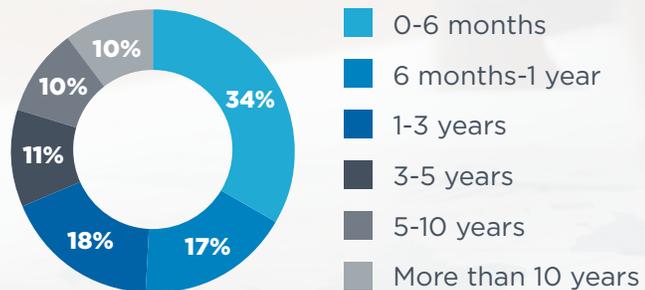
Now in its 14th year, the *Voice of the Blue-Collar Worker* is the nation's largest survey of America's hourly, blue-collar workers. From February 8 to March 12, 2021, we surveyed 15,770 respondents employed or recently employed on a flexible, part-time or full-time basis in the manufacturing, warehousing, logistics and distribution industries. Developed in 2007 in response to a lack of available data on the work preferences and expectations of hourly, blue-collar workers, the goal of this evolving effort is to shed light on the unique factors that attract, motivate, and retain the blue-collar workforce, an essential component of the U.S. economy. EmployBridge's workforce divisions, including ResourceMFG, ProLogistix, Select, Remedy and Westaff, use this data to advise their clients on workforce policies and make them competitive employers in the market.

RESPONDENT DEMOGRAPHICS: 15,770 Hourly, Blue-Collar Workers

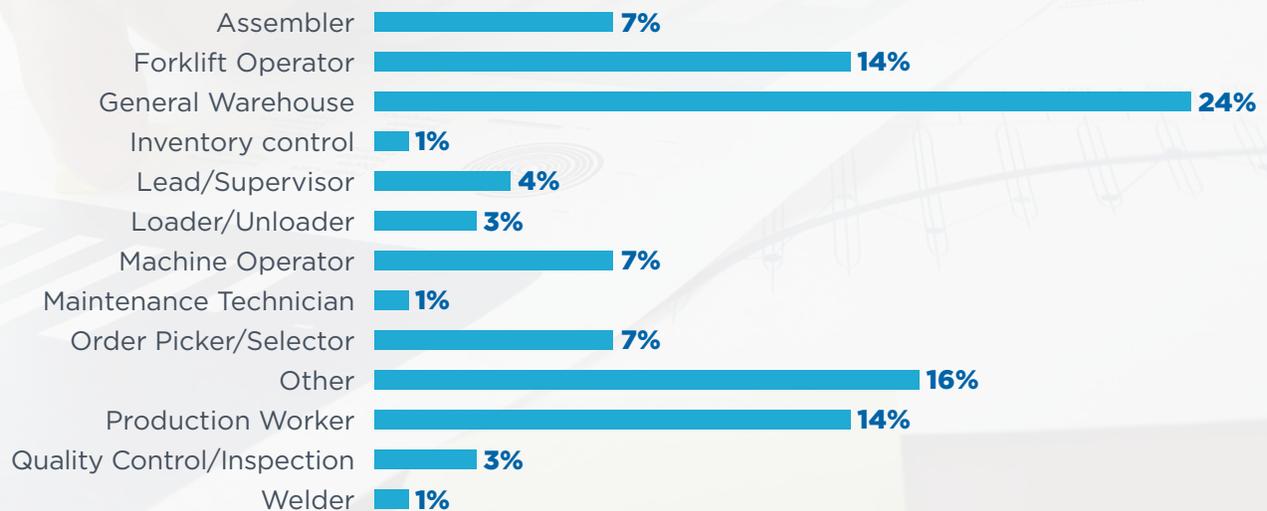
AGE (YRS. OLD)

- 18-25 (Gen Z): **31%**
- 26-40 (Gen Y): **39%**
- 41-55 (Gen X): **23%**
- 56+ (Baby Boomers): **7%**

INDUSTRY TENURE



OCCUPATION BREAKDOWN



THE FUTURE IS BRIGHT **BLUE**



Blue-collar work is the foundation of industrialization. Powering the supply chain through transportation, manufacturing, and warehousing, industrial workers contribute directly to the nation's overall standard of living. The recent pandemic brought to light the importance of hourly workers to a well-functioning economy, and the demand for blue-collar work has only increased as a result.

Following a rapid acceleration in the adoption of e-commerce¹, the number of open blue-collar jobs is higher than it was before the pandemic—and higher than the number of available workers. Our challenge, now, is to meet this demand amidst changing priorities and new obstacles for the workforce.

While fair and competitive pay will always attract employees, companies can maintain their workforce by focusing on providing a great work environment, where workers' needs are considered and addressed, and employees can count on being treated with respect. The results of this year's *Voice of the Blue-Collar Worker* survey highlighted opportunities to reach new and potentially untapped demographics—both younger, Gen Z workers as well as those who are simply unable to work a standard 40-hour schedule. In addition to competitive pay, shift flexibility and opportunities for upskilling may be key to engaging and retaining new workers.

WANTED: BLUE-COLLAR WORKERS

While it's not surprising to supply chain employers that hourly, blue-collar workers are hard to find, many couldn't have anticipated the impact of the pandemic on the sheer number of workers who have left the workforce—either temporarily or permanently. The pandemic has led to the largest 12-month decline in labor force participation since at least 1948, with more than 4 million people quitting the labor force and leaving a gaping hole in talent supply².

The impact of the blue-collar labor shortage can be seen across several dynamics:

- ▶ **Disproportionate Employment Gaps:** Aggregate employment has declined 6.5% since last February, but the decline in employment for workers in the top quarter of the wage distribution (primarily white-collar jobs) has been only 4%, while the decline for the bottom quarter (primarily blue-collar jobs) is a staggering 17%.³ The need to understand and respond to the concerns and priorities of the blue-collar demographic is clear.
- ▶ **Lingering Pandemic Concerns:** Many blue-collar workers remain concerned about health and safety, with 71% of participants indicating that they are just as concerned for their health as they were at this time last year. Maintaining and communicating health and safety standards continues to be essential.



► **Baby Boomer Exodus:** Baby boomers perform much of the nation’s blue-collar work, but they are leaving the workforce in droves. The pandemic appears to have sped up some baby boomers’ decisions to retire. As Gen Z enters the workforce, it’s important to understand how their needs and motivations may differ from those of previous generations.

If these trends persist, the shortage of blue-collar workers will continue; a recent report by The Conference Board warns that it will last through at least 2030⁴.

THE WAGE FACTOR

When the labor market tightens, rising wages and better hours motivate people to return to the workforce. The average wages for hourly, blue-collar workers have increased year-over-year since the inception of the Voice of the Blue-Collar Worker survey in 2007—and this year is no different. As in years past, our survey found that wages are the number one reason blue-collar workers accept a job, followed by shift/schedule—named equally important as their job security.

In 2020, the average wage of EmployBridge associates rose above the cost of living for the first time since 2002. Additionally, a recent study found that of workers who obtained new employment amid the pandemic after being laid off, more than half of blue-collar workers (57%) reported finding jobs with higher pay⁵.

Despite the fact that average blue-collar pay has continued to increase, many employers could benefit from revisiting their pay rates. In a tight labor market, competitive wages are essential for bringing employees through the door. To understand what other local companies are paying their blue-collar workers in your market and identify appropriate pay rates, we recommend reviewing local market wage data. **To assist customers, EmployBridge offers complimentary market wage reports for specific geographic areas across the country.**

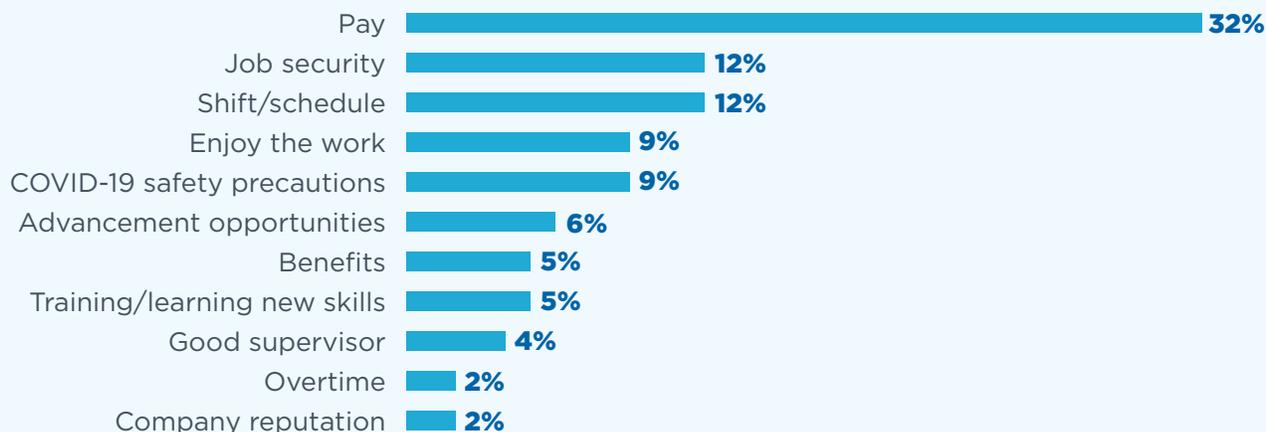
[REQUEST YOURS HERE >>](#)

SAFETY RESOURCES

from EmployBridge

—
To support your health and safety efforts, [download our valuable resources.](#)

PAY REMAINS PRIMARY FACTOR IN ACCEPTING A JOB



>>

HOURLY PAY RATE FOR CONTINGENT BLUE-COLLAR WORKERS

APRIL 2021



SHIFTING TO FLEXIBILITY

As the world at large has rapidly embraced flexibility in where and when we work, the same has not been true of blue-collar work environments—yet arguably these workers need it most. With average pay rates near or below the cost of living, many blue-collar employees struggle to afford childcare and may even be balancing second jobs or classes to advance their careers. Others are dependent on public transportation or other means to simply get to work. While every hour of productivity counts, stringent HR policies could be pushing workers out the door, and in some cases, into new industries like gig work where schedule flexibility is one of the primary benefits.

For many, flexibility is simply a necessity for balancing personal and family needs. In fact, 73% of those surveyed would trade an increase of \$1.00 per hour for an extra five days of paid time off. Considering that the most common reason for absences were health-related (34%) and personal emergencies (25%), a combination of flexible scheduling for doctor visits or family commitments coupled with a more flexible shift schedule could go a long way toward attracting and retaining employees.

THE REAL COST OF PTO PLANS⁶

\$1.00/hr

raise

=

\$2,704

investment

5

days of PTO

=

\$780

investment

73%

of employees would choose time off over a raise



Others are embracing the cultural shift toward work/life balance. Among workers who chose to stay in a job for five years or longer, the reason they cited most often was “I liked my work schedule.” This trend only intensifies amidst the Gen Z demographic. Further evidence of this mindset are the responses around shift preference. Although 67% would consider a pay differential for working 2nd or 3rd shift, the amount they would consider has risen for the past five years.

What is the amount of shift differential for you to take a different shift and **STAY on that shift?**



Given the increasing responsibilities associated with life outside of work, employers who are seeking to attract and retain workers could benefit from reevaluating their shift schedules and attendance policies. In today’s tight labor market, employers can support their employees and avoid the cost and disruption of attendance issues by introducing flexible policies, such as:

- ▶ Paid time off policies that allow workers to take accrued leave in half-hour increments. Thirty-three percent of respondents named “earned paid time off” as the best way to encourage perfect attendance.
- ▶ Options for employees to work a compressed, four-day schedule.
- ▶ Staggered work shifts with a window of optional start times.
- ▶ Tardiness and absenteeism policies that account for performance, tenure, and the number of days worked in a row without interruption.

“ When we asked 18- to 25-year-olds what mattered most to them when looking for a job, shift and schedule ranked second behind pay, beating out job security and even enjoyment of the work. ”

THE PARENT SHIFT

Data show that family responsibilities are one of the primary reasons that parents leave the workforce⁷. At EmployBridge, we’ve worked with clients to develop what we call the *Parent Shift*: **an 8:30 AM to 2:00 PM shift for workers who need to tend to family needs and can only work during typical school hours**. This allows us to engage fully qualified and motivated workers who might otherwise be sitting on the sidelines.



UPSKILLING THE WORKFORCE

Blue-collar jobs aren't always easy to fill, and finding highly skilled employees can be particularly tough when competition is fierce. When hiring is challenging, upskilling your current workforce provides several benefits:

- ▶ An employee who has demonstrated commitment to your company and works well with your team may be at a lower risk for turnover than a highly skilled (and highly sought-after) new hire.
- ▶ Depending upon the skillset, the time and effort spent training a committed and motivated employee may be equal to or less than the time spent sourcing, screening, and onboarding a new employee.
- ▶ Opportunities for upskilling are a primary driver of employee loyalty. In fact, 72% of workers surveyed said they planned to continue in their current industry, with 32% reporting they would like to work toward a career in management and 17% pursuing a related degree or certificate.

By investing in individual growth, companies are not only investing in the quality of their employees' work but in the stability of their workforce. Respondents named factors relating to growth and advancement in three of the top five drivers of loyalty.

CAREER ASPIRATIONS OF BLUE-COLLAR WORKERS

In the next 2-3 years, I see myself...

**WORKING IN THE SAME
OR SIMILAR ROLE**

23%

**WORKING TOWARDS
OR COMPLETED A
CERTIFICATION/DEGREE**

17%

**BEING A LEAD OR
SUPERVISOR**

32%

BEYOND PAY, WORKERS' LOYALTY EARNED THROUGH:



**CARED
ABOUT MY
INDIVIDUAL
GROWTH AS
AN EMPLOYEE**

15%



**GOOD
COMPANY
CULTURE
(RESPECTED/
VALUED)**

13%



**ADVANCEMENT
OPPORTUNITIES**

12%



**UNDERSTOOD
I HAD
PERSONAL
OBLIGATIONS
OUTSIDE
OF WORK**

11%



**TRAINING/
LEARNING
NEW SKILLS**

10%

THREE OF THE TOP FIVE DRIVERS OF LOYALTY RELATE TO **GROWTH** AND **ADVANCEMENT**



In order to maximize the available and motivated talent, supply chain employers must begin to double down on training and growth opportunities as a way to protect a future pipeline of skilled workers. Companies can take action by:



USING APPRENTICESHIPS, MENTORING PROGRAMS, OR SIMULATED TRAINING TO ATTRACT AND EDUCATE ENTRY-LEVEL WORKERS WITH LITTLE OR NO EXPERIENCE.



PARTNERING WITH LOCAL TRADE OR VOCATIONAL SCHOOLS IN THE COMMUNITY.



SHIFTING HIRING MINDSETS FROM EXPECTING READY-MADE, HIGHLY SKILLED APPLICANTS LIKE MACHINISTS AND WELDERS TO FINDING WORKERS WILLING TO LEARN A TRADE AND INVESTING IN THEM FIRST.

EMPLOYBRIDGE INVESTS IN BUILDING FUTURE TALENT

EmployBridge invests in our associates' training by providing free courses through our *Better WorkLife Academy* to help our associates hone their professional and life skills. When asked recently about their experience, 96% of Academy students felt they performed better than, or on-par with their co-workers, and 83% felt more confident in their skillsets after this training. [LEARN MORE ABOUT THE BETTER WORKLIFE ACADEMY >>](#)

EmployBridge partners with trade associations like the *National Association of Manufacturers*, working on initiatives like Manufacturing Day, which introduces high schoolers from around the country to careers in manufacturing. [LISTEN TO SOME OF THEIR STORIES HERE >>](#)

CONCLUSION

The future for blue-collar workers is bright, with abundant job growth and opportunity on the horizon. In order to set themselves apart in the job market and attract the strongest workforce possible, employers must consider that while pay gets employees in the door, culture is often the reason that they stay.

A satisfied and motivated employee won't typically take a new job for a modest pay increase. In fact, according to 68% of our respondents, it would take a pay increase of at least \$2.00 an hour—about \$4000/year for a full-time employee—to motivate them to change jobs.

Blue-collar workers in 2021 are most concerned about their shift schedule, their health and safety, and opportunities to advance and develop new skills. So, while a fair and competitive wage is needed to attract workers in 2021, we recommend focusing additional efforts and resources on making your work environment as appealing as possible for your hourly workforce.

SURVEY SPONSORS



ResourceMFG, a specialty division of EmployBridge, is the nation's largest staffing company focused exclusively on the manufacturing industry, providing talent in production, welding, machine operations, assembly, quality, maintenance, supervision and all levels of management.



ProLogistix, a specialty division of EmployBridge, is the nation's leading logistics workforce specialist, providing all levels of logistics personnel from entry-level, skilled and managerial talent for the warehouse to senior executives of the supply chain.



Select provides flexible and cost-effective staffing solutions, customized to meet our clients' and associates' needs. Our workforce specialists are local market experts, supported by the resources of EmployBridge, one of the largest staffing companies in the US.



Remedy and Westaff, franchise divisions of EmployBridge, deliver quality staffing solutions for administrative, clerical and light industrial workforce needs.



Creating a Better Work Life. Delivering a Stronger Workforce.

As workforce specialists, EmployBridge provides value-added workforce solutions and job opportunities through focused specialty divisions including ResourceMFG, ProLogistix, ProDrivers, Select, RemX, Westaff and Remedy Intelligent Staffing. Combining the advantages of national scale, in-depth local market knowledge, supply-chain-specific expertise, and powerful recruiting and retention tools, EmployBridge is recognized by Staffing Industry Analysts as America's largest industrial staffing firm. The company puts more than 400,000 temporary associates to work annually in 48 states through a network of 400+ offices. EmployBridge is also helping close the skills gap in America's supply chain by providing free, career-focused skills development to its temporary associates through the firm's *Better WorkLife Academy*. **For more information, please visit the company's website at www.employbridge.com.**

Sources

- 1 Big gainers in the Covid e-commerce Boom of 2020, <https://www.cnbc.com/2021/02/19/e-commerce-surged-during-covid-groceries-sporting-goods-top-gainers-.html>
- 2 Getting Back to a Strong Labor Market, <https://www.federalreserve.gov/newsevents/speech/powell20210210a.htm>
- 3 Getting Back to a Strong Labor Market, <https://www.federalreserve.gov/newsevents/speech/powell20210210a.htm>
- 4 Record Blue-Collar Labor Shortages Will Continue Through 2030, <https://www.prnewswire.com/news-releases/report-record-blue-collar-labor-shortages-will-continue-through-2030-301007480.html>
- 5 Seeking Employment During COVID-19, <https://www.skynova.com/blog/seeking-employment-during-covid19>
- 6 Cost per employee is based on a \$14/hour salary and calculated at 16% of FTE annual salary for frontline blue-collar workers based on a meta-analysis of 30 case studies in 11 research papers published between 1992 and 2007 conducted by the Center for American Progress.
- 7 Fewer U.S. Parents Working Due to COVID-19 Downturn, <https://www.pewresearch.org/fact-tank/2020/10/22/fewer-mothers-and-fathers-in-u-s-are-working-due-to-covid-19-downturn-those-at-work-have-cut-hours/>



Creating a Better Work Life. Delivering a Stronger Workforce.

www.employbridge.com