

BIG SHIFT REPORT 2024

*Evolving*  
**Landscapes of the  
US Labor Market**

# Contents

**01** —

**Introduction** ..... p. 4

**02** —

**Data Analysis** ..... p. 6

**03** —

**Economic Outlook: US Shift Work Industries** ..... p. 7

Workers with Multiple Roles ..... p. 8

Adapting Retail: Automation, Consumer Shifts, and Workforce Concerns ..... p. 18

Hospitality Evolution: Tech Integration and Consumer Experience Dynamics ..... p. 29

Healthcare Resilience: Job Growth, AI Impact, and Workforce Pressures ..... p. 37

Services Sector Transformations: Consumer Trends and Workforce Dynamics ..... p. 44

**04** —

**Future of Shift Work** ..... p. 48

**05** —

**Acknowledgements** ..... p. 49

# Introduction

As we begin 2024, the American workforce undergoes significant changes, influenced by shifting generational demographics and evolving work regulations. **The Big Shift: Evolving Landscapes of the US Labor Market** by Deputy delves into these trends, offering insights into the current landscape of work.

Our analysis highlights a substantial surge in Millennial employment, along with the growing presence of Gen Z workers within the workforce. With these generational cohorts increasing in numbers, their evolving habits, values, and preferences are anticipated to influence labor dynamics and consumer markets.

Deputy's data reveals the emerging footprint of Gen Alpha, currently within the 14-15 year old age group. While their current impact on the workforce remains limited, the behavioral trends shown by this generation are expected to shape the trajectory of shift work in the long term.

In tandem with these generational shifts, the report explores the accelerating trend of poly-employment, which is evident within Deputy's datasets. The doubling of poly-employed shift workers since 2021, particularly visible in sectors like Retail, signifies a shift in workforce inclinations and employment patterns.

Additionally, the report examines the introduction and impact of Fair Workweek (FWW) laws, a regulatory stride influencing work stability for numerous shift workers. The introduction of Fair Workweek (FWW) laws has emerged as a significant factor, directly affecting work stability and predictability for many shift workers. The analysis highlights the implications of FWW laws on work-hour reliability, shedding light on its potential to reshape the contemporary work landscape.

**The Big Shift: Evolving Landscapes of the US Labor Market** serves as a valuable resource for stakeholders, policymakers, and industry leaders seeking to navigate and understand the changing landscape of the American workforce in 2024.



**Silvija Martincevic**

*CEO, Deputy*

# Data Analysis

**The Big Shift: Evolving Landscapes of the US Labor Market** was produced by the leading scheduling software platform, Deputy, utilizing aggregated Deputy customer data. The report features an industry-focused data analysis of US shift workers across the retail, hospitality, healthcare and services industries.

Chief Economist at Geografia, Dr. Shashi Karunanethy, analyzed 81,413,785 shifts and 241,315,027 hours of 420,219 shift workers to produce the insights in this report.



**Dr. Shashi Karunanethy**  
*Labor Economist*

Dr. Karunanethy provides specialized advisory services in policy and market design; thought leadership in the city, workforce, and future technologies spaces; and economic strategies. He works with a variety of federal and state government entities, international development organizations, tech start-ups, and ASX-listed companies. Prior to this, he held senior professional roles in several consulting firms. He obtained his Ph.D. from the University of Melbourne.

Industry sample sets will not add up to the overall number of shift workers due to data being analyzed from other industries not called out in the report, churn, and other events that have occurred between Dec 2019 and Dec 2023.

This data has been normalized to account for seasonality and demand of workforce fluctuations throughout the week (e.g. weekdays vs. weekends). In the report "women" refers to female-identifying Deputy users and "men" refers to male-identifying users

*Ace Hardware, NY* ↘

**BIG SHIFT REPORT**

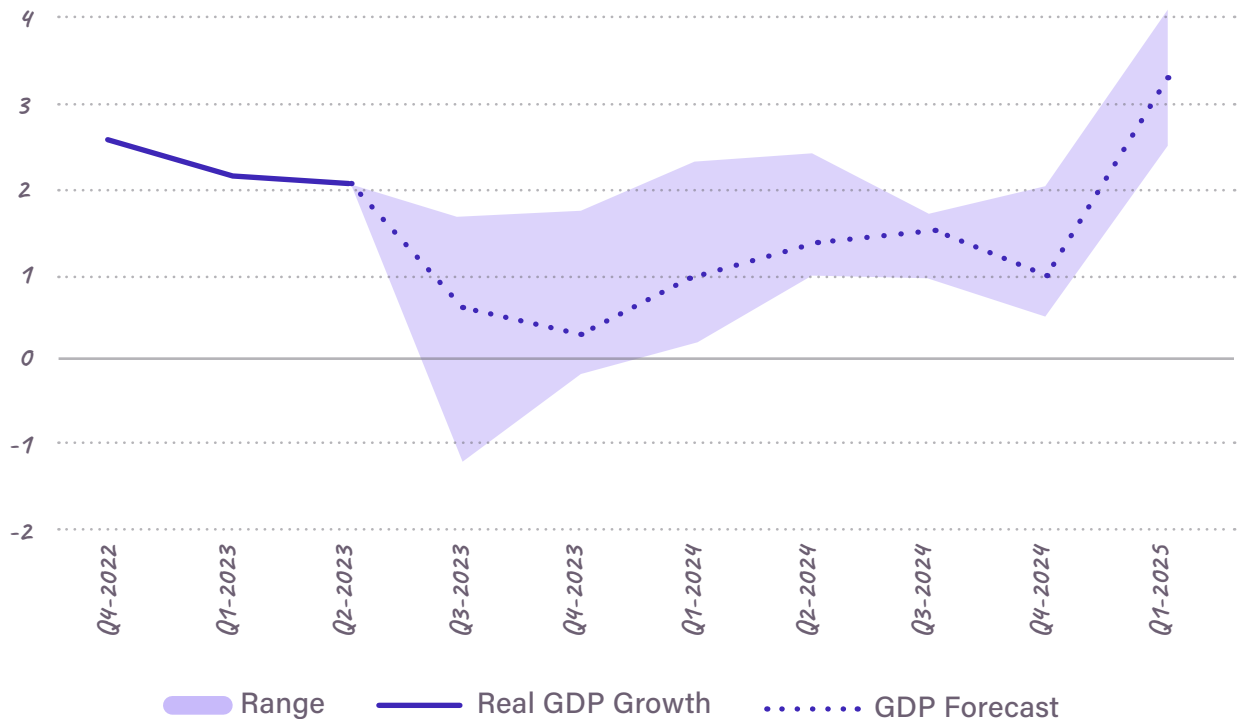
# Shift Work Industries

# Economic Outlook: US Shift Work Industries

Economic projections indicate a potential deceleration in economic activity, attributed to ongoing factors such as consistently high-interest rates and escalating costs of inputs, notably gas and fuel, compounded further by unfolding global political events. However, amidst these concerns, the robust growth in US consumer spending stands out as a significant factor that could potentially support positive economic expansion through 2024. Despite this, there are looming risks, primarily concerning inflation, alongside structural vulnerabilities within the commercial real estate market. The economy's substantial reliance on commercial property investments poses a notable risk, potentially leading to adverse spillover effects affecting the broader economic landscape.

## US Economic Growth Predictions

Source: Congressional Budget office (2023)



Consumer surveys reveal a prevailing expectation among the majority of consumers regarding an impending recession by early 2024. Consequently, there's a noticeable trend among consumers to curtail spending in anticipation of an economic downturn. In response to these circumstances, consumer markets are undergoing shifts, veering towards increased expenditure on essential products and services, along with a sustained emphasis on personal health, considered a paramount priority. This shift is accompanied by a discernible movement away from luxury items and significant purchases like furniture and travel, redirected towards more affordable discretionary spending options such as local dining and entertainment, aiming to bridge the gap in their travel experiences.

Notably, there's a growing inclination towards younger consumers, particularly Gen Z and Millennials, identified through surveys as the most optimistic cohorts regarding future economic prospects. As a result, businesses are expected to increasingly rely on these consumers, necessitating a reshaping of products and services in alignment with their values. This includes a heightened emphasis on well-being, sustainable practices, and a demand for ethical credibility in products and services offered in the market.

**>> 6 in 10** of consumers are expecting a recession by early 2024 and looking to reduce spending.

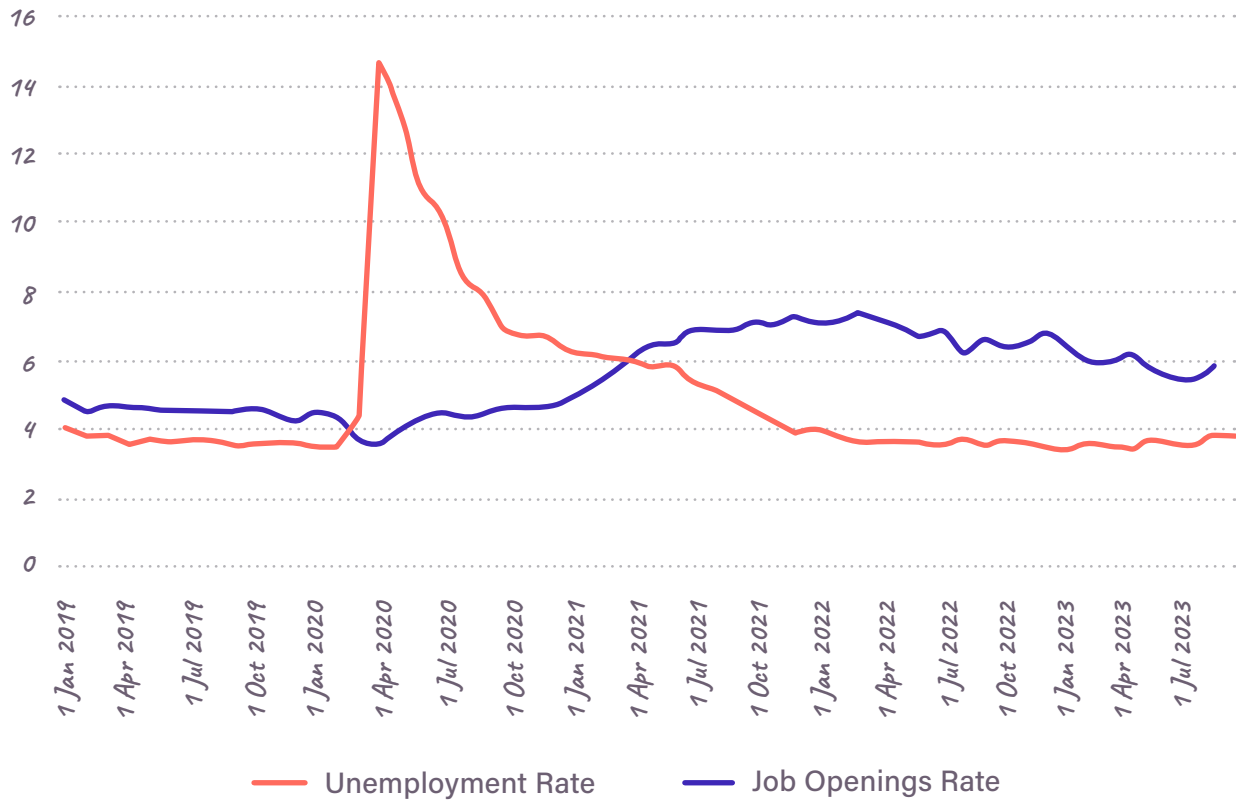
Source: Spring 2023 Consumer Sentiment Survey (Alvarez and Marsal, 2023)

The landscape of 2023 is characterized by notably tight labor markets, where the rate of job openings significantly surpasses the unemployment rate, resulting in a surplus of job vacancies compared to available workers willing to fill these roles. This scenario brings forth several implications:

- 01** Workers are likely to experience heightened levels of bargaining power, particularly if these tight market conditions persist in the medium term.
- 02** In response to these trends, workers may seek negotiations for higher wages and pivotal non-monetary benefits such as increased flexibility in work arrangements, greater scheduling predictability, or allocated budgets for initiatives aimed at enhancing well-being.
- 03** With a surplus of job opportunities available, workers are presented with increased options, even in entirely different industries, facilitating potential job transitions.

## Us Employment and Job Openings Rate (%)

Source: US Bureau of Labor (2023)



## Workers with multiple roles

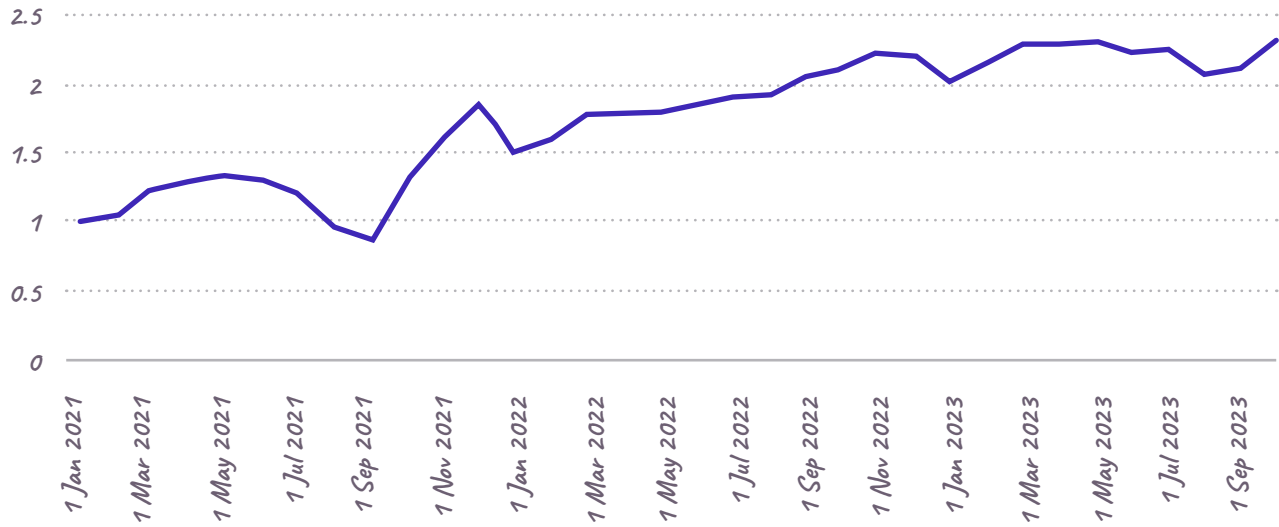
Deputy's analysis indicates a growing prevalence of workers engaged in multiple jobs, leading to the emergence of poly-employment as a notable trend. This trend appears to coincide with immediate escalations in cost-of-living pressures, prompting workers to seek better pay in the medium term.

The data showcases a substantial increase in poly-employment across Deputy platforms, more than doubling since 2021. Sectors like Retail, in particular, have depicted a significant surge in poly-employment.



## Deputy Job Index - Workers with Multiple Jobs

Source: Retail-Industry Multiple-Job Holders indexed to Jan-2021, Deputy (2023)



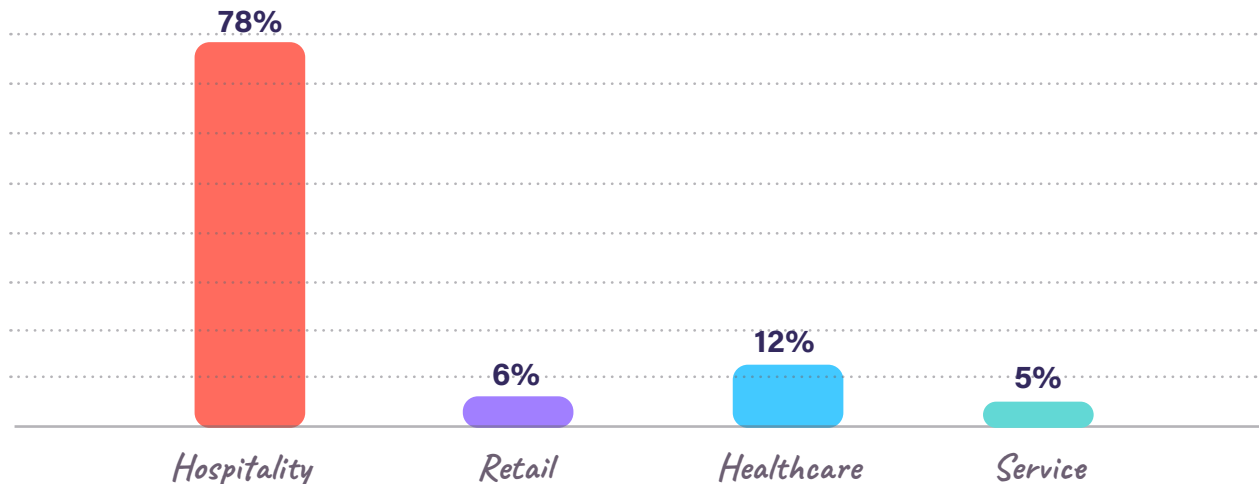
Research from Deputy highlights that the majority of individuals holding multiple jobs, known as poly-employed shift workers on the platform, are concentrated within the Hospitality industry, accounting for 78% of this workforce segment. Notably, the data reveals distinct characteristics of multi-job holders, with younger females representing a predominant demographic:

- Close to 60% of those holding multiple jobs are female.
- A significant proportion, 1 in 5 Gen Z workers, engage in poly-employment.

Moreover, the Deputy data underscores a rising trend of individuals working across diverse industries simultaneously. For instance, a quarter of Hospitality poly-employees also engage in roles within Retail or Services sectors. This practice of holding multiple job roles could potentially serve as an early indicator of employees considering transitions to different jobs or industries.

## Share of Multi-Job Holders by Industry in Deputy

Source: Deputy (2023)



Deputy's data highlights that 1 in 10 shift workers aim to switch companies within the same industry, while an additional 1 in 10 consider moving to entirely different industries. Among them, nearly 30% of Gen Z workers and 21% of Millennials express the strongest desire for job or industry changes. This trend underscores the pressing need for businesses to bolster retention strategies, particularly in attracting and retaining younger workers.

According to Deputy's data, the significance of well-being for younger individuals is at least on par, if not more crucial, than monetary considerations. For instance, a larger segment of Millennials prioritize enhancements in well-being programs and employee assistance initiatives, such as seeking counseling or psychological support, over pursuing higher wages.

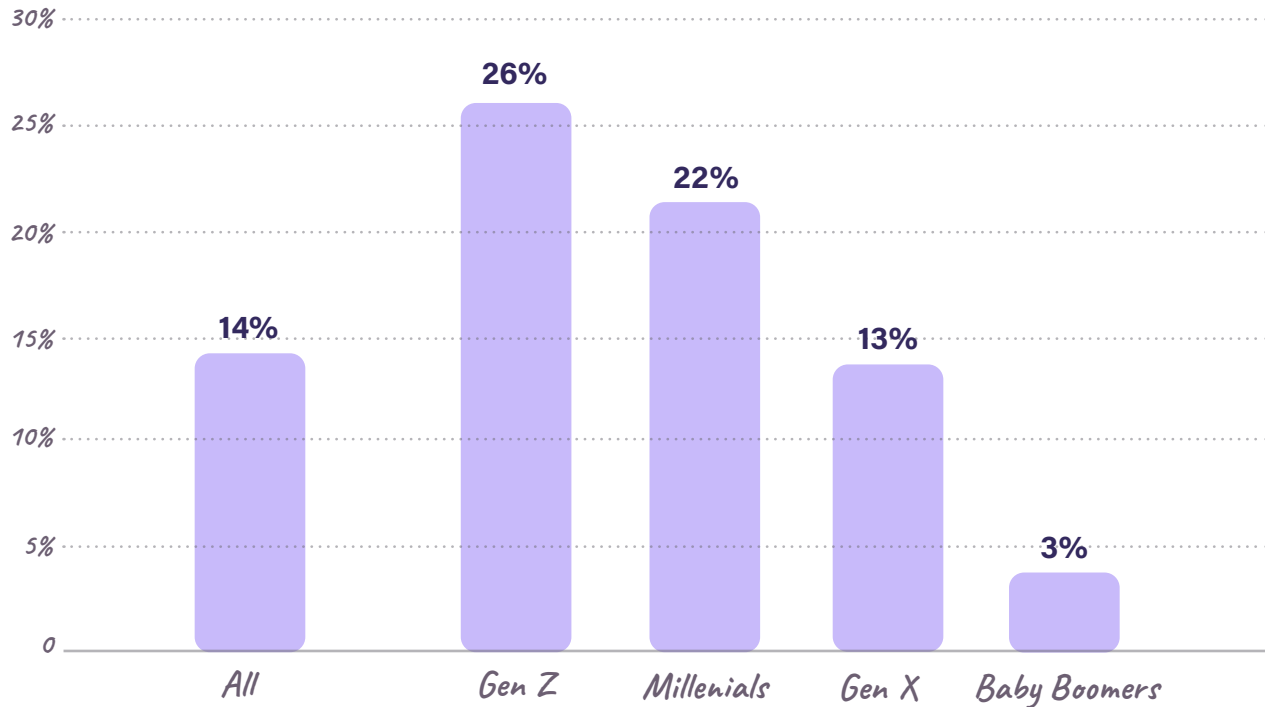
This shift in focus towards well-being marks a notable trend among this demographic. The data underscores a crucial advantage for employers who prioritize investments in employee well-being within their retention strategies. Specifically, businesses that emphasize enhancing employee well-being are notably more successful in retaining their staff, particularly among younger employees.

This observed trend aligns with a larger recognition of a mental health crisis prevalent among young workers. A substantial portion of Gen Z and Millennials frequently acknowledge that mental health challenges significantly impact their work performance. This correlation is influenced by concerns surrounding job stability and is evident among younger workers who often engage as independent workers or hold multiple job roles.

The combination of seeking more predictable work hours, financial security, and access to reliable transportation and childcare, crucial elements supporting steady employment, contributes to mounting anxiety regarding job stability among young workers.

## Share of Workers Impacted by Mental-Health Issues

Source: McKinsey American Opportunities Survey (2022)



Deputy's data underscores the significant role that beliefs regarding AI play in workers' apprehensions, with over 70% of shift workers expressing the belief that AI will bring changes to their jobs and roles. This sentiment remains consistently high across various industries. Notably, younger workers, especially Gen Z (64%) and Millennials (79%), exhibit more pronounced beliefs regarding the impact of AI on their jobs.

However, the actual risks of AI replacing jobs are more noticeable in white-collar industries compared to shift-based roles. In scenarios where AI could affect jobs in shift work, it's more likely to complement occupations rather than replace them outright. Nevertheless, the growing prevalence of AI and widespread adoption of labor-augmenting automation technologies are fueling concerns related to workers' rights, inequality, and the broader implications for the future of work.



# 70%

of shift workers believe AI will change their jobs.

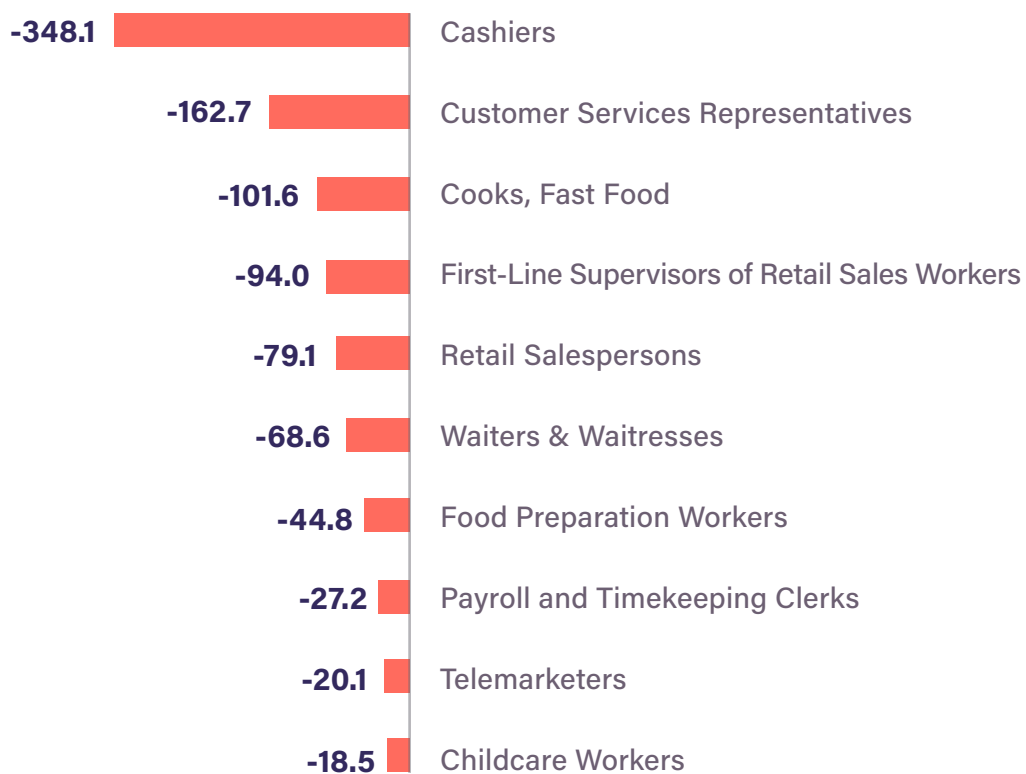
Source: Deputy State of Shift Work Survey (2023)

In the upcoming decade, retail occupations are notably susceptible to automation risks, especially with technologies like automated payment systems poised to entirely replace certain job roles. **Among shift work occupations in the United States, cashier positions are anticipated to face a decline of 348,100 jobs by 2032. Following this, there's an expected loss of 162,700 jobs in customer representatives and 79,100 in retail sales.** Specific roles like customer representatives are particularly exposed to AI integration, including AI-powered virtual or phone assistants.

Notably, shiftwork sectors that prioritize convenience and affordability are more inclined to invest in labor-replacing technologies. A prime example is within the Fast Food Cashier sector, where fast food cook roles are projected to decline by 101,600 jobs in the next decade.

### Bottom 10 Shift Work Occupations by Job Losses ('000s)

Source: Bureau of Labor (2023) Occupation Outlook 2023 - 2032

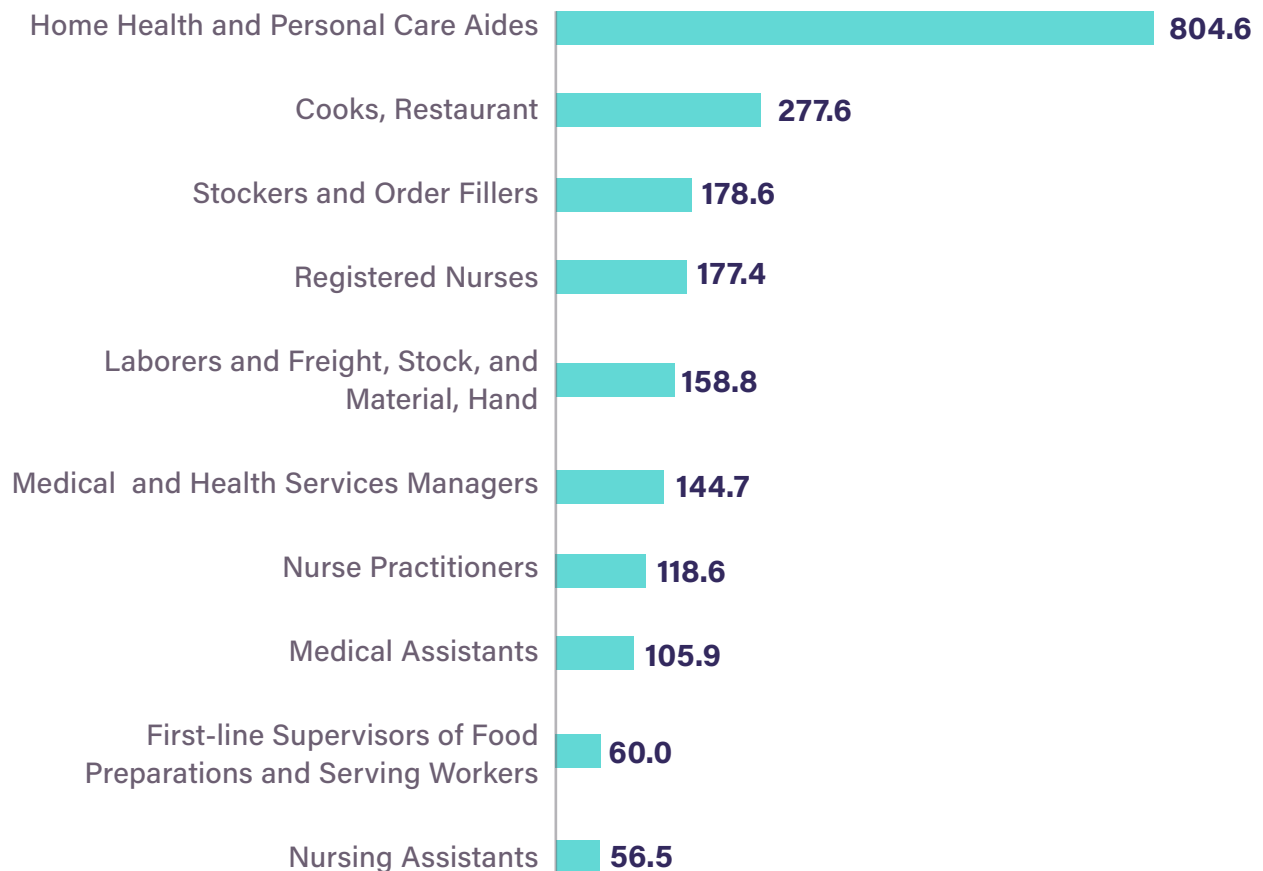


However, the majority of shift work roles demonstrate resilience to automation. **Sectors like Healthcare and Personal Care are poised for substantial job growth over the next decade, with projections indicating an increase of 804,600 jobs for personal home care aides and a combined growth of 296,000 jobs for nurses and nurse practitioners. The evolution of E-commerce and the repurposing of retail spaces are anticipated to foster new job opportunities, including 178,600 positions for stockers and order fillers and 158,800 roles for movers.**

Additionally, consumer preferences are expected to maintain a strong emphasis on personalized human experiences and interactions, particularly evident in hospitality and to some extent in retail, especially in luxury and ethical-retail product domains. Within this context, Cooks in Restaurants are forecasted to witness a surge of 277,600 jobs. AI and automation technologies are projected to liberate workers in these industries from routine and automatable tasks, redirecting their focus toward delivering value-added customer experiences and interactions.

### Top 10 Shift Work Occupations by Job Gains ('000s)

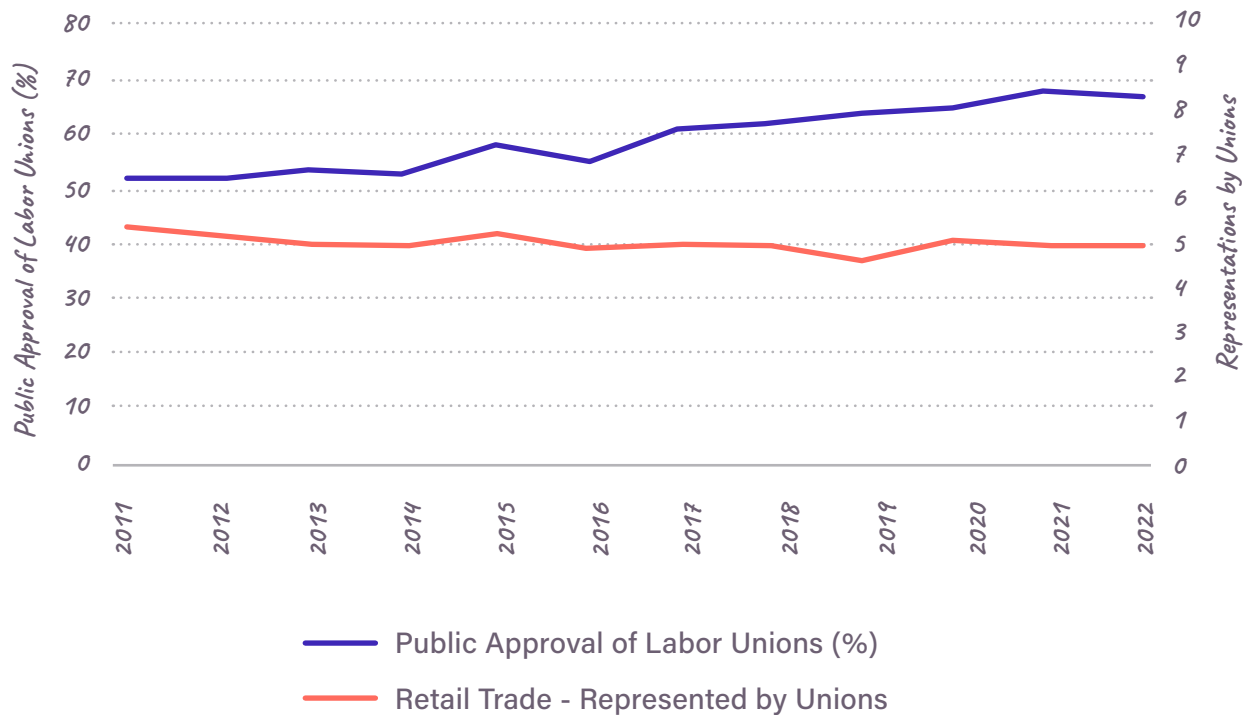
Source: Bureau of Labor (2023) Occupation Outlook 2023 - 2032



In the near term, apprehensions regarding AI, automation, and the evolving landscape of work are shaping a collective aspiration for fairer outcomes among workers. This sentiment is notably evident in the rising approval ratings for unions, which have experienced an increase over the past decade, despite a decline in union membership and representation. Notably, the evolving concerns about the future of work are progressively finding reflection in legislative efforts aimed at safeguarding workers' rights.

### Union - Approval and Representation

Source: Gallop Poll (2022) and US Bureau of Labor (2022)



Heightened concerns surrounding inequality have spurred public approval and advocacy campaigns aimed at legislating enhanced workers' rights, particularly at the State and City levels. Among these efforts, the gig economy remains a focal point for scrutiny and prospective regulation. Workers within this sector often face notable financial instability, prompting forthcoming legislation aimed at extending employee-like benefits to enhance their stability, such as provisions for sick leave payments.

A prevailing shift in focus entails a growing movement toward re-classifying gig workers as employees, aiming to secure their outcomes more comprehensively. Notably, there is a rising wave of public support for universal basic income (UBI) as a means to tackle the widening income gap, with significant backing from younger workers, notably 58% of Gen Z.

The actual legislative process is expected to address this inclination through employee investment programs, ensuring some form of wealth accumulation over the long term. Additionally, an increasing number of states are likely to adopt Retirement Plan Mandates to mitigate concerns surrounding long-term wealth inequality. In the short term, ensuring stability and predictability in work hours remains a prominent concern for many shift workers. Consequently, several states and cities are adopting and expanding their Fair Work Week (FWW) laws to directly address these issues surrounding work stability.

Amid the recent implementation of Fair Work Week (FWW) laws, the economic implications remain a subject of limited evidence, with concerns raised about potential business closures, job losses, or reductions in shiftwork hours. Leveraging Deputy's detailed employment data, this report offers an evidence-driven examination into the impact of Los Angeles' FWW legislation on the Retail industry. The analysis reveals the following key findings:

- **Rostered hours exhibited a notable increase of 14% subsequent to the legislation.**
- **The discrepancy between rostered and actual hours diminished significantly by -13%.**
- **There was no substantial impact observed on the number of individuals employed per shift or the average actual hours worked per shift. In fact, there was a slight increase in average hours post the FWW mandate.**

Looking ahead, the enhanced reliability of work hours is expected to foster heightened participation rates in the labor market, particularly among individuals seeking employment stability in their schedules, such as women with young children and young adults with caregiving responsibilities for adults.



Source: Analysis undertaken by Geografia (2023) using postcode-sector Retail data from Deputy (2023)

Advancements in technology and market design are poised to enhance the efficiency of labor markets, enabling a better alignment between businesses seeking workers and individuals seeking job opportunities. Although these technologies are in their early stages, labor markets are expected to undergo several innovations:

- **Sales and job forecasting tools aimed at enhancing the predictability of shift schedules** for both workers and businesses. Accurate forecasting benefits workers and businesses alike, resulting in operational efficiency enhancements and cost improvements.
- **Implementation of automated rostering schedules** to significantly boost the efficiency of work schedules. For instance, many healthcare facilities presently manage rosters manually, but the introduction of automated, algorithm-based rank-order rostering systems could notably enhance outcomes, fostering job satisfaction among shift workers.
- **Challenges arise due to imperfect information between job seekers and employers,** leading to inefficiencies in the matching process. Additionally, the time-consuming nature of job applications limits the scope for job seekers to apply for positions, resulting in a lower-than-preferred number of applications. The integration of technologies supporting automated job applications and personalized matching algorithms has the potential to improve the efficiency of matching workers and businesses, while reducing the overall costs associated with job searches for both parties.

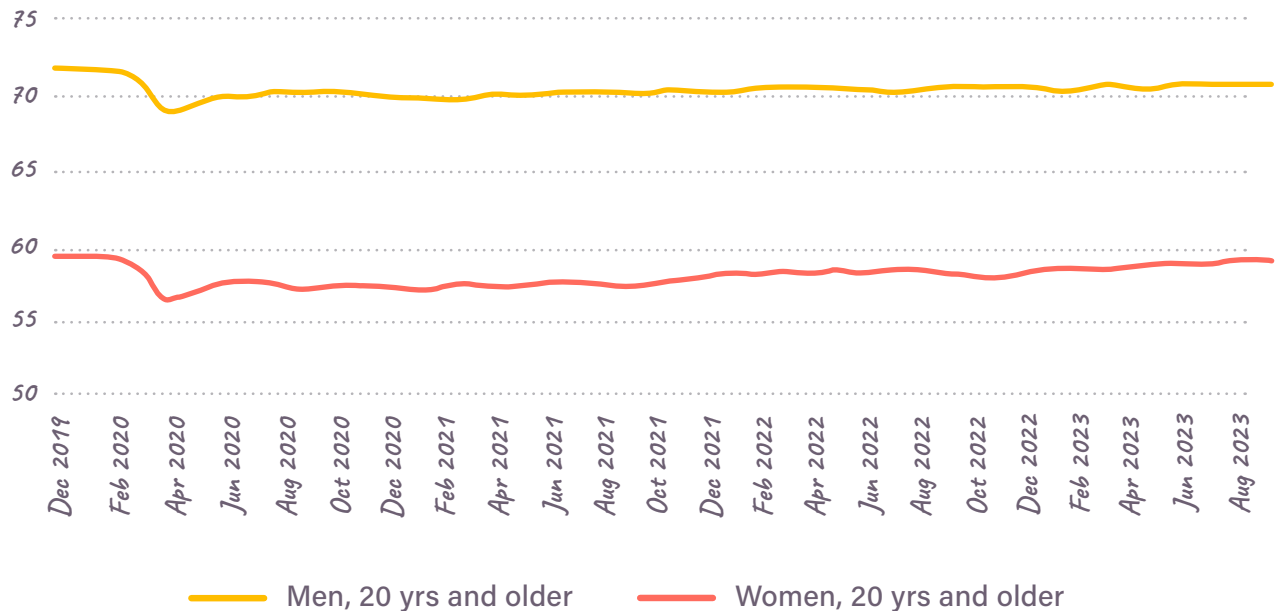
Technology-supported enhancements to labor markets are expected to bolster the most significant economic opportunity in the US: enhancing the participation of women in the workforce. The US female participation rate currently trails behind the developed world by 10%. Closing this gap is projected to result in an additional 5 to 10% increase in the size of the US economy.

Challenges such as difficulty in accessing reliable work hours, the time and costs associated with job applications, and access to childcare and transport currently serve as barriers to entering the workforce for many women. Technological opportunities that reduce the costs of job applications and improve the reliability of rostered work hours may pave the way for more female workers to enter the market, consequently driving economic growth.



## US Labor Participation Rate by Gender

Source: US Bureau of Labor (2023)



This report outlined critical occupations facing the potential risk of labor-replacing automation and AI. At the extreme end, these technologies have the potential to worsen income and wealth inequality. To address possible adverse effects of AI and automation, opportunities exist to leverage these technologies in favor of shift workers.

Some of the key opportunities that support workers include:

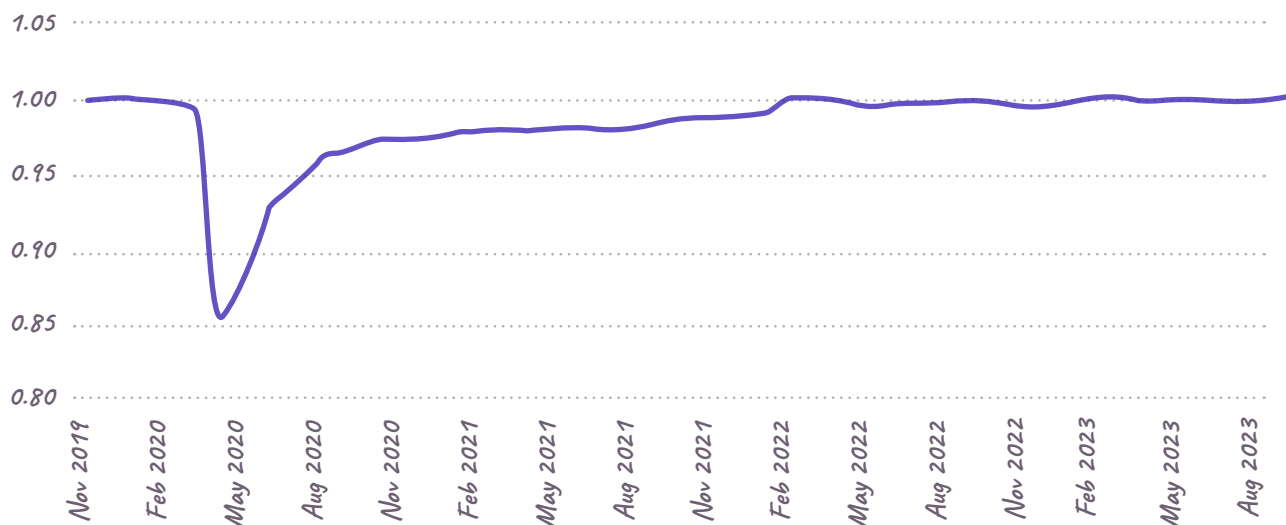
- **Increasing funding for research on technology** that complements human work, acknowledging the current lack of emphasis on this aspect in the private sector. Governments and civil society have the chance to stimulate innovation in this domain.
- **Reforming the tax system to ensure fairness between companies** that employ labor and those investing in labor-replacing technology. Prior studies highlighted biases in the US tax system, favoring capital-intensive firms over labor-dependent ones, which subsequently encourages higher levels of automation. A more balanced tax system, where the costs of hiring or training workers align with investing in labor-replacing technology, can promote a path of technological development that complements human labor.
- **Advocating for technology certification** to guarantee the quality of human-complementary technology adopted in workplaces. Governments can lead by example by requiring certifications in public sector settings like education and healthcare, thereby encouraging private sectors to adopt similar systems that endorse worker-friendly technologies.
- **Revising and broadening mandatory savings systems** to ensure they also benefit from improved long-term capital returns, similar to those gained by entrepreneurs and companies investing in AI and automation technologies.

# Adapting Retail: Automation, Consumer Shifts and Workforce Concerns

Throughout 2023, retail job growth has maintained a stagnant trajectory, experiencing minimal increases in recent months. Despite the positive influence of consumer spending on job growth within sectors like hospitality and healthcare, this upward trend hasn't translated into equivalent growth within the retail sector. The varied outcomes observed within specific retail sectors have played a role in the restrained trends evident at the overarching parent industry level.

## Deputy Job Index - Retail Industry

Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data

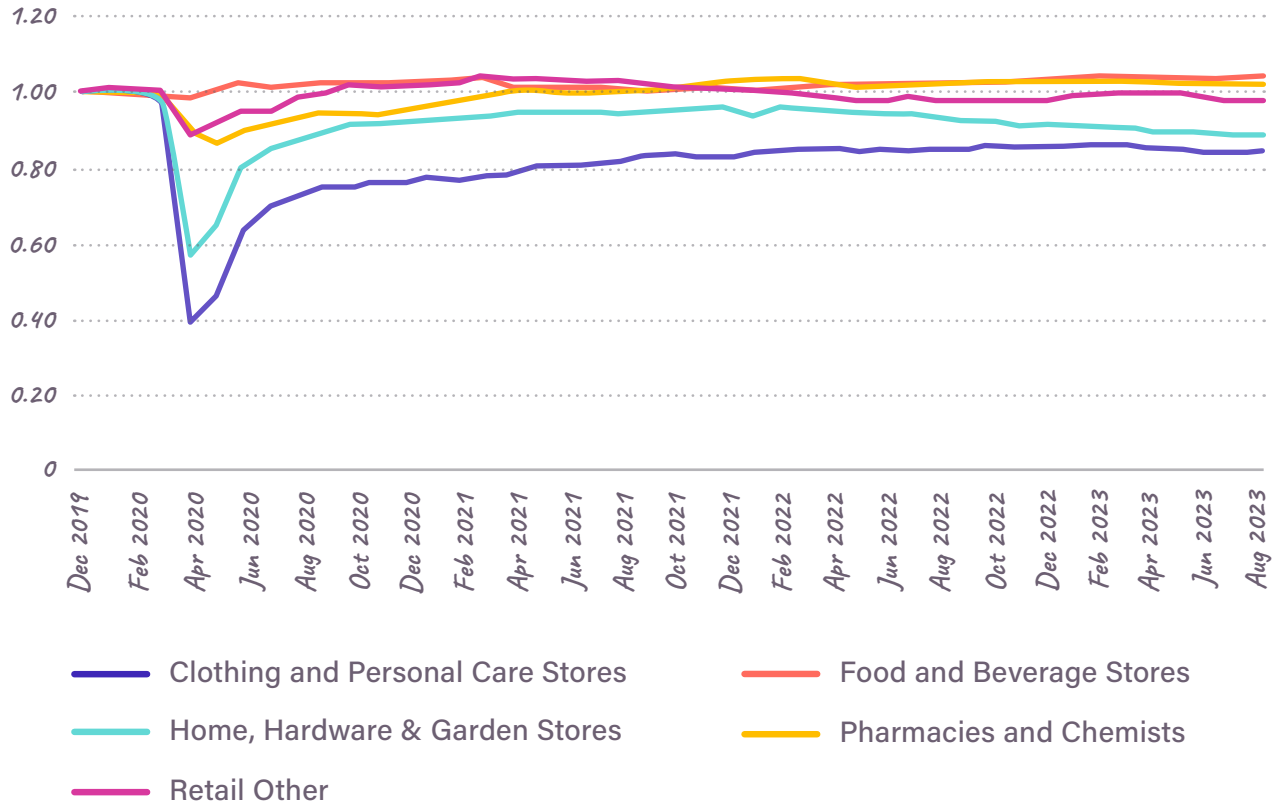


Retail job growth has exhibited a concentrated focus on essential products and services within specific sectors. Supermarkets, categorized under Food & Beverage Stores, have seen a notable 4% growth, followed by a 2% increase in Pharmacies & Chemists. However, employment numbers have declined within Home, Hardware & Garden Stores. Although Clothing and Personal Care Stores initially experienced job growth until April 2023, subsequent months have witnessed modest declines in employment.

These trends signify a shifting consumer preference, favoring essential products such as those found in supermarkets and pharmacies, over non-essential big-ticket items like furniture and luxury goods.

## Deputy Job Index - Retail Industry Sectors

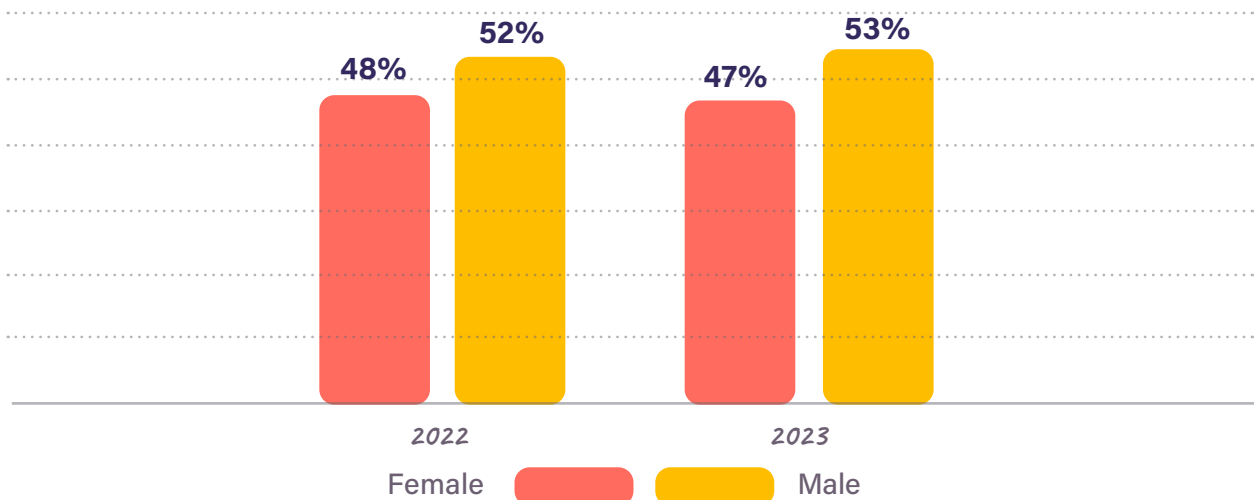
Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



According to Deputy data, males comprised a slightly higher proportion of shift work employment in the retail sector, accounting for 53% in 2023. Conversely, female workers experienced a marginal decline of 0.4% in their share of employment between 2022 and 2023.

## Share of Employment by Gender

Source: Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data

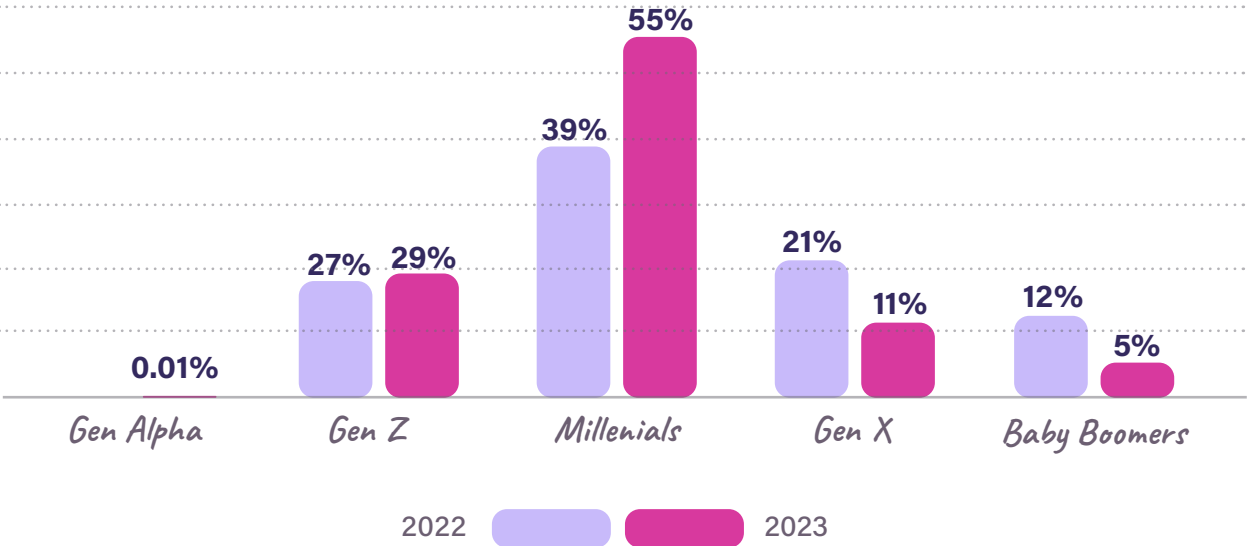


Deputy's data analysis notes a resurgence of Millennials re-entering the workforce in 2023. After a period marked by factors such as extended illnesses, pursuing education, or career breaks, this generation is showing a return to work. Simultaneously, there's a sustained uptick in the representation of Gen Z in the workforce, signifying their growing prominence in both consumer markets and the shift work landscape in the United States.

Moreover, Deputy's findings highlight the early emergence of Gen Alpha, currently in the 14-15 age bracket. Despite their minimal current representation in the workforce, the preferences and behaviors of this generation are anticipated to significantly influence the long-term landscape of shift work.

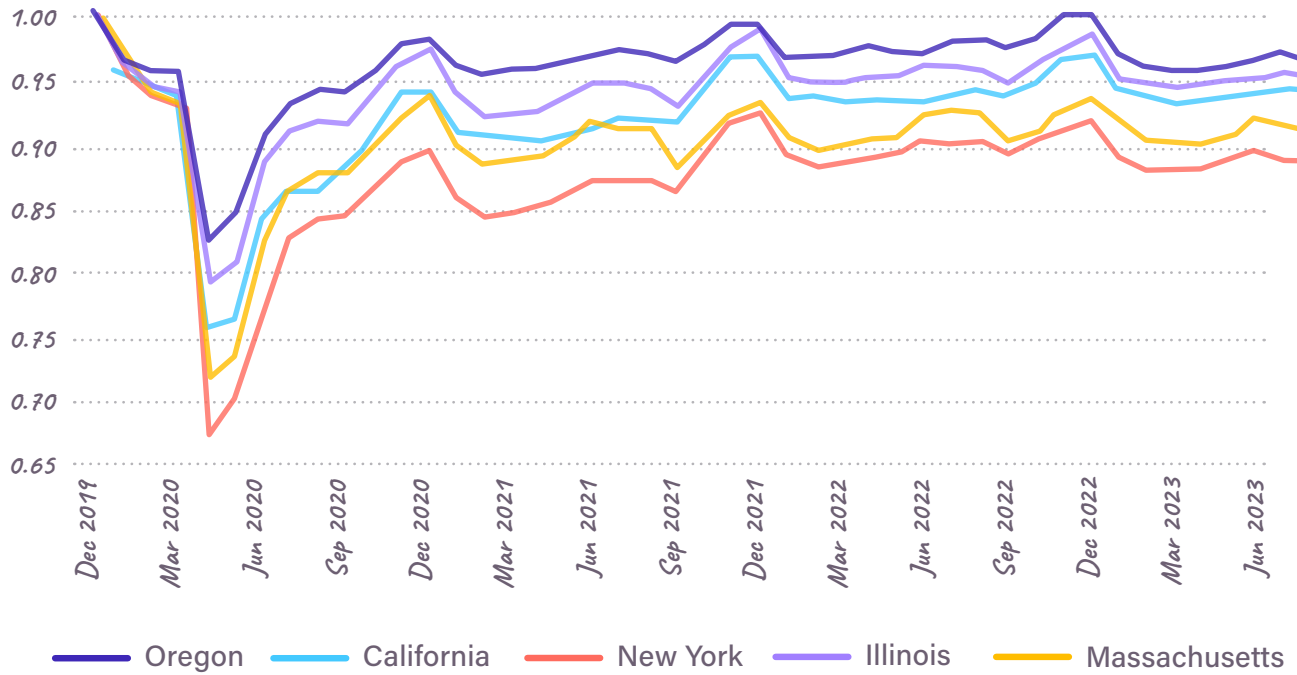
### Share of Employment by Generation

Source: Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



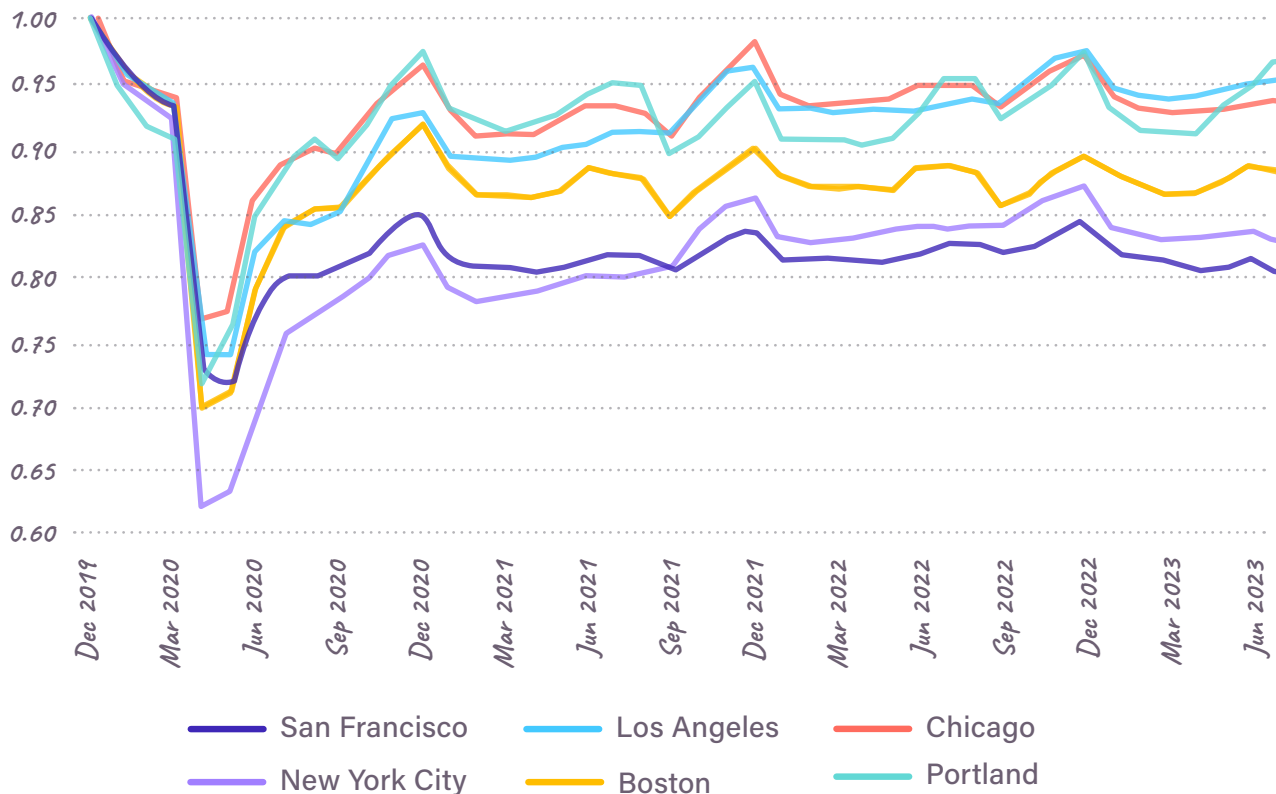
## Retail Industry Deputy Job Index by Major States

Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



## Retail Industry Deputy Job Index by Major Cities

Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data

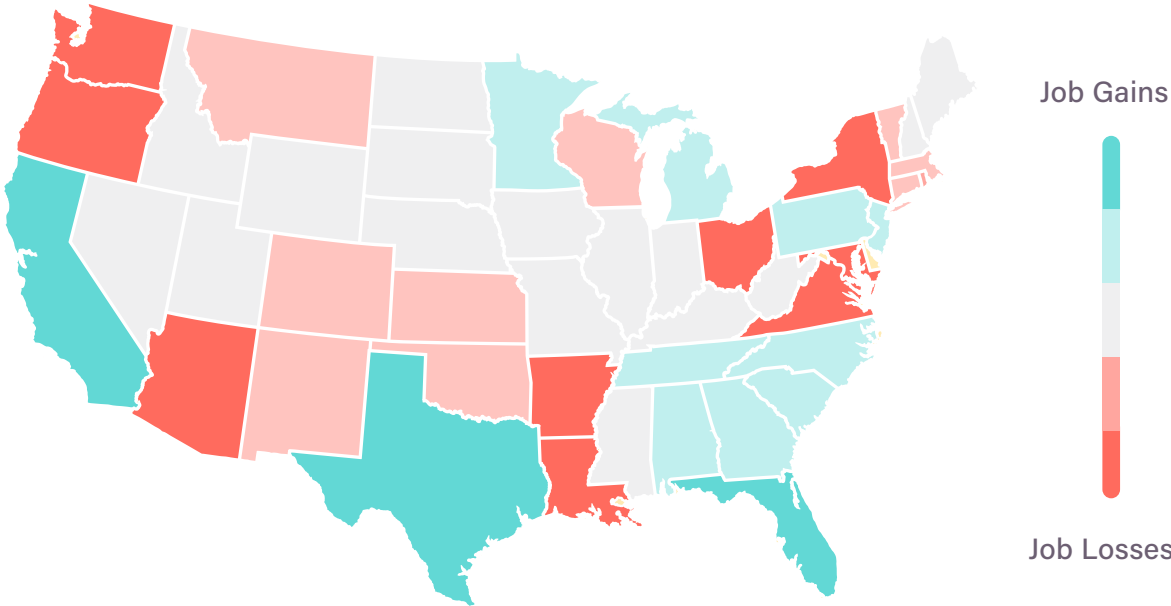


California and New York stand as the primary markets for parent industries, yet their employment levels in 2023 have shown only moderate growth. Conversely, certain markets, notably New York, have witnessed declines in job numbers during this period.

Job gains in the US have been primarily driven by growth markets such as Texas and Florida, marked notably by interstate migration trends seeking improved employment prospects and more affordable living expenses. This migration has notably contributed to bolstering the labor force in these regions. Additionally, Texas and Florida benefit from a demographic advantage characterized by burgeoning young families, fostering expanding consumer markets and amplified regional spending behaviors, even amid an overall economic slowdown. Moreover, the implementation of the Inflation Reduction Act in 2022 has catalyzed substantial investments in renewable energy sectors, indirectly fostering regional economic growth in these markets.

### Retail Job Gains and Losses by US State, 2022-2023

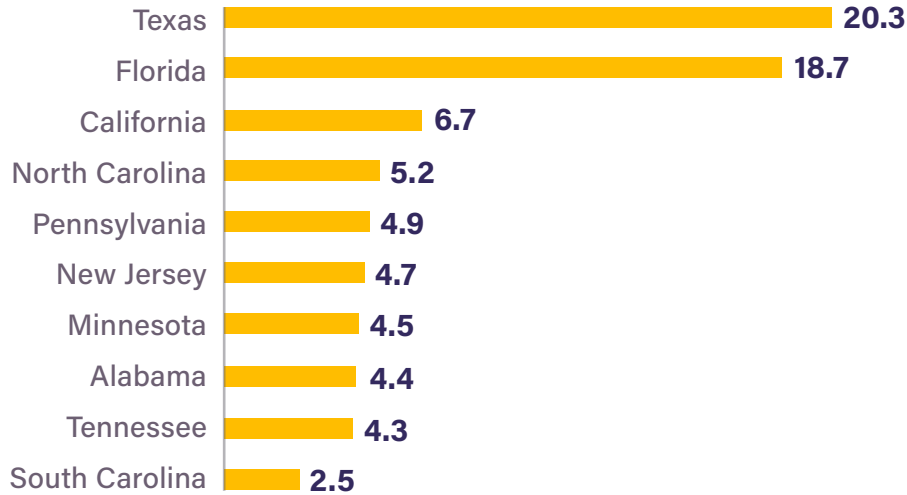
Source: Employment Change Sep-22 to Sep-23 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



Between 2022 and 2023, Texas and Florida collectively experienced a net gain of 38,000 jobs, surpassing the job gains in other states such as California, which saw an increase of 6,700 jobs during the same period. This substantial job growth in Texas and Florida significantly exceeded the job gains observed in other states across the country.

## Net Change in Retail Jobs ('000s) 2022 - 2023

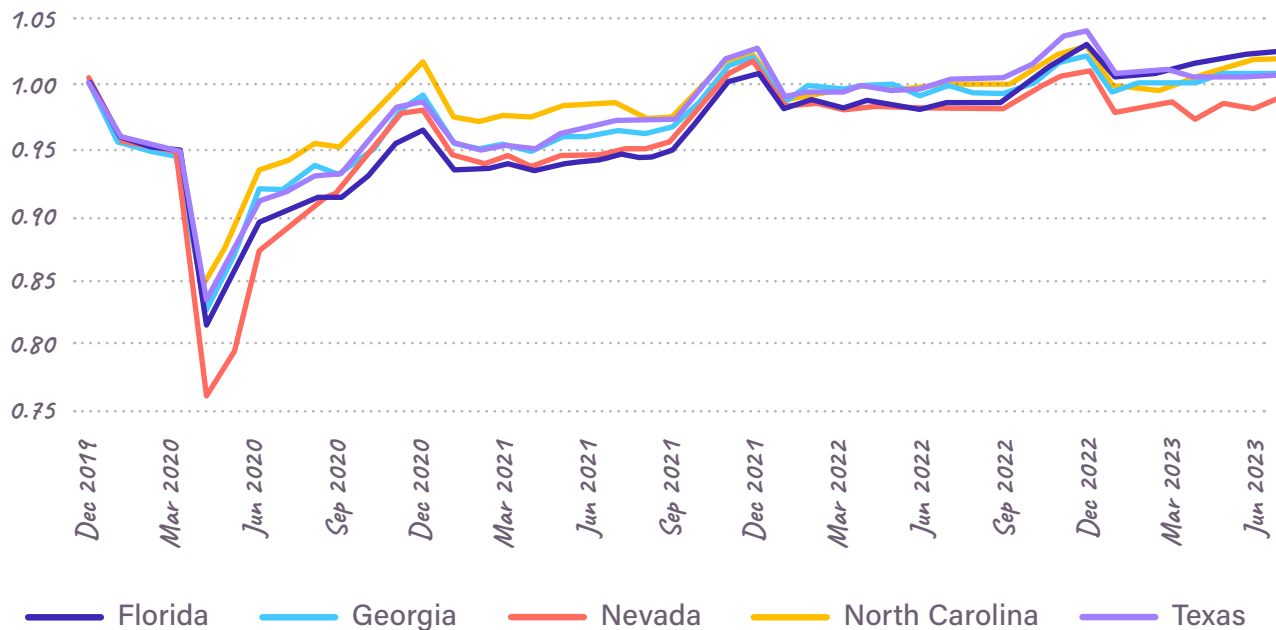
Source: US Bureau of Labor (2023) de-seasonalized data



The surge in US job gains predominantly centers on burgeoning markets, notably in Texas and Florida. These markets stand out due to several key factors: first, the noticeable influx of residents migrating from California, contributing to the growth in these regions. Second, the considerable advantage derived from a burgeoning young population and expanding families in these areas further supports their economic momentum. Finally, the substantial investments in renewable energy sectors, spurred by the Inflation Reduction Act of 2022, have notably stimulated growth and job creation in these regions.

## Deputy Job Index by Growth States

Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data

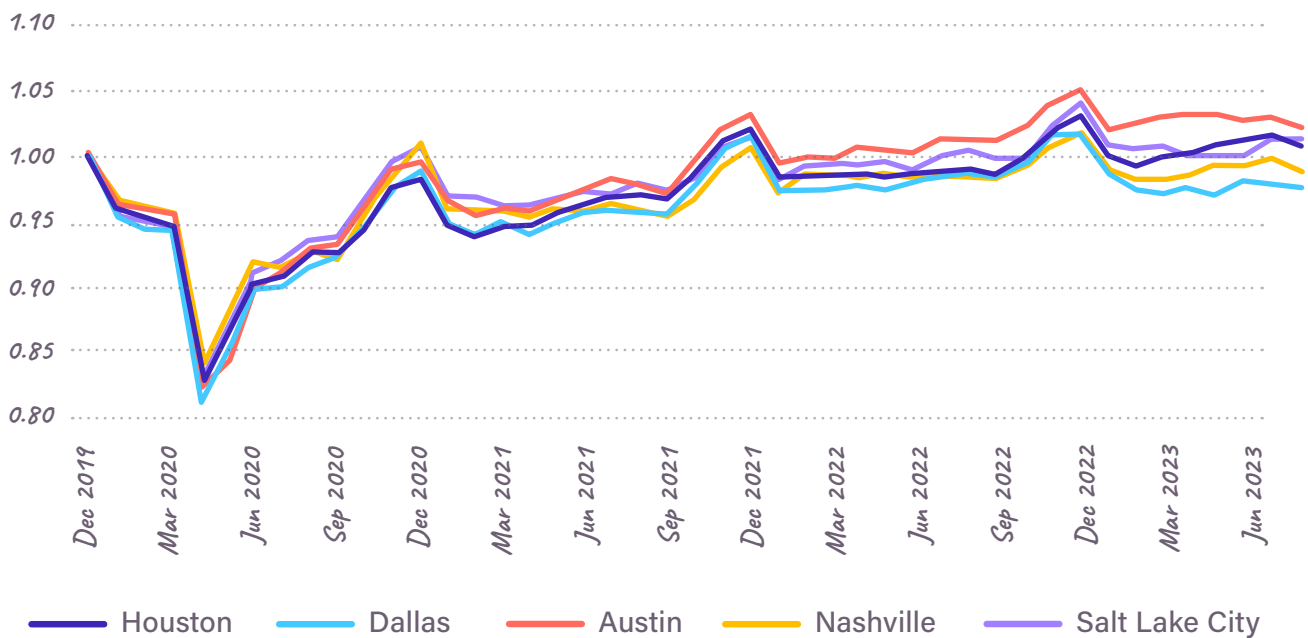


Austin, Houston, and Salt Lake City emerge as frontrunners in job growth, bolstered by the combination of a reduced cost of living and the emergence of burgeoning industries. The distinct patterns observed in these regions are characterized by the tech industry's dominance in Austin, energy sector expansion in Houston, and the burgeoning finance sector in Dallas.

Forecasts indicate a transformative shift in market dynamics by the mid-2040s, foreseeing Texas surpassing California to become the largest market in the United States. Additionally, Dallas is projected to outstrip Chicago, ascending to the position of the third-largest metropolitan market in the nation.

### Deputy Job Index by Growth Cities

Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



Economic projections indicate an impending deceleration in economic activity, primarily steered by ongoing factors such as the persistent elevation of interest rates. Concurrently, consumer behavior continues to gravitate toward essential commodities, veering away from indulgent and high-value expenditures. Despite these trends, the retail sector remains resilient, with sustained robustness in consumer spending potentially fostering a positive trajectory in economic growth throughout 2024. Markets exhibit a discernible transition towards affordable and indispensable goods and services, with a notable focus on supermarket essentials and healthcare products offered by pharmacies and chemists. Moreover, the spending inclination of Generation Z and Millennials stands prominent within this landscape, signifying an impending shift in market preferences toward their preferences and habits. This transition includes an emphasized emphasis on quality, sustainability, and the prioritization of well-being.



Younger consumers are increasingly steering retail activity toward mobile platforms, evident in the surge of M-Commerce. Presently, around 70% of consumers initiate their shopping journey via mobile-centric social media platforms. This intensifying reliance on mobile retailing is fostering direct interactions between consumers and businesses, notably through messaging applications such as Facebook's Messenger and, notably among younger demographics, WhatsApp.

Retailers are anticipated to not only establish a brand presence on social media platforms but also cultivate an interactive consumer experience through these channels. Looking ahead, the advent of AI-driven automated messaging bots is poised to enhance the efficiency of engaging with a wider retail audience. This progression might ultimately lead to AI-powered interactions aiding consumers in decision-making processes. For instance, AI-enabled style assistants or the utilization of augmented reality may assist consumers in envisioning retail products within physical settings, leveraging advanced AI technologies to augment the retail experience.

Younger consumers exhibit a strong inclination toward in-store shopping experiences, despite the growing array of technological shopping opportunities, spanning from mobile phone applications to augmented reality wear. This has paved the way for a unique "hybrid" shopping environment that seamlessly integrates both online and physical retail experiences. Physical storefronts are anticipated to be repurposed into multifunctional spaces, serving as venues for product viewing, interactions with businesses and brands, and facilitating the retrieval of online orders.

A strategic focus on design-led stores that elevate customer experience is poised to flourish within this paradigm. Such establishments will increasingly prioritize building brand loyalty to secure long-term customer commitment, guiding them toward higher-margin online platforms, rather than concentrating solely on immediate in-store sales.

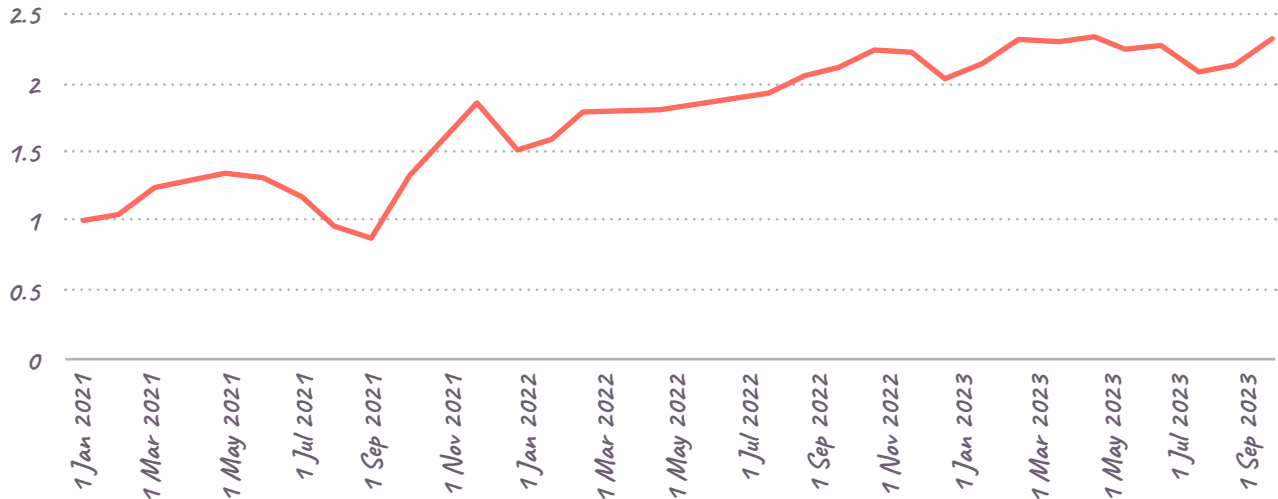
Adapting to these evolving physical retail landscapes, retail workers will encompass a diverse array of roles. Their responsibilities will encompass in-person customer engagement, logistics for handling online orders, and engagement with customers through messaging apps and social media platforms, often facilitated by AI-powered chatbots. This transformation heralds a substantial shift in the nature and scope of roles within the hybrid retail setting.

In the present scenario, unemployment remains notably low, especially in comparison to the persistently high number of job openings. Although job openings have observed a decline from their peaks in 2022, they still maintain a considerable elevation. The ongoing landscape of 2023 characterizes a tightly-knit labor market, affording retail workers ample opportunities to explore alternative job prospects, even outside their immediate industry. However, a deceleration in consumer spending, particularly in major markets, has contributed to sluggish wage growth, especially amidst the backdrop of inflation.

To counter the escalating cost of living, a growing percentage of workers are engaging in multiple job roles, leading to the emergence of poly-employment as a notable trend. Since 2021, there has been a substantial increase in poly-employment among retail workers, surging by over two times across Deputy platforms. As of October 2023, Deputy data revealed that nearly 6% of retail workers are simultaneously holding multiple job positions.

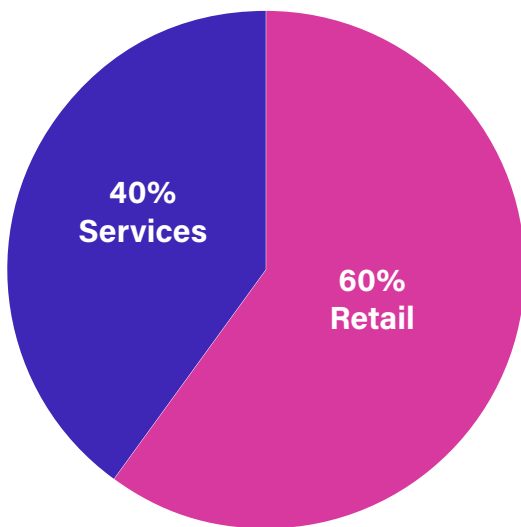
### Retail Industry Deputy Job Index - Workers with Multiple Jobs

Source: Indexed to Jan-2021, Deputy (2023) and US Bureau of Labor (2023)



### Share of Retail Multi-Job Holders by Industry of Employment

Source: Deputy (2023)



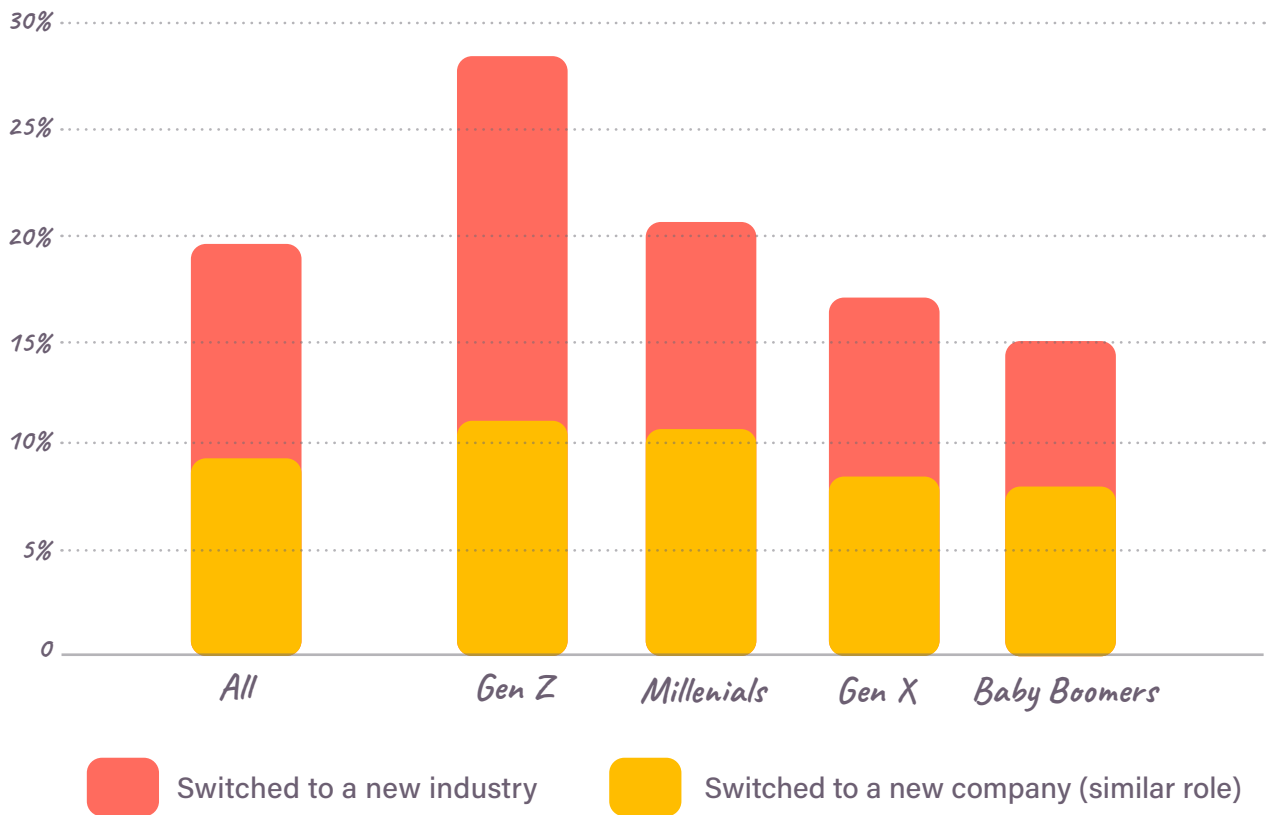
According to Deputy's data, the majority of individuals holding multiple jobs are predominantly young females from the Gen Z and Millennial cohorts. Moreover, among retail shift workers, a significant portion engages in employment across various industries beyond the retail sector, with nearly 40% also employed in the Services industry.

Deputy's findings reveal an alternative approach to offset the escalating living costs — seeking higher-paying positions and improved work settings. The data indicates that 1 in 10 retail workers aim to transition to different companies but retain the same role.

Similarly, an additional 1 in 10 contemplate shifting to entirely new industries. Notably, this inclination toward job transitions is particularly pronounced among Gen Z workers, with nearly 30% expressing intentions to pivot to new roles or industries, followed by Millennials at 21%.

### Percentage of Total Workers by Generation

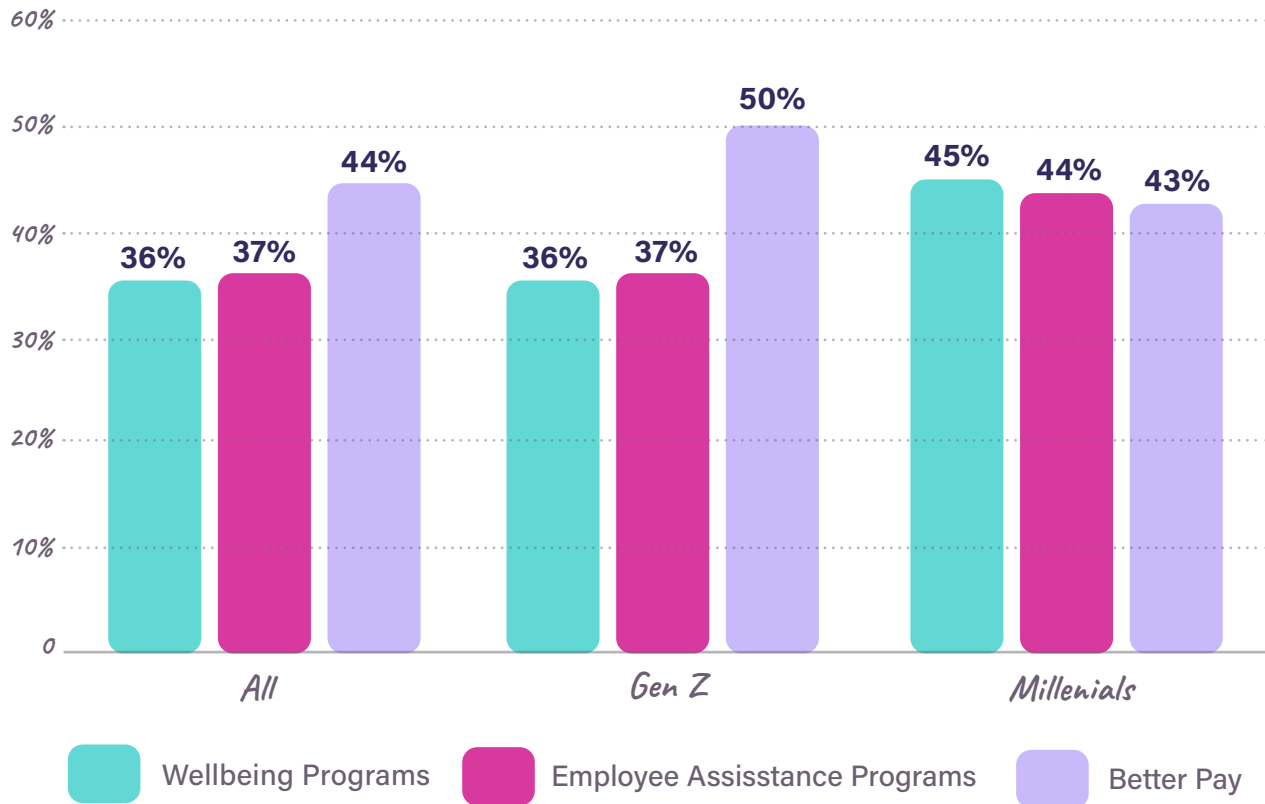
Source: Deputy State of Shift Work Survey (2023)



Among young individuals, well-being holds comparable, if not greater, significance than financial compensation. The contemporary employment landscape places significant emphasis on employers who prioritize their employees' well-being, fostering higher rates of staff retention.

### Benefits Sought by Shift Workers

Source: Deputy State Of Shift Work Survey (2023)



In the near to mid-term, jobs within the retail sector face considerable exposure to automation risks, especially concerning the implementation of cashier-less technology and AI-driven inventory management systems. Projections from the US Bureau of Labor anticipate significant job reductions in specific roles, notably with cashier positions estimated to decline by 328,100 jobs over the coming decade. Despite these technological advancements, consumer preferences, particularly among younger demographics, continue to prioritize physical store experiences.

This inclination stems from the desire to explore products and gain insights into a company's ethos and brand identity. Notably, consumers engaged with luxury, ethical, and environmentally sustainable product lines emphasize personal interaction and values alignment. This emphasis on customer values is expected to reshape retail jobs, shifting the focus from automatable tasks towards roles centered on enhancing customer interactions and overall experiences.

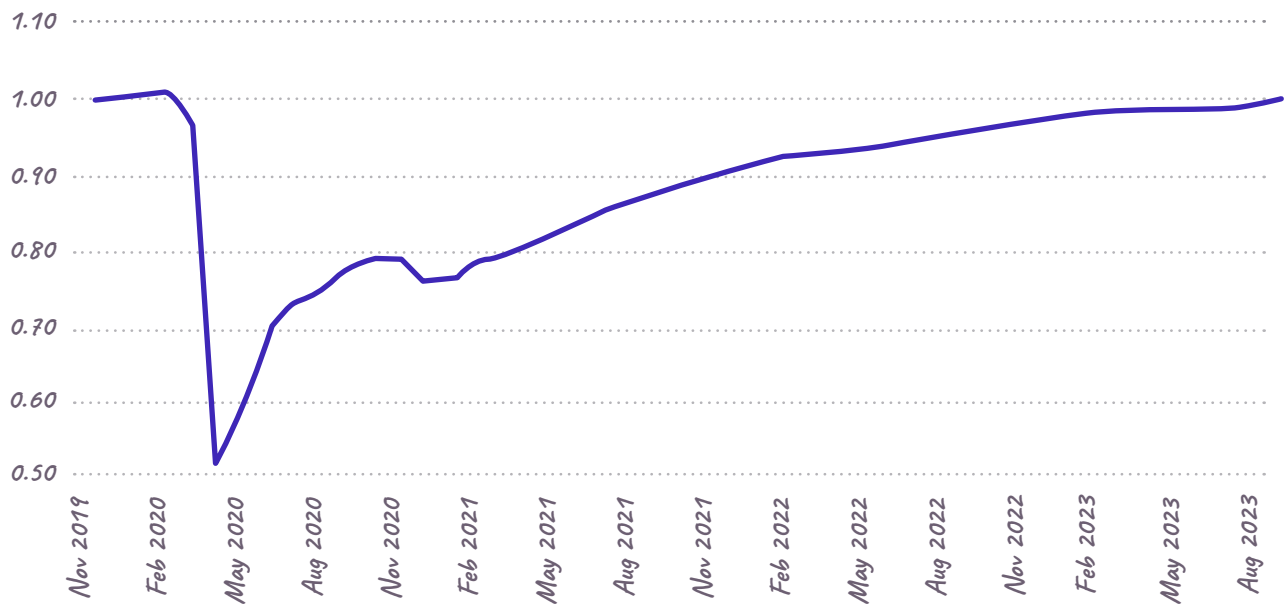
# Hospitality Evolution: Tech Integration and Consumer Experience Dynamics

In 2023, hospitality spending has showcased consistent growth trends, particularly marked by a noticeable surge in spending witnessed in September. This sustained rise in spending is attributed to various factors, including consumers leveraging their savings, utilizing credit options, and notably, a notable shift away from high-cost experiences, such as extensive travel.

The current consumer behavior indicates a deliberate transition from large-scale expenses associated with travel and accommodation towards more accessible and affordable experiences. This shift is reflected in the burgeoning demand for local activities and reasonably priced services, notably in dining, entertainment, and personal care/beauty services. This trend is further propelled by pent-up demand among US consumers for experiences that are closer to home and financially manageable, steering expenditure patterns in these specific domains.

## Deputy Job Index - Hospitality Industry

Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data

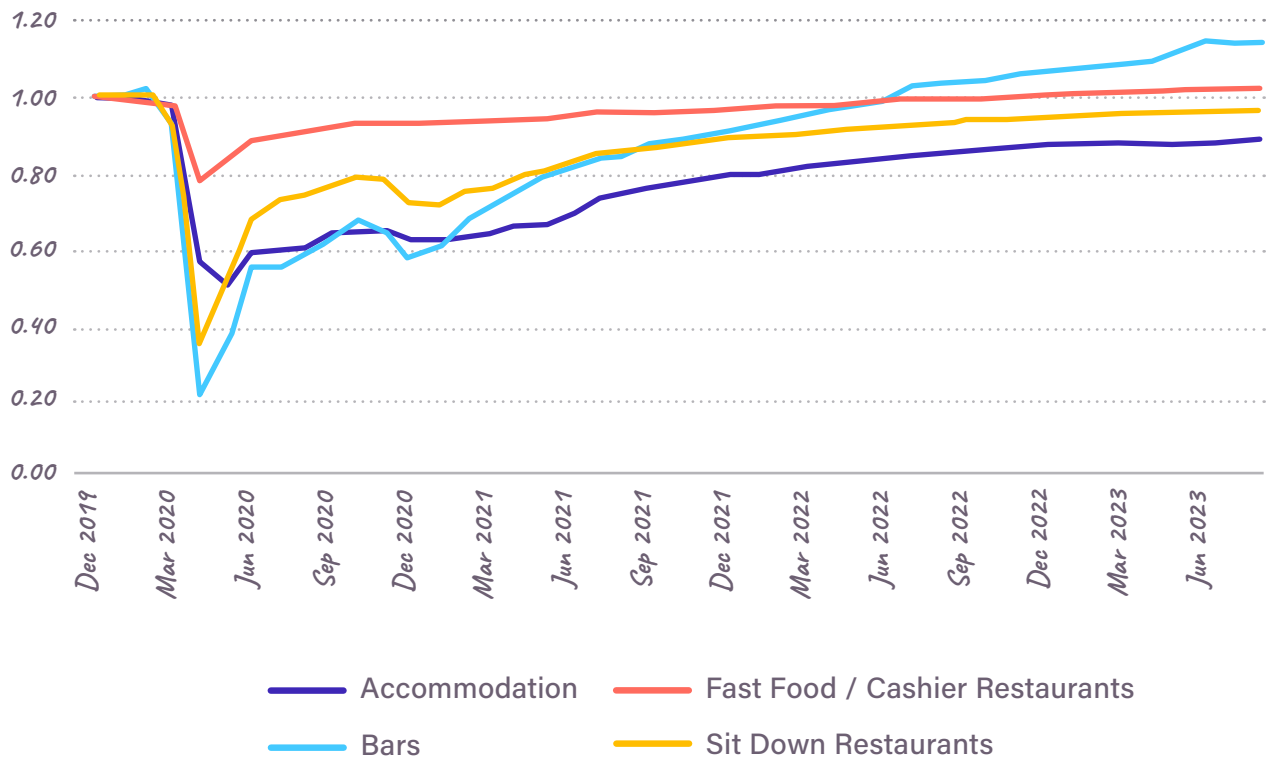


Hospitality sector job expansion has seen prominent growth in Bars, surging by 15% over the past three years. In tandem, Fast Food/Cashier Restaurants have also experienced an upswing, registering a 3% growth trajectory. However, within the industry, Accommodation sectors have displayed relative stability, albeit demonstrating a marginal decline in the latter half of 2023.

This employment trend mirrors the consumer inclination to veer away from substantial expenses tied to travel and traditional hotel stays. Instead, there's a notable shift towards more budget-friendly and localized experiences, particularly favoring entertainment venues and local bars within their respective communities.

### Deputy Job Index - Hospitality Industry by Sector

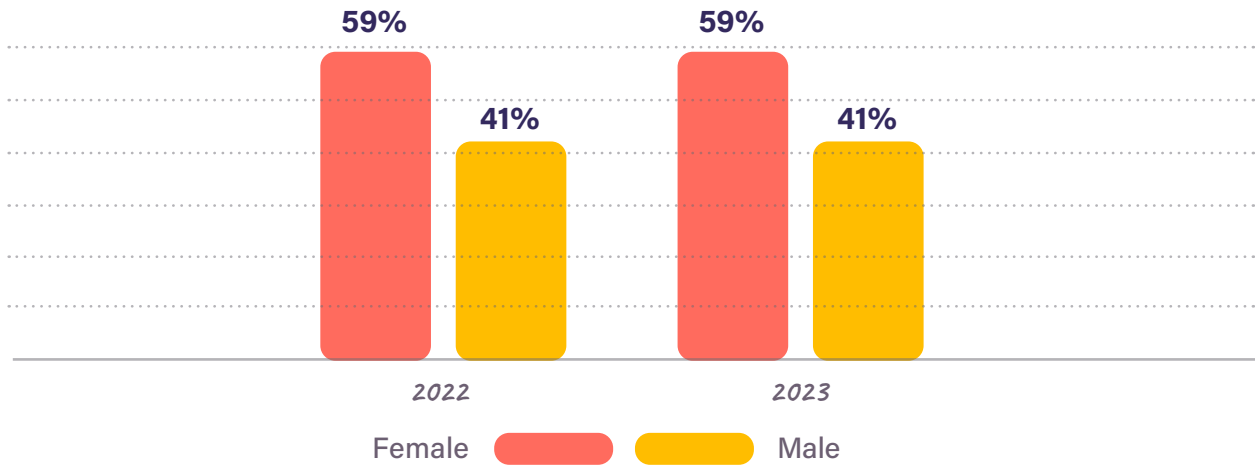
Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



In the hospitality sector, female shift workers constitute the majority, accounting for 60% of the workforce. Analysis of Deputy data reveals that there hasn't been a substantial shift in the proportion of female employees engaged in shift work between 2022 and 2023.

## Share of Employment by Gender

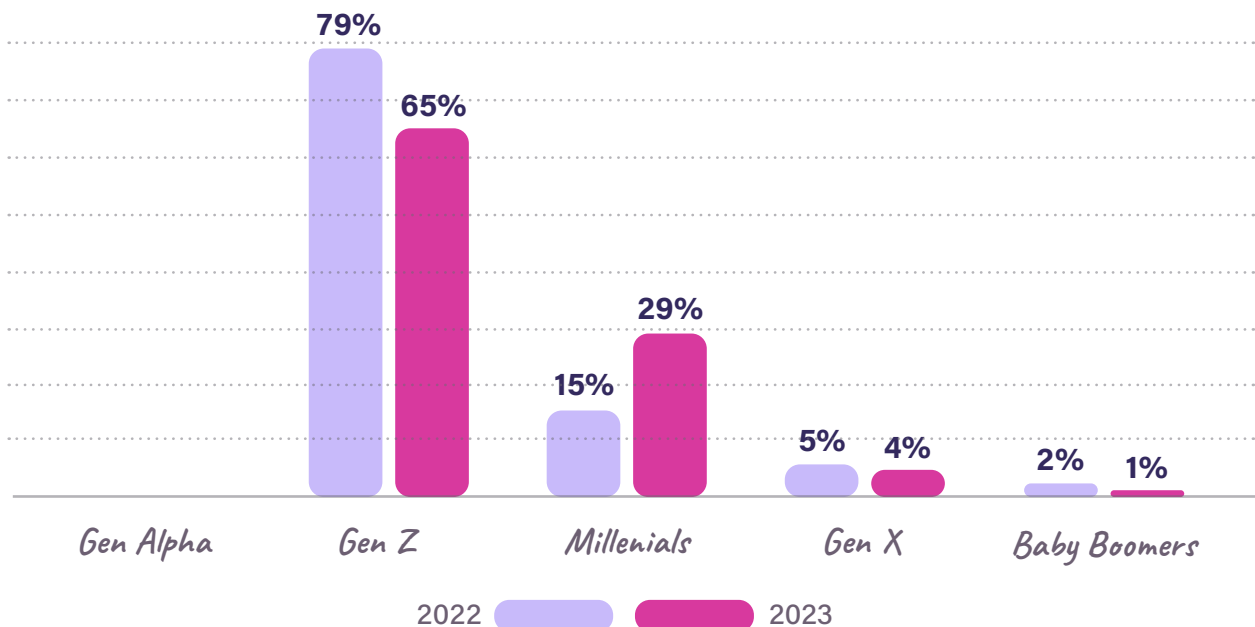
Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



In 2021 and 2022, the hospitality industry witnessed the departure of Millennials from the labor force. However, according to Deputy data, there has been a resurgence of this generation in 2023, possibly influenced by dwindling pandemic-related savings and the escalating cost of living due to inflation. Concurrently, there has been a sustained rise in the representation of Gen Z within both shift work and consumer markets, marking a growing influence of this generation. While Deputy data highlights the initial presence of Gen Alpha in the hospitality sector, its current share remains minimal. Yet, as Gen Alpha gradually integrates into the industry, notably in Fast Food and Cashier Restaurants, its impact on shaping the future landscape of hospitality in the US is anticipated to increase.

## Share of Employment by Generation

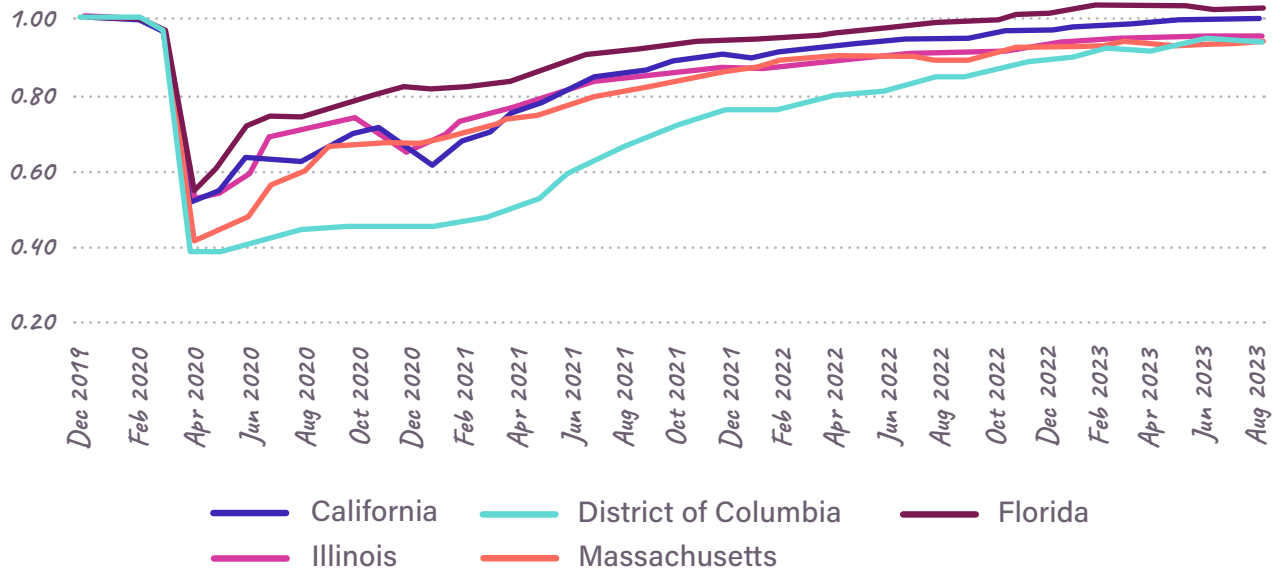
Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



Hospitality industries in major state markets, notably California, have shown growth trends extending into 2023. However, the pace of job growth in these sectors has been outstripped by emerging growth markets, with Florida among those leading this trend.

### Hospitality Industry Deputy Job Index - By Major States

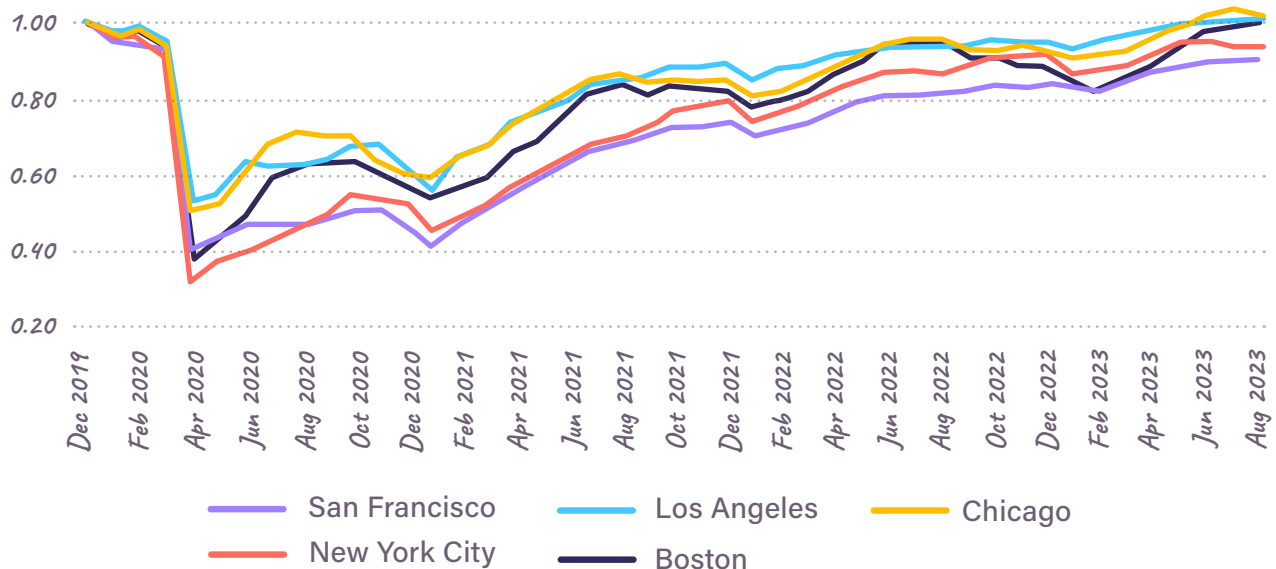
Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



Los Angeles and Chicago have emerged as primary drivers of growth in major markets. San Francisco has seen some growth as well, albeit at a more restrained pace, with New York City following closely. However, employment rates in these major cities persist below pre-pandemic levels. Notably, New York City specifically has seen a 6% decrease in employment compared to figures from 2019.

### Hospitality Industry Deputy Job Index - By Major Cities

Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



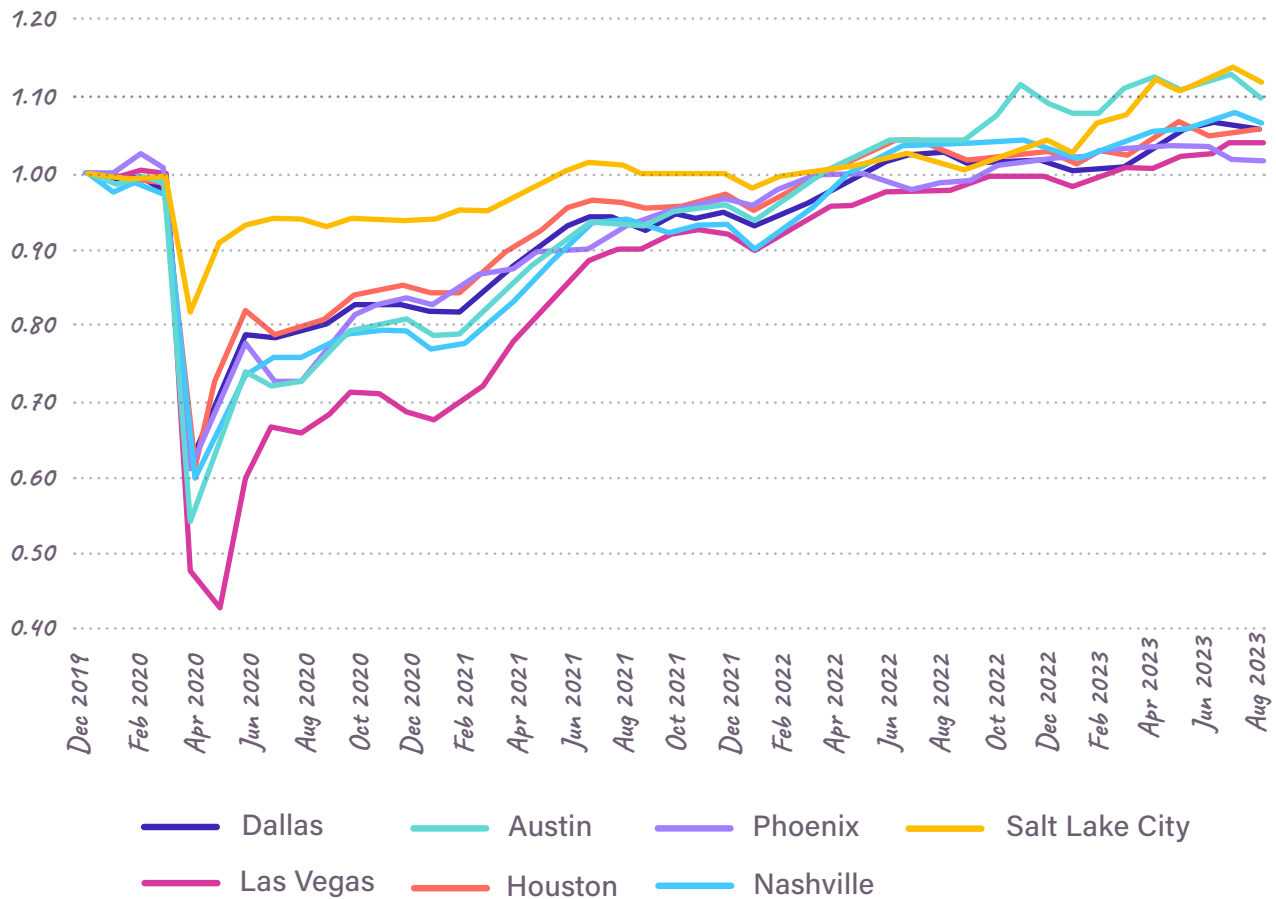


Job growth in expanding markets showcases significant progress, particularly in Phoenix, which has surged by 11%. Austin closely follows with a 10% increase, while Nashville records a commendable 6% rise in employment rates.

Leading the surge in job opportunities are Austin, Houston, and Salt Lake City, propelled by cost-effective living standards and the emergence of specific industries. Austin thrives on technology, while Houston leads in energy and Dallas anchors growth through its finance sector.

### Hospitality Industry Deputy Job Index - By Growth Cities

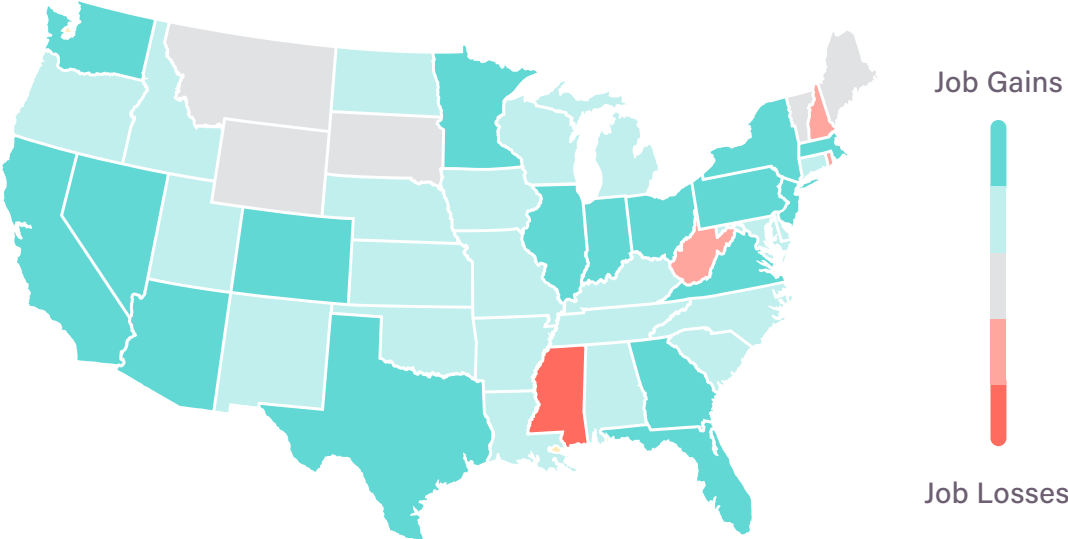
Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



Employment surges have been observed in 46 of the 50 states in the US. This uptick coincides with a shift in consumer behavior, as individuals pivot away from substantial expenditures, particularly in areas like travel, instead favoring local and more budget-friendly experiences such as dining and entertainment.

### Hospitality Job Gains and Losses by US State, 2022-2023

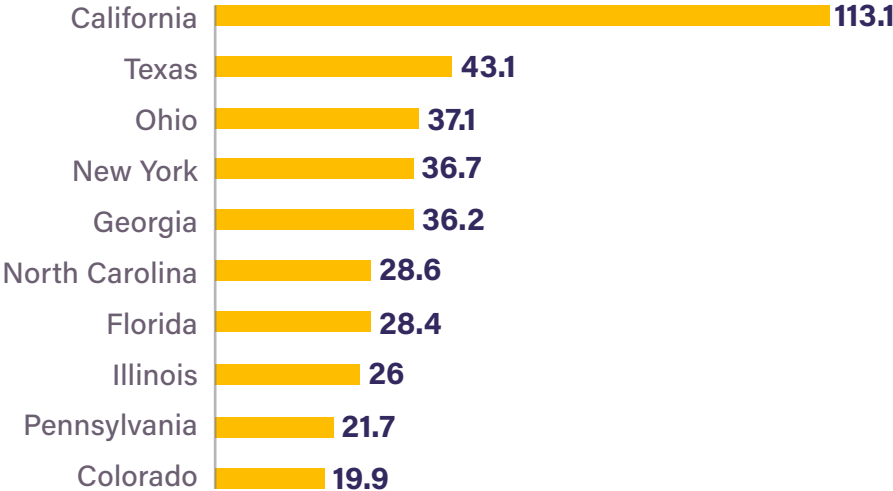
Source: Employment Change Sep-22 to Sep-23 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



California exhibited the most substantial job growth by industry, adding over 113,100 jobs from 2022 to 2023. Texas followed in second place, contributing 43,100 jobs, trailed closely by Ohio with 43,100 jobs added during the same period.

### Net Change in Hospitality Jobs ('000s) 2022 - 2023

Source: US Bureau of Labor (2023) de-seasonalized data



Economic projections indicate an anticipated slowdown in economic activity driven by a few key factors: sustained high interest rates and a consumer shift toward essential goods rather than luxury or substantial expenditures. Despite these trends, retail consumer spending remains robust and holds the potential to support positive economic growth into the coming year.

There's a notable shift in markets moving away from major expenses, such as travel, redirecting attention toward local experiences. In this scenario, hospitality businesses catering to this demand for local experiences are likely to flourish. Those businesses that strategically position themselves to satisfy the demand for alternative travel experiences outside city limits stand to benefit. Additionally, hospitality ventures prioritizing convenience and affordability may be better equipped to navigate fluctuations in consumer spending.

**The emerging trend leans toward markets influenced by younger consumers who prioritize quality, sustainability, and well-being. Hospitality businesses aligning with these values are expected to attract this demographic and thrive in the evolving landscape.**

Unemployment levels have persisted at low rates, especially in contrast to the prevalence of job openings. Despite a decrease in job availability from the peaks observed in 2022, the number of open positions remains notably high. The year 2023 was characterized by a labor market characterized by stringency, allowing retail workers the flexibility to consider alternative job prospects, even across different industries.

Ten percent of hospitality workers are contemplating a transition to a parallel role within a different company, while an additional ten percent are considering a shift to a different industry altogether. This inclination toward transitioning careers or jobs is particularly pronounced among the Gen Z demographic, with nearly 30% contemplating moves to new roles or industries. Following closely behind, Millennials showcase a similar tendency, with 21% expressing interest in switching jobs or sectors.

## Percentage of Total Workers by Generation

Source: Deputy State of Shift Work Survey (2023)



Beliefs regarding the impact of AI are consistently high across industries, including Hospitality. However, the actual risks associated with AI vary across sectors, with more pronounced concerns observed in white-collar service jobs compared to areas like hospitality and healthcare. Gen Z and Millennials notably express higher AI-related concerns, at 64% and 79% respectively. These beliefs are significantly influencing discussions around workers' rights and the future landscape of work and retirement.

Within the hospitality industry, human interaction remains highly valued by consumers, contributing to continued investments in in-person food and dining experiences. Despite the prevalence of automation, the industry shows resilience, with projections suggesting an increase of 225,600 jobs in hospitality occupations by 2032 (US Bureau of Labor).

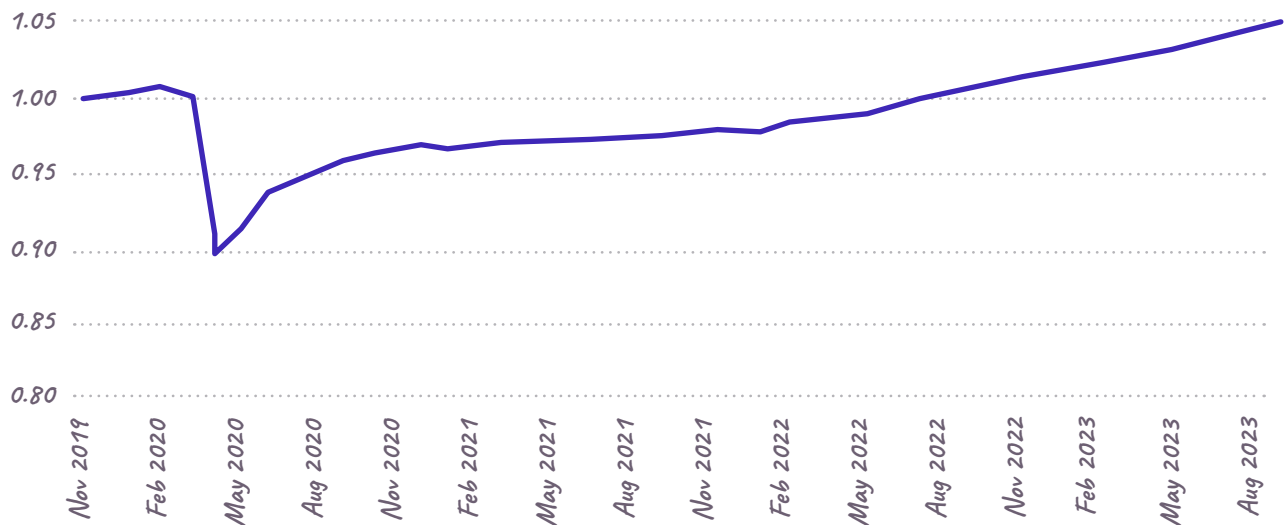
However, sectors emphasizing convenience and affordability are more susceptible to automation risks. For instance, fast-food establishments are actively adopting cashier-less tech and automated cooking machinery, potentially leading to substantial job losses, particularly among fast-food cooks, estimated at -101,600 jobs over the next decade (US Bureau of Labor).

# Healthcare Resilience: Job Growth, Ai Impact and Workforce Pressures

In 2023, the healthcare sector experienced a notable acceleration in job growth, marking a 5% increase. After initially lagging behind its pre-pandemic performance until mid-2022, this industry has emerged as a significant source of job expansion among shift work sectors. Projections indicate a sustained growth trajectory for healthcare in the medium and long term.

## Deputy Job Index - Healthcare Industry

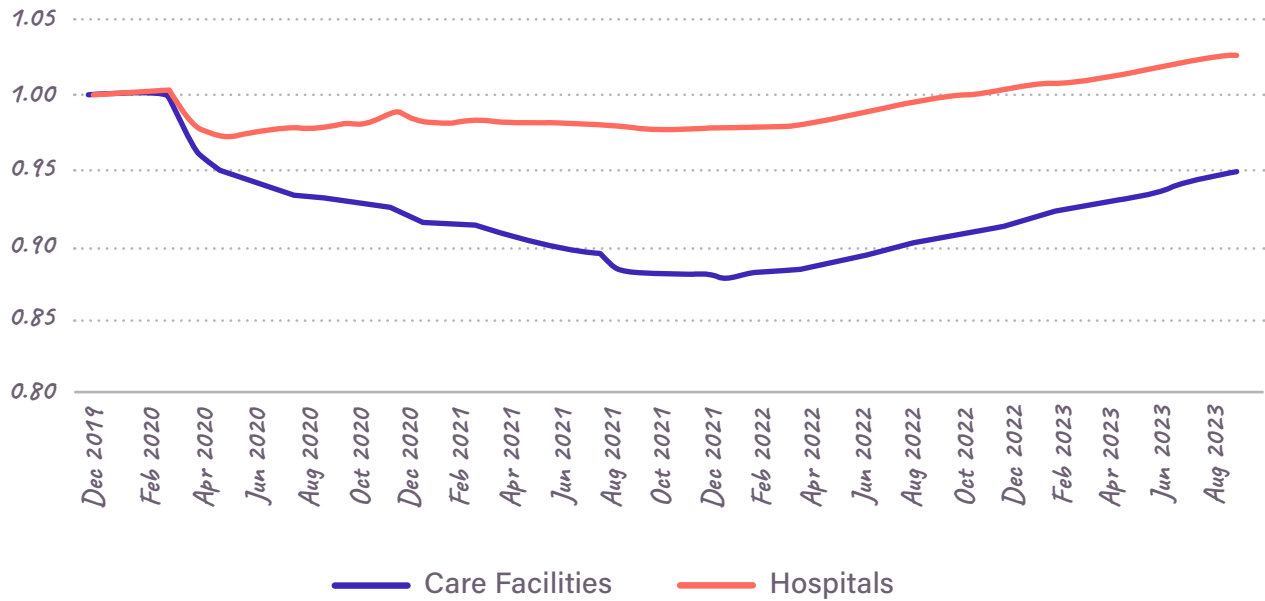
Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



The hospital sector contributed significantly to employment growth, registering a 3% increase. Additionally, various medical-related sub-sectors experienced growth, although specific figures aren't detailed in the provided data. Despite this, certain segments within the industry face challenges. Employment in Care Facilities grew throughout 2023 but still lags behind pre-pandemic levels by -5%. This pattern mirrors a rising preference for aging individuals to remain in their homes, fostering a demand for home-based care services and personal aides to cater to an affluent and retiring consumer demographic.

## Deputy Job Index - Healthcare Sectors

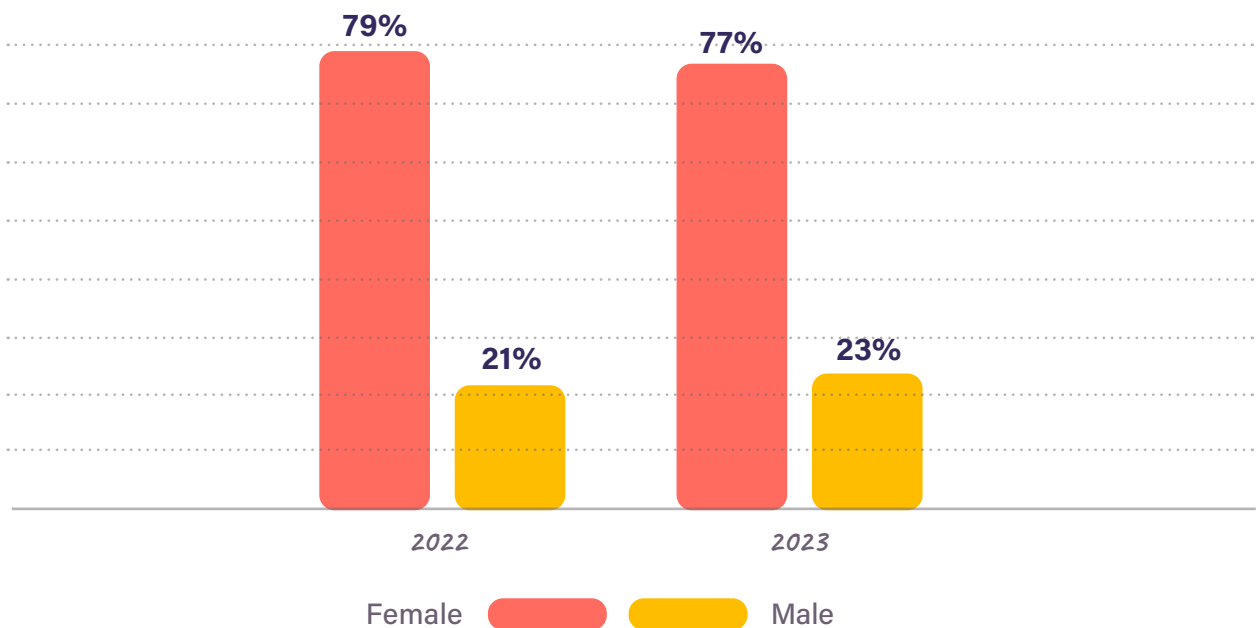
Source: Indexed to Dec 19 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



In the healthcare sector, female shift workers accounted for the majority, making up 77% of the workforce in 2023. However, there was a slight decrease of 2% in the share of female workers compared to the figures reported in 2022.

## Share of Employment by Gender

Source: Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data

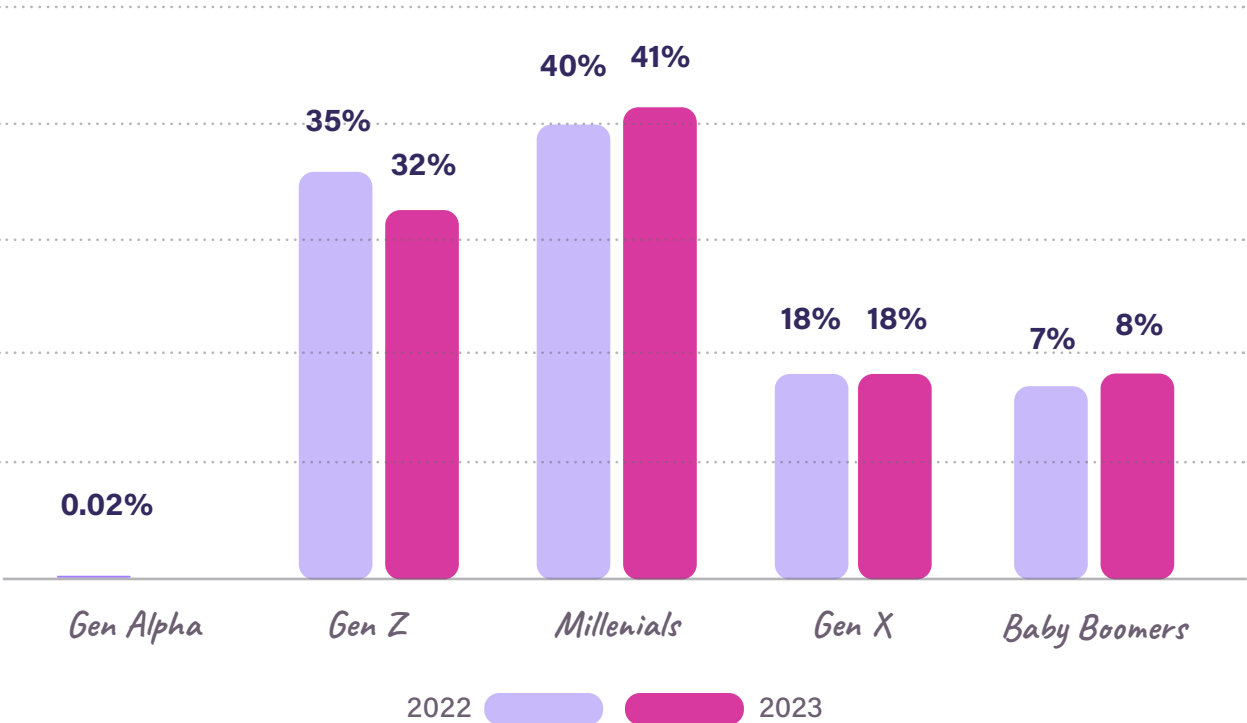


In the Healthcare sector, Millennials make up a significant portion of the workforce, accounting for 40% of industry employment. Following closely behind, Gen Z constitutes 35% of the Deputy shift workforce, experiencing a 3% increase since 2022.

Notably, there's an early emergence of Gen Alpha in the industry, primarily represented in non-medical healthcare sectors such as childcare and community centers.

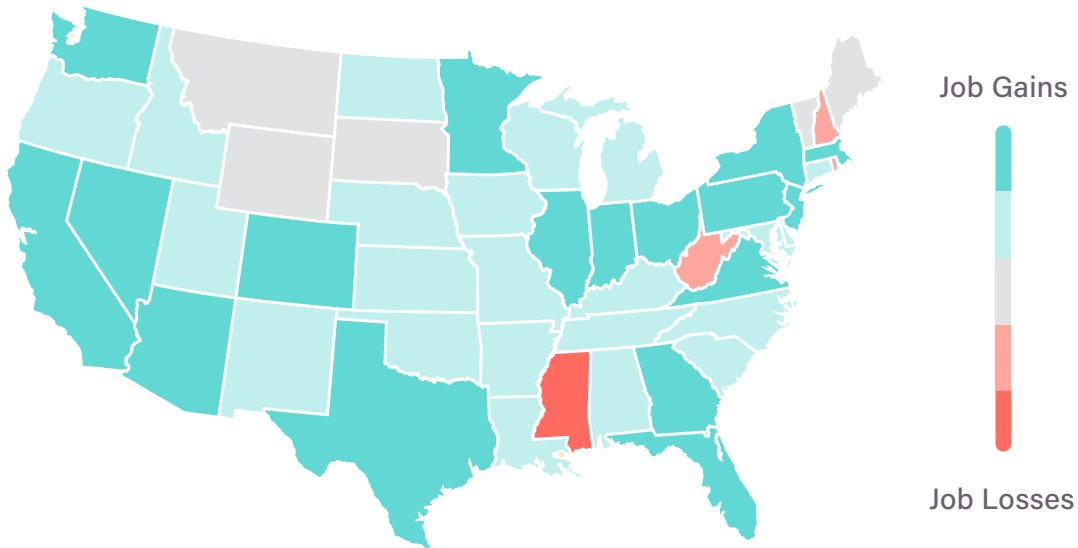
### Share of Employment by Generation

Source: Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



## Healthcare Job Gains and Losses by US State, 2022-2023

Source: Employment Change Sep-22 to Sep-23 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



In terms of job gains by industry, California took the lead with over 147,000 jobs, followed closely by New York with a gain of 102,600 jobs. Despite challenges faced by the Retail industry, major markets like these showed robust growth in Healthcare jobs. Texas and Florida, considered growth markets, also witnessed substantial spikes in healthcare employment, adding 84,800 and 80,200 jobs respectively in 2023. These numbers mirror broader patterns of regional economic upsurge spurred by factors such as interstate migration, a younger population demographic, and the emergence of new industries like technology, finance, and renewable energy.

Examining specific cities in these growth markets, Phoenix showcased significant growth at 11%, trailed by Austin at 10% and Nashville at 6%. These trends are a reflection of the burgeoning population and a consumer base largely comprised of younger families, consequently driving escalated demand for essential services like healthcare.

Across the USA, employment data highlights healthcare as a consistent growth sector. Overall, the Healthcare industry witnessed job gains in 46 out of the 50 states in the country.



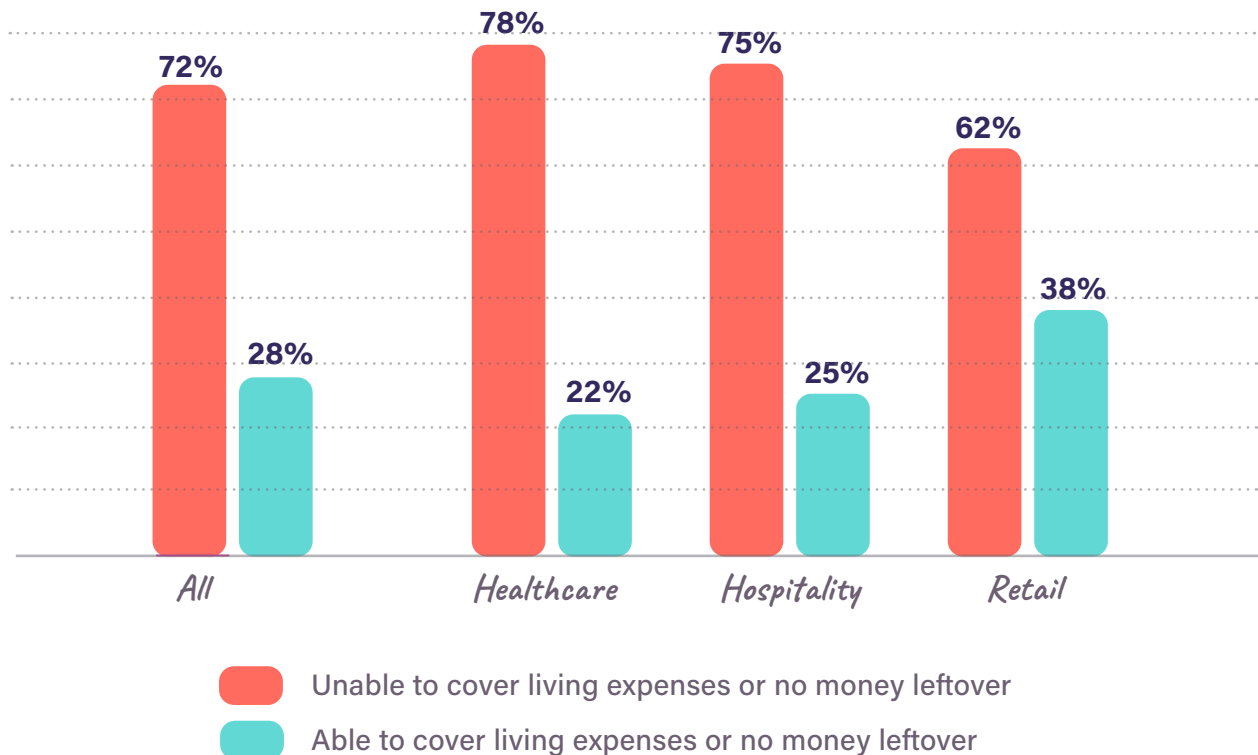
Economic projections indicate a potential slowdown influenced by sustained high-interest rates and looming risks tied to a potential downturn in commercial real estate. Despite this, the resilience in spending on essential items, particularly in healthcare, medicine, and personal care, is expected to persist and potentially grow.

While job openings are still notably high, there's a persistent low unemployment rate. However, the healthcare sector faces significant pressure in filling positions, with 60% of healthcare workers reporting challenges in their companies' recruitment efforts. Escalating demand in healthcare is leading to increased strain on existing workers, manifesting in longer hours, overtime, and heightened mental and physical fatigue.

The cost of living is placing substantial pressure on Healthcare shift workers, with 78% expressing difficulties in covering living expenses or having any savings. This proportion surpasses workers in other shift work industries. Notably, 49% of healthcare workers have pinpointed "better pay" as the primary concern in their industry, higher than their counterparts in Hospitality (40%) and retail (43%). Consequently, 9% of healthcare workers are seeking similar roles in different companies, while an additional 8% aim to transition to entirely different industries.

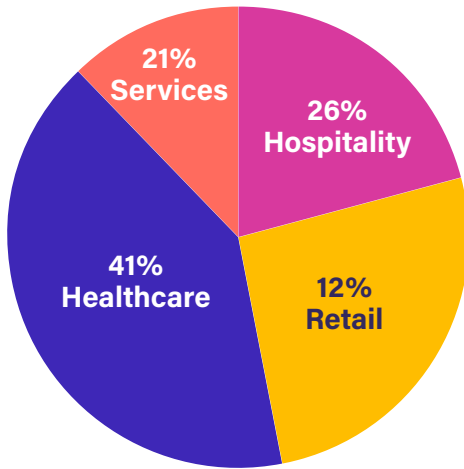
### Share of Workers Experiencing Cost-Pressure by Industry

Source: Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



## Share of Healthcare Multi-Job Holders by Industry of Employment

Source: Deputy (2023)



In the Healthcare sector, 26% of shift workers engage in poly-employment, holding two or more roles alongside their primary healthcare jobs. Of these multi-job holders, 41% maintain additional positions within the healthcare domain, such as serving as contract nurses across various clinics and hospitals.

Notably, the diversity of poly-employment in this industry extends beyond healthcare, with 26% of workers holding jobs in hospitality, 21% in services, and an additional 12% in retail.

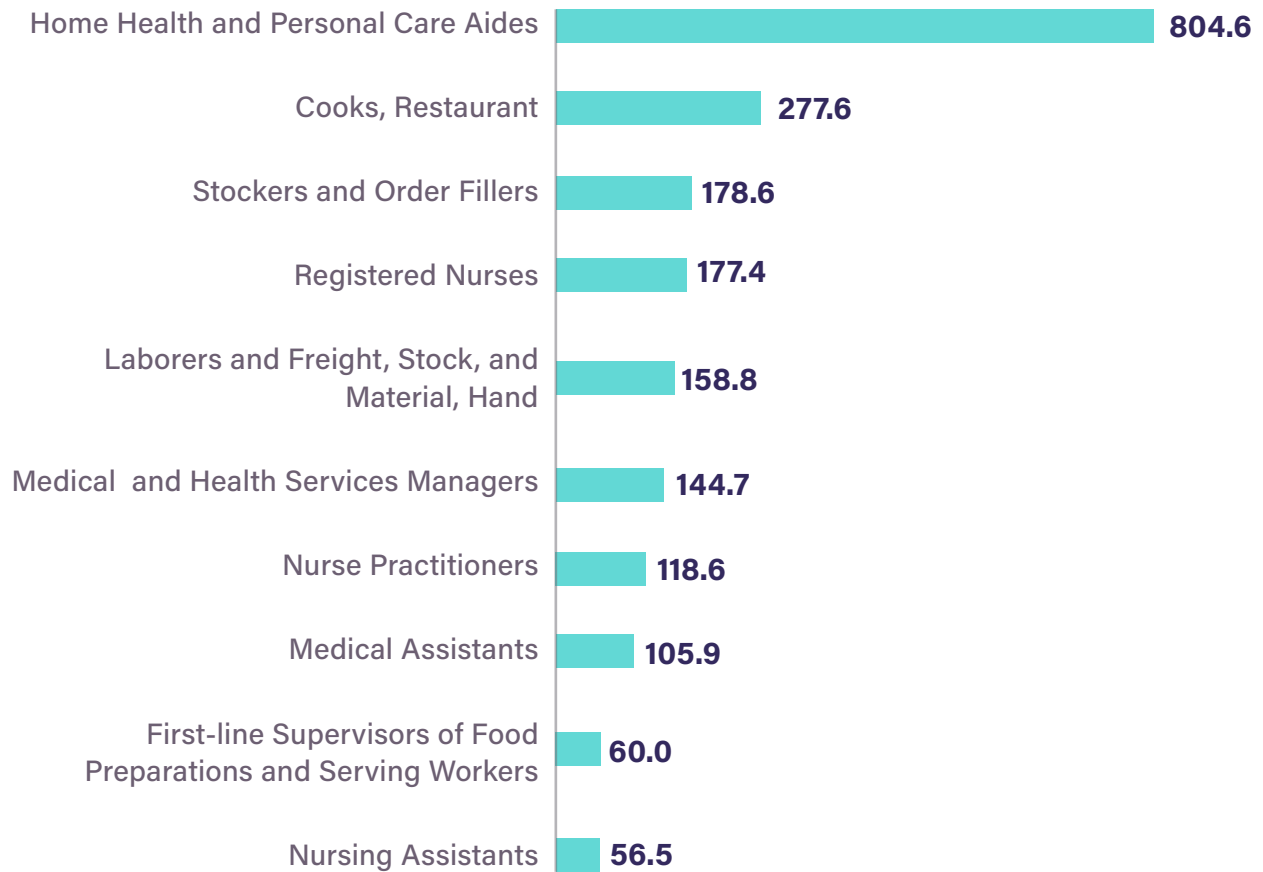
These high rates and varied employment reflect worker sentiments seeking improved pay outcomes. The existing compensation structures, coupled with escalating cost pressures, are driving workers to pursue multiple jobs simultaneously.

A significant portion of healthcare workers express concerns about the potential impact of AI on their jobs, despite the industry's robustness against AI and automation-based technologies. However, this anxiety aligns with the overarching apprehension across various shift work sectors about the evolving nature of work.

Healthcare occupations within shift work are notably resilient to the direct replacement by AI and automation. Instead, these technologies are poised to enhance and complement human roles, facilitating functions such as telehealth and AI-supported disease identification and diagnosis. Projections indicate that five of the top ten burgeoning occupations will emerge in the healthcare domain, foreseeing the addition of more than 603,000 new jobs by 2032. The advancements and increased accessibility of healthcare technologies are anticipated to bolster home health services, typically associated with the Services industry.

## Top 10 Shift Work Occupations by Job Gains, 2023-2032 ('000s)

Source: Bureau of Labor (2023) Occupation Outlook 2023 - 2032



We're at the early stages of technological advancements that could greatly enhance labor market efficiencies within healthcare. Automated algorithms and ranking systems are poised to notably refine scheduling processes in healthcare, a domain where many scheduling tasks are still managed manually. This advancement holds the promise of significantly boosting job satisfaction among healthcare workers.

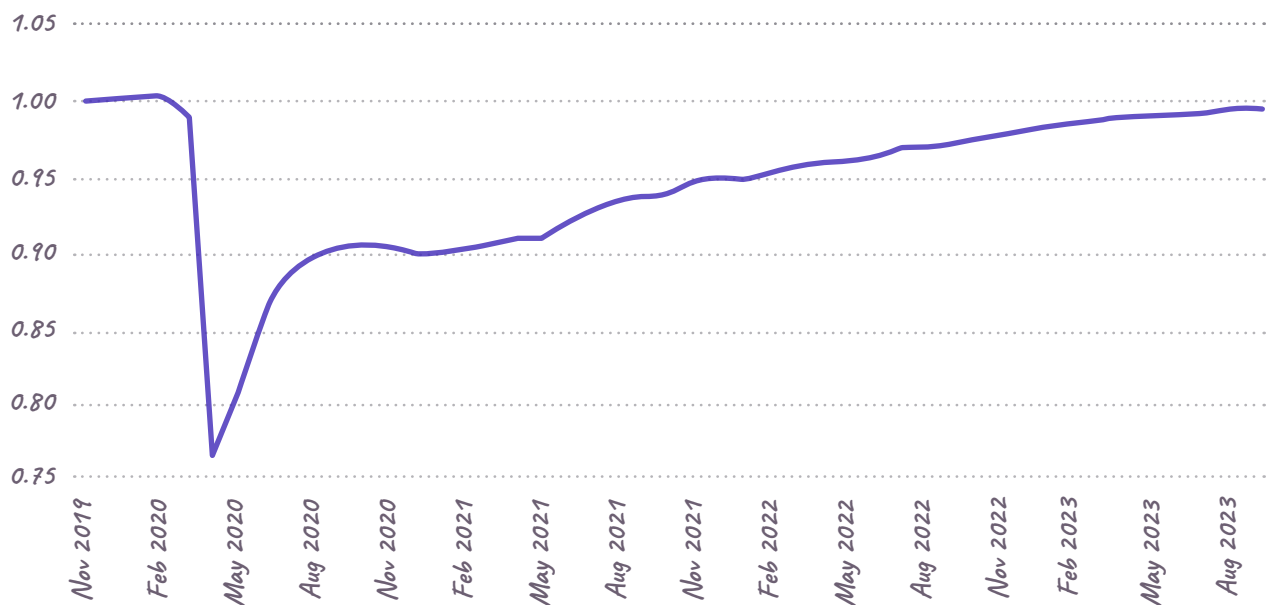
Looking ahead, the anticipated enhancement in the reliability of shift work schedules is expected to pave the way for a larger influx of women entering or re-entering the workforce. Many women previously left the healthcare sector due to challenges in balancing work and family responsibilities. Furthermore, complementary legislative measures aimed at improving the accessibility and affordability of childcare services are projected to be instrumental in facilitating the entry and retention of women in the workforce, particularly within the healthcare industry.

# Service Sector Transformations: Consumer Trends and Workforce Dynamics

The Services industry witnessed substantial job growth in 2022, and this momentum carried into 2023. Despite facing challenges during the pandemic, the industry has rebounded significantly, emerging as a key source of job creation within shift work sectors.

## Deputy Job Index - Services Industry

Source: Indexed to Jan 2021 using Deputy (2023) and US Bureau of Labor (2023)

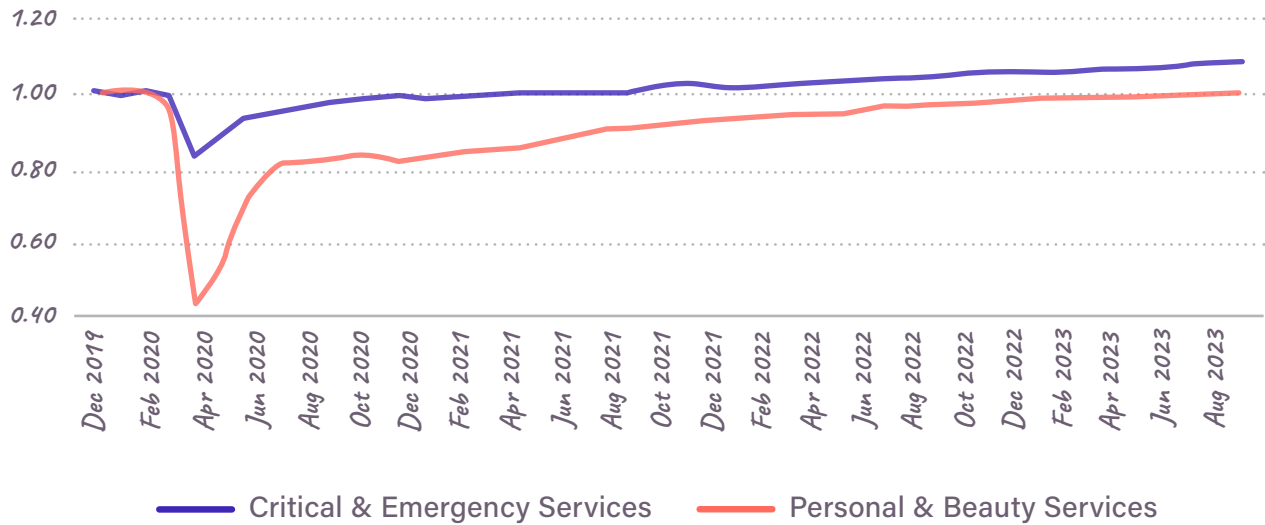


Similar to the trends observed in Healthcare and Retail, employment growth in certain sectors has been driven by the demand for essential services. For instance, there has been an 8% increase in employment within Critical & Emergency Services as of 2023. Moreover, despite not falling under the essential service category, employment in Personal & Beauty Services has also risen.

This increase could be attributed to two prevailing trends: first, the rising preference for home-based care and personal assistance, especially among affluent and older consumers; and second, a shift in consumer spending patterns from large-ticket expenses like travel and accommodation toward local experiences such as dining, entertainment, and personal care services, which cater to their desire for local, fulfilling experiences.

## Deputy Job Index - Service Sectors

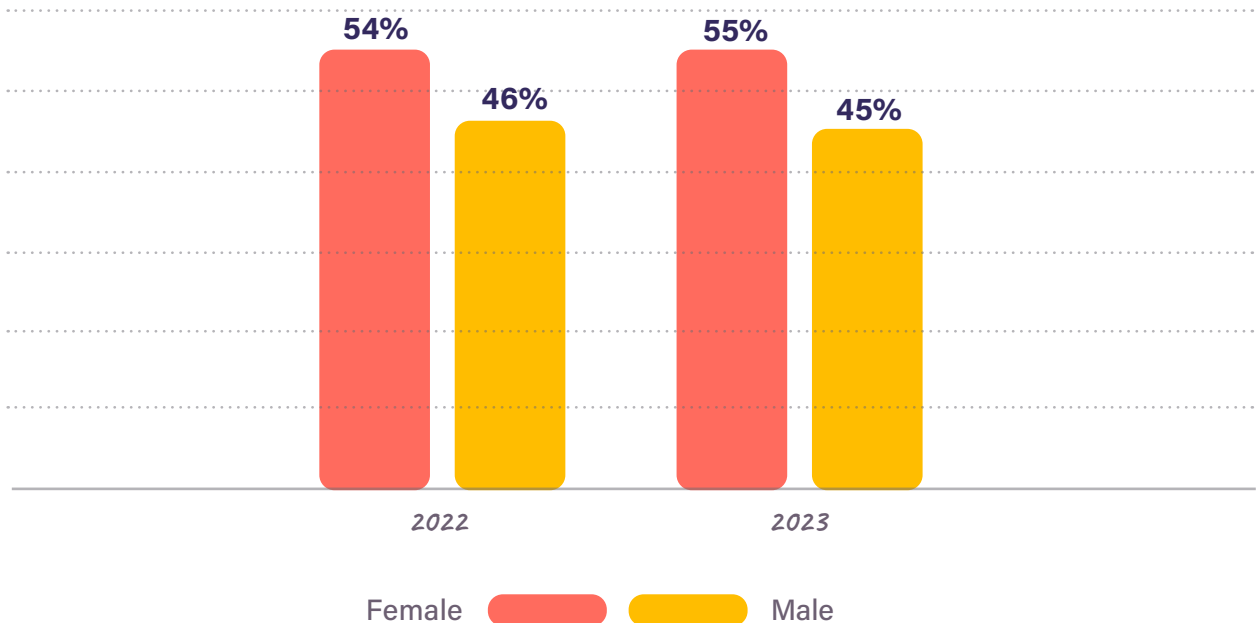
Source: Indexed to Jan 2021 using Deputy (2023) and US Bureau of Labor (2023)



In the Services industry, female shift workers constitute the majority of the workforce, accounting for 55% of employment. This proportion has shown consistent stability, remaining largely unchanged from 2022 to 2023.

## Share of Employment by Gender

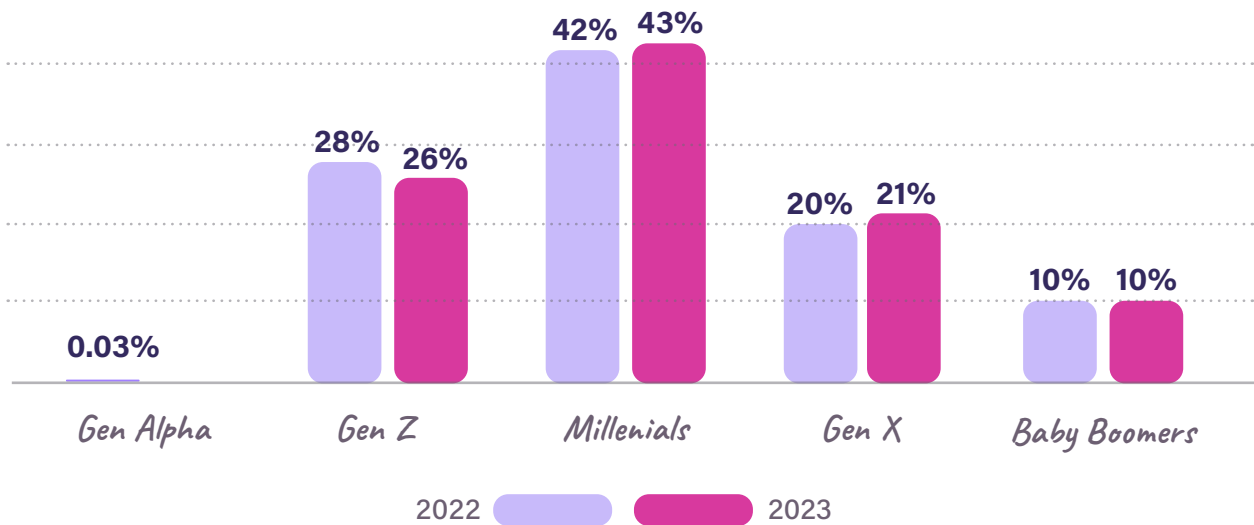
Source: Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



In the Services industry, Millennials hold the highest representation among shift workers, comprising 42% of the workforce. Gen Z follows at 28%, while Gen X accounts for 21%, and Baby Boomers for 10%. Additionally, there's an initial emergence of Gen Alpha observed among shift workers in the Services sector, as indicated by Deputy data.

### Share of Employment by Generation

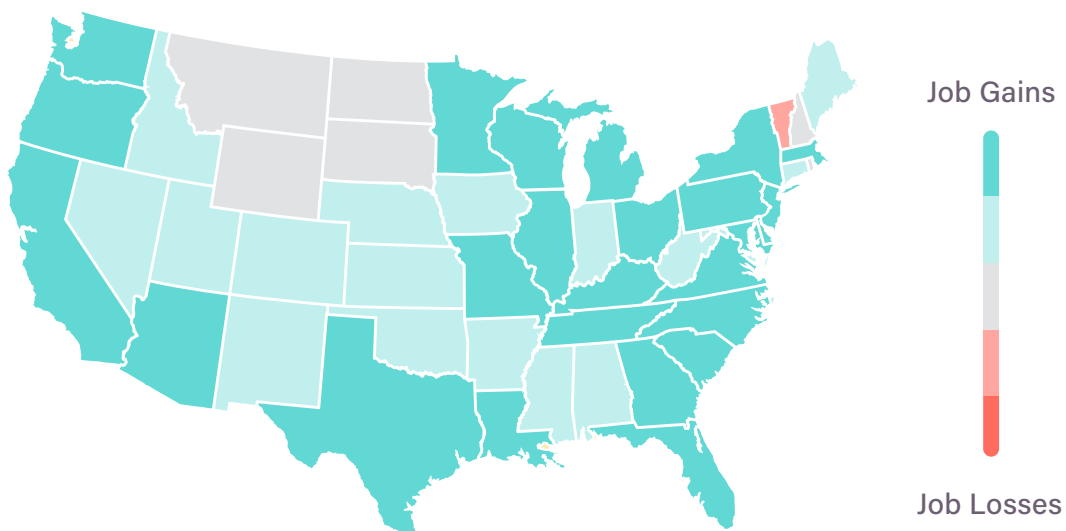
Source: Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data



California experienced the most substantial job gains by industry, recording an increase of over 21,200 jobs, followed closely by Texas, a pivotal growth market, with a rise of 18,900 jobs. The Services sector, in general, demonstrated job growth across nearly all states in the US, solidifying its position as a primary source of employment expansion nationwide.

### Healthcare Job Gains and Losses by US State, 2022-2023

Source: Employment Change Sep-22 to Sep-23 using Deputy (2023) and US Bureau of Labor (2023) de-seasonalized data

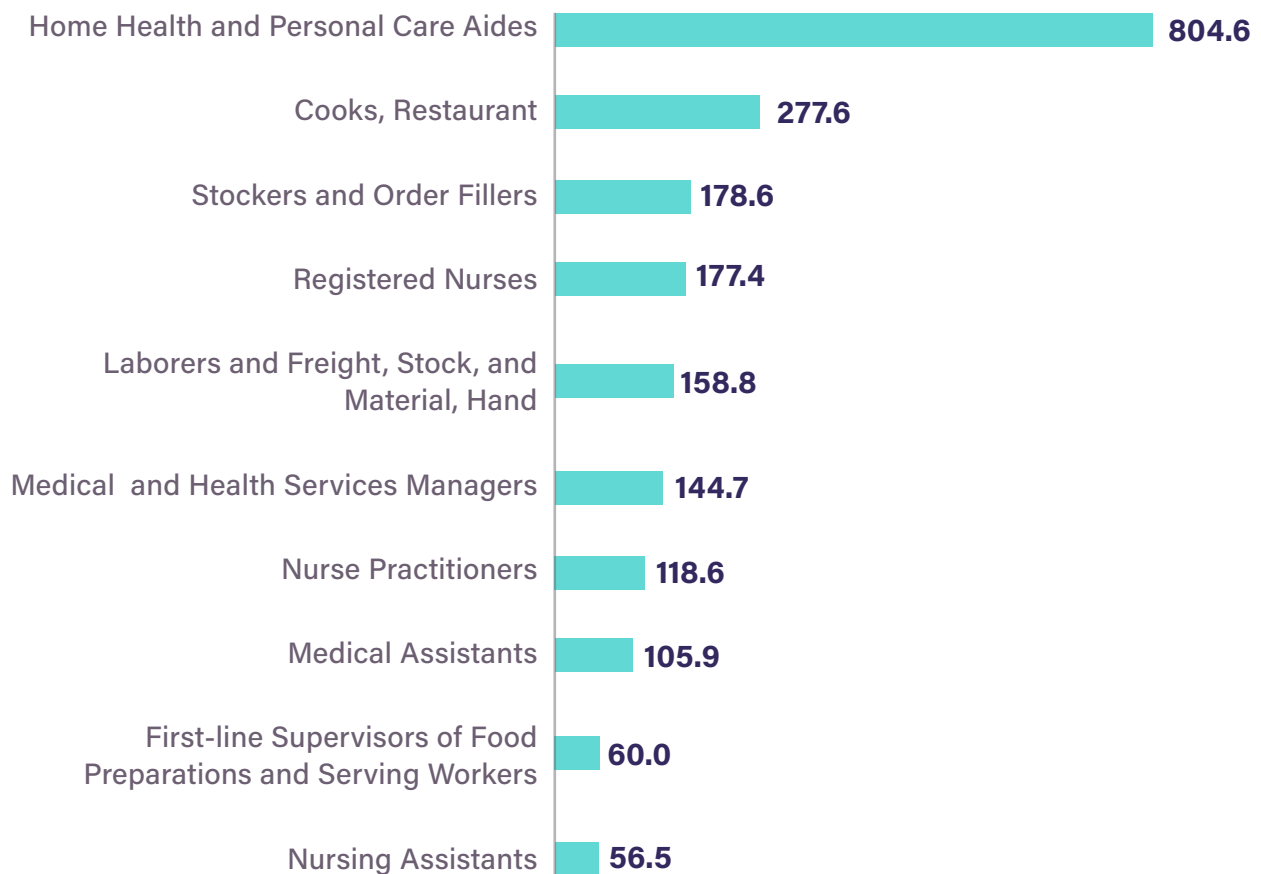


Growth patterns in major cities, such as San Francisco, LA, and Chicago, demonstrated positive job gains throughout 2023. However, New York City stands as an outlier, experiencing limited job growth in the same period. The city's Service industry employment levels remain nearly 7% below pre-pandemic levels, highlighting its economic vulnerability due to declining commercial real estate and remote work trends.

The services sector stands out as highly resilient to the impact of AI and Automation due to consumers' continued emphasis on in-person services and direct human interaction, especially within luxury services, personal beauty, and care. Despite this resilience, the sector's employment growth is forecasted to shift away from traditional business locations and focus more on meeting consumer needs at their homes. Projections indicate a substantial increase of 804,600 jobs in home health and personal care aides by 2032. This shift is largely attributed to the rising wealth of consumers, driving demand for personal care assistants and cooks to assist with household responsibilities in families where both parents work. Moreover, a preference for aging-in-place among wealthier elderly consumers is expected to bolster the demand for home health occupations like visiting doctors, nurses, and physiotherapists.

### Top 10 Shift Work Occupations by Job Gains, 2023-2032 ('000s)

Source: Bureau of Labor (2023) Occupation Outlook 2023 - 2032



We're witnessing the initial stages of technological advancements poised to revolutionize the Services industry's labor market. Tailored job-matching algorithms, enhancing the fit between workers and businesses, are anticipated to streamline job searches, potentially drawing more individuals into the labor force while boosting the quality of matches.

Simultaneously, a shift toward home-based services is expected to prompt the emergence of platforms directly connecting workers to households, mirroring the disruptive changes seen in the taxi industry with the rise of Uber-like services. Looking ahead, these tech enhancements are forecasted to generate more job opportunities within the Services sector while contributing to increased female workforce participation. Legislative measures aimed at improving childcare accessibility and affordability are anticipated to further bolster the entry of women into the workforce.

## 04

# Future of Shift Work

The landscape of shift work industries, encompassing healthcare, hospitality, retail, and services, is undergoing substantial shifts driven by technological advancements, evolving consumer behaviors, and workforce demographics. Healthcare emerges as a resilient industry, witnessing substantial growth, although pressures like cost of living and AI concerns affect worker sentiment. Hospitality faces automation risks yet remains reliant on in-person experiences, while retail undergoes transformations due to technological shifts. Services, particularly home-based care, presents potential growth avenues despite AI concerns.

The collective shift toward local experiences, the rise of AI, and increasing demands for essential services paint a complex tapestry of challenges and opportunities across these sectors. Workforce stability, technology's impact, and concerns about the future of work thread through these industries, compelling shifts in legislative and workplace strategies to foster equitable outcomes and support a changing workforce, particularly women. The rise of multi-job holders, generational shifts, and state-level employment variations underscore the dynamic nature of these sectors, each experiencing unique challenges amidst broader economic and technological changes. Overall, while challenges persist, opportunities for growth, technological innovation, and workforce support remain pivotal in shaping the future of these shift work industries.



# Acknowledgements

*Thank you to the contributors of*

## **The Big Shift: Evolving Landscapes of the US Labor Market report**

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