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Perspectives from the Frontline Workforce: A UKG Global Study

October 2024

This report details findings from a 2024 global study on the frontline workforce, commissioned by UKG and Workplace Intelligence and conducted by Walr. It features perspectives from nearly 13,000 frontline employees and leaders on a range of topics that drive engagement, recruiting, and retention, from trust, support, and benefits to work-life balance, flexibility, and recognition. For the purposes of this study, UKG defines a frontline employee as someone who directly engages with customers, manufacturers products, or delivers services. For some industries, customers may be defined as patients, students, citizens, guests, etc. Typically, a frontline employee must be physically present in a specific place or at a specific time to perform their job.

The Future of Work is Frontline — What Happens Next Matters Most

The frontline workforce comprises about 80% of the world's working population, serving as crucial contributors to organizations, communities, and economies everywhere. However, this critical cohort is often overlooked in workplace research, and frontline employees' needs, preferences, and motivators can vary from those of their corporate counterparts.

This global study from UKG — the largest in our extensive history of prolific research, and one of the most comprehensive studies of its kind — aims to provide organizations with insightful perspectives from thousands of frontline employees and leaders across different industries, countries, demographics, and organizational sizes. Through pandemics, economic uncertainties, and other unforeseen circumstances, frontline employees continue to show up and work hard day after day — including the 20% who've remained at the same employer for more than 10 years.

As our study uncovers, however, the frontline workforce needs more support. For example, 75% of frontline employees globally feel burned out, 55% are dissatisfied with their overall employee experience, and 42% say their organization treats them like a number, not a person.

Moreover, in organizations where frontline and corporate employees co-exist, nearly half of all frontline employees globally (49%) say there are two separate cultures: **one for the frontline and one for everyone else.**

To help ensure a more fulfilling, more rewarding employee experience, the frontline workforce needs greater workplace flexibility, better work-life balance, increased career development opportunities, and, ultimately, a great place to work for all, across roles and locations.

The future of work is frontline. Meeting frontline employees where they are on their individual journeys through great work experiences helps deepen their sense of belonging and connection to their employers. As such, how organizations treat their frontline employees today can have great ripple effects for generations ahead.

We hope our research findings help organizations worldwide forge a productive path for attracting, supporting, engaging, and retaining the frontline workforce.

What's Inside

Feeling Overworked and Underappreciated

"Return to office" continues to be highly debated among the laptop-toting workforce. Due to the nature of their roles, however, nearly all frontline employees must be physically present at a specific work location to do their jobs. Thus, the frontline debate centers on how to best support these employees in the workplace.

Across industries, our study finds frontline employees overwhelmingly crave greater flexibility at work, more time off, and even increased opportunities for voluntary overtime (OT). One workplace concern that the frontline workforce shares with corporate employees, though, is the high levels of burnout they experience on the job. Indeed, three-quarters of frontline employees globally in our study report feeling burned out, including one-quarter who say they're "always" or "often" burned out at work.

Moreover, 60% of frontline employees say they're pressured to be more productive without additional compensation, 65% feel they have to work long hours in order to make ends meet, and more than 1 in 10 (12%) say they've never received a pay raise. Adding proverbial bruises to the burnout, nearly 1 in 5 frontline employees (19%) say they're *never* recognized by their manager.

These less-than-ideal conditions have put many frontline employees on the brink of quitting their jobs.
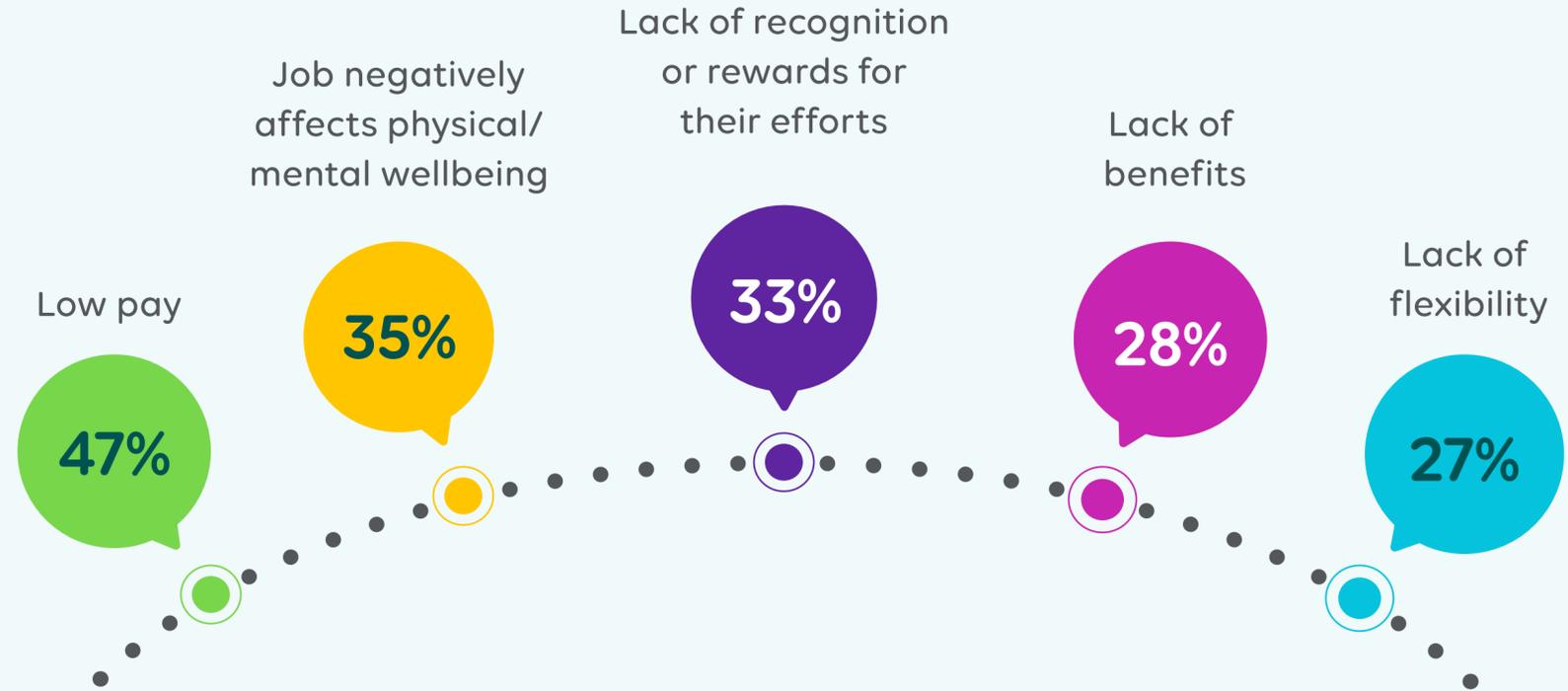
Industry Spotlight

Over three-quarters of frontline employees in healthcare (77%) say they're burned out at work, and 1 in 4 (25%) say they're never recognized by their manager — signaling that challenges for these essential employees remain years after the pandemic's peak.

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In fact, according to our study, 46% of frontline employees globally are tempted to quit on days when the job gets tough.

And, as the adage goes, "people don't quit jobs, they quit managers." In our study, 22% of frontline employees say interactions with their immediate supervisor have increased the likelihood that they'll quit their job, and another 22% say interactions with leaders above their supervisor have increased the likelihood that they'll quit their job.

Top 5 Reasons Why Frontline Employees Would Quit

Low pay
47%

Job negatively affects physical/ mental wellbeing
35%

Lack of recognition or rewards for their efforts
33%

Lack of benefits
28%

Lack of flexibility
27%

Suggested Actions

A little recognition goes a long way in making employees feel more appreciated. Employee recognition can boost morale, lead to happier employees, and prevent talent from quitting, even if they're feeling burned out. Managers can make an immediate impact by recognizing their direct reports' efforts, and larger organizations can leverage talent management technology to help recognize employees in a personal way, and especially at scale. Continue reading to learn how, and how frequently, the frontline workforce prefers to be recognized at work.

Trading More Money for More Time

Even though 64% of frontline employees globally report living paycheck to paycheck, and 55% say they rely on OT earnings to cover their monthly expenses, for more than half of the frontline workforce, making more money isn't always as valuable as having more quality time away from the workplace.
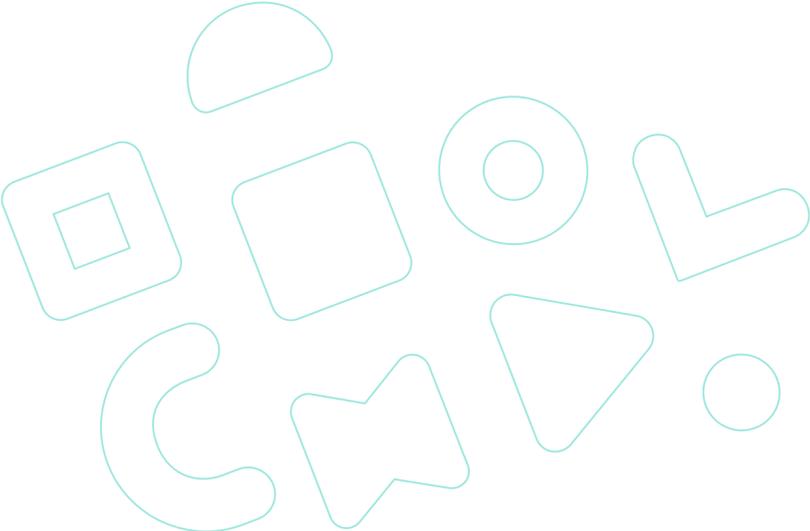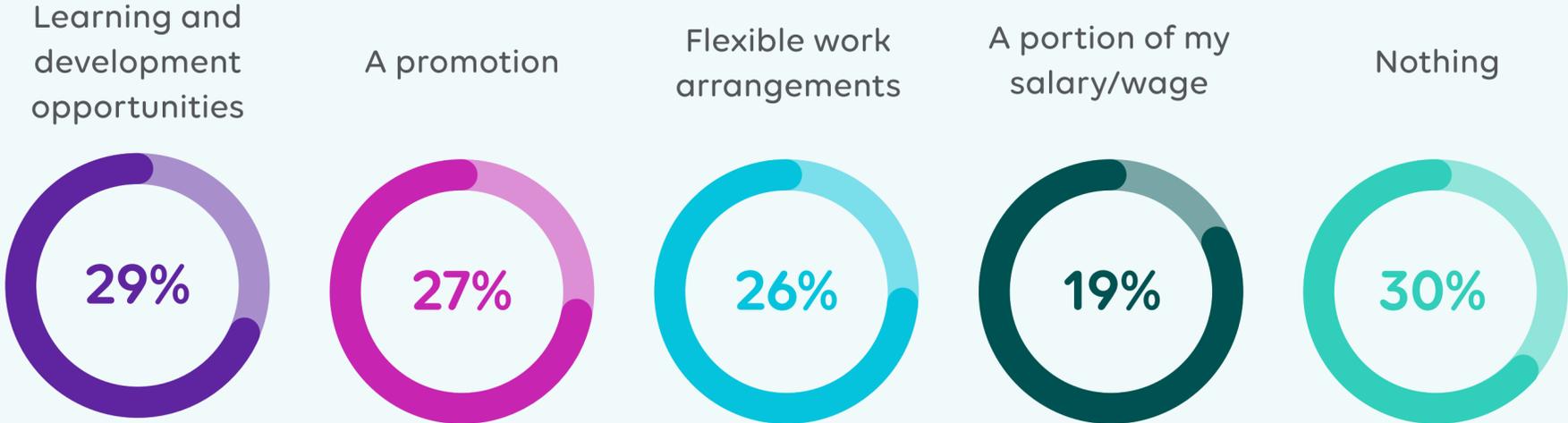
For instance, our study found that 53% of frontline employees would rather have more vacation time than receive a pay increase. Furthermore, 27% say they'd give up a promotion, and 19% would give up a portion of their salary/wages, for an extra week of paid time off (PTO) each year. Of note, not everyone across the frontline shares these sentiments: 30% of frontline employees globally say they wouldn't give up *anything* for an extra week of PTO annually.

What's driving this desire for more downtime? About two-thirds of frontline employees globally (64%) say they're not able to take as much time off work as they'd like to, with 59% saying they don't have enough time in the day to enjoy their life.

And while most employees can't work from home, they don't always leave work at the workplace, either.

What Frontline Employees Would Give Up for an Extra Week of PTO Annually

Learning and development opportunities	A promotion	Flexible work arrangements	A portion of my salary/wage	Nothing
29%	27%	26%	19%	30%

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According to our study, 59% of frontline employees say they spend time outside of work thinking about or worrying about their job — even though several countries across Europe, Latin America, South America, and Oceania have enacted "Right to Disconnect" laws, from France in 2017 to Australia in 2024.

Still Passionate About Work

Even though much of the frontline wants more PTO, 4 in 10 frontline employees (44%) say their job is their passion — not just a way to make money.

Suggested Actions

Providing the frontline with greater flexibility and autonomy over their work schedules are great ways to improve the employee experience. Flexibility looks different for different people, from more time off to the ability to self-schedule to picking up OT hours that best serve employees' personal preferences while supporting business needs. Read on to learn how to offer the frontline more opportunities for workplace flexibility.
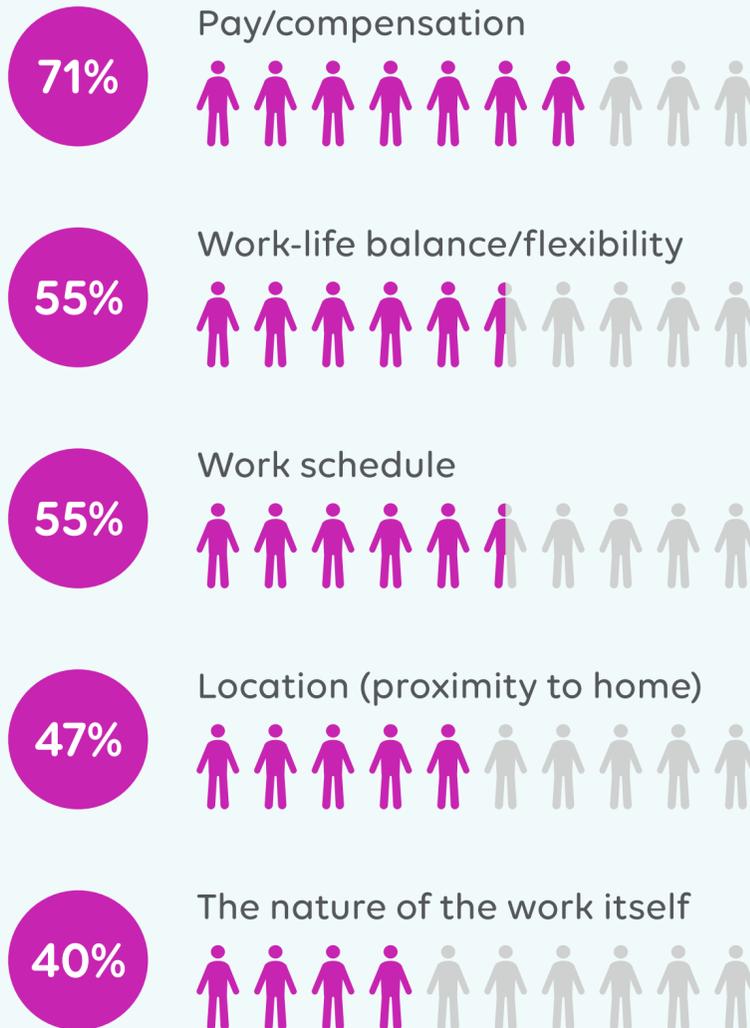
Craving Greater
Workplace Flexibility

Our study finds work-life balance/flexibility and work schedule (tied at 55%) trail only pay/compensation for the most important factors frontline employees consider when choosing an employer. Looking across the global landscape, providing the frontline workforce with more flexible work options (or any at all) is a key opportunity for enhancing the employee experience.

Currently, a little over half of organizations with frontline employees (54%) offer flexible hours/self-scheduling, according to our study. Other flexible scheduling practices are catching on, too, including shift trading with co-workers (41%), part-time work with no loss of benefits (28%), compressed workweeks (27%), and job sharing (18%).

However, there's still room for growth: more than 1 in 10 frontline leaders (14%) say their organization doesn't offer any of these flexible work arrangements.

Most Important Factors That Frontline Employees Consider When Choosing an Employer

71% Pay/compensation

55% Work-life balance/flexibility

55% Work schedule

47% Location (proximity to home)

40% The nature of the work itself

Still, nearly half of all frontline employees globally (48%) say it's difficult to change their shift for personal reasons. That fact is not lost on leadership, either, as 1 in 3 frontline leaders (32%) also admit that switching shifts is difficult for their frontline employees.

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> "Peoples' work preferences have rapidly evolved over the past five years. When you couple that with the digital, on-demand lifestyle that we've come to expect in our personal lives, it's easy to see why the often-rigid nature of working in a physical location like a factory, hospital, school, warehouse, or retail shop would leave frontline employees craving more choice. It's exciting to see more organizations adopting innovative practices like employee self-scheduling, and that modern workforce management technology is rapidly pushing what's possible for frontline flexibility even farther.
>
> — Dan Schawbel, managing partner, Workplace Intelligence

Industry Spotlight

The professional services industry (e.g., contract, field, staffing, insurance) stands out in providing more workplace flexibility opportunities: 61% offer frontline employees flexible scheduling/self-scheduling, followed by 59% of financial services organizations — both above the 54% average across industries. Meanwhile, just 48% of manufacturing and 49% of public sector organizations offer this option.

Suggested Actions

Leveraging intelligent workforce management technology to facilitate greater workplace flexibility is key to keeping frontline employees happy and productive while meeting business demand. Leaders can also use these tools to spend less time on administrative tasks and more time focused on supporting their team members and building trust with employees — including through increased recognition, as outlined below.

Recognizing the Need for Recognition

Recognizing and rewarding frontline employees' meaningful contributions to the business starts with managers, and it extends across the organization. However, our study reveals nearly 1 in 5 frontline employees globally (19%) say they're *never* recognized by their manager.

As for how often frontline employees would like to receive praise from their managers, the desired frequency varies across the workforce: 22% of employees prefer weekly recognition, 34% want it monthly, 23% think quarterly suffices, 9% say semiannually, and 8% believe being recognized once a year is enough for them.

Likewise, the preferred recognition method looks different across the frontline workforce. Besides a pay raise or promotion, the top ways frontline employees want to be recognized include a cash bonus (66%), PTO (55%), gift cards (42%), a positive rating on their performance review (35%), and free meals (26%).

There is a slight disconnect, however, among how the frontline prefers to be recognized and how organizations currently provide employee recognition.

A cash bonus remains the top method preferred by employees and provided by organizations — but it

⭐ Industry Spotlight

Retail, hospitality, and food service employees desire the most frequent praise across industries, with one-quarter of employees in these industries preferring weekly recognition.

meanders from there. Providing positive ratings on employees' performance reviews is the second-most often way organizations recognize their frontline workers (39%), followed by verbal praise in a 1:1 with their managers (37%), gift cards (32%), and PTO (29%).

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Workplace Technology Can Help with Employee Recognition

While 1:1 employee recognition is easy to do, it's a lot more challenging with hundreds or thousands of employees. For organizations looking to recognize employees at scale, technology can help facilitate the process. Talent management solutions can better equip managers with information and prescriptive actions for effectively reaching, recognizing, and rewarding their employees. Plus, when best-in-class technology helps make the hard stuff easy, that means more time and avenues for managers to listen to and communicate with their teams.

Suggested Actions

Recognition (in all its forms) is a recommended practice for every workplace. It shows employees that they're valued by their manager and the organization, it helps boost morale, and it fosters a better culture. Recognition can even aid in increasing retention — especially at a time when industries are struggling to fill critical labor gaps.

Yearning for Learning and Development

There is a shrinking labor force, exacerbated by <u>millions of people leaving the workforce during the pandemic</u> without returning to work, as well as more older employees retiring than there are younger employees entering the workforce. <u>Experts predict</u> the global labor shortage will increase to more than 80 million people by 2030, and <u>the U.S. Census Bureau</u> expects that, by 2035, the number of individuals 65 and older will surpass the number of children, for the first time in U.S. history.

Organizations can help future-proof their operations by investing in more upskilling and reskilling opportunities for their employees. Our study shows that's exactly what frontline employees want: 68% are interested in learning new skills, 58% say continuous learning is important for their personal and/or professional growth, and nearly three-quarters of frontline employees (73%) even say they don't mind learning new skills on their own time (i.e., outside of work hours).

Frontline employees also recognize the types of skills they need to better perform their roles. According to our study, technical skills rank the most important (38%) on employees' lists for improving, followed by leadership and management skills (36%), communication skills (34%),

⭐ Industry Spotlight

Three-quarters of frontline employees in healthcare (76%) and the public sector (74%) say they're interested in learning new skills. Employees in both industries want to learn while at work: 60% of healthcare employees want their organization to offer on-the-job training, and 58% of public sector employees prefer receiving time to learn during work hours.
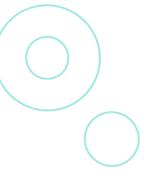
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functional skills related to their job (34%), and critical-thinking skills (29%) rounding out the top five.

Unfortunately, while employees yearn for more learning and development, data shows they aren't spending much time doing it. Indeed, 30% of frontline employees say that, in a typical month, they spend less than an hour on learning and skills development activities at work, and another 17% spend no time at all.
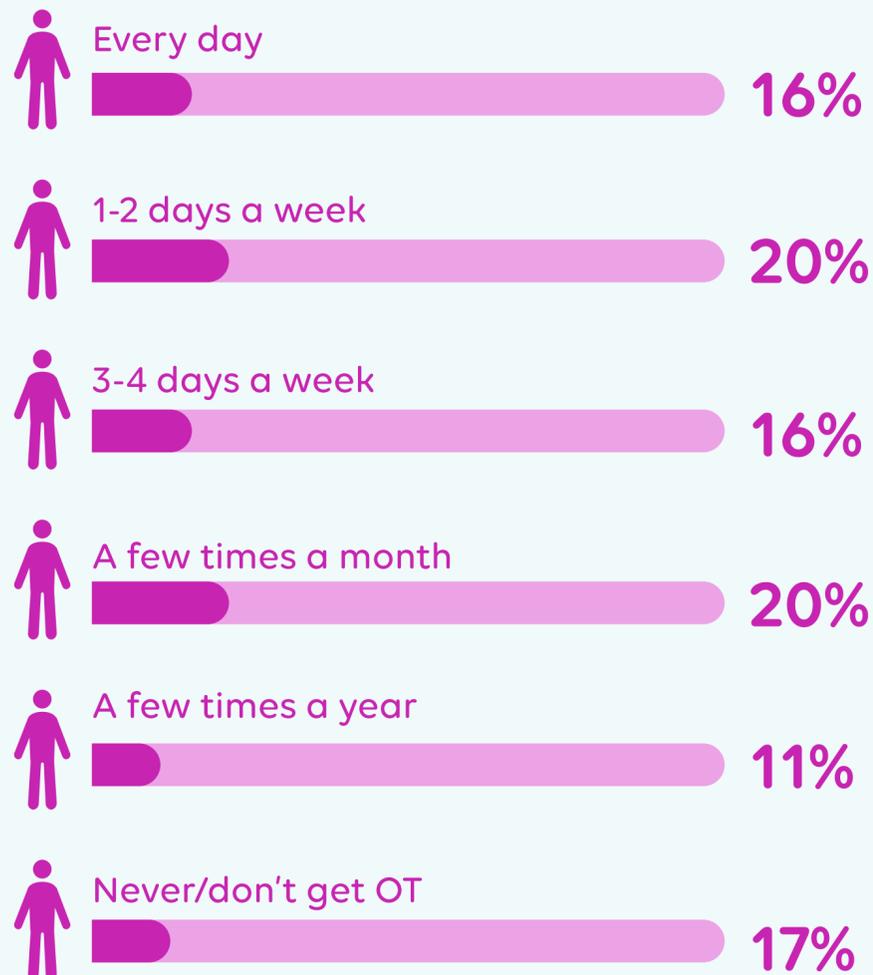
Suggested Actions

A renewed focus on upskilling and reskilling can help organizations better navigate labor force fluctuations and better support their frontline employees — now, and in the future. Below, we discuss in greater detail three key strategies for providing a great employee experience across the frontline.

How Often Frontline Employees Work Voluntary OT

Every day
16%

1-2 days a week
20%

3-4 days a week
16%

A few times a month
20%

A few times a year
11%

Never/don't get OT
17%

Supporting the Frontline Workforce — Now, and in the Future

As discussed throughout this report, there are several strategies organizations can deploy to provide greater support specifically for frontline employees and to help close the perceived culture chasm between the frontline workforce and the corporate office.

Key Strategy #1:
Offering Flexible OT Opportunities

Our research uncovers that offering greater choice around OT — empowering employees with autonomy to decide when, where, and how often to pick up extra shifts that align with their personal preferences — could be an underutilized way to improve the frontline employee experience while helping to fill staffing gaps and meet evolving business needs.

Currently, 3 out of 4 frontline employees (72%) work voluntary OT up to a few times a month, including 52% who do so at least once a week. While 56% of frontline employees say they're satisfied overall with the amount of OT they work, 15% want to work more OT, and another 13% say their organization doesn't allow employees to work OT but wish they would.

> "Organizations should think of OT as a strategic tool that could be used to address fluctuating business needs and support their frontline employees at the same time. When employees have more say in the shifts they select and the number of hours they work, it helps increase their overall job satisfaction. Contrary to popular opinion, and despite the high levels of burnout reported, our study finds that the frontline workforce wants to work — they just want more choice into when and how much.
>
> — Teresa Smith, director of human insights and HCM strategic advisory, UKG"

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Key Strategy #2:
Implementing Workplace Technology

From workforce management tools that help employees stay productive to AI-powered solutions that can augment the human experience to help reduce burnout and empower employees to work more efficiently, workplace technology yields a myriad of benefits for the frontline workforce.

Those organizations already taking advantage of this technology are feeling the positive effects — 83% of frontline employees say technology plays a role in enhancing their work experience.

Meanwhile, frontline employees who use technology in the workplace overwhelmingly report beneficial impacts. For example, among frontline employees who use AI tools at work, 94% say they've helped improve their employee experience.

Furthermore, 90% of frontline employees who've used employee scheduling tools agree the technology has led to better work experiences, while 89% of frontline employees who've used communication tools, as well as 89% who've used

🎯 Embracing AI at Work

While about 1 in 3 organizations (31%) are currently using AI tools in the workplace, nearly all frontline employees globally who have embraced AI at work (94%) say the technology has improved their employee experience.

learning and development tools, report having a positive work experience.

And 88% of the frontline workforce using employee self-service tools for payroll have enjoyed a better work experience, along with 87% of frontline employees who've used time and attendance tools, as well as 87% who've leveraged employee self-service tools for benefits.

Workplace Technology Tools Organizations Currently Use

54% Time and attendance tools (e.g., web-based time tracking, punch clocks)

50% Communication tools (e.g., company portal, digital message boards)

49% Employee scheduling tools (e.g., shift scheduling, shift trading)

39% Learning and development tools

34% Employee self-service tools for payroll

31% AI tools (e.g., chatbots, content-generating tools)

29% Employee self-service for benefits

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Whether currently using these advancements on the job or not, 80% of frontline employees say they want their employer to invest more in workplace technology. So much so that 76% would even be willing to use their own devices for it.

Key Strategy #3:
Building Great Workplaces

Encompassing every strategy in this report is the focus on building a great workplace. Fostering a great place to work for all is the foundation for providing an outstanding employee experience across the frontline, and a proven way to achieve better business results.

What kinds of results? Research shows Great Place To Work-Certified™ organizations that earn a spot on the annual *Fortune* 100 Best Companies to Work For® list perform nearly four times better in the stock market than the market average. And that's just the beginning of the positive business outcomes that stem from having a great workplace.

The good news is, from our global study, 66% of frontline employees say their organization is a great place to work. That means workplaces worldwide are well on the way to greatness.

Unfortunately, that also means 34% of frontline employees think their workplace isn't so great.

Even more alarming: About a quarter of frontline employees globally (23%) say interactions with their immediate supervisor have negatively affected their mental health (e.g., worsened or caused depression, anxiety, or stress), and 22% say such interactions have negatively impacted their physical health (e.g., caused them to sleep poorly, gain or lose too much weight, or worsened their diet).

Culture matters, and it impacts everyone. It even matters to prospective talent, with 1 in 4 frontline employees in our study citing an organization's reputation/workplace culture as the most important factor they consider when choosing an employer.

Employees should feel proud of their workplace, just like they feel pride in their work. Every employee deserves a great place to work, wholeheartedly supported by great leaders who recognize and reward their contributions, value and care about them as people, and provide mentorship, guidance, and learning opportunities to help them succeed in their careers.

While the work that's necessary to build a great workplace is never done, the daily investments are always well worth the sizable returns. When organizations commit to creating a great place to work for all, everyone — from the frontline to the front office — feels the positive effects.

That's the key to a better future for the frontline workforce, and for all employees.

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About UKG

At UKG, our purpose is people®. We are on a mission to inspire every organization to become a great place to work through HCM technology built for all. More than 80,000 organizations across all sizes, industries, and geographies trust UKG HR, payroll, workforce management, and culture cloud solutions to drive great workplace experiences and make better, more confident people and business decisions. With the world's largest collection of people data, work data, and culture data combined with rich experience using artificial intelligence in the service of people, we connect culture insights with business outcomes to show what's possible when organizations invest in their people.
To learn more, visit ukg.com.

Methodology

Research findings are based on a survey conducted by Walr between June 19 and July 24, 2024. In total, 12,715 global workers completed the survey, including 10,915 frontline employees and 1,800 frontline leaders. The study targeted frontline employees and leaders from Australia, Brazil, Canada, France, Germany, India, Mexico, the Netherlands, New Zealand, the U.K., and the U.S. Respondents were recruited through a number of different mechanisms, via different sources, to join the panels and participate in market-research surveys. All panelists passed a double opt-in process and completed, on average, 300 profiling data points prior to taking part in surveys. Respondents were invited to take part via email and provided with a small monetary incentive for doing so. Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. In this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 0.8 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

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