# BEEKEEPER

# 2022
# Frontline
# Trends Report

**How the labor shortage is permanently changing the employee experience for hourly workers**

# Introduction

There is one, overarching initiative that is top of mind for almost every business in 2022: hiring and retaining employees. The labor shortage that followed in the wake of COVID-19 has massively impacted every single industry around the globe. Frontline workers are in short supply and the demand for their talent is at a tipping point.

Now, frontline-majority organizations are going beyond the blanket "thank you to our frontline heroes" statements and **making real, systemic changes to the employee experience for hourly workers.**

Frontline workers have everyone's attention.
And we're listening...

## Straight to the Source: Beekeeper's First-Ever Frontline Worker Survey

Frontline workers and the challenges they face both in and out of the workplace continue to dominate news headlines, so we wanted to make sure we had our finger on the pulse of what they want at work.

That's why **we directly asked our frontline users and managers what they wanted, what they worry about, what motivates them, and what they love/hate about their work apps.**

Their responses, combined with in-depth, independent research by our team led to the emergence of the following five trends that we feel will impact the frontline employee experience the most in 2022. To first set the stage, let's quickly cover the current state of the global workforce.

## Meet Suki

Suki worked as a chef at some of the top restaurants in Los Angeles. She loved cooking, but the years spent working on her feet in hot kitchens were taking a physical toll on her body. This combined with the fact that working nights made arranging childcare exceptionally difficult.

Then COVID hit. She saw this as her chance to make a change. To supplement her income while in school, Suki now picks up gig work through an app. She represents just one of the millions of hourly workers who have left the hospitality industry for good.

# ⚡TL; DR: Fast Facts on the Frontline Labor Shortage

## Welcome to #TheGreatResignation. Here are some global facts about the current labor crisis:

**62.7%**

**58.6%**

**According to The World Bank, the global labor participation rate stood at 58.6% at the end of 2020, down from 62.7% when the decade began.**

**1**

**2**

## 2.6m

**As of Q1 2021, the eurozone's active workforce remained 2.6M below pre-pandemic levels, while the US labor force still has almost 2M fewer people.**

**70%**

**70% of the unemployed in Leisure and Hospitality are looking for work outside the sector.**

**3**

**46%**

**88%**

**4**

**46% of manufacturing employers found it difficult to fill their positions due to a skill mismatch and 88% of commercial construction contractors reported difficulty finding skilled workers.**

Women have left the workforce at an alarming rate over the course of the pandemic. In April 2020 alone, almost 1.4 million women **left the labor force in order to take care of their families.** The pandemic also dramatically escalated the rate of retirement for millions of older workers.

*So what impact will all these seismic disruptions to the labor market have on the future of work for frontline, essential employees?* To start with, they want to be paid more. And companies are stepping up their compensation packages to make it happen.

# Higher Wages and Faster Access to Them

Increased competition for staff is driving up hourly wages and expediting payday for many frontline workers. Income volatility disproportionately affects hourly workers. Last-minute shift changes, unpredictable hours, and historically low wages are major pain points for the global frontline workforce.

But the global labor shortage has shifted the balance of power from companies to the frontline workers they so desperately need.

## Frontline Workers Want a Living Wage

There's no doubt the labor shortage and the surplus of jobs available to frontline workers have driven up hourly wages. Wages are climbing at the fastest rate since the 1980s.

In the largest national survey of blue-collar workers, higher wages was cited as the #1 benefit workers wanted. Companies are taking note and making changes to their compensation.

> Amazon is now offering hourly workers $18 per hour and companies like Kroger and Starbucks are offering signing bonuses and pay raises.
>
> The labor shortage is driving the average pay in hospitality up from $18 an hour to $26 an hour.
>
> In Germany, one of the promises that won the Social Democrats the election was a €12 minimum wage.

## Companies Are Offering Expedited Pay To Cash-strapped Workers

To combat the post-COVID war for talent and provide a better employee experience, many companies now offer next- or same-day pay to help drum up new applicants and keep the ones they have.

Quick service restaurants like Wendy's and even some retailers are partnering with on-demand pay apps that allow employees to cash out and access their earned wages that same day.

For workers with little personal savings, or an immediate, unexpected expense, expedited pay can help them stay afloat between paydays.

Wendy's

NOW HIRING
SAME DAY PAY

# Creative Employee Recruitment Strategies and Candidate Sourcing

In a job seeker's market, companies must go above and beyond hanging a Help Wanted sign in the window. Signing bonuses and referral programs are just the beginning.

In addition to creative recruitment strategies, **companies must also rethink the employee experience from the first touchpoints of the employee lifecycle — starting with recruitment.** What's more, companies hoping to attract tech-savvy, Gen Z workers must meet applicants where they're at — online.

Enter Snaplications and TikTok resumes.

## ♪ From TikTok Resumes to Free iPhones: Welcome to a New Era of Recruiting Frontline Talent

TikTok released a resume feature this year to help Chipotle, Shopify, Target, WWE, and other employers find Gen Z workers. McDonald's even piloted a program called "Snaplications" on Snapchat, which brought in over 3,000 job applications in just 23 hours.

Although after only a few months, TikTok resumes are largely considered to have been a flop. While it remains to be seen whether leveraging the viral power of Gen Z's beloved social media channels will be a viable long-term recruitment tactic, **companies will continue these digital experiments to crack the Gen Z recruitment code.**

Some McDonald's restaurants are offering free iPhones to new employees if they stay with the company for six months. Meanwhile, another McDonald's in Florida offered $50 to anyone who was willing to come in for a job interview.

Several European countries including the UK and Hungary are **easing restrictions around migrant labor** and bringing in foreign workers to help businesses keep their doors open.

**FREE IPHONE**

**NOW HIRING**

**Good old-fashioned employee referrals still work too!** One of our customers, Wanzek Construction, leveraged Beekeeper's employee app to generate 525 referrals in just three months! 👏 👏 👏

We expect these experimental recruitment incentives and candidate sourcing to continue into 2022 as companies continue to battle it out for fresh talent.

# Better Working Conditions and Context

In addition to higher wages, competition for frontline talent has also led to a number of holistic changes companies are making to create better working conditions for their hourly employees. **The long hours, repetitive physical motions, and extreme temperatures that were once considered "just part of the job" are now being re-examined.**

**These comprehensive changes touch various aspects of the frontline employee experience including:**

Ensuring teams are adequately staffed

Communicating the broader vision of the company

Explaining why changes are made

Better, more predictable work schedules

Addressing physical discomfort

## 😬 Houston, We Have a Staffing Problem

Staffing is not just a massive issue for employers. **Our survey revealed that understaffing is the #1 stressor for frontline workers.** Understaffing levels caused by the labor shortage result in frontline teams having to make up the slack themselves. This creates employees who are overworked and overwhelmed.

## According to frontline workers we surveyed...

### 90%

Almost 90% rate **proper staffing** as important for their workplace happiness.

### 34%
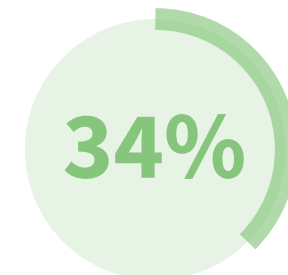
34% rate **understaffed teams as their #1 stressor,** more than double the next closest contender, "coping with change at work."

## Context is King

One of the top findings in our survey is that **frontline workers don't want to work in a vacuum or a silo.** They want real operational reform and a comprehensive understanding of when and why things change.
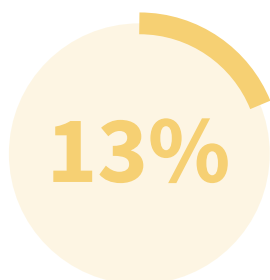
## According to our survey...

**86%**
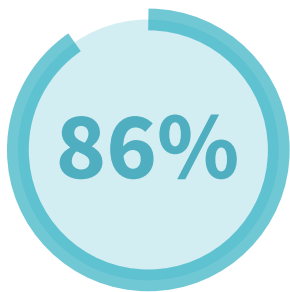
Of frontliners rate **context around why and when things change** as important for their workplace happiness.

**80%**

Of frontliners say having **clear goals and targets, and a way to measure performance** is important for their workplace happiness.

**13%**

Of frontline managers believe **big-picture context and clear targets are not effective** for retention (least valued of all the options).

⚠️**Contrary to their managers, frontliners rate staffing and context higher than team culture when it comes to happiness at work.** ⚠️

**This means it's crucial to communicate the big picture and help your employees understand the role they play in it.**

## Hourly Employees Want Stable, More Predictable Shifts

Now more than ever, companies are compromising on terms that were once considered non-negotiable: scheduling. Hourly workers are seeking more flexibility in their work schedules — and in many cases are finding it with gig work. Many frontline workers who remain in the workforce are pushing back on the demand to work weekends, late nights, and holidays.

One survey respondent said,

**"One thing I would change about my job is our schedule. We've worked a constant 6 day week for well over a year now with our only time off being holidays. While working 12 to 16 hour days you really have no time for anything besides work."**

## 😖Frontline Employees Are in Pain: Addressing Physical Discomfort in the Workplace

Typically, frontline jobs are physically demanding. In manufacturing, the work often consists of repetitive motions, long hours, and minimal personal space. For retail and food service, it's hours of standing and walking, lifting heavy objects, carrying plates of food, or working in 100-degree kitchens.

Our survey also confirmed that physical discomfort remains a major issue for frontline workers. **Many of the respondents said their work could be made better by seeing daylight or having a place to sit down.**

Many organizations are already taking action to alleviate the physical discomfort their employees experience on the job. They've implemented new technology, upgraded their spaces, and redesigned how work happens in order to make it better.

## Some of these changes include:
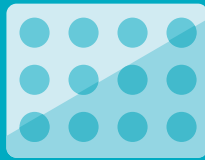
| | | |
|---|---|---|
| Air conditioning | Anti-fatigue mats in high traffic areas | Allowing employees to be seen by customers sitting down |
| Better safety training (like how to lift heavy objects without injuring one's back) | The ability to take paid sick days | Providing baseline benefits like health insurance and paid time off |

## Trend 4 — A Simplified Frontline Tech Landscape

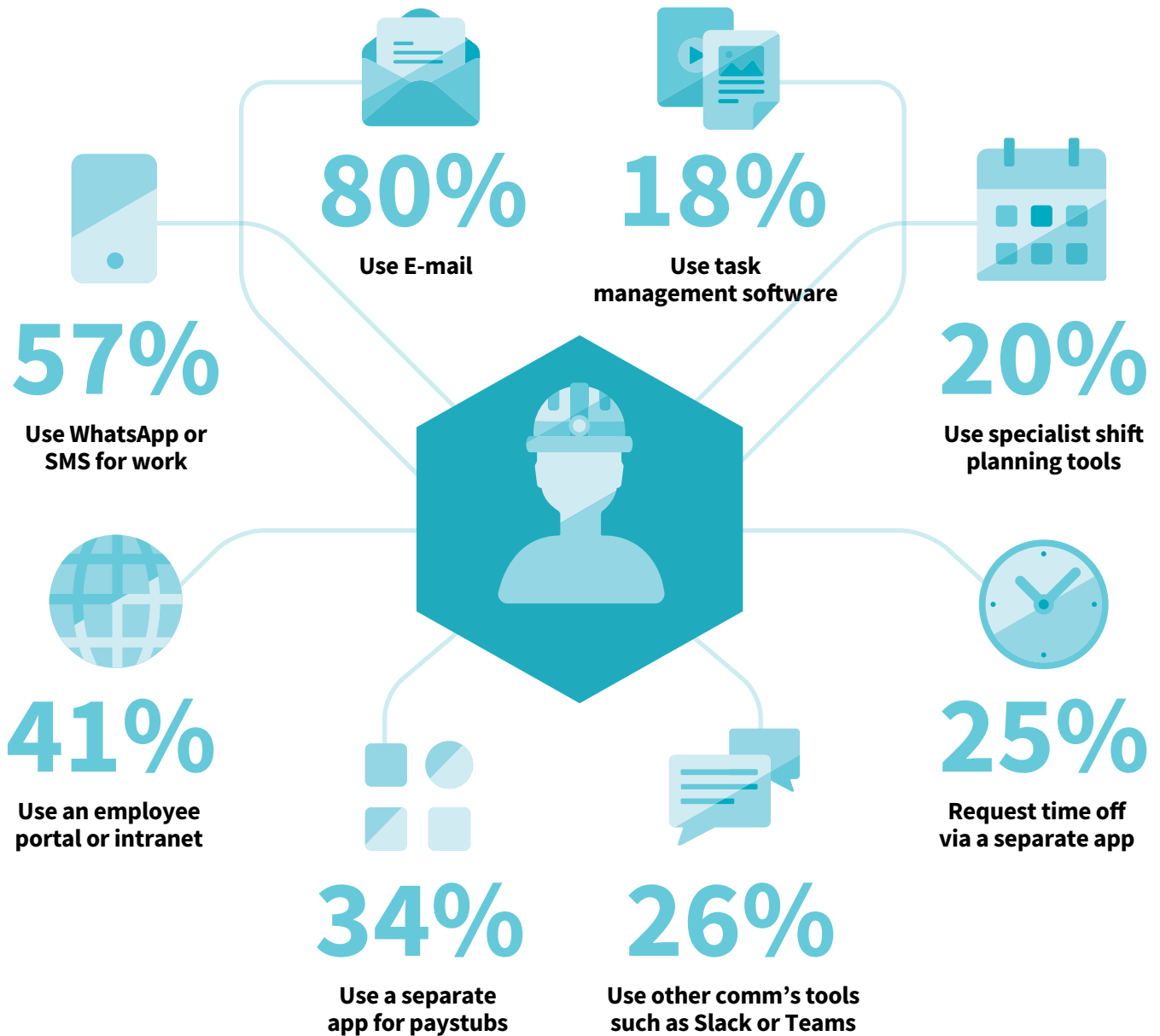Using technology to improve communication with frontline workers has been on the rise for years. **The global pandemic dramatically accelerated this need**. So it's no surprise that the technology landscape to help businesses meet these challenges is robust and expanding.

**The frontline digital revolution is here.** Yes, it's exciting. But it's also a challenge to navigate. The sudden need for digital communication flooded the market with a complex patchwork of solutions, making the employee experience confusing and complicated.

# 📱Frontline Workers Need a Central Work Hub

Sometimes more isn't always better when it comes to workplace technology.

Our survey results revealed many frontline managers are still using a mish-mash of different tools, apps, and platforms for work-related communication and tasks. Frontline managers reported that besides Beekeeper:

## 80%
**Use E-mail**

## 18%
**Use task management software**

## 20%
**Use specialist shift planning tools**

## 57%
**Use WhatsApp or SMS for work**

## 25%
**Request time off via a separate app**

## 41%
**Use an employee portal or intranet**

## 34%
**Use a separate app for paystubs**

## 26%
**Use other comm's tools such as Slack or Teams**

*Can't keep up?* Neither can employees. Here's what they had to say when we asked them about their work apps.

> "There are too many applications. They try to make it easier, but all that happens is more things to look at and respond to on a daily basis."

> "I hate that there is a different app for everything, but I love how easy they are to use."

## ⚛️ The "New Work Nucleus" in 2022
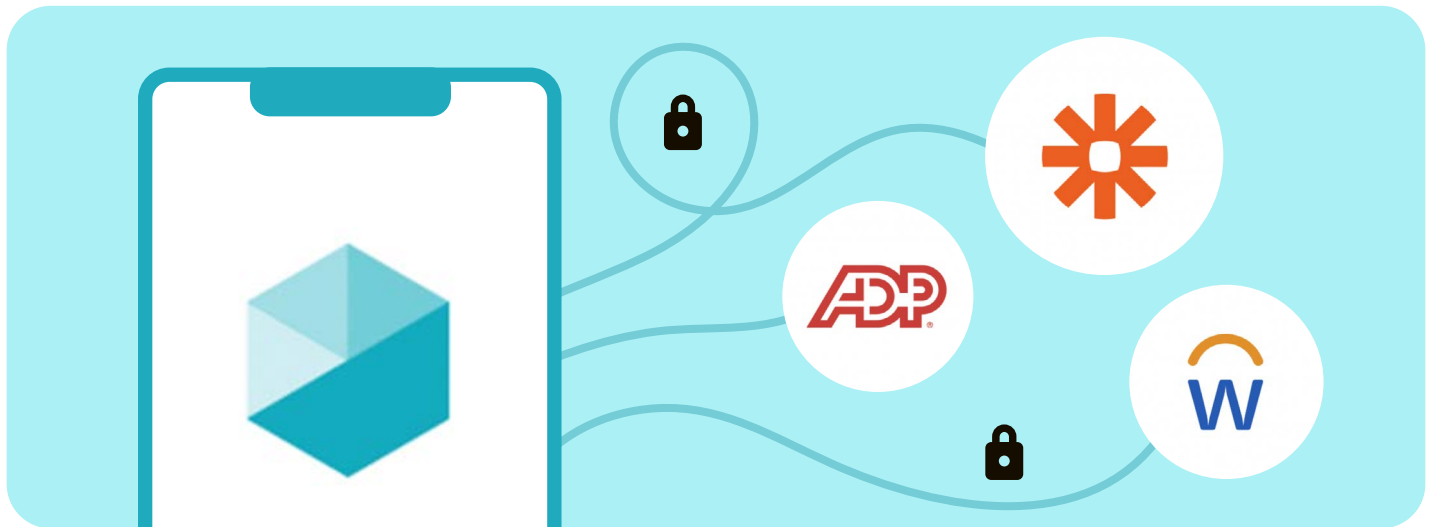


In 2022, having a centralized platform for a digital workplace will be key in helping workers combat app fatigue.

> *Gartner refers to this as the new work nucleus, which is "a collection of SaaS-based personal productivity, collaboration, and communication tools, combined into one cloud office product. It generally includes email, instant messaging, file sharing, conferencing, document management and editing, search, and discovery, and collaboration."*

Having the ability to integrate different software and communication channels your team uses is critical. This centralizes all people, processes, systems, documents, etc. in **one mobile hub so frontline workers can easily access everything they need, no matter where they are.**

Let's look at a practical example.

## How One of the Largest Retailers in the Middle East Centralized Their Workplace Apps

**In an industry like retail, store associates are often asked to juggle as many as [7 different apps at work.](#)** Combining these disparate systems into a comprehensive digital workplace that serves as the single source of truth is a game changer.

**The Chalhoub Group has been the leading partner for luxury retail across the Middle East since 1955. 75% of their workforce are frontline employees.** Leadership on the internal communications team gathered feedback directly from their retail associates and successfully transformed their mobile collaboration platform, Beekeeper, into a robust digital hub for their frontline employees.

For example, Chalhoub now uses [Beekeeper](#) as the single access point for their other workplace tools such as the e-learning platform, Axonify. This has allowed Beekeeper to become more than a place to go for information. It has **evolved into a comprehensive, one-stop platform for all of their workplace technology.**

Chalhoub is just one example of how companies are tackling app overload and consolidating their tech stacks to provide more value to employees.

# Empowering Frontline Managers

We know how crucial frontline workers are to the overall success of an organization. But in 2022, organizations will take this line of thinking a step further with a renewed focus on the frontline manager. **This will include more guidance on leadership and communication, as well as better tools that allow them to focus on people instead of administrative tasks.**

> **Frontline managers make up around 60% of a company's management ranks and directly supervise as much as 80% of the workforce.**
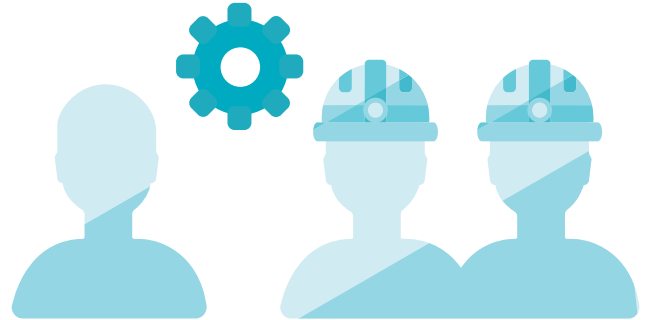
## 👷 Frontline Managers Can Make or Break the Employee Experience

It is the **frontline managers who must motivate and maintain the morale of the people who make or sell the products we consume.** These managers are pivotal to the success of the overall business strategy because they oversee its execution.

Not only are frontline managers the glue that holds the head office and frontline together, but they also play a critical role in employee retention. A positive relationship with their boss can be a big factor in a frontline worker's decision to stay in their current role.

At the same time, a strained relationship with a manager can negatively affect how frontline workers feel about their jobs, and impact their overall sentiment towards the company.
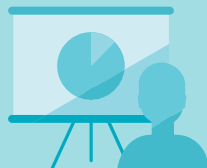
According to a recent [Forbes article](#),

> **"Many frontline leaders never receive any training in how to coach direct reports."**

As a result, frontline managers tend to frustrate those they lead by:

| Defaulting to command-and-control styles of management | Micromanaging | Providing limited (or no) feedback | Focusing on weaknesses instead of strengths |
| --- | --- | --- | --- |

Here's what the frontline workers we surveyed had to say about their relationship with their managers.

👇 Q. "If you could change one thing (not salary or COVID-related) about your daily work, what would it be?"

"To not be micromanaged."

"More communication from upper management."

👍 "The best part of my job is my boss."

👀 "Teach our managers to look at the big picture from a team member's point of view."

The takeaway? **Invest in proper leadership training for team leads and frontline managers.** It could mean the difference between hitting sales and production quotas and falling short because you lack adequate staffing.

## ⚠️ There's a Disconnect Between Managers and Employees

Our survey revealed there is some misalignment between frontline workers and their managers around what's most important for retention.

**Frontline managers are stressed about:**

- Company culture
- Engagement

**60%** Of frontline managers rate a good work culture as "highly effective" for retention

**Frontline workers are stressed about:**

- Being understaffed
- Not having enough context around when and why things change

**The good news? Both frontline workers and their managers are motivated by:**

- Feedback
- Finishing work well and on time
- Learning new things

No. 1 MOTIVATOR

Like their managers, frontliners love getting great feedback from management and customers.

Everyone wants to feel like the work they're doing matters. And frontline workers are no exception. Instead of feeling like a cog in the machine, **workers crave a comprehensive understanding of how the engine operates, and how their work makes it run.**

What we saw in many of the free text survey responses was that **frontline workers take immense pride in the positive impact of their work.**

"The best part of my job is that I help feed 50 states of the USA and my job gives me opportunities."

# Automation Can Simplify Tasks for Frontline Managers

Earlier we discussed simplifying the tech landscape which heavily involves automation. But how can automation directly empower frontline managers?

Our internal research has shown that **60% of frontline managers' time is wasted coordinating between frontline teams and the head office.** All too often, team leads and supervisors are bogged down in their roles with administrative tasks, meetings, and tedious coordination efforts.
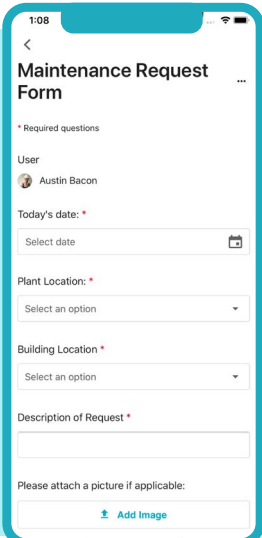
With the current demand for talent, many managers are forced to ditch their old ways of working and adopt new technology to cut down on manual admin work. **That way they can do more with fewer workers, and spend more time on the human aspects of their job to improve the employee experience.**

Below are some examples of how frontline managers are automating tasks.

### Everyday Workflows

Frontline managers are starting to automate common requests, recurring tasks, and approval processes at a rapid rate. These include, but are not limited to:

- PTO and sick leave requests
- Cleaning checks and maintenance requests
- Gathering weekly reporting data from employees
- Payroll notifications
- Daily checklist notifications with automatic routing or escalation
- Sending "on/off duty notification" to employees at shift start and end
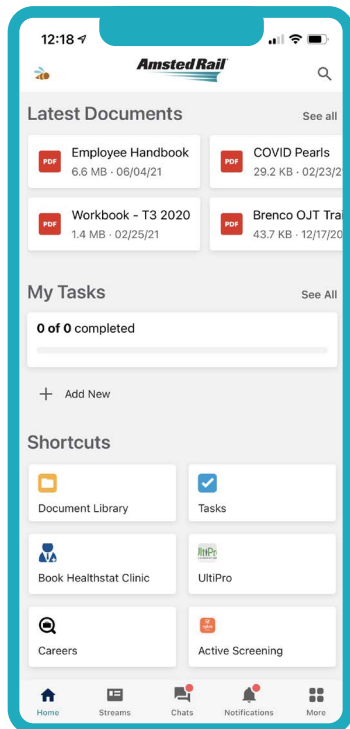
## How Amsted Rail Used Automation to Streamline Health Checks

⭐ One of Beekeeper's customers, [Amsted Rail,](#) is a globally integrated manufacturer in the heavy hauling space. It employs over 10,000 workers worldwide, many of whom are frontline employees.

Amsted Rail leveraged Beekeeper for an employee screening portal to safely bring their workers back and streamline operations during COVID. As part of their health screening process, every employee had to complete a digital self-assessment before each shift. They were able to share the link to take the survey in Beekeeper, so workers could access the link on the home screen.

They integrated this with their security system so that once the survey was completed and the employee passed the screening, it would automatically unlock the doors to the building and let them in. **This saved security guards two hours each morning.** Automations like this not only provide a better work experience for frontline managers and employees alike, it also frees up more time to focus on the human elements of management.

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# So What Can You Do? 5 Actionable Ways to Improve the Employee Experience in 2022

While higher wages are important as the #1 trend, they're only a piece of a very complex puzzle.

## 1. Audit Your Frontline Technology Landscape and Invest in Automation

Are your frontline workers expected to use three or more apps for work? That's too many. **Think of ways to simplify and integrate the tools your team needs, and automate the workflows between them.**

Watch how Beekeeper's single sign-on allowed Wireless Vision to integrate their entire ecosystem in one mobile hub.

## 3. Improve Shift Scheduling

Consider how well your shift scheduling process works for single parents or employees working multiple jobs. **Survey your workforce to find out more about their needs, and implement actions to increase flexibility around work time and improve scheduling practices.**

Many of our customers have turned to Beekeeper's shift scheduling to digitize shifts and give workers easier access to their schedules.

## 2. Incentivize Employee Referrals

Use your existing workforce as a recruitment channel. **Reward your employees for referring their friends to open positions.** Consider incentivizing referrals with a bonus, team day, or vacation time. *Need inspiration?* See how our customer Wanzek Construction got 525 referrals in just three months!

## 4. Assess Working Conditions for Frontline Teams

Consider the physical environment of your frontline workers. *Do they have a place to sit down? Can they see daylight?* Gather their feedback and make small changes to ensure they can enjoy a better quality workspace wherever possible. If changes cannot be made to the actual work environment, consider improving the break room.

## 5. Support Frontline Managers So They Can Support Their Teams

**Invest in proper training and tools for team leads and supervisors.** Every manager in your organization should have the soft skills necessary to navigate conflict, motivate team members, and get frontline workers involved in the decision making process.

Robin Dechant, founder of the Future of Manufacturing Community and Co-Founder of Aveo says that getting your frontline workers involved in the innovation process early on is key.

**"Innovation on the shop floor needs to be driven top-down as well as bottom-up. Management needs to have a clear digital strategy and vision for the business while at the same time empowering frontline workers to co-create digital solutions for their work."**

## About Beekeeper

Beekeeper is the essential platform for frontline workers. With all communications and tools in one place, Beekeeper empowers frontline managers and employees to be more agile, more productive, and create a safer workplace.

**We believe in the potential of every single employee** and are dedicated to building secure, scalable technology that streamlines operations. While our platform has evolved over the years, our mission always has and always will be to connect the unconnected and help distributed teams do their best work.

**Want to improve the frontline employee experience? Find out how at www.beekeeper.io**

👋**Hi, I'm Flavio Pfaffhauser**

Thanks for reading our annual trends report! I'm Flavio, Co-Founder and Chief Innovation Officer at Beekeeper. After spending my summers working in construction and manufacturing to pay for college, I saw firsthand the challenges that frontline employees face. These experiences taught me that all too often, the people who serve as the backbone of our economy aren't given the support and tools they need at work.

That's why I've spent over a decade building technology solutions to make their jobs easier and more fulfilling. Thank you to the 2.7 billion frontline workers around the world. As we've experienced through the pandemic, we literally cannot function without you!

Methodology: Our survey was sent to our frontline customers in late 2021.

Total responses:
1,864; 60% frontline workers, 40% team leads
Manufacturing: 861, Hospitality: 621, Retail: 382