

# The Invisible Workforce Challenge Holding Companies Back

**Are you ignoring the shift-based workers who  
power your business?**



**JoinedUp**  
by **beeline**<sup>®</sup>

# Introduction

Picker packers filling orders. Substitute teachers keeping class in session. Janitors and other staff keeping hospital doors open.

From the warehouse floor to the classroom to hospital hallways, shift-based workers are performing critical work. But what level of visibility do companies have into the challenges they face in filling these shifts every day?

The answer is very little. Shift-based labor is often an “invisible workforce” at the corporate level. Yet, when shifts are left unfilled, their impact is felt deeply, immediately, and financially.

FedEx’s COO shared the impact of the talent shortage during a 2021 earnings call. With its Portland, Oregon, hub only 65% staffed, FedEx had to divert 25% of volume to other facilities. The impact?

- process inefficiencies and delays
- additional incurred business costs
- higher use of third-party transportation



Shift-based talent constraints aren't just keeping businesses from moving forward. They're keeping them from keeping up.

Businesses need to rethink how they source, manage, and engage with their shift-based workforce. It starts with an understanding of:

- who they are
- how to attract them
- how they're being managed
- why they're disengaged, and
- why traditional vendor management system (VMS) tools aren't enough.



# Who is the shift-based workforce?

Shift-based workers are a segment of the contingent workforce, but they differ in just about every way from traditional temporary labor.

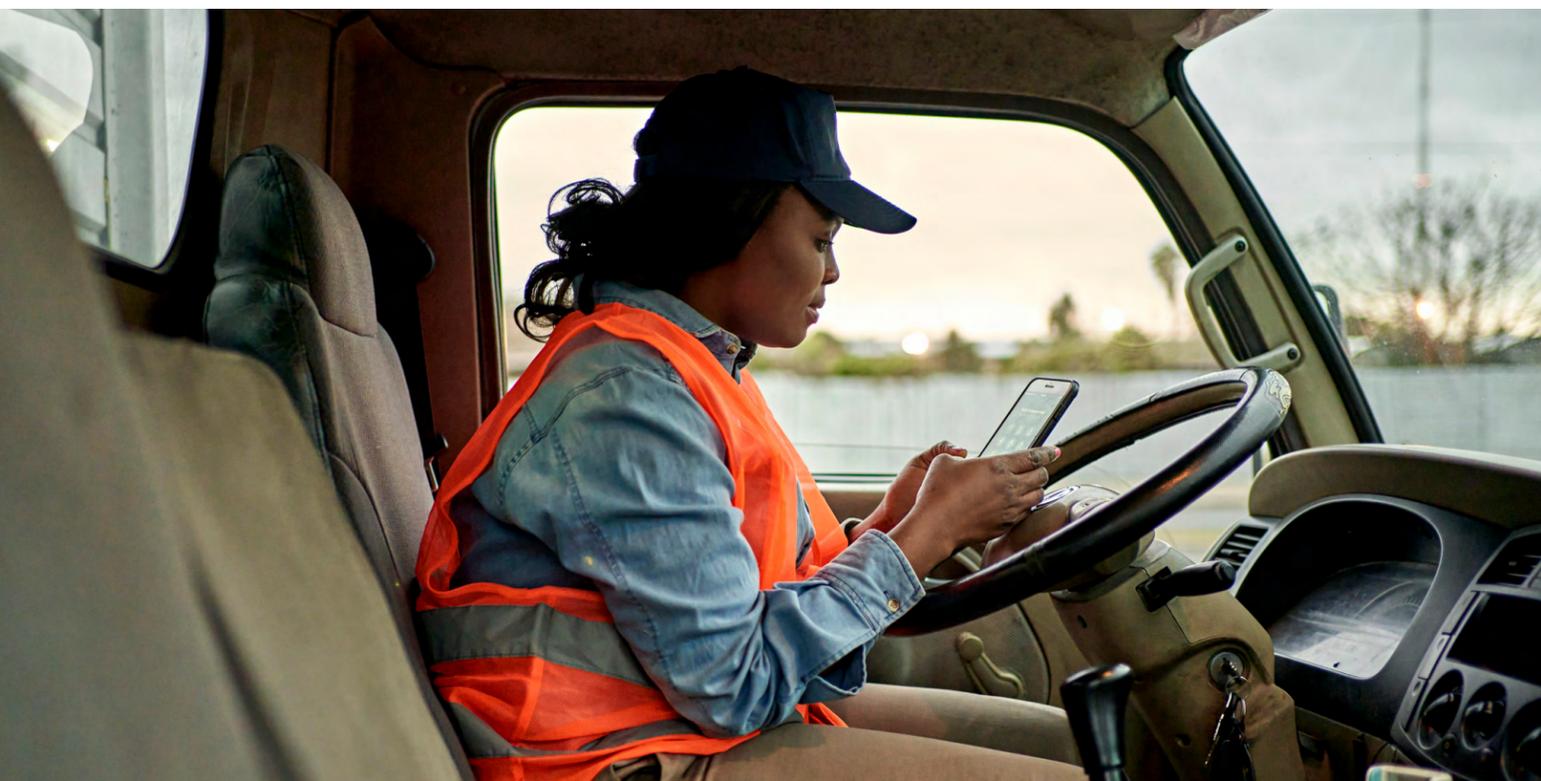
- Work is completed on a shift basis vs. over the duration of a project or an assignment
- Many workers are needed at once
- Shifts need to be filled within days or even hours
- Any available worker with the right qualifications or certifications can fill the shift
- Pay rates differ based on shift differentials (weekend rates, night allowances, late show penalties, split shifts, and more)
- Workers claim shifts based on availability, with no set schedule beyond a single shift
- There's a high no-show rate given workers aren't committed for more than one shift

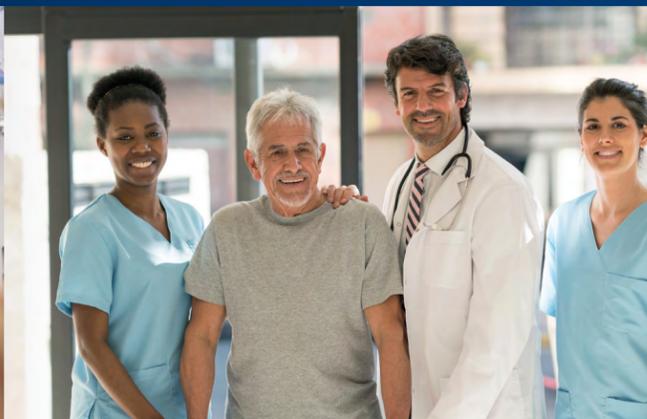


- Shift-based
- Often needed in high volumes
- Immediate need
- Availability-based
- Complex rate rules
- Dynamic schedules
- Low engagement and loyalty

Worker	Shift template	Hours	Work value	Expenses	Charge value	Pay value
Agrawal, Karunesh	Admin	40 hours	537.10	-	537.10	489.50
Alday, Carolyn	Admin	33h 15m	486.29	-	486.29	422.12
<b>Carolyn Alday shifts</b>						
W4 2018 for Admin						
Status	Hours	Expenses	Charge value	Pay value		
24-01-2018 17:00	Approved	11h 45m	0.00	159.61	145.62	
25-01-2018 17:00	Approved	11h 30m	0.00	156.44	142.75	
28-01-2018 17:00	Approved	10 hours	0.00	150.24	133.75	
<b>Total</b>		<b>33h 15m</b>	<b>0.00</b>	<b>\$466.29</b>	<b>\$422.12</b>	
Skracki, Benedykt	Class 1	65h 30m	813.13	-	813.13	738.76
Garland, Eddie	Class 1	63h 15m	668.05	-	668.05	605.89
Parker, Linda	Class 1	40 hours	536.85	-	536.85	489.25
Mine, Gordon	Class 1	44h 30m	565.70	-	565.70	512.77

Read more about how shift-based workers differ from traditional employees and contingent workers in our article, *How do shift-based workers fit in your contingent labor workforce?*





# The industries powered by shift-based workers

Using a shift-based workforce is common in most industries. Here are a few examples of how this category of labor is critical to keeping businesses afloat.

**Manufacturing.** In the manufacturing industry, the need for labor is directly tied to real-time demand. The shift-based workforce is used throughout the warehouse to help facilitate production, packaging, and shipping during peak times. It's also a viable workforce option when companies need to staff up new facilities quickly.

**Logistics.** The logistics industry has a massive shift-based workforce of drivers as well as other involved in the process of moving products to customers. These workers are crucial to a company's operations.

**Education.** Large public education systems have a large on-site workforce within administration and building management in addition to its teaching staff. What's most difficult for schools and universities from a staffing perspective is the need to find substitute teachers and staff who can fill shifts with just hours' notice.

**Healthcare.** Hospitals and other healthcare facilities need to fill a variety of shifts beyond medical roles to meet patient care needs, from janitors and valet staff to customer service and other administrative personnel.

**Government.** There are many different ways that government organizations use shift-based workers. One example is the UK's Royal Mail. Depending on seasonal demand, the number of shifts it needs to fill each week can be anywhere from 18,000 to 66,000.



See how **Royal Mail** manages its shift-based workforce with **JoinedUp** by Beeline.



# Supply & demand challenges associated with shift-based workers

ALL talent is in short supply. The record-high job openings and resignation rate validates this narrative. But it's not just full-time employment. The labor crisis's impact on the shift-based workforce is two-fold.

First, shift-based workers have the same challenges as other types of workers. They are without reliable childcare, they've chosen to stop working as they've reprioritized their lives, or they're hesitant to work in-person out of health and safety concerns.

But shift-based workers also have another reason: they now have access to more job opportunities. Given the lack of available candidates, many companies are loosening requirements and are more open to training new employees.

For all of these reasons, the shift-based workforce is shrinking - at a time when demand is incredibly high. The FedEx warehouse example shared earlier is just one of many similar realities for companies across the country.

By 2030, the global talent shortage will top more than 85 million people, equivalent to the population of Germany. It could result in \$8.5 trillion in lost revenue opportunities.

- Korn Ferry



# Current Shift-Based Workforce Management Tactics

(and Why They're Failing Everyone)

## The hiring process was built for:

1. Workplaces with a certain degree of predictability, and
2. Hiring managers who need the right individual-to-role fit.

A shift-based environment is neither of those things.

Oftentimes site managers don't know exactly how many people they'll need until days or even hours beforehand, depending on demand and business need. And, with the right skills and certifications, any person can work a shift.

In a fluid environment like this, traditional hiring tools aren't fast or flexible enough to be effective. Here are the most common processes used by site managers to fill shifts.

### Option 1: Manual processes

Without a fit-for-purpose hiring tool, many site managers turn to manual processes. Finding, qualifying, scheduling, managing, and paying shift-based workers is tedious, time-consuming, error-prone, and incredibly complex. It all creates a poor experience for workers as well, who expect timely communication and on-time, accurate pay.

Without a data-driven, technology-enabled approach, site managers can't see the full picture, trends, and lessons learned. What shifts are hardest to fill? Workers with which skill sets or certifications are most in demand? Which shift has the highest no-show rate? Site managers need data in order to better predict their needs, improve their fill rates, and boost productivity.

### Option 2: Vendor Management System (VMS) technology

VMS technology is a great option for companies who need visibility into the shift-based workforce at the corporate level. Most leading providers integrate easily with other HR and procurement solutions in use, and have sophisticated analytics tools.

However, what companies gain in visibility, they lose in usability. VMS tools are designed for an assignment-based, temporary workforce. A shift-based environment is faster and needs real-time communication and collaboration between site managers, staffing providers, and workers. VMS tools simply can't keep up.

### Option 3: Workforce management solutions

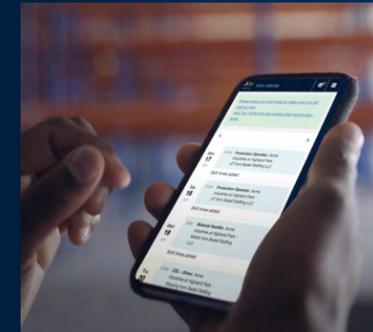
Workforce management solutions are a fast-growing category of technology tools. As with any newer category, industry standards have yet to be defined.

The complexity of managing a shift-based workforce can't be understated. Newer startup technology may be user-friendly, but often lacks the depth needed to account for complex rate rules or enable true, real-time collaboration.

Site managers need to be sophisticated technology buyers to help make sure providers don't overpromise and underdeliver. They also need their workforce management solution to integrate to its VMS and other tools to enable 100% workforce visibility.

# 4 Keys to Successful Shift-Based Workforce Engagement

How can businesses successfully harness their shift-based workforces today?



## Meet worker needs

Today's workers have high expectations for experience. In our digital-first world, they expect to easily apply for work, accept shifts, check their schedules, and get paid on time - all from their mobile phones. Communication and transparency are key to keeping them happy, engaged, and continuing to sign up for shifts.



## Set site managers up for success.

Manual processes distract site managers from getting strategic or achieving goals. They need an efficient way to manage their workforces, the ability to easily communicate with suppliers and workers, and full visibility into shift statuses. This, combined with strong reporting tools, will help them fill more shifts, proactively address issues, and better predict needs. Without the right tool, they're unable to make any noticeable progress.

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Agrawal, Karanesh	Admin	40 hours	537.10	-	537.10	489.93
Allday, Carolyn	Admin	33h 15m	486.29	-	486.29	422.12
Download Invoice						
Carolyn Allday shifts						
01/20/2018 to 01/20/2018						
Status	Hours	Expenses	Charge value	Pay value		
24-01-2018 17:00	Approved	11h 45m	0.00	156.61	143.92	
25-01-2018 17:00	Approved	11h 30m	0.00	156.64	142.75	
26-01-2018 17:00	Approved	10 hours	0.00	156.04	133.79	
<b>Total</b>		<b>33h 15m</b>	<b>0.00</b>	<b>469.29</b>	<b>420.46</b>	
Broock, Benedikt	Class 1	62h 30m	813.13	-	813.13	736.78
Garland, Eddie	Class 1	52h 15m	698.05	-	698.05	633.99
Parker, Linda	Class 1	40 hours	526.85	-	526.85	482.25

## Tap into technology in meaningful ways

As companies continue their digital transformation journeys, they must take advantage of technology in smart ways. For the shift-based workforce, technology should create efficiencies and increase fill and show rates. But, just as importantly, technology should also offer meaningful, real-time metrics to help companies better compete in this challenging labor market.



## Getting the right buy in.

Corporate workforce owners in procurement and HR are often unaware of shift-based workforce challenges. These decision-makers need to communicate with site managers about their challenges and bring in a solution that meets their needs.



# Want to truly tap into the power of your workforce?

Companies often think that having best-in-class employee and contingent workforce management programs is enough. In reality, stopping short of shift-based workers keeps companies from optimizing the talent that keeps their companies in business every day.

**JoinedUp**  
by **beeline**<sup>®</sup>

## See it for yourself

For a demo and more information about our shift-based platform, visit [joinedup.com](https://joinedup.com).