PROFILE OF THE HOURLY WORKER

ORIGINAL RESEARCH

DEMOGRAPHICS, DEVICES AND DISCONNECTION

Presented By Red e App and Edison Research
As of 2014, hourly workers make up 56.7 percent of the United States workforce\(^1\). Think about that for a moment. More than half of all people working in the U.S. make an hourly wage. That’s 77.2 million workers aged 16 and up.

Yet there is little data to be found about the hourly worker. The U.S. Census publishes a total number of hourly workers and breaks that number down by very broad age characteristics, full-time vs. part-time, public vs. private sector and race. But that’s all.

The segment is so ignored that even the monthly unemployment report doesn’t categorize the workforce by salary vs. hourly. The U.S. Department of Labor recognizes them only in an annual report on minimum wage workers. To understand the majority of laborers in the United States, we are left to guess.

As a result, Red e App commissioned Edison Research, long known for its unquestioned quality in surveying and polling audiences, to, for the first time, dive deep into understanding the hourly worker. The resulting research opens our eyes to who these 77 million-plus laborers are, how they are characterized, how they are communicated with and how they view their jobs. This Profile of the Hourly Worker creates an understanding for government, corporations, employers and employees about almost 60 percent of the American workforce. This information will create stronger relationships and better communication paths.

Profile of the Hourly Worker is a first step. Analyzing data and using that knowledge to improve labor conditions, employee communications, enterprise use of technology and worker satisfaction should be the resulting next one. The insights here will help guide companies — enterprise, small and everywhere in between — toward better relationships, communications and results when training, nurturing and communicating with hourly workers.

Use this report as an immersion point. Soak up the information and insights included here to broaden your understanding of your own workforce. Look for weaknesses in your organization, operations and communications, and seek solutions for them, because the questions and concerns raised in this report affect well more than half of our labor force. And positively impacting that segment can only spell good for our market, our workforce and our business.

We know that 56.7 percent of the U.S. workforce is paid hourly. Beyond that, we know little. Assumptions might tell us that they work at or near the poverty level, that they aren’t well educated or perhaps even that many of them hold more than one job.

But assumptions aren’t worthwhile when making business decisions. Facts are. And the data uncovered about the hourly workforce, surveyed for and broadly reported upon here for the first time, is what can wisely guide business leaders, human resources managers and communications decision-makers.

**Methodology**

Red e App commissioned Edison Research to conduct an online survey of full-time or part-time hourly wage earners. In total, 1,099 online interviews were conducted between Aug. 14 and 19, 2015. The resulting data was weighted by gender and race to match U.S. Census hourly worker demographics. The data was then weighted by education to match U.S. Census data on full-time and part-time workers.

The result is what is believed to be the first independent, quantitative survey of American hourly workers.
Demographic Insights

We can begin by understanding that our sample is largely representative of the U.S. population. Core demographics are merely confirmation of that and do not generally lead to “ah-ha” moments. The demographic profile of the hourly worker is an even 50/50 split between men and women and matches full-time vs. part-time differences (70/30). It is also representative of the U.S. population racially, but then we begin to see distinctions.
AGE DISTRIBUTION

A higher percentage of almost every age group (when compared to the U.S. population as a whole) are hourly workers, but that is easily dismissed, as the general population figure also includes retirees and others who are not a part of the workforce.

INDUSTRY

Retail and professional/banking/financial services were both leading industries for hourly workers with 13 percent of the sample. They were followed by construction/manufacturing/logistics (12 percent), healthcare (11 percent), education (10 percent) and hospitality/food and beverage (7 percent).
Contrary to what many may believe, the majority of hourly workers are well-educated. In fact, 45 percent of the hourly workforce has at least a four-year college degree. Eighteen percent have advanced degrees. Just a little over 25 percent have a high school diploma or less.
For those who believe that the hourly workforce is a high-turnover workforce, they might be surprised to learn that, generally speaking, the hourly worker is a loyal one. Sixty-three percent of hourly workers have been with their current company for more than two years. Forty percent have been with their current employer for more than five years, and 20 percent have worked with them for 10 years or more.
As we expected, the industry with the least amount of loyalty was restaurants, with 29 percent of hourly worker tenure at less than six months. Both schools or universities and healthcare industries showed higher than average long-term tenures. (Across all industries, 39 percent of hourly workers reported a tenure of five years or more.) In the education segment, 58 percent of hourly workers have been with their current company for more than five years. For healthcare, that longevity measured at 55 percent.
More than half of hourly workers have household incomes of $50,000 or more. The data shows 26 percent live in households that earn more than $75,000 per year, while 11 percent report living in households that earn $100,000 or more.

Despite the income challenges for some, 83 percent of hourly workers maintain just one job. By industry, only hotel workers stood out as multiple job holders, with 27.2 percent reporting that they hold more than one job.
Despite the surprising number of hourly workers who call an office their primary work environment, 60 percent of hourly workers do not. This often means they are not connected to their company via the standard means of electronic communications — namely email.
A MOBILE WORK ENVIRONMENT = DISCONNECTION

For some, connectivity issues are a symptom of being part of a truly mobile workforce, with 15 percent of hourly workers saying that they mainly work outdoors or out of their vehicles. Almost 30 percent say their job regularly requires them to spend time in a car or truck. Not only is this workforce segment disconnected, it is also forced to be mobile on company time.
EMPLOYEE ENGAGEMENT IS A STRUGGLE NO MATTER THE NUMBER OF EMPLOYEES

And the problems of the hourly worker affect the largest companies in the enterprise. Ten percent of the hourly worker population works at locations with 500 or more employees. Additionally, 38 percent of the hourly workforce polled reported working at locations with more than 100 employees. Yet these companies account for just 20.9 percent of all establishments in the U.S.²

The challenges of the hourly worker — communications, operations, logistics, compliance, job satisfaction — are, by definition, the challenges of the enterprise. The nation’s largest companies should be compelled to embrace their workforce to improve their own efficiencies.

As Red e App is a communications solution for the hourly worker, we were keenly interested in how this majority segment of the workforce uses technology. Not surprising to us, but perhaps to others, the hourly worker is a technologically savvy, well-connected individual. More than 8 in 10 hourly workers carry smartphones. Almost 7 in 10 own some sort of tablet.
Of those who access the Internet, 72 percent do so via a smartphone while 57 percent do so using their tablets. And 28 percent said a mobile device is the **primary** way they access the Web.
HOURLY WORKERS ARE DISCONNECTED FROM CORPORATE DESKTOPS AND APPLICATIONS

While we noted before that almost 40 percent of hourly workers consider an office their primary work environment, 53 percent say half or less of their workday is spent using a desktop or laptop computer for their work responsibilities. Of the 51 percent of hourly workers whose primary work environment is not an office, the percentage who spend half or less of their day on a computer rises to 79.3 percent.
IS THERE DIGITAL ACCESS TO HOURLY EMPLOYEES?

If this workforce is generally not using a computer for work responsibilities, surely they are communicating with their co-workers and the organization they work for with smartphones and tablets, right? Wrong. More than half of hourly workers say they don’t use those devices professionally at all during their typical workday. Only 19 percent say they use them for more than half or almost all of their workday.

THIS RAISES THE QUESTIONS:

How are hourly workers staying connected to the company?

How is a company, particularly a company with larger numbers of employees, efficiently communicating with the hourly employee?

By modern methods, according to the data, they generally are not.

HOW MUCH OF YOUR TYPICAL WORKDAY IS SPENT USING A TABLET OR MOBILE DEVICE FOR YOUR WORK RESPONSIBILITIES?

- 52% None of your workday
- 10% About half of your workday
- 10% More than half of your workday but not all
- 9% Almost all of your workday
- 19% Less than half of your workday
But don’t think the hourly worker isn’t a communicator. Like most in the U.S. population, the hourly worker is a user of social media sites, which are primarily used to communicate with friends and family. Reports show 8 in 10 hourly workers are on Facebook. Almost half are on Twitter and Instagram. Even 32 percent used LinkedIn, which is often leveraged by those looking for different employment.

More than half of the hourly workers who use Facebook do so several times per day, with 79 percent using it at least daily. Twitter (68 percent) and Instagram (71 percent) also rate as daily use sites for the majority of hourly workers who use them.

### HOW OFTEN DO YOU USE … ?

<table>
<thead>
<tr>
<th>Social Media</th>
<th>Several Times Per Day</th>
<th>About Once Per Day</th>
<th>Once A Week or Less</th>
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<tbody>
<tr>
<td>Facebook</td>
<td>52%</td>
<td>27%</td>
<td>21%</td>
</tr>
<tr>
<td>Twitter</td>
<td>39%</td>
<td>29%</td>
<td>32%</td>
</tr>
<tr>
<td>Instagram</td>
<td>40%</td>
<td>31%</td>
<td>32%</td>
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<td>Pinterest</td>
<td>21%</td>
<td>26%</td>
<td>53%</td>
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<td>LinkedIn</td>
<td>19%</td>
<td>20%</td>
<td>61%</td>
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<td>Snapchat</td>
<td>44%</td>
<td>26%</td>
<td>30%</td>
</tr>
<tr>
<td>Tumblr</td>
<td>30%</td>
<td>29%</td>
<td>41%</td>
</tr>
<tr>
<td>What’s App</td>
<td>43%</td>
<td>26%</td>
<td>31%</td>
</tr>
<tr>
<td>Vine</td>
<td>24%</td>
<td>27%</td>
<td>49%</td>
</tr>
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</table>

Base: Have used each
But if direct communications methods are best, text messaging rates better than email. Half of hourly workers use text messaging several times per day for both work-related and personal communication. The usage is at 77 percent for those who at least use it several times per week. Only 12 percent say they never use text messaging for work and personal communications.
Email is used by the hourly worker several times per day for general communication, including both work- and non-work-related topics. But only half of hourly workers have an email account provided by their employer.

If that isn't concerning enough, 42 percent of hourly workers say they use their personal email account for work communication either sometimes or often. This opens their companies up to dozens of liabilities, from compensation and intellectual property issues to compliance and security risks.
LACK OF CORPORATE OVERSIGHT, CONTROL AND MEASUREMENT

Amplifying these risks for companies, 37 percent of hourly employees say their company typically communicates new policies and procedures to them via their personal email account. And 25 percent say they receive policy and procedure information via text message. The icing on the risk assessment cake? Sixteen percent say their company communicates policies and procedures to them via Facebook groups.

Adding to the company risk factors, 13 percent of hourly workers indicated that they request time off or shift changes via personal email; 15 percent do so via text message, and 6 percent do so via a Facebook group. Doing so in these non-secure, personal channels leaves companies without oversight, documentation or control.

DO YOU EVER REQUEST TIME OFF OR SHIFT CHANGES VIA … ?

<table>
<thead>
<tr>
<th>Method</th>
<th>% Saying Yes</th>
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<tbody>
<tr>
<td>In-person</td>
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<tr>
<td>Request Form</td>
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<tr>
<td>Phone</td>
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</tr>
<tr>
<td>Company Email</td>
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</tr>
<tr>
<td>Text Message</td>
<td>15</td>
</tr>
<tr>
<td>Personal Email</td>
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</tr>
<tr>
<td>Facebook Group</td>
<td>6</td>
</tr>
</tbody>
</table>

DOES YOUR COMPANY TYPICALLY COMMUNICATE NEW POLICIES AND PROCEDURES TO YOU VIA …

<table>
<thead>
<tr>
<th>Method</th>
<th>% Saying Yes</th>
</tr>
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<tr>
<td>Written Memo</td>
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<tr>
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<tr>
<td>Phone</td>
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<tr>
<td>Posted Sign</td>
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<tr>
<td>Personal Email</td>
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<tr>
<td>Postal Mail</td>
<td>26</td>
</tr>
<tr>
<td>Text Message</td>
<td>25</td>
</tr>
<tr>
<td>Facebook Group</td>
<td>16</td>
</tr>
</tbody>
</table>

Companies at Risk
CONCLUSION

So, what have we learned? The hourly workforce does look slightly different than we perhaps assumed. Perhaps they strike you as better educated? Higher household income earners? Better connected? Longer tenured?

But we also see clear concerns when it comes to how companies communicate, empower and perhaps value their hourly workers. Certainly, the data presented here is just the beginning of a series of explorations into this study by Red e App. In future reports, we will uncover more about the nature of the relationship an hourly employee has with his or her company, supervisor and more.

The initial signals from our research are clear, however: Companies are not providing safe, secure and measurable methods of communications to their hourly employees. This exposes them to compliance, security and even legal risk.

For a free assessment of your company’s hourly workforce communications, contact us at Red e App. We will help you connect with and empower your disconnected workforce in a method that provides safety, security, compliance, measurement and accountability for you and your employees.
ABOUT

Red e App

Red e App provides a private and secure internal communications platform that connects companies with their hourly, front-line employees and those without company email access. Red e App is focused on building a communication platform that is beneficial for enterprise business departments such as operations, human resources, risk management, and communication teams who need a unified and dedicated communication channel to reach every single employee. Red e App is available on iOS, Android, and web browsers.

For more information, visit our website redeapp.com.

Edison Research

Edison Research conducts survey research and provides strategic information to a broad array of clients, including Activision, AMC Theatres, Disney, Dolby Laboratories, Google, NPR, Oracle, the U.S. International Broadcasting Bureau, Pandora, Samsung, Siemens, Sony, St. Jude Children’s Research Hospital, The Gates Foundation, and Univision. Another specialty for Edison is its work for media companies throughout the world, conducting research in North America, South America, Africa, Asia, Australia, and Europe. Edison Research is the sole provider of election exit poll data for the National Election Pool comprised of ABC, CBS, CNN, FOX, NBC and the Associated Press. Edison is also the leading provider of consumer exit polling and has conducted face-to-face research in almost every imaginable venue.

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