LEGION®

2025

State of the North American Hourly Workforce

Employers Must Correct Efficiency Drains Amid Economic Uncertainty

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Executive Summary

Hourly workforces are nearing a breaking point, with employees and managers under unprecedented strain. Across industries, both frontline teams and managers feel the stress, and employers face mounting pressure to control costs, improve productivity, and ensure that every labor hour contributes directly to business outcomes.

Between rising labor costs, new tariffs, and ongoing supply chain issues, many employers, especially in retail, are facing a tough choice: raise prices or cut labor. But this year's State of the Hourly Workforce data suggests there's a better path. Workforce management, when done well, can improve margins without compromising service. By enabling better scheduling, smarter staffing, and targeted automation, employers leveraging intelligent tools can reduce labor costs, improve productivity, reduce attrition, and support the people doing the work.

The data in our 2025 report, based on responses from 1,200 hourly employees and more than 780 frontline managers across North America, offers a closer look at what managers and hourly employees are experiencing on the ground. You'll find fresh insights, sharp trendlines, and practical tips for transforming workforce management from a back-office function to a critical lever for protecting margins, boosting productivity, and supporting teams to help deliver consistently.

Let's start with frontline leaders. Nearly half of managers (49%) say they're worried about job security, citing turnover, staffing gaps, and mounting performance pressure. Forty-seven percent say staffing shortages are their biggest challenge, and most report spending 3 to 10+ hours a week on scheduling and time tracking. That's time that could be spent improving team performance. Managers know they're under pressure to deliver results, not just coverage—which means they need tools that help them schedule for productivity. Calculating employee productivity and prioritizing top performers during peak periods isn't a bonus feature. It's the difference between falling behind and hitting revenue goals.

Layered on top of all this is a workforce in flux. Nearly half of hourly employees say they plan to leave their jobs within the next year, and 58.6% plan to leave their current industry altogether. Compensation plays a role, but many workers say their current jobs don't offer enough predictability, growth, or personal relevance to justify staying. This year, many employees told us that they're leaving not just for higher pay, but for better schedules, more control, and a clearer future with their employer.

As such, flexibility is a defining theme for employees in this year's data. Over 60% of employees say it's the number one thing they want beyond higher pay. For some, this need centers around fitting work around their school schedules. For others, it's about balancing their responsibilities when it comes to caregiving, personal health, or simply pacing their week. Employees want different kinds of flexibility, too, whether that means the ability to land premium shifts, earning flexibility through performance, or having the ability to work across multiple sites.

The financial picture for workers is also shifting. Thirty-one percent of employees now say early access to wages is a top priority, up from just 2% two years ago. One in seven hourly employees now holds more than one job, which indicates rising wage insecurity. These aren't passion projects or "side hustles." Employees say these extra jobs are purely about covering essential costs, and contributing to a stronger financial footing. In fact, among those with multiple jobs, 82% say they do it for greater financial stability, and 59% say one job doesn't cover rent or food.

Productivity is directly linked to employee engagement. Forty-three percent of hourly workers say their employer has made no meaningful improvements to the workplace in the last year, which directly impacts productivity. In response to this stagnation, some hourly employees are continuing to turn to unionization to gain more control over pay, scheduling, and working conditions. Others are quietly walking away entirely.

AI continues to be one of the most underleveraged tools in workforce management. Repetitive tasks and inefficient processes directly impact manager productivity. More than 39% still use manual processes or simple software to create schedules. While 55% of managers say AI could make scheduling easier, only 11% are actually using it. The untapped potential is there to boost operational efficiency, streamline coverage, reduce administrative load, and free up time for more impactful work, but adoption still lags. In fact, more than half of managers still rely on manual methods like texting or calling employees to fill open shifts, directly contributing to inefficiency.

And yet, despite all this, the path forward is surprisingly clear. Managers told us they need more time with their teams and less time spent on administrative tasks. Employees told us they value flexibility, recognition, and support. Employers don't have to guess to course-correct; they just need to act with precision.

In today's volatile retail environment, where every hour and dollar count, employers need more than traditional cost-cutting strategies. When workforce management is intelligent, automated, and employee-centric, it becomes a lever for both cost control and business performance. **The companies that embrace this approach aren't just weathering economic pressure; they're creating more resilient, efficient, and future-ready operations.**

Key Findings

This year's findings span industries, roles, and age groups, but the core tensions haven't shifted much. Managers are overwhelmed by administrative work. Employees still want flexibility, recognition, and stability, yet many say they're not getting it, which directly impacts productivity.

What has changed is the urgency. With economic uncertainty growing daily and labor costs rising, the cost of inaction is higher than ever. Hourly worker turnover is accelerating, union interest persists, and trust between teams and leadership is showing signs of strain.

The good news? There's a better path forward. AI-enabled workforce management technology now reflects how teams actually operate and offers an intelligent alternative to the tradeoff many employers face: raise prices or cut labor. The following data highlights where the biggest gaps exist and how smarter tools can help close them by improving efficiency, strengthening teams, and protecting service quality without raising costs.

01 Admin Work Is Costing Time and Trust

Nearly half of managers (49%) say they're worried about job security, and it's not just due to the economy. Many are stuck managing employee turnover, scrambling to fill gaps, and trying to meet rising organizational expectations without the time or tools they need.

A big part of that pressure comes down to administrative work. Fifty-nine percent of managers spend between 3 and 10+ hours a week just on scheduling. Over half say the same for time and attendance. That adds up to 20 hours a week, which are hours that could be used for coaching, hiring, or helping the team hit performance targets that contribute to topline revenue goals.

The problem isn't just workload—many legacy systems simply can't keep up with managers' evolving needs. For example, 39% of managers still use paper, spreadsheets, or basic software to build schedules. And when shifts open up at the last minute, 40% still text or call employees individually.

Many of these tools rely on static rules, manual inputs, and siloed data that leave teams without a clear view of what's really happening on the floor. The result? Wasted labor hours, coverage gaps, compliance risks, and higher burnout.

Managers aren't stuck in the past—they're just waiting for tools that actually help. Fifty-five percent say AI could make scheduling easier, and many listed it as the task they most want to automate. Yet only 11% are currently using AI-powered scheduling tools. That gap isn't about interest—it's about implementation.

The ripple effects are apparent: time is wasted, coverage breaks down, and managers burn hours on tasks that could be handled faster and more effectively. One of the biggest sticking points? Matching employee preferences with business needs. It was the top-ranked scheduling challenge this year. When alignment breaks down, shifts go unfilled, employees disengage, and turnover rises.

02 Performance-Based Scheduling Is a Revenue Lever

Managers told us they want better visibility into performance so they can schedule the right people at the right time. Eighty-four percent said they want tools that help them calculate hourly productivity, and 86% said they want the ability to automatically schedule top performers based on those calculated scores during peak periods.

Most scheduling tools treat all shifts and employees the same—but that's a problem, especially in customer-facing environments where some hours matter more than others, and some employees consistently drive better results.

This isn't just about convenience; it's about results. When schedules are built using calculated productivity scores, managers get a clearer picture of who drives performance and when. Automating that process helps ensure the right employees are scheduled during high-impact shifts, which can raise service levels, boost sales, and help teams meet revenue and output targets without increasing labor hours.

03 Turnover Is Undercutting Team Stability and Performance

High turnover is no longer an HR problem—it's disrupting day-to-day operations and putting pressure on everyone from shift leads to district managers. Frontline managers are under pressure to stabilize teams, cover gaps, and maintain performance as turnover continues to spike.

According to this year's data, nearly half of hourly employees say they plan to leave their job in the next 12 months, with almost 20% saying they'll leave in the next 6 months. Of those making exit plans, nearly 60% say they intend to leave their current industry entirely. And the reasons aren't purely financial. Employees reported that their current roles don't offer the flexibility, long-term growth, or work-life balance they need.

Managers are feeling the impact of this shuffling. More than a third say high turnover is making it harder to be productive. Many also say it's contributing to burnout and concerns about their job security.

At a time when demand is dynamic and customers expect consistency, this level of workforce instability is more than a scheduling headache—it is an operational liability. Every time a trained employee leaves, productivity drops, training costs rise, and frontline teams are forced to play catch-up.

While many organizations are focused on hiring quickly, employees are focused on being heard. More than one in four hourly workers say they wish there had been a unionization effort at their current or recent employer. The reasons? Low wages, poor benefits, inflexible scheduling, and a lack of upward mobility.

04 Employees Are Asking for Flexibility, Stability, and Progress

Not every issue comes down to pay. Employees are also watching how they're treated and whether real change is happening.

More than 43% of workers say their employer hasn't done anything to improve the workplace in the past year. The biggest thing these workers want besides compensation? Flexibility. That came through loud and clear, with 61% of hourly workers saying it's their top need. Most tied flexibility needs to something specific like mental or physical health, school schedules, or just being able to manage the week on their terms.

Managers aren't blind to these needs. Many called flexibility their biggest retention challenge, second only to pay. But most say they can't easily offer it, even when they want to.

Another theme that keeps coming up is financial stress. Current data shows that more than 30% of employees say early access to wages is one of the most valuable perks a company can offer—something almost no one mentioned two years ago. These aren't abstract preferences; they reflect day-to-day realities. When people don't see progress, they start looking elsewhere.

05 Automation Can Cut Costs and Drive Performance

Managers aren't short on responsibility—they're short on time. The one task they most want to automate is scheduling. Fifty-five percent told us that AI could help reduce time spent on this kind of repetitive work, yet just 11% report actually using an AI-enabled scheduling system today. The gap isn't due to a lack of interest but a lack of action.

When managers get time back, they know exactly where to reinvest it. Sixty-four percent say they'd use it to coach and develop their teams, while another 30% would spend it connecting with customers. These numbers reflect that for managers, it's not just about saving time; it's about redirecting it toward the parts of the job that actually drive performance and results.

Actions You Can Take

Use AI to Improve Labor Efficiency and Increase Productivity

Managers are still spending too many hours each week on scheduling and attendance, which is time they say they'd rather spend leading their teams or supporting frontline results. AI-powered tools can help reduce that load by automating repetitive tasks and improving shift coverage.

With smarter scheduling, it's possible to match top performers to peak shifts and stay flexible when things change. And these improvements don't have to come with higher labor costs. In most cases, they help organizations get more value from the teams they already have.

Smarter Scheduling Can Optimize Labor, Not Just Fill Shifts

Fluctuating demand doesn't always require more labor—it requires smarter scheduling. With rising costs and tightening margins, labor is often the first place to make cuts. But reducing hours isn't the only option at employers' disposal. The real opportunity lies in how existing hours are allocated and assigned.

Smarter scheduling can help businesses do more with the teams they already have. That starts with using real productivity data via a workforce management tool to shape shifts, not just filling spots based on availability. Some organizations are also adjusting staffing models by sharing workers across locations or adapting schedules in real time to match demand. These moves help maintain service levels and improve efficiency without adding headcount.

Offer Schedule Flexibility to Boost Retention and Reduce Burnout

Flexibility is no longer a nice-to-have, as it's the second-most important factor for employees after pay. And for most workers, even small improvements go a long way. When companies give employees tools to set their availability, swap shifts, or avoid last-minute changes, keeping people engaged and reducing absences is easier. These approaches don't add cost, but they do help stabilize teams and reduce turnover.

Ease Financial Strain with Earned Wage Access

Demand for earned wage access is rising quickly. Thirty-one percent of employees now say it's one of the most valuable benefits an employer can offer, up from just 2% two years ago. At the same time, 15.5% of hourly workers hold more than one job, most citing basic financial strain.

Giving employees early access to a portion of their pay can ease pressure without increasing labor costs—and it's quickly becoming a competitive advantage. Tools that provide real-time earnings visibility, flexible payout options, and simple onboarding can improve retention, reduce stress, and improve productivity.

Detailed Findings

Voice of the Employee

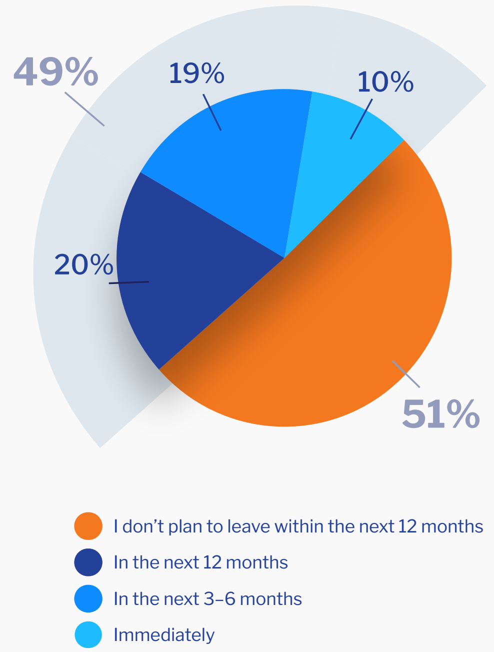
Risk of Hourly Employee Attrition Remains High

How likely are hourly employees to leave their jobs this year? Nearly half say they plan to leave their job within the next 12 months, which signals that short-term employment is still the norm in many frontline roles.

What it means: Turnover remains a major challenge across the hourly workforce. While some churn is expected in these roles, this level of interest in leaving is hard for employers to ignore, as it puts real pressure on hiring, training, and coverage, especially for businesses already stretched thin. If half the workforce is thinking about leaving, employers may need to look closely at what's driving that sentiment and what they can do to keep people in place longer.

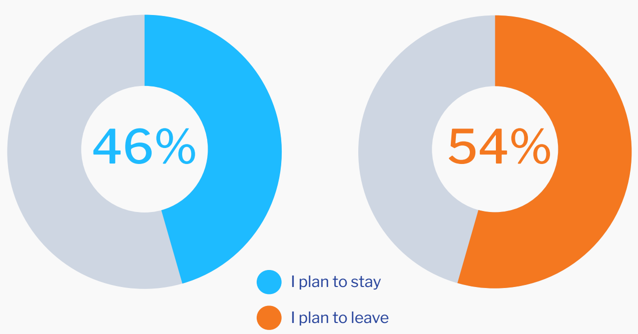
Half of hourly employees say they plan to leave their job within the next year.

When do you plan to leave your job?



RESTAURANT & HOSPITALITY SEGMENT

"I am very likely to look for a new job..."



Attrition Risk Is Even Higher in Restaurants and Hospitality

How likely are restaurant and hospitality employees to leave their jobs this year? Among hourly restaurant and hospitality workers, almost 55% say they plan to leave within the next 12 months.

What it means: Turnover hits harder in restaurants and hospitality because service quality depends heavily on experience and speed. High churn in these industries risks damaging customer experience and operational consistency, making investment in retention even more critical.

Nearly 54% of restaurant and hospitality workers plan to leave within the next year.

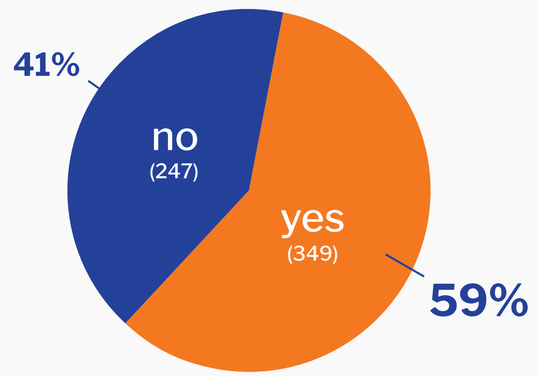
Industry Hopping Is on the Rise

If employees are planning to leave, are they staying in the same industry? Not likely. Of the employees who told us that they plan to leave their job in the next year, 59% also plan to leave their industry entirely.

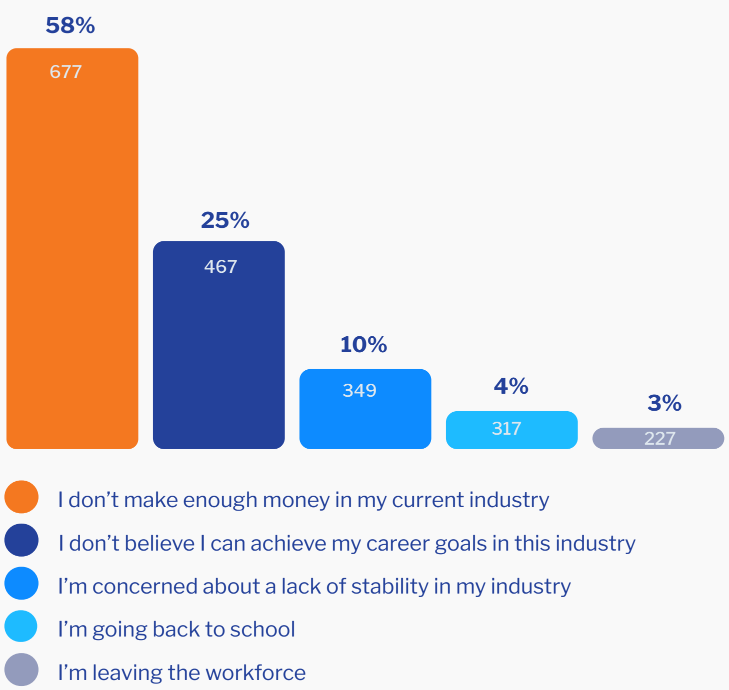
What it means: When workers leave their jobs, many aren't looking for the same job with a different name; they're trying to start over. That kind of industry turnover drains institutional knowledge, makes retention efforts more difficult, and reduces the effectiveness of incremental improvements to boost employee engagement.

59% of hourly workers plan to leave their current industry within a year.

If you are planning to quit your job within the next 12 months, are you planning to leave your current industry?



Why are you leaving your current industry?



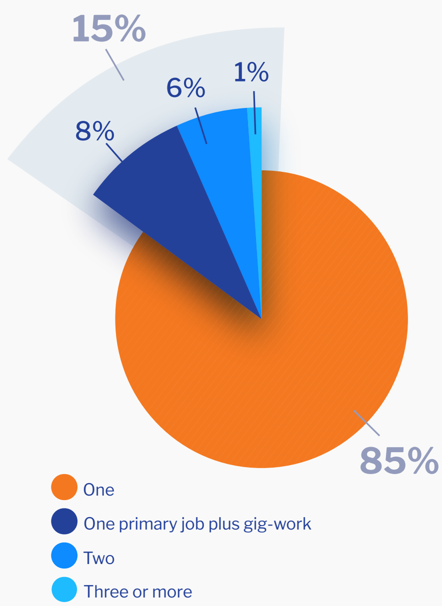
Low Pay Is Still the Top Dealbreaker for Employees

Why are workers planning to leave their current industry? For many, pay remains the most common reason, with 58% saying they simply don't make enough. In an unpredictable and inflationary economic environment, wages that once felt livable may no longer meet basic needs, and employees are responding with their feet.

What it means: When wages fall short of covering basic needs, workers leave. No amount of culture or career development can fix that gap. And while not every employer can raise pay, tools like earned wage access can still make a difference. Giving people a way to access their earnings when needed can reduce stress, build trust, and help more workers stay.

58% say low pay is why they're leaving their industry.

How many jobs do you have?



Some Workers Are Juggling Multiple Jobs to Stay Afloat

How many hourly workers are working multiple jobs? This year, 15% of hourly workers say they hold more than one job. For many, it's not a matter of ambition—it's a necessity.

What it means: One paycheck still isn't going far enough. As workers take on second or third jobs to supplement their incomes, they are more likely to burn out, miss shifts, or leave for roles that offer higher pay or more flexibility. Employers may not be able to eliminate the need for a second job, but they can make it less necessary.

1 in 7 hourly employees hold multiple jobs.

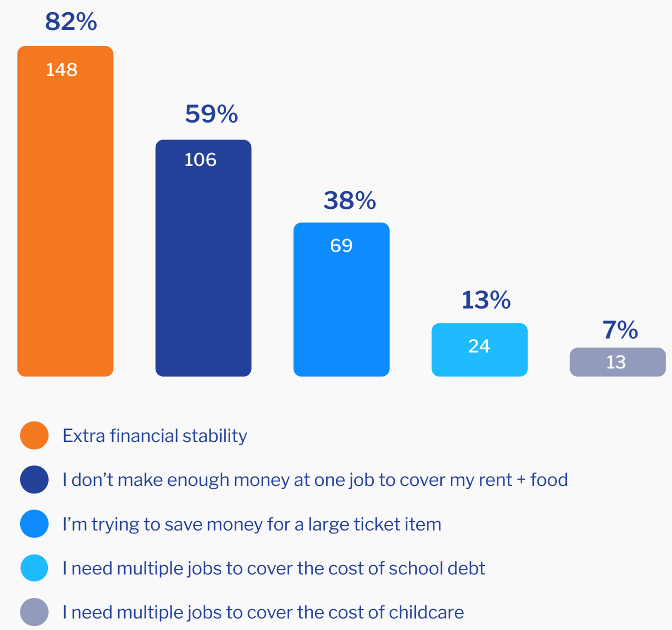
Financial Pressure Is a Common Thread

Why are people working multiple jobs? Unsurprisingly, the primary driver for employees working multiple jobs is unmet financial need, not career growth or side hustle energy. The current cost of living in many cities is outpacing wages in these frontline roles, and employees are bridging that gap however they can.

What it means: This isn't discretionary income pressure. If a single job can't meet essential needs, turnover and disengagement are almost guaranteed. These findings reinforce that financial insecurity is a daily driver of attrition.

82% of people with multiple jobs say they do it for financial stability.

Select up to 2 reasons why you hold multiple jobs.



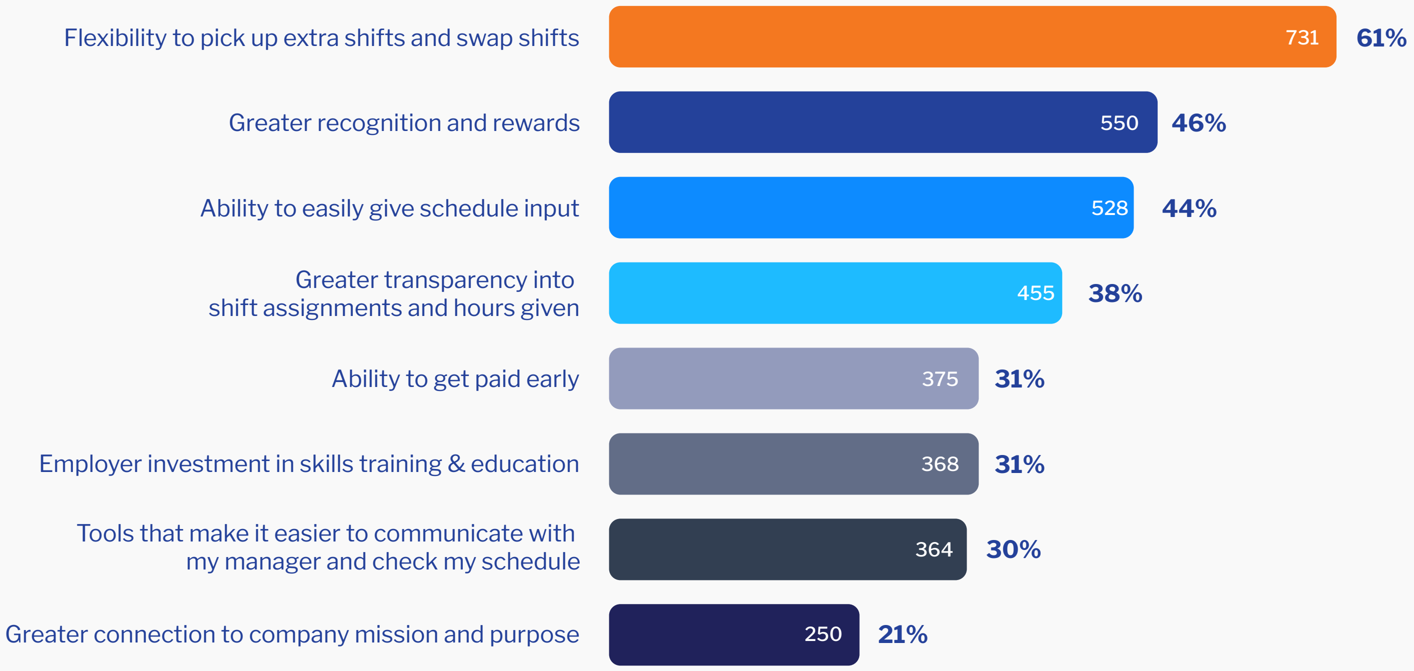
61% of hourly workers say flexibility is their top need beyond pay.

Flexibility Is the Most-Requested Incentive

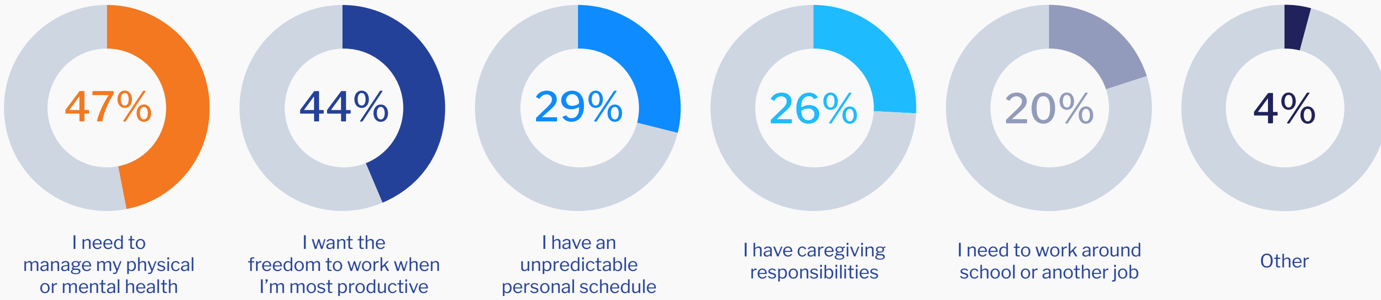
What do workers want beyond pay? Flexibility leads the list again this year. 61% of workers say it's their top non-wage priority.

What it means: Flexibility isn't a luxury but the foundation of a workable life for many hourly employees. Whether it's having more freedom and support to manage their health, get an education, or provide caregiving, control over schedules is directly linked to retention.

Other than pay rate, which three incentives are most important for you when looking for a new hourly job? Select up to three responses.



Why is schedule flexibility important to you? Select up to two reasons.

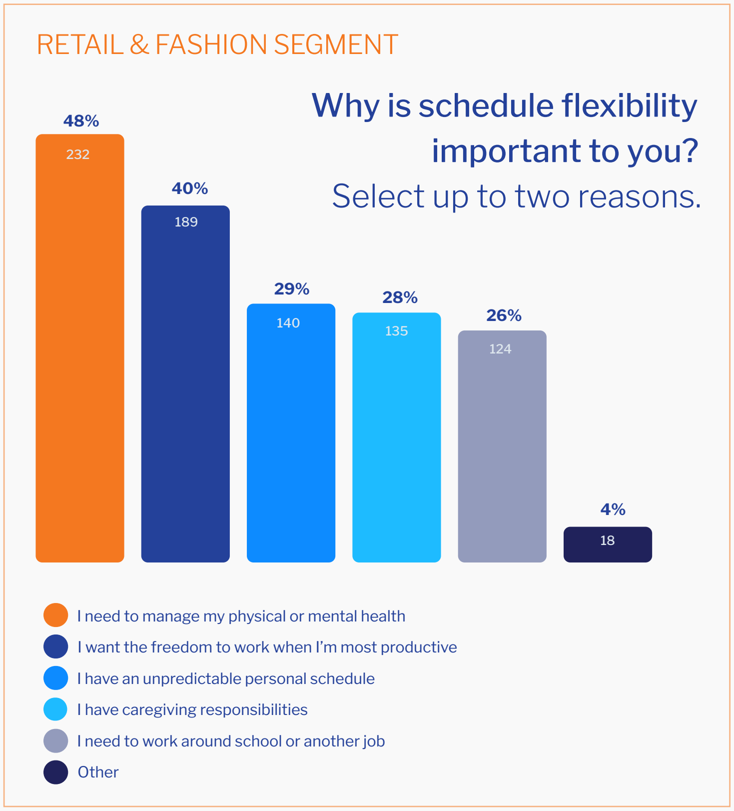


Some Workers Need Flexibility for Other Reasons

Why is schedule flexibility important to employees? One in five employees told us they need more flexibility to accommodate school schedules, while others cite health, caregiving, or unpredictable responsibilities.

What it means: Education is still a key part of the picture, especially for employees balancing coursework and shift work. These workers may reduce hours, disengage, or leave entirely without flexible options. Supporting school schedules can be a quiet driver of retention and loyalty. Additionally, with more than 25% of workers living in multi-generational homes, caregiving can play an outsized role in their day-to-day lives.

1 in 5 hourly workers needs work flexibility to fit around school.



48% of restaurant and hospitality workers want schedule flexibility for health reasons.

Flexibility Pressures Are Even Stronger in Restaurants and Hospitality

Why is schedule flexibility important to restaurant and hospitality workers? Among these workers, 48% say it's tied to mental or physical health.

What it means: These jobs often involve long hours, high stress, and physical demands. For workers managing fatigue, chronic conditions, or burnout, flexible scheduling can be a vital form of self-care. It's not just a retention tool—it's a safety measure. When these employees can pace their workload or adjust their schedules to accommodate personal health needs, it helps reduce burnout, absenteeism, and workplace injuries.

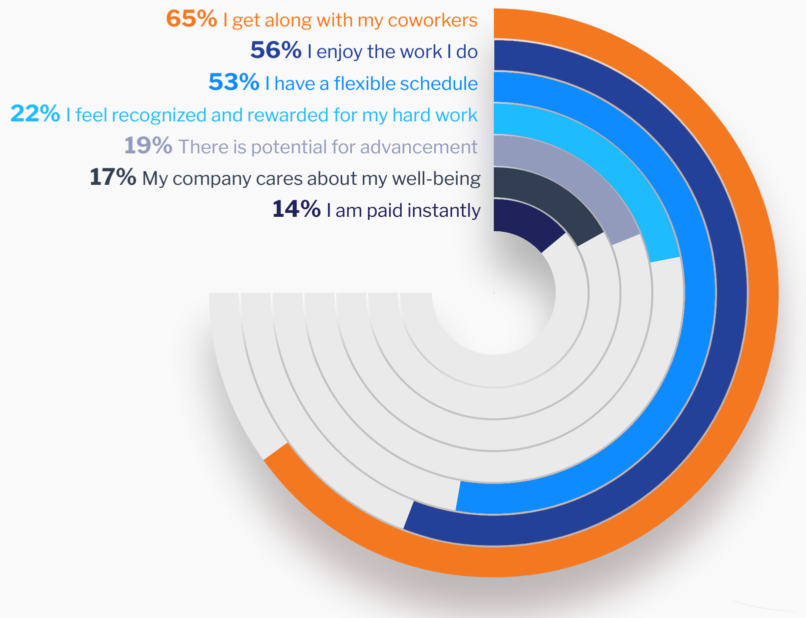
Enjoyment and Connection Still Matter

What do employees value most in their current role? For hourly workers, it's not just about the paycheck. They're showing up for each other, and for the pride they take in their work. Positive relationships in the workplace and a sense of purpose remain critical to retention. While these may not appear on a benefits list, they're often the real reasons people stay—or decide to leave.

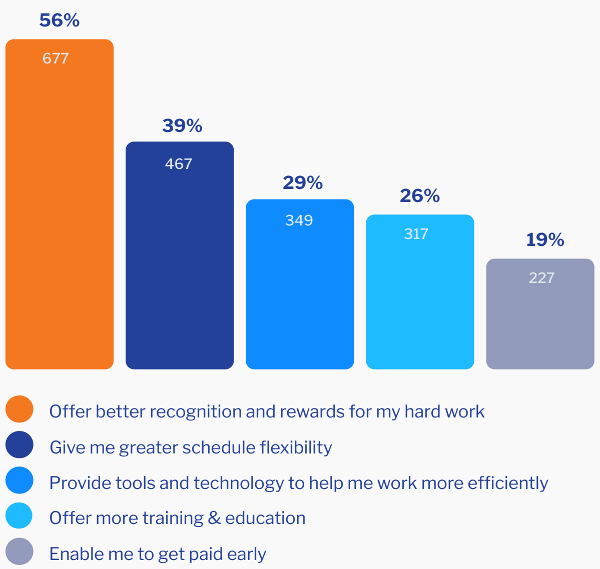
What it means: Despite the challenges, many employees still find fulfillment in their roles, primarily through relationships and a sense of personal accomplishment. Employers should lean into these areas when building culture, recognition programs, and retention strategies.

65% say coworker relationships are the best part of their job.

What do you value most about your current role/company? Select up to three responses.



Other than pay, what could your employer provide to improve your work experience? Select up to two responses.



Recognition Is a Missing Link

How could employers improve the work experience? More than half of employees (56%) want better recognition and rewards.

What it means: Many employees say their efforts go unnoticed unless something goes wrong. That lack of acknowledgment can lead to disengagement, especially among high performers. Recognition doesn't have to be costly or complicated. Regular, thoughtful feedback from managers can go a long way in keeping teams motivated—making it more likely that your strongest employees choose to stay.

56% say recognition would improve their work experience.

Early Pay Access Is a Big Deal, Especially in Retail and Fashion

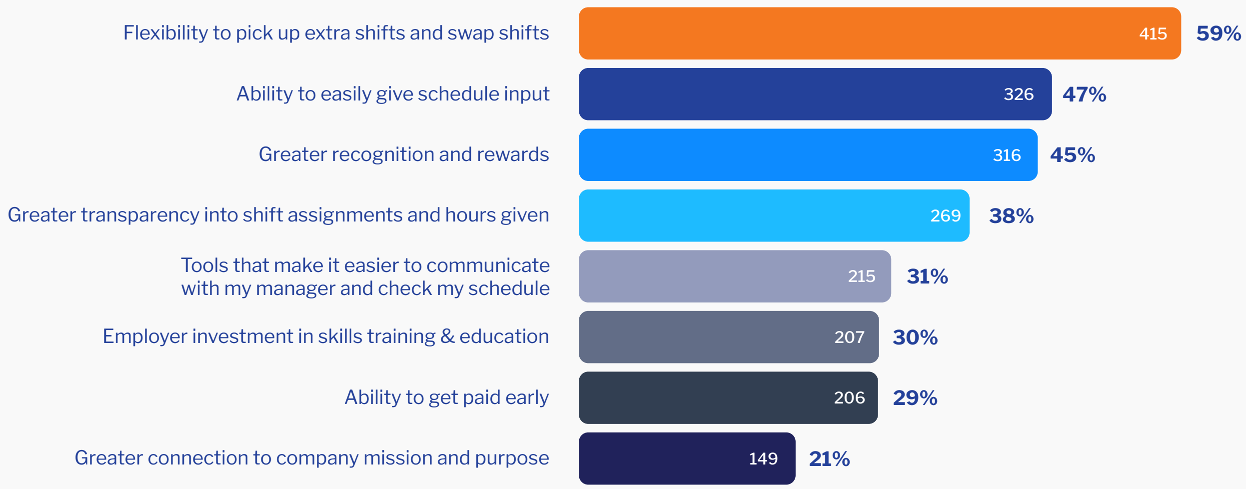
What perks matter most to retail and fashion workers beyond wages? For hourly workers in these jobs, 29% say early access to wages is a top priority.

What it means: Pay cycles often misalign with financial realities. Rent may come due before payday, and unexpected expenses can't wait. Offering flexible pay options can ease pressure, calm stress, reduce absenteeism, and position your organization as a more supportive, responsive employer.

29% of retail and fashion workers want early access to earned wages.

RETAIL & FASHION SEGMENT

Other than pay, which three incentives are the most important to you if you were to look for a new hourly job?

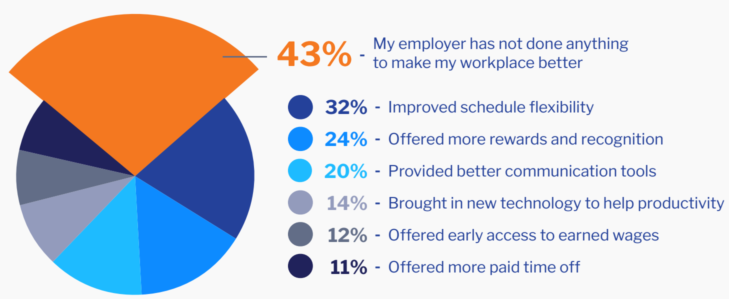


Workplace Improvements Are Rare—and Not Always What Employees Want

What changes has your employer made in the last year? A staggering 43% of workers told us their employer hasn't done anything to improve the workplace.

What it means: When nothing changes, people notice. Most workers aren't expecting sweeping overhauls, but they do expect progress. Inaction erodes trust over time, especially when teams are already under strain. Shifts—like upgrading scheduling systems or introducing more flexibility—can make a difference. Tools that match schedules to employee preferences, in particular, are not only a highly requested change but also one of the clearest ways to show that feedback is being heard.

In the last 12 months, what has your employer done—beyond increasing wages—to make it a better place to work? Select all that apply.



43% say their employer hasn't made any improvements this year.

Hourly Employees Continue to Look to Unionization as a Means to Improve Work Conditions

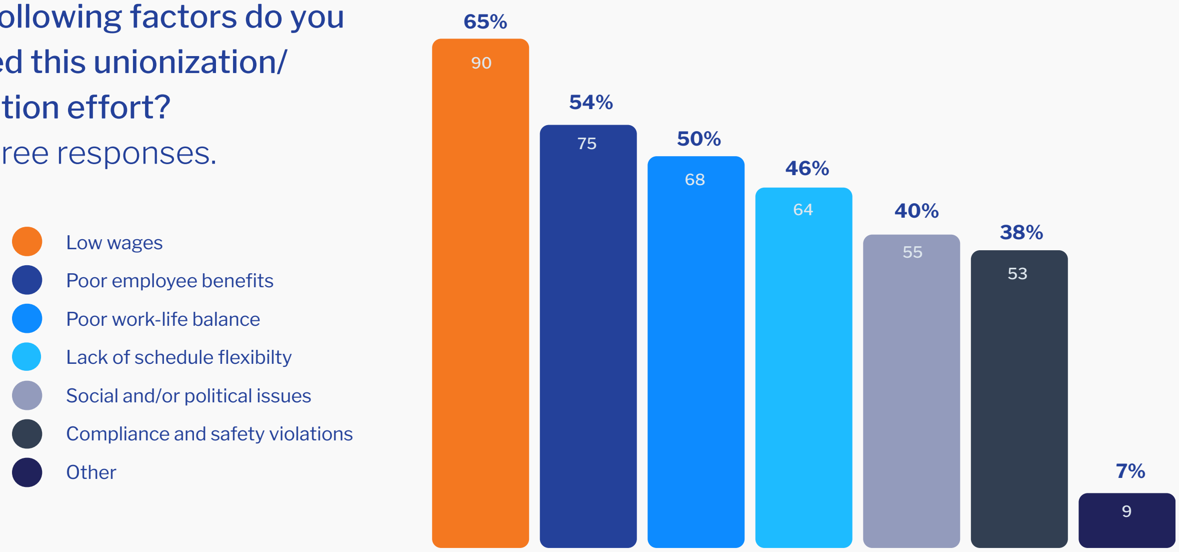
Why are hourly employees interested in unions? 27% of hourly employees wish for unionization in their workplace to address low wages, poor benefits, poor work-life balance, and limited schedule flexibility.

What it means: When hourly employees don't see progress in meeting their needs, they'll start looking for something else, whether it be a new job or supporting a unionization effort to deliver the pay, benefits, and flexibility they need.

27% of people wish there had been a unionization effort at their workplace.

Which of the following factors do you believe inspired this unionization/ labor organization effort?

Select up to three responses.



Manager's Perspective

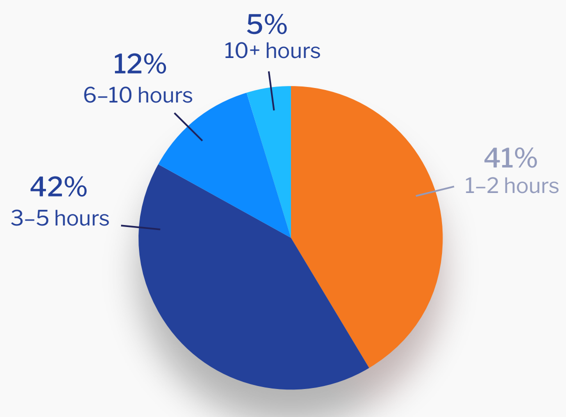
Manual Scheduling Eats Up Time and Hurts Productivity

How much time do managers spend creating schedules? More than half (58.5%) of managers spend 3 to 10+ hours each week just on scheduling.

What it means: Time spent on scheduling adds up quickly. For many managers, it competes directly with coaching, hiring, and supporting frontline teams. In addition, misaligned schedules aren't just a logistical problem, it weakens the employer brand, drives up no-shows, and quietly increases turnover. Dynamic scheduling that matches availability can strengthen operations and employee satisfaction at the same time.

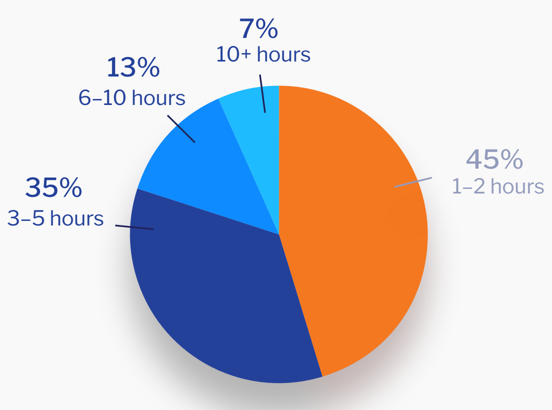
Over half of managers spend 3–10+ hours per week on scheduling.

How much time do you spend per week on scheduling tasks?



RESTAURANT & HOSPITALITY SEGMENT

How much time do you spend per week on scheduling tasks?



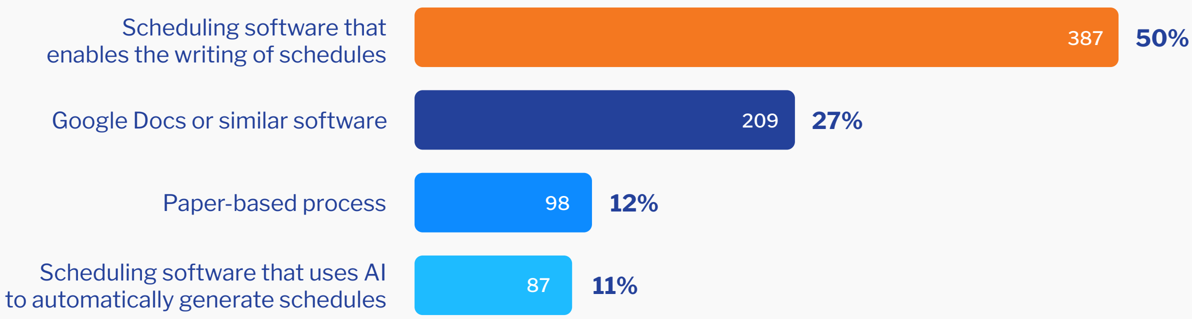
Restaurant and Hospitality Managers Face Higher Admin Overload

How much time do restaurant and hospitality managers spend on scheduling? In these industries, 55% of managers spend more than 3 hours a week on scheduling alone, with 7% spending over 10 hours per week.

What it means: Restaurant and hospitality roles move fast and change often, as do schedules. That means more last-minute adjustments, more communication, and more manual work. For managers, it's not just about optimizing time; it's about how often that time comes at the expense of people leadership.

More than half of restaurant or hospitality managers spend 3+ hours each week on scheduling.

How do you create schedules?



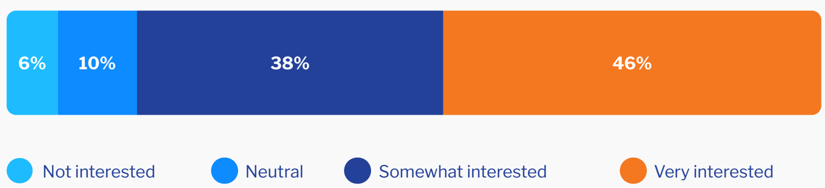
Too many managers still use manual tools for scheduling.

Manual Scheduling Methods Are Still Common

How do managers create schedules today? Just 11% of managers say they're using AI to build schedules, and 39% still rely on paper, spreadsheets, or tools like Google Docs. Even among those with scheduling software, many say it doesn't support real-time adjustments or offer the automation they crave.

What it means: Scheduling isn't keeping pace with the business. In a dynamic labor environment, static tools slow everything down—from shift coverage to performance alignment. These tools often lack real-time optimization or automation, leaving managers stuck working through changes manually. However, AI has the potential to take care of most scheduling adjustments automatically.

How interested would you be in technology that enables you to calculate hourly employee productivity?



84% of managers want tools to track hourly productivity.

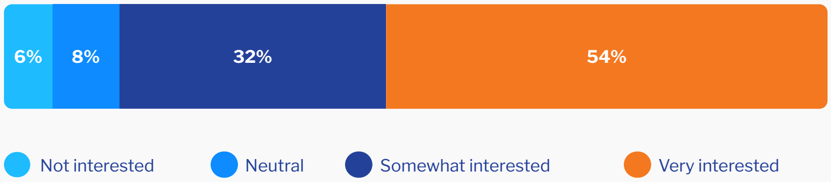
Managers Want Tools to Calculate Hourly Productivity

Would you use tech to calculate hourly employee productivity? Eighty-four percent of managers say they're interested in tools that would help them calculate hourly productivity.

What it means: Managers aren't just filling shifts, they're trying to schedule them with the right people. Using productivity data to inform scheduling helps frontline leaders align staffing with real demand and performance expectations.

When schedules reflect actual output, it becomes easier to place the right people in the right shifts—with less guesswork. It also gives managers better visibility into what's working, so they can adjust more confidently and support their teams more effectively.

Would you be interested in technology that enabled you to automatically schedule your most productive employees at peak times?



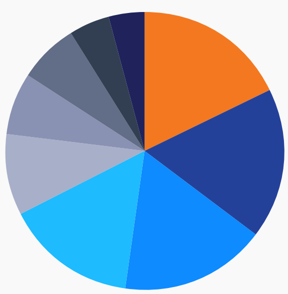
86% want to automatically schedule top performers during peak hours.

Managers Also Want to Schedule Top Performers Automatically

Would you use technology to schedule your best employees during peak times? Eighty-six percent of managers say yes. Of those, more than half (54%) said they are very interested, and another 32% said they are somewhat interested.

What it means: By automatically prioritizing high performers during peak periods, managers can boost conversion, elevate service, and hit revenue targets without increasing headcount. This approach can give managers more confidence that their labor models and schedules support their ability to hit sales goals.

What has made managing employees schedules the most difficult over the past 12 months?



- **18%** - Matching employee preferences and availability with the needs of the business
- **18%** - Attracting and retaining employees
- **17%** - Staying within labor budgets
- **15%** - Motivating employees
- **10%** - Creating fair and equitable schedules
- **7%** - Communicating effectively with employees
- **6%** - Not being able to easily identify the best-performing employees for prime shift times
- **5%** - Cumbersome processes and tools
- **4%** - Ensuring compliance with labor laws and company policies

18% of managers say matching preferences to needs is the hardest part of scheduling.

Matching Schedules to Availability Remains a Top Pain Point

What makes scheduling difficult? For 18% of managers, the hardest part of scheduling their teams is matching employee preferences with business needs, especially when availability changes at the last minute or labor demand spikes unexpectedly.

What it means: Even when hours are available, aligning them with availability is hard, especially without dynamic scheduling tools. Poor alignment can lead to unfilled shifts and employee frustration.

Managers Still Fill Shifts by Texting Employees

How do you fill open shifts once the schedule is live? Forty percent of managers still call, text, or email individual employees directly.

What it means: Manual shift coverage takes time and leaves a lot to chance. It also increases the likelihood of missed messages and scheduling errors, especially during peak hours or when changes happen at the last minute. Centralized and automated tools could simplify this process and reduce back-and-forth communication.

40% of managers still text or call to fill open shifts.

How do you fill open shifts in the schedule once the schedule has been published?

Restaurant and Hospitality Managers Struggle Most with Shift Coverage

How do restaurant and hospitality managers fill open shifts? Thirty-six percent rely on manual outreach, such as texting or calling employees one at a time.

What it means: When shift gaps open up in these businesses, managers often struggle with outdated methods that add stress and slow resolution. Systems that let managers broadcast open shifts or offer auto-fill features could speed up coverage and reduce missed hours.

36% of restaurant and hospitality managers still text or call to fill open shifts.

RESTAURANT & HOSPITALITY SEGMENT

How do you fill open shifts in the schedule once the schedule has been published?

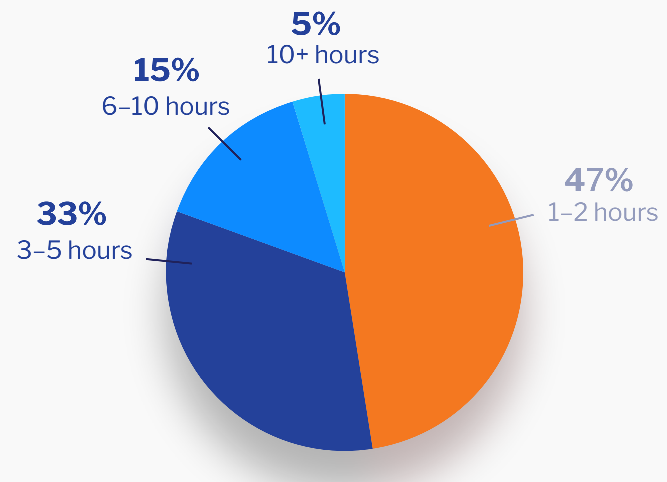
Time and Attendance Management is Another Major Drain

How much time do managers spend on time and attendance tasks? More than 52% of managers say they spend 3 to 10+ hours weekly tracking time and attendance.

What it means: Tracking hours, fixing errors, and reviewing clock-ins is another part-time job for these frontline leaders. When these tasks are split across disparate systems or rely on manual tracking, they amplify the space for human error and create friction for both employees and managers. Reducing that noise and modernizing the tech stack could unlock hours of new leadership time each week.

More than 52% of managers lose 3–10+ hours each week to time and attendance.

How much time do you spend per week on time and attendance tasks?



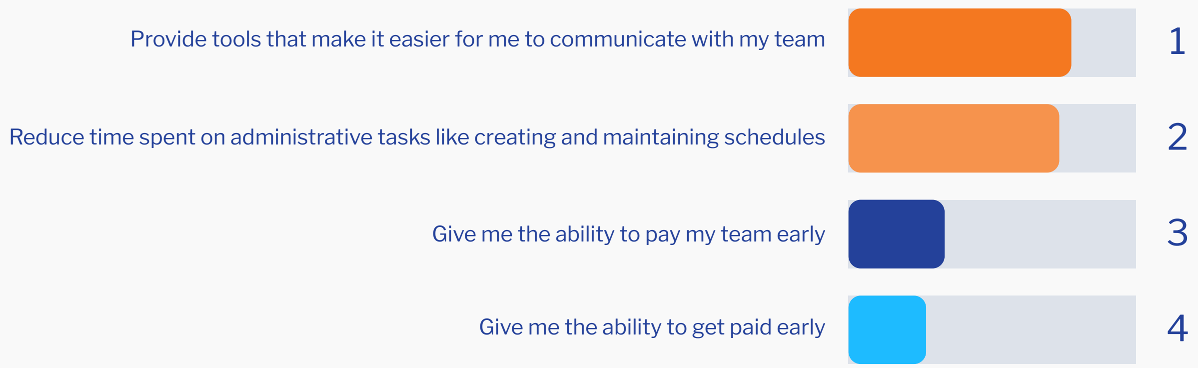
Managers Want AI That Reduces Admin and Lets Them Lead

How could your employer help you succeed in your role? Given the stats we just covered it's no surprise that managers consistently point to better communication tools and less time spent on administrative tasks like scheduling and time tracking when asked what would help them succeed.

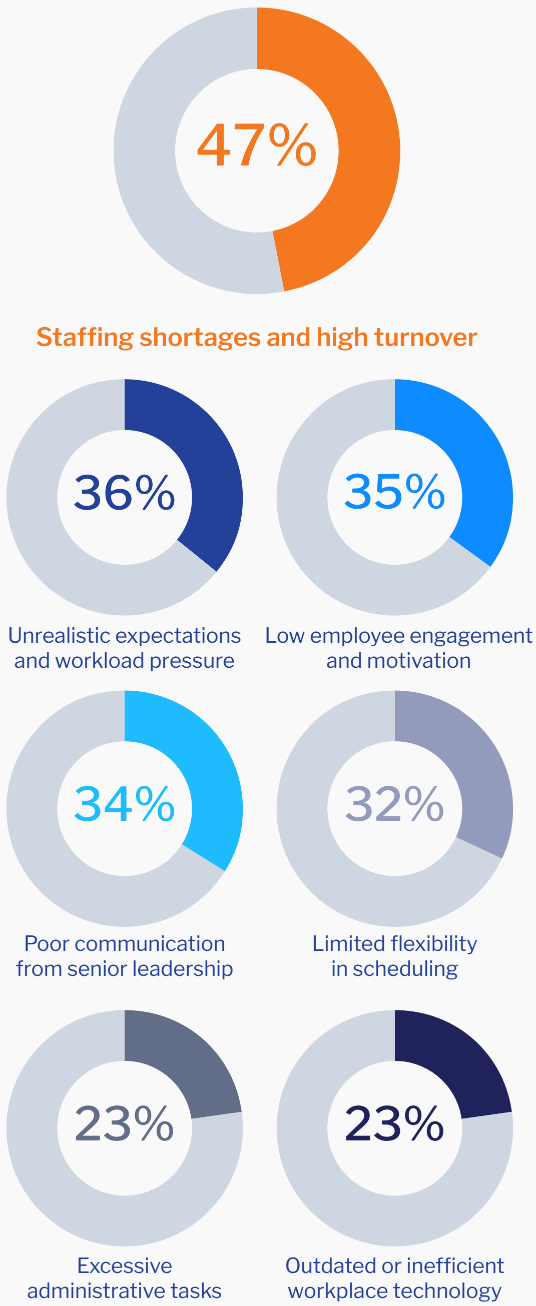
What it means: This year's data reveals it isn't about adding more tech, but rather replacing the manual systems that slow teams down. Managers are asking for AI-powered tools that can take repetitive tasks off their plates so they can focus on people, not spreadsheets.

Managers say communication tools and scheduling automation would help them most.

How could your employer help you succeed in your role? Rank from most to least important.



What is the biggest challenge you face in your role as a manager?
Select up to three responses.



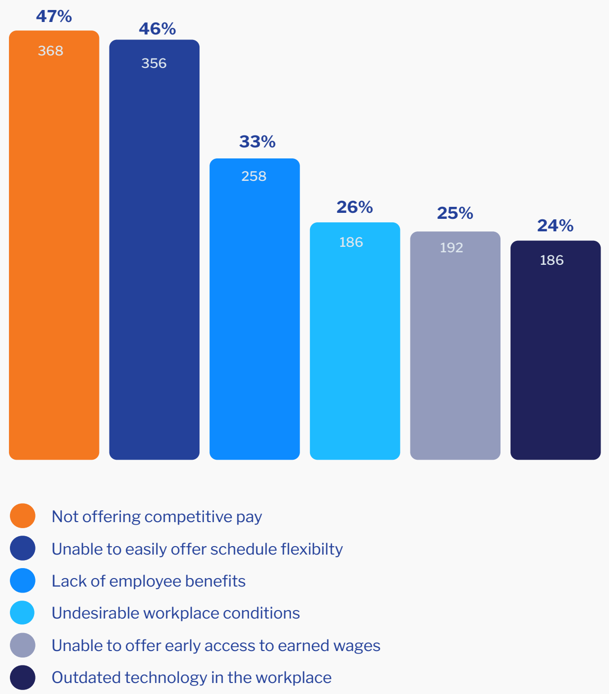
Retention Is Still a Top Challenge for Managers

What's the biggest challenge you face as a manager? Staffing shortages and turnover were the most common response, selected by 47% of managers.

What it means: It's hard to hit targets when the team keeps changing. High turnover doesn't just cause gaps in coverage; it also applies uneven downward pressure on managers, increases the time needed for onboarding, slows team performance, and drives more admin overhead. Until hourly worker retention improves, almost every other aspect of operations becomes more challenging.

47% of managers say staffing challenges and high turnover are some of their biggest challenges.

What is the biggest challenge you face in retaining employees?
Select up to two responses.



Retention Tied to Pay and Flexibility

What makes it hard to retain hourly workers? When asked what makes it hard to retain hourly workers, managers consistently pointed to two key challenges: limited flexibility and pay that doesn't go far enough. Forty-seven percent cited compensation, and 46% named scheduling as a barrier.

What it means: Retention often gets painted as a culture problem, but for many managers, it's also an operational one. When schedules are rigid and pay can't compete, employees leave, no matter how supportive or well-intentioned the environment might be.

Pay and flexibility top the list of retention challenges.

Retention Pressure Is Highest for Restaurant and Hospitality Managers

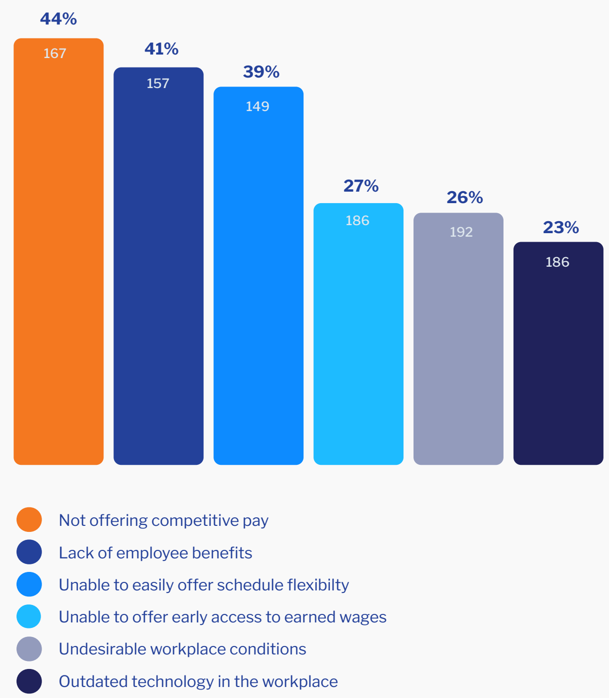
What makes it hard to retain hourly staff in restaurants and hospitality? In restaurants and hospitality, 44% of managers say low pay drives workers out, and 41% point to a lack of benefits. These challenges are tough to fix when margins are tight and turnover is high.

What it means: Employees are more likely to walk when wages aren't competitive and benefits are limited or missing. Investing in either area could directly impact retention for restaurants and hospitality establishments already facing thin margins and staffing gaps.

Restaurant and hospitality managers say low pay and limited benefits drive attrition.

RESTAURANT & HOSPITALITY SEGMENT

What is the biggest challenge you face in retaining employees?
Select up to two responses.



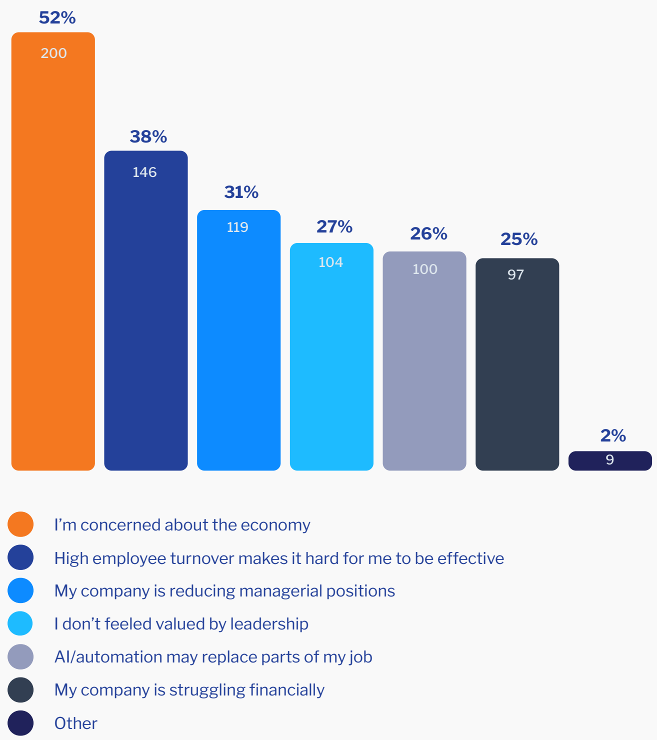
49% of managers are worried about job security.

Turnover and Economic Conditions Are Causing Managers to Worry About Job Security

Why are managers worried about job security? Nearly half of managers (49%) say they're concerned about their job security—and the top reason, cited by 52%, is uncertainty about the economy. High employee turnover is another major challenge, with 38% saying it makes it difficult to be effective in their roles. Additionally, 31% report that their companies are actively cutting managerial positions, further fueling anxiety about their future.

What it means: Economic uncertainty, high turnover, and role reductions are weighing heavily on managers, putting their ability to lead effectively at risk. Automation can play a critical role in easing that pressure by streamlining routine tasks and reducing manual workload, allowing managers to reclaim time and mental bandwidth. This shift enables them to focus on what matters most: supporting their teams, driving performance, and contributing strategically to the business during uncertain times.

Why are you concerned about job security in the next 12 months? Select up to two.



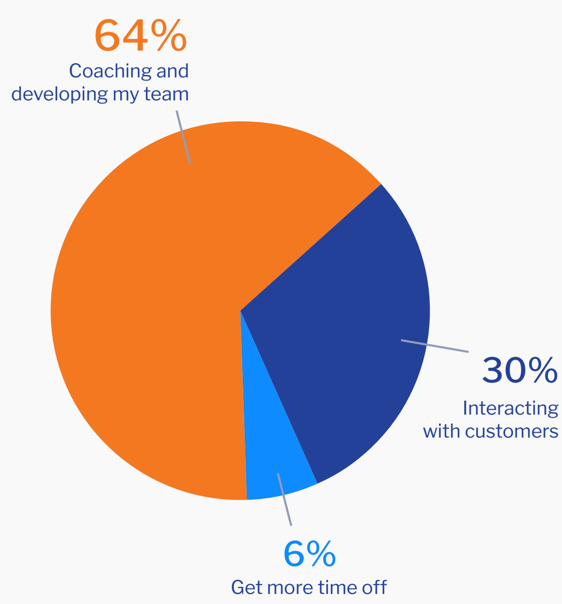
Admin Tasks Are Stealing Time from Coaching, Customers, and Driving the Business

What would you do if admin time was reduced? When asked how they would spend time saved from reduced admin work, 64% of managers said they would focus on coaching and developing their teams. Another 30% would spend more time with customers.

What it means: Managers know their time is best spent developing people, supporting customers, and helping teams perform. But too often, that time gets lost to routine tasks. Gaining even a few hours each week can improve focus, sharpen execution, and provide managers with space to lead more effectively where it matters most.

64% say they'd coach teams if admin time were reduced.

If your employer could reduce the amount of time you spend on administrative tasks, how would you use the time gained?



Which of the following do you wish were intelligently automated?

Rank from most to least important.

Automation Priorities Are Clear—and Scheduling Tops the List

What do you wish were intelligently automated? When asked which tasks they most wish were intelligently automated, frontline managers made one thing clear: scheduling is the biggest pain point. In a ranking of automation priorities, employee scheduling earned the top spot, followed closely by compliance management and handling call-outs. Lower-ranked tasks like communication and recognition tools signal that while engagement matters, operational efficiency remains an urgent need.

What it means: These preferences reinforce the broader trend across this year's data—leaders are ready to automate the administrative work that slows them down and focus their time where it matters most: on people and performance.

Impact of AI

AI Has the Potential to Boost Efficiency and Unlock Manager Productivity

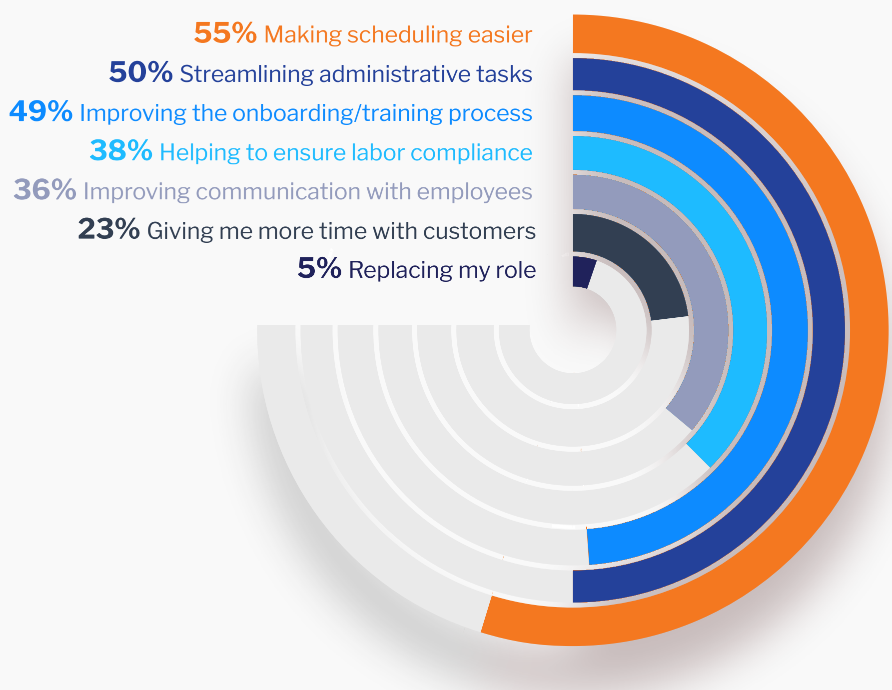
How do you see AI impacting your role in the next 12 months? More than half of managers (55%) believe AI will make scheduling easier in the next year. Other benefits they expect include fewer admin tasks (50%) and better onboarding (49%).

What it means: For many managers, AI offers a way to cut through the day-to-day noise and focus on what drives performance. Most are ready to adopt tools that help them schedule more efficiently and reduce time spent on routine tasks, but access and implementation still lag behind.

When used effectively, AI can adjust staffing in real time, automate repetitive updates, and support smarter scheduling decisions. In a time when every hour and decision matters, AI has the potential to offer efficiency…and relief.

55% of managers say AI will make scheduling easier this year.

In the next 12 months, how do you see AI impacting your role?
Select up to three responses.

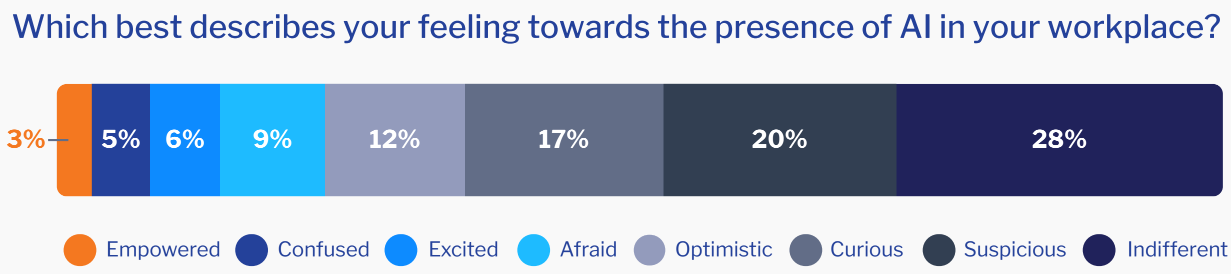


Employee Sentiment Around AI Is Mixed

How do hourly employees feel about AI in the workplace? Employee opinions on AI are split. Twenty-eight percent say they're indifferent, 20% say they're suspicious, and 18% feel positive about its role in the workplace.

What it means: Many hourly workers haven't yet formed a strong opinion about AI, but those who have are more cautious than excited. This divide presents an opening for employers to lead a constructive conversation. Explaining what AI does—and how it supports rather than replaces workers—could help build trust before the rollout begins.

Just 18% of employees feel optimistic and excited about AI at work.



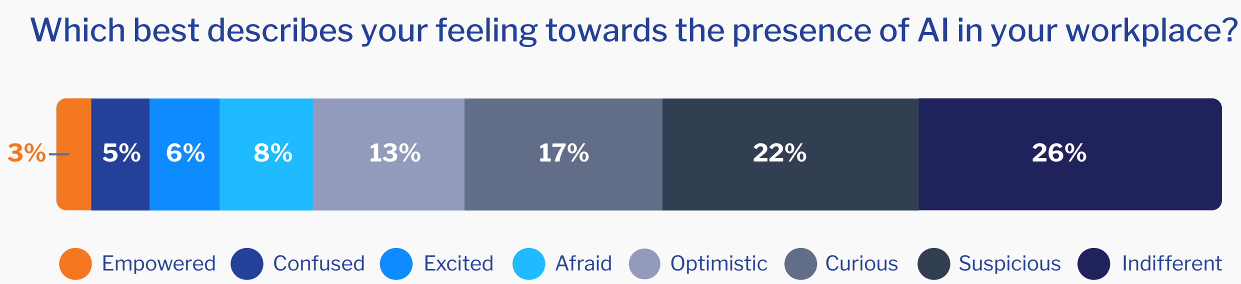
Retail and Fashion Industry Workers Are More Open to AI, But Still Divided

How do retail and fashion workers feel about AI in the workplace? In retail and fashion, 16% of workers say they're curious about AI, and 6% say they're excited. But 22% say they're still suspicious of it.

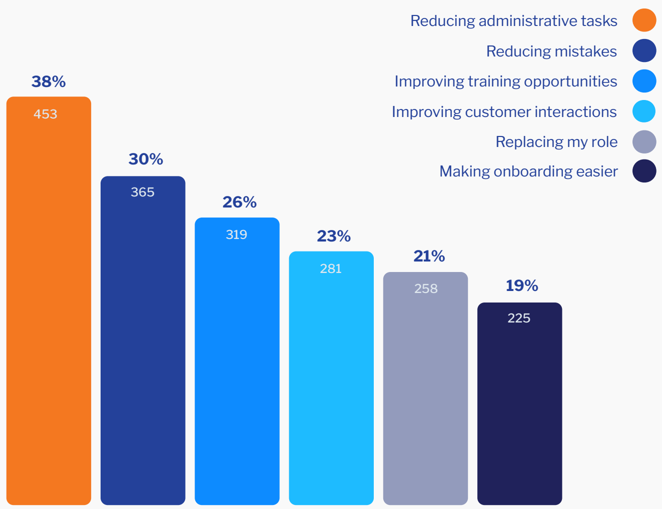
What it means: Even in sectors where AI is gaining traction, skepticism across the workforce remains. Early adopters in retail and fashion can lead by example by rolling out AI transparently and clearly showing how it supports workers, rather than replacing them.

Over 20% of retail workers still have questions about AI, but many are open to learning more.

RETAIL & FASHION SEGMENT



In the next 12 months, how do you see AI impacting your role? Select all that apply.



1 in 5 workers believe AI could replace their job this year.

Employees See AI's Potential, but Also the Risks

How do hourly employees expect AI to impact their jobs in the next year? We saw a range of feedback this year, including reducing admin work (38%), improving training (26%), and lowering errors (30%). However, 21% of employees believe it may replace their role, in a stark contrast to the 5% of managers who share this concern.

What it means: Workers are starting to see how AI can support their daily tasks, but questions about job security are still common. These concerns don't necessarily signal resistance—they reflect uncertainty, which can be addressed through better communication and clearer intent.

When managers are proactive in explaining how AI fits into the workplace—and how it supports rather than replaces people—employees are more likely to trust the change. Education, transparency, and thoughtful rollout plans will shape how AI is received and used over time.

Retail and Fashion Industry Managers Are More Open to AI

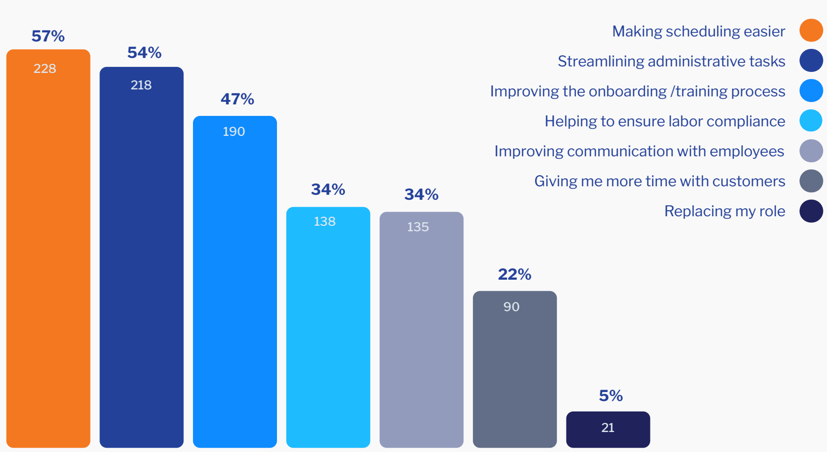
How do retail and fashion managers expect AI to impact their roles? They are slightly more optimistic about AI than the average manager. Many in these sectors expect it will help with training, communication, and compliance-related tasks.

What it means: The key opportunity for managers is alignment. They're ready for smarter tools, but their success depends on adoption support, simple workflows, and systems that reduce their workload instead of adding new tasks. Tool choice matters, but so do implementation and training.

Retail and fashion managers are more optimistic about AI's impact.

RETAIL & FASHION SEGMENT

In the next 12 months, how do you see AI impacting your role? Select up to three responses.



Are you concerned about employee resistance to AI-driven changes?

48% of managers expect employees to resist AI-led changes.

Leaders Shouldn't Assume Resistance to AI

Are employees likely to resist AI-driven changes? Managers are split on how employees will react to AI. About half (48%) expect resistance, while the other half (52%) think employees will be open to it.

What it means: Rolling out AI successfully requires thoughtful change management. Employees are more likely to engage with new systems when they understand how those systems work and how they fit into their day-to-day responsibilities.

AI should be seen as a way to support decision-making and improve responsiveness, not as a replacement for human judgment. Managers have a key role in building that trust through coaching, clarity, and consistent messaging.

Year-Over-Year Comparisons

While many of this year's trends and themes are consistent with 2024's data, several shifts offer a clearer picture of where frontline work is headed and where pressure points remain unchanged. Below are the trends worth watching:`

01 Flexibility Demand Continues to Climb

2024: 41% of employees said schedule flexibility was a top benefit they wanted

2025: 61% say it's the single most important non-pay priority

What it signals: Flexibility has gone from benefit to baseline expectation. The jump in importance suggests employees now see scheduling control as essential for staying in a role. While employers may have introduced basic flex policies, employees seek increased autonomy: more input, fewer last-minute changes, and better alignment with personal commitments.

02 Recognition Gaps Still Haven't Closed

2024: 20% of workers felt recognized for their efforts

2025: That figure remains low, and 56% also say better recognition would improve their work experience

What it signals: The desire for recognition and the gap between what employees value and what they receive are growing. This is an area where change is highly visible to employees. When nothing improves, they notice. Consistent, genuine recognition may carry more weight than one-time incentives or generic perks.

03 AI Adoption Hasn't Kept Up with Optimism

2024: Less than 20% of managers used AI-powered scheduling

2025: Only 11% say they use it today

What it signals: Despite the initial excitement around AI, widespread adoption hasn't followed. Most managers still agree that AI can help, but few have access to tools that actually deliver. Barriers like training, legacy systems, and implementation gaps are slowing progress. Meanwhile, employee skepticism persists, with fewer than 20% feeling optimistic about AI at work.

04 Intent to Leave Remains a Constant

2024: 50% of workers planned to leave their jobs within the year

2025: 49% say the same

What it signals: Despite investments in perks, policy changes, or technology, attrition intent hasn't budged. The hourly workforce continues to operate with short time horizons, whether due to job conditions, pay, or external life pressures. This stability in the data isn't a neutral signal—it's a warning that deeper issues remain unresolved.

05 More Workers Are Seeking an Exit from Entire Industries

2024: 62% of those planning to leave also planned to switch industries

2025: 59% say the same

What it signals: The drop is marginal, but the trend is still serious. Workers aren't just looking for better roles within the same field. They're re-evaluating whether the industry meets their long-term goals. That kind of exit means employers lose trained talent, institutional knowledge, and momentum.

06 Pay Remains a Top Driver of Exit Plans

2024 and 2025: In both years, the #1 reason employees plan to leave their industry is that they don't make enough money

What it signals: Compensation dissatisfaction isn't softening. Rising living costs are putting more pressure on stagnant wages, and many workers are hitting a ceiling in roles with little upward mobility. Without better pay or clearer growth paths, exit plans remain high.

Summary

What's most striking in this year's data isn't just what changed, but what didn't. Intent to leave remains high. Recognition still lags. Adoption of new tools is slow. And while flexibility and early wage access are gaining traction, most workers aren't seeing meaningful progress. These patterns suggest that employers are trying but not yet hitting the mark.

Recommendations for Employers

- [ ] **Use automation to improve efficiency and protect your workforce.**

Managers are spending up to 20 hours a week on scheduling, time tracking, and other repetitive tasks. That time could be spent leading their teams, supporting new hires, and improving service. AI-powered automation gives them space to do that by streamlining the work that slows them down.

Automation is one of the most effective ways to increase productivity, reduce turnover, and protect margins. In today's unpredictable labor environment, giving managers the time and tools to lead more effectively is not just operationally smart. It is a long-term strategy for staying competitive.

- [ ] **Tap into productivity insights to boost labor efficiency.**

Not all labor hours have the same impact. When managers have visibility into hourly productivity, they can schedule top performers during peak periods, tighten up shift planning, and improve service without adding headcount. This kind of data-driven scheduling helps improve margins by getting more from the team you already have and ensures managers have the staffing and performance needed to meet sales and output targets.

- [ ] **Scheduling flexibility is still the most underused retention lever.**

More than 60% of hourly workers say flexibility is what they want most after better pay. That doesn't mean rewriting every schedule, but it does mean creating more pathways for people to manage their availability, swap shifts, and avoid last-minute surprises. You don't have to guess what they need; they've already told you.

- [ ] **Financial stress is showing up in the data. Meet it with real-time tools.**

Employers can't solve inflation on their own, but they can offer tools that reduce friction for workers: earned wage access, clear pay visibility, and faster resolution of pay issues. These changes build trust and can tip the scales when employees are weighing whether to stay or go.

- [ ] **AI adoption is a trust opportunity, not just a tech rollout.**

Most managers see the potential in automation, but many frontline employees still feel uncertain. That doesn't mean they're resistant, but the benefits haven't been clarified enough. Employers who lead with transparency, show the "why," and provide hands-on support are more likely to see successful adoption and stronger engagement across teams.

- [ ] **Deliver what employees value most without increasing costs.**

More than 40% of workers say their employer hasn't made any improvements to the workplace in the past year. While that is a clear missed opportunity, it can also be addressed quickly. Employees are asking for small but meaningful changes such as recognition, clearer schedules, more control over their time, and earlier access to their earnings. These improvements support financial wellness and flexibility and don't require a large investment. When it comes to retention, consistent progress often matters more than major overhauls.

Recommendations for Managers

- [ ] **Use the tools that help you get your best people in the right place at the right time.**

Most managers told us they already know who their strongest employees are. What's harder is ensuring those top performers are scheduled when it matters most without spending hours doing it by hand. Managers should lean in if they have access to AI-powered scheduling or productivity data. The tech is built to help you staff smarter, not harder, so you can focus on running the floor instead of running calculations.

- [ ] **Use automation to free up time for the work that matters most.**

Nearly two-thirds of managers say they would use reclaimed admin time to coach and support their teams. That instinct is correct. When automation takes care of routine scheduling and time tracking, managers are able to spend more time with people, not paperwork.

This shift allows leaders to step out of reactive mode and focus on the exceptions. Whether it is onboarding new hires, monitoring and improving performance, or helping someone grow, managers are most effective when they are present and engaged. Intelligent automation helps make that possible.

- [ ] **Better communication keeps teams informed and recognized.**

Clear, frequent communication is one of the most effective ways to strengthen worker engagement. When employees know what to expect and feel seen for their work, they are more likely to stay focused and committed.

Technology can support this by making it easier to seamlessly share updates, acknowledge great work, or send quick shift reminders. But the real impact comes from consistency. Even small gestures like sharing weekly goals or sending kudos for a job well done help build trust, boost morale, and create a more connected team.

- [ ] **Be the bridge between flexibility and fairness.**

Schedules are becoming more complex as employees juggle caregiving, school, and second jobs. At the same time, businesses still need to meet performance targets. The right tools can help by aligning employee skills and preferences with demand, while also making it easy to adjust when plans change.

Even when a schedule is well-matched, life happens. Giving employees the ability to swap shifts quickly or pick up extra hours when they need additional income can make a real difference. These options help teams feel supported and give managers more stability in return.

Conclusion

Hourly work isn't getting easier, but the path to making it better is becoming clearer. Employees want more flexibility, recognition, and financial stability. Managers want fewer administrative burdens and more tools that help them lead. And in many organizations, the gap between what people need and what employers can offer is closing. The systems just need to catch up.

With economic pressure and labor costs climbing, many companies are feeling squeezed. However, cutting staff or raising prices are not the only options. This year's data shows that more intelligent workforce management can offer a better way. When scheduling is optimized, administrative tasks are automated, and shift planning reflects real demand and employee input, businesses become more efficient without sacrificing service or morale.

Many of the changes that matter most—like early access to pay, preference-based scheduling, and smarter shift coverage—are already within reach. They don't require massive overhauls, just clear intent, smart implementation, and a willingness to act.

If 2024 showed us where the gaps are, 2025 is the year to close them. The technology is available. The opportunity is clear. And the companies that act now will be the ones that stay ahead by supporting their people and strengthening their performance.

About Legion Technologies

Legion Technologies delivers the industry's most innovative workforce management platform, enabling businesses to maximize labor efficiency and employee engagement simultaneously. The award-winning, AI-native Legion WFM platform is intelligent, automated, and employee-centric. It's proven to deliver 13x ROI through schedule optimization, reduced attrition, increased productivity, and increased operational efficiency. Legion delivers cutting-edge technology in an easy-to-use platform and mobile app that employees love. Backed by Riverwood Capital, Norwest Venture Partners, Stripes, First Round Capital, XYZ Ventures, Webb Investment Network, Workday Ventures, and NTT DOCOMO Ventures, Legion is recognized as one of the fastest-growing private companies in America according to the Inc. 5000 and the Deloitte 500 rankings for three consecutive years. For more information, visit legion.co and follow Legion on LinkedIn.

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