

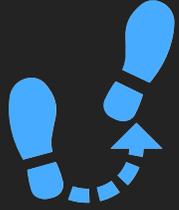
The Great Reshuffle in Labor Markets



Leonard Herk, PhD
Executive Director and Senior Economist
NCCI



Carolyn Wise, ACAS, MAAA
Manager and Associate Actuary
NCCI



The Great Reshuffle

Smaller labor force

Labor shortages

Higher wages and benefits

Workers moving across jobs, sectors, occupations

Changes in the workplace



Workers Compensation Implications

More short-tenure workers

More remote work

Changing industry mix

Short-Tenure Workers: Where and How Many?

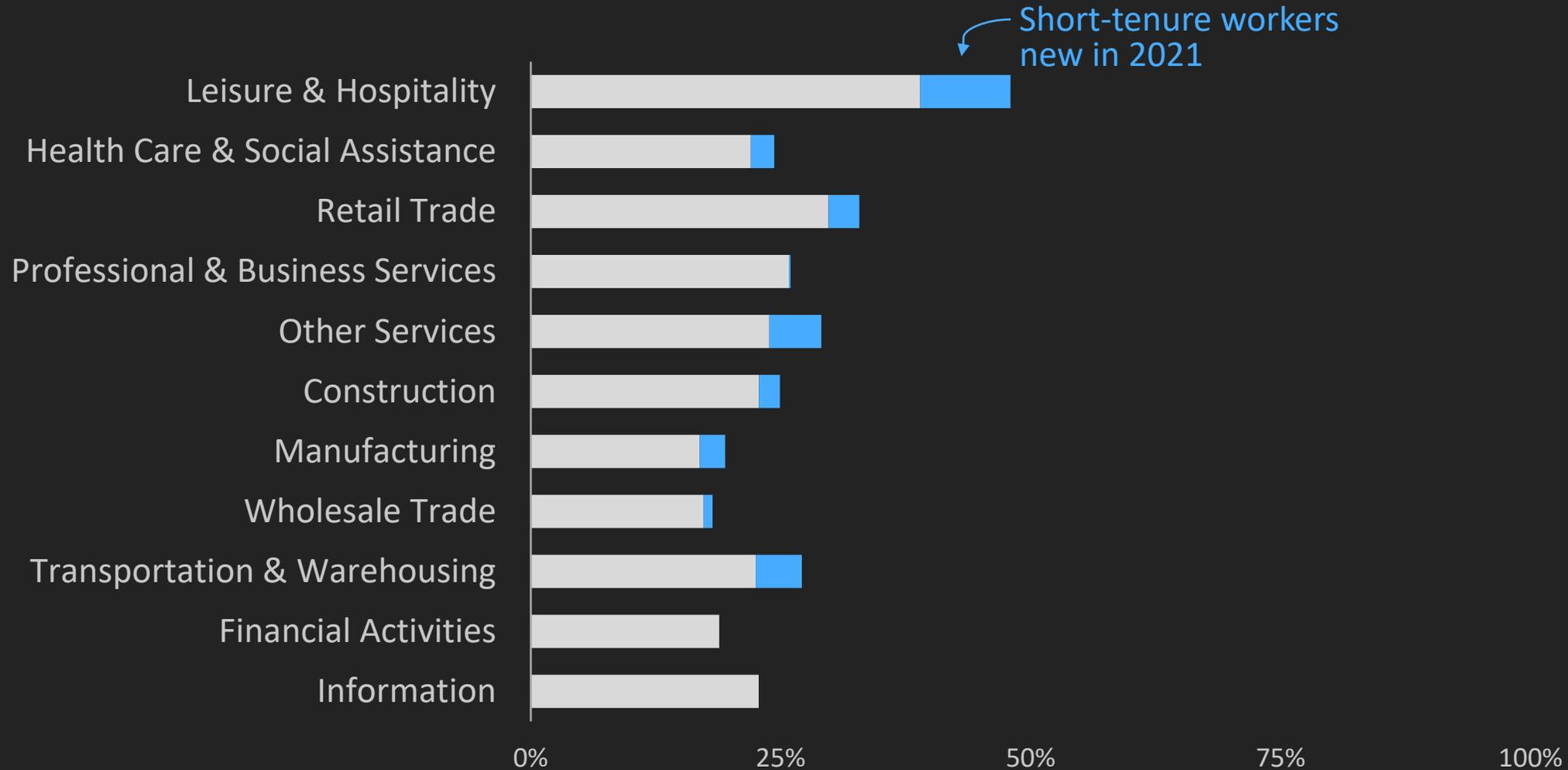
Employment Shares, 2021



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI

Short-Tenure Workers: Where and How Many?

Employment Shares, 2015–2020



Sources: US Bureau of Labor Statistics; IPUMS–CPS; IPUMS–ACS; NCCI

Short-Tenure Workers: Comparative Injury Frequency

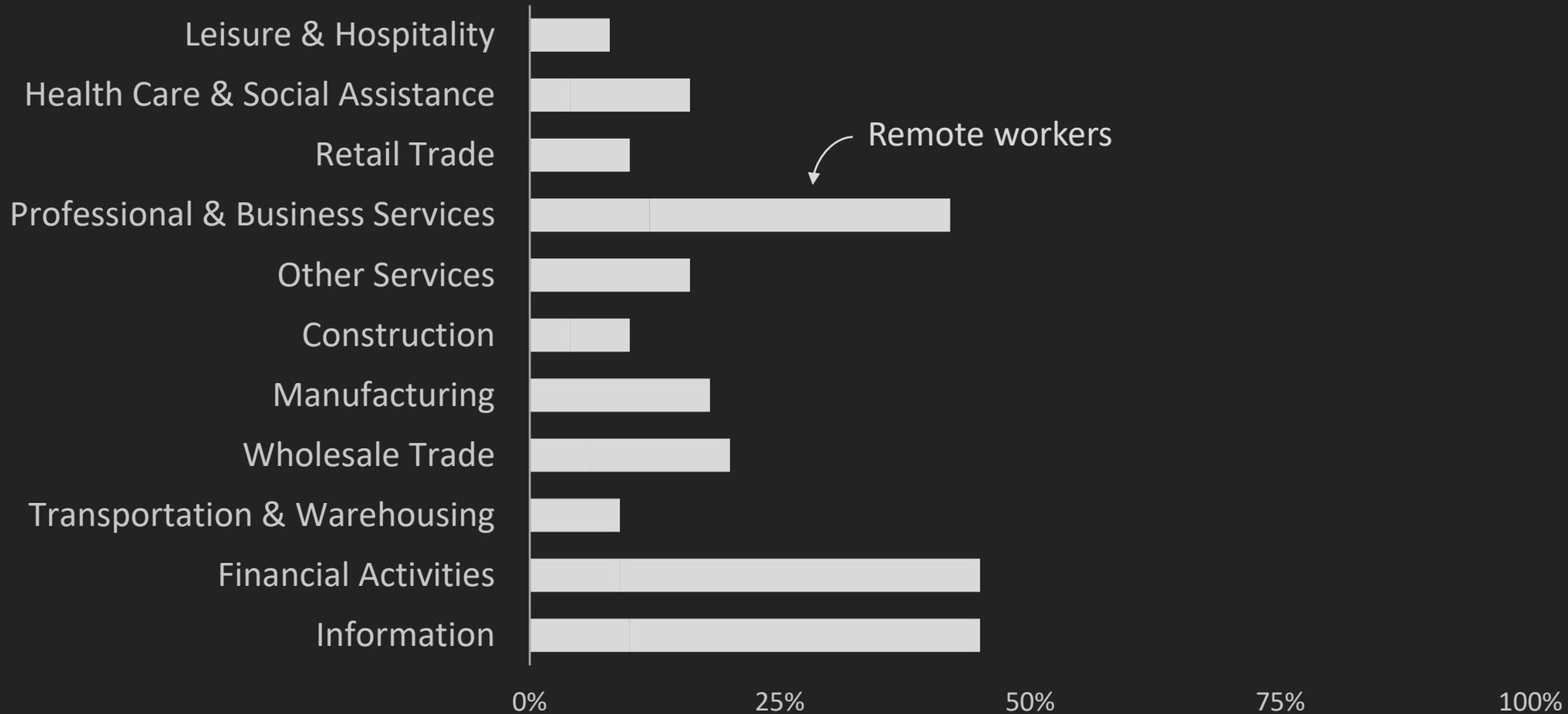
Injury Frequency Relative to Full-Tenure Workers



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI

Remote Workers: How Many and Where?

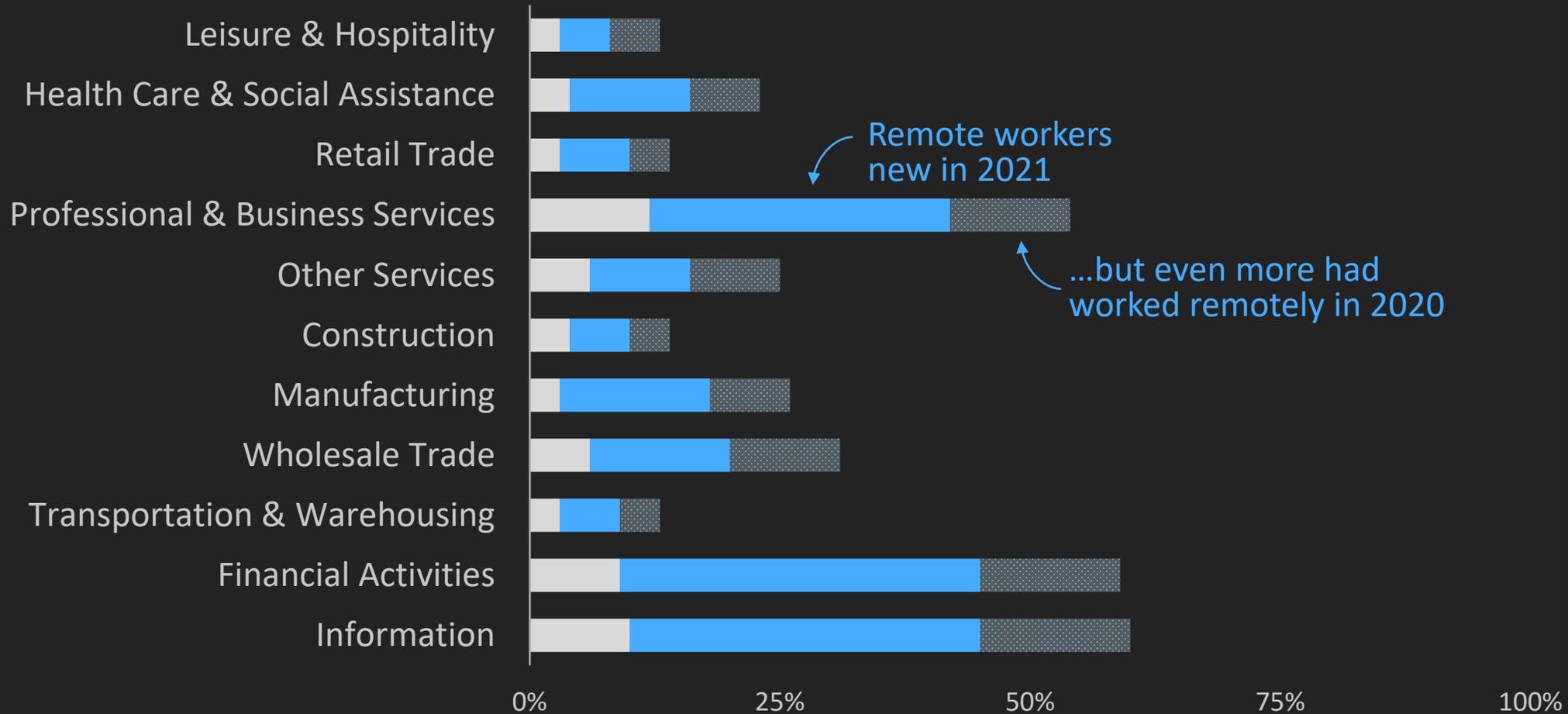
Employment Shares, 2021



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI

Remote Workers: How Many and Where?

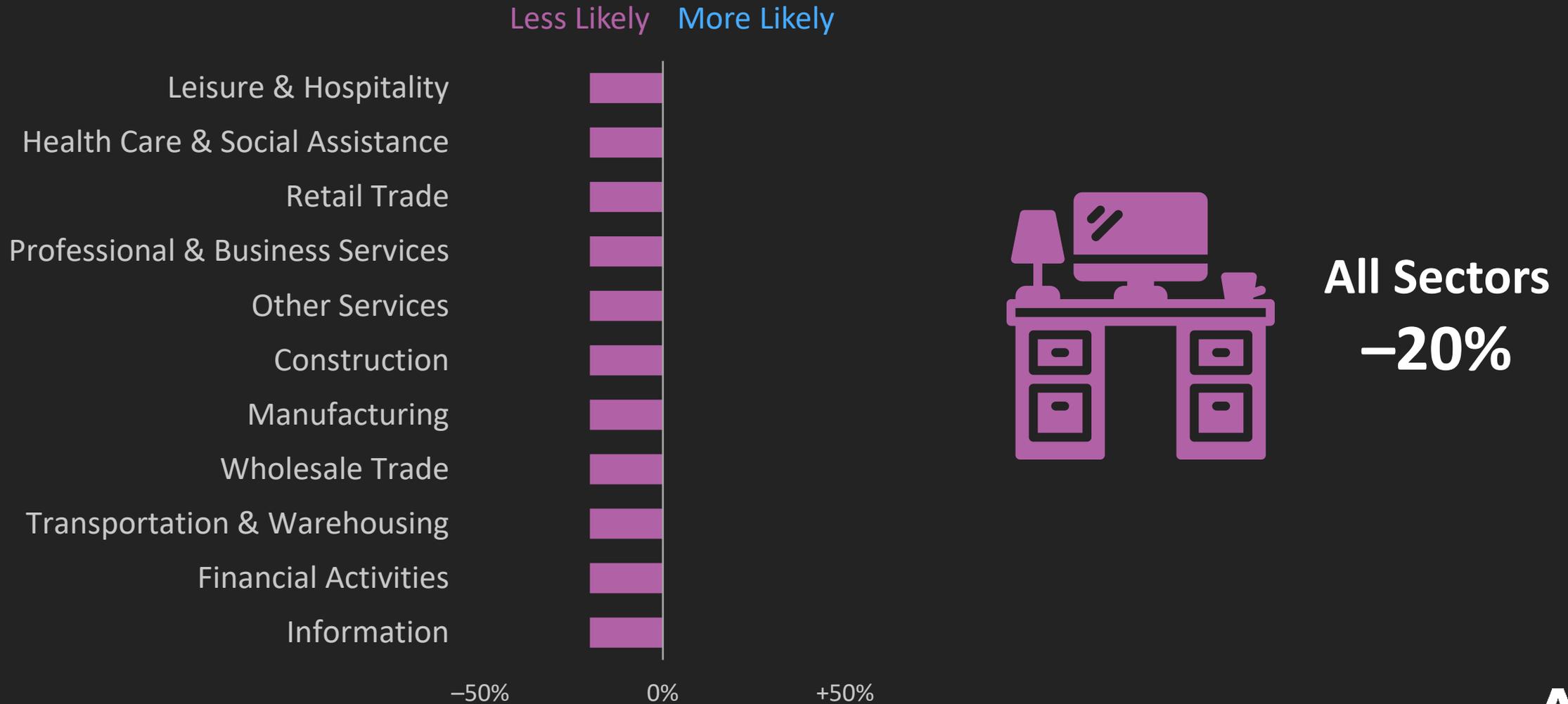
Employment Shares, 2015 to 2021



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI

Remote Workers: Comparative Injury Frequency

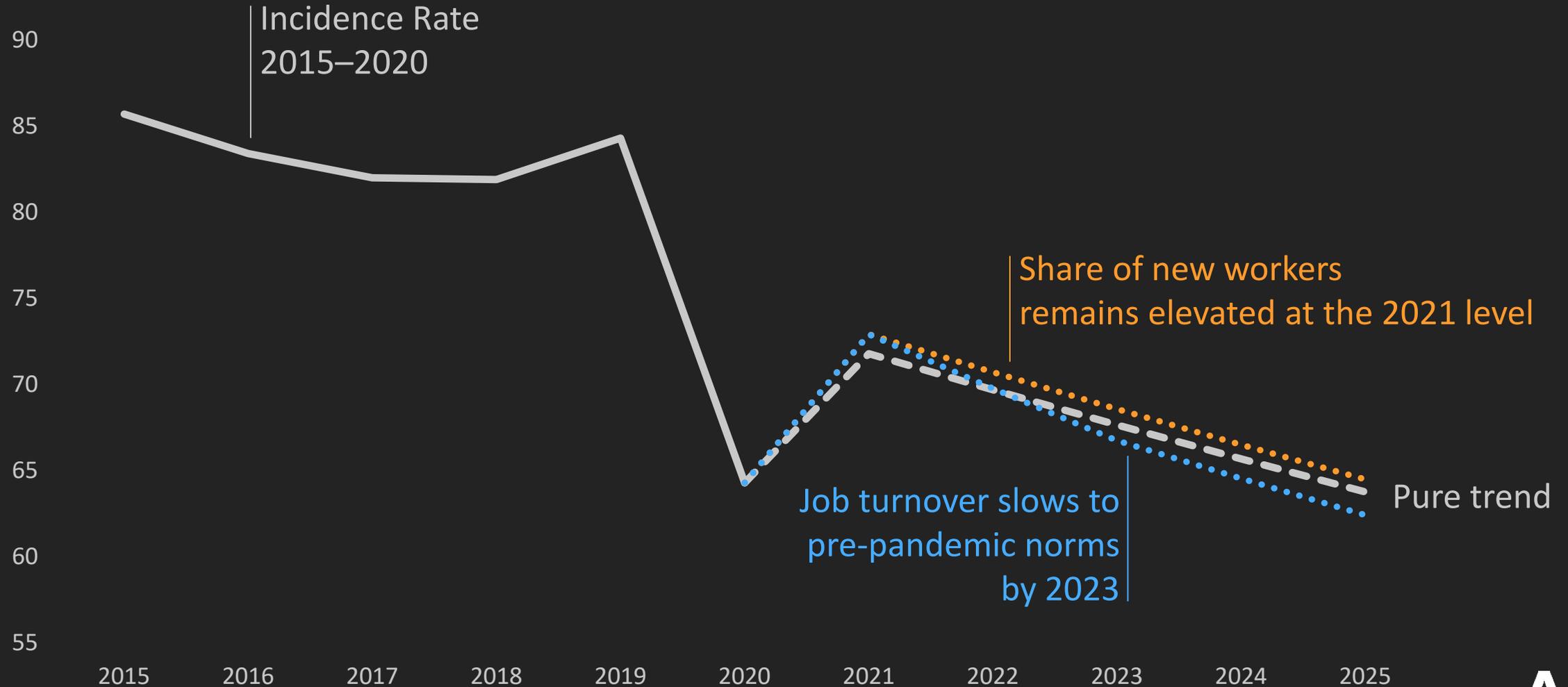
Injury Frequency Relative to On-Site Workers



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI

Leisure and Hospitality

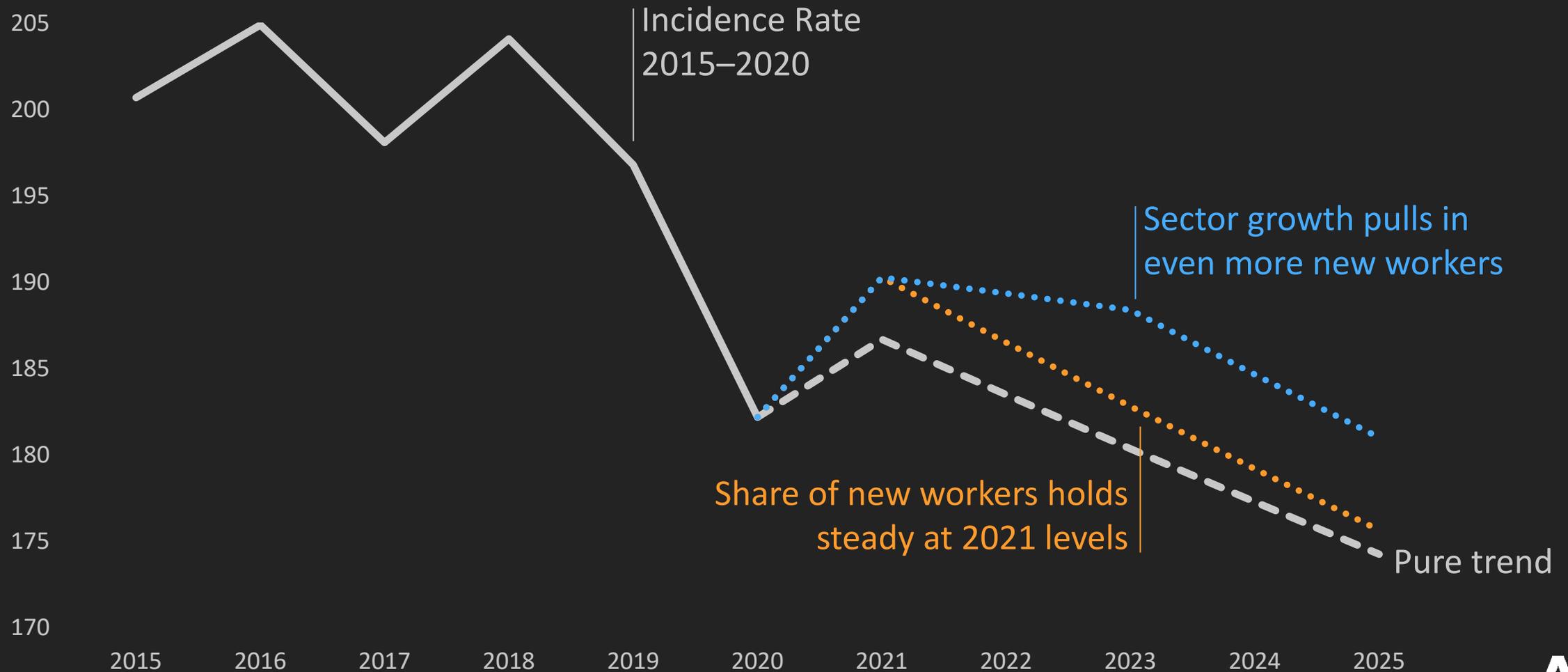
Cases per 10,000 FTE Workers



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI. Excludes COVID-19 experience.

Transportation and Warehousing

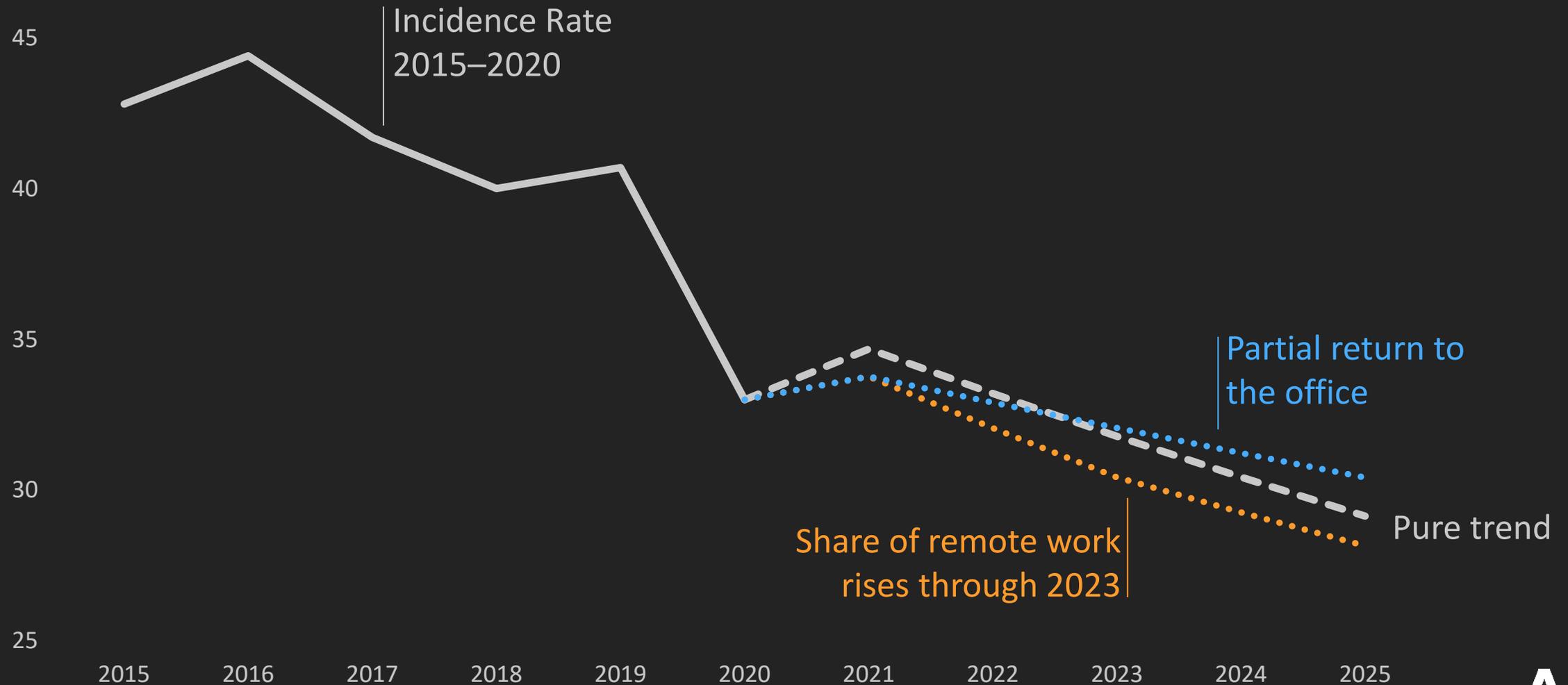
Cases per 10,000 FTE Workers



Sources: US Bureau of Labor Statistics; IPUMS–CPS; IPUMS–ACS; NCCI. Excludes COVID-19 experience.

Professional and Business Services

Cases per 10,000 FTE Workers



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI. Excludes COVID-19 experience.

Aggregate Frequency Impact

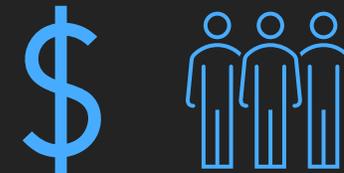


Aggregate Frequency is Impacted by the...

Change in Industry Mix



Choice of Frequency Metric

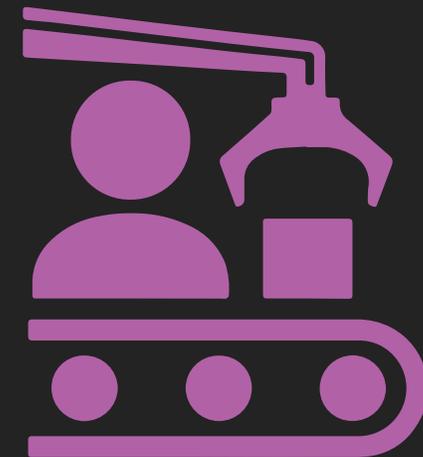
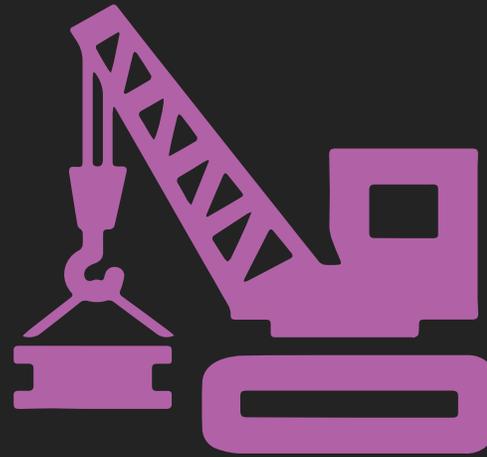


Aggregate Frequency Impact—Cross-State Comparison

State 1 Profile:
Leisure & Hospitality

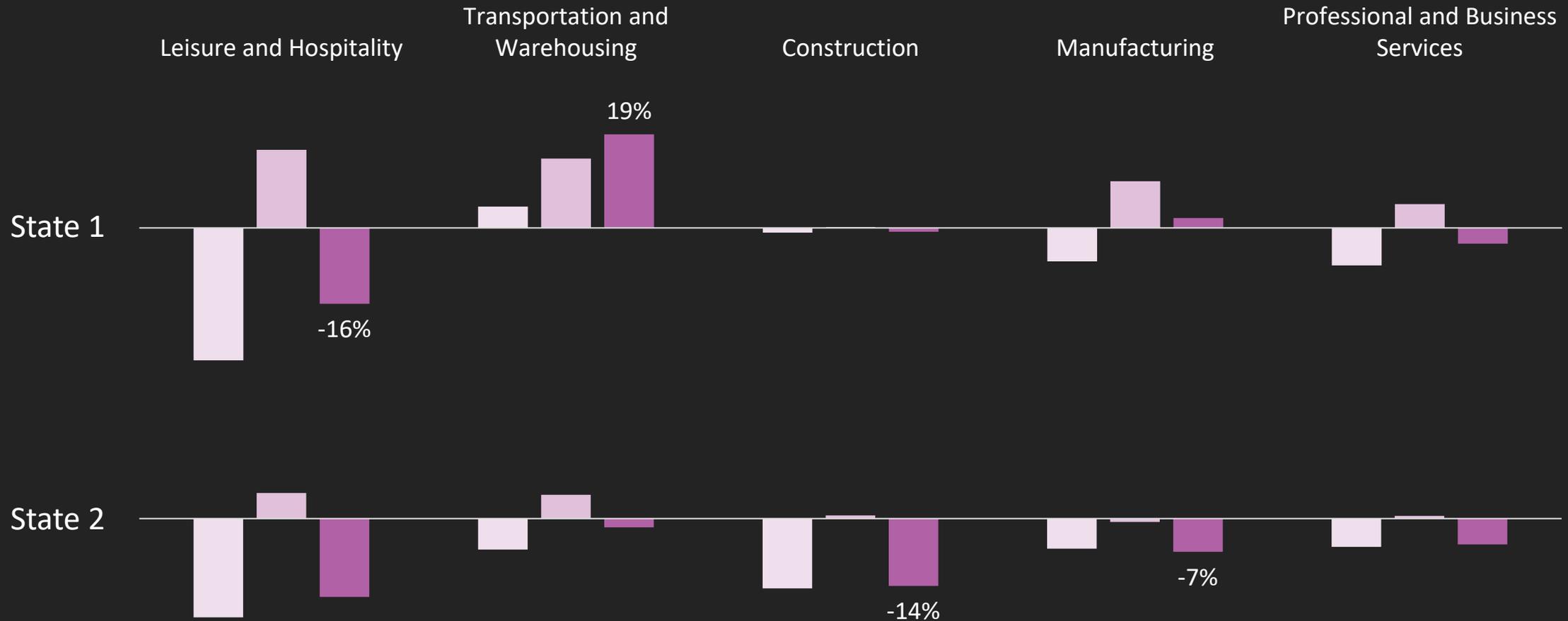


State 2 Profile:
Construction, Manufacturing



Change in Employment by State

2019 to 2020, 2020 to 2021, 2019 to 2021

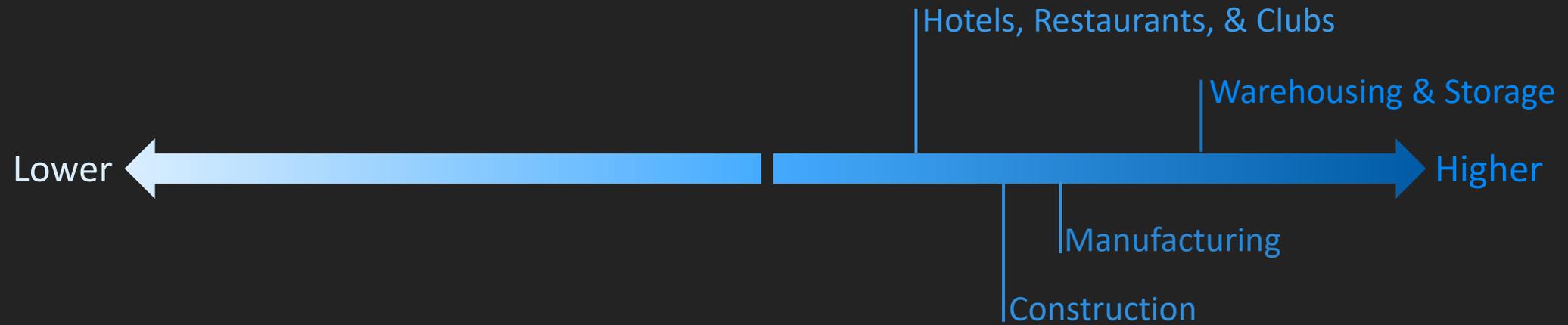


Source: US Bureau of Labor Statistics

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Relative Frequency by Group

Per \$1M Payroll



Source: Based on Accident Year 2020 data from NCCI's Statistical Plan for all jurisdictions where NCCI provides ratemaking services. Excludes COVID-19 and high-deductible experience.

Frequency Change per Payroll by Component

2019 to 2021

Impact

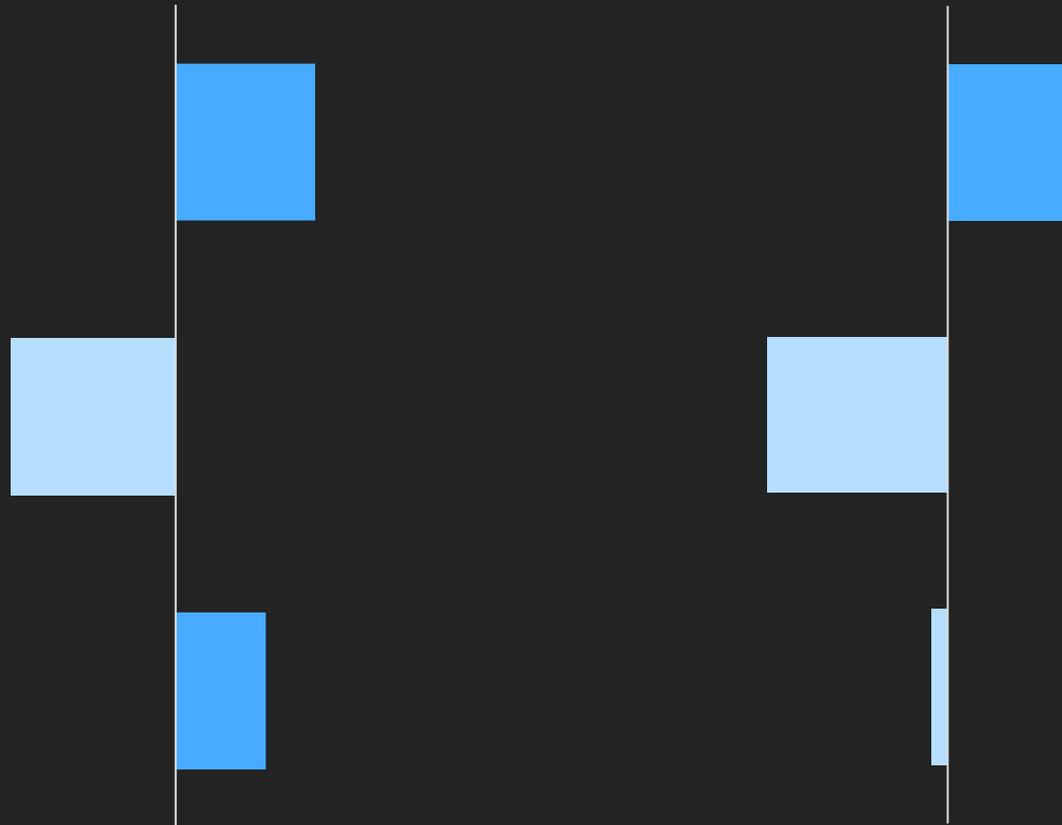
State 1

State 2

Short-Tenure

Remote Work

Industry Mix

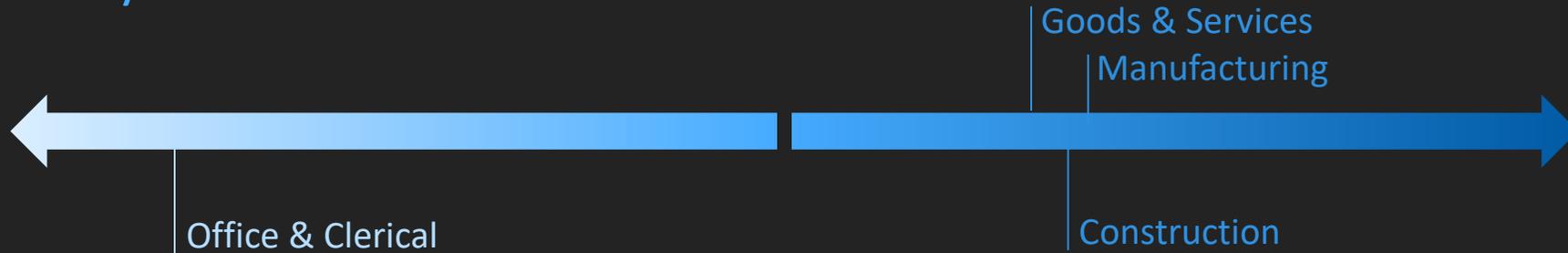


Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI

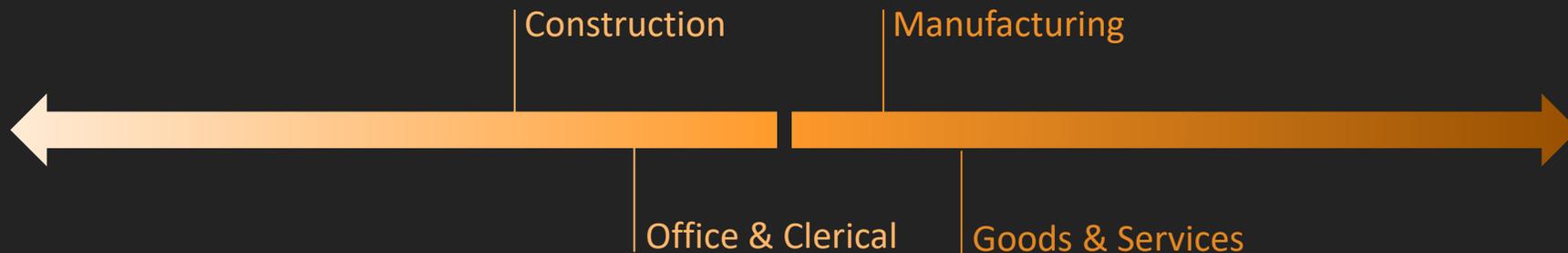
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Relative Frequency by Industry Group

Per \$1M Payroll



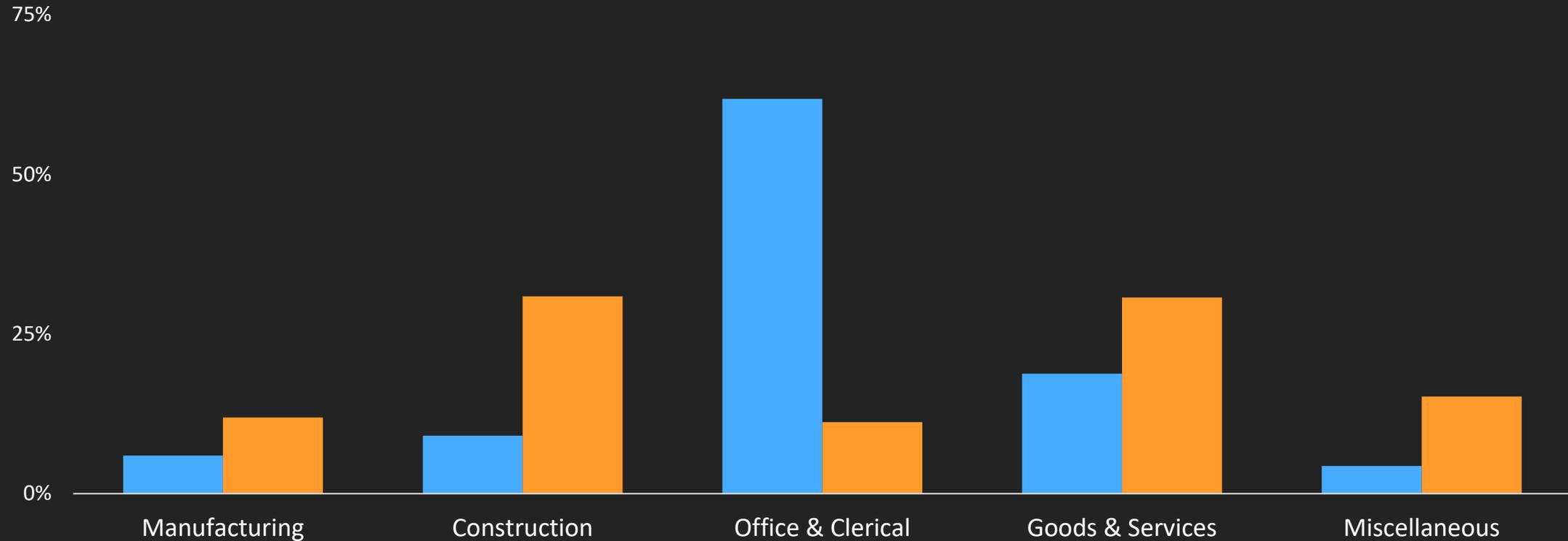
Per \$1M Premium



Source: Based on Accident Year 2020 data from NCCI's Statistical Plan for all jurisdictions where NCCI provides ratemaking services. Excludes COVID-19 and high-deductible experience.

Payroll and Premium Shares by Industry Groups

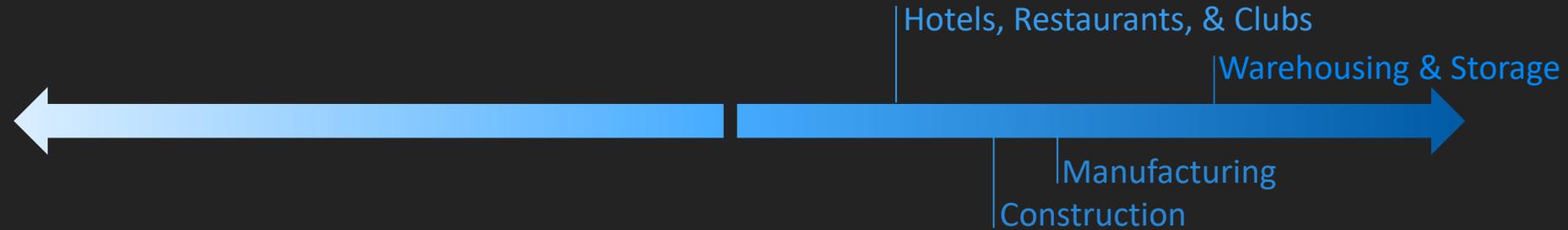
Exposure-Accident Year 2020



Source: Based on Exposure-Accident Year 2020 data from NCCI's Statistical Plan for all jurisdictions where NCCI provides ratemaking services. Excludes high-deductible policies.

Relative Frequency by Group

Per \$1M Payroll



Per \$1M Premium



Source: Based on Accident Year 2020 data from NCCI's Statistical Plan for all jurisdictions where NCCI provides ratemaking services. Excludes COVID-19 and high-deductible experience.

Frequency Change per Premium by Component

2019 to 2021

Impact

State 1

State 2

Short-Tenure



Remote Work



Industry Mix



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI

Frequency Change per Payroll and per Premium by Component

2019 to 2021

Impact

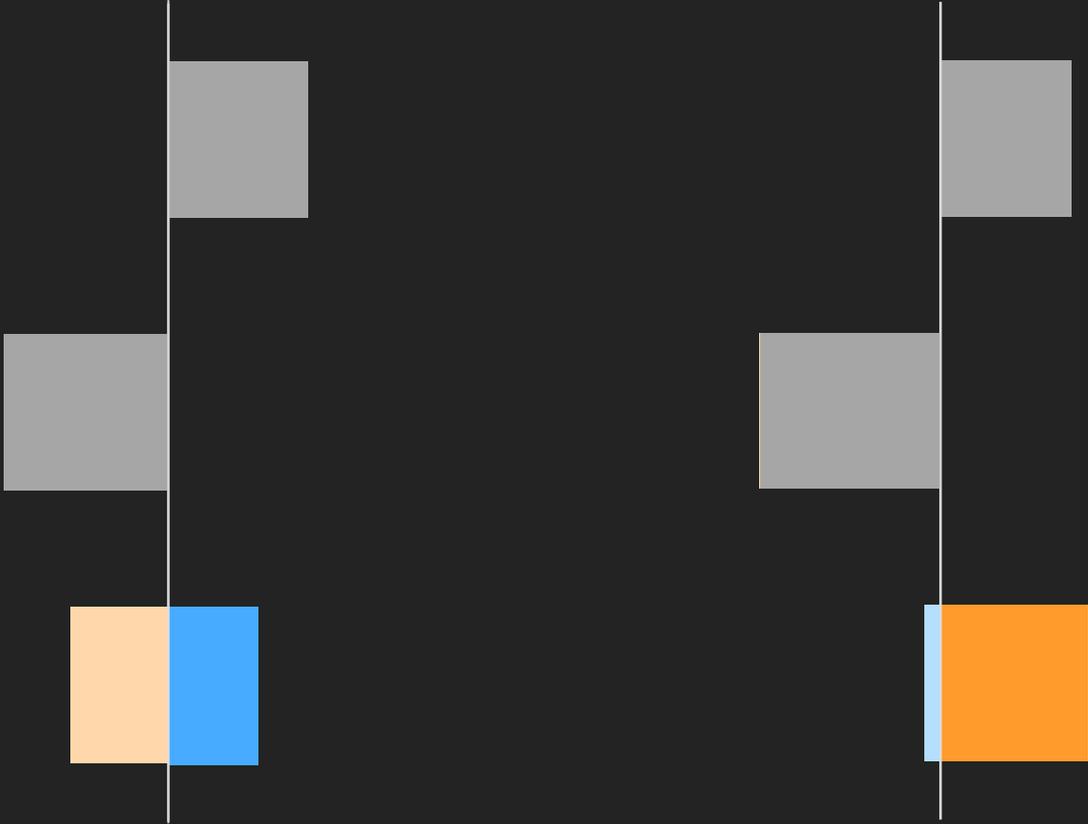
State 1

State 2

Short-Tenure

Remote Work

Industry Mix



Sources: US Bureau of Labor Statistics; IPUMS-CPS; IPUMS-ACS; NCCI

Impact on Aggregate Frequency by Component

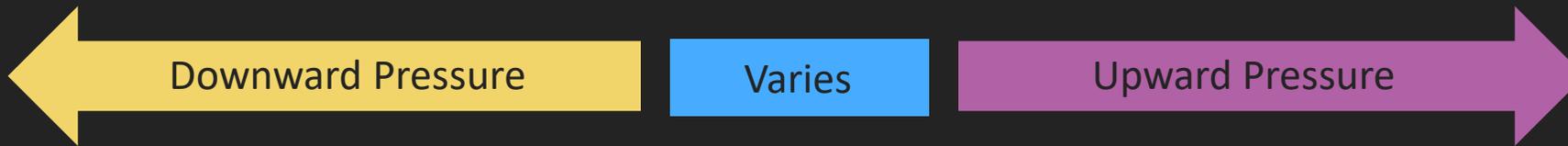
Remote Work



Many office employees are now **working remotely**, which is expected to put **downward pressure** on overall frequency.

Short-Tenure Workers

An increase in the number of **short-tenure** workers is expected to put **upward pressure** on overall frequency.



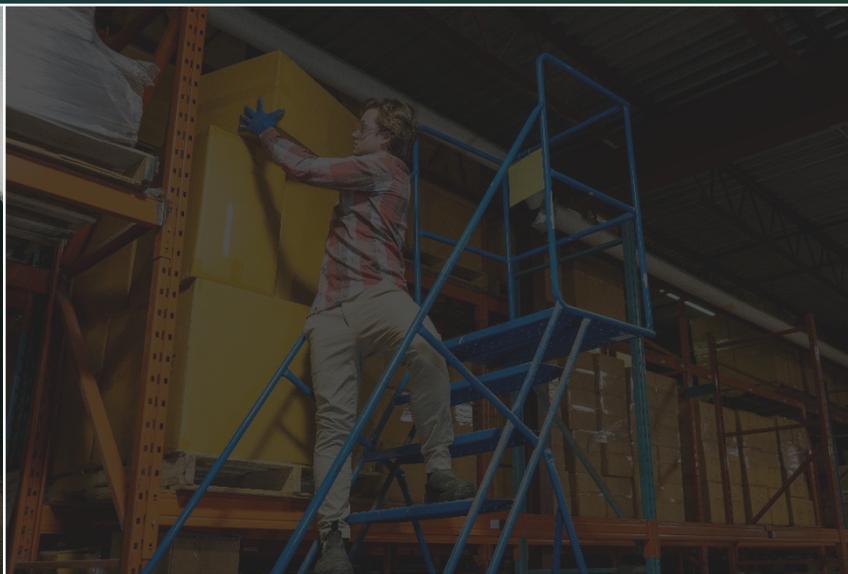
Industry Mix

The changing **industry mix** may **increase or decrease** frequency, depending on 1) which **sectors** are changing and by how much, and 2) the selected frequency **metric**.



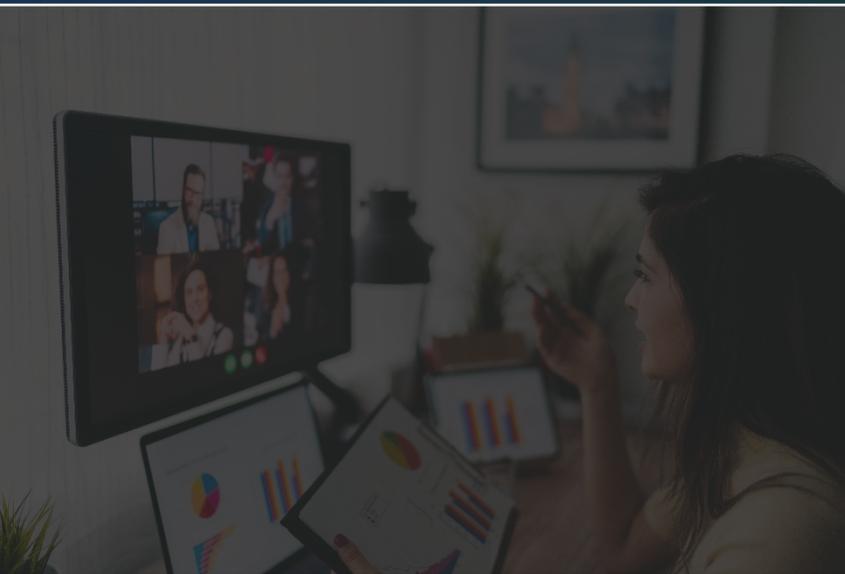
Key Takeaways

The Great Reshuffle is a unique, one-time event



Key Takeaways

The Great Reshuffle may cause short-term frequency anomalies



Key Takeaways

The Great Reshuffle is unlikely to affect long-term frequency trends

