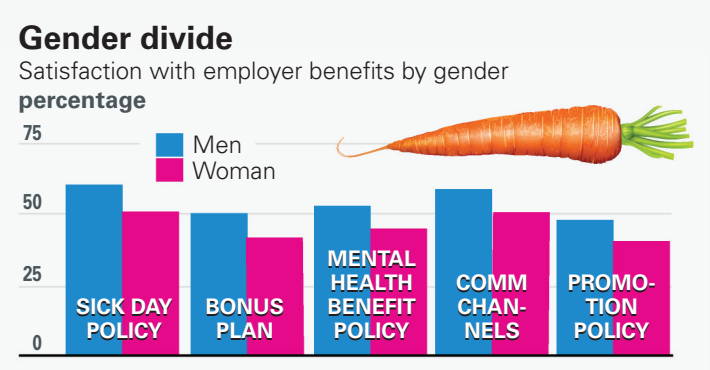
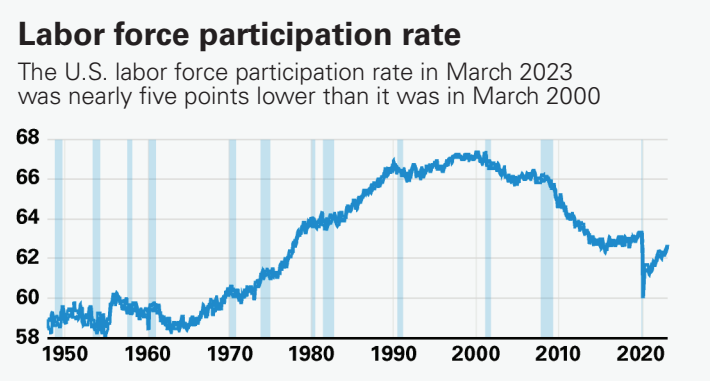
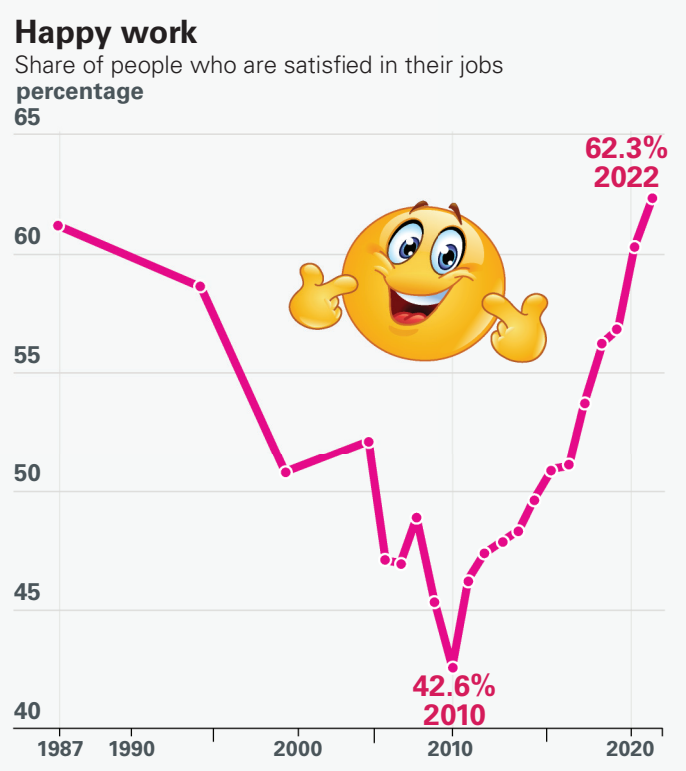
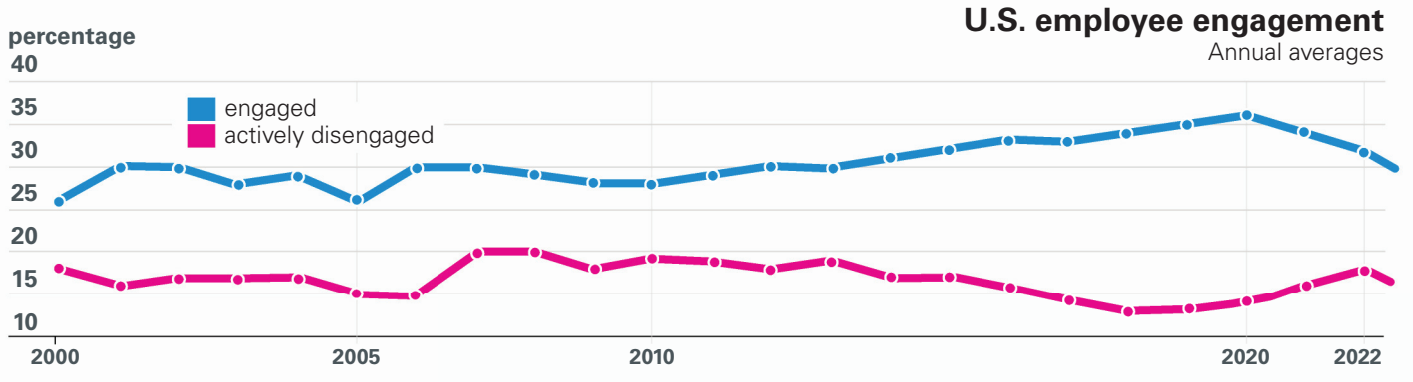


Happy. Happy. Happy.

Job satisfaction hit a 36-year high in 2022. This is great news having moved through a wave of quiet quitting. There's just one caveat. Worker productivity contemporaneously fell at the fastest rate in 75 years.



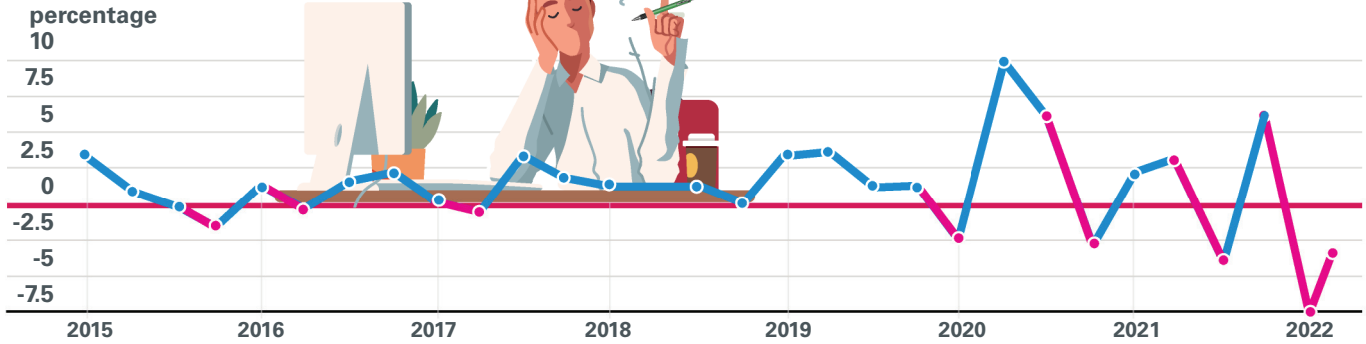
Why has U.S. productivity fallen?

Quiet quitting Where employees do the absolute minimum on the job so as to not get fired

Inflation Purchasing power is declining at a rapid rate as wages aren't keeping up

Transfer theorem Congress gave away \$6 trillion. This confuses the benefit of being a productive member of society incentivizing poor behavior

Labor productivity Annual averages



-2.5%

U.S. labor productivity fell 2023Q1 annualized—while hourly compensation rose 3.4 percent



19%

The rise of non-wage compensation (benefits, bonuses, healthcare) as a share of total compensation from around 14 percent in the 1970s

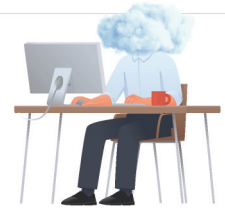


Layoffs sometimes boost productivity by cutting excess staff, which reduces costs however recent layoffs have not impacted productivity



5

straight quarters American worker productivity has declined at the fastest rate in 75 years



\$1.8T

cost to employers in lost productivity annually

ECONOMICS 101

Productivity
The amount of output of goods/services that workers produce for every hour they put into their jobs

$$\frac{\text{National output}}{\text{Total labor hours}} = \text{Productivity}$$

Gross Domestic Product
The measure of the nation's output of all goods and services

Productivity falls

- ↓ Economy shrinks
- ↓ Quality of life declines
- ↓ Less opportunity
- ↓ Innovation moves away
- ↓ **Fewer choices**

SOURCE: CONFERENCE BOARD; GALLUP RESEARCH; LABOR DEPARTMENT BUREAU OF ECONOMIC ANALYSIS; REPORT: THE LINK BETWEEN WAGES AND PRODUCTIVITY IS STRONG, AMERICAN ENTERPRISE INSTITUTE (AEI); INSTITUTE FOR THE STUDY OF LABOR (IZA); MICHAEL R. STRAIN, ECONOMIST; EYPARTHENON; SUREPAYROLL STUDY; U.S. BUREAU OF LABOR STATISTICS; FRED; ST. LOUIS FED

