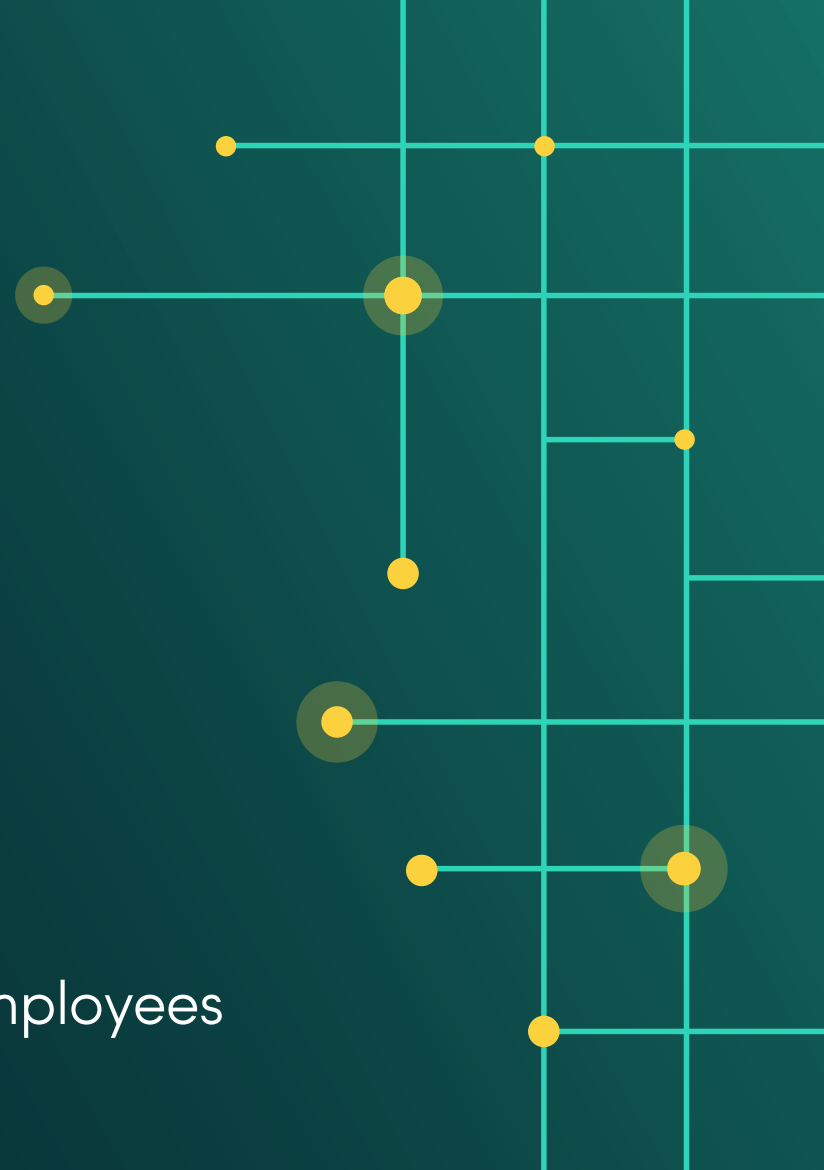


Workforce Utilization Benchmarks Report 2H 2025

\$11.2 Million in Lost Productivity per 1,000 Employees



Executive Overview



In an era of economic pressure and margin compression, American businesses face a hidden crisis: For every 1,000 employees, organizations lose the productivity equivalent of 130 workers (avg 6 hrs 50 mins productive hrs per day), costing \$11.2M annually.¹ A comprehensive analysis of 300,000+ workers across 5,619 organizations shows businesses receive only 87% of expected output while paying 100% of salary costs.

This productivity deficit stems from 58% of staff falling short of established productivity goals. Across all tracked organizations, this loss totals a collective \$2.86B annually. And as business size grows, so does financial impact: Organizations with 251+ employees average 7X in annual productivity losses compared to smaller organizations.

Despite widespread underperformance, many organizations still assume their teams work at full capacity. This productivity “blind spot” drags down performance and quietly drains resources. As operational costs, inflation and market pressures rise, leaders who optimize the productivity of existing teams stand a better chance of protecting profit margins without resorting to hiring freezes or layoffs.

Untapped Capacity: Illustrative Example

Daily Productivity Goal: 6 hrs 30 mins

Actual Productivity: 5 hrs 30 mins

Productivity Gap

1 hr 0 mins / 15% untapped capacity

Equivalent to paying full salary for
only 85% work productivity

¹ Based on annual mean wage per employee of \$85,864 for included industries (U.S. Bureau of Labor Statistics May 2024 data released April 2, 2025)

Key Takeaway

This analysis represents the most comprehensive study of workforce inefficiencies to date. Among the key findings: Organizations collectively **spend \$2.86B annually** on underperforming staff.

The opportunity for improvement is both massive and measurable: **58% of workers underperform** and organizations with the greatest underutilization rates stand to **waste the equivalent of 1 in 5 workers' salary in untapped capacity**.

Report Methodology

May 2025 digital activity data across 5,619 organizations and 304,083 tracked workers

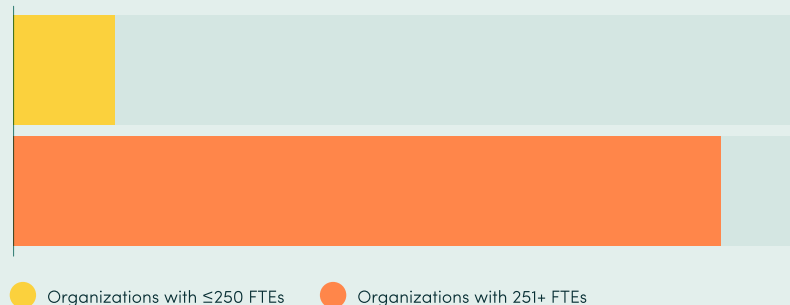
- Based on established productivity goals
- Representation across all business sizes and industries
- Objective measurement of actual digital behavior, not surveys or estimates

Economic Impact

Among businesses with more than 250 employees, the average annual productivity loss is more than 7X that of smaller organizations.

While larger organizations have slightly better productivity rates, even small inefficiencies are magnified at scale — resulting in multi-million dollar losses.

Average Annual Productivity Loss



Small Organizations

0-250 employees

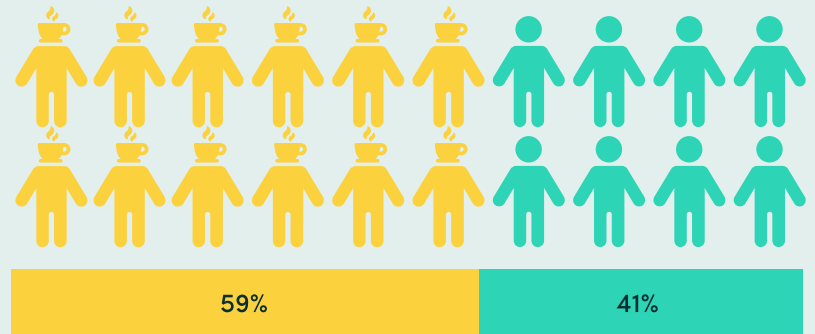
- **Financial impact:** Combined \$1.4B productivity loss across tracked organizations
- **Root cause:** Lean organizations lack effective productivity management systems and insights
- **Immediate opportunity:** Implement basic productivity tracking and goal management

Organizations analyzed:
4,927 (88% of total)

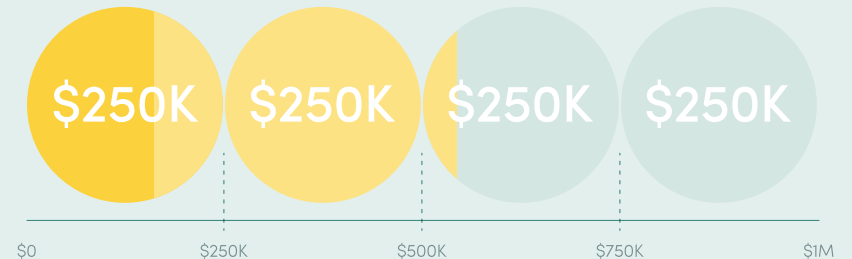


High Rate, Low Impact

Underperformance rate: 59% of workers



Annual cost (avg): \$162K - \$542K per organization

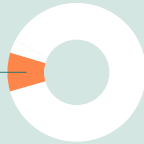


Mid-Size Organizations

251-1,000 employees

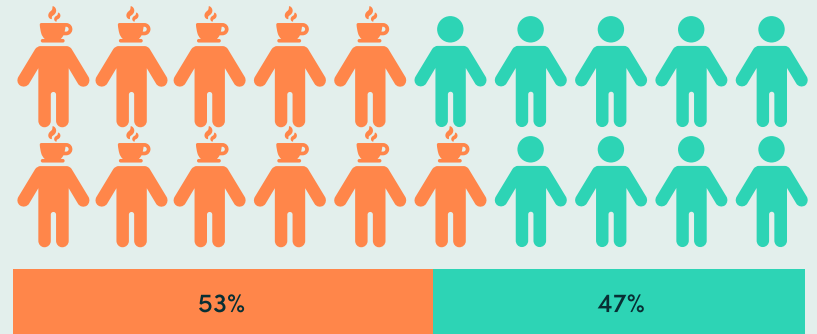
- **Financial impact:** Combined \$731M productivity loss across tracked organizations
- **Root cause:** Scale turns small inefficiencies into major financial losses
- **Immediate opportunity:** Optimize processes and efficiency between departments and functions

Organizations analyzed:
501 (9% of total)

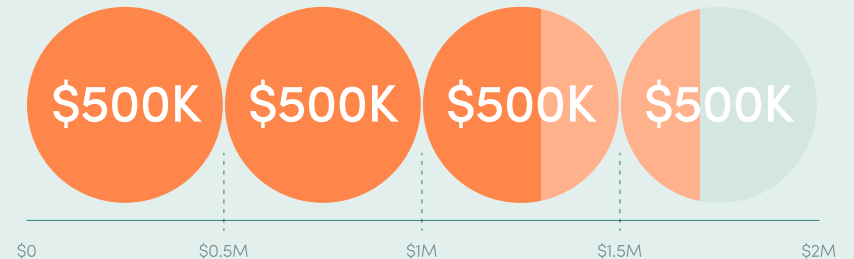


Moderate Rate, Significant Impact

Underperformance rate: 53% of workers



Annual cost (avg): \$1.3M - \$1.7M per organization



ECONOMIC IMPACT

Large Enterprises

1,001+ employees

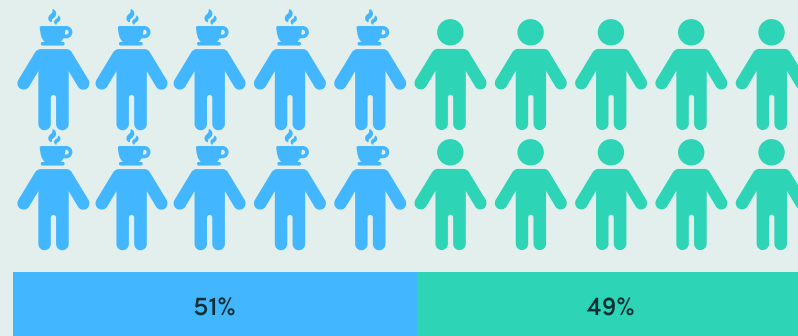
- **Financial impact:** Combined \$695M productivity loss across tracked organizations
- **Root cause:** Organizational complexity limits visibility into individual productivity
- **Immediate opportunity:** Implement systematic productivity measurement across departments

Organizations analyzed:
191 (3% of total)

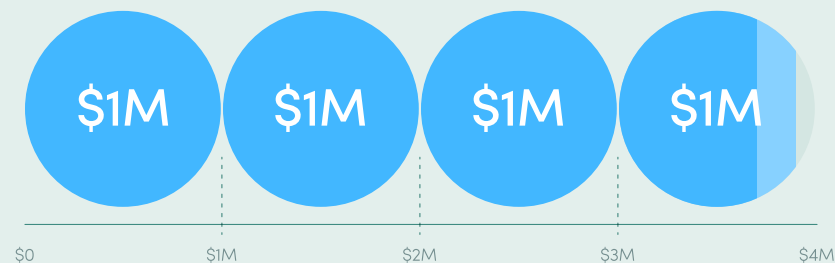


Lower Rate, Massive Impact

Underperformance rate: 51% of workers



Annual cost (avg): \$3.7M – \$3.9M per organization





Sector Breakdown

Lowest Performing

- **Aerospace:** Greatest untapped capacity (19%) and largest cost impact (\$1M annually)
- **Government & Public Sector:** Most below productivity goal (56 workers)
- **Computer Hardware:** Largest underutilization rate (71%)

Top Performing

- **Logistics:** Fewest below productivity goal (41%) and lowest untapped capacity (9%)
- **Insurance:** 2nd fewest below productivity goal (51%) and 2nd lowest untapped capacity (10%)
- **Legal Services:** 3rd fewest below productivity goal (53%) and 3rd lowest untapped capacity (11%)

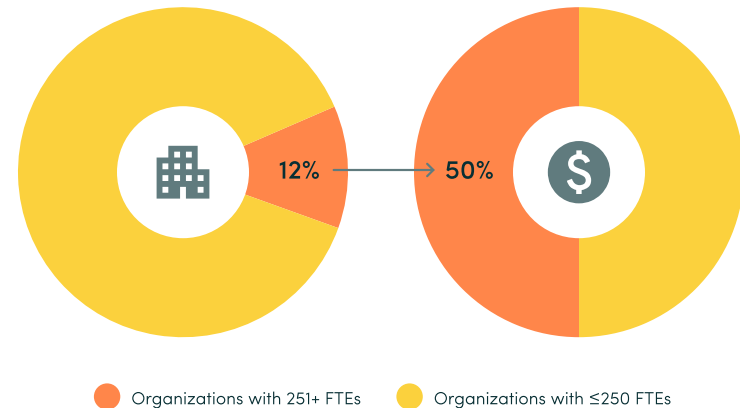
All figures based on industry averages



Key Numbers

- **\$2.86B** in combined total annual productivity losses across tracked organizations
- **304,083** tracked workers across 5,619 organizations
- **58%** of staff fail to meet business productivity goals
- **6 hrs 50 mins per day** average weighted productivity goal across all tracked organizations

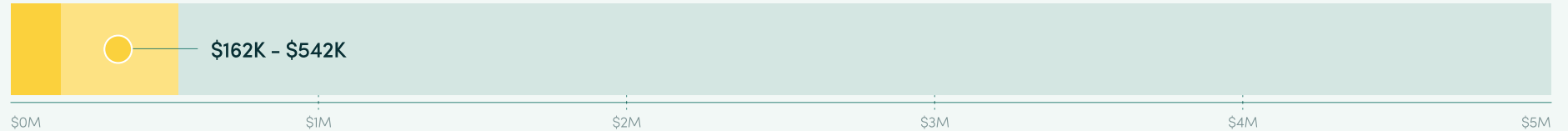
12% of tracked organizations have 251+ employees but account for **50%** of total losses



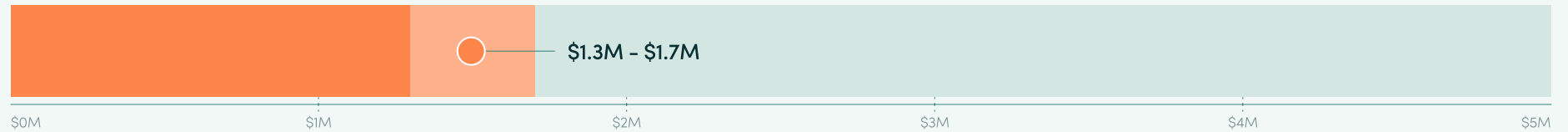


Scale Effect

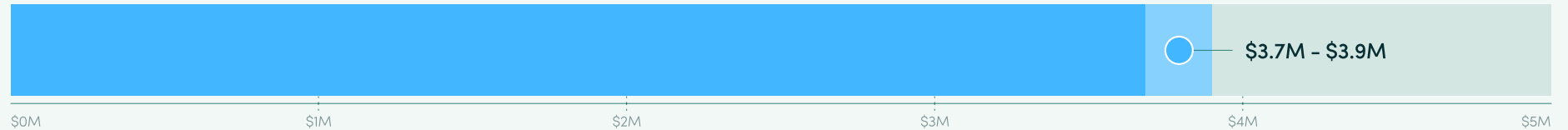
Small organizations (0-250 FTEs)



Mid-size organizations (251-1,000 FTEs)



Large enterprises (1,001+ FTEs)



All figures represent annual losses per organization



Industry Standouts

- FEWEST workers below productivity goal: **Logistics (41%)**
- MOST team members below productivity goal: **Computer Hardware (71%)**
- HIGHEST annual productivity loss: **Aerospace (\$1M)**
- GREATEST efficiency in untapped capacity: **Logistics (9%)**

FEWEST workers below productivity goal:
Logistics



MOST team members below productivity goal:
Computer Hardware



All figures based on industry averages



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