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New Survey: Finding Workers Even More Difficult

83% of Businesses Say “Difficult” to Recruit and Hire

Companies Offshoring to Find Talent

Still a Job Seeker’s Market

OKLAHOMA CITY, Jan. 9, 2019 — In Omaha, Nebraska, Express Employment Professionals franchise owner Bernie Inbody says recruiting new workers is a “constant grind” for local companies that has become even harder in recent months. He’s not alone. Across the country, with companies growing and unemployment low, it is becoming more difficult for businesses to staff up, leaving some resorting to automation, relocation and even offshoring—not to save money but to make up for the lack of workers.

Janis Petrini, an Express franchise owner in Grand Rapids, Michigan, marvels at how the labor market has become tighter.

“Our market keeps getting harder and harder,” she said. “Last year at this time, we didn’t really think the employment market could get any tighter in our area, and somehow it did.”

As a result, Petrini said, companies are requiring overtime and investing more in automation “simply because they know they can’t find the labor.”

Similarly, Anne Woods, an Express franchise owner in Covina and Santa Fe Springs, California, reports she’s seen companies move production to Mexico or overseas “not so much for a cost savings, but just to get the labor required.”

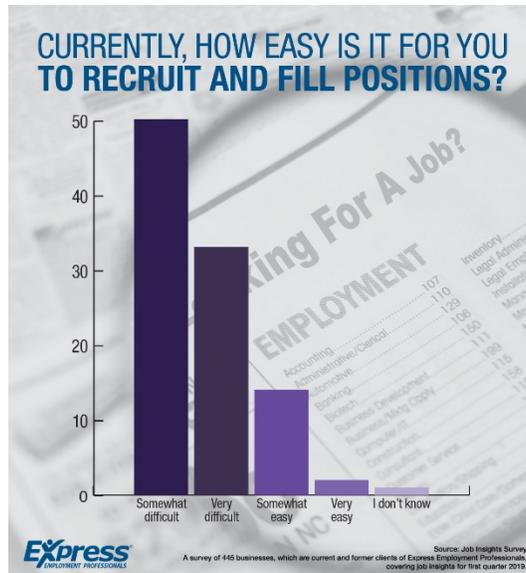
Amy Clegg, a franchise owner in Scranton, Pennsylvania, says the business growth in her area has put a strain on the labor market. “Companies are attracted to the Scranton area because one third of our country can be reached within one day’s drive.” Without enough workers in the area, businesses are doing whatever they can to fill the gap.

“Many small manufacturers cannot afford automation, but medium and larger facilities are taking advantage of low interest rates and generous lenders to implement automation,” Clegg added. “Many

companies are requiring their current workforce to work overtime to meet the demands of production. Large firms offer relocation assistance, including one local firm that hired a manger from Germany.”

In a December survey of 445 businesses, Express found that more businesses are reporting difficulty recruiting and filling positions than in any of the previous four quarters.

Fifty (50) percent say it is “somewhat difficult” to recruit and fill positions, while 33 percent say it is “very difficult.” Only 14 percent say “somewhat easy,” and 2 percent say “very easy.”



More respondents said “very” or “somewhat difficult” than in any of the previous four quarters.

	Dec. 2017	Feb. 2018	May 2018	Aug. 2018	Dec. 2018
Very difficult	31%	28%	31%	36%	33%
Somewhat difficult	45%	47%	48%	43%	50%
Somewhat easy	21%	20%	16%	16%	14%
Very easy	2%	2%	3%	2%	2%
I don't know	2%	3%	2%	2%	1%

Source: Job Insights Survey
A survey of 445 businesses, which are current and former clients of Express Employment Professionals, covering job insights for first quarter 2019.

What are businesses to do in this environment? Inbody recommends providing more flexibility in shifts and time off so those with difficult schedules are more likely to apply for jobs. He also suggests “investing in management training in hopes of reducing turnover.”

Petrini says more companies in the Grand Rapids area are investing in apprenticeship programs “so that they can develop the talent internally.”

Still, she says, the most important factor can be perception.

“Companies that have developed a strong brand as a great place to work can still find people,” she said. “Really, the best strategy right now is having a good retention program.”

“The tight labor market poses challenges for all sorts of companies, but it’s a sign of the continued health of the economy,” said Bill Stoller, CEO of Express. “The jobs are out there. And more than ever, businesses are ready to accommodate the individual needs of job seekers. There are workers still on the sidelines, though, who don’t have the needed skills. School, business and government leaders should focus on expanded job training opportunities so we can get those people into the workforce, rather than forcing companies to resort to automation or offshoring.”

The survey of 445 businesses, which are current and former clients of Express Employment Professionals, was conducted in December 2018 to gauge respondents' expectations for 2019.

If you would like to arrange for an interview with Bill Stoller to discuss this topic, please contact Sheena Karami, Director of Corporate Communications and PR, at (405) 717-5966.

About Bill Stoller

William H. "Bill" Stoller is chairman and chief executive officer of Express Employment Professionals. Headquartered in Oklahoma City, the international staffing company has more than 800 franchises in the U.S., Canada and South Africa. Since its inception, Express has put more than 6 million people to work worldwide.

About Express Employment Professionals

Express Employment Professionals puts people to work. It generated \$3.4 billion in sales and employed a record 540,000 people in 2017. Its long-term goal is to put a million people to work annually. For more information, visit ExpressPros.com.