

61% of Companies Report Supply Chain Issues Hindering Growth and Forcing Lower Hiring Standards

Manufacturing and Service Industries Hit Hardest

Latest Results from The Harris Poll

OKLAHOMA CITY, Feb. 9, 2022—A month into the first quarter of 2022, the demand for goods due to the holidays has passed, but businesses still say they are caught in a vicious cycle hindering overall growth and hiring fueled by continual supply chain failures.

This is according to a new survey from The Harris Poll commissioned by Express Employment Professionals.

Around 3 in 5 U.S. hiring decision-makers (61%) say their company has altered their hiring practices because of the national supply chain issues and report it will negatively impact their company's growth. To counteract the new hurdle for hiring, more than half (56%) report they have relaxed their hiring requirements due to the supply chain issue. And, around a third (32%) say they have hired specifically for logistics/supply chain positions this year.



Companies with 100-499 employees are more likely than those with less than 50 and those with 500 or more employees to say supply chain issues will negatively impact their company's growth (71% vs. 63% of those with 500+ employees, 52% of those with 2-9 and 56% of those with 10-49).

The same companies are also most likely to say they have relaxed their current hiring requirements (76% vs. 64% of those with 500+ employees, 63% of those with 50-49, 44% of those with 10-49 and 36% of those with 2-9).

In the hard-hit manufacturing industry, 74% of hiring managers say their company has had to alter their hiring practices because of the national supply chain issue and a similar proportion of hiring decision-makers for the service industries report the same (71%).

"The Christmas rush is over, but the demand for goods and the shortages in some areas is still going on," said Mike Brady, Express franchise owner in Jacksonville, Florida. "We have a broken supply chain system with the high cost of containers and goods driving up demand and consumer prices. But some companies cannot pass along the higher costs of goods and wages, so they are producing less."

Brady adds that he keeps hearing from clients supply chain difficulties will ease going into the second quarter, but the shortage of qualified workers has not, continuing to aid the goods backlog.

In Grand Rapids, Michigan, David Robb, Express franchise co-owner/managing partner, agrees that the lack of materials is still a significant challenge for his clients and seems to be consistent

across a wide variety of industries.

“Every company we talk with says that hiring, retaining and supply chain are the top three challenges they are facing,” he said. “Companies are desperate to hire people, but sometimes due to supplies, they can’t give people enough hours or hire the few people that are available as quickly as possible. This can hurt retention, and ultimately company growth when they need it the most.”

As an example, Robb recently toured a client facility where the company is looking to expand and add a third shift of workers this year. However, they aren’t sure they can find the employees to fill those positions.

“This is a very common scenario for employers right now,” Robb added.

Companies are so desperate for workers, that they are hiring individuals with no experience, relaxing background check issues and forgoing mandatory drug testing when safety isn’t impacted, according to Brady.

“A common theme we’ve heard is that employers are open to hiring people today they would not have hired two years ago,” Robb said. “Employers understand that getting someone is better than no one, so they are willing to work with a wider variety of people and know they will need to provide training to get them where they need to be.”

Many businesses are ready and willing to grow in 2022, but can’t until something changes, Express Employment International CEO Bill Stoller said.

“The U.S. economy is caught in this perfect storm where the breakdown in supply chains is just the start,” he said. “When you combine that with the scarcity of workers, companies are doomed to stay in this holding pattern for the foreseeable future.”

Survey Methodology

The survey was conducted online within the United States by The Harris Poll on behalf of Express Employment Professionals between Nov. 10 and Dec. 2, 2021, among 1,009 U.S. hiring decision-makers (defined as adults ages 18+ in the U.S. who are employed full-time or self-employed, work at companies with more than one employee, and have full/significant involvement in hiring decisions at their company). Data were weighted where necessary by company size to bring them into line with their actual proportions in the population.

If you would like to arrange for an interview with Bill Stoller to discuss this topic, please contact Sheena Hollander, 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 International. Founded in Oklahoma City, Oklahoma, the international staffing franchisor supports the Express Employment Professionals franchise and related brands. The Express franchise brand is an industry-leading, international staffing company with franchise locations in the U.S., Canada, South Africa, Australia and New Zealand.

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