

Automation Offers a Treat, Not Trick for Employers in Crippling Labor Market

74% of Companies Say It's Key to Keeping Up with Demand

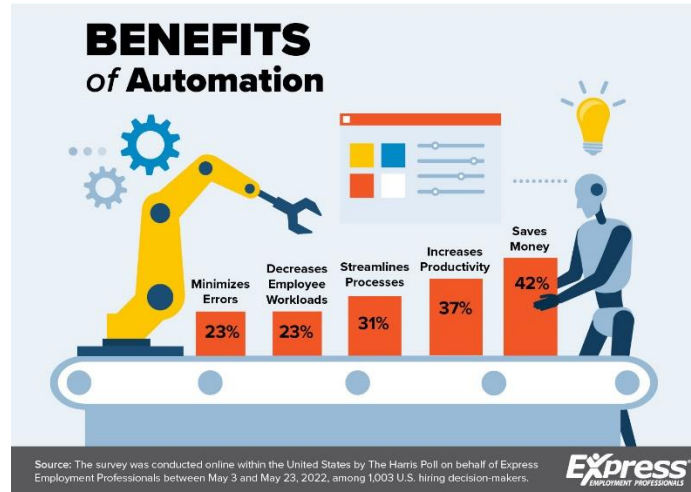
Latest Results from The Harris Poll

OKLAHOMA CITY, Oct. 26, 2022—Facing a busy holiday shopping season with a shortage of workers, nearly 80% of U.S. companies believe automation could help their business, and 74% say it's the key to keeping up with current demand.

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

With nearly two-thirds of U.S. hiring decision-makers (64%) admitting they waste time each week completing tasks that could be automated, it's not surprising that nearly half (49%) feel this tactic could help their company save time.

Saving money (42%) and increasing productivity (37%) are also among the top potential benefits of automation, while around 3 in 10 (31%) believe it could help streamline processes. Almost a quarter feel it has the potential to decrease employee workloads (23%) and/or minimize the number of errors made (23%).



Automating Processes

More than a quarter of U.S. hiring decision-makers (27%) report their organization has adopted new technology to automate tasks/processes during this time. More generally across the company, they say their company automates an average of 27% of its hiring/recruiting functions. Forty-three percent add that they automate more than a quarter of their hiring/recruiting functions.

Unsurprisingly, companies with more than 500 employees are more likely than those with less than 500 to report a higher average of automated functions:

- 2-9 employees: 12%, on average
- 10-49 employees: 20%
- 50-99 employees: 23%
- 100-499 employees: 28%
- 500+ employees: 34%

Solving the Labor Crisis

In terms of using automation as a solution to the current labor shortage, 74% of hiring managers would be comfortable with their company increasing the use of automation to help solve this issue. Similarly, 64% say their company would be likely to use it for this purpose; 25% would be very likely. Automation may be just the solution companies are looking for, as many businesses (63%) feel they would increase the use of automation instead of hiring workers.

Benefits and Consequences of Automation

In Texas, Express franchise owner Nancy Reed says automating some, or all, business operations reduces labor expenses and increases company performance.

“However, not every process can be improved with automation,” she added. “For example, in customer service, having a live person assist a frustrated client cannot be replaced by any machine. In manufacturing, quality variances in product specifications are always best

identified with the human eye. Some parts of the process can be automated, but some can never be effectively performed by a machine.”

Mike Brady, Express franchise owner in Florida, agrees that some negative drawbacks to automatic functions are the high cost and reliance on machines. But in the manufacturing industry, the shift to automation is already producing positive results for one of his clients. A shampoo bottling company has been able to reduce its headcount by half and increase production to a 24-hour cycle.

Reed also has an industrial client who began automating the packaging process. Instead of hiring packers and assemblers, the company has started installing packaging machines to bookend operations.

“Larger companies will probably be the first to automate,” she said. “The reason is the cost of purchasing the robotic process, the cost of re-engineering the process line to incorporate a new automated process and the capital investment it takes to change a process to automation.”

Despite concerns from job seekers and employees that machines may replace their livelihood, Reed assures them this is not the case for her clients.

“There will still be the need for skilled employees,” she said. “Automation may result in non-skilled workforce opportunities diminishing, meaning that workforce will need to improve technical skills to be competitive in the new job market.”

The best thing workers can do right now to prepare for a shift to automation is to invest in training to diversify their skills for future in-demand careers.

“Companies have been forced to find a way to keep their businesses up, and automation seems to provide a logical solution when so many workers are on the sidelines,” Express Employment International CEO Bill Stoller said. “Instead of fearing it, automation could create opportunities for both employers and their staff to ensure business continuity and professional growth.”

Survey Methodology

The survey was conducted online within the United States by The Harris Poll on behalf of Express Employment Professionals between May 3 and May 23, 2022, among 1,003 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.

About Express Employment Professionals

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