



Strong US Hiring Sentiments Face a Reality Check in 2026: Skill Shortages and AI Challenges Ahead

91% of employers anticipate obstacles in 2026, with qualified candidates and technology-driven changes topping the list of concerns.

OKLAHOMA CITY, Dec. 29, 2025 — Businesses are entering 2026 with renewed confidence and ambitious hiring plans.

According to a recent Express Employment Professionals-Harris Poll survey, optimism is high, headcount growth is accelerating and companies are embracing contingent talent to meet evolving needs, even as skill gaps remain the biggest challenge.

Hiring sentiment is strong, as 85% of hiring managers report a positive outlook for the year ahead, nearly matching levels seen in late 2024. However, 37% express a negative outlook, consistent with earlier this year.



Two-thirds plan to increase headcount in the first half of 2026; the highest level recorded since this study began in 2020. Many are hiring to expand into new markets and gain expertise in emerging areas, with 39% focused on market expansion and 38% seeking new skill sets.

Temporary and contract workers are also becoming a key part of workforce strategies. More than one in four companies (26%) plan to hire contingent staff in 2026, and 83% say they are willing to use contingent workers to meet business needs, up from earlier this year. Globally, this trend is gaining momentum, with 65% of company leaders planning to expand their use of contingent workers.

While interest in recent college graduates remains steady at 51%, fewer companies expect to hire college students (33%) or retirees (10%), signaling a more targeted approach to talent pipelines.

At the same time, automation and artificial intelligence are influencing workforce decisions. Among companies planning to reduce staff, 39% cite increased use of technology, and 33% say they will not replace employees who leave.

Despite strong hiring intentions, challenges persist.

More than a third of companies (36%) report having open positions they cannot fill. The primary obstacle is not pay or benefits, but skills:

- 50% say applicants lack relevant experience, up from last year.
- 26% struggle to evaluate informal or self-taught skills.

Meanwhile, compensation-related barriers are declining with fewer employers citing unwillingness to work required hours (21%), pay not being competitive (19%) or benefits not being competitive (14%). These trends underscore that skill gaps, not incentives, are the critical hurdle.

Looking ahead, nearly all hiring managers expect challenges in 2026. Ninety-one percent anticipate obstacles, with the most pressing concerns including:

- AI-related complexities (46%)
- Finding qualified candidates (40%)
- Increased competition for talent (28%)

Fewer hiring managers now cite a mismatch between the available talent pool and company needs (20%, down from earlier this year).

“As we move into 2026, companies that thrive will be those that invest in people and adaptability. Technology will continue to transform how we work, but human expertise and creativity remain irreplaceable,” said Bob Funk Jr., CEO, President and Chairman of Express Employment International. “Closing skill gaps isn’t just a hiring challenge; it’s a strategic opportunity for long-term growth.”

Survey Methodology

The Job Insights survey was conducted online within the United States by The Harris Poll on behalf of Express Employment Professionals from Nov. 3 to 19, 2025, among 1,002 U.S. hiring decision-makers.

For full survey methodologies, please contact Sheena.Hollander@ExpressPros.com, Director of Corporate Communications & PR.

If you would like to arrange for an interview to discuss this topic, please contact Sheena.Hollander@ExpressPros.com, Director of Corporate Communications & PR.

About Robert (Bob) Funk Jr.

Robert (Bob) Funk Jr. is the Chief Executive Officer, President and Chairman of Express Employment International, a global staffing franchisor founded and headquartered in Oklahoma City, Oklahoma. He leads a portfolio of workforce solution brands, including the flagship Express Employment Professionals franchise, along with several affiliated brands serving specialized markets. The Express franchise brand is an industry-leading, international staffing company with franchise locations across the U.S., Canada, South Africa, Australia and New Zealand.

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