

Supply Chain Crunch Latest Hit to Holiday Labor Market

Shortage of Workers and Materials Frustrating Many Businesses

Latest Results from The Harris Poll

OKLAHOMA CITY, Nov. 22, 2021—The weeks leading up to the holidays may not be so merry and bright as businesses continue to contend with increased demand, fewer workers and the latest hit—a major supply chain crunch.

Shoppers are ready to hit the stores in-person and online this year as a recent survey from The [Harris Poll and Roku](#) found that holiday spending for consumers is expected to increase 5% year-over-year, and 86% plan to spend the same or more than they did in 2020.

While this should be good news for the American economic recovery after the forced COVID-19 closures of 2020, many retailers are urging shoppers to start purchasing earlier than ever to circumvent supply chain issues currently plaguing businesses.

Eighty-seven percent of people report being negatively impacted by supply chain issues over the past year, according to findings from [Oracle](#), and this has left customers feeling frustrated (61%), impatient (46%), anxious (45%) and angry (34%). The majority (66%) are concerned this will ruin their upcoming holidays.



“We have become so accustomed to almost immediate delivery that the American consumer demands it,” said Tammy Goodell, Express’ Director of Light Industrial Service Lines. “If a company can beat their competition with faster delivery, consumers will often switch products or brands just to have items delivered on their timetable.”

Across the nation, Express franchise owners say this is the perfect storm of high demand for the holiday season at a time when millions of employees retired from the workforce and others left for better opportunities or other obligations, causing supply chain issues that further delay the creation and delivery of goods.

“Much of the issue starts with production or actual creation of the products,” said John Culpepper, Express franchise owner in Georgia. “The ‘bounce back to work’ is moving slower than the ‘bounce back to buy.’ Demand is so high for employees, the past standards set have all but been depleted in hopes of finding a good employee.”

In his region, furniture and home goods stores are seeing the biggest delays in securing products due to shipping backups at coastal ports and the persistent shortage of truck drivers to move the cargo.

While many businesses are hoping to hire more employees this holiday season than in previous years due to high demand, Culpepper added that the supply chain deficiencies are even affecting the ability to bring on new workers. You can’t sell what you don’t have on the shelf.

“As the global supply chain continues to struggle, our logistics and manufacturing clients are scrambling to make their jobs more attractive than their competition by increasing wages, offering sign-on bonuses, and adding more attractive benefits,” Goodell said. “For small, local businesses without deep pockets, this means they are relying much more on culture and

flexibility. We've had our own clients come to us, bewildered as to how to compete for labor. Many have removed barriers to employment like too-stringent pre-employment qualifiers such as background checks, drug tests and inflexible 'no rehire' policies."

The shortage of supply chain workers is particularly lucrative for entry-level workers. Goodell says many of Express' clients have increased wages by as much as 30% and are offering more flexible schedules.

Culpepper agrees that businesses have to offer more than just higher pay this year to recruit and retain employees in the midst of a difficult labor market.

"Successful companies are integrating a strong culturally-based initiative infrastructure to educate and include their employees on their goals," he said. "They are seeing that creating a positive, engaging and supportive work environment is yielding much higher productivity, efficiencies and loyalty, minimizing turnover."

Bringing those on the sidelines back into the workforce is critical to easing the backlog of materials and goods, Express CEO Bill Stoller said.

"We saw healthy organic economic growth in the third quarter, and Americans are eager to spend their extra funds on loved ones over the next few months," Stoller said. "While the demand for goods is exciting after the downturn of 2020, we need more workers to realize the full fiscal potential of the fourth quarter of 2021."

Survey Methodology

The survey was conducted online within the United States by The Harris Poll on behalf of Express Employment Professionals between March 23 and April 12, 2021, among 1,001 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 was 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 Professionals. Headquartered in Oklahoma City, Oklahoma, the international staffing company has more than 830 franchises in the U.S., Canada, South Africa, Australia and New Zealand. Since inception, Express has put more than 9 million people to work worldwide.

About Express Employment Professionals

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