

Walmart Will Add 20,000 Workers to Supply-Chain Operations This Year; The push to add permanent hires ahead of the holidays signals the growing role delivery and distribution play in retail competition

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FULL TEXT

Walmart Inc. is hiring 20,000 workers for its supply-chain operations ahead of the holidays, highlighting the growing role of distribution and delivery as the retailer competes with e-commerce giant Amazon.com Inc. The new hires will be permanent positions aimed at supporting Walmart through the holiday surge and beyond, the retailer said Wednesday. The full- and part-time jobs range from order pickers, freight handlers and forklift operators to technician and management roles at more than 250 Walmart and Sam's Club distribution and fulfillment centers and transportation offices.

The hiring comes as retailers and logistics operators are moving their peak-season preparations forward as they grapple with a tight labor market, congested shipping networks and surging supply-chain volatility.

Last year, Walmart brought on some 20,000 seasonal workers at e-commerce facilities, including pop-up online fulfillment sites, as the company and others fielded unprecedented digital sales demand during the first year of the coronavirus pandemic.

Walmart's U.S. online sales growth slowed in the second quarter, rising 6% over the pandemic-fueled e-commerce sales seen during the same period in 2020 as consumers emerged from their homes and returned to in-store shopping. Comparable sales from U.S. stores and digital channels operating for at least 12 months rose 5.2% year-over-year in the latest quarter, when the company said it planned to add automation at dozens of regional distribution centers to help speed the movement of goods.

Walmart said the average wage for its supply-chain workers is \$20.37 an hour. The company also is offering its field-based workers, including those in supply-chain operations, a \$150 cash bonus for getting the Covid-19 vaccination. Walmart warehouse jobs pay at least \$15 an hour, although pay rates vary depending on the role and the region. The company also is offering bonuses to many warehouse employees as it ramps up for the holidays. Competition for workers has pushed up wages for distribution jobs as businesses rush to restock pandemic-depleted inventories and meet surging online demand. Warehousing and storage payrolls accounted for 1.44 million jobs in July, more than half a million more than the sector counted just five years ago, according to seasonally adjusted preliminary employment figures the Labor Department released last month.

Earlier this year, Amazon said it was raising pay for hourly employees by between 50 cents and \$3 an hour, although the online sales leader declined to say what the average raise would be. Amazon's starting wage for warehouse workers is at least \$15 an hour. The Walmart rival hasn't said how many workers it plans to hire ahead of the 2021 holiday sales season. Amazon didn't immediately respond to a request for comment Tuesday.

"The pay rate has to be competitive because that's the first thing hourly associates look for," said Brian Devine, senior vice president of logistics-staffing firm ProLogistix, which works with companies such as Walmart Inc. and Target Corp. The firm's average starting pay for warehouse workers was \$17.31 an hour in the week ended Aug. 14,

he said, up nearly 14% from the same period in 2020.

"There's simply not enough human beings to fill all the open positions," he said.

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Walmart Will Add 20,000 Workers to Supply-Chain Operations This Year

Credit: By Jennifer Smith

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