EXECUTIVE SUMMARY

“Congress, give these hardworking, responsible Americans that chance. They need our help, but more important, this country needs them in the game. That’s why I’ve been asking CEOs to give more long-term unemployed workers a fair shot at that new job and new chance to support their families; this week, many will come to the White House to make that commitment real. Tonight, I ask every business leader in America to join us and to do the same – because we are stronger when America fields a full team.”

— President Barack Obama, State of the Union Address, January 2014

The long-term unemployment rate remains more than twice the pre-recession average and close to the highest rate on record since 1983. Despite evidence revealing no difference in capability or quality of work produced between the long-term unemployed and the recently unemployed, the long-term unemployed still face significant barriers when job seeking simply by virtue of their unemployment status – a stigma that only perpetuates this crisis.
...IS A SERIOUS PROBLEM FOR U.S. ORGANIZATIONS...

Long-term unemployment is the defining employment challenge of our post-recession economy; if it persists at its current level, it could result in serious, lasting damage to the national economy. Skills deterioration, a decrease in labor force participation, and an increase in structural unemployment – all potential consequences of long-term unemployment – could reduce the overall productive capacity of the economy over the long-term and hurt private sector growth.\(^6\)

...BUT IT CAN ALSO BE AN OPPORTUNITY.

More than 300 leading companies, including 20 members of the Fortune 50, have signed the White House’s Best Practices for Recruiting and Hiring the Long-Term Unemployed. These companies have committed to resolving this issue\(^7\) not only because it’s the “right thing to do,” but because it also makes business sense. The long-term unemployed can bring real value to your company – they are a qualified and motivated talent pool that you may be inadvertently overlooking. You can reduce sourcing costs by utilizing government and non-profit organizations that work with the long-term unemployed to find capable, pre-screened candidates. Hiring the long-term unemployed can also achieve business objectives: investing in local communities, realizing corporate social responsibility goals, and increasing the diversity of your hires.

LETS GET STARTED.

The good news is that the economy is growing and you have an opportunity to help resolve this issue now. To obtain the myriad of potential benefits that the long-term unemployed offer, put this handbook in the hands of your Talent Acquisition and HR team. It provides step-by-step instructions: first, how to assess your organization’s current ability to access the long-term unemployed talent pool; second, detailed recommendations to improve that ability (such as educating hiring managers and recruiters on the value of hiring the long-term unemployed and collaborating with American Job Centers to source long-term unemployed candidates); and third, tools to implement these recommendations.

Your organization already has the power to help solve the national problem of long-term unemployment. This handbook will show you why it is worth your time and energy to do so, and how you can realize your commitment while deriving real business value.

You’re in good company. In January 2014, more than 300 companies, including 20 of the Fortune 50, signed the White House’s Best Practices for Recruiting and Hiring the Long-Term Unemployed to demonstrate their commitment to hiring LTU and resolving this national issue.
According to leading economists, the current level of LTU can result in skills deterioration, higher level of structural unemployment, and lower labor force participation - all of which could inflict lasting damage on the U.S. economy.

Hiring the LTU can provide a significant competitive advantage for businesses.

More jobs than recently unemployed job seekers

Those who are unemployed for 7 months with relevant experience are 1/2 as likely to receive interview callbacks than those who are unemployed for 1 month with no relevant experience

Companies that hire the long-term unemployed experience higher retention rates and enjoy greater workforce loyalty

Long-term unemployment affects Americans of all ages, ethnicities, geographies, industries, and education and experience levels.

Leading businesses signed the Best Practices For Recruiting and Hiring the Long-Term Unemployed

Employers using Skills-Based Hiring* see

*Skills-Based Hiring is the act of incorporating a tangible and objective measure of skills and skill level into the hiring process
HOW TO USE THE HANDBOOK

This handbook aims to help you understand how hiring the long-term unemployed can benefit your organization while enhancing your organization’s talent acquisition strategy. It also provides recommendations and tools to help you make these hiring changes a reality.

THE CASE FOR CHANGE
The business case explains the business drivers for why organizations should focus on the LTU - an often overlooked and under-utilized talent pool.

THE MATURITY MODEL
The maturity model will help you assess your organization’s current ability to access the long-term unemployed talent pool, as well as understand the leading practices and behaviors that employers are already implementing.

RECOMMENDATIONS ACROSS THE RECRUITING LIFECYCLE
To help you achieve your target maturity level, key implementation recommendations are highlighted for each maturity level. The recommendations were developed using feedback from employers and thought leaders in the long-term unemployment ecosystem.

IMPLEMENTATION TOOLKIT
The toolkit provides you with the information and resources to implement and execute recommendations, enabling your company to more effectively recruit and hire the long-term unemployed and achieve your business goals.

WHAT ARE INTERMEDIARIES?
Intermediaries are organizations that focus on connecting candidates and employers. They provide employment and training services to job seekers and can be a valuable partner for employers. Intermediaries include community-based non-profits, government-funded American Job Centers, staffing agencies, and training organizations, among others.
A leading national hotel chain that regularly enters new markets to build hotels recognized that getting actively involved in these communities was critical to overall success. After all, the local community is their source of business. Because this company regularly needs to staff up hotels quickly, it identified local community organizations, including American Job Centers, as great ways to source qualified talent, including the LTU. By working with these organizations, the company fills a variety of positions with quality hires both rapidly and sustainably, all the while building a strong local brand in the communities that they grow in.
TAPPING INTO A FREQUENTLY OVERLOOKED TALENT POOL

A Business Case for Hiring the Long-Term Unemployed

In the past, an employment gap on a resume was often a red flag to employers – and the bigger the gap, the more reason for concern.

The evidence suggests the opposite: many long-term unemployed Americans possess the skills and motivation that can immediately add value to your workforce. But the longer they look for work, the harder it becomes for them to find employment.

So why does actively recruiting and hiring the LTU make business sense?
INCREASE ACCESS TO QUALIFIED CANDIDATES

Your talent is your company’s greatest asset, but finding and keeping the right talent can prove difficult. The economy is improving and as it continues to do so, having the right talent will be more and more of a differentiator. Most recruiters report that at least 50% of job seekers don’t possess the basic qualifications for the jobs they are pursuing, which makes it hard to bring on the right people (losing talent exacerbates the problem, as turnover in some industries can be as high as 40%). If you evaluate employment history and discard those with employment gaps before you determine job fit, you miss out on a qualified talent pool: the long-term unemployed.

BY TAPPING INTO THIS TALENT POOL, YOU CAN...

- **FIND QUALIFIED CANDIDATES** – The long-term unemployed are qualified – they are simply under-accessed. A study of nearly 20,000 sales and service workers found that there was virtually no difference between the performance of those who had not held a job within the past five years and those who had. In fact, the study found that workers who had been unemployed for five years actually performed slightly better in terms of average transaction time and schedule adherence. In a market of a growing economy and competition for talent, you can’t afford to overlook these qualified candidates.

- **HIRE MORE LOYAL AND ENGAGED EMPLOYEES** – Leading research supports widespread anecdotal evidence that companies hiring the long-term unemployed experience higher retention rates and enjoy a more reliable and loyal workforce.

**Employer Spotlight**

Anticipating a shortage of skilled workers in coming years, a large natural gas company created a train-to-hire program that has experienced great success with LTU recruits. Participants apply to be part of an intensive 10-week training program focused on learning a specific skill set that the company needs. The training comes at no cost to the participants, who are considered for employment and interviewed at the end of the program. Using this program, the company has hired many talented LTU who are committed to growing with the company. Further, this program is proactively addressing long-term hiring needs and making sure that they have trained personnel for years to come.
AUGMENT SOURCING

An average of 118 applications12 (or even more than 1,00013) are submitted for any given position, meaning recruiters must review and evaluate an overwhelming amount of candidates for a single job. Recruiters and hiring managers are busier than ever looking for qualified candidates that are the best skills and qualifications fit for your company. The long-term unemployed can be an easily accessible candidate pool thanks to intermediary groups in your community who can help you source candidates.

BY TAPPING INTO THIS TALENT POOL, YOU CAN...

- **EASE THE BURDEN ON YOUR RECRUITMENT TEAM** – Your local Workforce Investment Board and other intermediary groups can be a reliable pipeline for qualified, pre-screened candidates.

- **LOWER SOURCING COSTS** – The average cost of hire per employee is around $3,500.14 Working with an American Job Center (a federally coordinated center for job seekers to connect to unemployment services and local job openings) or another intermediary that identifies qualified candidates for open positions can help you save on job board fees and recruiter time spent reviewing resumes and pre-screening candidates. Even further, H1-B visas (non-immigrant visas that allows employers to temporarily employ foreign workers in specialty occupations) used for jobs where American talent cannot be identified cost employers up to $4,000 each.15 Focusing your efforts on hiring the LTU and helping them skill up results in less expensive hires.

- **FIND SOURCES FOR CUSTOMIZED TALENT NEEDS** – Build relationships with your local intermediaries (there are over 2,800 American Job Centers alone). Publically-funded and non-profit intermediaries can become long-term partners who understand your business’ unique needs and work to fill them on an ongoing basis.

**Employer Spotlight**

A leading American bank receives approximately one million applicants every year. For help identifying the most qualified candidates, they turned to intermediaries in their local communities, who assisted with everything from driving traffic to job fairs to finding diverse groups of candidates to meet the bank’s varied needs. Through these collaborations, this company strengthened its ties to surrounding communities while hiring many previously LTU job seekers.
FOCUS ON INCLUSION

Nearly 50% of the long-term unemployed belong to a minority group.\textsuperscript{16} As the U.S. grows more diverse (by 2043, one-half of the total U.S. population will belong to a minority group),\textsuperscript{17} more and more companies recognize the value of a diverse workforce: 93% of Fortune 500 companies say diversity is a key business driver.\textsuperscript{18} After all, in the last 20 years alone, buying power of African Americans grew by 246%, Hispanics and Latinos by 513%, and Asians by 495%.\textsuperscript{19} 65% of global spending power is controlled by women\textsuperscript{20} and the LGBT community’s buying power topped $830 million last year.\textsuperscript{21} Diversify your workforce and focus on making all employees feel included to reap the rewards.

BY TAPPING INTO THIS TALENT POOL, YOU CAN...

ACHIEVE GREATER FINANCIAL PERFORMANCE – The most diverse companies have disproportionally large annual revenue. DiversityInc’s Top 50 companies capture 22% of Fortune 500 gross revenue, although they are only 7% of the Fortune 500, and they get a 23.5% higher return than the S&P 500, when measured over a 10-year period.\textsuperscript{22}

FUEL INNOVATION – 85% of global executives surveyed by Forbes either strongly agreed or somewhat agreed that “a diverse and inclusive workforce is crucial to encouraging different perspectives and ideas that drive innovation.”\textsuperscript{23} Companies can leverage diverse viewpoints and ideas to foster creativity and new products, as well as utilize talent that closely understands the needs of growing demographic groups.

ATTRACT MORE TALENT – Today’s workforce increasingly values an employer’s commitment to diversity. When considering potential employers, more than 30% of Millennial and Generation X workers view commitment to diversity and inclusion as an important indicator of the corporate culture.\textsuperscript{24}

Employer Spotlight
For a leading pharmaceutical company, diversity and inclusion is a key business goal to stay competitive. The company utilized its Workforce Initiative Groups to recruit qualified diversity talent, including LTU candidates of various ages, ethnicities, and backgrounds. In addition to increasing diversity and inclusion hires, the company has found that these employees also demonstrate a higher retention rate.
INCREASE LOCAL SPENDING POWER – Getting more people back to work means more people with the ability to buy your products and services.

EXPAND YOUR CUSTOMER BASE – Trends show that consumers are more likely to shop at a business that is involved in its community. When purchasing products, 85% of surveyed consumers consider whether a business supports local communities. A recent study showed that investing in communities through people, job creation, and infrastructure is the #1 issue that consumers want companies to address. Building a reputation of empowering local economies makes you a business of choice.

Employer Spotlight
A leading bank actively looks for ways to support its local communities, recognizing that its own success is driven by the success of its customers. Because long-term unemployment can be a hardship to the entire community, the bank began actively seeking out and hiring LTU candidates for open positions at locations across the country. Due to the success they have seen with these hires, it plans continuing this hiring practice in the future.
BE A PART OF A LARGER SOLUTION

During the 2009 Great Recession, unemployment spiked to 10%, the highest since 1983. More than 235,000 businesses closed. The number of job openings decreased 44% and employment declined 5%.29 While the U.S. economy is recovering, our recent economic growth may be threatened by the unprecedented high rate of long-term unemployment. Because it can result in skills deterioration of the labor force and a reduction in overall productivity, leading economists agree that the long-term recovery of the economy remains in danger if long-term unemployment persists at this high level. You can play a role in solving this national problem simply by giving long-term unemployed job seekers a fair chance.

BY TAPPING INTO THIS TALENT POOL, YOU CAN...

- **BUILD YOUR BRAND** – 55% of consumers are willing to spend more on products and services from companies that are committed to positive social and environment impact.30 Showing consumers your commitment to doing good can help your brand reap benefits.

- **ACHIEVE CORPORATE SOCIAL RESPONSIBILITY GOALS** – 95% of CEOs believe that societies hold business to a higher accountability for social issues than they did five years ago.31 Companies include corporate social responsibility as part of their business strategy for a variety of reasons – to retain current employees, attract customers and potential employees, and have an impact.32 Helping the long-term unemployed get back to work fits the bill.

- **MAKE A DIFFERENCE** – In conversations with employers around the country, many organizations agree that committing to the effort to reduce long-term unemployment will help make a difference in our communities and our country.

**Employer Spotlight**

A well-known insurance company recently challenged themselves to be a corporate leader in solving the national LTU issue — not only because this supported its corporate social responsibility goals and bolstered its reputation, but also because it helped LTU job seekers given the tough job market. Through this initiative, the company has given back to its local communities while utilizing the diverse skill sets that the LTU have brought to the company.
A MATURITY MODEL

Assess Your Ability to Maximize the Value of Hiring the Long-Term Unemployed

Before you can make a change in your organization, you need to know where you stand. Using Deloitte’s talent acquisition experience, we created a maturity model that you can use to understand your organization’s talent acquisition practices as they relate to hiring the long-term unemployed. Further, this maturity model shows what the leading employers are doing in this space and describes the behaviors you can adopt to join them in reaping the potential benefits of hiring the long-term unemployed.

FOR YOUR REFERENCE:
Refer to the Get Started: Improving Your Recruiting Lifecycle to Target the Long-Term Unemployed section for top recommendations related to each maturity model level.

WHAT IT IS

Deloitte has developed a maturity model for talent acquisition as it relates to accessing and recruiting the long-term unemployed. Our model is the result of conversations and feedback from hundreds of employers who are leading the field in accessing this talent pool.

The model describes three maturity levels — basic, progressive, and leading — and provides descriptions of behaviors seen at each level.

BASIC
Meets legal requirements and does not negatively impact the long-term unemployed

PROGRESSIVE
Understands specific challenges and has formalized plans to recruit the long-term unemployed

LEADING
Leads national employers in accessing and acquiring the long-term unemployed talent pool
The model describes behaviors as answers to questions, organized across a typical recruiting lifecycle (shown left). To customize this model, you can focus on recommendations along the lifecycle phases most relevant to your organization.

### RECRUITING LIFECYCLE

- **PLAN**
  - Determine Strategy
  - Define Needs
  - Develop Job Profile

- **SOURCE**
  - Post Job
  - Work with Sourcing Partners
  - Identify Referrals
  - Interface with Hiring Manager
  - Attract and Engage Quality Candidates

- **EVALUATE**
  - Use Initial Candidate Screens
  - Conduct Phone Screens and Interviews

- **HIRE**
  - Perform Due Diligence
  - Extend and Secure Offer

- **RETAINT**
  - Onboard New Hires
  - Enable Job Success
HOW TO USE IT

Use this model as a lens through which to review your recruitment practices as they pertain to hiring the long-term unemployed and develop an understanding of where your organization currently stands. Furthermore, use this model to understand the “leading maturity level” behaviors and adapt your organization’s practices to meet these leading practices.

EVALUATION INSTRUCTIONS

Review the evaluation questions in the second (or gray) column and select the criteria that best fits your organization. Identify where you would like your organization to move to, and take note of the behavior differences between your current and desired state. Also make note of who “owns” each recommendation so those key people can begin driving those recommendations throughout the organization or Talent team.

To help you progress along the maturity level, the next section highlights key recommendations your organization could implement. Organized across each maturity level, these leading practices are concrete, actionable ways to enhance your organization’s recruitment strategy to fully realize the value of hiring the long-term unemployed.

Throughout the model, we identify who at your organization would typically own, lead, and drive each recommendation. These may vary depending on your organization’s size and structure, so think about what makes sense for your organization to determine who will own these recommendations. Smaller organizations likely won’t have as much ownership differentiation, so take a more holistic look at the maturity model instead of focusing on areas of ownership.

Guidance for smaller employers

This handbook primarily targets medium and large employers. Recognizing that smaller organizations face different time and resource constraints when it comes to hiring (such as not having dedicated recruiters or hiring on a less frequent basis), we recommend that you focus on the following areas of the maturity model:

PLAN: Aligning on a long-term unemployed strategy; aligning job postings to Knowledge, Skills, and Abilities (KSA) required for the job

SOURCE: Ensuring job postings are fair and accessible; using local and national intermediaries to find talent

EVALUATE: Confirming processes including awareness of special needs for long-term unemployed talent

HIRE: Communicating opportunities for career advancement

The rest of the playbook focuses on recommendations related to the maturity model - you should focus most on the recommendations and toolkit items that pertain to the practices above.
<table>
<thead>
<tr>
<th>PLAN</th>
<th>SOURCE</th>
<th>BASIC</th>
<th>PROGRESSIVE</th>
<th>LEADING</th>
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<tbody>
<tr>
<td>Does your business and talent leadership align on a long-term unemployed talent strategy?</td>
<td>Organization has no formal or informal strategy to consider hiring the long-term unemployed.</td>
<td>Organization is aware of long-term unemployed population and challenges they face; informal strategy to consider hiring long-term unemployed exists, but lacks alignment with business leadership.</td>
<td>Business and talent leadership define diverse talent needs together and are strongly aligned on considering hiring the long-term unemployed as an important part of this strategy.</td>
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<tr>
<td>Do you have a champion for hiring long-term unemployed job seekers?</td>
<td>Organization does not have a long-term unemployed champion in the Talent team or organization.</td>
<td>Organization has identified a long-term unemployed champion in the Talent team.</td>
<td>Organization has identified a committed senior leader who actively champions recruiting and hiring the long-term unemployed.</td>
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<tr>
<td>Are your recruiting goals for long-term unemployed hires tied to recruiter performance?</td>
<td>Organization has no recruiting goals for long-term unemployed hires.</td>
<td>Organization recruits the long-term unemployed but metrics are not part of the recruiter performance management process.</td>
<td>Recruiters have set target numbers to consider and hire the long-term unemployed. Metrics and performance goals are part of the performance process.</td>
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<tr>
<td>Do you build sustainable talent pipelines that take advantage of the long-term unemployed, (e.g., community colleges, internships)?</td>
<td>Organization does not include the long-term unemployed in their talent pipeline.</td>
<td>Organization considers different talent sources and populations when building their pipelines, which include the long-term unemployed.</td>
<td>Organization uses long-term unemployed pipelines to fill talent gaps.</td>
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<tr>
<td>Do your job postings align with the KSAs required for the job?</td>
<td>Recruiters work with hiring managers to maintain accuracy and update KSAs in each job profile.</td>
<td>Organization (i.e., Talent function) analyzes the tasks and skills necessary for job success and confirms alignment with job profiles.</td>
<td>Organization evaluates successful job performance and creates job profiles based on identified traits.</td>
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<tr>
<td>Do you ensure that job postings are fair and accessible to long-term unemployed?</td>
<td>Organization does not use inappropriate advertising (e.g., requiring current employment) that discourages long-term unemployed candidates from applying.</td>
<td>Organization sends job postings to staffing organizations as a method of reaching out to less traditional audiences.</td>
<td>Organization sends job postings to local and national intermediaries to ensure job access to long-term unemployed job seekers.</td>
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<tr>
<td>Do you use local and national intermediaries to find talent?</td>
<td>Organization has no relationship with local and national intermediaries.</td>
<td>Organization has awareness of national and local intermediaries and uses them informally/infrequently to source talent.</td>
<td>Organization has established formal relationships with intermediaries to source the long-term unemployed. Organization also provides regular feedback to intermediaries about the quality and success rates of long-term unemployed candidates.</td>
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<tr>
<td>Do you use an employee referral program to find talent?</td>
<td>Organization has an Employee Referral program but it is not used to specifically identify long-term unemployed candidates. Uses consistent and appropriate assessments for referrals, external job postings, and initial screens.</td>
<td>Organization encourages current employees to tap into their networks and refer long-term unemployed job seekers for open positions.</td>
<td>Organization communicates the Employee Referral program to past employees and/or alumni network to identify long-term unemployed candidates.</td>
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<tr>
<td>Do you engage with hiring managers to help them understand the value of hiring the long-term unemployed?</td>
<td>Organization does not communicate to hiring managers the business value for hiring the long-term unemployed.</td>
<td>Organization provides information to hiring managers on the value of hiring the long-term unemployed through informal and unofficial means.</td>
<td>Organization provides formal and systematic education and tools to hiring managers on the business value of hiring the long-term unemployed.</td>
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<tr>
<td>Do you attract and engage with long-term unemployed job seekers?</td>
<td>Organization’s brand and job openings attract job seekers, but does not specifically target or engage with long-term unemployed job seekers.</td>
<td>Organization builds a socially responsible brand and uses social media to attract and recruit from a larger talent pool, which includes the long-term unemployed.</td>
<td>Organization’s brand demonstrates commitment to recruiting the long-term unemployed, including specific talent community programs and career advancement for the long-term unemployed.</td>
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<tr>
<td>EVALUATE</td>
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<td>Do you use filters in your initial screens of candidates?</td>
<td>Organization uses filters but does not use inappropriate screening procedures that automatically eliminate unemployed/long-term unemployed resumes.</td>
<td>Instead of resume filters, organization uses an existing assessment or hires a pre-employment testing company to assess critical skills in candidates.</td>
<td>Organization uses predictive technology solutions to enable skills-based hiring and help predict candidate success on the job.</td>
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<tr>
<td>Do your phone screen and interview processes include awareness of special needs for long-term unemployed job seekers?</td>
<td>Organization uses a standard phone screen and interview process that does not include specific needs of the long-term unemployed.</td>
<td>Organization strives to understand complete candidate story by reviewing all candidate materials, including resume and cover letter. Asks about activities during the employment gap. Looks for transferable skills that can be used.</td>
<td>Organization provides guidelines to recruiters for specific attention needed to long-term unemployed cover letters and resumes. Has standard protocol, interview guides, and questions that help hiring managers when interviewing the long-term unemployed.</td>
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<tr>
<td>Are credit checks part of due diligence on your long-term unemployed candidates?</td>
<td>Organization performs standard due diligence that includes credit checks for relevant roles only. Credit checks are performed for final round candidates only and abide by Fair Credit Reporting Act (FCRA) obligations and other applicable legal requirements.</td>
<td>Organization performs standard due diligence that includes credit checks for relevant roles only. Credit checks are performed for final round candidates only and abide by FCRA obligations and other applicable legal requirements. Organization evaluates a more robust credit history on long-term unemployed candidates to gain complete picture of financial profile for the final round and only for relevant roles.</td>
<td>Organization performs standard due diligence that includes credit checks for relevant roles only. Credit checks are performed for final round candidates only and abide by FCRA obligations and other applicable legal requirements. For long-term unemployed candidates for the final round and only for relevant roles, organization investigates history behind a poor credit score to determine if the applicant has undertaken a good-faith effort to meet his or her financial obligations.</td>
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<tr>
<td>Does your offer process communicate opportunities for career advancement?</td>
<td>Organization presents traditional offer package, including salary, compensation, and benefits.</td>
<td>Organization specifically communicates the benefits package and salary to the candidate, focusing on opportunities for career advancement or funding for higher studies.</td>
<td>Organization presents offer package to candidate and highlights the potential for an accelerated career path given strong performance.</td>
<td></td>
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<tr>
<td>Do you have an onboarding process for long-term unemployed new hires?</td>
<td>Organization has no specific processes for long-term unemployed new hires.</td>
<td>Organization has an informal onboarding process for long-term unemployed new hires.</td>
<td>Organization has a formalized onboarding process for long-term unemployed new hires to re-acclimate to the working world. Assigns mentors who will help them transition successfully. Develops and provides onboarding materials to the managers of the long-term unemployed new hires.</td>
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<tr>
<td>Do you have processes in place to track and enable job success for long-term unemployed new hires?</td>
<td>Organization has no mechanisms in place to track and enable job success for all new hires.</td>
<td>Organization has mechanisms in place to track and enable job success for all new hires, but are not specific towards long-term unemployed new hires.</td>
<td>Organization has a mechanism in place to track and compare the success of long-term unemployed candidates who have been hired.</td>
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As one of the leaders of this national effort, an automobile manufacturer customized its recruiting process to include specific processes and resources for LTU candidates. They identified recruiters to focus on LTU hiring efforts and trained them to market LTU candidates to hiring managers. The company also restructured its processes so that LTU applications were given special attention within recruiting systems. This restructure led to significant hiring of LTU – because they were the right fit for the job, and because they got the attention they deserved.
SECTION 4
GET STARTED

Improving Your Recruiting Lifecycle to Target the Long-Term Unemployed

You have assessed your organization’s maturity level and are ready to enhance your recruiting and hiring practices. Based on extensive employer research across industries, we identified key recommendations across each phase of the recruiting lifecycle. Implementing these practices will help advance your organization along the maturity levels and maximize the value of hiring and retaining the long-term unemployed.
THE BASIC MATURITY LEVEL

The Basic maturity level indicates that your organization meets legal compliance requirements and is not actively – intentionally or non-intentionally – discriminating against the long-term unemployed. If your evaluation uncovered areas where your organization is not performing at the basic level, below are key recommendations to help you get here.

1 - UPDATE KNOWLEDGE, SKILLS, AND ABILITIES (KSAs) REGULARLY

Maintaining accurate KSAs for job openings is the first step towards finding the right people for the position. By knowing exactly what skills are needed for each opening, it becomes easier to evaluate candidates. Focusing on an applicant’s skill set as opposed to their previous employment history will enable you to hire the candidates with the most relevant abilities. Recruiters should work with hiring managers to regularly review and update KSAs for each job profile to maintain accuracy. Research to see if your industry has KSA databases like this free resource available from the International Association of Drilling Contractors.

2 - ELIMINATE INAPPROPRIATE ADVERTISING

Confirm jobs posted by your organization or by intermediaries on your behalf do not discourage long-term unemployed candidates from applying. For example, do not use phrases like, “must be currently employed” or “actively employed.” Instead, use simple and easy to understand language in job advertisements and place them on platforms accessible to the long-term unemployed.

T2 Toolkit Element: Samples of discriminatory advertising on Page 37

3 - USE CONSISTENT AND APPROPRIATE ASSESSMENTS FOR REFERRALS, EXTERNAL JOB POSTINGS, AND INITIAL SCREENS

Review your referral screening process with the same lens as external job postings and initial screens. Confirm that questions about work history and employment status are consistent between external job applications and internal referral forms. Check that internal referral forms do not ask if the candidate is “actively employed” or for the name of a “current employer.”

4 - ELIMINATE LONG-TERM UNEMPLOYMENT FILTERING

Remove inappropriate filters and screening procedures, such as asking the dates of last or current employment, that automatically eliminate unemployed and long-term unemployed applications. Confirm that Applicant Tracking Systems do not screen out resumes based on age or employment status.

T3 Toolkit Element: Applicant Tracking System Filters to Avoid on Page 39
**THE PROGRESSIVE MATURITY LEVEL**

The Progressive maturity level indicates that your organization is committed to supporting this national priority to decrease long-term unemployment while accessing a pool of qualified talent. You are aware of the challenges facing the long-term unemployed and your organization actively seeks to recruit these job seekers. If your organization is operating at a Basic maturity level, review these recommendations to determine how you can move to the Progressive level.

<table>
<thead>
<tr>
<th>PLAN</th>
<th>1 - DEVELOP A STRATEGY FOR LTU RECRUITING</th>
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<td></td>
<td>Implement a strategy to consider hiring LTU by educating your organization about the long-term unemployed population and the challenges they face. This strategy should include a plan and owner to socialize the value of hiring the long-term unemployed with hiring managers.</td>
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<tr>
<th>PLAN</th>
<th>2 - IDENTIFY A LTU CHAMPION</th>
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<tr>
<td></td>
<td>Designate a champion for the LTU effort within your Talent Acquisition team. Encourage them to seek out long-term unemployed candidates and advocate for this population with the decision makers related to hiring. Make it clear to the HR organization that the champion has the buy-in of the organization's leadership on this issue.</td>
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<tr>
<th>SOURCE</th>
<th>3 - KNOW YOUR LOCAL AND INDUSTRY SOURCING PARTNERS AND DIVERSIFY WHERE JOBS ARE POSTED</th>
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<tr>
<td></td>
<td>Connect with your local and national intermediaries by getting in touch with your local Workforce Investment Board and American Job Centers. Send job postings to staffing agencies to attract candidates that are using less traditional search methods or currently doing short-term work. Also leverage social media, such as LinkedIn, Twitter and Facebook to link to job openings. For example, add hashtags to your tweets that link to a job that you are trying to fill, such as #jobposting or #hiring. If you haven’t already, build talent communities on social media channels, and use these as a way to create connections with potential employees, including the LTU. Talent communities give you the opportunity to build a relationship with applicants and fully understand their story – not just their employment status.</td>
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<tr>
<th>SOURCE</th>
<th>4 - SOCIALIZE THE BUSINESS CASE FOR HIRING LTU WITH HIRING MANAGERS</th>
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<td></td>
<td>Getting your HR organization on board is the first step in making a commitment to hiring the LTU. Hiring managers are key decision makers in the hiring process, but they are often unaware of the value of hiring the LTU. You can overcome this hurdle by educating hiring managers through existing communication channels. Share the business case (available in the toolkit) through email communications, department meetings, and during training programs on resume reviews and interviews. Obtaining the buy-in of hiring managers on the value of the LTU is a critical first stage of any organization’s strategy to hire from this talent pool.</td>
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</table>

*For a more robust talent strategy example and LTU champion profile, see toolkit items in The Toolkit section.*

*For formal education materials for use with hiring managers, see the toolkit item in The Toolkit section.*
5 - TAP INTO YOUR EMPLOYEES FOR REFERRALS

Let your current employees know that your organization is committed to hiring talent from many diverse groups and sources – including the long-term unemployed. Ask for their assistance in identifying qualified candidates by using your Employee Referral program. Use this program as a way to internally publicize your commitment to hiring the long-term unemployed and source qualified candidates.

4 Toolkit Element: LTU-Inclusive employee referral program guidelines and communications on Page 41

6 - USE ASSESSMENTS TO EVALUATE CANDIDATES

Skills assessments have been shown to be five times more predictive of success on the job than degree alone. These assessments can measure skills ranging from basic computer knowledge to skills that are specific to an industry. Employers who have incorporated skills-based hiring (rather than relying on recent job experience) have seen 25 – 75% reduction in turnover, 50 – 70% reduction in time-to-hire, reduction in cost-to-hire, and reduction on time-to-train. Use an existing assessment or hire a pre-employment testing company to measure critical skills in candidates and help ensure that truly qualified candidates (long-term unemployed or otherwise) are fairly considered. Explore the assessments most often used in your industry or job function to assess candidates. If appropriate, consider using websites such as HireVue or Apploi to help you to assess a candidate’s soft skills – commonly reported as the most important and most difficult to assess attribute – through video recordings of candidates performing specific tasks. These video-based application systems have the added bonus of reducing volume of applications, as each candidate must create customized content to apply as opposed to simply dropping a standard resume.

In Action — In order to ensure that they are hiring the most qualified candidates, a health care products company made the switch to using cognitive skills assessments to evaluate candidates for open jobs. As a result of this change, the company has seen its hiring costs decrease from $2,300 to $600 per hire, its time-to-hire reduce from 45 days to 17 days, and its time-to-full-efficiency reduced from two years to six months.

7 - CONDUCT BEHAVIORAL INTERVIEWS

Instead of traditional interview methods that ask about your previous work experience or positions, use behavioral-based interviewing techniques to evaluate the candidate’s skills and abilities as well as their work ethic and motivations. Behaviorally-based selection techniques will provide you with more accurate and timely information to assess the candidate’s “can do” and “will do” for the position and for the organization. Research suggests that the opportunity to assess work behaviors is highest when using behavioral interviewing techniques. Consider using the Situation, Task, Action, Result (STAR) format to understand a job applicant’s work behavior.

5 Toolkit Element: Examples of behavioral interview questions on Page 42

8 - REVIEW ALL CANDIDATE MATERIALS AND LOOK FOR TRANSFERABLE SKILLS

Aside from the resume, review all materials to understand the complete story of a long-term unemployed candidate. Read the cover letter of long-term unemployed candidates to evaluate depth of experience and skills match. Investigate the situation of the long-term unemployed candidate by asking about activities during an employment gap. Look for transferable skills by asking for specific examples of roles where candidates have demonstrated required skills and how they plan to use the skills in your company. These examples could include unpaid roles within the community or non-profit organizations. Examples of interview questions that probe transferable skills include “Do you manage your household budget?”, “How did you organize the work schedule?”, or “How did you let everyone know what they had to do?”

Included in The Toolkit section is an LTU-specific interview guide.

For many jobs, understanding and assessing foundational employability skills is most important. The National Network of Business and Industry Associations has put together a report identifying a common definition for employability skills - skills that all employees should exhibit in the workplace. Check them out here.
THE LEADING MATURITY LEVEL

The Leading maturity level indicates that your organization is helping to lead the charge to address this national priority and lower long-term unemployment. You are committed to hiring the long-term unemployed as an overall strategic goal and your organization seeks these job seekers by building strong relationships with national and local intermediaries, community colleges, and other ecosystem partners. Your organization is committed to implementing formalized systems and processes to attract and retain long-term unemployed talent. Your organization shares knowledge and success stories with your peers, industry associations, community networks, and social media followers to help others in their LTU endeavors. If your organization is operating at the Progressive level, consider pioneering new and innovative methods to recruit and retain the LTU.

1 - Align your business and talent leadership on a talent strategy around the long-term unemployed

Business and Talent leadership work together to define talent needs and a strategy to consider hiring the long-term unemployed for these roles. Further, the strategy includes publicizing their commitment to the long-term unemployed internally and externally. The right business leaders are engaged and invested in executing against the strategy.

In Action — A sourcing solutions company sets target LTU goals for every recruiter, dedicating a certain number of spots in every hiring class to the LTU. By hiring the LTU as part of an incoming new hires class, this company allows hiring managers to compare LTU applicants against one another and their non-LTU peers. The company also learns themselves that the LTU are quality hires. The company has seen great success with this program because not only is the performance of LTU hires comparable to non-LTU hires, but also has resulted in higher retention rates for previously LTU hires.

2 - Appoint an LTU champion who is a senior leader in your organization

Identify a senior leader, who has major influence across your organization, to serve as a champion for hiring the LTU. The champion will educate the entire organization on the business value of hiring the LTU. With commitment from business and Talent leadership, the LTU champion will be responsible for driving change, making this effort a strategic priority, and tracking the success of the program.

3 - Tie LTU recruiting goals to performance metrics

Incorporate long-term unemployed hiring goals as part of performance management of the recruiting team. Set target numbers for recruiters to consider and hire the long-term unemployed and reward recruiters who recruit successful LTU candidates.

Toolkit Element: Example of an Aligned LTU strategy on Page 45

Toolkit Element: Example of LTU champion role and responsibilities on Page 47

Toolkit Element: Sample Performance Management Goals for Recruiting the LTU on Page 49
4 - PLAN TALENT NEEDS

Identify critical skills needed for your organization’s success. Consider how you could fill the gaps for these skills by providing opportunities to build skills through collaborations such as community colleges, training programs, sourcing partners, and other local intermediaries. Work with partners to source LTU into these programs to provide a pipeline of skilled talent that simultaneously achieves LTU hiring goals.

In Action — A leading pharmacy benefit management company is reinventing its talent acquisition strategy by collaborating with local community colleges to build a curriculum that teaches students specific skills that the company has a hard time finding in the market. Through this collaboration, the company built a ready-made candidate pool (including many LTU) from which it could hire trained talent. The company has found a sustainable source of high-performing talent using this collaboration with the community college.

5 - DEVELOP STRONG RELATIONSHIPS WITH YOUR SOURCING PARTNERS

Provide regular feedback to sourcing partners about the quality and success rates of long-term unemployed candidates. Consider getting involved on the boards of local and national intermediaries to help guide their support of the community and help them help you create a talent pipeline. Work regularly with the intermediaries to find long-term unemployed talent.

In Action — Another health care company heavily recruits talent from more than 400 national and local community organizations, which help source a diverse array of qualified candidates. Through these collaborations, it has hired more than 90,000 people over the past 15 years—a significant number of which were previously LTU.

T9 Toolkit Element: Tips for working with sourcing partners on Page 50

6 - EDUCATE AND ENGAGE WITH HIRING MANAGERS

Provide formal training or knowledge sharing sessions for hiring managers to educate them about the value that the LTU can bring to the organization. Incorporate a session on ‘the business case for hiring the LTU’ in the annual learning calendar for hiring managers.

T10 Toolkit Element: LTU Education materials for hiring managers on page 54

7 - ESTABLISH GUIDELINES FOR REVIEWING LTU APPLICATIONS AND CONDUCTING LTU INTERVIEWS

Set guidelines around the review of resumes and cover letters of LTU applicants to help ensure a fair evaluation. Develop a standard interview guide to assist hiring managers in interviewing LTU candidates. Implement a process to provide legally approved feedback to potential candidates after the interview process.

In Action — To eliminate its internal stigma toward the LTU, a leading hotel chain has retrained its recruiters to comprehensively examine the experiences and skills of prospective hires above evaluating their current employment status. This tactic has helped recruiters reinvent the way they examine all candidates, including LTU job seekers.

T11 Toolkit Element: Supplemental LTU Interview Questions & Resume Review Tips on Page 63
8 - INVESTIGATE THE HISTORY BEHIND A POOR CREDIT SCORE

Remember that your organization must comply with any state or local law requirements as well as FCRA obligations. In case the credit score is a barrier to hiring LTU candidates for relevant roles, take the extra step to follow up with the candidate and determine if the unfavorable credit score is indicative of a temporary unemployment situation as opposed to a habitual negative credit history. Consider forgiving short-term discrepancies on the credit history if an LTU candidate has experienced or is experiencing financial difficulty through no fault of their own and has undertaken a good-faith effort to meet his or her financial obligations.

9 - ONBOARD PREVIOUSLY LTU NEW HIRES

Develop a formalized onboarding mentorship program specifically tailored for previously LTU new hires to ease reentry to the working world. Assign mentors who are aware of their challenges and will coach the new hire throughout the first 90 days of employment. Organize networking events that make new hires feel welcomed and assimilated to the organization. Develop and distribute onboarding materials to the managers of the previously LTU new hires that help them understand the challenges that these new hires face. These materials should also discuss specific practices that will enable the long-term success of these new hires.

**T12** Toolkit Element: Outline for supplementing your onboarding program - LTU mentorship program on Page 66

10 - TRACK LTU SUCCESS

Develop a mechanism to track and compare the success of long-term unemployed candidates who have been hired. Their relative performance can indicate how they compare with peers, thereby strengthening the business case for hiring the long-term unemployed with hiring managers and others within your organization. Follow up with intermediaries to provide feedback on worker transition as well as their success or lack of success. This will help intermediaries focus on your company’s needs and bring you the right resources in the future.

**In Action** — A US based bank has committed to hiring the LTU as a way to meet its diversity and inclusion goals. The company sought to track and compare performance of LTU hires against performance of non-LTU hires. It surveyed employees, determining who had been LTU prior to joining the bank. This survey asked all respondents about company engagement and the bank plans to compare scores across the previously LTU and non-previously LTU populations. The bank hypothesizes that LTU employees will be found to be more engaged and have higher retention rates.

**T13** Toolkit Element: Success metrics for LTU hires on Page 69
SECTION 5

THE TOOLKIT

Providing the resources you need to hire the LTU

This toolkit provides resources and examples to help you implement some of the recommendations outlined in the Maturity Model and Get Started sections. These tools will help your organization move along the maturity model to effectively hire and retain the LTU talent population. The tools in this toolkit focus mainly on the Leading maturity level, but they can all be modified and scaled to fit the Basic or Progressive maturity levels.
This Business Case tool explains the LTU issue as well as the business drivers for tapping into the LTU talent pool. Use these sample PowerPoint materials to educate your entire organization on why hiring the LTU can provide a significant competitive advantage for your business.

TAPPING INTO A FREQUENTLY OVERLOOKED TALENT POOL

A Business Case for Hiring the Long-Term Unemployed
USAGE GUIDELINES

These materials are intended for use in educating your organization on business reasons for hiring the long-term unemployed (LTU). They provide rationale for how hiring the LTU can provide a significant competitive advantage. Below are some suggestions for use:

Considering and hiring the LTU starts at the top. Use this business case to educate organizational leaders (i.e., CHRO, CFO, etc.) on the LTU issues and business drivers for focusing on this often overlooked talent pool.

Share these materials with Talent leadership and staff to align on a business and talent strategy for hiring the LTU. Encourage your Talent and HR staff to leverage this business case and communicate the organization’s commitment to hiring the LTU, (i.e., discussing in company communication channels and in meetings).

Print hard copies, email electronic versions, or post on your internal website so organizational leaders and staff can reference this business case in the future.
ACTIVELY RECRUITING AND HIRING THE LONG-TERM UNEMPLOYED (LTU) MAKES BUSINESS SENSE

Hiring the LTU can provide a significant competitive advantage for businesses and help strengthen the U.S. economy.

---

The LTU Issue

- Average callback rate for LTU are 45%
- Lower than the recently unemployed
- 3.0 M American LTU have been job searching for 27 weeks or more
- LTU with relevant experience are 1/2 as likely to receive an interview callback than the recently unemployed with NO relevant experience

---

Business Drivers for Hiring the LTU

- Increases access to quality talent
  - FACT: Studies suggest companies hiring LTU experience a more reliable and loyal workforce as well as higher retention rates
- Builds your brand
  - FACT: 92% of surveyed consumers would purchase products with a social or environmental benefit
- Reduces recruiting costs
  - FACT: Working with intermediaries can help reduce your recruiting costs
THE LONG-TERM UNEMPLOYMENT (LTU) ISSUE IN THE U.S.

According to leading economists, the current high level of LTU can result in lasting damage on the U.S. economy.

**Skills Deterioration, an Increase in Structural Unemployment, and Lower Labor Force Participation are Potential Consequences of the High LTU Rate**

- **3.0M Long-Term Unemployed Individuals in the US** (Job searching for 27 or more weeks)
  - LTU rate remains 3.5 times higher than the pre-recession average
  - Account for 31.9% of the unemployed

- **27% of LTU have post-secondary degrees**
- **24.5% of STU have post-secondary degrees**

- Long-term unemployment affects Americans of all ages, ethnicities, geographies, industries, and education and experience levels.

- **45% lower callbacks for interviews**

- **The Long-Term Unemployed face significant disadvantages (i.e. stigma) simply because of the gap in employment**
  - Those who are unemployed for 7 months with relevant experience are 1/2 as likely to receive interview callbacks than those who are unemployed for 1 month with no relevant experience
  - More jobs than recently unemployed job seekers

- **Skills deterioration, an increase in structural unemployment, and lower labor force participation are potential consequences of the high LTU rate**

- **Account for 31.9% of the unemployed**

- **3.5 times higher than the pre-recession average**

- **Of LTU, 27% have post-secondary degrees**
- **Of STU, 24.5% have post-secondary degrees**

- Long-term unemployment affects Americans of all ages, ethnicities, geographies, industries, and education and experience levels.
BUSINESS DRIVERS FOR CONSIDERING AND HIRING LTU

Hiring the LTU can provide a significant competitive advantage for businesses. It can bring financial value to your organization while enhancing your organization’s talent acquisition strategy.

- Increases access to quality talent
- Builds your brand
- Reduces recruiting costs
INCREASES ACCESS TO QUALITY TALENT

Hiring LTU talent will help businesses find qualified, engaged, and diverse employees.

Increase access to qualified and motivated talent

- A study of nearly 20,000 sales and service workers found virtually no performance difference between workers who were previously LTU and short-term unemployed.

- The same study also found that workers who were previously LTU perform slightly better in average transaction time and schedule adherence.

- A recent study supports anecdotal evidence that the LTU may be more reliable and loyal workers, leading to higher retention rates.

Increase access to diverse talent

- 30% of the millennial and Generation X workforce considers employers commitment to diversity and inclusion when looking for employment.

- 50% of LTU belong to a racial minority group.

- 40% are female.

LTU represent a strong source of diverse candidates.
BUILDS YOUR BRAND

Simply by giving LTU job seekers a fair chance at open jobs, businesses will build their local brand by investing in the people and communities they serve and their national brand by helping to solve a serious problem affecting the country’s economy.

Strengthen your local brand

85% OF SURVEYED CONSUMERS consider whether a business supports local communities when purchasing products.

#1 ISSUE

consumers want addressed is local investment in people, job creation, and infrastructure.

Empowering local economies makes you a business of choice

Strengthen your national brand

55% OF SURVEYED CONSUMERS will spend more on socially conscious companies.

300+

Leading companies signed the Best Practices For Recruiting and Hiring the Long-Term Unemployed

Be part of a large group of companies that is publicly committed to solving this issue
REDUCES RECRUITING COSTS

Businesses can significantly enhance sourcing support and reduce recruiting costs by collaborating with intermediary organizations that work with LTU.

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<th>Enhance sourcing support</th>
<th>Reduce recruiting costs</th>
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<tbody>
<tr>
<td>118</td>
<td>$3,500</td>
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<tr>
<td>Average number of applications submitted for an online job posting(^\text{11})</td>
<td>Average cost of hire a company spends per new employee(^\text{11})</td>
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</table>

Intermediaries can help decrease the time spent on reviewing resumes and pre-screening candidates.

American Job Centers or intermediaries can help reduce job board fees.
REFERENCES AND SOURCES

4 http://www.workinglinks.co.uk/PDF/The%20Responsible%20Employer%20July%202012%20Full%20report.pdf
6 Based on feedback that Deloitte received from multiple interviews with employers and intermediaries.
8 Talent Edge 2020: Building the recovery together—What talent expects and how leaders are responding. Deloitte. April 2011
SAMPLES OF INAPPROPRIATE ADVERTISING

While no one would intentionally create inappropriate job postings, some postings end up inadvertently discouraging or disqualifying the LTU due to their unemployment status. There is certain language that you should avoid to encourage all qualified applicants to apply irrespective of their employment status. Below are examples of job postings that included inappropriate language and examples of how to correct this sort of language. Review your job postings to determine that they are as fair as possible for all applicants.

**JOB POSTING: RESTAURANT MANAGER**

**Job Requirements:**
Candidates MUST have:

» 3+ years of sports bar/casual AGM or General Manager experience
» **Current experience working** in a high volume business ($2M+)
» **Current employment in restaurant management**
» Strong personal record; must have a good credit score

**By requiring current experience and employment, this posting has the effect of precluding or disqualifying LTU applicants. Additionally, requiring a good credit score may disqualify some LTU applicants who have fallen on recent hard financial times.**

**Job Requirements:**
Candidates MUST have:

» 3+ years of sports bar/casual AGM or General Manager experience
» Significant and recent experience working in a high volume business ($2M+)
» Strong personal record; must be able to provide relevant references
By requiring current employment and a limit on the amount of jobs candidates have had in the past five years, this job posting may inadvertantly impact and discourage the LTU. Many LTU applicants may have had multiple short-term jobs to make ends meet. Instead, ask applicants to demonstrate skills and experiences that meet job requirements.

This posting discourages LTU candidates, as many have been self-employed or laid off due to the recent recession. It also requires candidates to have a ‘current employer’ to demonstrate their commitment. Instead, ask applicants to demonstrate steady use of skills, capabilities and commitment through experience.

Job Posting: Retail Store Supervisor

**Qualifications:**
- No more than 2 jobs in past 5 years
- Currently working at a high-end retail store
- Confident in interacting with leadership and customers

**Job Requirements:**
- 5 years of work experience in general maintenance of complex industrial, commercial, or education facility
- Current ODP license and a Gas Fitter 2 license
- Working knowledge of the Occupational Health and Safety Act
- Candidates who have owned their own companies or who have been downsized need not apply
- Candidates should have been with current employer for at least 1 year – looking for candidates committed to company and career growth

Job Posting: Refrigeration Mechanic

**Qualifications:**
- Strong work ethic and commitment to employer
- Experience working at a high-end retail store
- Experience managing teams of more than 10 people
- Confident in interacting with leadership and customers

**Job Requirements:**
- 5 years of work experience in general maintenance of complex industrial, commercial, or education facility
- Current ODP license and a Gas Fitter 2 license
- Working knowledge of the Occupational Health and Safety Act
- Excellent technical skills with steady experience
- Demonstrated commitment to company and career growth through skills, certifications, and projects completed
APPLICANT TRACKING SYSTEM FILTERS TO AVOID

For employers, an Applicant Tracking System (ATS) provides significant convenience in talent acquisition management. With hundreds of resumes to review, recruiters and HR staff rely on ATS software to make their jobs easier by scanning submitted resumes for a variety of things, such as key words from the posted job description, listed years of experience, company names, or names of colleges.

However, an ATS can make getting LTU resumes in front of a recruiter for review very difficult, as these systems tend to screen out many LTU candidates. Companies using an ATS may be unknowingly filtering out LTU applicants by using specific filters. Simple adjustments will help prevent the LTU from being filtered out before the recruiting team has a chance to evaluate their resumes.

Since your online application process typically feeds the ATS, start by reviewing each question asked through the application and evaluating if it creates a bias against the LTU. Generally these questions are weighted within your ATS – some are even “knock out” questions that only allow an applicant to be considered if they answer a certain way. Review which questions your ATS identifies as knock out questions and ensure that no inappropriate questions are included (see examples on the next page). Review how other questions are weighted and that these weights do not give those that are unemployed or LTU less chance of being considered.

Below are real examples of ATS fields that could negatively impact the LTU. Asking for this information in itself does not negatively impact the LTU. In fact, gathering this information can help fully understand past history. The important thing is to make sure that you do not use inappropriate questions to screen out resumés.

HOW TO CONFIRM IF YOUR ATS IS APPROPRIATE TOWARDS LTU

Review your ATS screens for the following filters that may negatively impact the LTU:

» Filtering by “employment status”
» Filtering by “Dates of current employment”
» If a candidate’s “Dates of previous employment” are more than six months old
» Asking a mandatory question on current job details
» Filtering out candidates who do not answer “can we contact your current employer”

If you found that your ATS includes any of these inappropriate filters, work with your ATS vendor and IT group to make the necessary adjustments.
By asking applicants their employment status, the ATS is able to filter out unemployed applicants. Filtering applicants by the number of employers in the last 5 years also puts LTU at a disadvantage as many LTU applicants may have had multiple short-term jobs in recent history to make ends meet.

Asking applicants about their current job type or title could filter out the LTU.

Filtering applicants based on their reason for leaving their last job may screen out LTU applicants. Many of the LTU have been a part of the downsizing during or after the Great Recession. This alone is not a reflection of their capabilities.

**APPLICANT TRACKING SYSTEM FILTERS TO AVOID**

**Employment Status**

1. Are you currently employed?
   - Yes
   - No

2. How many employers have you worked for in the last 5 years? _____

3. What is your current job type?
   - Unknown
   - Full time/regular
   - Part time
   - Consulting
   - Temp-to-hire

4. Please enter your current professional title: _____________________

**Job History**

5. Have you ever been suspended, laid off, asked to resign, or discharged from any employer?
   - Yes
   - No

6. Please select the reason for leaving your last job:
   - Discharged
   - Company closed
   - Laid off
   - Quit
   - Relocated
   - Resigned
Recent studies suggest that the most effective hiring method is not traditional job postings but rather through employee referrals.\textsuperscript{39} Referred workers are 20\% less likely to quit their jobs than non-referred workers.\textsuperscript{40}

Encourage your employees to utilize an employee referral program to recommend all qualified friends and colleagues, even those with non-traditional backgrounds and employment histories, such as the LTU. Because some employees might be reluctant to recommend friends or colleagues who are currently out of work, it is important to include language that highlights your commitment to inclusive hiring practices in your referral program communications. The sample below demonstrates how you can promote employee referrals and clearly communicate to employees the inclusive nature of the program.

**COMPANY X’S REFERRAL PROGRAM COMMUNICATION**

**Talent Referral Program**

Company X is committed to hiring the best talent and you, our employees, are our best source for referrals. You know this company and what it takes to succeed. Do not shy away from recommending candidates with non-traditional work backgrounds: those who are currently unemployed, those who are long-term unemployed, veterans, parents returning to the workforce after a voluntary absence, among others. We encourage you to think thoroughly and creatively about who you can refer.

**Why Participate?**

Our employees are what makes our business succeed. To find more great employees like yourself, we need your help. Please refer friends and colleagues in your network who you feel would be a good fit - for both the company and the position. We value your recommendations and look forward to considering all referrals, including those who do not possess traditional employment histories.
BEHAVIORAL INTERVIEW QUESTIONS

Instead of traditional interview methods, many employers are now using “behavioral based interviewing.” This interview method allows employers to learn about a candidate’s experiences and skills to assess if they would be a good fit in their company. Behavioral interviews are particularly effective for interviewing the LTU because they allow employers to dig deeper into an LTU employee’s character and work ethic, in addition to their qualifications.

Consider asking candidates to respond to interview questions using the Situation, Task, Action, Result (STAR) format. This format helps candidates fully explain their behavior in specific situations, how they perform tasks, actions they take, and results of these experiences. To effectively use the STAR format, see the guidelines below:

**SITUATION** – Ask the candidates about a situation that they were in or the task that they needed to accomplish. Have them describe a specific event or situation, not a generalized description of what they have done in the past.

**TASK** – Ask what goals were they working toward.

**ACTION** – Ask the candidates about the actions they took to address the situation. What specific steps did they take and what was their particular contribution?

**RESULT** – Ask the candidates to describe the outcome of their actions. What happened? How did the event/project/situation end? What did they accomplish? What did they learn?

FROM TRADITIONAL INTERVIEW QUESTIONS TO BEHAVIORAL INTERVIEW QUESTIONS

Traditionally, interviewers frequently ask candidates about their resume to learn their skills and experience. However, interviewers taking this approach don’t necessarily learn much that they don’t already know from the resume. Instead, consider using behavioral questions to learn more about the candidate’s experience.

In the sample scenario on the next page, the recruiter or hiring manager is interviewing Joe Hernandez, who applied for an open electrician position at their company. Examples of traditional vs. behavioral questions are shown.
### ADDITIONAL SAMPLE BEHAVIORAL QUESTIONS FOR YOUR CONSIDERATION

The behavioral questions below are a good start for any behavioral interview, but be creative and identify key behavioral traits you are looking for in a position – such as resilience or creativity – and craft questions that will draw out examples and demonstrate those characteristics.

**Tell me about a time when...**

» You worked with a difficult teammate or coworker. How did you handle it?
» You had to convince your coworker of an idea. How did you do it?
» You failed. What happened? What did you learn?
» You had to make a controversial decision.
» You had a difficult client.
» You had to work in a stressful, fast-moving, rapidly-changing environment. How did you adapt?
» You had to think creatively or innovate to solve a complex problem.
» Your honor or integrity was challenged. How did you react?
» You had to step in and take a leadership role. What were the circumstances? Why did you stand up? What was the outcome?
» Your idea or proposal was rejected. If you could do it again, what would you change?

If you’re interested in identifying specific skills or attributes, incorporate the questions below:

Communication Skills

» Have you ever had to get a point across to different types of people? What approach did you take?
» Can you give me an example of a time you had to pitch a proposal to a group of your superiors or co-workers? How did you do? Why do you think things went that way?

Initiative

» When did you do more than what was required in your job?
» Describe a situation where you found you had a serious problem. What did you do to solve it?

Interpersonal Skills

» Tell me about the best boss you ever had. What made him/her so great to work for?
» Tell me about a boss that you found it the hardest to work with. What made him/her so difficult to work with?
» Tell me in what areas you believe your most recent supervisor could do a better job.

Leadership

» Describe a situation in which you had to help a subordinate solve a problem or meet an objective. What did you do? How successful were you?
» Describe a situation in which a subordinate had a performance or disciplinary problem. How did you handle it?

Resilience

» Describe a situation in which you suffered a major disappointment. How did you deal with it?
» What is the biggest mistake you’ve made in your career? What steps have you taken to ensure it doesn’t happen again?
» What were the worst working conditions you ever experienced? How did you handle them?

Flexibility

» Have you ever had an experience in which you failed to see an idea or gain cooperation the first time, but succeeded later? What was the difference?
» Tell me about a time you had to surmount an obstacle to reach a goal. What was the problem, and what did you do about it?
Making a change in any organization is never easy. Successfully implementing a change in your hiring practices to recruit LTU will demand more than careful planning and execution; it will require you to align your LTU strategy with your organization’s overall talent strategy, and obtain buy-in starting from the top. How you approach this step will vary, depending on your organization’s structure and needs, but you can start by simply calling for a brainstorming session among senior leaders to develop a one-page strategy. Use this meeting to make your case for the change, affirm your organization’s commitment to the strategy, and build out clear and actionable next steps for the organization as a whole.

As you build your own LTU hiring strategy, key considerations may include:

- How will you scale this plan?
- What interdependencies exist within this plan? Who is responsible? Who must have awareness? Who will execute?
- Whose buy-in is necessary to achieve success?
- How does your plan take into account the size of your company? Your geographic distribution model? Expected growth, both of your company and in your industry?

On the following page is an example of a high-level, strategic plan for a fictitious, mid-size hotel chain operating in ten locations in the southwest United States. Employing 5,000 workers at various levels and functions, the company has committed to considering the LTU talent pool as a source for difficult-to-fill positions as well as build its brand in the communities where it does business. The company has folded this LTU strategy into its overall talent strategy; it will be managed by the Head of Talent Acquisition.
COMPANY X’S STRATEGY FOR HIRING AND RECRUITING THE LONG-TERM UNEMPLOYED

Mission
As a socially responsible corporate citizen and an employer seeking the highest quality talent, we commit to hiring qualified LTU candidates for open positions.

Key Players
- C-Level executives: CEO, CHRO
- Head of Talent Acquisition
- Head of Marketing, Corporate Communications
- Human Resources function

Target
- Hire at least 30 LTU individuals across the southwest within the next two years (as part of a larger plan to hire 250 new workers total over the next two years)

First Year Goals
- Appoint a LTU Champion to drive the initiative
- Review recruitment process and ATS filters to ensure that LTU applicants are not screened out
- Build relationships with at least one local American Job Center or one local or national intermediary that can provide qualified LTU candidates to recruiters, in each city/area where we have locations
- Eliminate credit checks for non-finance jobs
- Bolster our employee referral program and encourage employees to recommend LTU candidates
- Launch a communications plan to publicize commitment to solving the national LTU crisis with the local community in mind

Measuring Our Success
- Increase number of LTU applicants who make it to second round interviews
- Hire three to four LTU candidates every quarter for the next two years, in order to meet 30 LTU hire target
- Establish strong relationship with chosen local intermediaries

Quick Tip:
Recruiting the LTU can save money by providing free sourcing support from non-profit workforce intermediaries.

Quick Tip:
Be sure to publicize your commitment to hiring the LTU to improve your brand and reap benefits of investing in this population.
Appointing an LTU Champion to own and oversee your LTU strategy is important. Appointing the right LTU Champion is essential. This individual will not only drive accountability, but also serve as the quarterback for this strategy, responsible for its creation and for connecting disparate pieces across levels and individuals within your organization to enable the strategy’s successful execution.

In order to maximize the champion’s effectiveness in this role, choose a senior leader who commands respect and possesses the appropriate ability – within both your HR function and the overall business – to make real progress. The LTU champion should be accountable to a senior leader in the organization who reports directly to the CEO or business leader. As with any additional role or responsibility, we recommend that your designated LTU Champion be assessed and measured against established metrics and his or her progress be recorded and rewarded as part of overall performance management.

Below is a sample role profile for the LTU Champion.

<table>
<thead>
<tr>
<th>ROLE PROFILE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Role Title:</strong> LTU Champion</td>
</tr>
<tr>
<td><strong>Accountable to:</strong> CHRO</td>
</tr>
<tr>
<td><strong>General Summary:</strong></td>
</tr>
<tr>
<td>» The LTU Champion owns and drives the company’s initiative to hire the LTU.</td>
</tr>
<tr>
<td>» LTU Champion responsibilities should occupy approximately 10-15% of your time, in addition to the responsibilities of your primary role.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Key Responsibilities:</strong></th>
<th><strong>Required Knowledge, Skills, and Abilities:</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>» Act as a vocal spokesperson for the initiative to company leadership and employees</td>
<td></td>
</tr>
<tr>
<td>» Negotiate and obtain budget and resources for the initiative</td>
<td></td>
</tr>
<tr>
<td>» Form and manage a team to support the initiative and build a plan to achieve objectives</td>
<td></td>
</tr>
<tr>
<td>» Identify critical success factors and timelines to achieve short-term success</td>
<td></td>
</tr>
<tr>
<td>» Define long-term strategy and set annual objectives for the initiative, in line with an integrated talent and business strategy</td>
<td></td>
</tr>
<tr>
<td>» Involve and engage stakeholders from the business, HR, intermediaries, and other ecosystem partners</td>
<td></td>
</tr>
<tr>
<td>» Host regular education sessions to create awareness of LTU and value of hiring LTU</td>
<td></td>
</tr>
<tr>
<td>» Maintain relationships with intermediaries, and local American Job Center representatives to provide feedback and build pipeline for LTU talent</td>
<td></td>
</tr>
<tr>
<td>» Oversee implementation of changes to recruitment cycle to enable hiring of LTU candidates</td>
<td></td>
</tr>
<tr>
<td>» Define and track success metrics of the initiative on a periodic basis and take corrective action</td>
<td></td>
</tr>
<tr>
<td>» Ability to influence leaders and individual contributors across HR function and the business</td>
<td></td>
</tr>
<tr>
<td>» Deep knowledge of organization’s talent acquisition strategy and HR function</td>
<td></td>
</tr>
<tr>
<td>» Knowledge of LTU issues</td>
<td></td>
</tr>
<tr>
<td>» Ability to manage LTU champion responsibilities independently and with minimal oversight</td>
<td></td>
</tr>
<tr>
<td>» Ability to communicate effectively to executives and staff to execute strategy</td>
<td></td>
</tr>
<tr>
<td>» Possesses strong verbal and written communication skills</td>
<td></td>
</tr>
</tbody>
</table>
EXAMPLE PROFILES OF LTU CHAMPIONS AND HOW THEY ARE MAKING A DIFFERENCE

**Michelle Bennett**
Michelle is the CHRO of her company. Michelle worked with a local intermediary to create and launch a three-month course on Cyber Security at a nearby community college. Tailored to her company’s specific needs, this class will provide hands-on training to students, many of whom are LTU job seekers who Michelle found through the local American Job Center. Michelle convinced senior leadership to hire ten top performers from this class to fulfill demand for this much-needed skill set.

**Jordan Cook**
Jordan is the Strategic HR Programs Head for a construction company. Hiring the LTU has become a key strategic program after the CEO of his company signed the White House’s Best Practices for Recruiting and Hiring the Long-Term Unemployed. Jordan has worked closely with the HR team to modify the recruitment process, creating education materials and leading a retraining program for all hiring managers and recruiters to convince them to give a fair and equal review of all LTU applications. He keeps senior leadership abreast of the initiative’s progress through standard communication channels, as well as gives presentations during quarterly All Hands Meetings. Jordan also recognizes and rewards individual recruiters for their efforts, such as giving out gift certificates and commendations.

**Hannah Tran**
Hannah is the Head of Business Development for a leading restaurant chain. Her organization is planning to open six new locations in the tri-state area and has pledged to guarantee 15% of jobs to the local LTU population. Under Hannah’s direction and management, her recruiting team is working with American Job Centers and other local intermediaries to create a pipeline of talent for the new outlets. Recruiters have been assigned target numbers to reach and offered incentives to meet these goals.

**Greg Bowman**
Greg owns a small accounting firm of 30 people. He does not have a dedicated Human Resources team and works with his administrative staff to post jobs and hire new employees. Greg wanted to ramp up his team before peak season without spending significantly on recruiting. He worked with the local American Job Center to find LTU talent for three unpaid internship positions. Based on their excellent performance and solid work ethic during their internships, Greg hired two of the three for full-time positions.
Recruiters are one of your most powerful assets when it comes to hiring top talent. Leading companies in the LTU effort say that one of the most impactful ways to increase LTU hiring is to hold recruiters accountable for the effort by incorporating LTU-specific metrics into their performance management goals.

Recruiters can become internal advocates for the LTU to hiring managers and make the case to stop screening out – intentionally or unintentionally – LTU talent. For more information about getting hiring managers on board, see the toolkit item on educating hiring managers.

Recognizing that different organizations have different hiring needs, there are three models described below that your organization can adopt to help recruiters drive toward this goal. Reward recruiters who meet their LTU hiring metrics through your performance management system—and document failure to meet these metrics within this system as well.

<table>
<thead>
<tr>
<th>PERFORMANCE MANAGEMENT GOAL: COMMIT TO...</th>
<th>RECRUITERS SHOULD...</th>
<th>CONSIDERATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>...MAKING JOB POSTINGS AVAILABLE TO THE LTU THROUGH ENGAGING WITH INTERMEDIARIES</td>
<td>Post 80% of jobs with the local American Job Center and with approximately three identified local or national intermediaries</td>
<td>Scale this posting percentage based on factors such as your company size and specific job requirements</td>
</tr>
<tr>
<td>...ACTIVELY CONSIDERING THE LTU FOR OPEN JOB POSITIONS BY REPRESENTING THEM ON SLATES</td>
<td>Include the LTU as 10% of each slate presented to hiring managers Track slated LTU candidates throughout the process and provide feedback for selection/rejection to sourcing intermediaries</td>
<td>Quality is always the most important aspect when choosing candidates—all candidates should be measured against the position’s KSAs and be a true fit for the job at hand</td>
</tr>
<tr>
<td>...INCREASING LTU HIRES OVER THE NEXT FISCAL YEAR</td>
<td>Fill at least 5% of open positions with LTU candidates Provide feedback for rejection to sourcing intermediaries or directly to LTU candidates</td>
<td>Scale the hire percentage according to the needs of your business Including multiple LTU job seekers as part of a hiring class will shift the focus from an individual’s employment gap to utilizing their specific skill set</td>
</tr>
</tbody>
</table>
Your local intermediary groups can be valuable partners in your initiative to hire the LTU – as a start, they can help you source quality candidates at no or significantly reduced costs. Below is a step-by-step guide to help you make the most out of your relationships with these key players in solving the LTU challenge in America.

Step 1: Get (and stay) in touch

Visit these groups in person so that you can see first-hand what they have to offer.

» Find your local American Job Center (AJC) here. AJC services vary depending on location, ranging from conducting skills assessments, job counseling, resume reviews, training courses, interview coaching, and many others – but they operate on-the-ground, directly with the local unemployed community. AJCs can also point you to other local intermediaries that operate in your area.

» Locate your state and local Workforce Investment Board (WIB) here (and search for your state or local WIB online, as many operate their own websites). WIBs provide funding for AJCs and oversee AJCs in their area. WIBs can also be useful resources for important information about strategic initiatives, long-term plans to combat unemployment, and other relevant activities.

» Spend some time searching online for both LTU-specific and more general intermediaries in your area. Many intermediaries do not focus exclusively on LTU, so look for those that work across the unemployment landscape, such as groups that provide job training or support to displaced workers.

» Check out national intermediaries that operate and offer services in your area. For example:

   » Goodwill provides a number support services, including career counseling, resume reviews and interview training, and help with the job search.

   » Jewish Vocational Services has more than 25 locations in the U.S., offering a wide range of career and vocational programs to aide local communities, as well as services for employers.

   » Platform to Employment specifically targets LTU, focusing on getting them back to work. As of April 2014, they operate in 10 metropolitan areas across the country.
In the fall of 2014, the Department of Labor will announce recipients of $150 million in “Ready to Work” grants, which will specifically target organizations working with the LTU. Look for this announcement and the recipients, as they will be helpful local resources with whom to connect.

STEP 2: LEARN WHAT YOUR LOCAL INTERMEDIARIES OFFER

While most American Job Centers can post jobs and reach potential candidates, the other services they offer – and the services offered at other intermediary groups – will vary. Examine your local intermediaries to meet your needs. For example, if you’re looking to start hiring more of a certain type of position that requires a specific, teachable skill, you can work with your local intermediary to set up a training course.

STEP 3: FIND A POINT OF CONTACT AND FORM A RELATIONSHIP

The more time and effort you invest up-front in building relationships with your local intermediaries, the more benefits you can reap from the relationships in the long run. Ideally, your LTU Champion should serve as your organization’s main point of contact. If your organization does not have an LTU Champion, the Talent Acquisition lead should take on this responsibility. Remember, these relationships should be approached strategically to focus on addressing the long-term needs of your organization, not simply to fill a one-time opening. By allowing the intermediary to get to know your organization and understand your specific hiring needs, they will be able to find you the most qualified talent. Let intermediaries know:

- Transferable skills you’ve identified as critical
- Personal behavior and qualities you value in employees
- Skills that a candidate can be trained up on, if hired
- What is unique and important about your company’s mission and culture

Quick Tip:
Invite representatives from intermediaries to visit your office and show them around or let them shadow your recruiting team – this will help them understand your culture and company and will help as they look for the right candidates for your job openings.

» The New Options Project is an initiative to establish new ways of connecting out-of-school, out-of-work young people, ages 16-24, with meaningful career opportunities.
» The National Fund for Workforce Solutions (NFWS) is located in 32 communities across the nation, providing people with career development services and helping employers receive recruitment, screening, and training services.
Discuss open job postings with intermediaries. Create a process for your organization to send open job postings to intermediaries that you both identify to be a profile match. Also, agree upon a process and system to receive and appropriately identify applicants who are directed to you through intermediaries. When you send out job postings, follow up with a phone call to clearly communicate what specifically you are looking for in that position. Intermediaries might also be able to:

» Provide support in writing meaningful job descriptions based on the specific skills you are looking for.
» Post job advertisements within the local labor exchange and job bank. This makes jobs accessible to more local talent.
» Connect you to specific talent groups including veterans or disabled individuals in your community. This opens your organization to an even more diverse pool of talent.

Providing feedback regularly to intermediaries is beneficial to both the intermediary and you. Track the applicants you receive via intermediaries and provide detailed feedback about the quality of these candidates through email or weekly/bi-weekly calls. Be sure to communicate regularly so that the intermediary is able to adjust their strategy quickly. Be honest. Ask that your feedback be considered confidential and this will help the intermediary improve their training and sourcing practices to find you more suitable talent in the future.
Use intermediaries for more than simply sourcing. There are a number of ways to collaborate with your local intermediary to maximize your hiring practices:

» Your local intermediary likely has a Board of Directors that it utilizes to stay connected to the local economy and obtain feedback, advice and counsel. Consider serving on the board to shape their activities and feed your specific hiring needs.

» Seek assistance when hosting a job fair. Local intermediaries may be able to help with securing a suitable location, getting the word out to the community, and much more.

» Utilize intermediaries’ connections with local community colleges to create a customized training course to teach students the skills your organization needs. Recruit top performers to come work for you.

» Explore pre-employment programs and on-the-job trainings through intermediaries who work with the LTU.

» Offer shadow opportunities through your local American Job Centers to long-term unemployed candidates. These are unpaid and provide you a chance to evaluate the candidate without spending on recruiting costs.

» Tap into funding that may be available to train previously LTU new hires in the skills and capabilities you need to bridge gaps.
The educational materials for hiring managers contain a generic overview course that can be customized to educate hiring managers on your organization’s commitment to hiring and retaining the long-term unemployed.

CONSIDERING AND HIRING THE LONG-TERM UNEMPLOYED

Educational materials for hiring managers
INSTRUCTIONS ON HOW TO LEVERAGE THESE MATERIALS

These materials are intended for the recruiters and HR staff who develop and deploy educational materials to hiring managers. Below are some suggestions for how to incorporate these materials into your current practices to educate your hiring managers on the long-term unemployed (LTU):

1. Encourage your organization’s leadership to visibly communicate their commitment to hiring the LTU, (i.e., discussing in company communication channels and in meetings).

2. Educate yourself and be well-informed about LTU issues so you can share your knowledge and answer any questions. Tailor these materials to fit the needs of your organization. For example, draft sample interview questions that are relevant to the potential candidates and job postings at your organization.

3. Integrate these materials in your ongoing or new hiring manager training program. Consider hosting an initial discussion to walk through these educational materials and answer any of their questions or concerns.

4. Print hard copies or email electronic versions of the educational materials so hiring managers can reference them for future use. Organize follow-up trainings on a regular basis to continue educating the hiring managers on the LTU issue.
INTRODUCTION

Hiring Managers are busier than ever looking for qualified candidates that are the best fit for your company. But you may be inadvertently overlooking a quality pool of talent – the long-term unemployed (LTU). These materials will help hiring managers as you …

- Open a requisition for a new position
- Make hiring decisions on the right candidate for open jobs
- Manage the new employee’s onboarding and performance evaluation

What you will learn in this document

1. **Who?**
   - Are the LTU

2. **Why?**
   - Should hiring managers consider and hire the LTU

3. **What?**
   - Do hiring managers need to do differently
WHO ARE THE LTU

According to leading economists, the current high level of LTU can result in lasting damage on the U.S. economy.

SKILLS DETERIORATION, AN INCREASE IN STRUCTURAL UNEMPLOYMENT, AND LOWER LABOR FORCE PARTICIPATION ARE POTENTIAL CONSEQUENCES OF THE HIGH LTU RATE

3.0M

LONG-TERM UNEMPLOYED INDIVIDUALS IN THE US
(Job searching for 27 or more weeks)

LTU rate remains 2.5 times higher than the pre-recession average

Account for 1/2 of the unemployed

27% of LTU have post-secondary degrees

24.5% of STU have post-secondary degrees

Long-term unemployment affects Americans of all ages, ethnicities, geographies, industries, and education and experience levels.

THE LONG-TERM UNEMPLOYED FACE SIGNIFICANT DISADVANTAGES (I.E., STIGMA) SIMPLY BECAUSE OF THE GAP IN EMPLOYMENT

1/2 as likely to receive interview callbacks

Those who are unemployed for 7 months with relevant experience are

45% lower callbacks for interviews

More jobs than recently unemployed job seekers

Apply to 3.5 TIMES
WHY SHOULD HIRING MANAGERS CONSIDER AND HIRE LTU?

Hiring the LTU can provide a significant competitive advantage for businesses and help strengthen the national economy.

As the hiring manager, you have the opportunity to add significant value to your workforce by hiring the right candidates.

Business Drivers for Hiring LTU

- Increases access to quality talent
  - FACT: Studies suggest companies hiring LTU experience a more reliable and loyal workforce as well as higher retention rates.

- Builds your brand
  - FACT: 92% of surveyed consumers would purchase products with a social or environmental benefit.

- Reduces recruiting costs
  - FACT: Working with intermediaries can help reduce your recruiting costs.
WHAT TO DO WHEN READING AND INTERPRETING AN EMPLOYMENT GAP

In the past, an employment gap on a resume was often a red flag. But evidence suggests that many LTU Americans possess the right skills to immediately add value to your workforce. Review the candidate’s complete set of application materials and think about the skills and qualifications fit, not the employment gap.

1. Read the resume and cover letter to evaluate depth of experience, skill match, and source of unemployment

2. Conduct interview and probe about activities and initiatives during the employment gap

3. Look for transferable skills by asking for specific examples where candidates have demonstrated required skills

4. Provide specific feedback to the recruiter

5. Determine if LTU candidate is the right fit based on skills and character, NOT employment history
There are certain questions you can ask to effectively understand the LTU candidate’s skills and employment history. Consider also asking behavioral questions that will allow hiring managers to dig deeper into the LTU employee’s character, work ethic and qualifications.

<table>
<thead>
<tr>
<th>INFORMATION TO GATHER</th>
<th>TRADITIONAL QUESTION</th>
<th>BEHAVIORAL QUESTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>An overview of experience</td>
<td>“Walk me through your resume.”</td>
<td>“Tell me about your top three engineering experiences that have contributed to your professional development.”</td>
</tr>
<tr>
<td>Problem solving</td>
<td>“Name all the electrical systems that you have worked with.”</td>
<td>“Describe a time when you had to work with an unfamiliar electrical system and had to find a solution on your own.”</td>
</tr>
<tr>
<td>Leadership</td>
<td>“I don’t see any past jobs where you had a manager title. Do you have any managerial experience?”</td>
<td>“Have you worked on any projects involving multiple electricians? How did you work together? Tell me about a time that you had to gain cooperation of the group - did you have formal authority? If not, what did you do? How effective were you?”</td>
</tr>
<tr>
<td>Communication skills</td>
<td>“Did you communicate directly with your past client? Were they phone, email, or in-person interactions?”</td>
<td>“Can you tell me about a time when you had to explain how to perform a complicated task? How did you do it? What was the result?”</td>
</tr>
<tr>
<td>Initiative</td>
<td>“What do you do to protect yourself from electrical accidents or injuries?”</td>
<td>“Tell me about a time when you prevented an electrical accident or injury. What happened? What steps did you take to prevent it?”</td>
</tr>
</tbody>
</table>
KNOWLEDGE CHECK

You should now be able to:

- Determine who the LTU are and the challenges they face
- Understand the business drivers for hiring the LTU
- Recognize how hiring the LTU will add quality to your workforce
- Modify your existing hiring practices and add new ones to better tap into LTU talent by...
  - Reviewing resumes for skills and fit, not employment history
  - Looking for transferable skills
  - Digging deeper into a candidate’s employment gap by using tailored interview questions
REFERENCES AND SOURCES

http://www.bls.gov/news.release/empsit.nr0.htm

http://media.wix.com/ugd/576e9a_f6cf3b6661e44621ad26547112f66691.pdf


4 http://www.workinglinks.co.uk/PDF/The%20Responsible%20Employer%20July%202012%20Full%20report.pdf


6 Based on feedback that Deloitte received from multiple interviews with employers and intermediaries
SUPPLEMENTAL LTU INTERVIEW QUESTIONS & RESUME REVIEW TIPS

While the overall application and interview structure should remain consistent for all candidates, there are additional considerations that recruiters and hiring managers should keep in mind when reviewing LTU candidate resumes and during interviews. Encourage both recruiters and hiring managers to adopt these additional practices when considering an LTU candidate for employment in order to better understand how their skills and experience could be a good fit for your company.

Recruiters should consider the following guidelines when evaluating LTU applications:

» **Resume**: Look beyond the employment gap and examine an LTU candidate’s experience and demonstrated skills. Look for how the candidate has spent their time while unemployed, such as volunteer work, part-time jobs, or internships. This can show that the candidate is work-ready and demonstrates their interest and passion for a particular industry or issue area.

» **Cover letter**: Give substantial attention to an applicant’s cover letter to evaluate depth of experience and skill match, especially to learn more about the source of their unemployment and how they have stayed engaged during their job search.

» **Phone screenings**: Use phone screenings to gain a comprehensive understanding of the candidate beyond what is on their resume; specifically, ask them about the source of their unemployment and find out more about the activities they have engaged in while unemployed to stay job-ready.

» **Feedback**: If a candidate is not selected for consideration, or later is not selected for the job, share legally-approved feedback with the intermediary that sourced the candidate. If the candidate was not sourced through an intermediary, consider providing feedback directly to the candidate for self-improvement.

Check out the sample cover letter on page 65 for tips on what to look for when evaluating a cover letter.
<table>
<thead>
<tr>
<th>QUESTION</th>
<th>GIVES AN OPPORTUNITY FOR THE CANDIDATE TO ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>How have you spent your time since leaving your last job?</td>
<td>Provide details about how they’ve kept their skills sharp and show their interest in a given industry or relevant causes.</td>
</tr>
<tr>
<td>What current events or trends in your industry are you following?</td>
<td>Demonstrate that they’ve stayed connected to the industry and worked to stay up to date.</td>
</tr>
<tr>
<td>How do you keep current on developments and trends in your industry?</td>
<td></td>
</tr>
<tr>
<td>What current events or trends in your industry are you following?</td>
<td>Demonstrate that they are work-ready.</td>
</tr>
<tr>
<td>How do you keep current on developments and trends in your industry?</td>
<td></td>
</tr>
<tr>
<td>How have you worked to improve or upgrade your skills?</td>
<td>Demonstrate that they want to improve themselves.</td>
</tr>
<tr>
<td>Can you provide instances when you demonstrated &lt;insert skill&gt; skills?</td>
<td>Demonstrate transferable skills that you are looking for, such as leadership, communication, organization, creativity, etc.</td>
</tr>
<tr>
<td></td>
<td>You should not limit “good” answers to those from professional experiences and environments. Take into consideration those from personal and extracurricular activities, such as:</td>
</tr>
<tr>
<td></td>
<td>» Leadership roles in past jobs, school, community, or at home</td>
</tr>
<tr>
<td></td>
<td>» Management skills at home or during job search</td>
</tr>
<tr>
<td></td>
<td>» Problem solving skills at home or extracurricular activities</td>
</tr>
<tr>
<td>What is your daily routine? How will you transition into a work routine at Company X?</td>
<td>Give a detailed explanation of their daily activities while unemployed to show how they’ve stayed busy. Demonstrate that they are ready to go back to work and have a plan to ease the transition.</td>
</tr>
<tr>
<td>Why are you interested in a job that requires less experience?</td>
<td>Make the case for why they are the right fit for the job, even though they are more experienced than required or seem overqualified for the position.</td>
</tr>
</tbody>
</table>
August 1, 2014

Jonathan Heller Inc.
111 Employer Street
Chicago, IL 60606

Dear Sir or Madam:

I am applying for the VP of Accounting Sales position at Jonathan Heller’s Chicago office. I strongly believe that my experience and qualifications make me an excellent addition to your organization.

I have 24 years of experience as an accountant during which I worked on all aspects of accounting and financial management for Smith Industries, a local manufacturing business that produces medical supplies. My previous role gave me extensive knowledge of the Life Sciences industry, which will be valuable for your company because it focuses on providing accounting services to Health and Life Sciences clients.

As my resume highlights, I have expertise in a range of accounting areas, including the following:

- Reconciliation and expense reporting
- Budget creation, cost analysis, and forecasting
- Vendor relations
- Accounts payable and accounts receivable
- Financial statements and preparation
- Business accounting process improvements
- Month-end analysis and reconciliation
- Non-profit accounting principles
- Microsoft office and leading financial software
- Reporting and documentation
- General ledger audits and entries

Furthermore, my strong communication and interpersonal skills allow me to connect effectively and seamlessly with clients. Along with these skills, I bring outstanding team-building and leadership skills to the table.

Although a successful accountant at Smith Industries, my position was eliminated during a major corporate restructuring. In the interim, I have been offering my accounting services to a local non-profit as a volunteer, taking online courses in the latest accounting software, and helping my daughter sell $10,000 of girl scout cookies – making her the top seller in Chicago. At the same time, I find the most rewarding aspects of my work are all in the sales and communications related functions. Therefore, I am currently pursuing a full-time position in this area and am confident in my ability to excel in this field.

Attached with this cover letter is my resume. I hope we have the opportunity to meet so I can further elaborate on my experiences and interest in this position. I can be reached at 555.555.5555 or alex.hersch@email.com. I appreciate your time and hope to hear from you soon.

Sincerely,

Alex Hersch
SUPPLEMENTING YOUR ONBOARDING PROGRAM - LTU MENTORSHIP PROGRAM

Creating a specific mentorship program will help ease previously LTU new hires’ transition to your company. For the LTU, this transition is not simply about familiarizing themselves with the new position or company, but also about readjusting to a working lifestyle. For this reason, even with an existing onboarding program, a supplementary LTU mentorship program is recommended. This program can help to minimize turnover and expedite assimilation into the new job. The mentorship program should focus on needs and experiences that are specific to previously LTU hires outside of traditional onboarding. Pairing an employee (mentor) to a previously LTU new hire (mentee) not only provides the LTU hire with a built-in support system, but also gives mentors an opportunity to develop leadership skills and foster meaningful business relationships. This program can also help mentors demonstrate their commitment to your company by acting as an “ambassador” for your organization to their mentee.

The main objective of the program is to provide the previously LTU new hire with resources and relationships to settle in quickly and comfortably, setting them up for long-term success at your company. While program lengths may vary, a mentorship program should at least span the first 90 days that the previously LTU hire is with the company to ensure that the mentee receives support.

The mentor is expected to guide the new hire on finding his/her way around the organization, address questions and concerns, gather feedback from the new hire on their onboarding experience, set up routine touchpoints, and report back to the mentorship program owner with updates on the LTU new hire’s progress and experience. If you already have a mentor element as part of your standard onboarding program, select and train a group of mentors that can be paired specifically with previously LTU hires.

Steps to build and execute an LTU Mentorship Program are outlined on the following pages:
## LTU Mentor Program: Build Timeline

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<td><strong>Design</strong></td>
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<td>Review your existing onboarding process and identify areas that could be supplemented and expanded to help the previously LTU new hires. Design a program that leverages your existing resources, includes clear roles/responsibilities and expectations for mentors, and incorporates ways to recognize mentors through performance management or other incentives.</td>
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<td><strong>Identify Mentors</strong></td>
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<td>Look for potential mentors for the previously LTU—these should be empathetic, community oriented employees who are on a similar professional level to previously LTU new hires to serve as a “peer” advisor to them.</td>
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<td><strong>Train</strong></td>
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<td>Conduct training sessions and share education materials with selected mentors. Explain the company’s commitment to the issue, what is expected of mentors and the parameters of the program. Educate them about the challenges previously LTU new hires could face. Brief them on skill gap training or any other onboarding being completed by their mentee.</td>
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<td><strong>Assign Mentors</strong></td>
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<td>Pair the mentor with the previously LTU hire based on similarities such as specialization, region, and interests to foster a sense of bonding.</td>
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LTU MENTOR PROGRAM: EXECUTION TIMELINE

PRE-HIRE OUTREACH

Mentor should reach out via phone or email two weeks before the previously LTU hire's start date to welcome them to the company and to answer any preliminary questions.

POST-HIRE MENTORING SESSIONS

Mentor should establish weekly or biweekly mentor/mentee meetings to connect and coach to discuss:

- Challenges the new hire is facing and potential organizational resources or contact people who could help
- Skills that the new hire would like to build and training courses available, or internal experts available for on the job training
- Additional topics on the mind of the new hire that the mentor could be an objective sounding board for

PROGRAM FEEDBACK

Mentor should provide periodic improvement ideas to program leadership.

2 WEEKS BEFORE START DATE

LTU START DATE

90 DAYS AFTER START DATE
SUCCESS METRICS FOR LTU Hires

Organizations regularly use metrics to give insight into company and personnel performance. Tracking progress and performance using metrics provides strong evidence and insight for business leaders, investors, and others into the health and profitability of a company. Tracking success using metrics is valuable because:

» They provide evidence of progress towards your commitment to hiring and recruiting the LTU.

» They can strengthen the business case for hiring the LTU at your organization.

» They can be used to provide feedback to intermediaries on the sourcing process and the performance of candidates.

» They can be shared and publicized with industry/state/national forums to support the national case for LTU and help eliminate the stigma of LTU, while highlighting your company as a leader of this effort.

To run reports on LTU metrics, add a filter to your Human Resources Information System (HRIS) that identifies workers who were previously long-term unemployed on intake.

The chart on the next page provides a range of metrics you could collect and measure. Use your LTU Hiring Strategy to determine what information is most relevant to report, analyze and take action on.

If your organization doesn’t use an HRIS system or is unable to add a filter to identify previously LTU workers, consider using the following indicators to track success in place of metrics:

- Recognition from local intermediaries or government bodies for your LTU efforts
- Hiring manager responses to LTU education materials or business case presentations
### METRICS TO UNDERSTAND...

#### THE COST AND TIME TO HIRE THE LTU.

<table>
<thead>
<tr>
<th>Metric</th>
<th>Description</th>
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<tbody>
<tr>
<td>Average Cost of Hire</td>
<td>Average of total costs divided by the number of hires</td>
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<tr>
<td>Time to Fill</td>
<td>Number of days from when the job requisition is opened until the offer is accepted by the candidate</td>
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<tr>
<td>Quality of Hire</td>
<td>Combination of several indicators including performance rating, promotion timing, retention/attrition, productivity and high potential individuals. There are different methodologies for calculating quality of hire, choose an approach that fits your company and situation</td>
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#### THE PERFORMANCE AND PRODUCTIVITY OF PREVIOUSLY LTU WORKERS.

<table>
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<tr>
<th>Metric</th>
<th>Description</th>
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<tr>
<td>Average Transaction Task Time</td>
<td>Average time it takes an employee to complete a transaction or task</td>
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<tr>
<td>On-Time Delivery %</td>
<td>Percentage of time that an employee delivers a completed task on time</td>
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<tr>
<td>Customer Satisfaction Score (CSAT)</td>
<td>Calculated as the result of a survey sent out to customers, CSAT is the average score received in the customer satisfaction survey</td>
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<tr>
<td>Quality Assurance</td>
<td>Score assigned by supervisor indicating how closely the employee followed protocol and quality standards</td>
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<tr>
<td>Unplanned Absenteeism Rate</td>
<td>Total number of worker days lost due to unplanned leave as a percentage of total man days in a period</td>
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<tr>
<td>Adherence to Policy</td>
<td>Percentage of time employee adheres to policy in a given period</td>
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<tr>
<td>Complaint Rate</td>
<td>Number of complaints received from a customer against services rendered by an employee</td>
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<tr>
<td>Revenue per Employee</td>
<td>Total revenue in a period divided by the total number of employees</td>
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#### THE RETENTION AND ENGAGEMENT OF PREVIOUSLY LTU EMPLOYEES.

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<th>Metric</th>
<th>Description</th>
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<tr>
<td>Retention Rate</td>
<td>Employees who remain at the end of the calculation period divided by the number of employees you had at the beginning of your calculation period</td>
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<tr>
<td>Regrettable Loss</td>
<td>High performing, high potential employees who left during a period as a percent of total high performing, high potential employees</td>
</tr>
<tr>
<td>Employee Satisfaction/Engagement Score</td>
<td>Average score of an employee satisfaction survey</td>
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</table>
American job seekers just want to be able to know that if they work hard, they can find a job, they can look after their families, they can retire with dignity, they’re not going to go bankrupt when they get sick, maybe take a vacation once in a while — nothing fancy. That’s what they’re looking for, because they know that ultimately what’s important is family and community and relationships. And that’s possible...We’ve rallied employers to give long-term unemployed a fair shot... Let’s get together, work together, and restore opportunity for every single American.”

- President Barack Obama

Bill Signing of the Workforce Innovation and Opportunity Act
July 22, 2014
SECTION 6
IN CONCLUSION
Making Change Happen

The problem of long-term unemployment is a truly national problem that requires a national solution. We can’t do it without the commitment and action from America’s top companies. Collectively, we have the hiring power to make a real change for the millions of people experiencing long-term unemployment. The maturity model, recommendations, and tools provided can give you what you need to drive transformation in your organization and lead the nation in mitigating long-term unemployment.

Take a step further and be a vocal champion for the long-term unemployed in your community and industry. Broadcast your company’s efforts and achievements to industry associations and other business groups of which you’re a member. Take advantage of the broad reach of your company to share leading practices with fellow employers. Together, we can set the foundation for a stronger American economic future.

ACKNOWLEDGEMENTS

This playbook was created through a collaboration between Deloitte Consulting LLP and The Rockefeller Foundation in support of the White House’s commitment to finding solutions to long-term unemployment in America. Leading non-profits, thought leaders, and government agencies collaborated on the content and publication of this document. We would specifically like to thank the organizations below that played a crucial role in preparing the handbook:

- City of Minneapolis Employment and Training
- E3 - Engage Educate Employ
- The ITASCA Project
- Skills for Chicagoland’s Future
- The Workplace
Appendix A: References

11. http://www.workingmoms.co.uk/PDF/The%20Responsible%20Employer%20July%202012%20Full%20Report.pdf
20. World Bank, 2009
APPENDIX B:

HYPERLINKS

Page 4  Best Practices for Recruiting and Hiring the Long-Term Unemployed Works:  
http://www.whitehouse.gov/sites/default/files/docs/best_practices_recruiting_longterm_unemployed.pdf

Page 21  KSA database:  
http://www.iadc-ksa.org/

Fair Credit Reporting Act (FCRA) obligations:  
http://theundercoverrecruiter.com/

Employment practices:  
http://www.eeoc.gov/laws/practices/

Page 22  Workforce Investment Board:  
http://jobcenter.usa.gov/resources-for-business

American Job Centers:  
http://doleta.gov/business/SolutionsToBuild.cfm

Page 23  HireVue:  
http://jobcenter.usa.gov/resources-for-business

Apploi:  
http://apploicorp.com/

The National Network of Business and Industry Associations report:  

Page 42  Behavioral interviewing:  

Page 50  Workforce Investment Board:  
http://jobcenter.usa.gov/resources-for-business

Goodwill:  
http://www.goodwill.org/find-jobs-and-services/

Jewish Vocational Services:  
http://www.iajvs.org/iajvs_network_services.htm

Platform to Employment:  
http://www.platformtoemployment.com/

The New Options Project:  

The National Fund for Workforce Solutions (NFWS):  
http://www.nfwsolutions.org/

Page 51  Ready to Work grants:  
http://doleta.gov/readytowork/
APPENDIX C:
ABOUT THE AUTHORS

“Deloitte” is the brand under which tens of thousands of dedicated professionals in independent firms throughout the world collaborate to provide professional services to select clients. In the United States, Deloitte LLP and its subsidiaries have more than 57,000 professionals with a single focus: serving our clients and helping them solve their toughest problems. Deloitte works in four key business areas — audit, financial advisory, tax and consulting — but its real strength comes from combining the talents of those groups to address clients’ needs. Deloitte is committed to recruiting, developing, and retaining the most qualified talent with the right skills to fill each available role in order to help clients solve complex business challenges. As a leader in recruiting and hiring, we look forward to continuing to promote the development of a skilled, competitive workforce for all and to making America stronger.

For more than 100 years, The Rockefeller Foundation’s mission has been to promote the well-being of humanity throughout the world. Today, The Rockefeller Foundation pursues this mission through dual goals: advancing inclusive economies that expand opportunities for more broadly shared prosperity, and building resilience by helping people, communities and institutions prepare for, withstand, and emerge stronger from acute shocks and chronic stresses. Together with partners and grantees, The Foundation strives to catalyze and scale transformative innovations, create unlikely partnerships that span sectors, and take risks others cannot – or will not. Today, the livelihoods of entire groups of people are threatened by demographic shifts and economic stresses worldwide, and the United States in particular is facing challenges from significant unemployment and underemployment. The Rockefeller Foundation is working to address the root causes of emerging challenges such as chronic unemployment, and promotes new approaches to achieving economic and charitable goals to ensure that prosperity is more widely – and equitably – shared.

Deloitte and The Rockefeller Foundation, in support of the National Economic Council (part of White House Office), seek to expand the opportunities for the long-term unemployed. Through this unique collaboration, Deloitte and The Rockefeller Foundation seek to build a stronger country by creating tools for employers and long-term unemployed job seekers to help move the needle on Americans returning to the workforce.