

Prepared for the Unemployment Services Trust



2010 Best Practices Tip

Reemployment Services:

Good Corporate Citizenship and Good Business Sense

Sometimes in business, somebody has to make tough calls in the interest of the organization as a whole. For the sake of your financial health, you might need layoffs someday. For the same reason, you might also want to help former employees find jobs.

It's true: now you don't need to be a starry-eyed do-gooder to see the ROI in cost-effective assistance for employees after a layoff. Helping employees is good corporate citizenship. But it makes good business sense, too.

With a modest investment in a Reemployment Service you give former employees a service that teaches them skills they'll need in their job search and keeps them motivated and on track. They get help with their resume, training for interviews, training in the most effective job searching tools, and much more. A job search coach helps them get organized and stay on track with all the tasks required for an effective search.

They benefit by finding work faster. You benefit by reducing your unemployment costs. And that's only one of the ways this investment pays off.

Updated skills are important but staying motivated is also key. The job coach helps your former employees track job search progress and stay on track via both the phone and shared online tools.

To be sure, some of the benefits of an effective Reemployment Service are intangible: improved employment brand, for example, as well as better post-layoff morale and productivity. You also improve your public image and slow the inevitable negative blog comments.

The average unemployment claim is **currently costing employers around \$6,200**, so it only takes a few quickly-successful job searches to have an impact. With the job market tough, laid off workers are taking longer to find work, driving up the cost per claim and making this form of cost-control even more urgent. In fact, recent Bureau of Labor statistics show **46% of unemployed people remain jobless for 27 weeks or longer**.

Legal risks and costs are substantial as well. The EEOC is reporting discrimination filings at record levels as laid off workers seek to prove wrongful termination. Workers are also more likely to claim an injury when they aren't returning to a job, driving up workers comp claims.

It boils down to a strong bottom-line argument for helping laid off employees.