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Reemployment Strategies to Control Unemployment Costs

Controlling the Duration of Unemployment Claims

A Reemployment Strategy is a proactive plan to help displaced workers find a new job quickly, thereby reducing the duration of unemployment benefits paid to that individual. In addition to helping reduce unemployment costs, an effective Reemployment Strategy can also reduce the risk of employment litigation or worker's compensation claims as well as have a positive impact on a company's overall corporate brand image with customers and employees alike.

How does helping displaced workers get back to work quickly reduce my Unemployment Costs?

Traditional Unemployment Cost Management Services focus on the contestability of an unemployment claim or charges to an employer's unemployment account. Given the fact that more than 60% of unemployment claims filed in the US today are not contestable by the employer, an unemployment program that ignores the impact of the duration of these claims is not complete. A savings against the amount of benefits collected represents a current dollar for dollar savings for reimbursing employers and a tax savings for merit-rated employers who are currently paying almost double in taxes for every benefit dollar spent.

Are there jobs out there?

The good news is that while it is true that there are currently 5 to 6 job seekers for each available job, we also have a highly dynamic job market. In May 2010, there were 4.5 million new hires. In fact, the job market averages about 50 million new hires a year. To put things into perspective, annual hires as a percentage of total available jobs averages about 35%. This represents the churn in the marketplace brought about by a shifting in industries due to disruptive technologies and other demographic conditions. A successful Reemployment Strategy will focus on connecting exiting employees to available jobs more quickly than they may be able to do on their own.

Job Seekers face challenges

Today's job seekers are de-motivated by the media's lack of understanding of job opportunities and in a lot of cases just don't know where to start. Job loss can really shake a person's confidence which can lead to discouragement, making it even more difficult for them to effectively search for a job.

Additionally, few job seekers ever receive job search training. Job search tools and techniques are constantly evolving and the average person searches for a new job only once every four years. Some of the folks in serious need have gone ten years or more since their last job search and might not have the necessary skills or technical savvy to navigate through today's job search technology.

There is also an issue with making the right connections. Marketplace disruption has created a situation where job seekers are forced to search for new jobs in new industries that might not identically align with what they have done in the past. Our experience in working with job seekers has taught us that more than 50% of the available jobs in the market are hidden, meaning that they aren't showing up on job boards or on company websites. Job seekers need help making the connection to these available jobs.

The Successful Reemployment Strategy

A successful Reemployment Strategy combines elements to motivate, educate and connect job seekers to available jobs more quickly than they might otherwise be able to do on their own.

To learn more about the TALX Reemployment Solution and take advantage of a limited time special offer to take the service for a test drive, contact Sheila Gramann at 314-214-7387, or by e-mail at sgramann@talx.com.

TALX's experience, expertise, and proven results have been helping employers navigate the uncertainty of unemployment compensation for over 55 years. Visit our corporate blog at <http://blog.talx.com/> for additional proactive unemployment cost management techniques.