



Strengthening Reemployment Services in Utah

MARCH 2019

Background

Millions of Americans turn to Unemployment Insurance (UI) each year for temporary assistance following a job loss. In addition to cash assistance, UI recipients receive job search assistance and career counseling through the state workforce development system. The goal of UI programs is to provide recipients with financial and other support to help them navigate the open job market and reenter the workforce.

Since 2015, specific assistance for UI recipients has come from the federal Reemployment Services and Eligibility Assessments Program, commonly called RESEA. Through RESEA, the U.S. Department of Labor’s Employment and Training Administration provides grants to states to help UI recipients get back to work faster. Research suggests¹ UI recipients who receive reemployment services as part of RESEA are more likely to exit the UI program sooner and less likely to exhaust their UI aid, which is typically capped at 26 weeks after job loss.

The LinkedIn Pilot

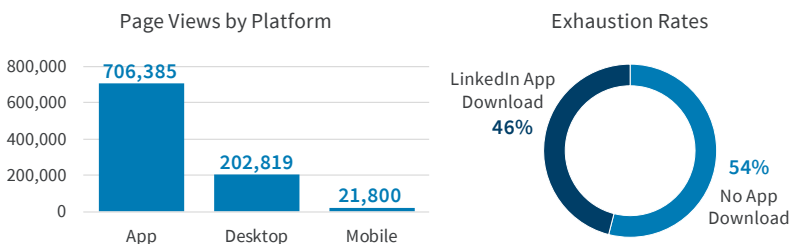
Research has consistently shown that networks provide a distinct advantage in job search efforts.²

One recent study, conducted by staff at the Federal Reserve Bank of New York and MIT, found that referred employees are more likely to be hired and have longer tenure at a firm when compared with non-referred employees.² With this foundational research in mind, LinkedIn launched a pilot with the State of Utah to explore how network-based job search on LinkedIn could be used in the context of RESEA to improve employment outcomes for UI recipients.

To organize the pilot, LinkedIn worked closely with Utah’s Department of Workforce Services. Over the course of a five month enrollment period which began in late 2016, six participating RESEA counselors enrolled 384 participants, each of which agreed to allow Utah and LinkedIn to share and jointly evaluate a limited and non-sensitive set of job search activity and outcomes information. After the enrollment period, the pilot stayed open 12 months, during which LinkedIn and Utah met periodically to review preliminary results exploring how job search activity influenced re-employment outcomes. Final pilot results became available in early 2018. The core hypothesis of the pilot was that individuals who used a network-based approach to job search would exhaust their UI benefit less often.

The network-based job training that was provided by participating counselors to job seekers focused on three core areas: creating a strong professional profile; building an effective network; and using that network to search for jobs on the LinkedIn platform.

Pilot participants who downloaded the LinkedIn App experienced a 14% reduction in exhaustion rates, compared with those who did not.



¹Impact of the Reemployment and Eligibility Assessment (REA) Initiative in Nevada. January 2012. https://wdr.doleta.gov/research/fulltext_documents/etaop_2012_08_rea_nevada_follow_up_report.pdf

²Meta Brown, Elizabeth Setren, and Giorgio Topa, "Do Informal Referrals Lead to Better Matches? Evidence from a Firm's Employee Referral System," Journal of Labor Economics 34, no. 1 (Part 1, January 2016): 161-209. <https://doi.org/10.1086/682338>

Core Pilot Findings

The nature of the analysis was to evaluate the association between LinkedIn activity (profile, network, job search) and re-employment outcomes (exhaust/did not exhaust). Put together, these findings suggest that a network-based approach to job search can improve UI reemployment services. It indicates that platforms like LinkedIn, which is used extensively by professionals and corporate recruiters in the private sector, can help UI recipients find jobs when used in public sector programs like RESEA. Key findings include:

1

Profile

A more complete online profile was associated with lower exhaustion rates, which reflects the reality that corporate recruiters rely on professional profiles when sourcing and hiring candidates.

2

Network

Pilot participants who become re-employed added 66% more connections during the pilot compared with participants who exhausted their benefit. As one participant remarked, “LinkedIn allowed me to get in contact with previous bosses and contacts so that I could use them as referrals to make me a prime candidate.”

3

Connectivity

Job Seekers prefer mobile apps for job search compared with desktop. Mobile usage in the pilot group accounted for 76% of total page views. Participants who downloaded the LinkedIn app showed a 14% reduction in their benefits exhaustion rate.

4

Job Search

Participants who did not exhaust their benefit (e.g., those who found employment during the pilot) hit the job search harder, viewing 37% more jobs than those who exhausted. However, they were also more selective/efficient, applying to 6% fewer jobs on average than those who exhausted their UI benefit.

Policy Observations

As the first known pilot of a consumer jobs platform within the UI RESEA program, the LinkedIn pilot offers several observations for policy makers and administrators to consider:

- **Mobile first provides better access.** An overwhelming proportion of pilot job search page views (76%) came from the LinkedIn mobile app (compared with desktop browsing). Access to mobile internet is more pervasive than broadband, however, many states offer low quality or no mobile applications for claimants which may limit accessibility to resources.
- **State collaboration could improve WPRS models.** Each state has a different model for calculating the Worker Risk Profiling Score (WPRS) which in turn informs RESEA participation. If states shared anonymized UI records and outcomes data, then those models would become more accurate in predicting benefit exhaustion and resources in programs like RESEA could be more efficiently deployed.
- **Standardize counselor training.** RESEA counselors are invaluable to UI recipients, however training on job search technology and best practices lags the private sector. The federal/state workforce system should work together to standardize counselor training across UI and similar programs that have a work search component.
- **Increase funding for effective tools and methods.** Federal and state programs should put funding toward pilots and programs that have the potential to reduce unemployment length and UI outlays.
- **Integrate UI, workforce development, and job search platforms.** States (and vendors) should continue to modernize UI systems and integrate with digital search platforms so users can more easily report their compliance with state work search requirements and workforce agencies can nudge job seekers toward effective job search behaviors and tools.

We'd like to offer our sincere appreciation and gratitude to the Utah Department of Workforce Services, especially Jon Pierpont and Michelle Beebe, for their collaboration and leadership during the pilot.