

# Wounds Not Healed by Time

For long-term unemployed professionals, the Great Recession continues. Their loss is MA's loss.

## How big is the problem?

While some economists have declared victory over the Great Recession, for many it is far from over. In fact, for some, it has only gotten worse. While for those unemployed five or fewer weeks, the likelihood of securing employment during the next months is over 30%; for those unemployed more than 27 weeks, it is, at best, 11%. Meanwhile, these individuals are falling into poverty – and MA employers are missing out on the contributions of some of its most talented citizens.

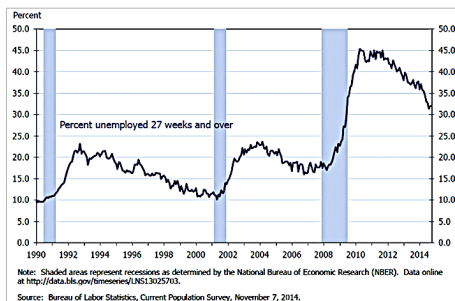
## This time is different.

In the past, long-term unemployment has dropped as the economy recovered from a recession or depression. This time, however, it has persisted and even increased for some groups.

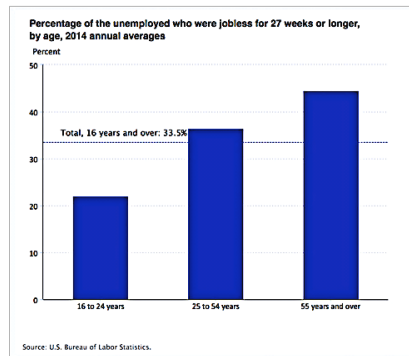
People over fifty years of age have been disproportionately over-represented among the long term underemployed - regardless of skill level, educational attainment, years of experience, or prior accomplishments.

## The human cost is huge.

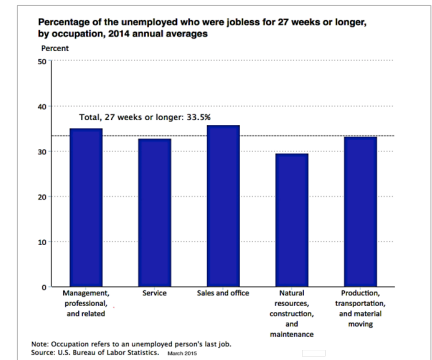
The inability to gain employment, particularly in roles where their skills matter and are valued, has devastating effects on these individuals, families and communities. They are stigmatized; bill collectors torment them; their families or communities have ostracized many. The loss of dignity and self-respect place a tremendous burden on them – and as a result, the suicide rate among the long-term unemployed has soared.



While the Great Recession has officially ended, levels of unemployment, particularly long-term unemployment, have remained far above historical levels.



Older people are more likely than younger people to suffer long-term unemployment.



Those whose last jobs were in sales, management, and professional occupations were more likely to suffer long-term unemployed than other unemployed people.

## What does it mean?

"The real culprits are the employers themselves. With an abundance of workers to choose from, employers are demanding more of job candidates than ever before. They want prospective workers to be able to fill a role right away, without any training or ramp-up time. To get a job, you have to have that job already. It's a Catch-22 situation for workers—and it's hurting companies and the economy."

"Even in a recovery, the long-term unemployed face long odds of finding a job. There are a number of reasons. First, experimental studies that sent out identical resumes with varying periods of joblessness have found that employers are less likely to call the long-term unemployed in for an interview. Second, the longer people are unemployed, the more discouraged they become, and the less time they devote to searching for a job. Third, when people are unemployed for a long time they tend to become more isolated and disengaged from networks that can lead to a job."

"Being unemployed has so many real and palpable ramifications but there are also psychological side effects, which you can only understand if you've truly lived through it."

## Source(s)

Peter Cappelli, George W. Taylor Professor of Management and Director, Center for Human Resources, Wharton Graduate School of the University of Pennsylvania. "Why good people can't get jobs" NPR/WHYY 6/11/2012."

Alan B. Krueger, Bendheim Professor of Economics and Public Affairs at Princeton University and Research Associate at the National Bureau of Economic Research. Paper presented at the Brookings Panel on Economic Activity, Washington, DC, March 20–21, 2014.

Mika Brzezinski, Anchor MSNBC. June 15, 2015 on *The Morning Joe*.



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## Expert Testimony

### Ofer Sharone, Ph.D.

Mitsubishi Career Development Professor,  
The MIT Sloan School of Management;  
Founder, The Institute for Career Transitions

*We are in the midst of an invisible crisis of long-term unemployment.*

- Six years after the official end of the Great Recession, the percentage of the unemployed who are long-term unemployed remains at levels unseen in over 6 decades.
- For workers being long-term unemployment often means losing homes and life savings. For society it entails an enormous waste of talent.
- Research shows that the likelihood of an employer inviting a job seeker for an interview is higher for an applicant with no relevant industry experience but who is only short term unemployed compared to a job seeker who has relevant industry experience but is unemployed longer than 6 months.<sup>1</sup>
- The systematic screening out of job seekers based on their unemployment duration is not only a *vicious trap* for unemployed workers but also means that *companies are passing up on talented candidates who are more qualified than the candidates who are invited to interview.*

### David L. Blustein, Ph.D.

Professor: Counseling, Developmental, & Educational Psychology, Boston College: Lynch School of Education  
Member, Advisory Board, Institute for Career Transitions

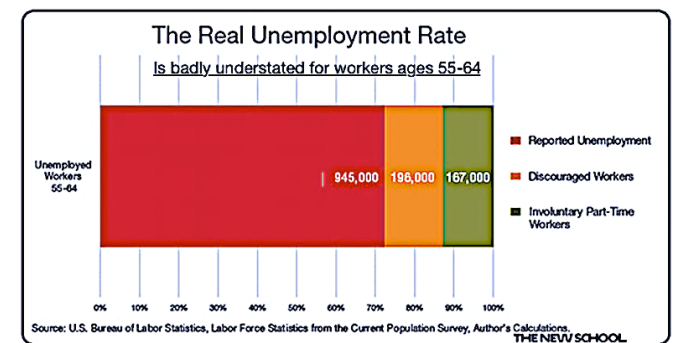
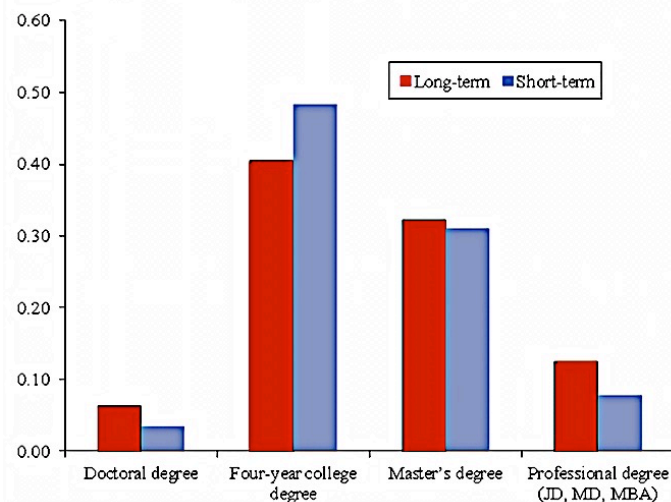
Work is essential to the well-being of individuals, families, and societies. Research at the state, national and international levels also demonstrates the importance of work for the well-being of communities. When remunerative work becomes unavailable, social structures break down, causing problems that are costly to all – in both human and financial terms.<sup>2</sup>

Paul & Moser, having reviewed research studies that included nearly 500,000 people from North America and Europe,<sup>3</sup> concluded that:

- Unemployment, particularly long-term unemployment, is causally related to increases in mental health problems.
- The findings from social science research are clear—the long-term unemployed are profoundly impacted by the lack of work in their lives.
- Psychological difficulties experienced by the long term unemployed are a **result, not the cause**, of their jobless status. In their case, the problems are 'exogenous' (caused by external circumstances), not 'endogenous' or inborn.
- The best solution to the mental health problems of the long-term unemployed is: a new job.*

Our research, conducted in Massachusetts, has shown us the enormous psychic and emotional cost our fellow citizens have paid for involuntary, long-term unemployment. *People are longing to get back to work and to, once again, feel the sense of dignity, accomplishment and achievement that work provides. They yearn for the freedom from torment that results from the ability to meet one's financial commitments and to provide for loved ones.* There are sound reasons why access to work is a key element of the *UN Declaration on Human Rights (1949)*.<sup>4</sup>

Figure 30.1 Highest Level of Education Completed



Notes: Calculation of Unemployment rate with "hidden" unemployed: (Unemployment Level + Discouraged Workers + Involuntary Part-Time Workers) / (Civilian Labor Force + Discouraged Workers) 2015: The New School for Social Research

<sup>1</sup> Sharone, O. et al. (2015) "Supporting Experienced LTU Professionals" in *Transforming U.S. workforce development policies for the 21st century* Van Horn, C., Edwards, T, and Greene, T. Eds., Federal Reserve Bank of Atlanta, Atlanta, GA

<sup>2</sup> Wilson, WJ (1997) *When Work Disappears*, Random House, New York

<sup>3</sup> Paul, K.; Moser, K. (2009) "Unemployment impairs mental health: Meta-analyses" *Journal of Vocational Behavior*, 74, 264–282

<sup>4</sup> Blustein, D. L. (Ed.) (2013) *The Oxford Handbook of the psychology of working*, NY: Oxford University Press