



FIVE KEYS TO MODERNIZING UI WORK SEARCH REQUIREMENTS

Leveraging valuable, varied, verifiable and virtual activities

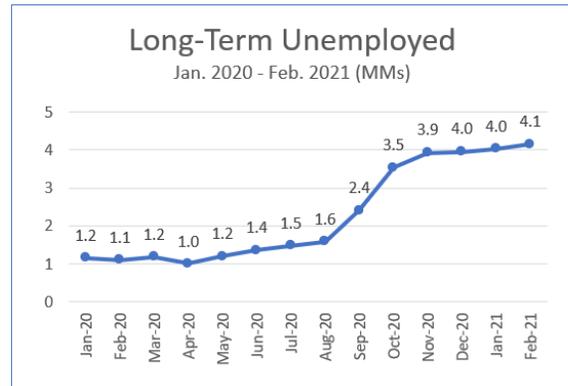
In 2020, COVID-19 flooded unemployment insurance (UI) and reemployment systems with 100 million initial regular and pandemic UI claims—triple what we saw in the Great Recession and nearly nine times 2019 levels.ⁱ Despite heroic efforts by state leaders and unemployment agency staff, the pandemic left many gaps, heightening the need to modernize our nation’s UI benefit systems.

Beyond benefits, those gaps also affected reemployment efforts, as job centers and Reemployment Services and Eligibility Assessment (RESEA) programs closed to in-person traffic and reemployment staff in many states were reassigned to the massive benefits-paying effort.

Having recently marked the one-year anniversary of the pandemic’s onslaught,ⁱⁱ ***we must remember not only how important it is to modernize our benefit systems, but also our reemployment systems.***

The Long-Term Unemployed

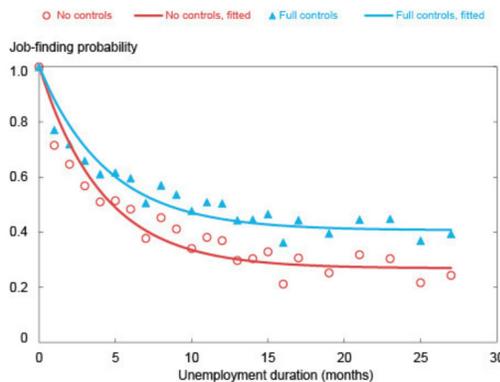
Even pre-pandemic—with the lowest unemployment rates in 50 years and more jobs than job seekers—the need was great. Nearly one in three UI claimants exhausted their benefits—often six months’ worth—without landing a job, falling into long-term unemployment.ⁱⁱⁱ ***In February, the U.S. had 4.1 million long-term unemployed job seekers—over triple what we had before the pandemic.*** The time is ripe to modernize work search requirements.



Five Ways to Modernize Work Search

Let’s look at five promising ways states are bringing UI work search policies up to 21st century speed.

Monthly Job-Finding Probability by Unemployment Duration



Source: Authors’ calculations from the Current Population Survey.
Note: The job-finding probability is expressed relative to the job-finding probability of newly unemployed workers.
Image: Liberty Street Economics

1. Early Engagement. Many states mistakenly wait a few weeks or more before truly engaging claimants in meaningful work search activities.

[Research](#) shows the likelihood of landing a job in a given month drops sharply by the end of two months, possibly due to skill loss, discouragement, etc. The first two months are thus a critical time to equip all claimants for job search.

Leading states not only ensure claimants quickly register in their employment services system and submit a basic resume or work history, they also require them to become familiar with available job search resources, and to submit an “enhanced” resume so the state can send weekly job openings matching their background.

2. Types of Activities—The Four V’s. In setting requirements, best-practice states focus on job search activities that are valuable, varied, virtual and verifiable.

Valuable. While there are many “high evidence” studies (i.e. strong methodology), there are fewer “high-impact” studies on which activities are most valuable. But a few studies offer solid guidance. One meta-study published elsewhere found job seekers gain the most from focusing on two things: becoming more proactive and enhancing job search skills^{iv}. Many varied activities move the needle on these [two concepts](#), and they’re available in person as well as online. States looking for published studies can also access [DOL’s CLEAR website](#), which houses papers on a variety of reemployment interventions that have been tested over the years.

Varied. The age-old single strategy of requiring weekly employer contacts too often puts poorly-prepared claimants in the position of facing immediate and repeated rejections from their best network prospects. This often saps their morale and heightens their fear of job search.

Because job search is often a multi-month quest, it’s important that job seekers pursue a variety of activities that state UI policy can require and encourage, from career assessments and resume-writing to mock interviews and reviewing matched job openings.

Verifiable. Confirming job search activity is critical, as it allows work search requirements to be accurately and consistently enforced. To maximize claimant motivation and proactivity, leading states institute indefinite suspension of benefits for noncompliant UI claimants.

By choosing verifiable work search activities, states can minimize a leading category of overpayments—work search-related overpayments—and can [go beyond the highly unverifiable](#) historic approach of simply requiring claimants to make employer contacts.

Not only will provable work search activities help valid claimants engage, they can stop fraudsters who are less likely to build a resume or complete an online workshop.

Virtual. COVID-19 pushed many of life’s activities into the “virtual” world, and workforce programs are no exception. For example, over the past year and a half, the U.S. Department of Labor (DOL) began allowing virtual RESEAs. More recently, states have taken a more nimble approach to serve job seekers, encouraged by DOL’s mandate for states to restart RESEA programs by this month to receive funding.^v

With RESEA expanding from FY 2021 funding of \$200 Million to \$750 Million in FY 2027, states are taking more interest in how the program can be optimized. One increasingly popular idea is to not only use virtual counseling when appropriate, but to also provide other elements of RESEA and reemployment activities online.

RESEA. In its January 2021 [UI Program Letter 13-21](#), DOL said “states are also encouraged to leverage virtual service delivery tools that allow portions of the RESEA sessions to be automated and accessed through self-service.” DOL indicated that one example of “a **virtual service-delivery tool is the “Online Work Registration and Assessment” that was developed by Utah.**” The Utah

Department of Workforce Services (DWS) [virtual service delivery tool](#) requires claimants to create a profile in the state labor exchange, answer questions about their reemployment needs and complete assigned online workshops to continue their claims.

DOL's letter continued with other examples of virtual service tools:

- Pre-recorded orientations to American Job Center Services
- Online registration
- Assessment tools that help UC claimants prepare for the initial RESEA meeting

The agency added, "These virtual service delivery tools should be designed to increase RESEA program efficiencies, enhance the participants' experience with RESEA services, complement the resources and services provided during the initial or subsequent RESEA meetings, and massively expand the number of customers who can be served under the RESEA program." It included a [list of other virtual tools](#).

Beyond RESEA. Since 2016, DOL has been promoting a variety of work search activities—including virtual activities. DOL outlined many of these in its [Pathway to Reemployment Framework paper](#). In addition to searching for and applying jobs online, states that have modernized their work search activity policies give claimants credit for online workshops, using LinkedIn's platform, skills and other assessments, completing activities in Geographic Solutions' set of tools, etc.

3. Amount of Activity. It's often said a proper job search is a full-time job. In that sense, many argue it should be 40 hours per week. However, monitoring 40 hours of activity is not feasible. Fortunately, requiring as few as three to five activity-hours per week can nudge claimants over the hump toward a habit of engaging in a proactive set of activities each week.

For example, in 2011, Utah DWS partnered with NextJob to pilot the idea of online workshops, and studied how claimants react to a specific work search requirement activity level. In addition to claimants' normal employer contact requirements, claimants were required to complete four online workshops in two weeks (taking about one to two hours to complete) to continue receiving benefits. In the [initial pilot study](#) of over 500 participants, claimants not only completed the workshops, but went on to complete 36% more workshops than required.

Utah has continued the self-serve online workshop approach, as described above, with similar results in increased claimant activity levels. It appears that once claimants can clearly see their job search skill gap and a means to fill it, they become motivated to do more on their own.

4. Nudging. Not all work search activities can be tracked—for example, contacting employers and networking in person. However, these activities are valuable and should be encouraged. Tapping behavioral science, states can reinforce the value of these activities while designating them as suggested or non-mandatory, thus avoiding integrity issues arising from an inability to verify them.

For example, states can have an impact by:

- Informing job seekers that increasing job search skills and being proactive can increase their odds of finding work by over 60%^{vi}
- Sharing statistics on what other job seekers do to be successful
- Using systems that automatically email selected job leads to claimants based on their work history and skills

5. Effective Notification of Requirements. It's critical that claimants understand what they must do to comply with work search requirements. Though a single letter at the start of a claim or a notice

through a state’s online UI account system may officially notify claimants, they may not succeed in creating true understanding and prompting desired actions.

Leading states take advantage of modern communication techniques, such as well-timed, well-worded reminders via automated or staff calls, texts and emails. Some states have cut RESEA no-show rates by nearly a third with simple email reminders.

For example, in Michigan, only 43% of claimants were completing mandatory Reemployment and Eligibility Assessment (REA) meetings. The state worked with Mathematica, W.E. Upjohn Institute and DOL to craft a simple set of email notifications timed to arrive before the scheduled meeting.^{vii} These simple nudges increased the REA completion rate from 43% to 57%. With similar strategies, Connecticut also reported significant increases in RESEA show rates.

Self-scheduling is another growing best practice. It allows UI claimants to find a time that works well in their schedule to attend, for example, a RESEA meeting—rather than the state dictating a day and time based on the next available slot. Self-scheduling makes the fulfillment of work search requirements a collaborative endeavor. Ohio used reminder calls 24 to 48 hours prior to the initial appointment plus a scheduling hotline and a self-scheduler to increase its RESEA show rate from 49% to 76%, one of the strongest in the nation.

Conclusion

There are more ways to enhance work search policy, but states that embrace these five policy points will realize a significant improvement in reemployment of UI claimants as well as their work search integrity. A growing number of states are already excelling in some or all of these strategies. Examples include Utah, Wisconsin, Ohio, Indiana, Minnesota, Nebraska and others.

While our virus-ravaged nation regains its economic health, the time is ripe to modernize work search policy and rapidly deploy new activities. These best practices will not only help us serve the 7.8 million job seekers today, but, like antibodies, will also put us in a stronger position to contend with future bouts of cyclical unemployment.

John Courtney is President of the American Institute for Full Employment. For the past 25 years, the Institute’s team of consultants has worked with 25 states and Congress to develop evidence-based reemployment solutions in unemployment insurance, welfare and workforce programs. To learn more or apply for a free assessment of your state’s reemployment programs, including RESEA, contact us at info@fullemployment.org.

ⁱ Adjusted initial regular UI claims were 74.3 million and PUA claims totaled 23.4 million in 2020 for just under 100 M initial claims in 2020 compared with 29.8 million in 2009 and 11.3 million in 2019. U.S. Department of Labor Employment and Training Administration [Unemployment Insurance Weekly Claims Data](#).

ⁱⁱ Adjusted Initial regular UI claims spiked the week ending March 21, 2020 to 3.3 million, up from 280,000 the prior week.

ⁱⁱⁱ The national average exhaustion rate in 2019 was 35%. U.S. Department of Labor Employment and Training Administration [Quarterly Data Summary Q1-Q4 2019](#).

^{iv} “Effectiveness of Job Search Interventions: A Meta-Analytic Review”, Psychological Bulletin, Liu, Songqi; Huang, Jason L.; Wang, Mo 2014 http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2632318

^v UIPL 13-21 provides that that states must be operating an RESEA program by March 31, 2021 to be approved for funding for Fiscal Year 2021, unless they can provide “compelling evidence that the state can meet the program

objectives despite not running a RESEA program until after that Date.” [U.S. Department of Labor Employment and Training Administration Unemployment Insurance Program Letter No. 13-21, January 19, 2021, page 4.](#)

^{vi} “Effectiveness of Job Search Interventions: A Meta-Analytic Review”, Psychological Bulletin, Liu, Songqi; Huang, Jason L.; Wang, Mo 2014 http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2632318

^{vii} "[Simple Encouragement Emails Increased Take-Up of Reemployment Program \(Brief\)](#)," Mathematica Policy Research, Matthew Darling & Christopher O’Leary & Irma Perez-Johnson & Jaclyn Lefkowitz & Ken Kline & Ben Damerow & Randall Eberts & Samia Amin & Greg Chojnacki, May 31, 2017.