

**Recession**

# **A Crisis of Long-Term Unemployment Is Looming in the U.S.**

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**Summary.** The stigma of long-term unemployment can be profound and long-lasting. As the United States eases out of the Covid-19 pandemic, it needs better approaches to LTU compared to the Great Recession. But research shows that stubborn biases among hiring managers can make the lived experiences of jobseekers distressing, leading to a vicious cycle of diminished emotional well-being that can make it all but impossible to land a role. Instead of sticking with the standard ways of helping the LTU, however, a pilot program that uses a wider,

sociologically-oriented lens can help jobseekers understand that their inability to land a gig isn't their fault. This can help people go easier on themselves which, ultimately, can make it more likely that they'll find a new position. [close](#)

Covid-19 has ravaged employment in the United States, from temporary furloughs to outright layoffs. Currently, over 4 million Americans have been out of work for six months or more, including an estimated 1.5 million workers in white-collar occupations, according to my calculations. Though the overall unemployment rate is down from its peak last spring, the percent of the unemployed who are long-term unemployed (LTU) keeps increasing and is currently at over 40%, a level of LTU comparable to the Great Recession but otherwise unseen in the U.S. in over 60 years.

The causes of the Great Recession and Covid-19 job crises differ, of course. But the stigma attached to LTU will likely be similar, particularly for knowledge workers and older workers. Americans want to believe that if you do the “right” things — work hard, go to a good college, get a job at a good company — your career will not suddenly go off a cliff. But it can, and it does for millions. Now that the United States is facing another growing unemployment crisis, in addition to an aging population, understanding the sociological effects of LTU it is critical for shaping a response — both for organizations and for individuals who lose their jobs.

My research over the past 15 years studying unemployment among white-collar American professionals shows that flawed understandings of long-term unemployment held by employers and former colleagues is one of the biggest barriers out-of-work people can face. This widespread stigma leads to isolation, makes looking for a job discouraging, and undermines well-being. Can a better understanding of the perniciousness of LTU, combined with a new strategy I'm piloting around sociologically-informed support for LTU workers, improve well-being and the likelihood of ultimately landing a job?

To help answer this question, I interviewed over 120 job seekers from the Boston area between 2013 and 2015 to better understand their experiences of LTU after the Great Recession. Participants had been unemployed six months or longer, between the ages of 40–65, previously held careers in white-collar occupations, and were actively looking for work. I also interviewed job recruiters. What I discovered were biased, outdated, and opaque hiring practices, an emphasis on networking that exhausted and frustrated job-seekers, and negative changes in people’s personal and social well-being.

## **Biased Hiring Practices**

**Age bias.** For many life-long professionals who find themselves suddenly jobless, the search for new work typically begins with optimism befitting someone who has had a lengthy and successful career. But this optimism can quickly turn to bewilderment. Steven\* had a long and successful career prior to losing his job. Working in the field of secondary education, he climbed his way up from guidance counselor to school principal before being laid off. After a year of unsuccessful job searching Steven reported that his applications seem to disappear into a “black hole.” When I spoke with him, he shook his head. “At this stage I’m stunned.”

Laura\*, a recruiter, was not surprised by my findings. “Yes, on average I would say that sure, older workers are discriminated against.” When I probed about the reasons *why*, she was very open about her stereotypes and those of hiring managers: “An older person would probably not have energy and enough learning ability to compete with young people.”

Another recruiter, Jody\*, seconded the prevalence of these stereotypes and explains that for this reason, “You rarely see a job posting looking for a candidate with 15 years-experience. Most job postings have a range of desired years of experience, typically no more than 5 to 8 years.” She paused and then said with an uneasy tone, “if the applicant has more [years of experience] that’s a problem.”

Even a degree at a prestigious university or experience at a prestigious firm may not help. According to another recruiter, Katherine\*, “You may have an MIT or Harvard advanced degree, but if you’ve been working 20 years, you’re older and unemployed, that person would have a very hard time.”

**Unemployment bias.** In addition to age discrimination, the mere fact of being unemployed invites bias, something that grows with the duration of unemployment. Jody explained:

“There’s a perception that people who are out of work or laid off are not the top performers within an organization. The perception from a potential employer would be, ‘If a company really wanted somebody, if they had their best employees, they’re not going to be laying those folks off. They’re going to be laying off possibly the poor performers.’ Now that’s obviously not always the case. A company could lay off people because of a wide variety of reasons. But there is that perception.”

If a jobseeker does not find a job within a few months, this new barrier to employment can dwarf any others. Recruiter Jeff\* puts it this way:

“You see that the last time they held a job was a year ago. So immediately a question comes to mind, ‘Well, why is that?’ Employers start to internally rely on other peoples’ opinions to help them with their decision making. Obviously other recruiters, other hiring managers have already made that call for them, that this person for some reason is not hireable or else they would have already been hired in the last year.”

**Success bias.** Facing these obstacles, and with mounting financial pressures and concerns about their ever-lengthening employment

gap, many jobseekers broaden their searches to include lower-level jobs. This makes intuitive sense, but another obstacle appears: their own prior success. Having advanced to relatively high levels in their field, companies now refuse to consider them for lower-level jobs.

Doug's\* story is illustrative. He had started his career as an engineer in a small company and climbed his way to the position of director. Because there are very few director positions and many more engineering jobs, after months of searching, Doug shifted his focus. Yet, he quickly learned that engineering positions “can be a hard sell because I’ve already been there. There’s the notion I’ve heard and I kind of understand it now, that employers are looking for someone on the way up the ladder, not on the way down.”

Recruiter Emma confirmed Doug’s understanding. “I would hear from companies ‘We’re not looking for somebody who has got 20 years of experience. They’re going to be over-qualified. They’re going to be bored in this job. They’re not going to be happy in this job.’”

**Underqualification bias.** To avoid the overqualification trap, some jobseekers consider switching to a new field in which their prior work experience will not be held against them. Cindy\*, for example, had been in marketing for 10 years. Senior level marketing positions are rare and when applying for lower-level marketing jobs, Cindy was told she was overqualified. So, she decided to “break into something entirely different — event planning.” But whereas for marketing jobs she was told that she was overqualified when seeking event planning positions the door shut for the opposite reason:

“I’m told that I am not qualified because I don’t have any paid experience in event planning. So, I’m stuck ... I’m looking to break into a field in an entry level position, and I’m a person who’s got all this other experience. I went on an interview for the exact job I wanted. I was so excited and [the interviewer] looked at me like I had 10 heads. ‘What are you doing?’ He just thought I was insane.”

Perhaps jobseekers like Cindy will find employers more understanding of career changes given that we are in the midst of a historic pandemic. My concern, however, is for the post-Covid period. After the Great Recession, as the economy recovered and the overall unemployment rate decreased, employers' skepticism toward the long-term unemployed only increased. For the millions of workers who remained trapped in LTU during this time, the economic recovery was a double-edged sword: more opportunities but also more stigma. In the absence of a concerted efforts to combat the latter, it is likely that as we emerge from the pandemic and the economy returns to normal, the long-term unemployed may become increasingly trapped.

## **The Hidden Costs of Networking**

I asked recruiters how — given the multiple levels of bias and discrimination facing older LTU jobseekers — they might advise someone to find a professional job? The answer was unanimous: Networking. While this conventional advice may have some merit, I also discovered during my research that for LTU workers, networking can have severe costs for their social and emotional well-being.

At first, the LTU jobseekers I interviewed had many former colleagues or other professional relationships with people they could contact. Most found reaching out to these people for referrals and introductions to be relatively easy.

But as the months wore on, this strategy became much more difficult. The same cloud of stigma that makes recruiters skeptical of LTU jobseekers also operates in the context of networking, in several ways.

**Self-confidence.** Sharon\*, a Harvard graduate who worked at several prestigious banks, puts it this way: “The problem that most long-term unemployed people have is that, because we are not working, there is a perception that there is something wrong with us. I think this impacts your self-confidence and your self-view. And it prevents people from looking at what you can contribute.” After unsuccessfully looking for work for over a year, Sharon observed that

thinking of networking “puts a pit in my stomach.” When she thinks of contacting a past colleague Sharon’s mind starts imagining them “thinking ‘She’s *still* unemployed? What’s wrong with her?’”

**Shame.** For people whose identities were tightly tied to the professional success, there is also a sting of humiliation when networking with former colleagues. “It evokes shame,” Stephen told me. “A lot of people that I have known for a long time know me as boss or at least as a peer. And now I’m saying, “Help me out. I’ll take anything.” At this stage, the very act of networking with former colleagues felt like a declaration of having professionally fallen.

**Self-doubt.** Over time, networking also becomes more difficult due to jobseekers’ experience of being repeatedly rejected from jobs and the self-doubts that this engenders. For example, Charles explains his difficulty in networking as stemming from his doubts about, “What interest might there be in me? And what can I offer this person?” He explains that underlying these questions is the deeper question of, “What kind of self-worth and self-esteem do I have?”

The metaphor of a “beggar” appears frequently for job seekers in this position. Steven describes it this way:

“The only way I’m likely to get a job is through personal connections. I have attended professional organizational meetings and functions, but I feel almost like a beggar with my hat in my hand. Having been very independent, having been self-sufficient, having been the coordinator, it’s tough to say ‘Put a tin cup in your hand.’ I don’t like the phrase, and I don’t do it that way. But internally, in my gut, I feel like I’m asking for something, and I’m going to be perceived as not meriting it or fitting the qualifications.”

**Authenticity.** An equally challenging aspect of networking is the feeling of inauthenticity or, as one person put it, being a “used car

salesman.” A widely shared understanding among LTU jobseekers is that effective networking requires engaging in layers of masking. Among the things that may need to be masked are the duration of unemployment, financial desperation, ongoing emotional turmoil, and a lack of confidence. All these layers of masking generate feelings of inauthenticity, which then *also* must be masked, along with the fears that the multiple maskings will not be effective and they will be exposed as a fraud.

Indeed, one of the key challenges to networking when LTU is the need to mask the self-doubts and emotional turmoil that accompany long-term unemployment and project *their exact opposites*: confidence and positive energy. Sharon explained the challenge:

“When networking, there’s only so much you can reveal about how the situation makes you feel and what’s going through your head. You have to put on that happy face, and you have to be confident. But inside you’re not always confident. You’re not always happy. You have pick and choose your words carefully, how you answer these questions. For people who aren’t aware of this whole complex dialogue that’s going through my head, it could read like, ‘What is she hiding?’ Or, ‘What doesn’t she want me to know?’ Well, I don’t want you to know that I’m really desperate for a job and that I’m looking for you to give me a job lead. And if you can’t, I need to move on.”

Ultimately, these experiences make it difficult to effectively network and undermine core aspects of workers’ identities as confident professionals. This, in turn, may exacerbate the inner turmoil that accompanies long-term unemployment. Some may wonder whether this time things will be different; given that this is a once-in-a-generation pandemic, maybe LTU workers will not be stigmatized by their former colleagues. But this stigma persisted following a-once-

in-a-generation financial crisis not long ago, too; as much as I would like to be more optimistic, I see no reason to expect a different pattern this time without new interventions.

## **The Power of Sociologically-Informed Support**

If hiring practices and networking can do more harm than good, what might help?

To explore this question, I collaborated with a group of career coaches and counselors who agreed to provide free support to LTU jobseekers under the umbrella of a non-profit organization called the Institute for Career Transitions (ICT). The support provided by the ICT departs from traditional forms of support for unemployed workers in two important ways.

**Understanding why LTU occurs.** Whereas traditional jobseeker support begins and ends with strategies (resumes, networking, LinkedIn, etc.), the ICT begins with a sociological explanation of the structural nature of the obstacles LTU jobseekers face. To counter the tendency to internalize stigma and self-blame, sociologically-informed support avoids messages that might exaggerate the role of individual jobseeker strategies in shaping job search outcomes. For example, at various ICT support gatherings, I directly discussed the sobering research findings I described above.

This kind of “sociological coaching” focuses on clarifying the institutional landscape and thus the context of LTU jobseekers’ personal experience. To most jobseekers, hiring institutions are a black box; opening up this box serves a dual purpose of de-personalizing employer rejections, thus lessening self-blame and internalized stigma, and of pointing to possible strategies. This helps people understand their labor market experiences in a less personalized way, which lessens the emotional fallout of unemployment and helps maintain resilience for continued searching.

**Openly sharing experiences of being LTU.** In addition to understanding obstacles, the other significant dimension of support

was the foregrounding of the fact that LTU almost invariably generates difficult negative emotions, undermines identities, and makes social-emotional support hard to come by. Sociological support explicitly encouraged jobseekers to share difficult experiences and negative emotions with coaches and peers.

When openly sharing their difficult experiences, jobseekers were relieved to learn that many others are in the “same boat,” a phrase that was repeated by many interviewees. It is only through candid conversations that people can recognize the *shared* nature of the experience, and which in turn creates the possibility for mutual emotional support and reduces the experience of emotional isolation.

Sharon contrasted her experience with the ICT to other employment support settings:

“A big barrier to connecting with other [jobseekers] is that facilitators don’t want you to talk about the negative feelings and experiences in this process. Anytime you say how bad you feel or how bad your situation is, you get shushed. I think they think they are helping by only talking about the happy stuff; however, in some ways they are making it worse. You need an outlet for that negative junk and it helps to know you are not alone.”

Tina\*, who previously worked as a project manager, explained how sharing of negative experiences is a critical dimension of support which brought a sense of relief: “When in a group you realize it’s not you. Nothing is wrong with you. Everyone in the same situation.

Steven described a similar effect, noting at how the gatherings opened the way to discussing taboo feelings, which left him less likely to blame himself for being unemployed. Once Steven talked openly and supported others about his feelings of shame, he also came to this realization about himself and all the other LTU jobseekers:

“It’s not you. It’s outside of you. Take the pedal off the guilt so that you can more effectively deal with this rigged system. All the guilt does is it keeps you stuck in your place. Take the guilt away and it may still be the same rigged system, but at least you’re functioning better in that system.”

Interestingly, these experiences led jobseekers to mutually support each other by networking, introducing each other to contacts which may not be professionally relevant for themselves but may be perfect for someone else. Networking in this context became a very different experience from the “beggar” and “used car salesman” experience. Daniel\*, for example, who had previously worked as a scientist for a biotech company and expressed disgust with the pressure to act fake when networking in other contexts, felt entirely differently about networking with fellow LTU jobseekers. “It was probably the first time I’ve been in a group of people, that was good, real networking. It’s much more natural. You have a lot of people there who have the same purpose.”

In other words, when you are with others in the same boat, there is no need to beg, mask, or fake.

### **How to Implement this Strategy Amid Covid-19**

An obvious limitation of any form of coaching-based support, of course, is that it does not change the underlying structural roots of long-term unemployment. Addressing biases and stigmas in the hiring process requires solutions at governmental and organizational levels, too. And because my research focused on white-collar workers, more research needs to be done to understand the experiences of other kinds of workers as well.

Nevertheless, the interviews suggest that sociological coaching helped LTU jobseekers in their job search and in their well-being, even though not all found new positions. This leads me to believe that

sociologically-informed support programs are vital for the well-being of people who are out of work for long periods of time — as may be the case over the next several years.

LTU jobseekers in particular should look for organizations that provide support, whether in a church, a non-profit organization, or a state career center, and make sure that the support is not only focused on how to write resumes or network but is wholistic in its approach and recognizes the varied effects of LTU on individuals.

For any organization, municipality, or state wishing to start such a support program or improve its existing offerings, I suggest a brand new training manual and workshop created by the Work Intervention Network (“WIN”). Led by David Blustein of Boston College, the WIN program is collaboration among interdisciplinary scholars and practitioners (myself included) focused on support that is attuned to both the psychological and sociological dimensions of unemployment, with particular attention to the effects of stigma and the emotional toll. (For more information about WIN, contact Blustein at [David.Blustein@bc.edu](mailto:David.Blustein@bc.edu).)

As both the Great Recession and Covid-19 have taught us, no matter where you got your degree, no matter how experienced and skilled you are, you are at risk of becoming trapped in long-term unemployment through no fault of your own. Understanding the role of stigma in the job market is a crucial first step for policymakers and employers to make real our ideals of fairness and meritocracy, and for individuals trapped in LTU to recognize that they are not alone, that nothing is wrong with them, and that they can find strength and support by banding together with others.

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