Second in a two-part report on a 1982 study by the staff of the Education and Work program at Northwest Regional Educational Laboratory (NWREL), this issue presents the complete findings from case studies of 44 unemployed men and women. In order to determine how unemployment affects people, NWREL's study identified and explored the following four categories of problems: (1) economic effects; (2) psychological effects; (3) family/sociological effects; and (4) barriers to further education, retraining, and relocation to find employment. Following a brief review of the literature on displaced workers, a profile of the NWREL study participants is given. Findings from the study are discussed for the four categories listed above. In addition, attitudes of displaced workers about the present and future are reported along with expressed needs for services. Recommendations for solutions to the problem of the dislocated worker are offered for the individual, for employers, for unions, for human service agencies, and for education and training organizations. Further study is indicated which will focus on the dynamics of coping with the unemployment experience. For more information and insight into the displaced workers and their problems, 15 publications are recommended. (EM)
NORTHWESTERNERS OUT OF WORK:  
THE EFFECTS OF JOB DISLOCATION

by

Marilyn Clark & Judith Nelson

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Northwest Regional Educational Laboratory
Northwesterners Out of Work: The Effects of Job Dislocation

By Marilyn Clark and Judith Nelson
(Second in a two-part report)

This issue of Ideas for Action is the second piece to address the impact of job dislocation on workers in the Northwest. The first issue, described interim findings from questionnaires completed by 30 unemployed individuals. This issue reports the complete findings from 44 case study respondents and examines the implications of study results for practitioners in education, employment and training, for persons in the human services, and for employers and others who are concerned about dislocated workers and their problems.

In Perspective
(What the Literature Says)

For purposes of this paper, displaced or dislocated workers are persons with considerable labor market experience who have been laid off and are unlikely to return to the same company within a period of six months.

The problems that cause worker displacement in the 1980s and possibly for

the rest of the century can be directly related to two factors—cyclical changes in the economy and structural changes (primarily technological in origin) in business. Economic recovery should generate jobs for some workers, especially for those with job specific skills. But for many others, job dislocation will be permanent due to the vast repercussions of technological advancements. It is clear that many jobs lost in recent years and many jobs yet to be terminated are unlikely ever again to exist in a "normal" economy. This situation implies that despite job search assistance and new training, many displaced workers will find it increasingly difficult to return to their former income levels. In short, both the world of work and the economic base supporting it are in a profound and rapid transition. This makes the old ways of dealing with unemployment ineffectual for workers, employers and the systems and agencies that serve them. We must seek out and implement solutions that address long-term issues and alleviate the trauma experienced by individuals and their families.

The problems of the participants in the study done by the Northwest Regional Educational Laboratory (NWREL) are fairly consistent with the problems of other

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dislocated workers around the country. The final section of this paper will include some recommendations for both policy and practice based on the present study and other studies. Space does not permit an exhaustive review and analysis of related information found in the literature. However, some sources are given which contribute to understanding the national scope of the problem indicated by the study results.

The literature on declining industries and plant closures includes some vital data from the Congressional Budget Office (CBO). In August, 1982, the CBO estimated the total number of dislocated (displaced) workers in 1983 will be 1.8 million. These figures are for workers with ten years' tenure, older than 45 and out of work longer than 26 weeks. The CBO further predicts that 760,000 additional workers will become dislocated in 1983, most of these from the manufacturing sector.

The U.S. Department of Labor offers more supplementary data: our labor force in general is aging. The median age of workers was 34.3 in 1980 and will be 38.0 by the year 2000. By the year 2000, 21.1 percent of the U.S. population will be over age 55. In addition, unemployment is affecting various segments of the labor force differentially. Current rates are 24.5 percent for youth, 40.8 percent for minority, youth, 18.2 percent for minority men, 16.5 percent for minority women, and 9.6 percent for women generally while the national unemployment figure is 10.8 percent.

Other information gleaned from the literature involves occupational stress. These data tell us that older workers suffer the greatest private losses. This group also causes the greatest impact to society and the economy when they are jobless. Total costs of unemployment are not accurately reflected in terms of lost wages, lost tax revenues, unemployment insurance benefits, food stamps, Aid for Dependent Children payouts and a drop in the Gross National Product. Society pays a much larger price through other means. For example, research by M. Harvey Brenner suggests that for every one percent increase in the national unemployment rate, the following also occur:

- 36,887 deaths
- 20,240 cardiovascular failures
- 495 deaths from cirrhosis of the liver associated with alcoholism
- 920 suicides
- 648 homicides
- 4,227 admissions to mental hospitals
- 3,340 admissions to state prisons

There is substantial agreement that unemployment is a major source of stress for individuals and for families. Job loss leads to health and emotional problems, including elevated blood pressure, increased uric acid production and higher pulse rates. The effects of unemployment can be profound.

Definitions and Profile

To develop the 1982 study, NWEL approached representatives of social agencies, government leaders, educators and training providers to identify what information was needed about the experiences Northwesterners encounter when they are unemployed. Four categories of problems emerged:

- Economic effects
- Psychological effects, such as reduced self-esteem and self-confidence
- Sociological effects, such as changes in family relationships
- Barriers to further education, retraining and relocation to find new employment

Participants were identified and recruited for the study. We looked for individuals who were at least 30 years of age and who
had been unemployed for at least six months from a career at which they worked for three years or more. Participants were previously employed in industries and occupations that had suffered due to economic setbacks or advancing technology. These occupations included wood products, home construction, truck manufacturing, electronics, social work, education, counseling, forestry, title insurance, child care, delivery services, telephone operations, stenography, farming or textiles. Complete data were available for 44 respondents, primarily from northwestern Oregon and southwestern Washington.

The NWREL study participants had been unemployed from six to 18 months from careers or jobs at which they had worked for an average of 51.3 months or just under four and one-half years. These 44 individuals ranged in age from 33 to 61, with an average age of 43.2 years.

Of the 20 male and 24 female respondents for whom complete data were available, about 30 percent were divorced and half had children living at home.

The overall educational level of the NWREL respondents is higher, in general, than that of participants in most studies. About 13 percent of the NWREL respondents have a high school education or less. Thirty-four percent have some college, with 20 percent having finished college and 21 percent holding an advanced degree. These Northwest workers had been displaced from a variety of occupations: 21 were previously employed in administrative, business, or professional positions; eight were clerical, sales or technical workers; four held skilled manual labor positions and seven were in semiskilled or unskilled jobs. This contrasts with the estimates given by the Congressional Budget Office which indicate that most dislocated workers are former blue collar employees of "traditional" manufacturing industries. Northwest workers who participated were previously employed in industries and occupations that had suffered due to economic setbacks or decline, experienced corporate downsizing or restructuring or because of advancing technology that rendered their jobs or skills obsolete.

The Economic Impact: How Do the Unemployed Get By?

The economic consequences of unemployment extend well beyond the immediate financial situations of families that include an unemployed member. Unemployment insurance compensation is borne by employers and the state and federal governments. But the loss of wages also means the loss of tax revenues and availability of spendable or discretionary income that in normal times support business and services in local economies.

Several larger studies conducted in other parts of the country report that households of the unemployed have been forced to make the following financial adjustments:

- Using savings
- Delaying major purchases
- Borrowing money from friends, family or other sources
- Delaying installment payments
- Putting other family members to work
- Cancelling medical and life insurance
- Going on welfare and/or food stamps
- Postponing medical and dental treatment
- Relocating to less expensive living quarters

About 60 percent of the participants in this study reported that finances were their most serious problem. Those in their 40s reported this most often while people in their 30s more often reported psychological problems as the most serious, in addition to the financial ones. Personal gross weekly income had been cut at least by half for most respondents from an average of $449 per week to $183 per week. Only 54.5 percent
of the participants in the NWREL study were receiving unemployment insurance benefits at the time of the study. Twenty percent were receiving food stamps and just 2.3 percent receive aid to dependent children, AFDC or "welfare." No one in the study reported receiving union unemployment benefits of any kind. Three subjects had received emergency aid for food, rent and utility bills (Note: the study was conducted during the winter months). Six had applied for financial help from local service agencies, but only one reported receiving satisfactory assistance. Five individuals told interviewers that they were losing their homes or were on the brink of bankruptcy. Some subjects hinted at participation in the "hidden economy" through bartering for needed household services.

Economic Coping Strategies

The most often reported measures for reducing family expenses were cutbacks in food and in medical and dental care. Entertainment and recreation were other areas where people reduced or eliminated expenditures. These cutbacks were made to help participants meet fixed costs payments such as rent or mortgage.

One in three study participants was living with a spouse or roommate who was working an average of 25 hours per week. Over half had part-time or temporary jobs as clerical workers, unskilled manual laborers or were working as independent small business owners or salespersons. There was a high correlation between the previous occupational level and the kinds of jobs the study subjects were doing to get by. Only five respondents were recently employed for an average of 35 hours per week, while five were volunteering their time to community service organizations for eight hours per week or less. Over half of these people have received financial help from family members and friends.

A significant proportion of the respondents were discouraged workers. In other words, they believed no jobs were available. Half blamed the current economic conditions for this.

Moving elsewhere to find satisfactory employment was not a desirable option for most participants. Younger individuals were more willing to move within 50 miles to find work. Some people, generally those with less formal education, indicated they would move if they could have greater job security. About 70 percent, however, told interviewers they would rather move to a new location than to change their occupations. Those subjects who were working at the time of the interview were less willing to move outside their state to find work than those who were not working. No differences were shown in their willingness to move within their state of residence.

Persons who were unwilling to move often gave as their reasons close ties with family and friends. This would tend to support findings of Yankelovich (New Rules, 1981) and others who contend that American values regarding work are shifting and that maintaining close relationships with family and friends is of more importance to many than is the money and status afforded by a job. Other reasons for a reluctance to move strengthened this impression. Participants with children often said they preferred not to disturb their children's school situations or their spouses' careers.

The Personal, Psychological Impact

The role of work in the lives of Americans continues to be a central one. In the present study, over 40 percent of those responding viewed work as a major source of their sense of self-worth. "Work is my whole life," "Work is the meaning of life" and "I feel like I have an arm and a leg cut off" typify the answers interviewers received.

"Maybe there's something wrong with me," was a common response when we asked questions about how their unemployment had affected their personal well-being. In fact, 95 percent reported personal changes, 80 percent of these for the worse.

A wide variety of psychological problems centering around feelings of helplessness, depression, and psychosomatic disorders were reported, including thoughts of suicide.
The loss of self-esteem that accompanies the loss of a job is a potential psychological barrier to re-employment. Interviews for his book, Not Working (Holt, Rinehart and Winston, 1979), led Harry Maurer, to conclude that "In a value system which glorifies professional success, the unemployed cannot help thinking they fall short as human beings." Thus, the unemployed individual finds that he or she lacks an important attribute employers look for in prospective employees—that of self-confidence. Over 25 percent of the NWREL group reported a serious loss of self-esteem and self-confidence. Seven of these sought professional counseling.

One surprising discovery was found, however—nine individuals reported positive changes in their values as the result of the unemployment experience. This was reflected in comments such as, "I'm more philosophical now," and "Prestige and power don't mean as much."

The Layoff Experience

The seeds of the psychological problems many unemployed individuals experience can often be found in the layoff process itself. Maurer noted that of those he interviewed, many blamed themselves for their joblessness, an observation of psychological reactions backed up time and again by social scientists who have examined the problem. A researcher for the National Institute for Occupational Safety and Health points out that layoff victims blame themselves even when closures and layoffs are caused by conditions and factors over which they have virtually no control.

About 75 percent of the NWREL study respondents were unhappy about the manner in which the employer handled their layoffs. Commonly reported was a cold and impersonal approach on the part of employers in notifying employees of the impending layoff. People felt shock, anger and disbelief. Some even felt their employers were dishonest in how the layoff was conducted. Over 75 percent believed that their employer could have prevented the layoff through better financial planning, flexible scheduling of work time and increased communication with employees. About one-third felt that employees could have played more of a role in preventing their own displacement through increased production, job sharing or accepting cuts in pay. Only a few respondents thought that the union could have done anything to prevent job displacement. (In general, for this study, unions did not play a significant role in the layoff process. Less than half were union members while many subjects reported that there was no union involved in their employment. This is probably attributable to a regional difference, however. The avenue of "productivity bargaining" has been used successfully to avoid some plant shutdowns in the steel, auto, rubber and other manufacturing sectors. Union organizations have always been central to this kind of bargaining.)

About 80 percent of the respondents believed employers have three major responsibilities toward workers facing layoffs: (1) increased employee involvement in solving the problems faced by the company, (2) implementation of flexible work scheduling as with work and job sharing, and (3) provision of retraining and outplacement assistance to affected employees.

The insights of our study group support findings of previous research. Case studies of plant closures have shown the usefulness of the first option as a method for cushioning the impact of job dislocation. When employees know more about the reasons for being laid off, worker adjustment appears to be a little easier.

Not one person in the NWREL study reported receiving help from an employer in any one of the three ways. And no one reported being given the opportunity to relocate within the company that employed them.

As to the government's role in the layoff, two-thirds of the NWREL participants felt that the federal government could somehow have prevented it. These individuals cited defense spending, high interest rates and bureaucratic waste as causes of economic problems. Often they were mistrustful of the government's ability to solve job displacement problems.
The Family and Social Impact

The hardships of job dislocation are not the solitary burden of the worker. As discussed earlier, the families of the unemployed undergo stress and change when a member is out of work. In the preceding issue of Ideas for Action, we reported that the majority of the respondents in the NWREL study felt that their families suffered from a combination of financial deprivation and their own depression and irritability. Severe cuts in income hit families hard--this was confirmed by indepth analysis of the data. Many participants indicated that their financial difficulties had created a deep sense of uncertainty among family members. Comments such as, "My whole family is depressed," or "Everyone is worried" were frequent. About one-third felt that there would be long-term negative effects on their families, "scars that will never heal." Teenage sons were a frequent concern because of their negative attitudes toward the unemployed parent. Alienation, bitterness, and avoidance were behaviors that worried parents. Those respondents who were working at an interim job tended to see more long-term negative effects on the family as a result of their unemployment. Those respondents who were discouraged, believing that no jobs were available to them, tended to report the most difficult family problems. This supports previous research findings which suggest domestic violence increases during times of high unemployment.

Yet, despite the financial and emotional hardships, 70 percent of the respondents reported receiving emotional support from their families. Several felt that there would be long-term positive effects resulting from their unemployment experience due to increased communication and closeness among family members. One person reported, "We're more clear about ourselves and what we want." About one-half of the group reported talking with a family member about their unemployment problem and 18 participants received job ideas and leads from a family member. Interestingly, respondents who were working occasionally or part-time reported receiving more emotional support from their families and friends than did nonworking respondents. Of those reporting that they had received emotional support from former co-workers, 77 percent were working. Working participants tended to ask for nonmonetary support from family and friends more often than those not working.

Friends may or may not provide support to the unemployed, according to the mixed results of the NWREL study. About one-half of the participants reported having negative feelings toward their friends, typified by comments like, "Why me and not them?" For some, communicating with working friends became a problem. There was sentiment that working friends didn't want to know what being unemployed was like. Some sensed that working friends were embarrassed by a person not working--"a social stigma," said one. More than 60 percent had friends who were also unemployed, however, and 75 percent received job information from friends suggesting that these people become involved in a networking strategy of sorts. Only a few individuals told us they had received training or career information from either family or friends.

For 25 percent of respondents, there were positive changes in their friendships. This group cited a strengthening of friendships that became a vital source of support. Thirteen individuals told interviewers that their churches provided support during their unemployment. Over 75 percent of these were working at part-time or temporary jobs at the time they were interviewed. "Some people had received financial assistance from friends." Of these, 78 percent were working.

Attitudes About the Present and Future

Some important differences were identified in the way individual study respondents viewed their current situations and their future prospects. The following examples dramatize these differences:

• Working individuals, for example, those doing part-time, temporary or full-time jobs not in their career field of choice, expected
to make more money than before
they were laid off when they do
return to permanent, satisfactory
work. Nonworking individuals
expected to make less.

- Working respondents attached a
higher importance to educational
planning than did nonworking
respondents.

- Those working tended to hold
companies responsible for
preventing layoffs, while those
not working felt that layoffs
prevention is the responsibility of
the federal government.

- Working individuals felt that the
company releasing workers has a
responsibility to give at least
six months' advance notice of the
layoff, whereas those not working
did not.

- Working participants were more
likely than nonworking
participants to report that their
unemployment would have long-term
negative effects on family life.

- Having some college education,
but less than a bachelor's degree, increased the likelihood
that respondents were working at
some kind of job.

- The higher the current
occupational level of the
respondent, the less
discouragement was reported about
the job market.

- Working participants differed
significantly from nonworking
participants about what services
should be provided to dislocated
workers. Workers favored
counseling services while
nonworking participants favored
training services.

- Nonworking respondents considered
information and referral services
they received to be more helpful
than did those working.

- Working participants were much
more likely than those not
working to volunteer their time
to local agencies.

- Persons not currently working
estimated it would take an
average of 21 months before they
would return to satisfactory
employment, while those who were
working at some job felt it would
take them an average of 12 months
to return to permanent
satisfactory employment.

- Working respondents tended to
favor employer financing of
retraining while nonworking
individuals favored city or
county financing of retraining.

- The more education, the greater
the tendency to seek nonmonetary
support through counseling and
from family and friends.

- Those with college training more
often reported shifts in family
responsibilities and in negative
treatment from family members
since becoming unemployed.

- More than the professional or
executive level workers, skilled
and semiskilled workers saw
retraining as a likely necessity.

Previous Occupation Related to Attitudes

- Nine out of the 10 participants
who reported negative treatment
by family members were previously
employed in higher status
occupations.

- Participants in skilled or
semiskilled occupations were more
likely to believe that they would
need retraining to find
satisfactory re-employment.

- Participants formerly in higher
status occupations were more
likely to seek nonmonetary
support during period of
unemployment.
Participants working at the time of the interviews reported enjoying higher level occupations than did nonworking participants.

The higher the previous occupational level the less discouragement about the job market was reported.

There was a significant correlation between the previous occupational level and the kinds of long-term effects on the family resulting from periods of unemployment.

A very significant correlation appeared between sources of job leads and previous occupation; job leads from the family were reported most by participants in finance/real estate and service industries.

Discouragement

One of the most difficult aspects of high unemployment is the discouragement that overtakes many job seekers. These individuals often come to believe that there are no jobs available and many give up looking. Persons whose unemployment insurance benefits have been exhausted and who have stopped looking for a job are generally not reflected in the unemployment statistics published by the Labor Department. Their numbers can only be estimated. While none of the NWREL participants said they had completely given up looking for jobs, 22 told us they believe no jobs are available. This belief was reflected in both the questionnaire and the interview portions of the NWREL study. For example:

- Seven out of nine food stamp recipients believe there are no jobs available.
- Sixty-two percent of those who think their former occupations will recover believe there are no jobs available.

Discouraged individuals were more willing to move to other parts of the country to find work than nondisauraged ones.

The discouraged expected to make less money when they do return to work.

The discouraged were more likely to blame the economy for the length of time it will take for them to return to satisfactory, permanent work.

The discouraged felt their current situation could not have been improved by doing anything differently.

The discouraged were more willing to pay into a retraining fund.

The discouraged did not feel that companies have the responsibility to provide occupational retraining to released employees.

In general, the discouraged expressed a greater need for financial and supportive services for the unemployed, whereas the nondisauraged emphasized a need for retraining. The two groups had different perspectives on what services should be available to help job seekers.

It is not yet known why some unemployed workers become discouraged and others do not. However, emotional support from family and friends seems to be a key element in preventing discouragement among the jobless.

What Services Do Dislocated Workers Need?

By far, the most commonly expressed need was for job information. Some 70 percent expressed the desire to improve their skills in job search. All participants agreed that special services for the dislocated worker are badly needed and sorely lacking. A nearly unanimous need was for ways to rebuild self-esteem and self-confidence, with some suggesting personal counseling and support groups to achieve this. One-third of the
participants stressed their need for contact and support from other unemployed persons and think that rates charged for counseling and related services should be made affordable.

Half the study group cited the need for assistance with educational planning, while 70 percent cited career planning as a high priority. Short-term employment workshops received a high priority ranking from half the respondents and three-fourths said they would spend at least a half day attending such a workshop. Nine respondents were willing to attend regular workshops until they could be re-employed. According to most participants, workshop content should include effective job interview techniques and occupational and training information, along with confidence-building activities.

The need for career planning and job search assistance was clear. Fully 85 percent had no idea what organizations or agencies would help them change occupations. Only one-third had career ideas outside their regular occupation and most of these persons were thinking of mining, construction or manufacturing jobs—all industries experiencing significant declines in recent years. Thirty percent did not know what occupation they might like to be retrained to enter. Only seven individuals indicated any sophistication about the career change process by citing clear strategies for change. Respondents with college education tended to be more knowledgeable about career change and working participants attached a higher importance to educational planning than did nonworking individuals.

Who would pay for the services and who should deliver them? Interestingly, although half of the NMS group were in favor of government financing of services, most preferred to see colleges, churches or volunteer organizations administer funds and services. Nearly 60 percent were willing to pay for employment workshops. Most felt they were able to pay at least $10. The majority of the participants favored state governments as the providers of job listings despite some strong sentiment that state services had not been satisfactory in the past.

The response on retraining was mixed. Only about one-third of the group studied saw retraining as a viable option at the time of the interviews, although two-thirds viewed retraining as a potential solution to their joblessness. Almost one-third had no idea what to train for. Seventy percent ranked vocational training in specific marketable job skills as their highest priority. Half indicated a willingness to participate in apprenticeship training. About 25 percent were planning to upgrade their skills or develop new ones to fit current labor market demands. Half the group had little or no information on retraining programs, and those who had contacted agencies for help with retraining program information reported little or no success. Half thought they would have to change careers in order to become satisfactorily re-employed, yet less than half reported seeing options for improving their situations. Still, retraining was of some importance to most participants—if employed, 80 percent would contribute to a special fund to support the retraining of dislocated workers.

It is clear that retraining is not necessarily the answer to the problem of worker dislocation. There are mixed feelings by these individuals toward the issue of retraining. In addition, there are many barriers to the education and training delivery system, including:

- Cost
- Timeframe and scheduling of classes
- Lack of information about available training
- Lack of faith that jobs will result from retraining
- Perceived lack of responsiveness on the part of the system to individual needs
- Age and perceptions of individual ability to succeed in a retraining program
- Strong attachments to current occupations
Differences In Needs

There appear to be significant differences between chronically unemployed persons and newly dislocated workers who have long-standing attachments to jobs or occupational fields. The dislocated often don’t know what helping services exist, nor do they feel comfortable in asking for the help they need. Except for minimal use of emergency assistance by a few, almost no use was made of helping services. In contrast, according to other research, chronically unemployed individuals often demonstrate more sophistication about social welfare systems and how to use them.

There are serious gaps in the number of services available to displaced workers and serious inadequacies in the way those services are delivered. An area of critical need is in information and referral. More important is the need for outreach to let potential clients know about available services. Further noted was the lack of coordinated services for dislocated workers that would see them through the whole unemployment process. A major inadequacy was the lack of sufficient information about available jobs and emerging occupations.

Barriers to Re-employment

A number of conditions stand in the way of full-time, satisfactory re-employment for the dislocated worker. These factors include:

- The economic situation
- A lack of job information or of access to job information
- A lack of awareness and/or skill in job search, career change planning and in tapping the hidden job market
- A strong attachment to the current occupation
- An inability to see the transferability of skills to other occupations
- The age of the individual

Recommendations

The solutions to the problem of worker dislocation are complex. Individual employers, service providers, and employment and training organizations may not be able to create the new jobs that are needed. However, the NREI study suggests that there are strategies that if implemented could help the dislocated worker weather the period of unemployment.

What Individuals Can Do

Being unemployed is one of life’s most unpleasant experiences; it can only be resolved by getting a satisfactory new job. But the NREI study suggests that there are steps individuals can take to make unemployment somewhat less painful.

Preparations should be made ahead to help cope with the possibility of job layoff. Individual and family needs should be planned for and resources for meeting those needs identified. A possible layoff situation should be discussed with family, friends and co-workers. Often, these persons can be good sounding boards and sources of ideas.

Once individual and family needs are known, it’s important to find out what community resources are available for help. Dislocated workers should use persistence in getting the information they need from local helping agencies. These agencies are in business to help at times like these. Many individuals are entitled to such assistance as unemployment compensation, union benefits, continuation of health insurance, additional wages or severance pay, food stamps or help with utility bills. Before defaulting on mortgage and credit installments, dislocated workers should find out what their options are. Sometimes getting advice from a consumer credit or mortgage counseling service is wise. Legal questions can be answered by local legal aid offices.

Dislocated workers need to get all the information they can about employment and training opportunities. Are there transfer opportunities in the company? Does the company provide outplacement services or job search assistance? The
possibility of retraining for a new job should be considered. Government-sponsored training programs, Private Industry Councils, community colleges and vocational/technical centers are good sources of information about retraining opportunities. Some financial aid may be available to adults for these programs.

Sources of information about the local labor market should be identified. Since most jobs are not listed in the newspaper, the yellow pages of the telephone book should be used to identify potential employers. These people should be called and asked about openings. Working friends should be aware that the dislocated worker is looking for a job. Although many jobs may not pay what the individual is used to earning, research shows that doing something that results in a paycheck or recognition helps fight off depression and isolation. Job search clubs or meeting with others who are facing unemployment can provide moral support and ideas during the job search.

If the occupational area is not likely to recover, a career search class or workshop to help set new career goals should be considered. Age should not be a factor since most individuals want and need to work well beyond the usual retirement age. The period of unemployment can be a chance to discover new interests and unusual talents that, in the long run, may lead to even greater job satisfaction than has been experienced in the past.

Finally, to get through this most difficult time, it will help if dislocated workers remember two important facts: (1) learning to problem solve and communicate needs can improve the unemployed situation and (2) dislocated workers don’t have to carry the weight alone—many find relationships with family and friends are made stronger.

What Employers Can Do

Being forced to lay off employees who have given years of dedicated service is an unpleasant and painful experience. The competitive and unpredictable nature of the marketplace often does not allow for consistent communication or sufficient notice about termination of employees. Although the decision to lay off employees may be dictated by hard economic facts, the manner in which it is done plays an important role in how the laid-off worker copes with the stress of being unemployed. Toward this end, there are some steps an employer can take to ease the pain and reduce negative feelings toward the employer.

First, honesty is the best policy. Workers need to know as soon as possible what their status is; employers should avoid building false hopes on only slim chances that things will improve. Employees tend to avoid facing the truth about layoffs and will look for any sign that their jobs might be saved.

Second, employers should make available any job possibilities within the company for which the employee may have the skills. The transfer and relocation options should be communicated as soon as possible.

Third, employers should use all their resources to help the workers develop job leads in related companies as well as job leads outside their usual lines of work. This can be done by helping the employees identify their transferable skills and by referrals to business contacts both locally and outside the community.

Fourth, employers should provide training in job-search techniques such as resume writing, interviewing and filling out applications. If feasible, they should provide workshops on career change as well as retraining information about community resources designed to help the unemployed.

And finally, and perhaps most important, employers should make every attempt to reassure all workers that they have been valuable and competent employees and that being laid off has nothing to do with their work as persons. Expressions of encouragement and appreciation for their unique skills can go a long way in easing the psychological distress caused by involuntary unemployment.

What Unions Can Do

During recent years, unions have played key roles in easing the problems of displaced workers, especially those laid
off in large numbers during plant closures in the East and Midwest. In their traditional advocacy role, unions are a logical choice as liaison not only between the affected workers and the employer, but between the workers and their local community. By providing information and referral as well as basic guidance and assistance, the unions can help laid off workers face their situation more readily. Perhaps by bringing in outside consultants, unions can provide basic problem solving and assertiveness training so members can deal effectively with helping agencies in their community.

It should be the responsibility of the union to advise members of their rights and benefits before and after termination. Rather than wait for members to ask, the union should reach out to its members, motivating them to prepare for the layoff and its aftermath. Since only a few participants in the NREEL study were union members, it is worth noting that unions played little or no role in the layoff process. Most laid off union members did not expect much union help anyway, except for providing job leads at local union halls. This suggests that Northwest unions might reassess their responsibilities to their unemployed members by becoming more actively involved in providing services.

What Human Service Agencies Can Do

Service agencies need to realize that displaced workers or the "new poor" present a unique set of needs and problems. Unlike the chronically unemployed, the displaced worker is most likely to be someone who has worked at the same job or company for years and is suffering significant financial and status losses. Agencies should be aware that each displaced worker client is unique and in need of different types of assistance. A coordinated network of resources needs to be available to help the individual. This network should:

- Sensitize direct service personnel to the psychology of job loss with special emphasis on the older worker
- Educate direct service personnel on the differences between the chronically unemployed and the newly displaced worker
- Teach clients ways to tap into the so-called "hidden job market," or hire job developers to do this
- Provide up-to-date local labor market information and link this to local training programs
- Organize voluntary job search clubs for support and problem-solving activities, including networking, job search skills and methods for building self-confidence
- Provide workshops on how to effectively deal with the bureaucracies of basic service agencies
- Emphasize options for constructive action and problem solving instead of applying traditional mental health labels and interventions
- Meet with other service providers to share ideas and resources; improve coordination of services so clients can more readily gain access to the appropriate services
- Provide staff development workshops on the special problems of dislocated workers

What Education and Training Organizations Can Do

Retraining may not be an appropriate approach to re-employment for all dislocated workers. But education and training organizations can encourage more individuals to take advantage of training resources by doing the following:
Offering classes at times that are more convenient for adults

Providing career planning, educational advising and counseling services during evenings and weekends when adults can take advantage of them

Restructuring vocational programs to include short-term, intensive classes that give rapid preparation for work

Offering one-day workshops in a variety of occupational areas so that dislocated workers can explore new options without risk

Channeling dislocated workers into fields where the numbers of jobs are increasing, not declining

Recognizing that the dislocated worker may fear returning to "school" and may require more support and encouragement

Offering classes in the workplace whenever possible, and developing cooperative efforts with private businesses for on-the-job training opportunities

Making optional or waiving required courses for workers that don't relate to vocational skill training

Making sure that workers know what sources of financial aid are available to them

Providing workshops to help workers brush up on unused skills

Sponsoring support groups and job search clubs for dislocated workers

Examining ways of getting students involved in helping dislocated workers: for example, having typing classes type resumes for the dislocated, having child development students offer child care during job search activities, getting clothing construction classes to help job seekers dress appropriately or getting speech classes to help with interviewing skills

Holding periodic information days that bring service providers to a central location to meet with workers

Developing a workshop that teaches workers about the stresses and stages of unemployment and how to cope with them

Joining with providers of other services to plan and coordinate services to dislocated workers

Recruiting knowledgeable and skilled volunteers to help give classes and workshops for which staff monies aren't available: for example, employing the resources of retirees

**Next Steps**

The present study has served to underscore a number of questions which remain unanswered. While NWREL is not in a position to create new jobs for dislocated workers, our past experience has shown that we can develop programs and strategies that would help individuals, employers and practitioners deal more effectively with the unemployment experience.

The next phase of the study will focus on communities in each of five states: it will concentrate on the dynamics of coping with the unemployment experience. Study results will identify the most effective methods individuals and service providers can use in preventing or changing some of the negative effects of being unemployed.

We invite comments and suggestions about the study from our readers.

**Acknowledgements**

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Editor’s Note

IDEAS FOR ACTION in Education and Work is a new kind of service. The steady growth of interest in education/work programs has generated a wealth of new information. However, the sheer mass of this knowledge has hindered practitioners and policymakers from using it to make decisions. We hope this document and the ones to follow will provide this information in a usable form.

This is the eighth issue in the series. The first seven are:

1. Removing Barriers to CETA/School Collaboration (out of print)
2. Improving Learning in the Workplace
3. Teaching Independent Living Skills to Youth
4. Volunteering...Pathway to Paid Employment
5. Striving for Excellence: Middle Schoolers Study "Work"
7. Northwesterners Out of Work: The Human Costs of Unemployment

Back issues are available from the NWREL Education and Work Program while supplies last. They will also be available on microfiche through major public and educational libraries via the Educational Resources Information Center (ERIC) System.

Ultimately, we hope this series will contribute in a small way to forging bonds among people and programs who want to solve problems related to transitions between education and work.

For further information, please contact Larry McClure, Program Director or Marilyn Clark, Study Coordinator, Adult Career Development and Learning, Education and Work Program, Northwest Regional Educational Laboratory, 300 S. W. Sixth Avenue, Portland, Oregon 97204, 1-800-547-6339 (toll free) or 503-248-6800.

For more information and insight into the displaced workers and their problems, we recommend the following publications:


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