How States Can Reduce Unemployment and Attract Employers

TOPIC SNAPSHOT

State and local governments have a vested interest in bringing more intelligence to how they manage their workforces. Simply put, states can't attract or retain thriving employers if there isn't a viable pool of talent. And if they can't attract or keep thriving employers, their tax base will suffer.

It's not just that states need people with the right talent – they need to be able demonstrate to potential employers that the talent is there. They need to strengthen the talent pipeline, getting people reskilled or upskilled in the fields potential employers are looking for.

Matching jobseekers with available jobs today requires more than a haphazard process. States need a standardized, intelligent approach to job-matching. That's the focus of this report. We'll discuss:

» The limitations of typical approaches to hiring, reskilling and upskilling

» How artificial intelligence, or AI, can boost talent management strategies

» Best practices in talent management

» How Eightfold Workforce Exchange can help lower overall employment costs

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Challenge: Hidden Talents Stay Hidden

There is a reason why the typical unemployment period stretches to [22 weeks or more](#): Finding the right job is more of an art than a science. Job-seekers often spin their wheels looking for a good fit, and employers become frustrated with the perceived dearth of good candidates – so frustrated that they may choose to curtail expansion or even pull up roots.

Here's why:

- It takes too long for the unemployed to find employment, due to overly generic job descriptions and poor job-matching mechanisms. With vaguely worded job descriptions, applicants are often unsure whether to apply, and job-matching is often based on keywords instead of skills or potential.

- Employers essentially "trap" applicants in a database if they have previously applied for a job, even though they may be a perfect fit for an open role.

- It's not only about getting people employed; it's about ensuring they have the skills to continue and maintain a career over time. States often don't have a good way to build the talent pipeline by getting people reskilled or upskilled.

Solution: Enhanced Decision-Making in Job-Matching

While today's job search platforms are powered by technology, humans ultimately conduct searches and make decisions on who to interview. Human decision-making is inherently imperfect, and AI can make a real difference.

Help job-seekers help themselves. An AI-based labor exchange system can help applicants gain more insight into their existing skills, even if they aren't readily apparent. It can also provide a window into other skills they might be interested in learning, along with a path for getting there.

Staff roles faster. According to the Society for Human Resource Management (SHRM), the average time it takes to hire an employee stands at more than 42 days and costs thousands of dollars. Instead of taking days or weeks sifting through thousands of resumes, companies can use AI to more efficiently and quickly source high-quality workers. To reduce the time to find quality workers, look for a system that can:

- Recommend the right applicants based on capabilities and experience

- Consider past applicants instead of relegating them to the "reject" pile

- Evaluate applicants based on potential and aspirations

"A search might result in hundreds or thousands of jobs that you (as the job-seeker) then have to search through, wading through vaguely worded descriptions. Both job-seekers and employers lose."

– Dan Hopkins, Vice President, Public Sector, Eightfold

Best Practices in AI-Driven Job-Matching

Shift from keyword to profile-based searches.

For example, deep learning/AI can identify the skills an applicant has by examining the resume and inferring skill sets that might not have been specifically articulated. Hiring managers can then search based on profiles.

Personalize the search.

For applicants, job search sites are notoriously hard to use, requiring dozens of clicks and hours of searching. By personalizing the experience, applicants can more easily pinpoint the right opportunities. It should enable applicants to upload a resume and immediately see jobs that are a good fit for their skills and experience, complete applications quickly and understand weak areas that need work.

Focus on the IDEA.

Inclusion, diversity, equity and accessibility are top priorities for hiring organizations today. Traditional hiring methods make it harder than it has to be and are often hampered by unconscious bias. To overcome unintentional bias, focus on:

- Anonymizing candidates' profiles, including name, gender, race and pronouns

- Using algorithms to ensure predictions don't create bias against personal or demographic characteristics

- Tracking diversity metrics

Make reskilling and upskilling a priority.

With AI at the core, states can better determine how to reposition existing workforce training programs, optimize training materials to target specific skill sets, match people to the right programs and meet economic development goals.

Think creatively.

While an intelligent talent platform helps job-seekers find jobs and private employers find job-seekers, it works just as well in the other direction. States looking for employees can easily use the same platform to keep state positions filled, encourage retention by personalizing career paths, schedule interviews and even conduct entire recruiting events online. It can also help states better comply with IDEA mandates; a recent study found that state government needs to do more to prioritize diversity and inclusion.

Case Study: State Finds Faster Track to Employment

Challenge: Unemployed residents of a large midwestern state had trouble meeting requirements to apply for at least three jobs per week. The average time it took to find employment also took too long, resulting in frustration and additional unemployment payments from the state.

Solution: The state used the Eightfold Workforce Exchange solution to streamline the employment search process and enable self-service for job-seekers. With this approach, users could easily find the most appropriate jobs for their skills, connect with potential employers and apply online.

Outcome: Job-seekers found more jobs that fit their needs more quickly, enabling them to meet state requirements and find permanent employment. The state benefited from lower overall unemployment costs, and the solution also freed up career counselors to focus on those who needed them the most.

"This platform has the capability to be a gamechanger in getting the state's employers back on track for future success after the employment challenges of 2020."

– Chad Carter, Hoosier Talent Network Project Leader, Indiana Department of Workforce Development

How Eightfold Helps

The Eightfold Workforce Exchange AI-powered career center efficiently matches job-seekers with employers at scale, in support of public policies that accelerate re-employment of citizens.

To learn more, visit eightfold.ai/products/workforce-exchange/