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The Help-Wanted Sign Comes With a Frustrating Asterisk

By CATHERINE RAMPELL

The unemployed need not apply.

That is the message being broadcast by many of the nation's employers, making it even more difficult for 14 million jobless Americans to get back to work.

A recent review of job vacancy postings on popular sites like Monster.com, CareerBuilder and Craigslist revealed hundreds that said employers would consider (or at least "strongly prefer") only people currently employed or just recently laid off.

Unemployed workers have long suspected that the gaping holes on their résumés left them less attractive to employers. But with the country in the worst jobs crisis since [the Great Depression](#), many had hoped employers would be more forgiving.

"I feel like I am being shunned by our entire society," said Kelly Wiedemer, 45, an information technology operations analyst who said a recruiter had told her that despite her skill set she would be a "hard sell" because she had been out of work for more than six months.

Legal experts say that the practice probably does not violate discrimination laws because

unemployment is not a protected status, like age or race. The Equal Employment Opportunity Commission recently [held a hearing](#), though, on whether discriminating against the jobless might be illegal because it disproportionately hurts older people and blacks.

The practice is common enough that New Jersey recently [passed a law](#) outlawing job ads that bar unemployed workers from applying. [New York](#) and [Michigan](#) are considering the idea, and similar [legislation](#) has been introduced in Congress. The National Employment Law Project, a nonprofit organization that studies the labor market and helps the unemployed apply for benefits, has been reviewing the issue, and last week [issued a report](#) that has nudged more politicians to condemn these ads.

Given that the average duration of unemployment today is nine months — a record high — limiting a search to the “recently employed,” much less the currently employed, disqualifies millions.

The positions advertised with preferences for the already-employed run the gamut. Some are for small businesses, and others for giants, including the commercial University of Phoenix (which, like some other companies, removed the ads after an inquiry by The New York Times) or the fast-food chain Pollo Tropical. They cover jobs at all skill levels, including [hotel concierges](#), [restaurant managers](#), teachers, I.T. specialists, business analysts, [sales directors](#), [account executives](#), orthopedics device salesmen, [auditors](#) and [air-conditioning technicians](#).

“It is really a buyer’s market for employers right now,” said Harry J. Holzer, an economist at Georgetown University and the Urban Institute. One consequence is that the long-term unemployed will rack up even more weeks of unemployment, Mr. Holzer said, and will find it [harder to make the transition back to work](#).

Even if Congress passed a measure forbidding companies from making current employment a requirement for job applicants, companies could still simply decide not to hire people who are out of work. Discrimination would be difficult to prove.

After all, there are legitimate reasons that many long-term unemployed workers may not be desirable job candidates. In some cases they may have been let go early in the recession, not just because business had slowed, but because they were incompetent.

Idle workers' skills may atrophy, particularly in dynamic industries like technology. They may lose touch with their network of contacts, which is important for people in sales. Beaten down by months of rejection and idleness, they may not interview well or easily return to a 9-to-5 schedule.

“We may be seeing what’s called statistical discrimination,” said Robert Shimer, a labor economist at the University of Chicago. “On average, these workers might be less attractive, and employers don’t bother to look more closely to pick out the good ones.”

Employers receive so many applications for each opening that some may use current employment status as an easy filter. In some cases — as with Ms. Wiedemer, of Westminster, Colo. — recruiters merely assume employers do not want jobless workers.

“Clients don’t always tell us ‘we don’t want to see résumés from unemployed workers,’ but we can sense from what people have interested them in the past that they’re probably looking for somebody who’s gainfully employed, who’s closer to the action,” said Dennis Pradarelli, a talent acquisition manager for Marbl, a recruiting firm in Brookfield, Wis. Many of the [job ads](#) posted by his firm seek workers who are “currently employed or only recently unemployed.”

Many firms that are not intentionally screening out the unemployed may still disqualify such applicants for [having bad credit histories](#) after having fallen behind on the bills — which they of course need a job to pay.

It’s not clear what can be done to pull workers out of this unemployment trap.

Government incentives for companies to hire unemployed workers have met with limited success. One such [tax incentive from last year](#) was poorly publicized, so most employers did not know about it. Better publicity may not suffice, either. [An experiment](#) from the 1980s found that telling companies

that the unemployed were eligible for generous wage subsidies actually made employers less likely to hire such workers.

Job counselors often encourage the long-term unemployed to go back to school or volunteer to demonstrate that they are still productive, engaged members of society. But absent the actual acquisition of marketable skills — which many retraining programs **do not provide** — it's not clear such efforts improve the chances of being hired.

“Mentally, it may be good for the candidate, but I think companies are still in a position to say ‘O.K., we’re looking for a candidate with the most up-to-date skills,’ ” Mr. Pradarelli said. “If you’ve been out of pocket for two years, going back to school sounds nice, but it doesn’t make or break the situation.”

The best solution, economists say, would be to encourage job growth more broadly, which may initially involve poaching people from other companies but could eventually draw even the least desirable workers back into jobs. During the boom years of the late '90s, the labor market was so tight that ex-convicts had relatively little trouble finding work.

In the meantime, people like Ms. Wiedemer — who has been out of work for three years — are exhausting their benefits and piecing together what support they can from food stamps and family members. And they are stuck hoping that economic growth manages to outpace their own descent into permanent economic exile.

“I worry that unemployment may eventually come down, not because older workers who have been unemployed for a year or two find jobs,” Professor Shimer said, “but because older workers finally give up and drop out of the labor force.”

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