

Outplacement: Are Coachless Programs the New Face of Career Transition Support?

By John Myers

Today's "Employers of Choice" provide services to assist separated employees with transitioning to a new job as an integral part of their employee benefits packages. And why not? Fast re-employment is a win for everyone. The exiting employee moves forward, unemployment insurance exposure is reduced, hostile employee dangers are minimized, lawsuits are less frequent, the employer's brand is protected and everyone is happy. Right?

Well, not always..."

With an estimated two thirds of companies offering these services, the investment is significant. But, unless the employee truly benefits from the services, the return on this investment will be far less than expected. Given the magnitude of the expense - and the potential risks to the organization- it is surprising that very few employers measure the effectiveness of services or gather feedback from former employees who utilized the services.

According to the Wall Street Journal about 40% of employees who receive outplacement as part of their severance agreement never show up to partake of the services. And an even larger percentage only lightly engages and doesn't fully participate in many of the available services.

Why are individuals not engaging in services?

The new myth in the outplacement business is that people don't need coaching; technology-based and virtual delivery solutions are perfectly adequate. Some newer entrants to the outplacement business claim to have revolutionary technology that "brings jobs to people." Although that capability is very appealing when positioned as a job search resource, in reality these resources are already available through any of a myriad of free job search engines on the internet. Let's take a moment to look more closely because this topic gets right to the heart of why "coachless" outplacement is neither efficient nor effective and why employees don't engage fully in their outplacement programs.

Many of the best opportunities are not published and/or have hundreds or thousands of applicants. Getting these jobs requires networking activities and other skills that are neither easily-learned nor comfortably-employed by most people. Technology doesn't find people jobs. The majority of opportunities are through networking and connecting with search firms and hiring professionals. This is even more pronounced at senior manager and executive levels. The skills required to develop a personal brand and effectively manage a network program that is targeted and strategic can't be learned through webinars or reading articles but rather best developed with individualized coaching. Technology and virtual support is a great supplement to coaching, but not an effective replacement.

If technology-based and remote coaching delivered by "pools" of coaches is where the outplacement industry is headed, then companies can expect to see diminishing returns on their investment. They can fully anticipate that their exiting employees will be receiving less value and potentially see visible negative impacts to their brands in the marketplace and on social media.

Unfortunately, the process by which many companies select outplacement services is especially vulnerable to making decisions that will result in poorly-delivered services and a reduced ROI. All too often the outplacement provider decision is managed through a formal procurement process in which outplacement is viewed as a commodity rather than a premium service. What ends up being lost in the evaluation process is an understanding of the services actually being delivered vs. what the company may think is being delivered. In many cases the outplacement services provided are not close to what was promised and companies would be appalled if they really knew how little service was delivered.

To illustrate the point, consider for a moment, how fees in the outplacement industry have changed. In many cases, fees for programs that are described as "Full Service" have dropped to 30% of what they were 10 years ago. In a service industry, there really is only one way to significantly reduce cost. That is by removing labor; in this case, that is the coach. This explains the increased reliance on 800-number support systems, webinar-based delivery, and a delivery system where profitability often requires coaches to provide services to over 100 people simultaneously.

Think for a minute on that last point. If a coach has over 100 clients to support, exactly how much time with the coach does each of your former employees get each week?

A colleague once wrote an article titled "Why is Outplacement like Dog Food?" His analogy makes sense. Most often, the people that procure outplacement services are not the ones that use it. I can assure you that anybody procuring their own outplacement services would not select a technology-enabled and virtual partner. Instead, they would select a firm where coaching stands firmly in the center of the delivery.

Being in transition offers individuals the opportunity to be deliberate about their next role and a chance to reevaluate their career path. Working with a career coach makes this experience personally enlightening and easier, and results in a more effective and efficient job search. No matter how many times an individual has been in a transition, the experience does not get any

easier. Being unemployed takes an emotional toll and impacts each of us differently. Having a career coach to partner with throughout the journey makes it easier. Nobody gets a hug from a computer.

Fortunately, there are firms who have not followed the industry down this black hole. They still deliver outplacement the way it needs to be delivered to be effective. It is not the cheapest way, but it is the most compassionate and effective way. According to annual research conducted by Career Partners International (CPI) and involving the review of thousands of outplacement program quality surveys submitted by participants, it was noted that 80% of participants say that **“Coaching is the most important element of their outplacement program.”**

Companies that care do it differently!

If you are one of those companies that really does care about your brand, your people, and your presence in your community, here is a checklist of how you should hold your outplacement provider accountable:

1. **Responsiveness:** A decision to terminate an employee can happen quickly and a Career Coach needs to be available on short notice to meet with an exiting employee at the time of notification or quickly thereafter. Preferably in person, but certainly by phone.
2. **One coach:** Your exiting employees should work with one primary Coach throughout the duration of their job search. Many of the largest outplacement firms are employing a “coach du jour” model. Can you imagine reintroducing yourself, your situation and your job search needs and frustrations over and over to a new face each time?
3. **Coaching-focused approach:** Effective transition programs retain coaching as the core of delivery. Be wary of inexpensive transition programs that offer unlimited or undefined coaching expectations.
4. **Coach load:** Ask how many people coaches within the outplacement firm are working with and require the answer to be confirmed in writing. If the number is over 35, that is way too many. This is especially important in the beginning of a search when people are trying to: come to terms with their transition, building their messaging, developing their resume, and launching their search.
5. **Flexible Approach:** One size does not fit all! Your outplacement partner needs to allow coaches to customize their approach with each person based on their unique needs and requirements.
6. **Local offices and local coaches:** People need to be exposed to people in similar situations and involved in training and networking activities. Most job searches are local and coaches need to be well-networked in their local markets to be advisors in the process of finding a new job. What does a coach from New Hampshire know about the job market in Dallas?

7. **Effective technology:** Technology is a powerful tool in the hands of a good coach who knows how to apply its capabilities. A great outplacement firm has built a portal of online resources that brings all the job-seeking resources together in one place.
8. **Candidate progress reporting:** You are paying for this service and you have the right to know whether the services are being delivered and to what extent.
9. **Quality surveys:** If an outplacement firm is delivering high levels of satisfaction to your employees this will show up in quality surveys completed by your departing employees. Net promoter score methodology is best.
10. **Annual review and testimonials:** Your outplacement provider should proactively sit down and discuss their performance over the past year. Statistics like engagement rate and quality metrics should be presented. Reach out to some of your employees who have left and engaged in the services. Ask them about their experience and if they would recommend it to others.

Demand great service and protect your brand - don't accept anything less!

Companies and their separated employees are more often than you think being given a raw deal. An argument could be made that a poorly delivered service does more to tarnish the company's brand image than delivering no service at all. As my Dad always said, "If you are going to do something, do it right. If you are going to buy something, research and buy the best."

In this world with so many advocacy groups holding companies and their executives accountable for their employees' experience, don't compromise at a time when people are at their most vulnerable. It really is a brand issue.

John Myers is a founding partner of Kensington International.

Founded in 1989, Kensington International ranks among the largest Talent Management Firms in the U.S. providing Executive Search, Talent Assessment, Leadership Development and Career Transition services.