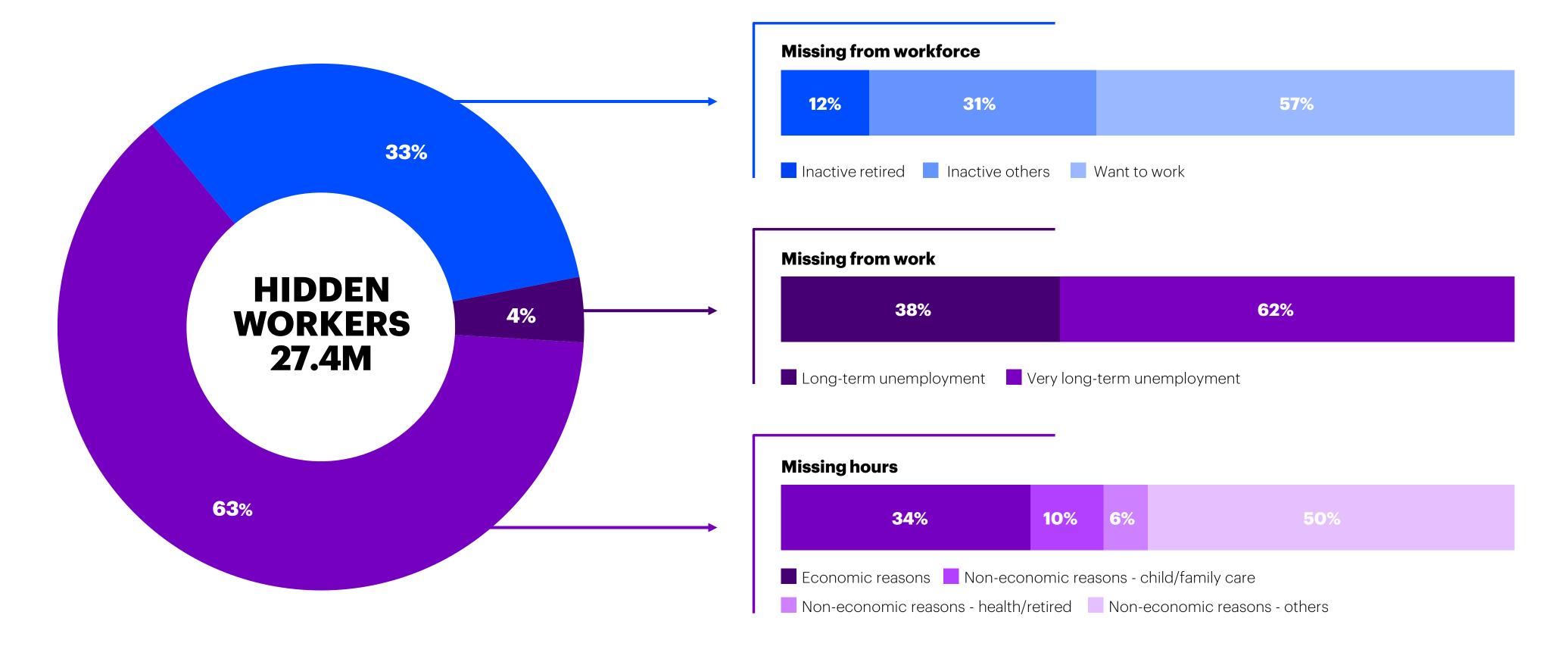


New research from Accenture and the Harvard Business School's Project on Managing the Future of Work explores the phenomenon of "hidden workers:" millions of people who are eager to work and possess—or could develop the skills employers seek, if only those employers could find them.

Automated talent systems often miss the perfectly capable. What can leaders do to improve hiring practices and uncover overlooked talent pools?



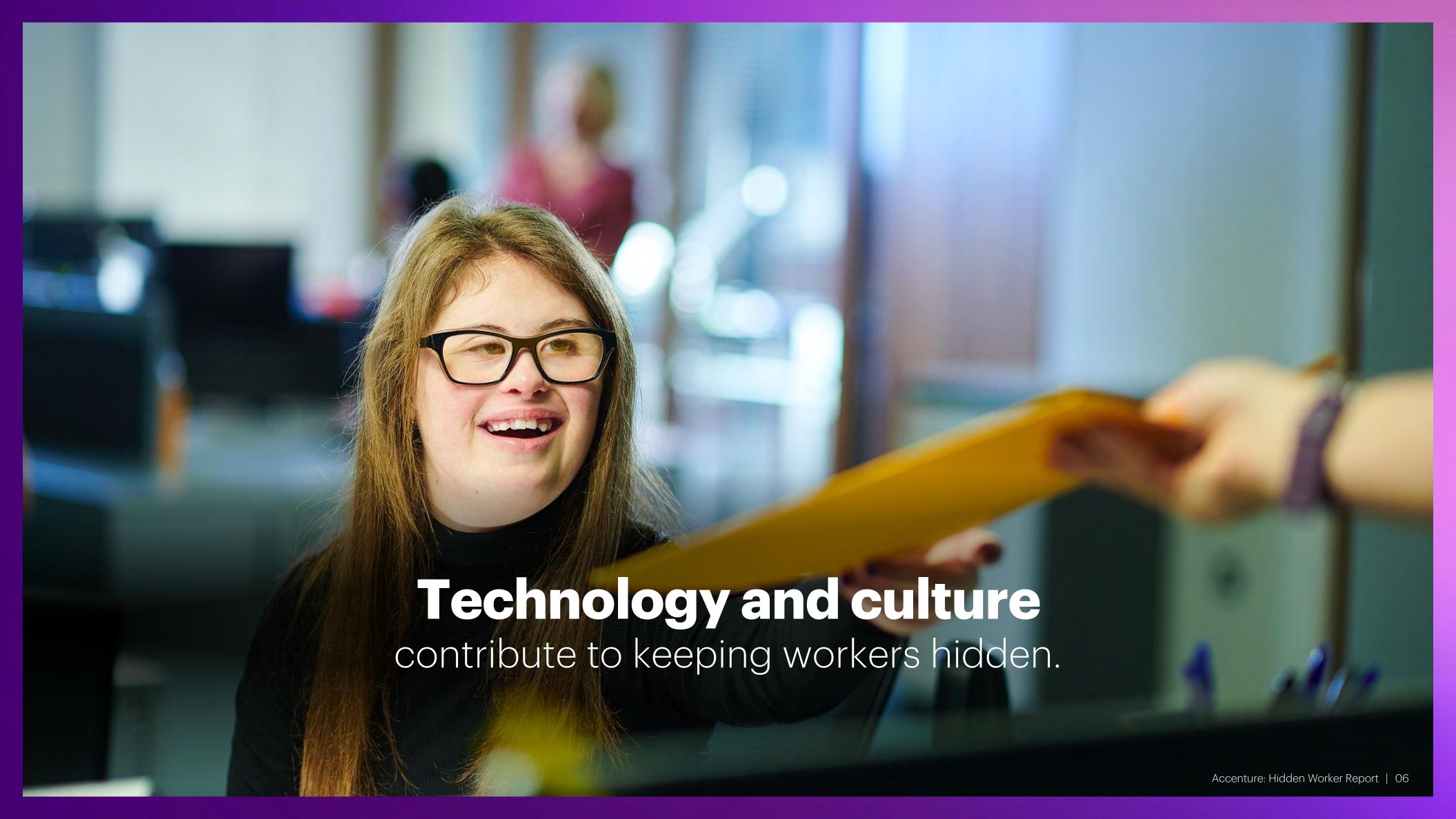
Composition of the hidden workforce in the US.



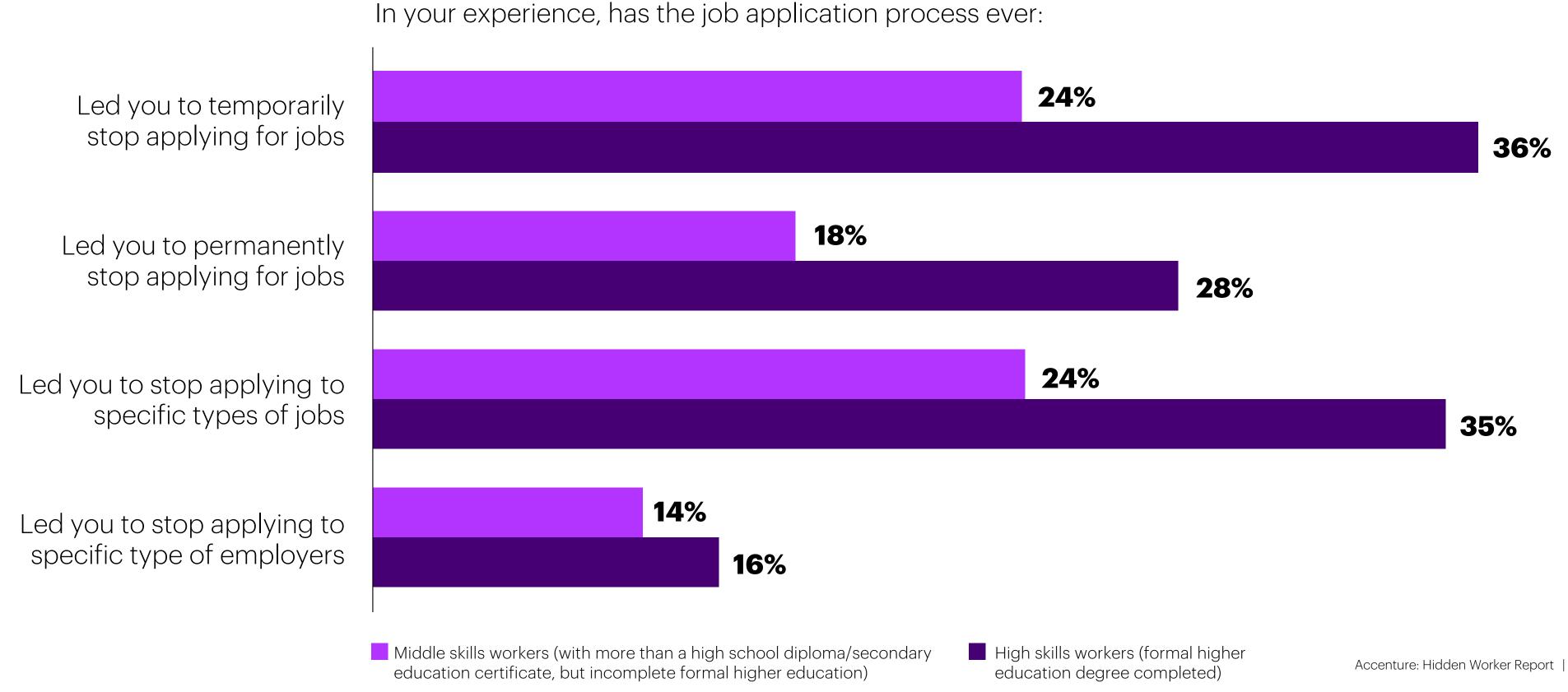


Our research identified several categories of people who became hidden workers, including people who have:

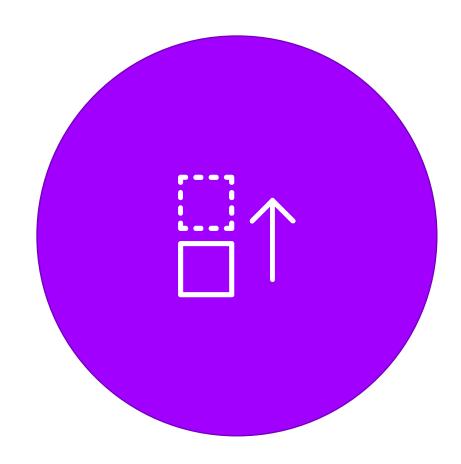
- **Health issues** physical, mental or developmental/neurodiversity challenges, a history of substance abuse
- Gaps in employment histories long-term unemployed or previously incarcerated
- Family care responsibilities caretakers of children or adults/older people
- Few formal qualifications no school qualifications or below a degree-level education
- **Required relocation** veterans, immigrants and those moving locations
- Disadvantaged backgrounds raised in a care home or had unemployed parents/caregivers



Hidden workers are discouraged by the job application process.



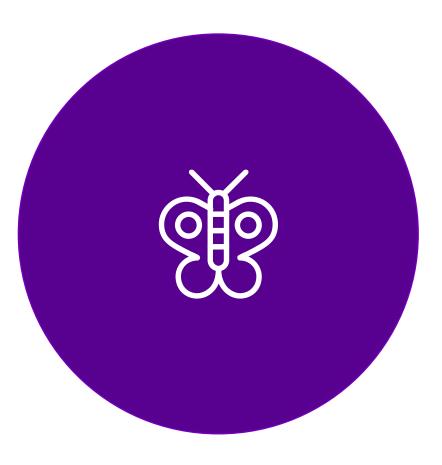
How to hire hidden workers:



Prioritize potential



Filter in, not out



Transform the culture



Companies that hire hidden workers **were 36% less likely** to face talent and skills shortages compared to companies that do not. Furthermore:

38%

less likely to face challenges finding workers with the necessary experience

44%

less likely to face challenges finding workers with the necessary skills

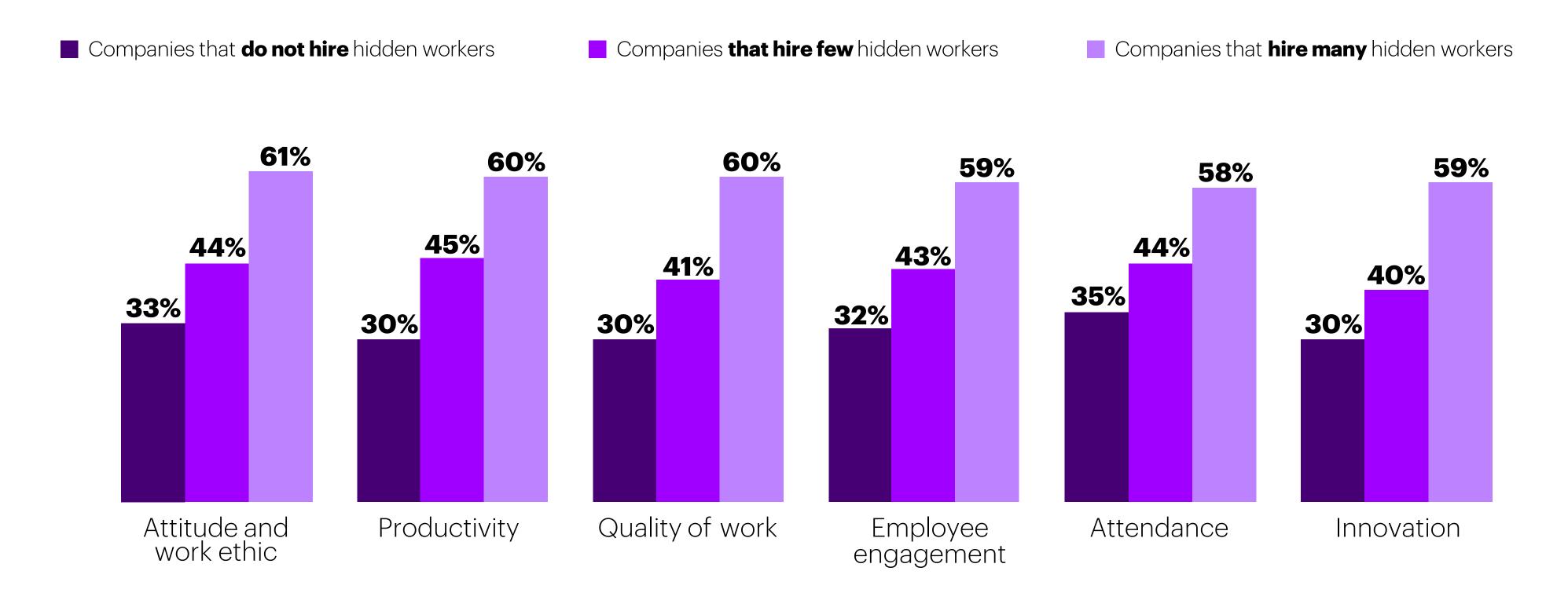
36%

more likely to find candidates who have the right attitude/motivation

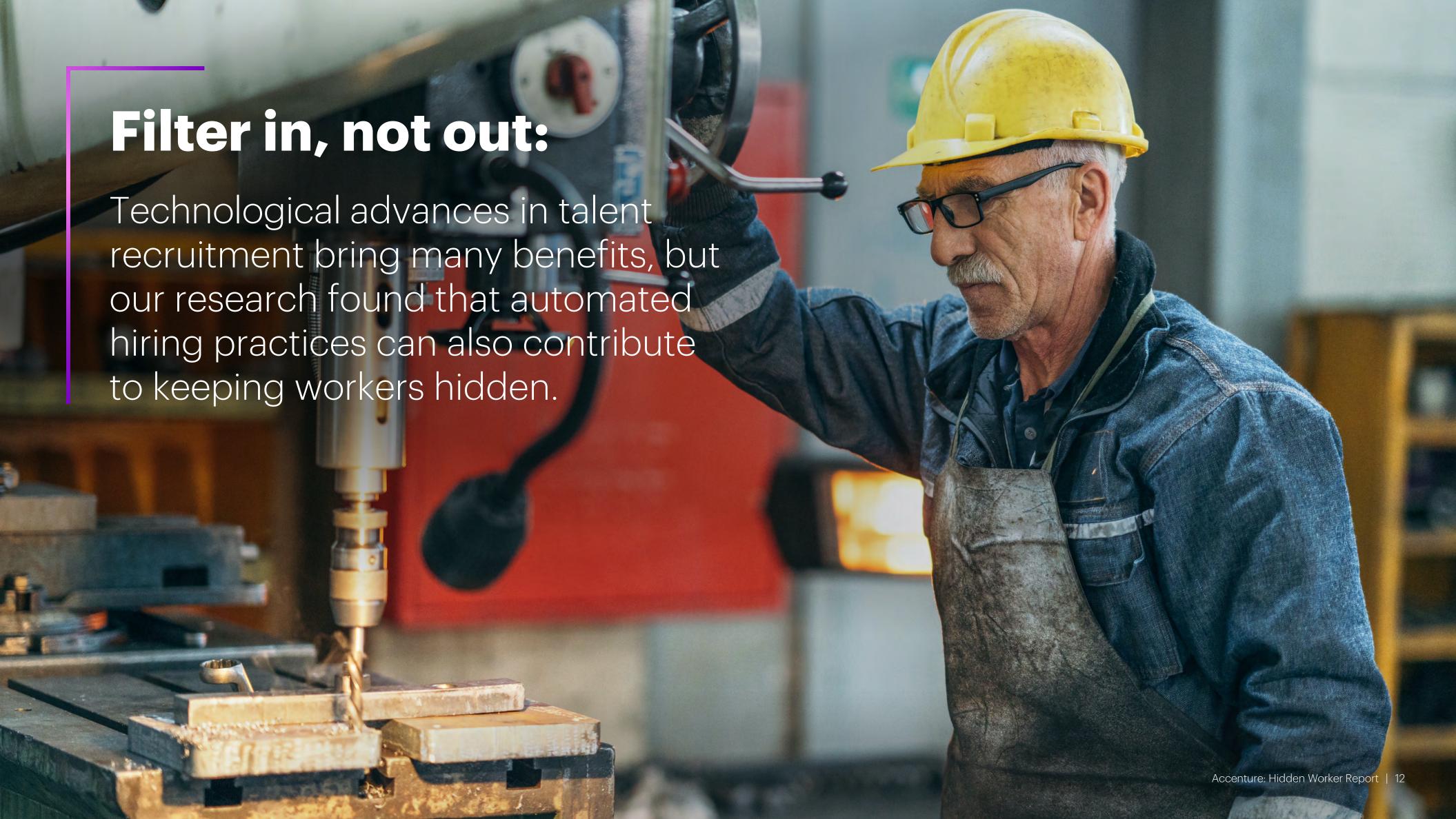
35%

less likely to face challenges meeting diversity quotas

Employers report high performance of hidden workers.

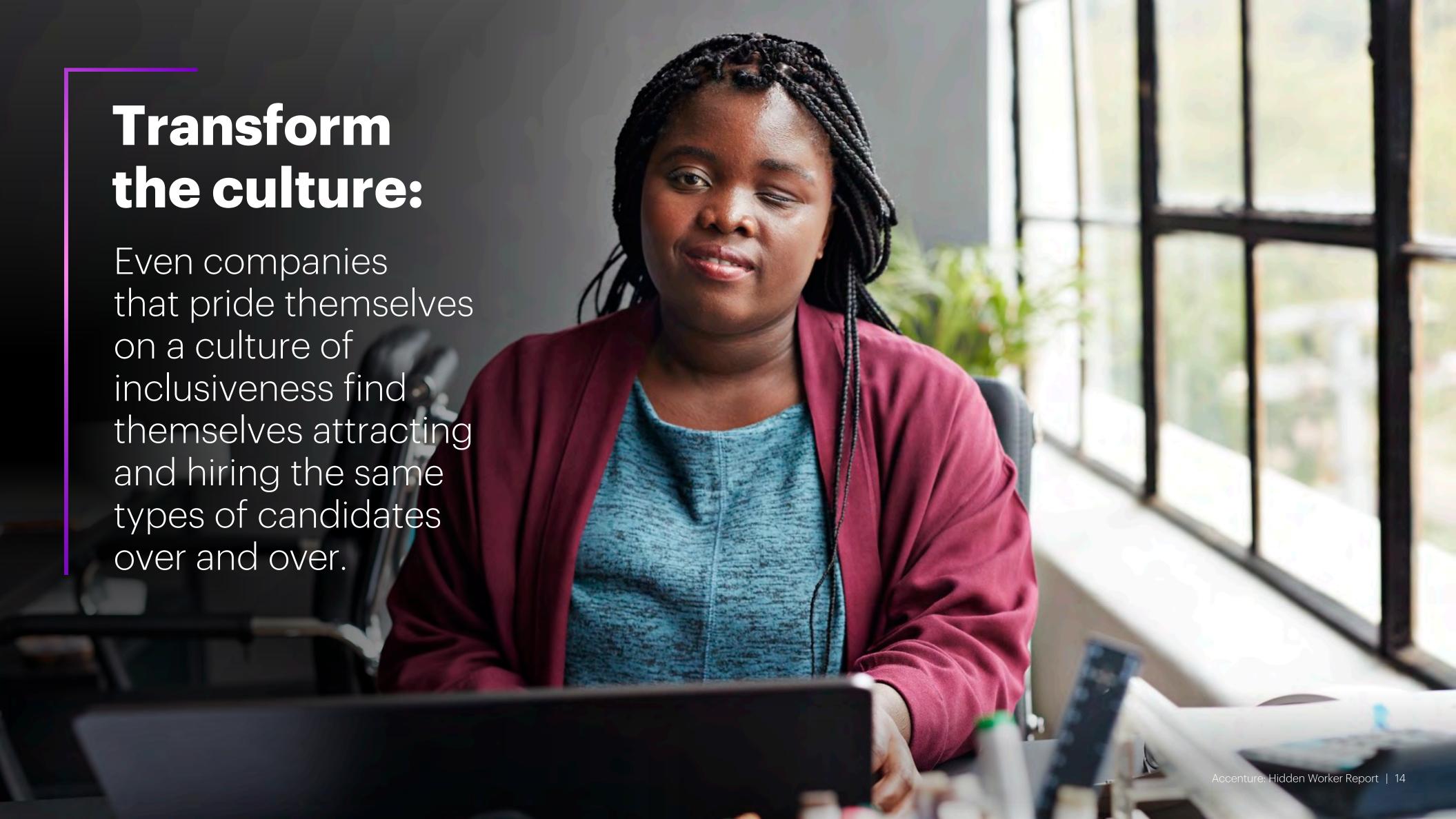


^{*}Percent of respondents selecting that the performance of hidden workers is "Significantly better" or "Better" than traditional sources of talent



When employers add more requirements to job postings, they narrow the applicant pool.

Rather than focusing on "the one thing" that filters out applicants, employers should pick six to eight "minimum" skills that filter more applicants in.



For previously hidden workers, the most important factor contributing to returning to work was supportive employer practices.

RANK	PREVIOUS MISSING HOURS	PREVIOUS MISSING F	PREVIOUS MISSING FROM WORK		PREVIOUS MISSING FROM WORKFORCE	
1	Supportive 28 employer practices	Supportive employer practices	31%	Supportive employer practices	34%	
2	Change in my outlook/expectations 21	Supportive government policies	23%	Supportive government policies	23%	
	Supportive 21 government policies	Change in economic outlook	23%			
3	Change in	Change in my outlook/expectations	17%	Change in economic outlook	20%	
	economic outlook 20	Mental health improved	17%			

Case Study: Goodwill

- Project Overcome: An innovative virtual experience helps people impacted by the criminal justice system enter the workforce.
- The project uses virtual reality to create a 3Dimmersive experience, including a mock interview and a coaching session.
- Developed in partnership with Accenture's Skills to Succeed initiative, Project Overcome helps people speak comfortably about their incarceration during the job-hunting process.
- Each year, more than 82,000 people impacted by the criminal justice system achieve their education and employment goals through Goodwill organizations

"This program offers the possibility for the trajectory of their lives to change and allows them to re-establish themselves as contributing members to their communities."

— **Steven C. Preston**President and CEO of Goodwill
Industries International

*Source: <u>Project Overcome</u> Accenture: Hidden Worker Report | 16

Case Study: CVS Health

- The unemployment rate for Americans with disabilities is twice the overall US rate.
- CVS Health's Abilities In Abundance program
 provides workers with a variety of disabilities access
 to rewarding work experiences.
- The program works to break down the barriers these workers face, including limited training opportunities, by partnering with vocational agencies, non-profits and schools to provide job coaching, support and mentoring.
- Abilities In Abundance creates job opportunities for workers, while also creating a talent pipeline to meet the company's workforce needs.



Case Study: JPMorgan Chase

- As many as one in three working-age Americans possess a criminal record.*
- Formerly incarcerated individuals have an unemployment rate above 27%.*
- The Second Chance Business Coalition is a crosssector initiative for private sector firms—including JPMorgan Chase—that are committed to removing hiring barriers for these workers.
- JPMorgan Chase changed its internal hiring practices and works with its ecosystem partners to support this talent pool and promote public policy and legislative changes.
- JPMorgan Chase has hired approximately 2,100
 individuals with criminal histories each year since 2018,
 representing 10% of new US hires.

"Business has an important role to play in making it easier for people with criminal backgrounds to get back on their feet."

— **Jamie Dimon**Chairman and CEO, JPMorgan Chase

*Source: The Sentencing Project



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Special thanks to Barbara Harvey, who led the Research project while she was at Accenture.

About the Research

This research was conducted in partnership with Harvard Business School. It focuses on quantifying the business case and mechanisms by which individuals who are often restricted from realizing their full potential in the workplace, such as people with disabilities, family care commitments, veterans and ex-offenders, can increase and deepen their participation. The research is based on both official labor market data, as well as proprietary 2019-2020 surveys of over 2000 employers and 8000 employees in Germany, UK and the US.

About Accenture Research

Accenture Research shapes trends and creates data-driven insights about the most pressing issues global organizations face. Combining the power of innovative research techniques with a deep understanding of our clients' industries, our team of 300 researchers and analysts spans 20 countries and publishes hundreds of reports, articles and points of view every year. Our thought-provoking research—supported by proprietary data and partnerships with leading organizations, such as MIT and Harvard—guides our innovations and allows us to transform theories and fresh ideas into real-world solutions for our clients.

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