

Susan Tompor: A bank pays for job coaches to help troubled homeowners find work

By Susan Tompor Detroit Free Press Personal Finance Columnist Filed Under Commentary and criticism Susan Tompor Lansing
May. 26

freep.com



300 dpi 5 col x 13.25 in / 246x337 mm / 837x1145 pixels Troy Oxford color illustration of a life preserver keeping a home afloat as the homeowner sits on the roof with his head in his hands. The Dallas Morning News 2005

KEYWORDS: staying afloat home house homeowner second mortgage loan bankruptcy life perserver drown drowning debt water personal finance krtbusiness business krtnational national krtworld world krtintlbusiness krtamer north america krtpersonalfinance krtusbusiness u.s. us united states krt bancarrota illustration ilustracion grabado negocios hipoteca bienes inmuebles deuda hogar casa flote agua da contributor coddington oxford 2005 krt2005 real estate price / Troy Oxford/McClatchy-Tribune

Five ideas for finding help looking for work:

[NextJob.com](#) offers job search programs and classes to various groups.

AARP joined forces with LinkedIn last August to offer personalized job-search lists. The [Work Reimagined program](#) leverages the LinkedIn platform and includes specific job information and advice for experienced workers.

Stay active. Consider part-time work or volunteering to fill job gaps and stay fresh in your job skills.

Try informational interviewing. Ask someone who works for an employer or in an occupation that you are exploring to have coffee or lunch as a way to learn and network.

Some job boards to consider include [Indeed.com](#) and [Simplyhired.com](#).

Source: NextJob.com, AARP and Free Press research.

Sahr Jusu, 45, was hit with a double dose of the housing collapse. He lost his job doing home improvements about a year ago and now, depending on odd jobs here and there, he's been four or five months

behind on his mortgage payments.

But Jusu is fairly optimistic that he'll be able to hold onto his home in Lansing and find a job.

Thanks to his bank — yes, his bank — Jusu talks to a job coach on the phone every week.

The unusual jobs program through his mortgage lender, Fifth Third Bancorp, even ended up giving him a potentially promising lead for a job at a Lansing factory, too.

“I want to get back on my feet,” said Jusu, who moved to the United States from Sierra Leone about 10 years ago.

Getting a free job coach via your lender is an odd, one-of-a-kind deal. But it sure sounds like one of those duh-why-aren't-we-doing-this-already ideas. And let's face it, it's a bank promotion that's way better than a free T-shirt for opening a credit card or a free toaster from back in the day.

Several banks I contacted said they do not have such a program or know of other lenders offering job help for troubled homeowners. But watch out, Fifth Third might have a seed of an idea here that could grow into something bigger, as the jobs picture remains touch-and-go.

Earlier this year, Fifth Third expanded what was a very limited test program to offer 16 weeks of job coaching a larger group of financially strapped homeowners on the edge.

Fifth Third Bancorp is expected to announce soon a plan to make some job seeking tools, possibly online advice, available to a broader group of customers, too.

“Jobs are a huge issue for individual Americans, for the community,” said Larry Magnesen, senior vice president of corporate communications for Fifth Third, based in Cincinnati.

“Frankly, we hope more banks do this. It's good for everybody.”

Fifth Third has said it is willing to work with other bank CEOs or senior mortgage executives to discuss its experience with its industry-first jobs hunting program.

Magnesen said Fifth Third has spoken with several other banks about the jobs program. But he would not disclose the banks. He expects that at least one other major bank could adopt this approach in the next few months.

Fifth Third's job hunting program currently applies to nearly 1,000 Fifth Third customers in that bank's major markets in Michigan, Ohio, Illinois, Indiana, Kentucky, Florida, Tennessee, West Virginia, Pennsylvania, Missouri, Georgia and North Carolina. Mortgage customers in other states could be eligible, too.

Fifth Third teamed up with NextJob, a national re-employment solutions company based in Bend, Ore. NextJob typically contracts with companies when there are major layoffs. NextJob doesn't have other bank customers offering such help to its customers, but NextJob is looking into expand this type of program to other banks.

The Fifth Third program for job coaching is invitation-only. The bank initially phones customers who are behind on payments. If the customer says the reason they're behind on mortgage payments is someone lost a job or lost significant income, they would be told about the jobs program.

A package of information would be sent overnight, if the customer expressed interest.

Jusu said he was glad to take the bank up on its offer to help him prepare for interviews and complete his résumé.

“I've gone through a lot,” Jusu said. “I was really stressed out.”

Jusu's not sure why Fifth Third offered the jobs service. He thinks it's because the bank wanted him to stay in his home.

A paycheck, not surprisingly, is key to being able to pay a mortgage.

During the depths of the recession, about half of homeowners seeking counseling to avoid foreclosure said their troubles were triggered by job loss or loss of income, according to a 2010 study by NeighborWorks America, a nonprofit that supports home ownership in local communities.

The worst may be behind us, as some economists say, but we're still talking about a paycheck-challenged recovery.

The job market is expected to be soft in the next six months, said Mark Zandi, chief economist for Moody's Analytics.

Tax increases and government spending cuts will hit the economy hard and many households hard, economists say. Zandi noted that smaller businesses preparing for health care reform are expected to be more cautious, too, particularly when it comes to hiring full-time workers.

Should the housing recovery swing into full gear, as expected, the job market could be brighter later this year, Zandi said.

If housing picks up, we've got more jobs. If jobs pick up, people can pay their mortgages, avoid foreclosures and some even move and buy new homes.

Anyone looking for a job might appreciate any extra help wherever they can find it — though no one would ever expect to turn to a banker to help find a job.

Fifth Third Bank, which has 223 branches in Michigan, won't disclose the cost. But the industry range for such job counseling services is roughly \$1,500 a person.

The program also includes online software that offers help with résumés, cover letters, interviews and other job-hunting tasks. A weekly Webinar also offers help.

The initial pilot begun in 2012 dealt with 28 participants who had been out of work on average 22 months.

But within six months of starting the program, about 40% found jobs. Not all jobless people, though, jumped at the chance to get help. Some, the bank officials speculate, might not have really believed that the bank was offering this type of program.

But Magnesen said avoiding one foreclosure often can save a bank \$50,000 to \$60,000. So helping someone find a job — and keep making mortgage payments — makes sense, he said.

“It makes a big difference in their lives,” Magnesen said.

Many people think they know how to find a job but they don't really know how to do it.

“What really works is having a job-search expert walk alongside of you,” said Kristi Weigant, chief operating officer for NextJob.

About half of all jobs are not listed online anywhere and by networking to find them, you will not only find personal connections, but also have less competition, said John Courtney, president and CEO of NextJob.

A laid-off person might have a better shot at getting one of those jobs, instead of applying online for an advertised job, because there won't be thousands of résumés.

Not surprisingly, hope and motivation are key, too.

When someone lost a job and is facing foreclosure, Courtney said, they've already gone through much of their savings. They've likely been out of work for several months and they lack confidence that they're ever going to find work again.

“Typically, they have face more struggles longer. Often, they have lost hope,” Courtney said.

“The first and most important part of a job search is having hope.”

[Read More](#)