



APPROVAL DATE:

02/05/2015

APPROVED BY:

Carl Dudley, WIB Chair

**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF SOCIAL SERVICES**

POLICY NO: 43-08
TO: Service Providers
FROM: Department of Social Services
EFFECTIVE: February 05, 2015
SUBJECT: Rapid Response and Layoff Aversion Activities

REFERENCES:

- Title 20 Code of Federal Regulations (CFR) Sections 639, 665.310, 665.320(d), and 667.262(b)
- EDD Workforce Services Directive WSD 14-3
- EDD Workforce Services Directive WSD 14-5
- WIA Sections 101 (38), 133(a)(2), and 134 (a)(2)(A)
- TEN 32-11, Rapid Response Self-Assessment Tool

PURPOSE:

The purpose of this Policy is to provide guidance to WIA service providers on Rapid Response and layoff aversion.

BACKGROUND:

The Rapid Response system has evolved since the implementation of WIA. In response to this evolution, the California Workforce Investment Board (State Board) established a Rapid Response/Layoff Aversion Workgroup to incorporate and consolidate continued Department Of Labor guidance that encourages states to include layoff aversion as an integral component of Rapid Response policy and incorporate systems of several local boards who are leading innovative and proactive Rapid Response.

This policy is guides proactive layoff aversion strategies and partnerships which can assist a business that wants to avoid layoffs or, in the event of layoffs, assist workers in quickly re-entering the workforce.

DEFINITIONS:

California Worker Adjustment and Retraining Notification Act (WARN) – a federal law created in 1989 with a California specific required law taking effect in 2003, WARN provides protection to employees, their families, and communities. WARN requires

employers to give affected employees and other state and local representatives notice 60 days in advance of a plant closing or mass layoff. For a side-by-side that provides general parameters of the full law please visit: http://www.edd.ca.gov/jobs_and_training/Layoff_Services_WARN.htm

Employer Contact (Rapid Response 121 Report) – A visit to an employer by staff for the purposes of conducting Rapid Response activities. This visit may be in person, by telephone or through the use of other interactive technology.

Employer Contact (Layoff Aversion 122 Report) – This may be an onsite or telephonic (conference call, online chat, Skype, etc.) engagement with a representative of the employer that is involved with the development of strategies or in a policy making position within the business contacted. The content of the discussion must include well-being of the business, training needs, etc. to determine how the local area may provide the range of available business service interventions and/or referrals.

Incumbent Worker – An employee of the business applying for IWT funds in accordance with WIA.

Incumbent Worker Training – Developed with an employer or employer association to upgrade skills of a particular workforce. The employer agrees to retain the trained worker(s) upon completion of the training. Frequently, such training is part of an economic development or layoff aversion strategy.

Jobs Saved – A layoff is averted when: 1) a worker’s job is saved with an existing employer that is at risk of downsizing or closing; or 2) when a worker at risk of dislocation transitions to a different job with the same employer or a new job with a different employer and experiences short term or no unemployment. **To be considered as a job saved, the maximum period of unemployment shall not exceed 1 week.** This definition is based on the California Unemployment Insurance Code Section 1253. See DOL TEGL 30-09.

Layoff Aversion – The process of using a series of activities, studies, and networks to examine a business or sector’s cycle, logistics, organizational condition, markets, and broad community relationships, in an effort to determine a series of workforce interventions that can mitigate short or long-term job loss, or save jobs altogether.

POLICY:

The primary purpose of Rapid Response as related in federal guidance is to enable affected workers to return to work as quickly as possible following a layoff, or to prevent layoffs altogether. To accomplish this, the workforce development system must be coordinated, comprehensive, and proactive in communicating with business. This includes providing labor market and workforce information, integrating industry requirements into training strategies and career pathways, brokering relationships and job connections, making services efficient and easy to access, and coordinating with regional partners to reduce duplication. Rapid Response also tracks labor market trends, increased unemployment insurance claims, and public announcements through WARN.

One component for a high-performing, sound Rapid Response infrastructure is a **Layoff Aversion** strategy which helps retain workers in their current jobs and/or provides rapid transitions to new employment, minimizing periods of unemployment. Layoff Aversion requires a shared responsibility among numerous partners at the state, regional, and local levels. Rapid Response activities such as customized training, dislocated worker services, employment services, and prefeasibility studies are among the many WIA funded components that the workforce system can deploy to assist companies in averting layoffs.

The second component for a high-performing, sound Rapid Response infrastructure is an **Early Warning System** to ensure a timely response to worker dislocations. Early indicators can be recognized in a variety of ways and systems should be in place to regularly monitor all potential early warning indicators and notification channels, and employers must be informed about their legal responsibilities to issue advance notifications of layoffs and closures (WARN).

It is important to emphasize that Rapid Response does not stop layoffs. Only a company can save jobs. The intent is to offer assistance to companies that request it and to save jobs. To save jobs, a Rapid Response team must be able to identify an at-risk company well in advance of layoffs, get executive level commitment to work together, assess the needs of the company, and deliver services to address risk factors. This requires a new Rapid Response culture of prevention and a strong infrastructure, including clarity of roles among regional partners. It requires data collection and analysis of trends, early warning mechanisms that can alert of problem areas, and well-trained staff.

Roles & Partners- Led by the Administrative Entity (AE), Rapid Response teams should be regional partnerships among a range of organizations and intermediaries that can help identify and design appropriate interventions. Partners should include the Employment Development Department's (EDD) Trade Adjustment Assistance (TAA), the Manufacturing Extension Partnership, public economic development entities, Chambers of Commerce, Small Business Development Centers, community-based organizations, community colleges, local labor councils, and others.

It is critical that regional Rapid Response teams build relationships with employers, labor organizations, workforce and economic development activities, training institutions, service providers and community-based organizations. Proactive Rapid Response systems rely on good intelligence. Their value to economic development efforts can be increased by providing ready access to information regarding available talent. States gain a competitive edge when they can leverage accurate information about regional economic trends, labor markets, new business development, impending layoffs, regional assets, and education and training resources.

PROCEDURE:

The AE in partnership with EDD and the America's Job Center of California (AJCC) will implement the required Rapid Response activities (see attachment 4 for a flow chart of the required on-site activities assignment pending no-special circumstances).

Required activities must include:

1. Immediate and on-site contact with the employer, representatives of the affected workers, and the local community. This contact may include an assessment of the:
 - a. Layoff plans and schedule of the employer;

- b. Potential for averting the layoff(s) in consultation with economic development agencies, including private sector economic development entities;
 - c. Background and probable assistance needs of the affected workers;
 - d. Reemployment prospects for workers in the local community; and
 - e. Available resources to meet the short and long-term assistance needs of the affected workers.
2. Provision of information and access to unemployment compensation benefits, comprehensive one-stop system services, and employment and training activities including information on Trade Adjustment Assistance (TAA).
3. Provision of guidance and/or financial assistance in establishing a labor-management committee voluntarily agreed to by labor and management, or a workforce transition committee comprised of representatives of the employer, the affected workers and the local community. The committee may devise and oversee an implementation strategy that responds to the reemployment needs of the workers. The assistance to this committee may include:
 - a. The provision of training and technical assistance to members of the committee;
 - b. Funding the operating costs of a committee to enable it to provide advice and assistance in carrying out rapid response activities and in the design and delivery of WIA-authorized services to affected workers. Typically, such support will last no longer than six months; and
 - c. Providing a list of potential candidates to serve as a neutral chairperson of the committee.
4. Provision of emergency assistance adapted to the particular closing, layoff or disaster.
5. Provision of assistance to the AE to develop a coordinated response to the dislocation event and, as needed, obtain access to State economic development assistance. Such coordinated response may include the development of an application for National Emergency Grant (NEG).

FUNDING:

Formula Allocation funding will be distributed to each local board. Baseline funding is allocated equally among local areas to ensure, at a minimum, that some capacity exists in each local area for the coordination and conduct of Rapid Response activities. Layoff-based allocations will be based on quantitative layoff data. Layoff-based funds will be allocated to local areas in proportion to the number of affected workers offered Rapid Response services in response to layoffs reported to the State.

Layoff Aversion funding is to be distributed to local areas based on each local areas' proportionate share of the total number of jobs saved annually.

REPORTING:

Local Boards will continue to report participant enrollments receiving IWT using Rapid Response formula funds. The service provider will enter enrollments receiving IWT under Grant Code 274.

The AE for the WIB must complete a report of employer contacts for the local area staff when conducting layoff/closure orientations with 10 or more affected workers ONLY, and/or layoff/closure planning meetings. The Rapid Response 121 Report must be

completed quarterly and submitted via e-mail by the 20th of the month following the quarter's end to the local area's Regional Advisor.

The AE for the WIB must complete a report of layoff aversion activities and jobs saved resulting from those activities. This report may include a "single" job saved at an individual employer. Activities reported are those relating to employer contacts when an activity or resource is introduced, planned, or involves follow-up or wrap-up of a prior activity. It is important that local area staff consider and document how layoff aversion activities will result in a positive outcome before allocating resources. Documentation of outcomes must be retained for audit purposes. The Layoff Aversion 122 Report must be completed quarterly and submitted via e-mail by the 20th of the month following the quarter's end to the local area's Regional Advisor.

ACTION:

This policy is effective upon release. The Administrative Entity for the WIB and its service providers shall follow this policy. This policy shall remain in effect until such time that a revision is required.

INQUIRIES:

Inquiries should be addressed to wibadmin@co.slo.ca.us.

ATTACHMENTS:

1. List of Required and Allowable Rapid Response Activities
2. Examples of the Categorization of Rapid Response Activities
3. Early Warning Signs
4. Rapid Response Flowchart

REVISION HISTORY:

<i>DATE</i>	<i>DETAILS</i>