

Strategies for Layoff Aversion: Rapid Response Solutions

Illinois Department of Commerce and Economic Opportunity

Agenda





Importance of Layoff Aversion

Preventing Job Loss

Supporting Workforce Stability

Economic Impact

Layoff aversion strategies can prevent job loss and minimize the impact of economic disruptions on individuals and communities.

Implementing effective layoff aversion strategies contributes to maintaining a stable and skilled workforce, benefiting both employers and employees.

There are long-term benefits of investing in layoff aversion strategies to minimize the economic implications of layoffs.

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WIOA Layoff Aversion Framework

WIOA Guidelines

Understand the framework provided by the Workforce Innovation and Opportunity Act (WIOA) for implementing layoff aversion strategies.

Policy Considerations

Examine the policy guidelines and legal origins of layoff aversion strategies under WIOA to ensure compliance and effectiveness.

WARN

The Worker Adjustment and Retraining Notification (WARN)

Act ensures advance notice is given in cases of

qualified closings and mass layoffs.

Business Engagement

Business Collaboration

- Effective communication channels
- Proactively engage with businesses to prevent layoffs
- Benefits of building strong partnerships



Proactive Approach

- Leverage Integrated Business Service Teams
- Ongoing collaboration through standing interagency meetings and coordinated outreach
- Illinois Employment Business System (IEBS) tools
- WorkShare IL short-term compensation



Workforce Support

- Incumbent Worker Training
- Customized Training
- Apprenticeship
- On-the-Job Training
- Local Talent Transfer
- Dislocated Worker Program
- IE Rapid Response Funding





Funding for Layoff Scenarios

Scenario I: A worker receives a layoff notice. The workforce system can provide assistance through Rapid Response and/or WIOA Dislocated Worker funds.

Scenario 2: A worker's layoff has been certified as trade-related. The workforce system could utilize TAA funds based on the qualifying separation date if the worker group has been certified as eligible for Trade Adjustment Assistance (TAA). Note: The program is currently on sunset status.

Scenario 3: An employer has been determined to be at risk for layoffs unless workers receive training on a new production technology. The workforce system could provide IWT using its WIOA statewide discretionary funds or IWT using local formula or IE Rapid Response funds, assuming the situation meets the criteria for the use of such funds. The workforce system could also leverage other funds in the community such as from employers, community colleges, and others.

Scenario 4: An employer wants to re-train workers to produce a new product line. The workforce system could provide IWT using its WIOA statewide discretionary funds, fee for-service, and/or leverage other funds in the community, such as from employers, community colleges, and others.

Scenario 5: A federally declared disaster from a tornado displaced workers. National Disaster Recovery (DWG) funding can assist with recovery efforts following such events. NDWG funding can provide disaster-relief and humanitarian assistance employment to address cleanup and recovery following a federally declared disaster.

Source: TEGL 30-09



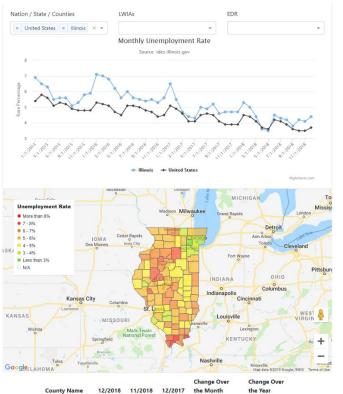
Illinois Employment Business System (IEBS)

IEBS resources, such as D&B and LMI information to identify early warnings and recognize the signs of a pending business facility closure or mass layoff.

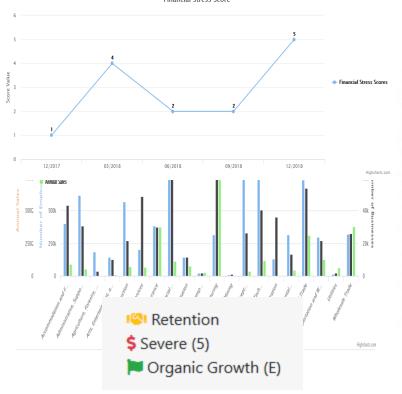
Supply and Demand Data Resource Tool

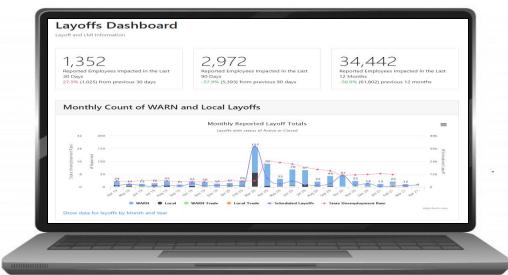
Layoff Tracking and Reporting Tool





Predictive Analytics & Forecasting







Overview of System Components

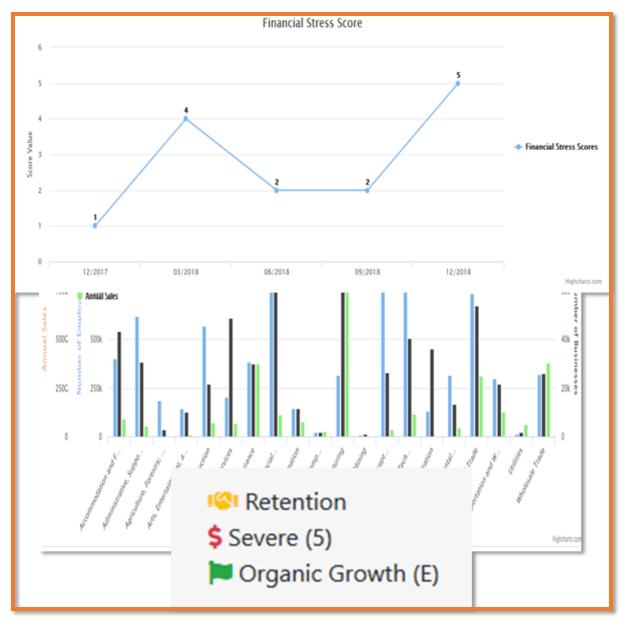
Components	Description
Labor Market Indicator (LMI) Information	Current, accessible and easily searchable LMI data on state economic conditions.
Global Dun & Bradstreet Business Data D&B Predictive Analytics Tools	Interface with D&B business database of 250 million companies worldwide. Viability Rating on Businesses such as Material Change and Financial Stress Score.
Organizational Management	Business, location, worksites, and contacts can be identified and bookmarked to conduct outreach and send referrals.
Layoff Intake – Local and WARN Management	This is the system of record for layoff submissions and WARN correspondence. The data allows for greater transparency among stakeholders.
Layoff Management and Status Dashboards Timeline and Layoff Notes	Layoff at a glance with projected, planned, actual layoffs, timeline, and aversion tracking. Type, timing, occupations, and quantity of layoffs are logged and tracked along with related events.
Dashboards, Reports, and Tracking Screens	All data is available for on screen visual and graphical views along with exporting to MS Office products.



Predictive Analytics & Forecasting

dun & bradstreet

The Dun & Bradstreet
 Data Cloud is an
 aggregation of business
 data from over 30,000
 sources.





Predictive Analytics & Forecasting

Global D&B Business Data and Analytic Forecasting Tools



Financial Stress Score \$	Material Change	Illinois Opportunity
\$ Low (1)	► Stable (J)	
\$ High (4)	Decrease in Scale (I)	Retention
\$ Low (2)	Stable (J)	
\$ Low (2)	Spend Growth (F)	⊘ Growth

- Location Quotient —
 Performance compared to industry and national average.
- Material Change Business growth and decay dynamics.
- Financial Stress Current and past shifts in financial stability.

Financial Stress Score™

Financial Stress Score predicts a firms likelihood for business to experience financial stress including closure and bankruptcy in the next 12 month



Material Change

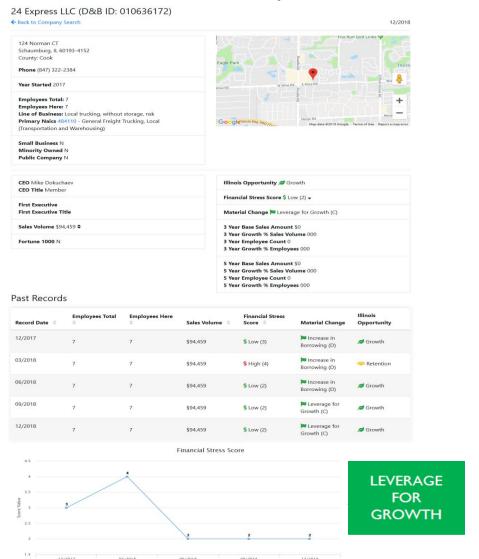
The **Material Change** provides an indicator of a business' current growth trajectory, whether positive, negative, or neutral

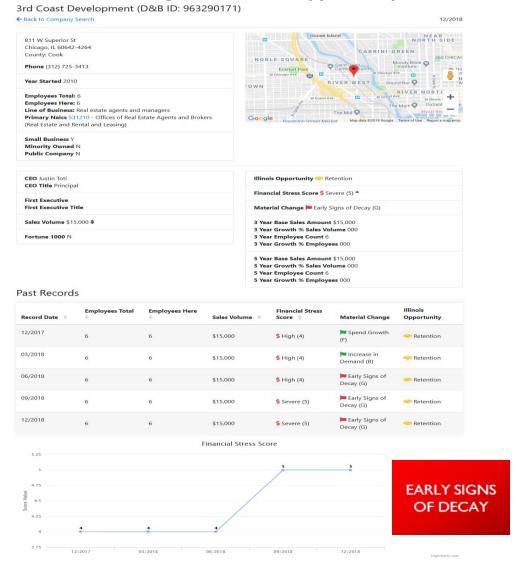




Predictive Analytics & Forecasting

For Workforce and Economic Development, D&B data and analytics enables a strategic connection opportunity to businesses.









Who Benefits from Rapid Response?

For Workers:

- Rapid Response is initiated when the state and local Rapid Response team learns of impending layoffs.
- Rapid Response teams notify employers of the opportunity to facilitate workshops to help the workers who will be laid off.
- In some cases, employers are required to provide **60 days' notice** before a layoff.

For Employers:

- Rapid Response services for employers aim to avoid future layoffs.
- Employers may access incumbent worker training programs and skilled job seekers.
- Employers become familiar with employment rights and regulations, such as the WARN Act, administered by the <u>Department</u>
 of <u>Labor</u>.

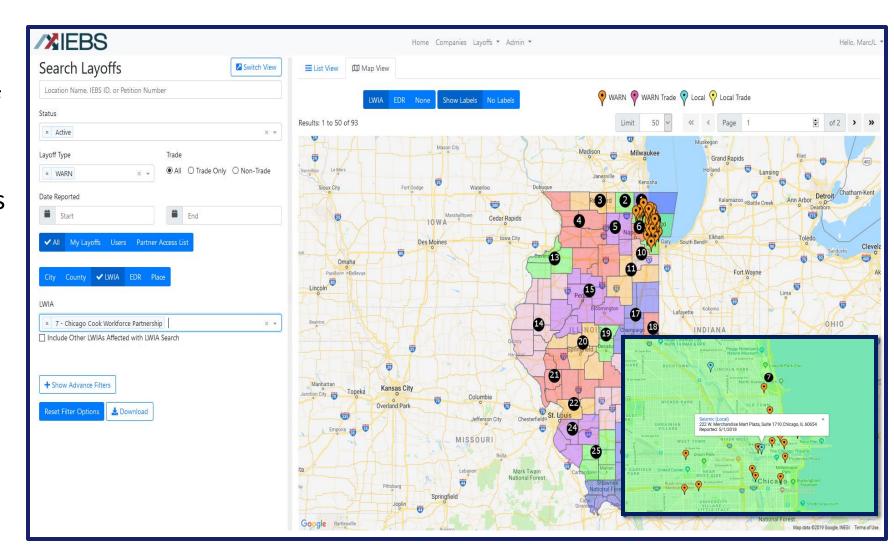
Additional Services:

- Additional services previously available under the Trade Adjustment Assistance program for layoffs and plant closures resulting from increased imports or shifts in production out of the United States.
- Certified individuals may be eligible to receive program benefits and services to help them return to employment.



Layoff Tracking and Reporting (Internal)

- Real-time transparency of layoff activity.
- Variety of searchable fields, filters and views to access to the information you want.
- Fully exportable results and reports.
- Clickable pins that show the layoff location, address and report date.



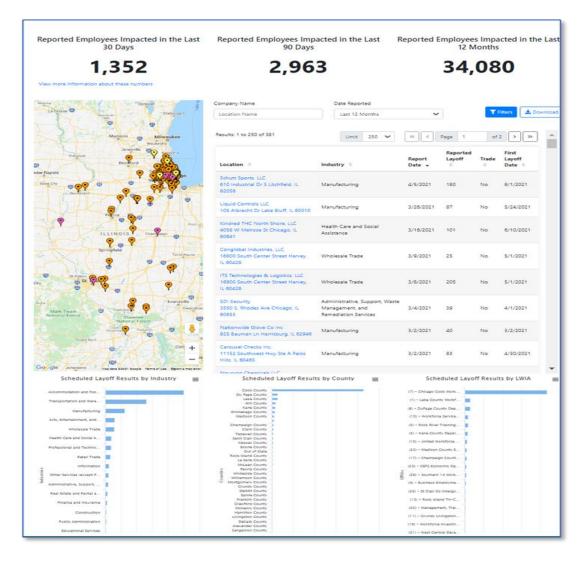


Layoff Transparency and Reporting (External)

WARN DASHBOARD

Data from the private IEBS system is made publicly available from the internal system and appears on public facing Illinois workNet site.

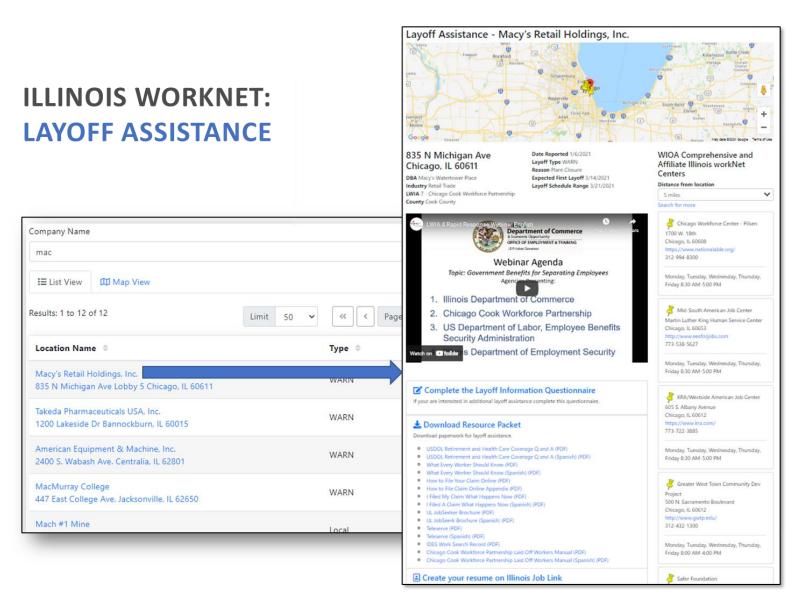
- The WARN Dashboard on Illinois workNet provides a public view of WARN layoffs in the state.
- Information is updated in realtime as WARN layoff are entered into the state system.
- Results fully exportable for portable access in Excel.
- WARN Layoff Search in IwN





Layoff Transparency and Reporting (External)

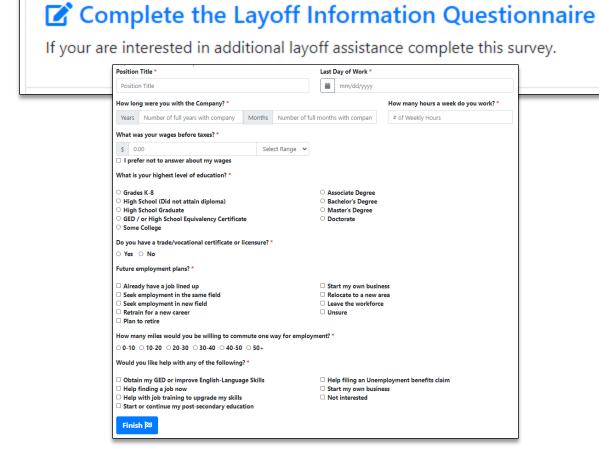
- Company specific public informational pages are created by system and published on IwN public website as part of layoff entry in IEBS.
- ALL layoff partners who have been given permission can modify the Resource Packet area – don't need to wait for tech person.

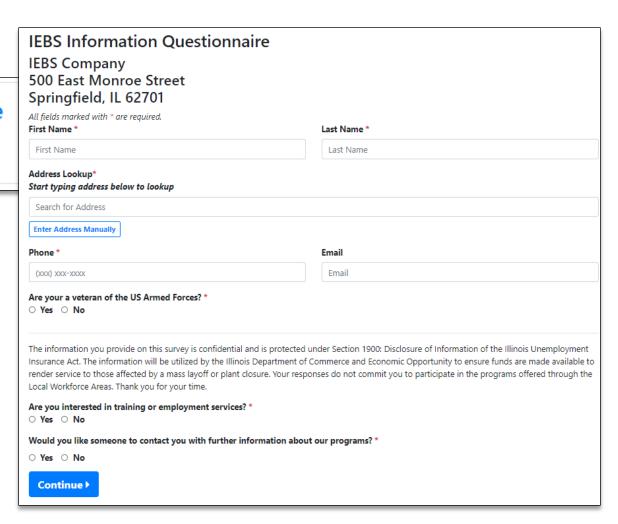


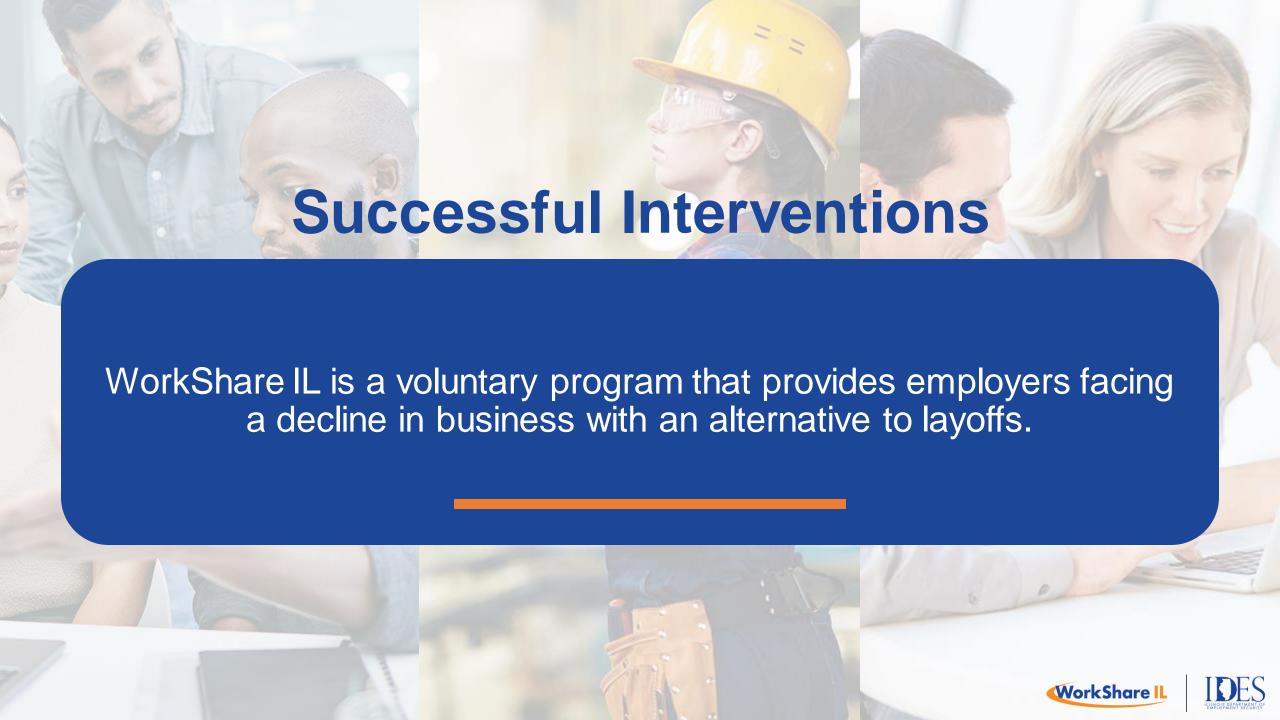


Employee Survey

 Layoff Questionnaire input goes directly into IEBS and displays with the company layoff detail page.









What is WorkShare IL?

WorkShare IL = A WIN-WIN!

Employers reduce the hours worked without temporary or permanent layoffs.

Employees keep their jobs while Unemployment Insurance (UI) Benefits help offset their reduction in hours.





✓ Keep trained staff

✓ Save on recruiting, hiring, and training costs

✓ Minimize UI cost increases

✓ Boost employee morale and reduce turnover





✓ Keep their job

✓ Receive weekly UI Benefits to offset loss of hours

✓ Continue to receive job-related benefits







How Does WorkShare IL Work?







Employers register and apply to create a WorkShare IL Plan for each applicable business unit.

Each WorkShare IL Plan specifies a reduction of hours between 20% and 60% and a time frame up to 12 months.

Employees paid weekly UI Benefits to make up a portion of reduced hours.

UI Benefits paid from employer's Unemployment Insurance.

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Additional Resources



Contact a Representative:

Phone: 217-558-8150





For Questions Email Us at: DES.WorkShare@Illinois.gov **IDES WorkShare IL Webpage:**

Bit.ly/WorkShareIL



WorkShare IL e-Services: https://workshare.ides.illinois.gov/employer/



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Resources

20 CFR 682.300 What is rapid response, and what is its purpose?

20 CFR 682.320 What is layoff aversion, and what are appropriate layoff aversion strategies and activities?

DOL Rapid Response Services

DCEO State Rapid Response Team and Resources

Illinois Employment Business System Demo

<u>USDOL Training and Employment Notice (TEN) No. 32-11</u>, Rapid Response Self-Assessment Tool (March 1, 2012)

WARN Reporting Services

WIOA ePolicy Chapter 9: Rapid Response (Select Attachments for the Rapid Response Manual)

