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Workforce Development Agency, State of Michigan (WDASOM)
Policy Issuance (PI):12-23

Date: December 12, 2012
To: Michigan Works! Agency (MWA) Directors
From: Gary Clark, Director, Office of Talent Development Services
Workforce Development Agency, State of Michigan (**SIGNED**)
Subject: Rapid Response Process and Procedures for Responding to Notifications
of Plant Closings and Mass Layoffs

Programs Affected: Workforce Investment Act (WIA) Dislocated Worker Program
The Trade Act of 1974, as amended
WIA funded Incumbent Worker Training (IWT)

References: The WIA of 1998
WIA Final Rule 20 CFR Part 652, et al.

Worker Adjustment & Retraining Notification (WARN) Act of 1988

The Trade Act of 1974, as amended

The U.S. Department of Labor (USDOL) Training and Employment
Notice (TEN) 3-10, National Rapid Response Initiative, issued
August 9, 2010

The USDOL TEN 31-11, Rapid Response Framework, issued
March 1, 2012

The USDOL TEN 32-11, Rapid Response Self-Assessment Tool, issued
March 1, 2012

The USDOL TEN 9-12, Layoff Aversion in Rapid Response Systems,
issued August 31, 2012



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WDASOM PI 12-02, WIA Layoff Aversion Strategies and Policy Guidelines, for IWT Programs, including IWT Waiver Approval Process, issued June 20, 2012

Michigan Industry Cluster Approach (MICA) Guidelines issued July 26, 2012

Background:

The central purpose of Rapid Response is to help laid-off workers quickly transition to new employment. Rapid Response acts as both a provider of direct reemployment services and as a facilitator of additional services and resources. Rapid Response is a primary gateway to the workforce system for both dislocated workers and employers and is a component of a demand driven system.

The WIA holds States responsible for the provision of Rapid Response services. The WDASOM maintains responsibility for ensuring compliance with federal and state requirements, implementation of program initiatives, and providing support, guidance, technical assistance and financial resources to the local service delivery areas. As such, the WDASOM WIA Section will remain the State's designated recipient of WARNs to fulfill its statutory requirements. However, it is the expectation that the WDASOM and MWAs, along with other key partners, will act in coordination during all layoffs in a particular region regardless of the size of the event.

Policy:

Rapid Response must take an ongoing, comprehensive approach to planning, identifying, and responding to layoffs, and preventing or minimizing their impacts whenever possible. To ensure high quality and maximum effectiveness, successful Rapid Response strategies must include at least the following:

- Informational and Direct Reemployment Services for Workers
 - Local areas should provide the widest array of services possible based on the needs of the workers and the employer
- Convening, Facilitating, and Brokering Connections, Networks, and Partners
 - Effective Rapid Response networks develop and maintain a comprehensive set of partnerships
 - Effective Rapid Response and layoff aversion occur where strong, diverse partnerships exist with:
 - Economic Development
 - Education Providers
 - Business Associations
 - Other State and Local Governmental Organizations
- Strategic Planning, Data Gathering and Analysis Designated to Prepare for, Anticipate, and Manage Economic Transition

- Effective Rapid Response networks have access to real-time information on layoffs and growth, as well as information on available skilled workers for growing companies
- Effective Rapid Response networks develop early warning networks and systems to understand economic transition trends within industries, communities, or at specific employers, and plan strategies for intervention when necessary and appropriate
- Strategic planning and data gathering and analysis are not only a function of Rapid Response, but of the local area's larger demand driven system
- Solutions for Businesses in Transition; Growth and Decline
 - Rapid Response is a business service that builds and maintains relationships with employers across the business cycle
 - Rapid Response is more than a single, on-site visit in response to a WARN Act notice

Rapid Response in a Demand Driven System

The planning and information gathering necessary for effective Rapid Response also establishes an awareness of and familiarity with the talent needs of a region, and allows the workforce system the ability to strategically meet the needs of both hiring employers, and those facing layoffs. Providing an environment to engage industry leadership on a broad range of workforce issues facilitates the identification of necessary resources. Convening employers, and when appropriate, partners and other resources, allows comprehensive dialogue between employers and training institutions, resulting in collaborative problem-solving; creating unique approaches to career pathways; addressing curriculum strategies and ultimately enhancing competitiveness and reducing the potential for future layoffs.

In a demand driven system, employer engagement results in:

- Employers identifying industry demand and vacancies.
- Employers providing direct input into the design of educational program offerings that directly respond to industry identified demand and curriculum addresses occupational skill requirements.
- State and local services and programs align with industry's need for workers and skills.
- The State's eligible training provider list, Career Education Consumer Report (CECR), including programs representing high-demand occupations based on input from employers. The MWA representative and participant should work together when determining appropriate training in demand occupations within their region. Note: Not all training programs on the CECR are in

high demand occupations or receive WIA funding to train participants.

The overarching objective is to adapt the workforce system to help ensure the production of workers with skills and competencies that align better with industry, and thus increase the likelihood of long-term employment. Pre-existing relationships can build the trust needed to share information and to create a dialogue with employers to encourage them to seek assistance before it is too late. Economic and market intelligence gathering is more robust if there are positive working relationships with business and industry groups that are developed outside of specific dislocations. Employers should be comfortable approaching the workforce system when they are looking for new workers, seeking assistance to avert a layoff, and helping their workers transition to a new job in the event they have to end their local operation. Therefore, it is critical to develop a long-term strategy to engage employers and develop a relationship with them both to earn their trust and to ensure that they understand the full range of solutions offered through the local workforce system, including but not limited to Rapid Response.

Thus, the State's MICA strategy, which focuses on aligning efforts – initiatives, programs, and funding - around priority clusters for a demand-driven workforce system, helps facilitate such employer engagement. Through extensive labor market research, the WDASOM has initially identified five priority clusters including agriculture, energy, healthcare, information technology, and manufacturing and is driving workforce development efforts toward meeting the skill needs within these clusters. This approach is in partnership with employers, the Michigan Works! System, the Michigan Economic Development Corporation and local economic development entities, education and training providers, and statewide trade associations. A key activity of the MICA is the convening of groups of employers to identify and develop solutions to address workforce needs along the entire business cycle continuum.

The MICA seeks to:

- Implement an employer-based demand-driven system for workforce development using an industry cluster approach
- Take the industry cluster approach to statewide scale
- Increase employer-sponsored training
- Obtain accurate data on jobs in-demand and skill gaps
- Establish a Strategic Training Fund to sustain the demand-driven workforce system to better address skill gaps

Effective Early Warning Systems

Early warning systems are necessary to ensure a timely response to worker dislocations. Layoffs can be identified in a variety of ways, including but not limited to; discussions with employer representatives or employees,

meetings with organized labor, increased Unemployment Insurance claims, press attention, a WARN Act notice or Trade Act petition. Systems should be in place to regularly and proactively monitor all of these notification channels.

Proactive systems rely on good intelligence. Their value to economic development efforts can be increased by providing ready access to information regarding available talent. States and local areas gain a competitive advantage when they can leverage accurate information about national and regional economic trends, current and long-range labor market information, new business development and impending layoffs, regional assets, services, and education and training resources. Rapid Response providers can gather information from published data and information sources, but an active communication network should be integrated into a stakeholder network. Regular conversations with employer contacts, training and service providers, and workforce and economic development contacts can produce valuable early information and create beneficial partnerships.

Local areas are encouraged to build ongoing relationships with employers by engaging them in business-focused contexts such as chambers of commerce, civic clubs, or industry meetings and conventions, in order to ensure they are educated about their responsibilities to issue notifications of layoffs or closures. These engagements can be a starting point for relationships long before a dislocation occurs. Employers who are approached in this manner are more open to working together at all points during the business life cycle to achieve the best outcomes for their workforce and ultimately the business' viability.

Rapid Response Process

Each MWA must identify a lead Rapid Response staff person to ensure that all Rapid Response partners are included in each step of the Rapid Response process. A Rapid Response process is most effective when the partners that administer and deliver services are guided by procedures that are clearly defined. Because of the uniqueness of each event and the necessity of MWAs to sustain established relationships, the WDASOM recognizes that flexibility is key. Thus, the following standard protocol is being implemented:

1. Receipt of Notification:

If the WDASOM WIA staff is in receipt of a WARN and/or receives a notice of a mass layoff or plant closing via the Unemployment Insurance Agency (UIA), Union Official, Company, the Michigan Economic Development Corporation, or employee; they shall contact the designated MWA Rapid Response partner, making them aware of the notification and what

information has been obtained thus far, including, but not limited to:

- a. Company Name (including address and telephone number)
- b. Company Contact Name and Title
 - i. Description of the business, including North American Industry Classification System (NAICS)
- c. Type of dislocation (Mass Layoff or Plant Closure)
- d. Notification type (WARN, News Article, Letter, Phone Call, Other)
- e. Number of impacted workers and total workers at the facility
 - i. Brief description of impacted employee skill sets and corresponding occupations that can be linked to a Standardized Occupational Classification code.
- f. Identification of potential days and times for a Rapid Response Meeting and/or Worker Orientation

Likewise, if the designated MWA Rapid Response staff is in receipt of a dislocation via Union Official, Company, Local Economic Development Corporation, local newspaper, or employee, they shall contact the designated WIA Rapid Response staff person and make them aware of the notification and what information has been obtained thus far, including but not limited to items a. through f. above.

2. Upon exchange of the aforementioned information, the MWA and WDASOM WIA Rapid Response staff will mutually decide who will contact the employer, the MWA or the WDASOM. The lead contact will be responsible for the timely dissemination of information to other partners and key stakeholders to ensure accurate and up-to-date information is available and communicated.

3. The MWA As Lead Staff:

With the designated MWA Rapid Response staff as the lead contact, they will make initial contact with a company official; obtain additional information about the dislocation event, as well as two preferable dates for a Rapid Response Meeting and/or a Worker Orientation. Within 24-48 hours, the MWA Rapid Response staff will contact the WDASOM WIA Rapid Response staff and other key partners to confirm the Rapid Response Meeting date and to share information about the event. If employees are covered by a collective bargaining agreement, the local union officials will also be contacted by the MWA regarding organized labor's participation in the Rapid Response Meeting and/or Worker Orientation. The WDASOM WIA staff will remain

responsible for arranging UIA representation at the Rapid Response Meeting and Worker Orientation. If UIA staff are not physically available to participate, the WDASOM will try to make arrangements for their participation via a webinar, conference call or through other technological means. If UIA staff is unable to participate, MWA Rapid Response staff should direct Rapid Response and Worker Orientation participants to UIA's website, including the on-line claim filing kit (UIA Form 1251) and the on-line service Claimant Web Account Manager.

4. The WDASOM As Lead Staff

With the designated WDASOM WIA Rapid Response staff as the lead contact, they will make initial contact with a company official; obtain additional information about the dislocation event, as well as two preferable dates for a Rapid Response Meeting and/or a Worker Orientation. Within 24-48 hours, the WDASOM WIA Rapid Response staff will contact the MWA and other key partners to confirm the Rapid Response Meeting date and to share information about the event. If employees are covered by a collective bargaining agreement, the local union officials will also be contacted by the WDASOM regarding organized labor's participation in the Rapid Response Meeting and/or Worker Orientation. The WDASOM WIA staff will contact the UIA to arrange for representation at the Rapid Response Meeting and Worker Orientation as described in step number three above.

5. Rapid Response and Worker Orientation Meetings

Rapid Response Meeting

The initial Rapid Response (Company and Union, if applicable, Leadership) Meeting shall include MWA and WIA Rapid Response staff and other local partners as necessary, such as the UIA, United Way, and the Department of Human Service. The WDASOM WIA Rapid Response staff will provide overall information from a state perspective, as well as gathering demographic information about the impacted workforce. MWA Rapid Response staff will provide information on employment services (including Michigan Talent Connect), dislocated worker services and other services available at the local One-Stop Service Center(s). MWA representatives will provide copies of marketing brochures, or other printed materials regarding participant services.

UIA presentations at Rapid Response meetings will include information on filing for unemployment benefits, the MARVIN on-line system, eligibility requirements, and training waivers. The UIA representatives will provide appropriate fact sheets and unemployment benefit booklets.

During a Rapid Response Meeting, if possible, priority should be placed on averting or lessening the impact of the layoff.

Key questions to ask include: What is the reason for the closing or downsizing?

- Are there any specific resources that can be provided to prevent or lessen the closing or downsizing?
- What other departments or divisions within the business may be impacted by the closing or downsizing? What other companies may be impacted by the closing or downsizing?
- Are layoffs occurring in other locations or states?
- Confidentiality is key. When will the information be made public? When will impacted employees be notified?

In addition to the questions above, additional questions that may be asked as part of the Rapid Response Meeting are included in Attachment A “Rapid Response Employer Survey.”

Worker Orientation Meeting

At the conclusion of a Rapid Response meeting and upon agreement by the company, a Worker Orientation meeting(s) will be scheduled to provide information on available services to the impacted employees. The MWA Rapid Response staff will have responsibility for the following items:

- a. Confirming the date(s) and time(s) of the Worker Orientation meeting(s);
- b. Arranging for the participation of partners from the local One-Stop Service Centers and other community agencies to present information; and
- c. Providing informational materials on available services at the One-Stop Service Centers.
- d. If the company does not agree to an on-site Worker Orientation meeting(s), MWA Rapid Response staff should attempt to arrange for an alternative date and location to meet with impacted workers as a group or individually as necessary and/or provide informational packets that can be distributed to impacted workers.

If the parties agree to schedule a Worker Orientation meeting(s) at a later date, the local MWA Rapid Response staff will serve as the contact for the parties involved and organize the meeting(s) as specified above. The WDASOM WIA staff will transmit the request to the UIA with the meeting date, time, and location. Upon receipt of confirmation that a UIA representative will attend, the WDASOM WIA staff will notify the MWA Rapid Response staff. When UIA cannot support a worker orientation with a speaker, either in person, via a webinar, or conference call, MWA staff should direct impacted workers to the UIA’s website, including the

on-line claim filing kit (UIA Form 1251) and the on-line service Claimant Web Account Manager. MWA staff should not answer Unemployment Insurance (UI)-related questions; rather those are to be referred to the UIA Employee Hotline at (800) 500-0017 or to the Claimant Web Account Manager online services page at www.michigan.gov/uia.

In addition, the MWA Rapid Response staff will distribute the Dislocated Worker Survey to impacted workers as detailed in the Dislocated Worker Survey Policy Issuance.

Inability to Schedule a Rapid Response or Worker Orientation Meeting

If it is not feasible to schedule a Rapid Response or Worker Orientation Meeting or the employer does not agree to on-site meetings, the MWA Rapid Response staff should attempt to obtain the information in the Employer Survey (Attachment A) and arrange for printed information to be distributed to the impacted employees. Information can be left at the worksite, with local union officials, given to the employer for inclusion with paychecks, etc. In situations where Worker Orientation meetings are not feasible due to the lack of employer cooperation, or where layoffs have already occurred, designated MWA Rapid Response staff is encouraged to organize Worker Orientation meetings, as detailed above, at an offsite location. MWAs should provide written notice of the Worker Orientation meeting(s) if a mailing list of the employees is available from the employer. The WDASOM WIA staff will transmit the request to the UIA with the meeting date, time, and location. Upon receipt of confirmation that a UIA representative will attend, the WDASOM WIA staff will notify the MWA Rapid Response staff. When UIA cannot support a worker orientation with a speaker, either in person, via a webinar, or conference call, MWA staff should direct impacted workers to the UIA's website, including the on-line claim filing kit (UIA Form 1251) and the on-line service Claimant Web Account Manager. MWA staff should not answer Unemployment Insurance (UI)-related questions; rather those are to be referred to the UIA Employee Hotline at (800) 500-0017 or to the Claimant Web Account Manager online services page at www.michigan.gov/uia.

6. Non-WARN Events and Lack of Notification:

Rapid Response and Worker Orientation meetings may be held in situations involving fewer than 50 employees at the discretion of the MWA and the employer. MWA and WDASOM staff will mutually agree if WIA Rapid Response staff participation is necessary for meetings involving non-WARN events.

In cases where MWA Rapid Response staff learns that a business has closed and no prior notification was given, a“NON-WARN DATA SHEET” (Attachment B) should be completed to the extent possible and faxed to the WDASOM WIA Section, Attention: Ms. Teresa Keyton at 517-373-7794. The information from the Data Sheets, along with survey data will be used to:

- a. Keep the Governor fully informed of dislocation events and their potential impact on local communities;
 - b. Respond to Legislative and other inquiries;
 - c. Enable the WDASOM to make informed budgetary decisions with respect to allocation of State Adjustment Grants (SAGs) and WIA discretionary funding; and
 - d. Comply with federal reporting requirements to include the maintenance of layoff information in the WDASOM WARN database
7. Joint Adjustment Committees (JACs): By mutual consent of the company and union (if applicable) in situations where at least 50 workers are being laid off and there is at least 60 days subsequent to the Rapid Response meeting before layoffs are completed, a JAC may be established with WDASOM support. In this event, the guidelines set forth in the JAC policy should be followed.

Action: MWA officials shall take the appropriate actions necessary to implement the directives of this policy issuance.

Inquiries: Questions regarding this policy issuance should be directed to your WIA Rapid Response Coordinator.

In accordance with the Americans with Disabilities Act, information contained in this policy issuance will be made available in alternative format (large type, audio tapes, etc.) upon written requests received by this office. It is also available for transmission on the e-mail system. Call Ms. Teresa Keyton, at (517) 335-7418 for details.

Expiration: Continuing

Rapid Response Survey

Company Name: _____

Date: _____

Address: _____

Time: _____

City/State/ZIP: _____

Staff Completing Form: _____

1. How many workers are impacted by this event? _____

2. What shifts do the impacted workers work? _____

3. Are workers represented by one or more Unions? Yes No

3.a.

Union 1

Union Name:	_____
Contact Person:	_____

Union 2

Union Name:	_____
Contact Person:	_____

3.b. How many impacted workers are union? _____

3.c. How many impacted workers are non-union? _____

4. How many impacted workers are management? _____

5. Will this layoff be in mass or incremental? Mass Incremental

5.a. When will this layoff begin? _____

5.b. What is the layoff schedule? _____

6. Is production being transferred to another plant/facility? Yes No6.a. Is it being transferred offshore? Yes No

7. What is the wage range of the impacted workers? _____

8. What is the average wage of the impacted workers? _____

9. What is the average age of the workers? _____

10. What is the male to female ratio? _____ Male _____ Female

11. What is the average tenure of the workforce? _____

12. What are the top 5 job titles of the impacted workers, by order of number of workers?

1. _____ Workers: _____

2. _____ Workers: _____

3. _____ Workers: _____

4. _____ Workers: _____

5. _____ Workers: _____

13. Are any of the impacted workers currently in any type of training program, either on or off site?

 Yes No

Rapid Response Survey

- 13.a. What type of training programs are they currently enrolled in?
1. _____
 2. _____
 3. _____
14. What does the benefit package include for the impacted workers?
- Health Vision Retirement
 Dental Paid Leave
15. Does the employer contribute to the employee's retirement package? Yes No
16. Is there a severance package? Yes No
17. Is there a bonus package? Yes No
18. Are there "stay pay" stipulations? Yes No
19. How will impacted workers be paid their earned vacation?
- Lump Sum Pro-Rated None
20. Are/will there be affiliated companies (security, trucking, janitorial, etc.) affected by this layoff?
- Yes No
- 20.a. What are the affiliated companies?
1. _____
 2. _____
 3. _____
21. Does this company require its employees to have a High School Diploma/GED?
- Yes No
22. Do any of the impacted workers use a primary language other than English?
- Yes No
- 22.a. What other primary languages are used?
1. _____ 2. _____ 3. _____
23. Do any of the impacted workers require assistive technology because of hearing or sight impairment?
- Yes No
24. Are there facilities on site to conduct meetings? Yes No
25. If individuals at this meeting are contacted by the media, who shall they say is the contact person for the company?

Contact Person:	_____
Phone Number:	_____

NON-WARN DATABASE REPORTING FORM*

To Be Completed by WDASOM Staff

RR Staff:
Status (A=Active; C=Complete):
Last Update:
Entry Date:

I. Company Information

Company:

Site Address/City/Zip:

County:

MWA:

Company Contact Name and Title:

Company Contact Address:

Company Contact Phone:

Ext.:

Contact Fax:

Contact E-mail Address:

Type of Business:

NAIC codes: _____; _____

II. Incident Demographics

Number of Affected Employees:

Total employees at site:

Total employees laid-off:

Top five (5) Job Titles of impacted workers:

Incident and Notification Information (cont.)

III. Incident and Notification Information

Date Received: First Contact Date:

Incident Type:
(Plant Closing; Mass Layoff; Plant Crisis; Transfer)

Notification Type:
(WARN letter; Phone call; News Clip; Letter; Other)

Layoff Reason(s):
(Not Reported; Co. Sold; Bankruptcy; Financial Trouble; Operations Transferred; Company Restructured; Unprofitable; Reduced Business/Work; Merger/Acquisition; Other; Indeterminable)

First Layoff Date:

Final Layoff Date/Closing:

Union-Related Information:

Union Local: Number of Union Members Impacted:

IV. Response and Delivery Service Information

Type of Response: (Unknown; RRT; Phone Contact; No Response; Other)

Service Vehicles: (In-House Labor Management Committee; Union-Sponsored Task Force; On-Site Resource Center; Outplacement Agency; JAC; MWA; UIA; Peer Counseling)

Employee Services

Worker Orientation Meetings:

Meeting Dates:

Check Box if: Trade Adjustment Assistance

- | | | |
|---|---|---|
| <input type="checkbox"/> Auto Related | <input type="checkbox"/> Applied for TAA/ATAA | <input type="checkbox"/> Application Approved |
| <input type="checkbox"/> Company At-Risk | <input type="checkbox"/> Application Date: | <input type="checkbox"/> Certification Date: |
| <input type="checkbox"/> Application Denied | | |

Additional Information:

COMMENTS:

*As appropriate, updates to non-WARN events should be communicated to the appropriate WDA staff.