

SAMPLE: Layoff Aversion Plan

Whenever possible, local rapid response teams (Teams) shall approach Rapid Response activities from the perspective that layoffs should be averted through strategies that will retain or save jobs. The Statewide Rapid Response Coordinator (Coordinator) shall work closely with the Hawaii Department of Business Economic Development and Tourism (DBEDT), the Department of Commerce and Consumer Affairs (DCCA), as well as partners in Business Development to monitor corporate health of businesses and leverage relationships.

Upon receipt of a Worker Adjustment and Retraining Notification (WARN), or information that a company is experiencing hardship, the Coordinator shall make immediate contact with a company offer Layoff Aversion strategies or Rapid Response activities without delay. Information will be gathered on all downsizing companies regarding reasons for layoff as well as what, if anything, Teams and the Coordinator can do to avert or lessen the layoff.

This document describes several Layoff Aversion tools that Teams can implement prior to formal notice or request, and to help a company make changes that reduce or completely avoid layoffs. They include:

Sector Partnerships: Teams have established ongoing relationships with our business community through which we have created an environment that allows us to provide assistance to business that can help them succeed or overcome interim challenges in order to prevent or reduce layoffs. Hawaii's active Sector Partnerships include the Retail & Hospitality, Construction & Skilled Trades, Manufacturing, Information Technology, Healthcare Industries. In addition, the Team is . . .

Economic Analysis: The Team employs two economists to analyze data and trends within our community in order to identify businesses or sectors that may be distressed or at-risk of a layoff. The Team will proactively contact these businesses to offer services that may reduce or prevent the need to lay off staff.

Employed Worker Training: To assist the employer with upskilling its current workforce and increase its own competitiveness. This will also increase the job skills of the workforce if a layoff cannot be averted.

On-the-Job Training: To assist the employer with upskilling its current workforce and increase its own competitiveness. This will also increase the job skills of the workforce if a layoff cannot be averted.

Customized Training: To assist the employer with upskilling its current workforce and increase its own competitiveness. This will also increase the job skills of the workforce if a layoff cannot be averted.

Trade Adjustment Assistance: A program for eligible workers who have lost their jobs due to foreign competition. This will also increase the job skills of the workforce if a layoff cannot be averted.

Work-Share Program: The Team encourages local employers to increase utilization of the Work-Share Program to avert layoffs. Employers apply to the Work-Share Program to allow employees to keep working, but with fewer hours – employers can apply to reduce hours between 10% and 40% for all employees, or a group-unit of employees. While employees are

working fewer hours, a portion of their regular unemployment benefits are paid to them to supplement the lost work hours. The reduced costs allow employers to continue operations and quality levels.

Business Incentive Fund (BIF) Awards: OED's Business Development may make a strategic incentive investment of BIF funds to a company to retain its operations within the City & County of XYZ and sustain and grow the local economy and jobs. These funds can include grants to improve technology, infrastructure and equipment needed to increase the company's competitiveness.

Business Investment Program (BIP): Although not as financially significant as BIF Investments, XYZ business can apply for a business personal property tax credit to incentivize the expansion of facilities, addition of new employees, and purchase of new equipment.

Trade Adjustment Assistance for Firms: A federal program that provides financial assistance to manufacturers affected by import competition. This cost-sharing program through the Department of Commerce pays for half the cost of consultants or industry specific experts for projects that improve a manufacturer's competitiveness.

Additionally, the Teams will collaborate with network partners to help coordinate an aversion strategy by referring companies to other entities that can help the company make changes or identify capital that will result in completely avoiding a layoff or reducing the number of staff affected. Partners are invited to assist in identifying another entity that may purchase all or an underproductive department of the troubled company or merge with the troubled company which may also avert layoffs.

However, if a company must take action to reduce its workforce or close its doors, Team will be able to provide additional Layoff Aversion strategies that will reduce the impact through connecting workers at risk of dislocation to a new job with a different employer, thus experiencing little or no unemployment.

Reverse Hiring Events: When appropriate, Teams will host reverse job fairs to connect staff affected by the layoff with other companies from that industry sector with job openings. To maximize the effectiveness of these reverse job fairs, Teams will leverage its Industry Sector Partnership relationships within its targeted industries (Construction & Skilled Trades, Healthcare, Information & Technology, Manufacturing, Finance and Retail & Hospitality) and trade unions. Prior to these job fairs, Teams will provide affected workers information about updating resumes, interviewing skills, and if necessary, connection with other needed support services.

Rapid Response Workshops: The Team will collaborate with the Coordinator to schedule Rapid Response planning meetings and to conduct at least one Rapid Response workshop as outlined in **WIOA Bulletin 31-19 Statewide Rapid Response Policy Guidance** to connect affected workers with the benefits to ensure they find reemployment as quickly as possible.