

Presenter:
Winston Tompoe

Can You Do That With Rapid Response Funding?



UNITED STATES DEPARTMENT OF LABOR
Employment and Training Administration
Region 3 - Atlanta

FF TRADE & DISLOCATED & WORKER MEETING

Winning Strategies in Economic Decline



U.S. DEPARTMENT OF LABOR
Employment and Training Administration
Region 3 - Atlanta



RAPID RESPONSE
Solutions for Economic Transition



Why Are We Here?

- Our mission is to establish a comprehensive, collaborative effort to improve the Rapid Response system throughout the country by promoting consistent, high quality, timely and innovative responses to economic transition.
- There is no other group that does what we do



What is Rapid Response?

- **Required state function under the Workforce Investment Act**-funded by reserving up to 25% of the state's WIA Dislocated Worker allotment
- Provides **direct reemployment services** and **facilitates additional services and resources**; carried out by states and local workforce development organizations in partnership with One-Stop Career Centers
- Arranges for the provision of support services such as UI, health care, home heating assistance, legal aid, financial advice, and other forms of critical assistance to affected workers **and communities**

Faster Engagement = Better Results



AND....

Rapid Response is a primary gateway to the workforce system for both dislocated workers and employers

Sec. 665.300 WIA Final Rule says...

(a) Rapid response ... "activities necessary to plan and deliver services to enable dislocated workers to transition to new employment *as quickly as possible*"



Customized Consistency

Timely, consistent and high-quality services to workers and businesses

- **Timely and Consistent**

- Providing the right information and services, when, where and how needed to best serve workers and businesses
- It does not mean cookie-cutter or one-size fits all solutions

- **High-Quality**

- Proactive, comprehensive solutions that meet the needs of workers and businesses

The Shrinking Envelope of Innovation



The outer most line **(red)** represents Federal legislation.

The next line **(blue)** represents Federal regulations.

The third **(green)** represents state rules.

The last line **(orange)** represents local rules.

The distance between **orange** and **red** represents lost opportunities for innovation. Our mission is to get locals and states to maximize the flexibility allowed by law.

Job Training Vs. Talent Development (Reactive Vs. Proactive)



Job Training:

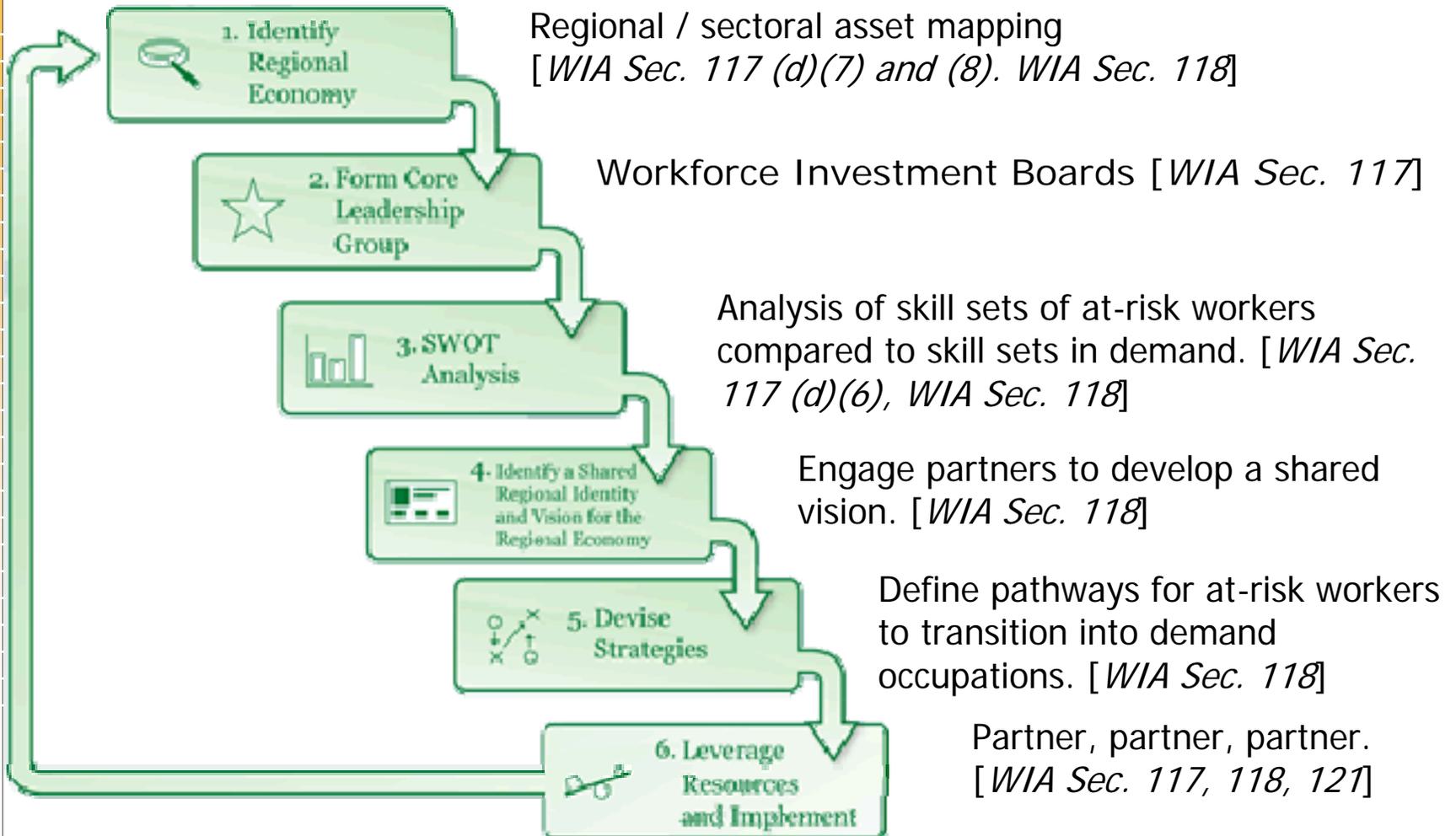
- **Transactional** →
- **Individual** →
- **Jobs that exist NOW** →
- **Immediate results** →
- **Workforce System operates more independently** →

Talent Development:

- **Strategic**
- **Sector focused**
- **CREATE/Expand jobs**
- **Longer-term, sustainable results**
- **WIS operates with and through partners**
- **Transformative in nature**



Transformation Model & WIA



Rapid Response: It's Not Just For Layoffs...



Rapid Response is **PROACTIVE**

- **Prepared**

- Delivered through a well-developed service infrastructure
- Fully integrated Layoff Aversion strategies

- **Early Intervention**

- Engaged with the regional economy including:
 - Labor
 - Economic Development
 - Business Community
 - Local WIBs & One Stops
 - Education

Solutions-Based Transition Management



Solution-Based Approach for Managing Transitions in an Evolving Economy.

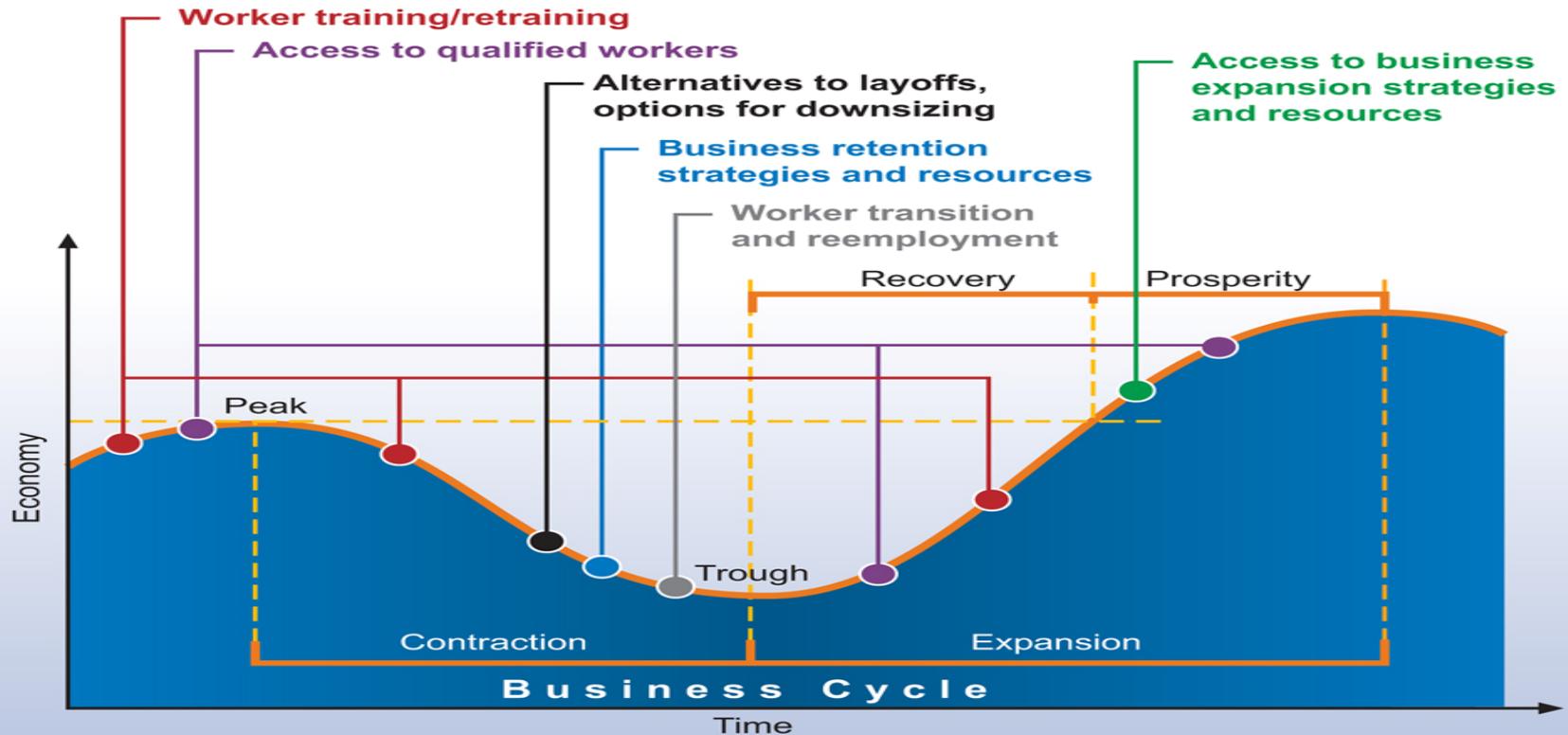
- Addresses the needs of employers, workers, and community through development of ongoing strategies to ensure long-term economic stability and growth
- Employs strategies gained from expertise, perspectives, and efforts of extensive network of partners and stakeholders



Rapid Response Throughout The Business Cycle



Rapid Response Benefits Businesses Throughout the Business Cycle



10 Rapid Response Quality Principles +1



1	Timeliness	The quicker information and services are provided, the quicker workers can start the reemployment process
2	Internal and External Partnerships	<ul style="list-style-type: none">• Help communities pull together• Provide access to a wide range of resources• Build collaborative opportunities
3	Leveraging Resources	Creates strong community support network that goes beyond Rapid Response and One-Stop activities
4	Seamless Service Delivery	Ensures efficiency and productivity in providing services and getting people reemployed

10 Rapid Response Quality Principles +1



5	Active Promotion	Marketing services through materials, media, websites, social networking, meetings, events, etc.
6	Layoff Aversion	<p>Strategies that help retain or save jobs:</p> <ul style="list-style-type: none">• Instant labor exchanges / Reemployment• Self-Employment Assistance (SEA)• Prefeasibility studies• Incumbent worker training• Workshare• Linkages to loan programs and other business assistance programs• Management or employee buyouts using ESOPs or conventional financing

10 Rapid Response Quality Principles + 1



14

7	Consistent and Accurate Information	Information specific to the worksite and community and includes non-job-specific referrals to services and agencies
8	Convenience	Meeting the schedules and location(s) that meets worker and business needs; connecting to One-Stops
9	Customer Choice	Customizing services to meet local or event-specific requirements enhances the success of helping people transition back to employment

10 Rapid Response Quality Principles +1



15

10	Measure of Success	<p>Measurable goals provide valuable feedback</p> <ul style="list-style-type: none">• Collect measurable data (ex.: How many individuals were processed?)• Determine if activities are successful• Identify potential problems• Make changes to ensure continuous improvement
+1	INNOVATE	Re-evaluate, Re-vise, Evolve!

Effective Planning Starts With Information Gathering



From the Regulations

- **665.320**

- **(a)(3)** Develop and maintain mechanisms for the regular exchange of information relating to **potential dislocations...**
- **(b)** In collaboration with the appropriate State agency(ies), **collect and analyze information related to economic dislocations, including potential closings and layoffs**, and all available resources in the State for dislocated workers...

[emphasis added]

Transition Management (The Employer)



- **Sample of Available Data Sets:**
 - New Hires / UI Claims
 - Mass layoff / WARN
 - Job postings
 - Small business loan rates
 - SEC filings (debt to earnings, profit margins)
 - USDA output reports
 - Commerce import/export reports
 - Bankruptcy filings
 - Utility usage rates / permit issuances

Transition Management (The Employee)



- **Skill set level information:**
 - Must include incumbent and dislocated
 - Job titles are not enough
 - Skill set mapping from industries in decline to growth sectors will lessen the impact on the workers and the community
 - Ideally conducted in at-risk industries prior to layoff events
 - The ultimate goal is *Instant Labor Exchange*

Transition Management (The Economy)



- **Regional Asset Mapping**
 - Service providers, community and faith based organizations, educational facilities, foundations
- **Economic Mapping**
 - At-risk employers, growth employers, infrastructure assets and needs, technology transfer (R&D) capabilities
- **Action not Reaction**



Skills Gap Analysis

- Provides actionable intelligence prior to layoff
- Allows local workforce system to develop and deploy strategic planning efforts ahead of layoffs
- Works best at the macro level
- Should focus on at-risk (and growth) employers and/or sectors

Layoff Aversion In The Modern Economy



From TEGL 30-09:

- **ETA considers a layoff averted when:**
 - a worker's job is saved with an existing employer that is at risk of downsizing or closing; or
 - 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 no or a minimal spell of unemployment.



What is Layoff Aversion?

- **Layoff aversion activities exist as a continuum of potential approaches**
 - Layoff Forecasting/Early Warning Networks
 - Full layoff aversion (rare)
 - Pre-feasibility studies, buyouts, ESOPs, etc
 - Lessening the impact of a layoff (the norm)
 - Workshare Programs
 - Company Match (growing employers with layoff employers)
 - Incumbent Worker Training
 - On-the-Job Training



Continuum of Layoff Aversion

1

Saving the Company or Jobs

- Lessening the number of employees that the company needs to layoff
- Work-share / Furloughs
- ESOPs - Employee buyouts
- Finding a buyer for the closing business
- Linking with Economic Development
- Incumbent worker programs

2

BROADER IDEA: Lessening the Impact of Layoffs

- Fewer people filing for UI benefits; Fewer weeks claimed
- Linking with other companies that are hiring (Company Match)
- OJT programs-linking with growing companies
- Early warning networks
- Effective partnerships



Instant Labor Exchange

- Skill set analysis mapped to regional economy will result in the identification of career pathways
- Short-term training with sufficient notice/awareness of layoff will allow for workers to be trained prior to actual layoff
- Real world examples already happening



UI = Workforce Development

- **Workshare (Short-Term Compensation)**
 - Allows employers to retain skilled workers (18 states)
- **Self-Employment Assistance (SEA)**
 - Allows entrepreneurship training while receiving UI (9 states)
- **UI Training**
 - Allows UI claimants to participate in WIA, TAA and other training programs to improve employability
- **Additional Benefits during Training (ABT)**
 - Additional, state-funded benefits for individuals in approved training (7 states)
- **State funds available for training purposes**

Other Uses of Rapid Response Funds



- **State-Based NEG**
 - Rapid Response funds used to assist local areas in responding to events that do not otherwise qualify for a NEG
- **Gap-Filler**
 - Covers the gap between layoff and NEG - NEG funds used to replenish set-aside funds
- **Trade “wrap around” services**
- **Small Business Assistance Services** (see 29 CFR 667.262(b)(4))

“Active participation in local business resource centers (incubators) [*One-Stops*] to provide technical assistance to small and new business to reduce the rate of business failure...” [*added*]



Temporary Transition Centers

- Ideal for large-scale layoffs, in locations away from existing one-stops or in disaster scenarios
- Most successful if placed onsite or near-site
- Should include community partners
 - Food banks, heat and rental assistance, other social service agencies and organizations
- All costs for operations would be allowable under Rapid Response
 - Staff can be from multiple programs: WIA, ES, UI, etc.



Technology

- Crosswalk skill sets of impacted workers to regional economies
 - REMI, EMSI, TORQ, etc.
- GIS to map dislocations, growth employers and available resources
- Laptops, cell phones, etc. for Rapid Response staff
 - Mobility and connectivity are two key aspects of strong rapid response services

NOTE: Mention of a particular product does not constitute an endorsement thereof. ETA does not endorse particular products or vendors.



Community Transition Teams

- Comprised of a variety of community members
- Develop Local Resource Guide
- Provide non-employment and employment related workshops
- Holds community and fundraising events to pay for life expenses not covered by WIA supportive services



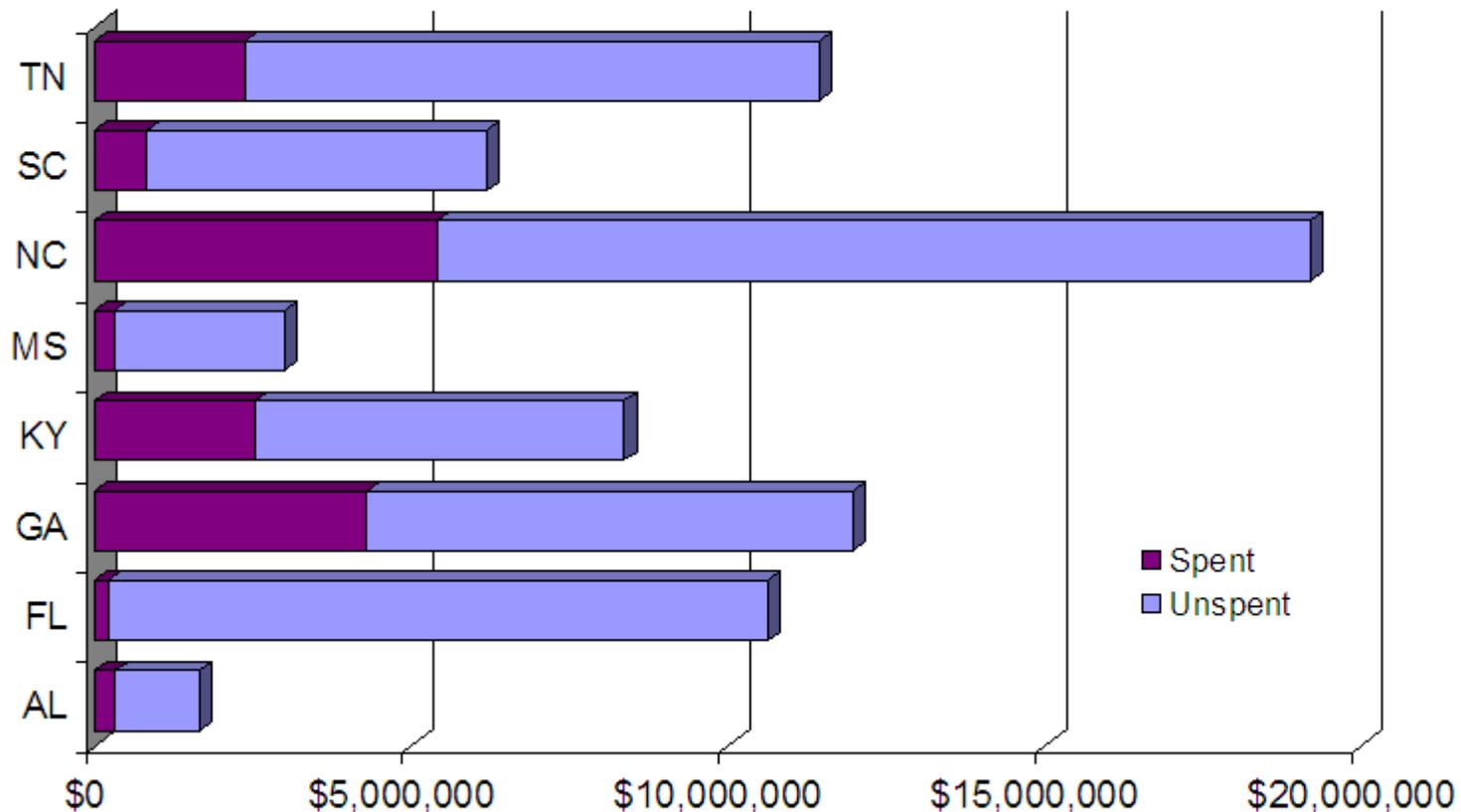
Rapid Response Funding

- **\$352m unexpended as of 12/31/2010**
 - \$62m is ARRA funding
- **Region 3 States**
 - \$9.2m of \$29.6m in ARRA RR funds unexpended
 - \$56.2m of \$72.4m in Regular RR funds unexpended

Region 3 Rapid Response Funding As Of December 31, 2010



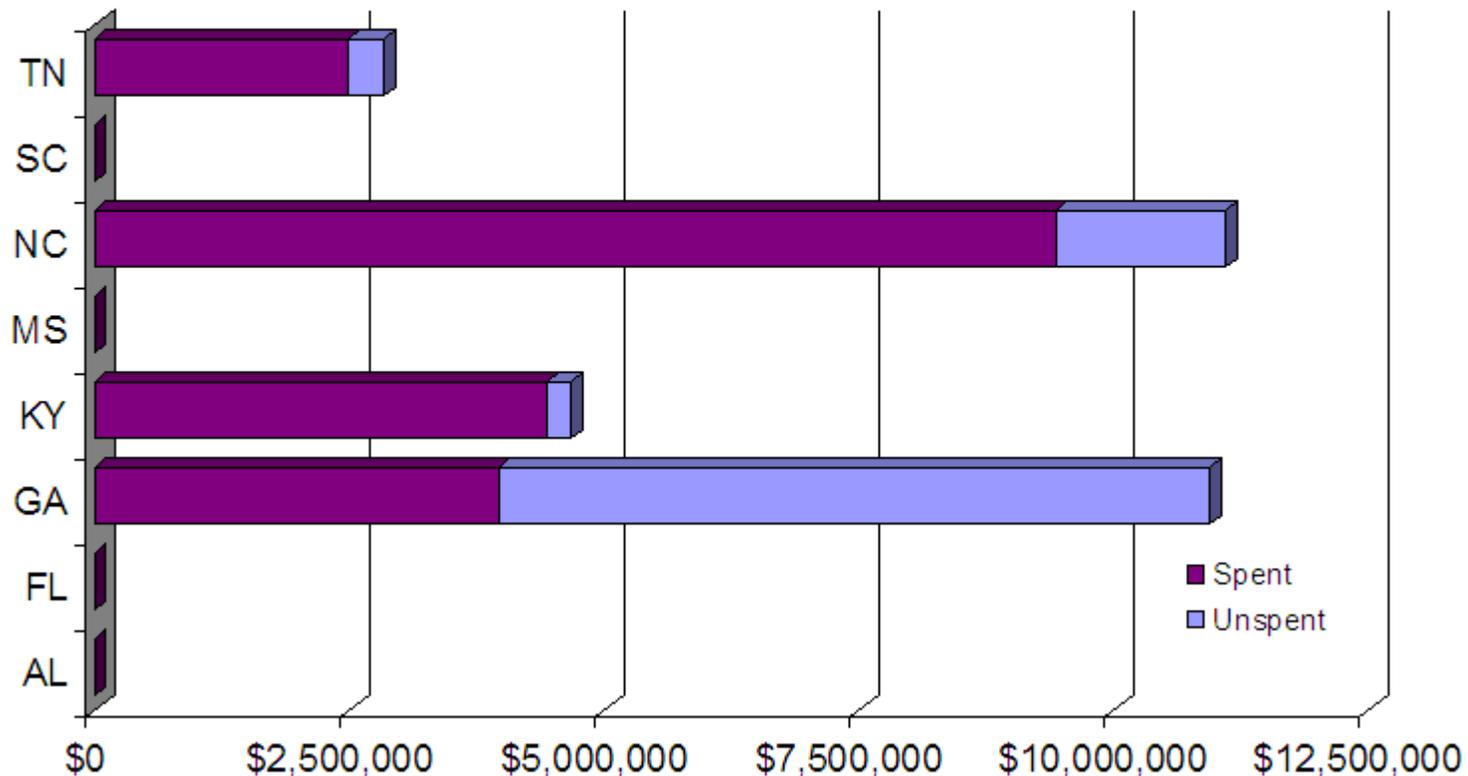
Statewide Rapid Reponse (Non-ARRA) PY10 Availability and Expenditures



Region 3 Rapid Response Funding As Of December 31, 2010



Statewide Rapid Reponse (ARRA) PY10 Availability and Expenditures



Questions

