Coping with Layoffs: Current State Strategies for Better Rapid Response

by Maria Heidkamp and Ronnie Kauder

This brief examines the issue of state rapid response practices that are designed to coordinate the delivery of a wide array of services to displaced workers. It summarizes the efforts of several states, identified by national experts as having promising practices, in the service delivery, organization, and evaluation of rapid response activities. It particularly highlights those states that combine post-layoff activities with strong proactive layoff aversion and worker transition assistance.

Introduction

Under the federal Workforce Investment Act (WIA), state governments are required to carry out rapid response activities designed to assist workers affected by a layoff in getting quickly connected to public worker assistance benefits and services such as unemployment insurance, career counseling, and job search. Rapid response activities include, at a minimum, contact with the employer (preferably on site), contact with representatives of the affected workers, and communication with the local community to assess the scope, size, and duration of a layoff or other dislocation as well as provide information to workers and the community on available reemployment services.

The main rationale for rapid response is grounded in research that demonstrates that early intervention before or immediately after a layoff notice is critical to alleviating long-term unemployment. Experience in the United States and internationally has shown that workers facing a layoff are more inclined to take advantage of, and benefit from, adjustment services before they leave their present job than after they leave the firm or organization.

Rapid response, however, can be more than a series of reactive activities triggered by a layoff notice. According to WIA regulations, state rapid response teams may also work with business and industry councils, labor organizations, and federal, state, and local agencies — including economic development — to develop a range of prospective, proactive strategies for addressing potential dislocation events. These options include layoff aversion activities and the regular exchange of information between state government, employers, labor unions, and community officials relating to potential worker dislocations.

Examples of proactive measures include the development of partnerships and strategies established in advance of major layoffs that can yield information — that is, intelligence that is vital to creating a more effective state rapid response system. Federal legislation called the Worker Adjustment and Retraining Notification Act (WARN) requires...
employers with 100 or more employees to provide at least 60 days advance notice if they plan to lay off 50 or more workers, or more than one-third of the employer’s workforce, whichever is greater. National experts, however, estimate that only 10% to 33% of rapid responses nationwide are triggered by WARN notices,\(^1\) thus providing state governments with little information about impending dislocations. A 2004 Work Trends survey conducted by the John J. Heldrich Center for Workforce Development found that nearly 30% of firms reported that they provided no more than one week’s notice. Since the survey focused on small firms with few employees, the findings reflect the experience of businesses that may lack the cash reserves and have limited ability to manage layoffs. At the same time, however, more than one-third of workers from the survey (38%) said they received no advance warning of job loss. Another 13% of workers received notice only one week before a displacement.\(^2\)

Proactive rapid response activities can also be used to assist with worker transition assistance in which a state looks to map the skill sets of employees in declining industries—prior to layoff events—and identify jobs requiring similar skills in growing sectors of the state’s economy. The goal of such transition management services is the creation of an instant labor exchange where potential career pathways and appropriate short-term training opportunities for at-risk workers are identified in advance of a dislocation.\(^3\)

Finding #1: State governments profiled view rapid response as a critical service to state residents and, as such, give rapid response professionals a prominent and clearly defined role in the workforce development system.

A strong, well-articulated state government role contributes to a rapid response system that is able to achieve consistency across regions of a state. In the best practice states, rapid response is elevated to the level of a critical service. State government involvement in rapid response varies widely across the nation, from a highly centralized system of control over the process to little more than receiving WARN notices and passing the information on to a local entity for services. Yet, however states organize their rapid response function, a prominent, well-defined state role appears to contribute to a consistent and effective system.

States with relatively strong roles in rapid response include Massachusetts, Pennsylvania, and Minnesota. In these states, dedicated, full-time state government staff in central
offices (and, in Massachusetts and Pennsylvania, in regional field offices as well) have primary responsibility for delivering core rapid response services, especially for large layoffs involving more than 50 people. In each state, the rapid response staff functions as a team, with regular interaction of the central and regional state staff, along with joint opportunities for staff development, brainstorming, and problem-solving about particular situations. In Massachusetts and Pennsylvania, rapid response state field staff may be deployed to support staff in other regions of the state based on workload. In Minnesota, the team includes full-time state employees plus a labor consultant and an employer association consultant.

Over the past decade, a number of states have moved toward delegating key rapid response functions to local workforce investment areas. A primary disadvantage of this approach is the difficulty in achieving consistency across local areas. Another is that workers from a given layoff may live in multiple local workforce areas, complicating rapid response service delivery. States such as Texas have managed to address these challenges by developing a strong state role in monitoring, providing technical assistance and training to local areas, and having the state coordinators step in several times a year for large and complicated layoffs affecting multiple jurisdictions.

**Finding #2: State governments profiled deliver rapid response services and activities through a well-trained, highly capable, and professional staff that functions as a team.**

Whether rapid response is primarily a state or local function, those who carry it out should be well trained. Heldrich Center research found that states consider a number of attributes essential to the success of a proactive rapid response specialist; that is, people who are dynamic, dedicated, flexible, and able to think and make decisions quickly. Pennsylvania, which asserts that its rapid response specialists are the hardest working employees in the state, includes a sense of humor as an essential basic skill for the job as well as resourcefulness, ability to maintain a positive attitude, neutrality, the willingness to work non-traditional hours, and a commitment and passion about rapid response. The state’s nine rapid response regional specialists are at the highest non-supervisory, non-management pay grade of state staff. All nine regional specialists have the same title and grade.

Given the potential demands of the rapid response specialist’s job, it helps if they are perceived as having a seat at the table. In other words, a rapid response specialist benefits from having a certain amount of clout and authority. Michigan’s rapid response coordinator position has been redefined to elevate its profile — with a new direct reporting link to the deputy director of the Michigan Department of Labor and Economic Growth. In Pennsylvania, training is important, and the state has developed a seven-module competency-based training program for its state rapid response specialists. The training is conducted once a month for seven months and helps the rapid response unit to function as a team. In Texas, state officials are currently enhancing training for local rapid response staff, in reaction to a statewide increase in high-visibility layoffs and high turnover in local workforce and contractor staff. The state is developing an introductory rapid response training video, which will be available on its intranet for local workforce boards. In North Carolina, state officials have also produced training videos for local areas.

**Finding #3: State governments profiled engage in proactive activities and focus on maximizing partnerships and interactions that generate timely information about impending layoffs.**

Given the well-documented limitations of federal WARN legislation and the critical importance of early intervention, developing a robust capacity for economic and workforce intelligence is a foundation for successful
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### A Snapshot of Pennsylvania’s Competency-Based Training for Rapid Response Specialists

- **Module 1: Understanding individuals, groups, and cultures.** This module is designed to develop competency in compassion, understanding others, and interpersonal savvy. The courses focus on communicating despite differences and understanding differences.

- **Module 2: Execution.** This module concentrates on directing others, managing vision and purpose, informing, and organizing. These are essential competencies required for marshalling resources and functioning as part of one or more teams.

- **Module 3: Presentation skills.** This module teaches rapid response specialists to be effective in a variety of formal presentation settings, both inside and outside the organization, and how to change tactics midstream when something isn’t working.

- **Module 4: Crisis and disagreement.** This includes conflict management, composure, and negotiating skills, and uses material from “Verbal Judo,” a course originally developed for police officers to calm difficult people who may be under severe emotional distress, redirect the behavior of hostile people, and defuse potentially dangerous situations.

- **Module 5: Decision-making.** This module concentrates on how to make decisions in a timely manner, sometimes with incomplete information and under tight deadlines and pressure.

- **Module 6: Understanding customer needs.** This focuses on meeting the expectations and requirements of internal and external customers.

- **Module 7: Understanding groups and cultures.** The competencies taught in this module include political savvy and organizational agility.

### Reaching Affected Workers Early

Successful rapid response activities require reaching affected workers early to improve their chances for quick reemployment. In response to problems with the existing WARN system, 16 states have enacted state layoff legislation or “mini-WARNs” that require 60 to 90 days notice and, in some instances, increased penalties for non-compliance.

In an effort to be more proactive, many state rapid response units and their economic development and business services partners have developed other information channels, both formal and informal, for receiving intelligence about impending layoffs. Pennsylvania’s rapid response specialists estimate that 90% of the team’s rapid response work came about outside of WARN notices. Even in cases where a WARN notice was issued, the rapid response team was often already there. Most of Pennsylvania is covered by the private, non-profit Steel Valley Authority’s Strategic Early Warning Network, which is designed to increase the rapid response team’s awareness of information that can lead to early interventions and to assessments of whether layoff aversion activities can be employed. These layoff aversion strategies might include financial restructuring, buyouts, succession planning and ownership transfer, and other services. The Massachusetts rapid response program is in the midst of developing a new forecasting system involving a collaboration of 30 state agencies, with subgroups devoted to labor market information, business visitation, and communications and marketing. This forecasting initiative will be able to equip the Massachusetts rapid
response team and others with new business intelligence data, as well as new partnerships that in turn will enable them to respond more proactively in more situations.

Texas has instituted a global mailbox called Layoff Notification Central that goes through the Texas Workforce Commission. If one local workforce board sends a layoff notice to the state, everyone across the state is notified, thus allowing rapid response officials to better identify trends. Texas also makes use of labor market information and trend data generated by an industry cluster initiative run by Workforce Business Services and coordinated with the workforce boards. The New Hampshire rapid response program, which until recently was housed in the state’s economic development agency, created a business visitation program now in use in other states such as Maine. Business visitation involves visits to companies to find out what challenges they face, whether they are expanding or downsizing, what kinds of services they need, and what kinds of services the state has available, including rapid response. A business visitation program, usually considered a business retention strategy, is an opportunity to interact with employers in a non-threatening, non-crisis environment. Programs often rely on a mix of trained volunteers and state staff. Other states, such as Colorado, reach out aggressively to employer associations to learn about impending layoffs, or have instituted regular communication vehicles with state economic development officials such as in Michigan.

Educating Employers About Available State Services

Many states also seek to increase their chances of receiving advance layoff notice and promoting rapid response services through various marketing, trust building, and information dissemination strategies to the business community. Many states, however, fail to market the benefits of rapid response services effectively. In Massachusetts, state officials surveyed employers and found that while most employers only heard of rapid response after filing a WARN notice, they were generally satisfied with rapid response services and would have preferred to have known about rapid response in advance to making any layoff plans.6

Techniques that have been used by states effectively to market rapid response services include production of a video in Minnesota describing rapid response services for workers (available in three languages) and a planned employer video that will make use of employer customer satisfaction data currently being collected; development of professionally produced brochures, distributed by the Alameda County workforce investment board in California, aimed at increasing employer interest in rapid response services; and the launch of an outreach program in Massachusetts designed to promote rapid response and other reemployment assistance services to business groups and associations such as the chamber of commerce.

Elements of a Successful Rapid Response Message: Recommendations from State Rapid Response Professionals

- Appeal to employers’ civic responsibility and corporate pride.
- Emphasize the corporate bottom line.
- Explain that the rapid reemployment of workers benefits the local economy and community.
- Provide evidence that handling layoffs humanely improves morale for those employees staying, and lessens the chance for sabotage or declining productivity during a transition.
- Remind employers that the faster workers find jobs, the lower the costs the business will face in unemployment insurance.
Meeting Employers and Employees Early in the Layoff Process

Upon notification of a layoff, state government rapid response activities typically involve making arrangements for a planning meeting with the employer and the labor organization or employee representatives. The initial meeting serves several purposes — to get the employer’s cooperation during the layoff transition period, help the state obtain demographic and other information about the workers (such as types of occupations, salary ranges, educational levels, genders, and age) to assist state officials in determining the immediate needs of the affected workers, help gain access to the affected workers and arrange for the delivery of early intervention services such as workshops to address specific worker needs, and help verify closure timeframes and anticipated production schedules (if applicable) during layoff transition. It can also provide an avenue for the state to explore possibilities for layoff aver- sion, which can include the state’s shared work program, opportunities for incumbent worker training, and referrals to other appropriate workforce and economic development resources.

According to national experts, for too many states, the initial meeting comes too late after a notice has been filed to have the maximum effectiveness. While scheduling the meeting without delay is optimal, who to include in the initial meeting varies across states. For example, in both Minnesota and Massachusetts, the initial meeting is the purview of the state rapid response staff alone. In Wisconsin, the local workforce board officials are involved in the meeting. In Alameda County, California, a maximum of two rapid response officials attend the meeting on the assumption that the employer may share potentially confidential information more willingly with fewer people in the room.

If the company is unionized, most state rapid response specialists look to involve management and employee and/or union representatives in the first meeting. Some meet the employer and employee representatives separately when necessary. Across the nation, state rapid response professionals report that, in general, employers are reasonably cooperative and receptive to the state’s initial rapid response overtures. Typically during the initial employer interview, the state rapid response teams strive to convince employers to allow for on-site employee information sessions and to allow workers paid time to attend these orientations. If appropriate, states such as Pennsylvania and Minnesota suggest the establishment of a labor-management committee. Some teams strongly prefer a face-to-face meeting with the employer so that they can get a feel for the workplace before meeting with affected workers.

In the situation where an employer shuts down without notice, state rapid response specialists strive to get contact information about the affected workers and attempt to contact them by mail. Other suggestions for outreach include placing announcements for an orientation session in newspapers or in public places frequented by workers, such as local retail and dining establishments, community centers such as libraries, and places of worship.

Finding #4: State governments profiled provide the maximum amount of pre-layoff transition assistance to workers facing job loss, and follow up with effective post-layoff assistance where necessary.

The pre-layoff period represents the greatest opportunity for state rapid response officials to reach and begin to serve affected workers. Multiple intervention activities — designed to engage employees who may be at different levels of acceptance of the job loss and transition process — are critical. National experts and state officials agree that if a strong connection is not made during this period, the affected workers are likely to disappear from the system after layoff. According to national experts and state practitioners, certain conditions make it more likely that workers will be receptive to pre-layoff help; these include:

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The worker must believe that reemployment assistance services can help, and they must be given specific information about how to access them;

- Rapid response staff conducting the worker orientation and providing services must have credibility;

- If an employer contracts with an outplacement firm to provide reemployment assistance, the services of this firm should be coordinated with those that are provided by the state/local rapid response team; and

- Using labor-management committees and peer counselors can increase the chances that affected workers will seek state reemployment assistance services.

For the workers scheduled for layoff, the rapid response employee orientation is often the first in-person step in any state’s early intervention process. The challenge for states, however, is to be able to effectively demonstrate that the information communicated to workers relates to their specific situation and is meaningful in terms of their future work plans. Ideally, national experts and state officials agree that the rapid response employee orientation should be on site and on company time, and should include basic information about accessing unemployment insurance, job training, trade adjustment assistance benefits (if applicable), and other support services. In states such as Massachusetts, officials also offer job placement services and workshops on site at the employer location or at a union hall. Services can include career counseling, classes in English as a Second Language, GED preparation, and targeted job placement assistance. Massachusetts state officials also work with an association that represents outplacement firms as well as seek local companies that are hiring as part of activities under the state’s Company Match program.

Several national experts commented that states should be taking better advantage of sophisticated labor market information software and mapping tools to support their rapid response efforts, connecting data from public and proprietary databases to track regional employment trends, and matching skills of laid-off workers with employers who are hiring.

Finally, rapid response activities involve partnerships with ongoing state workforce and economic development initiatives. In Pennsylvania, rapid response supervisors are an integral part of the state’s workforce and industry partnership programs. Massachusetts’s rapid response team, in partnership with the Worcester Polytechnic Institute, has developed a certificate program to retrain chemical workers facing layoffs by Polaroid for new jobs in the biotechnology sector.

In North Carolina, Forsyth Tech Community College developed a program called “Textiles to Technology” that collaborates with several regional community colleges and One-Stop Career Centers providing training to displaced textile, furniture, and tobacco industry workers to prepare them as biotechnology lab technicians. And, the Bay Area Biotech Consortium Career Path Project in California’s Alameda and San Mateo Counties has targeted dislocated airline mechanics who...
lost jobs after the terrorist attacks of September 11, 2001, as well as displaced information technology workers from the dot.com bust. Working with Genentech, the area’s major employer partner, the Consortium developed a three-month, 200-hour curriculum. Genentech then provided a three-month internship and on-the-job training for graduates of the training course. Those who successfully completed the internship were offered jobs as well as access to additional training opportunities through the Career Path Project.9

An effective rapid response is also one that is part of an integrated pre-layoff/post-layoff adjustment process for affected workers, not a standalone event. Fundamentally, state rapid response systems need to be able to quickly and effectively connect dislocated workers with additional reemployment services and supports after layoff. In most of the United States, the One-Stop Career Centers are the presumptive service providers for dislocated workers served after rapid response. State and local officials interviewed agree that the keys to successfully providing post-layoff services through the One-Stop Career Center system include:

- **Providing a welcoming environment at the One-Stop Career Center.** In some states and localities, One-Stop Career Centers suffer from the perception that they primarily serve low-skilled individuals with limited work histories. In order to effectively serve all workers, the atmosphere at the One-Stop Center needs to be appropriate for all types of workers — from low-skilled, entry-level workers, to middle-skilled workers, to high-wage professionals. Maryland and New Jersey are among states that have put in place special services dedicated to serving higher wage service professionals, such as those from the financial sector.

- **Offering services specifically targeted to the area’s dislocated workers.** These might include job fairs, self-employment assistance, or clear information on how to obtain job training. Helping dislocated workers obtain recognized credentials, especially academic credit, after they are laid off can be important to the long-term re-skilling of many workers. New York established a Dislocated Worker Assistance Center co-located with the One-Stop Center in Utica and offers more intensive case management services and specialized counseling. Some state programs, like Michigan’s No Worker Left Behind program, offer tuition assistance to dislocated workers or waive their tuition at public institutions altogether.

- **Defining responsibilities and roles through written agreements between rapid response and One-Stop Career Center staff.** Massachusetts has developed written Memoranda of Agreement between rapid response officials and all 37 One-Stop Career Centers in the state that are reviewed each year to ensure a seamless delivery of services.

- **Making use of information contained in the state’s workforce case management computer system.** Pennsylvania has invested heavily in training both WIA Title I and Wagner-Peyser staff in case management and has recently implemented a new, integrated, and comprehensive computer system to track services provided by all One-Stop Career Center partners. New York enters initial information for every person seen by rapid response staff into its One-Stop operating system, thus allowing most One-Stop Centers in the state to access data and continue re-employment assistance services to these workers.

In addition to offering services available at One-Stop Career Centers, experts agree that there are other strategies being used by states that improve post-layoff service delivery; these include:

- **Allocating dedicated funding and attention to large dislocations.** In Minnesota, dislocations affecting at least 50 people who need employment transition services are considered projects, meaning the
state forms a dedicated employee-management committee (EMC) and designates funding in response to the dislocation. The EMC then competitively selects a local program operator (there is no presumptive service provider) to provide a full range of services to the affected workers. The program operator could be the local One-Stop Career Center operator or another independent provider. Many states also apply to the U.S. Department of Labor for National Emergency Grants when the layoff is very large and the state has an insufficient WIA dislocated worker funding stream.

- **Initiating labor-management adjustment committees.** These committees can be an effective means to strengthen reemployment efforts, particularly when they are comprised of individuals who are working at the affected employer locations and are able to continue their activities after layoffs. Labor-management committees are known by many different names including worker adjustment committees, employee-management committees, joint adjustment committees, and/or dislocated worker transition teams. Pennsylvania makes extensive use of its dislocated worker transition teams, using them to join with other stakeholders to develop and implement plans to ensure that workers facing layoffs are able to use all available public and private resources and assistance. Minnesota uses its employee-management committees to select service providers, develop a strategic transition assistance plan, and carry it out.

- **Training affected workers as peer counselors.** Several states, such as Illinois, Michigan, and Maine, have developed peer counselor programs that identify and train dislocated workers to act as advocates and counselors for their peers. Maine, for example, enacted legislation that requires the use of peer support workers when a layoff affects over 100 workers. The state’s rapid response personnel hire individuals from the company undergoing layoffs for a period of 3 months to 12 months, and train them in the area of counseling, state and local policies and procedures, and the depth of reemployment services and supports available to dislocated workers.

- **Initiating community transition teams.** Community transition teams bring together representatives from local private and public organizations that may be able to assist dislocated workers in the affected region. Organizations that participate may include, but are not limited to, town officials, banking institutions, community colleges and adult education organizations, social service agencies, and others. In Maine, community transition teams often develop resource guides that include information about local workforce and social services, and help arrange for educational workshops on topics such as financial management, access to low-cost/no-cost health and mental health care, and planning for retirement.

**Finding #5: State governments profiled are quick to get resources where needed, use resources flexibly, and track expenditures.**

Under WIA, states may set aside up to 25% of their State Dislocated Worker funding received under Title I for rapid response activities. Yet within the past five years, a number of states have experienced the rescission of rapid response funds by the U.S. Department of Labor due to under-expenditure mainly, as reported by states, as a result of diminished layoff activity combined with a lack of understanding of the allowable flexibility in the use of rapid response funds.

States vary in terms of what they reserve for rapid response activities and services. As many as 22 states reserve the full 25% for rapid response while the rest reserve varying amounts. Some reserve as little as 5% to 10%, and allocate the rest to local workforce areas for regular dislocated worker programs.
Each state uses funds consistent with its own policy decisions. In states where the rapid response function is decentralized to local workforce investment board areas, states allocate a substantial amount of the rapid response funding to the local level. For example, in Texas, rapid response funds are bundled with dislocated worker fund allocations to local areas and the state monitors how much is expended in the rapid response category. In California, 50% of rapid response funds are allocated to local workforce investment board areas through a formula that includes a baseline allocation, actual layoff activity, a hold harmless provision, and special projects, competitively bid. New York received a waiver from the U.S. Department of Labor to transfer up to 25% of its rapid response funds into statewide activities in order to fund incumbent worker training.

Beyond each state’s responsibility to allocate sufficient funds to carry out traditional rapid response functions, there are several techniques that states use to get funding quickly out the door. For example, Wisconsin has a procurement waiver on WIA funds going to workforce investment boards that allows the state to turn money around very quickly. Wisconsin gives local areas a $25,000 start-up grant to begin providing services where needed. Minnesota’s employee-management committees select service providers. The state puts out a “call for competition” within 24 hours of a WARN notice and gets bids within 24 hours of that. The state then releases a small grant of $5,000 to $10,000, which it calls an “Early Readjustment Assistant Grant,” and then considers larger proposals for additional funds. Massachusetts has established a set aside of $1 million in rapid response funds to use in situations that warrant additional services. They use it if a dislocation is too small for a National Emergency Grant or as a bridge if application is made for the National Emergency Grant. (If the National Emergency Grant is successful, the set-aside money is returned.) The state also uses this money for extra staffing, especially in Trade Act situations, and to offer pre-layoff training for workers in labor-demand fields. Pennsylvania makes funds available to its Dislocated Worker Transition Team, giving them the ability to provide advice and assistance to carry out rapid response activities and to design and deliver customized services to affected workers.

Some states also strive to take advantage of the flexibility allowed in the use of rapid response funds. For example, some sequence and integrate Trade Act and WIA dislocated workers services. Ohio uses rapid response funds for health insurance continuation. Massachusetts uses funds to engage in targeted sector strategies, and Minnesota has invested dollars in promotional and informational materials, which have been translated into several languages. Minnesota has also developed customer feedback and performance measurement systems. Many other states use rapid response funding for incumbent worker training, workforce intelligence, and layoff aversion activities.

Several states, including Minnesota, Washington State, and New Jersey, have also established state-funded programs that supplement federal dislocated worker programs by adding on to the state unemployment insurance tax or through additional general state revenues.

Whatever choices a state makes in the use of rapid response funds, experts agree that the procedures for accessing and using funds should be transparent and understood by local workforce investment board areas and other partners, as well as carefully monitored to allow for the quick reallocation of funds if situations change.

Finding #6: State governments profiled monitor and evaluate the results of their policies, collect customer feedback, and seek opportunities for continuous improvement of their services.

Governments in states profiled in this brief have taken efforts to capture information on employers as well as job seekers who use rapid response services. Several states, such
as Texas, Massachusetts, and Minnesota track rapid response activity for both employers and individuals. Other states, including Minnesota, collect and measure customer satisfaction of employers, individuals, and other involved parties. Very few states have established outcome measures strictly related to rapid response. Most do not measure outcomes beyond the standard WIA dislocated worker measures or the new U.S. Department of Labor common measures.12

States, such as Massachusetts, use the information to assess results. Using its MOSES information system, the state looks at all activities — how many rapid response workshops were conducted, how many individuals were seen in pre-layoff activities, the types of services provided, what companies individuals were referred to, how many secured new jobs before collecting unemployment benefits, and how many workers later visited One-Stop Career Centers.

Other examples of tools for monitoring and measuring rapid response impact used by states include:

- **Establishing a layoff monitoring database.** Minnesota’s workforce database monitors the flow of services to an individual, beginning with rapid response activities. All major workforce development programs are included in the same web-based information system (WorkforceOne), so the state is capable of monitoring the individual’s activity through all services, including those under WIA, Wagner-Peyser, and Trade Act. Minnesota also maintains a count of layoffs by industry and county.

- **Developing a service provider scorecard.** Minnesota monitors the performance of all service providers, and furnishes a scorecard to employee-management committees. Using the scorecard, employee-management committees are able to make better-informed provider selections with data on whether previous customers exited the program into employment, kept that job for at least six months, and what their average earnings were in that new job (common measures).

- **Active monitoring of workforce investment board activities.** With its highly decentralized system, Texas looks at how workforce investment boards are performing through use of a database that monitors all layoff activity, including the number of workers dislocated by company. The state regularly reviews the number of workers affected versus the number served in WIA programs and requires local workforce investment boards to explain identified problems or gaps.

- **Providing information to the public.** Alameda County, California monitors all layoffs and company closings by employer. The information collected includes the name of the employer, the union representing workers (if any), the location by town/city, the industry, the layoff date, the number of affected workers, and the Trade Act status. This information is posted on the local workforce investment board website, www.acwib.org, under “Downsizing.”

- **Collecting customer feedback.** Alameda County, California, Massachusetts, and Minnesota collect employer customer feedback. Their tools measure satisfaction with such items as initial contact, initial employment meeting, the worker orientation, services provided (if any), the impact on employee morale, and the impact on human resource costs. Alameda County also collects feedback from the workers, asking them to assess the behavior and knowledge of rapid response staff, the helpfulness of information collected, and the usefulness and benefit of rapid response services, for example.
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Conclusion

Most Americans now recognize that the U.S. economy and labor market are in recession and undergoing a structural change that will fundamentally restructure the workplace, resulting in thousands of increased layoffs of American workers in the coming months and possibly years. Since the 1980s, layoffs have become commonplace with the majority of layoffs hitting the manufacturing sector the hardest. In the 1990s, the nation witnessed rising involuntary job loss for workers in a wider range of industries and occupations, especially for white-collar workers and professional graduates.13 Today, almost all industry sectors are losing employment with limited exceptions (such as government, health care, and education) but given recent state financial problems, growth in these industries may prove that even these jobs are not recession proof.

With the economy predicted to remain in recession for an unknown period, it becomes important for states to be more effective in the delivery and management of the vital rapid response services they are charged with providing. States will need to adopt better pre-layoff and post-layoff practices, and look to combine post-layoff activities with stronger proactive layoff aversion tactics. Connecting workers affected by layoffs with more timely and higher quality worker transition assistance, as well as connecting more effectively with businesses shedding workers, will continue to be a significant challenge for states.

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Endnotes

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About this Brief

This brief is the result of research conducted by the John J. Heldrich Center for Workforce Development on trends and practices in rapid response activities and services across the United States. A central goal of this research is to highlight identified promising practices and lessons useful to state officials and public policymakers. Telephone interviews were conducted with 10 national experts as well as with officials from states or local areas that were identified as either having exceptional practices or are currently in the midst of reviewing their own rapid response systems. In addition, the Heldrich Center conducted a review of rapid response and displaced worker literature and reviewed state reports and public documents.

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The John J. Heldrich Center for Workforce Development, based at the Edward J. Bloustein School of Planning and Public Policy at Rutgers, The State University of New Jersey, is a dynamic research and policy center devoted to strengthening the nation’s workforce. It is one of the nation’s leading university-based centers devoted to helping America’s workers and employers respond to a rapidly changing 21st Century economy.

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