

# WORKFORCE DEVELOPMENT | DEFENSE INDUSTRY ADJUSTMENT

## WHITE PAPER

### FINDINGS & RECOMMENDATIONS FROM WORKFORCE DEVELOPMENT AREAS

#### **Current state of the Washington Rapid Response system**

The Worker Adjustment and Retraining Notification (WARN) Act requires companies planning a mass layoff to notify workers 60 days before the closure. Companies with 100 or more employees and plants with 50 or more employees in a single location must provide written notice of the layoff or closure. A WARN triggers Rapid Response teams (consisting of Employment Security, Workforce Development Areas, and other partners) to reach out to local area employers and schedule a Rapid Response event. These events are generally informational in nature, providing details on unemployment insurance, healthcare options, WorkSource job search services, and other support services. Any hands-on, one-on-one help for employees being laid off typically happens AFTER the Rapid Response event when individuals voluntarily visit a WorkSource office (for job search or retraining assistance) or when filing for unemployment. The current state of Rapid Response is *reactive* in nature, with little-to-no marketing of available services or outreach to businesses before a lay-off or closure.

#### **Workforce Development Areas findings for a “best practices transition model”**

Three local Workforce Development Areas (WDA’s) with the highest concentration of defense contractor employers in Washington State performed research to develop a workforce diversification strategy plan tailored to specifically address defense contractors (in response to possible contracts ending and subsequent layoffs of employees) in their local areas. During their research, all three areas identified “best practices” for Rapid Response services, business services, and enhanced services that could provide for defense contractor employers and their employees.

Local areas were asked to address the following issues (contract deliverables) in a best practices transition model:

1. Augment existing worker transition center/resources to include focus on former defense contractors
2. Take into consideration the current multi-track model used by DoD transition program, including employment, entrepreneurship, career, and technical training/education
3. Identification of career re-employment road map (employment plan) to move into targeted sectors

To address issue #1, local WDA’s focused on the existing Rapid Response process and looked for better ways to support the defense contractor workforce in the event of a layoff. All three areas found that the

following changes should be made to the Rapid Response process and system to best support defense contractor layoffs:

- **Improved layoff aversion/advanced warning mechanisms.** All Workforce Development Area reports pointed to better utilization of the local business climate knowledge within the employer services groups at WorkSource would help to develop an “early warning” system that addresses employers BEFORE major layoffs occur. Rapid Response outreach teams would have the opportunity to offer layoff aversion tools to employers such as Shared Work. A recommendation was also made to extend the 60 day notice requirement for WARN’s to as much as 1 year where possible.
- **Strengthen the engagement requirements** by lowering the number of affected employees (being laid off) required to trigger a WARN to as low as 20. Currently the system threshold is 100. Lowering the threshold would require smaller businesses to submit a WARN and would greatly increase the ability to capture the smaller businesses with defense contracts.
- **Personalize services at Rapid Response events** and use mobile technology (laptops). This would allow Rapid Response teams the ability to register defense contract employees in the WorkSource IT system **on-site** at the Rapid Response event instead of relying on voluntary registration at a WorkSource office after the event. A registered defense contractor employee results in the ability to track/recall individuals and provide more specialized/targeted reemployment services. In the event a defense contract employee does NOT get registered into the WorkSource system during a Rapid Response event, proposed changes to the registration system would increase the likelihood of capturing their information by asking specific questions targeting defense contract employees during the registration process. This would only happen if the employee chose to register on WorkSourceWA.com which can happen from a personal computer or by visiting a WorkSource office.

To address issue #2, changes to the technology system used at WorkSource (WorkSourceWA.com) must be made in order to specifically serve the defense contract workforce. Those changes include a self-identification method for defense contract employees to choose during the system registration process. By identifying as a former defense contract employee in their registration profile, job search case managers and employers searching for employees can search and locate these former defense contract employees. One area specifically stated: *Following the status of those who go through a Rapid Response event has been a difficulty. Many laid off workers possess very unique skillsets, including defense contractors, and tracking their employment status is very important when specific needs arise for their skills within in the region.*

The existing WorkSource/WorkSourceWA.com system fully addresses the multi-track model used by DoD, including one-on-one support for job search and employment plans, entrepreneurship information and guidance, career coaching, and technical training/education programs/assistance. Additional career and job search support also includes local business connections into targeted sector hiring events sponsored through WorkSource.

Issue #3 is addressed by job-search coaches at local WorkSource offices whose job it is to help design a comprehensive employment plan. Job search coaches have local business community intel as well as Employment Security labor market data to help shape individual career re-employment road maps (employment plans) to move people into targeted sectors that are in-demand. These employment

plans would recognize the special skill sets and/or certifications held by former defense contract workers because this information would be captured in the employees "profile" when they were registered in the WorkSourceWA.com system. Coaches also help provide training information (if needed to be competitive in a certain occupation) and offer direct connections to employer events in specific sectors that are hiring.

In combination with job search coaches, reemployment road maps are enhanced by technology. One local area shared their use of an analytics software called Burning Glass Labor Insights. The local WDC selected this software specifically to improve their layoff response services. Their layoff response team can utilize this software to **map the unique skillsets defense contractors possess** and analyze which sectors and occupations those specific skills can transfer to. It takes specific skills and/or credentials and links directly to job postings. The software also tracks job postings in real-time, to help identify which jobs and skills are in high demand at that very moment. It also identifies which employers are posting openings for those jobs and skills. This new tool helps determine the best placement opportunities and/or training that can be offered to help laid-off workers maintain their competitiveness in the labor market, and leverage their unique skillsets from working for a defense contractor. The software is a potential "best practice" that could be implemented statewide, to be used in conjunction with WorkSourceWA.com that uses Monster technology for job-search applicant matching.

The WorkSource reemployment system is comprehensive, and with improvements made to the WorkSourceWA.com system, can fully support the defense contractor workforce during career/employment transition.

### **Other changes recommended to Washington's Rapid Response model**

Additional improvements to the system were recommended and include:

- **Better utilization of business climate** knowledge within WorkSource employer services groups and Employment Security labor market data to identify potential employers and/or sectors expected to experience economic difficulties, so that layoff aversion discussions and actions can take place with an employer in lieu of a major Rapid Response event. A best practice has been identified to have one key member of staff in each local Workforce Development Area who is responsible for coordinating the defense industry and business knowledge sharing effort. This shift in process will facilitate local area Rapid Response to become more proactive instead of reactive to economic downturns in all industries, including defense contract work.
- **A marketing video** used statewide to advertise layoff response services, which can be shared online and embedded on websites.
- **A robust communications campaign** to provide targeted information to the public and local businesses about available services to support businesses and their employees after layoffs or closures. This will help to reach any job seekers or businesses that are missed by increases in outreach and help to inform companies and job seekers about the support network.
- **Information about services provided through the WARN Act process.** When companies give notice through the WARN letter, the process does not share guidelines for how impacted

workers can be connected to resources through a Rapid Response event. This creates an environment where Rapid Response providers must justify their value to a company in order to engage with their workers.

### **Next steps**

As a major partner in the Washington Rapid Response system, Employment Security will bring together all partners to:

- Review the findings and recommendations in this report
- Discuss the support and/or feasibility of statewide implementation for each recommendation
- Develop next steps/timelines for implementation

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