**APPENDIX B Layoff Aversion "At Risk" Indicators**

- Declining Sales – A company has undergone or will undergo (must be confirmed) a significant loss in sales that puts part of their workforce in threat of layoff. Declining sales must be expressed in terms of X dollars or Y units for Z period of time (months or years); along with information that provides known or suspected reasons for the decline. When determining if a decline in sales is the cause of a potential layoff, have considerations been given to the industry as a whole; is the decline a percentage of the market; has product quality, production delays, or pricing contributed to the decline in sales, etc.?
- Supply Chain Issues – A company loses a supplier or consumer that threatens the employment of part of their workforce, or acquires a new supplier that requires new skills to maintain the workforce. Supply chain issues must be accompanied by an explanation as to why the change occurred. When determining whether a supply chain issue will contribute to a potential layoff, have considerations been given to other suppliers' ability to provide same or like products; has the company considered alternative product(s) production and sales that would not require retraining of staff or layoff; can the new training be conducted by the new supplier; etc.? Supply chain issues must be supported by documentation of the factors causing the supply problem.
- Industry/Market Trends – The industry/market standards have changed to the point where new training is needed to retain the current workforce. For example, have the employer's customers asked for production or delivery of products to be handled in a specific way that requires skill upgrade training? When considering whether industry/market trends may cause a potential layoff, has the company consulted with industry experts to determine if assistance is available to assist with upgrades to the manufacturing process or employee knowledge, or contacted other companies in the industry to share upgrades in skills training or equipment, etc.?
- Changes in Management Philosophy or Ownership – A company has undergone a new approach to conducting business or new ownership requires new skills to maintain the employment of part of the workforce. Changes in ownership are generally the result of a lack of profitability, but may also occur where a company is profitable, but not profitable enough (this level of profit may meet the profit requirements of another owner) or the current owners do not have the resources to take advantage of new business strategies. An owner may also pass away unexpectedly without a succession plan in place. New or changes in philosophies will generally accompany new ownership. Changes in philosophy may also occur when operations no longer meet their core business application or are viewed as excess capacity to their overall operations. When considering changes in ownership or philosophy as the cause of a potential layoff, has new ownership been determined (including such options as employee stock ownership plans), have alternatives been considered in the restructuring of the company that might reduce the number of layoffs, have community groups and labor organizations been involved in the discussions to lend their expert advice, etc.?